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PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

SENATE—*Monday, June 16, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. J. BENNETT JOHNSTON, a Senator from the State of Louisiana.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who has watched over us and brought us to this new day, grant us Thy grace so to live, so to work, so to serve as to be an honor to America. Look upon us in all our humanity and fit us for our duties in this place. Forgive what we have been. Amend what we are. Direct what we shall be. Rule our hearts and minds and wills to work with Thee for the new world yet to be. Thus, may the words of our mouths, and the meditations of our hearts, be acceptable in Thy sight, O Lord, our strength, and our Redeemer. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, D.C., June 16, 1975.*
>
> *To the Senate:*
>
> Being temporarily absent from the Senate on official duties, I appoint Hon. J. BENNETT JOHNSTON, a Senator from the State of Louisiana, to perform the duties of the Chair during my absence.
>
> JAMES O. EASTLAND,
> *President pro tempore.*

Mr. JOHNSTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, June 13, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of unobjected-to items on the calendar be waived under rule VIII.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today until the hour of 1 p.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to consideration of Calendars Nos. 184 and 188.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL GUARD TECHNICIANS' RETIREMENT

The Senate proceeded to consider the bill (S. 584) to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technical service in connection with civil service retirement, and for other purposes, which had been reported from the Committee on Post Office and Civil Service, with an amendment as follows:

On page 2, line 3, strike out "(1)." and insert "(m) and redesignating subsection (n) as (m).", so as to make the bill read:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 8332(b) of title 5, United States Code, relating to creditable service for civil service retirement purposes, is amended by striking out the last sentence.
>
> (b) Section 8334(c) of title 5, United States Code, relating to deposits for periods of creditable service for civil service retirement purposes, is amended by striking out the last sentence.
>
> (c) Section 8339 of title 5, United States Code, relating to computation of civil service retirement annuities, is amended by striking out subsection (m) and redesignating subsection (n) as (m).
>
> (d) Section 3(c) of the National Guard Technicians Act of 1968 (82 Stat. 757; Public Law 90-486), relating to crediting of National Guard technician service for Federal employees' leave, death, and disability compensation, group life and health insurance, severance pay, tenure, and status, is amended by striking out the second sentence.
>
> SEC. 2. The foregoing provisions of this Act shall become effective as of January 1, 1969.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

CONTROL OF THE AFRICAN HONEYBEE

The Senate proceeded to consider the bill (S. 18) to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments as follows:

On page 2, beginning in line 14, strike out:

> Honeybees imported pursuant to paragraph (2) of this subsection shall be imported under such rules and regulations as the Secretary of Agriculture and the Secretary of the Treasury shall prescribe.
>
> "(b) Except with respect to honeybees imported pursuant to paragraph (1) or (2) of subsection (a) of this section, all honeybees offered for import or intercepted entering the United States shall be destroyed or immediately exported.
>
> "(c) As used in this Act, the term 'honeybee' means all life stages and the germ plasm of honeybees of the genus Apis.".

And insert in lieu thereof:

> "(b) Honeybee semen may be imported into the United States only from countries determined by the Secretary of Agriculture to be free of undesirable species or subspecies of honeybees, and which have in operation precautions adequate to prevent the importation of such undesirable honeybees and their semen.
>
> "(c) Honeybees imported pursuant to subsections (a) and (b) of this section shall be imported under such rules and regulations as the Secretary of Agriculture and the Secretary of the Treasury shall prescribe.
>
> "(d) Except with respect to honeybees imported pursuant to subsections (a) and (b) of this section, all honeybees offered for import or intercepted entering the United States shall be destroyed or immediately exported.
>
> "(e) As used in this Act, the term 'honeybee' means all life stages and the germ plasm of honeybees of the genus Apis, except honeybee semen.".

On page 4, beginning in line 3, strike out:

> "SEC. 3. The Secretary of Agriculture is authorized to cooperate with the Governments

of Canada, Mexico, Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, and Colombia, or the local authorities thereof, in carrying out necessary research, surveys, and control operations in those countries in connection with the eradication, suppression, control, and prevention or retardation of the spread of undesirable species and subspecies of honeybees, including but not limited to Apis mellifera adansonii, commonly known as the African or Brazilian honeybee. In performing the operations or measures authorized in this Act, the governments of such countries shall be responsible for the authority necessary to carry out such operations or measures on all lands and properties therein and for such other facilities and means as in the discretion of the Secretary of Agriculture are necessary. The measure and character of cooperation carried out under this Act on the part of the United States and on the part of the governments of such countries, including the expenditure or use of funds appropriated pursuant to this Act, shall be such as may be prescribed by the Secretary of Agriculture. Arrangements for the cooperation authorized by this Act shall be made through and in consultation with the Secretary of State.

And insert in lieu thereof:

"SEC. 3. (a) The Secretary of Agriculture either independently or in cooperation with States or political subdivisions thereof, farmers' associations, and similar organizations and individuals, is authorized to carry out operations or measures in the United States to eradicate, suppress, control, and to prevent or retard the spread of undesirable species and subspecies of honeybees.

"(b) The Secretary of Agriculture is authorized to cooperate with the Governments of Canada, Mexico, Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, and Colombia, or the local authorities thereof, in carrying out necessary research, surveys, and control operations in those countries in connection with the eradication, suppression, control, and prevention or retardation of the spread of undesirable species and subspecies of honeybees, including but not limited to Apis mellifera adansonii, commonly known as the African or Brazilian honeybee. The measure and character of cooperation carried out under this subsection on the part of such countries, including the expenditure or use of funds appropriated pursuant to this Act, shall be such as may be prescribed by the Secretary of Agriculture. Arrangements for the cooperation authorized by this subsection shall be made through and in consultation with the Secretary of State.

"(c) In performing the operations or measures authorized in this Act, the cooperating foreign country, State, or local agency shall be responsible for the authority to carry out such operations or measures on all lands and properties within the foreign country or State, other than those owned or controlled by the Federal Government of the United States, and for such other facilities and means as in the discretion of the Secretary of Agriculture are necessary.

So as to make the bill read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of August 31, 1922, as amended (42 Stat. 833; 76 Stat. 169; 7 U.S.C. 281), is amended to read as follows:

"(a) In order to prevent the introduction and spread of diseases and parasites harmful to honeybees, and the introduction of genetically undesirable germ plasm of honeybees, the importation into the United States of all honeybees is prohibited, except that honeybees may be imported into the United States—

"(1) by the United States Department of Agriculture for experimental or scientific purposes, or

"(2) from countries determined by the Secretary of Agriculture—

"(A) to be free of diseases or parasites harmful to honeybees, and undersirable species or subspecies of honeybees; and

"(B) to have in operation precautions adequate to prevent the importation of honeybees from other countries where harmful diseases or parasites, or undesirable species or subspecies, of honeybees exist.

"(b) Honeybee semen may be imported into the United States only from countries determined by the Secretary of Agriculture to be free of undesirable species or subspecies of honeybees, and which have in operation precautions adequate to prevent the importation of such undesirable honeybees and their semen.

"(c) Honeybees imported pursuant to subsections (a) and (b) of this section shall be imported under such rules and regulations as the Secretary of Agriculture and the Secretary of the Treasury shall prescribe.

"(d) Except with respect to honeybees imported pursuant to subsections (a) and (b) of this section, all honeybees offered for import or intercepted entering the United States shall be destroyed or immediately exported.

"(e) As used in this Act, the term 'honeybee' means all life stages and the germ plasm of honeybees of the genus Apis, except honeybee semen.".

SEC. 2. Section 2 of the Act of August 31, 1922 (42 Stat. 834; 7 U.S.C. 282), is amended to read as follows:

"SEC. 2. Any person who violates any provision of section 1 of this Act or any regulation issued under it is guilty of an offense against the United States and shall, upon conviction, be fined not more than $1,000, or imprisoned for not more than one year, or both.".

"SEC. 3. The Act of August 31, 1922, is further amended by adding the following new sections:

"SEC. 3. (a) The Secretary of Agriculture either independently or in cooperation with States or political subdivisions thereof, farmers' associations, and similar organizations and individuals, is authorized to carry out operations or measures in the United States to eradicate, suppress, control, and to prevent or retard the spread of undesirable species and subspecies of honeybees.

"(b) The Secretary of Agriculture is authorized to cooperate with the Governments of Canada, Mexico, Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, and Colombia, or the local authorities thereof, in carrying out necessary research, surveys, and control operations in those countries in connection with the eradication, suppression, control, and prevention or retardation of the spread of undesirable species and subspecies of honeybees, including but not limited to Apis mellifera adansonii, commonly known as the African or Brazilian honeybee. The measure and character of cooperation carried out under this subsection on the part of such countries, including the expenditure or use of funds appropriated pursuant to this Act, shall be such as may be prescribed by the Secretary of Agriculture. Arrangements for the cooperation authorized by this subsection shall be made through and in consultation with the Secretary of State.

"(c) In performing the operations or measures authorized in this Act, the cooperating foreign country, State, or local agency shall be responsible for the authority to carry out such operations or measures on all lands and properties within the foreign country, or State, other than those owned or controlled by the Federal Government of the United States, and for such other facilities and means as in the discretion of the Secretary of Agriculture are necessary.

"SEC. 4. Funds appropriated to carry out the provisions of this Act may also be used for printing and binding without regard to section 501 of title 44, United States Code, for employment, by contract or otherwise, of civilian nationals of Canada, Mexico, Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, and Colombia for services abroad, and for the construction and operation of research laboratories, quarantine stations, and other buildings and facilities.

"SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.".

Mr. THURMOND. Mr. President, I am pleased to cosponsor this legislation with the junior Senator from Kansas (Mr. DOLE) and urge its adoption by the Senate. Enactment of this legislation is important, not only to our domestic apiculture industry, but also to a large segment of American agriculture, which depends on a healthy honeybee population for crop pollination. This means that the legislation we are presently considering directly or indirectly affects all Americans, despite the apparent specificity of the subject area.

This bill strengthens the existing Honeybee Act by prohibiting the importation of honeybees in all stages of their life cycle, from germ plasm to adult. The only exceptions would be importation by the U.S. Department of Agriculture for experimental or research purposes, or importation from countries determined by USDA to be free of diseases or parasites harmful to honeybees and undesirable species of honeybees, especially the so-called African or Brazilian honeybee.

This African honeybee has become a serious threat to hobby and commercial honeybee colonies here in the United States. Since the African honeybee was deliberately imported into Brazil in 1956, this virulent and aggressive strain of honeybees has mixed with other breeds in South America and spread northward into Central America and Mexico. Apiculturists in this country are now deeply concerned that the African honeybee strain would invade and take over domestic bee colonies in the Southern parts of the United States.

The African honeybee strain threatens bee colonies in this country because of its aggressive, dominant, and vicious characteristics. Honeybees with the Africanized genes are extremely difficult to handle and often viciously attack livestock and people. The African honeybee and its hybrids are so aggressive and mobile in their nectar-foraging activities that our commercial bee strains could not compete with them, and bee colonies which might acquire the Africanized genes could no longer be maintained anywhere near residences, because of these bees' vicious stinging habits. Clearly, it is wise to move now to head off what could become another serious pest problem in the United States.

Mr. President, I realize that, in our increasingly urbanized society, many persons are not aware of the tremendous value of honeybees. These hard-working insects are not only important because of the delicious honey they produce, but even more so for their activities in pollinating important agricultural crops and flowers. For instance, it is my understanding that some 90 crops in the United States are heavily dependent on bees for pollination, with the annual value of production from crops directly dependent upon insect pollination being over $1 billion. Pollination of many other essential crops is greatly improved by bee activities. Hence, it is essential to maintain a healthy domestic bee population to carry out these highly beneficial activities.

While my State of South Carolina is not one of the leading beekeeping and honey-producing States, it is estimated that there are between 60,000 and 70,000 hobby and commercial bee colonies in the State. Furthermore, many of South Carolina's important fruit and vegetable crops—including apples, some varieties of peaches, melons, and cucumbers—are greatly dependent on bees for pollination. These facts underscore the importance of this legislation to South Carolina agriculture. Other States will reap similar benefits from the safeguards in this bill, and I urge that it be approved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

APPOINTMENT OF SENATORS TO MEET WITH PRESIDENT ON GOVERNMENT REGULATORY POLICY

Mr. MANSFIELD. Mr. President, at a meeting with the President at the White House on Friday last, the President asked the distinguished Republican leader and me to name 10 Senators, five from each side, to meet with him at the White House on matters concerning Government regulatory policy. At this time, I wish to announce that I have designated Mr. Pastore, Mr. Hartke, Mr. Moss, Mr. Kennedy, and Mr. Ford to represent this side of the aisle at that meeting on June 25.

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. Yes, indeed.

Mr. HUGH SCOTT. I have designated from the minority side certain Senators in an effort to parallel what the other body is reported to be doing—that is, to give representation to the Committees on Commerce, Government Operations, Interior, Appropriations, and the leadership. Therefore, I have designated the following Senators, and I state them in order of their service in the Senate: the Senator from Nebraska (Mr. Hruska), the Senator from Kansas (Mr. Pearson), the Senator from Arizona (Mr. Fannin), the Senator from Illinois (Mr. Percy), and the Senator from Vermont (Mr. Stafford).

Mr. MANSFIELD. I have no further requests.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, has provision been made for a morning hour?

The ACTING PRESIDENT pro tempore. There has been provision made for a morning hour.

Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

Is there morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

ENROLLED JOINT RESOLUTION APPROVED

A message from the President of the United States stated that he had approved and signed the enrolled joint resolution (S.J. Res. 92) to honor America.

REPORT OF THE CIVIL SERVICE COMMISSION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Johnston) laid before the Senate a message from the President of the United States transmitting the annual report for the fiscal year 1974 of the Civil Service Commission, which, with the accompanying report, was referred to the Committee on Post Office and Civil Service. The message is as follows:

To the Congress of the United States:

I am transmitting herewith a copy of the United States Civil Service Commission's Annual Report for fiscal year 1974.

GERALD R. FORD.

THE WHITE HOUSE, *June 16, 1975.*

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

ENROLLED BILL SIGNED

Under authority of the order of June 13, 1975, a message from the House of Representatives was received during the recess of the Senate stating that the Speaker had signed the enrolled joint resolution (H.J. Res. 492) making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

The enrolled joint resolution was subsequently signed by the Acting President pro tempore (Mr. Culver).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SPARKMAN (by request):

S. 1942. A bill to authorize certain officers and employees of the Department of State and of the Foreign Service to carry firearms for the purpose of protecting designated individuals. Referred to the Committee on Foreign Relations.

S. 1943. A bill to amend title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service retirement and disability system, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. HOLLINGS:

S. 1944. A bill for the relief of Dr. Jesus King Tan, his wife, Margaret Pearl Liyao Tan, and their son, Jesse William Liyao Tan. Referred to the Committee on the Judiciary.

By Mr. McGOVERN (for himself, Mr. Case, Mr. Abourezk, Mr. Clark, Mr. Humphrey, Mr. Kennedy, Mr. Philip A. Hart, Mr. Schweiker, and Mr. Hollings):

S. 1945. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to nutrition education and nutrition-related problems. Referred to the Committee on Labor and Public Welfare.

By Mr. CASE:

S. 1946. A bill to amend the Regional Rail Reorganization Act of 1973 with respect to the local service lines which the U.S. Railway Association does not designate as part of the ConRail system in the final system plan, and for other purposes. Referred to the Committee on Commerce.

By Mr. THURMOND:

S. 1947. A bill for the relief of Samuel Cube Fernando. Referred to the Committee on the Judiciary.

S. 1948. A bill to authorize and direct the Secretary of Agriculture and the Secretary of the Interior to quitclaim retained rights to certain land in Orangeburg County, S.C., to the State superintendent of education of the State of South Carolina. Referred to the Committee on Agriculture and Forestry.

By Mr. CURTIS:

S. 1949. A bill to amend section 103 of the Internal Revenue Code of 1954. Referred to the Committee on Finance.

By Mr. MATHIAS:

S. 1950. A bill to amend the Tariff Schedules of the United States to impose higher rates of duty on products derived from petroleum, to distribute the revenue from such increased rates of duty to States which consume such products, and for other purposes. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPARKMAN (by request):

S. 1942. A bill to authorize certain officers and employees of the Department of State and of the Foreign Service to carry firearms for the purpose of protecting designated individuals. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to authorize certain officers and employees of the Department of State and of the Foreign Service to carry firearms for the purpose of protecting designated individuals.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated June 2, 1975.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 1942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 28, 1955 (22 U.S.C. 2666) is amended to read as follows:

"Under such regulations as the Secretary of State may prescribe, security officers of the Department of State and the Foreign Service who have been designated by the Secretary of State and who have qualified for the use of firearms, are authorized to carry firearms for the purpose of protecting heads of foreign states, official representatives of foreign governments and other distinguished visitors to the United States, the Secretary of State, the Deputy Secretary of State, official representatives of the United States Government, and members of the immediate families of any such persons, both in the United States and abroad."

JUNE 2, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill to amend Section 1 of the Act of June 28, 1955, as amended (22 USC 2666). This provision of law authorizes security officers of the Department of State and the Foreign Service, who have been designated by the Secretary of State and who have qualified for the use of firearms, to carry firearms for the purpose of protecting heads of foreign states, high officials of foreign governments and other distinguished visitors to the United States, the Secretary of State and the Under Secretary of State, and official representatives of foreign governments and of the United States attending international conferences or performing special missions.

The lamentable increase in international terrorist acts has demonstrated the necessity for somewhat broader and clearer authority to provide protection to persons who by their position, activities, or family relationships are exposed to special risk of terrorist attack. For example, recent terrorist acts demonstrate that the effective protection of any public figure frequently requires not only the protection of his own person, but also of the persons of members of his immediate family. We believe this authority exists for the categories of persons mentioned in the existing legislation, but clarification would be most desirable. Experience has also shown that it may be important to provide personal protection for individual diplomats or members of their immediate families on occasions other than at international conferences or during special missions.

The proposed legislation would authorize the Secretary of State to direct that protection be provided to official representatives of the United States Government and to members of their immediate families in cases where the Secretary determines such protection to be necessary. We strongly believe that the Secretary requires the increased authority provided by the proposed legislation to permit him to offer full protection to persons who are subjected to extraordinary personal danger to themselves or their families in the performance of their diplomatic duties.

The enclosed draft bill would in no way interfere with the protective functions of other agencies of the Federal Government. Nor is it anticipated that additional manpower or funds will be required to implement the proposed legislation. Rather, we hope that the legislation will give the Department the flexibility necessary for the most effective use of existing security resources in instances of known threats against foreign officials in the United States, official Americans engaged in international affairs, and members of their immediate families. In view of the ever-increasing threat of terrorist acts against such individuals, we urge early and favorable consideration of the draft bill.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of the proposed legislation.

Respectfully,

ROBERT MCCLOSKEY,
Assistant Secretary for Congressional Relations.

By Mr. SPARKMAN (by request):

S. 1943. A bill to amend title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service retirement and disability system, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to amend title VIII of the Foreign Service retirement and disability system, and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve the right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated June 2, 1975.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 1943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Service Retirement Amendments of 1975".

FSS PARTICIPATION

SEC. 101. (a) Section 803 of the Foreign Service Act of 1946 (22 U.S.C. 801–1159) is amended by adding the following subparagraph at the end of paragraph (a) thereof:

"(4) All Foreign Service Staff officers and employees appointed by the Secretary of State or the Director of the United States Information Agency with unlimited appointments."

(b) Section 803 of such Act is further amended by changing the reference at the end of subparagraph (b)(2) from "852(b)" to "811".

(c) Section 803 of such Act is further amended by deleting paragraph (c) thereof.

DEFINITIONS

SEC. 102. (a) The heading of section 804 of such Act is amended to read "DEFINITIONS".

(b) Section 804 of such Act is amended by deleting paragraph (a), the preface in paragraph (b), and subparagraphs (b) (1), (2), and (3) and substituting the following in lieu thereof immediately following the section number:

"When used in this title unless otherwise specified, the term—

"(a) 'Annuitant' means any person including a former participant or survivor who meets all requirements for an annuity from the Fund under the provisions of this or any other Act and who has filed claim therefor.

"(b) 'Surviving spouse' means the surviving wife or husband of a participant or annuitant who, in the case of a death in Service or marriage after retirement, was married to the participant or annuitant for at least two years immediately preceding his or her death or is the parent of a child born of the marriage.

"(c) 'Child' except in section 841 means an unmarried child, under the age of eighteen years, or such unmarried child regardless of age who because of physical or mental disability incurred before age eighteen is incapable of self-support. In addition to the offspring of the participant, the term includes (i) an adopted child, (ii) a stepchild or recognized natural child who received more than one-half support from the participant, and (iii) a child who lived with and for whom a petition of adoption was filed by a participant, and who is adopted by the surviving spouse of the participant after the latter's death. 'Child' also means an unmarried student below the age of twenty-two years. For this purpose a child whose twenty-second birthday occurs before July 1 or after August 31 of a calendar year, and while a student is deemed to have become twenty-two years of age on the first day of July after that birthday.

"(d) 'Student' means a child regularly pursuing a full-time course of study or training in residence in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution. A child who is a student shall not be deemed to have ceased to be a student during any interim between school years, semesters, or terms if the interim or other period of nonattendance does not exceed five calendar months and if the child shows to the satisfaction of the Secretary that he or she has a bona fide intention of continuing to pursue such course during the school year, semester, or term immediately following the interim.

"(e) 'Military and naval service' means honorable active service—

"(A) in the Armed Forces of the United States;

"(B) in the Regular or Reserve Corps of the Public Health Service after June 30, 1960; or

"(C) as a commissioned officer of the National Oceanic and Atmospheric Administration or predecessor organization after June 30, 1961;

but does not include service in the National Guard except when ordered to active duty in the service of the United States."

(c) Section 804 of such Act is further amended (A) by renumbering present subparagraphs "(b)(4)", "5)" and "(6)" as "(f)", "(g)" and "(i)", respectively and (B) by adding the following as a new paragraph immediately following renumbered paragraph (g):

"(h) 'Foreign Service normal cost' means the level percentage of payroll required to be deposited in the Fund to meet the cost of benefits payable under the System (computed in accordance with generally accepted actuarial practice on an entry-age basis) less the value of retirement benefits earned under another retirement system for Government employees and less the cost of credit allowed for military service."

CONFORMITY WITH CIVIL SERVICE RETIREMENT SYSTEM

SEC. 103. Immediately below section 804 of such Act, add the following new section:

"AUTHORITY TO MAINTAIN EXISTING AREAS OF CONFORMITY BETWEEN CIVIL SERVICE AND FOREIGN SERVICE RETIREMENT SYSTEMS

"SEC. 805. (a) Whenever the President determines that it would be appropriate for the purpose of maintaining existing conformity between the Civil Service Retirement and Disability System and the Foreign Service Retirement and Disability System with respect to substantially identical provisions, he may, by Executive order, extend to current or former participants in the Foreign Service system, or to their survivors, a provision of law enacted after January 1, 1974 which:

(1) amends subchapter III, chapter 83, title 5, United States Code, and is applicable to Civil Service employees generally, or

(2) otherwise affects current or former participants in the Civil Service Retirement and Disability System, or their survivors.

Any such order shall extend such provision of law so that it applies in like manner with respect to such Foreign Service participants, former participants or survivors. Any such order shall have the force and effect of law and may be given retroactive effect to a date not earlier than the effective date of the corresponding provision of law applicable to employees under the Civil Service retirement system.

"(b) Any provisions of an Executive order issued pursuant to this section shall modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

(1) all provisions of law enacted prior to the effective date of the provision of such Executive order, and

(2) any prior provision of an Executive order issued under authority of this section."

CONTRIBUTIONS

SEC. 104. (a) The heading of Part B of title VIII of such Act is amended to read "CONTRIBUTIONS TO THE FUND".

(b) Section 811 of such Act is amended by adding the following paragraphs at the end thereof:

"(c)(1) If an officer or employee under another retirement system for Government employees becomes a participant in the System by direct transfer, such officer or employee's total contributions and deposits that would otherwise be refundable on separation including interest accrued thereon, except voluntary contributions, shall be transferred to the Fund effective as of the date such officer or employee becomes a participant in the System. Each such officer or employee shall be deemed to consent to the transfer of such funds and such transfer shall be a complete discharge and acquittance of all claims and demands against the other Government retirement fund on account of service rendered prior to becoming a participant in the System.

"(2) No officer or employee, whose contributions are transferred to the Fund in accordance with the provisions of paragraph (c)(1) of this section, shall be required to make contributions in addition to those transferred, for periods of service for which required contributions were made to the other Government retirement fund, nor shall any refund be made to any such officer or employee on account of contributions made during any period to the other Government retirement fund, at a higher rate than that fixed by paragraph (d) of this section.

"(d) Any participant credited with civilian service after July 1, 1924 (1) for which no retirement contributions, deductions, or deposits have been made, or

(2) for which a refund of such contributions, deductions, or deposits has been made which has not been redeposited, may make a special contribution to the Fund equal to the following percentages of basic salary received for such services:

Service	Percent of basic salary
From July 1, 1924, to October 15, 1960, inclusive	5
From October 16, 1960, to December 31, 1969, inclusive	6½
On and after January 1, 1960	7

Notwithstanding the foregoing, a special contribution for prior nondeposit service as a National Guard technician which would be creditable under subchapter III, chapter 83, title 5, of the United States Code toward Civil Service retirement and for which a special contribution has not been made, shall be equal to the special contribution for such service computed in accordance with the above schedule multiplied by the percentage of such service that is creditable under section 851. Special contributions shall include interest computed from the midpoint of each service period included in the computation, or from the date refund was paid, to the date of payment of the special contribution or commencing date of annuity, whichever is earlier. Interest shall be compounded at the rate of 4 per centum per annum to December 31, 1975, and at 3 per centum per annum thereafter. No interest shall be charged on special contributions made after the date of enactment of the Foreign Service Retirement Amendments of 1975 for any period of separation from Government service which began before October 1, 1956. Special contributions may be paid in installments when authorized by the Secretary.

"(e) No contributions shall be required for any periods of military or naval service.

"(f) A participant or survivor may make a special contribution any time before receipt of annuity and may authorize payment by offset against initial annuity accruals."

COMPUTATION OF ANNUITIES

SEC. 105. (a) The heading of part C of title VIII of such Act is amended to read "COMPUTATION AND PAYMENT OF ANNUITIES".

(b) Paragraph (a) of section 821 of such Act is amended (A) by striking the phrase "for which full contributions have been made to the Fund" each time it appears and by striking the commas immediately preceding and following such phrase the first time it appears, (B) by striking ", 852" and (C) by adding the following sentence at the end: "The annuity shall be reduced by 10 per centum of any special contribution described in section 811(d) due for service for which no contributions were made and remaining unpaid unless the participant elects to eliminate the service involved for purposes of annuity computation."

(c) Paragraph (b) of section 821 of such Act is amended to read as follows:

"(b)(1) Unless elected in writing to the contrary at the time of retirement, any married participant shall receive a reduced annuity and provide a maximum survivor annuity for his or her spouse. Such a participant's annuity or any portion thereof designated in writing by the participant as the base for the survivor benefit shall be reduced by 2½ per centum of the first $3,600 plus 10 per centum of any amount over $3,600. If an annuitant entitled to receive a reduced annuity under this paragraph dies and is survived by a spouse, a survivor annuity shall be paid to the surviving spouse equal to 55 per centum of the full amount of the participant's annuity computed under paragraph (a) of this section, or by 55 per centum of any lesser amount the annuitant designated at the time of retirement as the base for the survivor benefit.

"(2) An annuity payable from the Fund to a surviving spouse shall commence on the day after the annuitant dies and shall terminate on the last day of the month before the survivor's (A) remarriage prior to attaining age sixty or (B) death. If a survivor annuity is terminated because of remarriage under (A) above, it shall be restored at the same rate commencing on the date such remarriage is terminated provided any lump sum paid upon termination of the annuity is returned to the Fund."

(d) Paragraph (d) of section 821 of such Act is amended by adding the following sentence at the end: "If the annuity to a surviving child is initiated or resumed, the annuities of any other children shall be recomputed and paid from that date as though the annuities to all currently eligible children in the family were then being intiated."

(e) Paragraph (e) of section 821 of such Act is amended to read as follows:

"(e) The annuity payable to a child under paragraph (c) or (d) of this section shall begin on the day after the participant dies or if the child is not then qualified, on the first day of the month in which the child becomes eligible. A child's annuity shall terminate on the last day of the month which precedes the month in which eligibility ceases."

(f) Paragraph (f) of section 821 of such Act is amended by (A) changing "50" to "55" in the first sentence and (B) by striking out the last two sentences and inserting in lieu thereof the following:

"The annuity payable to a beneficiary under the provisions of this paragraph shall begin on the day after the annuitant dies and shall terminate on the last day of the month preceding the survivor's death."

(g) Section 821 of such Act is further amended by adding the following new paragraphs at the end:

"(g) An annuitant who was unmarried at retirement and who later marries may, within one year after such marriage, irrevocably elect in writing a reduced annuity with benefit to any surviving spouse who qualifies under section 804(b). The reduction in annuity shall be effective the first day of the month after notice of the election is received by the Secretary. Receipt by the Secretary of notice of an election under this paragraph voids prospectively any election previously made under paragraph (f). The reduction in annuity required by an election under this paragraph shall be computed and the amount of the survivor annuity shall be determined as if the election were made under paragraph (b)(1). The annuity reduction or recomputation shall be effective the first day of the month after notice of the election is received by the Secretary.

"(h) A surviving spouse shall not become entitled to a survivor annuity or to the restoration of a survivor annuity payable from the Fund unless the survivor elects to receive it instead of any other survivor annuity to which he or she may be entitled under this or any other retirement system for Government employees.

"(i) Any married annuitant who reverts to retired status with entitlement to a supplemental annuity under section 871 shall, unless the annuitant elects in writing to the contrary at that time, have the supplemental annuity reduced by 10 per centum to provide a supplemental survivor annuity for his or her spouse. Such supplemental survivor annuity shall be equal to 55 per centum of the annuitant's supplemental annuity and shall be payable to a surviving spouse to whom the annuitant was married at the time of reversion to retired status or to whom the annuitant had been married for at least two years at the time of death or who is the parent of a child born of the marriage."

PAYMENT OF ANNUITIES

SEC. 106. Part C of title VIII of such Act is further amended by adding the following new section at the end:

"SEC. 822. (a) Except as otherwise provided, the annuity of a former participant who has met the eligibility requirements for annuity shall commence on the day after separation from the Service or on the day after pay ceases. The annuity of a former participant who is entitled to a deferred annuity under section 834 or under any other section of this Act shall begin on the day he or she reaches age sixty.

"(b) The annuity to a survivor shall become effective as otherwise specified but shall not be paid until the survivor submits an application therefor supported by such proof of eligibility as the Secretary may require. If such application or proof of eligibility is not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate.

"(c) An individual entitled to annuity from the Fund may decline to accept all or any part of the annuity by submitting a signed waiver to the Secretray. The waiver may be revoked in writing at any time. Payment of the annuity waived may not be made for the period during which the waiver was in effect.

"(d) Recovery of overpayments under this title may not be made from an individual when, in the judgment of the Secretary, the individual is without fault and recovery would be against equity and good conscience or administratively infeasible."

DISABILITY ANNUITIES—TECHNICAL CHANGE

SEC. 107. Section 831 of such Act is amended (A) by striking the phrase "that is credited in accordance with provisions of section 851 or 852(a)(2)" from paragraph (a) thereof; (B) by striking "(a)" following "section 841" in paragraph (c) thereof; (C by amending paragraph (d) thereof to read as follows: "(d) No participant shall be entitled to receive an annuity under this Act and compensation for injury or disability to himself or herself under subchapter I of chapter 81, title 5, United States Code, covering the same period of time except that a participant may simultaneously receive both an annuity under this section and scheduled disability payments under section 8107 of title 5, United States Code. This provision shall not bar the right of any claimant to the greater benefit conferred by either this Act or such subchapter for any part of the same period of time. Neither this provision nor any provision of such subchapter shall be so construed as to deny the right of any participant to receive an annuity under this Act and to receive concurrently any payment under such subchapter by reason of the death of any other person."; and (D) by striking the phrase "section 14 of the Act of September 16, 1916, as amended" from paragraph (e) thereof and substituting "5 U.S.C. 8135" in lieu thereof.

DEATH IN SERVICE

SEC. 108. (a) Section 832 of such Act is amended by revising paragraphs (a), (b), (c), and (d) to read as follows:

"(a) In case a participant dies and no claim for annuity is payable under the provisions of this Act, the lump-sum credit shall be paid in accordance with section 841.

"(b) If a participant who has at least eighteen months of civilian service credit toward retirement under the System dies before separation or retirement from the Service and is survived by a spouse, such surviving spouse shall be entitled to an annuity equal to 55 per centum of the annuity computed in accordance with the provisions of paragraph (e) of this section and of section 821(a).

"(c) If a participant who has at least eighteen months of civilian service credit toward retirement under the System dies before separation or retirement from the Service and is survived by a wife or a husband and a child or children, each surviving child shall be entitled to an annuity computed in accordance with paragraphs (c)(1) and (d) of section 821.

"(d) If a participant who has at least eighteen months of civilian service credit toward retirement under the System dies before separation or retirement from the Service and is not survived by a wife or husband, but by a child or children, each surviving child shall be entitled to an annuity computed in accordance with paragraphs (c)(2) and (d) of section 821."

(b) Section 832 of this Act is further amended by adding the following new paragraphs at the end:

"(f) If an annuitant who elected a reduced annuity dies in service after being recalled under section 520(b) and is survived by a spouse recalled under section 520(b) and is survived by a spouse entitled to a survivor annuity based on such an election, such survivor annuity shall be computed as if the recall service had otherwise terminated on the day of death and the deceased's annuity had been resumed in accordance with section 871. If such a death occurs after the annuitant had completed sufficient recall service to attain eligibility for a supplemental annuity, a surviving spouse, in addition to any other benefits, shall be entitled to elect, in lieu of a refund of retirement contributions made during the recall service, a supplemental survivor annuity computed and paid under section 821(i) as if the recall service had otherwise terminated. If the annuitant had completed sufficient recall service to attain eligibility to have his or her annuity determined anew, a surviving spouse may elect, in lieu of any other benefit under this title, to have the annuitant's rights redetermined and to receive a survivor annuity computed under paragraph (b) of this section on the basis of the annuitant's total service.

"(g) Annuities that become payable under this section shall commence, terminate, and be resumed in accordance with paragraphs (b)(2), (e) or (h) of section 821, as appropriate."

DISCONTINUED SERVICE—TECHNICAL CHANGE

SEC. 109. Section 834 of such Act is amended (A) by striking "(a)" immediately following "Sec. 834."; (B) by striking the phrase "that is credited in accordance with the provisions of section 851 or 852(a)(2)" from the first paragraph thereof; and (C) by deleting paragraph (b) thereof.

LUMP-SUM PAYMENTS

SEC. 110. Part E of title VIII of such Act is amended to read as follows:

"PART E—LUMP-SUM PAYMENTS

"SEC. 841. (a) 'Lump-sum credit' as used in this title means the compulsory and special contributions to a participant's or former participant's credit in the Fund plus interest thereon compounded at 4 per centum per annum to the date of separation or December 31, 1975, whichever is earlier, and after such date for a participant who separates from the Service after completing at least one year of civilian service and before completing five years of service, at the rate of 3 per centum per annum to the date of separation. Interest shall not be paid for a fractional part of a month in the total service or on compulsory and special contributions from an annuitant for recall service or other service performed after the date of separation which forms the basis for annuity.

"(b) Whenever a participant becomes separated from the Service without becoming eligible for an annuity or a deferred annuity in accordance with the provisions of this Act, the lump-sum credit shall be paid to the participant.

"(c) Whenever an annuitant becomes separated from the Service following a period of recall service without becoming eligible for a supplemental or recomputed annuity under section 871, the annuitant's compulsory contributions to the Fund for such service together with any special contributions the annuitant may have made for other service performed after the date of separation from the Service which forms the basis for annuity, shall be returned.

"(d) If all annuity rights under this title based on the service of a deceased participant or annuitant terminate before the total annuity paid equals the lump-sum credit, the difference shall be paid in the order of precedence shown in paragraph (g) of this section.

"(e) If a participant or former participant dies and is not survived by a person eligible for an annuity under this title or by such a person or persons all of whose annuity rights terminate before a claim for survivor annuity is filed, the lump-sum credit shall be paid in accordance with paragraph (g) of this section.

"(f) If an annuitant who was a former participant dies, annuity accrued and unpaid, shall be paid in accordance with paragraph (g) of this section.

"(g) Payments authorized in paragraphs (d) through (f) of this section shall be paid in the following order of precedence to such person or persons surviving the participant and alive on the date entitlement to the payment arises, upon the establishment of a valid claim therefor, and such payment shall be a bar to recovery by any other person:

"(1) To the beneficiary or beneficiaries last designated by the participant before or after retirement in a signed and witnessed writing received by the Secretary prior to the participant's death. For this purpose a designation, change, or cancellation of beneficiary in a will or other document not so executed and filed shall have no force or effect;

"(2) If there be no such beneficiary, to the surviving wife or husband of such participant;

"(3) If none of the above, to the child or children of such participant (including adopted and natural children but not stepchildren) and descendants of deceased children by representation;

"(4) If none of the above, to the parents of such participant or the survivor of them;

"(5) If none of the above, to the duly appointed executor or administrator of the estate of such participant;

"(6) If none of the above, to other next of kin of such participant as may be determined in the judgment of the Secretary to be legally entitled thereto except that no payment shall be made pursuant to this subparagraph until after the expiration of thirty days from the death of the participant or annuitant.

"(h) Annuity accrued and unpaid on the death of a survivor annuitant shall be paid in the following order of precedence, and the payment bars recovery by any other person: First, to the duly appointed executor or administrator of the estate of the survivor annuitant; second, if there is no such executor or administrator, payment may be made, after the expiration of thirty days from the date of death of such survivor annuitant, to such person as may be determined by the Secretary to be entitled under the laws of the survivor annuitant's domicile at the time of death."

"(i) Amounts deducted and withheld from basic salary of a participant under section 811 from the beginning of the first pay period after the participant has completed 35 years of service computed under sections 851 and 853, but excluding service credit for unused sick leave under paragraph (b) of section 851, together with interest on the amounts at the rate of 3 per centum a year compounded annually from the date of the deduction to the date of retirement or death, shall be applied toward any special contribution due under paragraph (d) of section 811, and any balance not so required shall be refunded in a lump sum to the participant after separation or, in the event of a death in service, to a beneficiary in the order of precedence specified in paragraph (g) of this section."

CREDITABLE SERVICE

SEC. 111. (a) The heading of section 851 of such Act is amended to read as follows: "CREDITABLE SERVICE".

(b) Paragraph (a) of section 851 of such Act is amended to read as follows:

"(a) Except as otherwise specified by law, all periods of civilian and military and naval service and periods of absence and separation therefrom completed by a participant through the date of final separation from the Service that would be creditable, as determined by the Secretary, under section 8332 of title 5, United States Code, toward retirement under the Civil Service Retirement and Disability System, if performed by an employee under that System, shall be creditable for purposes of this title. Conversely, any such service performed after December 31, 1975, that is not creditable under specified conditions under section 8332 of title 5, United States Code, shall be excluded under this title under the same conditions.

(c) Section 851 of such Act is further amended by adding the following new paragraphs at the end thereof:

"(e)(1) A participant who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of Government employees, may, within sixty days after entering on that leave without pay, file with the employing agency an election to receive full retirement credit for such periods of leave without pay and arrange to pay concurrently into the Fund through the employing agency, amounts equal to the retirement deductions and agency contributions on the Foreign Service salary rate that would be applicable if the participant were in a pay status. If the election and all payments provided by this paragraph are not made for the periods of such leave without pay occurring after the effective date of this paragraph, the participant may not receive any credit for such periods of leave without pay occurring after such date.

"(c)(2) A participant may make a special contribution for any period or periods of approved leave without pay while serving, before the effective date of this paragraph, as a full-time officer or employee of an organization composed primarily of Government employees. Any such contribution shall be based upon the suspended Foreign Service salary rate, and shall be computed in accordance with section 811. A participant who makes such a contribution shall be allowed full retirement credit for the period or periods of leave without pay. If this contribution is not made, up to six months retirement credit shall be allowed for such periods of leave without pay each calendar year.

"(d) A participant who has received a refund of retirement contributions (which has not been repaid) under this or any other retirement system for Government employees covering service which may be creditable, may make a special contribution for such service pursuant to section 811. Credit may not be allowed for service covered by the refund unless the special contribution is made.

"(e) No credit in annuity computation shall be allowed for any period of civilian service for which a participant made retirement contributions to another retirement system for Government employees unless (1) the right to any annuity under the other system which is based on such service is waived and (2) a special contribution is made covering such service pursuant to section 811.

"(f) A participant who during the period of a war, or of a national emergency as proclaimed by the President or declared by the Congress, leaves the Service to enter the military service is deemed, for the purpose of this title, as not separated from the Service unless the participant applies for and receives a lump-sum payment under section 841. However, the participant is deemed to be separated from the Service after the expiration of five years of such military service."

FUNDING NORMAL COST

SEC. 112. Section 865 of such Act is amended (A) by inserting "(a)" immediately after "SEC. 865." and (B) by adding the following new paragraph at the end thereof:

"(b) At the end of each fiscal year, the Secretary shall notify the Secretary of the Treasury of the amount of the Foreign Service normal cost for that year which was not met by contributions under section 811(a). Before closing the accounts for that year, the Secretary of the Treasury shall credit such amount to the Fund as a Government contribution out of any money in the Treasury of the United States not otherwise appropriated. The Secretary shall report to the President and to the Congress the sums credited to the Fund under this section."

ANNUITY ADJUSTMENT FOR RECALL SERVICE

SEC. 112. Section 895 of such Act is amended to read as follows:

"SEC. 871. Any annuitant recalled to duty in the Service in accordance with the provisions of section 520(b) shall, while so serving, be entitled in lieu of annuity to the full salary of the class in which serving. During such service, the recalled annuitant shall make contributions to the Fund in accordance with the provisions of section 811. On the day following termination of the recall service, the former annuity shall be resumed adjusted by any cost-of-living increases under section 882 that became effective during the recall period. If the recall service lasts less than one year, the annuitant's contributions to the Fund during recall service shall be refunded in accordance with section 841. If the recall service lasts more than one year, the annuitant may, in lieu of such refund, elect a supplemental annuity computed under section 821 on the basis of service credit and average salary earned during the recall period irrespective of the number of years of service credit previously earned. If the recall service continues for at least five years, the annuitant may elect to have his or her annuity determined anew under section 821 in lieu of any other benefits under this section. Any annuitant who is recalled under section 520(b) may, upon written application, count as recall service any prior service that is creditable under section 851 that was performed after the separation upon which his or her annuity is based."

VOLUNTARY CONTRIBUTIONS

SEC. 114. (a) Amend paragraph (a) of section 881 of such Act by deleting the portion of such paragraph that precedes subparagraph (1) thereof and substitute the following in lieu thereof:

"(a) The voluntary contribution account shall be the sum of unrefunded amounts heretofore voluntarily contributed by any participant or former participant under this section or under a prior corresponding provision of law, plus interest compounded at the rate of 3 per centum per annum to date of separation from the Service or in case of a participant or former participant separated with entitlement to a deferred annuity to the date the voluntary contribution account is claimed, or to the commencing date fixed for the deferred annuity or to the date of death, whichever is earlier. A participant's or former participant's account shall, effective on the date the participant becomes eligible for an annuity or a deferred annuity and at the participant's election, be—"

(b) Section 881 of such Act is further amended by deleting paragraphs (c) and (d) thereof and by adding the following new paragraph in lieu thereof:

"(c) A voluntary contribution account shall be paid in a lump sum following receipt of an application therefor from a present or former participant provided application is filed prior to payment of any additional annuity. If not sooner paid, the account shall be paid at such time as the participant separates from the Service for any reason without entitlement to an annuity, or a deferred annuity or at such time as a former participant dies or withdraws compulsory contributions to the Fund. In case of death, the account shall be paid in the order of precedence specified in section 841(g)."

COST-OF-LIVING ADJUSTMENTS

SEC. 115. (a) Paragraphs (a), (b), and (c) of section 882 of such Act are amended to read as follows:

"(a) A cost-of-living annuity increase shall become effective under this section on the effective date of each such increase under section 8340(b) of title 5, United States Code, as amended. Each such increase shall be applied to each annuity payable from the Fund which has a commencing date not later than the effective date of the increase.

"(b) The first annuity increase under this section after the effective date of this paragraph shall equal one per centum plus the per centum rise in the price index, adjusted to the nearest one-tenth of one per centum, between the month last used to establish an increase under this section and the base month used to establish the concurrent increase under section 8340(b) of title 5, United States Code, as amended. Each subsequent annuity increase under this section shall be identical to the corresponding percentage increase under section 8340(b) of title 5, United States Code, as amended.

"(c) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the Fund as of the effective date of an increase except as follows:

"(1) An annuity, except a deferred annuity under section 834 or any other section of this Act, payable from the Fund to a participant who retires and receives an immediate annuity, or to a surviving spouse of a deceased participant who dies in service or who dies after being separated under the provisions of section 634(b)(2), which has a commencing date after the effective date of the then last preceding general annuity increase under this section shall not be less than the annuity which would have been payable if the commencing date of such annuity had been the effective date of such last preceding increase. In the administration of this subparagraph, the number of days of unused sick leave to an employee's or deceased employee's credit on the effective date of the then last preceding general annuity increase under this section shall be deemed to be equal to the number of days of unused sick leave to his or her credit on the day of separation from the Service.

"(2) Effective from its commencing date, an annuity payable from the Fund to an annuitant's survivor, except a child entitled under section 821(c) or 832 (c) or (d), shall be increased by the total per centum increase the annuitant was receiving under this section at death.

"(3) For purposes of computing or recomputing an annuity to a child under section 821 (c) or (d) or 832 (c) or (d), the items

$900, $1,080, $2,700 and $3,240 appearing in section 821(c) shall be increased by the total per centum increases by which corresponding amounts are being increased under 5 U.S.C. 8340 on the date the child's annuity becomes effective."

(b) Section 882 of such Act is further amended by adding the following new paragraph at the end thereof:

"(f) Effective with the first day of the second month which begins after the date of enactment of the Foreign Service Retirement Amendments of 1975 or on the commencing date of an annuity whichever is later, the annuity of each surviving spouse whose entitlement to annuity resulted from the death—

"(1) before enactment of the said amendments, of (A) a participant or (B) a former participant entitled to benefits under section 634(b); or

(2) of an annuitant who, prior to enactment of the said amendments, elected a reduced annuity under this or any other Act in order to provide a spouse's survivor annuity—

is increased by 10 per centum."

REPEATS

SEC. 116. Such Act is further amended by deleting sections 833, 852, and 854 and the headings thereto.

TITLE II—OTHER AMENDMENTS

RECALL

SEC. 201. (a) The heading of section 520 of such Act is amended to read "REAPPOINTMENT AND RECALL".

(b) Paragraph (b) of section 520 of such Act is amended to read as follows:

"(b) Whenever the Secretary determines it to be in the public interest, any retired officer or employee of the Service may be recalled for active duty on a temporary or limited basis to any appropriate class in his or her former category, except that a retired Foreign Service officer may not be recalled to a class higher than he or she held at the time of retirement unless appointed to the higher class by the President by and with the advice and consent of the Senate."

RETIREMENT OF CAREER AMBASSADORS

SEC. 202. Section 631 and the heading thereto of such Act are amended to read as follows:

"FOREIGN SERVICE OFFICERS WHO ARE CAREER AMBASSADORS

"SEC. 631. Any Foreign Service officer who is a career ambassador, other than one occuping a position as chief mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, shall be retired from the Service at the end of the month in which the officer reaches age sixty-five and receives retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, such an officer may be retained on active service for a period not to exceed five years. Any such officer who completes a period of authorized service after reaching age sixty-five shall be retired at the end of the month in which such service is completed."

RETIREMENT OF PARTICIPANTS WHO ARE NOT CAREER AMBASSADORS

SEC. 203. Section 632 and the heading thereto of such Act are amended to read as follows:

"PARTICIPANTS IN THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM WHO ARE NOT CAREER AMBASSADORS

"SEC. 632. Any participant in the Foreign Service Retirement and Disability System, other than one occuping a position as chief of mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, who is not a career ambassador shall be retired from the Service at the end of the month in which the participant reaches age sixty and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, such a participant may be retained on active service for a period not to exceed five years. Any such participant who completes a period of authorized service after reaching age sixty shall be retired at the end of the month in which such service is completed."

SELECTION-OUT BENEFITS—TECHNICAL CHANGE

SEC. 204. Paragraph (b) of section 634 of such Act is amended by striking from subparagraph (2) thereof:

(A) ", with interest" after the words "Disability Fund" the first time the latter appears;

(B) "(a)" after "section 841" the first time the latter appears;

(C) "that is credited in accordance with the provisions of section 851 or 852(a)" after "naval service";

(D) ", with interest as provided in section 841(a)," after "Disability Fund" the last time the latter appears; and

(E) "(b)" after "section 841" the last time the latter appears.

SEPARATION FOR CAUSE—TECHNICAL CHANGE

SEC. 205. Section 637 of such Act is amended by striking from the first sentence of paragraph (b) thereof—

(A) ", with interest" after "Disability Fund";

(B) "(a)" after "section 841"; and

(C) "that is credited in accordance with the provisions of section 851 or 852(a)" after "naval service".

Such paragraph (b) is further amended by striking the last sentence thereof in its entirety.

TITLE III—TEMPORARY AND TRANSITIONAL PROVISIONS

CONVERSION TO FOREIGN SERVICE RETIREMENT SYSTEM

SEC. 301. (a) In accordance with such regulations as the President may prescribe, all Foreign Service staff officers and employees with unlimited appointments who (a) have been appointed by the Secretary of State or the Director, United States Information Agency, and (b) are participants in the Civil Service Retirement and Disability System on the effective date of this section, shall be transferred to the Foreign Service Retirement and Disability System effective on such date. Their retirement contributions shall be transferred in accordance with section 811 of the Foreign Service Act of 1946, as amended by this Act.

(b) Mandatory retirement at age 60 as prescribed in section 632 of the Foreign Service Act of 1946, as amended, shall not apply to any Foreign Service staff officer or employee appointed by the Secretary of State who becomes a participant in the Foreign Service Retirement and Disability System pursuant to paragraph (a) of this section until such officer or employee completes ten years of continuous service in the Foreign Service of the Department of State, exclusive of military service.

(c) Any Foreign Service staff officer or employee appointed by the Director of the United States Information Agency who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (a) of this section, shall, for purposes of determining the date of mandatory retirement under section 9(c) of the Act of August 20, 1968 (82 Stat. 812), be deemed to have become a participant pursuant to section 9(b) of such Act: *Provided*, That section 9(c) of such Act containing the transitional schedule shall be preserved until September 30, 1975, but that such section 9(c) shall not apply until such an officer or employee completes ten years of 'continuous service, exclusive of military service, in the Foreign Service of the United States Information Agency.

(d) Any Foreign Service staff officer or employee who becomes a participant in the Foreign Service Retirement and Disability System pursuant to paragraph (a) of this section who is age fifty-seven or over on the effective date of this section may retire voluntarily at any time prior to mandatory retirement and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

(e) Section 9(b) of the Act of August 20, 1968 (82 Stat. 812), is repealed on the effective date of this section.

GRANTS TO CERTAIN WIDOWS AND SURVIVOR ANNUITY ELECTIONS

SEC. 302. (a) A Foreign Service annuitant who was married at the time of retirement, whose service terminated prior to October 16, 1960, and who has not elected any survivor benefits, may, within one hundred and twenty days after the date of enactment of this Act, elect a reduction in his or her annuity of $300 per annum and provide a survivor benefit of $2,400 per annum payable to the annuitant's surviving spouse provided the marriage had been in effect for at least two years at the time of death or resulted in the birth of a child. The survivor annuity shall be treated in all respects as if it had been elected under section 821(b) of the Foreign Service Act of 1946, as amended by this Act.

(b) An annuitant who makes an election under paragraph (a) of this section shall pay into the Foreign Service Retirement and Disability Fund an amount equal to $25 times the number of full months between the commencing date of his or her annuity and the first of the month following receipt of notice of the election by the Secretary of State. This amount may be paid into said Fund by deduction from annuity in multiples of $25 per month. The annuity reduction under paragraph (a) of this section and the deduction under this paragraph shall commence effective the first of the month following receipt of notice of the election by the Secretary of State. The deduction under this paragraph shall continue until the required amount has been paid into said Fund or until the annuitant's death, whichever occurs first; and if the latter, any remaining portion of such required amount shall be deemed to have been paid.

(c) If a Foreign Service annuitant who separated from the Foreign Service prior to October 16, 1960, died before the date of enactment of this Act or dies within one hundred and twenty days after such date of enactment leaving a spouse to whom married at retirement who is not entitled to receive a survivor annuity under the terms of 5 U.S.C. 8133 or any law authorizing payment from the Foreign Service Retirement and Disability Fund and who qualifies under section 821(h) of the Foreign Service Act of 1946, as amended by this Act, the Secretary of State shall grant such surviving spouse, if not remarried to age sixty, an annuity, to be payable from such Fund in the amount of $2,400 per annum adjusted by all cost-of-living increases received by widows granted annuities under section 4 of the Act of October 31, 1965 (79 Stat. 1130). An annuity to a surviving spouse who remarried prior to age sixty may be initiated or resumed under this paragraph in accordance with the provisions of paragraphs (b) and (h) of section 821 of the Foreign Service Act of 1946, as amended, if such remarriage has terminated or terminates in the future.

EFFECTIVE DATES

SEC. 303. (a) Section 301 of this Act and sections 803 and 881 of the Foreign Service Act of 1946 as amended by this Act shall be effective on the first day of the first pay period which begins more than ninety days after enactment of this Act.

(b) Effective on the last day of the first month which ends after the enactment of this Act, all Foreign Service survivor annuities, including these then in effect, shall terminate on the last day of a month in accordance with the provisions of paragraphs (b)(2)(B), (e) and (f) of section 821 of the Foreign Service Act of 1946 as amended by this Act.

(c) The amendment of section 804 of the Foreign Service Act of 1946 made by this Act broadening eligibility for children's survivor annuities shall apply to all surviving children regardless of the date of death of the principal.

(d) Paragraph (g) of section 821 of the Foreign Service Act of 1946 as added by this Act shall apply to both present and future Foreign Service annuitants. Any annuitant unmarried at retirement who married after retirement but prior to the date of enactment of this Act may make an election under said paragraph (g) provided notice of the election is received by the Secretary of State within one year after such date of enactment.

(e) If an annuitant dies on or after January 8, 1971, who, prior to enactment of this Act, elected a reduced annuity with a benefit to a surviving spouse, and is survived by a spouse acquired after such election who qualified under section 804(b) of the Foreign Service Act of 1946, as amended by this Act, such surviving spouse shall be entitled to an annuity computed under the law in effect at the time of such election and in accordance with all other applicable statutes. Such an annuity shall be treated in all other respects in the same manner as an annuity payable under section 821(b) of the said Foreign Service Act, as amended by this Act. For purposes of section 882(c)(2) of the said Foreign Service Act, as amended by this Act, the death of an annuitant who has died before enactment of this Act shall be deemed to have occurred on such date of enactment.

(f) The restrictions on payment of survivor annuities in subparagraph (b)(2)(A) and paragraph (h) of section 821 of such Act shall not apply to a supplemental survivor annuity provided under paragraph (i) of section 821 or paragraph (f) of section 832 of such Act if the restrictions do not apply to a basic survivor annuity elected prior to commencement of the recall service.

(g) Paragraph (a) of section 822 of the Foreign Service Act of 1946 as added by this Act shall be effective on the first day of the first month which begins on or after enactment of this Act.

(h) Paragraph (a) of section 841 of the Foreign Service Act of 1946 as amended by this Act shall not apply to participants separated from the Foreign Service prior to the date of enactment of this Act nor to their survivors. All payments from the Foreign Service Retirement Fund that become due on and after such date of enactment shall be paid in the order of precedence specified in such section 841 irrespective of the date of separation.

(i) Paragraph (c) of section 851 of the Foreign Service Act of 1964 as added by this Act shall be effective on the first day of the first pay period that begins more than thirty days after enactment of this Act. A participant who is on approved leave without pay and is serving as a full-time officer or employee of an organization composed primarily of Government employees on such effective date shall have sixty days from such date to file an election under paragraph (c) of said section 851.

(j) Paragraph (f) of section 851 of the Foreign Service Act of 1946 as added by this Act shall apply, in addition to present participants, to former participants who separated from the Foreign Service to enter the Armed Forces within the five-year period immediately preceding the date of enactment of this Act and who are members of the Armed Forces on such date of enactment.

(k) The annuity of a survivor who becomes immediately eligible for an annuity under paragraph (c) of section 302 of this Act or paragraph (c) or (e) of this section shall become effective the first day of the first month which begins after enactment of this Act. However, payment shall be made only after receipt by the Department of State of such application for annuity and such proof of eligibility as the Secretary may require. If such application and proof of eligibility are not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate.

(l) The amendment of paragraphs (a) and (b) of section 882 of the Foreign Service Act of 1946 made by this Act shall be effective on the fifteenth day of the third month which begins after enactment of this Act.

(m) Annuities which commenced between—

(A) the effective date of the last cost-of-living increase which became effective under section 882 of the Foreign Service Act of 1946, as amended, prior to the date of enactment of this Act, and

(B) such date of enactment—

shall be recomputed and, if necessary, adjusted retroactively to their commencing dates to apply the provisions of new subparagraph (c)(1) added to section 882 of the Foreign Service Act by section 115 of this Act."

(n) The amendments of sections 631 and 632 of the Foreign Service Act of 1946 made by this Act are effective upon enactment, except that any Foreign Service officer who is or becomes a career minister and who is not occupying a position to which appointed by the President, by and with the advice and consent of the Senate, shall be mandatorily retired for age in accordance with the schedule below and receive benefits under section 821 of the Foreign Service Act of 1946, as amended, unless the Secretary determines it to be in the public interest to extend such officer's service for a period not to exceed five years:

RETIREMENT SCHEDULE

(1) Any career minister who reaches age sixty-five during the month of enactment of this Act shall be retired at the end of such month.

(2) Other career ministers who are age sixty or over as of the date of enactment of this Act shall be retired at the end of the month which contains the midpoint between the last day of the month of enactment of this Act and the last day of the month during which the officer would reach age sixty-five, counting thirty days to the month.

(3) On the last day of the thirtieth month which ends after the date of enactment of this Act, all other career ministers who are age sixty or over shall be retired, and thereafter the amendments made by sections 202 and 203 shall be applicable in all cases.

(4) An career minister who completes a period of authorized services after he reaches mandatory retirement age as provided in the above schedule shall be retired at the end of the month in which the officer completes such service.

WASHINGTON, D.C.,
June 2, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: We enclose herewith for consideration of the Congress a proposed bill to amend the Foreign Service Act of 1946 to improve the Foreign Service Retirement and Disability System. We submitted a similar proposal in April of 1973 which was passed by the Senate as S. 1791 on July 17, 1974. It was not acted upon by the House.

The improvements being sought have been long delayed, and it is important that they be acted upon as soon as possible this year.

The proposed bill has two fundamental objectives. The first is to equate appropriate provisions of the Foreign Service retirement system with comparable provisions of the Civil Service retirement system. The second objective is to strengthen the financing of the Foreign Service system.

Most provisions of the bill relate to comparability. Specific Foreign Service provisions in the areas of survivorship, service credit, cost-of-living adjustments, interest computations and a few others would be changed to conform to comparable Civil Service provisions. In the main, these are "catch-up" provisions to extend to the Foreign Service liberalizations approved for the Civil Service during the last 10 or 15 years. For example, one amendment would continue annuities to surviving children who are students through age 21. Currently, such annuities stop at age 18. This and several other proposed changes were made for the Civil Service in 1962. Their extension to the Foreign Service is long overdue.

The proposed bill contains a permanent indefinite appropriation to authorize the Treasury to deposit annually in the Foreign Service retirement Fund the balance of the Foreign Service normal retirement cost not met by employee and employer contributions. About $10.2 million would be deposited in the Fund annually for this purpose at current payroll levels. This additional amount is required to meet the relatively high cost of the Foreign Service retirement system which is caused primarily by the career nature of the Foreign Service. This and all other provisions of the bill are explained fully in the enclosed summary and section by section analysis of the bill.

Enactment of the bill would increase the normal cost of the System approximately $700,000 per year at current payroll levels. This amount is reflected in the $10.2 million figure mentioned above as the amount required to fully pay the normal cost of the System. The bill would also increase unfunded liability about $29.2 million. This would be financed over 30 years by annual appropriations of $1.9 million under present law. A detailed cost estimate is enclosed.

Passage of the bill would promote equity, improve financing and facilitate management of the Foreign Service retirement system. We recommend its early consideration and enactment by the Congress.

We are advised by the Office of Management and Budget that there is no objection from the standpoint of the President's program to the submission of this proposal.

Respectfully,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

By Mr. McGOVERN (for himself, Mr. CASE, Mr. ABOUREZK, Mr. CLARK, Mr. HUMPHREY, Mr. KENNEDY, Mr. PHILIP A. HART, Mr. SCHWEIKER, and Mr. HOLLINGS):

S. 1945. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs with respect to nutrition education and nutrition-related problems. Referred to the Committee on Labor and Public Welfare.

THE NUTRITION EDUCATION

Mr. McGOVERN. Mr. President, today I am introducing the Nutrition Education Act of 1975.

Franklin Roosevelt spoke of the shameful fact that one-third of the Nation was malnourished. Today nearly the entire Nation misnourished because of the misuse of abundance. Tens of millions have the resources to buy sufficient food, but lack the knowledge to choose correctly. Too often we eat enough, but we are not well fed.

Many who are not hungry are the new misnourished.

The new misnourished are the overweight who are overfilled with empty calories.

The new misnourished consume too many processed foods and an unbalanced diet.

The new misnourished are most of us, most of our children, and too many of those who seem most healthy.

This new misnourishment requires a new program of nutrition education. This bill is a good beginning. It is the result of years of research and long hours of hearings and investigations. As chairman of the Senate Select Committee on Nutrition and Human Needs, I have listened to the range of experts; I have heard the mounting evidence of national misnourishment:

By the time our healthiest sons are 20, their arteries are already infiltrated with fat deposits—and the problem has worsened in the last 20 years.

Between 1950 and 1970 total expenditures on health care multiplied six times but average life expectancy remained the same. A large part of the reason is that while science was finding new treatments, and Government was financing more hospitals, and medical schools were training more doctors, Americans were literally eating their way into illness.

The new misnourishment costs the Nation $30 billion a year. And the cure would be far cheaper than the disease. Dr. Jean Mayer, the chairman of the White House Conference on Food, concludes that for $130 million—four-tenths of 1 percent of that $30 billion loss—"we would probably do a spendid job of teaching better nutrition to the public."

Congress should have enacted a nutrition education bill in 1974. By reintroducing the bill, I hope to start a discussion which will end with major legislation in 1975. I know there are professional and community groups who want to contribute their ideas and insights. A number of them are currently working with the Nutrition Committee. Their comments and our debate can lead to positive changes in the bill, and I assume that some improvements will be made. Any ground-breaking initiative of this kind demands and deserves open, thorough consideration in the Congress and by interested citizens.

But our goal must be considered action, not prolonged consideration as an excuse for inaction. We must pass an effective program this session. Each year of delay means another $30 billion loss, another graduating class of 4 million students who did not learn sound nutrition because the schools do not teach it. Inaction is hazardous to the Nation's health. Delay equals more disease and death.

I cannot think of any other program which would be as cost-beneficial. And the complete costs of the new misnutrition are ultimately beyond calculation. Numbers may count the premature loss of productivity. No number can convey the human meaning of an early death or a debilitating illness.

The need is undeniable. We have one means to meet it through nutrition education. It is unmet partly because a comprehensive program for the Nation's schools is nonexistent. We can be proud of the National School Lunch Act, which feeds 25 million children a day; but we are derelict when we spurn the opportunity that act provides to teach them at the same time about food choices, dietary habits, and nutrient content.

Such teaching is cost-effective health care because it is preventive medicine. It can reduce the heavy burden of crisis medicine. In many cases, the right kind of diet will prevent heart disease, diabetes, obesity, anemia, and tooth decay. In most cases, even the best medicine and luck after years of a bad diet will undo only part of the damage.

The first recommendation of the Education Panel of the White House Conference on Food in 1969 was to develop a comprehensive nutrition education program for America's schools. It is 6 years later. It is a year later than the first introduction of the necessary legislation. This year is late; now at last the Congress must listen and respond. At the White House Conference, during the Nutrition Committee's hearings in 1972 and 1973, and from the committee's National Nutrition Policy Conference in 1974, we heard the same insistent warning: "America must feed its citizens, but Americans will not be well fed without nutrition education."

For this is a nation of nutritional illiteracy. While many are not informed, millions are misinformed. Food fads promote radical consumption habits on the basis of quasi-religious beliefs and pseudo-scientific findings. Fad diets proliferate, and dieters who follow the fads usually fail, and frequently lose their health instead of pounds.

Food advertising costs billions of dollars but often purveys limited information and half-truths. It inflates the price of all foods to finance commercials which persuade millions to purchase the wrong foods or the wrong nutritional pattern. The consumer pays more for less nutrition.

And this is also a nation of nutritional complexity. The average supermarket stocks 18,000 different items on its shelves. Americans spend approximately $140 billion annually for retail food purchases. The choices, the sales, and the profits are vast. Every few months new food products, in combinations which never existed before, in increasingly processed form, are offered to the public. If shoppers do not know what to look for, the supermarket becomes a wilderness; selection becomes nonrational; food which is supposed to sustain life, instead can subvert health.

A tax dollar spent to give consumers a sensible scientific guide to spending their food dollars is an investment as well as an expenditure. It is an investment in our schools and our children, in our system of health care, in ourselves and in life itself. It is an investment with a dollars and cents return. Spending more for prevention now will mean less sickness and lower costs later.

This bill represents a major step forward. But it is also just the first step of many we must take. For example, any national health insurance system should reimburse schools for nutrition services to children, including nutrition education. Nutrition must be conceptually integrated with health care—for neither can be as effective separately as both could be together.

We must use the results of years of nutrition study and research to end the abuse and misuse of food. Industry advertises food out of self-interest. We can educate about food in the national interest.

We have the energy, the expertise, and the resources to start in the classroom. We can make the school lunchroom a laboratory for nutrition education. Nutrition education is among the most practical subjects the schools could teach. It is a skill that all Americans could apply everyday.

No American has to be undernourished or malnourished. Every American can be well and sufficiently nourished.

The Congress must choose nutrition education so consumers may choose nutritious foods.

Mr. President, I ask unanimous consent that the National Nutrition Education Act of 1975, along with a short explanation, be printed in the Record.

There being no objection, the bill and explanation were ordered to be printed in the Record, as follows:

S. 1945

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Nutrition Education Act of 1975".

FINDINGS AND PURPOSE

Sec. 2. (a) The Congress finds that—

(1) nutrition education in the schools has the potential for improving substantially the health and well-being of students and of significantly reducing many health problems which adversely affect the learning processes of students;

(2) the provision of a comprehensive program with respect to nutrition education for the children and youth of the Nation should be given high priority;

(3) most children and youth of the Nation are given little or no instruction regarding nutrition or the importance of a nutritionally balanced diet to mental and physical well-being;

(4) most teachers are not trained in the fundamentals of nutrition; nor do any of the States require even a single course in nutrition for licensure or certification of teachers; and

(5) there is no fully comprehensive program in existence within the Federal Government which has responsibility for furthering nutrition education for all the Nation's schoolchildren.

(b) It is the purpose of this Act to encourage the provision of nutrition education programs in the classroom and lunchrooms of elementary and secondary schools by establishing a system of grants for teacher training, pilot and demonstration projects, and the development of comprehensive nutrition education programs. Such nutrition education programs shall fully utilize as a learning laboratory existing child nutrition programs, including, but not limited to, the school lunch program.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "Commissioner" means Commissioner of Education;

(2) the term "nutrition education program" means a multidisciplinary program by which scientifically sound information about foods and nutrients is imparted in a manner that individuals receiving such information will understand the principles of nutrition and seek to maximize their well-being through food consumption practices, both in the school lunchroom and in the community at large, consistent with optimum health. Nutrition education programs shall include, but not be limited to, the development and carrying out of institutional models, support programs, classroom materials, and curriculums;

(3) the term "State coordinator" means that person within the State educational agency responsible for formulating and implementing the State plan of nutrition education as outlined in section 9 of this Act; and

(4) except as provided by section 6(b), the term "State" means the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

TEACHER TRAINING

SEC. 4. (a) The Commissioner shall make grants to State educational agencies and institutions of higher education for teacher training with respect to the provision of nutrition education programs in schools. Such grants may be used by such agencies and institutions to develop and conduct training programs for early childhood, elementary, and secondary teachers with respect to the science of nutrition, methods and techniques, information, and current issues relating to nutrition education and food-related problems.

(b) The Commissioner shall distribute grants under this section in a manner which insures the most effective and equitable distribution of such grants and which seeks to achieve a reasonable geographical distribution. The Commissioner shall, not later than thirty days before he distributes grants under this section, transmit a report to the Committee on Labor and Public Welfare of the Senate and to the Committee on Education and Labor of the House of Representatives. Such report shall contain a detailed statement of criteria which the Commissioner proposes to use in distributing grants under this section.

(c) There is authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1976, $12,500,000 for the fiscal year ending June 30, 1977, and $15,000,000 for the fiscal year ending June 30, 1978, to carry out the section.

PILOT AND DEMONSTRATION PROJECTS

SEC. 5. (a) The Commission may make grants to State and local educational agencies, institutions of higher education, and other public or private nonprofit education or research agencies, institutions, or organizations to pay the cost of pilot demonstration projects in elementary and secondary schools with respect to nutrition education and nutrition-related problems.

(b) Grants under this section shall be available for—

(1) projects for the development of curriculums in nutrition education programs including the evaluation of exemplary existing materials and the preparation of new and improved curricular materials for use in early childhood, elementary, and secondary education programs;

(2) projects for demonstration, testing, and evaluation of the effectiveness of such curriculums (whether such curriculums are developed with assistance under this Act or otherwise); and

(3) in the case of applicants who have conducted projects under paragraph (2), projects for the dissemination of curricular materials and other information with respect to nutrition education programs.

(c) There is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1976, $17,500,000 for the fiscal year ending June 30, 1977, and $20,000,000 for the fiscal year ending June 30, 1978, to carry out this section.

NUTRITION EDUCATION PROGRAMS

SEC. 6. (a) The Commissioner may make grants to State education agencies to pay the Federal share of the cost of developing and carrying out nutrition education programs in elementary and secondary schools within each State. Such grants shall be available to State educational agencies for the development of such programs and for assistance to local educational agencies in the implementation of such programs.

(b) From the sums appropriated for carrying out this section for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 5 per centum of such sums, as he may determine and shall apportion such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this section. The Commissioner shall apportion such amount among the remainder of such funds as follows:

(1) He shall apportion to each State an amount which bears the same ratio to 60 per centum of such remainder as the number of children in average daily attendance in the public elementary and secondary schools bears to the number of public school children in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(c) The amount apportioned to any State under subsection (b) for any fiscal year which the Commissioner determines will not be utilized for such year shall be available for reapportionment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under subsection (b) for such year, except that the proportionate amount for any of the other States shall be reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of such State need and will be able to use for such year. The total of such reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced.

(d)(1) Any State educational agency receiving a grant under this section shall, to the extent consistent with the number of children in the State involved who are enrolled in private elementary and secondary schools, make provisions for including special educational services and arrangements (including dual enrollment, educational radio and television, and mobile educational service and equipment) in which such children may participate.

(2) If the Commissioner determines that a State education agency is unable or unwilling to comply with paragraph (1), he may make special arrangements with other public or nonprofit private agencies to carry out paragraph (1). For such purpose the Commissioner may set aside on an equitable basis and use all or part of the maximum total of grants available to the State involved.

(e) There is authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1976, and for each of the two succeeding fiscal years, to carry out the provisions of this section.

(f) Funds made available under this section shall be used to increase the levels of funds that would, in the absence of federally funded pilot and demonstration projects approved under section 5 of this Act, be used by the State agency to carry out the purposes of this section, and in no case supplant such funds.

APPLICATIONS

SEC. 7. (a) Grants under this Act may be made only upon application at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Each such application shall—

(1) provide that the activities and services for which assistance is sought be administered by the State educational agency;

(2) provide that the State educational agency shall establish, consistent with the provisions of section 9 of this Act, an office of State coordinator of nutrition education;

(3) provide assurances that the State educational agency will, through the coordinator of nutrition education, develop a State plan for nutrition education programs, as required under section 9 of this Act.

(4) describe the nutrition education programs in elementary and high schools for which assistance is sought under this part and procedures for giving priority to nutrition education programs which are already receiving Federal financial assistance and show reasonable promise of achieving success;

(5) set forth procedures for the submission of applications by local educational agencies within that State, including procedures for an adequate description of the nutrition education programs for which assistance is sought under this part;

(6) set forth criteria for achieving an equitable distribution of funds under this Act which are made available to local educational agencies pursuant to this Act which criteria shall—

(A) take into account the size of the population to be served, beginning with preschool, the relative needs of pupils in different population groups within the State for the program authorized by this title, and the financial ability of the local educational agency serving such pupils,

(B) assure an equitable distribution of funds among urban and rural areas;

(7) set forth criteria for the selection or designation and training of personnel (such as nutrition specialists, home economists, and administrators of nutrition programs in elementary and high school programs assisted under this part, including training for private elementary school personnel, which shall include qualifications acceptable for such personnel;

(8) provide for technical assistance and support services for local educational agencies participating in the program;

(9) provide that not more than 20 per centum of the amount allotted to the State under section 6 for any fiscal year may be retained by the State educational agency for purposes of administering the agreement;

(10) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant to carry out the purpose of this Act, and in no case supplant such funds; and

(11) provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to insure the correctness and verification of such reports.

(b) (1) The Commissioner shall approve any application which meets the requirements of subsection (a), and shall not disapprove any such application without first affording the State education agency notice and opportunity for a hearing.

TECHNICAL ASSISTANCE

SEC. 8. The Commissioner shall, when requested, render technical assistance to local education agencies, through qualified staff members having expertise in nutrition, health education, school food services, home economics, dietetics, and physical education, to public and private nonprofit organizations, and institutions of higher education for the development and implementation of education programs with respect to nutrition education and nutrition-related problems. Such technical assistance may, among other activities, include making available to such agencies or institutions information regarding effective methods of carrying out such programs, disseminating to such agencies or institutions information obtained through programs established by this Act, and making available to such agencies or institutions personnel of the Departments of Health, Education, and Welfare and Agriculture or other persons qualified to advise and assist in carrying out such programs.

STATE COORDINATORS FOR NUTRITION AND STATE PLAN

SEC. 9. (a) In order to be eligible for assistance under this Act a State shall appoint pursuant to section 6(a) (2) a State coordinator for nutrition education (hereinafter referred to as "State coordinator"). It shall be the responsibility of the State coordinator for each State to prepare a State plan as provided in subsection (b) of this section.

(b) Within one year after his appointment, the State coordinator for each State shall develop, prepare, and furnish to the Commissioner a comprehensive plan for nutrition education within that State. Each such plan shall—

(1) provide for coordinating the nutrition education program carried out with funds made available under this Act with any existing related programs being carried out within the State, including, but not limited to, such programs administered by the Department of Agriculture and health education and nutrition education programs carried out with State funds;

(2) provide for the establishment of a State advisory council to assist and advise the State coordinator regarding the development of nutrition education curriculums and programs for the State, and shall provide that the members of such council, which shall be appointed by the State coordinator, shall include interested teachers, professionals, paraprofessionals, school food service personnel, administrators, representatives from consumer groups, parents and other individuals from private life.

(3) include a program for the systematic training in nutrition education of teachers at both the inservice and undergraduate levels;

(4) include an outline of the State's program for implementing and coordinating programs carried out with grants made under sections 4 and 5 of this Act;

(5) provide, whenever practicable, for the inclusion of appropriate nutrition education information in social study courses, science courses, economic courses, anthropology courses, home economics courses, health education and drug abuse courses, physical education courses, and all other related areas of the curriculum; and

(6) provide, in carrying out the State plan, for the utilization and involvement of individuals not professionally trained in nutrition, including counselors, coaches, school nurses, school lunch supervisors, interested neighborhood individuals, and students.

NATIONAL NUTRITION EDUCATION RESOURCE CENTER

SEC. 10. (a) There is established within the Office of Education of the Department of Health, Education, and Welfare, a National Nutrition Education Resource Center. The Center shall be located in an area of the United States selected by the Commissioner, and may in part be located within the framework of existing backup facilities in the area of nutrition education—

(1) provide original and ongoing training for the State coordinator and for interdisciplinary personnel designated by the State coordinators who may be in need of special training relating to nutrition education and nutrition related problems. Such personnel shall include, but not be limited to, nutritionists, dietitians, home economists, business managers, teachers, administrators, and school food service personnel.

(2) collect and create curriculum materials relevant to nutrition education, including, but not limited to, the integration of nutrition education materials into all subject matter at the elementary and secondary education levels;

(3) collect information and materials relating to nutrition education and maintain such information and materials in a library for the use of State coordinators and other interested persons; and

(4) evaluate on a continuing basis the objectives and effectiveness of the nutrition education programs of the States and their results.

(c) The National Nutrition Education Resource Center is authorized to enter into contracts with other Federal agencies, State and local agencies, institutions of higher education, and with private nonprofit organizations experienced in nutrition education and related fields for the purpose of carrying out any function of the Center under this section.

(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section but not in excess of $2,000,000 in any fiscal year.

PAYMENTS

SEC. 11. (a) From the amount alloted to each State under section 6 of this Act the Commissioner shall pay to that State an amount equal to the Federal share of the cost of carrying out the application of that State approved under such section 6. The Federal share of the cost of carrying out a State application shall for each fiscal year be 75 per centum. In determining the cost of carrying out the application of a State, the Commissioner shall exclude any cost with respect to which payments will be received by that State under any Federal program.

(b) Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

ADMINISTRATION

SEC. 12. In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private nonprofit agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

SHORT EXPLANATION OF NATIONAL NUTRITION EDUCATION ACT OF 1975

A. This bill is a three-year pilot effort in nutrition education. The goal is to make available federal funds (with a small state matching share) to introduce, for the first time, a comprehensive nutrition education program into the curriculum of the nation's schools.

B. The legislation stresses technical assistance, teacher training (in-service and undergraduate), planning and organization, both at the state and federal office, and curriculum development. The idea is to start at the beginning, by teaching the teachers and developing materials. The program will be administered by the States' Educational Agency.

C. Each state will have a Nutrition Education Coordinator, who will be responsible for developing and enacting a State Plan for Nutrition Education.

That person shall be advised by a state Advisory Council for Nutrition Education comprised of teachers, parents, school officials, students, school food service personnel and others.

D. The State Plan will coordinate the existing nutrition education efforts within the state and new approaches developed by the Department of Education, combining them into one plan in the office. The plan will include ways to incorporate Nutrition Education into one plan in one office. The plan will include ways to incorporate Nutrition Education into all subjects being taught, using both professional and community resources.

E. A national Nutrition Education Center for training persons in nutrition education, compiling latest materials, developing curricular, and evaluating nutrition education efforts under this Act will be established, using and expanding existing facilities in HEW and USDA.

F. The funding level authorized for the first year will be approximately $75 million. There is a requirement that states contribute 25% of the total monies they receive under this Act for their nutrition education programs. However, funding for teacher training and pilot programs will be 100% federally funded.

G. This bill was drafted in consultation with officers of the Society for Nutrition Education, the American School Food Service Association, the National Dairy Council, and representatives of various federal agencies and state departments of education. The states will receive 40% of the funds equally, with 60% of the funds going to states based on student enrollment.

By Mr. CASE:

S. 1946. A bill to amend the Regional Rail Reorganization Act of 1973 with respect to the local service lines which the U.S. Railway Association does not designate as part of the ConRail system in the final system plan, and for other purposes. Referred to the Committee on Commerce.

Mr. CASE. Mr. President, I am introducing, for appropriate reference, a bill to amend the Regional Rail Reorganization Act of 1973 with respect to the local service lines which the U.S. Railway Association does not designate as part of the ConRail system in the final system plan, and for other purposes.

Mr. President, I ask unanimous consent that the section-by-section analysis which I have prepared as well as the text of the bill be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Earlier this year, the U.S. Railway Association's preliminary systems plan for restructuring the railroads of the Northeast and Midwest was made public.

As far-reaching as this plan is with

its recommendations for establishment of ConRail, its assessments of the billions of dollars needed to rehabilitate the bankrupt rail lines and its references to ConFac or some other governmental structure which would own the rights-of-way and maintain the tracks and rail beds, I think no part of the report was more significant than the section devoted to the branch lines.

While ConRail and ConFac are big concepts which may challenge us intellectually and philosophically, the fate of some 7,000 miles of branch lines touches all of us just a little differently.

Branch lines are a part of the commerce of our country. For example, here is a summary of the public response at a hearing in Trenton on discontinuance of a portion of the High Bridge branch which connects High Bridge and Feremont Junction, N.J.:

Thatcher Glass of Wharton was concerned about the circuitous routing its sand shipments would be forced to use without this line.

The Halecrest quarry, located on the Mt. Hope Mineral RR which connects the CNJ near Wharton went into operation in November of 1974 and had shipped 125 carloads over the High Bridge line by March of 1975.

Sears Roebuck and Company is planning a new distribution center which would generate 2,500-3,000 piggyback loads and 500-750 carloads per year. Without rail service Sears states that the facility will be built elsewhere.

Or from the public response on the plans to discontinue the Pleasantville track which runs from Pleasantville to McKee City:

Lumber Distributers Inc. at Pleasantville reports 90 carloads per year in 1973, 100 in 1974 and expects 105 in 1975 . . .

Atlantic Plastic Containers Inc. would halt plans to operate its plant 24 hours a day which would have increased employment by 55 and traffic by 90 cars per year.

SICO Steel Corp. would cancel further plans to develop an industrial park.

Atlantic City Electric Co. receives transformers at McKee City whose height and weight characteristics necessitate continued rail service.

I do not think these are unusual examples of how branch lines contribute to the economic health of our communities and directly and indirectly make commerce, particularly in the Northeast, what it is.

Believing in the importance of these branch lines, I am anxious to see them fairly evaluated. All of us know that there are some branch lines which should be discontinued. But when a decision is made which may lead to eventual discontinuance, it should be made on the basis of full and complete evidence.

And I am convinced that there is enough difference between facts as presented at public hearings and data on which the preliminary systems plan was based to justify a review of the branch line proposals.

For this reason, today I am introducing legislation to amend the Regional Rail Reorganization Act of 1973 so as to postpone for 2 years those decisions which would exclude certain local service rail lines from the rail system to be operated by Consolidated Rail Corporation.

Local service lines which the U.S. Railway Association, in its final system plan, finds not required to provide rail service under the provisions of the act would be operated by ConRail or another designated carrier during the 2-year interim period under 100 percent Federal subsidy. During that period, the Rail Services Planning Office would conduct a study of each such local service line and would report its conclusions and recommendations to ConRail.

The bill also provides for the analysis and possible return to service of rail lines that are out of service upon the effective date of the final system plan or which must be placed out of service subsequently because of natural disaster or failure to meet safety standards.

At the end of the interim period, the ConRail would submit to the Congress a local service plan designating which of these lines should be retained in its system and which should be either abandoned or subsidized by State or local interests under the 70-to-30 matching grant subsidy program of the act. The Congress would have the same opportunity to review the local service plan as it has with respect to the final system plan under the act as now written. Following the 2-year interim period, the subsidy program of title IV of the act would come into effect for an additional 2 years.

S. 1946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Local Rail Service Amendments of 1975.

Sec. 2 (a) The Congress finds that—

(1) Decisions which would result in the permanent loss of railroad facilities which may be necessary for the performance of transportation services essential to meet the needs of the United States today or in the future are of great concern to users of rail service, communities, those employed by railroads and by businesses dependent upon railroad service, and other concerned citizens.

(2) The information currently available to the Congress, the United States Railway Association, the Rail Services Planning Office and the Consolidated Rail Corporation is not sufficient to permit the making of such decisions on an informed and rational basis.

(3) Further study and consideration must be given to the determination of which local services lines should be included or excluded from the restructured railroad system.

(b) It is, therefore, declared to be the purpose of this Act to establish procedures for reviewing local-service line decisions which will—

(1) Give full and adequate consideration to the national goals specified in section 206(a) of the Regional Rail Reorganization Act of 1973.

(2) Permit branch line decisions which will be based on the Consolidated Rail Corporation's costs and operating characteristics, rather than those of a bankrupt carrier.

(3) Permit branch line decisions to reflect service frequency levels negotiated by users and carriers and not estimates by the bankrupt railroads of service frequencies in 1973.

(4) Require the Corporation to establish branch-specific cost accounts for all lines, permitting more accurate cost estimates to be anticipated on lines for which subsidies will be offered.

(5) Permit determination of revenue received by the Corporation rather than by a bankrupt carrier for traffic generated on each line.

(6) Permit an objective analysis of overhead traffic which would use each branch line under the Corporation's actual operating pattern.

(7) Provide the States in the Region, as defined in such Act, with financial assistance and additional time in which to perform the comprehensive analyses required to develop State rail plans.

Sec. 3. Section 102 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 702) is amended—

(a) by striking out "and" at the end of paragraph (14);

(b) by striking out the period at the end of paragraph (15) and inserting in lieu thereof "; and" and

(c) by adding at the end thereof the following new paragraph:

"(16) 'local service plan' means the plan prepared and approved pursuant to section 307 of this Act describing which of those lines not transferred to the Corporation or to a profitable railroad pursuant to the final system plan should be so transferred."

Sec. 4. Section 203(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 713(a)) is amended by striking out the last sentence thereof.

Sec. 5. Section 205(d)(3) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(3)) is amended by striking out "; and" and by adding at the end thereof a period and the following:

"Within 90 days following the effective date of the final system plan, the Office shall, if necessary, revise and republish the standards so that they contain regulations requiring the collection and publication by the Corporation or other railroads providing interim service of information sufficient to permit an accurate determination of the revenues, costs, and operations of light-density rail lines as operating and economic units; and"

Sec. 6. Section 206 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716) is amended by adding at the end thereof the following new paragraph:

"(j) Local Service Line Designations.—The final system plan shall designate (1) those rail lines, including out-of-service lines, which the Association determines are not required to provide rail service to meet the goals and requirements of this Act and which should not be transferred to the Corporation or offered for sale to a profitable railroad at that time, and (2) what rail carrier should be required to perform interim service over each such line under subsidy as provided in section 305 of this Act."

Sec. 7. (a) Section 209(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 719(a)) is amended to read as follows:

"Sec. 209(a) General.—Notwithstanding any other provisions of law, the final system plan, which is adopted by the Association, and the local service plan, which is adopted by the Corporation, both of which become effective after review by the Congress, are not subject to review by any court except in accordance with this section. After the final system plan and the local service plan become effective under sections 208 and 307, respectively, of this Act, they may be reviewed with respect to matters concerning the value of the rail properties to be conveyed under such plans and the value of the consideration to be received for such properties."

(b) Section 209(c) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 719(c)) is amended to read as follows:

"(c) Delivery of Plans to Special Court.—Within 90 days after their effective dates, the Association shall deliver a certified copy of the final system plan, and the Corporation shall deliver a certified copy of the local service plan, to the special court and shall certify to the special court—

(1) which rail properties of the respective railroads in reorganization in the region and of any railroad leased, operated, or controlled by such railroads in reorganization are to be transferred to the Corporation, in accordance with the final system plan or the local service plan;

(2) which rail properties of the respective railroads in reorganization in the region or railroads leased, operated, or controlled by such railroads in reorganization are to be conveyed to profitable railroads, in accordance with the final system plan or the local service plan;

(3) the amount, terms, and value of the securities of the Corporation (including any obligations of the Association) to be exchanged for those rail properties to be transferred to the Corporation pursuant to the final system plan or local service plan, and as indicated in paragraph (1) of this subsection; and

(4) that the transfer of rail properties in exchange for securities of the Corporation (including any obligations of the Association) and other benefits is fair and equitable and in the public interest."

(c) Section 209(d) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 719 (d)) is amended to read as follows:

"(d) Bankruptcy Courts.—Within 90 days after their effective dates, the Association shall deliver a certified copy of the final system plan, and the Corporation shall deliver a certified copy of the local service plan, to each district court of the United States or any other court having jurisdiction over a railroad in reorganization in the region and shall certify to each such court—

(1) which rail properties of that railroad in reorganization are to be transferred to the Corporation under the final system plan or the local service plan; and

(2) which rail properties of that railroad in reorganization, if any, are to be conveyed to profitable railroads operating in the region, under the final system plan or the local service plan."

Sec. 8. Section 303 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 743) is amended by adding the words "or the local service plan" immediately following the words "final system plan" wherever they appear.

Sec. 9. Section 304 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 744) is amended—

(a) by striking out the words "final system plan" where they appear in subparagraphs (a)(2)(A), (a)(2)(B), and (c)(1) thereof and substituting therefor the words "local service plan".

(b) by adding after the words "railroad in reorganization" in subsection (a)(2)(B) thereof the words ", or their successors,".

Sec. 10. Title III of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new sections:

"INTERIM SERVICE

"Sec. 305. With respect to rail lines which the Association determines should not be transferred to the Corporation or offered to a profitable railroad, under section 206(j) of this Act—

"(a) General.—Interim service shall be provided over each line by the Corporation or such other railroad as the Association shall designate in the final system plan until the effective date of the local service plan provided for in section 307 of this Act, unless authority to abandon such a line is obtained pursuant to section 304(f) of this Act.

"(b) Subsidy.—During the period that such interim service shall be operated, the Secretary shall reimburse the Corporation or other railroad performing the service for any loss which it shall incur in the operation of such lines, and shall pay to the owner of rail properties over which such service is performed an amount representing the return on the value thereof, both such amounts to be determined in accordance with the standards established under section 205(d)(3) of this Act.

"LOCAL-SERVICE STUDY

"Sec. 306. The Office shall review each rail line which the Association in the final system plan determines should not be transferred to the Corporation or to a profitable railroad as required by section 206(j). The Office shall also solicit, study, and evaluate the views with respect to present and future rail service on these lines from Governors of States within the region; mayors and chief executives of political subdivisions within such States; shippers; the Secretary of Defense; manufacturers, wholesalers, and retailers within the region; consumers of goods and products shipped by rail; and all other interested persons. The Office may conduct public hearings to solicit comments and to receive views, and it shall report its findings and conclusions to the Corporation as follows:

"(a) General.—The Office shall, within 540 days of the effective date of the final system plan, provide the Corporation with a report summarizing the public comment and stating its conclusions as to the cost of providing service on each such line and the revenues received from providing such service, and its recommendations as to whether each such line should be retained in service.

"(b) Out-of-Service Lines.—With respect to lines over which service is not being performed on the effective date of the final system plan, or over which service was being performed on such date but over which service is discontinued subsequent to such date due to natural disaster or to the failure of the line to meet minimum safety standards established by the Federal Railroad Administration, the Office shall, upon the request of any user of rail service provided by such a line or a Governor or transportation agency of an affected State, provide the Corporation, within 90 days of the receipt of such a request, with an interim report stating its estimate of the cost of returning such a line to a condition capable of permitting safe train operations, the costs that would be incurred in providing service over such line, and the revenues that would be received from providing such service; and its determination as to whether the line should be rehabilitated and service reinstituted. This determination by the Office may be appealed by any person to the Commission. Such an appeal shall be taken within 30 days of the issuance of the Office's determination, and shall be decided by the Commission within 75 days of the issuance of the Office's determination. The Commission's decision on appeal shall be final and shall not be reviewable in any court.

"(c) Reinstitution of Service.—If it is determined by the Office or by the Commission, under paragraphs (b) of this section, that service should be reinstituted over an out-of-service line, the Corporation or other railroad designated in the final system plan as responsible for providing interim service over that line shall proceed promptly to perform such rehabilitation as may be necessary and shall reinstitute service thereon, and the Secretary shall reimburse the Corporation or such other railroad for the necessary expenditures therefor. To the extent that physical condition is used as a basis for determining the value of properties designated for transfer to the Corporation under the local service plan, the physical condition of the properties prior to the expenditure of funds for their improvement pursuant to this paragraph shall be used; and in the event that such properties are transferred to an entity other than the Corporation, the owners thereof shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the improvements provided pursuant to this paragraph.

"THE LOCAL SERVICE PLAN

"Sec. 307. (a) Delivery to the Congress.—Within 660 days following the effective date of the final system plan, the Corporation shall publish and deliver to both Houses of Congress its local service plan, describing which of those lines not transferred to the Corporation or to a profitable railroad pursuant to the final system plan should be transferred to the Corporation or to a profitable railroad, and which of them should not be so transferred.

"(b) Review by the Commission.—Within 30 days following delivery of the local service plan to the Congress, the Commission shall submit to both Houses of Congress its evaluation of the local service plan.

"(c) Approval of the Plan.—The local service plan shall be deemed approved at the end of the first period of 60 calendar days of continuous session of Congress after the date of delivery thereof unless either the House of Representatives or the Senate passes a resolution during such period stating that it does not favor the local service plan. In this event, the Corporation shall prepare and submit a revised local service plan. The days of continuous session of Congress shall be computed as provided in section 208(c) of this Act."

Sec. 11. Section 402(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 762) is amended by adding at the end thereof the following new subparagraph:

"(3) The Secretary shall provide grants to States in the region to help such States meet the cost of establishing and implementing the State rail plan required by section 402 (c)(1) of this Act. Such grants shall be made available by the Secretary during the course of the State rail planning process, and shall be distributed by the Secretary as needed by the States. The amount of State rail planning grants to which each State in the region is entitled shall be computed using the formula set out in the preceding subsection and the State rail planning grant to each State shall be no more than 10 per centum and to no less than 3 per centum of the funds appropriated for State rail planning in section 402(i)(1).".

Sec. 12. (a) Section 214(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 724(b)) is amended by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000".

(b) Section 402(i) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 762 (i)) is amended to read as follows:

"Sec. 402(i) Authorization for Appropriations.—(1) There is authorized to be appropriated to carry out the purposes of this title and of sections 305 and 306 of this Act (A) such sums as are necessary, not to exceed $55,000,000, of which $5,000,000 is to be made available for State rail planning grants in the region, for each of the two fiscal years including and immediately following the effective date of the final system plan, and (B) such sums as are necessary, not to exceed $45,000,000, of which $5,000,000 is to made available for State rail planning grants in the region, for each of the next two fiscal years. Such sums as are appropriated shall remain available until expended.

"(2) One-half of the sums appropriated pursuant to the authorization of subparagraph (1)(B) of this subsection shall be reserved for allocation to the States under subsection (b)(1) of this section. One-half of the sums appropriated pursuant to the authorization of subparagraph (1)(B) of this subsection shall be reserved for distribution by the Secretary under subsection (b)(2) of this section."

SECTION-BY-SECTION ANALYSIS

Section 1 of the bill provides a short title: "The Local Rail Services Amendments of 1975".

Section 2 states the Congressional findings and purposes. Section 2(a) finds that permanent decisions affecting rail facilities which may well be essential to meet public transportation requirements are of major concern to a wide spectrum of the population, that the data presently available upon which such decisions would have to be based is inadequate, and that further study of the local service line situation is necessary. Section 2(b) recites the bill's purposes. The statement is adapted from the list of objectives to be found at page 56 of the Office's "Evaluation of the U.S. Railway Association's Preliminary System Plan", issued April 28, 1975.

Section 3 adds to the definitions contained in section 102 of the Act the definition of "Local Service Plan". The Local Service Plan is the subject of proposed new section 307 of the Act, which would be added by section 10 of the bill.

Section 4 would amend section 203(a) of the Act by striking the last sentence. The effect of this change would be to remove the time limitation that now exists upon the right of the Office, the Association, and the Secretary of Transportation to obtain relevant information from railroads operating in the region. Their right to information now expires upon the effective date of the final system plan, and the Office, at least, would need access to information following that date in order to comply with the requirements of the bill. Inasmuch as the right of all three bodies to information is limited to "relevant" data requested "in connection with the performance of their respective functions" under the Act, it seems unnecessary to retain any sort of time limitation.

Section 5 of the bill would amend section 205(d)(3) of the Act to require the Office, if necessary, to modify the subsidy standards already issued by it under that section (49 C.F.R. Part 1125) to provide for the collection and publication of branch-specific cost and revenue data necessary to permit the Office to conduct the analyses required under proposed new section 306 of the Act, which would be added by section 10 of the bill.

Section 6 makes one of the major substantive changes in the Act. It amends section 206 to require that the Final System Plan designate those rail lines—including lines which are out of service at the time the plan is submitted—which the Association determines are not necessary to provide service under the provisions of the Act and which, in its view, should not be included in the restructured rail system. As now written, the Act requires only that the Final System Plan identify properties to be transferred to the Corporation or another railroad. Properties not designated for transfer would remain part of the bankrupt railroads' estates, and—except for rail lines as to which a subsidy is offered—could be disposed of by the trustees. Amended section 206 would require the specific identification of local service lines which the Association finds to be redundant, thus facilitating implementation of the principal provisions of the bill set out in section 10. The amendment to section 206 of the Act also requires that the Final System Plan designate what rail carrier—whether the Corporation or some other railroad—is to provide interim service over each such line.

Sections 7, 8 and 9 of the bill containing conforming amendments which would modify the language of sections 209, 303 and 304 of the Act, respectively, to reflect the substantive changes in the Act which would be effected under section 10 of the bill.

Section 10, which would add three new sections to Title III of the Act, contains the principal proposed substantive amendments. Proposed new section 305 would require the performance of rail service over each line designated as excess in the Final System Plan (see proposed new section 206(j) which would be added by section 6 of the bill) between its effective date and the effective date of the Local Service Plan. It would also provide that losses for such service, as measured by the subsidy standards adopted by the Office under section 205(d)(3) of the Act, would be reimbursed by the Secretary of Transportation. (The Office in its "Evaluation" has found that the present authorized funding level provided by the Act for rail service continuation subsidies is adequate to permit such payments and also to permit implementation of the 70/30 matching grant subsidy program for which the Act now provides for the two years following the interim period.)

New section 306 would provide for studies by the Office of local service lines which are designated as excess in the Final System Plan. In the course of its review, the Office would be required to solicit the views of a broad spectrum of the public, and it would be empowered to hold public hearings.

Under section 306(a) the Office would be required to submit to the Corporation its findings and recommendations on each line studied within 540 days after the effective date of the Final System Plan. This time period would enable the Office to include in its computations the actual cost and revenue figures reported pursuant to regulations adopted by the Office under amended section 205(d)(3) of the Act (see section 5 of the bill).

Section 306(b) of the bill provides for review by the Office of lines which are out of service upon the effective date of the Final System Plan or which must be placed out of service during the two-year interim period. Such a review would be triggered by a request from a user of such a line or from the Governor or transportation agency of an affected State that a study of the line be made. The Office would have 90 days from the receipt of such a request to make its study and to report to the Corporation its estimate of the cost of rehabilitation of such a line and of the costs and revenues which would result from its operation. The Office would also make a recommendation to the Corporation as to whether the line should be rehabilitated and returned to service.

Recognizing that rehabilitation of an out-of-service line could involve substantial expense, section 306(b) provides for an appeal to the Commission, on an expedited basis, from the Office's determination. Such an appeal would have to be taken with the Commission within 30 days, and the Commission would have an additional 45 days in which to make its decision, which would not be reviewable.

Section 306(c) provides for the rehabilitation of an out-of-service line, and its return to service, in the event that the Office, or the Commission on appeal, finds that this should be done. The Corporation or other railroad responsible for the provision of service over such a line is directed to proceed promptly to effect its rehabilitation, and the Secretary is directed to subsidize the costs incurred. This paragraph contains language adopted from that of section 215(b) of the Act (as amended February 28, 1975) designed to assure that the public costs of any improvements shall not accrue to the benefit of the bankrupt railroad owning the properties involved.

New section 307 would require the Corporation to prepare and submit to the Congress its Local Service Plan describing which of those lines found to be excess in the Final System Plan should be included in the restructured system, and which should not. Section 307(a) would require submission of the Local Service Plan within 660 days of the effective date of the Final System Plan.

The remainder of new section 307 provides for a review of the Local Service Plan corresponding to that now provided in the Act for the Final System Plan. Under section 307(b) the Commission would have 30 days to submit its comments on the Local Service Plan to the Congress. Under section 307(c), the Plan would be deemed approved by the Congress unless either the House or Senate passes a resolution rejecting it within 60 days of its submittal.

Section 11 of the bill amends section 402(b) of the Act to direct the Secretary to provide rail planning grants to the States to assist them in meeting the costs of establishing and implementing the State rail plan required by section 402(c)(1) of the Act.

Section 12 of the bill amends two sections of the Act providing for appropriations. Section 214(b) would be amended to increase the Office's authorized funding level from $5 million to $10 million. Section 402(1) would be amended to divide the present authorization of $90 million per year for rail service continuation subsidies into two parts, one available during the two-year interim period when 100 percent Federal subsidy would be provided, and the other available during the following two years to fund the 70/30 matching grant subsidy program.

By Mr. THURMOND:

S. 1948. A bill to authorize and direct the Secretary of Agriculture and the Secretary of the Interior to quitclaim retained rights to certain land in Orangeburg County, S.C., to the State superintendent of education of the State of South Carolina. Referred to the Committee on Agriculture and Forestry.

Mr. THURMOND. Mr. President, I am today introducing legislation to authorize the Secretaries of Agriculture and Interior to convey the reversionary interests of the U.S. Government in an 18.10-acre tract of land located in Orangeburg County, S.C., to the superintendent of education of the State of South Carolina, who in turn desires to transfer the property to the South Carolina Association of Future Homemakers.

This property was originally secured by the State Department of Education as a camp to be used for educational and recreational purposes by a group known as the New Homemakers of South Carolina. The 1945 transfer provided that the U.S. Government would maintain a 61.9 percent reversionary interest in the surface and mineral rights, with the property to revert to Government ownership in the event it should ever cease to be used for the intended recreational and educational purposes.

It is my understanding that the property is no longer being used for the purposes for which it was acquired. However, the South Carolina Association of Future Homemakers of America, which took in the New Homemakers student organization after complete integration of the public schools, would like to acquire full title to this land. The Homemakers Association desires to recover some of the investment made by the New Homemakers group, make useful adjoining property now owned by the Future Homemakers Association, and use any benefits from the property for all members of the association.

The recent history of this tract of

land indicates that the New Homemakers group made substantial investments in improving this property when it was actively used as a student camp. Furthermore, three additional, adjoining tracts of land, comprising a total of 8.31 acres, were purchased by the Homemakers group to provide additional needed space.

The camp was actively used by members of the organization through 1970. From 1945 through 1970, members of the student organization and home economics teachers maintained and expanded the facilities and equipment through dues, local money-making projects, and personal contributions of time and money.

Even though the camp is no longer in operation, I think it is evident that the Future Homemakers organization has made substantial investments in this 18.1 acre tract of land and in neighboring property owned entirely by the association. The organization would now like to obtain full title to this real estate in which they have made investments of their time and funds, in order to use it productively and recoup their investment. However, I am advised that the Government's interest cannot be released administratively. Thus, Congress must pass this special authorizing legislation in order for the Secretary of Agriculture and the Secretary of Interior to relinquish the Federal Government's reversionary interest in the property to the State superintendent of education, who will thereupon convey full title to the Future Homemakers group.

There are numerous precedents for this type of legislation in unique circumstances such as these. To cite one recent example from my home State, I would point out that Public Law 93–457 authorized the Secretaries of Agriculture and Interior to convey a quitclaim deed to the Lee County, S.C., Board of Education, releasing the U.S. Government's reversionary interest in certain tracts of land. I believe the situation with respect to this property in Orangeburg County is very similar, and I hope this legislation will be promptly approved by Congress.

Mr. President, I ask unanimous consent that a letter from Mr. E. W. Brooks, South Carolina State Director of the Farmers Home Administration, and a brief history of this tract of land be included in the Record at the end of my remarks. This information further explains the background and need for this legislation. I also ask unanimous consent that this bill be printed in the Record following these exhibits and referred to the appropriate committee for prompt consideration.

There being no objection, the material and bill were ordered to be printed in the Record, as follows:

Farmers Home Administration,
Columbia, S.C., January 27, 1975.

Re Farmer programs.

Mr. Cyril Busbee,
State Superintendent of Education,
Columbia, S.C.

Dear Mr. Busbee: We have a copy of the letter that was written to you dated January 13, 1975 by our Administrator, Mr. Frank B. Elliott. The property in question, as we understand it, is perhaps more involved than just mineral interest. As a result, we would like to set forth the following which may give a bit more insight as to the conditions that exist.

The property, of course, consists of an 18.10 acre tract sold by the Government to the State Superintendent of Education of the State of South Carolina for $600 in 1945. The conveyance was made by a Quitclaim Deed dated December 6, 1945. The deed recited that the conveyance was being made for "educational and recreational purposes only". It also contained a reservation of the minerals to which the Government held title and a right to effect a reversion if the property ceased to be used for the purposes for which it was deeded.

By your letter of September 26, 1974, to the Secretary of Agriculture, it is our understanding that you advised the property is no longer being used for the purposes for which it was acquired and that you would like to divest yourself of the property. In the letter, inquiry was made as to whether the restrictions in the deed could be removed so the South Carolina Future Homemakers of America, which apparently put up the original $600 purchase price, can get clear title.

The $600 was paid for the limited estate which the grantee received in the property under the 1945 deed. Undoubtedly, that is why the purchase price was so low. It is our understanding that the Future Homemakers of America have improved the property and have bought three small adjacent tracts to make it more suitable as a camp. Now that organization would like to get full title to the property or the proceeds from its sale. Either result would involve both the Government's undivided 61.9% of the retained rights and interests in the property and the undivided 38.1% of the South Carolina Rural Rehabilitation Corporation.

We are not aware of any present authority for making a grant of the Government's portion of the retained rights and interests or the proceeds thereof. The Government's reversionary rights are an asset of the Agricultural Credit Insurance Fund (7 U.S.C. 1929 (g)(1)). Therefore, they do not appear to be excess to the needs of the Farmers Home Administration. Consequently, it is doubtful that FmHA's interest in the reversionary rights would be subject to administrative disposition under the Federal Property and Administrative Services Act of 1949, as amended (40 U.S. 472,484). Nevertheless, we are informed that we do have authority to make within program and surplus real property sales under section 335(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(c)). Accordingly, if these reversionary rights can be determined to constitute real property, we could probably sell them under that authority. But, since the property is no longer being used for the purposes for which it was deeded, FmHA has the legal right to effect a reverter, so it would have to get the full value of the interest in the property which it would acquire through exercise of the reversionary right.

If the reversionary right (or the property if that right is exercised) cannot be sold for use for a Farmers Home Administration program purpose, the above-cited statute authorizes the sale of FmHA real property at public sale after public notice and, if no acceptable bid is received, then at negotiated sale. However, we could not sell the Government's interest in the minerals, at least not without specific Congressional authorization, since that interest is now the property of the Department of the Interior. The transfer was made to Interior by letter dated September 6, 1957, pursuant to Public Law 760, 81st Congress (7 U.S.C. 1033). Moreover, we have no authority to sell the undivided interest of the Corporation in the reversionary right or reserved minerals.

As information and according to our records, the Orangeburg Farms Project investment ratios were: Corporation, 61.4%; Government 38.6%. However, the "Statewide" investment ratios were: Corporation, 38.1%; Government, 61.9%. Since the joint investment in the project was taken into consideration in establishing the Statewide investment ratio, the Statewide investment ratio controls. Therefore, the Government owns 61.9% of the reserved rights and interests and the Corporation owns the other 38.1 percent. Those same percentage interests will apply to the property if the reversionary right is exercised.

In a situation similar to this, Public Law 93–457, approved October 18, 1974, directed a release of the Government's retained rights and interests in certain tracts of land to the Board of Education of Lee County, South Carolina. This information is provided should it be helpful to you in making a decision regarding further action. Back in 1956, Public Law 471, 84th Congress (70 Stat. 99), directed the Government to release its reversionary rights in certain property to Orangeburg School District No. 5 in Orangeburg County, South Carolina. In 1957, a similar problem arose with respect to three school sites on the former Allendale Farms Project in Allendale County, South Carolina. In that case the reversion was effected by a Quitclaim Deed dated June 26, 1958, from the schools district to the Government while it still held the South Carolina Rural Rehabilitation Corporation's interest in the reversionary rights in trust. Again, this information is provided for whatever value it may have regarding future actions on your part.

As cited in our Administrator's letter to you on January 13, 1975, we are not suggesting that relief be sought through a special Act of Congress in the subject case. However, if the South Carolina Future Homemakers of America contemplate getting a bill introduced in the immediate future, we would be willing to withhold action for a reasonable period of time to see whether it is enacted. Failure on the part to act within the immediate future would necessitate our referring this matter to our Regional Attorney with a request that he assist us in taking the appropriate steps to effect the reversion of the 61.9% undivided interest to the Government.

It is assumed that the undivided 38.1% interest of the Corporation in the reversionary right and reserved minerals has been deeded back to the Corporation. The Liquidation Agreement signed by the Corporation on May 26, 1959, and by the Government on May 28, 1959, returned equitable title to these interests to the Corporation. However, we have no indication or statement in our file to the effect that the formal conveyance was made and recorded to vest record title to these interests in the Corporation. Our records reflect the deeding of reserved minerals to the Corporation but it did not mention the reversionary rights. If the Corporation's undivided interests have not been deeded back to it to reflect the return of such assets covered by the above mentioned Liquidation Agreement, we should be informed and thereafter we will request the advice and assistance of the Regional Attorney in getting this accomplished. We, of course, do not know whether the Corporation would be interested in granting or selling its interests to the South Carolina Future Homemakers of America, but we would not object to such a grant to the extent that it would benefit eligible farm families.

Hopefully, the above will give some insight as to the present situation.

Sincerely,

E. W. Brooks, *State Director.*

Brief History of New Homemakers Camp, Orangeburg, S.C.

On December 6, 1945, a tract of land consisting of 18.10 acres was secured from the Farm Security Administration and deeded to James H. Hope, State Superintendent of Education. The land was secured through the State Superintendent of Education for $600 paid by the New Homemakers of South Carolina, an organization for Negro students in high school home economics.

The land described in the deeds as a tract of land of the Orangeburg Farms Project of Farm Security Administration was secured for a camp to be used for educational and recreational purposes by the New Homemakers of South Carolina.

The advisory committee of the association authorized the Executive Secretary to borrow $3,000 to move and rebuild buildings on the campgrounds, from camp 42 near Vance, South Carolina.

Three additional tracts of land indicated on the plat as tracts 2–3–4 were purchased by the organization to provide additional needed space. These three tracts of land comprising a total of 8.31 acres surround the tract secured from the Farm Security Administration. The camp was operated for use by members of the organization through 1970. From 1945 through 1970 members of the organization and home economics teachers maintained and expanded the facilities and equipment through dues, local money-making projects and personal contributions of time and money.

The organization of New Homemakers of South Carolina ceased to exist after complete integration of schools and students became members of the national and state organization of Future Homemakers of America. Other camping facilities in the state under the supervision of the FHA were used by these students for their camping program and this property was no longer needed for this purpose.

The organization of the South Carolina Association of Future Homemakers of America desires to secure a clear deed to this property with the privilege of using the property to recover some of the investment made by the organization, make the adjoining property owned by the organization useful, and to use any benefits from the property for all members of the Association.

S. 1948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture and the Secretary of the Interior are authorized and directed to execute and deliver to the State Superintendent of Education of the State of South Carolina, his successors and assigns, a quitclaim deed conveying and releasing unto the said State Superintendent of Education of the State of South Carolina, his successors and assigns, all right, title, and interest of the United States of America in and to a certain tract of land, situated in Orangeburg County, South Carolina, conveyed by the United States to the State Superintendent of Education of the State of South Carolina, by a deed dated December 9, 1945, and recorded on May 17, 1946, in the land records of the office of the Clerk of Court for Orangeburg County, South Carolina, in deed book 124, page 471.

By Mr. CURTIS:

S. 1949. A bill to amend section 103 of the Internal Revenue Code of 1954. Referred to the Committee on Finance.

Mr. CURTIS. Mr. President, I am introducing a bill to amend section 103 of the Internal Revenue Code of 1954 to increase the size of "small issue" tax exempt industrial development bonds. The bill would increase the amount of the present $1 million limitation to $10 million and would eliminate the capital expenditures requirement.

Mr. President, since the 1930's State and local governments have issued tax-exempt bonds to promote industrial expansion. The bond issue serves a public purpose by increasing employment opportunities and tax bases in the communities. In addition, the bonds provide an opportunity to construct facilities to combat pollution and increase our supply of energy. Bonds issued for these purposes are commonly known as "industrial revenue bonds."

In 1968, Congress placed a limit of $1 million on the permissible size of industrial development bonds and within 6 months raised this limitation to provide, at the election of the user, an alternative $5 million limitation on the exemption. The purpose of the increased limitation was to provide assistance to the economically depressed areas of our country, where there is need for industry and employment. The United States is experiencing a severe recessionary trend. The unemployment rate is approaching 9 percent, the highest rate in over 33 years. The rate of business investment has rapidly and substantially decreased. In addition, we are experiencing an unacceptable rate of inflation which has been particularly severe in the construction industry. Construction costs have increased by over 60 percent since June of 1968 and projects costing $5 million in 1968 would today cost over $8 million. Thus, inflation has dramatically diminished the effectiveness of the small issue industrial development bond incentive that Congress intended to provide. Consequently, needed business development is being reduced or abandoned and employment opportunities diminished at a period in the economic cycle when we should be going in the opposite direction. For this reason my bill would increase the limitation on the size of Industrial Development Bonds from $1 to $10 million.

Mr. President, in 1968, Congress included another limitation that provided that if the $5 million election is exercised, capital expenditures during a 6-year period beginning 3 years prior to the financing and ending 3 years after the financing must be added to the amount of the bond issue in determining whether the bond issue is within the $5 million limitation. As a result, a current issue of $5 million would not qualify for exempt status, if the proceeds, combined with other capital expenditures from whatever source, were used to build a facility costing in excess of $5 million. In addition, certain payments which are treated for accounting purposes, may, for purposes of the capital expenditures test, be classified under Treasury regulations as capital expenditures. Investors in industrial development bonds are not willing to take the risk of buying a bond that is part of an issue the dollar amount of which is close to the upper limits of exemption. Thus, as a practical matter, the capital expenditures rule limits tax-exempt industrial development bond financing under present law to substantially less than $5 million and this bill provides for the elimination of the rule.

Mr. President, this bill also expands the coverage of industrial development bonds to assist in our struggle toward energy independence. The bill provides that industrial development bonds may be used in the conversion or replacement of gas burning equipment and fuel saving devices for industrial facilities.

Mr. President, Industrial Development Bonds have provided a unique vehicle for communities to expand employment opportunities. This bill will restore opportunities contemplated in 1968, which have been drastically curtailed by inflation. In addition, at a time when this country is faced with a severe recession, the bill will stimulate the economy by the encouragement of private capital investment.

Mr. President, I request that this bill be appropriately referred and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1949

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 103(c)(4) of the Internal Revenue Code of 1954 (relating to certain exempt activities) is amended—

(1) by striking out in subparagraph (G) "if available on reasonable demand to members of the general public." and by inserting in lieu thereof "whether or not to the general public.";

(2) by striking out the period at the end of subparagraph (G) and inserting in lieu thereof, "or"; and

(3) by adding at the end thereof the following:

"(H) facilities which cause, allow, or result in the conversion from or replacement of gas burning equipment to or with oil burning equipment or facilities which cause, allow, or result in the conversion from or replacement of oil burning equipment to or with equipment which burns other energy burning materials such as garbage, coal, bark, peat, or lignite.

"(I) fuel saving devices for industrial facilities."

(b) Section 103(c)(6) of such Code (relating to exemption from industrial development bond treatment for certain small issues) is amended—

(1) by striking out in subparagraph (A) "$1,000,000." and by inserting in lieu thereof "$10,000,000.";

(2) by striking out subparagraphs (D), (E), (F), (G), and (H);

(c) EFFECTIVE DATE.—

(1) The amendments made by subsection (a)(1) of this Act shall apply with respect to obligations issued after the date of enactment of this Act;

(2) The amendments made by subsections (a)(2) and (3) of this Act shall apply with respect to obligations issued after the date of enactment of this Act, but only with respect to obligations issued before January 1, 1980; and

(3) The amendments made by subsection (b) of this Act shall apply with respect to obligations issued after the date of enactment of this Act.

By Mr. MATHIAS:

S. 1950. A bill to amend the Tariff Schedules of the United States to impose higher rates of duty on products derived from petroleum, to distribute the revenue from such increased rates of duty to States which consume such products, and for other purposes. Referred to the Committee on Finance.

PETROLEUM PRODUCTS IMPORT ACT

Mr. MATHIAS. Mr. President—

> While the tax plan—referring to floor action in the House of Representatives—was soundly rejected, there was no indication that there was strong support for any alternative means of conservation that might cause consumers to change their habits of consuming fuel. (This quote is from the New York Times of June 12.)
>
> The final session of the National Governor's Conference found the State Executives still badly divided on their approach to the energy question. They achieved common ground only in calling for a vaguely worded "special energy project" and expanded conservation efforts. (This quote is from the Washington Post of June 12.)

The people of America know there is an energy problem and I suspect even Congress knows it, otherwise there would be no reason for the hours of acrimonious and fruitless debate which have taken place. Our constituents are looking for leadership. If energy can be likened to fire in a house, then our constituents are ready just as members of a community to put their neighbors' fire out. But leadership is needed. To put out a fire, buckets are required; water must be found, and most importantly in equating a fire with our energy problem, a line to pass the water from the well to the fire must be formed.

Congress is on its way to earning the scorn of the American people for its total failure to come to grips with energy. In the months of debate, little positive has been accomplished and if the future is like the past we will have earned the contempt of the public.

Congress misses the point in equating energy conservation with a decrease in the American standard of living. Conservation need not be realized by decreasing our standard of living, but rather by changing our way of living. With this thought as a guide for our efforts and a candid approach to national problems, the future need not be worse than the past as so many Americans now believe.

On February 28, 1975, I introduced S. 897, the Energy Conservation Tax Act of 1975. This legislation was designed to influence consumer demand for energy. Specifically, my bill concentrated on reducing America's consumption of gasoline. It would accomplish this goal by levying a gas tax at the pump and a tax on automobiles which are inefficient. It would also provide for income tax credits and deductions for energy-saving devices, and loans for those nontaxpayers who purchase energy-saving devices. I stated at that time that this was only a partial answer and I restate that today. I now introduce further legislation to complement the approach taken in S. 897.

The need for this country to reduce energy consumption cannot be seriously questioned. In this regard, the need for a comprehensive national program cannot be overstated. The President has done all in his power to force Congress to enact such comprehensive legislation. I share his frustration with congressional inaction to date and sympathize with his decision to use the one power he has to force Congress to Act. Raising import fees for imported petroleum is a blunt instrument and can only be justified in the short term if nothing else is available.

As we look at the energy problem, it is evident that there are basically two ways of achieving meaningful conservation. Federal policy can either influence demand or supply. Demand for petroleum products is comprised of the individual choices that end-users make every day of their lives. End-users are constituents. We are all end-users of energy and if the Government seeks to influence demand, it seeks to influence each and every one of us; to create pressures that will channel demand in ways that will serve in the national interest.

Done properly, the results can be beneficial. It is, however, a high risk political strategy. The Federal Government can, on the other hand, focus on supply. By doing so the political risks are diminished in the short term as the direct interface between Government and its citizens is lessened. But it is very difficult to serve the long-term energy needs of this country by concentrating on reducing supply. This is because the public interest can only be served by a viable and competitive petroleum industry. While government pressure on consumer demand can be easily accommodated in a free market, Government pressure on business to reduce supply cannot be so easily accommodated. Private industry must be left free to compete in the market and allowed through efficiency of operation to capture larger and larger shares of the reduced market.

If Federal policy focuses on supply, energy conservation can be accomplished in many ways. The Government could tighten the allocation fraction pursuant to the Emergency Petroleum Allocation Act, or reduce by quota the amount of oil that can be imported into this country. Sunday closings or odd/even fill-up days can be mandated. All of these actions conserve, but in a somewhat arbitrary matter. They all require, particularly if price controls are maintained, regulations to set priorities and to allocate a resource among competing users.

The end result is to make the already complex oil business even more so and to create a need for layers of regulations to solve problems created by other regulations. This added complexity serves no good purpose. It does not reward efficiency of operation or punish inefficiency as the free market has historically, but only creates hurdles that a lucky few surmount. The greatest loser is the American consumer who pays the final bill.

In a strictly political sense, concentrating on supply may seem attractive. Reducing demand brings Government into direct conflict with the wishes of individual consumers, while reducing supply focuses on large companies, who are few in number. But I submit that this country is waking up to hidden costs; that Americans are tired of paying tomorrow for last night's binge. They would rather pay the bill now.

In speaking of S. 897, some months ago, I stated, "It is unlikely that any one Senator can address in a comprehensive fashion every facet of this vast, complex field, but I do intend to introduce further legislation on these and related subjects. By way of putting this legislation in context, it would be fair to say that it represents my view that stringent conservation is required and that much of this conservation must take place in the home. None of these programs—here referring to S. 897—deal with priorities we must set as between domestic and foreign sources. I recognize that a comprehensive program must be enacted in this area as well. I intend to introduce legislation shortly which will establish a system of priorities so that when the gas tax, the residential energy conserving credit, and the automobile efficiency tax create less of a demand in this country for petroleum, we can reduce oil imports with a particular emphasis on refined, imported products."

I have now prepared the further legislation to which I alluded earlier. The bill I introduce today will establish a system of tariffs on imports of residual fuel, middle distillates, jet fuel, and motor gasoline. The tariff on residual fuel will be $2; on middle distillates and jet fuel $3, and on motor gasoline $4. Initially, licenses for the tariff-free importation of middle distillates and residual fuels shall be issued. For middle distillates, in 1976, licenses will be issued for up to 90 percent of 1972 volumes to importers. In succeeding years, the number of licenses will be reduced so that by 1981, no licenses will be issued and the tariff will apply to all imports of middle distillates. For residual fuel, the concept is the same but the schedule is changed so the licenses will be issued for only 80 percent of 1972 volumes. The schedule mandates that licenses be scaled down to 20 percent of 1972 volumes by 1981 and remain at that level thereafter.

For both residual fuels and middle distillates, 10 percent of 1972 volumes is reserved for discretionary use by the President in consultation with the Federal Energy Administration. These remaining licenses can be issued on the basis of extreme hardship and will be issued to importers with unusually low volumes in 1972 or who have only been in the petroleum importing business since 1972. This 10 percent figure will not vary as the years go by.

As to motor gasoline and jet fuel, which are also subject to a tariff increase by my legislation, there will be no duty-free licenses issued. These products constitute only a very small amount of the total imports of product and can easily be replaced by substitutes available domestically.

In the past, attempts to deal with an over-reliance on energy imports has met with stiff regional opposition. Those regions of the country which are heavily dependent on imports are reluctant to see national taxes fall heavily on their geographic area. They realize that only a small fraction of the revenue generated by such taxes is returned to the region from whence it was derived. My legislation seeks to remedy this situation in an administratively simple fashion by mandating that tariffs collected on residual fuel and middle distillates be returned to the State treasuries where the first sale occurred. This would not be true for motor gasoline and jet fuel, which, as I have stated, constitute only a small portion of total product imports. The net effect of this provision is to ensure regional equity through the creation of a system for moving those funds derived from the tariff back to the locality that had to pay them in the first instance. These funds would be available to the States for whatever purposes seem appropriate.

I might note that a number of States, including Maryland, are currently distressed over declining gas tax revenues as a result of energy conservation. Many future State projects are dependent on raising or at least maintaining revenues from the gas tax.

My proposal is clearly different from what the President has available to him and has seized upon as his energy program. The President's program raises tariffs immediately and will send shock waves throughout the economy. There are no duty-free licenses to be phased out over a period of years. The full $1, $2, or $3 is felt immediately by all, regardless of their ability to switch from foreign to domestic sources. There is no regional equity. His program demands instant conversion to other sources of energy supply. Such conversion is difficult, if not impossible over such a limited period of time and with domestic energy resources in short supply. This Nation does not need a shock treatment, but rather a clear and long-term program. Such a program must recognize the difficulty of instant conversion but decree conversion over the next 4 or 5 years. It must encourage refinery construction at home, rather than in Europe, the Middle East, or elsewhere.

According to the monthly Energy Review for April 1975, published by the Federal Energy Administration, imports of refined product have ranged over the last few months from a low of 2 million to a high of 2.5 million barrels per day. Crude oil imports have stayed relatively constant at approximately 4 million barrels per day. While it would be very nice to be totally self-reliant in energy, there is no possible way the United States could achieve such a goal. In that sense, Project Independence is misleading. What must be achieved is not total self-reliance, but rather the ability to get by in an emergency by relying on domestic sources, and a favorable balance of trade over the long-term.

The most practical way of accomplishing these two objectives is to concentrate on cutting back on foreign, refined product. From a national security standpoint, foreign, refined product renders the United States doubly vulnerable. First, the resource is produced in an area where the United States has little influence, and where the host government may be hostile to our national interest. Second, the energy is refined beyond our control and is thus subject to export restrictions if the host country is also short of energy.

In addition to being subject to discriminatory export taxes and restrictions, there is a further factor to consider. In the event of a serious shortage in this country, the Federal Energy Administration can utilize the Emergency Petroleum Allocation Act to alter refinery runs so that production of refined product of critical importance to national security is given a priority over other products derived from a barrel of oil. This program was implemented with considerable success during the days of the Arab oil embargo and may be needed in the future. Needless to say, it is an alternative that is unavailable in the case of a foreign refinery.

Our balance of payments is also of concern. The United States is a strong exporter. Our balance of payments would be continually favorable were it not for the heavy deficit that is caused by petroleum imports. It is one thing to be forced to purchase a raw material abroad because it is needed, but unavailable domestically, but it is quite another to pay also for refining that product overseas because of an unwillingness to encourage refinery construction at home. Importing product means exporting dollars not only for the purchase of the raw material, but also for labor, petroleum additives and other supplies, depreciation, and capital costs associated with the foreign refinery. That is a steep and unnecessary price to pay for energy consumption in this country.

The Washington Post editorial of May 28, 1975, entitled "The President and Oil Tariffs" focused on just this problem while discussing President Ford's recent decision to raise the tax on imported oil to $2. I quote a portion of that editorial:

> The peculiar structure of these tariffs (referring to the President's $2 import fee) is also widening the gap between the cost of importing crude oil and the cost of the refined product. While the tax on the foreign crude is now $2 per barrel, the tax on product, like fuel oil, is—in deference to the sensibilities of New England—only 60 cents per barrel. Although part of our present, trouble arises from a shortage capacity in this country, the present tariff levels offer a strong incentive to refine the oil abroad before bringing it here.

I share this concern and was consequently heartened by the Washington Post calling attention to it.

The Federal Energy Administration took issue with this paragraph of the Post editorial in a letter from Frank G. Zarb, Administrator of the Federal Energy Administration, to the Editor of the Washington Post which appeared in the "Letters to the Editor" section of the Post. The letter entitled "Domestic vs. Imported Oil" reads:

> In your very perceptive editorial of May 28 entitled "The President and Oil Tariffs," you said that the President's imposition of a higher fee for imported crude oil than for imported refined product creates a "strong incentive to refine the oil abroad before bringing it here." Actually, the opposite is true. Under the President's program, it will be $1.62 per barrel, or almost 4 cents per gallon cheaper to import crude oil and refine it in the U.S. than to import.
>
> The equalizing factor is the Federal Energy Administration's Old Crude Oil Entitlements Program, designed to spread the burden of the higher-priced imported and uncontrolled domestic crude oil equally among all refiners and therefore among all consumers.
>
> Under the Entitlements Program, an importer of crude oil receives an entitlement which reduces his cost of buying the crude by about $2.60 per barrel. Even after he pays the total of $2.21 in fees (the first $1 imposed in February, the second $1 imposed as of June 1 and a previously existing 21 cents fee), the net cost reduction from the Entitlements Program is still 39 cents a barrel.
>
> The importer of refined product, however, pays $1.23 in fees (the 60 cents imposed June 1, plus a previously existing 63 cents fee). Moreover, refined product importers do not receive any benefit from the Entitlements Program. The $1.23 payment by the refined product importer, added to the 39 cents net benefit to the crude oil importer, favors the importation of crude oil over refined product by the $1.62 per barrel, or 4 cents per gallon.
>
> This favorable differential is considered sufficient to provide increased incentive to expand domestic refinery capacity, while at the same time the overall import fee schedule decreases our dependence on imports to the maximum extent possible in the short term.

On its face, the letter makes a strong argument, but closer examination hardly provides assurance that America has a long-term program for encouraging domestic refinery expansion and discouraging the import of refined product as the letter's author contends.

There are a number of important factors which Administrator Zarb neglects in citing the current differential of $1.62 in favor of imported crude over finished product as a result of entitlements as being a sufficient incentive to encourage domestic refinery expansion. First and foremost, the entitlements program is self-liquidating since it is tied to old oil production and refinery runs and is not related to refined product imports. Just to look at FEA figures shows the self-liquidating nature of the entitlements program. Old oil production in November 1974 when entitlements started, was in excess of 60 percent of domestic production, but has since been reduced to 55 percent by March of 1975. Likewise and as a result, entitlements distribution for the first month of the program was 41 percent of refinery runs, but for March of 1975, just 4 months later, it was 36 percent of runs. Consequently, during the life of the entitlements program, both old oil production and entitlement distribution has decreased by 5 percent or 1.25 percent per month. I would note in that regard that each 1 percent redistribution of old oil reduces the entitlements value by about 7 cents per barrel if the old oil is replaced by foreign crude and 8 cents per barrel if it is replaced by new, released or stripper domestic production. Just taking the lower figure of 7 cents per barrel, the $1.62 per barrel advantage which Administrator Zarb cites in his letter would be eliminated in 23 months. The question I pose is how does a 23-month self-liquidating program encourage refinery expansion? Refineries require 2 to 3 years of construction and have a useful life of over 20 years. The simple answer is that a short-term program such as entitlements does little or nothing to encourage refinery construction.

Another point that Mr. Zarb's letter failed to discuss is what happens when the President adds additional dollars to import fees on refined product and imported crude. In March of 1975, an entitlement for imported crude was worth $2.43. From that you must subtract a 21 cents tariff which predates the President's recent decision to add $1, $2, and $3 import fees. This gives you a credit on crude of $2.22. For product, an importer was initially required to pay an import fee of 63 cents, so in the absence of the President's recent actions, there was a $2.85 spread or differential between crude oil and imported product. As the successive dollars are added equally to product and crude, the spread diminishes. For the $1 tariff increase, the spread is reduced to $2.04; for $2 it becomes $1.83; and for $3 the spread amounts to only $1.62. I would note, however, that by increasing the cost of foreign oil, uncontrolled domestic oil will rise and this may maintain the spread at slightly higher levels than I have forecasted.

The point I am making here is that not only is the entitlements program shrinking away to where it will be nonexistent in 23 months, but its present effect is greatly diminished by the President's additional across-the-board increases in the tariff.

Finally, we must consider what happens if old oil is decontrolled immediately. Such action would, of course, promptly end all meaningful incentives to refine at home rather than abroad.

It is also worth while to discuss the relative economic position of foreign versus domestic refineries. Currently, foreign refineries are running at 55 percent to 60 percent of capicity while our own refineries have been operating at 85 percent of capacity. Since refinery operations are characterized by high fixed costs, foreign refineries now have a strong incentive to cut prices and increase refinery runs to cut their losses. There are also other reasons to cut prices. The very fact that refinery runs are low can have a devastating effect on competition between foreign and domestic refineries. If a refinery run is low, then all product output will be fairly evenly reduced. This is not true, however, of demand for the various products. This means that the selling prices of the products short in supply, and thus in heavy demand, can and will increase. Refiners can then cut the selling price on the balance of products produced. Thus, a European refinery is then able to dump its products on U.S. markets and in large measure overcome even the present differentials between foreign and domestic production.

The administration, by means of Mr. Zarb's letter, has asserted the adequacy of present programs to encourage domestic refinery expansion. I could not disagree more and, in fact, would cite those same programs as the strongest possible evidence that such encouragement does not exist. The administration and Congress share the blame for this shortcoming and must seek in the days ahead to enact the necessary laws.

Finally, I would like to detail what this country gives up by not constructing refineries. I have previously touched upon the balance of payments and national security arguments for refining at home. I would not like to discuss what our economy loses when refineries are constructed abroad. Refinery construction can help put America back to work.

A typical modern refinery with the capacity of refining between 300,000 and 400,000 barrels per day requires 150,000 tons of steel, 65,000 yards of concrete, 20,000 gallons of paint, $15 million worth of electric cables and equipment, and 10 million man-hours of construction. Going beyond what is actually taking place on the refinery site to just the steel mill where the 150,000 tons of steel will be produced, we find that it takes 6 man-hours to produce a ton of steel and that each man works approximately 2,000 man-hours per year. This means that a refinery employs at least 450 men in the steel mill alone for a year. Not counted are all the people who will be employed converting that raw steel to usable forms or the ripple effect on local economies of having this sort of construction take place, the permanent employment that will be provided in the refinery, and the increased tax base that will accrue to local communities.

There are many places in the United States which are unsuitable for refinery construction. A program to expand America's refinery capacity must be mindful of the valuable natural and social resources that could be endangered by putting a refinery in an inappropriate location, but just as there are inappropriate locations, there are appropriate ones where refineries are needed to remedy regional refinery shortages and to provide employment and a strong tax base. Congress must set about the task of encouraging such refineries. The only interest that will be adversely affected by such a program are those who control idle refinery capacity in foreign countries but those are hardly interests that the Congress or the administration is charged with protecting. There is no mystery as to why refineries are not being constructed in this country and if Senators will take the trouble to analyze the economics of refinery construction, they will see the great need for new policies. No businessman would be well advised to gamble on current economic conditions. I believe they would if the Congress would enact the legislation I propose today.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 93

At the request of Mr. MATHIAS, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 93, a bill to amend the Internal Revenue Code of 1954 to provide that a married individual who files a separate return shall be taxed on his or her earned income at the same rate as an unmarried individual.

S. 1153

At the request of Mr. MONDALE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1153, the Truth in Contributions Act.

S. 1216

At the request of Mr. TALMADGE, the Senator from Louisiana (Mr. JOHNSTON), the Senator from Utah (Mr. MOSS), the Senator from Nebraska (Mr. CURTIS), and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 1216, a bill to amend the Federal Water Pollution Control Act.

S. 1632

At the request of Mr. MOSS, the Senator from South Dakota (Mr. ABOUREZK), the Senator from North Dakota (Mr. BURDICK), the Senator from Maine (Mr. HATHAWAY), the Senator from New York (Mr. JAVITS), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Alabama (Mr. SPARKMAN) were added as cosponsors of S. 1632, a bill to authorize in the Energy Research and Development Administration a Federal program of research, development, and demonstration designed to promote electric vehicle technologies and to demonstrate the commercial feasibility of electric vehicles.

S. 1685

At the request of Mr. RIBICOFF, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of S. 1685, a bill to amend section 218 of the Social Security Act.

S. 1761

At the request of Mr. MATHIAS, the Senator from Michigan (Mr. PHILIP A. HART) was added as a cosponsor of S. 1761, a bill to provide foreign assistance to Cyprus.

S. 1798

At the request of Mr. BUCKLEY, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 1798, a bill to amend title 3 of the United States Code.

S. 1801

At the request of Mr. TAFT, the Senator from Arizona (Mr. FANNIN) was added as a cosponsor of S. 1801, a bill to provide an alternative plan for providing essential rail services to the Midwest and Northeast regions of the United States, to modernize certain railroad procedures and for other purposes.

SENATE RESOLUTION 152

At the request of Mr. DOLE, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of Senate Resolution 152, a resolution requiring all standing committees of the Senate other than Committees on Appropriations and Budget to conduct special oversight activities relating to their areas of jurisdiction and to report to the Senate thereon no later than December 31, 1975.

SENATE JOINT RESOLUTION 89

At the request of Mr. MATHIAS, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Joint Resolution 89, a joint resolution designating John Philip Sousa's "The Stars and Stripes Forever" as the national march of the United States.

SENATE JOINT RESOLUTION 93

At the request of Mr. TALMADGE, the Senator from Arkansas (Mr. BUMPERS) was added as a cosponsor of Senate

Joint Resolution 93, a joint resolution proposing an amendment to the Constitution of the United States to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year.

SENATE RESOLUTION 184—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF THE REPORT OF THE NATIONAL FOREST RESERVATION COMMISSION

(Referred to the Committee on Rules and Adminstration.)

Mr. TALMADGE submitted the following resolution:

SENATE RESOLUTION 184

Resolved, That the Annual Report of the National Forest Reservation Commission for the fiscal year ended June 30, 1974, be printed with an illustration as a Senate document.

AMENDMENTS SUBMITTED FOR PRINTING

UPDATING AND IMPROVING BENEFITS FOR SURVIVORS OF CERTAIN JUDICIAL OFFICIALS OF THE UNITED STATES—S. 12

AMENDMENT NO. 587

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. McCLELLAN. Mr. President, I am today submitting an amendment in the nature of a substitute to S. 12, "A bill to improve judicial machinery by providing benefits for survivors of Federal judges comparable to benefits received by survivors of Members of Congress, and for other purposes."

S. 12, which I introduced on January 15, 1975, embodies a proposal, advocated by the Federal judiciary, which would fold into the Civil Service Retirement System, the existing separate program under which annuities are provided for the survivors of Federal judges. The existing program was created by Congress in 1956, and the level of benefits provided in that 1956 legislation has remained unchanged for almost 20 years, in spite of the increases in the costs of living which we have all experienced during that period of time. There can be no doubt that some modification must be made in the 1956 program to adjust for the changes which have taken place in our national economy.

I am submitting this amendment today because studies undertaken by the Judiciary Committee's Subcommittee on Improvements in Judicial Machinery have shown that the proposal embodied in S. 12 will cost at least $63 million over the next 30 years, while an alternative approach will cost less than one-sixth that amount. That alternative approach consists primarily of updating and revising the 1956 program. It accomplishes almost every objective desired by advocates of S. 12 and has received the preliminary approval of the Administrative Office of the U.S. Courts.

This amendment presents the statutory language necessary for implementing that alternative approach. I believe that it goes far toward achieving the objectives I envisioned in January when I introduced S. 12, and I offer it now for the consideration of all Senators.

I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 587

On page 1, strike all following the enacting clause and insert in lieu thereof the following: That this Act may be cited as the "Judicial Survivors' Annuities Reform Act of 1975".

SEC. 2. That section 376 of title 28 of the United States Code is amended in its entirety to read as follows:

"§ 376. Annuities for survivors of certain judicial officials of the United States.

"(a) For the purposes of this section—

"(1) 'judicial official' means:

"(A) a Justice or judge of the United States, as defined by section 451 of title 28;

"(B) a judge of the United States District Court for the District of the Canal Zone, the District Court of Guam, or the District Court of the Virgin Islands;

"(C) a Director of the Administrative Office of the United States Courts, after he or she has filed a waiver under subsection (a) of section 611 of title 28;

"(D) a Director of the Federal Judicial Center, after he or she has filed a waiver under subsection (b) of section 627 of title 28; or

"(E) An Administrative Assistant to the Chief Justice of the United States, after he or she has filed a waiver in accordance with both subsection (a) of section 677 and subsection (a) of section 611 of title 28;

who notifies the Director of the Administrative Office of the United States Courts in writing of his or her intention to come within the purview of this section within six months after (i) the date upon which he or she takes office, (ii) the date upon which he or she marries, or (iii) the date upon which the Act creating this section becomes effective;

"(2) 'retirement salary' means:

"(A) in the case of a Justice or judge of the United States, as defined by section 451 of title 28, salary paid (i) after retirement from regular active service under subsection (b) of section 371 or subsection (a) of section 372 of that title, or (ii) after retirement from office by resignation on salary under subsecton (a) of section 371 of that title;

"(B) in the case of a judge of the United States District Court for the District of the Canal Zone, the District Court of Guam, or the District Court of the Virgin Islands, salary paid after retirement from office (i) by resignation on salary under section 373 of title 28 or (ii) by removal or failure of reappointment after not less than ten years' judicial service;

"(C) in the case of a Director of the Administrative Office of the United States Courts, an annuity paid under subsections (b) or (c) of section 611 of title 28;

"(D) in the case of a Director of the Federal Judicial Center, an annuity paid under subsections (c) or (d) of section 627 of title 28; and

"(E) in the case of an Administrative Assistant to the Chief Justice of the United States, an annuity paid in accordance with both subsection (a) of section 677 and subsection (a) of section 611 of title 28;

"(3) 'widow' means the surviving wife of a 'judicial official', as defined in paragraph (1) of this subsection, who:

"(A) has been married to him for at least one year on the day of his death; or

"(B) is the mother of issue by that marriage;

"(4) 'widower' means the surviving husband of a 'judicial official', as defined in paragraph (1) of this subsection, who:

"(A) has been married to her for at least one year on the day of her death; or

"(B) is the father of issue by that marriage;

"(5) 'child' means:

"(A) an unmarried child under 18 years of age, including (i) an adopted child and (ii) a stepchild or recognized natural child who lived with the judicial official in a regular parent-child relationship;

"(B) such unmarried child between 18 and 22 years of age who is a student regularly pursuing a full-time course of study or training in residence in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable educational institution. A child whose 22d birthday occurs before July 1, or after August 31, of a calendar year, and while he or she is regularly pursuing such a course of study or training, is deemed to have become 22 years of age on the first day of July immediately following that birthday. A child who is a student is deemed not to have ceased being a student during an interim period between school years, if that interim period lasts no longer than 5 consecutive months and if he or she shows, to the satisfaction of the Director of the Administrative Office of the United States Courts, that he or she has a bona fide intention of continuing to pursue a course of study or training in the same or a different school during the school semester, or other period into which the school year is divided immediately following that interim period; or

"(C) such unmarried child, regardless of age, who is incapable of self support because of a mental or physical disability incurred either (i) before age 18 or (ii), in the case of a child who is drawing an annuity as a full-time student under subparagraph (5) (B) of this subsection, before the termination of that annuity.

"(b) Every judicial official who files a written notification of his or her intention to come within the purview of this section, in accordance with paragraph (1) of subsection (a) of this section, shall be deemed thereby to consent and agree to having deducted and withheld from his or her salary, including his or her retirement salary, a sum equal to 3 per cent of that salary. The amounts so deducted and withheld from the salary of each such judicial official shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States to the credit of a fund to be known as the 'Judicial Survivors' Annuity Fund', and said fund shall be appropriated for the payment of annuities, refunds, and allowances as provided by this section. Payment of such salary less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all services rendered by such judicial official during the period covered by such payment, except the rights to those benefits to which such judicial official, or his or her survivors, shall be entitled under the provisions of this section.

"(c) There shall also be deposited to the credit of the Judicial Survivors' Annuity Fund, by the Secretary of the Treasury, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, amounts matching those deducted and withheld in accordance with subsection (b) of this section, and such deposits shall immediately become an integrated part of the fund for all purposes stipulated in this section. The funds needed to implement this subsection may be appropriated out of any money in the treasury not otherwise appropriated.

"(d) Each judicial official shall deposit, with interest at 4 per cent per annum to December 31, 1947, and at 3 per cent per annum thereafter, compounded on December 31 of each year, to the credit of the Judicial Survivors' Annuity Fund:

"(1) a sum equal to 3 per cent of that salary, including retirement salary, which he or she has received for serving in any of the offices designated in paragraph (1) of subsection (a) of this section prior to the date upon which he or she filed notice of an intention to come within the purview of this section with the Director of the Administrative Office of the United States Courts; and

"(2) a sum equal to 3 per cent of the basic salary, pay, or compensation which he or she has received for serving as a Senator, Representative, Delegate, or Resident Commissioner in Congress, or for serving as an 'employee', as that term is defined in subsection (1) of section 8331 of title 5, prior to assuming the responsibilities of any of the offices designated in paragraph (1) of subsection (a) of this section.

The interest otherwise required by this subsection shall not be required for any period during which a judicial official was separated from all such service and was not receiving any retirement salary. Each such judicial official may elect to make such deposits in installments, during the continuance of his or her service in those offices designated in paragraph (1) of subsection (a) of this section, in such amounts and under such conditions as may be determined in each instance by the Director of the Administrative Office of the United States Courts. Notwithstanding the failure of any such judicial official to make such deposits, credit shall be allowed for the service rendered, but the annuity of that judicial official's widow or widower shall be reduced by an amount equal to 10 per centum of the amount of such deposits, computed as of the date of the death of such judicial official, unless such widow or widower shall elect to eliminate such service entirely from credit under subsection (k) of this section: *Provided*, That no deposit shall be required from any such judicial official for any honorable service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States, or for any service rendered prior to August 1, 1920.

"(e) The amounts deducted and withheld in accordance with subsection (b) of this section, shall be credited to individual accounts in the name of each judicial official from whom such amounts are received, for credit to the Judicial Survivors' Annuity Fund.

"(f) The Secretary of the Treasury shall invest, from time to time, in interest bearing securities of the United States or Federal farm loan bonds, such portions of the Judicial Survivors' Annuity Fund as in his judgment may not be immediately required for the payment of annuities, refunds, and allowances as provided in this section. The income derived from such investments shall constitute a part of said fund for the purpose of paying annuities and carrying out the provisions of subsections (g), (h), (m), (o), (p) and (q) of this section.

"(g) If any judicial official resigns from office without receiving any retirement salary, all amounts credited to his or her individual account, together with interest at 4 per centum per annum to December 31, 1947; and at 3 per centum per annum thereafter, compounded on December 31st of each year, to the date of his or her relinquishment of office, shall be returned to that judicial official in a lump sum payment within a reasonable period of time following the date of his or her relinquishment of office. For the purposes of this subsection a 'reasonable period of time' shall be presumed to be that period of time necessary for the Administrative Office of the United States Courts to compute the amount to be returned, but in no event shall that lump sum payment be made later than one year following the date upon which such judicial official relinquished his or her office.

"(h) Annuities payable under this section shall be paid only in accordance with the following provisions:

"(1) In any case in which a judicial official dies while in office, or while receiving retirement salary, after having completed at least 18 months of creditable civilian service, as computed in accordance with subsection (k) of this section, for the last 18 months of which the salary deductions provided by subsection (b) of this section and the deposits required by subsection (d) of this section have actually been made—

"(A) if such judicial official is survived by a widow or widower, but not by a child, there shall be paid to such widow or widower an annuity, beginning on the day on which such judicial official died, in an amount computed as provided in subsection (1) of this section; or

"(B) if such judicial official is survived by a widow or widower and a child or children, there shall be paid to such widow or widower an annuity, beginning on the day on which such judicial official died, in an amount computed as provided in subsection (1) of this section, and there shall also be paid to or on behalf of each such child an immediate annuity equal to:

"(i) $1,396; or

"(ii) $4,186, divided by the number of children;

whichever is smallest; or

"(C) if such judicial official leaves no surviving widow or widower, but does leave a surviving child or children, there shall be paid to or on behalf of each such child, an immediate annuity equal to:

"(i) the amount of the annuity to which the judicial officials' widow or widower would have been entitled under subparagraph (1) (A) of this subsection, had such widow or widower survived the judicial official, divided by the number of children; or

"(ii) $1,676; or

"(iii) $5,025, divided by the number of children;

whichever is smallest.

"(2) An annuity payable to a widow or widower under subparagraphs (1) (A) or (1) (B) of this subsection shall be terminated upon his or her death or remarriage.

"(3) An annuity payable to a child under this subsection shall terminate:

"(A) if such child is receiving an annuity based upon his or her status under subparagraph (5) (A) of subsection (a) of this section, on the last day of the month during which he or she becomes 18 years of age;

"(B) if such child is receiving an annuity based upon his or her status under subparagraph (5) (B) of subsection (a) of this section, either (i) on the first day of July immediately following his or her 22d birthday or (ii) on the last day of the month during which he or she ceases to be a full-time student in accordance with subparagraph (5) (B) of subsection (a) of this section, whichever occurs first: *Provided*, That if such child is rendered incapable of self-support because of a mental or physical disability incurred while receiving that annuity, that annuity shall not terminate, but shall continue without interruption and shall be deemed to have become, as of the date of disability, an annuity based upon his or her status under clause (ii) of subparagraph (5) (C) of subsection (a) of this section;

"(C) if such child is receiving an annuity based upon his or her status under subparagraph (5) (C) of subsection (a) of this section, on the last day of the month during which he or she ceases to be incapable of self-support because of mental or physical disability; or

"(D) on the last day of the month during which such child dies or marries.

"(4) An annuity payable to a child or children under subparagraph (1) (B) of this subsection shall be recomputed and paid as provided in subparagraph (1) (C) of this subsection upon the death, but not upon the remarriage, of the widow or widower who is receiving an annuity under subparagraph (1) (B) of this subsection.

"(5) In any case in which the annuity of a child is terminated, the annuities of any remaining children which are based upon the service of the same judicial official shall be recomputed and paid as though the child whose annuity has been terminated had not survived that judicial official.

"(i) All questions of dependency and disability arising under this section shall be determined by the Director of the Administrative Office of the United States Courts, subject to review only by the Judicial Conference of the United States, and the decision of the Judicial Conference of the United States shall be final and conclusive. The Director may order or direct at any time such medical or other examinations as he deems necessary to determine the facts relative to the nature and degree of disability of any child who is an annuitant, or an applicant for an annuity, under this section, and may suspend or deny any such annuity for failure to submit to any such examination.

"(j) In any case in which a payment under this section is to be made to minor, or to a person mentally incompetent or under other legal disability, as adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian or other fiduciary of such claimant by the laws of the State of residence of such claimant, or to any other person who is otherwise legally vested with the care of the claimant or of his or her estate, and need not be made directly to such claimant. The Director of the Administrative Office of the United States Courts may at his or her discretion determine whether such payment is made directly to such claimant or to such guardian, fiduciary, or other person legally vested with the care of such claimant or of his or her estate. Where no guardian or other fiduciary of such minor or such person under legal disability has been appointed under the laws of the State of resident of such claimant, the Director of the Administrative Office of the United States Courts shall determine the person who is otherwise legally vested with the care of the claimant or of his or her estate.

"(k) The years of service rendered by a judicial official which may be creditable in calculating the amount of an annuity for such judicial official's widow or widower under subsection (1) of this section shall include:

"(1) those years during which such judicial official served in any of the offices designated in paragraph (1) of subsection (a) of this section;

"(2) those years during which such judicial official served as a Senator, Representative, Delegate, or Resident Commissioner in Congress, prior to assuming the responsibilities of any of the offices designated in paragraph (1) of subsection (a) of this section;

"(3) those years during which such judicial official honorably served on active duty in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States, prior to assuming the responsibilities of any of the offices designated in paragraph (1) of subsection (a) of this section: *Provided*, That those years of such military service for which credit has been allowed for the purposes of retirement or retired pay under any other provision of law shall not be included as allowable years of such service under this section; and

"(4) those years during which such judicial official served as an 'employee', as that term is defined in subsection (1) of section 8331 of title 5, prior to assuming the responsibilities of any of the offices designated in paragraph (1) of subsection (a) of this section.

For the purposes of this subsection the term 'years' shall mean full years and twelfth parts thereof, excluding from the aggregate any fractional part of a month which numbers less than 15 full days and including, as one full month, any fractional part of a month which numbers 15 full days or more. Nothing in this subsection shall be interpreted as waiving or canceling that reduction in the annuity of a widow or widower which is required by subsection (d) of this section due to the failure of a judicial official to make those deposits required by subsection (d) of this section.

"(1) The annuity of a widow or widower of a judicial official shall be an amount equal to the sum of:

"(1) 1¼ per cent of the average annual salary, including retirement salary, which such judicial official received for serving in any of the offices designated in paragraph (1) of subsection (a) of this section (i) during those 3 years of such service in which his or her annual salary was greatest, or (ii), if such judicial official has so served less than 3 years, but more than 18 months, then during the total period of such service prior to his or her death, multiplied by the total of:

"(A) the number of years of creditable service tabulated in accordance with paragraph (1) of subsection (k) of this section; plus

"(B) the number of years of creditable service tabulated in accordance with paragraph (2) of subsection (k) of this section; plus

"(C) the number of years of creditable service tabulated in accordance with paragraph (3) of subsection (k) of this section; plus

"(D) the number of years up to, but not exceeding, 15 of creditable service tabulated in accordance with paragraph (4) of subsection (k) of this section,

plus:

"(2) ¾ of 1 per cent of such average annual salary, multiplied by the number of years of any prior creditable service, as tabulated in accordance with subsection (k) of this section, not applied under paragraph (1) of this subsection.

Provided, That such annuity shall not exceed 37½ per cent of such average annual salary and shall be further reduced in accordance with subsection (d) of this section, if applicable.

"(m) Whenever there shall be authorized an increase in the salary paid for service in one of the offices designated in paragraph (1) of subsection (a) of this section, each annuity payable from the Judicial Survivors' Annuity Fund, which is based, in whole or in part, upon a deceased judicial official having rendered his or her final 18 months of service in that same office, shall also be increased. The actual amount of the increase in such annuity shall be determined by multiplying the amount of the annuity, on the date on which the increase in salary becomes effective, by 3 per cent for each 5 per cent by which such salary has been increased. In the event that such salary is increased by less than 5 per cent, there shall be no increase in such annuity.

"(n) All annuities created under this section shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. None of the moneys mentioned in this section shall be assignable, either in law or in equity, or subject to execution, levy, attachment, garnishment, or other legal process.

"(o) In any case in which a judicial official dies while in office, or while receiving retirement salary; and

"(1) before having completed 18 months of civilian service, computed in accordance with subsection (k) of this section, during which the salary deductions provided by subsection (b) of this section and the deposit required by subsection (d) of this section have actually been made; or

"(2) after having completed 18 months of civilian service, computed in accordance with subsection (k) of this section, during which all such deductions and deposits have been made, but without a survivor or survivors who are entitled to receive the annuity benefits provided by subsection (h) of this section; or

"(3) the rights of all persons entitled to receive the annuity benefits provided by subsection (h) of this section terminate before a valid claim therefor has been established; the total amount credited to the individual account of that judicial official, established under subsection (e) of this section, with interest at 4 per cent per annum to December 31, 1947, and at 3 per cent per annum thereafter, compounded on December 31st of each year, to the date of that judicial official's death, shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date title to the payment arises, in the following order of precedence:

First, to the beneficiary or beneficiaries whom that judicial official may have designated in a writing received by the Administrative Office of the United States Courts prior to his or her death;

Second, if there be no such beneficiary, to the widow or widower of such judicial official;

Third, if none of the above, to the child or children of such judicial official and the descendents of any deceased children by representation;

Fourth, if none of the above, to the parents of such judicial official or the survivor of them;

Fifth, if none of the above, to the duly appointed executor, executrix, administrator, or administratrix of the estate of such judicial official;

Sixth, if none of the above, to such other next of kin of such judicial official, as may be determined by the Director of the Administrative Office of the United States Courts to be entitled to such payment, under the laws of the domicile of such judicial official, at the time of his or her death.

Such payment shall be a bar to recovery by any other person. For the purposes of this subsection only, a determination that an individual is a widow, widower, or child of a judicial official may be made by the Director of the Administrative Office of the United States Courts without regard to the definitions of those terms stated in paragraphs (3), (4), and (5) of subsection (a) of this section.

"(p) In any case in which all the annuities which are authorized by this section and based upon the service of a given official terminate before the aggregate amount of annuity payments received by the annuitant or annuitants equals the total amount credited to the individual account of such judicial official, established under subsection (e) of this section, with interest at 4 per cent per annum to December 31, 1947, and at 3 per cent per annum thereafter, compounded on December 31st of each year, to the date of that judicial official's death, the difference between such total amount, with such interest, and such aggregate amount shall be paid, upon establishment of a valid claim therefor, in the order of precedence prescribed in subsection (o) of this section.

"(q) Any accrued annuity benefits remaining unpaid upon the termination of an annuity, other than by the death of an annuitant, shall be paid to that annuitant. Any accrued annuity benefits remaining unpaid upon the death of an annuitant shall be paid, upon the establishment of a valid claim therefor, in the following order of precedence:

First, to the duly appointed executor, executrix, administrator, or administratrix of the estate of such annuitant;

Second, if there is no such executor, executrix, administrator, or administratrix, payment shall be made, after the expiration of sixty days from the date of death of such annuitant, to such individual or individuals as may appear, in the judgment of the Director of the Administrative Office of the United States Courts, to be legally entitled thereto, and such payment shall be a bar to recovery by any other individual.

"(r) Nothing contained in this section shall be interpreted to prevent a widower eligible for an annuity under this section from simultaneously receiving such an annuity while also receiving any other anuity to which such widow or widower may also be entitled under any other law without regard to this section: *Provided*, That service used in the computation of the annuity conferred by this section shall not also be credited in computing any such other annuity.

Sec. 3. That on the date upon which this Act becomes effective all monies then credited to the judicial survivors annuity fund created by the Act. of August 3, 1956, c. 944, § 2, 70 Stat. 1021, as amended, shall be deposited in the Treasury of the United States to the credit of the fund created by section 2 of this Act, a fund to be known as the "Judicial Survivors' Annuity Fund", and that, on the same date, the Secretary of the Treasury shall deposit to the credit of that "Judicial Survivors' Annuity Fund" a single payment of 7.3 million dollars. The funds needed to implement that single 7.3 million dollar deposit may be appropriated out of any money in the treasury not otherwise appropriated.

Sec. 4. That the title of this Act shall be "An Act to improve judicial machinery by updating and improving benefits for survivors of certain judicial officials of the United States", and that all improved benefits conferred by this Act shall, on the date upon which this Act becomes effective, immediatey become available to any individual then receiving an annuity under the Act of August 3, 1956, c. 944, § 2; 70 Stat. 1021, as amended. *Provided*, That (i) although the rights of any judicial official electing to come within the purview of section 376 of title 28 United States Code on or after the date upon which this Act becomes effective shall be determined exclusively under the provisions of that section as it is amended by this Act, (ii) nothing in this Act shall be interpreted to cancel, abrogate, or diminish any rights to which an individual may be entitled by virtue of his having contributed to the judicial survivors annuity fund created by the Act of August 3, 1956, c. 944, § 2, 70 Stat. 1021, as amended, before the date upon which this Act becomes effective.

Sec. 5. That on the date upon which this Act becomes effective, each annuity then being paid to a widow from the judicial survivors annuity fund created by the Act of August 3, 1956, c. 944, § 2, 70 Stat. 1021, as amended shall be increased by an amount equal to 1/5th of 1 per cent of the amount of such annuity multiplied by the number of months which have passed since the commencement of such annuity. For the purposes of this section, any fractional part of a month which numbers less than 15 full days shall be excluded from the computation of the number of months and any fractional part of a month which numbers 15 full days or more shall be included in the computation of the number of months as one full month. The funds needed to implement this section may be appropriated out of any money in the treasury not otherwise appropriated.

Sec. 6. That this Act shall become effective on the first day of the third month following the month in which it is enacted.

FEDERAL COAL LEASING AMENDMENTS ACT—S. 391

AMENDMENT NO. 588

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. METCALF (for himself, Mr. Haskell, and Mr. Jackson) submitted an amendment intended to be proposed by them jointly to the bill (S. 391) to amend the Mineral Leasing Act of 1920, and for other purposes.

Mr. METCALF. Mr. President, I was shocked at the President's veto of the surface mining bill, and disappointed in the failure of the House to override that veto.

According to President Ford and other members of the administration, there is no need for Federal surface mining legislation, since 21 States have recently upgraded their State mining laws. They say that we can afford to rely on State reclamation laws to protect our land and water. But lack of enforcement of State laws has been a major reason for enactment of Federal minimum standards. More importantly, this argument totally ignores the fact that State laws do not apply to the 40 percent of the Nation's coal reserves which are owned by the Federal Government.

What the administration is really saying is that these vast resources will be turned over to the energy industry without adequate protection for the other values of public land and water. This is the prelude to national tragedy in the name of "energy independence" and the Congress cannot let it happen.

Many Senators from Eastern and Midwestern coal States have expressed fears about a shift of the coal industry away from their States to the public lands of the West. Vast increases in Western coal production have become a cornerstone of every energy policy and supply projection for the next 10–15 years. President Ford's veto will give great impetus to such a shift because, in large measure, State laws will not be applicable to Western coal mining.

Mr. President, it is imperative that careful environmental protection standards be established for our Federal lands before they are entirely ravaged.

The Constitution gives to the Congress a special responsibility to protect the Federal lands. We cannot rely on the States, or much less, the current administration to fulfill this obligation for us.

We cannot shirk this responsibility, particularly at a time when protection and careful development of the Federal lands is so crucially needed.

For this reason, I am today submitting an amendment to S. 391, the Federal Coal Leasing Amendments Act. This amendment which I send to the desk to be printed, is a new title II, which contains the basic mining and reclamation standards of H.R. 25 as vetoed. It assures that no coal leasing will take place on Federal lands until these standards are enforced on those lands. My amendment makes these provisions applicable only to Federal lands; it does not apply to private lands. As unsatisfactory as this situation may be, mining on private lands apparently must, for the moment, be left in the hands of the States. My amendment would assure that mining on Federal lands at least is carefully regulated and our national resources protected.

Mr. President, I know that some of my friends who have fought so long and so hard for a Federal law regulating surface coal mining on all lands may feel that enactment of a law applicable only to Federal lands and Federal coal will diminish the chances for a comprehensive law.

I do not agree. If we enact my amendment now, 2 years from now we will prove that it contains a workable set of reclamation rules. This will make it easier to pass a more comprehensive measure.

I hope that the most ardent supporters of a national bill will recall that they were willing to let a comprehensive national bill die in conference over the surface owner consent issue which applied only to Federal coal. My amendment retains this provision.

Mr. President, I believe that I have worked as hard as any member of the Senate or the House of Representatives for a comprehensive national bill. Despite my deep disappointment over recent events, I do not believe that we can in good conscience pass up an opportunity to give the kind of protection we believe appropriate to one-third of the Nation's land. In this case, a third of a loaf is better than none.

NOTICE OF HEARINGS AND BUSINESS MEETINGS OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, in accordance with the rules of the Committee on Interior and Insular Affairs, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

June 17: Full committee, 9:30 a.m., room 3110, business meetings. Pending calendar business.

June 18: Full committee, 9:30 a.m., room 3110, business meeting. Pending calendar business.

June 19: Parks and Recreation subcommittee, 10 a.m., room 3110, hearing. S. 1486, S. 324, Potomac Heritage Trail; S. 805, Dominguez-Escalante Trail; S. 1390, Pacific Northwest Trail, and S. 327, to amend the Land and Water Conservation Fund Act and to establish the National Historic Preservation Fund.

June 20: Parks and Recreation Subcommittee, 10 a.m., room 3110, hearing. S. 1640 and S. 759, to provide for the establishment of the Santa Monica Mt. and Seashore Park.

June 23: Indian Affairs Subcommittee, 9:30 a.m., room 3110, hearing. S. 1328, providing for the reacquisition of jurisdiction by Indian tribes and by the United States over criminal offenses and civil matters in Indian country.

June 23: Joint hearing, Interior, Public Works, and Commerce, Committees, 10 a.m., room 4230, hearing. S. 1777, Coal Conversion bill. Administration witnesses.

June 24: Indian Affairs Subcommittee, 9:30 a.m., room 3110, hearing. S. 1328, providing for the reacquisition of jurisdiction by Indian tribes and by the United States over criminal offenses and civil matters in Indian country.

June 26: Energy Research and Water Resources Subcommittee, 10 a.m., room 3110, hearing. Oversight hearing on water marketing of the Upper Missouri River.

July 4th recess: June 27 until July 7.

ANNOUNCEMENT OF HEARINGS ON SURVEILLANCE TECHNOLOGY

Mr. HUGH SCOTT. Mr. President, the Subcommittee on Constitutional Rights of the Committee on the Judiciary and the Subcommittee on Science and Technology of the Committee on Commerce are holding joint hearings on surveillance technology.

These hearings will explore the Government's role in researching, developing, using and disseminating the technological means of invading privacy and otherwise intruding upon the constitutional rights of American citizens. The hearings will also examine the Government's structures and procedures for assessing and regulating the growth of surveillance technology. They will commence on June 23, 1975, at 9:30 a.m. in room 457, Russell Senate Office Building, with subsequent dates to be announced.

ADDITIONAL STATEMENTS

VA EDUCATIONAL PAYMENTS

Mr. HARTKE. Mr. President, as chairman of the Committee on Veterans' Affairs, responsible for both legislative and oversight responsibility over the Veterans' Administration, it is part of my congressional duties to note and criticize that agency when I detect shortcomings by the VA in properly serving our Nation's more than 29 million veterans. I am pleased to observe that there has been much less occasion for this kind of criticism in the past 8 months. As the new Administrator of Veterans' Affairs, a fellow Hoosier, Richard L. Roudebush, has molded the VA into an agency that is showing increased sensitivity and responsiveness to the needs of our veterans.

Of course, any agency particularly one the size of the Veterans' Administration is bound to make errors in the future, and when it does I will continue to require an accounting and corrective action.

At the same time, I believe it is appropriate that those charged with oversight responsibility also recognize and acknowledge a job well done. In this connection, I wish to commend Administrator Roudebush for the foresight he exhibited recently when there was a temporary delay in sending GI education bill checks to thousands of veterans. With funds exhausted, some bureaucrats might just have let the payment processing machinery grind to a halt, until supplemental appropriations became available. Administrator Roudebush, however, instructed VA officials to continue completing every bit of payment processing on each of the VA pay cycles just as though the payments were going to be made on schedule. As a result of this advance planning it is my understanding that there was no administrative delay in the VA when the President signed into law the second supplemental allowing payments to be resumed.

Not only was all the VA paperwork completed, up to the minute, but the Administrator had ordered personal couriers to stand by the VA computer center in Hines, Ill., to fly the VA payment tapes immediately to the Department of the Treasury Disbursing Office in Kansas City, Mo. There the checks were processed and mailed at the earliest possible moment through a cooperative arrangement between VA and Treasury officials.

I am confident that many of our deserving veterans received their checks a day or two earlier because of the enterprise of Administrator Roudebush and VA employees.

I am pleased to note that this is the second time I have had occasion to compliment the Administrator for his prompt action in getting education checks to veterans. I refer, of course, to the extraordinary effort following enactment of legislation which I authored as the "Vietnam Era Veterans Readjustment Assistance Act of 1974"—Public Law 93-508—in which the VA in a record period of just 2 weeks before last Christmas, processed more than $300 million retroactive GI bill checks that went to 1,260,000 veterans in training. In short, Administrator Roudebush and all the involved VA personnel deserve a hearty "well done" for their efforts in this matter.

FLAG DAY

Mr. MATHIAS. Mr. President, Flag Day, always an auspicious occasion, this year also marked the 200th anniversary of the U.S. Army. On June 14, 1775, Congress adopted the patriot forces in the field and authorized the addition of 10 companies of "riflemen." They were without allies and lacked artillery, munitions, factories, and transport. But from that action two centuries ago, there developed a professional organization in which millions of men and women have served their country with courage and honor in defense of the causes of peace and freedom. It is most appropriate that we observed this bicentennial this year on Flag Day, an occasion that also provides cause to recall with pride our country's rich history. In this national bicentennial period, such commemorations assume special meaning, which should not be lost on the Congress or the American people.

FEDERAL ELECTIONS GUIDELINES

Mr. CANNON. Mr. President, I ask unanimous consent to have printed in the Record, additional announcements from the Federal Election Commission.

There being no objection, the announcements were ordered to be printed in the Record, as follows:

Title 11—Federal Elections—Chapter II—Federal Election Commission

[Notice 1975-3]

ADDENDUM TO INTERIM GUIDELINES; REPORTS AND REGISTRATION

On June 2, 1975 the Federal Election Commission announced interim guidelines for persons subject to the Federal Election Campaign Act, as amended, who must report to various offices on or before July 10, 1975. That previous announcement is reported in volume 40 Federal Register at page 23832 [Notice 1975-1]. It was there noted that committees, candidates and others who have heretofore filed reports with the Secretary of the Senate or the Clerk of the House of Representatives should file the July 10, 1975 reports with those officers as before.

1. For clarification purposes, the Federal Election Commission announces further:

(a) that principal campaign committees (2 U.S.C. Section 431(n) and Section 432 (f)(1)) supporting candidates for the House of Representatives or the United States Senate, which have not heretofore filed with either the Clerk of the House of Representatives or the Secretary of the Senate, should until further notice file their statement of registration (2 U.S.C. Sec. 433), with the Clerk or the Secretary respectively. All candidates for the House of Representatives or the United States Senate and principal campaign committees supporting such candidates should file their July 10, 1975 reports with the Clerk or the Secretary respectively.

(b) that principal campaign committees (2 U.S.C. Section 431(n) and Section 432 (f)(1)) supporting candidates for the office of President and Vice President of the United States, which have not heretofore filed with the Comptroller General should file their statement of registration (2 U.S.C. Sec. 433) with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. All candidates for the office of President and Vice President of the United States and the principal campaign committees supporting such candidates should file their respective July 10, 1975 reports with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463.

(c) the Commission further notes that all political committees (other than principal campaign committee), whether reporting heretofore to a federal supervisory officer or not, should file the July 10, 1975 report with the appropriate principal campaign committee pursuant to 2 U.S.C. Sec. 434(a)(2) and need not file with the Federal Election Commission or with any previous supervisory officer. Until further notice, of the Commission, principal campaign committees may be designated by letter, or by memo entry on a registration form, to be filed with the Clerk of the House, Secretary of the Senate or Federal Election Commission, as appropriate.

(d) that all candidates and committees described by the foregoing paragraphs (a) through (c) may file their respective July 10, 1975 reports in conformance with earlier regulations published by the previous supervisory officers, and on forms promulgated by said supervisory officers, such reporting to observe the modifications described in the above-cited F.E.C. Notice 75-1 at 40 Federal Register 23832. Committees described by the foregoing paragraphs (a) through (c) may register, under 2 U.S.C. Sec. 433, on standard registration forms issued by the previous supervisory officers.

2. The Commission further notes that persons subject to 2 U.S.C. Sec. 434(e) ("Contributions or expenditures by persons other than political committee or candidates") or 2 U.S.C. Sec. 437(a) ("Reports by certain other persons") should file the July 10, 1975 report with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. Such reports may be on a standard form "Report of receipts and expenditures for a political committee" issued by any of the previous supervisory officers. Persons so reporting should indicate on the face of the reporting form the Section under which they report.

Thomas B. Curtis,
Chairman for the Federal Election Commission.

Date: June 11, 1975.

THE WILD HORSES AND BURROS AMENDMENTS ACT—S. 1923

Mr. PACKWOOD. Mr. President, last Wednesday, June 11, I introduced the Wild Horses and Burros Amendments Act (S. 1923) with my colleagues, Senators McGee, Humphrey, Laxalt, and Domenici. Needless to say, the literature concerning the problems our country's ever increasing populations of wild horses and burros are creating is growing.

In September of 1974, Audubon magazine printed an article by George Laycock, summarizing the tragic loss of the desert bighorn sheep due to dramatic increases in feral populations.

Although many people regard wild horses and burros as the vestige "symbols of the Old West," I am thoroughly convinced their numbers must be decreased on the Nation's public lands. The burros' large populations for the small sparsely vegetated ranges they occupy is causing overgrazing and edging out other forms of wildlife, such as the bighorn sheep.

Mr. Laycock's article, "Dilemma in the Desert, Bighorns or Burros?", details precisely the avoidable costs our Nation is paying for acquiescing from the sensitive issue of wild horses and burro management.

For the benefit of my colleagues and those greatly interested in this subject, I ask unanimous consent that Mr. Laycock's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Dilemma in the Desert—Bighorns or Burros?

Biologists who understand the sensitive needs of desert bighorn sheep believe we are being too soft-hearted toward the burros that roam across the wildlands of the Southwest. Indeed, there is abundant evidence that burros and bighorns are incompatible. "The plain fact," a naturalist in sun-baked Death Valley National Monument said, "is that burros are increasing while bighorns are dwindling, and it has been that way for some time."

Burros—native to the deserts of Africa and Asia—are appealing creatures that conjure up visions of a grizzled prospector in a battered hat with a pick across his weary shoulder. In truth, the old-fashioned "single blanket" prospectors died or gave up long ago, leaving behind their beasts of burden to establish feral populations. Today there are thousands of free-ranging burros throughout the Southwest. California's largest herd of burros is found in Death Valley, where they forage over 777 square miles of desert, about one-fourth of the monument area. They are especially prominent in the uplands wherever there is suitable vegetation within five miles of a watering hole.

Unfortunately, this is the same habitat needed by desert bighorns. According to Peter G. Sanchez, National Park Service resources management specialist, "The fundamental problem is that burros have been introduced into an ecosystem operating since the Pleistocene under nominal natural conditions characterized by normally marginal water supply. The system is unable to absorb the addition of a new, large herbivore without largescale adjustments."

Until the burro population exploded in the 1930s, wild sheep came regularly to three springs in the Cottonwood Mountains. "There has been no significant use of these springs by bighorns in the last 25 years," Sanchez says. In the Panamint Mountains, which flank Death Valley on the west, Eagle Spring was a bighorn watering hole until the first burros arrived in 1938. Burros likewise have replaced the sheep that once frequented Butte Valley.

"The impact of a heavy burro population on the total desert biota is devastating," says Richard A. Weaver, a biologist with the California Department of Fish and Game. In the Dodd Springs area of Inyo County, "Perennial grasses have been almost totally eliminated by burros, and bighorns have suffered a drastic decline." A study by the California agency, the federal Bureau of Land Management, and the National Park Service states: "The burro is the dominant animal, and bighorns will wait for burros to leave, or bighorns will leave if burros come while they are drinking. Continual occupancy at the spring by burros is a disturbance that bighorns cannot tolerate."

Burros inflict heavy damage on sparse vegetation. Sanche determined that Death Valley's burros eat 7¼ tons of forage daily, nearly 2,650 tons a year, and destroy additional vegetation and cause erosion by trampling. Burros disturbed 97 percent of the soil within a mile of one waterhole and 25 percent of the soil within five miles. Such overgrazing changes the nature of the range, and less desirable plant species become dominant.

Death Valley was once the home of 5,000 desert bighorn sheep. Today there are no more than 600 bighorns, and the number is still falling. But there are 1,500 burros in Death Valley. Park Service naturalists expect burro numbers, if unmanaged, to peak and then, as the feral animals destroy the range, to decline to a stable population of perhaps 700. Meanwhile, the desert bighorn may be eliminated entirely.

Other wildlife is victimized by burros. The destruction of vegetation may cut sharply into rodent populations, reducing food for birds of prey, while habitat for such small birds as quail vanishes.

Burros are capable of doubling their populations every four years; one study showed an increase of 35 percent in a single year. But controlling their numbers used to be relatively simple. Burros were killed for dog food and even hunted for human consumption. And in 1939, the National Park Service instituted a control program in Death Valley. Within three years it reduced the burro population from 1,500 to 700, and eventually a total of 3,578 burros were removed from the monument.

Biologists, however, had not reckoned with public sentiment. In 1952 California passed a law prohibiting the killing of burros, and five years later the state established a burro sanctuary in Inyo County, across the Panimint Mountains from Death Valley. The state law severely restricts any burro management attempts in the monument. A few of the animals are live-trapped and transferred to private ownership, but it is a stop-gap measure and ineffective in controlling the burro population.

Meantime, defenders of both burros and wild horses mounted a vociferous campaign for federal protection for these "symbols of the Old West." Finally, in 1971, Congress passed the Wild Horse and Burro Act, calling for management of the feral animals on public domain and national forest lands under a plan to be drawn up by BLM and the U.S. Forest Service. But no management plan has ever been put into practice.

It is clearly time, biologists argue, to reduce the numbers of these exotic beasts to bring them in balance with the available range and the needs of native wildlife. Sadly, in many areas it may already be too late for the desert bighorn.

THE ELECTRIC SCANDALS OF 1975

Mr. METCALF. Mr. President, the Congressional Research Service, after evaluating a special survey of State regulatory commissions, has found that utility rate increases granted in 1974 totaled $9.6 billion. That is 1½ times the total amount of rate increases granted during the previous 25 years. Rate increases of that magnitude can not be justified.

The utilities would have us believe that the tremendous increase in rates was solely to inflationary rises in the costs of fuel, materials, and capital over which they have no control, but the reasons are more complicated than that. Some of these other reasons are covered in an article appearing in the March 1975 issue of the Progressive, written by Ed Meyers and John Musial. The article is appropriately titled "The Electric Scandals of 1975" and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ELECTRIC SCANDALS OF 1975

(By Ed Meyers and John Musial)

America's private electric power companies have long been getting away with some enormously profitable and discriminatory abuses of the average ratepayers. These abuses have escaped public attention because most of the people trust the so-called regulated utilities that supply them with their heat, light, and power, and few understand the economic and technical mazes of the electrical world. Those who do understand usually lack the money or influence needed to put up a good fight.

Since millions of citizens have become accustomed to corruption as part of the American fabric, it is hard to shock anyone with new scandals, but try these:

Scandal One: If you live in a major American city, chances are you either are now, or soon will be, paying close to double what you should be paying for your electric current.

In recent years, particularly since the mid-1960s, electricity rates have been skyrocketing. The end is nowhere in sight, as electric companies across the land have filed requests for even higher rates with the state public utility commissions charged with watching over these firms. Some of the rate applications involve increases of 20 per cent, 30 per cent, or more. As soon as they win approval of these increases, the companies file applications for more.

These increases are triggered, in large measure, by huge increases in the demand for electricity—most of which come from the insatiable suburbs. The heavy suburban demand requires the construction of new generating plants, which are more complex and costly than ever before.

The populations of our big cities have remained stable or have been declining. For example, Cleveland lost 125,000 people in the 1960s, Pittsburg 84,000, and Deroit 159,000, while their suburbs gained several hundred thousand. Now, the average city resident consumes much less electric power than the average suburban resident; for example, 274 units a month for the average San Francisco customer, compared to 531 for the average customer in the metropolitan Bay Area.

Residents of big cities do not need most of the new generating plants. The existing plants, plus a few minor additions in some cases, would be sufficient to supply electricity to city residents and businesses for decades to come. But city residents are in "service areas" which are drawn by the utilities to include the fast growing suburbs, so that city people and firms must pay for the costs of new plants, which they do not need, through ever larger monthly electric bills.

This is, at least, a billion dollar annual subsidy from city people to those fun-loving suburbanites.

Scandal Two: Have you ever noticed that the new nuclear power plants take much longer to construct and cost much more than anticipated, and that once they are built, they seldom reach their promised level of efficiency? A $110 million nuclear plant in the Detroit Edison empire was actually abandoned for a while because it could not produce electricity efficiently enough to justify its operating costs. The new nuclear plants have been producing electricity at per-unit costs which are 50 to 100 per cent higher than those of conventional fossil fuel and hydro plants already in operation. Such economic disasters surely must cut into corporate profits. Right?

Wrong. Nuclear plants are the electrical industry's biggest bonanza. Under the industry's cost-plus system, the costs to construct nuclear plants are baked into the company's "rate base," or the assets of the company upon which a "fair rate-of-return" (usually from 7 to 10 percent) is computed. The more costly the nuclear plants the industry builds, the greater will be corporate profits, in absolute dollar amounts.

Scandal Three: Most consumers have the impression that they are protected from rate inequities because electric companies must argue their cases, in a quasijudicial process, before a public utilities commission. The sad fact is that the deck is hopelessly stacked against the ratepaying public. The electric companies pour a quarter-million dollars or more into a rate case, and these expenditures are charged off as legitimate operating expenses. In other words, the ratepayers must pay, in their monthly bills, for the utilities' costs of shoving rate increases down the ratepayers' throats. Consumers also pay for power company advertising aimed at convincing ratepayers that rate increases are good for them.

So on the one side at the rate hearing is the company, with several hundred pages of testimony, exhibits and computer printouts, along with the best attorneys, rate engineers, and consultants money can buy. On the other side, representing the beleaguered ratepayer is—usually—no one at all.

The lowly ratepayers simply cannot compete in such a situation. Though the ratepayers must pay for the electric company's attorneys and consultants in their monthly electric bills, they must also spend several thousand dollars out of their own pockets to hire an attorney and an expert witness to fight the rate increase. And for every expert witness the consumer can find, the electric company can find a half-dozen $500-a-day graduates of prestigious universities, who have been qualified and respected rate engineers for decades longer than the consumer's witness. Hence it is no wonder that most rate increase requests go virtually uncontested.

Scandal Four: If you are unfortunate enough to be just a human being, and not a huge manufacturing firm with windows instead of eyes and bricks instead of bones, you must pay the price for your inferior eugenics. In 1972, the average price per kilowatt-hour paid by residential customers, nationwide, was 2.42 cents. However, the average price paid by industrial customers was just 1.16 cents per kwh.

Industrial users buy about 35 per cent of the electricity produced, yet they pay only 23 per cent of the total bill. The boards of directors of America's private utilities are composed of leaders from all the major industrial sectors. One result of the interlocking directorates is a pro-business electricity rate.

In New Hampshire, the Granite State Electric Company charges residents an average of 2.92 cents per kwh and charges industry an average of 2.30, a relatively tolerable difference. Another exception, Kingsport Power in Tennessee, charges residents an average of 1.30 cents per kwh and charges industry 1.01. However, Potomac Edison of Maryland charges residents an average of 2.08 cents per kwh, but asks only 0.82 cents from industry; several others are equally discriminatory. Perhaps promotional rates for industry were justified in the days of excess electrical generating capacity, but we will never see those days again.

Scandal Five: If you are in a low or moderate income bracket, the chances are that you are paying about 50 per cent more than the affluent pay for every unit of electricity.

Electricity rates are structured so that the more electricity he uses a month, the less the consumer pays per unit. For example, below are the electricity rates (including adjustments for fuel cost increases) paid by San Francisco Bay Area residents to the Pacific Gas and Electric Co. (PG&E):

Customer Charge—$0.50.
First 50 kwh—0.0438 per kwh.
Next 50 kwh—0.0338 per kwh.
Next 100 kwh—0.0218 per kwh.
Next 100 kwh—0.0198 per kwh.
Next 700 kwh—0.0188 per kwh.
Over 1,000 kwh—0.0168 per kwh.

The customer charge of fifty cents helps pay for costs of meter-reading and billing; it purchases no electricity. Apply the power company's rate structure to another field, the retail sale of gasoline. A driver might face the following "price schedule" when he pulls into a gas station:

First 5 gallons—70.9 cents ea.
Next 5 gallons—55.9 cents ea.
Next 5 gallons—40.9 cents ea.
All subsequent gallons—30.9 cents ea.

Under such a schedule, the "high volume user" is rewarded through quantity discounts, and he benefits from a lower per-unit charge, on the average, than does the driver of a compact car with a smaller gas tank. Just as this declining price schedule for gasoline clearly discriminates against the small car owner, who may not have the financial ability or the desire to buy a luxury car, the electricity rate structure discriminates against the low-volume electricity consumer.

Our studies indicate that the average inner-city family uses about 200 to 250 kwh per month. The average family (all locations) uses on the order of 500 kwh a month, while many of the more affluent use 1200 kwh or more. We have made some correlation analyses (covering both West Coast and East Coast electricity consumers) and they disclose an extremely close relationship between a family's income and its consumption of electricity.

This stands to reason. If you have a lot of money, you probably keep your air conditioner going much of the time, you probably have a large home to heat and light, and you probably buy the latest energy-guzzling applicances: frost-free refrigerators, deep freezes, self-cleaning ovens, color television, and so on. If you are poor, you may have to do without them.

Under the PG&E rate schedule, a rather typical schedule for electric utilities around the nation, a family using 200 kwh a month pays an average of 3.3 cents for each kwh. But a family using 1200 kwh a month pays, on the average, just 2.1 cents for each kwh.

There is no difference at all between the kwh used by the rich person and the one used by the poor person. Each kwh looks, acts, tastes, smells, and feels just like any other kwh. But the rich person pays less than two-thirds, on the average, of what the poor person pays for each kwh. This amounts to a multi-billion dollar subsidy to the affluent from the low-income group, a huge bonus to the large homeowner from the apartment dweller, and a bonanza to the bond coupon-clippers from the Social Security recipients. It is also a major subsidy to the white race from blacks and other minorities.

Scandal Six: The lower prices for heavy use of electricity are termed "quantity discounts" or "promotional rates" in the electric industry—at least they used to be called that when promoting the use of electricity was socially permissible, before the energy crisis made the headlines.

The public has become conscious of the air pollution caused by power comanies. Detroit Edison contributes 75.3 per cent of the total of highly toxic sulfur dioxides which pollute the Wayne County atmosphere each year and 26.4 per cent of the total particulates. Some of this pollution would be curtailed through rate reform which discouraged, rather than encouraged, or greater use of electricity.

Some concerned citizens have learned that promotional rates, by artificially stimulating demand for electricity, cause more new generating plants to be constructed than would otherwise be the case. In southeastern Michigan, Detroit Edison is in the midst of a $7.5 billion plant expansion program, on top of a base of "only" $2.7 billion. Thus, Edison expects almost to quadruple its plant investment in just one decade to more than $10 billion, a growth rate which should turn General Motors green with envy. In the Portland, Oregon, area, residential customers will have to pay a large share—about 54 per cent—of the Portland General Electric Co.'s $752 million new construction program through ever-increasing electricity bills. Over the years it amounts to $1,167 per residential customer, on the average. If demand were dampened instead of encouraged, fewer new generating plants would be needed, and all ratepayers would gain some rate relief.

So it has not been fashionable, in recent years, openly to promote the use of electricity. In fact, many electric companies have been forced to abandon their huge advertising campaigns, and they now publicly urge their customers to curtail energy consumption.

While the public posture has changed, the use of electricity is promoted as much as ever through the companies' rate schedules. If you stopped a hundred people on the street and asked them what their electricity rate structures looked like, probably not one would know. But people do know that electricity is still cheap enough so that their consumption habits need not be altered in any basic way.

In this sense, the entire energy crisis is a scandal of global proportions. Not only have electric power companies continually promoted wasteful depletion of the resources on which they and we depend, but so have the natural gas companies, the oil and auto companies, plastic firms, steel firms, and all comporations which use up irreplaceable natural resources in their production processes. For the sake of capturing a few extra billion dollars, the corporate giants have elicited the aid of Madison Avenue to steal shiploads of resources from other nations and future generations so that these few generations of affluent Americans can grow content, secure, selfish, and lazy in their disposable society.

It is "economic imperialism," but it is also just plain dumb.

Growth is fundamental to the electricity business. The health of the industry depends on getting and keeping more people hooked on the wonders of electricity. A change in American consumption habits would devastate the electricity pushers. Moreover, the more an electric company is able to increase public demand for electricity, the greater is the need for more generating plants. The new plants swell the rate base, and therefore swell the amount of profits granted to the company by the utility commission, based on the magnitude of the rate base.

The solutions to these six scandals pose monstrous political difficulties, given the status of democracy in this country:

Solution to Scandal One: To keep city people from paying for those new power plants required by the growth in suburban demand, the "service areas" should be reduced. In present service areas, which include cities, suburbs, and fringe areas, everyone shares in paying for the new plant construction costs. Each major city should comprise its own service area, and not have to pay for suburban-generated costs. Better yet, cities should form public utilities, and sell power themselves at relatively inexpensive rates to their residents.

In an October 1974 complaint filed with the local utilities commission, the Washington, D.C., city government noted that D.C. residents required 57 per cent of the Potomac Electric Power Co.'s system generation capability in 1960, but only 42 per cent now. The D.C. government alleges an overcharge of $12.9 million in the past year alone to D.C. ratepayers who have had to pay, unfairly, for capacity expansion required to accommodate suburban demand. Almost all big cities could take similar action.

Solution to Scandal Two: If the cost-plus system of computing industry profits were junked, companies would lose their incentive to construct nuclear plants. Investment risks should be shifted to the corporation owners: as the nuclear Edsels roll off the line, let the dividends drop.

Solution to Scandal Three: Rate cases, where hearings are held relative to company rate increase requests, can be fairer if the taxpayers are given funds to defend themselves. First, a ceiling should be placed on total expenditures by all parties in rate cases. Then consumer groups, environmental groups, city, county, and state governments could be allocated funds, at a level that approximates the anticipated power company expenditures in an upcoming rate case, to analyze company rates and growth plans.

Solution to Scandal Four: Let's have no more promotional discount rates for the industrialists. While it is economically justified for residential customers to pay 10 per cent or so more per kwh than do industrial customers, under no circumstances should residents pay two-and-a-half times as much per kwh.

Solutions to Scandals Five and Six: The rational response to the power companies' abuses is an "inverted" rate structure—the *more* electricity you use, the *more* you should have to pay per unit. Prices would be reduced for the small user, and increased for the glutton.

As a minimum reform, rates could be made *uniform;* for example, 2.5 cents for each unit of electricity purchased, regardless of volume. Preferably, the unit price of electricity could increase (instead of decrease) with increased usage, more truly reflecting actual cost conditions.

In attempting to achieve a rate structure reform in Michigan, we took several steps: First, we filed a $90 million lawsuit against Detroit Edison, alleging price discrimination. The lawsuit was thrown out of court on jurisdictional grounds some months later, but it proved a good attention-getter.

We then prepared about 300 pages of testimony against the rate structures for the local public utilities commission, on behalf of Detroit Model City residents. We were supported in this effort by the Consumers Alliance of Michigan, the United Auto Workers, the City of Detroit, and a number of environmental groups. We were also joined by a few carloads of Model City residents at the Michigan utilities commission rate case hearings in Lansing; this probably was the first time in the commission's history that substantial numbers of minorities and women invaded their country club.

Initially, our testimony was stricken by the commission's hearing examiner, who did not consider it to be the work of "qualified rate engineers." We went back into court on the issue of being heard, and the judge advised, but did not order, the Michigan Public Service Commission to hear us. The Commissioners later overruled the examiner, stating that "new kinds of experts" were needed.

We later requested, and were granted, a special session on rate design alone. At that session several professors, consumer advocates, and union people joined us in speaking for rate restructuring.

Led by reform-minded Commissioner William Ralls, the Michigan commission reformed Detroit Edison's rate structure somewhat in April 1972. The high-volume consumers received the total burden of the rate increase, and several millions of dollars were, in essence, transferred from affluent to low-income families.

In the next Detroit Edison rate case, Charles Olson, a University of Maryland economist, submitted testimony for Model City residents and the UAW. Olson is a respected name in the field, among utility people and consumers alike. He spoke the commissioners' language, and he was more acceptable than we could ever be. (He even owned some Edison stock.) Because of his testimony, additional data on some base year costs and electric consumption by income group were ordered by the commission.

In January 1974, as a result of Olson's testimony and the additional data which confirmed all our arguments, Ralls and the other commissioners adopted a totally uniform rate structure for residential consumers. Quantity discounts were eliminated for the first time in any major electric power company's rate schedules, though a monthly service charge of $2.10, with purchases no electricity, still retains some of the promotional and discriminatory features of the old rates.

In August 1974, in response to environmentalists' arguments, the Wisconsin Public Service Commission ordered a nearly uniform residential electricity rate structure during the summer months for Madison Gas and Electric Co. customers.

We are convinced that any sound testimony encompassing these arguments, and a reference to the precedent set by the Michigan Public Service Commission (case numbers U-3910 and U-4257), submitted by informed consumer groups to a public utility commission, can produce a substantial reform of a local power company's rate structure. The companies' rationalizations for their pollution-generating, growth-inducing, blackout-causing, resource, depleting, price-gouging, poverty-abetting promotional electricity rates cannot withstand a serious and determined attack.

THE BALTIC NATIONS

Mr. MATHIAS. Mr. President, considerable concern has been expressed that, during the current European Security Conference, the United States may recognize as legitimate the annexation of the Baltic nations of Estonia, Latvia, and Lithuania by the Soviet Union. Because of this concern, I have been in touch with the State Department and have been assured that—

> It remains the policy of the United States not to recognize the forcible annexation of the Baltic States by the Soviet Union. Accordingly, the U.S. Delegation to the Conference on Security and Cooperation in Europe will not agree to the recognition by the Conference of the Soviets' forcible annexation of Estonia, Latvia and Lithuania.

Actions, of course, speak louder than words, and I, along with others, shall be following with interest the proceedings at this conference on this subject: Given the unqualified statement made on this topic by the State Department it would be unfortunate if actions were taken which were inconsistent with that statement without the benefit of a wider debate on the subject.

I ask unanimous consent that a letter I received from the State Department dated May 14, 1975, on this subject be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Washington, D.C., May 14, 1975.

Hon. Charles McC. Mathias, Jr.,
U.S. Senate,
Washington, D.C.

Dear Senator Mathias: The Secretary has asked me to thank you for your letter of April 25 concerning US policy toward the Baltic States.

We wish to assure you that it remains the policy of the United States not to recognize the forcible annexation of the Baltic States by the Soviet Union. Accordingly, the US delegation to the Conference on Security and Cooperation in Europe will not agree to the recognition by the Conference of the Soviets' forcible annexation of Estonia, Latvia and Lithuania.

I hope you will call on me if you believe we can be of further assistance.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for Congressional Relations.

FUTURE FOREIGN POLICY OPTIONS AVAILABLE TO THE UNITED STATES

Mr. SPARKMAN. Mr. President, the Committee on Foreign Relations will seek the broadest spectrum of opinion ever to be presented to Congress when it begins a series of hearings this fall on the future foreign policy options available to the United States.

I expect these nonpartisan hearings to lay the groundwork for a full, informed debate that may continue for an extended period of time as the public and members of the executive and legislative branches of Government search for an answer to the question "What kind of a country do we want to be among the nations of the world"?

The topics to be examined will include such broad issues as the Nation's self-image; whether we should be a policeman or civilian in the world; whether we should be a merchant, philanthropist, or both. The timing is most appropriate as the country enters its third century and passes from the post-World War II and Vietnam eras looking for new ideas and alternatives.

Never before has foreign and domestic policy been so intertwined. Never before, except in times of war, have the people of the United States been so affected by decisions of a foreign policy nature, such as those faced in the oil crisis or the great wheat sale. Never before have the people of all the world been affected on such a grand scale by the interrelated actions of the United States and other nations.

Therefore, we expect to seek the opinions of every sector of American society and, possibly, the opinions of the leaders and citizenry of other nations.

Over 2 months ago I asked the Foreign Relations Committee staff to look into innovative approaches for—

Gathering and presenting ideas and opinions on the choices the Nation faces in the field of foreign policy;

Broadening the base of committee witnesses;

Encouraging public involvement in the development of foreign policy goals; and

Setting the stage for a continuing debate which will follow conclusion of the hearings—which are expected to extend over several months.

I hope to use resources that have not been tapped by Congress in an organized way and the staff is looking into the feasibility of—

Going directly to the public to get ideas and opinion; and

Preparing written and filmed summaries of the hearings which can be used to further discussion in classrooms, and by public affairs groups and all interested citizens.

The educational hearings will not be aimed at reaching specific conclusions that will immediately result in legislation, but will lay out the alternatives in the clearest possible manner for the public.

Mr. President, in this context I was pleased to learn of a speech delivered by the Senator from Vermont (Mr. Leahy) at the graduation exercises of the Vermont Technical College and wish to call it to the attention of the Senate.

The speech, made after the Senator had been exposed to weeks of executive branch testimony before the Armed Services Committee of which he is a member, presents Mr. Leahy's views on the relationship between our foreign policies and our military capabilities. The Senator makes the valid point that foreign policies and military capabilities cannot be considered in separate vacuums, a point we expect to see clearly brought forth in our upcoming hearings.

While there are portions of the Senator's remarks which I would want to consider further before I endorsed them in full, I completely support this portion of his statement, from which I quote:

> Now is a time for reassessing our role in the world, for reviewing our commitments, for determining what our military capability must be, should it be necessary to fulfill those commitments. At the same time, we must let it be known loud and clear that we are not going to crawl into a shell; that we will not abandon our allies. To do so would invite international chaos.

Mr. President, the junior Senator from Vermont deserves high praise for his significant remarks.

I ask unanimous consent that his statement be printed in full in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

REMARKS OF SENATOR PATRICK J. LEAHY AT THE VERMONT TECHNICAL COLLEGE GRADUATION EXERCISES, MAY 24, 1975

For more than ten years, the war in Vietnam consumed the energy of the Nation. Like a cancer, it ate away at our vitals. Year by year, it disillusioned a generation of youth, drained our economy, divided us as nothing has since the Civil War, and caused an anguish of spirit that strained the very foundation of our Republic.

I personally opposed the war. While I had nagging doubts for years over the basic assumptions underlying our involvement in a civil war in Southeast Asia, over the possibility of our ever seeing the light at the end of the tunnel, it was a question from my then three year old son which forced me to come to grips with those doubts.

I was only one of millions of Americans who gradually came to the same conclusion. There are precious few of us who can claim to have foreseen from the beginning the immorality of our involvement or its tragic consequences. Certainly, no member of the present Congress in office in 1964 can do so. The fact is that the American people withdrew from the war long before their government did. Although in recent years the war itself, until its last few months, flickered on and off the national agenda, its influence on official Washington was as pervasive as in Southeast Asia.

Now the war is over. But its impact on the government and politics was so great that its conclusion alone confronts us with a whole new set of problems. The end of the tragedy which seared this Nation causes us to reflect on where we are and where we must go.

Now is a time for honesty. The American people, who for more than a decade were deceived and mislead by their leaders—and by leaders I do not mean only the government but the entire establishment—deserve straight talk from here on out.

They will make whatever sacrifices are necessary to honor our national commitments that deserve to be honored, if they are given the facts, if they are told the truth, if their responses are heeded by their leaders.

Now is a time for reassessing our role in the world, for reviewing our commitments, for determining what our military capability must be, should it be necessary to fulfill those commitments. At the same time, we must let it be known loud and clear that we are not going to crawl into a hole; that we will not abandon our allies. To do so would invite international chaos.

And I would hope that this reassessment could be shaped in the form of a great national debate—a debate that would draw the interest and participation of all Americans concerned with the future course of the Nation. With the Vietnam debacle, the energy crisis, the recession, the inflation, I sense among our people a feeling that things are coming apart, that we seem to be spinning haphazardly through space with bits and pieces falling off here and there as we hurtle to some uncontrollable destiny. I sense that Americans yearn for new direction for our country, and, more important, that they want to share in shaping it.

And that debate should begin in the Congress. For the truth is that the general feeling of being rudderless is reflected in the Congress itself. I sit on the Senate Armed Services Committee which considered a defense budget this year totalling more than $100 billion, which last week reported a military procurement authorization bill of $25 billion. That was $3.6 billion less than the Administration requested. I serve on the Research and Development Subcommittee which approved authorization for research and development of $9 billion 540 million after cutting $639 million from the Administration's request.

These astronomical figures boggle the imagination. In more human terms, a $100 billion plus defense budget means $2,500 a year for the average American family. A savings of ten percent in that budget means $250 a year less in taxes, or more in benefits for each of those families. And I might add that Vermont is 50th among the states in the amount of defense dollars returned to our local economy.

During the course of the committee deliberations on the budget, I was shocked at the paucity of consideration as to how these expenditures related to our foreign policy. While there was, of course, a general understanding of what our policy is in various parts of the world, it was just that—an "understanding." There was no meaningful dialogue on the interrelationship of this huge defense budget on our long-term, or for that matter, short-term national goals.

In most instances, the discussion centered on "us" versus "them"—"them" being the Russians. It was an if-they-do-this, we'll-do-that kind of reaction. Lost in the deliberations was the fact that we already have 615,835 times as much explosive power in nuclear weapons alone as the one bomb dropped on Hiroshima; that we have 8000 nuclear warheads providing 36 nuclear weapons to target on each of the Soviet Union's 219 major urban areas; that every American installation of importance has Soviet warheads aimed at it; that the nuclear nations today have enough nuclear warheads to destroy every man, woman and child on earth—and do it 27 times.

I wish that we lived in a world in which we did not need to maintain arms, but we do not. We do, however, have an obligation to see to it that our limited resources are not wasted on unnecessary armaments. We must make a greater effort to determine what weapons systems are really necessary. We must decide whether we will continue to build weapons systems simply because they are technically feasible, and, once having proven they are, bring on a further escalation of the arms race.

The Vietnam experience should have taught us, if nothing else has, that in formulating a defense budget, we must also consider its impact on the economy. I hope we have learned that a sound economy and a sound dollar are as important to our national security as any weapons system.

Let me cite two examples—and there are many—of our considering defense expenditures in a vacuum separate and apart from any real relationship to the goals of our foreign policy.

The Armed Services Committee is being asked to authorize almost $14 million, for openers, for a major naval and air base on the island of Diego Garcia in the Indian Ocean—an installation that will eventually cost taxpayers at least $200 million. The Congress has yet to earn what foreign policy goal requires a costly military buildup in a relatively unmilitarized area of the world.

We do know that India, the nearest major power to Diego Garcia opposes our building the base. We do know that the Prime Minister of Australia, our major ally in the area, has stated publicly that his nation is opposed to it. We do know that not a single country bordering the Indian Ocean wants the base built. Still, the Navy continues to press for funds.

The United States last year sold $8.6 billion worth of arms to 136 nations. We gave military assistance to 51 nations, much of which contributed little or nothing to our defense. In fact, our long-term defense interests are often undermined by our support of the unpopular regimes which use our military aid primarily for internal repression.

Billions of dollars in arms are being sold or given to nations in the Middle East, with little or no consideration for our overall policy in that potentially explosive area. Is this in our best interests? It may be, but so far there has been little information given to Congress or elicited by Congress as to the effects of this arms flow on our goals in the Middle East. Still, the sales continue.

I could cite case after case of a similar nature. But it all boils down to a lack of real coordination between our foreign policy and our defense requirements. I, personally, have urged that, as a beginning, the Foreign Relations Committee and the Armed Services Committee begin to hold joint hearings from time to time on issues of mutual concern that are technically within the sole jurisdiction of one committee on the other. Also, I am hopeful that future Congressional debates on the defense budget will be more meaningful and prolonged in order to arouse public interest in the great questions involved.

It may be that what happens in other parts of the world will be determined by events, not by Pentagon or State Department studies or legislative directives from Congress. But if the Congress does not now begin to insist on a rational, coordinated approach to the whole process of commitment, then events alone will most certainly determine our destiny.

Let me be frank. Our withdrawal from Vietnam has left us with a lot of nervous allies throughout the world. Our friends everywhere are now questioning our credibility, our will, and our faith in our commitments to them. With some, such as Israel, we have great moral responsibilities but no significant formal treaties. With others, such as Japan and the nations of the North Atlantic Treaty Organization, we have an enormous binding commitment.

Our friends are looking to us for signs of weakness or vacillation in our pledges to them. When I visited many of the western European nations in late March as part of a Congressional NATO review mission, the question asked most often in private conversations with many leaders was what the Congress intended to do regarding the 275,000 members of our armed forces now stationed throughout NATO countries.

I must emphasize that with nations, as with people, what is perceived is often as important as what actually may be. Right now, some of our European allies perceive us as waivering not in our ability, but in our will to fulfill our NATO commitments.

I can assure you that in the Chancellery in Bonn, in Whitehall in London, in the Quai d'Orsay in Paris, in foreign ministries throughout Europe, planners are busy mapping alternatives to a possible American force withdrawal.

In my view this is unthinkable. Whatever the real need may be for maintaining our present force levels in Europe—and there are sound arguments on both sides of the question—the perception by our allies of any significant withdrawal would be tantamount to abandonment, to our intention to go-it-alone.

This perception would most certainly be shared in Japan, our second largest trading partner and major friend in northern Asia, and by our allies in all parts of the world. We cannot permit that to happen.

The United States and Western Europe share a common heritage and history. They are economically interdependent, with $42 billion in mutual trade in 1974. Direct U.S. investments in the area total more than $40 billion. To allow the Atlantic alliance to falter would have disastrous consequences.

While any reassessment of our foreign policy would, of course, include a review of our role in NATO in a rapidly changing world, it appears certain that it will continue to be the keystone of our foreign policy for many years to come.

This is not the time to take action that could justifiably be perceived as irresolution or weakness toward our NATO commitments. To dispel its doubts and fears, Western Europe—indeed, the entire free world—needs a clear signal that the United States intends to live up to its responsibilities and pledges. The Congress is ideally suited to give that signal of our continuing and unwaivering support of NATO by rejecting any attempts to reduce significantly our force levels in Europe.

Let people throughout the world understand that America still cares—that we will show by deeds as well as by words that we do. Throughout my campaign, I said time and time again that I wanted my children to be able to live the majority of their lives in the next century. Unless we—the government and the people together in a constructive public dialogue—determine real and valid new policies for new generations, our children may not achieve that goal.

Peace will not come about in a day. But if our Nation and other nations are willing to work for peace step by step, the day will come when nations will no longer wage war. Much of that painstaking work will be the responsibility of your generation. Let us hope that history will note that you were not found wanting in that effort.

THE SOVIET ANNEXATION OF THE BALTIC REPUBLICS

Mr. CURTIS. Mr. President, Sunday, June 15, 1975, marks the 35th year since the Soviets' forcible annexation of the Baltic nations.

In violation of three nonaggression treaties, Red army troops marched into Lithuania on June 15, 1940, to forcibly replace the government in Kaunas with a provisional government. When the Baltic nations had been invaded and declared subservient to Soviet rule, they formally became "Soviet Socialist Republics." Lithuanian nationalists continue to be persecuted under the Soviet policy of complete "russification" of the Baltic nations, a policy which the Lithuanians, at the hands of the Russians, have resisted for almost 200 years.

In 1795, the long-established Lithuanian-Polish Commonwealth was partitioned among Russia, Prussia, and Austria. The greater part of Lithuania fell to czarist Russia. The Commonwealth had been more than an assertion of political autonomy, for the Lithuanians were determined to preserve their rich historical, cultural, and religious heritage. The Baltic nations had been defenders of western Europe for centuries, acting as a buffer for Mongolian invasions. The Lithuanians were Christians, and were accustomed to defending their culture from eastern invaders. So when, under czarist rule, the Russians attempted to replace Lithuanian culture with Russian ideals, they met with massive resistance. Russification attempts were abandoned in 1905.

After World War I, Lithuania was granted her independence and opted to maintain friendly relations with Soviet Russia. And then, in 1940, the Soviets invaded the Baltic nations in a covetous and illegal act of aggression.

The Soviet attempt to russify the Baltic peoples has grown violent over the past 35 years. Lithuanian nationalists are valiantly attempting to preserve their Baltic culture. The Soviets' frustration with such resistance prompted the Russians to resort to genocidal operations which, since 1940, have obliterated one-fourth of the Baltic population. The spirited Lithuanians will not be subdued in opposing the abolition of their cultural autonomy. Even harsh Soviet policy cannot force them to resign their cause.

Mr. President, we must stress the fact that while we welcome a Soviet-American détente, we do not condone cultural persecution within the Soviet Union. The spirit of the Baltic peoples must remind us of the strivings of captive people throughout the world. This was the same spirit in which our Nation was founded; let us not now forget that there are those, like the Lithuanians, who must still endure persecution. Let us stand firmly against such persecution within or without our own country, whether the persecution is racial, intellectual, or cultural.

JUNE 14—THE QUEEN'S BIRTHDAY

Mr. HARTKE. Mr. President, Saturday, June 14, marked the official birthday of Queen Elizabeth II, who ascended the throne in 1952 as a young woman with a dashing husband and two young children. Winston Churchill was her first Prime Minister. Since that time she has led her Nation through a challenging period of great changes both in her own country and in the world at large. And she now stands not only as Queen of Britain, Canada, Australia, New Zealand, and other countries of the Commonwealth, but as the very symbol of that unique organization which links together 34 nations from all corners of the globe—north and south, east and west.

Britain is the home of our own democratic tradition. Their Magna Carta is our Magna Carta. From their Bill of Rights sprang our own determination to see democracy flourish and thrive in America. Our base of liberty is a common one, as is our cultural heritage and our language. With so many ties between our two countries it is natural that there should be great cooperation and trust between us, and that we have stood side by side in both peace and war.

Now that the British people have confirmed that they approve of Britain remaining a member of the European community, Britain will be able to bring much of her parliamentary wisdom to the community and develop its growing links with a wider world. And with Britain firmly in Europe we have no cause to doubt that the European community of nations will be other than a staunch and true friend of the United States.

Great Britain, with a population hovering at 56 million, has one of the highest literacy rates in the world. This is attributed to the introduction of public primary and secondary education in 1870 and 1900.

The unwritten British Constitution is based partly on Common Law and partly on traditional rights of Englishmen.

During World War II, Great Britain became the last bastion free of Nazi domination in western Europe, and the world will long remember the battle for Britain and the heroic outcome.

Mr. President, let all of us in America pause and congratulate the Government and the people of the United Kingdom and her Britannic Majesty Queen Elizabeth II on her birthday.

HEW SEX DISCRIMINATION REGULATIONS: BUREAUCRATIC OVERKILL

Mr. HELMS. Mr. President, as Senators are aware, the Department of Health, Education, and Welfare published in the Federal Register on June 4, 1975, its final regulations relative to nondiscrimination on the basis of sex in educational institutions. Of course, we have come to expect almost anything from HEW, whether or not Congress has authorized it. We have been through this sort of thing with HEW before. One wonders if these bureaucrats suffer from a superiority complex, and believe that they possess some special insight as to what is right, just, and good for the American people. Of course, the problem is that the average citizens do not always agree with HEW's idea of what is in their best interest. At times it seems that HEW treats such public disapproval with a weary toleration indicating a need for more so-called public education.

In 1972, Congress passed title IX of the education amendments of that year providing that no person shall be excluded from any education program or activity receiving Federal financial assistance. The meaning of this enactment is clear. It was intended to insure equal opportunity for women in education to the extent that a particular program or activity receives financial assistance from the Federal Government.

Therefore, under the enactment, if a particular program or activity of an education institution is not an integral part of the education process, or even if it is, but does not receive Federal financial assistance, it is not covered by the act.

However, the HEW regulations go far beyond that. By their very title, they relate to—

> Nondiscrimination on the basis of sex in education programs and activities receiving *or benefiting from* (emphasis added) Federal financial assistance.

There is at least one major problem about that "or benefiting"—Congress did not say it; HEW said it! And, at that point, HEW crossed over the line between implementing a law and making law. The fact that these bureaucrats are not elected by the people should cause them to exercise some degree of restraint and defer to the democratic process. But do they? At times I fear they are so confident of their own ability to know what is good for the rest of us that they are not truly open to constructive criticism. They seem sure that through more "public education" they can make us understand. Of course, in the meantime, they will force us to do their bidding anyway.

I must confess to a certain level of frustration about this situation, and I feel that this frustration is shared by a great many people back home—average citizens, just ordinary folks, like the man at the gas station or the lady at the drugstore. They do not feel the need for a woman's football team, and they like the idea that their daughters may grow up to be modest, wholesome, young ladies who will live useful lives whether as homemakers or businesswomen.

They just do not see the need for a host of bureaucrats, with complex regulations, attempting to mold social behavior—all paid for with their hard-earned tax dollars.

Fortunately, there is now a law that provides a 45-day review period for such bureaucratic excesses as these HEW regulations. If Congress, by concurrent resolution, finds that they are inconsistent with the congressional act—which they clearly are—and disapproves them, HEW will have to go back to the drawing board and come up with regulations that conform with the congressional intention.

I submitted such a resolution on June 5. It has quite properly been referred to the Senate Committee on Labor and Public Welfare. As I indicated in this Chamber on June 6, I hope that the committee will report the resolution in ample time for it to receive a full consideration by the entire Senate.

Additionally, I have a copy of an editorial entitled "The HEW Sex Discrimination Rules" that was broadcast over television station WBTV in Charlotte, N.C., on June 4 and 5, 1975, and on WBT Radio. Because I would like to share this fine editorial with my colleagues, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE HEW SEX DISCRIMINATION RULES

One thing that really raises our hackles is for the federal government to stick a long nose into what should be purely local affairs. So our hackles are decidedly up over the rules on sex discrimination in the schools which the Department of Health, Education and Welfare issued this week and which will intrude upon almost every kindergarten, elementary school, high school and college in the country.

We will admit the rules are slightly less severe than HEW was suggesting a year ago. But that makes them only slightly less objectionable and ludicrous. What's more, HEW seems to find all schools guilty in advance.

So it has ordered that gym classes must be sexually integrated—except where body contact is involved. Same with team sports. If there's no women's tennis, golf, track or swimming team, the girls must be allowed to try out for the men's teams. If they want to organize a female boxing or wrestling team, the school must provide them with equipment and facilities as good as the men's teams have—and see that they get equal publicity. The rules very generously allow for separate locker rooms, however.

Other regulations call for a sexual mix in scholastic clubs and honor societies—an indication of what remote crannies HEW is determined to stick its nose into. And what in heaven's name has all this to do with education? We do note that HEW decided not to tackle so-called sex-stereotyping in textbooks, but it's alarming enough that any federal agency would even think of censoring textbooks.

At any rate, the rules HEW has propounded will go into effect unless Congress specifically rejects them. We hope you'll take that as a clue to let your members of Congress know how you feel about these oppressive and unnecessary rules—and about all federal attempts to dictate the conduct of schools and colleges.

Invitation to respond has been sent to HEW Secretary Caspar Weinberger.

TIME FOR RESEARCHERS TO TELL IT LIKE IT IS

Mr. PROXMIRE. Mr. President, as chairman of the Appropriations Subcommittee on the National Science Foundation, I have recently criticized NSF and our other Federal research agencies for their tendency to fund what seems to be low-priority research and, equally as important, for failing to be responsive to the interests and needs of the average American citizen.

In a recent public witness hearing before my subcommittee, an eminent MIT professor told the subcommittee that Members of Congress are not "specialists" and strongly implied that scientists should not have to defend their proposals before this body of elected officials. Although I do not recommend granting Congress veto authority over individual research projects, I do feel that this "scientific arrogance" and lack of concern for public understanding of scientific research is detrimental to the average American taxpayer, who pays the bills.

I believe very strongly that the academic and scientific communities have an obligation to the layman to be able to communicate, in plain simple English, what their objectives are, what they hope to find out, and what the potential benefit could be to the "man on the street." Our scientists can discover some of the most remarkable breakthroughs in the world, but if they cannot tell the Congress, or the Milwaukee factory worker, or the Mississippi farmer what they are and how they can be put to use, then they are wasting our time and money.

I believe that it is more important than ever that the American public take a vital interest in how its tax dollars are being spent on scientific research. At the same time, I hope that the American taxpayers will make a sincere effort to achieve a level of "science literacy," so they may better understand and appreciate the impact of science on our daily lives.

Dr. Benjamin S. P. Shen, Reese W. Flower professor and chairman of astronomy and astrophysics at the University of Pennsylvania, has written what I find to be a very timely article on this subject of "science literacy," emphasizing the importance of the scientist's role in enchancing the public understanding of research and science. In the May–June issue of American Scientist Dr. Shen acknowledges the "arrogance of science" and points out that:

> Underlying the idea of science literacy is the tacit assumption that the essentials of science can be translated from a technical language into the ordinary language of everyday discourse without intolerable loss of meaning.

Dr. Shen's last statement perhaps best summarizes my attitude when he states that:

> Too often scientists look down upon those who spend time explaining science to the layman. This attitude must change, now that science popularization is very much needed, not only for intellectual enjoyment, but also as an important service to society.

Mr. President, I share the concerns of Dr. Shen on this subject of science literacy, and I ask unanimous consent that the complete text of his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From American Scientist, May-June 1975]

SCIENCE LITERACY

(By Benjamin S. P. Shen)

Public understanding of science is becoming vitally needed in developing and industrialized countries alike.

(NOTE.—Benjamin S. P. Shen is the Reese W. Flower Professor of Astronomy and Astrophysics, Chairman of the Department, and Director of the Observatory at the University of Pennsylvania. This article is adapted from his chapter in Communication of Scientific Information, edited by S. B. Day and published recently by S. Karger AG, Basel, Switzerland. Address: 4N6 David Rittenhouse Laboratory E1, University of Pennsylvania, Philadelphia, Pa. 19174.)

Today, science affects almost every aspect of our lives, and we can expect its dominance to be even greater in the future. It is thus in the interest of everybody, scientist or not, to gain a better understanding of science and its applications, if only to learn how better to utilize its benefits and avoid its pitfalls. Such an understanding might be called "science literacy."

Science literacy can be many things, from knowing how to put together a nutritious meal to knowing how to enjoy the laws of physics. Skilled popularizers are needed to make scientific subtleties clear to the layman, and the mass media and the schools can help to bring popularized science to the public.

In order to put these varied activities into perspective, I find it helpful to distinguish three forms of science literacy, which differ among themselves not only in their objectives but often also in their audience, content, format, and means of delivery. The three forms may be called "practical," "civic," and "cultural" science literacy. Of these, practical science literacy is without a doubt the most urgently needed and frequently the most neglected.

PRACTICAL SCIENCE LITERACY

Close to a billion people in the world today live in deep poverty, with virtually no access to the kind of practical scientific knowledge of health, nutrition, and modern argiculture that could ease their plight to some degree. A great deal of human suffering has resulted from a lack of such vitally needed knowledge; this is the "information gap" at its worst. Practical science literacy offers a partial antidote, even though it can do little to correct the scoioeconomic inequities that usually are at the root of the problem.

By practical science literacy, I mean the possession of the type of scientific and technical know-how that can be immediately put to use to help improve living standards. Since the most basic human needs are food, health, and shelter, it is no surprise that much of practical science literacy has to do with just those needs. To take one example, it is becoming fashionable in some cities and towns of Africa, Asia, and Latin America for mothers to bottle-feed their babies rather than breast-feed them, despite a wide-spread protein shortage. Unfortunately, the water used to prepare the formula is often contaminated. This, combined with the lack of human antibodies in cow's milk, has led to a much higher mortality rate among bottle-fed infants than among breast-fed ones, according to recent reports. There is thus an immediate need to change the attitude of young parents in those countries by bringing them the message that breast-feeding is safer and better for babies.

Examples like this abound. The availability of a few pieces of essential scientific information can mean the difference between health and disease, life and death. In recent years, the Green Revolution has improved the grain productivity in a few regions of the world, but its success has depended not only on an increased availability of fertilizers, pesticides, and irrigation but also on an increased level of science literacy among farmers, who must know how to make optimum use of the new seeds.

The need for practical science literacy is by no means confined to developing countries. Whether a supermarket shopper with only a dollar to spend for meals—not a rare occurrence nowadays—should buy protein-poor cake or protein-rich cottage cheese is such a vitally important decision that it should only be made with a knowledge of the principles of nutrition. The United States has one of the highest infant mortality rates in the world, and a recent study showed that a lack of basic health information on the part of parents in the poorer communities is a major cause. In consumer protection efforts in the industrialized nations, practical science literacy can serve as a useful adjunct to legislative safeguards.

The delivery of practical science literacy to the vast number of people who need it is a complex task requiring a concerted effort in mass communication. In late 1975, the communication satellite ATS–6, now in orbit, will be used in an experiment by India to deliver health and agricultural information via community television to various rural regions of that country. Similar satellite experiments have been planned in Latin America. In this country, the Children's Television Workshop (of "Sesame Street" fame) recently inaugurated on public television a weekly series called "Feeling Good," designed to convey practical health information to the adult American population in an entertaining manner. All these are pioneering efforts, and their effectiveness will be watched with interest.

Methods of delivery that call for simple techniques only, such as posters, handbills, lectures, and community radio, can be equally effective and should not be ignored. The success of particular methods will depend on local conditions. A classic case of the successful delivery of practical science without advanced technology is Dr. Benjamin Spock's paperback on baby and child care—the best-selling book in U.S. publishing history—which in thirty years has reached nearly every American household and many abroad.

There should be a concerted worldwide effort to advance practical science literacy, especially in the least developed countries where the need is the greatest. The first priority in development planning should be to improve the condition of the poorest sector of the world's population. It is high time that science and technology made a special effort to serve the needs of this sector, and practical science literacy should be an essential ingredient in such an endeavor.

Projects in science literacy must be closely coordinated with projects in alphabetic literacy—reading and writing. It is interesting that alphabetic literacy is not a prerequisite for science literacy; the latter can be achieved through speech and pictures without writing. In some cases, I believe, the urgency of practical science literacy will even justify its taking momentary precedence over alphabetic literacy in development planning. National and international organizations, both governmental and nongovernmental, should assume major roles in the design, implementation, and evaluation of programs in practical science literacy. The task will be arduous: harmful traditions need to be cast aside, superstitions dispelled, and vested interests overcome. Opportunity to take part must be provided not just for scientists but also for the lay public, including experts in community education and mass communcation. Practical science literacy is too important to be left to scientists alone.

CIVIC SCIENCE LITERACY

It has been estimated that a little over half the legislative bills before Congress now have a scientific or technological basis. This is not surprising if we think of the many science-related public issues that confront the citizen today: health, energy, food and agriculture, natural resources, the environment, product safety, outer space, communication, transportation, and others. Legislators who have to decide on these matters usually do not lack expert advice from contending sides; rather they complain of not knowing which set of experts to believe. The average citizen often does not bother to think very much about these science-related issues or to try to form commonsense opinions about them. He may feel that these matters are beyond his grasp and that the experts will do the worrying. Yet the same person would not hesitate to apply common sense to such public issues as changes in income tax regulations or in election procedures, even though these are much more complex than the vast majority of science-related public matters. This hesitation in the face of scientific issues, I believe, stems mainly from a lack of familiarity with them and with science in general.

The aim of civic science literacy is to enable the citizen to become more aware of science and science-related issues so that he and his representatives can bring their common sense to bear upon them and, in this way, participate more fully in the democratic processes of an increasingly technological society. It is not sufficient to leave all public decisions to technical experts, if for no other reason than that experts are not popularly elected.

With some oversimplification, the decision-making process in a typical science-related public issue might look something like this. In the first stage, the possible risks and benefits of the proposed action are evaluated, a highly technical process that begins with the collection of scientific evidence and ends with the derivation, on the basis of the evidence, of a table of risks and benefits. Then, in the second stage, a policy decision on whether or not to take the action is made on the basis of the risk-benefit table. Such a policy decision requires no technical training.

One difficulty with science-related issues today is that the layman is often not able to separate the first stage from the second. The situation is not improved when scientists who make pronouncements on public issues do not always bother to point out where science ends and personal opinions begin; and the layman is even more confused when, instead of a single risk-benefit table, he finds himself confronted with several contradictory ones, all contending for attention. Whom then is he to believe?

The scientifically literate layman is stimulated, rather than confused, by contradictory scientific opinions. He knows that while scientific conclusions are sometimes nothing more than informed and judicious guesses, even such guesses are extremely useful in the absence of better knowledge. He also knows that scientific conclusions, like other types of conclusions, can be influenced by personal biases and special interests. In a word, the scientifically literate layman knows how to separate the nontechnical from the technical, the subjective from the objective, and to make full use of scientific expertise without being overwhelmed by it. This, I think, ought to be the minimum objective of civic science literacy.

In the longer run, I do not see why civic science literacy should not also aim at the more ambitious objective of enabling the layman to go beyond the risk-benefit tables to the scientific evidence itself, from which he can then draw his own conclusions. Going back to the evidence, after all, is precisely what a conscientious citizen, legislator, or public official is apt to do, consciously or unconsciously, when trying to reach decisions on public issues that are not science-related. Civic science literacy would merely allow him to do the same in the case of science-related issues. The scientific background of the average layman a few generations from now will undoubtedly be greater than it is today, but, even today, I cannot think of a single public issue whose technical aspects cannot be readily understood by the layman when shorn of all jargon and minutiae and when its essence is explained in nontechnical language by skilled popularizers of science. The single most difficult task for civic science literacy, I suspect, will not be to explain science to the layman but rather to convience him that he has no reason to shy away from it.

To achieve a mimimum functional level of civic science literacy, at least two things need to be done. First, the public must be far more exposed to science than it is today. The reporting of science news over the air and in newspapers should be increased both in quantity and quality. Science teaching in primary and secondary schools should also be made more effective in order to provide the foundation for a lifelong familiarity with science and an awareness of its social implications. Second, the complexities behind specific science-related public issues must be analyzed in plain language for the average citizen on a continuing basis by specialists in explicating science. They should also help the layman separate the nontechnical policy aspects of an issue from its technical aspects. Here again, the electronic and print media are essential for communicating the analyses to the citizen, through special reports of the kind we now see only at election time, during a manned space flight, or when some crisis intervenes.

Compared with practical science literacy, the attainment of a functional level of civic science literacy will be a more protracted endeavor. Yet it is a job that sooner or later must be done, for science-related public issues can only increase in number and importance in the future. In trying to advance civic science literacy, it is essential that the effort not be allowed to degenerate into a public-relations ploy for science or for scientists. The temptation to mix science literacy with science propaganda will be strong, but it must be resisted.

CULTURAL SCIENCE LITERACY

When a student takes a course in physics-for-nonscientists, when an artists reads a magazine article on DNA, or when a lawyer watches a television program on the Crab Nebula, they are engaged in improving their cultural science literacy. They do this in the same spirit in which a science student might study ancient history, an engineer read poetry, or a physician delight in classical tragedies. Cultural science literacy is motivated by a desire to know something about science as a major human achievement; it is to science what music appreciation is to music. It solves no practical problems directly, but it does help bridge the widening gulf between the scientific and humanistic cultures.

One of the problems of cultural science literacy is that it is at present available to only a comparatively small number of people. Its reach today barely extends beyond the intellectual community. Every effort should be made to increase its accessibility so that, ultimately, everyone who is interested will have the opportunity to enjoy science in his leisure time as readily as he might enjoy the arts and letters. To this end, the mass media must be utilized. Two recent series shown on public television represent steps in the right direction: Michael Ambrosino's "Nova" and Jacob Bronowski's "Ascent of Man."

Another problem relating to cultural science literacy is more subtle. In my recent service as chairman of a committee concerned with the public understanding of science, I have talked to hundreds of people about science literacy, and I have come across a small but vocal school of thought which frowns upon the contents of much of today's cultural science. This school is of the opinion that it is neither sufficient nor desirable for a layman to know a little about science: cultural science literacy is a concession to mediocrity. The layman, it is held, should go through a certain amount of technical preparation in order to be able to perceive at least the elegance, say, of a particular mathematical formulation of quantum mechanics. This is a little like saying that a layman wanting to know something about ancient history should first learn to appreciate the finer technical points of historiography and archaeology.

Viewpoints such as this reveal the arrogance of science in our century. The average layman, after all, has other things to do, and, unless he is a student, there is no reason why he should want to gain more than an acquaintance with the salient facts, premises, and conclusions of science and with the general forms of scientific reasoning, all of which can be readily put in nontechnical language, as the better works of science popularization have amply demonstrated over the years. We should accept the fact that it is not the purpose of cultural science literacy, or any kind of science literacy, to train science hobbyists or future scientists. A little knowledge, carefully presented and well understood, can be a very good thing.

Although on the surface cultural science literacy seems to be completely devoid of the utilitarian objectives so basic to the other two forms of science literacy, in at least two respects it does exert a significant influence on human affairs. First, despite its relatively small audience, the contents of cultural science preferentially reach the current and future opinion leaders and decision makers in many communities. Because of this, cultural science literacy may in the long run affect human events very profoundly indeed. Second, cultural science literacy can greatly influence what has been called "the new irrationalism." In the past few years, a host of superstitious and occult beliefs, such as astrology, food faddism, cosmic catastrophism, and the notion that plants have emotional lives, have found favor among younger Americans, sepecially those of college age, and are often mistaken by them for serious science. Fortunately, cultural science literacy can reach the student portion of this audience without difficulty. Although irrationalism as a philosophical attitude will probably forever be refractory to rationalistic arguments, experience has shown that even a small dose of cultural science can exorcise many of the pseudoscientific beliefs so fashionable among our students today.

ORDINARY-LANGUAGE SCIENCE

Underlying the idea of science literacy is the tacit assumption that the essentials of science can be translated from a technical language into the ordinary language of everyday disclosure without intolerable loss of meaning. That this is nearly always possible in skilled hands is demonstrated by the excellent articles, books, radio and television programs, lectures, and films on science now available to the layman. This is so despite the fact that going from technical to ordinary language is contrary to the historical trend. The very ideal of the so-called exact sciences over the past two centuries (and of the biological, behavioral, and social sciences more recently) has been to go in the opposite direction: from vague ordinary language to a technical and, preferably, symbolic language amenable to algorithmic operations.

In academic philosophy today, there is a curious coexistence between two types of philosophers: those who use symbolic languages and whose work is totally incomprehensible to the layman, and those who use plain English (or whatever other natural language) and whose equally serious work can be read by anyone. The latter way of philosophizing is disarmingly called "ordinary-language philosophy." Not for scientific research, but for science literacy, we need a planned proliferation of good "ordinary-language science." Too often scientists look down upon those who spend time explaining science to the layman. This attitude must change, now that science popularization is very much needed not only for intellectual enjoyment but also as an important service to society.

RADIO STATION WTRI

Mr. MATHIAS. Mr. President, in Brunswick, in Frederick County, Md., there is a radio station that is unusual by any standard of measurement. Station WTRI, owned and operated by Bert Thornton and his family, is a community station in every sense of the word. It serves the community, and the community serves the station. The story of WTRI is an impressive and inspiring one, and I am sure my colleagues will share my pride and the pride of all its listeners in WTRI. The magazine of the Sunday Sun, in Baltimore, contained an article about WTRI in its June 15 edition, and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Radio Station WTRI: "As Much a Sympathetic Ear as a Voice

Bert Thornton likes to tell this story about his radio station, WTRI in Brunswick, Md.:

A couple were in town shopping when they heard that fire had devastated their home in West Virginia just across the Potomac River.

The woman told her husband, "Go on home and find us a place to sleep tonight and I'll go to WTRI for help."

"That's just a regular thing with us," said Mr. Thornton of the tiny (500-watt) Frederick county station which, in the 11 years since it was started, has become virtually legend for its humanitarian appeals on the air in behalf of listeners in the tri-state area of Maryland, Virginia and West Virginia.

One of WTRIs finest hours, for which it gained national television coverage, occurred when Tropical Storm Agnes lashed the area in June, 1972, swelling the Potomac to more than 30 feet above its flood crest.

The station went on the air around the clock for 48 hours, expanding its normal sunrise-to-sunset broadcasts under Federal Communications Commission emergency procedures. In that time it raised $40,000 in outright cash grants for area flood victims.

And while the news wires carried bulletins describing the multi-state disaster in general terms, WTRI also covered the situation in its own fashion.

"Listeners would call us and say, "The water is rising at so-and-so's place'," Bert Thornton said, "and we'd put it right on the air, and right away neighbors with pickup trucks would show up to help 'em out."

Grassroots contact with its listening public is the essence of radio station WTRI, which seems as much a sympathetic ear as a voice.

The station is at 13th street and the city dump in Brunswick, a Potomac River hill town with a rip-roaring, railroading past and a surviving sobriquet—"hills, whores and liquor stores."

The station's signal, carrying such country classics as "Why Don't Anyone Make Love at Home Anymore?" and "She's Actin' Single—I'm Drinkin' Double," edifies listeners within a radius including Gaithersburg, Frederick, Hagerstown, Martinsburg, W. Va., and Leesburg, Virginia.

In the control room, taped to the wall, are scrawled reminders for the disc jockey to "Play a nice anniversary song at 9 A.M. for Mr. and Mrs. Hauber," and at 4 P.M. " 'This Highway Leads to Glory,' for the 64th birthday of Catherine Todd of Harmony . . . ."

A hymn for the birthday of the son of Susan Case, Brunswick, would be fine "anytime today," a notice says.

A continual procession of local visitors populates the nation's informally furnished front lounge, a modern equivalent of the old general store. A few come on business or to request help in various projects. Most come just to sit and chat, often bringing sandwiches, fried chicken or even freshly baked pies with them.

"We encourage it," explained Emma Thornton, Bert's wife, who was manning the front desk one day while Janie Darkis the receptionist was out serving coffee to senior citizens in Frederick.

Behind a glass wall in the control room sat Chuck Thornton, 24, Bert and Emma's son. A second son, Fred, 22, also works as a broadcaster, and 16-year-old Martha helps out after school (five other full and part-time employees help run the station).

The Thornton delight in using their "on-the-air names" so it is not unusual for a newcomer to be introduced by Bert, alias Ebeneezer, to "Big Momma" Emma, who in turn proudly announces that here are her two sons, "Fearless" (Fred) and "Thumbs" (Chuck).

The floor of the lounge is flagstone—for a purpose, Bert Thornton says with a straight face. With so many "friends and neighbors" dropping in fresh from the farm, he claims, flagstone "sweeps out a lot easier than carpet."

Although its audience is largely rural and blue-collar, it is not unheard of for WTRI to raise as much as $6,000 spontaneously, as it did recently during an interview about a local project for the handicapped which needed a new van. "The phones started ringing while we were still talking," Mr. Thornton said.

He said he thinks listeners give freely since "they are people who have felt the pinch themselves—or maybe it's just the old barn-raising theory, that it's something you just get out and do."

WTRI does not accept paid political advertising, but makes free air time available to any candidate. In last summer's primary elections, a legion of politicians, from candidates for local sheriff to Senators Mathias of Maryland and Byrd of West Virginia, used the facilities.

WTRI's down-town appeal notwithstanding, neighborliness alone does not pay the bills. WTRI, its owner says, is "highly profitable."

Bert (short for Cuthbert) Thornton is a sophisticated man, one whom, it is whispered around Brunswick, relaxes in the privacy of his office with classical music. He is a native of Pocomoke City and a University of Maryland graduate who learned promotion and advertising with the J. C. Penney Company and later as a salesman for the Dictaphone Corporation.

"There is more money in rural areas than you think," he said. "For example, a tire dealer here servicing a few farmers, each of whom have 12 to 14 pieces of equipment on expensive, specialized rubber, is bigger business than a city dealer with the account for a whole taxi fleet."

Behind those timely anniversary and birthday songs WTRI plays is a computer printout containing information on more than 8,000 families who listen to the station.

"Early in the morning, a lot of those people we're talking to are out in the barn milking cows," Mr. Thornton said. "Well, we know their names, and we know how many cows they've got."

He carries the personal approach over to advertisers, he said. "If it's a car showroom I like to go down on their floor get to know the salesmen see if they're high-pressure or low-pressure" Mr. Thornton said. "I send my broadcasters around to talk with their mechanics get to know them so they can kid them on the air."

One WTRI promotion for a local merchant was so successful that he was swamped with more customers than he could handle. Mr. Thornton who stopped by to see how sales were going spent the rest of the day there helping to weigh chickens.

Since Mr. Thornton bought the station in 1972 (he had worked there almost since it began) WTRI has attempted in-depth coverage of local news to an extent unusual even for many larger radio stations.

Early this year it provided key support in raising both money and interest for the local Organization for Consumer Justice which successfully rallied some 8000 citizens across Western Maryland to fight the Potomac Edison power company's request for a 22 per cent rate increase.

The state Public Service Commission disallowed more than half the asked-for increase additionally ordering PE to give customers a rebate on part of an emergency increase already placed in effect.

Despite losing some advertisers for the stand against the electric company WTRI devoted hours of air time to carrying live the complex evidentiary hearings where consumer and industry groups presented the underlying statistical bases for their positions on the rate issue.

Its coverage won public commendation for its thoroughness from officials of Potomac Edison.

"A "typical" day at WTRI starts off, according to Chuck Thornton, with nothing firmly scheduled, not even the news broadcasts.

"Our approach to radio is it should be like you're in somebody's living room, talking and listening to music and having a good time," he said. "If somebody walks in the front door right now and has something interesting to say, we'll put him on the air."

On the other hand, Bert Thornton noted, "we don't have any regular daily talk show because we don't have something worth talking about every day."

Often in winter the station's day begins far before it can start broadcasting (sunrise).

"People know we get here early on snowy days," Bert Thornton said, "and they'll start calling in around 5:30 A.M. to find out about the roads and buses."

One winter morning, he recalled, the station got a call from the Washington county schools: "Would you put it on the air that one of the buses has engine trouble? We don't want the kids standing out in this weather waiting on it."

Later, when the bus was fixed, WTRI alerted riders who were listening to get out to their pickup stations.

In March of 1974 WTRI found itself in the same position it had helped so many persons recover from. A fire that began in a faulty light totally destroyed the station.

The same day, the calls from listeners offering help began pouring in, Mr. Thornton said.

"We got one from a Loudoun county (Va.) teacher. The school kids were so upset they had asked permission from the school board to collect door-to-door for funds to get us back on our feet." (He had insurance enough to cover the loss.)

Aonther listener called and said he had a truck, could he be of service?

"I told him he might pickup a new transmitter," Mr. Thornton said. "He said, sure, where at? I said Illinois. He went that day and got it."

Records came in from other area stations and from listeners to replace the station's ruined library. Within five days it was back on the air, broadcasting from a trailer.

The Thorntons, who live on a farm just outside nearby Burkittsville, have lots of plans for their station's future, including staging outdoor country entertainment shows, hiring a full-time news reporter (they cover public meetings now in their spare time) and possibly going into FM broadcasting.

But they never expect to change the basic premise that, when the river rises, the house is burning or the wires are down, you call WTRI.

THE FALL OF INDOCHINA AND OTHER THINGS

Mr. HARTKE. Mr. President, the April 30, 1975, edition of the Brown Daily Herald, contained an article by Hobart Taylor entitled "The Fall of Indochina and Other Things."

I think Mr. Taylor's assessment of the situation in Indochina and the current problem of reassessing American foreign policy is worthy of the attention of all Americans. I ask unanimous consent that the text of his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FALL OF INDOCHINA AND OTHER THINGS

(By Hobart Taylor)

The war is almost over. To those of us still in our twenties or younger, Vietnam, the Vietnamese war, will be The War, and most of us—most Americans of any age—will see it as a lost war. As the fighting draws to a close in Cambodia and South Vietnam, we witness a well organized and victorious Communist army waving American arms, riding American jeeps, down highways constructed by Americans—highways that resemble I-95. The only reaction the most of us can muster is, "We really screwed that one up." And indeed we did. The question is where? And where do we go from here?

HOW WE GOT THERE

America's history as a world power is different from any other country's, and will have to be. Our country is an island on an island. Separated from the direct military pressures of sharing a continent with another world power or powers, we are accustomed to witnessing conflicts, and picking up the pieces afterwards. This has often been financially profitable, and has been a source of our increased world power. We traditionally tipped the balance of power and as a result, a good deal of our allies' power became ours in the end. In terms of world power, that game is now obsolete as we find ourselves and the Soviet Union locked in severe competition for the political direction of the planet. But in terms of localized conflicts, our policy is the same. By assuring the continued existence of a non-communist (albeit non-democratic) South Korea, we exerted sufficient influence in east Asia to secure a non-leftist government in Japan, the continued existence of Nationalist China, and the position of neutralist or non-leftist forces in the Philippines, Malaysia, Thailand, Burma, Cambodia, Laos, and not least of all, South Vietnam. By tilting the balance in South Korea, we reinforced the tendency in other countries to remain uninfluenced by the Russians or the Chinese, and unintimidated by revolutionary forces within their own countries. The final outcome of our involvement in South Korea, despite the "no win" impression Americans had that drove Truman from office, was a map of Asia that satisfied the State Department and most Americans: a series of governments, from the democratic industrial Japanese to the despotic Indonesian, that needed us to varying degrees, and increased economic influence for our ally, Japan.

If one perceives the interests of the United States as being the limitation of the influence of the Chinese and the Russians in world affairs—a limitation that can only effectively occur when American influence stands as an obstacle to Soviet and Chinese influence—then our policy in Korea was an ultimate success. For twenty years, since the end of that war, non-communist, non-revolutionary governments have ruled in all of South Asia, even though in each of these countries strong populist or communist movements have existed. This influence has not gone untested however, and that is the story of Indo-China.

It is now manifest that the Paris Peace accords differ greatly from the negotiations at the end of the Korean War. Without going into all the major differences, the key difference is that American troops were to remain in Korea after the cease-fire, and that they are still there now. This has been an essential part of our "filling the breach of power" strategy in all worlds affairs. Not only have we insured victorious, or tolerable solutions to conflicts we've engaged in, we've maintained the status quo by threat of renewed intervention or garrisoning, as in Europe, Korea, and Japan. This is where Vietnam was different, and as we review our foreign and defense policies of the last quarter of the century, we should keep in mind what a major break in American policy the Vietnam experience has turned out to be.

If there was to be "consistency in policy, then Presidents Eisenhower through Ford had no alternative other than to attempt to maintain American influence in South Asia, by eliminating the threat of revolution and/or Soviet and Chinese influence in Indochina. Vietnam, and before it, Laos, could only be seen by policy makers as an "enemy" attempt to demonstrably challenge American influence in a place where it would be most difficult for the Americans to respond:

(1) The political situation there was the least stable.

(2) Vietnam had been a colony—the cause of the revolutionaries had been at least as strongly nationalistic as socialistic.

(3) The French had already suffered a great defeat there.

(4) The geography of Vietnam makes it extremely difficult for general war, extraordinarily simple for guerilla war.

(5) It was not a containable war. In Korea, the U.S. could garrison the southern half of a peninsula; in Vietnam, all of Cambodia and Laos would have to be occupied and garrisoned, an expense and an undertaking too massive even for the arsenal of democracy.

According to policy-makers, if our policies were to have had any meaning, then in John Kennedy's words, we should "have borne any burden, paid any price," and accepted this challenge from those who opposed us. The gamble was simple. As policy-makers said amongst themselves, "If we pledge ourselves to the defense of the governments that align themselves with us, and if we fail just one of those governments, the other governments that are at all unstable will begin to totter, and revolutionary movements in other places will be given breathing room." (The Domino Theory.) And it appears to a certain extent, these policy-makers were correct. Surely dissent in South Korea or Thailand would be more easily suppressed if, in a difficult situation, American power could be called upon to help suppress it. As a result of recent events in Indochina, our weakest allies will be forced to form coalition governments, recognize Chinese and Soviet influence, and recognize the influence of a new second-rank great power, the Democratic Republic of Vietnam.

TAINTED CONTAINMENT

What does the failure of this policy mean? Does it mean the failure of containment in *general?* Does it mean that containment should be *the* American policy? Or does it mean that containment should be *an* American policy? I would argue the latter. In the United States' role in world affairs that is going on from the White House basement to Spat's bar in Providence, there is a note of withdrawal, a hesitancy to involve the United States in any way in the affairs of other countries, particularly non-European countries. There is a genuine danger in this, one that the rhetoriticians gloss over in their use of the catch-phrases "non-isolationism" and "fortress America." The danger is threefold:

(1) The relationship between powerful states and other states is one of general influence in the international affairs of the "other" states.

(2) The powerful states of the first rank are the United States and the Soviet Union.

(3) Power derives from influence, influence from power. If it is the intention of the United States to reduce her influence or her potential influence in world affairs, then increased influence goes to the other power, the stabler of the two powers, the Soviet Union.

None of this is of course absolute. The "other" countries have a great deal of flexibility to maneuver between the great powers. Other countries of the second rank, such as China or Japan wield a great deal of influence through political or economic power, rather than by threat of arms. However, the determining factor in the classification of the U.S. and U.S.S.R. as first rank power is their *military*, and especially essentially nuclear capabilities. The question of the bomb, who has it and for whom they are willing to use it, lies implicit behind all diplomacy.

What this means is that the cold war is still on. In real terms, the battle for influence can be military—it was in Indochina. There are also other alternatives to armed intervention in the competition for influence, and there is always the option of not competing at all. More on alternatives to military containment later, the first real question is why be a great power to begin with.

This is the real issue posed by those who encourage a review and diminution of American commitments abroad. All of our commitments are based on the premise of our military power, all our associations with other countries are essentially affected by our military power. Chairman Mao may have said it, but everyone understands it—political power grows out of the barrel of a gun. This need not be the major visible focus of a great power's foreign policy, but it can not be forgotten either. So if we abrogate a military position, and the potential of intervention, we would perhaps exist as an economic power, as a political power, as a bastion of political pluralism, secure in our own development. Perhaps.

Or perhaps we would not be a power even in these spheres. People buy from us, the Japanese, and the Europeans at least partially because there is a latent pressure to buy from the industrial West, source of power in terms of arms, and wealth, and partially because of a monopoly of manufactured goods and services held by the powerful West.

This need not always be the case. Similarly, a proof of the democratic process to those who are unfamiliar with it, is the power of success that the country of the Declaration of Independence can show for itself. Here, in the creation and the distribution of wealth, albeit unevenly, we have secured a stable standard of living for at least most Americans of European descent. It is also the source of developmental capital for other countries.

But as one who distrusts analyses that overlook a very real human factor, I offer an overriding reason for the maintenance of American power. We are Americans. This may sound simplistic but it is essential to understanding why people do what they do. No one is shocked or surprised when the Soviets act in the Soviet interest, or when the Indians act in the Indian interest, even to the extent of incorporating the defenseless kingdom of Sikkim, so no one should be surprised if the United States should work in the interest of the United States.

I do not defend such a practice for its own sake, but realize that our eventual success or failure as a people depends upon our ability to satisfy our interests, to broaden these interests so that they are a positive benefit to humankind in purely objective terms. There could/does exist in this country a terrible problem as world stability and American primacy decline because of a failure in our Indochina policy. The reason we remain a world power is because we want to be. When we don't want to be, we won't be. Even those who want the United States to play less of a military role in world affairs, don't call for a unilateral reduction of our nuclear capacity, a step which would reduce tension as it reduces the potential for waging a successful war with the Soviet Union. In terms of real power, one would be hard pressed to find one in a hundred Americans who wish for an America as weak as Britain.

If we are to be a world power, then military power, and its use as a potential influence upon other states, must be the latent means. There are alternatives to Vietnams—however. There are other ways than using military power directly.

"We have met the enemy, and it is us.": WALT KELLY

Even though there is no power amongst nations without the threat of military involvements, there are positive ways to exert influence as well. The Chinese are master in not over-playing their hand, of obtaining maximal influence without every leaning on another country. The Russians are pretty bad at it—witness their expulsion from Egypt. And we have decided to confront and confront, rather than finding where American power and wealth might actually be a positive force, a genuinely popular force. If, for example, we could not tolerate an oppressive and socialist regime in South Vietnam, and if we saw that the only way to prevent such a government was through a strong and popular government of opposition, why should we have supported Thieu? Surely there were revolutionary forces that are ultimately concerned with the genuine internal reform and peace, that we could have supported. If this was not the case in South Vietnam or Cambodia, this definitely is the case in South America where some day revolutionary leftist governments will rule.

Secondly, in the sphere of economic development, the United States has overwhelming power to "do well by doing good." Both the government and the private sector cooperating with the government, can work toward the assistance of countries in the development of *specific* projects, rather than government-to-government aid or military aid alone. One of the few grand successes the Soviet Union has had in this field was the Aswan Dam project in Egypt which physically knits the Egyptians and the Russians closer together. If the Soviets had been as tactful and unpatronizing in their military advice as they were in their engineering advice, they might be wielding greater political influence in Egypt today. * * *

Finally, our own house must be in order. The influence of the Chinese in world affairs comes from the force of their example. If we demonstrated *internally* a commitment to the correction of economic injustice and inequality of opportunity; if we showed a respect for ethnic diversity and individual liberty; if we showed a commitment to community—to a principle of common interest in the furthering the opportunity for even those who are powerless in the shadows of our massive governmental, corporate, and labor institutions, then we give the uniqueness of the American experience for ourselves and the rest of the world. Then we have renewed integrity in the reasons for our "will to power," reasons that enable us to fulfill out immense potential for positive action in the world community—a power less *willed* upon other countries, than *acknowledged* and *sought*, precisely for, the reasons behind it.

What all of this means is this—we have an interest in the world and the world has an interest in us. For us to close up shop with half the world's wealth under our belt not only has moral implications for us, but has military implications for future generations as well. Our success in the world has only two objective standards, our military security, and our economic strength. These can be used detrimentally, or positively. If we are to be in a position to use our wealth and efficiency to improve the physical lot of this planet, then our position vis-a-vis the Soviet Union must be one of slight advantage. If we are to be of genuine help, then difficult determinations must be made whether to support legitimate governments militarily when they lack popular support, or whether to occasionally support insurgents. If our help is to be judged sincere, then Americans must express concern and respect for each other, as individuals, and as groups—ethnic and political, to demonstrate the potential for cooperation in a pluralistic world.

The fact of our power is real. Its potential for good is real. Without strength there is no power. Do we have enough faith in the potential of the American experiment to believe that we can utilize this power to make our world better, even if only in purely objective terms? If so, then we have a responsibility to remain strong. The real question is this: now that we have power—are we capable of meeting the responsibility we have to our fellow men, and are we capable of doing it well?

THE DEPARTURE OF ROBERT F. ALLNUTT

Mr. MOSS. Mr. President, Robert F. Allnutt served as staff director of the Committee on Aeronautical and Space Sciences for 2½ years, and on June 15 he left the committee to assume the position of Deputy Assistant Administrator for Administration of the Energy Research and Development Administration.

As the chairman of the Committee on Aeronautical and Space Sciences, I would like to commend Bob for the fine job he did for the committee. His competence and leadership were important assets in the legislative process. He was both well informed and dependable and had a background well adapted to his position.

I regret the loss of Bob to the Senate but also recognize the importance of having people of his caliber in the new Energy Research and Development Administration. He undoubtedly will make meaningful contributions in his new job. I want to thank Bob for a job well done and wish him well in his new position.

JOE OWENS HONORED

Mr. RIBICOFF. Mr. President, Joseph A. Owens is the editor of the editorial pages of the Bridgeport Post and Telegram and the Sunday Post. Joe is one of Connecticut's most perceptive observers and writers. He was recently honored by the Connecticut chapter of Sigma Delta Chi. I ask unanimous consent that the news item concerning this award be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POST-TELEGRAM'S J. A. OWENS WINS EDITORIAL HONORS

Joseph A. Owens, editor of the editorial pages of The Bridgeport Post and Telegram and Sunday Post, swept the editorial writing categories in the annual statewide journalism contest sponsored by the Connecticut Chapter of Sigma Delta Chi, the society of professional journalists.

Mr. Owens won first place in editorial writing and editorial column writing.

The awards, covering the calendar year of 1974, will be presented June 18 at the chapter's annual meeting, in the Clam Box restaurant, Wethersfield.

TERMS OF THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, much has been said about the Genocide Treaty, both on the Senate floor and in various public debates and articles. Therefore, I thought it helpful once again to explain the terms of the treaty, point by point.

The Genocide Convention contains 19 articles, the first 9 of which are substantive in nature. The remaining 10 articles are procedural in nature.

Article I pertains to the concept of genocide as an international crime under international law. This article attempts to prevent and to punish this particular crime.

Article II specifies that any of the following five acts, if accompanied by the intent to destroy, in whole or in part, a national, ethnical, racial or religious group, constitutes the crime of genocide:

First. Killing members of the group.

Second. Causing serious bodily or mental harm to members of the group.

Third. Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part.

Fourth. Imposing measures intended to prevent births within a group.

Fifth. Forcibly transferring children of the group to another group.

Article III specifies that five acts involving genocide shall be punishable. These five genocide acts are—

The crime of genocide itself; conspiracy to commit genocide; direct and public incitement to commit genocide; attempt to commit genocide; and complicity in genocide.

Article IV is an agreement by all concerned parties to punish guilty persons, irrespective of their status.

Article V states that "in accordance with their respective constitutions," the parties will undertake to enact the necessary legislation to implement the provisions of the convention. However, the convention does not require any party to enact such legislation other than that which is in accordance with the country's constitutional provisions.

Article VI states that any person charged with the commission of any of the five genocidal acts enumerated in article III shall be tried by a court of the state in whose territory the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those states accepting such jurisdiction. Thus, genocidal acts committed on American territory would be tried only in American courts. No international tribunal is authorized to try anyone for the crime of genocide.

Article VII states that the state will extradite persons accused of committing genocidal acts. As with article VI, this article specifically states that extradition will occur only in accordance with the laws and treaties of the state in which the accused resides.

Article VIII recognizes the right of any party to call upon the organs of the United Nations for such action as may be appropriate under the charter for the prevention and suppression of genocidal acts.

Article IX provides that disputes between the parties relating to the interpretation, application, or fulfillment of the convention shall be submitted to the International Court of Justice, when any party to a dispute so requests. As I mentioned earlier, the remaining articles are procedural in nature.

Mr. President, I point out the specific terms of the articles to familiarize my colleagues with the provisions of the convention. The Genocide Treaty is often misinterpreted by opponents who feel that it will infringe upon the constitutional guarantees of this Nation. If one reads the specific language of the convention, it is obvious that all of the constitutional guarantees can be found in this document. With this better understanding it is my hope that my colleagues will ratify the Genocide Convention in the immediate future.

PUBLIC OPINION FAVORS NO-FAULT

Mr. MOSS. Mr. President, the opponents of S. 354, the National Standards No-Fault Motor Vehicle Insurance Act, have argued that interest in no-fault insurance is waning. Nothing could be further from the truth. During the concluding day of 5 days of hearings on the bill, the Consumer Subcommittee of the Commerce Committee received testimony from a panel representing the National Committee for Effective No-Fault, a coalition of consumer, labor, insurance, and other groups. Representatives from the Consumer Federation of America, the American Association of Retired Persons and the American Insurance Association, testified to the continued strong and widespread support for national standards for no-fault automobile insurance. Together these organizations represent more than 50 million American consumers.

Mr. President, I ask unanimous consent that the prepared statements of the panel be printed in the RECORD to apprise the Members of the Senate of the scope of public opinion favoring S. 354.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

S. 354, THE NATIONAL STANDARDS NO-FAULT MOTOR VEHICLE INSURANCE ACT

(Statement of Gary R. Frink, Executive Director, National Committee for Effective No-Fault

Mr. Chairman and Members of the Committee:

My name is Gary R. Frink, and I am Executive Director of the National Committee for Effective No-Fault (NACENT), a coalition of labor, consumer, insurance and other supporters of federal legislation setting minimum standards for state no-fault automobile insurance systems.

Among those affiliated with the National Committee for Effective No-Fault are: the 14 million member AFL–CIO; the 1½ million member United Auto Workers; the 2 million member International Brotherhood of Teamsters; the Consumer Federation of America, serving more than 30 million consumers; the 8.4 million member American Association of Retired Persons; the American Insurance Association, whose 138 member companies write auto insurance for 30 million Americans; the Car and Truck Rental and Leasing Association, with a membership in excess of 3,000 firms and persons; and the 120,000-member United Mine Workers.

With me today are Kathleen O'Reilly, Legislative Representative of the Consumer Federation of America, whose 208 member organizations, including the AFL–CIO, serve more than 30 million consumers; John Martin, American Association of Retired Persons; and Leslie Cheek, Vice President of the American Insurance Association.

We welcome this opportunity to appear before you in support of S. 354. We think it is fitting that, after three days of presentations by the special interests for and against S. 354, the Committee has chosen to close its hearings with testimony from those most affected by the bill before you—the millions of Americans who are vitally interested in what they get for the $20 billion they pay each year for automobile insurance.

While the members of NACENT approach the issue of automobile accident reparations reform from the unique perspectives of their constituencies, they have a community of interest in S. 354 which they have asked me to summarize for you before they make their individual presentations.

First, they see in S. 354 the framework for a fair, humane, rational and economical system for the compensation of the 2.5 million Americans killed or injured in the 14 million accidents on our highways each year. They share the conviction that only a no-fault system with high first-party benefits and stringent limitations on tort actions for non-economic loss can remedy the defects of the fault system outlined in the Department of Transportation's 1971 Report to the Congress.

Second, after years of effort to secure adoption of no-fault laws at the state level, they believe that only federal legislation setting minimum standards for state laws can bring about the prompt implementation of an effective and reasonably uniform system of no-fault enactments. Of the 16 state no-fault laws thus far enacted, only one meets the standards proposed in S. 354; the remaining 15 fail in varying degrees to meet the common needs of all accident victims, no matter where they live—prompt payment of all medical, hospital and rehabilitation bills; substantial benefits to replace lost wages and household services; the assurance that survivors will be adequately protected; and freedom from the cost and anxiety of litigation over fault in most accident cases.

Third, they share the view articulated here by DOT Secretary William T. Coleman, Jr. that while the cost of savings inherent in S. 354's no-fault system "will be sufficiently large so that there can be a reduction in the average motorist's premium relative to what it would have been under insured tort liability, . . . the important advantages of no-fault over insured tort liability lie principally in the much greater benefits it delivers to victims rather than in whatever premium reductions it may permit."

Finally, they are agreed that if S. 354 is to meet NACENT's goal of a truly effective no-fault system, several changes must be made in the bill before you:

(1) The threshold for suits for non-economic loss in Section 206(a)(5) must be raised from 90 to 180 days of total disability. According to one actuarial estimate, the lower threshold will cost auto insurance buyers three cents per dollar more on a nationwide basis than the higher one.

(2) The $5,000 deductible on losses that may be shifted between private passenger vehicle insurers and insurers of other types of vehicles pursuant to Section 111(a)(3) must be eliminated to assure private passenger vehicle owners of an equitable share of no-fault's cost savings. Failure to eliminate this deductible would cost private passenger vehicle owners at least five cents of every no-fault premium dollar and unfairly benefit the owners of commercial vehicles.

(3) The Mondale-Stevens Amendment (Section 208(c)) should be replaced by a provision permitting the states to choose the approach to coordinating benefits for auto accident medical and hospital costs that promises the consumer the most for his insurance dollar.

Now, Mr. Chairman, I would like to turn to my fellow panelists for their comments.

Hearings on the National No-Fault Automobile Standards Legislation

(Prepared Statement of Kathleen F. O'Reilly, Legislative Director, Consumer Federation of America)

Mr. Chairman and members of the Committee, I appreciate the opportunity to testify before this Committee on behalf of Consumer Federation of America, a federation of over 200 national, state, and local non-profit organizations that have joined together to espouse the consumer viewpoint. CFA and its member organizations represent over 30 million consumers throughout the United States. Among our members are: 17 cooperatives and credit union leagues; 45 state and local consumer organizations; 66 rural electric cooperatives; 27 national and regional organizations ranging from the National Board of the Y.W.C.A. to the National Education Association; Consumers Union, publishers of *Consumer Reports;* and 16 national labor organizations.

At its most recent annual meeting in February of 1975, CFA's membership overwhelmingly endorsed a resolution which recognized that because the single most crucial issue before the insurance consumer today is the present automobile insurance system, prompt enactment of S. 354 is imperative.

The current economic crisis has dramatized the cost issue which has been a recurring theme of no-fault discussions for the past seven years. Today's consumers are faced with increasing job insecurity and rising food, utility and health care costs which have sensitized them to wasteful government and industry policies that are diminishing the value of the consumer dollar.

In the area of automobile insurance there has been conclusive documentation that a shocking percentage of each premium dollar is allocated to litigation and administrative expenses. A 1973 report of the Pennsylvania Insurance Department stated that such expenses accounted for a staggering 58¢ per premium dollar. Such statistics highlight the basic inefficiency and inequity of the "fault" system.

Additionally, the conditions of today's economy emphasize the urgent necessity of prompt payment of accident claims. Today more than ever, accident victims simply cannot afford the time-consuming delays inherent in the "fault" system. The U.S. Department of Transportation's study revealed that seriously injured victims must wait an average of sixteen months for compensation of their losses; those with total economic losses exceeding $2500 face an average delay of nineteen months.

Economic waste and delay are but two of the numerous reasons for immediate reform. In addition, the complexity of the insurance process, the increased mobility of Americans, the growing dependence on the automobile as an economic necessity all dictate that the "fault" system be comprehensively reformed at the national level.

The argument that no-fault insurance should be delegated exclusively to the states has grown stale over the years. Despite strong public sentiment in favor of reform, a vast majority of the states have failed to create effective no-fault legislation. The slow pace of state responsiveness has strengthened CFA's commitment to the development of national standards. Only on the federal level can legislation effectively minimize the insurance difficulties of interstate travel and help eliminate much of the unnecessary administrative cost and confusion resulting from a wide disparity of state no-fault laws.

For these reasons, CFA supports S. 354 because its focus is on the victims of automobile accidents. It assures prompt, adequate and reliable compensation for all accident victims. No longer must a victim rely on the unpredictable route of litigation which pits victims against policyholders. The often tragic result is that the innocent citizens are precluded from recovery because of such factors as contributory negligence, hit and run, otherwise judgment-proof drivers.

Furthermore it would eliminate the undercompensation of the most seriously injured victim and the unfair overpayment of those with smaller claims. According to DOT: "Those with small economic losses recover, on the average, nearly twice their loss, but those with high economic losses recover only one-fifth."

CFA applauds the comprehensive coverage that would be afforded by this legislation. Consumers also welcome the safeguards it includes with respect to notice of cancellation or rate changes and provisions requiring prompt payment, including interest.

Without detracting from CFA's strong support of S. 354, we wish to take this opportunity to recommend three changes which would enhance the effectiveness of the legislation as drafted. CFA concurs with the NACENT coalition position that the disability threshold should be increased and that Section 111(a)(3) must be modified so as to establish equitable proportionate or no-fault cost savings to the private passenger vehicle owner. Finally, it is imperative that the Mondale-Stevens Amendment (Section 208(c)) be replaced by a provision permitting consumers to buy, and require insurers to sell auto insurance coverage at prices reflecting the availability of adequate benefits for auto accident medical and hospital costs from reliable sources outside the auto insurance system.

Indicative of the cost saving to the consumer that would result from such a modification is the present Coordinated Coverage Statute enacted in Michigan in April 1974. As explained by Robert E. Vanderbeek, in April of 1975, this provision has resulted in an approximate consumer saving of $60 million in the state of Michigan. Such requirements have resulted in minimum savings or premium reductions of 40 to 50 per cent of the no-fault personal injury protection portion of the premium. This reduction may mean a 10 to 25 per cent reduction in the over-all cost of auto insurance.

Clearly then, S. 354 is in the best interests of those who are most affected by the present system—namely consumers both in their role as policyholders and in their role as potential victims.

National Committee for Effective No-Fault

(Testimony of John B. Martin of the National Retired Teachers Association and the American Association of Retired Persons)

I am John Martin, Legislative Consultant to the National Retired Teachers Association and the American Association of Retired Persons, here this morning to testify with regard to national no-fault insurance on behalf of the eight million members of our Associations. This is the third time that I have appeared before the Congress representing our two Associations in continued support for no-fault insurance. We have studied this problem carefully and we are convinced that the interests of our members would be best served by adequate no-fault insurance enacted on a federal level to set federal standards with which the states must comply.

The pros and cons of such legislation have been debated at great length during recent years. The opponents have consistently said, "Give the states time to pass sound legislation and they will handle the matter." The Administration most recently has expressed the same view, but we take exception to the position that "the progress that has already been achieved by the states should be viewed as truly remarkable".

On the contrary, it seems to us that progress by the states has been far less than desirable in the light of the urgency of the problem. It has taken four years for every state legislature to consider this legislation. The Department of Transportation has given passing marks to eight of those states who have at least signed into law a degree of no-fault reform. Actually, only one of those states—Michigan—measures up to the kind of standards which are embodied in S 354. This kind of so-called "progress" is not swift enough. Results of state action in 1975 provide clear evidence that the momentum is dropping rapidly. With a majority of the legislatures adjourned at the present time, only one state—North Dakota—has enacted some form of no-fault law in 1975.

We believe that a sound no-fault reform bill must be reported this session of Congress. We need to be reminded of what the Department of Transportation study has said in the past with respect to our present system of tort liability automobile insurance. That is, that the present system "is inefficient, overly costly, incomplete, and slow." We know that it returns only 14 cents on the premium dollar for otherwise uncompensated economic loss to the victims of automobile accidents. We know that many of these victims never recover anything at all and many others only recover many years after suit has been begun under the tort liability system. We know that when compensation is effected it is often insufficient and inadequate to meet the costs which have been incurred in the meanwhile.

The recent testimony by Secretary Coleman on behalf of the Administration is sharp and to the point. The Secretary said: "Cost savings, while admittedly important, should not, and in my view, do not constitute the primary purpose of no-fault reform. Much more important, for example, are the adequacy of victims' benefits, certainty and universality of their insurance coverage and the elimination of the adversary process from the benefit decision." These are all standards which are not met by the current system.

What the members of our Associations want in automobile insurance is prompt payment when an accident occurs and adequate payment in relation to the damages suffered. This can never result from tort liability insurance and it is not going to result from state legislation which gives lip service to the no-fault principle, but is in fact only add-on insurance to tort liability coverage. We urge your committee to report this bill out with the strongest possible endorsement.

S. 354, THE NATIONAL STANDARDS NO-FAULT MOTOR VEHICLE INSURANCE ACT

(Statement of Leslie Cheek, Vice President, Federal Affairs, American Insurance Association)

Mr. Chairman and Members of the Committee:

We are pleased to be associated with the National Committee for Effective No-Fault, and concur wholeheartedly with the Committee's statement in support of S. 354.

You have already heard testimony from our Association's President, T. Lawrence Jones, in favor of national no-fault standards legislation. I would like to summarize briefly our reasons for participating in the work of the National Committee for Effective No-Fault.

Insurance is a business that is profoundly affected by the public interest; the industry's long-range well-being hinges entirely on how well it serves that public interest. Eight years ago, the Executive Committee of our Association, concluding that one of the industry's major products—automobile liability insurance—was not serving the interests of either the public or the industry, appointed a Special Committee to develop "proposals or methods for the indemnification of victims of automobile accidents which might better meet the needs of the public and the industry."

In late 1968, the Executive Committee adopted the Special Committee's Report recommending a total no-fault automobile insurance system with unlimited first-party benefits. The premise of the Special Committee's recommendation is identical to that underlying S. 354:

> The present automobile liability insurance system is adapted to the requirements of tort law. . . . (T)his system is not responsive to today's social, economic and technological conditions involving the use of the automobile. . . .
>
> . . . If our automotive society is demanding a broad-gauged automobile reparations system, as appears to be the case, the present system is insufficient and will require radical change.

We saw in our 1968 report, and see now, advantages to both the public and our own interest in a no-fault system like that in S. 354:

(1) an end to the irrational distribution of benefits and the inequitable assessment of costs inherent in the adversary system now underlying automobile liability insurance;

(2) an end to the delay in the alleviation of economic hardship that is almost inevitable under the tort-insurance system, particularly in cases of serious economic loss;

(3) an end to the justifiable public hostility to an insurance system that takes $.55 to deliver $.45 in benefits to persons other than its policyholders; and

(4) an end to fragmentation of compensation among a variety of insurance systems that tends to conceal the staggering costs of motor vehicle accidents.

The realization of these advantages, through the establishment of a reasonably uniform national system of no-fault laws, hinges on the prompt enactment of the bill before you. Our members feel that the interests of both their policyholders and themselves in a fair, humane and efficient auto accident reparations system are united in S. 354. We join the National Committee for Effective No-Fault in urging your favorable consideration of it, with the changes recommended.

Thank you.

COLLEGE AID IS THERE FOR THE FINDING

Mr. PELL. Mr. President, it is interesting to note that, in these times when we hear of the difficulties that students have trying to get finances to attend institutions of postsecondary education, there are certain student financial aid officers who believe there is money available for use.

This was very succinctly pointed out in an article which appeared in the June 9 edition of the Washington Post.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COLLEGE AID IS THERE FOR THE FINDING

(By Jane Bryant Quinn)

NEW YORK.—College financial aid officers say that, contrary to public opinion, there is more financial aid around this year than ever. The amount of federal and state scholarship money has increased. And there are a variety of other new grants and stipends, some of them open to students of merit regardless of family income.

Unfortunately, many high school students are baffled by the problem of rounding up financial aid. Or, if not baffled, tardy. One aid specialist told me that young people who need help often drag their feet about finding it, and sometimes lose out because they apply too late. "They should be aggressive and search out the sources themselves," she said.

The place to start is always the high school guidance teacher. But some, of course, have more curiosity than others about investigating out-of-the way aid programs. In many school systems there aren't enough good guidance teachers to go around, which means they can't do much about seeking students out who might need financial aid. Here's a good example of something the student can do for himself: see the counselor as often as necessary, read the material on his bulletin board, get information on aid sources, and follow up.

That's the second place where students often stumble—on the followup. For example, to get a federal Basic Educational Opportunity Grant (BEOG) you have to fill out a complicated form that looks like a tax return.

The instructions aren't easy to follow, with the result that some families give up on it. But any guidance teacher can help you fill it, if you just ask.

BEOGs are principally for low-income students, although big families with incomes as high as $15,000 might get some help. The top grant for 1976 is $1,400 a year, with the average expected to run around $800. In the past, many families with small incomes were denied BEOGs because they owned their own houses—which on paper made them too rich to qualify. But this year the government is being a little more reasonable about excluding property that for all practical purposes can't be converted into cash for college.

Many states are now expanding their scholarship programs. That's something else your guidance teacher should know about. Or write to your state board of education.

Another good source of scholarship information is the financial aid office of the school you want to go to. Some officers foolishly guard their knowledge from guidance teachers who they think are poaching on their turf, but they will be forthcoming when students ask questions directly.

Kenneth Ostberg, director of financial aid for Columbia College, says that he spends hours on the telephone with potential applicants, giving them general information on where to scare up scholarship money. But not until a student is admitted does he get to work on the actual aid package—taking whatever stipends the student has come up with and combining them with money the school has to offer. At expensive schools like Columbia, says Ostberg, even higher-income families can expect some help.

Alexandar G. Sidar, director of the College Scholarship Service, says that students must apply for aid at the same time they apply for college. Many don't, because they fear it will prejudice their admittance. It won't, financial officers all say. And if you apply after you're admitted it's usually too late to get money for that school year.

Colleges generally evaluate financial aid requests in January and February, which means that students who need money for the following September should have requests in by Christmas. (Community colleges don't have such a long time lag.)

Make sure you fill in *everything* on the scholarship application. If there are blanks the form will be returned to you, and have to undergo processing all over again. Some parents lie on the application, to make their financial situation look worse than it is. Because of this, Sidar says, many schools now ask for copies of income-tax returns.

Scholarships aren't just for young people. An older person returning to college can also get help. A New York City group called

Female Employment and Management, which helps women find financial aid says there are several corporate scholarships available.

HOOSIERS WEAR NAME WITH PRIDE

Mr. HARTKE. Mr. President, for over 100 years, citizens of the Sovereign State of Indiana have been called "Hoosiers." Proud of our origins and accomplishments, and proud also of our truly unique nickname, there has been much effort to locate the source of this label. Back in 1966, I entered in the RECORD an article on this subject. Recently, Sydney J. Harris, a columnist with the Chicago Daily News, once again tried to find the origin of the word "Hoosier," with no more success than others before him.

His conclusion, however, is that "it is a badge of honor rather than a slur." I concur in that statement, and ask unanimous consent that his article of June 3, 1975, as well as my statement from February 26, 1966, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOOSIERS WEAR NAME WITH PRIDE

(By Sydney J. Harris)

When medical authorities give you three or four differing "origins" or causes of a particular ailment, you may be sure that no one of them is absolutely right or correct.

It is much the same with language: When a word is attributed to three or four different "sources," it generally means that these are shrewd or wild guesses, and nobody really knows where it came from.

In a recent paragraph, I speculated about the origin of the word "Hoosier," applied to a native of Indiana, and wondered if anyone had been able to track down its origin. Well, I received dozens of letters attacking me for my ignorance—but the diverse attributions seemed to cancel out one another, and I was left no wiser than before.

I had first consulted several books. Wentworth & Flexner's "Dictionary of American Slang" (revised edition, 1967) merely mentioned that the word was used in carnivals, circuses and by hobos to describe "an incompetent or inexperienced worker; a rustic, hick, or rube; a fool or dupe." It added that "a citizen or resident of Indiana is the only nondisparaging use of this word," but listed no origin for it.

Dr. Mario Pei's 'The Story of Language" simply called "Hoosier" an epithet used by American loggers to designate a "greenhorn."

William and Mary Morris, in volume 1 of their "Dictionary of Word and Phrase Origins," say "Referring to a native of Indiana, this derives from the Cumberland dialect word hoozer meaning anything unusually large. It has been found in its present-day meaning as far back as 1829."

Gov. Joseph Wright, I am informed, attributes "Hoosier" to an Indian word for "corn." He insists the Indian word was "hoosa," and that Indian boatmen taking corn down the Mississippi became known as "hoosa men."

Another reader tacks it on to a contractor named Hoosier, who worked on the Louisville and Portland Canal, employing only Indiana men; subsequently, his crew got to be known as "Hoosier's men," which eventually spread to all Indianans.

Historian Jacob P. Dunn reminds us that the word "Hoosier" was an appellation common in the South for rough, uncouth persons, and early pioneers in Indiana were of this sort, and the expression drifted from the South to become localized in Indiana.

There are three or four other "reliable" attributions, but they are not fit to be printed in a family newspaper. As I said, each tends to cancel out the other, and my "ignorance" is now far broader than it was when I wrote the paragraph. All we can be sure of is that people can make or break a name, and that Indianans have worn the name of "Hoosier" so proudly that it is a badge of honor rather than a slur.

[From the Congressional Record,
Feb. 26, 1966]

"HOOSIER": A UNIQUE NICKNAME

Extension of Remarks of Hon. Vance Hartke of Indiana in the Senate of the United States, Saturday, February 26, 1966

Mr. HARTKE. Mr. President, as Indiana celebrates this year its sesquicentennial, the spotlight will often focus on Hoosier traditions and history. One of the distinctive features of Indiana folklore is the origin of the nickname "Hoosier." Many tales portray its beginnings. On February 21, 1949, an outstanding account of the historical development of this unique name appeared in the Washington, Ind., Times-Herald. In the past, distinguished Hoosier Congressmen have brought this article to the CONGRESSIONAL RECORD. Today, I believe it again merits reproduction.

I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"HOOSIER," A WORD WITH A HISTORY ALL AROUND IT

For 33 years, or ever since the Indiana centennial of 1916, historians, teachers, and research scholars have been delving into pioneer archives seeking the origin of the distinctive nickname: "Hoosier." It is a term of dignity and character, they conclude, and applies to anyone native to Indiana or who is a resident within the State's borders.

Specifically, the scholars have concluded the word Hoosier means: An important caller, and a dignified, self-reliant person.

But reports in the files of the Indiana Historical Society disclose there are three schools of thought concerning the manner in which the word might have been born, perhaps between 1810 to 1820, and got into common usage.

AN IMPORTANT CALLER

There are many claimants for "who's hyer?" said to have been hallooed by a cabin settler to a wayfarer on horseback, or vice versa, during territorial times. The traveler, according to a poem written in 1830 by John Finley, titled "The Hoosier Nest," proved to be an important caller and a fine gentleman. Novelists of Indiana's later golden age of literature, including Lew Wallace, of "Ben Hur" fame, and Booth Tarkington, liked the idea of "who's hyer?" becoming in time "Hoosier," and meaning important caller or friendly traveler.

The second school gives the word military dignity—from hussar.

It is said Colonel Lehmanowski, a Polish hussar of the Napoleonic wars, appeared so resplendent in his uniform of military braid and decorations during a sojourn across the new State of Indiana that he inspired coonskin-capped riflemen of the frontier militia to glorify themselves as hussars, which they pronounced "Hoosier." The scholars declare that in the war with Mexico and long after the Civil War all parade soldiers in Indiana were called Hoosiers.

The poet, James Whitcomb Riley, believed either of these legends could have been the true source of Indiana's nickname, but in his lyceum recitals he pointed out that much of Indiana's speech, quality talk, and slang stemmed from a southern immigration.

THE THIRD SCHOOL

The third school suspects this southern group of immigrants gave the word "Hoosier" to Indana, and remarks that it was popularized by Riverman Mike Fink of Pittsburgh. He was a man of invincible strength, who picked up the word "husher" and used it often while traveling up and down the Ohio and Mississippi Rivers.

"There is not another like myself in all this country. I'm a hoosher;" the keelboatman is said to have remarked with gusto.

"Hoosier" was Mike's pronunciation for "husher" meaning mighty man. Researchers found husher is out of the particular dialect of settlers in the Carolinas and Georgia, who hailed from Cumberland, England. "Husher" means big, important, large, able,

Tracing the word back to England the scholars found it was written "hoozer," and that Mink Fink, the skull cracker and braggart, used the word "hoosher" to proclaim he was the best man in a crowd. When challenged he promptly staged an eye-gouging hard knuckle fist fight. For years his strength, vocabulary, and use of firearms provided fabulous tales for rivermen and settlers, throughout southern Indiana.

His skill and gusto gave the word "hoosher" real meaning as it became hoosier and denoted a unique individual of exceptional abilities, the historians declare.

FEW CHALLENGERS

Few dared to say that Mike wasn't a very remarkable fellow, nor did they argue about the prowess of his 100 boatmen. Most rivermen agreed that Mike was something they didn't want to get tangled up with, yet were his friends. Mike roared, boasted, fought, and raced up and down the length of the Ohio and Mississippi Rivers from the close of the American Revolution to 1821. "Then," says an idolatrous historian, "to use the words of Mark Twain, he moved westward with the jug of empire."

Wandering ahead of the tide of settlers, Mike accompanied a fur-trading expedition up the Missouri River, and met his death at a lonely post near the Yellowstone in the winter of 1822-23.

NICHOLAS ZAPPLE

Mr. MOSS. Mr. President, Nicholas Zapple has been the professional staff member dealing with broadcasting and telecommunications for the Communications Subcommittee of the Commerce Committee of the Senate for 25 years. As such, he has done a remarkable job. Mr. Zapple not only knows the intricacy of the Federal communications statutes, but is intimately acquainted with the workings of the Commission and will be most difficult to replace. During the time that I have served on the Commerce Committee and on the Communications Subcommittee, I have found him to be knowledgeable, courteous, diligent, and extremely well informed. No problem ever arose having to do with communications which was too difficult or too trivial for him to tackle. I always turned to him for advice and comment. Consequently, I will miss him greatly when he retires.

Nick Zapple tells me he has been in Government service for 32 years. He is therefore well entitled to retirement. And since he now has chosen to do that, I wish him and his wife the very best of times in the years ahead. No doubt we will hear much yet from Nick because his kind of expertise must be called upon in dealing with the day-to-day problems of the communications industry.

NUCLEAR PROLIFERATION—PAST AND PRESENT

Mr. RIBICOFF. Mr. President, the need to tighten controls over peaceful nuclear exports in order to halt the global spread of nuclear weapons has received more public attention during the past few weeks than at any time during the nuclear age.

Past proposals to strengthen international nuclear safeguards "fell on deaf ears, even including the United States," according to no less an authority than W. Sterling Cole, former Chairman of the Joint Committee on Atomic Energy and former Director General of the International Atomic Energy Agency (IAEA).

Mr. Cole, who served in the House of Representatives for 22 years before resigning in 1957 to become the first Director General of the IAEA, made that observation in a recent thought-provoking letter to me. In it, he also observed that:

> Nuclear proliferation poses an ever-increasing threat to world peace and stability and something should be done immediately to stop it.

He attached to his letter an article he wrote nearly a decade ago for the American Nuclear Society, listing his proposals for strengthening international safeguards. The article declared—

> It is time for governments to take a close look and decide whether to put it (the IAEA) to work as originally intended, or let it drift along as one more inspired dream for international peace and harmony allowed to wither away because of the blindness, pride, greed, jealousy, parsimony, and suspicion of governments.

Tragically, Mr. President, Mr. Cole's words of warning are even more pertinent to the world situation today than they were when he wrote them in 1966. His proposal for requiring nations to place all existing and future nuclear facilities under IAEA safeguards to prevent nuclear weapons development is still desperately needed. I ask unanimous consent that Mr. Cole's letter be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Cole & Cole,
Washington, D.C., June 6, 1975.
Hon. Abraham Ribicoff,
U.S. Senate,
Washington, D.C.

Dear Senator Ab: I was very interested in reading your comments in the Congressional Record on June 3 during the Senate debate on the Armed Services Authorization Bill, in which the matter of acquisition by Brazil of 2 or 3 power reactors from Germany was discussed. Senators Pastore, Symington and Glenn had expressed grave concern that this acquisition would eventuate in further nuclear proliferation and pose a threat even to our own national security. In that discussion, on page S 9325, you suggested that certain steps be taken to insure closing the door on further proliferation. I applaud you for this and devoutedly pray for your success.

Thinking it may be of some interest and possible use to you I am sending an article which I wrote for Nuclear News of the American News of the American Nuclear Society in 1966 in which I expressed my own concern with respect to the frailty of our nonproliferation safeguards and proposed revision of the IAEA Charter to accomplish more effective control under international authority. Some of these items I have proposed to IAEA when I was the Director General but they fell on deaf ears, even including the United States. Although nearly a decade has passed since then, nuclear proliferation poses an ever increasing threat to world peace and stability and something should be done immediately to stop it. I wish you well.

With warm regards,
Sincerely,
Sterling (Stub) Cole.

Mr. RIBICOFF. Mr. President, I also ask unanimous consent that Mr. Cole's article, referred to above, be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. RIBICOFF. Mr. President, the spread of nuclear technology throughout the world in the absence of adequate antiweapons controls is well-documented in an article by David Burnham on the front page of yesterday's Sunday New York Times.

It reports that there is "an intense policy debate within both the Ford administration and the Congress" over how to balance "the sale of billions of dollars of American nuclear equipment—against the dangers of speeding the spread of atomic weapons throughout the world."

The article documents the hundreds of nuclear reactors now operating at some stage of planning or construction, largely through the export or reexport of U.S. nuclear technology. It also explores the implications of the 574,000 pounds of plutonium that these reactors will have produced by 1980, in relation to the threat of diversion by nations or of theft by terrorists for the purpose of building atomic bombs. The article notes:

> Scientists agree it takes 20 pounds or less of the heavy gray metal plutonium—an amount that can easily fit in a child's lunchbox—to make a nuclear weapon that placed in such an area as Wall Street could kill thousands, perhaps hundreds of thousands, of people.

The article also explores shortcomings in existing international mechanisms for preventing the spread of nuclear weapons. It cites criticisms by me and the noted nuclear physicist, Dr. Theodore Taylor, of the Nuclear Non-Proliferation Treaty—NPT—for not prohibiting trade with non-NPT countries, and of IAEA safeguards for being heavily dependent on the good will and cooperation of nations whose nuclear activities are being monitored.

And finally, the article reports that:

> Secretary of State Kissinger is understood to expect action on what has been described as "a safeguards convention" within the next month or so.

It also cites State Department sources as indicating that multinational negotiations among nuclear supplier nations are underway.

I ask unanimous consent that David Burnham's article and the editorial, "Nuclear Madness," from the June 13 New York Times, be inserted in the Record at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. RIBICOFF. Mr. President, Senator Pastore, a leader in this field brought the West German-Brazil agreement to our attention.

The Times editorial points up the desperate world need for agreement among nuclear suppliers not to provide nations nuclear weapons capability under the guise of peaceful nuclear technology citing West Germany's intention to sell Brazil nuclear fuel facilities capable of producing weapons-grade material. The Times declared:

> Should Bonn perpetrate this nightmare upon the world, it will put at risk three decades of effort in gaining the high regard of its neighbors and allies. It will pay a political price that will far outweight economic gains. A far wiser course would be to join the U.S. in refraining from such sales and in urging other supplier nations to move quickly toward common export rules, rather than the competitive degradation of safeguards in pursuit of profit.

The editorial stresses the dangerous precedent that the West German-Brazilian deal will establish for proliferating nuclear explosives, if it is allowed to go through:

> The German sale only requires inspection of equipment and materials provided by West Germany, Bonn has acknowledged. Once Brazil masters German technology, it will be able to duplicate German equipment and make nuclear explosives free of international supervision, much as India did. A Brazilian Foreign Office spokesman already has announced that his country "intends to detonate nuclear explosives for peaceful purposes." But there is no way to distinguish a peaceful nuclear explosive from a weapon and even the United States has been unable to develop a commercially feasible use for nuclear explosives. If Brazil is enabled to take this route, other near-nuclear countries undoubtedy will be stimulated to do the same.

The Times article cites the Export Reorganization Act, S. 1439, introduced by my distinguished colleague, Senator Percy, as being a focal point in the nuclear proliferation debate. The Government Operations Committee has held 3 days of hearings on this bill, which would place all nuclear exports under a single licensing authority and would give the new Nuclear Regulatory Commission—NRC—a safeguards standard for disapproving nuclear exports to nations whose safeguards are not at least comparable to our own domestic safeguards.

The NRC, and the AEC before it, have had such veto authority under the Atomic Energy Act. But, in the absence of a definitive statutory standard, they never have vetoed a nuclear export application. The United States continues to engage in nuclear trade with nations that refuse to ratify the NPT and thereby refuse to foreswear developing their own nuclear explosives or to permit international inspection of their entire nuclear fuel cycle.

The hearings explored the extent to which the United States can act unilaterally to upgrade controls of nuclear exports without risking the loss of major reactor sales to rival nuclear exporters, like France and West Germany, who make less stringent safeguards demands on purchasing nations.

A balanced report on the hearings appeared recently in Nuclear News, the publication of the Atomic Industry Forum.

It noted that:

> A panel of safeguards spokesmen from ERDA and other agencies seemed reluctant to speak out either for or against the bill, but the general impression seemed to be that the problem could be handled without legislation.

It also quoted Senator Glenn, ad hoc chairman of the hearings, as telling the Federal Interagency Panel:

> I do not share your confidence for the moment about IAEA having a good handle on this problem . . . nor do I have the confidence some of you have exhibited with regard to the cooperative efforts of solving our problems. I think we do have some changes that have to be made, and I'm afraid I don't have the complacent attitude that maybe has been exhibited here today.

I ask unanimous consent that the entire Nuclear News report be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. RIBICOFF. Mr. President, I believe the present spread of nuclear weapons capability requires the United States to upgrade its own export safeguards as a clear indication to other nuclear suppliers of our determination to win agreement on stiffer international controls. It is true that while the United States is responsible for most of the nuclear proliferation in the world today, it cannot be brought under control without the cooperation of other nations that are now prepared to compete with us in the multibillion-dollar sale of reactors.

As a minimum, the nuclear-supplied nations should agree to a ban on exports to nations which refuse to take the NPT pledge against developing nuclear explosives or refuse to accept IAEA safeguards on their entire nuclear fuel cycle. There should also be prompt agreement on minimum physical-security measures needed to protect nuclear facilities and materials from terrorist attack.

The Government Operations Committee will continue to press for such major diplomatic gains as it considers the proliferation problem addressed in Senator Percy's bill, S. 1439. It will also continue to urge the executive branch to adopt the bill's key export-control reforms on a voluntary basis by executive order or by regulation, in the hope that remedial legislation may yet prove unnecessary.

The time to act is now. The spread of nuclear weapons is on the verge of running out of control.

Exhibit 1

[From the New York Times, June 15, 1975]

Nuclear Equipment Sales Spark Debate

(By David Burnham)

Washington, June 14.—The sale of billions of dollars of American nuclear equipment is being balanced against the dangers of speeding the spread of atomic weapons throughout the world in an intense policy debate within both the Ford Administration and Congress.

The immediate focus of the debate is how aggressively the United States should work to tighten restrictions on plutonium, the waste product of nuclear power plants.

There now are 426 nuclear power plants either operating, under construction or planned in 39 nations, each of which produces or will produce plutonium. After relatively simple chemical processing, plutonium becomes a raw material of nuclear bombs.

PERCY BILL SPURS DEBATE

A second focus of the debate is what steps the United States should and can take to prevent the nations of the world from building the comparatively complex and expensive equipment to enrich the natural uranium dug from the earth. Such equipment can produce either low-enriched uranium for use in some kinds of reactors or high-enriched uranium that also can be used to make nuclear bombs.

At present, the United States and Soviet Union have a virtual monopoly on the fuel enrichment process.

The policy debate was touched off in part by the introduction of a bill by Senator Charles H. Percy, Republican of Illinois, to reorganize and formalize the complex Federal procedures by which nuclear equipment and supplies are licensed for export.

In addition to imposing tougher safeguard requirements on nations buying from the United States, the legislation would give the Nuclear Regulatory Commission a formal veto over exports of such items.

Partly because the regulatory commission is independent of the White House, such agencies as the State Department and the Energy Research and Development Administration are opposed to Senator Percy's bill.

Because the technical questions are so complex, the interests of the various nations so different and the potential profits so vast, the debate on the problem of slowing the spread of nuclear weapons frequently has been passionate and confusing.

An important factor contributing to this confusion has been the frequent merger of two entirely separate challenges inherent in dealing with nuclear proliferation.

One challenge is how to devise a better strategy to keep atomic weapons out of the arsenals of a swiftly growing number of nations.

The second challenge is how to tighten controls sufficiently to keep terrorist groups such as the Weathermen or the Palestine Liberation Organization from seizing plutonium or high enriched uranium and adding a homemade nuclear bomb to their arsenal.

Many experts believe another factor contributing to public confusion has been the terms of the debate. Almost everyone resolutely agrees that it is in the interest of the United States to try to halt the spread of nuclear weapons. The disagreement develops over just how much pressure the United States can exert on the nuclear suppliers and whether additional restraints on American industry alone will result in the loss of reactor sales, which now cost close to $1-billion each.

A number of recent events have touched off the present policy debate about the potential dangers of the spread of nuclear weapons beyond Senator Percy's bill to tighten export control. Among them were the following:

India one year ago exploded a nuclear device manufactured from plutonium apparently produced by a reactor sold to her by Canada and separated from the spent fuel in a facility of French design.

West Germany recently beat out American suppliers on a contract to build reactors in Brazil by adding a uranium enrichment plant and plutonium reprocessing plant as "sweeteners." The American companies reportedly did not receive the contract because United States policy forbids the sale of enrichment and reprocessing equipment outside the United States.

A French manufacturer, according to Senator Abraham A. Ribicoff, Democrat of Connecticut, is providing Argentina with equipment that could be used to re-process spent fuels for its plutonium and is negotiating similar deals in South Korea, Pakistan and Taiwan.

A United States company has provided South Africa with specialized computer equipment that has apparently helped that uranium-rich country develop its own enrichment process and thus become the first African country capable of making its own nuclear weapons.

FEAR OVER SAFEGUARDS

Dr. Theodore B. Taylor, a physicist and former designer of atomic weapons for the United States Government, in recent years has become increasingly outspoken in his concern over the alleged weaknesses in the nuclear safeguards.

"The whole dam hasn't gone yet, but lots of water has spilled over," Dr. Taylor said in a recent interview. "We have very little time left."

To underline his concern, the scientist pointed to his own calculations indicating that the world's nuclear reactors, now generating power in 20 nations, have so far produced 90,000 pounds of plutonium. Within five years, he estimates that nuclear reactors then operating in at least 30 countries will have produced a total of 574,000 pounds of plutonium.

Scientists agree it takes 20 pounds or less of the heavy gray metal plutonium—an amount that can easily fit in a child's lunch box—to make a nuclear weapon that placed in such an area as Wall Street could kill thousands perhaps hundreds of thousands, of people.

The United States, beginning with President Eisenhower's Atoms for Peace program, has been a major contributor and in some ways beneficiary of the spread of nuclear technology around the globe.

Sales of uranium and uranium enrichment services abroad last year totaled $421-million, according to the Energy Research and Development Administration, and expected sales over the next five years are estimated at $5-billion. Equipment sales by the United States nuclear industry abroad are now $2-billion a year and soon are expected to exceed foreign sales of United States aircraft.

The United States, of course, is not the only nuclear supplier in the world. According to Senator Ribicoff, West Germany, the United Kingdom, France, Canada, Belgium, Sweden and the Soviet Union have already provided nuclear power plants to scores of other countries, and Italy, Japan and the Netherlands are interested in the market.

Two international mechanisms have been established with the goal of making sure that the products of all these exports are not turned into weapons of war. One is the five-year-old Treaty for Non-proliferation of Nuclear Weapons. The second is the International Atomic Energy Agency.

Under the treaty, nations without nuclear weapons agree not to develop any kind of nuclear explosive devices and agree to accept inspectors and safeguard standards of the International Atomic Energy Agency. In return, the United States, the Soviet Union and the United Kingdom, the treaty signers with weapons, have agreed not to provide weapons to any other country and have agreed to pursue nuclear disarmament. Almost 100 nations, not including France and China, have signed the treaty.

The second mechanism is the International Atomic Energy Agency. With a total staff of about 1,000 persons, the agency was established to apply international safeguards and inspect nuclear facilities in the 106 nations that have agreed to come under its jurisdiction.

Some critics, such as Senator Ribicoff and Dr. Taylor, the nuclear physicist, argue that the spread of nuclear weapons is almost out of control and that there is a desperate world need to tighten controls.

The critics point to a number of alleged shortcomings in the existing control procedures. The nuclear proliferation treaty, they argue, does not prohibit the sale of nuclear equipment to nations that have not signed the treaty. Another problem that has been raised is that a country can drop out of the treaty after only 90 days notice, thus raising the possibility that some nation might sign up so it could become eligible to receive nuclear equipment and then drop out so it could be free to develop weapons without concern for international inspectors.

"The I.A.E.A.'s safeguard and inspection procedures amount to little more than accounting methods for verifying the efficiency of national or regional inspection systems," Mr. Ribicoff observed recently. The agency, he said, "is thus heavily dependent on the goodwill and cooperation of the nations whose nuclear facilities it inspects and audits."

Many experts, such as Dr. Dixy Lee Ray, the former chairman of the Atomic Energy Commission who presently is the Assistant Secretary of State for International Scientific Affairs, support the treaty and the international agency.

"The I.A.E.A., despite its imperfection, represents one of the best techniques that we have to verify independently that nations are directing their safeguard activities to peaceful purposes," Dr. Ray said in recent testimony.

But even the supporters agree there are problems. In response to a set of written questions from Senator Ribicoff about shortcomings in the existing controls, Carl Walske, president of the Atomic Industrial Forum, said, "In retrospect we probably should have done more."

Though Senator Ribicoff has characterized present United States efforts to tighten controls as "less-than-aggressive," there are a number of official and unofficial indications that the State Department has initiated a significant effort to win agreement of the major nations now exporting nuclear equipment for tighter international controls.

In a speech last week in Pittsburgh, Dr. Fred C. Ikle praised the I.A.E.A. as providing an example of "what can be done and a beginning of what is needed."

"Now," Dr. Ikle continued, "the United States Government is taking additional initiatives toward the international structure that is needed to keep the spread of nuclear technology peaceful. We are promoting multinational arrangements to reprocess the spent fuel from reactors and perhaps manage other phases of the fuel cycle such as waste disposal."

In another indication, Secretary of State Kissinger is understood to expect action on what has been described as "a safeguards convention" within the next month or so.

Finally, three officials in the State Department, who ask not to be identified, said the government's safeguard negotiations with individual nations had recently become "multinational," presumably involving talks among the small number of countries producing nuclear equipment for export.

Exhibit 2

[From the New York Times, June 13, 1975]

Nuclear Madness

The West German Government has now confirmed that it is planning to sign a multibillion-dollar agreement later this month to provide Brazil with a complete nuclear industry and technology that would enable it to produce atomic bombs as well as electricity. As we have previously noted, this is a reckless move that could set off a nuclear arms race in Latin America, trigger the nuclear arming of a half-dozen nations elsewhere and endanger the security of the United States and the world as a whole.

Senator Pastore, chairman of the Congressional Joint Committee on Atomic Energy warned last week that the NATO commitment of the United States could come into question if Bonn creates "a likely peril in our backyard, while we are heavily engaged in Germany's backyard to defend them against likely peril." The Rhode Island Democrat has urged President Ford to seek a postponement of the German-Brazilian deal "at the highest level of international diplomacy." Brazil had earlier approached an American company; but the United States Government refused—and has always refused—to permit the export of technology for uranium enrichment and plutonium separation, both of which are included in the unprecedented German sale of a "complete nuclear fuel cycle" to Brazil.

The German sale only requires inspection of equipment and materials provided by West Germany, Bonn has acknowledged. Once Brazil masters German technology, it will be able to duplicate German equipment and make nuclear explosives free of international supervision, much as India did. A Brazilian Foreign Office spokesman already has announced that his country "intends to detonate nuclear explosives for peaceful purposes." But there is no way to distinguish a peaceful nuclear explosive from a weapon and even the United States has been unable to develop a commercially-feasible use for nuclear explosives. If Brazil is enabled to take this route, other near-nuclear countries undoubtedly will be stimulated to the same.

Argentina already is believed to be seeking to acquire a plutonium separation plant, as is Taiwan. Chile and other South American countries may follow. South Korea and Pakistan are far along in similar negotiations with France. Paris has been urged repeatedly by Washington not to sell such equipment but is unlikely to hold the line if West Germany goes through the Brazilian deal.

Iran is buying two reactors each from France and West Germany but is holding up an eight-reactor deal with the United States in an effort to get a free hand to extract plutonium from the spent fuel. Israel and South Africa are believed to be well along toward nuclear bomb manufacture. If half a dozen such countries follow India into the nuclear club, pressure undoubtedly will grow in Japan, West Germany and other nuclear-capable but politically inhibited countries to do the same.

Should Bonn perpetrate this nightmare upon the world, it will put at risk three decades of effort in gaining the high regard of its neighbors and allies. It will pay a political price that will far outweigh economic gains. A far wiser course would be to join the United States in refraining from such sales and in urging other supplier nations to move quickly toward common export rules, rather than the competitive degradation of safeguards in pursuit of profit.

Exhibit 3

[From Nuclear Industry, May 1975]

Nuclear Export Control and Proliferation Questions

Sen. Abraham Ribicoff's (D-Conn.) continuing interest in the safeguards question was evidenced this month in hearings before a subcommittee of his Government Operations Committee on a proposed bill to alter the procedure for the export of nuclear facilities, technology and special nuclear materials.

The bill, introduced by Sen. Charles Percy (R-Ill.) with Ribicoff and Sen. John Glenn (D-Ohio), would provide that all such licenses be issued by the Department of Commerce, but that none could be issued until NRC had certified that the receiving country had safeguards "substantially, at least, comparable to safeguards required by the Commission in the United States." Glenn was chairman of the ad hoc subcommittee handling the bill.

Few of the witnesses at the hearing supported the bill as it was written, or even suggested that legislation was appropriate at the present time. But the hearings did reveal a state of confusion that apparently was created in the separation of NRC and ERDA. The AEC Regulatory Staff, out of which NRC was formed, had responsibility for issuing licenses, but, according to testimony by former licensing director John F. O'Leary, "never really looked into it."

The regulatory staff, said O'Leary, was "at the end of a long chain that began perhaps with the Department of State, perhaps with the Germantown side of AEC [now ERDA]." Regulatory's function, he added, was "purely and classically ministerial."

The result, according to Ribicoff, is that NRC now licenses export of special nuclear material and complete facilities, but "it is essentially a rubber-stamp operation," since the Commission has to rely on ERDA "to determine the adequacy of safeguards because it has no resources to do the job itself."

NRC Chairman William Anders disagreed with the "rubber stamp" characterization, but he added:

"While NRC has the statutory responsibility for determining whether such licenses should be issued, authority for entering into and approving agreements for cooperation is vested in the Executive Branch and Congress. Moreover, the Executive Branch has the chief means, through its national security and foreign relations agencies, to gather information and make integrated national policy assessment, which NRC must have prior to reaching its determination."

NRC, said Anders, is in the "final stages" of developing new procedures with the Executive Branch on export policy. In the meantimes, as previously announced (see NI for Mar., p. 40), "important" export license applications will be reviewed by the five Commissioners themselves, Anders said. There was no indication at press time when the interagency negotiations would result in a policy decision on the question.

Forum President Carl Walske made the point that the international safeguards question consists of two problems: checking the spread of nuclear weapon technology among sovereign nations, and the more recently recognized threat of diversion by criminal or subnational elements.

"With sovereign governments, the way you deal with proliferation might be very different from the case where you're concerned with basically how well another government runs its police force or security force."

Governments get "very delicate when it comes to their sovereign rights," he said, adding that the achievement of the Non-Proliferation Treaty and the basically monitoring and public accounting procedures of the International Atomic Energy Agency (IAEA) appeared to be about as far as it was possible to go in that direction.

"But in the area of safeguards against criminal elements, I don't believe it's correct to assume that any government wants to leave that problem unsolved," he said. Speaking of European and other industrialized powers, Walske said it might be possible to dictate "exactly what their security arrangements might be," but that it was more practical to "sit down with them and come to a common conclusion." Having dealt with security people in the past on nuclear matters, he said, "I find no inclination whatsoever on their part to be cavalier with security matters."

WALSKE RECOMMENDATIONS

Walske made three recommendations with regard to the proposed bill:

Make the State Department the ultimate authority, based on advice from NRC, ERDA, the Defense Department, intelligence services "and any other government source of relevant information, on whether nuclear exports were advisable;

Recognize that adequate safeguards "are a function of not only the level of physical protection but also of the threat level in any particular country, and that therefore they may vary from case to case";

Call on the Executive Branch "to proceed more on a cooperative path with other countries than on the basis of a U.S. veto."

As to the method of carrying this out, Walske, questioned by Glenn, said IAEA's function as a monitoring agency was a "useful one" in the area of national nuclear proliferation, especially if the governments take a pledge not to become a nuclear power. IAEA, he said, "sounds an alarm bell that something isn't being done properly; that the government is not accounting for the special nuclear material that is within its control."

Against criminal elements, however, Walske said it was "probably a big handicap working through an international agency. In security systems, at least in the final details, it's a good idea not to make public every single thing we have in mind in order to have protection."

Asked by Glenn whether he was advocating leaving the decision to export in the hands of the State Department, without any veto by NRC or any other agency, Walske said:

"Having dealt with the State Department from the vantage point of the Pentagon, I think it is a pretty conservative organization. With advice from NRC and others, I think they could act rather conservatively in these matters."

Several witnesses pointed out that the U.S., not having a monopoly on nuclear technology, was in a poor position to force rigid safeguards on other countries, but Ribicoff argued against that position, and he was supported by Arms Control and Disarmament Agency chief Fred Ikle.

"The U.S. cannot, of course, accomplish international controls alone," Ikle said, "but it can, as a first and foremost nuclear nation, take the lead. In fact, it is my opinion that the U.S. is the only nation that can do that."

Asked by Ribicoff about a "sophisticated terrorist organization building and detonating a bomb in "any major city of the world," Ikle said:

"One should not be alarmed in an unproductive way about this long-term problem." But he acknowledged under further questioning that it was "a contingency one hesitates to speak lightly of—it is an event that would change the world."

A panel of safeguards spokesmen from ERDA and other agencies seemed reluctant to speak out either for or against the bill, but the general impression seemed to be that the problem could be handled without legislation. Asked by Percy whether "anyone wants to suggest that the upgraded safeguards we are proposing would need to be done," ERDA Director of the Division of International Participation Abraham Friedman said:

"I would say, only if nothing were being done, if we were not constantly upgrading our safeguards and physical security procedures, it would be obvious that something would need to be done."

Percy then said: "What we are trying to do in these hearings, for those of you who are working diligently to do that, is simply indicate to you that you have a large body of support in the Congress, and I think in the country, for getting an adequate budget and getting proper attention to this area."

Glenn, however, was not so easy.

"I do not share your confidence for the moment about IAEA having a good handle on this problem," he said, "nor do I have the confidence some of you have exhibited with regard to the cooperative efforts of solving our problems. I think we do have some changes that have to be made, and I'm afraid I don't have the complacent attitude that maybe has been exhibited here today."

One way in which IAEA might be used to guard against proliferation among sovereign nations, according to another witness, would be to require IAEA safeguards on all nuclear activities before approving export of special nuclear materials. Former U.S. arms control negotiator Adrian Fisher, now at Georgetown University in Washington, said this is not being done by the U.S. at present.

"We are requiring that our materials be subject to safeguards, but we really don't care about the country's other nuclear activities," he said. Such a policy doesn't really work, he said; "you can't put any safeguards on brains." He cited the example of India's recent explosion of a nuclear device, apparently from plutonium derived from a Canadian reactor there.

Fisher said it has been suggested that the U.S. should insist that countries sign the Non-Proliferation Treaty before they get U.S. assistance, but he argued that "we couldn't make it stick—we clearly couldn't get French cooperation on that.

"We might, however, get cooperation on any increasingly severe program of not giving nuclear assistance to countries unless all their nuclear activities are under IAEA safeguards." He pointed out that France, although not a signatory to the Non-Proliferation Treaty, had taken the position, "and I believe them," that they would act as if they were a party to it, including the pledge by nuclear powers not to give non-nuclear countries the bomb technology.

Asked by Glenn why France, in light of that policy, wouldn't sign the treaty, Fisher said that would "involve some statement of French psychology that I think would be a little hard for me to explain."

Fisher, in response to another Glenn question, said he didn't think IAEA should have more authority or control, although it could use more financial support. "In terms of legal authority," he explained, "I don't think you could go much further without running into problems with the members."

EXHIBIT 4

[From Nuclear News, September 1966]

NEEDED: A REBIRTH OF THE IAEA

(By Sterling Cole)

The Tenth General Conference of the International Atomic Energy Agency will open in Vienna, September 21.

As the Agency enters its tenth year as an international organ for the distribution of the blessings of atomic energy and the prevention of its uses for war and destruction, it is time for governments to take a close look and decide whether to put it to work as originally intended, or let it drift along as one more inspired dream for international peace and harmony allowed to wither away because of the blindness, pride, greed, jealousy, parsimony, and suspicion of governments. There are other international governmental institutions qualified to carry out the Agency's other, but nontheless important, activities. The Agency is unique among international organizations only in its authority and capacity for eventual control over nuclear weapon material.

ARMS RACE GROWN

Since its creation, two more countries have openly—and boastfully—moved into the nuclear arms race, others are suspected of having plans to join the nuclear club and the whole world lives in dread—and disappointment.

So far as I am aware, not a single nuclear power plant capable of producing by-product weapon material has come under Agency control, other than two or three that have as a psychological gesture and as vehicles to demonstrate and test the Agency's safeguard procedures. So far as I know, not a single grain of the tons of enriched nuclear material offered to the Agency at the outset has been sought by any country for use in a power reactor to generate electricity, yet many such reactors have been and are being built or planned. Why has the Agency thus been avoided or circumvented, and its objectives thwarted? In all fairness, it must be recognized that out of the Agency's nearly 100 members one, but only one, has by word and deed thus far shown its complete and unreserved submission to the Agency's authority. Could it be providential that the one country which has seen and felt the awfulness of atomic devastation should be the one to lead the way out of this nuclear nightmare? All hail to Japan!

Billions of words have been written and spoken of the need to establish control against nuclear proliferation; hundreds of millions of dollars have been spent in conferences and research on nuclear disarmament. Yet the world today, despite the test-ban treaty, is as far from nuclear control and disarmament as it has ever been, except for the unique opportunity presented by a full and immediate exploitation of the potential of the IAEA.

NO GRIST FOR MILL

For many years the Agency has had a system to safeguard nuclear materials under its control against diversion from peaceful uses. This system was not easily achieved, but, eventually, it has had the full support and affirmative approval of all countries of the world. Years ago the Agency developed the basis for an international arrangement to compensate persons for loss or damage from nuclear reactors; it has established rules for the safe transport and handling of radioactive materials; it has recruited a staff of competent scientists and administrators many of them dedicated and selfless international servants, to supervise these activities. Administratively, the Agency is, and has been for years, all set to go; everything is in order, but there is no grist for its mill—and none seems in sight.

During the past decade there has been great change in the nuclear field; conditions, technology, and attitudes have improved immensely. Therefore, the time is ripe, in my view, for a re-examination of the Agency Statute so that it can be put to work effectively toward the great goal of diverting nuclear materials away from weapons and into plowshares. Certainly, the international climate seems to be more favorable for such a re-examination than it ever has been since the dawn of the atomic age.

SPECIAL CONFERENCE

Accordingly, therefore, I propose that at the Tenth General Conference it be decided to convene a special conference next year, the tenth anniversary of the IAEA, for the purpose of drafting an effective and enlightened revision of the Statute. This could contain, and in my view should contain, the following major concepts, obligations, and provisions among others:

1. Each Member renounces the use of nuclear weapons as an instrument of national policy except in retaliation for a nuclear attack made upon it or upon another member.

2. No Member will hereafter construct a nuclear weapon production facility or, having a present nuclear production capability, reactivate an old one or otherwise increase its production.

3. No Member will transfer any nuclear weapon to, or share its control or use with, another Member, nation, or group of nations.

4. No Member will sell or transfer to an-

other Member or nation any nuclear material or facility, except through the Agency.

5. All Members will place under Agency safeguard supervision all existing and future national and international or regional nuclear power reactors.

6. No nuclear test or explosion will be conducted by any Member except as it may be approved and supervised by the Agency.

7. Each Member able to do so agrees to give to the Agency from time to time substantial amounts of nuclear material and equipment transfer of custody and ownership thereof.

8. Nuclear material given to the Agency shall be sold by it only to Members and at a reasonable price which shall be uniform and non-discriminatory, and the proceeds shall be used to defray the costs of its administrative functions and technical assistance programs.

9. Agency benefits will be denied to any Member found in violation of its obligations and to any Member that has begun production of nuclear weapons or conducted nuclear weapon development since creation of the Agency.

10. Violations will provide basis for concerted action by the Agency independently or in concert with the United Nations.

11. Revised Statute to become effective when ratified by a majority of the present Agency Members, including the U.S. and USSR.

12. Realistic basis for selection of Members of Board of Governors and restricting authority of the Board to policy matters only.

13. Clarification and expansion of authority of Director General to make him, without question, the executive force in formulating and executing the Agency's activities.

GOAL WORTH SEEKING

I confess that this is a very large order for a world conference to adopt, but it is a goal worth seeking and the acceptance of any one of these suggestions would be ample reward for the effort and expense involved. It can readily be seen that eventually the sale of the nuclear material would provide funds for all the Agency's activities and thereby relieve national treasuries of an annual levy; it would truly become a world bank of nuclear energy as originally conceived.

To be sure, gifts to the Agency of material by the nuclear powers represent substantial dollar values but that same material might otherwise remain sterile in national vaults and never be used, even for peaceful purposes. In any event, these sums would be no greater than the alternative costs of talk and research on the subject of disarmament.

Only as nuclear material is withdrawn from stockpile and placed under effective international control can there be genuine nuclear disarmament. Nuclear proliferation has been, and still is, the next greatest threat to civilization, second only to the population explosion. There is still time to deal with it effectively, but with each passing day the task becomes more difficult. We may pray that vision, wisdom, and courage may dominate the minds and hearts of our Government leaders so that mankind soon may be relieved of the threat of nuclear devastation.

EXHAUSTEES OF UNEMPLOYMENT COMPENSATION, FISCAL YEAR 1976

Mr. JAVITS. Mr. President, the Nation's current unemployment crisis, with 9.2 percent of the work force now unable to find jobs, has focused our attention on a number of legislative measures to respond to the needs of those without jobs, and particularly on the needs of the longer term unemployed with respect to the unemployment compensation system.

The Committee on Labor and Public Welfare, of which Senator WILLIAMS, of New Jersey is chairman—on which I serve as the ranking minority member, and the Committee on Finance, just last week have ordered reported legislation to provide for extensions of unemployment benefits under the special unemployment assistance program and the Federal supplemental benefits program. Prompt action by the Congress on these amendments is essential in order to assure that hundreds of thousands of American workingmen and women are not forced onto the already overburdened welfare roles while they continue to be unemployed through no fault of their own but as a result of current economic conditions.

In order that my colleagues may have a greater appreciation of the magnitude of this problem, in terms of the number of workers who are expected to exhaust totally their benefits under existing unemployment assistance programs, Senator WILLIAMS and I asked the staff of the Labor and Public Welfare Committee to compile estimates of the number of persons covered by existing programs who will exhaust unemployment benefits during fiscal year 1976. These estimates, compiled from information supplied to us at our request by the respective State agencies, show that in fiscal year 1976, 2 million unemployed workers are expected to exhaust 52 weeks of benefits provided under the Federal supplemental benefits program and that another 422,000 are expected to exhaust 26 weeks of benefits under the special unemployment assistance program. Under present law, these 2.4 million workers will receive no further assistance.

These figures clearly demonstrate the urgent need for further legislative action by this Congress. Mr. President, I ask unanimous consent that a table showing the estimated number of individuals who are expected to exhaust benefits under each unemployment assistance program in each respective State be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ESTIMATED NUMBER OF EXHAUSTEES OF UNEMPLOYMENT BENEFITS DURING FISCAL YEAR 1976

[In thousands: assumptions of unemployment rate (insured and uninsured) in percent]

[Legend: UC—Regular benefits under the Federal-State Unemployment Insurance system (typically 26 weeks). EB—Extended Unemployment Compensation Benefits (up to 39 weeks). FSB $_1$—Federal Supplemental Benefits, 1st 13 weeks (up to 52 weeks). FSB $_2$—Federal Supplemental Benefits, 2d 13 weeks (up to 65 weeks). Expires June 30, 1975. SUA—Special Unemployment Assistance (up to 26 weeks of benefits for workers not covered by regular system)]

SUMMARY—These cumulative figures represent the exhaustees under existing law both from workers covered under the Federal-State Unemployment Insurance system and workers covered only under the Federal Special Unemployment Assistance program but not covered by the Federal-State system (e.g., domestic workers, farm workers, and State and local government workers).

	3d quarter 1975	4th quarter 1975	1st quarter 1976	2d quarter 1976	Total fiscal year
Unemp. Compensation (UC)	1,132.9	1,053.4	1,026.1	917.6	4,130.0
Extended Benefits (EB)	693.1	761.6	697.4	605.3	2,757.3
Fed. Sup. Benefits$_1$ (FSB$_2$)	431.0	523.1	566.8	455.9	1,976.7
Fed. Sup. Benefits$_1$ (FSB$_2$)	244.2	239.2	399.9	388.0	1,371.3
Special Unemp. Asst. (SUA)	95.6	112.9	101.6	103.8	413.9

	3d quarter 1975	4th quarter 1975	1st quarter 1976	2d quarter 1976	Total fiscal year
Alabama:					
Insured Unemp. Rate (IUR)					5.8
Total Unemp. Rate (TUR)					7.5
Unemp. Compensation (UC)	35.0	17.0	18.0	15.0	85.0
Extended Benefits (EB)	12.0	22.0	11.0	12.0	57.8
Fed. Sup. Benefits$_1$ (FSB$_1$)	5.8	10.0	18.0	10.0	43.8
Fed. Sup. Benefits$_2$ (FSB$_2$)	.1	5.3	16.0	9.0	30.4
Special Unemp. Asst. (SUA)	2.0	5.2	2.2	2.1	11.5
Alaska:					
Insured Unemp. Rate					8.0
Total Unemp. Rate					NA
Unemp. Compensation	1.3	1.4	2.0	1.7	6.4
Extended Benefits	.6	.6	.6	.9	2.7
Fed. Sup. Benefits$_1$	.3	.3	.4	.3	1.3
Fed. Sup. Benefits$_2$	.1	.1	.1	.2	.5
Special Unemp Asst	0	.1	.1	.1	.3
Arizona:					
Insured Unemp Rate					7.2
Total Unemp. Rate					9.1
Unemp. Compensation	17.0	16.8	12.8	13.2	59.8
Extended Benefits	4.2	4.3	5.3	4.1	17.7
Fed. Sup. Benefits$_1$	2.5	2.6	3.1	2.4	10.6
Fed. Sup. Benefits$_2$	1.8	1.9	2.4	1.8	7.9
Special Unemp. Asst	1.1	1.2	1.4	1.1	4.8
Arkansas:					
Insured Unemp. Rate (IUR)					9.6
Total Unemp. Rate (IUR)					NA
Unemp. Compensation (UC)	11.0	7.3	9.7	11.9	39.8
Extended Benefits (EB)	2.6	.6	.7	2.7	6.6
Fed. Sup. Benefits^1 (FSB^1)	1.8	1.0	.8	.4	4.0
Fed. Sup. Benefits^2 (FSB^2)	1.3	.8	.6	.2	2.9
Special Unemp. Asst. (SUA)	.3	.2	.3	.4	1.2
California:					
Insured Unemp. Rate					N.A.
Total Unemp. Rate					9.6
Unemp. Compensation	130.0	120.0	105.5	95.0	450.0
Extended Benefits	50.0	45.0	40.0	35.0	170.0
Fed. Sup. Benefits^1	20.0	17.0	15.0	13.0	65.0
Fed. Sup. Benefits^2	9.0	8.0	7.0	6.0	30.0
Special Unemp. Asst	20.0	19.0	16.0	15.0	70.0
Colorado:					
Insured Unemp. Rate					3.2
Total Unemp. Rate					N.A.
Unemp. Compensation	5.7	4.9	3.7	3.7	18.0
Extended Benefits	2.0	1.7	1.3	1.3	6.3
Fed. Sup. Benefits^1	.9	.8	.6	.6	2.8
Fed. Sup. Benefits^2	.5	.5	.4	.4	1.8
Special Unemp. Asst	.3	.2	.2	.2	.7

	3d quarter 1975	4th quarter 1975	1st quarter 1976	2d quarter 1976	Total fiscal year
Connecticut:					
Insured Unemp. Rate (IUR)					6.0
Total Unemp. Rate (IUR)					NA
Unemp. Compensation (UC)	25.0	21.0	18.0	13.0	77.0
Extended Benefits (EB)	14.4	12.7	10.5	0	47.6
Fed. Sup. Benefits $_1$(FSB $_1$)	9.9	8.7	7.2	0	25.8
Fed. Sup. Benefits $_2$(FSB $_2$)	0	0	0	0	0
Special Unemp. Asst. (SUA)	1.1	.7	.5	.7	3.0
Delaware:					
Insured Unemp. Rate					7.6
Total Unemp. Rate					NA
Unemp. Compensation	22.4	2.2	25.0	21.4	90.2
Extended Benefits	9.0	7.2	8.1	7.6	31.9
Fed. Sup. Benefits $_1$	5.4	4.6	4.9	4.7	19.5
Fed. Sup. Benefits $_2$	4.8	4.1	4.4	4.2	17.5
Special Unemp. Asst	3.5	2.0	2.0	1.8	9.1
District of Columbia:					
Insured Unemp. Rate					4.8
Total Unemp. Rate					7.5
Unemp. Compensation	3.9	6.4	4.0	5.7	20.0
Extended Benefits	5.5	4.5	5.4	4.1	19.5
Fed. Sup. Benefits $_1$	4.6	4.7	4.6	5.0	18.9
Fed. Sup. Benefits $_2$	.2	4.5	4.4	4.7	13.8
Special Unemp. Asst	.3	.4	.4	.3	1.5
Florida:					
Insured Unemp. Rate (IUR)					5.1
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	33.6	42.0	26.1	23.0	124.7
Extended Benefits (EB)	38.2	34.2	25.3	16.5	25.2
Fed. Sup. Benefits $_1$(FSB $_1$)	25.3	17.3	16.9	8.1	67.6
Fed. Sup. Benefits $_2$ (FSB $_2$)	12.3	8.5	6.0	3.2	30.0
Special Unemp. Asst. (SUA)	3.0	4.8	4.0	3.4	15.2
Georgia:					
Insured Unemp. Rate					6.4
Total Unemp. Rate					NA
Unemp. Compensation	43.3	38.6	47.4	32.6	161.9
Extended Benefits	20.3	18.1	22.1	15.2	75.7
Fed. Sup. Benefits $_1$	11.9	10.6	13.0	9.0	44.5
Fed. Sup. Benefits $_2$	8.4	7.5	9.2	6.4	31.5
Special Unemp. Asst	.5	.4	.4	.3	1.6
Hawaii:					
Insured Unemp. Rate					NA
Total Unemp. Rate					NA
Unemp. Compensation	4.2	4.3	4.5	4.3	17.3
Extended Benefits	3.4	3.4	3.5	3.7	14.0
Fed. Sup. Benefits $_1$	1.1	3.1	3.1	3.2	10.5
Fed. Sup. Benefits $_2$	0	1.0	2.8	2.8	6.6
Special Unemp. Asst	.2	.2	.2	.2	.8
Idaho:					
Insured Unemp. Rate (IUR)					5.0
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	1.6	1.7	2.6	2.6	84.9
Extended Benefits (EB)	.4	.4	.9	1.4	3.0
Fed. Sup. Benefits$_1$ (FSB$_1$)	.3	.2	.6	.9	2.0
Fed. Sup. Benefits$_2$ (FSB$_2$)	.1	.1	.3	.5	1.0
Special Unemp. Asst. (SUA)	.3	.3	.7	.5	1.8
Illinois (not available):					
Insured Unemp. Rate					
Total Unemp. Rate					
Unemp. Compensation					
Extended Benefits					
Fed. Sup. Benefits$_1$					
Fed. Sup. Benefits$_2$					
Special Unemp. Asst					
Indiana:					
Insured Unemp. Rate					3.0
Total Unemp. Rate					NA
Unemp. Compensation	21.2	17.6	13.9	10.3	63.0
Extended Benefits	17.2	12.9	8.6	4.3	43.0
Fed. Sup. Benefits$_1$	5.3	4.0	2.6	1.3	13.2
Fed. Sup. Benefits$_2$	1.5	1.1	.8	.4	3.8
Special Unemp. Asst	1.8	1.5	1.2	.9	5.4
Iowa:					
Insured Unemp. Rate (IUR)					2.7
Total Unemp. Rate (IUR)					NA
Unemp. Compensation (UC)	7.5	8.5	6.5	5.0	23.5
Extended Benefits (EB)	5.0	5.5	4.0	4.5	19.0
Fed. Sup. Benefits$_1$ (FSB$_1$)	2.5	3.5	3.0	2.5	11.5
Fed. Sup. Benefits$_2$ (FSB$_2$)	3.0	2.9	1.9	1.7	9.5
Special Unemp. Asst. (SUA)	.5	.5	.5	.5	2.0
Kansas:					
Insured Unemp. Rate					2.7
Total Unemp. Rate					NA
Unemp. Compensation	5.1	3.5	5.7	7.7	22.0
Extended Benefits	3.8	2.6	2.7	3.9	13.0
Fed. Sup. Benefits$_1$	1.2	1.0	.8	1.0	4.0
Fed. Sup. Benefits$_2$	.3	.4	.3	.3	1.3
Special Unemp. Asst	.5	.3	.6	.8	2.3
Kentucky:					
Insured Unemp. Rate					15.0
Total Unemp. Rate					NA
Unemp. Compensation	3.6	5.4	6.0	4.1	19.1
Extended Benefits	2.1	3.2	3.5	2.4	11.3
Fed. Sup. Benefits$_1$	1.9	2.9	3.2	2.2	10.1
Fed. Sup. Benefits$_2$	1.7	2.6	2.9	1.9	9.1
Special Unemp. Asst	.2	.3	.3	.2	1.0
Louisiana:					
Insured Unemp. Rate (TUR)					NA
Total Unemp. Rate (IUR)					8.7
Unemp. Compensation (UC)	12.5	12.2	13.2	12.1	50.0
Extended Benefits (EB)	11.2	10.9	11.8	10.8	44.7
Fed. Sup. Benefits $_1$ (FSB $_1$)	7.0	6.3	7.5	5.4	26.2
Fed. Sup. Benefits $_2$ (FSB) $_2$	3.7	2.8	4.4	2.5	13.4
Special Unemp. Asst. (SUA)	4.0	2.0	1.1	.8	7.9
Maine:					
Unsured Unemp. Rate					7.3
Total Unemp. Rate					NA
Unemp. Compensation	3.3	3.7	7.6	5.2	19.8
Extended Benefits	2.0	2.3	4.7	3.2	12.2
Fed. Sup. Benefits $_1$	1.3	1.4	2.9	2.0	7.6
Fed. Sup. Benefits $_2$	.8	.9	1.8	1.2	4.7
Special Unemp. Asst	.3	.4	.8	.5	2.0
Maryland:					
Insured Unemp. Rate					NA
Total Unemp. Rate					NA
Unemp. Compensation	22.0	21.0	26.6	24.0	93.5
Extended Benefits	3.1	3.0	3.8	3.5	13.5
Fed. Sup. Benefits $_1$	2.0	1.8	2.3	2.0	8.1
Fed. Sup. Benefits $_2$	1.4	1.4	1.7	1.6	6.1
Special Unemp. Asst	1.4	1.3	1.7	1.5	6.0
Massachusetts:					
Insured Unemp Race (IUR)					6.3
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	40.4	36.3	30.1	34.5	141.3
Extended Benefits (EB)	46.7	54.0	35.5	38.5	174.7
Fed. Sup. Benefits $_1$ (FSB $_1$)	28.0	34.4	39.6	26.0	128.0
Fed. Sup. Benefits $_2$ (FSB $_2$)	19.8	21.3	26.6	30.1	97.3
Special Unemp. Asst. (SUA)	4.2	8.4	4.8	7.2	24.6
Michigan:					
Insured Unempl Rate					13.5
Total Unemp. Rate					NA
Unemp. Compensation	187.0	193.0	184.0	133.0	697.0
Extended Benefits	128.0	178.0	174.0	166.0	646.0
Fed. Sup. Benefits $_1$	69.0	122.0	160.0	156.0	507.0
Fed. Sup. Benefits $_2$	57.0	91.0	130.0	141.0	419.0
Special Unemp Asst	8.0	8.0	8.0	8.0	32.0
Minnesota:					
Insured Unemp. Rate (IUR)					5.7
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	8.0	9.0	13.0	15.0	45.0
Extended Benefits (EB)	6.0	4.0	5.0	5.0	20.0
Fed. Sup. Benefits $_1$ (FSB$_1$)	1.0	2.0	3.0	4.0	10.0
Fed. Sup. Benefits $_2$ (FSB$_2$)	1.0	1.0	2.0	2.0	6.0
Special Unemp. Asst. (SUA)	.5	.5	.5	.5	2.0
Mississippi:					
Insured Unemp. Rate					6.03
Total Unemp. Rate					N A
Unemp. Compensation	11.6	9.5	9.1	6.2	36.4
Extended Benefits	4.4	3.5	3.4	2.3	13.6
Fed. Sup. Benefits $_1$	1.3	1.1	1.0	.7	4.1
Fed. Sup. Benefits $_2$	.4	.3	.3	.2	1.2
Special Unemp. Asst	2.7	2.4	2.3	1.5	9.0
Missouri:					
Insured Unemp. Rate					5.4
Total Unemp. Rate					6.5
Unemp. Compensation	19.5	19.5	19.5	19.5	78.0
Extended Benefits	11.0	11.0	11.0	11.0	44.0
Fed. Sup. Benefits $_1$	6.3	6.3	6.3	6.3	25.0
Fed. Sup. Benefits $_2$	3.5	3.5	3.5	3.5	14.0
Special Unemp. Asst	.5	.5	.5	.5	2.0
Montana:					
Insured Unemp. Rate					6.2
Total Unemp. Rate					5.4
Unemp. Compensation	3.6	3.9	4.0	5.9	17.4
Extended Benefits	1.2	1.3	1.4	2.0	5.8
Fed. Sup. Benefits $_1$	.5	.5	.6	.8	2.4
Fed. Sup. Benefits $_2$	.3	.3	.3	.4	1.2
Special Unemp. Asst	.4	.4	.4	.6	1.8
Nebraska:					
Insured Unemp. Rate (IUR)					2.6
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	3.0	3.7	6.2	4.2	17.1
Extended Benefits (EB)	1.6	1.1	1.2	2.3	16.2
Fed. Sup. Benefits $_1$ (FSB $_1$)	.8	.8	.5	.6	2.6
Fed. Sup. Benefits $_2$ (FSB $_2$)	.4	.4	.2	.3	1.2
Special Unemp. Asst. (SUA)	.2	.4	.7	.5	1.7
Nevada:					
Insured Unemp. Rate					5.0
Total Unemp. Rate					NA
Unemp. Compensation	0	1.8	1.8	.4	4.1
Extended benefits	.2	.1	.2	.1	.6
Fed. Sup. Benefits $_1$	.1	0	0	.1	.2
Fed. Sup. Benefits $_2$	0	0	0	0	0
Special Unemp. Asst	.2	.1	0	0	.3
New Hampshire:					
Insured Unemp. Rate					7.4
Total Unemp. Rate					NA
Unemp. Compensation	0	1.8	1.8	4.2	4.1
Extended Benefits	.2	.1	.2	1.3	.6
Fed. Sup. Benefits $_1$	.1	0	0	.1	.2
Fed. Sup. Benefits $_2$	0	0	0	0	0
Special Unemp. Asst	.2	.1	0	0	.3
New Jersey:					
Insured Unemp. Rate (IUR)					11.1
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	54.6	60.8	60.3	60.7	236.4
Extended Benefits (EB)	50.6	50.8	53.9	51.8	207.1
Fed. Sup. Benefits $_1$ (FSB $_1$)	43.0	43.2	45.8	44.0	176.0
Fed. Sup. Benefits $_2$ (FSB $_2$)	38.7	36.9	41.2	39.6	156.4
Special Unemp. Asst. (SUA)	1.5	1.7	1.9	1.5	6.8
New Mexico:					
Insured Unemp. Rate					4.6
Total Unemp. Rate					NA
Unemp. Compensation	2.7	2.1	2.4	2.7	9.9
Extended Benefits	2.1	1.7	1.9	2.2	7.8
Fed. Sup. Benefits $_1$	1.9	1.41	1.7	1.9	6.9
Fed. Sup. Benefits $_2$	1.7	1.5	1.6	1.8	6.5
Special Unemp. Asst	1.3	1.4	.9	.8	4.3

ESTIMATED NUMBER OF EXHAUSTEES OF UNEMPLOYMENT BENEFITS DURING FISCAL YEAR 1976—Continued

[In thousands: assumptions of unemployment rate (insured and uninsured) in percent]

[Legend: UC—Regular benefits under the Federal-State Unemployment Insurance system (typically 26 weeks). EB—Extended Unemployment Compensation Benefits (up to 39 weeks). FSB$_1$—Federal Supplemental Benefits, 1st 13 weeks (up to 52 weeks). FSB$_2$—Federal Supplemental Benefits, 2d 13 weeks (up to 65 weeks). Expires June 30, 1975. SUA—Special Unemployment Assistance (up to 26 weeks of benefits for workers not covered by regular system)]

	3d quarter 1975	4th quarter 1975	1st quarter 1976	2d quarter 1976	Total fiscal year
New York:					
Insured Unemp. Rate					9.0
Total Unemp. Rate					NA
Unemp. Compensation	80.0	70.0	60.0	50.0	260.0
Extended Benefits	45.0	35.0	30.0	20.0	130.0
Fed.. Sup. Benefits $_1$	45.0	40.0	30.0	25.0	140.0
Fedc Sup. Benefits $_2$	110.0	40.0	35.0	25.0	210.0
Speial Unemp. Asst.	2.0	2.0	2.0	2.0	8.0
North Carolina:					
Insured Unemp. Rate (IUR)					4.5
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	8.8	11.0	11.1	8.9	39.8
Extended Benefits (EB)	3.1	3.8	3.9	3.1	13.9
Fed. Sup. Benefits$_1$ (FSB$_1$)	1.1	1.3	1.4	.4	4.2
Fed. Sup. Benefits$_2$ (FSB$_2$)	.4	.5	.5	.4	1.8
Special Unemp. Asst. (SUA)	.5	.5	.5	.5	1.9
North Dakota:					
Insured Unemp. Rate					5.0
Total Unemp. Rate					NA
Unemp. Compensation	.6	.6	.6	1.6	3.6
Extended Benefits	.1	.1	.2	.3	.7
Fed. Sup. Benefits$_1$	0	0	0	0	.1
Fed. Sup. Benefits$_2$	0	0	0	0	.1
Special Unemp. Asst.	.1	0	.1	.2	.5
Ohio:					
Insured Unemp. Rate					NA
Total Unemp. Rate					NA
Unemp. Compensation	52.0	36.0	32.5	35.5	156.0
Extended Benefits	20.0	28.0	20.0	18.0	86.0
Fed. Sup. Benefits$_1$	16.0	14.0	20.0	14.0	64.0
Fed. Sup. Benefits$_2$	2.0	12.0	11.0	15.0	40.0
Special Unemp. Asst.	NA	3.0	2.0	2.0	7.0
Oklahoma:					
Insured Unemp. Rate (IUR)					4.5
Total Unemp. Rate (TUR)					6.0
Unemp. Compensation (UC)	9.1	6.7	10.0	9.8	35.0
Extended Benefits (EB)	4.3	4.0	3.8	4.0	16.1
Fed. Sup. Benefits$_1$ (FSB^1)	1.8	3.2	3.0	2.9	11.0
Fed. Sup. Benefits$_2$ (FSB^2)	0	2.4	3.1	2.6	8.0
Special Unemp. Asst. (SUA)	.1	.6	.4	.5	2.7
Oregon:					
Insured Unemp. Rate					NA
Total Unemp. Rate					9.0
Unemp. Compensation	12.0	10.6	11.3	10.6	44.5
Extended Benefits	7.6	7.7	7.5	7.6	30.4
Fed. Sup. Benefits$_1$	3.9	5.2	5.6	5.1	19.8
Fed. Sup. Benefits$_2$	2.9	2.1	2.9	3.0	10.9
Special Unemp. Asst.	.6	.5	.8	.6	2.5
Pennsylvania:					
Insured Unemp. Rate					7.4
Total Unemp. Rate					8.6
Unemp. Compensation	55.0	38.0	33.0	27.0	153.0
Extended Benefits	30.0	49.0	28.0	26.0	133.0
Fed. Sup. Benefits$_1$	27.0	26.0	43.0	25.0	121.0
Fed. Sup. Benefits$_2$	10.0	22.0	20.0	30.0	82.0
Special Unemp. Asst.	6.0	17.0	17.0	16.0	56.0
Puerto Rico:					
Insured Unemp. Rate (IUR)					16.0
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	18.3	29.1	30.4	23.6	101.4
Extended Benefits (EB)	16.4	26.2	27.3	21.3	91.2
Fed. Sup. Benefits$_1$ (FSB$_1$)	8.4	30.8	33.4	14.2	86.8
Fed. Sup. Benefits$_1$ (FSB$_2$)	NA	NA	NA	NA	NA
Special Unemp. Assist. (SUA)	5.5	5.2	12.4	7.0	30.1
Rhode Island:					
Insured Unemp. Rate					10.5
Total Unemp. Rate					NA
Unemp. Compensation	11.5	11.2	14.3	10.0	47.0
Extended Benefits	9.4	7.6	7.4	6.6	41.0
Fed. Sup. Benefits$_1$	6.4	7.9	6.2	5.5	26.0
Fed. Sup. Benefits$_2$	19.1	6.0	7.6	5.3	38.0
Special Unemp. Asst.	.6	.6	.6	.6	2.4
South Carolina:					
Insured Unemp. Rate					6.2
Total Unemp. Rate					NA
Unemp. Compensation	9.0	7.0	5.0	6.0	27.0
Extended Benefits	12.0	10.0	8.0	6.0	36.0
Fed. Sup. Benefits$_1$	5.0	4.0	4.0	3.0	16.0
Fed. Sup. Benefits$_2$	3.0	2.0	2.0	1.5	22.0
Special Unemp. Asst.	1.0	3.0	3.0	1.0	8.0
South Dakota:					
Insured Unemp. Rate (IUR)					NA
Total Unemp. Rate (TUR)					4.2
Unemp. Compensation (UC)	.6	.6	.9	1.6	3.8
Extended Benefits (EB)	1.0	.5	.4	.7	2.6
Fed. Sup. Benefits $_1$ (FSB$_1$)	.5	1.0	.4	.3	2.1
Fed. Sup. Benefits$_2$ (FSB$_2$)	.2	.4	.8	.3	1.8
Special Unemp. Asst. (SUA)	.4	.3	.3	.4	1.4
Tennessee:					
Insured Unemp. Rate					7.0
Total Unemp. Rate					NA
Unemp. Compensation	44.0	36.0	36.0	42.0	158.0
Extended Benefits	16.0	16.5	19.0	13.5	65.0
Fed. Sup. Benefits$_1$	5.5	5.5	10.5	5.5	27.0
Fed. Sup. Benefits$_2$	1.5	2.3	3.0	2.0	8.8
Special Unemp. Asst.	7.0	7.0	6.0	5.0	25.0
Texas:					
Insured Unemp. Rate					2.0
Total Unemp. Rate					NA
Unemp. Compensation	39.3	33.1	34.4	37.5	144.3
Extended Benefits	17.2	17.1	18.4	19.5	72.2
Fed. Sup. Benefits$_1$	12.9	12.8	13.8	14.6	54.1
Fed. Sup. Benefits$_2$	11.6	11.5	12.4	13.1	48.6
Special Unemp. Asst.	2.8	3.0	3.5	2.7	12.0
Utah:					
Insured Unemp. Rate (IUR)					3.6
Total Unemp. Rate (TUR)					6.6
Unemp. Compensation (UC)	2.5	2.8	3.4	3.5	12.2
Extended Benefits (EB)	1.3	1.4	1.8	1.8	6.2
Fed. Sup. Benefits$_1$ (FSB$_1$)	1.0	1.1	1.4	1.4	5.0
Fed. Sup. Benefits$_2$ (FSB$_2$)	1.0	1.1	1.3	1.4	4.7
Special Unemp. Asst. (SUA)	.2	.2	.3	.3	1.1
Vermont:					
Insured Unemp. Rate					NA
Total Unemp. Rate					7.4
Unemp. Compensation	1.4	1.2	1.3	1.5	5.4
Extended Benefits	1.1	.7	1.0	1.4	4.2
Fed. Sup. Benefits$_1$	.9	.5	.8	1.1	3.3
Fed. Sup. Benefits$_2$	.7	.4	.6	.9	2.5
Special Unemp. Asst.	.3	.3	.3	.3	1.1
Virginia:					
Insured Unemp. Rate					6.8
Total Unemp. Rate					NA
Unemp. Compensation	8.8	8.3	8.0	7.9	33.0
Extended Benefits	1.5	2.7	2.5	2.1	9.0
Fed. Sup. Benefits$_1$	.3	.6	.8	.7	2.3
Fed. Sup. Benefits$_2$	.1	.2	.4	.4	1.1
Special Unemp. Asst.	.3	.3	.3	.3	1.2
Virgin Islands:					
Insured Unemp. Rate (IUR)					NA
Total Unemp. Rate (IUR)					6.5
Unemp. Compensation (UC)	.4	.4	.4	.4	1.6
Extended Benefits (EB)	NA	NA	NA	NA	NA
Fed. Sup. Benefits$_1$ (FSB$_1$)	NA	NA	NA	NA	NA
Fed. Sup. Benefits$_2$ (FSB$_2$)	NA	NA	NA	NA	NA
Special Unemp. Asst. (SUA)	.1	.1	.1	.1	.5
Washington:					
Insured Unemp. Rate					7.5
Total Unemp. Rate					NA
Unemp. Compensation	19.5	18.0	22.5	22.0	82.0
Extended Benefits	18.5	15.0	13.5	17.0	64.0
Fed. Sup. Benefits$_1$	14.0	16.0	13.0	12.0	55.0
Fed. Sup. Benefits$_2$	19.0	12.5	14.0	11.0	56.5
Special Unemp. Asst.	5.0	3.0	4.0	3.0	15.0
West Virginia:					
Insured Unemp. Rate					NA
Total Unemp. Rate					6.5
Unemp. Compensation	7.5	5.5	4.5	3.5	21.0
Extended Benefits	7.0	6.0	3.5	3.0	19.5
Fed. Sup. Benefits$_1$	4.5	3.0	3.0	2.1	12.6
Fed. Sup. Benefits$_2$	3.0	2.1	2.1	1.5	8.7
Special Unemp. Asst.	.6	.6	.6	.6	2.4
Wisconsin:					
Insured Unemp. Rate (IUR)					5.8
Total Unemp. Rate (TUR)					NA
Unemp. Compensation (UC)	9.9	9.6	14.4	16.9	50.8
Extended Benefits (EB)	10.7	6.8	8.0	12.9	38.4
Fed. Sup. Benefits$_1$ (FSB$_1$)	10.8	10.2	6.5	7.6	35.1
Fed. Sup. Benefits$_2$ (FSB$_2$)	3.7	10.3	9.6	6.7	29.7
Special Unemp. Asst. (SUA)	.6	.8	1.0	.6	3.0
Wyoming:					
Insured Unemp. Rate					5.0
Total Unemp. Rate					NA
Unemp. Compensation	.1	.3	.3	.1	.8
Extended Benefits	.1	.2	.3	.1	.7
Fed. Sup. Benefits$_1$	.1	.2	.2	.1	.6
Fed. Sup. Benefits$_2$	.1	.2	.2	.1	.5
Special Unemp. Asst.	.1	.2	.2	.2	.7

NA—Not available.

Note: State tables indicate unemployment rate assumption of the State agency for fiscal year 1976. Totals may not add due to rounding. Data on Illinois not available.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

JOINT MEETING

Mr. MANSFIELD. Mr. President, before the Senate turns to the pending business I should like the attention of the acting Republican leader for the purpose of making an announcement.

There will be a joint meeting in the Hall of the House of Representatives tomorrow at which time the President of the Federal Republic of Germany will deliver an address to the two Houses beginning at the hour of 12:30 p.m.

The Senate should be ready to meet regardless of what time it comes in tomorrow and be prepared to leave this Chamber at approximately 12:12 or 12:13 for the purpose of going in a body over to the House of Representatives.

I would hope that the appropriate attachés on both sides would notify all Members of this meeting tomorrow so that they will be prepared, will be here, and will be ready to join in the march to the other Chamber.

Mr. TOWER. I thank the Senator from Montana.

May I say that this side of the aisle has already been alerted to the meeting tomorrow, and I will further state that the Republican policy committee meeting scheduled for 12:30 tomorrow will not be held.

VARIABLE RATE MORTGAGES

The Senate proceeded to consider the concurrent resolution.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of Senate Concurrent Resolution 45, which the clerk will state.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 45) expressing the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing variable rate mortgages unless and until authorized by the Congress.

Mr. PROXMIRE. Mr. President, I understand that the business before the Senate is Senate Concurrent Resolution 45.

The ACTING PRESIDENT pro tempore. Senate Concurrent Resolution 45.

Mr. PROXMIRE. Mr. President, Senate Concurrent Resolution 45, as reported by the Senate Committee on Banking, Housing and Urban Affairs, expresses the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing Federal savings and loan associations to make variable rate mortgage loans on residential property unless and until the authority to make these loans is specifically authorized by law by the Congress. A variable rate mortgage loan is generally defined as one in which the rate of interest is permitted to vary over the life of the loan, usually in accord with some index beyond the control of the lender.

The preamble to Senate Concurrent Resolution 45 makes it clear that the committee is neither rejecting nor endorsing the variable rate mortgage concept.

I wish to make that very clear: We are not taking a position against or for the variable rate mortgage, but we are simply saying that before we go ahead with it we should attempt in an orderly and legal way to authorize it.

Instead the committee believes the variable rate mortgage proposal should be further reviewed by the Congress in the context of other legislation designed to strengthen the viability of thrift institutions. If variable rate mortgages are ultimately judged to be in the public interest, the committee believes the authority to make variable rate mortgage loans should be prescribed by law, and that such law should contain appropriate safeguards to protect consumers.

The issue of variable rate mortgages was prompted by proposed regulations published by the Federal Home Loan Bank Board on February 14. These regulations would have permitted Federal savings and loan associations to offer variable rate mortgages subject to certain consumer safeguards contained in the Board's regulation.

Hearings on the Board's regulations were held by the Senate Banking Committee on April 14 through April 17. During these hearings the concept of variable rate mortgages was strongly supported by the Bank Board and by the savings and loan industry. However, the concept came under sharp criticism from labor and consumer groups. Presumably, this strong opposition to the variable rate mortgage concept led the House of Representatives to pass a bill, H.R. 6209, to prohibit the Bank Board from implementing its variable rate mortgage proposal.

Since the House action, the Bank Board has indicated it has withdrawn its variable rate mortgage proposal. In view of the Board's action, the committee believes specific legislation to prohibit variable rate mortgages is unnecessary. The committee believes the same result can be accomplished through a concurrent resolution rather than a bill. Despite the difference in procedure, the policy in Senate Concurrent Resolution 45 is identical to the policy of H.R. 6209. Under both measures, the Home Loan Bank Board is directed not to authorize variable rate mortgages unless, and until specifically authorized to do so by law by the Congress.

The committee bases its resolution on the following premises:

First, the extent to which VRM's are needed to strengthen the financial solvency of thrift institutions must be considered in the light of alternative means for accomplishing the same objectives. The committee is presently considering major legislation to restructure the powers of all depository financial institutions in order to strengthen their financial viability. Any decision on VRM's should logically be related to decisions made on these broader legislative proposals before the Congress.

Second, many of the claimed advantages of the VRM proposal depend ultimately upon the elimination of regulation Q which limits the rate of interest payable on time and savings deposits. The entire issue posed by regulation Q is under active review by the Congress in the context of financial institution reform legislation. Thus, the ultimate merits of the VRM proposal cannot be adequately assessed until the fate of regulation Q is decided.

Third, better methods need to be devised to insure that the public fully understands the implications of variable rate mortgages. On this point, it is quite revealing to note that the economist retained by the savings and loan industry to study he VRM concept testified that in today's market, he would demand a reduction of at least 2 percentage points below prevailing rates on fixed rate mortgages before he personally would be willing to agree to a variable rate mortgage under the conditions outlined in the Board's proposed regulation.

Four other economists who testified on the VRM concept said they would demand a reduction ranging from 1½ percentage points to 2 percentage points below the rate on a fixed rate mortgage before they would be personally willing to enter into a similar variable rate mortgage contract. By way of contrast, lenders who discuss the Board's VRM proposal contemplate a reduction of only one-fourth of 1 percent or at the most, one-half of 1 percent on a VRM loan. Of course, most borrowers would not be as knowledgeable as the five economic experts who testified. Given this disparity between the experts and the lenders, the committee is concerned that the full implications of VRM's might not be really understood by the consuming public.

Fourth, if the VRM concept is ultimately judged to be in the public interest, the safeguards designed to protect consumers should be outlined in law and not merely by regulation. The committee believes the Board's proposal does not go far enough to protect consumers. Even if these regulations were strengthened, the committee is concerned that the safeguards could be eroded at a later date once VRM's became commonly accepted. Of course, no law or regulation should be cast in concrete and some subsequent change might be necessary. Nonetheless, the committee believes the Congress is the appropriate body to weigh and balance the conflicting claims of consumers and lenders with regard to VRM's.

Mr. TOWER. Mr. President, one of the most controversial issues to be considered by the Committee on Banking, Housing and Urban Affairs so far this year has been the variable rate mortgage proposal. Under this proposal, rates on mortgages would be allowed to vary as market rates fluctuate. This issue was brought to a head recently as a result of regulations proposed by the Home Loan Bank Board to allow federally chartered savings and loan associations to make variable rate mortgage loans on residential properties.

On the one hand, the Bank Board and the savings and loan industry viewed the variable rate mortgage proposal as one means of allowing the industry to better weather periods of high interest rates and disintermediation.

On the other hand, there was concern that the variable rate mortgage proposal, if implemented, would have had an adverse impact on borrowers. It was felt that mortgage-lending institutions should be able to bear the risk of rising market interest rates, particularly initial increases in interest rates, a risk which they should be willing to bear as financial intermediaries.

For these reasons, the committee agreed to provide the Board with a sense of Congress resolution that the Board should refrain from authorizing variable rate mortgages until legislation is adopted authorizing them. It seems to me that this approach preserves everybody's options. The Home Loan Bank Board can go back and review variable rate mortgages with an eye toward meeting the objections which have been raised. It will also allow the variable rate mortgage issue to be considered in the context of the Financial Institutions Act, which the Banking Committee is presently considering. Hopefully, the Board will come up with a wide range of mortgage plans which will increase the flexibility of savings and loan associations while at the same time meeting the needs of borrowers.

This resolution should not be taken as a sign that the variable rate mortgage issue is dead. If properly constructed, variable rate mortgages could make a significant contribution to our Nation's financial system.

May I say, Mr. President, that one thing that must be considered here is not just the welfare of borrowers, but also the welfare of savers, particularly small savers. I think savings should be encouraged because savings are a source of capital for the expansion of residential construction. I hope the matter will be viewed from the standpoint of everybody's welfare, not simply the borrowers' but also the savers' as well, and that we will take a look at this issue and try to achieve the greatest good for the greatest number of people.

Mr. PROXMIRE. Mr. President, I am delighted to hear the statement by the Senator from Texas, and agree wholeheartedly with him. I think when we consider the effect on the depositor, on the saver, he is absolutely right. But as long as we have regulation Q limiting the amount that can be paid to the saver, of course, we are in the position where the variable rate mortgage is unlikely to do him much good, which is another reason why we should hold this in abeyance not only while we study the variable rate mortgage but also regulation Q, which does restrict the amount savings and loans are authorized to pay to their depositors.

Mr. President, I am happy to see that the distinguished ranking Republican member on the committee is supporting this on the floor as he did in committee. I hope we can have favorable action.

Mr. TOWER. Mr. President, I think we can submit this matter to a vote and let it go by voice.

Mr. BUCKLEY. Mr. President, among the consequences of extended high rates of inflation is that the cost of capital necessarily goes up. Lending institutions simply have to pay more out to savers if they are to attract the resources necessary to continuing in business. In highly inflationary times, lenders must raise their interest rates paid to savers in order to counter the disincentive to save created by continuing inflation and compete with interest rates paid by other borrowers.

During 1974 when inflation was running at annualized rates of up to 15 percent, short term capital costs shot up. Lenders, including holders of savings accounts, were not particularly interested in holding interest rates. Very few are content with circumstances where their money reserves, whether that be a modest savings account or a large time deposit, realize a negative earning. In other words, quite understandably, there is no rational reason for a person with any cash to place it into accounts which pay interest rates that are substantially below the annual rates of inflation. The consequence is that to the extent to which savers are charged with negative interest rates they will realize an incentive to spend to obtain goods before the prices go up any further, or place their funds with borrowers who are willing to pay a rate of interest high enough to offset inflation.

The resulting outflow of funds from banks and savings and loan associations, disintermediation, caused a severe crunch as savers made withdrawals, or closed their accounts, in favor of spending to maintain a previous standard of living or to relocate the cash in savings which would not bring them negative interest rates. The inflation-caused movement of funds created problems for many, but no one's problem was any more severe than those experienced by the savings and loans.

Among the techniques devised to come to terms with the problem of disintermediation, innovative thinkers came up with the variable rate mortgage—VRM—which within certain very restricted limits would allow the lender to offer a home mortgage to the market which would provide for an optional increase and mandatory decrease in the rates of interest charged by the lending institution.

Another proposal would allow lending institutions to pay interest rates to savers at whatever level necessary to attract needed funds. Unfortunately, the Federal Government has for years controlled the rates which banks and savings and loans can pay out, often responding to market forces long after market conditions mandated change. This archaic regulation makes it more difficult, if not impossible, for lenders to maintain stability within their accounts. By placing a legal limit on the amount of interest a bank can pay to a saver the Government is actually placing a cap on the amount a saver can earn.

The consequences are that funds rapidly flow out of these regulated institutions when the prevailing cost of capital has exceeded the legal limit. The Congress should move now to discard these regulations which assign to the banking industry an almost permanent state of instability, simply because the Federal Government refuses to allow banks sufficient flexibility to cope with changing conditions.

However, the variable rate mortgage appeared to be a means of lending which would somewhat accommodate the options available to bankers to the reality they face. As if the Government has not already sufficiently distorted the economy by creating great waves of inflation and then limiting the degree to which private parties can adapt to the conditions of inflation, we now have the proposal that the Congress limit further the flexibility of Savings and Loan institutions. The Federal Home Loan Bank Board has found variable rate mortgages to be a reasonable and modest response to the problems their industry faces. However, the resolution before the Congress is intended to express the sense of the Congress that variable rate mortgages are so contrary to the public interest that they should be prohibited until the Congress specifically authorizes them.

With the ring of the old feudal state, the Congress proposes to enact into law the idea that a change in business practice must be preceded by an affirmative act of the state. Any act which distorts the savings and lending practices of Americans is not simply a measure which will strike at bankers. Bankers are not in business unless they can attract, in sufficient degree, savers, including the most modest. Why the Congress is interested in making this more difficult is beyond me.

What is even more difficult to understand is the approach being taken in this resolution. There is no finding that people seeking mortgage money would be faced with a market in which they would have to accept variable rate mortgages. What the Congress proposes to do is prevent the variable rate mortgage from ever coming into existence, from ever being part of a bank practice. What is being ignored is that VRM would probably mean lower rates to borrowers as lending institutions are able to put off the decision as to the degree to which they must discount the impact of inflation. VRM would today affect long-term mortgage rates favorably by reducing them to be more in line with short-term rates which today are substantially lower than long-term rates as savers and lenders anticipate new inflation in the years ahead. The limitation on development and innovation which is explicit in this resolution is deeply disturbing. This resolution should be defeated.

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 45) was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

Whereas the variable rate mortgage concept may strengthen the financial viability of thrift institutions specializing in mortgage lending and increase the availability of mortgage credit;

Whereas the Congress is presently considering legislation to restructure the powers of financial institutions in order to enhance their competitive ability to provide financial services;

Whereas the variable rate mortgage concept requires safeguards to prevent undue risks from being imposed on consumers; and

Whereas the Congress believes that further review is needed to determine the appropriate safeguards needed to protect consumers in connection with the use of variable rate mortgage loans and the appropriate degree of interest rate risk which should be assumed by financial institutions making mortgage loans: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing, by rule, regulation, or otherwise, a Federal savings and loan association to offer loans with variable interest rates and secured by one- to four-family homes or dwelling units unless Congress specifically, by law, authorizes such variable interest rates.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I feel, in view of the fact that committees have been given permission to meet until the hour of 1 o'clock, that it might be wise to lay the unfinished business before the Senate at this time and put in a live quorum call.

Mr. President, what is the unfinished business?

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The ACTING PRESIDENT pro tempore. The pending business is Senate Resolution 166, which the clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The ACTING PRESIDENT pro tempore. The question is on agreeing to amendment (No. 585) of the Senator from Connecticut (Mr. Weicker).

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and it will be a live quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 31 Leg.]

Brock
Chiles
Fong
Jackson
Johnston
Laxalt
Mansfield
Proxmire
Sparkman
Tower

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Allen
Bartlett
Bayh
Beall
Bellmon
Biden
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Hatfield
Hathaway
Helms
Hollings
Huddleston
Humphrey
Inouye
Javits
Kennedy
Magnuson
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Nelson
Nunn
Packwood
Pastore
Pell
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentson), the Senator from Mississippi (Mr. Eastland), the Senator from Colorado (Mr. Haskell), the Senator from Vermont (Mr. Leahy), the Senator from Louisiana (Mr. Long), the Senator from Maine (Mr. Muskie), and the Senator from California (Mr. Tunney) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Massachusetts (Mr. Brooke), the Senator from Arizona (Mr. Fannin), the Senator from Nebraska (Mr. Hruska), the Senator from Maryland (Mr. Mathias), the Senator from Kansas (Mr. Pearson), the Senator from Illinois (Mr. Percy), the Senator from Delaware (Mr. Roth), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

The PRESIDING OFFICER (Mr. Bumpers). A quorum is present.

There is a quorum present. What is the pleasure of the Senate?

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing order was subsequently changed to provide for a recess until 11 a.m. tomorrow.)

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. HATFIELD. Mr. President, will the Chair indicate what the parliamentary situation is at this time?

THE PRESIDING OFFICER. The pending business is Senate Resolution 166. The amendment pending is No. 585, offered by Mr. Weicker. By previous order, it is to be voted on tomorrow at 5 p.m. There is a unanimous-consent agreement.

Mr. HATFIELD. I thank the Chair.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. HATFIELD. I am happy to yield.

Mr. WILLIAM L. SCOTT. Mr. President, of course, I do not have the familiarity with the New Hampshire election contest that the distinguished Senator from Oregon has, but I have read some of the material that has come from the committee and from other sources and, as I understand it, there are some ballots that are missing at this time; is that accurate?

Mr. HATFIELD. In 10 voting machines in the City of Manchester, the paper rolls that are attached to the voting machine, upon which a person could cast a write-in ballot if he or she so desired, are missing at this time. No one knows whether they have been destroyed or what has happened to them.

Mr. WILLIAM L. SCOTT. This thought comes to my mind, and I am just relying on memory of the material I have read: If the Senate saw fit to attempt to undertake a recount of all of the ballots cast in the November election would it be possible at this time to have an accurate recount of all of these ballots that were cast in the New Hampshire election? Are they all available?

Mr. HATFIELD. I would have to say to the Senator that I do not believe that it is feasible or possible, if we recounted every one of the ballots we have in the basement of the Russell Office Building, to determine accurately how the election in New Hampshire last November really came out, for this reason: We have these missing paper rolls from the 10 machines in Manchester. There may not have been any write-in votes cast on those machines, or there may have been, I do not know.

The only point is that when an election is determined on such a narrow margin of two votes, every single vote is of utmost importance to determine how the election really was cast.

Other questions have been raised under the legitimate procedural protest, and those questions have not yet been investigated fully by the committee, such as the sister who cast a vote for a dying sister. I noted there was a very interesting story in the Washington Post on that point; the reporter had listened to, in effect, what was the protest of Mr. Wyman and what was the answer of Mr. Durkin.

But that is not the basis upon which a judgment can be made. I feel that there should be an objective third party or a committee of the Senate such as the Rules Committee that would investigate such protests and make a ruling or determination on the legitimacy of the protests, or at least determine the outcome. Quite simply, that has not been done. So that provides another problem area.

We have the case of the Michaud ballots. There are legitimate protests that have been raised on both sides by Mr. Durkin and Mr. Wyman. I think it is also illustrated by these protests it is a very complex determination.

Again I would say that if one wants to look, I will have an opportunity a little bit later to discuss the inconsistency of the Rules Committee of the U.S. Senate in ruling on these various ballots.

Mr. Durkin made his case primarily before the Ballot Law Commission in New Hampshire on the inconsistency of the rulings on various ballots, and I have here about a dozen or so of the ballots that were ruled on by the Rules Committee. I think when Senators see these presented—and we are going to have a blowup chart here so we can see the actual replica of the ballot—ballot after ballot show clearly our committee's own inconsistencies.

This was not because there was any effort to make the election process more complicated, but because men of good faith, intelligent men, differed on looking at these ballots. After a while we can see that there was even a differing that may have occurred originally in the case of the Ballot Law Commission, just as later on in the Senate Rules Committee procedure.

So when the Senator asks that question, I think one can see when one looks at the evidence, unless one has a partisan mind made up on some other basis, anyone looking at the hard evidence would have to say it is impossible to determine the outcome of this election.

Mr. WILLIAM L. SCOTT. Mr. President, I can understand that it is difficult for any of us, being elected to the Senate through the political process, to be impartial about a matter such as this.

I personally would have no difficulty in voting in favor of the Weicker amendment to let the people of New Hampshire make this determination, but I can see perhaps there might be greater difficulty on the other side of the aisle where they have the control, where there are 61 Members of the majority party and they have the votes to seat the Democratic candidate. We do not have the votes to seat the Republican candidate if we were voting on a straight party line.

I think perhaps it takes a greater sense of fairness on the part of the people on the Democratic side of the aisle than it takes on our side, because we could not seat the Republican candidate if we wanted to.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. Yes.

Mr. HATFIELD. The Republican candidate is the only one that possesses a valid certificate of election.

Mr. WILLIAM L. SCOTT. I am not talking so much on the merits of the case as about the difficulty there must be on the other side of the aisle, with the votes available, where they can select a candidate, if they see fit, on a purely partisan basis.

The distinguished Senator is talking about the merits of the case, but I am saying that if we look at this loss of ballots where we could not, even if we wanted to, have a recount, it just seems that equity requires we let the people of New Hampshire go back and make this decision. If it should be that the Democrat, Mr. Durkin, would win on a reelection, then there would be nothing that anyone could point the finger at, any impropriety.

But regardless of which way this election might be decided by this body, I think there will be many questions in the minds of the citizens of the country as to the wisdom of the decision we have made.

That is why I was asking the question about the unavailability of some of the ballots. Perhaps the Senator could elaborate on what ballots would be available if we decided to have a recount of the entire election.

Mr. HATFIELD. I indicated to the Senator that there were 10-voting machines in the city of Manchester which as do all the voting machines, have a paper roll for the individual voter to be given the opportunity or privilege to write in the name. Of course, that has to be carefully checked because of the possibility of double voting which, under New Hampshire law, become a no-vote, and other such things. These have to be checked along with the counter and other such mechanisms that relate to the voting machine. Those rolls are missing.

In the towns of Troy and Dover, ward 3, there are 37 ballots which are listed on the Secretary of State's tally sheets which are recorded as protected ballots. These are not just any 37, but they are protected ballots which did not appear. These ballots may be in the boxes of the committee in the basement of the Senate Office Building. The committee made a motion to at least look in the boxes, and that failed on a tie vote.

So there are a number of examples that could be cited as to the difficulties, the complexities, not only of the existing count but any effort to have a recount.

I favor a total recount of the whole State of New Hampshire.

Mr. WILLIAM L. SCOTT. Is the Senator saying that that would not be possible at this time?

Mr. HATFIELD. No, I am not saying that would not be possible at this time; because the Senate now has before it the various and sundry issues, plus the fact the Senate can always instruct the committee that has the jurisdiction to go back and to do a different job, or to at least investigate in areas which it has not investigated, or to look into matters which it has refused to look into.

Mr. WILLIAM L. SCOTT. Have some of the ballots been lost, or are there some ballots we do not know the location of?

Mr. HATFIELD. When the Senator says "lost," it is very difficult to say exactly if they have been. Let us put it this way: They are not where they are supposed to be and we have not carried out any kind of procedure to determine where they are, even though we have physical and legal possession and jurisdiction over those ballots at this time.

The ballot boxes are all here, if I might respond to the Senator.

Mr. WILLIAM L. SCOTT. All of the ballot boxes are here in the Capitol?

Mr. HATFIELD. All of the ballot boxes from every precinct of the State of New Hampshire are in the possession of the U.S. Senate. Let me say they are not only under one padlock but two padlocks, with a 24-hour guard. In addition to that, those ballot boxes have been reviewed to pick out what we call the Constitutional Convention ballot, which was a separate ballot, a paper ballot issued to each voter who went to the polls. They wanted to have a recount on that. They went through the ballot boxes to pick them out. They were a different color so they were easily retrievable.

We have, in effect, looked at the ballot boxes for other reasons, but we have not really looked at them for some of the reasons that relate directly to the Senatorial election.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. If the Senator will let me complete this colloquy, I would appreciate it.

Under the law of New Hampshire, is it possible to vote a straight party ticket?

Mr. HATFIELD. It is.

Mr. WILLIAM L. SCOTT. Is that by a mark at the head of the ballot, at the top of the ballot?

Mr. HATFIELD. At the head of the Democratic column, at the head of the Republican column, or at the head of a third party column. There are three columns on this particular ballot that we are counting. The circle is just over the Democratic and Republican columns. The American Party, which was the third party, has a column but without a circle because there was only one candidate, and that candidate was a candidate for the U.S. Senate. The marking is very clear. A mark at the head of the column that you wish to vote for is a straight party ticket and it is a vote for each and every single candidate on that ticket unless you mark the name of that column.

Let us say you did not want to vote for the Republican candidate for county surveyor. You could mark a line through the Republican candidate for county surveyor and mark an X in the Democratic column for county surveyor. That would count as a Democratic vote. All the others would be a Republican vote because of the X in the circle.

If you were to interpret it otherwise you would have to say, in effect, you have to make two X's to count for one vote. That is the key to the so-called "skip ballot," where there was an X in the circle and an X in every one of the boxes after the name in the column except Mr. Wyman. There was no mark in Mr. Wyman's box, but there was no check either in Mr. Durkin's box. There was no line through Mr. Wyman and an X in Mr. Durkin's box. If that had occurred, that would be a legitimate vote for Mr. Durkin. But because of the fact that it was a blank in Mr. Wyman's box, the committee, by a tie vote on 12 of these ballots, said it was a no vote because, in effect, it was the voter's intent, based upon a case in 1909, I believe it was, that said that it was the intent of the voter, but that was not on a skip ballot. That was on a question of how close you have to make the X in the circle. By the way, there was a subsequent case very specifically ruling on the skip ballot which said, in effect, that an X in the circle is a vote for all in the column. That is the Barr case.

Mr. WILLIAM L. SCOTT. Let me ask the Senator, was there a difference in the action of the two candidates in protesting this type of marking?

Mr. HATFIELD. Yes.

Mr. WILLIAM L. SCOTT. Could the Senator explain what that difference was?

Mr. HATFIELD. The difference was this: Under the tradition and under the wording of New Hampshire law and the practice—and I might say that even Mr. Durkin in interrogation before the committee admitted that this was the practice—the Wyman people, before the election, whey they sent out the instructions to their poll watchers, specifically said an X in the circle is a valid vote. We have a copy of those instructions in the record. It is a valid vote for everyone in the column unless they had marked that person's name out and put an X elsewhere. Therefore, that was not a matter to be protested because this was understood as New Hampshire law. It was the practice and tradition in elections in New Hampshire.

In one instance, evidently upon observing Mr. Durkin's poll watchers pulling or protesting certain ballots where there was a so-called skip box, the poll watcher there for Mr. Wyman protested a skip Durkin ballot. He was instructed that was not to be done further because that was a legitimate vote. Consequently, understanding what New Hampshire law was and understanding what the election procedures, practices, and precedents were, the instructions very specifically were to Wyman poll watchers not to protest such a mark in the circle where there was, in effect, no mark in the X, but for every other one there was.

Let me say to the Senator, a while back or the other day there was a statement made by the Senator from Louisiana that everything has its season. Of course, he was referring to the book of Ecclesiastes. I think also it should be carefully understood that this is the time and the season for the U.S. Senate to render justice. I do not think there is ever a time when justice is not to be rendered. Justice is legitimate and appropriate in all seasons.

There are those who say, "Well, Mr. Wyman did not protest at the time he was watching those ballots, and, therefore, he should not be considered as going back now and checking to see that there were not other skip ballots." We have affidavits from poll watchers who said there were literally hundreds of skip Durkin ballots that went through which were not protested because it was not in accordance with either New Hampshire law or New Hampshire practice.

Mr. WILLIAM L. SCOTT. Did they have some of these skip-Louie ballots before the Rules Committee that they passed on and had a tie vote? Is that my understanding? Is that a correct understanding?

Mr. HATFIELD. We have 12 so-called skip-Louie ballots and one skip-Durkin ballot, a skip-John ballot.

The committee has ruled by a tie vote that that is a no vote, and to throw the ballot out.

Mr. WILLIAM L. SCOTT. Do I understand correctly that the poll watchers were given instructions for the Democratic candidate and for the Republican candidate?

Mr. HATFIELD. We have a copy of the instructions given to the Wyman poll watchers. I do not know whether this record has a copy of instructions given by the Durkin poll watchers or not.

Let me just quote, if I may, from the instructions from the Wyman election officials who were heading up his poll watcher group. This is in the section on counting of ballots:

> 9. A cross in party circle and a cross in some boxes but not all under the same party column is still to be counted as a straight ticket, because no names in the party column have been crossed out or erased.

And they quote 79 N.H. 192 as the source, as the supporting evidence of that law upon which this instruction was built.

Mr. WILLIAM L. SCOTT. If the Senator will yield further, I have no real question about what the law in New Hampshire is. I am just uncertain as to whether the law was applied evenly with regard to both sides.

Mr. HATFIELD. Yes, I understand.

Mr. WILLIAM L. SCOTT. Did the committee have before it all of the ballots in which Mr. Durkin was skipped and all of the ballots in which Mr. Wyman was skipped?

Mr. HATFIELD. No. They only——

Mr. WILLIAM L. SCOTT. They did not have?

Mr. HATFIELD. They did not have. But we do have evidence through affidavits that were signed and sworn before notaries. We had before the committee evidence in that form that there were such skipped ballots in the nonprotested ballots of the 189,000 or so, whatever it was, of the ones that were not protested.

Mr. WILLIAM L. SCOTT. Would it not be reasonable to have a search made of all of the ballots to see how many skip ballots there were for both of the candidates and to apply the same rule, whatever that rule may be, and hopefully follow the law of New Hampshire? Would it not be fairer to search for all of those ballots and to apply the same rule to all?

Mr. HATFIELD. I would respond to the Senator that if I had my preference as to what I think would be the most just and equitable, I would go back to the basic New Hampshire law. This is the law upon which this election was held. I would reject all of the skipped ballots.

Let me say to the Senator that this even becomes more ludicrous when you recognize what Mr. Durkin had said to the committee, when asked if more than one box was voided or was left empty with no marking. Let us say we had not just one skip, but we had two skips in that column. Mr. Durkin was asked if it would then be legitimate to not count Mr. Wyman? He said:

> My case would be weakened and more than that, it would collapse.

Yet, the committee actually counted a ballot in which there were four skips as a no vote for Mr. Wyman.

Let me say to the Senator that if the committee in its wisdom said, "No, we are not going to reject these skip ballots," I think the Senator's comments would be very appropriate. Then if we are not going to follow New Hampshire law on that basis under that precedent of New Hampshire law and if we are setting up, in effect, a new criteria, let that new criteria be applied to all the ballots that were cast in the November 1974 election in New Hampshire.

I admit that perhaps I am more liberal in my consideration and concern for the voters' rights in this country than others, but I do believe in the one-man, one-vote doctrine, and I believe that Justice Warren was quite correct when he said you can have a diminution of a man's vote by a maladministration of a legislature. I think it is proper to defend every single voter of New Hampshire who went out to the polls, and to defend his right to have his vote cast under the same rules of the game as any other voter. We should not be picking out 3,500 and saying, "We are going to determine the whole election by 12 votes."

Here in a sense that is what we will be doing, determining the whole state of the New Hampshire election on the basis of 15 votes, rather than give equal weight to every vote cast in New Hampshire.

Mr. WILLIAM L. SCOTT. To take a little different course, let me ask the Senator another question. How long was the Committee on Rules and Administration concerned with this problem? How much time had they devoted to this election?

Mr. HATFIELD. Well over 200 hours; over 46 days of committee hearings in about a 5-month span of time, and one further thing: 646 rollcalls within the committee.

Mr. WILLIAM L. SCOTT. And there are eight Members of the Rules Committee?

Mr. HATFIELD. Including the minority leader, the assistant minority leader and the assistant majority leader. Eight Senators, including the three in the leadership, and also the chairman of the committee, who is a man with a number of other committee assignments. In other words, I would say you are speaking now of Senators who have extraordinarily heavy workloads, over and above the average workload.

Mr. WILLIAM L. SCOTT. I am thinking about the time that was consumed by eight Senators on a number of issues having a 4-to-4 resulting vote, and comparing——

Mr. HATFIELD. Which was by the way, a bipartisan vote. There were only three Republicans and five Democrats, so it was not a straight party vote and it was not always the same swing vote, so to speak; it was not always the same Democrat or the same Republican. There were tie votes when there were two Republicans voting with two Democrats, and there were tie votes when three Republicans were voting with one Democrat but a different Democrat on another occasion. So it is not just a straight party matter or partisan matter within the committee.

Mr. WILLIAM L. SCOTT. I am thinking now of the time that may be consumed by the entire Senate, by the 99 Senators we have, not counting the Senator from New Hampshire. Does the Senator have any idea as to how much time we would spend in the Senate, if we go the whole way in attempting to make a decision in this case?

Mr. HATFIELD. I have no way to predict the time.

I want to say to the Senator that I know of no one in this particular argument at this time on either side who wants to delay it or extend it or project it any longer than absolutely necessary. In spite of any desire to expedite it and to make it move as quickly as possible, there are still inherent problems that we cannot control, and that is simply the time factor in looking at each one of the ballots.

Let me give the Senator an example. We had these ballots passed to the Senators where some of them were unmasked and some of them masked. We had them passed to each member of the committee. There are other marks and interpolations such that we had to use a magnifying glass to get a better view of what we were doing. The chairman had one twice as big as this one, that he graciously let me use on occasion. We had another kind of magnifying glass, a little thing we call the magic eye, that sits on the paper. We studied that. The minority leader of the Senate had one with a flashlight as a part of the magnifying glass to get a better focus. That was just a basic problem we faced in trying to get an honest determination of each ballot.

Let me point out that I think that all eight members looked at each ballot, especially the masked ballots, very honestly and very diligently, to make a determination, and it ended up with a 4 to 4 tie. One can imagine what it is going to be when 99 Senators are asked to come down here in the front someplace where we will have an easel for each one of these ballots, look at each ballot through a magnifying glass, and study it for 10, 15, or 20 seconds. Multiply that by 99, multiply it by 27 separate ballots.

After all this, then you get to another kind of a ballot. This is what we call a masked ballot, where a template is used. Here, we put a ballot inside of this metal frame to hide whether it was a Democrat or Republican column. We had side A and side B. OK. So take this and pass it around to 99 Senators, and get your magnifying glass out and try to figure out whether it is a vote for candidate B or a vote for candidate A. Multiply that by three masked ballots we have, and it is going to take time.

Mr. WILLIAM L. SCOTT. That was really the thrust of my question. I was not suggesting that any Senator or member of the Rules Committee was in any way attempting to delay a decision, but I was saying that if it took the time which the Senator has said that it took in the Rules Committee, where eight Senators were involved, it would appear to take vastly more time when we are talking about 99 Senators.

I just wonder, regardless of the decision we would make here on the floor of the Senate, if the people of the country would be satisfied by our decision, other than sending it back to New Hampshire and letting the people of New Hampshire make the decision.

Mr. HATFIELD. I say to the Senator further that the Rules Committee of the Senate received this issue in January. Before we could start looking at the ballots, there were 13 days of argument and discussion and debate as to procedures. All those procedures and such are not going to be the concern of the Senate at this point, but a number of them rested upon interpreting and understanding New Hampshire law.

That is why I feel very strongly that the Senators who are not with us at this time or who have not been with us on much of a consistent basis are not going to have the full background and benefit of the argumentation on questions of New Hampshire law and how to interpret New Hampshire law. All this preceded even viewing the first ballot, and it was a proper procedure.

I am not being critical when I question that it took us 13 days of very intense discussion. We even thought about the possibility of projecting the ballot up on a screen so that everyone in the room could look at it simultaneously. We found that just was not possible because the distortions or the loss of accuracy of the ballot by the time it was projected would have made it impossible to make a determination on that ballot. As I said, when we held the ballot in our hand, one ballot at a time, and as close to our eyes as we wanted, with the best of light, it was still a 4-to-4 tie on 27 ballots.

Mr. WILLIAM L. SCOTT. If the Senator will yield further, I understand that on election day, Mr. Wyman won by 300 to 400 votes, something in that neighborhood.

Mr. HATFIELD. In excess of 300 votes.

Mr. WILLIAM L. SCOTT. So he was the winner on election day. Then there was a recount, and Mr. Durkin was declared the winner by two votes or by a very narrow——

Mr. HATFIELD. By the secretary of state. That margin was by 10 votes. But that 10-vote margin was subject to correction by the Ballot Law Commission later.

Mr. WILLIAM L. SCOTT. When the Ballot Law Commission considered it, Mr. Wyman was again declared the winner and was certified to the Senate as the winner. Is that correct?

Mr. HATFIELD. The Ballot Law Commission, in reviewing the recount of the secretary of state, made determinations of certain errors in the secretary of state's counting, and Mr. Wyman was declared the winner by two votes and was issued a certificate of election.

Let me point out, however, to make this complete, that when the secretary of state made his recount and found for Mr. Durkin by 10 votes, he issued at that time a conditional certificate of election. That conditional certificate of election was later viewed by the Ballot Law Commission as having been issued prematurely, and therefore it was rejected—or it was, let us say, rescinded—at the time that the Ballot Law Commission instructed the secretary of state to issue a valid certificate of election, unconditional, to Mr. Wyman.

Mr. WILLIAM L. SCOTT. The point I was making is that we had an election day count that resulted in one of the candidates being declared the winner. Then we had a second count that resulted in a reversal, and the other candidate was decided to be the winner. Then we had a third review, and it reverted back to Mr. Wyman a second time. Now we have the Rules Committee, which takes the fourth look at it, and they have come up with a tie vote.

Mr. HATFIELD. Please let me interrupt, if I may. The Rules Committee at this point has created a bigger problem—in a sense has raised more questions than were ever raised at the point of recount or at the Ballot Law Commission review. So, in effect, we are further behind in finding an answer to the dilemma of who won than either the secretary of state or the Ballot Law Commission.

Mr. WILLIAM L. SCOTT. I am agreeing with the Senator in pointing up the uncertainty. We have had four different looks at the results of the election. This is the fifth group, by having the full Senate take a look at it.

Would it not eliminate uncertainty and charges of doing the wrong thing if the matter were referred back to the people of New Hampshire and if they held a new election, and the people of New Hampshire decided this question? Would anybody be criticized if there were a new election and the people of New Hampshire made the decision?

Mr. HATFIELD. I say to the Senator that this is precisely my viewpoint. I mean not only in order to obtain justice and to obtain the best possible chance for each voter's vote to be counted equally with any other voter's in New Hampshire, but also from the standpoint of the Senate as a whole, the Senate as a body.

I do not think my mail is much different from that of my colleagues. The responses I have from my constituents, which I am getting increasingly, express concern that the country is going to Hades in a wheelbarrow, "and you are worried about some partisan political matter. Why waste your time on this? Where is your effort solving the energy problem, the unemployment problem, and a lot of others?" I am sure everyone's mail says this.

Any way we look at it, we know what we are doing; that we are working hard in the committees, trying to solve the economic and energy problems. But the general public's reaction up to this point has been that if the Senate cannot determine in 6 months who won the election last November in New Hampshire, they ought to send it back to New Hampshire and let the people there decide.

This certainly is true of the people

of New Hampshire, as they have indicated by passing a new, specific law that the Senate should take this action, should send it back. Also, I think, it is true of the people of Oregon—clear across the country—who are becoming increasingly disturbed that this matter has to take our time and receive priority effort of all eight Senators, whereas these other matters are far more important to the Nation as a whole.

Mr. WILLIAM L. SCOTT. I think it would be a good precedent for the Senate to refer this back, where there is such certainty and doubt as in this election, though under the Constitution each body of Congress is the judge of the qualifications of its own Members.

I believe it would be good for the image of the Senate. I think it is the right thing to let the people of New Hampshire make this decision. I hope that tomorrow we do get a favorable vote on the resolution of the Senator from Connecticut.

Mr. HATFIELD. There is ample precedent. We, in the U.S. Senate, in the year 1926, referred back to the people of Pennsylvania an election to be determined by the people of Pennsylvania. So it is not as though we were plowing new ground or establishing a new precedent in this particular case, if we should decide to send it back to the people of New Hampshire.

Mr. WILLIAM L. SCOTT. I thank the Senator.

Mr. CANNON. Mr. President, will the Senator yield? Before the Senator from Virginia leaves, I should like to call his attention to one or two matters.

Mr. HATFIELD. I am happy to yield.

Mr. CANNON. Mr. President, the Senator from Virginia raised the question of a majority apparently going to try to have things their way. I think his attention should be called to a study that has been put out by the Congressional Quarterly News Service. He may not be aware of it, and I read from it:

> Wyman and Senate Republicans have accused Democrats of trying to steal the seat by investigating the election. But an examination of past cases shows that the minority party in the Senate has not usually been at a disadvantage.
>
> About equal numbers of Republicans and Democrats have been challenged in election contests. Republican-controlled Senates have supported Democratic winners and Democratic-controlled Senates have sustained Republicans about the same number of times.

I thought the Senator might be interested in that.

Mr. WILLIAM L. SCOTT. Mr. President, if the Senator will yield, I was expressing more concern for the position that the majority finds itself in than the minority; because I said that the minority could not decide this on a purely political basis if it wanted to do so. But that is within the realm of possibility when the majority has 61 seats in this body.

I was not suggesting that that is what would be done. I was really making an appeal for whatever is fair and just; and it seems to me a decision by the people of New Hampshire is the fair and equitable thing. Saying that there are 61 Democrats in this body is just recognizing that they have the power on the Democratic side of the aisle to make a political decision. I hope this is not done. We on the Republican side do not have that power if we wanted to do it.

I am not suggesting that there is more morality on one side of the aisle than there is on the other; I am saying that there are more votes on the Democratic side.

Mr. CANNON. That is true, and the Senator was suggesting that the Democrats might stick together better than the Republicans, but the record does not disclose that up to the present time. The Senator from Oregon said a little while ago that Republicans have voted with Democrats and vice versa.

I should say that on all of the tie-vote issues except the three masked ballots, the Republicans never did vote with any more than one of the Democrats. The Republicans consistently voted together—three Republicans and one Democrat on every tie-vote issue on the three masked ballots. I have the record here to show that.

That is one of the headnotes in the Barr case. That is not reading from the language itself, but that is the extract that is put at the front.

If the Senator will yield further, there is one other point that bothers me. I have a very grave doubt as to the constitutionality of the law that New Hampshire has passed in the nature of an ex post facto or retroactive law with respect to a special election. The reason I say that is that by law they say who the candidates shall be, and they cannot do that. If they were having a runoff election, as provided under the laws of the State, they could have a runoff election between whoever was on the ballot, but this law that the legislature has passed calls for a special election, and the legislature says who the candidates can be for that special election.

In my judgment, if the Senate decides to send this back, either by agreeing to the Weicker motion or if the Senate should proceed beyond the Weicker motion, end up with a tie between the parties and then say "we declare the seat vacant and send it back," we cannot determine under the Constitution who won the election—in my judgment, we cannot have a rerun of an election between these same parties constitutionally. The Constitution says how a person can or cannot become a candidate and a person who meets those requirements, I think—I have had some pretty good legal advice on this that concurs with me, and I suppose there is legal advice on the other side that believes that we can—and I simply point out to the Senator—that if that should occur, I have a very grave doubt in my mind as to the constitutionality of this provision of New Hampshire law that the legislature can do this.

Mr. WILLIAM L. SCOTT. Would it be possible, if there were someone else who wanted to be candidate for this seat, that he could go to court and get his name on the ballot irrespective of State law?

Mr. CANNON. He could go to court and have that State law declared unconstitutional, because the only qualification is that no person shall be a Senator who shall not have attained to the age of 30 years and been 9 years a citizen of the United States, and who shall not, when elected, be an inhabitant of that State for which he shall be chosen.

But this special act that was passed by the legislature would say "we are going to have a special election, and here are the candidates: The candidates on the ballot shall be John A. Durkin of Manchester, Democrat, Louis C. Wyman of Manchester, Republican, and Carmen C. Chimento, of Brookline, American Party.

I throw that out because I think it is a very serious question, no matter what the Senate does. My own feeling would be that if the Senate should end up sending it back, if it should end up in a tie and be sent back, the State of New Hampshire would be ill advised to proceed under this statute. I should think they would proceed under the general law and set their election for such time as they saw fit, but certainly not try to spell out in the law who shall be candidates for the U.S. Senate.

Mr. WILLIAM L. SCOTT. I appreciate the Senator's sharing this information, and I assure him that in my remarks a few minutes ago I had no intention of indicating that the Republican Party was any more moral than the Democratic Party. I am just saying that they have more votes than we have.

Mr. CANNON. I understand.

I thank the Senator.

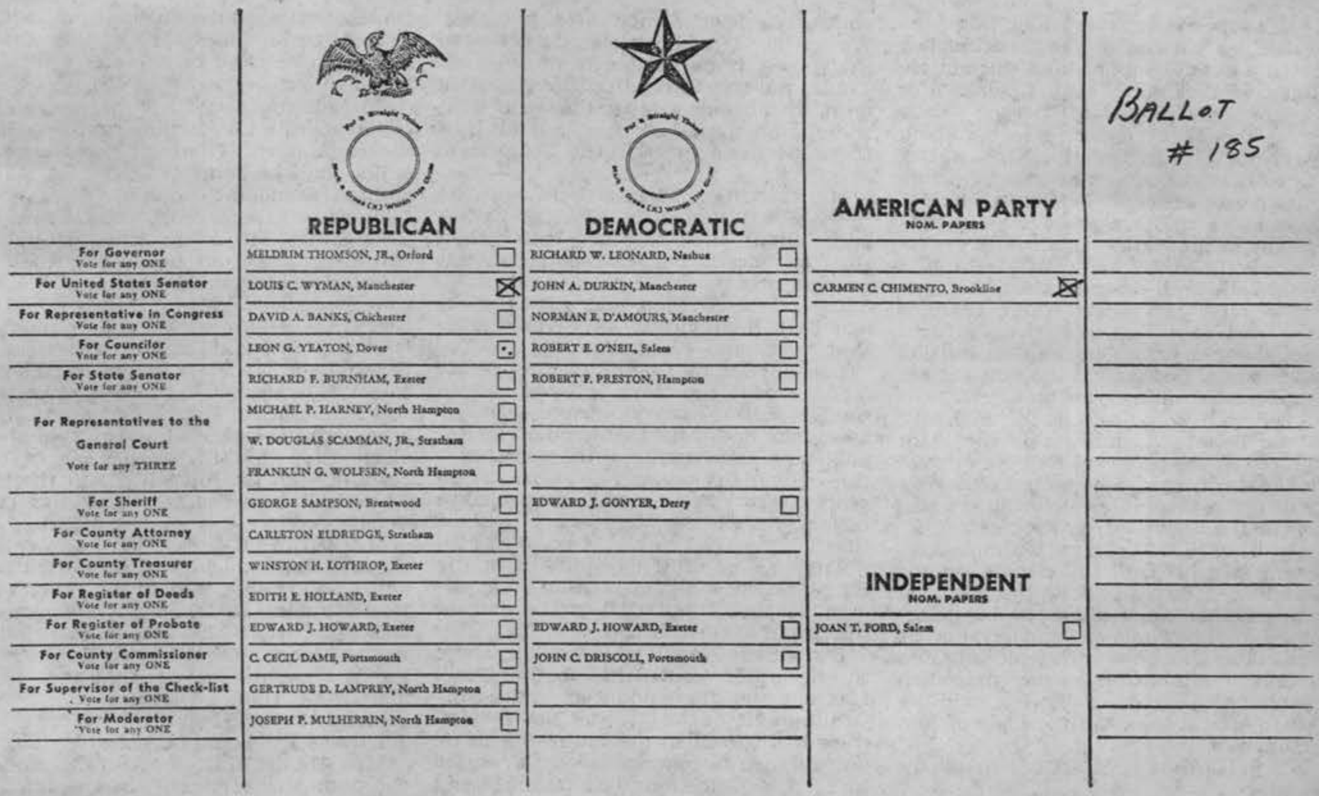
Mr. HATFIELD. I wish to follow through, Mr. President, in keeping the record perfectly clear. The chairman has read, and I am glad he did, a headnote from the Barr case—a headnote. Without being a lawyer, those from the bar here should understand that a headnote is not in the actual body of the case. It is not a statement of the justices or judges trying the case and may be but that of a clerk who is going to try to summarize and pick out salient points to put at the top of the case. It is not a part of the opinion itself, and could be written by a layman clerk.

He was quite correct when he said that a ballot containing a cross in a party circle above the names of the three candidates for county commissioner printed thereunder, A, B, and C, and also containing the names of B and D written into the proper blank spaces under that office, cannot be counted as a vote for any candidate.

I think the Senators will recall when I stated an X in the circle was a valid X for everyone in that column, unless there had been a crossout or erasure or some way to indicate that the intent of the voter was to eliminate somebody in that column and vote for the name of a person running for the same office in the opposite column. I still stand by what I said earlier, that the New Hampshire law is very clear, that an X in a circle under those rules set by the New Hampshire law is a valid vote for everyone in that column.

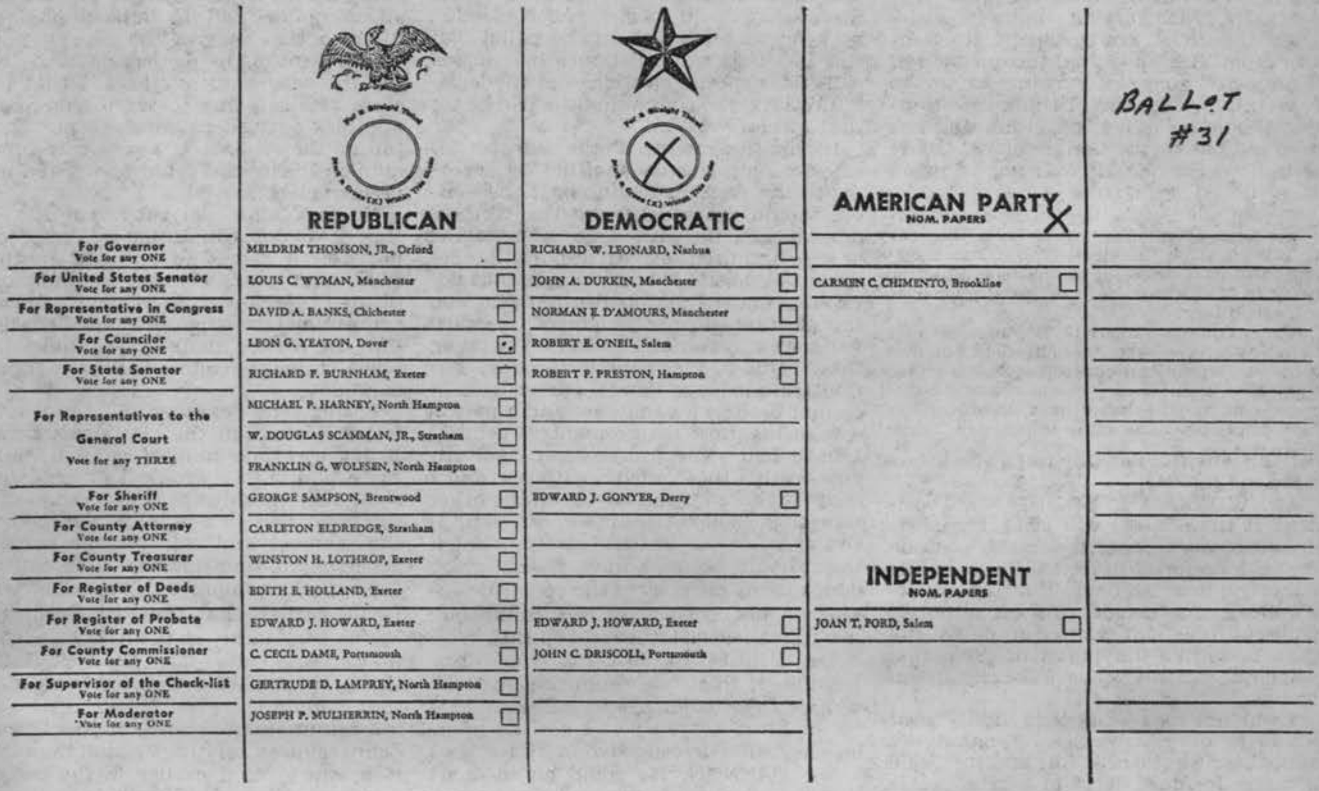
I ask unanimous consent that Republican replicas on the ballots from New Hampshire, used earlier in my presentation of the inconsistencies of the committee, be printed in the RECORD.

There being no objection, the ballots were ordered to be printed in the RECORD, as follows:



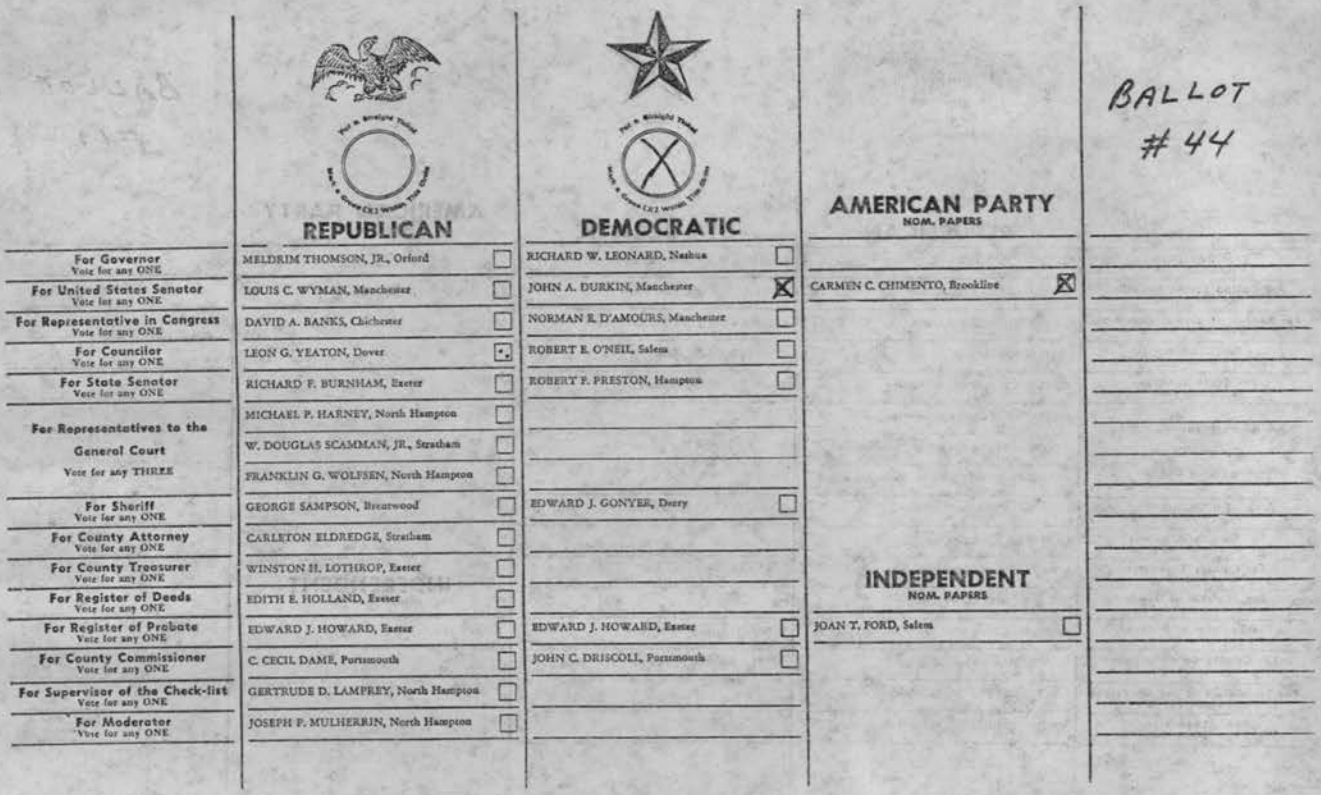
BALLOT
#185

	For a Straight Ticket Mark a Cross (X) Within The Circle ○ **REPUBLICAN**	For a Straight Ticket Mark a Cross (X) Within The Circle ○ **DEMOCRATIC**	**AMERICAN PARTY** NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☒	JOHN A. DURKIN, Manchester ☐	CARMEN C. CHIMENTO, Brookline ☒	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ⊡	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐			
	W. DOUGLAS SCAMMAN, JR., Stratham ☐			
	FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			



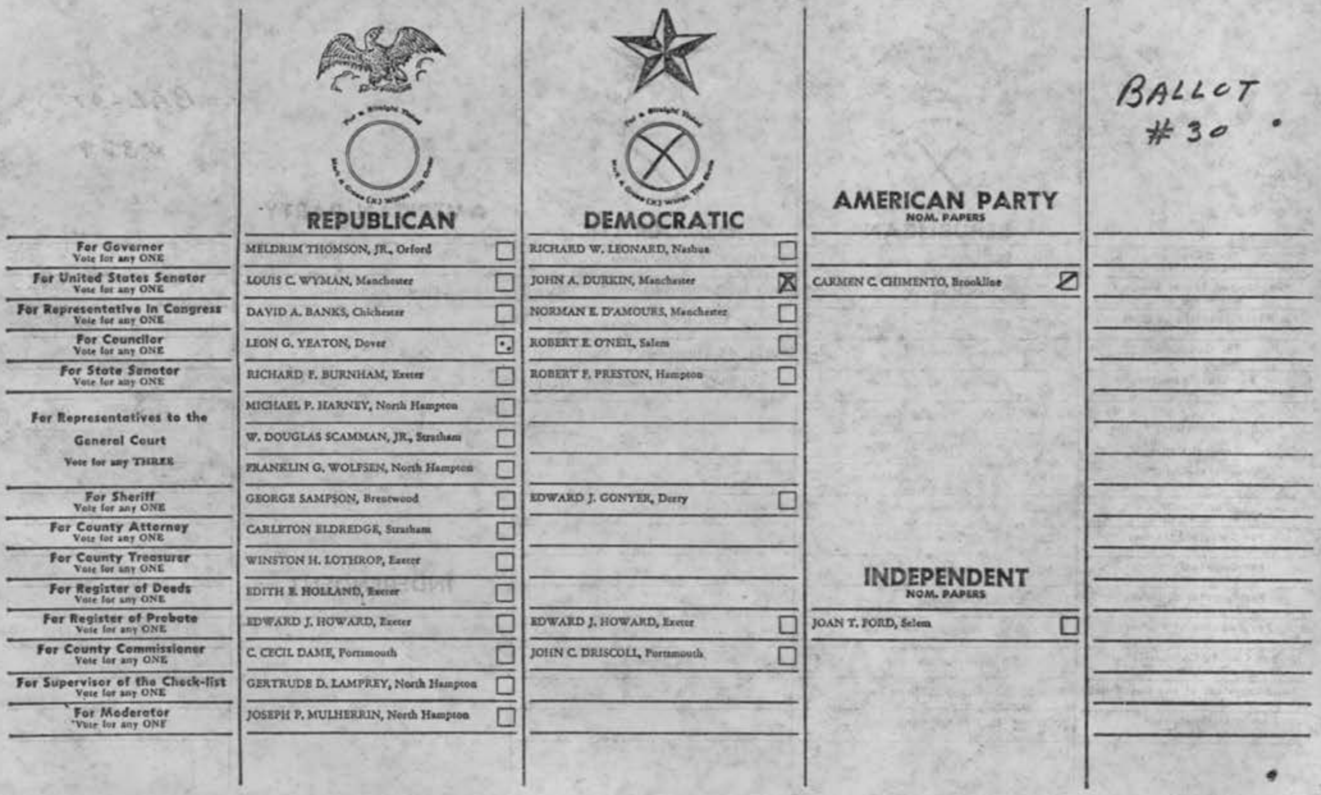
BALLOT
#31

	For a Straight Ticket Mark a Cross (X) Within The Circle ○ **REPUBLICAN**	For a Straight Ticket Mark a Cross (X) Within The Circle ⊗ **DEMOCRATIC**	**AMERICAN PARTY** X NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☐	JOHN A. DURKIN, Manchester ☐	CARMEN C. CHIMENTO, Brookline ☐	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ⊡	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐			
	W. DOUGLAS SCAMMAN, JR., Stratham ☐			
	FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			



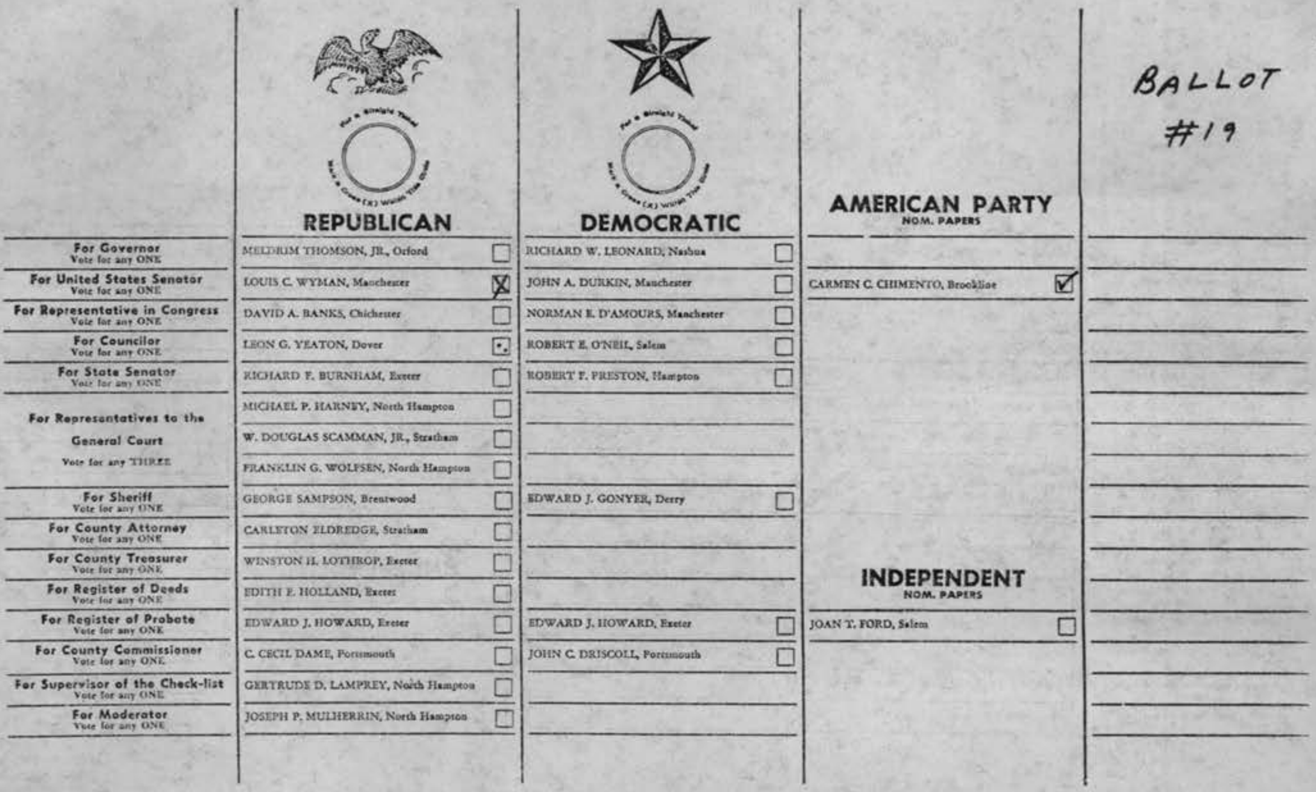
BALLOT #44

	Put a Straight Ticket ○ Mark a Cross (X) within This Circle **REPUBLICAN**	Put a Straight Ticket ☒ Mark a Cross (X) within This Circle **DEMOCRATIC**	**AMERICAN PARTY** NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☐	JOHN A. DURKIN, Manchester ☒	CARMEN C. CHIMENTO, Brookline ☒	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ☐	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐ W. DOUGLAS SCAMMAN, JR., Stratham ☐ FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			



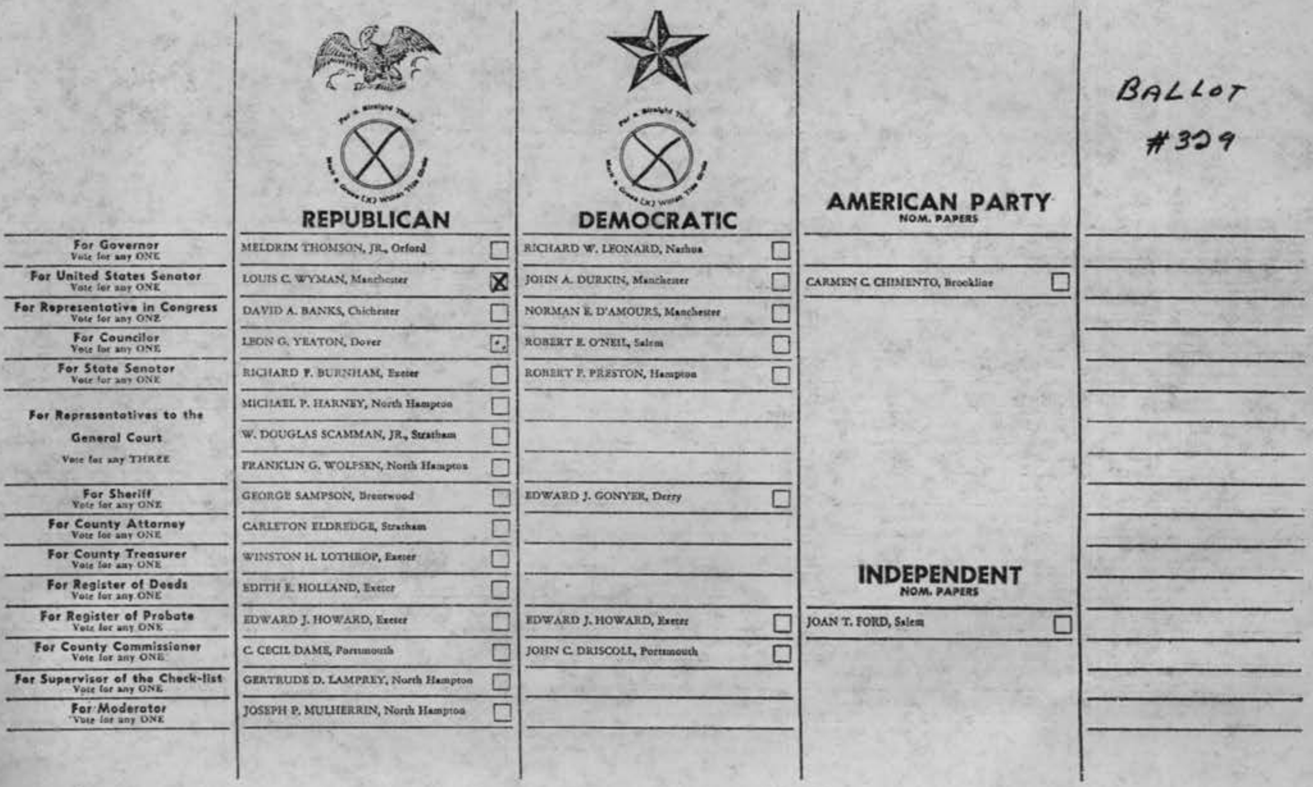
BALLOT #30

	Put a Straight Ticket ○ Mark a Cross (X) within This Circle **REPUBLICAN**	Put a Straight Ticket ☒ Mark a Cross (X) within This Circle **DEMOCRATIC**	**AMERICAN PARTY** NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☐	JOHN A. DURKIN, Manchester ☒	CARMEN C. CHIMENTO, Brookline ⧄	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ☐	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐ W. DOUGLAS SCAMMAN, JR., Stratham ☐ FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			



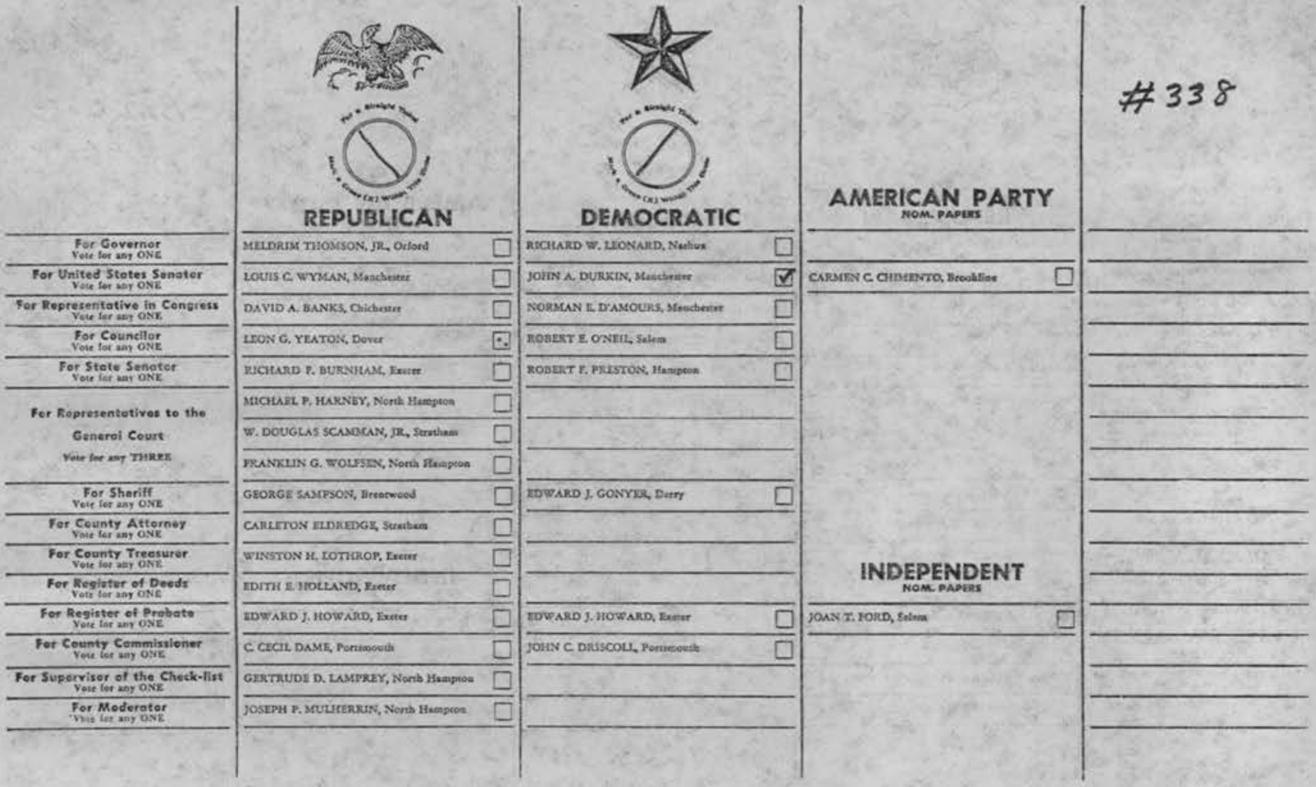
BALLOT
#19

	REPUBLICAN For a Straight Ticket Mark a Cross (X) Within The Circle ○		DEMOCRATIC For a Straight Ticket Mark a Cross (X) Within The Circle ○		**AMERICAN PARTY** NOM. PAPERS		
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford	☐	RICHARD W. LEONARD, Nashua	☐			
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester	☒	JOHN A. DURKIN, Manchester	☐	CARMEN C. CHIMENTO, Brookline	☑	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester	☐	NORMAN E. D'AMOURS, Manchester	☐			
For Councilor Vote for any ONE	LEON G. YEATON, Dover	⊡	ROBERT E. O'NEIL, Salem	☐			
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter	☐	ROBERT F. PRESTON, Hampton	☐			
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton	☐					
	W. DOUGLAS SCAMMAN, JR., Stratham	☐					
	FRANKLIN G. WOLFSEN, North Hampton	☐					
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood	☐	EDWARD J. GONYER, Derry	☐			
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham	☐					
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter	☐					
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter	☐			**INDEPENDENT** NOM. PAPERS		
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter	☐	EDWARD J. HOWARD, Exeter	☐	JOAN T. FORD, Salem	☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth	☐	JOHN C. DRISCOLL, Portsmouth	☐			
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton	☐					
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton	☐					



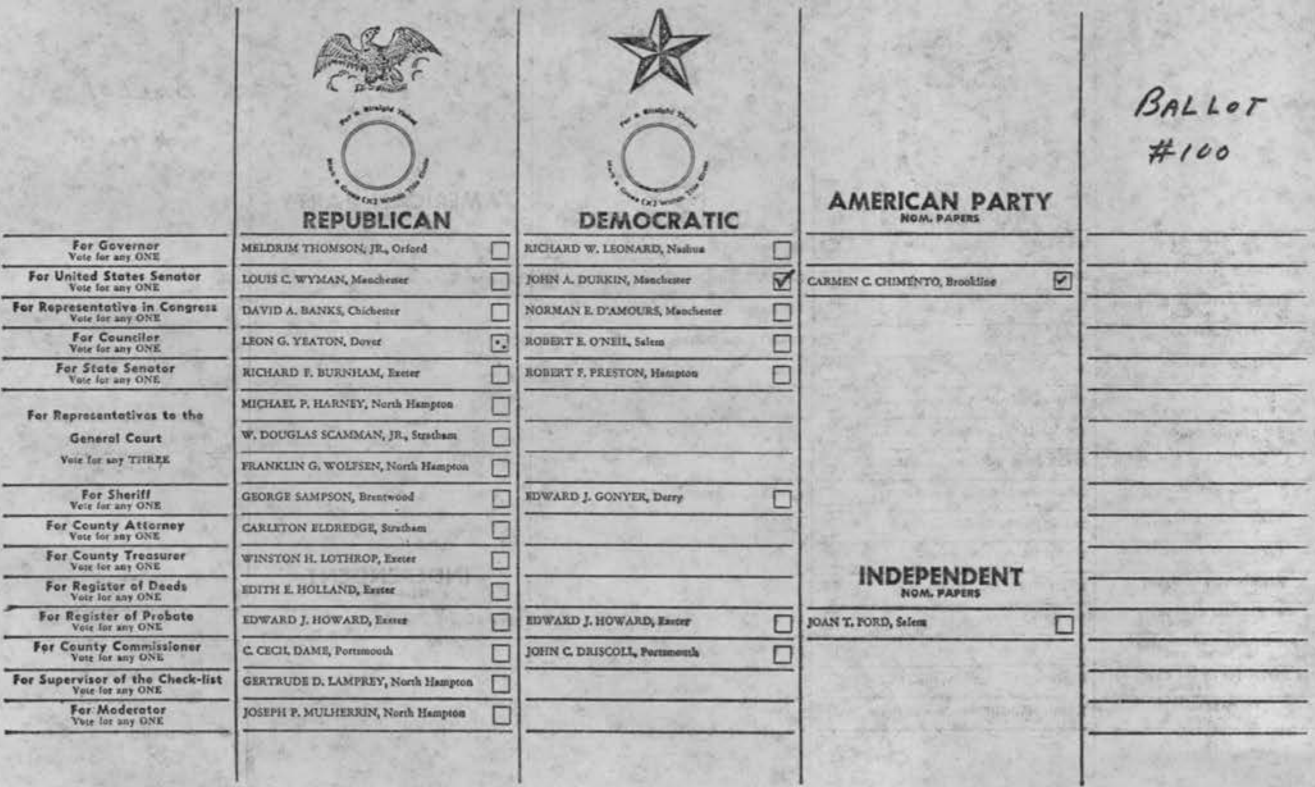
BALLOT
#329

	REPUBLICAN For a Straight Ticket Mark a Cross (X) Within The Circle ⊗		DEMOCRATIC For a Straight Ticket Mark a Cross (X) Within The Circle ⊗		**AMERICAN PARTY** NOM. PAPERS		
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford	☐	RICHARD W. LEONARD, Nashua	☐			
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester	☒	JOHN A. DURKIN, Manchester	☐	CARMEN C. CHIMENTO, Brookline	☐	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester	☐	NORMAN E. D'AMOURS, Manchester	☐			
For Councilor Vote for any ONE	LEON G. YEATON, Dover	⊡	ROBERT E. O'NEIL, Salem	☐			
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter	☐	ROBERT F. PRESTON, Hampton	☐			
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton	☐					
	W. DOUGLAS SCAMMAN, JR., Stratham	☐					
	FRANKLIN G. WOLFSEN, North Hampton	☐					
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood	☐	EDWARD J. GONYER, Derry	☐			
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham	☐					
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter	☐					
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter	☐			**INDEPENDENT** NOM. PAPERS		
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter	☐	EDWARD J. HOWARD, Exeter	☐	JOAN T. FORD, Salem	☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth	☐	JOHN C. DRISCOLL, Portsmouth	☐			
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton	☐					
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton	☐					



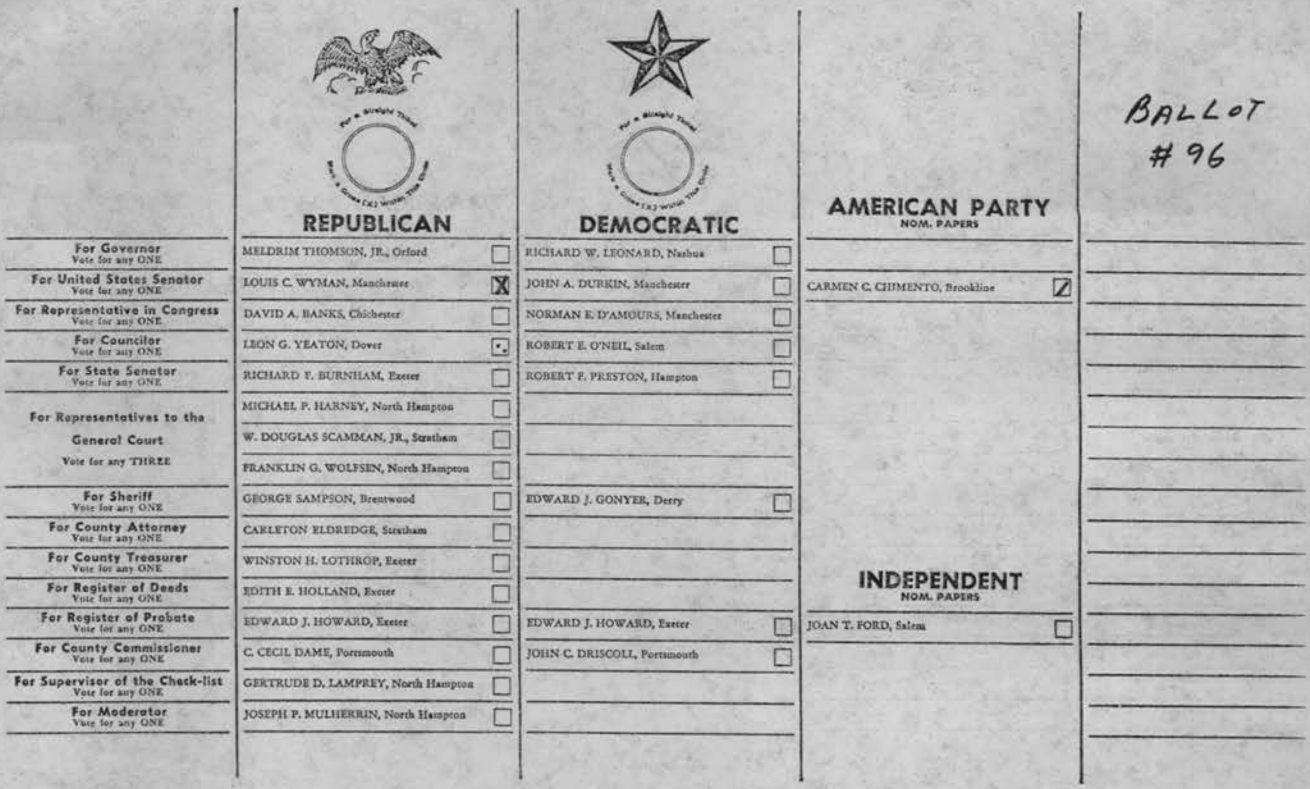
#338

	REPUBLICAN	DEMOCRATIC	AMERICAN PARTY NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☐	JOHN A. DURKIN, Manchester ☑	CARMEN C. CHIMENTO, Brookline ☐	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ⊡	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐ W. DOUGLAS SCAMMAN, JR., Stratham ☐ FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			

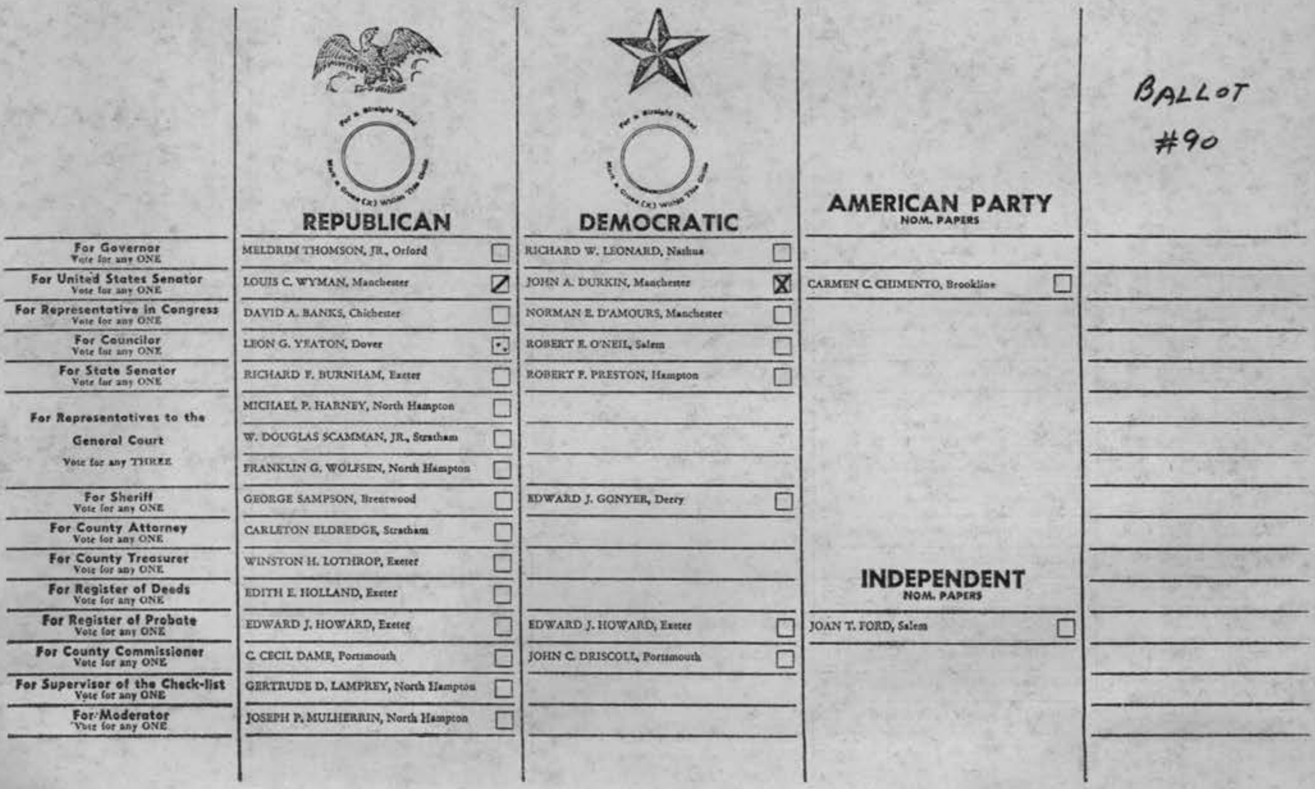


BALLOT #100

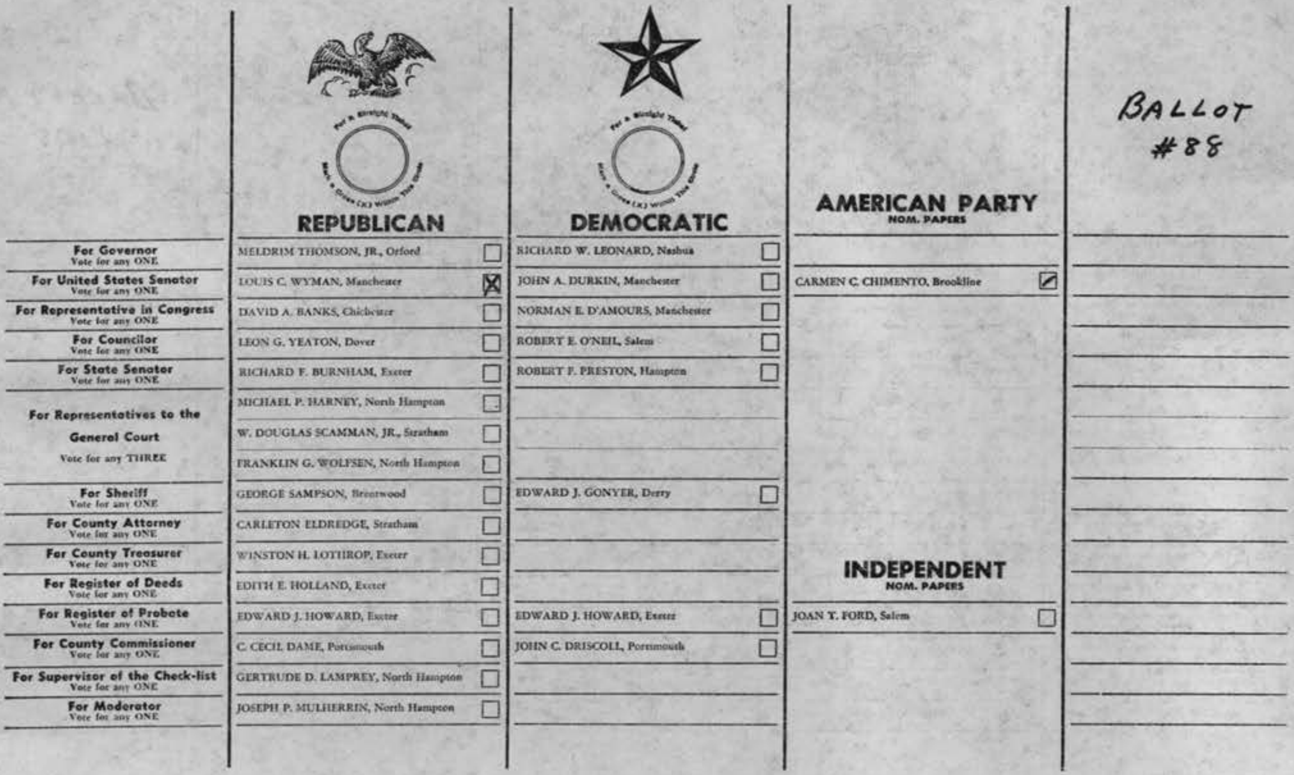
	REPUBLICAN	DEMOCRATIC	AMERICAN PARTY NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☐	JOHN A. DURKIN, Manchester ☑	CARMEN C. CHIMENTO, Brookline ☑	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ⊡	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐ W. DOUGLAS SCAMMAN, JR., Stratham ☐ FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			



	For a Straight Ticket Make a Cross (X) Within The Circle ○ REPUBLICAN	For a Straight Ticket Make a Cross (X) Within The Circle ○ DEMOCRATIC	AMERICAN PARTY NOM. PAPERS	BALLOT #96
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☒	JOHN A. DURKIN, Manchester ☐	CARMEN C. CHIMENTO, Brookline ☑	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ⊡	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐ W. DOUGLAS SCAMMAN, JR., Stratham ☐ FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		INDEPENDENT NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			

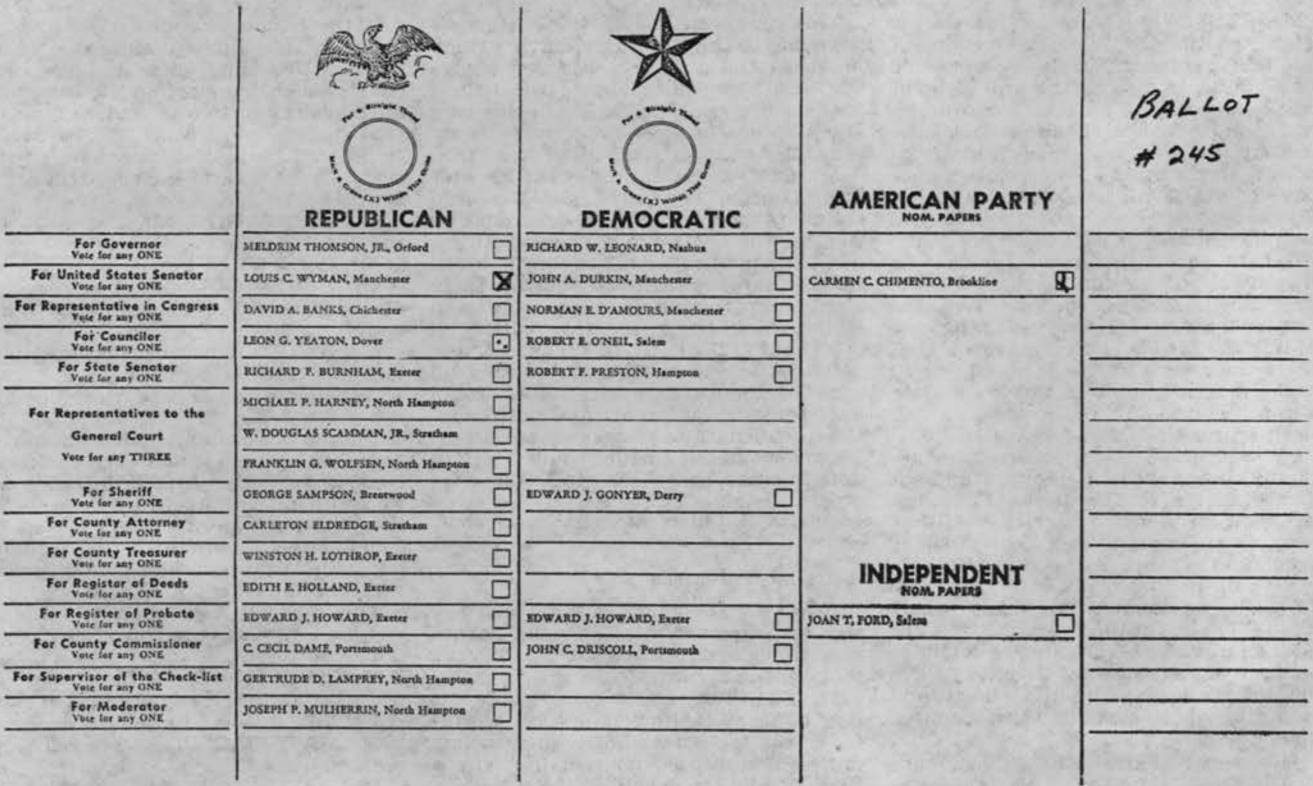


	For a Straight Ticket Make a Cross (X) Within The Circle ○ REPUBLICAN	For a Straight Ticket Make a Cross (X) Within The Circle ○ DEMOCRATIC	AMERICAN PARTY NOM. PAPERS	BALLOT #90
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☑	JOHN A. DURKIN, Manchester ☒	CARMEN C. CHIMENTO, Brookline ☐	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ⊡	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐ W. DOUGLAS SCAMMAN, JR., Stratham ☐ FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		INDEPENDENT NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			



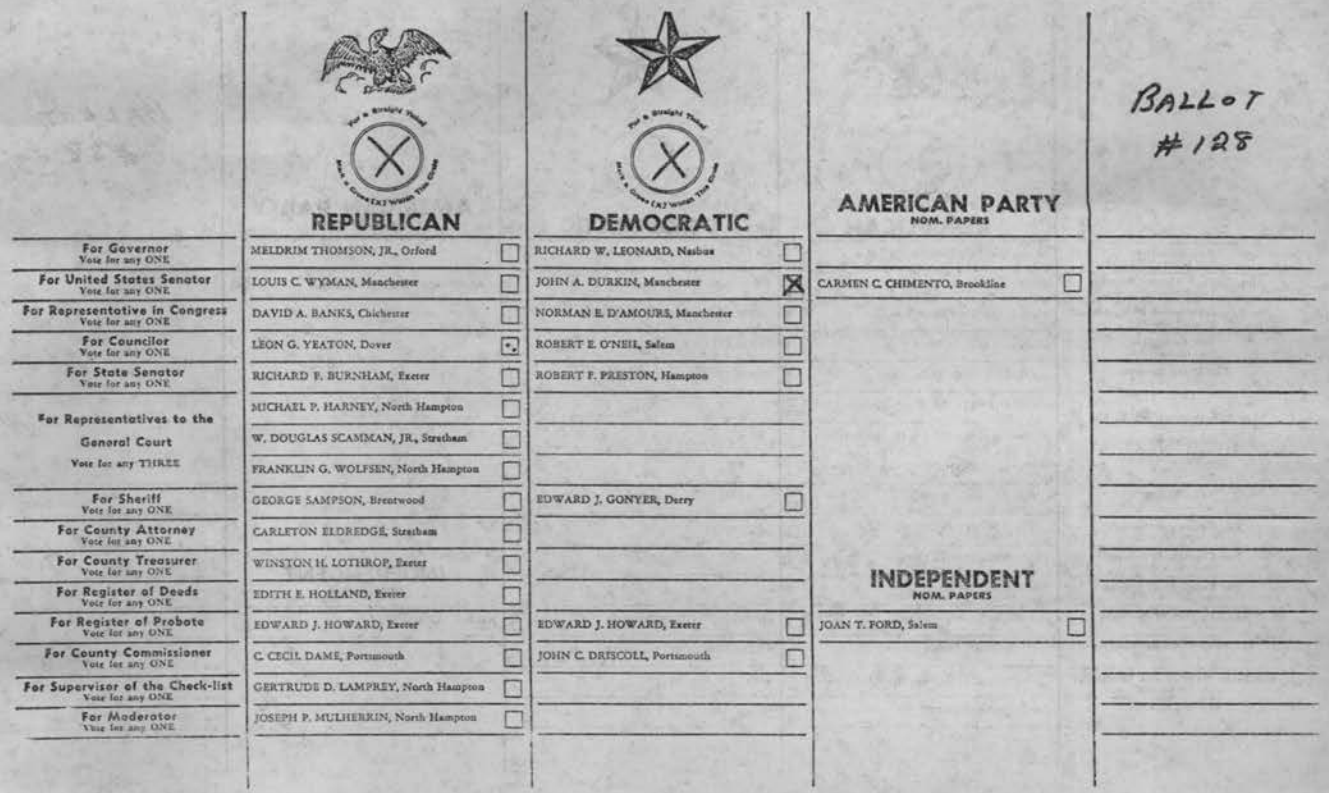
BALLOT
#88

	For a Straight Ticket ○ Make a Cross (X) Within This Circle **REPUBLICAN**	For a Straight Ticket ○ Make a Cross (X) Within This Circle **DEMOCRATIC**	**AMERICAN PARTY** NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☒	JOHN A. DURKIN, Manchester ☐	CARMEN C. CHIMENTO, Brookline ☑	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ☐	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐			
	W. DOUGLAS SCAMMAN, JR., Stratham ☐			
	FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			



BALLOT
245

	For a Straight Ticket ○ Make a Cross (X) Within This Circle **REPUBLICAN**	For a Straight Ticket ○ Make a Cross (X) Within This Circle **DEMOCRATIC**	**AMERICAN PARTY** NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☒	JOHN A. DURKIN, Manchester ☐	CARMEN C. CHIMENTO, Brookline ☑	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ☐	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐			
	W. DOUGLAS SCAMMAN, JR., Stratham ☐			
	FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		**INDEPENDENT** NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			


For a Straight Ticket Mark a Cross (X) Within The Circle
For a Straight Ticket Mark a Cross (X) Within The Circle

BALLOT
#128

	REPUBLICAN	DEMOCRATIC	AMERICAN PARTY NOM. PAPERS	
For Governor Vote for any ONE	MELDRIM THOMSON, JR., Orford ☐	RICHARD W. LEONARD, Nashua ☐		
For United States Senator Vote for any ONE	LOUIS C. WYMAN, Manchester ☐	JOHN A. DURKIN, Manchester ☒	CARMEN C. CHIMENTO, Brookline ☐	
For Representative in Congress Vote for any ONE	DAVID A. BANKS, Chichester ☐	NORMAN E. D'AMOURS, Manchester ☐		
For Councilor Vote for any ONE	LEON G. YEATON, Dover ☐	ROBERT E. O'NEIL, Salem ☐		
For State Senator Vote for any ONE	RICHARD F. BURNHAM, Exeter ☐	ROBERT F. PRESTON, Hampton ☐		
For Representatives to the General Court Vote for any THREE	MICHAEL P. HARNEY, North Hampton ☐			
	W. DOUGLAS SCAMMAN, JR., Stratham ☐			
	FRANKLIN G. WOLFSEN, North Hampton ☐			
For Sheriff Vote for any ONE	GEORGE SAMPSON, Brentwood ☐	EDWARD J. GONYER, Derry ☐		
For County Attorney Vote for any ONE	CARLETON ELDREDGE, Stratham ☐			
For County Treasurer Vote for any ONE	WINSTON H. LOTHROP, Exeter ☐			
For Register of Deeds Vote for any ONE	EDITH E. HOLLAND, Exeter ☐		INDEPENDENT NOM. PAPERS	
For Register of Probate Vote for any ONE	EDWARD J. HOWARD, Exeter ☐	EDWARD J. HOWARD, Exeter ☐	JOAN T. FORD, Salem ☐	
For County Commissioner Vote for any ONE	C. CECIL DAME, Portsmouth ☐	JOHN C. DRISCOLL, Portsmouth ☐		
For Supervisor of the Check-list Vote for any ONE	GERTRUDE D. LAMPREY, North Hampton ☐			
For Moderator Vote for any ONE	JOSEPH P. MULHERRIN, North Hampton ☐			

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. HATFIELD. Yes.

Mr. STEVENS. The resolution that is before us—not the Weicker amendment but the resolution itself—bothers me considerably in view of the provisions of article I, section 5 of the Constitution, that each House shall be the judge of the elections, returns, and qualifications of its own members. As I view this, under section 2, we shall be asked to vote on 27 ballots to determine how those ballots shall be counted. In effect, we are asked to substitute our judgment for that of the duly elected or duty appointed State commission. Is that correct? Will the Senator from Oregon agree with that?

Mr. HATFIELD. I say in effect that where the case is at this moment, it will be the determination of this body as to both procedures, and to the way in which we interpret New Hampshire law.

Mr. STEVENS. Am I incorrect in assuming that if the motion or amendment of the Senator from Connecticut does not carry, we are going to have these ballots here; we are going to be asked to look at them, and we are to be asked, in effect, to fill in that blank after, say, vote No. 22, to be counted for blank, that I am to fill in one of the two candidates for each one of those? Or are we to judge whether or not the way that they were counted is the way the duly constituted authority of New Hampshire counted them?

My point is, am I to be a participant in this New Hampshire election or a judge of the New Hampshire election?

Mr. HATFIELD. Here is the crux of the argument at this moment: whether or not we should apply New Hampshire law or whether we should apply the law from our own respective States or law from some other State.

This has been one of the battles we have had in the Rules Committee, which has been the difference between applying New Hampshire law to the ballots that we are asked to review in this case and are chosen to review, or whether we are going to apply some other law.

Mr. STEVENS. May I ask the Senator from Oregon, and perhaps it has been stated by the distinguished Senator from Nevada, the chairman of the committee, what the procedure will be, but is it the intent that we ought to vote on these eight separate issues before we vote upon section 2 and the 27 separate ballots?

Mr. HATFIELD. It is, because of the fact that a vote one way or another on some of these substantive issues would have some direct impact and bearing on the so-called 27 tie votes on 27 ballots.

Let me add one further thing. You will note in subsection (5) it says on line 15:

> Is it the sense of the Senate that, with respect to all ballots on which the committee vote is tied, the ruling of the highest authority of the State of New Hampshire shall remain in effect?

If the Senate should vote on that one way or the other way, it would have a very important bearing on whether we took up the 27 tie votes or not.

Mr. STEVENS. I take it if we vote it is not the sense of the Senate that the ruling of the highest authority of the State of New Hampshire shall remain in effect, that we would then vote on the 27 ballots.

Mr. HATFIELD. Considering the fact that there would be no other amendment offered at that point to use some other criteria or some other basis, if that were decided by the Senate in the negative then we would probably proceed to vote on the 27 ballots.

If the Senate should decide that the ruling of the highest authority of the State of New Hampshire shall remain in effect, which I understand is the procedure in the courts where there is an appeal from a lower court, and there is a tie in that multiple-judge court on that case, it goes back to the court that ruled last.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. HATFIELD. Yes.

Mr. PACKWOOD. What law was applied in the Rules Committee in the 27 ballots?

Mr. HATFIELD. That point is very interesting. If you go through the whole proceeding of the Senate Rules Committee, you will find we apply a judicial procedure on occasion and then when other occasions arose in which, such as Senator GRIFFIN suggested in this instance that we apply judicial procedure, we were told then by the majority that "We are not a court, we are not a body that is following judicial procedure or bound by judicial procedure."

Therefore, it was selectively applied when we were a court and when we were not a court.

Mr. PACKWOOD. In this case we obviously did not apply New Hampshire law, I take it?

Mr. HATFIELD. Right. The Senator is correct.

Mr. PACKWOOD. And no other law was made reference to at the time. We just looked at them and voted without any reference to some law?

Mr. HATFIELD. Let me say there were

four who tried to apply, in effect, both New Hampshire law and the procedures followed in courts where there are appeals.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. HATFIELD. I am happy to yield.

Mr. CANNON. I point out that we did not apply New Hampshire law in two specific instances of counting ballots, absentee ballots, at the urging of Mr. Wyman. Those two ballots were rejected by the secretary of state, and they were rejected by the ballot law commission, and the committee, in attempting to give full weight to the intent of the voters, voted unanimously.

Now, the four Republicans did not vote to apply New Hampshire law there. They voted with the four Democrats to apply good commonsense and try to enfranchise the voters, and we did enfranchise them. We knew good and well that when we opened those two absentee ballots—as a matter of fact, one of them had already been opened and carried around in the clerk's purse for a few days before it was turned in—they would be ballots for Mr. Wyman; and if that had not been the case Mr. Wyman would not be petitioning the committee to open them up. But under New Hampshire law they would not have been opened and they were not opened, and they were not counted, neither by the secretary of state nor by the ballot law commission.

We opened them up because we felt those voters should be enfranchised under the circumstances, and we voted unanimously for ballots for Mr. Wyman, and they are in the box; tallied two ballots for Mr. Wyman.

Mr. HATFIELD. I could not agree any more with the chairman as to any point in the whole proceedings and as of the moment. The chairman has very properly and very accurately stated the fact that the Rules Committee has been inconsistent. Of course, it has been inconsistent. It has been inconsistent on a number of points, and I want to show at one point a little later as to how our inconsistency ran even on these ballots that we interpreted.

But let me point out we not only enfranchised the voters in those two instances that the chairman points out but we enfranchised voters that should never have been enfranchised when we counted the X's at the bottom. New Hampshire law says you put an X at the top. We counted——

Mr. PACKWOOD. No circle or anything?

Mr. HATFIELD. No circle or anything. We enfranchised the voters; but by the same token, we turned right around, led by the chairman and the majority, to disenfranchise 12 voters who cast valid ballots for Mr. Wyman. So when the chairman says we were not consistently carrying out the New Hampshire law, we not only enfranchised but we disenfranchised.

Mr. GRIFFIN. Mr. President, will the Senator yield to me before we get too far away? I want to take issue with respect to the particular ballots where the chairman is charging the Republicans with not following New Hampshire law. I disagree with him. It is settled New Hampshire law that errors by voting officials not attributable to the voter himself have been held not to result in the disenfranchisement of the voter. That has been pronounced in several cases which I will put in the RECORD, and I think that throughout the committee proceedings, not only in the instance to which the chairman referred but in some other instances, where we found the voter himself was not at fault, but that an election official made some kind of an error, we did try to give the voter his vote. This is not at odds with New Hampshire law. This is in compliance with New Hampshire law.

Mr. BEALL. Mr. President, will the Senator yield? I came into the middle of this discussion and it appeared to me that Senators have been discussing the so-called "skip counting" ballots. Just to put this in a perspective that I, as a nonlawyer, can understand, do I correctly understand that among 27 ballots that are being contested in the resolution there are 12 that were cast for the Republican ticket but did not have the X beside the candidate's name, and that the committee is undecided on those ballots; is that correct?

Mr. GRIFFIN. That is right. The committee tied four and four as to whether or not those should be counted for Wyman or ruled as "no" votes.

Mr. BEALL. And under New Hampshire law these ballots would have been counted for Mr. Wyman; is that correct?

Mr. GRIFFIN. They not only would have been counted, they were counted for Mr. Wyman at every stage, at the election polling place, by the secretary of state in the recount, and by the ballot law commission.

Mr. BEALL. If we find then there are ballots in which the X is in the party circle and it skips the candidate's name in the case of Mr. Wyman, it is reasonable to assume that there are ballots that were marked for the Democratic ticket and did not mark the Democratic candidate for Senate. Did the committee consider ballots of that sort?

Mr. GRIFFIN. Let me respond by saying that it is not only reasonable to assume, there is evidence, affidavit evidence, by the secretary of state and by local election officials. This evidence is in the record of the hearings of the committee, and in any case there are "hundreds" of ballots that were counted for Mr. Durkin of exactly the same type.

Mr. BEALL. But the committee is only considering those that applied to the Republican candidate and not to the other candidates.

Mr. GRIFFIN. Well, the committee divided four and four on the question of what to do. But the Senator is correct; there are four members of the committee who want to apply a different rule to these 12 ballots than has been applied to all the other ballots that have already been counted.

Mr. BEALL. Well, then, if fairness is the issue here, when we come to item No. (5) on page 2, if we are going to be fair, it seems to me the Senate has to answer that question in the affirmative, does it not, and let the New Hampshire law be the determining factor in this case?

Mr. GRIFFIN. I would certainly think so, without question.

Mr. BEALL. Suppose the Senate decides in the negative?

Mr. STEVENS. That was my question.

Mr. BEALL. Then it seems to me, under subsection (6), the Senate has to go back and retrieve all of the ballots, does it not, so that each candidate is treated the same?

Mr. GRIFFIN. I would agree with the Senator. In fact, that was the position I took in committee. I do not think it is enough to go back and retrieve a given number of skip-Durkin ballots and say the issue is another.

I think we disregard the expressed will of the people of New Hampshire if that is all we want.

It seems to me we have to go back into all the ballots, take out all the skip-type ballots for either party and count them by using the same rule.

Mr. BEALL. And each count.

Mr. GRIFFIN. And each count.

Mr. PACKWOOD. What is the reason for not going back?

Mr. GRIFFIN. I think it would be more appropriate if someone on the other side of this issue were to answer, because this Senator at all times wanted to recount all of the ballots, not to count only those ballots which Mr. Durkin wanted counted. Second, when we got to this issue I made the motion and was supported by the Republicans in going back at least to the extent of extracting those particular skip-type ballots.

We are in the ridiculous position of the committee having decided that we would engage in only a partial recount of the New Hampshire election.

Mr. PACKWOOD. Let me make a suggestion: whatever the law the committee is to apply, we have not yet taken jurisdiction of this election and there is nothing binding on this committee in the way of any kind of agreements Mr. Durkin and Mr. Wyman may have made or certain challenges one party made and not the other. That does not bind the committee.

Mr. GRIFFIN. That is right. They have all been shipped here from New Hampshire, they are in our custody, under lock and key over here in the Old Senate Office Building.

Mr. PACKWOOD. Does the Senator mean to tell me we are not like an appellate court where something may have been stipulated before; we can receive all the ballots here and the committee chooses to look at only some, and not all?

Mr. GRIFFIN. That is the situation we are in.

Mr. McCLURE. Mr. President, will the Senator yield?

I think the Senator from Oregon put his finger precisely on the inconsistency in the position of the committee with respect to the skip ballots, because I recall the junior Senator from Louisiana last week telling us that there is a time and place for everything, and that since Mr. Wyman had not made his protest about the skip-Durkin ballots at the appropriate time in the State proceedings, he was banned from doing so now.

The Senator from Oregon indicates that the committee has thrown aside all the questions, all procedures, and the laws of New Hampshire in order to try to determine the intent of the voters, and, in doing so, has done so on a selective basis, throwing out only the skip Wyman ballots, but not applying the same rules.

Mr. GRIFFIN. Does it not seem a rather novel argument to suggest Mr. Wyman is now somehow precluded because he directed his challengers to apply and abide by New Hampshire law, and to count ballots for Mr. Durkin that New Hampshire law required to be counted for Mr. Durkin, and that he did not somehow anticipate or assume that if this election got to the Senate that the Senate would reverse New Hampshire law and apply a different rule?

They are suggesting he would have assumed or forecast that, which is a ridiculous position.

Mr. McCLURE. There is absolutely no way he could have assumed what the committee would do because the committee was going outside established New Hampshire law.

Mr. GRIFFIN. That is right.

Mr. McCLURE. But the committee argues in another respect that all they are trying to do is be fair, all they are trying to do is to enfranchise the voters of New Hampshire, but they want to do it only when it counts one way.

Mr. GRIFFIN. It seems to me there are a number of bases or arguments for this case going to review by the U.S. Supreme Court, and we will talk about some of those; but certainly we have got our finger right now, it seems to me, on one of the most glaring denials of due process.

If the Senate should resolve this matter by allowing 180-some-odd-thousand ballots to be judged on one basis, one standard, including the skip basis, and then applying a different standard to some 3,500 ballots, I cannot conceive of a judicial review not reversing that situation, if that should be the result in the Senate, and I hope it will not be.

Mr. STEVENS. Can the Senator help me go on from where I was before with regard to question No. 5?

Assuming that the Senate decides against question No. 5, it is my understanding, as I said before, that under section 2 we would be called upon to fill in the blanks on 27 ballots as to how they would be counted.

Could the Senator tell me, under those circumstances, what law the Senator from Alaska would follow in determining how the ballots will be counted?

Mr. GRIFFIN. Well, No. 5: Is it the sense of the Senate with respect to all ballots on which the committee vote is tied the ruling of the highest authority of the Senate of New Hampshire shall remain in effect?

Mr. STEVENS. It is my understanding that if the Senate votes in the affirmative on that matter, we would not have to vote on the 27 ballots under section 2. If it votes in the negative, we would then be called upon to vote on the 27 ballots.

My question is, and I would be happy if any member of the committee on either side of the aisle would assist me, if that comes to pass, what law does the Senator from Alaska follow in counting those ballots?

I might point out my State did away with the party line paper ballot option, and I am not familiar with the laws of any State other than what I have read about New Hampshire here, but if I am not to follow the rule of the highest authority of the State of New Hampshire in looking at those 27 ballots, what else am I supposed to follow?

Mr. GRIFFIN. Well, the Senator from Michigan thinks we are compelled to and should follow the laws of New Hampshire.

It seems to me almost incredible—and I wish the chairman were here; he is not here for the moment. But in his opening statement, part of his opening statement is that the Senate is not required to follow New Hampshire law, or words to that effect.

The voters went to the polls and followed instructions as to how to vote on the basis of New Hampshire law. The local election officials counted them on the basis of New Hampshire law. I cannot conceive of the Senate not considering itself bound by New Hampshire law. But nevertheless, there were members on our committee who argued we should disregard New Hampshire law. That is their position, that we do not have to pay any attention to it. Or that if they as individuals think that the intent of the voters was such and such, then notwithstanding New Hampshire law, they are going ahead and reach the result which they think we should reach.

Mr. BEALL. As I understand it, now, if the Senate votes negative on question No. 5, the Senate will apply New Hampshire law in the case of one candidate, and not the other.

Mr. STEVENS. That is not necessarily so. Applying New Hampshire law in the case of a set of ballots, and not New Hampshire law in the case of another set.

As I understand it, on the vote of 100 Senators as to how vote No. 22 should be counted—and vote No. 22 represents the vote on a particular citizen of New Hampshire, as the Senator from Michigan pointed out, who thought he or she was voting in accordance with the New Hampshire law—I find it very strange that there is not some guideline, or something set up here, so that if we were going to follow the chairman of the Rules Committee, as I understand his position, and apply the ruling of the highest authority of the State of New Hampshire, that we at least have some guidelines for Senators as they look at these 27 ballots.

Mr. GRIFFIN. If the Senator from Alaska wil permit me, I defer to the Senator from Rhode Island, who is chairman of the Subcommittee on Elections and Privileges, on this question, because the Senator and I are on the same side.

This has been my argument all along. I know he has a different point of view. I think it might be appropriate for him to express it.

Mr. PELL. The question, as I understand it, is whether one should religiously follow New Hampshire law or follow what would be the wishes of the voter.

Mr. STEVENS. It is not quite that, if I may state to the Senator from Rhode Island. My point is, if we adopted the position, as I understand, which is the position of the majority of the committee, or at least the chairman of the Rules Committee and the subcommittee, and vote not to accept the ruling of the highest authority of the State of New Hampshire with regard to the ballots that are before us, what law do we follow in determining how to count the 27 ballots that are listed in section 2?

Mr. PELL. In the first place, under New Hampshire law—and I do not have the citations right here—this is what lawyers are for—we have also expressed in New Hampshire law, in one of those cases, the thought that the important thing is to express the intent of the voter.

Mr. STEVENS. Is the Senator from Rhode Island telling me that although we might vote under section 5 not to accept the ruling of the highest authority of the State of New Hampshire, we are still supposed to determine how the ballots would be counted in terms of our own interpretation of New Hampshire law?

Mr. PELL. Let me give you a specific example of what we are talking about. There may be an X at the top of the column for the party vote and then 10 X's all the way down, with 1 blank space. I think the law of commonsense would say that if there is one blank space in there, whether it is for dogcatcher or for Senator, that would mean that the man who was voting intended not to vote for dogcatcher or Senator where that blank space was. This is how I interpreted those ballots, and I think it is a correct way of doing it. Others will interpret it differently.

Mr. McCLURE. Is it not a fact that the Supreme Court of New Hampshire has indicated in those circumstances that the X in the party mark counts for all the candidates?

Mr. PELL. I am informed that the supreme court or the courts of New Hampshire have indicated both.

Mr. McCLURE. Have indicated both?

Mr. PELL. Yes.

Mr. McCLURE. The information that I have is that ever since 1919 there has been no split in New Hampshire on that case and they followed the straight party marking.

Mr. STEVENS. I am informed there are some of them where the X was at the bottom, not in the circle at all, at the bottom of the column and they were counted by somebody. Was that by the committee?

Mr. GRIFFIN. Let us talk about that for a moment, because I do not think you will find any New Hampshire law anywhere that says that an X down at the bottom is a way of casting a straight party ticket. Yet this committee, disregarding the New Hampshire law, went ahead and counted that as a straight vote despite the fact that it seems to me such a marking at the bottom of the ballot is ambiguous, to say the least. One does not know whether the voter was expressing some kind of an intent to cross out the candidates or what he was attempting to do. But the law of New Hampshire is clear. If you want to vote a straight party ticket you have to put an X in the party circle at the top of the column.

We did count as straight tickets situations where the X was not quite in the circle, or maybe an inch or two out of the circle, where it was quite clear that the person was trying to vote a straight ticket. But when he put an X at the bottom there is no precedent in New Hampshire law that was ever called to our attention that would indicate the committee was justified in counting those ballots.

Mr. PACKWOOD. Will the Senator yield?

Mr. PELL. I do not have the floor.

Mr. PACKWOOD. Will the Senator from Oregon yield while I ask the Senator from Rhode Island a question?

Mr. HATFIELD. The Senator from Michigan has the floor.

Mr. GRIFFIN. I yield.

Mr. PACKWOOD. I am genuinely confused now. In response to Senator STEVENS' question about intent, where the circle was left blank, the Senator's impression of the intent was that he meant to leave blank that one candidate.

Mr. PELL. Exactly.

Mr. PACKWOOD. Apparently there was a majority vote on the Rules Committee on a number of these. But the Rules Committee, assuming that is the way intent is determined, did not look at all the ballots but just these few ballots.

Mr. PELL. Just the ballots that came before us were those we looked at, that is correct.

Mr. PACKWOOD. Did I understand the Rules Committee did have jurisdiction to look at all the ballots if they wanted to?

Mr. PELL. Theoretically, we had that jurisdiction.

Mr. PACKWOOD. What does the Senator mean by theoretically?

Mr. PELL. Actually, we had the authority.

Mr. PACKWOOD. Actually the committee had the authority, but as a matter of choice they chose not to.

Mr. PELL. That is right.

Mr. PACKWOOD. Why was that?

Mr. PELL. Because the 3,500 ballots had been segregated to one side and put in the State police vault at the time. They were the ones in issue. The attorney general himself said at the time or shortly afterward that the whole issue was decided on those 3,500. There is no argument on the others, because they had been counted.

Mr. PACKWOOD. Is it my understanding that there are any number of these ballots for Mr. Durkin, that were skip-Durkin ballots, but they were counted for Mr. Durkin?

Mr. PELL. I do not know. Presumably so; presumably skip-Wyman or skip-Durkin ballots would be in there. But the 3,500 we were counting were the ones we were faced with, and we did not count all of those.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. BEALL. Do I correctly understand that these ballots were originally counted for the candidate who received the vote in the party-line circle, and the committee in this instance would be overruling the law of New Hampshire? What the Senator seems to be telling me is that they are overruling the law of New Hampshire in the instance of 12 ballots but even though there are other ballots that fit into the same category they are going to let the law of New Hampshire stand with respect to those ballots. Is that what the Senator is saying, that they apply the law of New Hampshire in some cases and not in other cases?

Mr. PELL. The law of New Hampshire is as determined by the courts. In Murchie against Clifford, the question is raised: The issue here is "for whom did the voter cast his ballot?" This is a judicial question and the power to decide it upon all the competent evidence in the case cannot be abridged by any act of the legislature.

In other words, what this case says is that commonsense supersedes any action of the legislature.

Mr. BEALL. I am not a lawyer.

Mr. PELL. Nor am I.

Mr. BEALL. I was trying to apply a little commonsense to this, if I could. What I understand the Senator just said to me is that in the case of the skip-Wyman ballots the committee has said, in spite of the fact that the law of New Hampshire says that the X in the party circle means that the ballot should be counted for the candidate of that party, the committee is going to overrule the law of New Hampshire in this instance and say, "We are going to apply our own judgment, commonsense," or whatever the Senator called it. But then the Senator is going to say in the case of the ballots where the X mark is in the circle for the Democratic candidate, and there is no marking in the box beside the candidate for the office, that they are not going to throw these out. So we are applying the New Hampshire law in the case of one candidate and not applying the New Hampshire law in the same circumstances with regard to the other candidate.

Commonsense tells me that is not fair.

Mr. PELL. The definition of law is not only the acts of the legislature but the judicial decisions. I just read the citation from a judicial decision which says specifically that the power to decide upon all competent evidence in the case cannot be abridged by any act of the legislature.

Mr. BEALL. I am not saying to be abridged by the act of the legislature. This legislature appears to be abridging something if we are not going to apply the New Hampshire law in the case of one candidate and we are going to apply it in the case of the other candidate in similar circumstances.

Mr. PELL. Let me ask the Senator, who is a nonlawyer, if he saw a list with 10 names with little squares, each filled out except for one, and the square at the top, would his assumption be that the voter meant not to vote for this one that he carefully skipped?

Mr. BEALL. I am not sure what my assumption would be. My first question would be where are the ballots, and they must exist, which apply to the other candidate.

Mr. PELL. They apply to both.

Mr. BEALL. You have 12 ballots in this instance that skipped Mr Wyman. Senator GRIFFIN said that there was direct testimony that there are many skip-Durkin ballots but the committee has not considered these. So my question to the Senator is this: Is he going to apply the New Hampshire law in the case of Mr. Durkin but the law of the U.S. Senate, or whatever it might be, to overrule the law of the State of New Hampshire in the case of Mr. Wyman? How can he do that?

Mr. PELL. We treated them both alike.

Mr. BEALL. I think not.

Mr. PELL. In the committee we did. We did not count the skip-Durkin.

Mr. BEALL. The committee has not considered the skip-Durkin ballots, as I understand it. They have considered only one class of ballots.

Mr. PELL. The ones that came before us. We most certainly did.

Mr. BEALL. Why did the Senator not search for them? If he has taken one group of ballots and said, "We will not let the law of New Hampshire stand," then does he not feel compelled to say, "Let us look at the other ballots and see if we are going to let the New Hampshire law stand in those instances"?

Mr. CANNON. Mr. President, will the Senator yield?

Mr. PELL. I will be delighted to.

Mr. CANNON. Perhaps I can enlighten the Senator, if he is willing to listen.

Mr. BEALL. I am willing to listen.

Mr. CANNON. When this matter started, Mr. President, after the election, on election night, Mr. Durkin requested a recount, and he was 355 votes behind. Under New Hampshire law you can have a recount by the secretary of state as you can have a recount in every State. I have had one against me in my own State. I know a little something about it.

At that time every ballot that was cast on election night is recounted, in this case by the secretary of state, so that he can certify the results. At the time of the recounting—and all that is is a mechanical-physical operation of recounting the ballots and issuing the tallies—in the process, the parties have the opportunity to protest whatever count the secretary of state made. Either of the parties can protest, and on some ballots both of them protested.

At that time a slip is affixed to the protested ballot by the secretary of state, and on it he says, "Protested by Durkin" or "Protested by Wyman," or "Protested by Wyman and Durkin and counted for whom." He puts it on there and those protested ballots are set aside.

In the New Hampshire election, in connection with the recount, there were roughly 3,500 ballots that were set aside. As Mr. Durkin said before the committee, the parties protested everything that moved. Having been through a recount, I think they did. They protested everything that moved because when you instruct your people, you say, "If you see anything that you think is available for a protest, then protest."

They protested checks, because the law says you have to vote with an X, and they protested little and big examples. Where the X's were a big X all through the ballot, it was protested. Where they had two X's on, an X down in the middle, they were protested. They protested where the X was outside the circle, and they protested where the check mark was made in other than black ink, where it was made in blue ink or red ink. All of these things were protested by one or the other or both of the parties in connection with the recount by the secretary of state.

When they finished up, they had approximately 180,000 ballots that neither of the parties protested, and they set them aside.

The attorney general of the State of New Hampshire has said it is absurd for the parties who protest to make references to those 180,000, because the story is in the 3,500 that were protested. Nobody protested that 180,000 until after the recount had gone through and the result had come out a little differently. Nobody protested.

Mr. BEALL. Mr. President will the Senator yield?

Mr. CANNON. Let me finish the story. I want to tell what happened now.

Mr. BEALL. All right.

Mr. CANNON. Nobody protested those 180,000 until after the recount was all through, the parties had segregated out their 3,500 ballots that went to the ballot law commission, and Mr. Durkin had been declared the winner by 10 votes by the secretary of state and was certified. The certificate was sent down here and was at the desk, as the Senator knows.

All right. What happened then? Then it went to the ballot law commission, and the ballot law commission reviewed the ballots that were protested and presented to them for review. How many of that 3,500? Roughly 400. Why? Because of the fact that, as to the balance of the 3,500, obviously a lot of them were not valid protests. They were the kinds of things that I mentioned, the green and red ink, the check marks rather than the X which the statute provides. The law says that. As I said, we did not follow the law in many instances, because we tried to enfranchise the voter. But the parties did not present some 3,100 ballots to the ballot law commission for consideration.

The ballot law commission went over those 400. What they did is this: they went through the ballot, they looked at the ballot and they said, "How will we count it?" There they voted. If it had been previously counted for Mr. Durkin and was protested by Mr. Wyman, they made their decision on it and adjusted the totals accordingly.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. CANNON. Yes.

Mr. BEALL. I thank the Senator for that explanation. But it still raises questions as far as I am concerned. It seems to me that what the ballot law commission did has some relevance to us, but the fact is now we have this matter before the U.S. Senate, and we are going to have to render a decision. I hope the decision will be an equitable and fair one, with the same rules applying to each of the candidates. It appears to me, in this instance, that we are making an issue of timing the challenge of a particular ballot.

My question is: I understand from reading something here in the last day or so, that in Mr. Wyman's case he instructed his people not to challenge ballots where there was and X in the Democratic circle but no X beside the name of Mr. Durkin, because he assumed that New Hampshire law was pretty solid on this point, and they should be counted under New Hampshire law because there is an X in the circle. What I have learned since then and what the Senator has been telling me since then is that Mr. Durkin challenged the ballots where there was an X in the party circle and no X in the candidate circle because he apparently did not want New Hampshire law to apply; therefore, the committee is accepting these contested ballots and not willing to go back and apply the same rule to other ballots which may have the same circumstances applied to it. Is that so? I am as confused now as I was when I began because it appears to be perfectly obvious that we are applying one set of rules to one candidate and a different set of rules to the other candidate.

Mr. CANNON. I do not think that is true at all. The same set of rules has been applied, although as the Senator from Oregon pointed out a little earlier, the committee did reverse itself in some instances. As a matter of fact, ballot No. 22 is a famous example, and that is one of the tie votes that is here before the committee. We tied on a 4-to-4 vote on ballot No. 22 and yet we turned around. It was a question of four votes for Mr. Durkin and four votes for nobody, no vote. But we turned around a little while later and gave a ballot to Mr. Wyman under precisely the same circumstances.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. CANNON. We are trying to apply the same rules to everybody. But at some point we have to bring this proceeding to an end. Now Mr. Wyman says we want to go back and we want to go through all those ballots and see if we cannot find something else that they should have brought out or should have protested.

I have no doubt that if we got through that, that by the time we got through it then there would be another request. Let us go back. Here is another sort of thing where we ought to go back and go through 180,000 or 185,000 ballots.

The attorney general, Mr. Rudman, characterized it correctly when he said that those ballots are immaterial as far as this race is concerned; nobody protested those. They should be set aside, and the whole story is in the 3,500 ballots.

Mr. STEVENS. Mr. President, will the Senator yield at that point for a question?

Mr. CANNON. Not for the moment.

The Senator says we are trying to set up a different rule and go outside of New Hampshire law.

Mr. BEALL. I am not saying that. I am asking the question the way it appears to be. I would like it clarified.

Mr. CANNON. We did go outside of New Hampshire law.

Let me show the Senate here what we did. If the Senator's contention is correct, those ballots would cancel each other out, and that is correct, absent any other evidence; if there is nothing on there but an X in the Republican circle and an X in the Democratic circle, they would cancel each other out. But we had some ballots like this where the person put the X up there in both and came down here and put an X for Mr. Wyman and on down here and an X for somebody else and several other X's, not only several others, but as a matter of fact, quite a few of them. This is not precisely the same ballot.

But what the committee did is; we said this is the specific intent, indicating an intent to vote for those people, and we gave the ballot to Mr. Wyman, even though technically under New Hampshire law, if you are going to follow it, those would cancel each other out and we had another one where the mark was simply an X mark in there. We did exactly the same.

Mr. BEALL. My point is, I understand that the committee got a ballot that was marked here and marked in each of these boxes, except Mr. Wyman's, and there was a mark over here, as I understand it, that counted the vote or has not counted that vote for Mr. Wyman; is that correct?

Mr. CANNON. No; the Senator is not quite correct on his facts. But I will be glad to show him. I will use an example here now for the so-called famous skip-Louis ballot.

Mr. BEALL. All right.

Mr. CANNON. Here is the situation: Where the X was put at the top of the circle and then a man went right down the line and he voted for Mr. Thompson, an X, and he went down and voted for Mr. Banks—some of these names may be different because this may be from a different precinct.

Mr. BEALL. I am not worried about the name. I understand.

Mr. CANNON. Here is what the voter did. He went down very carefully, all the way down the list. It took a lot of trouble.

Mr. BEALL. And time.

Mr. CANNON. There is no place that he should vote for any three.

Mr. BEALL. I can understand those kinds of errors.

Mr. CANNON. He took it all the way down the list. When he finished, we had this voter who certainly wanted to indicate that he was a Republican voter. He put a big X in the top of the circle. Then he went down and voted for every other name on the list except Mr. Wyman. The law says and the courts say that you have to try to determine the intent of the voter.

Does the Senator mean to tell me that one cannot look at that and tell what the intention of that voter is? Does the Senator think that voter intended to vote for Louis Wyman, after he voted for every one of those people and left Wyman blank?

Mr. BEALL. That is not my question.

Mr. CANNON. But that is my answer. [Laughter.]

Mr. STEVENS. For a straight ticket, they mark an X within the circle.

Mr. BEALL. I understand that there was another set of ballots. There is the X in this circle and the X's down here for all these candidates except by Mr. Durkin's name. I understand there is testimony before the committee or affidavits, that there are a number of these ballots.

Mr. PACKWOOD. Hundreds of ballots.

Mr. BEALL. The Senator is going to count these ballots for Mr. Durkin, but he has not retrieved these ballots so that they can be judged against the others. The Senator is taking only the skip-Louie ballots but is not taking the skip-Durkin ballots.

Mr. CANNON. There are affidavits by Republican Party workers——

Mr. BEALL. Should not the committee search those ballots out? Those ballots have been counted in the State of New Hampshire.

Mr. CANNON. We say that every one of those ballots that were moved on election night were protested by one or the other, and they are all in there—the 3,500.

Mr. BEALL. I read that Mr. Durkin instructed his challengers not to challenge this kind of ballot because the New Hampshire law said that a mark in the circle meant a vote was being cast for everybody on that ticket.

Mr. CANNON. If he instructed his people that way, they did not carry out his instructions; otherwise, we would not have a skip-John ballot before us.

Mr. BEALL. There is one.

Mr. CANNON. Twelve skip-Louie and one skip-John. This is consistent.

Let me show the Senator another one.

Mr. BEALL. I was only interested in this one.

Mr. CANNON. I would like to educate the Senator further.

Mr. BEALL. The Senator from Nevada has not educated me very well in the first instance, because there is an inconsistency.

Mr. CANNON. We are trying to determine the intent of the voter. Here is what one voter did. He marked his X there and marked all the way down here, and he went up here and even put a little dot there. As a matter of fact, he had two dots, as though he just really wanted to vote for Mr. Wyman. I know he was a very strong Republican, but he could not bring his heart to it, so he had two little dots there, as though he were going to start to vote there and changed his mind.

Mr. BROCK. Now the Senator from Nevada is reading his mind.

Mr. CANNON. I am doing a pretty good job of it.

Mr. BROCK. The Senator certainly is.

Mr. CANNON. He could not bring himself to vote for Mr. Wyman and did not do it and skipped.

To get back to my original statement, we disregarded the marks on several ballots where there was a mark at the top but the rest of the ballot showed a specific intent to vote in another fashion. Some of these ballots are for Mr. Wyman, and I will call those out to the Senator at the proper time.

Mr. BEALL. You lawyers are all a clever lot, and it is difficult for us nonlawyers to contend with you. But the fact remains, as I understand it, that the committee has taken these ballots, where the X is in the party circle and there is no mark beside Mr. Wyman and has said that these are fair to be challenged. But the committee also has said that when the X is in the party circle and there is no mark by Mr. Durkin's name, these are off limits and we cannot challenge those. My layman's mind cannot understand why there would be one set of rules in the case of Mr. Wyman and another set of rules in the case of Mr. Durkin.

Mr. CANNON. The Senator is wrong. On the "skip-Louies" I voted against giving that ballot to Mr. Durkin, and in the other situation, and that is one of the tie votes before us.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. CANNON. Under the law of New Hampshire, we have to try to determine the intent of the voters.

Mr. BEALL. Neither one of these ballots counts under the New Hampshire law. Under the law of New Hampshire, when the X is in the party circle, it counts for the candidate of that party.

Mr. CANNON. Under the law of New Hampshire, that X is——

Mr. BEALL. We have made these X's. I say that under the law of New Hampshire, when the X is in the party circle, the ballot should be counted for the candidate of that party.

Mr. CANNON. For everyone in that column, if there is no other mark on that ballot.

Mr. BEALL. But even if there are other marks on the ballot, the law says the ballot should be counted for the candidate.

Mr. CANNON. That is the issue we are debating here.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. McCLURE. The Senator earlier read from the Murchie case, decided in 1911, but he did not cite the case that distinguished that—the Barr against Stevens case, decided in 1919. In exactly the same condition that is here, they said that the failure to mark the box is not evidence of the intention of that voter to cancel the vote for that particular person. That is the settled law in New Hampshire.

Mr. CANNON. The settled law in New Hampshire says that the judicial body looks at that entire ballot to determine the intent of the voter and that the legislature cannot impose any restriction on the judicial body in interpreting what that ballot means.

Mr. McCLURE. But the judicial body in the case of Barr against Stevens decided that the failure to mark was not evidence of the intention to cancel that name or to erase the vote for that individual. That is the settled law in New Hampshire.

Mr. CANNON. They found that as a judicial determination under the circumstances. That is quite different from this situation.

Mr. McCLURE. Precisely the same as this situation.

Mr. CANNON. It is not at all. It is not even close to it.

Mr. McCLURE. The Senator says that.

Mr. CANNON. The proposition of the law I read earlier, where a cross has been made by a voter in the circle at the head of the column, the ballot shall be counted for all names in the column not canceled or erased, to the exclusion of all others, cannot be followed in a judicial inquiry as to the results of the election. "Cannot"—I repeat that.

Mr. McCLURE. The Senator is talking about a split ballot in that instance, which is not this case. If, instead of reading the headnote, the Senator would read from the body of the opinion of the court, he would get quite a different conclusion from that which he just stated.

Mr. CANNON. That is not so. The language of the opinion supports this.

Mr. McCLURE. I have read the whole case, and it does not. The Senator can say it does, but that does not make it true.

Mr. BEALL. Does not the Senator think that if the Senate is being called upon to decide an election and if it makes a decision that this kind of ballot should be thrown out or counted for the other candidate——

Mr. CANNON. There is no intention of it being counted for the other candidate. It should be counted for Wyman or not.

Mr. BEALL. Does not the Senator think that when there is substantial evidence that a large number of ballots exist, with the same circumstances applying to the other candidate, the committee representing the Senate, and then the Senate, should go out and get those ballots in and see that they are treated in the same way?

Mr. CANNON. That is the issue we are going to determine at 5 o'clock tomorrow afternoon.

Mr. BEALL. We are going to determine whether to send it back to New Hampshire.

Mr. CANNON. That is involved in it; and if we do not send it back, we will determine this issue at a later time.

I happen to believe that in those 3,500 ballots exist every ballot on which the parties conceivably could have dreamed up any possibility of protest, and they did protest them. If we did not go along with that theory, we would not have had a skip-Durkin ballot at all.

Mr. BEALL. There is some testimony before the committee to the effect that there are ballots still existing——

Mr. CANNON. There is an affidavit by a partisan worker who was not even counting the ballots, who was going around in the room at the time the ballots were cast, who says, "I am sure there were a number of ballots that were skip-Durkin ballots."

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. CANNON. Yes.

Mr. HATFIELD. The partisan worker was a former Governor of New Hampshire.

Mr. CANNON. I understand, that Republican Governor who was a partisan worker in this activity.

Mr. BEALL. We live in a partisan world.

Mr. STEVENS. If the Senator is correct, and we believe everything that is challengeable in the 3,500, what is wrong with looking at the others to see if he is right?

Mr. CANNON. Because there are 185,000 ballots there. As I have said, if we start through those on this issue, next week it will be to go through them on another issue.

Everybody knows that Mr. Wyman wants to go back and get a new election. There is no doubt about that. His lawyers have contended that consistently, all through the process here. What we are trying to do is determine it and we are trying to find out, based on the ballots that those parties protested—does the Senator think that the Republican attorney general up there would have said that the story is in that 3,500—really the 400—and not in the 185,000 that nobody protested on election night? Nobody, mind you, protested any of those ballots, not on election night.

Mr. BROCK. But he has to operate under New Hampshire law. The Senator does not. The chairman has already changed New Hampshire law. Now, under his own admission, he is going for intent, not what the law says.

Mr. CANNON. No; the law says we try to determine the intent.

Mr. McCLURE. Who is the judge of the New Hampshire law if the courts of New Hampshire are not?

Mr. CANNON. The Senate——

Mr. McCLURE. The Senate is the judge of law of New Hampshire?

Mr. CANNON. The Senate is the judge of trying to determine the intent of the voters. That may or may not apply to New Hampshire law, and we did not——

Mr. McCLURE. The Senator says——

Mr. CANNON. May I finish making my answer?

Mr. McINTYRE. May we have order, Mr. President?

Mr. CANNON. I do not mind the Senator's asking and answering the questions, too, if that is what he desires.

We departed in numerous instances from New Hampshire law because we wanted to give full weight to the intent of the voter. Maybe the Senator was not here a little earlier, but I talked about the two absentee ballots.

Mr. McCLURE. I was here.

Mr. CANNON. Those were not in the New Hampshire law. The State of New Hampshire ruled them out; the ballot commission ruled them out. We did not want to disenfranchise those two voters. We opened one of them. One of them had been already opened, having been carried around in the good lady's purse for several days. We tallied them for Mr. Wyman. I think the vote was unanimous.

Mr. McCLURE. Will the Senator yield?

Mr. CANNON. May I finish my response?

We tallied them for Mr. Wyman and put them in the box. We hope to bring them out, that big brown box.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. CANNON. To one at a time, if I may.

Mr. HATFIELD. Upon what basis were these two votes the chairman keeps referring to as "we cast these votes for Mr. Wyman, knowing they were Mr. Wyman's." Were these clerical errors?

Mr. CANNON. The one I think was, because the man was entitled to have been on the registration list, just as Mr. Michaud was entitled to have been on the registration list in the Michaud case. We felt that we ought to consider his ballot. The other one, I think, one of them was returned to the—we went down and retrieved one because Mr. Wyman thought there was a protested ballot that had not been considered, that showed up in getting the ballots that had come from ward 3, and that that would have made too many absentee ballots. As the Senator knows, we reread that, found out the ballot had already been cast for Mr. Durkin and nobody had protested it. We did not try to count it again for him.

Mr. HATFIELD. Where and for whom were these ballots counted, as far as each step in the New Hampshire proceedings is concerned? Were they counted by the original poll counters, by the secretary of state, by the ballot law commission? Who, in New Hampshire, in New Hampshire election procedures, gained those votes that we now call the skip-Louie votes?

Mr. CANNON. Technically, the committee was not supposed to know that, how the secretary of state decided and how the ballot law commission decided, but I am satisfied that anybody in his right mind would know that they were counted for Mr. Wyman; else, he would not be protesting the committee's action to not cast them.

Also on the Durkin one, the Durkin one was counted for Mr. Durkin. That is the one on which the committee voted that a tie vote did not count for Mr. Durkin.

Mr. HATFIELD. I think that is the very point. All through the procedures in New Hampshire, the reason these were not protested is because nobody was changing New Hampshire law. It was not until we got to the Senate that we began to change New Hampshire law, so these skip ballots become ballots of contest and controversy.

Mr. CANNON. May I point out that these ballots happened to have a little slip on them saying "Protested by Mr. Durkin." The other ballot had a little slip on it, "Protested by Mr. Wyman." If nobody was protesting those and nobody knew anybody was going to protest them, I do not think we would have had 12 protested slips on the skip-Louis ones and one protest slip on the skip-John one.

Mr. HATFIELD. I think if we looked at all the evidence the committee had about instructions given by the Wyman forces, the chairman would know why there were no skip-John ballots protested.

Mr. CANNON. I find it hard to understand that there would be even one here, if that were the case.

The Senator would know, if the Senator has gone through a recount, I am sure he is aware of the fact that each of the parties goes in there and tries to challenge everything under the Sun, just as they did in this case. As I said, they challenged the votes by slash marks; they challenged the votes by check mark. They challenged the big X, like this. And they challenged the little x's. There are some ballots where there is a blank space right in here and the X is right here, or the X is down here. They challenged those.

They challenged the ones we counted, so that disregarding this, there is no other mark on the ballot except an X right down there at the bottom.

Mr. HATFIELD. Of course, as the chairman understands and knows, all of the protests were not considered by the committee.

Mr. CANNON. The Senator is absolutely right; because as to those 3,500 ballots, our staff people went down and went through them. Mr. Durkin and Mr. Wyman, through their lawyers, waived any protest on the checkmarks.

Mr. HATFIELD. But the protests of Mr. Wyman were turned down by the committee.

Mr. CANNON. They waived the checkmarks, they waived any protest to the slash marks, they waived any protest to the red ink, to the green ink—I believe it was red and green—and a number of others. This is why we ended up with more than the ballot law comsion did. The ballot law commission ended up with only 400 ballots to review. We ended up with about 926, I believe.

Mr. HATFIELD. The Senator will also recognize that all the protests have not been considered by the committee. Mr. Wyman's protests, to be specific, had been turned down by the committee by a 4-to-4 vote.

Mr. CANNON. I would say the protests have been considered. They have not been agreed to. They have been considered, and that is what we agreed to do, consider the protests at this stage of the proceedings. I made that point very clear, myself, at the time.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. CANNON. We had a 4-to-4 vote on a number of those protests. For example, going back into the rolls, where the record showed that those rolls were cleared, there were no write-in's on them, so the rolls were destroyed. One of them was torn. The record shows that a man who was related to it said that there were no names on it. So the rolls were destroyed. Those were ones that we voted against.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. CANNON. Yes.

Mr. McCLURE. I thank him for yielding.

First, I wish to corroborate what the Senator from Oregon has said, that not all of the protests were considered by the committee. But that is not the point I want to make.

The Senator from Rhode Island earlier referred to the Murchie case, decided in

1911. I said that that case had been distinguished by the case of Barr against Stevens, decided by the New Hampshire Court in 1919. The chairman has read from the headnotes on that case. They indicate that that does not have any ruling effect here. But let me read from the body of the case as it appears in the record of the proceedings of the committee. I refer to page 563 of part 1 of the proceedings. At the bottom of page 5663, the following appears:

> It is claimed the failure to make crosses opposite the names of Gingras and Gould indicates an intention not to vote for them, so that the ballot should be counted for Baker, Gingras and Barr. This cannot be done except by rejecting the cross at the head of the column, which the statute makes a vote for all the names therein not canceled or erased.

Further in the body of the same case, this statement is made by the court of New Hampshire:

> The omission to mark a cross opposite the names of Gingras and Gould was not an erasure or cancelation of those names.

That is the settled law of New Hampshire. The chairman has indicated that the committee is trying to follow the law of New Hampshire to determine the vote, the intention of the voters of New Hampshire, but ignores the law where it refers to the effect of the failure to mark the box where a straight ticket has been voted.

Mr. CANNON. I say to my colleague that the courts of New Hampshire have consistently said that the issue of for whom did the voter cast his ballot is a judicial question, that the power to decide upon all the competent evidence in the case cannot be abridged by an act of the legislature, and that the official body exercising review, which is in this instance the Senate, has to look at the whole body of evidence presented to it within the confines of the ballot, and that they have to make their decision at that point, and the legislature cannot proscribe that. The legislature cannot proscribe that by law.

Mr. McCLURE. The Senator is correct when he says the courts of New Hampshire have said that the legislature cannot proscribe that. But the court went further and said in these cases where there is an X in the straight party ballot, the omission of the X in the box cannot be held to be such an erasure as would invalidate the straight party vote.

Mr. CANNON. May I suggest to my colleague that he read all of the opinion?

Mr. McCLURE. I have read all of it.

Mr. CANNON. Because it does not stand for that proposition.

Mr. McCLURE. What does this language mean, then, if the Senator will answer me:

> The omission to mark a cross opposite the names . . . was not an erasure or cancellation of those names.

In light of the earlier language in the same opinion it says that you cannot reject the cross at the head of the column which the statute makes a vote for all the names therein and not canceled or erased.

Mr. CANNON. Well, what the Senator has been considering is just simply a completely different set of circumstances than in the Barr case.

Mr. McCLURE. Precisely the same.

Mr. CANNON. No, it is not precisely the same.

Mr. McCLURE. What is the difference?

Mr. CANNON. If you go back and check the record——

Mr. McCLURE. I have checked the record.

Mr. CANNON. The Senator has not checked the court record.

Mr. McCLURE. What is the difference?

Mr. CANNON. That is just simply the statement of the hearing.

Mr. McCLURE. That is the statement of the Supreme Court of New Hampshire, Parsons, chief judge.

Mr. CANNON. As I said, that is a citation from the case.

Mr. McCLURE. That is the case itself there.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. McCLURE. Certainly.

Mr. HUGH SCOTT. The Senator from Nevada has stated several times that Mr. Wyman asked the committee to go beyond New Hampshire law and count two absentee ballots which had not been counted by the secretary of state or the Ballot Law Commission.

It is true that Mr. Wyman asked that the ballots be counted, but it is not true this was in contravention of New Hampshire law.

Let us take, for example, the facts of the Amherst ballot.

A young man in the military had duly registered to vote, but the supervisor of the checklist inadvertently failed to put his name on the list. Clerical error. The man then applied for and received an absentee ballot. He voted the ballot and mailed it to the town clerk. Because the man's name, however, was not on the checklist, the clerk did not forward the ballot, which otherwise was in proper form, to the election officials and the ballot was therefore not counted on election day.

After the election, the supervisor of the checklist found her error. Since the ballot had not gone to the election officials, it also had not gone to the secretary of state for the recount. The secretary was notified by town officials during the recount, but he refused to even receive the ballot because his jurisdiction was limited to recounting ballots which had come through the election process on election night.

When the Wyman team learned of this incident, we were already before the BLC. The issue was raised there and litigated. The Commission did refuse to open and count the ballot, but not because doing so would be contrary to New Hampshire law. The Commission ruled that it had no statutory jurisdiction to count a ballot which did not come through the recount and had not been protested in the recount. Additionally, one member of the Commission felt that there had been some breach of security because the ballot had been in the clerk's office since election night.

New Hampshire law does not indicate that this ballot should not be counted. The New Hampshire law regarding procedural irregularities has been reiterated several times by the New Hampshire Supreme Court:

> Statutes regulating the form of the ballots are generally regarded as directory rather than mandatory. (Citations omitted.) They provide a convenient and uniform method of voting, but should not be applied to disenfranchise voters because of technical irregularities.

Errors by voting officials, not attributable to the voter himself, have been expressly held not to result in the disenfranchisement of the voter. In *Murchie* v. *Clifford*, 76 N.H. 99 (1911) [see p. 568–9 of part I, committee hearings], two ballots which had been cast and counted in Concord, ward 9, were not included by ward officials in their sealed election night return of the ballots to the city clerk, a clerical error. In determining that the ballots should count, the Court framed the issue thusly:

> *The question to be decided is not whether some election officer has followed the requirements of the statute* as to preserving the evidence of the voters' choice. *The issue is: What was the legally expressed choice of the voters?*

Under New Hampshire law this ballot would be counted and it was only because of the limited jurisdiction of the Secretary and the BLC that it was not.

I do not see how you can reconcile the application of the *Murchie* case to this situation and his statement that this ballot was not counted under New Hampshire law?

Is it not a fact that the ballot law commission refused to count the ballot because of jurisdictional reasons?

Now, it would seem to me that what ought to be more carefully explained here and re-explained, if necessary over and over again, is that some members of the Rules Committee discovered a device by which they might be able to transfer the results of this election favoring Mr. Wyman to a result favoring Mr. Durkin.

This was done by the presentation by Mr. Durkin's counsel of some 12 so-called "skip-Louie" ballots. One precinct alone showed a "skip-Durkin" ballot, and evidently that occurred so far as we know, because in the course of challenging the "skip-Louie" ballot some precinct watcher thought he should challenge one of the others. But we have the affidavit of the former Governor of New Hampshire that there are hundreds of such ballots, "skip-Louie" and "skip-John" not counted.

What happened was that notwithstanding the law of New Hampshire, nothwithstanding the statutes of New Hampshire, notwithstanding the actions of the ballot law commission and the secretary of state, the committee was asked to approve 12 ballots contrary to the law of New Hampshire, admittedly contrary to the law of New Hampshire, relying only upon the allegation that the intent of the voter is to be determinative.

Well, no one has yet made the point, so far as I know, that the intent of the voter as to what he intended to do shall be determined within the law of the State in which he votes; that is, intent cannot be judged by the law of California or Colorado or Pennsylvania. The intent of the voter has still to be within the parameters of the laws of the State in which he votes.

Now, this rather slender reed on which some Senators hang their case is resorted to because there is no other way by which the election can be taken away from Mr. Wyman.

The committee, in a display of generosity and civic virtue, donated to Mr. Wyman two ballots to which he was clearly entitled and, by unanimous vote, I believe, two absentee ballots that had not previously been counted.

The committee disagreed on one, the one "skip-Durkin" ballot, but I believe finaly donated it to Mr. Durkin, as I recall, and then the committee decided, first voting against a motion of mine to go back to the 185,000 ballots and retrieve those ballots which were covered by an affidavit or affidavits to the effect that there were hundreds of other ballots which would show the same situation on which the committee or a part of it erroneously relied in an attempt to take 12 votes away from Mr. Wyman while resisting any attempt to take whatever votes that might be in the total ballots away from Mr. Durkin.

But the committee at one point, in an unguarded moment, did vote 5-to-3 to retrieve from the ballots, contrary to the previous arguments of some that this should not go beyond the 3,500 ballots, at least an equal number of ballots of the "skip-John" variety to equal the number of the "skip-Louie" variety which had been counted, so that fairness would be done, justice would be done and justice would be seen to be done, as well. Then some members of the committee, realizing what they had done, realizing that the willingness to retrieve an equal number of ballots would cancel out the 12 Durkin protests which had been acted upon, and realizing that the maker of the motion, the Senator from Alabama (Mr. ALLEN) had meant to go back to the 185,000, and contending that some of then had wanted to go only to 3,500, decided to move to reconsider.

Actually, I think the Senators on the Rules Committee know, or most of them know, that had they gotten to the 3,500 ballots they probably would not have found any more skipped ballots.

I think they had been thoroughly dredged out by the Durkin forces and that there were none left.

So a 5-to-3 vote to look at the 3,500 ballots was an act of supererogation; it was a decision to do something which would do nothing.

And there, we had one of the more unpleasant moments, for which I personally apologize, when a motion was made to reconsider and it was a tie vote. The chairman then ruled that this tie was in the same condition as the other ties and should be left to the Senate.

I say this is a device to take the election away from Mr. Wyman under a cloak of legality, because the committee was willing to count 12 ballots for Mr. Durkin which had been refused by all of the authorities of New Hampshire, flatly refused, had not been so ruled upon, had not been so counted, because it was not in accordance with the law of New Hampshire to count them; but the committee found one citation in one case which referred to the intent of the voter and ignored what the case really decided, namely, that one cannot cancel a vote on the ballot unless one has done something more than leave the X off his name as long as one votes in a straight ticket circle; that one has to erase it, one has to strike a name in order to effect the intent.

So the committee decided that the election was important enough to ignore the laws of New Hampshire. Important enough to seize and hold as hostage these 12 votes. Important enough then in, let us say, a curious act where they agreed 5-to-4 to go get those other ballots. They then attempted to go back on that vote of 5-to-3, and succeeded in doing it by effecting a tie vote on the motion to reconsider.

Therefore, the election in New Hampshire would be decided ultimately, it seems to me, on whether or not the committee's 5-to-3 vote has any validity or the Senate will uphold it, and what will be done on the tie vote situation.

In any court of law on a tie vote it is perfectly clear that the decision of the next highest forum prevails, as in the Supreme Court. A 4-to-4 vote would leave matters as they were. A 40-to-40 vote in the Senate would leave matters as they were. But not so in this committee of this august body. There, an attempt to have that rule prevail which prevails in the courts and prevails in the Senate, that one goes back to the last forum for the decision, that fell by a tie vote. In other words, how they decide a tie vote was decided on a tie vote, because the committee would prefer to have that treated as a no vote.

Now, what does a no vote do? It disenfranchises four members of the committee, because if we have four members of the committee voting that the ballot should be cast for Mr. Wyman or four voting the ballot be cast as a no vote, then the chair's ruling that tie votes are no votes disenfranchises the four Senators who voted against a no vote.

Therefore, the Chair's ruling seems to be four plus four equals zero, which is probably the ultimate in senatorial mathematics, and surely shocks the conscience, or at least does mine.

It seems to me that no seat ought to be worth that kind of display of ingenuity. It seems to me that we ought to decide this question on the fact that one of the two parties has a certificate of election, duly authorized and affirmed by the Governor and council and legislature of the sovereign State.

But if we do not want to do that, we can go back to New Hampshire, because we will never satisfy the people of this country that justice was done if the Senate decides by a tie vote that 4 to 4 equals a no vote; if the Senate decides that 27 tie votes have more bearing on their decision than a two-vote majority.

If the Senate decides that, and wants to win on partisan consideration rather than on the merits; if the Senate decides that it would rather hunker down and do a wrong thing, relying on the notably short memory of the voters, there is nothing that can prevent a majority from doing so, but it would be wrong.

It would be ignoring the laws of New Hampshire notwithstanding how many citations we hear about one case saying the intent of the voter governs.

The intent of the voter governs as long as he is within the law.

If a voter, for example, had voted for himself and his wife and five children, some of them minors, and it was his intent to vote for all seven, could anybody argue that it was the intent of the voter that counted, that the voter had a right to vote seven times?

Well, it was argued, believe it or not, that a voter had a right to vote twice in the Michaud case. It was argued that another voter had the right to vote for her dying sister who had not told her how to vote.

Therefore, I do not believe one could argue the intent of the voter would govern if he were to vote seven time on one ballot.

But those who so argue ad infinitum, I think, ultimately are appealing to the big stick. It is an appeal to sheer power. It is an appeal to majority tyranny. It is an appeal, as I said, to hunker down, take the rap one will get for doing a wrong thing, and hope the voters will forget and minimize.

I think it is unfortunate and not the way the Senate wants to conduct its business.

I do think, Mr. President, that the refusal to accept the Wyman protest after accepting the Durkin protest, to say up to the 25th of April we will listen to anything Mr. Durkin says, and some Senators practically fell over themselves to try to accept Mr. Durkin's arguments. At all times he was free to interrupt, he was free to make all the points he wanted, he was free to conduct the hearings in substance from time to time. He did it with ingenuity, he did it with humor, he did it with a certain charm, it is true, but what he did was to make it clear that there were Senators who were going to do whatever Mr. Durkin argued.

Now, that should be understood. It is a reaction. There were Senators on our side who were equally partisan, I suppose, with regard to Mr. Wyman. Senators are human beings. It is not to be expected they would be otherwise. It is natural there is various partisan feeling in this case, but behind the partisanship lies justice. Behind the partisan lies the lady with the scales, and that lady knows that conscientious voters in America will recognize, I am sure, that there is only one justice, and that justice lies in finding the truth. The justice lies in determining what the people of New Hampshire did and what they want to do. I submit there are Senators here who do not dare send this election back to New Hampshire because they know how it will go.

They know the wrath of the citizens of New Hampshire. They know the Democrats as well as Republicans would rise in their anger and make a decision of an overwhelming nature in part as a rebuke to what has been done within this Senate and its committee. They do not dare go back. And they do not dare release those 12 votes to Mr. Durkin, which they have managed to award to Mr. Durkin, in effect, because they know what that would do to Mr. Durkin's candidacy.

As I say, they have given us two votes we were entitled to all along, and not in any violation of the laws of New Hampshire. But in giving us two votes they have made very certain indeed that they have taken 12 votes away.

As I say, that is the kind of generosity we on this side can do without. We are not asking for that kind of treatment. All we are asking is to treat our protests as they treated Mr. Durkin's protests. Retrieve enough ballots so that each side may have the same argument apply to it.

Balance out the equities. Be equally fair with one side as the other. Give both sides an equal chance at the target, at the objective. If they cannot do that, send the election back to New Hampshire. We are not afraid of going back to New Hampshire. The action of this Senate tomorrow will determine whether anybody else is afraid of the will and of the franchise of the sovereign State of New Hampshire. I thank the Senator.

Mr. CANNON. I am delighted to have yielded to my colleague. I am sorry I missed the point of the question before he finished, but, in any event, I shall go on from there.

The Senator from Idaho a little while ago raised the question on the Barr versus Stevens case. I would just like to try to give him a little information on that, if I might. Quoting from the opinion:

> Ballot No. 1 has a cross in the Democratic party circle. By marking this cross the voter in compliance with the statute indicated an intention to vote for each name in the column below which contains without erasure the names of three candidates for county commissioner, Baker, Gingras and Gould, the full number to be chosen to that office. In the blank column under the designation county commissioners the names of Gingras and the plaintiff Barr are written. The ballot indicates an intent to vote for four candidates for county commissioner, Baker, Gingras, Gould and Barr—one more than were to be elected. "If a voter votes for more names for any one office than there are persons to be elected to such office . . . his ballot shall be regarded as defective therein, and shall not be counted with reference to that office." Laws 1897, c. 78, s. 18. It has been held in several cases that the requirement of the statute, that where a cross has been made in the circle at the head of the column the ballot shall be counted for all names in the column not canceled or erased to the exclusion of all others.

And I hope the Senator will listen to this now, because a little while earlier I was accused of putting this in the headnote and it not being in the language of the decision.

> Cannot be followed in a judicial inquiry as to the result of the election.

That is the decision in this case, not the headnote, as some people suggested. Continuing:

> But the rule of the statute would not help either of the parties, because the name of neither appears in the column beneath the marked circle. The ballot also contains crosses in each of the squares opposite all the names in the column except Gingras and Gould. It is claimed the failure to make crosses opposite the names of Gingras and Gould indicates an intention not to vote for them, so that the ballot should be counted for Baker, Gingras and Barr. This cannot be done except by rejecting the cross at the head of the column, which the statute makes a vote for all the names therein not canceled or erased.
>
> Giving full effect to all the markings put on the ballot, the voter has twice expressed an intention to vote for Baker and Gingras and once each for Gould and Barr. If the strength of purpose doubly expressed would help Baker and Gingras as against Gould and Barr, as to which no opinion is expressed, Gould and Barr between themselves are equally favored.
>
> If the voter thought a twofold statutory expression of his intention was necessary to effectually declare his intention, he did not understand he voted for either Gould or Barr. Rejecting the statutory rule as to the weight of evidence which would count the vote for Gould, nothing is left by which to determine the voter's choice as between Gould and Barr. If it be said the cross in the circle indicates an intention to vote a straight ticket subsequently changed by the other marks and written names, still if we assume these marks and writing were first made, a cross in the circle could be argued to indicate an abandonment of the original purpose to vote a mixed or split ticket and a final conclusion to vote straight. The question cannot be solved upon the evidence of purpose furnished by the ballot.

Mr. President, that is the type of a situation we are talking about here in the "skip-Louie" case. The question cannot be solved upon the evidence of purpose furnished by the ballot, particularly when you look at the one I pointed out up there, where the voters put his pinpoint down in two instances, like he was very highly tempted to vote for Louie, but he could not bring himself to it so he skipped Louie and went on down the line voting for everybody else.

Mr. McCLURE. Will the Senator read the next sentence?

Mr. CANNON. I will read the rest of the case, if the Senator would like me to.

> The omission to mark a cross opposite the names of Gingras and Gould was not an erasure or cancelation of those names. The ballot cannot be counted for Barr.

Mr. McCLURE. Will the Senator yield further?

Mr. CANNON. Yes.

Mr. McCLURE. That is precisely what I read earlier.

Mr. CANNON. But that is not the situation for the case we are talking about at all.

Mr. McCLURE. It is the situation exactly where it says that the only way one would invalidate the straight party ticket is where the party is voted in such a way as to indicate a contrary intention and the omission to mark in the box following the name is not evidence of that contrary intention. That is what the Supreme Court of New Hampshire has said. The Senator himself has just read it.

Mr. CANNON. May I say to the Senator, I suppose if lawyers did not differ, we could not have lawsuits. I certainly do not agree with him on his interpretation. I feel that the case is quite clear, as I read it. It is authority for the proposition that I stated earlier, that under the requirements of the statute where a cross has been made in the circle at the head of the column, the ballot shall be counted for all names in the column not canceled or erased to the exclusion of all others, and cannot be followed in a judicial inquiry as a result of the election. That is the proposition of law.

Mr. McCLURE. Will the Senator yield further?

Mr. CANNON. Yes.

Mr. McCLURE. That simply means that if there are other marks on the ballot which are separate from the failure to mark after the name in the box, the court can look at the other marks on the ballot. That is all it means.

Mr. CANNON. Absolutely, and that is exactly what it means here. If there are other marks on the ballot other than that cross in the circle, the judicial body can look at all of them. When they see 13 people voted for in a straight line, every one but Louie and a Louie left blank, does the Senator think that is an intention to vote for Louie? Of course, it is not. I might say we even had a lady from New Hampshire who said she was a lawyer, who called up and was aghast at the idea. She said she had been a Republican all her life and she was one who voted a so-called "skip-Louie." She was aghast at the idea that her ballot might be cast for Louie.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. CANNON. Yes.

Mr. McCLURE. The court said precisely that in this case, that the omission to mark the cross opposite the names was not an erasure or cancellation of those names. The case is exactly in point to the case here. The court said that that is not an invalidation of the straight party marking.

Mr. CANNON. The Senator and I differ as to what the court says and as to what the law is as well.

Mr. STEVENS. Will the Senator yield?

Mr. McCLURE. Will the Senator yield to me so I might clarify one other point in that decision?

Mr. CANNON. I yield.

Mr. McCLURE. I thank the Senator for yielding and I thank the Senator from Alaska.

Because the court implied the language which the Senator from Nevada has read correctly, then the court could not determine whether they had marked the X in the straight party ballot circle at the beginning of their voting or at the end. Perhaps they went down and started marking all of the names and then decided after they had gotten to the bottom of the column that they really wanted to vote a straight ballot. So they went back and marked it at the top after they had skipped Louie or skipped Durkin, as the case may be. The court said that because of that possibility they could not ascertain the voter's intention because they did not know which marks had been made first. The Senator from Nevada has assumed that they marked the X at the top first and then went down the column marking others. The court said we cannot make that assumption.

Mr. CANNON. And the court said it cannot be counted. That is what we are saying here. I do not know whether he put the X in at the top first or whether he voted all down the line and skipped Louie and then went back and put the X in. But at least you cannot count the ballot. That is the point. I am glad the Senator gave the citation in support of my position.

Mr. McCLURE. The court did not say you cannot count the ballot. In that particular case they did not count the ballot because they had voted for four instead of three and, therefore, there was an obvious mistake made and they could not determine the voter's intention. But they did say that skipping the name would not invalidate the ballot.

Mr. STEVENS. Will the Senator yield to me?

Mr. CANNON. I yield.

Mr. STEVENS. I would like to go back to a comment he made earlier today about the special law that was passed by the New Hampshire Legislature.

Mr. CANNON. Yes.

Mr. STEVENS. After he made that comment, I looked it up. It is in the Record. It was placed in the Record yesterday by the Senator from Arizona. I looked it up, because I shared the Senator's feeling about the concept of having State legislature specify who the candidate should be.

But I wonder if the Senator from Nevada would not agree with me, in view of the fact that what we are really discussing today, I assume, is the Weicker amendment, that the provision in that special law, or that law that authorized the special election, that gives the Governor a power to make an interim appointment until a new Senator is duly elected and certified under this special election, would remove any question as far as this Senate is concerned as to whether the law pertaining to the holding of the election itself is constitutional.

In other words, during the time, if we decide, as the more this goes on the more I really hope we do, to send it back to New Hampshire, the Governor of New Hampshire will appoint an interim Senator and we will have our 100th colleague here in the Chamber, and he will be here until there is a Senator elected under a procedure. If there is a constitutional challenge to the law, I presume that would go on and might delay the election procedure.

I assume what the Senator from Nevada means is that if there is someone who wants to come in and contest either Mr. Wyman or Mr. Durkin to see who should be the candidate for either party in a special election that that might not be possible for a State legislature to foreclose that. But since the Governor can appoint us a new colleague to vote for in New Hampshire in the interim period, would that not remove any question, as far as we are concerned, over the State procedure if we sent it back? If we declare this seat vacant and send it back to the State of New Hampshire, it is for them then to determine, according to their State law, who should fill in the unexpired term of our former colleague, Norris Cotton. Would the Senator not agree with that?

Mr. CANNON. I would not agree with it.

Mr. STEVENS. The Senator would not agree?

Mr. CANNON. I would not agree with it for this reason: There is one further very important constitutional question involved here, and that is section 3 of the same act.

I think under the general law had the legislature not attempted to do anything in this regard, there is no question but what, if the seat were declared vacant, that he would under New Hampshire law have had the authority to make an appointment to fill out the term until the next general election. But absent any provision in New Hampshire law for a special election, I think that he would have.

But here the legislature has gone on and said:

> 3. Interim Appointment. The power of the governor to appoint in case of a vacancy under RSA 63:3 is hereby amended for the purpose of this statute only so that the duration of any appointment made by him is limited to the period between the time that the 94th Congress convenes and the winner of the election held pursuant to this statute is seated by the Senate of the United States. The person so nominated shall not be any of the candidates whose names appear on the ballot for the special election.

So I think there is a question about both of them, though I must say that had they not tried to tinker with this I would think it could have proceeded under New Hampshire law.

Mr. STEVENS. Maybe I am not conveying my point. If we declare the seat vacant, according to the Weicker resolution, and send this back to New Hampshire, then, so far as we and the Senate are concerned, the seat is vacant; the Governor has the power to make appointment, whether it is derived from this statute or derived from his inherent power to make certain there are two Senators here.

I was appointed Senator. We have a statute that just declares that the Governor has the power to make the appointment. I believe there is a general statute, as a matter of fact, that this purports to amend.

Mr. CANNON. That is right.

Mr. STEVENS. Without regard to the constitutionality and I have not researched enough to know whether the Senator is correct or incorrect, whether it is constitutional or not, if we adopt the Weicker proposal and send it back, the point is that the Governor can appoint a successor to Norris Cotton and, as far as the Senate is concerned, the matter can be determined in New Hampshire.

Would not the Senator from Nevada agree with that?

Mr. CANNON. I think that is correct. Irrespective of this statute or this attempted amendment of the statute, I think under the general powers that he would have the authority to appoint. It is a question of until which period of time.

Mr. STEVENS. I was listening to the Senator from Nevada, and I thought he was making the point that we should not vote for the Weicker amendment, because by so doing we would set in motion a procedure under this special statute of New Hampshire which may have some constitutional difficulties.

Mr. CANNON. And I think that is absolutely right, that we would, because I think that the provision in here specifically that calls for a special election and limiting it to three candidates is unconstitutional.

Mr. STEVENS. But it is immaterial; if we declare the seat vacant and send it back, we can also trigger the normal procedure under the inherent power of the Governor.

Mr. CANNON. I would think so. I have not checked that precise point, but I would think that the Senator is probably correct.

Mr. STEVENS. I would hope that none of our colleagues would vote against the point of my good friend from Connecticut to send it back to New Hampshire on the basis that they might think that it would be impossible for the Governor to proceed immediately to fill the seat. I think the Governor has that power without regard to this statute to fill the seat.

Mr. CANNON. Let me say to our colleague that I was not trying to use this as an argument against sending it back. I was simply trying to make the point that I had grave doubts as to the constitutionality of this provision.

Mr. STEVENS. I am glad to hear that. I misunderstood the Senator from Nevada.

Would the Senator answer one last question? I was going to raise it a minute ago. At one point, the Rules Committee voted 5 to 3 to go back and get 12 skip-Durkin ballots.

Mr. CANNON. Yes.

Mr. STEVENS. Then the committee tied on a motion to reconsider. Would the Senator from Nevada tell me why was that reconsidered?

Mr. CANNON. Yes, I will.

Mr. STEVENS. I assume it was on the basis of a concept of fairness, originally, that, in effect, was going to wipe out the "skip-Louis" ballots by getting 12 "skip-Durkin" ballots, and that was sought to be reversed. Why was that?

Mr. CANNON. I will be delighted to explain it to the Senator. At the time the issue came up, Senator Hugh Scott had made a motion earlier, and Senator Allen made a motion that we go back and retrieve an equal number of "skip-Durkin" ballots, if those appeared.

Consistently throughout this proceeding, I have voted consistently not to go beyond the 3,500 ballots because I agree with the Attorney General that that is where the parties had ample opportunity to protest, and they did not protest beyond those 3,500. There was a vote in process in the Chamber. We called and got them to hold up the vote so we could conclude that particular issue, and I voted for the Allen proposal.

We came over here on the run and went back, and, on the way back to the committee room before we had resumed the hearings, I mentioned to my colleague, Senator Allen, "Now, you did mean that this would be limited to the 3,500 ballots, did you not?" And he said, "No, I did not; I did not mean to place any limit on it at all."

I checked the record, and the record indicated that he neither said one way or the other. He did not say back in the 185,000 and he did not say in the 3,500.

So I made a normal request of my colleagues, a courtesy request—I have never in my 17 years in the Senate seen a Senator denied that permission—and I said then after we called the committee to order, I would ask unanimous consent that I be permitted to change my vote. I explained that I have consistently voted throughout this entire proceeding to not go beyond the 3,500 ballots. As I said, I have been here 17 years, and I have never heard a Senator denied that opportunity on a personal basis to say that he would like to have unanimous consent to change his vote.

Does the Senator know what happened? That was denied. One of my good friends on the other side of the aisle said, "I object," and so, as a result of that objection, the motion to reconsider was made by one of my other colleagues. On the vote on the motion to reconsider it was a tie vote, 4 to 4. Then an appeal was taken from the motion—I take that back. I made the ruling from the chair that that 4-to-4 issue would come to the Chamber with the other tie vote issues. We had agreed that all the tie votes would come to the floor of the Senate. An appeal was taken from the ruling of the Chair that that issue would come to the floor, and the appeal ended up in a 4-to-4 vote. So I made the ruling that that, likewise, would come to the floor on the 4-to-4 vote.

That is the story.

Mr. STEVENS. I thank the Senator. That explains, then, the reason for the (a) and the (b).

Mr. CANNON. The Senator is correct. I explained the situation fully. I have never objected to any request of any of my colleagues, in 17 years, on a personal basis, but objection was heard.

Mr. STEVENS. I thought section 7 was redundant. As I understand, section 7, part (a), is really to determine whether the original vote should stand.

Mr. CANNON. I do not have it before me.

Mr. STEVENS. It reads:

> No. 7.—(a) The committee having voted to retrieve from the ballots of a skip-candidate type a number of "skip Durkin" votes equal to the number of "skip-Wyman" votes before the Committee and a motion to reconsider such vote having resulted in a 4 to 4 vote, is it the sense of the Senate that such original vote of the Committee to retrieve such "skip Durkin" votes shall stand as the vote of the Committee?

If that is one of the negatives, should we do it anyway? I could not understand why we had a redundancy.

Mr. CANNON. That was the reason for it. Had there not been an objection by one of my colleagues on the other side of the aisle to my being permitted to change my vote—no business had occurred in the interim—that issue would have been presented to us here, on a tie vote issue, because Senator ALLEN said that he did intend to go through whatever ballots were necessary. But that is not stated—that language is not stated—in the motion. It does not include the 185,000.

Mr. STEVENS. I thank the Senator.

Mr. BROCK. Mr. President, I rise to follow up on the colloquy earlier between the Senator from Nevada and the Senator from Maryland, because I never quite got an answer, or never understood the Senator from Nevada's answer to the Senator from Maryland's question.

The question was, if I recall correctly—the Senator from Maryland may want to correct me—"Where is the logic in saying, in effect, that we are going to eliminate the skip-Louie ballots and afford no similar opportunity for Mr. Wyman to eliminate the skip-Durkin ballots?"

The chairman has said time and time again—and he just said it in the colloquy with the Senator from Alaska—that his consistent position has been to deny access on the part of the Senate to the nonchallenged ballots on the basis that they were not protested. But my problem with that is that Mr. Wyman made an interpretation of law and instructed his people not to protest on the basis of New Hampshire law. If Mr. Durkin had done the same thing, we would not have this contest before us.

What has happened is that the chairman and the majority apparently have decided—and the chairman has been very honest in this, and I appreciate it, and let me be sure that I quote the Senator correctly. He said:

> We did not follow the law in many instances because we tried to enfranchise the voters.

I understand that. The problem is that if we are going to deviate from New Hampshire law with regard to one candidate in order to determine voter intent and "to enfranchise the voter," then I think we should apply it to both candidates and we should apply it to all voters. But we constantly have been denied access to more than the 3,500 ballots on the premise, as I understand it, that Mr. Wyman did not challenge.

The Senator knows that Mr. Wyman was not challenging, because of the letter of New Hampshire law. We should adhere to New Hampshire law for everybody, or we should adhere to the will of the Senate with regard to everybody. But we cannot have two standards—one law, one intent—for two different candidates and have equity.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. CANNON. In the first place, there is no question that the Senate has the legal authority to go back and count every one of these ballots and try to retrieve 185,000 and bring them here and spread them out on the floor.

Mr. BROCK. That is correct.

Mr. CANNON. There is no question about that authority.

Mr. BROCK. There is no question that we have done it in the past, either.

Mr. CANNON. The point is that at the recount, they went through and recapitulated every one, and there were only 3,500 that either party or both the parties set aside. As to the remainder, they said, "Forget about it." They were tabulated by the secretary of state, and certainly at that time Mr. Wyman knew that Mr. Durkin was protesting them. They bore protest slips of the secretary of state. Mr. Wyman had one protest slip on a Durkin ballot at the same time. When he went on up to the ballot law commission, he did not make any issue of it there. I think he probably thought he was going to win without it, and it was only at a late date that he decided perhaps he needed some more ballots, and this was the way to get them. I do not know.

He went to the ballot law commission, and he did not even raise the issue at the ballot law commission on that point.

Mr. BROCK. That was because, as the Senator knows, Mr. Wyman had been the attorney general of the State of New Hampshire at one time. He has an enormous respect for the law and he has read the law, and the law is absolutely clear on the subject. He said:

> We are going to challenge in accordance with the law.

Now the Senate has changed the law, by the admission of the chairman of the Rules Committee, who has stated, and I repeat it:

> We did not follow the law in many instances.

But when the challenge was being made, it was being made under New Hampshire law, before the adjudicated bodies in New Hampshire.

Mr. CANNON. How does the Senator account for the challenge he has on the board that we are talking about? He had a protest on the so-called skip-John ballot. It was on there. He protested it. It seems strange to me that he would protest only one of a particular type.

Mr. BROCK. Perhaps on one occasion it happened.

The Senator says that he is capable of judging voter intent. I will be honest. I am not capable of doing so. I have no idea what was in the minds of the voters. I have never met any of them. I do not know how they voted or why they did what they did. I am not capable of reading somebody else's mind and judging intent. I have to operate under law. If I am going to operate under New Hampshire law, that is fine. I want to do it with both of them. If I am going to operate under the Senator's law, that is fine. But I want to do it with both of them. The problem is that the Senator applies one law to Durkin and another law to Wyman, and I do not see how I can make a judgment under those circumstances.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. HATFIELD. I should like to use the chart in pointing out—to take this one step further—the inconsistency of applying the new committee law, not the question of whether it is Wyman or Durkin on a "skip ballot" question.

I have a number of copies of a markup we followed as we went through the actual ballots in the unmasked area, and I should like to use this as an example, to show the inconsistency of the committee.

Mr. President, on ballot No. 185 we had an X in Mr. Wyman's box, which is down here. We had an X in Mr. Chimento's box. He was the candidate on the American Party ticket. That was considered a double-marked ballot and was ruled by the committee as no vote, counting for neither one, which is the way we were interpreting New Hampshire law.

Then we had ballot No. 31, in which there was an X in the Republican circle. Then we had an X by the American party name, which would be over here.

We counted that on ballot 31 as a double-straight ticket. It was ruled by the committee "no vote."

Then we had ballot No. 44. I want to give these examples here to show, in a minute, the inconsistency here. In ballot 44, there was an X in the Democratic circle; there was an X in Mr. Durkin's box, there was an X in Mr. Chimento's box. That was ruled as a double-marked ballot and stipulated before the committee as no vote. But there was no greater weight given here for two X's for Mr. Durkin; namely, the straight party and the box, than there was for the one X for Mr. Chimento.

Mr. **BROCK.** So far they have thrown them all out, right?

Mr. **HATFIELD.** That is correct.

Ballot No. 30 had an X in the Democratic circle, up here; an X in Mr. Durkin's box, down here, a slash—this kind of mark, just a slash—in Mr. Chimento's box. That was ruled as a double-marked ballot, ruled by the committee as no vote, but no greater weight given here to Mr. Durkin, again, with two than with one.

Ballot No. 20 had an X in Mr. Durkin's box here, a slash—a kind of funny X, over here, for Mr. Chimento. That was stipulated as no vote, even though it was not exactly an X or a slash. It was a sort of illformed mark.

Then, on ballot No. 19, there was an X marked in Mr. Wyman's box, a check in Mr. Chimento's box. That was ruled as no vote. Mr. Wyman's X was given no greater preference than Mr. Chimento's check.

On ballot 329, we had an X in the Republican circle, an X in the Democratic circle, an X in Mr. Wyman's box, and committee ruled it for Mr. Wyman.

Let me repeat: An X in the Republican circle an X in the Democratic circle, an X in Mr. Wyman's box, ruled by the committee for Mr. Wyman instead of a doubled-marked ballot and a no vote, as we had previously.

On ballot 338, we had a slash in the Republican circle, we had a slash in the Democratic circle, and we had a checkmark in Mr. Durkin's box. That was ruled for Mr. Durkin. A slash, in other words, here was counted not as a double ballot or a slate, but it was purely for Mr. Durkin.

Then in ballot No. 100, we had a little check in Mr. Durkin's box and a smaller check, but still a check, for Mr. Chimento, and we ruled that for Mr. Durkin, because it was a bigger check. Because it was a bigger check.

In ballot No. 96 we had an X in Mr. Wyman's box, a slash in Mr. Chimento's box, and we ruled that for Mr. Wyman by giving more preference to a check than a slash.

In No. 90, we had an X in Mr. Durkin's box, a slash in Mr. Wyman's box and we ruled it for Durkin.

Then on ballot 88, we had an X in Mr. Wyman's box, a slash in Mr. Chimento's box, but this resulted in a tie vote of the committee—a no vote, in a sense. Some different standard was used.

In ballot 245, we had an X in Mr. Wyman's box, an irregular marking in Mr. Chimento's—and these irregular markings are rather weird and difficult to decide. This resulted again in a tie vote.

In ballot 128, my last example, we had an X in the Republican circle, an X in the Democratic circle, and an X in Mr. Durkin's box. This was ruled as a tie vote.

I point out that this is only an example of how, over 46 days, 200 hours plus, over a 5-month period of time, 646 rollcall votes for the committee, honest men, looking at these ballots in different hours of different days and over a long period of time, can very conscientiously become inconsistent, without design or reason or purpose.

I think here, however, it illustrates again how even the committee has been terribly inconsistent on its own rulings concerning these individual ballots. When an election is determined on two votes only, each one of these should have the same weight, the same criteria, the same interpretation as any other ballot; otherwise, we are denying the validity of one man, one vote.

Mr. **BROCK.** I could not agree more with the Senator. My problem, Mr. President, is that I am very reluctant to support the Weicker resolution, simply because I have an obligation as a Member of this body to determine the validity of the certificate of election of an individual. There is only one individual with a valid certificate of election before this body. That is Mr. Wyman. The contestant, the challenger, has no valid certificate of election. So as far as I am concerned, I have to rule whether or not the certificate of election for Mr. Wyman is valid. If it is, I have no choice, you see. I have to vote to seat him.

I constitutionally cannot find any other thing that I am allowed to do. The problem with the Weicker resolution is that it forces me to send it back to the State as the only remaining potential act of justice that we can give to the State of New Hampshire or to Mr. Wyman.

Mr. **GARN.** Does the Senator yield?

Mr. **BROCK.** Let me finish the thought.

I really am troubled by all this, Mr. President. I am troubled by the fact that I am asked to send the election back without finding fraud, conspiracy, criminal action, or any other reason to invalidate a duly certified and signed certificate of election. The only justification that the Committee on Rules has given me to vote not to seat Mr. Wyman is that they, in their own minds, have decided that New Hampshire law does not apply in this election.

That is a little hard for me to accept. I do not know how I can do it. But that is exactly what the chairman of the Committee on Rules has told me. He has said, and I say it again in his words, "We did not follow the law in many instances."

Well, what do we follow, then? It is perfectly logical that if we do not follow the law, we are going to get into these inconsistencies, because then it is a matter of personal opinion. If there is no law, there is no standard, no guidepost by which to make a judgment.

I just do not believe that the Senate can engage in an exercise like this. As far as I am concerned, we either certify Louis Wyman or we find some reason not to. There is no consideration of Durkin on this floor, as far as I am concerned. He has no certificate of election, nothing I can look to to judge with any merit at all. We either find Louis Wyman certified with validity or find him not.

So far, I have no evidence to find him otherwise, other than the statement of the chairman of the committee that we should not abide by the New Hampshire law, because we do not like it. OK, throw the law out if we do not like it. But then, for goodness sake, apply what the new law is to everybody.

There is a standard of justice here that is absolutely and totally absent from the committee position. I cannot see what the logic of that case is.

I yield to the Senator from Utah.

Mr. **GARN.** Mr. President, I have listened very patiently today to all of the references to the so-called skip-Louis and skip-John ballots. The thing that disturbs me more than anything else is now how the committee ruled or whether they should be thrown out or not, but the fact that they have limited it to 13 ballots. In all fairness and equity, it would not make too much difference which way they ruled, whether they are going to throw them out or not, if we had all the skip-Louis and all the skip-Durkin ballots before us. Then we would know who got the most of them, who got the least of them. That is where the committee just appalls me, that they narrowed it down to 13.

There is another thing that, being a nonattorney, gives me some advantage. Looking at the court procedures, I have never known any court, when a higher court ties, where they throw out the ruling of the lower court. The lower court stands.

So it seems to me that in all of these tie votes, if we went by normal procedures of law, the last ruling would have been New Hampshire law and those ballots would have been left in. But still the overriding unfairness, to me, is limiting this to 13 votes. Go ahead and let the committee count them any way they want or throw them out if they would seek out all the Durkin-Wyman ballots.

I am sorry the distinguished chairman, the Senator from Nevada, has left, because I am puzzled about something else. Maybe he can answer this at a later time, when he comes back.

It was my understanding that, on the motion of Senator HATFIELD, a motion was unanimously passed, and I repeat, unanimously passed by the committee stating that all protests by either side, raised at any time, should be considered. Yet I have heard here today that all of Mr. Durkin's protests were considered up to April 25; then we hurried through and discounted most of the Wyman protests. That says all protests by either side, raised at any time.

It was unanimously passed by the committee.

Furthermore, quoting from the committee record, on the 27th and 28th of January the distinguished chairman of the committee, the Senator from Nevada, said:

> Certainly, individually I would think that any serious complaint by either party which would affect the result of the election would be something that the committee ought to look at. I would consider that every issue that was properly raised by a recount procedure by either party would be an issue that would be before the committee to determine. I would say that every issue that was raised by both those candidates should be considered by the Rules Committee.

But with the unanimous resolution, with the statements of the chairman, I am rather puzzled that all of the protests are not being considered.

Mr. **BROCK**. I think what we come down to is when three Republicans and one Democrat get together, that becomes a partisan exercise; but when four Democrats stay absolutely rock-hard on every issue of equity that is a nonpartisan exercise.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. The Senator from South Carolina.

Mr. **THURMOND**. Mr. President, we have heard a lot during this debate about votes that should be counted, about votes that should not be counted, and about interpretation of voters of various kinds.

The able and distinguished Senator from Oregon just pointed out a few moments ago about how some votes were counted one way by the committee and in a similar situation another way in an attempt to interpret the voters' wishes.

Now, Mr. President, it seems to me that the State, the people of New Hampshire have the greatest stake in this matter, and their position should be considered to a great extent.

What is the position of the State of New Hampshire in this matter? I would just like to call the Senate's attention to the hearings to page 15 through page 19 which give a résumé of the whole matter. Here is a resolution signed by the Governor of the State and the members of the executive council that I think thoroughly explains the sequence of events which the Senate ought to consider very carefully.

In this resolution, it is set out that there was, first, a count of the election, and in that count of the election Mr. Wyman received 110,716 votes, and Mr. Durkin received 110,361 votes. Therefore, Mr. Wyman was in the lead, and I believe that he was formally declared as the winner in the election.

Mr. President, I yield, with the understanding that I may retain the floor, to the Senator from Nebraska, after a parliamentarian is introduced.

VISIT TO THE SENATE BY A MEMBER OF PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

Mr. **CURTIS**. I thank my distinguished friend from South Carolina.

Mr. President, we are honored today to have as our guest a visiting Member of Parliament. There is in the rear of the Chamber Minister Hendrik Schoemam, a Member of Parliament from the Republic of South Africa.

Mr. President, under their form of government he also serves as Minister of Agriculture, but he comes to us as a parliamentarian, a Member of the Parliament of the Republic of South Africa.

I would like to have the record show that, and I would like to have him stand and be recognized.

[Applause, Senators rising.]

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. **THURMOND**. Mr. President, on this count it is clear, and the authorities so held, that Mr. Wyman received the largest number of votes and was elected. But then there was a recount, and then in the official recount it seems that Mr. Durkin received 110,924 votes and Mr. Wyman received 110, 914 votes or 10 fewer than Mr. Durkin.

Based on that then a certificate on the recount was issued, and it seems that a certificate was certified down here to the clerk of the Senate, and here is the point, without notifying the U.S. Senate that this was a qualified certification; this was more of a temporary certificate because it failed to state the qualification, which I shall now read:

> The Governor and Counsel make this certification aware of the rights of appeal to the State Ballot Law Commission contained in RSA 68.

In other words, Mr. Wyman had the right to appeal there and the results of that appeal would be considered the finality of the election.

Mr. Wyman did appeal that, and they held, the authorities held, that Mr. Wyman was elected by two votes and, based on that, a certificate was issued and, based on that, there was another certificate issued to decertify Mr. Durkin, and then to certify Mr. Wymna.

Here is what the Governor and the executive committee said:

> This certifies that the Governor and the Executive Council having reviewed and accepted the findings of the New Hampshire Ballot Law Commission that at the biennial election held on November 5, 1974, Louis C. Wyman of Manchester received 110,926 votes; that John A. Durkin of Manchester received 110,924 votes; that Carmen C. Chimento of Brookline received 1,513 votes in the contest for United States Senator, hereby declares Louis C. Wyman elected and do authorize the Governor to issue to him a Certificate of Election reflecting the certification of the Ballot Law Commission.

Now, Mr. President, I have heard it stated here that two certificates were issued, and there is confusion as to who was really elected and, therefore, the Senate has got to go back and count all these ballots, they have got to make an interpretation whether a cross or slash or check conveyed the will of the voter or just what it meant.

Mr. President, I think we have gotten off the track here. The people of New Hampshire, through their elected officials, first issued a qualified certificate, but the Secretary of State failed to say when he sent it down here that the certificate was so qualified; and then, after the matter reached a finality and the decision had been made by the State of New Hampshire, a true certificate was sent here declaring Louis Wyman elected.

Now, Mr. President, it seems to me that to go back of that, to go back of these State officials and what they did, in the absence of a fraud, in the absence of some mistake that is clear, that we are undertaking here in the Senate to take out of the hands of the people of New Hampshire the election of their own Senator.

Mr. President, it appears to me that if we respect the Constitution of the United States, if we believe in the rights of the States to select their own Senators, then New Hampshire has selected its Senator, it has certified its Senator here, and why should we not accept it?

There is no fraud which has been alleged. Here the Senators are going for weeks and months trying to interpret what these different hieroglyphics, what these different marks, mean; what this voter meant when he marked his ballot a certain way, what another voter meant when he marked it another way.

I do not conceive that is a duty or responsibility and the proper action of a U.S. Senator.

Mr. President, it is my judgment that we ought to seat Mr. Wyman because he has been certified as the Senator from the State of New Hampshire by the State authorities there.

This matter was taken into a court, Mr. Durkin went into a court and the three-judge court ruled against him. The Ballot Law Commission has acted on this matter and he has got his appeals there if he wants to appeal them, but why come to the Senate in the absence of fraud or in the lack of good character, and those things have not been alleged.

It seems to me this is clearly a decision that should be made by the State of New Hampshire and its citizens and not by the U.S. Senate.

I hope that those Senators who do respect the Constitution, who do respect the rights of the people of a State to select their two Senators, will either vote to seat Mr. Wyman or, in the alternative, to send it back to New Hampshire and let them have another election.

Mr. President, it seems to me the election is so close here that probably in fairness to both, maybe we could send it back. I am willing to do that, although I do feel that we should accept the statement of the authorities of the State of New Hampshire, and Mr. Durkin has his appeal from the decision in New Hampshire if he is not satisfied with it.

But I do not think that we ought to just cram this, the certificate of the officials of New Hampshire, and say that we, the Senators, are going to interpret the will of the voters, we are going to look at the ballots, not all of them, but just some of them, we are going to look at the ballots and determine who the Senator is.

I think we are depriving the people of New Hampshire of their right to select their own Senator, and I hope the Senate will not do that.

Mr. President, I ask unanimous consent to have printed in the Record the resolution referred to signed by the Governor and Council members declaring Louis C. Wyman the elected U.S. Senator.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

Whereas the State of New Hampshire conducted a biennial general election on November 5, 1974, and

Whereas the report of the Secretary of State of the return of the votes cast for United States Senator was duly laid before the Governor and Council on November 21, 1974 as Louis C. Wyman, Manchester, 110,716; John A. Durkin, Manchester, 110,361; and Carmen C. Chimento, Brookline, 1,327; whereupon the Governor and Council ". . . and authorized the Governor to issue election certificates in accordance with the (above) records," and formally declared "Louis C. Wyman, Manchester, having received the largest number of votes cast for United States Senator . . . elected . . .," and

Whereas formal documentation was not prepared forthwith by the Secretary of State due to the then ongoing official recount in said election, and

Whereas a formal request was made by legal counsel for John A. Durkin, Manchester, on November 6, 1974 for impounding all ballots and a formal request was made by the same parties on November 7, 1974 for an official recount by the Secretary of State, and

Whereas such an official recount was conducted by the Secretary of State on November 18, 1974 through November 26, 1974, and

Whereas upon completion of said official recount the Secretary of State on November 27, 1974 announced that the votes cast for the election of United States Senator were John A. Durkin, Manchester, 110,924; Louis C. Wyman, Manchester, 110,914; and Carmen C. Chimento, Brookline, 1,513; and thereupon the Secretary of State presented these totals to the Governor and Council for certification within an hour, and

Whereas the Governor and Council, acting prudently, on November 27, 1974 sought an informal opinion from the Attorney General of New Hampshire as to when final certification was appropriate and legal, having in mind that a further appelate proceeding still remained available to either Mr. Durkin or Mr. Wyman with the Ballot Law Commission, a State agency, and

Whereas the Attorney General advised the Governor and Council on November 27, 1974 that they should then certify Mr. John A. Durkin as the elected United States Senator at that piont in time and on a further request from the Governor and Council the Attorney General stated in an informal opinion that the State Ballot Law Commission would certify direct to the United States Senate and to the participating candidates of any changes in the total votes cast when the Ballot Law Commission reviewed challenged ballots, and

Whereas the Governor and Council then requested the Attorney General to draw up a qualifying resolution providing for a conditional certification for John A. Durkin which was unanimously passed by the Governor and Council and which read, in part . . . "The Governor and Council make this certification aware of the rights of appeal to the State Ballot Law Commission contained in RSA 68," and

Whereas on November 27, 1974 counsel for Louis C. Wyman, Manchester, appealed the declaration of recount of the Secretary of State under RSA 69:4 II, and

Whereas during the ensuing dates between December 4, 1974 and December 23, 1974 the State Ballot Law Commission acted in consideration and review of the challenged ballots, and

Whereas on December 5, 1974 the Governor and Council first were made aware of two sworn affidavits alleging that the Secretary of State in conducting the official recount had failed to count write-in ballots on the voting machines in the town of Exeter, and

Whereas the Secretary of State, under questioning by the Governor and Council, admitted that he had not counted write-in ballots on the voting machines in the town of Exeter nor in the cities of Manchester, Nashua and Portsmouth based on his interpretation of a prior Ballot Law Commission ruling occurring during a previous election which now appears not to have been applicable in this particular election since it applied in multiple-choice elections and not in a "one-choice election," and

Whereas it was clearly apparent to the Governor and Council that all votes cast on November 5, 1974 were therefore not counted in the official recount by the Secretary of State thus creating inaccurate totals in the qualified certification of John A. Durkin, and

Whereas the Secretary of State, under questioning by the Governor and Council, was unable to offer any reason for his failure to advise the United States Senate nor the candidates of the qualified certification drawn by the Attorney General and unanimously passed by the Governor and Council on November 27, 1974 certifying John A. Durkin and which clearly indicated the awareness by the Governor and Council of the availability of a further appellate procedure through the Ballot Law Commission in the event of a request for a review of challenged ballots by either candidate, and

Whereas the Governor and Council felt strongly that until the challenged votes were reviewed by the State Ballot Law Commission and determinations made, and all appeal routes had been exhausted at the State level that certification by the highest executive authority in the State of New Hampshire, namely the Governor and Council, had been premature and inaccurate, and

Whereas the Governor and Council for these reasons then acted on December 5, 1974 to decertify the previous qualified certification of John A. Durkin, Manchester, and

Whereas the Ballot Law Commission has formally announced on December 24, 1974 that the following totals in the election of the United States Senator are final and accurate as in their best judgment reflecting the intent of each voter, and

Whereas under the Constitution of New Hampshire, Part II, Article 62, the Governor and Council is responsible "For ordering and directing the affairs of the State, according to the laws of the land,"

Now therefore the Governor and Council, acting as the highest executive authority in the State of New Hampshire concurs with the State Ballot Law Commission in the issuance of a *Certificate of Changed Declaration* and *Accompanying Report of the New Hampshire Ballot Law Commission* dated December 24, 1974 of the total vote cast as being Louis C. Wyman, Manchester, 110,826; John A. Durkin, Manchester, 110,924; Carmen C. Chimento, Brookline, 1,513; as being an accurate representation of the total votes cast for each candidate in the biennial election held on November 5, 1974 for the office of United States Senator, and

Now therefore the Governor and Council directs the Secretary of State, acting in the capacity of Secretary to the Executive Council (New Hampshire Constitution, Part II, Article 64) and as Clerk and Recording Officer of the New Hampshire State Ballot Law Commission (RSA 68:1) to make this Resolution part of the certification documents of Louis C. Wyman, Manchester, and

Now therefore the Governor and Council authorizes the Governor to declare Louis C. Wyman the elected United States Senator and to issue to him a certificate which will include the following paragraph:

This certifies that the Governor and Executive Council having reviewed and accepted the findings of the New Hampshire Ballot Law Commission that at the biennial election held on November 5, 1974, Louis C. Wyman of Manchester received 110,926 votes; that John A. Durkin of Manchester received 110,924 votes; that Carmen C. Chimento of Brookline received 1,513 votes in the contest for United States Senator, hereby declare Louis C. Wyman elected and do authorize the Governor to issue to him a Certificate of Election reflecting the said certification of the Ballot Law Commission.

Gov. Meldrim Thomson, Jr.

Mr. HATFIELD. Mr. President, I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, the issue before the Senate is a most difficult one. As a Senator, I feel a deep obligation to two fine men, neither of whom I know personally, except to shake hands.

I feel a deep obligation to the State of New Hampshire as a State, and I feel a deep obligation to the people of New Hampshire.

Under the Constitution, the voters of each State determine whom they wish to represent them in the Senate of the United States.

But the Constitution provides also that the Senate shall be the judge of the qualifications of its Members.

When the votes were tabulated following the balloting by the people of New Hampshire on November 5, 1974, Louis C. Wyman was declared the winner with a margin of 355 votes. Upon a recount John A. Durkin was declared the winner by 10 votes, and his name was certified to the Senate.

Subsequently, acting under provisions of New Hampshire law, the New Hampshire Ballot Law Commission reviewed the election results and declared Mr. Wyman the winner by two votes. The Governor of New Hampshire certified to the Senate that Mr. Wyman was the duly elected Senator and withdrew the earlier certification of Mr. Durkin.

When the issue came before the Senate in January, believing as I do that action by a State involving the electoral process should not be set aside by the Senate unless there is a clear and compelling reason, my instinctive reaction was that the person certified by his State as the duly elected Senator from New Hampshire was the one who should be seated.

But in pondering the debate and taking into account that *the other* candidate previously had been certified and that three different ballot counting produced three different results, I concluded to vote to submit the issue to the Senate Rules Committee.

The Committee on Rules held 46 sessions and consumed total of more than

200 hours in trying to determine which of the two men was chosen by the people of New Hampshire to represent that State in the U.S. Senate.

The committee made a conscientious endeavor to reach a decision and to present a recommendation to the Senate.

The committee, however, was unable to reach a decision. In trying to interpret the voters' intent, the eight-member committee divided 4 to 4 on 27 individual ballots. In addition, there were eight tie votes on procedural matters.

So the situation today, June 16, 1975, is no clearer than it was in January.

Indeed, the fact that the committee could not reach a decision after diligence and long hours is highly significant.

It appears to the Senator from Virginia that the situation is such that it is impossible to accurately determine just whom the voters of New Hampshire did elect to the U.S. Senate on November 5, 1974.

Since there is no clear evidence that one or the other contestant is, indeed, the true winner, I believe the logical and appropriate course, under the circumstances, is to return the question to the State of New Hampshire.

I shall vote to declare the seat vacant, thus permitting the people of New Hampshire to determine by a new election whom they wish to represent them in the U.S. Senate.

Mr. JAVITS. Mr. President, I have profited a great deal from listening today, and I should like to make my own contribution to the consideration of the Senate in this matter. Being a lawyer, I shall start with what I propose to prove; namely, that we ought to support, without regard to party, the Weicker motion to return this issue to the people of New Hampshire.

I think Senator BROCK is 100 percent right when he says that the Senate should, in an exercise of self-discipline, and I will explain why, adopt the rule that the proper authorities of the State of New Hampshire having certified Mr. Wyman's election, he is the duly elected Senator.

I think we are getting ourselves into a tremendous thicket which can jeopardize our own democracy if we do not watch out. We are mighty close to it right now.

But life is not what we wish it to be, it is what it can be, and I believe that striving for what is possible, to wit, a return to the people of New Hampshire, is much more likely to be productive than striving to seat Mr. Wyman here and now, considering the division of the Senate.

It is regrettable, but it is a fact of life. So I shall vote for the motion accordingly.

Now, why do I say what I do? That is the principal reason I wish to speak today about not getting ourselves in a grave situation which can imperil our democracy.

The issue which is posed by the committee is the absolute power of section 5 of article 1 of the Constitution, to wit:

> Each House shall be the judge of the election, returns, and qualifications of its own Members.

In accordance with this responsibility under the Constitution, the Senate has been involved in 164 election expulsion and censure cases from 1793 to 1972. On several occasions the Supreme Court of the United States has decided cases concerning the Senate's powers in this area.

In the case of *Barry* v. *U.S. ex rel Cunningham*, 279 U.S. 597 (1929), the Supreme Court held that it was proper for the Senate to issue a warrant of attachment directing that a particular individual be brought before the Senate to answer questions in connection with election frauds in the senatorial election from Pennsylvania in 1926. The Court determined that while the Senate is generally a legislative body it has had conferred upon it by the Constitution certain powers which are judicial in character, among those the power to judge the elections returns and qualifications of its Members. Exercise of the power necessarily involves the ascertainment of facts, the power to compel attendance and testimony of witnesses and the power to apply appropriate rules of law and render a judgment. Therefore the Court held that the Senate's action in the case was entirely proper under its powers given in article I, section 5.

The other important case in the area is *Roudebush* v. *Hartke*, 405 U.S. 15 (1972). In that case after a very close election in November 1970, Senator VANCE HARTKE was certified as having been reelected. On the following day the opposition candidate Richard Roudebush filed in the Superior Court of Marion County a timely petition for recount. After denial of HARTKE's motion to dismiss the petition in State court a suit was brought in Federal court for injunction against the recount on the grounds that it was prohibited by article I, section 5, in the Constitution. HARTKE's contention was sustained by a three-judge district court and a direct appeal was taken to the Supreme Court.

The Court, in a 5-to-2 decision, reversed and concluded that article I, section 5, of the Constitution did not prohibit the State of Indiana from conducting a recount of the 1970 ballots for U.S. Senator. The question before the Court was whether a recount of the Senate ballots was a valid exercise of the State's power under article I, section 4, of the Constitution or was a forbidden infringement on the Senate's power under article I, section 5.

Article I, section 4, provides:

> The times, places and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

In accordance with this constitutional provision, Indiana provided for a recount procedure. The District Court held that the recount commission in making judgments as to which ballots to count was judging the qualifications of a Senator and was a usurpation of a power that only the Senate could exercise. The district court also found that the recount might endanger the integrity of the ballots and increase the hazard of accidental destruction.

The Supreme Court disagreed and stated that unless Congress acts, article I, section 4 gives the State broad power to regulate the conduct of Senatorial elections. These powers extend to the enactment of various requirements as to procedure and safeguards which experience shows are necessary in order to enforce the fundamental right to vote. One of these procedures was a recount which the Court found was an integral part of Indiana's electoral process. The Court also found that a recount did not usurp the Senate's function since the Senate was not prevented from independently evaluating the election after the recount or indeed after the initial count. The Court stated that the Senate is free to accept or reject the apparent winner in either count and, if it chooses, to conduct its own recount.

From the Barry and Roudebush cases several principles can be taken in regard to the role of the Senate and the role of the States in the election process. First, the Senate is exercising a judicial type of power under article I section 5 of the Constitution. In exercise of this power the Senate is given wide latitude and can recount ballots if it so desires. Second, each State in the exercise of its powers under article I section 4 can prescribe rules and procedures to govern Senatorial elections. The State rules should be followed whenever possible and the Court made a clear attempt to harmonize the State's role under article I section 4 with the Senate's role under article I section 5.

The court also held in the Roudebush against Hartke case that the Senate has absolute plenary authority, which cannot be reviewed in any court.

The question, therefore, becomes, What should we adopt as a matter of public policy? Whatever may have been the precedents, at times our politics have been a lot more crude than today; people have shaped them the way they wanted them. A lot of things were permissible in other days which are not permissible today, which would not be countenanced today and which we would not consider ethical and proper.

One of the central issues in this case, to me, as a practicing lawyer and as a former prosecutor, is; namely: That no fraud is alleged on either side.

I repeat, there is no fraud alleged on either side.

The Senate has an absolute right to be the judge of the qualifications of its Members in the Wilson against Vare case or a comparable situation, where there is fraud or excess spending as to shock the public conscience and the conscience of the Senate. But here is a straight issue of counting votes. There is nothing else involved here except the vote count.

The Supreme Court has held that even with the Senate moving to consider whether or not to seat a Member, the States have the right and the authority to complete their own vote-counting procedure. They held that in the case of Roudebush against Hartke. They held it in this case in a three-judge Federal court, that the State ballot commission in New Hampshire had complete authority to go ahead notwithstanding the fact that the matter was going to be thrown into the hands of the U.S. Senate. And the ballot commission did go ahead.

It seems to me, Mr. President, that in the interest of our own freedom, if we are going to have a government with a close election where it can be recounted again on the floor of the Senate, then we are going to have a government with an autocracy of the majority because the majority can decide these things. They are very malleable. I believe Senator HATFIELD gave a masterly illustration of that, how a group of men with the utmost good faith can wander all over the lot on the construction of what is a good ballot and what is a bad ballot.

It is very interesting to me that men who are deeply dug in on the issue of States' rights should not be seizing hold of this issue very strongly. Of all the issues where we have had a States' rights proposition, this certainly is it. The 17th amendment to the Constitution should be reconciled with article I of the Constitution, because Senators of the United States are to be "elected by the people thereof," to wit, the people of each State. That is entitled to as much honor as the provision that each House shall be the judge of the qualifications and election returns of its own Members.

But you do not hear a lot about that around here. Senator BROCK has quite properly picked up this quote of the chairman that the committee is applying its own law. The committee is the ballot commission of the State of New Hampshire, tomorrow of New York, the day after of Massachusetts, Rhode Island, Oregon, or Tennessee.

Will Senators tell me what election can be relied on? How much does a person have to win by? In my State the people cast somewhere between 5 and 7 million ballots. I won by 360,000. It seems to me that if we really went to work on this, we might be able to dispel the 360,000. It sounds like a lot of work, but it could be done. If that is the criterion, if we are simply going to decide who is elected and who is not, in the most arbitrary way, whatever the voters did, we will recount all the ballots, we will look them all over, we will not apply State law, we will decide who is and who is not to belong to this body. That is a self-perpetuating board of directors or trustees, and we have made that illegal under the laws.

Mr PASTORE. Mr. President, will the Senator yield on that point?

Mr. JAVITS. Of course.

Mr. PASTORE. The Senator would be absolutely right if only one had a certificate. But the fact remains that one man is first certified and then that same body took it upon itself after some secret strategy, as I understand it, and some other maneuvering was indulged in, and they sent up a new certificate. Now we are confronted with two certificates. The same body that validated the first time invalidates the second time, which raises a very serious question as to whom did the people of New Hampshire actually elect. Is that not the question?

Mr. JAVITS. I am constrained to disagree with the Senator for this reason: The certification of Mr. Durkin came on a survey of the ballots by the secretary of state and was subject to the right to appeal to the State ballot commission. That is the final authority. That certificate, hence, the one that was first issued, was simply invalidated. There is no fraud alleged. It is not alleged that the ballot commission acted in some fraudulent way or some dishonest way. This was the regular procedure provided by the State constitution. Under that procedure, one of the two candidates ended up with the certificate, which it was, I believe, our duty to accept unless we are going to have chaos in this country about elections.

While the Senate in its role as judge of the elections and qualifications of its Members may take arbitrary positions which likely could not be challenged in any court, I believe it is important for the Senate to follow consistent principles in judging any election and to apply those principles fairly. One of the principles should be that the provisions of State law should apply in determining the intent of the voter. This would be consistent with Supreme Court decisions such as Roudebush which seek to harmonize the responsibilities of the State with the power of the Senate and also consistent with the usual practice of the Senate in prior cases.

In the case of *Chilton* v. *Sutherland*, Senate Election Expulsion and Censure Cases, document 92–7, page 110, one of the early cases after adoption of the 17th amendment providing for direct election of Senators the Senate stated that State laws limiting expenditures should be complied with. Sutherland was challenged on the grounds that he spent in excess of the amount permitted by West Virginia law. The Senate found that since he was not convicted under West Virginia law he could not be deprived of his office as the West Virginia law required such a conviction. Thus we see an attempt to follow the West Virginia law.

In the case of Johnson against Schall, Senate cases, page 114, involving the Minnesota election of 1924 violations of the State Corrupt Practies Act were charged against Schall. The Senate found that the charge was without foundation and the Committee on Privileges and Elections stated that a judgment of a court under the provisions of Minnesota law would not be binding on the Senate but would have great weight. Thus once again the Senate gave serious consideration and weight to the provisions of State law.

The case of Steck against Brookheart, Senate cases, page 117, was another important case and one which concerned similar issues to this one. In the Steck case, Brookhart was elected by a narrow margin and petition of protest was filed with the Senate. After a complete recount of all ballots, Steck was declared the winner by the Senate. In the course of this contest, the Senate Committee on Privileges and Elections did throw out in excess of 1,300 ballots for Brookhart which were the so-called skip candidate type. Ballots were thrown out even though only a random X had been made before a few names with an X in the party circle. In this case the Iowa law provided that a straight ticket vote would be one where an X was made in the circle at the top of the ticket and also in any or all of the squares beneath the circle. The minority report of the committee states that the law of Iowa was absolutely ignored by the committee. The chairman of the Committee on Privileges and Elections, Senator Earnst, of Kentucky, stated that the committee was its own judge and it does not have to follow the law of Iowa and has not done so and has not attempted to do so. Even Senators such as George, of Georgia, who voted to seat Steck, were critical of that proposition. Thus Steck stands for the proposition that the committee and indeed the Senate can ignore State law if it so desires but that has not been the usual case. I do not believe that any of us would want to rely on the Steck case as a precedent for a fair way of conducting a review of an election.

Therefore, I believe that the rule the Senate should follow in judging the Wyman-Durkin election is that State law should be given great weight and authority and should be used to determine the intent of the voters of New Hampshire. It is necessary to take a close look at the law of New Hampshire to try and arrive at a final determination on the important question of the skip-candidate ballot.

The New Hampshire law in the revised statutes 59:58 provides for straight party voting by marking an X in the circle above the party slate. If the voter wants to vote for a candidate whose name is not under the circle which he has marked he should erase or cancel the name of the candidate in the column and may write in the name of another candidate in a separate column or mark an X in the name of the opposition candidate. I believe it is important to look at the cases which review this provision of New Hampshire law.

The first is the case of *Barr* v. *Stevens*, 79 New Hampshire 192 (1919). In that case there were three candidates running for county commissioner on the Republican and Democratic ticket. The ballot in question had an X in the Democratic Party circle and X's in each individual candidate box except for candidates Gingras and Gould running for county commissioner. In the write-in slot were the names of Gingras and Barr who was a Republican with X's beside their name. The ballot was not counted for Barr even though his name had been written in because of the fact that the straight party ticket mark at the top of the ticket was deemed to be a constructive vote for Gould whose individual box was skipped and whose name was *not* written in. Thus the vote for Gould and the vote for Barr canceled each other out. The court felt that the statutory rule as to the weight of the evidence which counted the vote for Gould must be applied in this case. This case stands for the proposition that an X in the party circle is a constructive X in all the boxes of the party candidates.

The case of *Murchie* v. *Clifford*, 76 New Hampshire 99 (1911) and *Stearns* v. *O'Dowd*, 78 New Hampshire 358 (1917), also dealt with the question of straight party voting. In Murchie ballots were marked with an X in the party circle but also with an X opposite the name of the candidate for a particular office in another column. The court stated that the issue is for whom did the voter cast his ballot? This was determined to be a judicial question and not one which should be determined by a mechanical rule laid down by the legislature. The court determined that the judgment on ballots was a judicial one and that the intent of the voter should be determined. Thus the court determined that looking at the ballots as a whole the voter has attempted to express a choice of two persons for one office and, therefore, the ballot was not counted for either. It is very important to note that the court did not disregard the straight party designation but in effect considered it a constructive party for all names in that column but found that a specific X for a candidate in a different column negated that intent. The Stearns case is similar and I believe stands for the proposition that the straight party vote method is one method of expressing intent but can be negated by an affirmative act in another direction.

It should be noted that no case has held that the straight party mark is to be ignored in a skip ballot situation where there is not affirmative act such as crossing out a name, writing in another name in another column or making an X in another column. In fact the Barr case stands for just the opposite point. Thus the skip ballots in the Wyman-Durkin situation must be viewed as straight party votes under the law of New Hampshire since there is no affirmative action that was taken by the voter showing an intent to vote for someone else that would cancel out the straight party vote.

Mr. JAVITS. If the Senate decides not to follow State law in this situation as was done in the Steck case then fundamental due process requires that this principle be applied equally to all ballots and not just the 13 skip-candidate ballots that are in question. It should be noted again that in the Steck case all the ballots were recounted and the same rules applied in all cases. Thus if the Senate is determined not to follow State law a search should be made of the 180,000 ballots now in possession of the committee to locate other ballots of the skip-candidate type.

Really, that is not the issue. The issue is that we should be bound by the action of a State in counting its ballots, because that is our best judgment, instead of getting into where we are now, this covey of perplexities and difficulties that will gravely jeopardize every election in this country for every Senator and every House Member, and give us real chaos with a determined majority in command.

If you needed any other evidence, look at the tie votes in the committee, which are the evidence which throws the thing here.

It seems to me that we as the Senate in our honest judgment, and I think it best for our Nation and best for us, should decide that where the highest authority of a State has acted, absent fraud, banality, crookedness, dishonesty, law breaking, et cetera, tampering with ballots, whatever, where it is a straight count, and that seems to be the issue here, we should rely upon the procedures of the State and whatever is the finality in that State, whether it is a court, a commission, or whatever it may be. If not, I really think that we are getting ourselves into a very dangerous situation for our own future in that regard.

Mr. PASTORE. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. The Senator from New York makes a very valid point. There is no question about it. I believe I understand correctly his position to be that once a certificate is sent out by a State, that is conclusive and we have no right to question it, in the absence of fraud.

Mr. JAVITS. I will yield again, but I want to make myself very clear, because the Senator is also a man of great perception and I am sure he understands me. It is not as a right. We can do exactly what this committee has done as a right. We can do it on the floor as a right. The Constitution and the cases say so. All I say is that it would be a matter of wise policy for the Senate, when there is no issue over and above counting, how you count the ballots, we should rely upon the State. Otherwise, we are going to get ourselves into terrible trouble.

Mr. PASTORE. I should like to ask another question of the Senator. I was not here when he began his speech.

Does the Senator from New York feel that we have the authority to order a new election?

Mr. JAVITS. I feel that we can declare the seat vacant. That has been done and that is what we would be doing in this case. The law of New Hampshire already provides for a new election.

Mr. PASTORE. On what basis do we declare it vacant?

Mr. JAVITS. On the ground that it is simply impossible to resolve the issue here.

Mr. PASTORE. I understand the Senator's position to be that we cannot go beyond the certification. If he takes that position, how do we declare it vacant?

Mr. JAVITS. I am coming to that. When I started, I said exactly that. I said the consistent principle position is to say you have to take the certificate as it is. But life being what it is, and with my absolute knowledge that that is not going to happen, I am going to vote for the next best thing, which is to declare the seat vacant and to let the people of New Hampshire try it all over again.

Mr. PASTORE. Will the Senator not admit that is more or less a philosophical, expeditious way?

Mr. JAVITS. No, it is a pragmatic way——

Mr. PASTORE. Pragmatism may not be the law.

Mr. JAVITS. I think it saves the best of the law by being pragmatic in that way.

Mr. President, I have had my say on what I believe very deeply. The only thing I hope to contribute in what I have said today is to perhaps awaken us to what we are in for if we go this route. In this setting today—it has been done before—I think it is a very, very unwise road for us to travel under modern conditions.

Mr. PASTORE. Will the Senator yield once more?

I would like to make my position very clear. It makes very little difference to me, frankly, whether it is going to be Durkin or Wyman. I would like to see the man who is elected by the people take his seat.

Mr. JAVITS. Right.

Mr. PASTORE. But there has been more or less an inference here today that because we are 61 on this side and there are not as many on that side that there is going to be a political decision made. I want this Senate to understand that I do not care whether the man who eventually wins is Republican or a Democrat. I want to see the man who is elected by the people of New Hampshire take that seat.

Mr. JAVITS. I believe every word the Senator says, and I said myself that the tie votes indicate that there is a good deal of sentiment of that kind on the majority side. All that I was doing was invoking the Senate to proceed exactly as the Senator from Rhode Island has prescribed for himself.

I yield.

Mr. HATFIELD. Mr. President, the last three Senators who have made comment on this issue, I think, made a very significant contribution. I think it is very interesting that the Senator from South Carolina (Mr. THURMOND) and the Senator from Virginia (Mr. HARRY F. BYRD, JR.), both presented their viewpoints in the context of States rights, and they both have been men known for long public careers in battling for and on behalf of States rights.

We have just heard the Senator from New York present a cogent and most effective constitutional opinion on this case.

I might observe that in the history of this body, even though there are many lawyers, there are few who rise to the great heights of recognition by their colleagues as authorities in constitutional law.

During my brief tenure in the Senate I had the pleasure of hearing on occasion the late Senator from the State of Oregon (Mr. Morse), the former Senator from North Carolina (Mr. Ervin), and on other occasions the other Senator, who has been heard again today, the Senator from New York (Mr. JAVITS). They are examples of men of renown and men of great ability, and can interpret the law and make their interpretations understood by those of us who are not lawyers as to the impact on the issue that we are considering that the Constitution would have, or the failure to observe the Constitution in its proper perspective.

I thank the Senator from New York I have again sat through many hours of hearings on this issue. As a nonlawyer, I have listened tediously and oftentimes impatiently to the argument between lawyers of the committee. I say that in listening to the lawyers of the committee, as well as listening to the lawyers presenting the case on behalf of both candidates, both of the gentlemen who are in contest here today, that I have yet to hear a more brilliant and succinct statement than that I have heard today by the Senator from New York.

I often feel after listening to him that perhaps, in the lingo of one of my old professors, we ought to obtain 1-hour credit in constitutional law toward some graduate degree.

But I do thank him for his contribution today, and I am hopeful that those present and other Senators who were not present today to hear the Senator from New York will take the time and make the effort to read his comments in the Record.

I also say, Mr. President, at this time, just to make the record clear, as is related to the question raised by the Senator from Rhode Island on the matter of the certificate, there were two certificates. But let us keep the record clear that Mr. Durkin's certificate was a conditional certificate of election, and Mr. Wyman's certificate was the nonconditional certificate of election.

DESIGNATION OF PERIOD FOR ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized tomorrow, there be a period for the transaction of routine morning business for the purpose of inserting in the Record bills and resolutions and the introduction of memorials and statements in the Record, of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11 a.m. tomorrow, following a recess, and after the two leaders or their designees have been recognized, under the standing order, there will be a period for the transaction of routine morning business, during which bills and resolutions and memorials and statements will be offered for the Record.

After the period for routine morning business, the Senate will proceed to the consideration of S. 1487, the Coast Guard authorization, and if time permits, the Senate will then take up S. 1716, the Nuclear Regulatory Commission Authorization. In any event, at about 10 or 12 minutes after the hour of 12 noon, Senators will gather in a body to proceed to the House of Representatives for a joint meeting which will be addressed by the President of the Federal Republic of Germany.

Following that address, Senators will return to the Chamber, at which time the Senate will resume consideration of the New Hampshire election dispute.

At 5 p.m. tomorrow a rollcall vote will occur on the Weicker amendment.

RECESS UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 11 a.m. tomorrow.

The motion was agreed to; and at 4:47 p.m., the Senate recessed until Tuesday, June 17, 1975, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate June 16 (legislative day of June 6), 1975:

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Maurice F. Casey, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

IN THE NAVY

Rear Adm. Robert P. Coogan, U.S. Navy having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

HOUSE OF REPRESENTATIVES—*Monday, June 16, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Thou shalt do that which is right and good in the sight of the Lord: that it may be well with thee.—Deuteronomy 6:18.

Almighty God, our Heavenly Father, the source of light and life, the goal of our moral efforts, and the guide of our way through life, grant us wisdom, grant us courage for the living of these days.

Help us to become more aware of Thy presence, renewing our faith in the goodness of life, restoring our spirits by the uplift of Thy love, and reinvigorating our minds with positive thoughts and creative ideas.

Lead us and lead our people into a new day of mutual helpfulness and mutual concern, that in all good will and as a free nation we may live together in peace.

Guide the nations of the world into the ways of justice and truth and establish among them the peace which is the fruit of righteousness through Jesus Christ, our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 824. An act to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes;

S. 1191. An act to amend the Public Health Service Act to provide for additional medical scholarships to be known as Lister Hill Scholarships; and

S. Con. Res. 44. Concurrent resolution to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS ANOTHER JOBS BILL IS COMING

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I want to give notice to the President and to my colleagues on the other side of the aisle that we Democrats are coming back with another jobs bill tomorrow.

The continuing resolution will fund many of the jobs programs in the vetoed emergency jobs bill. Public service employment, college work-study, rural water and sewer grants and other programs will be funded in exactly the same amount as in the jobs bill.

We are not giving up on this issue because the 8.5 million unemployed in this country badly need these jobs, and it is the overwhelming consensus in the Congress that we should provide these jobs.

The President was able to sustain his veto only by aggressively whipping the Republicans into line. He got 87 percent of them to vote against jobs—including some Members with bad unemployment problems in their own districts.

I know how hard you worked personally, Mr. Speaker, to round up votes to override, and what an outstanding job the whips did. Unfortunately, we were no match for telephone calls from Air Force One or for promises the President made to his own party.

The deal was that he would accept most of the jobs programs if they were presented to him in other bills. But he wanted Republicans to stand by him on the emergency jobs bill. It was an exercise in prestige.

The President may have won a little prestige, but Congress was not the loser. The real losers were the people of this country.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

ENDORSING THE WORLD FOOD CONFERENCE OF 1976 IN AMES, IOWA

The Clerk called the House concurrent resolution (H. Con. Res. 136) relating to the World Food Conference of 1976 in Ames, Iowa.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that this House concurrent resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MANDATORY CIVIL SERVICE RETIREMENT AT AGE 70 WITH 5 YEARS' SERVICE

The Clerk called the bill (H.R. 504) to amend subchapter III of chapter 83 of title 5, United States Code, to provide for mandatory retirement of employees upon attainment of 70 years of age and completion of 5 years of service, and for other purposes.

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that this bill and all bills on the Consent Calendar be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

The SPEAKER. This completes the call of bills on the Consent Calendar.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device; and the following Members failed to respond:

[Roll No. 298]

Ambro
Andrews, N.C.
Archer
Ashbrook
AuCoin
Badillo
Bell
Bingham
Boggs
Burke, Calif.
Burke, Fla.
Cederberg
Chisholm
Clausen,
Don H.
Clay
Conyers
Dent
Derrick
Diggs
Dingell
Dodd
Downing
Drinan
Edwards, Calif.
Esch
Eshleman
Fascell
Florio
Flowers
Flynt
Foley
Fraser
Fulton
Gonzalez
Hanley
Harsha
Hastings
Hébert
Jenrette
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
LaFalce
Lehman
McEwen
McKay
Macdonald
Mann
Mathis
Matsunaga
Michel
Miller, Ohio
Mills
Moakley
Mollohan
Moorhead, Pa.
Murphy, Ill.
Peyser
Price
Rangel
Rhodes
Riegle
Rodino
Rogers
Ruppe
Ryan
Scheuer
Seiberling
Shuster
Sisk
Steiger, Ariz.
Stokes
Stuckey
Talcott
Udall
Vander Jagt
Vigorito
Wampler
Wilson, Tex.
Wylie

The SPEAKER. On this rollcall 352 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING TITLE 18 OF UNITED STATES CODE ON LOTTERY PROHIBITIONS

Mr. DANIELSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1607) to amend title 18 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television, as amended.

The Clerk read as follows:

H.R. 1607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1307(a)(1) of title 18 of the United States Code is amended by inserting "or in an adjacent State which conducts such a lottery" immediately after "State".

SEC. 2. The first sentence of subsection (d) of section 3005 of title 39, United States Code, is amended by striking the words "a newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law," and inserting the words, "a newspaper of general circulation containing advertisements, lists of prizes, or information concerning a lottery conducted by a State acting under authority of State law, published in that State, or in an adjacent State which conducts such a lottery,". in lieu thereof.

The SPEAKER. Is a second demanded?

Mr. PATMAN. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PATMAN. Yes; Mr. Speaker, I am opposed to the bill.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from California (Mr. DANIELSON) will be recognized for 20 minutes and the gentleman from Texas (Mr. PATMAN) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. Mr. Speaker, H.R. 1607 would amend section 1307 of title 18 and subsection (d) of section 3005 of title 39, United States Code, by changing the present exemption permitting advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law by adding the words: "or in an adjacent State which conducts such a lottery,".

The Members will recall that about a year ago we passed an amendment to our laws to permit radio and television stations in a lottery State, or an adjacent State which conducts such a lottery, to carry certain information concerning those State-operated lotteries. That subject was discussed in detail on the floor at the time, and we did pass it and it is now the law of the land that radio and television stations are permitted to carry information concerning State-operated lotteries in those areas which are within their viewing and their listening areas, the areas to which they had been licensed.

We did not at that time pass corresponding amendments to the law which would permit newspapers in adjacent lottery States to carry the identical type of information. H.R. 1607 is intended only to extend to such newspapers the very same right to carry lottery information which we have already extended to radio stations and television stations.

Mr. Speaker, I respectfully submit that it should not make any difference to the Members of this House what their particular attitude is toward whether or not States should have lotteries. That is a State question, their constitutional right, and many States have them. Furthermore, voting for this bill would not mean that the Members necessarily are in favor of advertising lotteries or carrying information concerning them. It is merely a matter of equity. We have already granted to radio and TV stations in lottery States or in adjacent lottery States the right to carry this information.

Their function of disseminating the information is no greater and no less, no better or no worse, than that of newspapers. In this bill, we simply extend the right to newspapers to carry the same kind of information we now allow such radio and TV stations to carry.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman very much for yielding to me, and also for providing the initiative which brings this bill to the floor.

As the author of H.R. 1607, I want to state frankly that I think lotteries are a very poor way through which State governments raise revenue, but the law passed by the last Congress did discriminate unfairly against newspapers, as the gentleman from California correctly stated.

I think it is eminently proper and in order for all Members of the House to support this bill, which does eliminate that form of discrimination. I thank the gentleman.

Mr. DANIELSON. Mr. Speaker, I thank the gentleman for his contribution. He said exactly what I want to say, but probably in a much better manner.

I personally do not favor lotteries as a means of financing local government, but that is not the issue before this

House. We already have those lotteries. We have already allowed certain radio and TV stations to talk about them, to carry advertising, to carry comments. I think that under the first amendment they probably have that right anyway, and all we are doing is saying that newspapers can likewise carry that information. I earnestly urge all Members to support this bill.

Mr. PATMAN. Mr. Speaker, I did not know this bill was coming up today. That was my fault, probably, as much as anyone's, but I investigated the question of availability of hearings, and I discovered that there are no hearings on this bill that are available. I think that is something that should be made available when a bill comes up. I would not know how to reach that by motion or request that those be required.

This bill is a national lottery bill. It is a gambling bill for the entire United States, to promote gambling in the entire United States. It will not become effective immediately. It will just become effective in those States which have legalized gambling, legalized lotteries, and then the newspapers and radio and the other media can advertise anything about prizes and how to get gambling tickets and operate as though they were in the State where the gambling is permitted. In other words, it extends to adjacent States.

It is like the farmer down in Texas who had lots of land and also had a few oil wells. When he got rich with oil money, he began to buy up all the farmers around with that money. The farmers were aroused and greatly disturbed and had sort of a town meeting for the purpose of sending a committee to this farmer and letting him know that he was doing everybody a great injustice and that they wished that he would cease and desist buying up land in that area.

When the committee came back, after they went to see him, and reported to the group, they said:

> Well, we have everything all worked out. The gentleman who has been buying up all this land has agreed that he will never buy any more land except that adjoins his'n—that adjoins his'n.

And this is a law to permit an operation of gambling in every State that is adjacent to a State that "adjoins his'n." So there is, in effect, a national gambling law that will be effected, that can be effected in a reasonable time, and not a very long time, at that, in each of the 50 States in the Union and in each of the 3,071 counties in those 50 States in the Union.

So I do not believe, with the crime that we have today throughout the land—serious crimes—with the accumulation of large sums of money in irresponsible hands that can be used without accounting for any purpose at all, that it is time to add to that what is tantamount to a national gambling law. We do not need that. It is not good for our country. It is degrading to our country. It is degrading to our citizens, and we should certainly stop this bill today, vote against it, and then if further consideration is desirable or should be had, we can account for it at some time when we have more time to consider it.

Very few Members, I am sure, knew this bill was coming up. I did not until within an hour ago. We do not want to pass legislation that way, and particularly since we have no printed hearings available. I think one of the requisites of good legislation is that when a bill is presented on the floor of the House that there should be available printed hearings of the testimony upon which the bill is recommended for consideration and approval. We should not be asked to pass upon a bill unless that is available, the hearings. We do not know what was in the minds of the members of the committee. We know they were good, conscientious Members. We are not attacking them. They are good people, fine people. But we would like to know the testimony that they used to justify them in recommending this far-reaching bill involving not only all of the States and all of the counties, but it involves the whole United States.

I hope the Members will consider that and not vote for consideration at this time.

As many on this floor know, I sincerely question the use of gambling to raise public revenues. We are often told that a little gambling—backed by the State—will help educate children and provide other social benefits. We are led to believe that education and social services will go by the boards if we do not promote lotteries and State-operated gambling parlors.

Mr. Speaker, I sincerely question this thesis and I do not believe that we have sunk to the point where gambling is our only resort when additional funds are needed to provide local governmental services.

Mr. Speaker, my questions about gambling, as a means of raising revenue, go beyond the question of morality. In my opinion, gambling as a means of raising revenue is a copout of great magnitude.

Actually, these gambling schemes are designed to pick the pockets of the poor and the unsuspecting while the big boys—the rich—continue to enjoy low tax rates and a multitude of tax loopholes. It is easier to devise a scheme for a little legal gambling operation than to face up to the huge lobbies which protect and maintain the tax loopholes for the banks, the corporations, and the wealthy.

These State-operated lotteries are a regressive form of taxation. We do not see the big sleek Cadillacs pulling up to the front doors of these government-operated betting parlors. It is the little man who hopes that he can convert his weekly grocery money into some grandiose sweepstakes winning that will put him on easy street for the rest of his life.

Week after week, it is this little guy who shells out the money which keeps the lottery—the off-track betting parlors—the parimutuel horseracing—going. Meanwhile, the wealthy go about their business while the State exacts this additional toll on the less well to do.

Gambling is, of course, very appealing to many people who exist on limited means and who have little to brighten their daily lives. They hope that somehow their bets can change their entire life. But the odds—as the States well know—are heavily weighted against them and many of those people sink large percentages of their wages into these long-shot wagers.

It often means that families do without food and clothing because these State-operated and city-operated gambling institutions have drained away their funds.

A POOR SOURCE OF REVENUE

Mr. Speaker, regardless of one's opinions about the moral issues involved in legalizing gambling, the fact is it is a poor source of revenue. The total overhead costs—including the prizes which must be passed out—are extremely high, much higher than they would be on any straight taxation program.

In fact, it appears that most jurisdictions do extremely well if they are able to use as much as 50 percent of the gambling take for education or other public purposes. The other half goes to the gamblers and to administrative costs.

The SPEAKER. The gentleman from California (Mr. DANIELSON) is recognized.

Mr. DANIELSON. Mr. Speaker, I desire to respond, if I may, to the distinguished Dean of our House. I want to reiterate what I said before. I fully respect the distinguished gentleman's position. The gentleman's standards of conduct, which should be the standards for our Nation, have been a great guide to this House and to our Nation for many years; but what I am trying to point out here is that we are not debating the wisdom or the virtue of having State-supported lotteries. They exist. They are available to the States under our constitutional system, and many States have adopted them. The wisdom of their legislatures or their people has been such that they have adopted State lotteries, and they have the right to do so.

Furthermore, Mr. Speaker, we are not even debating the wisdom of whether the people across the boundaries of those States should be aware that those lotteries exist, because radio stations and television stations do carry this information. They carry it today. What we are doing in this bill is simply permitting newspapers in a State in which the lottery is being conducted, or in an adjacent State in which there is a State conducted lottery, to carry information concerning those State lotteries.

That is all it does.

Mr. Speaker, I would like to read a comment from the U.S. Department of Justice. This is what they told us:

> This Department's position relating to state-conducted lotteries has always been to object to any erosion of Federal protection to those States which have determined that lotteries are not in the best interest of their citizens. This proposed legislation—referring now to H.R. 1607—applies only to States which conduct lotteries and does not upset the balance created by the present 18 U.S. Code, 1307.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Virginia.

Mr. BUTLER. I thank the gentleman for yielding.

Just for a point of information, let us assume that the State of Virginia does not have a State-authorized lottery—as a matter of fact, it does not—and the State of Maryland does. Under existing law, as I understand it, in the State of Maryland a newspaper published in the State of Maryland cannot circulate in the State of Virginia with this information?

Mr. DANIELSON. Yes, it could. If the State of Maryland has a lottery, a newspaper published in Maryland is allowed to carry that information, and if someone in the State of Virginia subscribes, for example, to that paper, he is going to be receiving it.

Mr. BUTLER. That is permitted under the existing law?

Mr. DANIELSON. That is the situation under existing law; the gentleman is correct.

Mr. BUTLER. In what way will the situation change as a result of this proposed legislation?

Mr. DANIELSON. Mr. Speaker, insofar as Virginia is concerned, I do not believe it will be changed at all.

Let me back up and proceed on another level concerning the States. The State of New Jersey has, I believe, State-conducted lotteries. A newspaper in New Jersey could publish information about the New Jersey lottery.

Now, I believe that Maryland abuts on New Jersey at one point, and Maryland has a State-supported lottery, so a New Jersey paper could also carry the information on the Maryland lottery, and vice versa; Maryland newspapers could carry it on the New Jersey lottery.

But Virginia does not have a State-supported lottery, so, therefore, we would have no change in the existing law there. It authorizes the newspaper in the State in which the lottery is conducted, and it carries over to the newspaper in an adjacent State which also permits a State-supported lottery.

Mr. BUTLER. Mr. Speaker, I thank the gentleman.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for yielding.

I listened attentively to what my good friend, the gentleman from Texas (Mr. PATMAN), had to say about this bill. I support the same position he holds in regard to lotteries. If the gentleman will bring forward a bill to outlaw lotteries in any political subdivision of the United States, I will be in support of it. But that is not the issue here.

The gentleman did make a point about the lack of hearings on the bill, but I would like to say to the gentleman that on January 2, 1975, which was the last day of the last Congress, we had a rather thorough discussion of this issue. I realize that was a different Congress, but nevertheless the technicalities of this issue were thoroughly discussed at that time and the chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO), graciously assured me this matter would be considered in the next Congress. He said, because of the lateness of the hour in that session of Congress, which everyone was trying to bring to a close, that he would appreciate it if I would defer pressing for this amendment to equalize the treatment of newspapers with radio and television stations, and he said in the next Congress he would gladly support such a bill which he has done.

So, in a sense, this Chamber has had hearings on this issue, although not quite in the formal manner, I suppose, that the gentleman from Texas would prefer.

Mr. PATMAN. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. MOORHEAD).

Mr. MOORHEAD of California. Mr. Speaker, I rise in opposition to this legislation. This bill proposes to further amend the exemption for State-operated lotteries placed in titles 18 and 39 last year with the passage of Public 93-583. That statute, signed into law last December, permits State lottery agencies to use the mails, newspapers and radio and television to advertise and otherwise promote their lotteries.

The measure we consider today, H.R. 1607, would amend that statute so that newspapers, published in lottery States, may also carry advertisements and other information concerning State sponsored lotteries that are run in adjacent bordering States. The specific aim of this bill is to give newspapers the same rights under the statute as were given to the radio and television media last year.

But the limited aim of this bill is not, in and of itself, the overriding issue here today. My opposition to H.R. 1607 has nothing to do with the concept of equal treatment of newspapers with the electronic media. Rather, it stems from a strong philosophical conviction that this bill and the existing prolottery statute amount to a Federal endorsement of the lottery mechanism as a means of raising public revenues.

Under the existing law, we now allow the U.S. mails to be utilized to disseminate lottery information and advertisements. Also, federally regulated radio and TV stations are now permitted to become vehicles for the promotion of State lotteries. Newspapers now can be sent in interstate commerce carrying lottery advertisements and other information. Lottery tickets themselves may be mailed within the borders of those States which conduct such lotteries.

The social impact of these lotteries has been the subject of a long and controversial debate. Many believe that persons from lower income brackets tend to be the most victimized by the enticement of potential lottery winnings. It is fair to say that the existence of State lotteries has not appreciably reduced illegal wagering in those States.

It is my view that if individual States choose to use gambling as a means of raising public funds, that is their sovereign right to decide. But at the same time, it is the obligation of Congress to insure that those decisions are not imposed on the sovereign rights of the remaining nonlottery States. While it is true that tickets cannot be sent lawfully outside the States under this law, advertisements and other material soliciting the interest of the general public can be transmitted across State lines.

Right now, 13 States operate lotteries. But who can doubt that the pressure for this number to expand will build and increase, particularly from newspapers and radio and television stations seeking increased advertising revenues. The Congress of the United States has an obligation to act as a good example to the States. The States look to Washington for direction and leadership. All too often that leadership has been faulty and misdirected. This is clearly the situation here.

Many Americans view gambling as a vice—as a destructive and wasteful habit. We, the representatives of the people, should not be in the position of encouraging the expansion of the lottery mechanism into other States. This is a decision for individual State legislatures and not the U.S. Congress. The revenues involved are State moneys. At the very least, we owe a hands-off attitude to those 37 States who have so far chosen not to embrace the lottery mechanism or who have outright rejected it.

I oppose this amendment to Public Law 93-583, just as I opposed the enactment of that statute last year. I urge my colleagues to do the same.

Mr. DANIELSON. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. DANIELSON) that the House suspend the rules and pass the bill (H.R. 1607), as amended.

The question was taken.

Mr. PATMAN. Mr. Speaker, I object to the vote on the ground that quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

Does the gentleman from Texas withdraw his point of order that there is no quorum?

Mr. PATMAN. Yes, Mr. Speaker.

PERMISSION FOR SUBCOMMITTEE ON LEGISLATION AND NATIONAL SECURITY OF THE COMMITTEE ON GOVERNMENT OPERATIONS TO MEET ON TUESDAY, WEDNESDAY, AND THURSDAY OF THIS WEEK DURING PROCEEDINGS UNDER THE 5-MINUTE RULE

Mr. BROOKS. Mr. Speaker, the Legislation and National Security Subcommittee of the House Committee on Government Operations will hold hearings on the bill H.R. 7575, a bill to create an agency for consumer protection, starting Tuesday, June 17.

We hope to hear from administration witnesses, Members of Congress, consumer groups and business organizations.

At the present we are considering 3 days of hearings, and plan to have a bill ready for floor action as soon as possible.

Mr. Speaker, I ask unanimous consent that the Subcommittee on Legislation on National Security of the Committee on Government Operations be permitted to meet Tuesday, Wednesday, and Thursday of this week, June 17, 18, and 19, 1975, during proceedings under the 5-minute rule.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR TRANSITION

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6692) to authorize appropriations for the period July 1, 1976, through September 30, 1976, as amended.

The Clerk read as follows:

H.R. 6692

A bill to authorize appropriations for the period July 1, 1976, through September 30, 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are authorized to be appropriated for the period July 1, 1976, through September 30, 1976, such sums as may be necessary to conduct programs and activities for which funding was authorized on June 30, 1976: *Provided,* That this Act shall not affect any other law authorizing appropriations for the period July 1, 1976, through September 30, 1976.

The **SPEAKER.** Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The **SPEAKER.** Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER.** The gentleman from Texas (Mr. BROOKS) and the gentleman from New York (Mr. HORTON) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 6692 was reported unanimously by the Committee on Government Operations and is necessary because the Congressional Budget and Impoundment Control Act of 1974 changed the fiscal year to October 1 through September 30, beginning in 1976. This creates a 3-month transition period from July 1 through September 30 of that year for which authorizations and appropriations are needed to carry out necessary programs and activities. Since this is a unique situation, a general authorization is needed to make certain that appropriations will not fail because of the inadequacy of language in some of the authorizing statutes on the books.

The Budget and Impoundment Control Act directed the President to prepare and submit to the Congress legislation he considered appropriate with respect to changes in law necessary to provide authorization of appropriations for that period. The President submitted his recommendation in an executive communication, which the Speaker referred to the Committee on Government Operations.

The President proposed that Congress pass a bill authorizing appropriations to conduct programs and activities—not otherwise provided for in any other act—for the 3-month transition period "for which funds have been requested for this period in the President's 1976 budget, as amended through June 30, 1976." In other words, the President wanted authorization for only those programs he designated in the current budget document and no other programs.

I did not find this acceptable and introduced H.R. 6692, to authorize appropriations for all programs and activities for which funding was authorized by Congress in fiscal year 1976. My intention was to make certain that no congressionally approved program was arbitrarily excluded from authorization.

I consulted the distinguished chairmen of the standing committees of the House, who have responsibility for authorizing appropriations, and the chairman of the Committee on Appropriations, asking each of them to review this legislation and provide me with their comments on how it would affect matters within their jurisdictions. I told them it was not our intention in this or any other legislation to impinge in any way on the jurisdiction of other committees. We only wished to carry out responsibility placed upon us to assist in a smooth transition to the new fiscal year.

We received responses from the committee chairmen and our Subcommittee on Legislation and National Security conducted a hearing at which the chairman of the Appropriations Committee testified, along with representatives of the Office of Management and Budget and the General Accounting Office.

It was the consensus of the hearing and the responses from the chairmen that legislation along this line was needed to effect the transition and to assist the Appropriations Committee in carrying out its duties. It was also generally agreed that the language in H.R. 6692 was the preferable way to do it.

Suggestions, however, were made for improvements. The bill, as amended by the committee, reflects those suggestions. In short, the amendatory language will make sure that H.R. 6692 will not have the effect of superseding authorizations for that period that other committees may make. The change in language from "fiscal year 1976" to "June 30, 1976" will make certain that we are not providing authorizations for programs which terminated by law during the fiscal year. These changes take care of the major problems that were raised.

This bill is an important element in the ability of Congress to regain control of the budget process. I hope it will be passed overwhelmingly.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6692, to authorize appropriations for the period July 1, 1976, through September 30, 1976.

The Congressional Budget and Impoundment Act of 1974 creates a 3-month transition period from July 1 through September 30, 1976. Since some authorizations for appropriations have not been written to cover this transitional period, this legislation is necessary to provide appropriations authority for programs which the Congress does not intend to expire. Authorizations would not be provided for programs where the authorization for appropriations expires by law prior to the end of fiscal year 1976.

H.R. 6692 would not supersede or override authorizations for appropriations which have been made or will be made for the transition period by the regular authorizing committees. Of course, any program which terminates by law prior to or during the transition period will not hereby be authorized appropriations, since termination of program authority is different from an expiration of authorization of appropriations which still leaves program authority on the books.

My committee held 1 day of hearings on this bill and reported the bill unanimously. The bill before us today has the full support of the administration, the General Accounting Office, and Chairman MAHON of the Committee on Appropriations. I urge the passage of H.R. 6692, as amended.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I would be pleased to yield to my distinguished friend, the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I notice in the report that the President had requested this authorization for the transitional period only for those programs that he had designated in his current budget request, but that the committee wanted to go beyond that, to include in this transitional request all programs that had been authorized by Congress in fiscal year 1976.

Can the gentleman from Texas tell me what the differences are, and what the programs are that you are authorizing for the 3-month transitional period that the President did not wish to include?

Mr. BROOKS. Yes; let me say that the President's original request was for only those programs he had authorized, and the committee felt that it would be more appropriate to extend for this 3-month transitional period any program which the Congress in its wisdom had decided should be operating and functioning for that 3-month period. We submitted that language to the executive department. They testified in open hearing that our language was superior to that which the OMB had sent down. They agreed with it—the GSA, the OMB. They are not against this language. They agree with it in there and want it there. The gentleman might verify that with the gentleman from New York (Mr. HORTON) if there is any doubt in his mind.

Mr. BAUMAN. The only question I had, if the gentleman will yield further, is what programs we are extending that the administration originally might have excluded from their request.

Mr. BROOKS. We have no knowledge of that—only those which were approved by Congress. Basically, for the gentleman's edification, most programs are now being authorized and appropriated for the fiscal year and for the transition period. But this is to cover in the administration's judgment those minor programs which would not be specifically acted on by Congress. That was the purpose of this. It is a catchall. Most of the major congressional legislation, the major proposals to implement in the administration's proposals, will be acted on and provided for during the transition by action here on the floor.

Mr. BAUMAN. I thank the gentleman.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Texas.

Mr. MAHON. I thank the gentleman for yielding.

Mr. Speaker, members of the Committee on Appropriations and our staff have worked closely with the gentleman from Texas with respect to this legislation. We feel that the legislation is necessary, is well drawn, and we are in complete support of it. I just wanted, as chairman of the committee, to lend my endorsement to the action being proposed here today and to commend the Committee on Government Operations for the action which has been taken.

Mr. Speaker, the pending legislation (H.R. 6692) will authorize the appropriation of funds for the period July 1, 1976, to September 30, 1976. Legislation concerning this period is made necessary by section 501 of the Congressional Budget and Impoundment Control Act of 1974—Public Law 93-344—which changed the fiscal year so as to go from October 1 through September 30 rather than from July 1 through June 30. This is to become effective October 1, 1976. This change leaves a 3-month "transition period" between fiscal year 1976, which will end on June 30, 1976, and fiscal year 1977 which will commence October 1, 1976.

Section 502(a) of the Congressional Budget Act provides that the President shall: First, submit budget estimates for this transition period and, second, propose legislation with respect to changes in law necessary to provide authorizations of appropriations for that period.

The legislation required by section 502 (a)(2) which was transmitted to the Congress on February 20, 1975—House Document 94-56—was a blanket governmentwide proposal which would have authorized appropriations to conduct projects and activities for which funds were requested for the transition period in the President's 1976 budget as amended through June 30, 1976. That proposal attempted to address all programs in one sweep rather than going to each specific piece of legislation. While the thrust of that proposal was appropriate, it contained a significant deficiency in that it did not authorize appropriations for any project or activity for which the President did not request funds. The Committee on Government Operations, in studying the proposal, detected that deficiency.

The bill H.R. 6692 follows the same broad scope of the draft legislation proposed by the President, but it corrects the deficiency of that proposal in that it authorizes appropriations for programs and activities for which funds were authorized on June 30, 1976. I believe that this legislation will permit the adequate funding of governmental programs for this period.

While some legislative committees have already provided authorizations for some programs for the transitional period, I believe it is absolutely essential that there also be a general blanket authority for appropriations. H.R. 6692, without a provision generally restricting appropriations to an arbitrary level, provides authorization for many of the so-called entitlement programs such as those based on a formula or hinged to an escalator provision.

The Appropriations Committee regards H.R. 6692 as a necessary legislative measure to accommodate the change in the fiscal year as required by law. I should also mention that the Supplemental Appropriations Act of December 27, 1974, contained a companion provision extending the availability of all appropriations from June 30 to September 30 for the various fiscal years. The provision is as follows:

> SEC. 204. Notwithstanding any other provision of law, appropriations provided in this or any other Act which would otherwise expire on June 30 of the calendar year 1976, or on such date of any subsequent calendar year, shall remain available until September 30 of each such calendar year.

The purpose of this provision is to preclude the formal closing of the books at June 30 and to accommodate the accounting systems otherwise.

A concern that might exist because of this legislation is that funds would be authorized for programs that the legislative committees do not want extended beyond June 30, 1976. The Committee on Appropriations is aware of this possibility and where we know this situation exists, we will work very closely with the legislative committees to insure that their intentions are not thwarted.

Mr. Speaker, I urge the adoption of H.R. 6692.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS) that the House suspend the rules and pass the bill H.R. 6692, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDING SECTION 3620 OF REVISED STATUTES RESPECTING CERTAIN DISBURSEMENTS TO BE MADE BY BANKS, SAVINGS BANKS, SAVINGS AND LOAN ASSOCIATIONS, AND CREDIT UNIONS

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7405) to amend section 3620 of the Revised Statutes with respect to certain disbursements to be made by banks, savings and loan associations, and credit unions.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subsection (b)(3) of section 3620 of the Revised Statutes (31 U.S.C. 402(b)(3)) is amended by striking out "except the Senate and House of Representatives)".
>
> (b) The amendment made by subsection (a) shall take effect on the ninetieth day beginning after the date of enactment of this Act.

The SPEAKER. Is a second demanded?

Mr. BROWN of Michigan. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Illinois (Mr. ANNUNZIO) will be recognized for 20 minutes, and the gentleman from Michigan (Mr. BROWN) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before this body today, H.R. 7405, would merely extend to employees of the House of Representatives and the Senate a benefit that has been available to all other Government employees since 1968.

During the 90th Congress, Public Law 90-365 was enacted to allow all Government employees to have a portion of their paycheck deducted in advance and sent to qualified financial institutions for deposit in their accounts. The remainder of the paycheck would be sent either to the employee or to another financial institution.

Under this law a Federal employee could, for example, have $50 a month withheld from his paycheck and sent to a credit union, savings and loan, a mutual savings bank, or a commercial bank. The remainder of the check would then be sent either directly to the employee or to another financial institution. This process is commonly called payroll deduction and has service extremely well in encouraging savings among Government employees.

At the time the legislation was enacted, legislative employees of the House and Senate were excluded from the benefits of the bill, because at that time both bodies were in the process of establishing computerized payroll programs. It was felt that it would be extremely difficult to implement payroll deduction programs while installing a new computerized system.

The initial problems have been resolved and I am informed by the House information system, the organization which programs the payroll, that there will be no difficulty in implementing this new program. In order to provide lead-time for writing a new program and allowing employees to sign up for the payroll deductions, a 90-day delay is included in the legislation from the time the bill is passed until it goes into effect.

I would like to point out that there is no cost to the Government, the taxpayers, or either the House or Senate. Under the legislation, the financial institution receiving the payroll deduction must reimburse the Government for reasonable costs in connection with such payments.

Mr. Speaker, because this legislation is already on the books and has been in operation since 1968, it was not necessary to hold hearings on the legislation and, in fact, all members of the Banking, Currency and House Committee have unanimously agreed to bring this bill directly to the floor. I want to express by sincere appreciation to the cosponsor of the legislation, the gentleman from Ohio (Mr. HAYS), chairman of the House Administration Committee, for his strong support of this bill. The deep commitment Chairman HAYS has for improving all operations of the House for both Members and employees helped bring this bill to the floor in such an expedient manner.

As a member of the House Administration Committee and chairman of the Police and Personnel Subcommittee, I have witnessed first hand the many outstanding achievements Chairman HAYS has accomplished during his tenure as chairman of the House Administration Committee. Although this legislation was handled by the Banking, Currency and Housing Committee—because the initial legislation was referred to that committee—Chairman HAYS provided full cooperation and guidance in working with me to bring the bill to the floor. He deserves much of the credit for the legislation along with Chairman REUSS of the Banking, Currency and Housing Committee who agreed to the expeditious handling of the bill.

Mr. Speaker, I urge my colleagues to overwhelmingly support this legislation.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I yield to my distinguished colleague, the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for yielding.

The chairman is correct that no one in the committee raised any objections.

I would like to make the point on the floor here that it is my understanding this will not cost the Government anything. Is that correct?

Mr. ANNUNZIO. That is correct.

Mr. ROUSSELOT. In other words the costs for setting up this kind of procedure are known and the procedures exist, and will add nothing new in costs.

Mr. ANNUNZIO. The procedures already exist and the financial institutions will reimburse the Government for the cost.

Mr. ROUSSELOT. I thank my colleague for bringing to the floor this bill that does not cost us anything.

Mr. ANNUNZIO. I thank the gentleman. I appreciate his cooperation.

Mr. Speaker, I yield now to the gentleman from Michigan, a member of the Banking, Currency and Housing Committee, Mr. BROWN.

Mr. BROWN of Michigan. I thank the gentleman for yielding.

I rise in support of this legislation. I think at this time it is especially significant that we enact this since I am sure the primary thrust of the legislation is certainly for such a commendable purpose. If there is one thing we are attempting to have people do it is today to put aside some money into the savings accounts, not only for their own purposes but also because to the extent we get greater funding in these institutions, the savings and thrift institutions, we make the money available for housing and other very serious national needs.

So, therefore, I too commend the gentleman from Illinois for bringing this legislation to the floor and I trust that all my colleagues will support it.

Mr. ANNUNZIO. I would like to say to the gentleman from Michigan, who discussed this legislation with me, that the legislation applies to all employees in the legislative branch and that includes the employees of the Member who work here in Washington as well as the people who work in the Member's district offices.

I would also like to assure the gentleman who has shown a tremendous interest in this legislation that all the Senate has to do if they do not want to cooperate with the purpose of the bill is to strike the employees of the Senate.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. ANNUNZIO. I am happy to yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I was going to point out also that it was my understanding at first that we were only going to include House employees and then if the Senate wanted to participate, they merely could add Senate employees to the bill; however, a different tack has been taken by including employees of both bodies; but if the Senate does not want to participate, they can strike their participation of all employees from that part of the bill.

Mr. HAYS of Ohio. Mr. Speaker, when the gentleman from Illinois (Mr. ANNUNZIO) asked me to cosponsor H.R. 7405, I was more than happy to lend my name to this most worthwhile legislation.

It will provide legislative employees with the small payroll deduction privilege for savings accounts which is now enjoyed by all other Federal Government employees.

The legislation has been in effect since 1968 for all Federal employees except those of the legislative branch and the legislation has worked well. There is no cost to the Government since the financial institutions receiving the moneys reimburse the Government for reasonable costs in processing the checks.

The legislation has encouraged Government employees to practice good thrift habits and has reduced time away from the job that previously had been spent standing in line on payday at various financial institutions.

As chairman of the House Administration Committee, the committee which overees the payroll operation of the House, I am happy to support the bill and I commend the gentleman from Illinois for his farsightedness in bringing it to the floor. It is a good bill, a needed bill, and a bill that will not cost the taxpayers a single penny. It is the type of bill that every Member of this body can support.

Although I was not chairman of the House Administration Committee at the time the payroll deduction legislation was first enacted in 1968, I am reminded that at that time there was an objection to including legislative employees in the programs, because both bodies had recently begun computerized processing of payroll checks and it was felt that it would be impossible to handle payroll deductions during the formative period of the computerized program. It was also felt that since this program would apply to all congressional employees, including those in Members' district offices, that the workload for preparing a new program for the computer at that time would have been excessive. Those problems have now all been resolved and since we have had more than 7 years of experience with the computer payments, it will be a fairly easy task to handle the new payroll deductions.

The legislation contains a 90-day delay in its effective date so as to allow employees to indicate their preferences for payroll deductions and also to allow time to reprogram the computer. The 90-day period will well provide adequate time, in my opinion, for both processes.

In conclusion, Mr. Speaker, let me once again express my strong support for this legislation.

Mr. BROWN of Michigan. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentleman from Illinois (Mr. ANNUNZIO) that the House suspend the rules and pass the bill (H.R. 7405).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 7405, just passed, and to include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AUTHORIZING APPROPRIATIONS FOR THE INDIAN CLAIMS COMMISSION FOR FISCAL YEAR 1976

Mr. MEEDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3979) to authorize appropriations for the Indian Claims Commission for fiscal year 1976, as amended.

The Clerk read as follows:

H.R. 3979

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated not to exceed $1,550,000 to carry out the provisions of the Indian Claims Commission Act (25 U.S.C. 70) during fiscal year 1976.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Does the gentleman from Kansas (Mr. Skubitz) also demand a second?

Mr. SKUBITZ. Yes, Mr. Speaker, I do.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington (Mr. Meeds) will be recognized for 20 minutes and the gentleman from Kansas (Mr. Skubitz) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Washington (Mr. Meeds).

Mr. MEEDS. Mr. Speaker, H.R. 3979 authorizes appropriations for fiscal year 1976 in the amount of $1,550,000 for the Indian Claims Commission.

The Indian Claims Commission was established in 1946 for the purpose of hearing and deciding all tribal claims against the United States, based on unconscionable dealings prior to the enactment of that legislation.

Mr. Speaker, prior to that the Congress dealt on a piecemeal ad hoc basis with that kind of claim. These claims were, under the 1946 legislation, to have been filed within 5 years. There were to be no special adjudications or special hearings of those matters pending the resolution of the matters before the Indian Claims Commission. The claims were to be paid in money, no land was involved and there were to be proceedings only for legal claims, not moral judgments.

In the period of time since 1946 the Indian Claims Commission has had before it some 613 dockets. It has disposed of 436 of those in the total amount of $486,700,000.

The 1946 statute required that the Indian Claims Commission terminate its business in 10 years. Obviously, it has been extended many times. The last time it was extended, as I was a member of the subcommittee at that time, I remember very vividly that a great effort was made in the committee and on the floor to assure that during the last period, the extension which last until 1977, that all of the business of the Indian Claims Commission would be finished. If it were not finished, it would be then transferred to the Court of Claims. We were assured by the Commission that in the period of this year that they felt relatively certain they would get most, if not all, of the work finished.

We talked with the chief judge of the Court of Claims whom we had a witness before the committee, and he indicated to us what the problem would be and how they would be able to take care of any transfer of claims.

Also, during the hearings of 1972, where we extended the act 5 years, we at that time required the authorization to be on an annual basis. We did that so that we could exercise close oversight jurisdiction, and hopefully to assure expeditious handling of these cases. This bill which is now before us, is the result of that annual authorization. The bill which we report to the floor was reported from the full committee unanimously, and I know of no opposition to this legislation.

Mr. SKUBITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3979. This bill authorizes funds to operate the Indian Claims Commission in fiscal year 1976.

I am happy to report that this is the next to the last authorization request for the Indian Claims Commission. In April 1977, it will go out of business, 30 years after its creation. At that time any remaining unsettled cases will be transferred to the Court of Claims for completion. However, the Commission has testified that it fully expects to complete its work by the 1977 deadline.

The Interior Committee carefully reviewed the Commission's budget, which is $126,000 higher than last year's. The increase covers the full cost of the 1974 Federal pay raise and increases in rent, utilities, and administrative expenses. No increase in the Commission's staff of 44 is contemplated.

Mr. Speaker, this authorization is necessary to enable the Claims Commission to finish its work. The Office of Management and Budget has approved its budget. There is no controversy connected with this bill, and I know of no one who opposes it. The Interior Committee approved H.R. 3979 without a dissenting vote and I urge the House to do the same.

Mr. MEEDS. Mr. Speaker, I have no further requests for time.

Mr. SKUBITZ. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. Meeds) that the House suspend the rules and pass the bill H.R. 3979 as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

OCCUPATIONAL SAFETY PROVISIONS FOR POSTAL SERVICE EMPLOYEES

Mr. CHARLES H. WILSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2559) to amend title 39, United States Code, to apply to the U.S. Postal Service certain provisions of law providing for Federal agency safety programs and responsibilities, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2559

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 410(b) of title 39, United States Code, is amended—

(1) by striking out the word "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting in lieu of the period a semicolon and the word "and"; and

(3) by adding immediately below paragraph (6) the following paragraph:

"(7) section 19 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 668).".

The SPEAKER pro tempore. Is a second demanded?

Mr. DERWINSKI. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. Charles H. Wilson) is recognized for 20 minutes, and the gentleman from Illinois (Mr. Derwinski) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California.

Mr. CHARLES H. WILSON of California. Mr. Speaker, H.R. 2559, which was unanimously reported by the Post Office and Civil Service Committee, rectifies an unintentional, but serious, loophole which allows the U.S. Postal Service, because of its semi-independent status, to maintain that it is not bound by law to comply with the Occupational Safety and Health Act of 1970.

Obviously when we in the Congress passed the OSHA legislation, we had no intention of exempting 700,000 postal workers.

This bill is particularly important when one learns, as I have during my tenure as chairman of the Postal Facilities, Mail, and Labor Management Subcommittee, that the employee safety program of the Postal Service is in need of substantial improvement.

H.R. 2559 specifically makes applicable to the Postal Service section 19 of the Occupational Safety and Health Act of 1970, providing that each Federal agency be expressly responsible for developing and carrying out an effective safety and health program for the agency, and that an annual report on that program will be submitted annually to the Secretary of Labor.

Mr. Speaker, we know of no opposition to this legislation. Postal management has no objection to the bill, but has stated that the legislation is unnecessary, because they currently comply with section 19 of OSHA as part of their present labor contract. I would note, however, that this agreement expires next month.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. CHARLES H. WILSON of California. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I notice on page 4 of this report that the committee concludes that this bill will not result in any increased cost. If the OSHA experience for the Postal Service is anything like the small businesses in my district that have been afflicted with this agency, it is going to increase the postal costs appreciably. OSHA inspectors come in and make decisions and issue orders to people. This report is replete with examples of changes supposedly needed to be made in the postal system. The taxpayers will have to pay for these changes through a subsidy or a raise in the postal rates.

The gentleman must have some estimate of what the cost is of bringing the

Postal Service up to OSHA standards. I would suspect that it would cost hundreds of millions of dollars.

Mr. CHARLES H. WILSON of California. We have no way of knowing, I say to the gentleman from Maryland, what the additional cost might be. The Postal Service contends that they are now complying with the OSHA standards. I have doubts as to how strictly they are, but we have absolutely no way of knowing what additional costs might be incurred. There is no way to estimate them.

The principle of the bill is—and the gentleman might agree with me—that we have required certain safety standards for private industry, and we have not required the same safety standards to apply to our Federal employees.

This is an effort to try to bring one part that was unintentionally left out into just the reporting section.

I doubt that we will get the same type of inspection, much as I would like to, of the Postal Service by OSHA as is in private industry. I would hope we would. But, in further response to the gentleman's question, there is no evidence there will be increased cost over and above what is presently involved.

The only thing that would add additional costs, possibly, is the report that is prepared to the Secretary of Labor, which is not being done at the present time.

Mr. BAUMAN. The gentleman from California is of the opinion that there would be no increased cost whatsoever as a result of OSHA's applying to the Postal Service; is that correct?

Mr. CHARLES H. WILSON of California. I would be unable to say there would not be any. I would hope there would be some, because if there are some, it means there are actual inspections being made. But I can honestly tell the gentleman there are no anticipated additional costs and, hopefully, the Postal Service, by just having this on the books, will expedite their safety program within the service. They contend they have an almost automatic 90–95-percent figure they always use when they tell us how successful they are proceeding with certain programs. And they say that 95 percent of the post offices of the country are meeting the safety standards of OSHA and they only have 5 percent to go.

I do not know whether the problem is more serious than that, but I can honestly tell the gentleman from the information we have there will be no additional costs.

Mr. BAUMAN. I thank the gentleman.

Mr. DERWINSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2559 was drafted with the laudatory objective or bringing the U.S. Postal Service under the umbrella of the 1970 Occupational Safety and Health Act—OSHA—and, in the process, providing postal employees with a safe and healthy working environment. Since private business already is forced to comply with OSHA standards, simple equity seemingly would dictate imposition of the like responsibility for a Federal entity with 700,000 employees.

Specifically, H.R. 2559 amends section 410(b) of title 39, United States Code, to provide that section 19 of the Occupational Safety and Health Act apply to the Postal Service. Section 19 of the act specifically deals with programs for Federal agencies.

The Postal Service has "no objection" to H.R. 2559, noting that it really is an act after the fact. The Postal Service correctly points out that the existing national labor agreement between the Postal Service and the national unions provides for OSHA compliance, and that as a matter of policy the Postal Service does not comply with the 1970 act.

I share the Postal Service's view that this bill is unnecessary, but I must confess that I am impressed by the timing in bringing this measure to the House floor. With imports flooding our market and contributing to our balance-of-payment problems, it does seem appropriate to be considering legislation tied to an agency with an acronym that sounds like a Far East import—OSHA.

Fortunately, our new Postmaster General, Benjamin Franklin Bailar, will not be badgered by unannounced inspections and bedeviled with citations and penalties. The bill before us today makes the Postmaster General responsible for developing an effective safety and health program for the Postal Service. It also assigns him the responsibility of inspecting his own agency's workplaces to correct conditions which do not meet health and safety standards. The Postmaster General also will have to submit an annual report to the Secretary of Labor.

If Postmaster General adheres to the strict letter of the law, a comparatively simple project like painting a postal facility could become a paint-by-numbers undertaking. OSHA's all pervasive regulations include a paint code featuring multiple colors for highlighting equipment, passageways, and the like. So my advice to the Postmaster General is to be frugal with the fuchsia and to be temperate with the turquoise.

Mr. Speaker, I say this bill not only is unnecessary but is unfair since it provides one set of standards for the private sector and another for the public sector. The 1970 act does not require advance notice of inspection activity in the private sector. As a matter of fact, businessmen rarely are given advance notice on inspections. In a recent issue of Publishers' Auxiliary, one publisher said:

> A visit from OSHA is one of the most dreaded things that can happen to a company.

To me, that is a sad commentary on an act which seems more interested in punitive than in corrective action, and, in the process, can put a company out of business. It is an approach which is something less than the sine qua non of enlightenment. It forces the conclusion that OSHA does not give equal emphasis to voluntary compliance. Most businessmen, big and small, recognize and realize that safety is in the best interests of employers and employees. These businessmen can be motivated without a citation or a penalty.

Admittedly, there always will be hazards connected with the use of machines, conveyors, and other labor-saving devices. Aside from the obvious hazards, there now are OSHA requirements for permissible noise levels.

In the same issue of Publishers' Auxiliary which I mentioned moments ago, a spokesman for a press manufacturer said the industry still has not figured out a way to comply with OSHA noise requirements of presses. He expressed doubt a press could be manufactured to satisfy OSHA standards without a radical change in design. He said such a press would take 3 to 5 years to design and would embody "concepts not thought of yet."

If a businessman should take issue with a proposed citation or penalty, he can meet with the area OSHA director. If he decides to contest the citation he then must be prepared to decipher the appeal procedure in force at the Occupational Safety and Health Review Commission. In the likely event of an adverse decision from the Commission, the businessman, if he still has the time, inclination and funds, can fight that decision before a U.S. Circuit Court of Appeals.

If Postmaster General Bailar were subjected to the same sanctions as a private businessman, it is conceivable that OSHA could declare off-limits for Postal Service any city block where a letter carrier was bitten by a dog. That may sound ludicrous, but no more so than an existing OSHA regulation which leaves an employer open to citation if he fails to post a notice that there has been a violation by his company. How the posting of a notice can contribute to industrial safety escapes me.

H.R. 2559, unlike the Occupational Safety and Health Act of 1970, indeed is noncontroversial. I am not concerned about legislation which acts after the fact, but I am disturbed by a Federal bureaucracy that continues to harrass businessmen with a mishmash of rules and regulations which totally ignore the cost of compliance. Chances are when a businessman's bell rings, it is not the Avon lady calling, but an OSHA inspector armed with copies of applicable laws and safety and health standards. It is small wonder that the businessman is fearful and apprehensive about an OSHA inspection. It is not one of life's more forgettable experiences.

Mr. DERWINSKI. To sum up this bill, Mr. Speaker, I would like to point out that the postal service raised no objection to it. In fact, they have, by contract with the labor unions representing employees, agreed to come under OSHA provisions.

And if I may have the attention of the gentleman from Maryland (Mr. BAUMAN) for just a minute, there is one difference in this situation involving the postal service than there is, in a small private company, and that is that under the bill before us the Postmaster General submits a report to the Department of Labor. And, in fact, the Postmaster General becomes responsible to OSHA for reporting on the OSHA provisions. So it is not the general OSHA operation where an inspector walks in to harass and create complications for a small businessman.

The reason the postal service does not object to it is that they have been in voluntary compliance without the heavy-handed problem that field inspection imparts. So it is, as a matter of fact, an adjustment rather than anything of major consequence.

I think the gentleman from California (Mr. Wilson) is correct that there is really no anticipated new cost, since they have trained their individuals. They are complying to a great degree.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield for a question?

Mr. DERWINSKI. Yes, I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Speaker, the gentleman indicated OSHA inspectors would not be going into post office facilities; is that right?

Mr. DERWINSKI. That is right, first, as I understand it, they need prior approval of the postal authorities. In other words, the relationship is different than that of the normal private company and OSHA.

Mr. MYERS of Pennsylvania. Is it not a fact, that for OSHA to be involved at all, it will have to devote some man hours of the staff of the Department to monitor the system, will it not?

Mr. DERWINSKI. No, not necessarily. First of all, the Postal Service is voluntarily complying, by virtue of its contract with its employees, with most of the OSHA provisions. That is, they are trying to be in compliance with OSHA regulations.

But under the provisions of this bill the Postmaster General will submit an annual report to the Secretary of Labor, and he, the Postmaster General, has the responsibility of inspecting his own service workshops. In other words, any facility under the jurisdiction of the Postal Service will basically be inspected by Postal Service personnel.

They are already doing this. It is built into their costs. They have people trained for this purpose. They will not be subject to, an arbitrary walk-in from an OSHA inspector.

Mr. MYERS of Pennsylvania. Mr. Speaker, if the gentleman will yield further, is the gentleman, in other words, saying that the passage of this legislation will in no way dilute the services that OSHA provides toward the private sector; is that correct?

Mr. DERWINSKI. No, it will not.

Mr. Speaker, if the gentleman is trying to make a point that this will divert some of the attention of OSHA from the private sector to the Postal Service and thus lessen the field work of OSHA, the answer is, no.

Mr. MYERS of Pennsylvania. Mr. Speaker, if the gentleman will yield further, I find it difficult to understand why we have such great confidence in the managers of the Postal Service to foresee safety problems and take care of them themselves when we do not have that same confidence in private corporations.

Mr. DERWINSKI. Mr. Speaker, first of all, the gentleman must recall that the Postal Service is a quasi-independent Federal entity. It has in this case voluntarily taken on these responsibilities by an arrangement which is, I suppose, unique, but nevertheless logical, between Government entities. It is in fact its self-inspector.

Therefore, there is no additional cost or imposition on OSHA.

On the other hand, if I read the gentleman's remarks correctly, if it is the hope of the gentleman and others that the efforts of OSHA inspectors might be diverted from some other companies and corporate entities as a result of their jurisdiction over the Postal Service and thereby offer less of an harassment to the private sector, that is not true either.

I think the gentleman will find the Postal Service has tried to comply with OSHA standards for over 2 years as part of its previous contract negotiated with its labor union.

So what this bill really does is to put into law what is already a fact, and, therefore, it makes no change in operations of either the Postal Service or OSHA.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield for one further point?

Mr. DERWINSKI. Yes, I yield to the gentleman.

Mr. MYERS of Pennsylvania. Mr. Speaker, it is clear in our approach to applying OSHA to the Postal Service we are once again going on the ego trip that somehow Government managers do things better than private managers, and that they do not need to be supervised as closely as private managers.

Mr. DERWINSKI. No, that is not the point.

Mr. Speaker, I think in this case what happened was that this bill was introduced, to spell out in fact what was already a practice. The Postal Service saw no reason not to go along with it. That is why they have no objection, and given the fact that they are now already involved in this compliance, it really means there is little or no additional cost involved to the Postal Service and in turn to OSHA.

Mr. MYERS of Pennsylvania. Mr. Speaker, I would like to congratulate the gentleman and the committee again for its magnificent performance in bringing a bill to the floor of the House that will not cost us any money.

Mr. DERWINSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Speaker, I am not as confident as some of my other colleagues that this is not going to cost any additional money. I know that is what we have been told, but on the basis of other information we have gotten from the Postal Service I am not sure we can rely on that.

I would like to direct a question to my colleague, the gentleman from California (Mr. Charles H. Wilson).

I think it is wrong that the law now reads that Government agencies are treated differently by inspectors from OSHA than are those in the private market system. I wonder if there will be any effort on the part of the Committee on Education and Labor to amend the law to provide that Government agencies must comply in the same way as any private smaller organization.

Mr. Speaker, will the gentleman comment on that?

Mr. CHARLES H. WILSON of California. Of course, we cannot anticipate what the other committee, the Committee on Education and Labor, will do; but I would certainly agree with the gentleman that we should not be requiring of private industry things that are not required of the Federal Government.

Mr. Speaker, let me give the gentleman an example. There is a brand-new Federal building in which I have my district office out in California that we found out did not comply with the fire standards of the local city that it is in. As a result of an inspection that the local fire department made, we were able to get some changes made in the building, but it was less than 2 years old. We just are not requiring the same thing for the protection of our Federal employees that we demand of private industry.

I would suspect that if there will be additional costs, it is because the Postal Service is not complying with the agreement that they have in order to try to provide the safety standards they should be providing. I would hope that there would not be any, but I know that there are many cases, however, where the safety standards are not up to what we expect of other people.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's comment.

I do think that it is wrong that Government agencies under OSHA are treated differently, especially as it relates to OSHA inspectors.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I would be glad to yield to my colleague, the gentleman from Wisconsin (Mr. Steiger), the OSHA.

Mr. STEIGER of Wisconsin. I thank my colleague, the gentleman from California (Mr. Rousselot) for yielding.

Mr. Speaker, the point that the gentleman from California has made is one in which I concur with respect to safety standards for governmental employees.

I see that the distinguished and able godfather of OSHA, the gentleman from New Jersey (Mr. Dominick V. Daniels), is here.

There is a bill I have introduced which does cover governmental employees.

Mr. ROUSSELOT. Mr. Speaker, let me ask this question of the gentleman: Why should the local postmaster be able to keep out an OSHA inspector, whereas a similar private business down the street cannot?

Mr. STEIGER of Wisconsin. If the gentleman will yield further, we have certain problems. One is a constitutional issue raised vis-a-vis the Federal Government's role and the role of the State and local governments, including cities. The other is the problem of with whom it is that he is citing.

The bill I have pending before the Committee on Education and Labor does provide for mandatory coverage for Government employees. It does so, admittedly, on a different basis than that of the private sector.

We do have these two issues to be confronted, which are that we ought not to disregard the relationship between this Government and the mayor or the village manager or the county executive of the local government. Therefore, they do, I think, have to do it differently; but I think this bill is a good bill because it does at least require the Postal Service to try to provide some direct responsibility under the act for the postal corporation. Consequently, I would hope that it passes.

Obviously, I hope the law itself will be amended to provide coverage for governmental employees because it is wrong to provide one standard for the private sector and another for the Governmental sector. Both ought to be covered if we are going to go that route or else we ought not go that route.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's comment.

I was not objecting to the bill because I have supported putting the post office under the same general rules of requirements of OSHA by which private businesses are required to live.

My concern was that we found out in the discussion in committee that there are different methods of application, and the post office or any other agency faces a different set of circumstances as it relates to OSHA inspectors, et cetera.

I do not think that is fair, and that is the difficulty, to explain to the many small businesses which we have in our districts why this is so, when they find out that Government agencies are treated differently than the small businesses are on many aspects of the coverage.

Mr. STEIGER of Wisconsin. Mr. Speaker, if the gentleman will yield, I must say that I have great confidence in the gentleman's capability, and his understanding of the law, and the gentleman's ability to explain rationally and clearly to the small businessmen the problems that are presented by the coverage of governmental employees. So, as I say, I have every confidence in the gentleman's knowledge of the law and of his willingness to take that message to the small businessmen in his district, and sell them on the success of the act, and on how well the act is doing in providing a safer work place environment.

Mr. ROUSSELOT. Unfortunately, I am not so convinced, myself, about the success of the OSHA, as the gentleman from Wisconsin knows, because the gentleman from Wisconsin gets the same mail I get.

Mr. SYMMS. Mr. Speaker, will the genleman yield?

Mr. ROUSSELOT. Of course, I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I know the gentleman is on the Post Office and Civil Service Committee, and this relates somewhat with this legislation because I too am concerned about why it is that the private enterprises do not get the same opportunities to decide when the clearly to the small businessmen the smally businessmen in his district, and inspectors shall come that the Government agencies do. Twenty-five years ago we could mail 300 first-class letters at about the price of a phone call from the city of New York to the city of San Francisco, and now we can send about 10 first-class letters for the price of a phone call from New York to San Francisco. The result is that now the Government is suing the telephone company, for unfair competitive practice.

Mr. ROUSSELOT. Let us hope that they do not go into the telephone business.

Mr. SYMMS. I think it might be more appropriate if the telephone company and the taxpayers sue the Government.

Mr. ROUSSELOT. I might ask, did my colleague, the gentleman from California (Mr. CHARLES H. WILSON) get any answer from the Committee on Labor and Education as to whether the enactment of this legislation will be part of the anticipated legislation to be forthcoming?

Mr. CHARLES H. WILSON of California. I must say that I will have to apologize in that I did not ask that question. However, the gentleman from New Jersey (Mr. DANIELS) is present.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I wish to state to the gentleman from California that the Committee on Education and Labor is presently conducting on-site hearings, and we do propose to come before this body with legislation in the near future dealing with many aspects of OSHA.

Mr. ROUSSELOT. With amendments to the proper legislation?

Mr. DOMINICK V. DANIELS. Yes, that is correct.

Mr. ROUSSELOT. I appreciate the comments of the gentleman from New Jersey. May I inquire how soon that may occur?

Mr. DOMINICK V. DANIELS. There is not a time set at the present.

Mr. ROUSSELOT. A couple of months, or 3 months?

Mr. DOMINICK V. DANIELS. It may be.

Mr. ROUSSELOT. I appreciate that very much.

The gentleman says that the committee is now conducting hearings on those amendments?

Mr. DOMINICK V. DANIELS. That is correct.

Mr. ROUSSELOT. I will send all my constituents over to speak before the committee.

Again I appreciate very much the comments of the gentleman from New Jersey.

Mr. CHARLES H. WILSON of California. I would like to make one brief statement, and I know that I should quit while I am ahead, and I will.

But I would like to say that I believe the discussion we have had is evidence of the fact that there are two subjects in this body that are of extreme importance to the Members, one is the Postal Service, and the other is OSHA. Here we have a bill that should have been passed in about 5 minutes, but yet I think the discussion has been healthy, and we have had a good discussion on both of these subjects.

Mr. Speaker, I have no further requests for time.

Mr. DERWINSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to join the gentleman from California (Mr. CHARLES H. WILSON), and the gentleman from Illinois (Mr. DERWINSKI), in support of the long-needed legislation in order to enhance the safety and health of our Postal Service employees. This legislation in bringing the Postal Service under the jurisdiction of the Occupational Safety and Health Act of 1970, actually puts into the law what in fact is already taking place in the Postal Service which reports to us that it is in substantial compliance with the basic requirements of that law.

Accordingly, Mr. Speaker, I urge passage of this worthy legislation.

Mr. DERWINSKI. Mr. Speaker, I have no further requests for time. I support the gentleman from California (Mr. CHARLES H. WILSON), in urging passage of the bill.

I would add, Mr. Speaker, though, that there were two or three references on the floor to people being either fathers or godfathers of the OSHA bill. I was wondering if anybody has ever identified the mother.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from California (Mr. CHARLES H. WILSON) that the House suspend the rules and pass the bill H.R. 2559.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FEDERAL EMPLOYEES' GROUP LIFE INSURANCE

Mr. WHITE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7222) to increase the contribution by the Federal Government to the costs of employees' group life insurance.

The Clerk read as follows:

H.R. 7222

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8707 of title 5, United States Code, is amended by striking out "66⅔ percent" and inserting in lieu thereof "50 percent".

(b) Section 8708(a) of title 5, United States Code, is amended by striking out "one-half".

SEC. 2. The amendments made by this Act shall become effective at the beginning of the first applicable pay period which commences after December 31, 1976.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. TAYLOR of Missouri. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Texas (Mr. WHITE) will be recognized for 20 minutes, and the gentleman from Missouri (Mr. TAYLOR) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Texas (Mr. White).

Mr. WHITE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Federal Employees' Group Life Insurance program was established by Public Law 83-598 on August 17, 1954. Since its inception date, there have been no changes in the employer-employee contribution rates to the cost of group life insurance. Thus, the ratio of two-thirds from the employee and one-third from the Government has remained unchanged for 21 years.

The members of this committee, the Subcommittee on Retirement and Employee Benefits, became concerned as to whether the Federal Employees' Group Life Insurance program currently is competitive with similar programs offered by other large public and private employers. The Civil Service Commission report found that civil service regular life insurance benefits for active employees are not as liberal as those for workers under many of the plans studied. Federal employees pay a larger share of the premiums than almost all of the other workers surveyed. The Commission's report was based on benefits offered as of June, 1973, and it is not unreasonable to assume that in the life insurance area the Federal Government has fallen farther behind other large employers during the past two years. Since July 20, 1974, the Postal Service has been paying the full costs of life insurance for its employees.

The committee believes that the modest increase proposed by this legislation, less than 17 percent, is fully justified. There can be little doubt that the life insurance program is a significant factor in the Government's ability to attract and retain qualified employees. That the current life insurance program is becoming less and less attractive to Federal employees is evidenced by the fact that fewer than 10 percent of newly hired employees under the age of 30 are electing group life insurance coverage.

There was testimony by witnesses from the Civil Service Commission that it is conceivable that by increasing the contribution from 33 percent to 50 percent, thereby attracting more young employees, the total cost of the insurance could be reduced.

The bill would not become effective until January 1977, which will carry it over the present economic straits. The committee believes that Congress must act now to make the Federal Employees' Group Life Insurance program more competitive with programs offered by other large employers and to make the Federal program more attractive to younger Federal employees. Accordingly, the committee unanimously supports the enactment of H.R. 7222, and we urge passage of the bill.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I would like to ask two questions. The first one is, are Members of Congress included in this bill?

Mr. WHITE. The Members of Congress are included. All Federal employees are included. There is a maximum, of course, of $45,000 on the insurance program for anyone in the Federal Government.

Mr. YOUNG of Florida. Will the gentleman yield for further questions?

Mr. WHITE. I yield to the gentleman.

Mr. YOUNG of Florida. I would like to refer to page 4 of the committee report. About half way down the page let me read this one sentence:

> Consequently, many more Federal employees, particularly those under age 35, are discovering that they can purchase the same insurance coverage at lower rates under private insurance policies and, thus, are not participating in the Federal program.

My question is, knowing that the largest costs in insurance programs are the original acquisition costs, as well as the premium collection costs, and knowing that our carrier does not have those acquisition costs because the employees sign up automatically at their own discretion; and, No. 2, the U.S. Government acts as the premium collection agency, I am wondering if the committee has looked to the whys and wherefores as to our coverages costing more for the same plan than a person can get on the outside through another plan.

Mr. WHITE. One of the primary reasons employees go to other private programs is the matter of contribution. The contribution, as I said, from the Federal Government is only one-third. Therefore, the employees will go to other programs. They find that they will get better benefits for less costs. By bringing this contribution up to 50 percent, we anticipate that more people will be coming into the program, and thereby the total cost of the program will be lower to the point that it is feasible for young people to come in, and it will therefore lower the cost for everyone.

Mr. YOUNG of Florida. Yes, sir. If the gentleman will yield further, I understand the point he is making.

Mr. WHITE. Let me say further, I know what the gentleman is driving at. We will continue oversight hearings into further benefits which will be offered. We will continue throughout the year to examine into what further benefits are being offered as compared to other plans in private industry and to other employees.

Mr. YOUNG of Florida. I appreciate that very much. I would like to say to the chairman of the subcommittee why I have raised this point and why I am concerned is that one of the large carriers of the Federal insurance program also is the carrier and management company for medicare in the State of Florida and we are finding their handling of medicare claims costs considerably higher than private insurance companies's costs are for handling the same type of care for private programs. I am wondering why everything done for the Government or by the Government or through the Government has to cost more than for the private sector.

Mr. WHITE. There is one other factor the gentleman should be aware of. Under the Government program the insurance continues free after retierment until age 65, up to a certain time it is free, and thereafter it diminishes 2½ percent per month and down to about $2,200 a year, but that span of coverage from the time of retirement until the age of 65 must be covered in the premium payments, and that is why perhaps the premiums are a little higher than private industry premiums, but it is to the advantage of the employees.

Mr. YOUNG of Florida. I thank the gentleman.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. I want to follow up a little more on the questions asked by the gentleman from Florida. The last point the gentleman, Mr. WHITE, made is the fact that there is free coverage after retirement. which actually is more of an enhancement or benefit than is given in many of the private programs. The gentleman just stated that. Am I correct?

Mr. WHITE. Correct.

Mr. MYERS of Pennsylvania. Then it seems in trying to explain we should pay more for the Federal Government coverage to bring the Federal benefits in line with private industry is not valid. Is that correct?

Mr. WHITE. Only 10 percent of the younger employees are participating in this program and we hope by this measure to bring them back in and make this more comparable to most of the industries at the present time.

Most of the industries pay 60 percent of the cost. The Civil Service Commission representative before the committee personally had no problem whatever with this particular program.

Mr. MYERS of Pennsylvania. If the gentleman will yield further, are there features in this program which are better than programs that private sector employees are getting?

Mr. WHITE. Yes, as they advance in age, yes.

Mr. MYERS of Pennsylvania. If the gentleman will yield further, has the carrier given the committee a schedule of the rates and reductions in premium on the basis of the projected or anticipated participation which we can adequately assess and have some confidence that the rates will go down as we get increased participation?

Mr. WHITE. We do not have that at the present time but I am sure the committee will continue to check on this matter. This is an oversight committee and we intend to follow this not only as it pertains to this bill but also in comparison with private industry benefits and private sector, and so on.

Mr. MYERS of Pennsylvania. I would have thought the committee would have waited for that information from the carrier before bringing the bill out. It seems to me the carrier should have had those facts before the committee to strengthen their case here on the floor.

I have a couple of other questions. In analyzing the case and the argument of the gentleman which he presents, stating that fewer and fewer of the younger people are participating, has the gentleman analyzed the statistics as to whether or not the Federal Government has an unusually higher balance of secondary wage earners as opposed to primary wage earners, which would in fact affect this program? A secondary wage earner, for instance, a wife, working for the Government is most likely to be covered by the primary worker, her husband, under another program. If we do not address those figures, then we ignore the degree to which they affect the participation totals.

Mr. WHITE. It works both ways. If the husband is working for the Government, his wife could be a secondary wage earner in private industry and not take insurance since the husband may carry Federal insurance. We found from the witnesses who came before our committee that in fact those who want insurance under a certain age were not participating in this program because they were finding better benefits elsewhere and a better break as far as their outgo, so therefore they did not join this program. They said they would join this program if the level of participation were brought up by the Federal Government to make it comparable with private industry, and therefore it would lower the cost of the premiums to the group.

Mr. MYERS of Pennsylvania. Mr. Speaker, if the gentleman will yield further, do I interpret the answer of the gentleman that the committee has no figures on the percentage of secondary wage holders?

Mr. WHITE. That will be impossible to obtain, I am afraid.

Mr. MYERS of Pennsylvania. If the gentleman will yield further, I would like to refer once again to the statement of the gentleman in support of this program, in which the gentleman pleads the case that we have to make Federal jobs more competitive with private jobs.

I represent a district in which most people are not Federal employees. They are steel workers, they are iron workers, they are construction workers, they work in private industry. Many of those individuals, my constituents, feel their wages are not competitive with those people on the Federal Government payrolls. If we look at the history of payments by the Federal Government, it used to be that while Federal employees had benefits such as insurance programs, such as retirement programs, those benefits other than strictly wages actually were the attraction for Federal employment. Wages were at a lower rate with respect to private enterprise. Now I think most people who are paying taxes, those "men and women" out in the factories paying taxes feel wages are very competitive. Furthermore, that retirement benefits in many cases are far better than in private employment and the disruption in private employment is not a threat to Federal employees.

So I have great reservations about supporting programs now that put the Federal employees in more competition with those people who make their livelihood in the private sector.

So I have to question the case that we must do more for our Federal employees. If we look at the unemployment rate today—do we have any figures on the unemployment rate of Federal employees, as opposed to the unemployment rate in the private sector?

Mr. WHITE. The unemployment rate?

Mr. MYERS of Pennsylvania. Yes.

Mr. WHITE. If they are Government employees, they would not be unemployed.

Mr. MYERS of Pennsylvania. In other words, we have no Government employees that have been laid off in this recession?

Mr. WHITE. Oh, there have been layoffs all over the country. I do not have the total figures.

Mr. MYERS of Pennsylvania. I would think in this one employment factor we should compare between private jobs and Government jobs.

Mr. WHITE. Well, I think what the gentleman is talking about—we have letters to this effect and I am sure every Congressman has—what we are trying to do is compare it with the particular inequities in industry, and in industry some are contributed 100 percent by the employers, and the committee is talking about making it more equitable.

Mr. MYERS of Pennsylvania. I think it would be a tremendous mistake for Congress to match program for program with every private sector job that has a maximum coverage of any program and give that to Federal employees because of the stability of job employment that they have, as opposed to the employee in the private sector.

I do not think we should isolate just the insurance program or the pension plan, because we have to take the job in total and examine the reasons as to why people take one job or another.

Mr. WHITE. Let me give the gentleman some figures. Seventy percent of industry pays 60 percent or better of the life insurance premiums and some industries pay 100 percent.

Mr. MYERS of Pennsylvania. What are the unemployment figures for private industry and what are they for Government? What are retirement benefits? What are the figures for private employees as opposed to Federal employees for vacation pay and all the other job benefits?

Once again, I think we must look at the jobs in total.

I would also like to point out that in my opinion a lot of my constituents who do not have any life insurance from their companies, they do not have any life insurance at all or will have to pay for it on their own, are going to be paying for this program.

They are going to want to know why. I am at a loss to say why if already we are paying a third and the Federal employees do not think that is good enough, especially if they can get cheaper insurance.

Why should my constituents, who do not have any benefits like this, have to put more money into the Federal till to pay for it? It is very difficult to explain.

Mr. TAYLOR of Missouri. Mr. Speaker, I rise in support of H.R. 7222. I might point out that this bill is somewhat of a compromise which the subcommittee and the full committee arrived at over H.R. 73, which was originally on. It included extensive increases in Government participation in health insurance. As the chairman of the subcommittee explained, this bill was reported out of the full committee by unanimous vote.

H.R. 7222 simply amends the law to provide for the Government to increase its contribution toward the premium of life insurance by approximately 17 percent. This is the first such increase in the program since its inception in 1954, some 21 years ago.

Testimony before our subcommittee, Mr. Speaker, showed that the Federal Government has fallen behind in this particular area of benefits to employees. In fact, the trend in the private sector is for the employer to provide insurance coverage equal to the employee's salary at no cost to the employee. In keeping with the concept of comparability, this bill would help maintain Government's commitment to its employees, providing benefits comparable to those provided in the private sector.

Mr. Speaker, I would say that there are other bills that will be coming out of this subcommittee which will be dealing with employees' benefits which I would certainly oppose, and I believe we do provide very generous benefits for Government employees in many areas that are far beyond the private sector. However, I do believe that this is one area where the Federal sector, the public sector, has fallen behind. Of course, Mr. Speaker, any time we liberalize the benefits, we increase the cost, and this bill is no exception.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Missouri. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, what is the exact cost to the Treasury on this bill?

Mr. TAYLOR of Missouri. The cost to the Treasury on this bill over a 5-year period is $293 million. The first year under H.R. 73, the original bill, set funding at $34 million, the second year, 1977, $70 million; 1978, $75 million; 1979, $80 million; and 1980, $85 million.

The companion part of that bill, however, had a health insurance program which totaled over $1 billion. This has been deleted, as the committee, recognizing the fiscal situation in the Nation, decided it was best not to pursue the health insurance proposal. We did give a 1-year deferral even on the life insurance policies. This, of course, reduced the second year, in fiscal year 1977, 2 months, to $57 million. So, actually we have a saving in this bill, in H.R. 7222, over H.R. 73, of something over $1 billion.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Missouri. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Speaker, I thought the gentleman from Pennsylvania raised some pertinent questions which were never totally answered by the gentleman from Texas. I would like to ask the gentleman, how much have the Federal employees received in pay increases in the last 2 years, in percentage terms?

Mr. TAYLOR of Missouri. Federal employees—I do not have the exact figures, but they have been substantial. Is the gentleman talking about employees or retirees?

Mr. JOHNSON of Colorado. Employees and/or retirees, either one.

Mr. TAYLOR of Missouri. I do not have the figures on the employees. I think most of us recognize that these percentage increases, as they come forth, receive a good deal of publicity. As I said before, I think we have been more than generous in keeping up with inflation for Federal employees, especially for retirees.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Missouri. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Speaker, I agree with the gentleman's answer to the question, but I think it should be pointed out to the gentleman from Colorado that those in grades 15 and above, some of them have not received a pay increase for a number of years, because of the Federal maximum on the top salary. There are many people in Government today who are receiving the same dollar figure as their annual pay which they received 6 or 7 years ago.

I do not think we should imagine that every Government employee has received a series of pay increases over the years.

Mr. JOHNSON of Colorado. If the gentleman will yield, those are people at the $36,000 level.

Mr. TAYLOR of Missouri. Yes, the $36,000 level. The GS-15, GS-16, GS-17, and GS-18 are all frozen in at $36,000. But in the lower level I believe we have been more than generous, percentagewise, in our efforts to keep up with inflation. Our retirees certainly, I feel, are the benefactors of a far better retirement program than the private sector, since every time the cost of living goes up 3 percent, or as much as 3 percent, and stays there for 3 months, the Federal retirees actually get a 4-percent increase.

So I think this is one of the things we can say, so far as the Federal Government is concerned, that we have done better than the private sector. However, I do feel in the life insurance portion of this bill, it is not out of line with the private sector.

And I might say, in answer to the question that was raised by my colleague from Florida, that this committee will continue to pursue the cost of life insurance, term life insurance, as is being provided in the private sector.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield again on that point.

Mr. TAYLOR of Missouri. I will yield in just a moment to answer the gentleman's question.

I have done some preliminary work, and the figures that I have indicated show that the life insurance being provided Government employees is about the same rate as those I have investigated.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Missouri. I will yield to the gentleman.

Mr. JOHNSON of Colorado. That is the question I was going to ask before. The figure given earlier was about 100 percent of the private sector is funded. I find that very hard to believe, and I think we should go into that a little bit further and see how much is being provided in terms of premium payments, in terms of health benefits, and so forth.

The gentleman from Pennsylvania (Mr. MYERS) made an excellent point that you cannot isolate one area of compensation and say that the Federal Government may be lower in that area than in the private sector and you should bring it up. You have to look at the total compensation that is paid.

Mr. TAYLOR of Missouri. This is true. And I think it is well that we look to total compensation. As I said before, there will be other bills that will be coming out of this committee to improve benefits in areas where I believe we are already adequately compensating Federal employees, which I personally will oppose. But I do believe 50 percent contribution toward the life insurance program for Federal employees is not out of line, and I believe it is comparable to the private sector. This is one area I do support, especially in view of the fact that the sponsor of the original legislation did recognize the importance of our fiscal situation at this time and was willing to delete the massive part of this bill which was the increase in compensation in the health insurance field.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Missouri. Yes, I will yield to the gentleman from Virginia.

Mr. BUTLER. When will the benefits of this legislation become effective?

Mr. TAYLOR of Missouri. December 31, 1976.

Mr. BUTLER. For the calendar year 1977, when it first becomes effective?

Mr. TAYLOR of Missouri. Yes. And there is no cost, you see in fiscal year 1976.

Mr. BUTLER. If the gentleman will yield further for a question, do I understand the gentleman's committee has under consideration other improvements in the benefits of the Federal employee?

Mr. TAYLOR of Missouri. Yes. There are many bills before our subcommittee dealing with different facets of this subcommittee's work.

Mr. BUTLER. Mr. Speaker, will the gentleman yield further?

Mr. TAYLOR of Missouri. Yes.

Mr. BUTLER. Why are we isolating this part of the fringe benefit package for consideration now, when it does not become effective for some 18 months or so, and we have other parts of the fringe package under consideration, and we already know that the total fringe package of Federal employees, as set forth in the report, is one of the most generous fringe benefit packages. Would it not be more appropriate to wait and sort of bring all of these things along at once, or wait until we find out what the total fringe package is?

Mr. TAYLOR of Missouri. I suppose it would be.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Missouri. Yes, I yield to the gentleman from Texas.

Mr. WHITE. Concerning these other bills, if the gentleman from Virginia (Mr. BUTLER) will hold for a second, I will try to answer his question there.

The fact is, I will say to the gentleman from Virginia (Mr. BUTLER), that many of these bills we have before our committee are correcting inequities, such as a matter of restoring lost time, providing a reinstatement of survivor benefits in the event the holder of the annuity dies, and that sort of thing.

Mr. Speaker, what we are trying to do is to give the Members an opportunity, instead of bringing all these up in an omnibus bill, to take a shot at each one and test each one. I feel the way we are proceeding is proper.

We have killed bills in the subcommittee, and there is nothing that is going to come out of this committee that is going to be shocking to the gentleman or is going to be excessive in any way. We felt that the bill that we are bringing out now is appropriate.

We set the date as after December 31, 1976, so it becomes operative in January 1977, and we did that because that gives an opportunity to the agencies and the insurance companies to gear up and prepare for it, and it gives an opportunity to all the employees to know what will transpire at that particular time. It also allows us to span this particular economic problem we have now.

Mr. Speaker, that is the objective, and it was, I believe, a conservative approach taken by the committee.

Mr. BUTLER. Mr. Speaker, I thank the gentleman for his explanation. I will state, though, that I will reserve my own judgment on the matter of what is conservative and what is not.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield further?

Mr. TAYLOR of Missouri. I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Speaker, I would like to state that in the case of my congressional district I have had an awful lot of inquiries from constituents indicating they would like to get a Federal job and cannot get one.

If there are openings going unwanted and unfilled, I would like to know about them, and so would many constituents in my district. There are apparently many who believe that the Federal payroll is a very desirable place to be as the situation exists today, and I do not believe that we have to ripen it more in the middle of a recession.

Mr. WHITE. Mr. Speaker, if the gentleman from Missouri will yield, it is unfortunate that the gentleman from Pennsylvania (Mr. MYERS) did not have an opportunity to attend the hearings.

We found that we have had much talent drained away from some of the Executive positions in the Government. It is not all "gravy" in the Federal Government. There are many areas in the Federal Government where they are losing competent people.

I merely point this out: that it is easy to see the grass across the street, but when one is right in the middle of the grass it is different. In this case we have had problems with executives leaving the Federal Government.

Mr. MYERS of Pennsylvania. Mr. Speaker, if the gentleman from Missouri will yield further, I will point out to the gentleman from Texas that those of us who have worked in the private sector find rather rapidly that the benefits are not always the same as they appeared or as we expected the first time we walked in the plant gate. But as I stated before, some of the people who have contacted me have said they were trying to get employed by the Federal Government and have been told there is some cases an 8-year waiting list.

Is that true, or is it not true?

Mr. TAYLOR of Missouri. I would certainly hope it is true in view of the present topheavy Federal bureaucracy.

Mr. MYERS of Pennsylvania. Mr. Speaker, I thank the gentleman.

Mr. TAYLOR of Missouri. Mr. Speaker, the point I think we need to make is that we have certainly been generous with our Federal employees. I think we are generous with them now. I think probably we continue to be overgenerous in many areas.

I still maintain, however, that this is one area in which the Federal Government is probably not keeping pace with the private sector. For example, United States Steel pays 100 percent of the term life insurance premiums for its employees. I run a small business, and I pay 100 percent of the term life insurance for my employees.

I believe this is a reasonable compromise. I think it is one area where we can compromise. There are other areas that will be considered, and those matters are coming before this Chamber and this subcommittee, and on those issues I believe I would have a different point of view.

Mr. Speaker, I would like to reiterate what the chairman of the subcommittee said. This is an approach to give us a chance to look at the total picture, considering these matters one at a time, so we can make our determination as to whether or not we want to increase these benefits on a section-by-section basis as they come before the committee.

Mr. Speaker, I have no further requests for time.

Mr. WHITE. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. DOMINICK V. DANIELS).

Mr. DOMINICK V. DANIELS. Mr. Speaker, I rise in support of H.R. 7222, which will increase Federal Government's contribution to Federal employees group life insurance from 33⅓ percent to 50 percent of level cost for each $1,000 of insurance.

This modest increase in the Government's share of a Federal employee's life insurance premium is long overdue; the current share formula has been unchanged since the inception of the program back in 1954. Additionally, the increased share is in keeping with the concept of pay comparability for the Federal worker. Private sector employers' contribution to employee life insurance premiums currently averages 60 to 75 percent of premium cost, with many employers paying 100 percent of the premium. The trend in the private sector is toward 100 percent premium payment by the employer. And, of course, Postal Service employees have 100 percent of their life insurance premiums paid by the Federal Government.

Testimony received on this legislation by the Post Office and Civil Service Committee revealed that the standard of living of Federal employees has declined at least 20 percent in the past 2 years. Official Bureau of Labor Statistics demonstrate that Federal employees at the GS-5 level receive $1,145 less than comparable private enterprise employees received 15 months ago. This is a difference of more than 12 percent in pay—with a time lag of 15 months. When one computes the impact of rampant inflation, during these 15 months this discrimination has a compounding effect reducing the standard of living of Federal employees to 20 percent below that of private enterprise employees and Postal Service employees performing work of similar difficulty.

Currently, the Federal Government is paying more for the life insurance premiums of 600,000 Postal Service employees than it pays for 1.8 million Federal employees. In the interest of fairness and equity, I believe the Federal Government should bring its premium share of life insurance coverage more in line with that it provides for workers in the Postal Service. This legislation is a good first step to end the discriminatory policies that the Federal Government invokes against its own employees.

Mr. Speaker, I urge my colleagues to join with me in supporting this bill, so that we can demonstrate to nearly 2 million Federal employees that we do not feel that they should be penalized because they work for the Government.

Mr. WHITE. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Mr. Speaker, I rise in support of H.R. 7222. I think it is absolutely necessary that we go ahead and achieve passage of this bill today. I think we have put it off a very long time.

I cannot imagine, from the previous colloquy, that people do not remember or realize that this is a program that has not been changed since 1954, the year it was put into effect.

There is no question that the testimony in the hearings indicates strongly that all of our major industries are not only today moving toward a contribution of 75 percent, but for the most part are moving toward a 100-percent employer contribution.

Mr. Speaker, this bill does not do that. This bill moves only to a 50-percent contribution and is a very modest and moderate step toward comparability.

Unfortunately, I must say that I am disappointed that this will not go into effect until January of 1977. I think it is unfortunate that Federal employees do have to wait that long to get anywhere near the comparability on insurance programs as private industry does.

I think comments have been made that somehow the Federal employee has received a series of great pay increases that were not matched in private industry. The facts just do not reveal this. The fact of the matter is that the Federal employee received a 5½ percent pay increase this past year in a period when there was a 12-percent increase in the cost of living.

I think that if we are going to attract the young employee so as to get him into the group insurance program at a reduced cost, we are thereby going to have to change this program so that it is somewhat up to date.

I have to confess to the House that this has not been our record up to date. A 50-percent contribution program is not up to date. By the time it goes into effect, we are going to be further behind, with most industry going to a 100-percent employer contribution. I think it is unfortunate that we cannot move forward move quickly but the fact of the matter is that this bill has been stripped down to bare bones to get the type of suspension agreement that we have today.

Mr. Speaker, I hope and I urge this House to speedily pass this bill today. I do not think that we can put it off any longer.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. Yes, I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. What is the gentleman's feeling about the Federal pension program in relation to the private sector? Does he think that it is better than the program for the average person in a steel plant or in a small fabricating plant?

Mr. HARRIS. I am very proud of our Federal retirement program. But I think a number of improvements can be made to that, too. I think there are many private programs that are superior to our Federal program. To those who would say to me that our Federal retirement program should lag behind private industry's retirement program, I would just simply challenge them on that. I think we should be the leader in this field, not the follower.

Mr. MYERS of Pennsylvania. If the gentleman will yield further, if I interpret his words correctly, he says that he is proud of the Federal program, and I interpret him as meaning that we are spending more than the private sector?

Mr. HARRIS. No, I think the program itself is a good program. I think the gentleman has to understand that in the private area those private retirement programs are over and above what is received from social security. I think this is the point that people must remember: The Federal retirement program is in lieu of social security, and therefore, is often the total retirement program that this employee experiences.

Mr. MYERS of Pennsylvania. If the

gentleman will yield further, would the gentleman agree that in years past the retirement program was one of the major attractions to employees coming into the Federal Government?

Mr. HARRIS. I think it was one of the factors, but I do not think I would characterize it as the major factor. I hope that the major factor was the desire to serve the country in an important position.

Mr. MYERS of Pennsylvania. Would the gentleman also agree that the differences between the actual weekly wages or wage scales between employees in the Federal and private sectors, are an important factor?

Mr. HARRIS. I would not agree, no. I do not think we have obtained comparability, no.

Mr. HENDERSON. Mr. Speaker, I rise in support of the bill, H.R. 7222, which was ordered reported by the Post Office and Civil Service Committee by a unanimous voice vote.

The sole purpose of this bill is to increase the Government's contribution toward the cost of Federal Employees' Group Life Insurance.

Since 1954, when the Federal Employees' Group Life Insurance program was first established, the Government's contribution toward the cost of the life insurance has been 33⅓ percent. Employees have contributed the remaining two-thirds of the cost.

Under this legislation, both the Government and the employee would contribute 50 percent of the cost.

The evidence gathered by our committee shows that the Government's life insurance program gradually has fallen behind programs offered by large employers in private industry.

The trend in private industry is to offer more life insurance coverage with 100 percent contribution by the employer.

This trend is even reflected in the current labor-management agreement between the Postal Service and the postal employee unions under which the Postal Service pays the full costs of employees' group life insurance.

I believe it is imperative for the Congress to act now on this issue.

This legislation—calling for less than a 17 percent increase in the Government's contribution—represents a modest step toward making the Federal Employees' Group Life Insurance program more competitive with those of private employers.

I urge all of my colleagues to support the enactment of H.R. 7222.

Mr. TAYLOR of Missouri. Mr. Speaker, we have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. WHITE), that the House suspend the rules and pass the bill H.R. 7222.

Mr. JOHNSON of Colorado. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. WHITE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and exclude extraneous material on the bill H.R. 7222.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON RETIREMENT AND EMPLOYEES BENEFITS TO MEET AT 2:30 P.M. TODAY

Mr. WHITE. Mr. Speaker, I ask unanimous consent that the Subcommittee on Retirement and Employees Benefits of the Committee on Post Office and Civil Service may meet at 2:30 p.m. this afternoon for the purpose of marking up H.R. 2351.

The SPEAKER pro tempore. It there objection to the request of the gentleman from Texas?

There was no objection.

RESERVING A SITE FOR THE USE OF THE SMITHSONIAN INSTITUTION

Mr. HAYS of Ohio. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5327) to reserve a site for the use of the Smithsonian Institution, as amended.

The Clerk read as follows:

H.R. 5327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the portion of the Mall bounded by Third Street, Maryland Avenue, Fourth Street, and Jefferson Drive in the District of Columbia is reserved as a site for the future public uses of the Smithsonian Institution.

SEC. 2. The Smithsonian Institution may not make any use of the portion of the Mall described in the first section of this Act unless such use is first approved by the Congress.

The SPEAKER pro tempore. Is a second demanded? There being no second demanded, the question is on the motion offered by the gentleman from Ohio (Mr. HAYS) that the House suspend the rules and pass the bill H.R. 5327, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

VETERANS DISABILITY COMPENSATION AND SURVIVOR BENEFITS ACT OF 1975

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7767) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes, as amended.

The Clerk read as follows:

H.R. 7767

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1975".

TITLE I—VETERANS DISABILITY COMPENSATION

SEC. 101. (a) Section 314 of title 38, United States Code, is amended—

(1) by striking out "$32" in subsection (a) and inserting in lieu thereof "$34";

(2) by striking out "$59" in subsection (b) and inserting in lieu thereof "$63";

(3) by striking out "$89" in subsection (c) and inserting in lieu thereof "$95";

(4) by striking out "$122" in subsection (d) and inserting in lieu thereof "$131";

(5) by striking out "$171" in subsection (e) and inserting in lieu thereof "$185";

(6) by striking out "$211" in subsection (f) and inserting in lieu thereof "$232";

(7) by striking out "$250" in subsection (g) and inserting in lieu thereof "$275";

(8) by striking out "$289" in subsection (h) and inserting in lieu thereof "318";

(9) by striking out "325" in subsection (i) and inserting in lieu thereof "358";

(10) by striking out "584" in subsection (j) and inserting in lieu thereof "642";

(11) by striking out "727" and "$1,017" in subsection (k) and inserting in lieu thereof "$800" and "$1,119", respectively;

(12) by striking out "$727" in subsection (l) and inserting in lieu thereof "$800";

(13) by striking out "$800" in subsection (m) and inserting in lieu thereof "$880";

(14) by striking out "$909" in subsection (n) and inserting in lieu thereof "$1,000";

(15) by striking out "$1,017" in subsection (o) and (p) and inserting in lieu thereof "$1,119";

(16) by striking out "$437" in subsection (r) and inserting in lieu thereof "$480"; and

(17) by striking out "$654" in subsection (s) and inserting in lieu thereof "$719".

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 102. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out "$36" in subparagraph (A) and inserting in lieu thereof "$40";

(2) by striking out "$61" in subparagraph (B) and inserting in lieu thereof "$67";

(3) by striking out "$77" in subparagraph (C) and inserting in lieu thereof "$85";

(4) by striking out "$95" and "$17" in subparagraph (D) and inserting in lieu thereof "$105" and "$19", respectively;

(5) by striking out "$24" in subparagraph (E) and inserting in lieu thereof "26";

(6) by striking out "$41" in subparagraph (F) and inserting in lieu thereof "$45";

(7) by striking out "$61" and "$17" in subparagraph (G) and inserting in lieu thereof "$67" and "$19", respectively;

(8) by striking out "$29" in subparagraph (H) and inserting in lieu thereof "$32"; and

(9) by striking out "$55" in subparagraph (I) and inserting in lieu thereof "$61".

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

SEC. 201. Section 411 of title 38, United States Code is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, as monthly rates set forth in the following table:

"Pay grade	Monthly rate
E-1	$237
E-2	243
E-3	251
E-4	265
E-5	273
E-6	279
E-7	293
E-8	309
E-9	[1]323
W-1	298
W-2	310
W-3	320
W-4	338
O-1	298
O-2	309
O-3	331
O-4	350
O-5	385
O-6	433
O-7	470
O-8	514
O-9	552
O-10	[2]604

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $348.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $648.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $29 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to the widow shall be increased by $70 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person."

Sec. 202. Section 413 of title 38, United States Code, is amended to read as follows: "Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation; dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $119.

"(2) Two children, $172.

"(3) Three children, $221.

"(4) More than three children, $221, plus $44 for each child in excess of three.".

Sec. 203. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$64" and inserting in lieu thereof "$70".

(b) Subsection (b) of section 414 of such title is amended by striking out "$108" and inserting in lieu thereof "$119".

(c) Subsection (c) of section 414 of such title is amended by striking out "$55" and inserting in lieu thereof "$61".

TITLE III—CONVERSION UNDER SERVICEMEN'S GROUP LIFE INSURANCE

Sec. 301. Section 768 of title 38, United States Code, is amended by adding the following subsection (c) at the end thereof:

"(c) A member who is eligible for automatic conversion of Servicemen's Group Life Insurance to Veterans' Group Life Insurance under conditions prescribed in subsection (b) and who elects not to be insured under Veterans' Group Life Insurance may, effective the day after his Servicemen's Group Life Insurance coverage would cease, convert such insurance to an individual policy under the terms and conditions set forth in section 777 (e) of this title for conversion of Veterans' Group Life Insurance."

TITLE IV—EFFECTIVE DATES

Sec. 401. (a) The provisions of titles I and II of this Act shall take effect on the first day of the second calendar month which begins after the date of the enactment of this Act.

(b) Title III of this Act shall take effect on the date of the enactment of this Act.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **HAMMERSCHMIDT**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Texas (Mr. Roberts), will be recognized for 20 minutes, and the gentleman from Arkansas (Mr. Hammerschmidt), will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. Roberts).

Mr. **ROBERTS**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I move to suspend the rules and pass the bill H.R. 7767, to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes, as amended.

Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on this legislation, and to include extraneous material.

Mr. Speaker, the basic purpose of this bill is to increase the rates of compensation payable to service-disabled veterans, including the rates of dependency and indemnity compensation for widows and children of veterans who have died as a result of service-connected disabilities. This bill was developed after open hearings on the compensation programs conducted by our very diligent and capable Subcommittee on Compensation, Pension and Insurance headed by our distinguished colleague from Mississippi, G. V. (Sonny) Montgomery. I wish to commend him and his fellow members, the gentleman from Texas (Mr. Teague), the gentleman from Georgia (Mr. Brinkley), the gentleman from Texas (Mr. Wilson), the gentleman from North Carolina (Mr. Hefner), the gentleman from Ohio (Mr. Mottl), the gentleman from Ohio (Mr. Wylie), the gentleman from Arkansas, the ranking minority member of the committee (Mr. Hammerschmidt), and the gentleman from Ohio (Mr. Guyer).

Mr. Speaker, the House is aware of the record of our committee over the years in providing for the needs and adequacy of the programs for our service-connected veterans and their survivors. The Congress has clearly demonstrated that it has and will continue to provide for those needs. While we have endeavored through the years to equate the monthly rates with increases in the cost of living, experience has shown that the greater need lies with the more seriously disabled veterans who in many cases are completely unable to supplement their disability compensation payments with outside income. Accordingly, this bill, as in previous measures, proposes somewhat greater increases on behalf of the severely service-connected disabled veterans.

Mr. Speaker, as chairman of the Veterans' Affairs Committee, and a member of the Subcommittee on Compensation, Pension and Insurance, I am proud to be a part of the unanimous committee approval of this very worthwhile legislation. At this time, I yield such time as he may desire to the chairman of the subcommittee, the gentleman from Mississippi, who will explain in more detail the specific provisions of H.R. 7767.

Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. Montgomery).

Mr. **MONTGOMERY**. Mr. Speaker, I appreciate the kind remarks of the chairman of the Committee on Veterans' Affairs, the gentleman from Texas, concerning the activities of our Subcommittee on Compensation, Pension and Insurance. The results of our work were only possible, of course, through his full cooperation and support.

The disability compensation program, throughout its modern history, has been designed to provide relief for the impaired earning capacity of veterans disabled as the result of their military service. The amount payable varies according to the degree of disability which, in turn, is required by the law to represent, to the extent practicable, the average impairment in earning capacity resulting from such disability or combination of disabilities in civil occupations. Additional compensation for dependents is payable to any veteran entitled to basic compensation for disability rated at not less than 50 percent.

Since the disability compensation program was first established, the committee has periodically reviewed the rates of compensation provided as to their adequacy, and the Congress has made adjustments when such were deemed necessary. The rates of such compensation were last increased by Public Law 93–295, effective May 1, 1974.

The current program of benefits for survivors of veterans who have died from service-connected conditions was established in 1957. In similar manner, the Congress has periodically reviewed the adequacy of the DIC rates for survivors and has made appropriate adjustments. The DIC payments for widows and children were also last increased May 1, 1974, by Public Law 93–295.

Mr. Speaker, on May 19, 1975, our subcommittee conducted hearings on pending legislation to increase the rates of disability compensation for service-connected disabled veterans and the rates of dependency and indemnity compensation for widows and children. The subcommittee received testimony from the Veterans' Administration and most of the veterans' organizations, including the Disabled Americans Veterans, the Veterans of World War I of the U.S.A., Inc., the Paralyzed Veterans of America, the American Legion, the Veterans of Foreign Wars, the National Association of Concerned Veterans, the National Association for Uniformed Services, the Blinded Veterans Association, the

AMVETS, and the Gold Star Wives of America, Inc.

On June 5, 1975, the subcommittee recommended H.R. 7767 to the full committee, and on June 12, 1975, it was adopted by unanimous vote.

As our chairman remarked earlier, during the past several years, the committee and the Congress have recognized the greater need for monetary assistance in the cases of the more seriously disabled service-connected veterans, and at the same time, been aware of the fact that the vast majority of those veterans having minor disability ratings are able to supplement their compensation with outside income. Consistent with this policy, the bill provides increases for service-disabled veterans rated 10 to 50 percent in amounts ranging from 6.3 to 8.2 percent. Cases rated 60 percent disabling or more are increased 10 percent. Statutory awards—except the so-called "k" award—relating to more serious disabilities set forth in 38 U.S.C. 314, would also be increased 10 percent. The additional amounts for dependents provided by 38 U.S.C. 315 in cases of veterans with service-connected disabilities of at least 50 percent would be increased approximately 10 percent. Dependency and indemnity compensation, DIC, for widows and children would also be increased 10 percent.

The bill also provides that an eligible member may convert his servicemen's group life insurance to veterans' group life insurance or a commercial private policy within 120 days from his date of discharge or release from service.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS OF THE BILL

Section 1

This section provides that the proposed Act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1975".

TITLE I—VETERANS DISABILITY COMPENSATION

Section 101

This section provides increases in the basic compensation rates ranging from 6 percent to 10 percent, depending upon the degree of severity of disability. An increase of 10 percent is provided for those veterans with a 60 percent disability or more and all of the higher statutory awards except for the so-called "k" award; however, those eligible for the "k" award will receive a cost-of-living increase in their basic rate.

Section 102

Additional allowances for service-disabled veterans are provided on behalf of spouses, children and dependent parents in all cases where the veteran is rated 50 percent or more disabled. Under the bill these rates are increased approximately 10 percent across the board.

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

Section 201

This section provides increase of 10 percent in the monthly basic benefits payable to widows. The new basic rates would range from $237 to $604, according to the pay grade of the deceased veteran. The additional amount for each child under 18 would be raised from $26 to $29, and the special rate for aid and attendance would go from $64 to $70.

Sections 202 and 203

These sections would increase children's DIC rates by approximately 10 percent.

TITLE III—CONVERSION UNDER SERVICEMEN'S GROUP LIFE INSURANCE

Section 301

This section provides that a member eligible for automatic conversion of Servicemen's Group Life Insurance may elect to convert to an individual commercial policy, or elect to be insured under the Veterans' Group Life Insurance program. Under present law a member eligible for automatic conversion of his Servicemen's Group Life Insurance may convert to Veterans' Group Life Insurance within 120 days after discharge from military service. Veterans' Group Life Insurance is a nonrenewable, nonparticipating, 5-year term policy. At the end of the 5-year period, an eligible member may then convert from Veterans' Group Life Insurance to a commercial policy.

Prior to the enactment of the Veterans' Group Life Insurance program, Public Law 93-289, the eligible member could elect to convert from Servicemen's Group Life Insurance to a commercial carrier. Due to an oversight, the enactment of the Public Law 93-289 took away the right of the member to convert immediately from Servicemen's Group Life Insurance to a commercial carrier. The proposed change in present law would restore the option and allow the eligible member to convert either to Veterans' Group Life Insurance or a commercial carrier within 120 days from his date of discharge or release from service. According to the Veterans' Administration, there would be no cost to the Government for the implementation of this provision of the bill.

TITLE IV—EFFECTIVE DATES

Section 401

The provisions of titles I and II of the bill are effective the first day of the second calendar month following the date of enactment. Title III would become effective on the date of enactment.

During the course of the hearings, Mr. Speaker, testimony was presented in support of legislation which would provide that certain nonservice-connected deaths of veterans be conclusively presumed to have been the result of service-connected disability or injury. The committee noted that the Veterans' Administration has issued new guidelines to re-emphasize and encourage a more equitable use of the broad discretionary power vested in the rating boards by controlling regulations and instructions pertaining to contributory cause. It was also developed during the hearings that proper application of the guidelines would, in the minds of one involved veterans group, probably solve most, if not all, the problem type situations which have been cause for concern in the past.

The committee feels it is imperative that the new guidelines be liberally interpreted and that Agency officials throughout the system be properly informed as to their purpose. The committee intends to watch closely the application of the newly issued guideline materials to determine if all possible benefit from that effort is realized—to that end further reports from the Administrator of Veterans' Affairs will be requested and reported to the Congress. Should further study disclose that the expected results are not being obtained, we will consider appropriate legislative remedy.

Mr. Speaker, according to the Veterans' Administration the measures proposed by the bill would involve an estimated first full-year cost of $395 million. The cost for the transition period—July through September 1976—is estimated to be about $98.7 million. The following cost estimates for the first 5 years were obtained from the Agency:

COST ESTIMATE

[Dollar amounts in millions]

Fiscal year	Disabled veterans		Veterans 50 percent or disabled with dependents				
	Cases affected	Cost	Cases affected	Cost	DIC cases affected	Cost	Total cost
1976	2,211,915	$309.1	365,000	$13.3	280,400	$72.4	$394.7
Transition period (July 1-Sept. 30, 1976)	2,205,245	77.2	363,800	3.3	282,700	18.2	98.1
1977	2,201,913	308.3	363,300	12.3	284,900	73.6	395.8
1978	2,193,412	307.1	361,900	13.2	288,800	74.6	394.9
1979	2,187,410	306.3	360,900	13.1	292,300	75.5	394.9
1980	2,180,409	305.3	359,700	13.1	295,100	76.2	394.6

The Veterans' Administration has advised the committee that title III would incur no costs to the Government.

The Veterans' Administration recommended a 5-percent increase at an annual cost of about $220,000,000. This was not acceptable to the committee in view of the increase in the cost of living since May 1, 1974, when Congress last raised the rates. A 5-percent increase is unrealistic when one considers the present economic situation. Most Americans have been hard hit by the constant erosion of their earning power. This is especially true of the disabled veteran who suffers an economic impairment because of the incapacitating effects of his service-incurred physical or mental ailment. Most serious of all is the plight of service-connected veterans who have no earnings from employment. The totally and permanently disabled veteran who cannot work, and who depends on his disability compensation for life's basic necessities, is today in a very precarious financial position.

Mr. Speaker, I strongly support H.R. 7767, and urge that it be adopted.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

I do not know that my question is entirely relevant to this bill, but I have been very much concerned about some of my constituents' problems in relation to veterans' pensions. They are diminished, as I understand it, when social security payments go up, which seems to me a totally intolerable situation.

Mr. MONTGOMERY. This will not affect those persons who are drawing social security in any way. This is a compensation bill when pensions are raised, social security does become involved, but I say again this is a compensation bill not a pension matter.

Mrs. FENWICK. If the gentleman will yield further, a compensation payment will not drop?

Mr. MONTGOMERY. It will not drop.

Mr. FENWICK. I thank the gentleman.

Mr. HAMMERSCHMIDT. Mr. Speaker, I am pleased to support this measure that will authorize increases in monthly compensation payments to disabled veterans, as well as increases in dependency and indemnity compensation payable to widows and children of those whose deaths were the result of military service.

The increases in monthly payments for disabled veterans, Mr. Speaker, range from 6.3 percent for the veteran who is disabled to a degree of 10 percent up to 10 percent for the veteran who is totally disabled. The dependency allowance paid to those veterans who are disabled to a degree of 50 percent or more are increased by 10 percent, as are the monthly dependency and indemnity compensation payments to service connected widows and children.

At the same time, Mr. Speaker, we are informed that the cost of living as measured by the Consumer Price Index has increased by approximately 10 percent since May 1, 1974, the date of the most recent adjustments in payments to disabled veterans and survivors.

This measure also contains a provision that will make possible the conversion of a policy of Servicemen's Group Life Insurance to an individual commercial life insurance policy within 120 days of a serviceman's separation from military service.

Prior to the inauguration of the Veterans Government Life Insurance program, which authorized a 5-year, low premium term policy for the veteran being separated from military service, servicemen had the right to convert to a commercial policy within 120 days after separation. Now, the only course available to servicemen is to convert to Veterans Government Life Insurance for 5 years and then convert to a commercial policy. This bill will restore the option at separation of converting to Veterans Group Life Insurance or to a commercial policy. This provision involves no cost to the Government and merely corrects an inequity.

The Congress has always recognized its special obligation to the disabled veteran and to the survivors of those who made the supreme sacrifice in the defense of our Nation. Our committee has consistently given priority attention to the needs of the disabled in the face of changing economic conditions. This is no exception, Mr. Speaker, and I hope my colleagues will voice their strong support of the measure before the House.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. MYERS).

Mr. MYERS of Pennsylvania. Mr. Speaker, I would like to inquire of the committee in relationship to the question that the gentlewoman from New Jersey raised about veterans' pensions being reduced when social security benefits are increased. Is that problem being addressed by the committee? Can we expect some legislation in that regard soon?

Mr. HAMMERSCHMIDT. If the gentleman will yield, this subject before us today involves compensation, and, therefore, is not subject to a reduction in social security benefits. There is no income tax due on these particular benefits. I believe I can speak for the chairman—maybe we should ask him—that at some time in the future, of course, we do expect to address the cost-of-living problem in the pension area, as it pertains to jurisdiction that the House Veterans' Affairs has in the matter.

Mr. ROBERTS. Of course the truth is we have no jurisdiction over social security. That is under the Ways and Means Committee.

Mr. MYERS of Pennsylvania. Will the gentleman yield for a question?

Mr. ROBERTS. I will yield for one question. I am not going to get into politics.

Mr. MYERS of Pennsylvania. Mr. Speaker, as I understand it, the veteran's pension is decreased when social security is increased and, therefore, I would interpret it as a defect in the pension program and not in the social security program. Am I correct?

Mr. ROBERTS. All income must be considered in a pension case, all income. We have no authority to do anything about social security. If we did, social security would have to do all the pensions, private and otherwise.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Has there been any assessment as to what this bill will do to the persons receiving the disability pension with respect to their food stamp program? Will it knock them out of the program or reduce their participation?

Mr. HAMMERSCHMIDT. I would assume that would be a matter before the committee of jurisdiction on food stamps. I believe the Committee on Agriculture.

Mr. MYERS of Pennsylvania. If the gentleman will yield further, would it be possible by the time we have the vote on this bill later in the day that the committee would be able to have available information in that respect? I for one would not like to participate in passing what is supposed to be a benefit if in fact it is going to decrease their overal benefits.

Mr. HAMMERSCHMIDT. I certainly will try to ascertain the facts and I think if the gentleman makes further inquiry himself he will support this bill.

Mr. MYERS of Pennsylvania. I intend to support it if it is indeed a benefit.

Mr. HAMMERSCHMIDT. I can assure the gentleman it is a benefit to the veterans.

Mr. Speaker, I yield to the gentleman from New York such time as he may consume.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 7767, the Veterans' Disability Compensation and Survivors Benefit Act of 1975, a measure which is so important to those who gave so much for our Nation.

Mr. Speaker, veterans basic disability compensation rates, higher statutory awards and dependency and indemnity compensation are all in need of revision.

Basic compensation payments to disabled veterans vary according to the degree of disability. Veterans with serious multiple disabilities are awarded higher statutory awards and those who are determined to be at least 50 percent disabled receive additional allowances for each dependent. Families of veterans who have died from service-incurred disabilities are eligible for dependency and indemnity compensation, based upon the veteran's pay grade at the time of his death.

It is our duty in Congress to periodically review these veterans benefits and to increase, when necessary, benefit levels to account for any increases in the cost-of-living as measured by the Consumer Price Index. The last increases in benefits were made in mid-1974. Since that date, spiralling inflation has created a need for a further adjustment in benefits.

H.R. 7767 authorizes increases of 6 to 10 percent in the basic rates of disability compensation, depending upon the nature and extent of the disability. This bill also increases the range of monthly dependency and indemnity compensation payments to widows by 10 percent and raises compensation for each minor child of an eligible widow by 11.5 percent. Minor children whose mother is not living will have their benefits increased by about 10 percent.

If we approve this legislation, these increases will become effective on the first day of the second calendar month following the date of enactment.

Prior legislation prohibited veterans from converting their servicemen's group life insurance to a commercial policy. This measure also reinstates for our veterans the option of converting their service life insurance to a commercial policy, immediately upon enactment of the bill.

Despite the fact that it exceeds the administration's recommendation, I urge the adoption of this measure because it is so sorely needed by our veterans and by the widows of our veterans who are struggling to keep up with the rising cost of living—up 10.2 percent since June of 1974.

Accordingly, I urge my colleagues to lend their support to this worthy legislation.

Mr. DRINAN. Mr. Speaker, veterans' benefits date back to the Revolutionary War, with disability compensation the first major category of benefits provided. From the beginning of our history the precedent was established that veterans disabled as a result of their service in the Armed Forces were to be distinguished and afforded governmental assistance. This Nation holds as a part of its heritage a tradition of gratitude toward its veterans which, through the 200 years of our history, has manifested itself in the compensation, pension, education, and health care programs of the Veterans' Administration.

Of our 29 million veterans, nearly 2.5 million are disabled as a result of their service. Almost 400,000 widows and children of disabled veterans receive support through the Dependency and Indemnity Compensation program. A significant number of these beneficiaries are the veterans and families of disabled Vietnam veterans who by reason of their younger families depend more upon the compensation program to meet their household expenses.

The disability compensation program has been maintained to provide relief for the impaired earnings capacity of disabled veterans. Even in better economic times, the disabled suffer financial impairment because of their incapacitation. Inherent in our commitment to this program is a recognition that review be made periodically to assure that the benefit levels provide the relief intended.

The cost-of-living has risen 10.2 percent since the last compensation increase in May of 1974. Yet, the administration has suggested a 5-percent ceiling on benefit increases which is totally insensitive to the needs and hardships of disabled veterans and their families. As in the past, the Congress has taken initiative to provide some measure of realistic adjustment in compensation and survivors' benefits. The legislation before us will provide increases on a scale of up to 10 percent for veterans' disability payments. Dependents' and survivors' benefits will be increased by 10 percent.

Although it is not the matter before us today, our support for this legislation and the disabled veteran should also remind us of our obligation to the 2.5 million veterans and their dependents who are recipients of veterans' pensions. Nearly 77 percent of these pension beneficiaries also receive social security benefits. Over 1 million of these individuals experience reductions in their pensions when social security benefits are increased, and many lose their pensions entirely. In all too many cases, such a reduction, despite the social security increase, leaves the veteran or widow in a worse financial situation in terms of total income. It understandably appears to these individuals that what is being given to them by one hand of the Federal Government is being taken away by the other. The rate of inflation which we have been experiencing in the past year has waged economic warfare with the budgets of those Americans, most often elderly, who live on fixed incomes. We must protect their right to the full veterans' pensions they deserve.

Mr. BROYHILL. Mr. Speaker, I am very pleased that the House of Representatives is considering H.R. 7767, the Veterans' Disability Compensation and Survivor Benefits Act of 1975.

This important measure provides for an increase in compensation payments ranging from 6 to 10 percent and it provides for additional allowances for service-connected disabled veterans in behalf of their spouses, children, and dependent parents if the veteran is rated 50 percent or more disabled.

H.R. 7767 also provides for a 10-percent increase in rates of dependency and indemnity compensation—DIC—for widows and children. Included in this compensation legislation is a provision which guarantees every soldier discharged from the military the right to convert his serviceman's group life insurance—SGLI—to a commercial carrier or to elect the low-cost, 5-year-term life insurance we provided in the last Congress, veterans' group life insurance—VGLI.

With the burden that inflation has imposed on the disabled veteran and his family, these changes in the law are necessary. I strongly support this legislation. I am certainly glad that this body of the Congress has long recognized the heavy debt that the Nation owes to those who have served their country so well. I am hopeful that the Senate will also act quickly so that the day when the benefits will be increased will not be long delayed.

Mr. ROBERTS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill (H.R. 7767), as amended.

Mr. HAMMERSCHMIDT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 7767) just considered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

TO EXTEND THE AUTHORITY OF THE ADMINISTRATOR OF VETERANS' AFFAIRS TO ESTABLISH AND CARRY OUT A PROGRAM OF EXCHANGE OF MEDICAL INFORMATION

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3348) to amend title 38, United States Code, in order to extend and improve the program of exchange of medical information between the Veterans' Administration and the medical community, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter IV of chapter 81 of title 38, United States Code, is amended as follows:

(1) By inserting at the end of section 5054 (b) the following new sentence: "Any proceeds to the Government received therefrom shall be credited to the applicable Veterans' Administration medical appropriation."; and

(2) By striking out in section 5055(c)(1) "$3,000,000 for each fiscal year 1968 through 1971, and such sums as may be necessary for each fiscal year 1972 through 1975," and inserting in lieu thereof "$3,500,000 for fiscal year 1976; $1,700,000 for the period beginning July 1, 1976 and ending September 30, 1976; $4,000,000 for fiscal year 1977; $4,000,000 for fiscal year 1978; and $4,000,000 for fiscal year 1979,".

The SPEAKER pro tempore. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill H.R. 3348.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ROBERTS. Mr. Speaker, this bill is virtually a noncontroversial bill and was unanimously reported by the Committee on Veterans' Affairs on June 12, 1975.

The bill would extend the authority of the Veterans' Administration to continue its successful exchange of medical information program for an additional 4 years. The program has been operational for 8 years, and unless extended, will expire on June 30, 1975.

The program is achieving the goals and purposes which Congress envisioned when authority was first granted in Public Law 89-185 some 8 years ago of making available the best and most up-to-date medical care for veterans and patients at VA hosptials not affiliated with medical schools and those hospitals located in remote rural areas.

The administration approves the continuation of the program for a period of 1 year; however, based on the success of the program, the committee felt that a 4-year extension was completely justified. H.R. 3348 would authorize the program for another 4 years through fiscal year 1979.

The bill is within the authorization perimeters which the Committee on Veterans' Affairs reported to the Committee on the Budget in compliance with section 301(c) of the Budget Control Act.

It was the feeling of the committee members that we should keep the authorization at a $4 million level beyond fiscal year 1976.

As amended by the committee, the bill would authorize $3 million for fiscal year 1976, $1,700,000 for the period beginning

July 1, 1976 and ending September 30, 1976, $4 million for fiscal year 1977, $4 million for fiscal year 1978, and $4 million for fiscal year 1979.

Mr. Speaker, I yield to the distinguished chairman of the Subcommittee on Hospitals, the gentleman from Virginia (Mr. SATTERFIELD).

Mr. SATTERFIELD. Mr. Speaker, as the Nation's largest unitary health care delivery system, the Veterans' Administration is constantly interested in exploring and developing new methods of exchange of medical information for both educational and clinical purposes. It is such efforts that materially assist the VA in providing, on a continuing basis, the most effective and up-to-date care to the veteran patient, regardless of his location in the United States.

The exchange of medical information—EMI—program of the Veterans' Administration is the activity which enables the VA to harness technological advances in communications to the educational process, and thus engage in and support innovative pilot projects which strengthen those Veterans' Administration hospitals located remote from major medical teaching centers and/or those not affiliated with medical schools. The enabling legislation (Public Law 89-785) also charges the Veterans' Administration with fostering "the widest cooperation and consultation among all members of the medical profession," whether within or outside of the agency.

The exchange of medical information program is, therefore, the catalyst which provides for the development of "an environment of academic medicine—at peripherally located VA hospitals—which helps attract and retain highly trained and qualified members of the medical profession."

Congress enacted Public Law 89-785 (38 U.S.C. 5051, 5054-5055) on November 7, 1966. Section 5055(c)(1) of the enabling legislation authorized funding of the exchange of medical information program through fiscal year 1971. On August 6, 1971, the President signed legislation (Public Law 92-69) which authorizes its continued support through fiscal year 1975.

Initial funding for the exchange of medical information program was provided in fiscal year 1968 at a level of $942,000 for the first year of operation. The support of this program increased to $974,000 in fiscal year 1969 and to $2 million in fiscal years 1970, 1971, and 1972. In fiscal year 1974, a total of $3 million was authorized for support of the exchange of medical information program. The funds provided here have been fully expended and well invested in pilot programs which, once established, rapidly make contributions in increased measure to patient care.

The exchange of medical information program will conclude its eighth year of operation in fiscal year 1975. In the past year, 18 separate pilot projects were conducted involving all VA hospitals either as "core" hospitals from which information flowed to outlying hospitals or as recipients of information. In every instance, the programs were designed as instruments for the improvement of the delivery and quality of patient care at VA hospitals.

Furthermore, the exchange of medical information program and the concept of regionalization, as it is being applied in the Department of Medicine and Surgery, provide for an interdigitation toward the common goal of enabling every VA hospital to offer the advantages of the latest developments in medical care to its patients. To further carry out the intent of the enabling legislation, exchange of medical information activities are being made available to health professionals in 97 communities surrounding VA hospitals.

The projects authorized under the exchange of medical information program are supported through grants to medical schools, hospitals, and research centers, and by direct funding to VA hospitals. These activities vary in concept, scope, and content although each has as its objectives the investigation, development, and implementation of innovative projects in exchange of medical information.

Mr. Speaker, under permission obtained, in the RECORD a table showing by fiscal year, since the inception of the program, the total number of projects funded under the program and total funding from 1968 to 1975:

	Total number of projects funded	Total funding
Fiscal year:		
1968	10	942,000
1969	18	974,000
1970	25	2,000,000
1971	20	2,000,000
1972	17	2,000,000
1973	17	3,000,000
1974	[1] 19	3,000,000

[1] Estimated.

Mr. Speaker, under permission obtained, I insert also at this point in the RECORD 10 of the ongoing projects which are examples of what this program is accomplishing in improvements in the delivery of health care not only to our Nation's veterans but to the entire Nation:

1. *Applications Technology Satellite-6.* Biomedical communications experiments conducted via satellite involving interactive communications with ten VA hospitals in Appalachian region of United States.

2. *Interactive Telecommunications System for Central Maine.* The project is designed to train family practice physicians who live and practice in underserved areas of low population density. Involved is a consortium of five hospitals, including the VA facility at Togus, Maine.

3. *Center for Continuing Health Education.* Development of coordinated educational program fulfilling a variety of needs at eight VA hospitals in Colorado, Wyoming, Montana, Idaho and Nevada.

4. *Regional Computerized Consultation: Fluid and Electrolytes.* Extension of immediate clinical consultation to VA hospitals remote from urban medical centers.

5. *Dial Access for Physicians and Nurses.* Over 400 lectures for physicians and nurses available nationally by dialing a single number.

6. *Endoscopy in Television.* Utilization of closed circuit television for visualization and documentation of endoscopic findings developed at VAH Lake City, Florida.

7. *VA/Nebraska Television Network.* Two-way closed circuit television system between University of Nebraska Medical Center, University of Nebraska College of Dentistry, Creighton University School of Medicine, and VAH's Omaha, Lincoln, and Grand Island.

8. *Nuclear Medicine Network.* Diagnostic computer based network designed to provide expert nuclear medicine services to patients in outlying VA hospitals in Missouri and Illinois.

9. *State-Wide Tumor Registry.* Establishment of automated, computerized state-wide tumor registry in Alabama encompassing University of Alabama Medical Center and the four VA hospitals in Alabama.

10. *Telemedicine/Teleconsultation.* Closed circuit television system between VAH Bedford, Massachusetts and Massachusetts General Hospital used for therapy and consultation.

Mr. Speaker, I want to take this opportunity to thank my colleagues on the subcommittee for their support of this legislation, and I am especially grateful to the distinguished chairman of the full committee, the gentleman from Texas (Mr. ROBERTS) and the ranking minority member on the full committee and the Hospitals Subcommittee, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) for their outstanding cooperation in expediting consideration of this important bill.

Mr. Speaker, I strongly urge passage of H.R. 3348.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of H.R. 3348, a bill to extend for 4 additional years the ongoing program of the exchange of medical information between the Veterans' Administration and the medical community.

This program, Mr. Speaker, permits the Veterans' Administration hospital system to contribute to the delivery of modern medical techniques and information to regions that are remote from major medical centers. At the same time, it enables the Veterans' Administration to be the recipient of advances made in the nongovernmental medical community.

This program was inaugurated in 1966 for a 4-year period. It was extended for 4 additional years in 1971. The funds provided have been fully expended and well invested in programs which make substantial contributions to patient care. For example, closed circuit television between VA and community hospitals is being used for therapy and consultation. Another telecommunication system is designed to train family practice physicians who live and practice in underserved areas of low population density.

Mr. Speaker, these are but two examples of an extremely effective program. I urge that this bill authorizing its' extension for 4 additional years be approved.

Mr. ROBERTS. Mr. Speaker, I have no further requests for time.

The SPEAKER *pro tempore.* The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 3348, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AMENDING SECTION 2 OF THE ACT OF JUNE 30, 1954, TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. PHILLIP BURTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7688) to amend section 2 of the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of June 30, 1954 (68 Stat. 330), is amended by deleting "plus such sums as are necessary, but not to exceed $10,000,000, for each of such fiscal years, to offset reductions in, or the termination of, Federal grant-in-aid programs or other funds made available to the Trust Territory of the Pacific Islands by other Federal agencies", and inserting in lieu thereof the following: "for fiscal year 1976, $80,000,000; for the period beginning July 1, 1976, and ending September 30, 1976, $15,000,000; for fiscal year 1977, $80,000,000; and such amounts as were authorized but not appropriated for fiscal year 1975, and up to but not to exceed $8,000,000 for the construction of such buildings as are required for a four-year college to serve the Micronesian community, plus such sums as are necessary, but not to exceed $10,000,000, for each of such fiscal years, or periods, to offset reductions in, or the termination of, Federal grant-in-aid programs or other funds made available to the Trust Territory of the Pacific Islands by other Federal agencies, which amounts for each such fiscal year or other period shall be adjusted upward or downward and presented to the Congress in the budget document for the next succeeding fiscal year as a supplemental budget request for the current fiscal year, to offset changes in the purchasing power of the United States dollar by multiplying such amounts by the Gross National Product Implicit Price Deflator for the third quarter of the calendar year numerically preceding the fiscal year or other period for which such supplemental appropriations are made, and dividing the resulting product by the Gross National Product Implicit Price Deflator for the third quarter of the calendar year 1974,".

The SPEAKER pro tempore. Is a second demanded?

Mr. LAGOMARSINO. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. PHILLIP BURTON) will be recognized for 20 minutes and the gentleman from California (Mr. LAGOMARSINO) will be recognized for 20 minutes. The Chair now recognizes the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Speaker, I yield myself such time as I may consume. This legislation passed out of the subcommittee and the full committee without a dissenting vote.

Mr. Speaker, H.R. 7688 authorizes the appropriation of necessary funds for the operation of the government of the Trust Territory of the Pacific Islands for fiscal years 1976 and 1977.

In January 1974, our former colleague, Rogers C. B. Morton, then Secretary of the Interior, announced an accelerated capital improvement program for the trust territory.

The accelerated program is designed for construction of such rudimentary physical infrastructure as will be necessary for a sound and self-sufficient economy. To the extent possible, it is desirable to have this physical infrastructure in place within the next few years before the trusteeship gives way to a new political status for Micronesia in order to make economic self-sufficiency a more feasible goal when the trusteeship ends.

This policy coincides with the concern over the economy expressed by Members of the Congress of Micronesia who cite roads, airports, and shipping facilities as high priority items. The proposed program will reflect a policy of holding down the cost of governmental operations in order that maximum funding may be devoted to important capital improvements projects.

Mr. Speaker, H.R. 7688 authorizes $80,000,000 for each of fiscal years 1976 and 1977, which is a $5,000,000 increase over the approved authorization ceiling for fiscal year 1975.

In addition, the bill provides for an authorization of $15,100,000 for the 3-month transition period which is required to adjust to the October 1, 1976, starting date of the new budgetary fiscal year, as requested by the administration.

At the present time, over 1,000 postsecondary Micronesian students attend college in Guam and the United States at a total annual cost of $3,000,000.

To meet this growing future need, the committee authorized up to but not to exceed $8,000,000 for the establishment and construction of a campus for a 4-year college to serve Micronesia, as based on a study of the justification, need, program, and master plan for a community college of Micronesia, submitted to the subcommittee by Representative Ray Setik, chairman, Joint Committee on Program and Budget Planning, Congress of Micronesia.

So as to give the administration badly needed flexibility to meet the extraordinarily severe effects of inflation in Micronesia, the committee reauthorized amounts which were authorized but not appropriated in fiscal year 1975, amounting to approximately $7,000,000.

The authorization of such sums as are needed to replace reduced or terminated grant-in-aid programs is continued for another year. This provision was initiated by the committee 3 years ago to compensate for the fact that the trust territory is not eligible for revenue sharing.

Mr. Speaker, this bill has had complete bipartisan support in our subcommittee and committee, and I recommend its approval.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I rise in support of H.R. 7688 which authorizes $80 million annually for fiscal years 1976 and 1977 for the Trust Territory of the Pacific Islands. This increase in authorization is necessitated by inflationary trends in Micronesia as well as a fervant desire on the part of the administration to insure an adequate infrastructure in the trust territory prior to termination of the United Nations' trusteeship.

To realize the magnitude of the economic problem confronting the Micronesians, one must visualize their oceanic environment. A region comprised of 2,100 islands but with a land area less than one-half the size of Rhode Island, the 115,000 inhabitants of Micronesia must communicate across an area larger in expanse than the continental United States. Each district capital, in order to survive, must be equipped with a jet airport as well as modern shipping facilities. Each village must possess adequate docking to accommodate interisland ships. Bulk storage of fuel and water must be at hand; repair facilities to insure the uninterrupted operation of ocean-going ships must be available; refrigeration plants to store fish and other perishables must be provided; independent electrical power sources for each inhabited island is mandatory. This, my friends, is an expensive investment, requiring a large per capita expenditure. Yet, it is incumbent upon the United States to meet its obligations to the Micronesian people in accordance with the 1947 joint resolution of the U.S. Congress and the U.N. trusteeship agreement.

Mr. Speaker, I have always advocated the reduction of Federal spending when warranted. The Trust Territory of the Pacific Islands, however, is not an area for me to exercise this proclivity. I concur with the administration's financial proposals in regard to an increased authorization for the trust territory and seek the cooperation of all Members of this body to insure passage of this important legislation.

Mr. LAGOMARSINO. Mr. Speaker, this bill came out of the committee unanimously, both the subcommittee and the full committee. I think it is a very good example of cooperation between the two bodies and with the administration.

Mr. Speaker, I rise in support of H.R. 7688 which authorizes an annual appropriation for the Trust Territory of the Pacific Islands of $80 million for fiscal year 1976, $15.1 million for the transitional quarter necessitated by the change in the budget year, and $80 million for fiscal year 1977. This bill is a follow-on to S. 326, which was enacted into law on May 28, 1975, and granted to the Trust Territory of the Pacific Islands a $75 million authorization for fiscal year 1975. Mr. Speaker, these two companion bills are in line with the administration's request and are supportive of the current political status negotiations in the Pacific, whereby a greater degree of self-government will be afforded Micronesian and which will eventually lead to termination of the present United Nations' trusteeship.

After 27 years of U.S. administration, the Trust Territory of the Pacific Islands still lacks the requisite physical infrastructure necessary to support Micronesian social, economic, and political advancement. In January 1974, Secretary of the Interior, Rogers Morton, recognized this deficiency and committed the United States to an accelerated capital improvement program in Micronesia. In as far as practical, it was the Secretary's intent to install in the islands a rudimentary infrastructure, prior to the termination of the trusteeship.

In accordance with the desires of the Micronesian Congress, the capital improvement attaches high priority to the enhancement of roads, airports, and shipping facilities throughout the territory. Moreover, at the behest of the Micronesian leadership, H.R. 7688 provides a one-time authorization of $8 million to build the territory's first 4-year college.

H.R. 7688 authorizes a $20 million annual increase in funding over that provided in fiscal years 1973 and 1974. In spite of soaring governmental operations costs, the trust territory government intends to maintain the line in overhead spending, raising instead the level of expenditures in capital improvements from $9 million in fiscal year 1974 to $25 million in fiscal year 1976. Surely, such corner-cutting in governmental housekeeping costs in the trust territory is not only praiseworthy but also a goal which all echelons of U.S. Government, including us here in Washington should emulate.

Further, H.R. 7688 authorizes the expenditure of funds, which were authorized but not appropriated in fiscal year 1975. As previously mentioned, S. 326 authorized $75 million for fiscal year 1975. In the appropriating process, however, the other body in their best example of "corporate wisdom" failed to provide $7,000,000 of the authorized amount. Gentlemen, these two bills, S. 326 and H.R. 7688, concern themselves with a long-range economic development plan. Each element of the plan is dependent upon the other. It is not possible to attain economic viability in Micronesia, without each step of the plan being firmly in place before the next step is laid. To cut $7,000,000 from the very foundation of the plan insures a very fragile structure to say the least. Accordingly, to compensate for this lack of foresight, the measure before us restores those elements of the plan.

One feature of the bill which merits discussion remains. As proposed by the Department of the Interior, H.R. 7688 incorporates a mechanism to insure that each annual authorization is stabilized in constant 1974 dollars. Although inflation is more significant in Micronesia than in the United States—particularly, when one notes the escalating costs of fuels and construction materials—the primary purpose of this provision is to establish a firm financial base upon which future political status negotiations can key. I believe you all recognize how extremely difficult such negotiations would be in the dollar amounts agreed upon last year had now been reduced by inflationary drawdowns to a fraction of what they had once represented.

Mr. Speaker, H.R. 7688 reflects the legislative process at its best. It is a measure worked out in committee by members of both parties; it is a bill which incorporates all of the proposals by the administration; it is legislation which draws upon the explicit priorities of those at the grass roots. H.R. 7688 is a bill in whose passage the Members of this House can take pride. I urge unanimous passage.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. Phillip Burton) that the House suspend the rules and pass the bill H.R. 7688.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

"SEAFREEZE ATLANTIC"

Mr. OBERSTAR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5197) to authorize the employment of certain foreign citizens on the vessel *Seafreeze Atlantic*, official No. 517242, as amended.

The Clerk read as follows:

H.R. 5197

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the purposes and objectives of the United States Fishing Fleet Improvement Act, as amended (46 U.S.C. 1401–1413) are not being fulfilled in the case of the large stern trawler *Seafreeze Atlantic*, Official Number 517242 (hereafter referred to in this Act as the "*Seafreeze Atlantic*"), a vessel of advanced design built under the provisions of that Act, because of the unavailability of skilled United States citizens or skilled aliens legally domiciled in the United States who can be employed as fish processors and fishermen aboard such vessel.

SEC. 2. (a) Notwithstanding any requirement of item (5), section 2, of the United States Fishing Fleet Improvement Act, of any other provision of law, or of any provision of any contract to which the United States is a party, during the four-year period beginning on the date of the enactment of this Act, the owner of the *Seafreeze Atlantic* may employ foreign citizens as crew members of such vessel for service as fish processors and fishermen if at all times during such four-year period—

(1) the master and all of the officers of the vessel are citizens of the United States;

(2) citizens of the United States and aliens legally domiciled in the United States comprise not less than 40 percent of the crew;

(3) any foreign citizen so employed is only used as a fisherman or fish processor aboard the vessel; and

(4) the owner of the vessel undertakes to hire and train United States citizens or aliens legally domiciled in the United States as fish processors or fishermen aboard the vessel in order to assure a future supply of available United States citizens or aliens legally domiciled in the United States who will be qualified as fish processors or fishermen aboard advanced design trawlers.

(b) If at any time during such four-year period the Secretary of Commerce finds that the owner of the *Seafreeze Atlantic* is not in compliance with one or more of the conditions set forth in paragraphs (1) through (4) of subsection (a), the Secretary may prohibit the owner from employing foreign citizens as crew members of such vessel for such period of time as the Secretary deems appropriate.

SEC. 3. Section 2(a) of this Act shall cease to apply at the close of the four-year period referred to in such section; except that if the owner of the *Seafreeze Atlantic* provides evidence satisfactory to the Secretary of Commerce that—

(1) qualified fish processors or fishermen who are citizens of the United States or aliens legally domiciled in the United States will not be available in sufficient number for employment on the vessel after the close of such perod;

(2) he has instituted and will continue a program to train United States citizens or legally domiciled aliens as fish processors or fishermen; and

(3) he is making satisfactory progress, as determined by the Secretary, in employing only United States citizens or legally domiciled aliens on the vessel;

the Secretary of Commerce may permit the *Seafreeze Atlantic* to be operated with fishermen or fish processors who are foreign citizens for such additional periods and under such conditions as he deems appropriate; except that the conditions set forth in paragraphs (1), (2), and (3) of section 2(a) shall apply during any such additional period.

SEC. 4. The provisions of this Act shall not be construed as an amendment of the United States Fishing Fleet Improvement Act, except to the extent applicable to *Seafreeze Atlantic*, and any contract with the United States entered into before the date of the enactment of this Act with respect to the construction and operation of such vessel shall continue in full force and effect except that the Secretary of Commerce may amend any such contract in such a manner as he deems necessary in order to implement the provisions of this Act. The Secretary may impose such conditions as may be necessary to assure that the provisions of this Act will be complied with by the owner of the *Seafreeze Atlantic* and may undertake to amend appropriately any documents executed in connection with the construction and operation of such vessel, but if the owner does not consent to any such amendment, the Act shall cease to apply.

The SPEAKER pro tempore. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota (Mr. Oberstar) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. Forsythe) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5197 is designed to get the *Seafreeze Atlantic* back on the fishing grounds. It is a 296-foot stern trawler which was built with the aid of a construction differential subsidy and it is as equal in sophistication of design and equipment and capability as any foreign-built stern trawler operating our coastal shores.

Mr. Speaker, H.R. 5197, which was reported unanimously by the Merchant Marine and Fisheries Committee, has the strong support of the administration, maritime labor and industry, and I know of no one who is opposed to this legislation.

Briefly explained, H.R. 5197 would amend the United States Fishing Fleet Improvement Act to allow the owner of the *Seafreeze Atlantic* to employ foreign citizens as crewmembers for service as fishermen and fish processors under certain prescribed conditions for a period of 4 years from the date of the enactment of this legislation.

The conditions to be met in order to waive existing law, which requires only citizens of the United States or aliens legally domiciled in the United States to be employed on any vessel built with a Federal construction subsidy, are as follows: First, the master and all of the officers of the vessel must be citizens of the United States; second, citizens of the United States and aliens legally domiciled in the United States must comprise not less than 40 percent of the crew; third, any foreign citizen employed on the vessel can only be used as fishermen or processors; and fourth, the owner of the vessel must undertake to hire and train U.S. citizens and aliens legally domiciled in the United States as fish processors or fishermen aboard the vessel in order to assure a future supply of fishermen and processors for this vessel and, hopefully, for similar vessels that will be built in the future.

Mr. Speaker, if at anytime during the next 4-year period the Secretary of Commerce determines that anyone of these four conditions are not being complied with, then he may suspend or terminate the exemption as he may deem appropriate.

Mr. Speaker, the legislation makes provision for a continuation of the exemption after the expiration of the 4-year period, provided qualified U.S. fishermen are still not available and the owner continues with the training program in conformity with the conditions set forth in the act.

Mr. Speaker, I sincerely believe that by allowing this vessel to return to the sea it will be the forerunner of more advanced design stern trawlers to be built in the United States and,, hopefully, lead to a lessening of our dependence on foreign fisheries imports to meet our protein needs.

Mr. Speaker, I urge the prompt passage of H.R. 5197.

Mr. Speaker, I yield to the distinguished chairman of the committee, the gentlewoman from Missouri (Mrs. SULLIVAN), such time as she may consume.

Mrs. SULLIVAN. Mr. Speaker, H.R. 5197 has to do with one of the first large stern trawlers ever built in the United States.

This vessel, the *Seafreeze Atlantic*, and her sister ship, the *Seafreeze Pacific*, were built in 1969 with the aid of a construction differential subsidy under the U.S. Fishing Fleet Improvement Act. They are the only U.S. stern trawlers in existence. They are as modern in design as any of the large factory ship stern trawlers of foreign fleets operating off our coastal shores.

Both of these vessels are designed to catch, process, freeze, and store various species of fish. Additionally, they can process the waste products of its catch into fish meal and oil for various animal feed and industrial uses.

Mr. Speaker, the need for this legislation arises from the fact that neither of these vessels have proven to be a success. In fact, the *Seafreeze Atlantic*, the vessel with which this legislation deals, has been a dismal failure.

The act under which this vessel was built provides that only citizens of the United States or aliens legally domiciled in the United States can be employed on the vessel. Because U.S. fishermen, in general, do not like to go to sea for long periods of time, the owners of this vessel were forced to hire a totally inexperienced crew, such as factory hands, truck drivers, and seamen who had no prior training in manning and operating a sophisticated fishing vessel of this type. Consequently, as a result of employing this inexperienced crew, the vessel had to undergo numerous repairs and was forced to be deactivated in April of 1971, 2 years after it was built. It has been tied up in port ever since that time.

Mr. Speaker, the owners of this vessel have come forward with a plan that is designed to get this vessel back to work and, hopefully, become a productive unit of our U.S. fishing fleet. A plan has been devised that will permit the owners of this vessel under certain conditions to employ foreign citizens for service as fish processors and fishermen during a four-year trial period.

Mr. Speaker, this legislation has the unanimous support of the members of the Merchant Marine and Fisheries Committee, our maritime union representatives, and I know of no one who is opposed to this legislation. I strongly support H.R. 5197, and I hope this new venture will prove to be such a success that it will encourage the construction of new fishing vessels of advanced design and lead to the revival of our U.S. fishing industry.

Mr. Speaker, I urge the prompt passage of H.R. 5197.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the motion to suspend the rules on H.R. 5197. As my colleague from California has stated, this is a very simple measure that applies to only one vessel, the *Seafreeze Atlantic*. This vessel was constructed with subsidies under the U.S. Fishing Fleet Improvement Act, and is therefore required to carry an all-U.S. crew. Because this modern factory ship uses sophisticated trawling and fish processing equipment never used before in the American fleet, the owners experienced great difficulty in finding skilled crew. As a matter of fact, the skilled crew simply did not exist in the U.S. labor pool. Since foreign fleets have been using this equipment for a number of years, oftentimes off our own coasts, the only available fishermen and fish processors skilled in this type of traveler/factory ship operation were foreigners. In trying to comply with the conditions of the subsidy, the owners of the *Seafreeze Atlantic* experienced a lot of equipment damage and extensive layups. They only made seven voyages, and in a period of 4 years incurred losses of about $11 million. The present owners bought the vessel with the hopes of bringing it back to useful life.

The key to successful operation of this vessel, which incidentally amounts to a $5.2 million investment by Government and private industry, is manning it with skilled crew. The committee was told that finding competent officers and seamen has not been the problem. The sole problem has been with fishermen and fish processors. The bill, therefore, allows the hiring of these foreign fishermen and fish processors and, in effect, provides the owners with the opportunity to tap a foreign resource—in this case, a unique kind of fishing skills.

The bill also contains a requirement that the owners undertake a training program for U.S. fishermen and fish processors skilled in the technology of the modern stern trawler factory ship. Therefore, the committee hopes that not only will the *Seafreeze Atlantic* eventually be maintained by an all-American crew, but we will build a nucleus of skilled fishermen and fish processors to man future fish factory ships. In it, this measure can act as a catalyst in developing a labor pool that will be the vital resource for the advanced fishing fleet of the future.

We certainly have a strong policy in this country for the hiring of U.S. citizens on our fishing vessels, particularly those built with Government subsidies, but in this case we believe that by allowing foreign fishermen on board this vessel for a short time, we will not only employ a sizeable capital investment for its intended use, but we will provide jobs for American seamen and job opportunities for fishermen and fish processors in the future. This exception is, therefore, an experiment, and we believe an experiment worth making. I, therefore, urge suspension of the rules on H.R. 5197.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. I will be glad to yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Speaker, I am not totally convinced by the bill. This is my first opportunity to speak on this bill, and I thank the gentleman for yielding.

My major concern is that I am wondering if we are dealing with it at the wrong time.

Most recently we have acquired some new inhabitants of our land, and we have been criticized for bringing some of them here. I speak, specifically, of the Vietnamese. I am just wondering if the timing is wrong for the opening up for other nationalities to participate when we now have to find jobs for many of these people. I would assume that some of the people that have come as refugees may have some qualifications as fishermen.

Has that possibility been assessed by the committee?

Mr. LEGGETT. Mr. Speaker, I wonder if the gentleman will yield, and I will answer the gentleman's question.

Mr. FORSYTHE. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Speaker, we have been generally concerned about the total number of foreign aliens in this country and how they might be helpful in building up our gross national product.

I am sure the gentleman is aware that we have 4½ million aliens at the present time.

Unfortunately, without considering those who are currently authorized to work on American ships—and one does not have to be a citizen as long as he is an alien legally domiciled in the United States—it just so happens that the running of a fish factory is sort of a separate kind of job.

This requires the use of specialized equipment, and it requires a small but effective integrated force.

Certainly organized labor would not be in here joining with us in the enactment of this bill if there was any individuals whatsoever available in the United States who were capable of being integrated in the work force as fishermen or processors.

Mr. Speaker, I would say that since the Vietnamese are legally here, they would qualify as a portion of the work force so long as the owners do not hire more than 60 percent foreign help to serve as fishermen or processors. This exemption would apply for a 4-year period.

Mr. MYERS of Pennsylvania. Mr. Speaker, if the gentleman will yield further, can the gentleman tell me how many people we are talking about?

Mr. FORSYTHE. Mr. Speaker, I understand that about 20 jobs are about all that are involved.

To go back to the gentleman's point of time, the fact is that we do have a Government investment in this ship, and if we are going to recoup that investment, I think we should not delay the use of this ship any further.

Mr. MYERS of Pennsylvania. Mr. Speaker, it is amazing to me that, with 10 percent unemployment and the criticism we hear that many people have given up looking for jobs and do not even sign up for unemployment any more, we now have a problem of employing people on a Government-subsidized facility.

I would like to inquire of the committee—and if the gentleman from New Jersey can answer this, I would appreciate it—what level of advertisement was carried on by the owners or the managers of the ship? What kind of communication have they made to the committee so we could evaluate whether they have in fact communicated with the State unemployment agencies the description of the job and the pay of the job in an attempt to attract people?

Mr. LEGGETT. Mr. Chairman, if the gentleman from New Jersey will yield further, the answer to all of those questions is: Yes.

I will also state that the owners lost $11 million in 3 years, and they were going through all of these mechanisms that the gentleman has described. Finally, in 1971, about 4 years ago, they were forced to lay up the ship.

Now, in answer to the question whether the company made advertisements recently, the answer is: No, because they are just now prepared to lose another $10 or $11 million. They have been led to believe that if organized labor will cooperate with them, this can be done and they will attempt to get these ships going again. This one particular ship, the *Seafreeze Atlantic*, has been laid up much too long. But in order to have the assurance and to get risk capital to go into this venture, they have to have some kind of a program that will lead them to believe they are going to get a crew that will produce and one which will not damage the equipment, as has happened in the past.

Mr. MYERS of Pennsylvania. Mr. Speaker, if the gentleman will yield for one further question, I would like to know if we, by passing this bill, will in any way commit ourselves to any operating subsidies which we would not if we did not pass the bill?

Mr. LEGGETT. There are no operating subsidies involved with this vessel. It was, however, built with the assistance of a construction subsidy.

It may very well be that when we pass a 200-mile limit bill, which I am sure we will, if the American fishing fleet does not move into the vacuum rather aggressively and actually build more of these fish factory ships and learn how to operate these ships and produce, we have not accomplished very much. If we come nose to nose with the Soviets and say we want to fish the unused increments in these waters, then we are going to have to develop a new kind of program that will include vessels of the type of the *Seafreeze Atlantic*.

Mr. MYERS of Pennsylvania. Mr. Speaker, I thank the gentleman for his explanation.

I must say that I am still amazed that we can hire American workers and train them in 2 weeks to work in a steel factory and yet we cannot hire workers and train them to fish.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, one of the main purposes of this legislation is to train future employees for the fish catching and fish processing industry, and that is one of the great advantages of this legislation which is so desperately needed.

We just cannot get American seamen to go out to sea for such long periods of time, 3 to 4 months at a stretch. This vessel, an actual fish factory, involves the use of much advanced, sophisticated equipment. The vessel owners even attempted to go into areas of Massachusetts, where there are a great many Portuguese who, for generations, have been accustomed to this work, to recruit fishermen.

Even though extensive efforts were made, those people just could not be recruited to stay in this kind of work at sea for such long periods of time. That is why we need foreign nationals who are highly skilled to train future American seamen in this kind of work.

Mr. EMERY. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. Yes; I yield to the gentleman from Maine.

Mr. EMERY. Mr. Speaker, a few points, I think, ought to be made relative to this legislation.

First of all, the immediate question that we must consider is putting this ship back into operation. This ship has been costing its owners and the Federal Government a great deal of money without catching any fish. This has to be our primary consideration.

A further point has to be made, however, and I am now speaking as a resident of a coastal community that is the home port for several fishing trawlers. American fisheries do not depend on this type of fishing. We are not concerned with large factory ships because, unlike our sister fishing nations such as the Soviet Union and Japan, who fish many, many thousands of miles from their home ports, and must package and freeze their fish onboard, we fish in an entirely different manner. Our trawlers will go out a few days at a time or a few weeks at a time, catch fish, and bring them back into port to process.

This is an entirely different method, and this is why the factory-ship approach that we are now discussing has not been successful. American fishermen do not fish in this manner.

Mr. Speaker, in the future, when we make efforts to subsidize the fishing industry in this manner, we have to consider the type of fishing that our fishermen do. They do not need factory ships. We should consider smaller ships that fish on the Continental Shelf and bring their catch back to port on a regular basis to process, and then go after more. This has been the basic mistake that we have made, and this is why the *Seafreeze Atlantic* has not been successful.

I think in the future we ought to pay careful attention to the type of subsidy we provide and to what kind of vessel the American fishing industry is dependent upon.

Mr. FORSYTHE. Mr. Speaker, I make the comment, of course, that that is not the issue here, because this is not to add additional subsidies to the operation of this ship.

Perhaps the gentleman is right insofar as the future is concerned. However, the situation here is to see whether we can recoup our investment already made.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. Yes, I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I would like to applaud this legislation.

Mr. Speaker and Members of the House, this is the kind of sensible, liberal-minded legislation that we need.

Certainly, when we have an investment of this size, it is clearly absurd to tie it up with legalisms.

As we know, our friends in South America repeatedly go to sea for some distances, and we may have to provide in the future some kind of training that will help us to have more of these ships.

In any event, Mr. Speaker, I would like to ask the gentlewoman from Missouri (Mrs. SULLIVAN) one thing: In view of the difficulty that we have in persuading people to sail on these ships or to man them, how do we hold the owners to that training program? Can they find sufficient people?

Mr. OBERSTAR. If the gentlewoman will yield, the Maritime Administration and most of the unions involved and our own Committee on Merchant Marine and Fisheries are committed to the program of training; and the vessel owners are publicly on record in support of a firm, long-term program of training American seamen.

Mrs. FENWICK. It is pretty hard for them, I should think, to stick to it when we have this reluctance of people to sign up. Therefore, I wondered how they managed to do it. How can we hope to do this if there is such a reluctance to serve?

Mrs. SULLIVAN. If the gentleman will yield, may I answer the gentlewoman? If they cannot recruit and cannot find new people to operate this program to train U.S. citizens, then there exemption can simply be canceled as provided by the legislation.

Mrs. FENWICK. I understand, but this is the approach?

Mrs. SULLIVAN. Yes. This is to attempt to put this vessel back into being. If we can train U.S. citizens in this manner and encourage others to work on this fishing boat, I think then, maybe, we could change our type of fishing if we find that the effort can be gainful.

Mrs. FENWICK. Mr. Speaker, I thank the gentlewoman from Missouri (Mrs. SULLIVAN) and I congratulate her and her committee, because I think this is an eminently sensible bill.

Mr. EMERY. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. I am happy to yield further to the gentleman from Maine.

Mr. EMERY. Mr. Speaker, I thank the gentleman for yielding me the additional time to extend our discussions of a few moments ago.

I would like to say that I support this legislation, because the main issue, as the gentleman indicated before, is to get the *Seafreeze Atlantic* back to work. That is a sensible objective.

I would like to respond to the comments made a few minutes ago relative to the reason that American fishermen are not more willing to sail in the *Seafreeze Atlantic*. One of the reasons, as I know personally, is that American fishermen, especially those in New England, have only a limited knowledge of this type of fishing. Our seamen are seamen and our fishermen are fishermen. There is a difference. Our seamen have been trained at the various merchant marine academies and there they are not trained to catch fish, but they are trained to run ships. They are trained for freighter service and tanker service and the like. To combine those skills with fishing skills is not an entirely compatible marriage.

One of the reasons that our New England fishermen feel that this is not a proper marriage of skills is that they would much rather use their maritime skills to carry on their work—skills that they have learned through years of experience in fishing in and around our harbors and islands and, of course, on smaller trawlers on the George's Bank and on other fishing grounds on the Continental Shelf.

I would comment that I hope that we could give deeper consideration to the future use of factory ships, but remembering—and I repeat—remembering that our fishing industry is not dependent upon distant waters, except for the tuna industry. Ours is mainly a domestic fishing industry, and our attention ought to be given to protecting our native resources. If we do this, we will not have to expend money for the construction of factory ships, rather than the smaller ships that are based in home ports such as those found in New England and in other fishing centers in our country.

Mr. OBERSTAR. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Speaker, I want to thank the gentleman from Minnesota for managing this bill. I think the gentleman has done an excellent job in the subcommittee. This legislation was reported unanimously by the subcommittee. I think it is a good bill, and will inure to the ultimate benefit of the American fishing fleet.

The SPEAKER. The question is on the motion offered by the gentleman from Minnesota (Mr. OBERSTAR) that the House suspend the rules and pass the bill H.R. 5197, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to authorize the employment of certain foreign citizens on the vessel *Seafreeze Atlantic*, Official Number 517242.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OBERSTAR. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 5197.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

ATLANTIC TUNAS CONVENTION ACT OF 1975

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5522) to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and other countries, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Atlantic Tunas Convention Act of 1975".

DEFINITIONS

SEC. 2. For the purpose of this Act—

(1) The term "Convention" means the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, including any amendments or protocols which are or become effective for the United States.

(2) The term "Commission" mean the International Commission for the Conservation of Atlantic Tunas provided for in article III of the Convention.

(3) The term "Council" means the Council established within the International Commission for the Conservation of Atlantic Tunas pursuant to article V of the Convention.

(4) The term "fisheries zone" means the entire zone established by the United States under the Act of October 14, 1966 (80 Stat. 908; 16 U.S.C. 1091–1094), or similar zones established by other parties to the Convention to the extent that such zones are recognized by the United States.

(5) The term "fishing" means the catching, taking, or fishing for, or the attempted catching, taking, or fishing for any species of fish covered by the Convention or any activities in support thereof.

(6) The term "fishing vessel" means any vessel engaged in catching fish or processing or transporting fish loaded on the high seas, or any vessel outfitted for such activities.

(7) The term "Panel" means any panel established by the Commission pursuant to article VI of the Convention.

(8) The term "person" means every individual, partnership, corporation, and association subject to the jurisdiction of the United States.

(9) The term "Secretary" means the Secretary of Commerce.

COMMISSIONERS

SEC. 3. (a) The United States shall be represented by not more than three United States Commissioners who shall serve as the United States delegates on the Commission, and who may serve on the Council and Panels of the Commission as provided for in the Convention. Such Commissioners shall be appointed by the President, serve as such during his pleasure, and receive no compensation for their services as such Commissioners.

(b) The Secretary of State, in consultation with the Secretary, may designate from time to time and for such periods as he may determine to be appropriate. Alternate United States Commissioners to the Commission. Any Alternate United States Commissioner may exercise at any meeting of the Commission, Council, any Panel, or the advisory committee established pursuant to section 4 of this Act, all powers and duties of a United States Commissioner in the absence of a Commissioner appointed pursuant to subsection (a) of this section for whatever reason. The number of Alternate United States Commissioners which may be designated to attend any such meeting shall be limited to the number of United States Commissioners appointed pursuant to subsection (a) of this section that will not be present.

One of the United States Commissioners shall be an official of the Department of Commerce and each of the other United States Commissioners shall be an individual residing in a coastal State or the Commonwealth of Puerto Rico and shall be knowledgeable in the principles of commercial tuna fishing or sport tuna fishing, or both, and neither of such other Commissioners shall be a salaried employee of any State or political subdivision thereof, the Commonwealth of Puerto Rico, or the Federal Government.

ADVISORY COMMITTEE

SEC. 4. The United States Commissioners shall appoint an advisory committee which shall be composed of not less than five nor more than twenty individuals who shall be selected from the various groups concerned with the fisheries covered by the Convention. Each member of the advisory committee shall serve for a term of two years and be eligible for reappointment. Members of the advisory committee may attend all public meetings of the Commission, Council, or any Panel and any other meetings to which they are invited by the Commission, Council, or any Panel. The advisory committee shall be invited to attend all nonexecutive meetings of the United States Commissioners and at such meetings shall be given opportunity to examine and to be heard on all proposed programs of investigation, reports, recommendations, and regulations of the Commission. Members of the advisory committee shall receive no compensation for their services as such members. On approval by the United States Commissioners—

(1) if not more than three members of the advisory committee are designated by the committee to attend any meeting of the Commission, Council, or advisory committee, or of any Panel, each of such members shall be paid for his actual transportation expenses and per diem incident to his attendance; and

(2) in any case in which more than three members are designated by the advisory committee to attend any such meeting, each such member to whom paragraph (1) does not apply may be paid for his actual transportation expenses and per diem incident to his attendance.

SECRETARY OF STATE TO ACT FOR THE UNITED STATES

SEC. 5. (a) The Secretary of State is authorized to receive on behalf of the United States, reports, requests, and other communications of the Commission, and to act thereon directly or by reference to the appropriate authorities. The Secretary of State, with the concurrence of the Secretary and, for matters relating to enforcement, the Secretary of the department in which the Coast Guard is operating, is authorized to take appropriate action on behalf of the United States with regard to recommendations received from the Commission pursuant to article VIII of the Convention. The Secretary and, when appropriate, the Secretary of the department in which the Coast Guard is operating, shall inform the Secretary of State as to what action he considers appropriate within five months of the date of the notification of the recommendation from the Commission, and again within forty-five days of the additional sixty-day period provided by the Convention if any objection is presented by another contracting party to the Convention, or within thirty days of the date of the notification of an objection made within the additional sixty-day period, whichever date shall be the later. After any notification from the Commission that an objection of the United States is to be considered as having no effect, the Secretary shall inform the Secretary of State as to what action he considers appropriate within forty-five days of the sixty-day period provided by the Convention for reaffirming objections. The Secretary of State shall take steps under the Convention to insure that a recommendation pursuant to article VIII of the Convention does not become effective for the United States prior to its becoming effective for all contracting parties conducting fisheries affected by such recommendation on a meaningful scale in terms of their effect upon the success of the conservation program, unless he determines, with the concurrence of the Secretary, and, for matters relating to enforcement, the Secretary of the department in which the Coast Guard is operating, that the purposes of the Convention would be served by allowing a recommendation to take effect for the United States at some earlier time.

(b) The Secretary of State, in consultation with the Secretary and the Secretary of the department in which the Coast Guard is operating, is authorized to enter into agreements with any contracting party, pursuant to paragraph 3 of article IX of the Convention, relating to cooperative enforcement of the provisions of the Convention, recommendations in force for the United States and such party or parties under the Convention, and regulations adopted by the United States and such contracting party or parties pursuant to recommendations of the Commission. Such agreements may authorize personnel of the United States to enforce measures under the Convention and under regulations of another party with respect to persons under that party's jurisdiction, and may authorize personnel of another party to enforce measures under the Convention and under United States regulations with respect to persons subject to the jurisdiction of the United States. Enforcement under such an agreement may not take place within the territorial seas or fisheries zone of the United States. Such agreements shall not subject persons or vessels under the jurisdiction of the United States to prosecution or assessment of penalties by any court or tribunal of a foreign country.

ADMINISTRATION

SEC. 6. (a) The Secretary is authorized and directed to administer and enforce all of the provisions of the Convention, this Act, and regulations issued pursuant thereto, except to the extent otherwise provided for in this Act. In carrying out such functions the Secretary is authorized and directed to adopt such regulations as may be necessary to carry out the purposes and objectives of the Convention and this Act, and with concurrence of the Secretary of State, he may cooperate with the duly authorized officials of the government of any party to the Convention. In addition, the Secretary may utilize, with the concurrence of the Secretary of the department in which the Coast Guard is operating insofar as such utilization involves enforcement at sea, with or without reimbursement and by agreement with any other Federal department or agency, or with any agency of any State or the Commonwealth of Puerto Rico, the personnel, services, and facilities of that agency for enforcement purposes with respect to any vessel in the fisheries zone, or whereever found, with respect to any vessel documented under the laws of the United States, and any vessel numbered or otherwise licensed under the laws of any State or of the Commonwealth of Puerto Rico. When so utilized, such personnel of the States of the United States and of the Commonwealth of Puerto Rico are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(b) Enforcement activities at sea under the provisions of this Act for fishing vessels subject to the jurisdiction of the United States shall be primarily the responsibility of the Secretary of the department in which the Coast Guard is operating, in cooperation with the Secretary and the United States Customs Service. The Secretary after consultation with the Secretary of the department in which the Coast Guard is operating, shall adopt such regulations as may be necessary to provide for procedures and methods of enforcement pursuant to article IX of the Convention.

(c) (1) Upon favorable action by the Secretary of State under section 5(a) of this Act on any recommendation of the Commission made pursuant to article VIII of the Convention, the Secretary shall promulgate, pursuant to this subsection, such regulations as may be necessary and appropriate to carry out such recommendation.

(2) To promulgate regulations referred to in paragraph (1) of this subsection, the Secretary shall publish in the Federal Register a general notice of proposed rulemaking and shall afford interested persons an opportunity to participate in the rulemaking through (A) submission of written data, views, or arguments, and (E) oral presentation at a public hearing. Such regulations shall be published in the Federal Register and shall be accompanied by a statement of the considerations involved in the issuance of the regulations, and by a statement, based on inquiries and investigations, assessing the nature and effectiveness of the measures for the implementation of the Commission's recommendations which are being or will be carried out by countries whose vessels engage in fishing the species subject to such recommendations within the waters to which the Convention applies. After publication in the Federal Register, such regulations shall be applicable to all vessels and persons subject to the jurisdiction of the United States on such date as the Secretary shall prescribe. The Secretary shall suspend at any time the application of any such regulation when, after consultation with the Secretary of State and the United States Commissioners, he determines that fishing operations in the Convention area of a contracting party for whom the regulations are effective are such as to constitute a serious threat to the achievement of the Commission's recommendations.

(3) The regulations required to be promulgated under paragraph (1) of this subsection may—

(A) select for regulation of one or more of the species covered by the Convention;

(B) divide the Convention waters into areas;

(C) establish one or more open or closed seasons as to each such area;

(D) limit the size of the fish and quantity of the catch which may be taken from each area within any season during which fishing is allowed;

(E) limit or prohibit the incidental catch of a regulated species which may be retained, taken, possessed, or landed by vessels or persons fishing for other species of fish;

(F) require records of operations to be kept by any master or other person in charge of any fishing vessel;

(G) require such clearance certificates for vessels as may be necessary to carry out the purposes of the Convention and this Act;

(H) require proof satisfactory to the Secretary that any fish subject to regulation pursuant to a recommendation of the Commission offered for entry into the United States has not been taken or retained contrary to the recommendations of the Commission made pursuant to article VIII of the Convention which have been adopted as regulations pursuant to this section; and

(I) impose such other requirements and provide for such other measures as the Secretary may deem necessary to implement any recommendation of the Commission.

(4) Upon the promulgation of regulations provided for in paragraph (3) of this subsection, the Secretary shall promulgate, with the concurrence of the Secretary of State and pursuant to the procedures prescribed in paragraph (2) of this subsection, additional regulations which shall become effec-

tive simultaneously with the application of the regulations provided for in paragraph (3) of this subsection, which prohibit—

(A) the entry into the United States of fish in any form of those species which are subject to regulation pursuant to a recommendation of the Commission and which were taken from the Convention area in such manner or in such circumstances as would tend to diminish the effectiveness of the conservation recommendations of the Commission; and

(B) the entry into the United States, from any country when the vessels of such country are being used in the conduct of fishing operations in the Convention area in such manner or in such circumstances as would tend to diminish the effectiveness of the conservation recommendations of the Commission, of fish in any form of those species which are subject to regulation pursuant to a recommendation of the Commission and which were taken from the Convention area.

(5) In the case of repeated and flagrant fishing operations in the Convention area by the vessels of any country which seriously threaten the achievement of the objectives of the Commission's recommendations, the Secretary with the concurrence of the Secretary of State, may by regulations promulgated pursuant to paragraph (2) of this subsection prohibit the entry in any form, from such country of other species covered by the Convention as may be under investigation by the Commission and which were taken in the Convention area. Any such prohibition shall continue until the Secretary of Commerce is satisfied that the condition warranting the prohibition no longer exists, except that all fish in any form of the species under regulation which were previously prohibited from entry shall continue to be prohibited from entry.

(d)(1) Notwithstanding section 5(a) and subsection (c) of this section, the recommendations of the Commission concerning bluefin tuna (Thunnus thynnus thynnus) which were proposed at the third regular meeting of the Council during the period beginning November 20 and ending November 26, 1974, shall apply with respect to persons and vessels subject to the jurisdiction of the United States immediately upon the taking effect of the regulations required to be promulgated under paragraph (2) of this subsection.

(2) Not later than the thirtieth day after the date of enactment of this Act, the Secretary shall promulgate such regulations as may be necessary and appropriate to carry out the purposes of paragraph (1) of this subsection, including, after consultation with the Secretary of the department in which the Coast Guard is operating, regulations providing procedures and methods of enforcement. Notwithstanding provisions of section 553 of title 5 of the United States Code, such regulations may be promulgated without general notice of proposed rulemaking, and such regulations may take effect on the date they are published in the Federal Register. Such regulations shall remain in force and effect with respect to persons and vessels subject to the jurisdiction of the United States until the last date on which the recommendations referred to in paragraph (1) can take effect under paragraph (3) of article VIII of the Convention, and if such recommendations do take effect under the Convention with respect to the United States on or before such last date, such regulations shall remain in force and effect, subject to the provisions of the Convention and this Act, for so long as such recommendations are so in effect.

VIOLATIONS; FINES AND FORFEITURES; APPLICATION OF RELATED LAWS

SEC. 7. (a) It shall be unlawful—

(1) for any person in charge of a fishing vessel or any fishing vessel subject to the jurisdiction of the United States to engage in fishing in violation of any regulation adopted pursuant to section 6 of this Act; or

(2) for any person subject to the jurisdiction of the United States to ship, transport, purchase, sell, offer for sale, import, export, or have in custody, possession, or control any fish which he knows, or should have known, were taken or retained contrary to the recommendations of the Commission made pursuant to article VIII of the Convention and adopted as regulations pursuant to section 6 of this Act, without regard to the citizenship of the person or vessel which took the fish.

(b) It shall be unlawful for the master or any person in charge of any fishing vessel subject to the jurisdiction of the United States to fail to make, keep, or furnish any catch returns, statistical records, or other reports as are required by regulations adopted pursuant to this Act to be made, kept, or furnished by such master or person.

(c) It shall be unlawful for the master or any person in charge of any fishing vessel subject to the jurisdiction of the United States to refuse to permit any person authorized to enforce the provisions of this Act and any regulations adopted pursuant thereto, to board such vessel and inspect its catch, equipment, books, documents, records, or other articles or question the persons onboard in accordance with the provisions of this Act, or the Convention, as the case may be, or to obstruct such officials in the execution of such duties.

(d) It shall be unlawful for any person to import, in violation of any regulation adopted pursuant to section 6 (c) or (d) of this Act, from any country, any fish in any form of those species subject to regulation pursuant to a recommendation of the Commission, or any fish in any form not under regulation but under investigation by the Commission, during the period such fish have been denied entry in accordance with the provisions of section 6 (c) or (d) of this Act. In the case of any fish as described in this subsection offered for entry in the United States, the Secretary shall require proof satisfactory to him that such fish is not ineligible for such entry under the terms of section 6 (c) or (d) of this Act.

(e)(1) Any person who—

(A) violates any provision of subsection (a) of this section shall be assessed a civil penalty of not more than $25,000, and for any subsequent violation of such subsection (a) shall be assessed a civil penalty of not more than $50,000;

(B) violates any provision of subsection (b) or (c) of this section shall be assessed a civil penalty of not more than $1,000, and for any subsequent violation of such subsection (b) or (c) shall be assessed a civil penalty of not more than $5,000; or

(C) violates any provision of subsection (d) of this section shall be assessed a civil penalty of not more than $100,000.

(2) The Secretary is responsible for the assessment of the civil penalties provided for in paragraph (1). The Secretary may remit or mitigate any civil penalty assessed by him under this subsection for good cause shown.

(3) No penalty shall be assessed under this subsection unless the person accused of committing any violation is given notice and opportunity for a hearing with respect to such violation.

(4) Upon any failure of any person to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action.

(f) All fish taken or retained in violation of subsection (a) of this section, or the monetary value thereof, may be forfeited.

(g) All provisions of law relating to the seizure, judicial forfeiture, and condemnation of a cargo for violation of the customs laws, the disposition of such cargo or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provision of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act.

ENFORCEMENT

SEC. 8. (a) Any person authorized in accordance with the provisions of this Act to enforce the provisions of this Act and the regulations issued thereunder may—

(1) with or without a warrant, board any vessel subject to the jurisdiction of the United States and inspect such vessel and its catch and, if as a result of such inspection, he has reasonable cause to believe that such vessel or any person on board is engaging in operations in violation of this Act or any regulations issued thereunder, he may, with or without a warrant or other process, arrest such person;

(2) arrest, with or without a warrant, any person who violates the provisions of this Act or any regulation issued thereunder in his presence or view;

(3) execute any warrant or other process issued by an officer or court of competent jurisdiction; and

(4) seize, whenever and wherever lawfully found, all fish taken or retained by a vessel subject to the jurisdiction of the United States in violation of the provisions of this Act or any regulations issued pursuant thereto. Any fish so seized may be disposed of pursuant to an order of a court of competent jurisdiction, or, if perishable, in a manner prescribed by regulation of the Secretary.

(b) To the extent authorized under the convention or by agreements between the United States and any contracting party concluded pursuant to section 5(b) of this Act for international enforcement, the duly authorized officials of such party shall have the authority to carry out the enforcement activities specified in section 8(a) of this Act with respect to persons or vessels subject to the jurisdiction of the United States, and the officials of the United States authorized pursuant to this section shall have the authority to carry out the enforcement activities specified in section 8(a) of this Act with respect to persons or vessels subject to the jurisdiction of such party, except that where any agreement provides for arrest or seizure of persons or vessels under United States jurisdiction it shall also provide that the person or vessel arrested or seized shall be promptly handed over to a United States enforcement officer or another authorized United States official.

(c) Notwithstanding the provisions of section 2464 of title 28, United States Code, when a warrant of arrest or other process in rem is issued in any cause under this section, the marshal or other officer shall stay the execution of such process, or discharge any fish seized if the process has been levied, on receiving from the claimant of the fish a bond or stipulation for the value of the property with sufficient surety to be approved by a judge of the district court having jurisdiction of the offense, conditioned to deliver the fish seized, if condemned, without impairment in value or, in the discretion of the court, to pay its equivalent value in money or otherwise to answer the decree of the court in such cause. Such band or stipulation shall be returned to the court and judgment thereon against both the principal and sureties may be recovered in event of any breach of the conditions thereof as determined by the court. In the discretion of the accused, and subject to the direction of the court, the fish may be sold for not less than its reasonable market value at the time of seizure and the proceeds of such sale placed in the registry of the court pending judgment in the case.

COOPERATION: COMMISSION'S FUNCTIONS NOT RESTRAINED BY THIS ACT OR STATE LAWS

SEC. 9. (a) The United States Commissioners, through the Secretary of State and with the concurrence of the agency, institution, or organization concerned, may arrange for the cooperation of agencies of the United States Government, and of State and private institutions and organizations in carrying out the provisions of article IV of the Convention.

(b) All agencies of the Federal Government are authorized, upon the request of the Commission, to cooperate in the conduct of scientific and other programs, and to furnish facilities and personnel for the purpose of assisting the Commission in carrying out its duties under the Convention.

(c) None of the prohibitions deriving from this Act, or contained in the laws or regulations of any State, shall prevent the Commission from conducting or authorizing the conduct of fishing operations and biological experiments at any time for purposes of scientific investigation, or shall prevent the Commission from discharging any other duties prescribed by the Convention.

(d) (1) Except as provided in paragraph (2) of this subsection, nothing in this Act shall be construed so as to diminish or to increase the jurisdiction of any State over the territorial waters of that State.

(2) If the Secretary determines on the record after opportunity for agency hearing that any State whose territorial waters border on any Convention area—

(A) has not, within a reasonable time after the promulgation of regulations pursuant to this Act to implement any conservation recommendation of the Commission which is accepted by the United States, enacted laws or promulgated regulations which implement such recommendation within territorial waters of that State; or

(B) has enacted such laws or promulgated such regulations, but such laws or regulations—

(i) are less restrictive than the regulations promulgated pursuant to this Act to implement such recommendation of the Commission, or

(ii) are not effectively enforced,

the regulations promulgated pursuant to this Act to implement such recommendation shall apply within the territorial waters of such State until such time as the Secretary determines that the State is effectively enforcing within its territorial waters measures which are not less restrictive than such regulations.

(e) To insure that the purposes of subsection (d) are carried out, the Secretary shall undertake a continuing review of the laws and regulations of all States to which subsection (d) applies or may apply and the extent to which such laws and regulations are enforced.

APPROPRIATIONS

SEC. 10. There are authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, for fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and fiscal year 1977 such sums as may be necessary for carrying out the purposes and provisions of this Act, including—

(1) necessary travel expenses of the United States Commissioners, Alternate United States Commissioners, and authorized advisors in accordance with the Federal Travel Regulations and sections 5701, 5702, 5704 through 5708, and 5731 of title 5, United States Code; and

(2) the United States share of the joint expenses of the Commission as provided in article X of the convention.

SEPARABILITY

SEC. 11. If any provision of this Act or the application of such provision to any circumstance or persons shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

The SPEAKER. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentlewoman from Missouri (Mrs. SULLIVAN) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair now recognizes the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5522 would implement the International Convention for the Conservation of the Atlantic Tunas which came into force for the United States in 1969. The United States is one of 14 nations that are signatory to this convention.

The need for this legislation arises from the fact that the Atlantic bluefin tuna is being overfished. In 1974, the International Commission for the Conservation of Atlantic Tunas proposed two recommendations that would have the effect of placing a minimum size limitation on bluefin tuna that could be caught, either as a result of commercial fishing or sport fishing, and limiting each nation's annual catch to recent levels.

Mr. Speaker, in the meantime, the National Marine Fisheries Service has become so concerned over the welfare of the bluefin tuna that, pending the enactment of this legislation into law, it has taken action under the Endangered Species Act of 1973 to declare this species of tuna to be threatened with extinction.

This convention has been in force and effect since 1969 and I think in the interest of this species and other tuna-like fishes, it is time that the U.S. Government is provided with the necessary authority to implement this convention so that these species of fish can be given the protection to which they are entitled.

Mr. Speaker, I urge the prompt passage of H.R. 5522.

Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. LEGGETT), chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment.

Mr. LEGGETT. Mr. Speaker, I thank the chairman, the gentlewoman from Missouri, for yielding to me.

Mr. Speaker, H.R. 5522 is a bill I introduced which calls for the immediate implementation of the International Convention for the Conservation of Atlantic Tunas, better known as ICCAT.

This Convention—which is composed of 14 member nations—of which the United States is one, was brought about in response to the increasing exploitation of the tuna resources of the Atlantic Ocean by a large number of nations of Europe, Africa, the Americas and Asia. ICCAT also indicates the concern of fishery experts of those nations over the danger of overfishing of tuna and tuna-like fishes.

Mr. Speaker, the Convention provides for the establishment of a commission and states that each of the contracting parties shall be represented on the Commission by not more than three delegates.

The Commission, which meets every 2 years, is charged with the responsibility of conducting research on the abundance of tuna and tuna-like fishes, the ecology of the fishes, the oceanography of their environment and the effects of natural and human factors upon their abundance.

The Commission is also empowered, on the basis of scientific information, to make recommendations to maintain the population of Atlantic tunas at levels which will permit the maximum sustainable catch. Each recommendation shall become effective 6 months after adoption by the Commission. However, any nation may file a formal objection to the recommendation and, thus, exempt itself from the recommendation's effects.

Administratively, the Commission is organized into a Council which is in charge of directing staff operations between meetings of the Commission, and is required to meet between the regular meetings of the Commission.

The Commission's activities are supported by contributions from each of the contracting parties.

Mr. Speaker, the purpose of this legislation is to give effect to the Convention and allow the United States to carry out its provisions.

In achieving this purpose, the legislation would authorize and direct the Secretary of Commerce to administer and enforce the provisions of the Convention and this act; adopt such regulations as may be necessary to carry out the purposes and objectives of the Convention and this act and, with concurrence of the Secretary of State, to cooperate with the authorized officials of the Government of any party to the Convention. The legislation also permits the Secretary of Commerce to utilize, with the concurrence of the Secretary of the Department in which the Coast Guard is operating, by agreement with any other Federal department or agency, or the agency of any State or the Commonwealth of Puerto Rico, the personnel, services and facilities of that agency for enforcement purposes.

In addition, the act would authorize the appointment of Commissioners and alternate commissioners by the President to represent the U.S. Government in the Commission and authorize the Commissioners to appoint an advisory committee. Also, it would authorize the Secretary of State to receive, accept, or object to conservation recommendations made by the Commission and authorize the

Secretary of Commerce to promulgate and enforce such regulations to insure compliance of U.S. fishermen with conservation measures. Finally, it would authorize the Secretary of Commerce to cooperate in carrying out the scientific and other programs of the Commission.

Mr. Speaker, the legislation would authorize to be appropriated such sums as may be necessary to carry out the provisions of this act for fiscal year 1976, the transition period, and fiscal year 1977.

It is estimated the cost to the Federal Government to implement this legislation will be approximately $640,000 a year.

Mr. Speaker, H.R. 5522 was unanimously ordered reported by the Committee on Merchant Marine and Fisheries, it has the support of the administration, the Tuna Research Foundation, the American Tunaboat Association, and the National Coalition for Marine Conservation.

Mr. Speaker, I think H.R. 5522 is a good bill and one that is way past due and I urge its prompt passage.

Mr. Speaker, I now yield to the gentleman from New Jersey (Mr. FORSYTHE) for whatever comments he cares to make.

Mr. FORSYTHE. Mr. Speaker, I rise, in support of H.R. 5522, and urge my colleagues to suspend the rules to expedite passage of this bill. As my colleague from California has stated, there is an immediate need for this conservation measure. When the fishing nations of the Atlantic met in Rio de Janeiro and signed the International Convention for the Conservation of Atlantic Tunas in 1966, it was already apparent that many tuna species would become extinct if proper conservation measures were not implemented. The United States ratified the convention a year later, and the convention itself became effective in 1969. Since that time, the United States has no means of implementing the conservation measures other than the convention.

I believe we have a crisis situation with the Atlantic bluefin tuna which calls for immediate implementation of ICCAT. I understand that the season on bluefin tuna will begin next month and continue through the summer. Should this year's fishing be conducted without the ICCAT restrictions on catch, serious further depletion of the bluefin stocks may take place. Because of the urgency of this measure, I hope there will be little question about the need to pass this legislation.

I would, however, like to focus attention on section 9(d) which proscribes the effect of this implementing legislation on the States. When the bill was initially drafted, it was the intent of the committee to permit exclusive State enforcement within the 3-mile territorial zone. Evidence presented to the committee showed that a large percentage of the bluefin tuna come in close to shore and, because of this, effective implementation of the Convention requires uniform regulations and enforcement throughout the coastal waters and high seas. The committee reached a compromise which we believe satisfies the demands for uniformity and consistency as well as considerations for States rights. The amendment effectively gives the coastal States an opportunity to promulgate conservation regulations of their own within a reasonable time after the enactment of this legislation. Only if the States do not act within this time, or if they promulgate regulations less stringent than the Convention calls for will the Federal Government preempt State efforts. The cooperation of the States is essential in the enforcement of ICCAT regulations. The Federal Government simply does not have the resources available to police all the fishing that takes place, particularly in State waters. The committee, therefore, took great pains to discuss this amendment with State fish and game officials and with local fishing organizations. Of those States polled, all were in general agreement with the approach taken in this bill.

The committee has been working closely with the State and Federal agencies involved and with fishing groups, and there is widespread support for enacting this legislation as soon as possible before irreparable damage is done to the valuable bluefin tuna resource. I, therefore, urge my colleagues to vote to suspend the rules on H.R. 5522.

Mr. LENT. Mr. Speaker, I rise in favor of H.R. 5522 to implement the International Convention for the Conservation of Atlantic Tunas—ICCAT.

Hearings before the Fisheries and Wildlife Conservation and the Environment Subcommittee amply testify both to the Nation's need for H.R. 5522 and the urgency for prompt action. Spokesmen for Long Island sports fishermen have urged action by July 1 to conserve the dwindling supply of Atlantic tunas and to implement measures to increase the fish population to levels permitting the maximum sustainable tuna catch.

A key provision of the bill would require that the Secretary of State make sure the United States receives equal treatment under ICCAT decisions.

I feel the bill was strengthened by the addition of a section permitting Federal authorities to establish conservation measures within the 3-mile limit. However, this control would be exercised only if the State concerned did not wish to establish its own conservation legislation or regulations.

Appropriate enforcement measures are embodied in the bill, including a provision that no fish or fish products may be imported from nations who willfully violate ICCAT recommendations.

This is sound and timely conservation legislation, and I urge its adoption today.

Mr. LEGGETT. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 5522, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 5522), just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Debate has been concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 3 (b) of rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 1607 (de novo).
H.R. 7222, by the yeas and nays.
H.R. 7767, by the yeas and nays.

AMENDING TITLE 18 OF THE UNITED STATES CODE TO MAKE PARALLEL THE EXEMPTION FROM LOTTERY PROHIBITIONS GRANTED TO NEWSPAPERS AND TO RADIO AND TELEVISION

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 1607), as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. DANIELSON) that the House suspend the rules and pass the bill, H.R. 1607, as amended.

The question was taken.

Mr. PATMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 250, nays 125, not voting 58, as follows:

[Roll No. 299]

YEAS—250

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Baucus
Bauman
Beard, R.I.
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Breaux
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Cederberg
Chappell
Clancy
Clay
Cleveland

Cohen
Collins, Ill.
Conte
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
English
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fenwick
Fish
Fisher
Flood
Flowers
Ford, Mich.
Forsythe
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gradison
Green
Hagedorn
Haley
Hall
Hanley
Hannaford
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Heinz
Helstoski
Hicks
Holland
Holt
Holtzman
Horton
Howard
Howe
Hughes
Hungate
Hutchinson
Hyde
Jacobs
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Kazen
Kindness
Koch
Krebs
LaFalce
Landrum
Latta
Leggett
Lent
Levitas
Long, La.
Long, Md.
Lujan
McClory
McCloskey
McCormack
McDade
McDonald
McFall
McKinney
Macdonald
Madden
Madigan
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Milford
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Nedzi
Nix
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Pattison, N.Y.
Pepper
Pike
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roe
Rooney
Rosenthal
Rostenkowski
Roybal
Runnels
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sisk
Skubitz
Slack
Snyder
Solarz
Spellman
Stanton, J. William
Stanton, James V.
Stark
Steed
Stephens
Stratton
Stuckey
Studds
Symington
Symms
Teague
Thompson
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Waggonner
Walsh
Waxman
Whalen
White
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wolff
Wright
Wydler
Young, Tex.
Zablocki
Zeferetti

NAYS—125

Abdnor
Alexander
Ambro
Archer
Armstrong
AuCoin
Bafalis
Beard, Tenn.
Bennett
Bevill
Blouin
Bonker
Bowen
Brademas
Brinkley
Brown, Ohio
Broyhill
Burlison, Mo.
Butler
Carter
Casey
Chisholm
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Corman
Daniel, R. W.
Downing
Duncan, Oreg.
Eckhardt
Emery
Erlenborn
Ford, Tenn.
Fountain
Fraser
Gibbons
Gonzalez
Goodling
Grassley
Gude
Guyer
Hamilton
Hammerschmidt
Hansen
Hechler, W. Va.
Hefner
Hillis
Hinshaw
Hubbard
Ichord
Jones, N.C.
Jones, Tenn.
Kasten
Kemp
Ketchum
Krueger
Lagomarsino
Lloyd, Calif.
Lloyd, Tenn.
Lott
McCollister
McEwen
Mahon
Martin
Mezvinsky
Mikva
Miller, Calif.
Mills
Montgomery
Moore
Moorhead, Calif.
Mosher
Moss
Murphy, N.Y.
Myers, Pa.
Natcher
Neal
Nichols
Patman, Tex.
Patterson, Calif.
Perkins
Pettis
Pickle
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Roberts
Robinson
Roncalio
Rose
Roush
Schulze
Sharp
Sikes
Simon
Smith, Iowa
Smith, Nebr.
Spence
Staggers
Steelman
Steiger, Ariz.
Steiger, Wis.
Sullivan
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Vanik
Wampler
Weaver
Whitehurst
Whitten
Wirth
Yates
Young, Alaska
Young, Fla.
Young, Ga.

NOT VOTING—58

Anderson, Ill.
Andrews, N.C.
Ashbrook
Baldus
Bedell
Bell
Bergland
Breckinridge
Burke, Calif.
Burke, Fla.
Clausen, Don H.
Conyers
de la Garza
Diggs
Esch
Fascell
Findley
Fithian
Florio
Flynt
Foley
Harkin
Harsha
Hastings
Henderson
Hightower
Jeffords
Jenrette
Jones, Ala.
Jones, Okla.
Kelly
Keys
Lehman
Litton
McHugh
McKay
Mann
Mathis
Michel
Miller, Ohio
Mollohan
Nolan
Peyser
Poage
Price
Rangel
Rodino
Rogers
Rousselot
Ryan
Scheuer
Stokes
Talcott
Vander Jagt
Vigorito
Wilson, Tex.
Wylie
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Florio with Mr. Ashbrook.

Mr. Breckinridge with Mr. Esch.

Mr. Fascell with Mr. Anderson of North Carolina.

Mr. Rodino with Mr. Anderson of Illinois.

Mr. Charles Wilson of Texas with Mr. Don H. Clausen.

Mr. Yatron with Mr. Baldus.

Mr. Jones of Oklahoma with Mr. Findley.

Mr. Jenrette with Mr. Harkin.

Mrs. Burke of California with Mr. Bedell.

Mr. Diggs with Mr. Hastings.

Mr. Flynt with Mr. Kelly.

Mr. Foley with Mr. Bell.

Mr. Henderson with Mr. de la Garza.

Mr. Jones of Alabama with Mr. Harsha.

Mrs. Keys with Mr. Burke of Florida.

Mr. Mathis with Mr. Jeffords.

Mr. Mann with Mr. Lehman.

Mr. Bergland with Mr. Litton.

Mr. Conyers with Mr. Hightower.

Mr. Fithian with Mr. McHugh.

Mr. Price with Mr. Mollohan.

Mr. Rangel with Mr. Michel.

Mr. Rogers with Mr. Nolan.

Mr. Stokes with Mr. McKay.

Mr. Scheuer with Mr. Peyser.

Mr. Vigorito with Mr. Miller of Ohio.

Mr. Ryan with Mr. Talcott.

Mr. Rousselot with Mr. Vander Jagt.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television.".

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) (3), rule XXVII, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

FEDERAL EMPLOYEES' GROUP LIFE INSURANCE

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 7222.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. WHITE) that the House suspend the rules and pass the bill, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 245, nays 145, not voting 43, as follows:

[Roll No. 300]

YEAS—245

Abzug
Addabbo
Alexander
Anderson, Calif.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Casey
Chappell
Chisholm
Clay
Collins, Ill.
Conte
Corman
Cornell
Cotter
D'Amours
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Early
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Fisher
Fithian
Flood
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Fulton
Gaydos
Giaimo
Ginn
Goldwater
Gonzalez
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heinz
Helstoski
Hicks
Hightower
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hungate
Ichord
Jacobs
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Tenn.
Jordan
Karth
Kazen
Keys
Koch
Krebs
LaFalce
Lent
Levitas
Litton
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McCormack
McDade
McFall
McHugh
Macdonald
Madden
Madigan
Mahon
Mathis
Matsunaga
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pickle
Poage
Railsback
Randall
Rees
Reuss
Richmond
Riegle
Risenhoover
Roe
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
St Germain
Santini
Sarasin
Sarbanes
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Symington
Taylor, Mo.
Teague
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Yates

Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—145

Abdnor
Adams
Andrews, N. Dak.
Archer
Armstrong
Aspin
Bafalis
Bauman
Bevill
Bowen
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Cederberg
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Coughlin
Crane
Daniel, Dan
Derrick
Derwinski
Devine
Dickinson
Duncan, Tenn.
du Pont
Edgar
Edwards, Ala.
Emery
English
Erlenborn
Eshleman
Evins, Tenn.
Fenwick
Findley
Fish
Flowers
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gibbons
Gilman
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Hansen
Hechler, W. Va.
Heckler, Mass.
Hefner
Hillis
Hinshaw
Hughes
Hutchinson
Hyde
Jarman
Jeffords
Johnson, Colo.
Jones, N.C.
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lloyd, Calif.
Lujan
McClory
McCloskey
McCollister
McDonald
McEwen
McKinney
Maguire
Martin
Mazzoli
Montgomery
Moore
Moorhead, Calif.
Mosher
Mottl
Myers, Ind.
Myers, Pa.
Neal
Nichols
Obey
Pettis
Pike
Pressler
Preyer
Pritchard
Quie
Quillen
Regula
Rhodes
Rinaldo
Roberts
Robinson
Rose
Ruppe
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Sullivan
Symms
Taylor, N.C.
Thone
Treen
Vander Veen
Waggonner
Wampler
Whitten
Wiggins
Wilson, Bob
Wydler
Young, Fla.

NOT VOTING—43

Ambro
Anderson, Ill.
Andrews, N.C.
Ashbrook
Bell
Bonker
Burke, Calif.
Burke, Fla.
Clausen, Don H.
Conlan
Conyers
Dent
Diggs
Esch
Fascell
Florio
Flynt
Harsha
Hastings
Henderson
Jones, Ala.
Jones, Okla.
Lehman
McKay
Mann
Michel
Miller, Ohio
Mollohan
Patman, Tex.
Peyser
Price
Rangel
Rodino
Rogers
Rousselot
Ryan
Scheuer
Stokes
Talcott
Vander Jagt
Wilson, Tex.
Wylie
Yatron

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

Mr. Florio with Mr. Lehman.
Mr. Flynt with Mr. Anderson of Illinois.
Mr. Rodino with Mr. Burke of Florida.
Mr. Dent with Mr. Conlan.
Mr. Fascell with Mr. Ashbrook.
Mr. Yatron with Mr. Esch.
Mr. Stokes with Mr. Michel.
Mr. Jones of Oklahoma with Mr. Peyser.
Mr. Diggs with Mr. Harsha.
Mr. Mollohan with Mr. Andrews of North Carolina.
Mr. Jones of Alabama with Mr. Bell.
Mr. Price with Mr. Miller of Ohio.
Mr. Conyers with Mr. Patman.
Mr. Rangel with Mr. McKay.
Mr. Henderson with Mr. Rousselot.
Mr. Ambro with Mr. Don H. Clausen.
Mrs. Burke of California with Mr. Ryan.
Mr. Bonker with Mr. Hastings.
Mr. Mann with Mr. Talcott.
Mr. Charles Wilson of Texas with Mr. Vander Jagt.
Mr. Rogers with Mr. Scheuer.

The result of the vote was announced as above recorded.

VETERANS' DISABILITY COMPENSATION AND SURVIVOR BENEFITS ACT OF 1975

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 7767), as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill (H.R. 7767), as amended, on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 389, nays 0, not voting 44, as follows:

[Roll No. 301]

YEAS—389

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Findley
Fish
Fisher
Fithian
Flood
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—44

Anderson, Ill.
Andrews, N.C.
Ashbrook
Bell
Brodhead
Brooks
Burke, Calif.
Burke, Fla.
Clausen, Don H.
Conlan
Conyers
Diggs
Esch
Fascell
Fenwick
Florio
Flynt
Harris
Harsha
Hastings
Henderson
Jenrette
Jones, Ala.
Jones, Okla.
McKay
Mann
Michel
Miller, Ohio
Mollohan
Nedzi
Peyser
Price
Rangel
Rodino
Rogers
Rousselot
Ryan
Scheuer
Seiberling
Stokes
Talcott
Vander Jagt
Wilson, Tex.
Wylie

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Florio with Mr. Anderson of Illinois.
Mr. Brooks with Mrs. Burke of California.
Mr. Rodino with Mr. Don H. Clausen.
Mr. Fascell with Mr. Esch.
Mr. Rangel with Mr. Ashbrook.
Mr. Flynt with Mr. Conlan.
Mr. Henderson with Ms. Fenwick.
Mr. Jones of Oklahoma with Mr. Harsha.
Mr. Nedzi with Mr. Jenrette.
Mr. Price with Mr. Bell.
Mr. Scheuer with Mr. McKay.
Mr. Stokes with Mr. Hastings.
Mr. Charles Wilson of Texas with Mr. Michel.
Mr. Seiberling with Mr. Mollohan.
Mr. Ryan with Mr. Miller of Ohio.
Mr. Rogers with Mr. Peyser.

Mr. Conyers with Mr. Anderson of North Carolina.

Mr. Diggs with Mr. Burke of Florida.

Mr. Jones of Alabama with Mr. Rousselot.

Mr. Harris with Mr. Talcott.

Mr. Brodhead with Mr. Vander Jagt.

Mr. Mann with Mr. Wylie.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. JENRETTE. Mr. Speaker, due to a commitment with a constituent I was unavoidably detained and did not have the opportunity to cast a vote on rollcall No. 301, H.R. 7767, payment for service-connected disabled veterans.

I very strongly support this resolution and have from its introduction. I feel it only fitting that Congress recognize the continuing needs of those who sacrifice so that America can remain strong and free.

Had I been present, I would have voted "aye."

RESIGNATION FROM HOUSE SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER laid before the House the following resignation from the House Select Committee on Intelligence:

WASHINGTON, D.C.,
June 12, 1975.

Hon. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: I hereby submit my resignation as a member and as Chairman of the House Select Committee on Intelligence effective as of this date.

Respectfully,

LUCIEN N. NEDZI,
Member of Congress.

The SPEAKER. The question is, shall the resignation be accepted?

The Chair recognizes the gentleman from Michigan (Mr. NEDZI).

Mr. NEDZI. Mr. Speaker, certainly strife is one side of life. In times of war, especially if you are in the trenches, there are moments when there seems to be nothing else.

In public life, too, we men and women of politics have encountered times when strife seemed eternal. But there are outer limits.

I have personally not shrunk from strife, nor have I shrunk from serving my country in war and in peace.

Most of us have been in politics long enough to know that the winds sometime blow hard from the right and sometime hard from the left, and that at such times one must battle to steer a responsible course.

I recognize that there exists at this moment a streak—but just a streak, not a majority—of national self-flagellation. I also recognize that some in this body seem hellbent to lead that demonstration.

Sometimes, indeed, it seems that some members of this body have no historical memory and no institutional memory.

There is a need, perhaps, a desperate need, to place things in some kind of historical, legislative, and if you will, personal perspective.

So I begin.

A man must live in his own time. If he, for example, comes of age in Europe at a time of war and death he must confront the fact of war and death. If he lives at a time of pestilence, he must deal with the problems of pestilence. If his homeland is under prolonged foreign occupation, as was the land of my grandparents, he must face the bitter possibility that he might live an entire lifetime without being a free man.

A man cannot choose his time. This is a fact. He must deal with his own times as he finds them. And be judged primarily by the standards of those times as to his courage, wisdom, and moral rectitude.

Naturally, whatever time you live in you take history into consideration and you also have some estimate, some perception, of what lies ahead. But this vision is rarely perfect. You cannot, like an errant schoolboy, look at the answers in the back of the book. You play the hand that is dealt to you.

Hopefully, if you are a public servant, you do what you think is best at the time. If you are in America's intelligence services, especially in times of trial and danger, you carry out your duties without thinking that 10, 20, or 30 years later, when the emotions and dangers of your time have grown cold, when new fashions are in vogue, you will be judged by different standards.

This should be so not only for the intelligence services but for the arts, sciences, and for life itself. What seems correct, or fashionable, or even courageous in one generation may alter in dimension when viewed at a much later time.

Some brief examples are in order:

In political terms, in legislative terms, many of us can remember that the domestic legislation which was not possible during John Kennedy's Presidency became possible during the Lyndon Johnson years. The numbers changed. The political landscape changed. John F. Kennedy and Lyndon B. Johnson were the beneficiaries, or victims, if you will, of that change.

We should recall the Space program, which during the decade of 1959 to 1969 enjoyed enormous public support and urgency. Yet, that fantastic national commitment seems but a distant memory in the cold light of 1975.

We might also recall the Cuban Missile Crisis of 1962, when the world tottered on the edge of possible nuclear war and Americans for a few days wondered whether the morn would bring the end of much of Western civilization. Indeed, even Senator Fulbright counseled an invasion of Castro's Cuba.

What was, and is, at work was the historical and political process. The process. History did not begin yesterday or the day before yesterday. It is a process.

In baseball terms, you cannot get to third base, and eventually home, if you do not touch first and second.

The foregoing has some application to the history of congressional oversight of the intelligence community.

It is a historical fact that for the first two decades after the passage of the National Security Act in 1947 intelligence oversight was closely held by a small number of senior members of both parties, House and Senate.

For a long time, under Democratic Presidents and Republican Presidents, the leadership and the membership of the House and Senate, by heavy majorities, were satisfied.

Of course, such a situation had its shortcomings. Proposals began to be made for changes in the composition of the oversight committees. But little follow-up was done and little came of it.

As the real and imagined dangers of the Cold War became altered, changes took place in the intelligence community. But the intelligence community is also an intelligence bureaucracy, and bureaucracies change slowly. So did congressional oversight.

A fairly dramatic change took place in 1971. Ironically, it was authored by the gentleman from Louisiana (Mr. HÉBERT), who is regarded as a conservative, southern, hawk.

A few months after the passing of the late Mendel Rivers, chairman of the House Armed Services Committee, who also named himself chairman of the CIA subcommittee, Mr. HÉBERT reconstituted the intelligence oversight group into the Special Intelligence Subcommittee, with considerably enlarged jurisdiction.

I was appointed chairman, although junior in rank. The first urban, "ethnic," northern, liberal in memory to serve on that committee.

It is a matter of record that this Special Subcommittee has probably been more active, in terms of hearings, briefings, and agency contacts, than any oversight committee and most subcommittees of the House or Senate in the 28 years since the enactment of the National Security Act.

I do not pretend we have done enough. I do not pretend I have done it alone. In the last Congress, for example, our subcommittee members were the distinguished MEL PRICE of Illinois and O. C. Fisher of Texas, Democrats, and Bill Bray of Indiana and BOB WILSON of California, Republicans.

We know and believe we have made an impact on the intelligence community and on the Central Intelligence Agency in particular.

In February 1975, when Speaker ALBERT appointed me chairman of the House Select Committee on Intelligence, I had nearly 14 years of honorable service in the House of Representatives. I had devoted thousands of quiet hours of study to the intelligence community. And I knew in my heart that my views were neither unfairly biased in favor of the CIA nor unfairly biased against it.

Indeed, I was led to believe that I was appointed largely because of my experience and because I had performed in a fair, responsible, and moderate manner.

As chairman of the new select committee, I have tried, how I have tried, whatever the difficulties, to perform fairly and responsibly.

Some may disagree with my moderation but it is not my style to slash and run wild.

I am not in favor, for example, of denying the CIA its already reduced capability to gather foreign intelligence.

I am not in favor of revealing all of our Nation's secrets, present secrets and all the secrets of the past 28 years. I do not favor having our Nation stand naked before its enemies.

Yes, I favor democracy at home. Yes, I would deny to the CIA any power to engage in illegal domestic activities. Yes, I favor a greater measure of openness among Government agencies. Yes, I favor a foreign policy which encourages democratic regimes, not dictatorships abroad. And my record of 14 years so indicates.

In recent days, as you probably know, I have been heavily attacked in my role as chairman of the Select Committee on Intelligence. The complaint against me consists of two parts.

The first is that as chairman of Special Intelligence Subcommittee of the Armed Services Committee, I was briefed, as were certain other Members of the House and Senate, on certain past CIA activities and did not make them public or give them wider dissemination. The second is that I did not inform my fellow members of the select committee that I had been briefed.

As to the second, it was self-evident that my colleagues would soon have access to the CIA Director himself and to the agency. With this access assured, and Mr. Colby's appearance scheduled, there was little point in setting forth to them my own recollections on a variety of matters they would soon hear directly on their own.

As to the first part, the alleged CIA actions or discussions referred to took place in history beginning in the 1950's. Years before I became chairman of the Special Committee on Intelligence and even before I was assigned to the Armed Services Committee.

I must remind the House at this point that I did not start out knowing everything there was to know about the CIA and the other intelligence agencies. I do not know everything now. Neither does anybody else, including the various directors. It is humanly impossible; for the complete story of 28 years' activity would take tens of thousands of pages to tell.

To learn about intelligence is a process. It is challenging, time consuming, and sometimes tedious work. Beginning in 1971, I had to look back on 24 years of history and also look to the unfolding present. I did not assume the sole responsibility for this, I shared the responsibility with Members of the House and Senate.

In any event, what was I to do when I learned of a foreign policy decision, or an intelligence decision, made long ago, and with which I may, in retrospect, have disagreed? Rent a stadium and reveal all? Call in television cameras and expose things 10, or 15, or 25 years old?

Was I to impose my hindsight judgment on decisions made by dedicated Americans years ago in what they and their colleagues regarded as critical hours. Some may glibly answer "Yes;" I cannot.

On the other hand, the Special Subcommittee of the Armed Services Committee did not regard itself as being in existence merely to satisfy "technical notice." We believed that we had an impact, more than before, and slowly growing. It has not been all one sided, believe me.

Mr. Speaker, there are many, many unresolved practical and philosophical questions on matters of Congress and the intelligence community.

I had hoped, and still do, that the Select Committee could address a wide range of such fundamental questions, rather than yield to any temptation to play "I've Got a Secret."

For example, if the CIA is permitted to have a foreign operations function, do you want a congressional committee to sign off on every intelligence operation?

For example, do you want all 435 Members of the House to be involved and fully informed on intelligence matters? Do you, in effect, want a 435-person committee?

For example, what is the duty of the intelligence subcommittees of House and Senate to disclose? This has never been defined.

What is their duty to inform their colleagues on the full Armed Services and Appropriations Committees? This has never been defined. What is the duty to inform the full House? Or the public? What is one's duty to one's conscience? Believe me, these questions have caused me and my colleagues many sleepless nights.

If I may be permitted a personal note. I know I have been criticized by at least one member of the Select Committee, even before the committee was formed, for being friendly with the older members of the Armed Services Committee who also sit on the Special Intelligence Subcommittee.

Well, I confess. They are my friends. We agree on some things, disagree on others. This does not mean that the older, more conservative members have, in this critic's words "taken Lucien over." After all, I have served on committees with these men for years and I believe in civility in life and in politics.

I worked on them, they worked on me. The process was at work.

It is a fact, moreover, that when the Special Subcommittee made its massive study and report, and it was a critical report, on alleged CIA wrongdoing in Watergate and the Ellsberg matters, it was unanimous.

Mr. Speaker, on Thursday last I transmitted to you a letter of resignation from the chairmanship of the House Select Committee on Intelligence. The letter was the culmination of months of intense effort on my part to responsibly carry out the mandate of the House of Representatives regarding intelligence activities of our Government. Having had considerable experience in the area and regarding that experience as a qualification for appointment to the chairmanship, I dedicated myself to making sense out of our mandate, particularly in light of overlapping efforts by the Rockefeller Commission and the Senate Select Committee.

From the outset any hope of successful achievement through mutual trust and respect was nonexistent or destroyed and the choice of a staff director consumed almost 3 frustrating months of attempting to create a workable consensus. Even then three of the members were prepared to delay a minimum of an additional 2 months to wait the availability of a candidate of their choice. I make this reference to refute charges that the chairman has deliberately procrastinated during this period.

Last June 2, I called a meeting of the select committee for June 5 to consider some routine business which included the adopting of security regulations as well as the announcement of hearings which were to commence on June 17. The hearings were to begin in open session with the Director of CIA presenting an overview of the intelligence community to be followed by a presentation in executive session of material which has been the subject of the most recent controversy involving the CIA.

During the meeting, a motion to go into executive session was abruptly made and men whose own impartiality and objectivity have not been established subjected me to hostile interrogation which concluded in a meeting at which a demand was made that I resign as not impartial. I refused.

Mr. Speaker, my service in the Congress for 14 years has, I believe, been honorable. I have not ducked my responsibilities. I have not coveted the role of showhorse. I have not made money in politics. I did not come here as a millionaire. I do not practice law on the side. I am not running for higher office. Although I have long served on the Armed Services Committee, campaign contributions from defense contractors have been rare indeed. I have sought to do my job honorably, responsibly, and diligently. I am honored to be a Member of the House; I never want to dishonor it, nor myself.

I assume for some of those, among other, reasons when news of the demand for my resignation was publicized, support poured in from my constituents and from my colleagues.

Cards, letters, and telegrams from my constituents have run 35 to 1 in my favor.

I was warmed by the surge of support I received from my colleagues, both Democrats and Republicans, liberal and conservative, East, West, North, South, young and old. At least I have found out who my friends are.

Quite frankly, I regard this as a personal vindication of my honor and integrity.

On Monday morning, June 9, I refused to resign. The Speaker and the Democratic leadership supported me.

Informal head counts apparently confirmed the likelihood of House support.

Late Monday afternoon a meeting was held at the Speaker's office with the leadership and the Democratic members of the committee.

An agreement was reached. The demand that I resign was withdrawn and I was to appoint a subcommittee to concentrate on CIA matters. It was understood that Mr. McCLORY and I would serve on this subcommittee as ex officio members.

On Tuesday, in good faith, I appointed such a subcommittee, of four members.

By Wednesday, within 48 hours after agreement, other demands were made.

Now five Democrats asserted a caucus rule which in effect permits a majority of committee Democrats to caucus and impose their will by majority vote. And last Wednesday night they did so, expanding the subcommittee to 10 members, which is the total membership of the committee, with Mr. STANTON as chairman.

Thus, even if the House as a whole were to give me a vote of confidence, the small committee caucus could stage ambush after ambush.

Mr. Speaker, as a Democrat I cannot in good conscience contest the proposition that a committee chairman should not be bound by a majority of the caucus, despite the fact that caucus rules make no mention of select committees in this regard, however, the ironic combination of this rule and the personalities involved on the Democratic side has made my position as chairman intolerable. I have no alternative.

To remain as chairman under the present conditions would be to be an accomplice to a charade. If there remained an opportunity to genuinely contribute, I would remain as a member.

I know I bent over backward to be fair to my colleagues and to pursue the investigation in a vigorous and responsible manner. But having been raised in the hardknocks of Detroit-area life, I surely know the difference between a welcome mat and doormat.

I must act in keeping with my conscience, and also with the conviction that it is probably the time for the leadership and membership of the House to confront the stark reality of its creation.

Perhaps the select committee was flawed at birth because of its composition. Perhaps not. At any rate I do not say, "After me, the deluge."

I do say that in good conscience, after much deep reflection, I must do what I must. I therefore have submitted my resignation to you, Mr. Speaker, as chairman and member of the House Select Committee on Intelligence.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. NEDZI. I yield to the gentleman from Illinois, the ranking minority member of the committee.

Mr. McCLORY. Mr. Speaker, as the ranking minority member of the House Select Committee on Intelligence, I want to express my regret at the decision of the chairman of the committee, the gentleman from Michigan (Mr. NEDZI) who is tendering his resignation as chairman and member of the committee. I want to say quite forthrightly that throughout my experience with Mr. NEDZI on this committee, I have found him to be entirely fair, open, and above board in all of his dealings with me and with other members of the committee insofar as these contacts have come to my attention.

I had full knowledge of the fact that he occupied a critical and important position as chairman of the Armed Services Subcommittee on Intelligence, and in that capacity had a vast store of knowledge of the CIA and other intelligence agencies—and had received over a period of time classified and highly secret information comparable to information which our select committee members would be receiving—in due course.

I never requested Mr. NEDZI to reveal any information which he had previously received and I never felt that there was any obligation on his part to disclose to me or to other members of the committee information which he may have received during his experience as chairman of the Subcommittee on Intelligence. It was and is my feeling that information of CIA and other intelligence agencies should come from the agency directors or personnel themselves—and should not be related secondhand, or according to Mr. NEDZI's recollection or from earlier memorandums which he might have prepared.

Mr. Speaker, the controversy regarding Mr. NEDZI's chairmanship and service on the select committee have occurred entirely within the ranks of his own party. It is not for me or for any of my colleagues on this side of the aisle to enter into that controversy. However, as an individual Member of the Congress and as a colleague and friend I want to reemphasize that in my view Mr. NEDZI has conducted himself fairly, responsibly, and honorably—and I regret the decision which he feels impelled to make today in resigning as chairman and member of the House Select Committee on Intelligence.

Mr. Speaker, let me simply add that I am extremely anxious for the select committee to move forward deliberately and expeditiously in fulfilling our responsibility under the mandate of this House and I am confident that I speak in behalf of my colleagues from Louisiana, Mr. TREEN, and from Wisconsin, Mr. KASTEN, in pledging that we will work cooperatively with the majority members of the committee and the new committee chairman under this assignment.

Mr. Speaker, let me simply add this. While I realize that the decisions which have been made to establish a subcommittee of the select committee to investigate the CIA were made by a caucus of the Democrats the question of Mr. NEDZI's resignation is a matter for the entire House membership. I understand there may be a motion to refuse to accept the resignation. As a Member of the House I will join in refusing to accept the resignation which the gentleman from Michigan (Mr. NEDZI) feels impelled to submit. I hope we will vote not as Democrats nor as Republicans—but as Members of the House and that Mr. NEDZI's resignation will be refused—overwhelmingly.

Mr. NEDZI. Mr. Speaker, I am very grateful for the gentleman's comments.

Mr. TREEN. Mr. Speaker, will the gentleman yield?

Mr. NEDZI. I yield to the gentleman from Louisiana.

Mr. TREEN. Mr. Speaker, I thank the gentleman for yielding.

As one of the minority members of the Select Committee on Intelligence, I want to join my colleague, the gentleman from Illinois (Mr. McCLORY), in expressing deep regret for the events that led up to this and for the action that the chairman of our committee now feels impelled to make.

I also have the privilege of being the ranking Republican member of the Subcommittee on Personnel of the Armed Services Committee, of which the Member in the well is chairman. At all times in that committee, and on this select committee, he has endeavored to be fair and impartial in every way. With regard to the work of our Select Committee on Intelligence. At no time did Chairman NEDZI ever say or do anything that would cause, in my view, any reasonable person to doubt that he would do anything other than pursue the mission of our committee with vigor, with competence, and with complete integrity.

Mr. NEDZI. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield 15 minutes to the gentleman from Michigan (Mr. O'HARA).

PARLIAMENTARY INQUIRY

Mr. O'HARA. Mr. Speaker, before proceeding, I wonder if I could address to the Chair a parliamentary inquiry.

The SPEAKER. The gentleman may state his parliamentary inquiry.

Mr. O'HARA. Mr. Speaker, I have looked at the precedents and I am somewhat uncertain as to the proper scope of the debate on such a question. I would hope that the Chair could enlighten this gentleman and the House.

The SPEAKER. The Chair is prepared to give the gentleman an answer to the parliamentary inquiry.

The Chair will state that rule XIV, clause 1, requires that a Member confine himself to the question under debate in the House, avoiding personalities. On January 29, 1855, as cited in section 4510 of volume 4, Hinds' Precedents, Speaker Boyd held that the request of a Member that he be excused from committee service was debatable only within very narrow limits.

The Chair trusts that debate on the pending question will be confined within the spirit of that ruling and the Chair will further state that he will strictly enforce the rule as to the relevancy of debate.

Mr. O'HARA. I thank the Speaker.

Mr. Speaker, I do not think I have to tell anyone in this House my feelings with regard to LUCIEN NEDZI. Indeed, there is no Member of the House for whom I have greater regard. I was flattered, but not surprised, when he, on several occasions, asked for my advice as events were proceeding within the Select Committee, and I was not surprised when he rejected my advice. That is the kind of friendship we have.

And so, I am not going to speak in defense of Lucien Nedzi. I really think that his conduct needs no defense. All of us who have served with him know that he conducted himself honorably, and would conduct himself honorably. He would not be party to any coverup, and he would conduct an honest and thorough investigation.

What I have taken this time for is to discuss with the Members the circumstances in which the House now finds itself. Under the rules, the House will vote on whether or not to accept the resignation of Lucien Nedzi. I think we have to look to the circumstances under which this Committee was created. The Members may recall that there was considerable discussion during the organizing caucuses and during the early stages of this Congress about the question of an investigation of the intelligence services.

The House was presented with several alternative courses it could have followed. Finally, we decided to create a Select Committee, and we did so with the clear understanding that the gentleman from Michigan would be the Chairman of that Committee with the usual prerogatives and responsibilities of chairmanship.

Events that have transpired since that time have made it clear that the expectations of the House cannot, under present circumstances, be realized; that if Mr. Nedzi were to remain under present circumstances, he would not have the full authority and responsibility for the investigation. On the other hand, the House has to face the question of exactly what it wants to do.

Does the House wish to accept the resignation and continue with the present committee and the present personnel with the addition of perhaps one more Member to fill the vacancy? Does the House wish to use some other agency of the House to complete this investigation? Does the House wish to create some other Select Committee with similar responsibilities and start over anew? Does the House wish to reorganize the present Select Committee?

I think those are the questions that the House has to decide, just as we had to decide in the first instance whether or not we would create this committee. I would, for my part, vote not to accept the resignation of Lucien Nedzi.

Mr. PHILLIP BURTON. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Speaker, this is a matter that I am sure a number of my colleagues have given a great deal of personal time and attention and thought to. I have had occasion to observe our seven colleagues who are members of the select committee, each of them in my view making an honest and responsible effort to, in some way or another, reconcile their concerns and fears and to accommodate themselves to achieving some kind of a coherent program for the select committee to engage and perform its mission.

As in all matters of this sort, our vote is essentially one that we must cast in light of what we believe to be in the best interests of the country and the House and its responsibilities. The gentleman from Michigan stated the high esteem with which he holds Lucien Nedzi, and I think every Member of this House, whether he votes to accept the resignation or votes in opposition to it, has the same high regard with which the gentleman from Michigan holds our dear colleague, Mr. Nedzi.

As for me, I believe that Lucien Nedzi would, and, if his resignation is rejected, shall, demonstrate that he will honorably perform the task to which the Speaker has assigned him.

Similarly, I do believe that this body of independent members on the select committee, as difficult as the task may appear right now, will find some useful way to perform their mission.

Therefore, I for one, stipulating the good will, the demonstrated responsibility and concern of those members of the select committee who have found themselves in some measure of disagreement with Chairman Nedzi, intend to reject Lucien Nedzi's resignation.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I will yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, the question before us is the question of whether we are to accept or reject the resignation of the gentleman from Michigan (Mr. Nedzi). The House should reject that resignation, and it should reject it because only the House can determine how its creature, a committee, will function. If the resignation of the gentleman is accepted, for whatever reason, it will alter the status of the committee. It will make it appear what surely is not the intent of the other Democratic members of the committee: that we have resorted to cannibalism, that a chairman is driven from office who does not feel that, in honor, he can continue to hold that office, and that the beneficiaries of that result are the other members of the committee.

This is not the time to discuss who is wrong and who is right. This is the time to recognize that only by rejecting the proffered resignation will the House give itself the time through its committees and other structures to examine the way and assure that the work of the House is carried forward in an orderly fashion.

Mr. Speaker, it is not in order for me to discuss the alternatives, the various ways in which the House might deal with this matter. One of them, surely, would be to continue with this committee. Another of them would be, surely, to abolish this committee. But the range is all across the board.

The issue before us is only one: Will we give ourselves the opportunity to control our creature, the committee, in our fashion, or will we settle it inadvertently by accepting the resignation of the current chairman of the committee?

I urge all Members of the House, regardless of their disposition, to vote to reject the resignation so that the House as a whole may work its will on the work of its creature, the committee.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. Yes, I yield to the gentleman from Arizona.

Mr. RHODES. I thank the gentleman for yielding.

This is a matter that the minority has considered very carefully. The rules and precedents regarding the role of the minority in such matters, are not clear.

The gentleman from Michigan seeks to resign both as chairman of the special committee and as a member of the committee.

I believe that if this were a question only of a resignation as the chairman of the committee, the minority should probably abstain from voting and vote "present." I base this upon the rules of the House which state that no person shall be elected chairman of any committee who has not the approval of the majority caucus. This would leave no role whatsoever to the minority, in filling chairmanships. I assume that, likewise, the majority should abstain from any role in the selection of ranking minority members of committees.

However, the resignation of the gentleman from Michigan from the committee is in my opinion a different matter. The rules of the House could have provided for selection of committee members by the majorty, did with regard to the chairmanship had the majority of the House desired to do so. There is no provision in the rules which indicate that the selection of members of any committee shall be other than by the full House in the last instance.

Therefore, Mr. Speaker, it seems to me quite proper that the Members of the minority side should participate to the same extent as the members of the majority on the final question of whether or not the resignation of the gentleman from Michigan (Mr. Nedzi) as a member of the select committee should be accepted or rejected.

Personally, I have great respect for the gentleman from Michigan. I have known him ever since he has been in the House. I know his work and his ability. I am not a member of this committee, but I have quite close contact with the Republican members of the committee. They think very highly of their chairman.

Mr. Speaker, it is my judgment that the interests of the Members of the House and the interest of the Nation would be best served by the continuance of the gentleman from Michigan (Mr. Nedzi) as a member of this select committee, and I shall so vote.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, as the Member who initiated the move to reject the resignation of the gentleman from Michigan (Mr. Nedzi), I am delighted to see the breadth of support which that action has already apparently received in this body. Perhaps I should say very little at this particular point.

Let me just say again, however, that I want to urge the House to vote overwhelmingly to reject the resignation of the gentleman from Michigan (Mr. NEDZI). I do this in spite of the fact that he has told us he wants to resign. But I would remind the Members, first of all, that he has indicated it is the situation in the committee, as it now exists, that prompts him to say he wants to resign. He has indicated his willingness to conduct the investigation if he is given the proper measure of control and authority.

Besides, a vote of rejection is the only way we can demonstrate our strong disapproval of the manner in which the committee has treated its chairman and to vindicate the gentleman from Michigan (Mr. NEDZI) and to indicate our support for the responsible kind of an investigation that he has all along wanted to conduct.

Mr. Speaker, as I see it, there are two fundamental issues that are before us here today: First of all, there is the question of the kind of investigation that the gentleman from Michigan (Mr. NEDZI) wanted to conduct. I have had the pleasure of serving on the Committee on Armed Services for the entire time that the gentleman from Michigan (Mr. NEDZI) has been a member of that committee and of this House. One could not find a finer, more decent, fairer, more impartial, more reasonable or more responsible Member of the House, and I think every Member has demonstrated already a similar belief.

What the gentleman from Michigan (Mr. NEDZI) has brought to this inquiry as a result of his long service in the House has been a very clear recognition of the paradox that we face today when we undertake to invesetigate our Nation's top intelligence service. No country today can be without an effective, functioning intelligence service. But the vital question is: How can we maintain an intelligence service and still operate as a democracy? We simply cannot have an effective intelligence service without having some measure of secrecy. But, if you are going to have secrecy, then not every item that that intelligence service is engaged in and not every fact that comes to its attention can be fully spread upon the public print for enemies, as well as friends, to read.

The gentleman from Michigan (Mr. NEDZI) long ago made the decision that somehow we in a democracy can exercise control over our intelligence services without at the same time putting everything in the papers, without putting on a road show, without having everything appear on television, and thereby destroying the functioning of our top intelligence service at a very time when we need it more than at any other time.

Mr. Speaker, I believe that is the kind of a man this House wants to run our investigation, and I think the House of Representatives ought to make it clear by our vote today that that is the kind of a man and the kind of responsible investigation we want.

The second question is the question again—and this has been brought out already, but let us mention it again—as to whether the House itself—not the Democratic Caucus—is going to control the activities of our committees. The only way we can exercise this control is to reject the Nedzi resignation; and then the decision will have to be made, as the gentleman from Missouri (Mr. BOLLING) has already indicated, either to instruct that committee to proceed along the lines the gentleman from Michigan (Mr. NEDZI) wanted it to proceed; or else abolish the committee altogether. But we cannot exercise that control as a House unless we do vote down the resignation; and then we can settle the further question that is presented to us. So I urge my colleagues in the House—Republicans as well as Democrats—to vote to reject the Nedzi resignation.

Mr. O'HARA. Mr. Speaker, I yield to the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Speaker, I thank the gentleman for yielding.

I refer to the remarks of the chairman of the select committee, the gentleman from Michigan (Mr. NEDZI), when he said that the committee did not organize itself well and spent weeks in trying to get a staff director.

It did take some time to get the staff director, but the search was conducted by all of the members in almost perfect harmony. Within a very few days after the committee was organized, we agreed 100 percent on the selection of Mr. Thornberg, who was U.S. attorney from Pittsburgh. The only reason he is not staff director today is that he accepted a position in the Criminal Division of the U.S. Department of Justice.

Mr. Speaker, I think the gentleman from New York (Mr. STRATTON) probably got closer to what we are really talking about than anyone else. As I listened to the gentleman from New York (Mr. STRATTON), he was saying to the House that only the gentleman from Michigan (Mr. NEDZI) was capable of conducting a fair investigation and that the other members of the committee were not appropriate.

Mr. Speaker, I strongly disagree there, but I think it is important to put the matter in the proper perspective.

At all times, Mr. Speaker, this select committee had proceeded according to the rules of the House and the rules of the Democratic Caucus of the House of Representatives. Our only intention from the day we were formed was to proceed fairly and vigorously to fulfill the mandate of House Resolution 138, which is our authorization.

The rules of the Democratic Caucus are explicit regarding the appointment of subcommittee chairmen and members. According to rule M–III these positions are to be filled in accordance with procedures established in rule MVA and MVB of the Manual of the Democratic Caucus. In addition the manual states:

> The Democratic Caucus of each committee shall establish the number of subcommittees and shall fix the jurisdiction of each subcommittee.

While the manual seems to limit this procedure "to each standing committee and other committees with legislative jurisdiction," there is general agreement that the spirit of these rules of the Democratic Caucus extends to select committees insofar as the major decisionmaking is involved.

Certainly the select committee, I would trust, should not be singled out for return to the old days when individual chairmen made all the decisions, regardless of the views of the majority caucus or the minority caucus or those of the full committee.

What happened in the select committee is that 11 days ago the New York Times reported that the gentleman from Michigan (Mr. NEDZI), our chairman, for more than a year had been privy to information regarding the conduct of the CIA, their alleged involvement in murder and assassination, illegal conduct and alleged criminal conduct that has since been referred to the Attorney General of the United States for possible prosecution.

This resulted in a meeting of the caucus, which the gentleman from Michigan (Mr. NEDZI) referred to. We met in the Speaker's office, and the gentleman from Illinois (Mr. MURPHY) was the only member of the caucus who was not there.

We agreed unanimously that to have the gentleman from Michigan (Mr. NEDZI) in charge of the investigation at the CIA when he had been privy to this information for more than 2 years and had not reported it to the House or to the Attorney General, would be totally inappropriate.

A compromise was worked out in the Speaker's office, by which the gentleman from Michigan (Mr. NEDZI) would appoint, presumably in accordance with the rules and with the approval of the other members of the Democratic Caucus, and certainly with the approval of the Republican members of the Republican Caucus, headed by the gentleman from Illinois (Mr. MCCLORY), a committee to act.

A few hours later, the gentleman from Michigan (Mr. NEDZI) sent us notice that he had appointed a small subcommittee to have charge of the CIA investigation, with the gentleman from Ohio (Mr. JAMES V. STANTON) as chairman, the gentleman from Illinois (Mr. MURPHY) and the gentleman from Louisiana (Mr. TREEN) as members.

The notice did not point out, and we did not find out for many hours, that also the gentleman from Michigan (Mr. NEDZI) and the gentleman from Illinois (Mr. MCCLORY) were to be ex-officio members with full voting rights.

This procedure of the committee was totally unsatisfactory to the Democratic Caucus. We had not been consulted as to membership or the size of the subcommittee.

The SPEAKER. The time of the gentleman has expired.

Mr. NEDZI. Mr. Speaker, I yield 5 additional minutes to the gentleman from Michigan (Mr. O'HARA).

PARLIAMENTARY INQUIRY

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. O'HARA. I yield to the gentleman.

Mr. BROWN of Michigan. Mr. Speaker,

my parliamentary inquiry is this: Under the germaneness test that the Speaker recited at the commencement of this discussion did the Speaker contemplate that on his own volition and initiative that he would raise the question of germaneness; or must that question of germaneness be raised by someone on the floor?

The SPEAKER. The Chair will state that the question has been raised, and the Chair did not feel that the comments he has heard were not within the parameters suggested by the Chair.

Mr. BROWN of Michigan. A further parliamentary inquiry:

Does the Speaker therefore intend, then, to question the germaneness when in his mind it appears to be nongermane?

The SPEAKER. The Chair has so stated, and the Chair so intends.

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Mr. EDWARDS of California. So the Democratic Caucus, consisting of seven members, met off the floor here on the porch after the subcommittee had been announced. We voted then, and later in the Speaker's office with all seven Democratic members being present, that the subcommittee should consist of all of the members of the select committee, with the gentleman from Ohio (Mr. JAMES V. STANTON) as chairman.

This decision is what apparently caused our friend, Mr. NEDZI, to determine to resign, and resulted in this dialog here today.

I think it is important to point out that the gentleman from Michigan, Mr. NEDZI, said in the press that this action leaves him with only a title and a gavel. I disagree. House Resolution 138 directs the investigation of all U.S. intelligence agencies, of which the CIA is only one. Unclassified public documents estimate that these intelligence agencies spend $6 billion a year for their activities. The CIA spends approximately $750 million. Under the arrangement of the caucus, the gentleman from Michigan (Mr. NEDZI) would thereby direct the investigation and preside over hearings concerning the entire intelligence community—military, law enforcement, regulatory agencies—with only the exclusion of the CIA. These agencies account for 87.5 percent of the total funds for intelligence activities in the United States, and this, my colleagues, hardly qualifies as being left with a title and a gavel.

Mr. Speaker, the Select Committee has a competent staff, a responsible membership, determined to move forward towards the important work under the mandate of House Resolution 138. I am sure that the results of the select committee will be to the credit of the House of Representatives and the American people.

The gentleman from Michigan (Mr. NEDZI) is a most distinguished Member, and an honorable Member of the House of Representatives. I consider him a personal friend for the more than 12 years that I have been here. I respect his decision to resign. I have not decided yet how I am going to vote, but I think it is important that we consider all of the facts in this case before we cast our vote.

Mr. O'HARA. Mr. Speaker, in conclusion let me just make this comment——

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I will yield briefly to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding.

It is clear that I intend to vote to reject this resignatiion. And for those Members on this side of the aisle who feel that this is a case like a typical resignation where the minority should remain silent, and merely acquiesce in whatever the majority decides to do, let me say to them that this is not a normal resignation.

As the gentleman from Missouri has pointed out, this is a resignation, the conditions causing it to be brought before us being repugnant and shocking to the conscience. There are many of us who supported the idea of a select committee because we pretty much understood that the gentleman from Michigan (Mr. NEDZI) would be its chairman. In this regard I would respectfully disagree with my minority leader. I would vote to reject the resignation, whether it be divisible or only on the chairmanship, because of the conditions to which I have referred.

Furthermore, the recitation of the rules is not totally applicable and relevant because we are not sure that those rules, especially as they relate to the internal workings of the Democratic Caucus, apply to a select committee of this nature, a creature of this body. This is not a matter to vote "present" on. There is only one vote. To vote "present" would be a copout, and I suggest to all of my colleagues on this side of the aisle that unless we endorse the circumstances and the conditions which led to the resignation that is before us, unless we endorse them, our only vote is "no."

Mr. O'HARA. Mr. Chairman, I think the issues are clear. They have been clearly enunciated on both sides.

The SPEAKER. The time of the gentleman has expired.

Mr. NEDZI. Mr. Speaker, I yield 1 additional minute to the gentleman from Michigan.

Mr. O'HARA. The future of this committee is an issue to be decided by the House and not by five Democrats in a Democratic Caucus of the committee. I hope that we will express our confidence in the gentleman from Michigan (Mr. NEDZI) and at the same time maintain the right of the House to determine how the remainder of this investigation should proceed by voting to reject the resignation.

Mr. STRATTON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. Will the gentleman from Michigan yield for a parliamentary inquiry?

Mr. NEDZI. Mr. Speaker, I move the previous question on the resignation.

Mr. Speaker, I withdraw my motion.

Mr. Speaker, I yield 5 additional minutes to the gentleman from Michigan (Mr. O'HARA).

Mr. O'HARA. Mr. Speaker, I yield to the gentleman from New York (Mr. STRATTON).

PARLIAMENTARY INQUIRY

Mr. STRATTON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STRATTON. Mr. Speaker, if one wants to support the gentleman from Michigan (Mr. NEDZI) and reject the resignation, would he vote "no"?

The SPEAKER. The question is, Shall the resignation be accepted? The gentleman is capable of understanding that question.

Mr. JAMES V. STANTON. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Ohio.

Mr. JAMES V. STANTON. I thank the gentleman for yielding.

Mr. Speaker, I want the Members of the House to know that there is nobody who holds the gentleman from Michigan (Mr. NEDZI) in higher regard personally, and this is a difficult time for myself and the members of the committee who are all, like the gentleman from Michigan (Mr. NEDZI) trying to honestly do a job. I have to say honestly that if the gentleman from Michigan (Mr. NEDZI) wants to stay as the chairman, I will support him and do what I can to help him and aid him and assist him. But I think that the House's primary responsibility is to follow the mandate of H.R. 138. I do not think it serves the interest of the House to contest the personalities of the people who are involved here, but rather to look at the question of whether the gentleman from Michigan (Mr. NEDZI) wants to continue as chairman. If he does, let him affirm that, and let us try and support him and work with him in that affiliation.

But if he does not, then let him honestly say he does not, and let us get on with our work; let us get on with our task; and let us get on with the responsibilities that the American people gave us.

Mr. YOUNG of Georgia. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Georgia.

Mr. YOUNG of Georgia. Mr. Speaker, I am a little disturbed about the way things are going, not because I disagree with them, but because I am concerned about how this will read outside of these Chambers.

All of us know and love LUCIEN NEDZI. I too plan to reject his resignation.

The thing I am concerned about is a massive vote to reject his resignation with no more discussion on the part of the House than we have had here today will be read by the American people as an attempt on the part of the House of Representatives of the United States to give a whitewash to the CIA and all the things that have been cropping up in the papers that the American people have read and heard and want some understanding about.

We as American people want to think of ourselves as good people and not have our Government involved in the kinds of things that have been rumored to this point. I want to say that in this case I hope the House will insist on and will assure the American people that there will be under the leadership that this House determines a thorough investigation of the intelligence community and that the standards of this Nation will be upheld by any intelligence community we vote for.

Mr. O'HARA. I thank the gentleman.

Let me make the point that this is not the final conclusion of an investigation of the intelligence agencies. That question has yet to be determined by the House.

I ask for a vote to reject the resignation.

Mr. O'HARA. Mr. Speaker, I yield back the remainder of my 5 minutes.

Mr. OTTINGER. Mr. Speaker, I am voting today for accepting the resignation of our colleague from Michigan, Lucien N. Nedzi, from the Select Committee on Intelligence and as its chairman—not desiring to cast any aspersions on the man, whom I like, admire, and respect—but in recognition that he simply cannot be effective at this point in carrying out the vital tasks of the investigation.

I believe that in the world as it is—rather than in the world as I would like it to be and hope some day that it may be—there is a need for a CIA which can gather the information necessary for us to protect ourselves from possible foreign adversaries. I believe the CIA should be given foreign information gathering authority only, including in proper situations clandestine information gathering authority, but not any authority for covert actions of any kind, to say nothing of assassinations, and no policymaking authority.

To perform its legitimate functions successfully, some of the CIA work must be highly secret. There must be effective congressional oversight of the operations of the agency and its budget, and that oversight must be conducted so as to preserve the proper secret operations of the agency. The integrity and usefulness of the agency is jeopardized by spreading its secret activities across the front pages of our newspapers.

In order to have adequate oversight and preserve the necessary secrecy, the chairman of the CIA Oversight Committee must be a person in whom the whole House, including especially the critics of the CIA's past operations, have absolute confidence. Otherwise, there will always be a heavy suspicion that the secrecy granted is being used as a cover for improper activities such as have been revealed in the past months.

By reason of his position of oversight responsibility of CIA during periods when clearly illegal and improper CIA activities have been conducted, our colleague from Michigan (Mr. Nedzi) is simply not in a position today to inspire the necessary confidence. He recognized this situation by his resignation and, having resigned, I think we should regretfully accept it.

If the House refuses to accept the Nedzi resignation today, as I suspect it will, out of tribute to a highy respected colleague, I hope he will accept the tribute but nevertheless insist on his resignation. The confidence of the House and of the country in the intelligence oversight function simply must take precedence over our loyalty to and regard for this particular Member.

Mr. KOCH. Mr. Speaker, this is one of the most painful votes I have yet to cast in this Congress in the near 7 years that I have served. The reason is obvious, Lucien Nedzi is a friend and I treasure that friendship and I wish that I could vote "no" but I cannot. Our friendship, while important, is not as important as the fundamental issue of credibility and public acceptance of the ultimate report which the Select Committee will issue on the CIA's activities. A clear majority of the Democratic members of the Select Committee have stated that in their judgment, were Lucien Nedzi to continue under his terms instead of their terms as chairman of the Select Committee, any report issued by the Select Committee covering the CIA's alleged improper or illegal activities rightly or wrongly would have no credibility and be considered by a substantial part of the public as a whitewash. The issue of credibility is the overriding one and notwithstanding my personal distress, I have no alternative but to vote "yes."

Mr. REUSS. Mr. Speaker, in my years here I have never before voted "present." But I do so, for the first time, today, because that vote seems best to express my view.

Lucien Nedzi is liked and respected by everyone in this Chamber.

Those members of the Select Committee who brought about his proffered resignation are not, so far as I know, the repositories of any power delegated to them by the Democratic Caucus to remove a chairman. That power resides in the overall Democratic Caucus. And the matter of the Select Committee was never brought before the overall Democratic Caucus. Due process requires that the matter involved in Mr. Nedzi's chairmanship be determined by his Democratic peers—all of them, in Caucus assembled. So I cannot, by a vote on the floor, do that which is properly the business of the caucus.

At the same time, complaint has been made of the conduct of the chairman of the Select Committee. That, equally, is a matter for the caucus, not for the membership on the floor.

For these reasons, I vote "present." The matter should not be before us today.

Mr. FRENZEL. Mr. Speaker, because I strongly believe in the responsibility, and the authority of the majority to select its own committee leadership, I shall vote "present" on the motion to accept the resignation of Congressman Lucien Nedzi.

I have full confidence in the gentleman from Michigan (Mr. Nedzi), and I believe he has received shabby treatment from his Democrat committee members. If this were a decision that belonged to the whole House I would vote "no." But each caucus should control its own organization. If Republican votes can rearrange Democrat committee chairmen, then Democrat votes could select Republican ranking members. Either hypothesis would be bad because it would relieve a caucus of its political responsibilities.

Therefore, despite my confidence in, and affection for, the distinguished gentleman from Michigan (Mr. Nedzi) with whom I have shared a subcommittee for more than 4 years and whose leadership and friendship I have valued highly, I shall vote, "present."

The majority Democrat Caucus has gotten the House into this dispute. Under the King Caucus rules, the Democrat committee members have tried to depose their chairman. I hope all the Democrats here today will have the good sense to refuse to accept the Nedzi resignation.

Mr. BINGHAM. Mr. Speaker, the gentleman from Michigan (Mr. Nedzi) has offered his resignation as a member and chairman of the House Select Committee on Intelligence. Several Members have urged that the House not accept that resignation.

I take this opportunity to explain why I shall so vote and to indicate what I believe should be done in the future.

First, a general comment: I believe this matter, reflecting a serious dispute among the Democratic members of the select committee, should have been settled by the Democratic caucus of the House. It should not have come, at this stage, to the entire House membership. By the same token, I hope that the Democratic caucus will take the matter up at the earliest possible opportunity, because it is clear that the rejection of the Nedzi resignation which I anticipate will not answer the question of where we go from here with respect to the select committee.

Next, I want to make clear that in voting to reject the Nedzi resignation, I am not passing judgment on the merits of the disagreement between him and other Democratic members of the committee. I am sure that his behavior throughout was dictated by his conviction of what was best for the Nation. Likewise I am sure that the other Democratic members of the committee were doing what they thought was best under the circumstances. I simply do not know enough about the case to decide between them, nor do I see any need to do so. It follows that I emphatically reject the interpretation which my colleague from New York (Mr. Stratton) seeks to place upon the vote; namely, that the Members should vote "no" in order to reject and repudiate the actions of the majority of the Democrats on the select committee. My vote will reflect nothing of the kind, and I do not believe the votes of the majority will either.

During the debate, I have been much impressed by the arguments presented by the gentleman from Missouri (Mr. Bolling), the gentleman from California (Mr. Burton), and the gentleman from Michigan (Mr. O'Hara). In my view, the matter essentially comes down to this: the House of Representatives must decide what to do about the bad situation that has arisen in the Select

Committee, and that decision should be made without any prior action, such as acceptance of the Nedzi resignation, that would prejudice the result.

It seems clear to me that the select committee, as now constituted on the Democratic side, has arrived at a situation, perhaps through nobody's fault, in which it cannot effectively carry out its functions as the House intended. The frictions and disagreements within the committee are simply too great, and, since these frictions and disagreements have been widely publicized, public confidence in the committee is bound to have been damaged.

I do not believe that the committee should be dismantled. For good reason the House set out to do a job. Surely we should complete that job, and not embarrassedly admit that we are not capable of doing so.

In my view, there is only one solution: to start with a clean slate on the Democratic side. To be specific, I think all the Democratic members should resign, and the Speaker should appoint a new group and a new chairman. Obviously the Speaker would want to appoint members of differing points of view, at the same time making every effort to see that his new appointees would be able to work together harmoniously. Since the committee has not been able to begin its work, no time will have been lost.

In making this suggestion, I want to emphasize that I do not wish personally to serve on the committee and would decline to do so if asked.

Mr. NEDZI. Mr. Speaker, I move the previous question.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is, Shall the resignation be accepted?

Mr. STRATTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 64, nays 290, answered "present" 44, not voting 35, as follows:

[Roll No. 302]

YEAS—64

Abzug
Ambro
Badillo
Baucus
Bedell
Blouin
Brodhead
Brooks
Brown, Calif.
Carr
Chisholm
Clay
Dellums
Dodd
Drinan
Early
Edgar
Edwards, Calif.
Fraser
Giaimo
Gibbons
Gonzalez
Green
Hannaford
Harkin
Harrington
Holland
Holtzman
Hungate
Jacobs
Kastenmeier
Keys
Koch
Krebs
LaFalce
Lehman
McHugh
Maguire
Metcalfe
Meyner
Mezvinsky
Miller, Calif.
Mineta
Mink
Mitchell, Md.
Moffett
Mottl
Nolan
Ottinger
Patterson, Calif.
Pattison, N.Y.
Richmond
Rosenthal
Schroeder
Seiberling
Solarz
Stanton, James V.
Stark
Studds
Tsongas
Vanik
Weaver
Wilson, C. H.
Wirth

NAYS—290

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
Aspin
AuCoin
Bafalis
Baldus
Barrett
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Byron
Carney
Carter
Casey
Cederberg
Chappell
Clancy
Clawson, Del
Collins, Ill.
Collins, Tex.
Conlan
Corman
Cornell
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Downey
Downing
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eilberg
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Findley
Fish
Fisher
Fithian
Flood
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fulton
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Goodling
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Hefner
Helstoski
Hicks
Hightower
Hillis
Hinshaw
Holt
Horton
Howard
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kazen
Kelly
Kemp
Ketchum
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCloskey
McCormack
McDade
McDonald
McFall
Macdonald
Madden
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Milford
Mills
Minish
Mitchell, N.Y.
Moakley
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Nichols
Nix
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Quie
Quillen
Railsback
Randall
Rees
Rhodes
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Roe
Roncalio
Rooney
Rose
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Santini
Sarbanes
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Steed
Steiger, Ariz.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Veen
Vigorito
Waggonner
Walsh
Waxman
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Winn
Wolff
Wright
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti
Stanton, J. William
Steelman
Steiger, Wis.
Wampler
Wiggins

ANSWERED "PRESENT"—44

Anderson, Ill.
Biester
Breckinridge
Burton, John
Butler
Cleveland
Cochran
Cohen
Conable
Conte
Cotter
Coughlin
Eckhardt
Edwards, Ala.
Emery
Frenzel
Frey
Gradison
Heckler, Mass.
Heinz
Jeffords
Johnson, Colo.
Kasten
Kindness
Lujan
McCollister
McEwen
McKinney
Madigan
Mikva
Moss
Myers, Pa.
Neal
Nedzi
Patman, Tex.
Pritchard
Regula
Reuss
Sarasin

NOT VOTING—35

Andrews, N.C.
Ashbrook
Bell
Broyhill
Burke, Calif.
Burke, Fla.
Clausen, Don H.
Conyers
Fascell
Fenwick
Florio
Flynt
Harsha
Hastings
Henderson
Jenrette
Jones, Ala.
Jones, Okla.
McKay
Mann
Michel
Miller, Ohio
Mollohan
Peyser
Price
Rangel
Rodino
Rogers
Ryan
Scheuer
Stokes
Talcott
Vander Jagt
Wilson, Tex.
Wylie

So the resignation was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CIVIL SERVICE COMMISSION'S ANNUAL REPORT FOR 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–185)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed with illustrations:

To the Congress of the United States:

I am transmitting herewith a copy of the United States Civil Service Commission's Annual Report for fiscal year 1974.

GERALD R. FORD.

THE WHITE HOUSE, *June 16, 1975.*

CONFERENCE REPORT ON H.R. 4221, HIGHER EDUCATION ACT AMENDMENT

Mr. PERKINS. Mr. Speaker, I call up the conference report on the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 11, 1975.)

Mr. PERKINS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I shall be brief. This conference report is without controversy. I initially want to compliment the gentleman from Michigan, Congressman O'HARA, chairman of the Subcommittee on Postsecondary Education, for his work on this bill and his continuing effort to make improvements in our student assistance programs.

The legislation we have before us today will make immediate and necessary adjustments in two student aid programs. Mr. O'HARA and his subcommittee have been hard at work in extensive hearings on student aid programs with a view to making other improvements of a more permanent nature in subsequent legislation.

Mr. Speaker, the conference report before us, in addition to extending the National Advisory Council on Equality of Educational Opportunity, contains two necessary provisions dealing with the basic educational opportunities grant program and the college work-study program.

At the present time, there is approximately $135,000,000 in unused moneys this year in the basic educational opportunity grant program.

If no action is taken, this money must be distributed to students who have already received grants. Such a distribution would be in rather small amounts and awarded after students completed their academic year. This would be a poor and inefficient use of precious student aid moneys. It is clear that a much wiser use of the money would result by having it carried over to next year. The provision in the conference report will allow for the carryover of unused funds for use in academic year 1975–76. Without this carryover, it is likely that BEO grants next year will be less than what was available this year. With the carryover, the Office of Education has indicated they will be able to have a full payment schedule with grants up to $1,400.

Finally, there are some funds under the college work-study program—very little indeed, $4,800,000—which are affected by authority in this conference report. This provision will allow the Commissioner of Education to reallot any unused funds which some institutions now have to colleges within the same State. That authority is made permanent authority, so that we will not need to process emergency legislation of this type in the future.

Mr. Speaker, I urge unanimous approval of the conference report.

Mr. QUIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I endorse completely the conference report on H.R. 4221. The only possible regret I feel any of us might have is that we did not take care of these matters sooner.

The bill originated in our committee because of the need to provide reallocation authority to the Commissioner of Education with respect to college work-study funds. Even though the work-study program is severely underfunded in terms of the national need, there are over 700 individual institutions which could not spend all of their 1975 allocation. Rather than these estimated $5–10 million reverting back to the Treasury, the conference report will allow the Commissioner to reallocate the unused moneys to other institutions within the same State which are in need of more than their original allocation.

I am a firm believer in the work-study program. But what this bill should demonstrate is that we need a better method of distributing annual appropriations. The fact that several hundred institutions could not use all they had, while over 2,000 institutions did not have nearly enough, tells me that we need to rethink the State allotment formula and the institutional request and panel review system as it relates to this program.

Finally, with regard to this program, I sincerely hope the Office of Education will reallot as much as possible of the unused funds before the end of this year. We understand that the exact amount of unused money cannot be determined until well after June 30.

Mr. Speaker, when the bill reached the Senate, naturally it accumulated a few additional provisions. One of those provisions, clarifying the application of current law extending education programs and their related advisory councils, turned out to be unnecessary after receiving word from HEW that they intended to interpret that law in the manner Congress intended.

The conference did agree to a Senate amendment extending the life of the National Advisory Council on Equality of Educational Opportunity through fiscal year 1976. This was done to make the life of this council coterminous with the program it is related to, the emergency school aid program. I do not think anyone should interpret the inclusion of this provision in any way other than meeting the purpose I just mentioned.

The major Senate addition to H.R. 4221 is perhaps the most important. It is a provision which Congress had previously approved in the emergency jobs appropriation bill. Since the House sustained the veto of that bill, we need to take prompt action on this measure.

The conference report provides for a different use of any unused basic education opportunity grant moneys than is currently required under section 411 (b) (3) (B) (ii) of the Higher Education Act. That section of current law requires something that would not only be an administrative nightmare, but would result in the Federal Government providing, several months from now, second grants, as it were, to recipients of BEOG's this past academic year. Naturally, many such grants would end up with students who had already paid for their education and others who had terminated their education.

The conference report gets us around this problem by allowing the Office of Education to use the currently estimated $140 million not required to meet this year's payment schedule for grants during the coming fiscal year. In anticipation of this action, USOE has already published the payment schedule for 1975–76, which provides for the first time the maximum grant of $1,400 to those in the greatest need.

I wholeheartedly endorse this provision. This new carryover authority will supersede section 411(b) (3) (B) (ii) of the current act, removing the need to reallocate any unused money to current year recipients, and allowing those funds to be used for making grants this coming fiscal year.

In summary, Mr. Speaker, I see no good reason not to vote for this conference report.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. Yes, I yield to the gentleman from Michigan.

Mr. O'HARA. Mr. Speaker, this conference report has become necessary to resolve problems which have affected various education programs administered by the Department of Health, Education, and Welfare.

The first item that the conference report deals with is reallocation of unused college work-study funds within a State. The Office of Education informed the Congress in March that according to their lawyers, the law would not permit college work-study funds which had been allocated to a school and had not been used to be reallocated to another school in the same State. On March 18, the House of Representatives passed H.R. 4221 which changed the authorizing language to clarify the Office of Education's authority to reallocate these excess funds to another school in the same State. At about the same time the House passed H.R. 4481, the Emergency Employment Act which also contained language to permit the reallocation of unused fiscal 1975 college work-study funds from one school to another school in the same State.

The conference report retains the House changes in authorizing language and incorporates a provision which would make it clear that the Congress intends to permit the reallocation and carry-over in excess of $5 million in work-study funds appropriated for fiscal 1975.

The remaining portions of the conference report were not in the House bill but were in the Senate amendment.

One of these would extend the life of the National Advisory Council on Equality of Educational Opportunity until September 30, 1976. This will make this advisory council coterminous with the program with which it is connected.

The Senate amendment also contained a provision which would have extended the life of advisory councils whose programs were extended by the automatic extension provided in section 414 of the General Education Provisions Act. This portion of the Senate amendment was included on the basis of an interpretation of the General Education Provisions Act by the Office of General Council of the Department of Health, Education, and Welfare. Before the conference the Department advised the conferees that it had changed its position and that it now conceded these advisory councils were automatically extended. The Senate conferees therefore receded and this provision is not included in this conference report.

The conference report incorporates a provision in the Senate amendment which will permit the carryover of fiscal 1975 basic education opportunity grant funds to fiscal 1976. There are approximately $135 million which have not been used during this fiscal year to pay grants to students who qualify. The conference report would permit this carryover for only those funds unused during fiscal 1975. You can be assured that the Subcommittee on Postsecondary Education will carefully follow the progress of the Basic Educational Opportunity Grant program in order to insure that we will not again next year hear a request from OE for authority to carry over unused funds.

The carryover of these funds in the Basic Educational Opportunity Grant program will provide enough money in fiscal 1976 to pay needy students who qualify for the maximum grant that the law allows for the first time since the inception of this program.

The last provision of the conference report permits the Office of Education to implement regulations for this act without the necessity of waiting a 45-day period before they can become effective.

In order to provide for the continued operation and increased effectiveness of the programs involved, I urge that this conference report be adopted.

Mr. PERKINS. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 535, INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 535 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 535

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7545) to increase the temporary debt limitation, and all points of order against said bill for failure to comply with clause 5, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida (Mr. Pepper) will be recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New York (Mr. Ottinger).

GENERAL LEAVE

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the matter concerning the resignation of the gentleman from Michigan (Mr. Nedzi).

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Illinois (Mr. Anderson), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 535 provides for an open rule with 1 hour of general debate on H.R. 7545, a bill providing an increase of the temporary limit on the public debt.

House Resolution 535 provides that all points of order against the bill for failure to comply with clause 5, rule XXI—prohibiting appropriations in a legislative matter—are waived.

H.R. 7545 provides that the temporary public debt limitation is to be $616.1 billion through June 30, 1976. It is $85.1 billion above the present temporary debt limitation of $531 billion, which is applicable through June 30, 1975. No change is made in the permanent debt limit of $400 billion.

Mr. Speaker, I urge the adoption of House Resolution 535 in order that we may discuss and debate H.R. 7545.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 535 makes in order for consideration H.R. 7545, the so-called public debt bill, under an open rule with 1 hour of general debate. This resolution also waives the provisions of clause 5 of House rule XXI against the bill. That rule prohibits appropriations on an authorization bill. While H.R. 7545 does not contain language expressly appropriating funds, there are some three provisions in the existing statute which do authorize the Secretary of the Treasury to appropriate funds in connection with the payment of interest and operating expenses related to the public debt. Thus, this is rather traditional, boilerplate language in rules on the public debt bill and is nothing new.

H.R. 7545 would increase the present temporary debt limit by $85.1 billion, from $131 billion to $216.1 billion, and extend it to June 30, 1976. Since the permanent debt limit continues to be $400 billion, this new authority would raise the total public debt limit to $616.1 billion for the next fiscal year. This new temporary debt increase is based on a projected deficit in fiscal 1976 of $68.8 billion—the amount approved in the recently adopted congressional budget resolution. The bill also assumes an additional $1.9 billion in revenues in fiscal 1976 as a result of the provisions of the energy bill still being considered by this body. I would think those revenue assumptions would have to be now adjusted downward given the actions of the House on the gasoline tax last week.

This bill is not without controversy, as is evidenced in the various dissenting views in the report, and the bill was reported from Ways and Means by a vote of 26 to 10. I urge adoption of the rule so that we can discuss those controversies and consider amendments to the bill.

I would simply add to what our distinguished friend, the gentleman from Florida (Mr. Pepper), has already said: That this bill is obviously not without some controversy, as evidenced in the various dissenting views that are contained in the report. The bill was reported from the Committee on Ways and Means by a vote of 26 to 10. Notwithstanding that controversy, I think it is essential that we proceed to a prompt consideration of this matter, so I would urge that we adopt the rule so that we can discuss those matters in controversy and consider what if any amendments might be in order under the rule.

I urge adoption of the rule. I have no further requests for time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device; and there were—yeas 345, nays 44, not voting 44, as follows:

[Roll No. 303]

YEAS—345

Abdnor
Adams
Addabbo
Alexander
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chisholm
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Derwinski
Dickinson
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edgar
Edwards, Ala.
Eilberg
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Fulton

Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harris
Hawkins
Hayes, Ind.
Hébert
Hechler, W. Va.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Hinshaw
Holland
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McClory
McCloskey
McCollister
McCormack
McDade

McEwen
McFall
McHugh
McKinney
Madden
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Preyer
Pritchard
Railsback
Randall
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Roe
Roncalio

Rooney
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Santini
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—44

Abzug
Anderson, Calif.
Bafalis
Bauman
Brinkley
Broyhill
Burke, Mass.
Clancy
Conlan
Dent
Derrick
Devine
Early
Emery

Frey
Gaydos
Grassley
Haley
Hansen
Harrington
Hays, Ohio
Heckler, Mass.
Holt
Kasten
Kelly
Kemp
Latta
Lott
Lujan

McDonald
Mosher
Pressler
Quillen
Rose
Rousselot
St Germain
Shuster
Snyder
Spence
Symms
Taylor, Mo.
Yatron
Young, Alaska
Young, Fla.

NOT VOTING—44

Ashbrook
Bell
Bergland
Burke, Calif.
Burke, Fla.
Chappell
Clausen, Don H.
Conyers
Diggs
Edwards, Calif.
Evins, Tenn.
Fascell
Florio

Flynt
Fraser
Harsha
Hastings
Henderson
Jones, Ala.
Jones, Okla.
McKay
Macdonald
Mann
Mathis
Michel
Mikva
Miller, Ohio
Mollohan
Montgomery

Peyser
Price
Quie
Rangel
Rodino
Rogers
Rosenthal
Ryan
Scheuer

Stanton, James V.
Stokes
Talcott
Vander Jagt
Wilson, Tex.
Wylie

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Florio with Mr. James V. Stanton.

Mr. Rodino with Mr. Burke of Florida.

Mr. Fascell with Mr. Harsha.

Mr. Evins of Tennessee with Mr. Ashbrook.

Mr. Macdonald of Massachusetts with Mr. Don H. Clausen.

Mr. Jones of Oklahoma with Mr. Michel.

Mr. Rogers with Mr. Bell.

Mr. Rosenthal with Mr. McKay.

Mr. Henderson with Mr. Hastings.

Mr. Rangel with Mr. Miller of Ohio.

Mr. Conyers with Mr. Edwards of California.

Mr. Chappell with Mr. Peyser.

Mr. Diggs with Mr. Bergland.

Mrs. Burke of California with Mr. Mikva.

Mr. Flynt with Mr. Montgomery.

Mr. Fraser with Mr. Price.

Mr. Jones of Alabama with Mr. Quie.

Mr. Mann with Mr. Vander Jagt.

Mr. Mathis with Mr. Charles Wilson of Texas.

Mr. Mollohan with Mr. Ryan.

Mr. Scheuer with Mr. Wylie.

Mr. Stokes with Mr. Talcott.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO SIT DURING PROCEEDINGS UNDER THE 5-MINUTE RULE TOMORROW

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that the Committee on Standards of Official Conduct be permitted to sit during proceedings under the 5-minute rule tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

INCREASE ON TEMPORARY LIMIT ON PUBLIC DEBT

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7545) to increase the temporary debt limitation.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. Ullman).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7545) with Mr. Delaney in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Oregon (Mr. Ullman) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. Schneebeli) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, when the gentleman from Mississippi (Mr. Whitten) and I introduced the bill with the recommendations from the Joint Study Committee in Budget Control, we included a provision that would have terminated the annual review of the budget through the debt limit bill and would have put the jurisdiction under the Budget Committee.

In the process of getting the budget control legislation passed, jurisdiction over the debt limit was returned back to the Ways and Means Committee. I think it is very important that we carefully analyze what we are doing in this review procedure. If, in fact, the budget system that we have established in the Congress is a meaningful and a productive new procedure, then in fact we are no longer in need of this debt ceiling provision in the law.

I hope very much that we come to the time in the not too distant future when this is abandoned altogether. As chairman of the Ways and Means Committee, this is not to say that it has not been a useful procedure in the past. It has been our only mechanism for getting a periodic review of the administration's spending and budgeting procedures.

But, up until now, the administration and the Office of Management and Budget have been the only places where it has been put together. They sent up their budget and we added a few dollars and subtracted a few dollars, and really our only method of periodic evaluation has been through this budget ceiling procedure. Now, the budget system is in place; the Budget Committee has brought us a concurrent resolution; we have acted upon it; we have decided the level of spending and the level of revenues we are targeting for this Congress in this fiscal year 1976.

Therefore, it seems to me this should be one of the last times that we have to come before the Members with a budget ceiling resolution.

The budget resolution contains estimates of budget receipts of $298.2 billion and outlays or expenditures of $367 billion. These estimates yield a unified budget deficit of $68.8 billion.

On the basis of this deficit and several debt management adjustments, the budget resolution called for a debt limit of $617.6 billion. The Ways and Means Committee made one modification in the recommended limit which reduced it to $616.1 billion. I will explain the calculations performed by the committee in arriving at the debt limit in this bill. They are shown in the committee report on page 7 in table 7.

The process starts with the $531 billion debt level that expires at the end of June 30, 1975. The operating cash balance then will be only $3 billion. Normally, that balance is assumed to remain constant at $6 billion when we make these calculations, and raising the cash balance to $6 billion requires an additional $3 billion in debt, which raises the outstanding debt to $534 billion.

Adding the deficit of $68.8 billion estimated in the budget resolutions raises the total to $652.8 billion.

In the last Congress, the Federal Financing Bank was established as a debt management device that would assist off-budget Federal credit programs get the best financing terms available. The authorized procedures for doing so included use of regular Treasury financing under the debt limit, which the Treasury and the Federal Financing Bank have been using since the beginning of this year. Congress approved this procedure last February when the $531 billion limit was set to include a net $12 billion financing of these credit programs. When the full faith and credit of the Federal Government is used, there is a saving of one-half percentage point on the interest rate—or about $5 million on each $1 billion of debt outstanding for a full year. The budget resolution estimates about $10.4 billion of such financing will be used next year. This brings the debt limit calculation to $613.2 billion.

An additional $4.8 billion is provided to meet the peak debt needs on June 15. This is a need that arises because receipts do not flow into the Treasury at the same pace that they are spent. A peak need of this kind develops because there is a large bulge of payments received during the final two weeks of June. This adjustment raises the total to $618 billion.

The last adjustment is based on the modification by the Ways and Means Committee. The budget resolution did not include any provision for an energy program. The Ways and Means Committee adjusted the estimated debt limit downward by $1.9 billion to reflect the estimated increase in receipts from committee action on energy taxes. This includes the effect of the 3-cent gasoline tax proposed by the committee and also the estimate of the price to be received from the auctioning of the import licenses. While the House has rejected the first of these changes, we may have underestimated the revenue effect of the auction system. In any event, it is likely to be more important in view of the changes made in the bill by the House. As a result, we see no need to change the adjustment we made for this bill. This adjustment reduces the total debt limit requirement to $616.1 billion. These adjustments add to an $85.1 billion increase above the present $531 billion debt limit.

The present limit consists of a permanent debt limit of $400 billion an a temporary debt limit of $131 billion. The temporary limit expires on June 30, and in the absence of legislation, the legal limit will fall to $400 billion. Since the level outstanding then would exceed $400 billion, the Secretary of the Treasury would be unable to issue any further debt. All of the $85.1 billion increase in this bill would be added to the temporary limit and would bring it to $216.1 billion.

As mentioned earlier, the committee believed that it should follow the congressional decisions reflected in the budget totals of the concurrent resolution. It did so, with a modification to reflect subsequent action in an area not covered in the resolution.

In his testimony before the committee, the Secretary of the Treasury reviewed the debt limit and stated:

> I am inclined to recommend that it [that is, the committee] adopt the $617.6 billion ceiling already approved by the Congress, although, of course, I would not oppose a $613 billion ceiling.

The latter figure was based on Treasury estimates and administration programs which bear little resemblance to the programs which are in fact being considered by Congress.

I recommend that the House pass this bill as reported by the committee, not simply because the debt limit increase is a responsible one in view of the current economic situation, but because this limit carries out the congressional priorities reflected in the first concurrent resolution in the budget.

I recommend the House pass this bill as reported by the committee, not simply because the debt limit is a responsible one in view of the current economic situation, but also because this limit carries out the congressional priorities reflected in the first concurrent resolution on the budget.

There may very well be some here who will vote against the debt limit and say it is an economy move, but I say that simply is not true. We have been on our spending spree. Now comes the time to sign the check. There is no option and no alternative. If we fail to pass this, then we just fail to write checks to pay Government employees and social security recipients and all of the others who depend upon Government revenues.

The voice of responsibility says that we must have a debt ceiling bill, such a bill is merely an authority for the Government to pay its debts.

There are others who do not want to provide a debt limit for the entire fiscal year. In this bill we provide for the entire fiscal year because we tried to make the debt ceiling correspond with the budget resolution, which also goes through June 30, 1976. It was for this reason that the debt ceiling goes through June 30. The total figure reflects the amount of increased spending authority to carry us that far.

There are those who say we should use this debt ceiling as a confrontation policy with the administration, and they will attempt to shorten it either until April 1 or possibly to February 29, so we have to come back and extend the limit again in this fiscal year. I remember in the past we have extended the limit up to 3 times in a year. But, believe me, this was not a very responsible act.

If we did put something on the debt ceiling bill and sent it down to the White House where it was vetoed and the Government went into shock and could not pay its bills, I am not sure who the people of America would blame, whether it would be the President or the Congress. I do not believe it is very wise to find out. I think they would blame the Congress just as much as the President, and possibly even more.

I think it is bad policy, bad congressional policy, to get into this kind of confrontation situation. We ought to be responsible in writing legislation or overriding vetoes, but to try and use this as a sudden-death kind of policy operation, where on this bill we try to attach something that we are forcing the President to sign, seems to me bad policy. We ought to follow the mandates of the bill before us and carry the debt ceiling on through the fiscal year and follow the mandates of the Budget Committee and the concurrent resolution that we have already acted upon. That is what is included in the bill before us.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I thank the distinguished chairman of the committee for yielding.

In the past the policy of the administration has been to come to the Congress periodically and request increases in the national debt based on financing needs as they developed.

In this instance, did the administration ask for any specific figure to be included in this bill?

Mr. ULLMAN. Yes. Mr. Chairman, as I mentioned, I quoted the Secretary of the Treasury, and what he said was:

> I am inclined to recommend that the committee adopt the $617.6 billion ceiling already approved by the Congress * * *

This bill uses this figure adjusted down by added revenues from the energy bill.

He went on to say, "although, of course, I would not oppose a $613 billion ceiling." That amounts to about a $4 billion difference.

The way they arrived at their figure and the way we arrived at ours through the concurrent resolution are two altogether different routes. They assumed enactment of all of the President's proposals. There are all kinds of different assumptions on revenues and different assumptions on outlays, but the Secretary did say he was inclined to recommend the figure which is almost the same as the figure we have here before us.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of H.R. 7545 which would increase the temporary debt limitation through June 30 of next year by $85.1 billion. I take no pleasure in having to support this increase in our Nation's deficit, but do so because I am mindful in the absence of so doing that on June 30 of this year, the Government will no longer be able to pay its bills or roll over its debt. The difficulty that we all face whether in our personal or official lives is facing up to the harsh realities of paying our bills and yet this must be done and so I support H.R. 7545.

The debt we face and the increase in it that is provided for in this legislation is larger than the total of all Federal obligations which have accumulated from the earliest days of the Republic until 1941. In recent years, the amount of our debt has escalated to the point where, since 1969, it has increased by 24.8 percent although the average increase in the debt since 1945 on a yearly basis is only 8.4 percent.

Unfortunately, I think we have come to look upon legislation to extend the temporary debt limitation as perfunctory and have forgotten that the temporary limitation was really designed to be temporary and that the intention of Congress, as well as the executive branch throughout much of our Nation's history, was that it would ultimately be repaid. In light of the tremendous dollar figures involved presently, I question whether there is any real notion that this temporary debt limitation will ever be repaid. If there is none, then we are in a sad position vis-a-vis control of our own destiny. On the other hand, if we have any intention of paying this debt off at any time, then we must face up to becoming fiscally responsible—a course which this Congress has so far spurned.

One of the great concerns about this huge Federal deficit and its recent upward turn is that Government borrowing is making it extremely difficult for the private sector to obtain the funds needed to expand its capacity and our Nation's productivity. The Federal borrowings already account for over two-thirds of the total capital market and the interest on the Federal debt for this year is about the same dollar amount as the total of the Federal debt only 40 years ago. The interest alone is over 2½ times the total of all Federal spending in the fiscal year 1941, and is approximately the same as the total Federal outlay in fiscal year 1948.

If we are to recover from our current economic difficulties and if we are to sustain economic growth in the future beyond, we must provide the private sector with the wherewithal to obtain the money it needs, and the continuation of these huge Federal deficits and the borrowing they demand run against the notion of available credit for the private sector.

In testimony before the Committee on Ways and Means, the Secretary of the Treasury took a novel approach and a unique stand on the whole question of what should be done about the debt increase extension legislation. He noted with concern that the figures were large and that congressional action on the budget anticipated a much larger deficit than the administration had been willing to project or to admit to.

However, he was realistic enough to note that perhaps the most important question was not the level of the debt, but the way that it would be managed to insure that down the road the Government would not be in the position of precluding credit to the private sector. In fact, he urged that the Committee on Ways and Means and Congress take a new approach to the issue and provide the necessary flexibility to the Department of the Treasury to insure that the Government would be in a position to sell its securities to a wide range of investors so that there would be no undue impact on any particular sector of the market.

In this connection, he made three recommendations which would provide him with the kind of flexibility he feels is necessary and most of us agree is urgent. Unfortunately, the majority on the committee refused to even consider these recommendations which included increasing the amount of bonds not subject to the four and one-quarter ceiling from $10 to $20 billion, and providing for a flexible authority to alter the 6 percent rate ceiling on savings bonds. The committee cavalierly decided to proceed as it has in the past, and merely extend the increase for an extended period. What this says is that the committee is really not interested in responsible management of our Federal deficit.

This is unfortunate and I urge that we take seriously the admonitions of Secretary Simon and get on with the business of participating with the executive branch in the management of this huge debt. This is an area which we should look into in the very near future less we end up in the position of spending our way into a continued economic recession. If this is done, we will have denied the private sector of our economy the means to make any kind of a meaningful recovery. Having said this, I still support the approval of H.R. 7545.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

Would it not be a good to vote against this legislation and let the big spenders go back home and explain why they did not get a bill? Those of us who are concerned about the Nation's finances could simply let them go home and tell their constituents why they did not get a bill through.

Mr. SCHNEEBELI. Mr. Chairman, I think the voters can figure this out. I am sure some of this will also come out in debate.

Mr. SYMMS. Mr. Chairman, whatever we do here, people will still get up in the morning and the sun will come up. Just because the Government could not write a check might not be all that bad.

Mr. SCHNEEBELI. Well, we will not be able to meet our payroll in 4 or 5 days for a couple million civilian employees, and I think they would be aware of that very quickly. It is simply not a responsible way of doing business. It is almost like paying a check to take care of the bills we owe and calling up the bank and canceling the check.

Mr. SYMMS. Mr. Chairman, I appreciate the gentleman's response.

However, I am concerned when I look at this debt. It has gone from $17.5 billion in 1929 up to $616 billion in 1976. That is not too responsible either, it is?

Mr. SCHNEEBELI. I think it is totally irresponsible.

Mr. Chairman, I, together with the gentleman, have voted against many, many of these spending programs, and I abhor our spending policies. I think it is unfortunate.

Mr. SYMMS. Mr. Chairman, I thank the gentleman.

Mr. McDONALD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Georgia.

Mr. McDONALD of Georgia. With respect to the gross national product, can the gentleman tell me what the present dollar is worth as compared to the 1929 dollar?

Mr. SCHNEEBELI. I would say probably the present dollar is worth about 40 or 30 percent of the 1929 dollar.

Mr. McDONALD of Georgia. My understanding is that the present dollar is worth less than 40 percent of the 1940 dollar.

Mr. SCHNEEBELI. Of the 1940 dollar?

Mr. McDONALD of Georgia. That would be 1940, and of course, in 1929 gold was $20 an ounce and then it was changed to $35 an ounce.

Mr. SCHNEEBELI. I think the value of the dollar in 1932 was probably lower than it was in 1929.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding.

While he is pointing out these very interesting figures, I think it might be interesting to note that last year this Congress appropriated $88 million just to administer the national debt, so the problem he points out is very real and is getting more real every day.

Mr. SCHNEEBELI. I think the important thing is that the interest on our debt is $100 million a day.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Iowa.

Mr. HARKIN. I just want to know this. I am just afraid that we might be doing something here that the administration might not be in favor of.

Is President Ford in favor of increasing the national debt?

Mr. SCHNEEBELI. He is against the high spending which this Congress has occasioned and has made known his continuing concern about this by vetoing several bills. However, he recognizes his responsibility to pay the Government's bills as they become due. If the debt limitation is too low, he cannot sign the checks.

Mr. HARKIN. It seems to me that he either would like to increase the national debt to pay out the checks or keep the national debt where it is.

Mr. SCHNEEBELI. He recognizes the need to increase the national debt. They have to pay the checks.

Mr. HARKIN. Then President Ford is in favor of increasing the national debt?

Mr. SCHNEEBELI. If his Secretary of the Treasury is, I am sure he is. It is a matter of fiscal integrity. The debts are incurred, and they have to be paid.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. SCHNEEBELI) has again expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 3 additional minutes.

Mr. HARKIN. Mr. Chairman, if the gentleman will yield further, I would just like to ask him this question: The Secretary of the Treasury said he is inclined to agree, and that is not quite clear now.

Mr. SCHNEEBELI. He said he is inclined to agree to a certain figure. He is very positive about saying that it should be increased.

As to whether it should be $212 billion, $216 billion, or $217 billion as a temporary increase in the debt ceiling, that is a matter of judgment.

Mr. HARKIN. I just want to make sure that President Ford is in fact in favor of increasing the national debt.

Mr. SCHNEEBELI. You said it. It is a question of being responsible.

Mr. HARKIN. Yes, he is in favor?

Mr. SCHNEEBELI. Yes, as have all the past Presidents.

Mr. CONABLE. Mr. Chairman, if the gentleman will yield, I think it is important to clarify at this point the fact that we have a temporary debt ceiling way above the permanent debt ceiling. If we were not to increase the temporary debt ceiling in some way, if this measure were to fail, we would revert to the permanent debt ceiling which is below the current temporary debt. The result would be that we would not only not be able to continue our current rate of spending, we would not even be able to refinance a number of issues of bonds as they came due. The result would be repudiation of a lot of our debt, and not just the stopping of payment of current expenses. It would have a considerable traumatic impact on the general influence in Government.

Mr. SCHNEEBELI. That is right. I would think it would.

Mr. CONABLE. And the results is a very serious problem if we continue to increase the temporary debt ceiling as opposed to the permanent debt ceiling, it means the Government is in essence held hostage and we have no choice but to pass something or we wind up having a reversion to a much lower level, creating serious problems rather than just a tightening of the belt.

Mr. SCHNEEBELI. I agree with the gentleman.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, I have requested this time to go back to the question propounded by the gentleman from Iowa (Mr. HARKIN). The question was: Does President Ford favor raising the debt, the implication being that the debt is his responsibility and fault. I think it is very clear as to the intent of President Ford when he has on numerous occasions, starting with the presentation of the budget this year, told us that he would veto bills that increase the size of the budget, and that would require greater borrowing. He has done that a number of times. He has vetoed a number of big spending bills. I think it is very clear that the fault does not lie solely with President Ford as implied by that question.

Mr. SCHNEEBELI. I thank the gentleman from Indiana. I was just about to make the same point that it would be quite obvious that if the President had not resorted to the use of the veto the debt ceiling would be much, much higher than it is.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SCHNEEBELI. I yield myself 2 additional minutes.

Mr. McDONALD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Georgia.

Mr. McDONALD of Georgia. Mr. Chairman, as a comparison with the increase in the money supply since 1940, which is approximately 800 percent, would the gentleman agree that the actual gross national product increase has been notably lower than the increase percentagewise in the increase in the money supply?

Mr. SCHNEEBELI. No, the GNP has been much greater than the increase in our public debt.

Mr. McDONALD of Georgia. Based on a standard of a constant value dollar?

Mr. SCHNEEBELI. They both are subject to inflation.

Mr. McDONALD of Georgia. In comparison with the increase in the money supply?

Mr. SCHNEEBELI. The money supply? I thought the gentleman was referring to the national debt.

Mr. McDONALD of Georgia. The increase in the money supply as compared to the real increase in the gross national product with inflation removed.

Mr. SCHNEEBELI. I do not know what the correlation is between the two.

Mr. CONABLE. Mr. Chairman, if the gentleman will yield, it is obvious that the money supply is increasing at a much faster rate than the real increase in the economy, or we would not have any inflation.

Mr. SCHNEEBELI. That is not the total reason for inflation.

Mr. McDONALD of Georgia. In other words, so far as the relationship or percentage of the gross national product to the debt, I think it would have to be agreed, that one way of shortening the true debt is through inflation and that, in fact, the entire World War I German debt was paid off with the equivalent of 7 cents inflated.

But the problem concurrent with this inflation I believe is that the difficulty with this is that it does fall heavier upon those who have to rely on constant-value dollars for their entire existence. This group would include those on pensions, social security, or insurance benefits for their livelihood.

Mr. SCHNEEBELI. I agree with the gentleman from Georgia, and I hope we do not go to the actual flooding of the money.

Mr. Chairman, I see that several Members are desiring to be recognized, and I have several requests for time, so I would request that they ask the next speaker to yield.

But, Mr. Chairman, in summary, I support the committee decision to increase the debt ceiling. We have no alternative, no viable alternative, and certainly we want to empower our Secretary of the Treasury to sign checks during the month of July, because otherwise we would be in fiscal chaos.

I now yield to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, the committee has almost produced a bill I will vote for. The full year time period is a responsible provision. It allows the Treasury to plan its debt management, and it restricts the Senate's opportunity to add whimsical, nongermane amendments to a once-a-year adventure.

The full year extension is a great step forward and it is consistent with the new Budget Act. To work in a shorter time frame is contrary to the new budget process and to the budget resolution. Most Members voted for that resolution, and a negative vote today would be strangely inconsistent with a vote for that resolution.

However, just as H.R. 7545's strength is its basis on the budget resolution, so is its weakness based on that resolution. The $85 billion increase in the public debt is necessary if we spend according to that resolution. But, I did not vote for that resolution. We do not have to spend that much.

Normally I vote for debt limit increases on the theory that those who dance must pay the piper. But in this case, I did not dance. The need for greater fiscal responsibility is so urgent that I shall vote against the bill as a protest against unneeded spending and as a prayerful hope that the tide will turn.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I just want to take this time to advise the House that when we are in the amending process I expect to offer an amendment which would allow enough for the Government to operate through March 31, 1976, taking all of the assumptions that were taken by the committee. I feel that it is important that the House of Representatives should have a chance to review the debt situation sometime before the end of the fiscal year. I feel that this kind of proposal would give us a chance to see where we are with the expenditures of Government and the extent of the debt by March 31 of next year so that we could then make an appraisal as to where we should go and what changes should be made in the debt limitation.

Mr. SCHNEEBELI. Mr. Chairman, I yield 3 minutes to a valuable member of our committee, the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, we are told time after time as we come to the floor to discuss the debt ceiling that it is the responsible thing to do to vote to increase the debt ceiling, and I suppose that that is really true, that the responsible thing to do is to vote for the debt ceiling, to raise the debt ceiling because our debts have increased.

The fact of the matter is, though, that there is a rather substantial segment of this House that next to never votes for bills that exceed the budget, and traditionally votes for bills that are under budget. Yet those same people are the people who are asked year after year after year in this House to vote to increase the debt ceiling.

We are going to see some individuals here today vote "No" on the debt ceiling for a variety of other reasons, and those are the individuals who time after time after time vote to increase and increase and increase our debt on any sort of profligate spending that appeals to an electorate, and then cop out by voting "No" on the debt ceiling to pay the bills that they themselves have incurred. Many of them are not on the floor today. We can see the overwhelming interest that this body has in this very important subject, and it is evidenced by the fact that there are at least 30 Members on the floor of the House today out of 435. They will all parade in through those doors when it comes time to vote on the debt ceiling, and they will do as they are told on one side or the other, or they will vote "No" and go home and pontificate how they tried to hold down the debt ceiling and voted "No" on an increase, when in fact they have voted for every spending bill on the floor of this House from the day that they arrived and will probably continue to do it until the day they leave.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the distinguished ranking majority member of the committee, the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, we hear a great deal of talk here today about how irresponsible it would be to vote against the debt ceiling. I have in my hand here the public debt limit bill report accompanying H.R. 10328, June 16, 1967, put out by the House Committee on Ways and Means. I would just like to read part of it to give the Members an idea what we are talking about.

> The failure of the administration to meet its obligations to the American people leaves us no course except to oppose this bill. It is the only recourse left to us. Only by this means can we bring about a reappraisal of expenditures and revenue needs in the light of a threatened budgetary deficit which is intolerable.
>
> We urge our colleagues to join us in opposition to this bill.

Signing that report were: John W. Byrnes, Thomas B. Curtis, James B. Utt, Jackson E. Betts, HERMAN T. SCHNEEBELI, Harold R. Collier, Joel T. Broyhill, James F. Battin, BARBER B. CONABLE, JR., and George Bush.

Today they tell us it would be irresponsible to vote against the debt ceiling. I recall on four different occasions when the vote on this side was about 170-some-odd to nothing against increasing the debt ceiling. They said it would be irresponsible to increase the debt ceiling. I wonder what has happened to all those great warriors of yesterday? Whatever happened to them? Where did they disappear to?

Do the Members know what they are asking for here?

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield.

Mr. CONABLE. One of the warriors has not disappeared. He may have matured some since then, but others seem to have retrogressed.

Mr. BURKE of Massachusetts. That may be one way to put it.

But this is the largest increase ever requested in the history of the Nation. It is for $85 billion. It is a bold request. It is a brazen request. In fact, when the administration presented their case one would have thought they were asking to increase the debt ceiling by 85 cents.

In fact, we had some members of the committee say we should do away with the debt ceiling, it does not serve any purpose.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I wonder how much the debt ceiling increase would be necessary if the President had not vetoed some of the bills of the last 18 months?

Mr. BURKE of Massachusetts. I commend the President for vetoing some of the bills and that is his prerogative and that is what he should do, but he should not be in here asking $85 billion increase for some of the areas where it should not be spent.

Mr. SCHNEEBELI. It is necessary to do this to meet the obligations of congressional expenditures.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, I ask the gentleman from Massachusetts, is there any money, even $1 the President of the United States can spend without first the authorization and appropriation by the Congress?

Mr. BURKE of Massachusetts. He is a partner in the crime. He is as guilty as Congress. We should not try to let him out from under.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I would like to point out in that there is a reserve of authorized and appropriated funds which have not been spent. This reserve gives the President a tremendous discretion in determining expenditure priorities. I tried to find out how much there remains in the categories of authorized, appropriated, and unspent. I could not get an answer. There is a huge reservoir of authorized and appropriated funds that he could spend, for items of his preference in lieu of congressionally determined priorities.

Mr. BURKE of Massachusetts. Mr. Chairman, I would like to thank all my friends, but I have very little time, so if they do not mind I would like to say this.

This is a bold and brazen request, but this is the only tool left for this Congress. They can talk about the Joint Committee on Control of the Budget and they can talk about the great efforts we are going to make to control spending, but this is the only place where we can control spending.

This $616 billion ceiling is not needed. They do not need it. What we are doing is creating an incentive for the administration to spend more money than they need. I do not want to put them in a straitjacket down there, but we could cut this by $16 or $17 billion and they would have enough money to take them through until almost next March. So I say, why force money on them that they do not need? They did not justify the case by coming to the Committee on Ways and Means. In fact, I did not hear the Chairman of the Federal Reserve Board at all.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BURKE of Massachusetts. I will be back later.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, it grieves me very little to speak in opposition to the passage of H.R. 7545. The time has come for us to say "No" to this seasonal visitor which in every session comes upon us like the Hong Kong flu. Once again, we are asked to approve a debt increase placed at an unprecedented level on the assumption that the new high is temporary, that the hungry agent of increased expenditures will not return again to ask for another fix. Unfortunately, we have witnessed new storms of budget-busting legislation accompanying the aftermath of every "lid increase" approved by this body. Always, but always, it is defined as temporary. Yet in the lexicon of our language, the words "temporary" and "permanent" are both nine letters long. And they appear to be identical in all other ways if we are to use the history of congressional budgetary authorization as a measure.

Consider, for a moment, what that history has been like. This Congress did not vote for the first, nor will we be voting for the last so-called temporary debt should we pass H.R. 7545. In 1955, the Congress increased our total debt limit by adding a new category called the temporary debt, a category of $6 billion which elevated the total Federal debt to $282.2 billion. Since that time, during each and every session, we are told that the following year will be different.

Yet, there comes a point in every year when the Congress once again learns that it has fallen victim to the "Sting," and now we are asked to approve an increase in our Federal debt which is greater than the accumulated financial obligation of the first 150 years of our Republic. Much has been promised and even more forgotten since we permitted the $397 billion permanent debt of 1975 to increase by $131 billion temporarily. Once again, however, the "permanent" debt ceiling cracks and falls to the floor because of the encouragement given the big spenders by those of us who really believe that there is a difference between "permanent" as against the so-called "temporary" dollars. We cannot go on like this. Taffy can only be pulled so far, and our efforts to convince the big spenders that they must mend their evil ways are doomed to irrelevance as long as we encourage their delinquency by setting new limits to be broken. To continue the verbal masquerade of calling these annual debt increases "temporary" is an insult to our language and an injury to our economy.

The ever-spiraling costs of Government go on, and it is no secret that inflation is making life miserable for those Americans who earn and use money. But inflation is not inevitable. It is not an object of Satan that will be exorcised out of existence. Inflation is the product of this Congress every time it votes for a measure which makes it easier for the established forces of Government to spend in the luxurious way in which they have become accustomed.

It is time for us to not merely recognize and pay lipservice to, but to vote for the hard economic realities which will relieve us of this policy of guaranteed annual bankruptcy. Whatever ceiling we set for next year's spending, calling it "permanent" or otherwise, history shows that it will be disregarded. Let us not disguise this fact by ever-upping the bid, by giving new reasons for rationing wasteful programs.

To once again raise the public debt limit, as we are asked to do in this piece of legislation, as a temporary device is a delusion. To raise the public debt at all and to do so in the name of the people, is a deceit. Unless we wish to fan the flames of tax revolt which are already kindled in our land, we must vote against this unprecedented, unwarranted increase in our national debt.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. Armstrong).

Mr. ARMSTRONG. Mr. Chairman, I am grateful to the gentleman from Pennsylvania for yielding me this time.

As I have listened to the debate I am beginning to wonder if I have stepped through the looking glass, because the sponsors of this legislation have described it in the most unflattering terms. Is there some confusion about who is supporting the bill and who is opposing it?

In calling this bill to our attention and advocating its passage, the chairman of the committee, the gentleman from Oregon, has said that the Nation has been on a spending spree. The ranking minority member has declared that the trend in deficit represents a pattern of total irresponsibility.

They are right. So let us defeat this bill.

Our dilemma arises from a misguided sense of responsibility on the part of many Members who really do not want to vote for this bill, who abhor the spending spree and because of a misunderstanding about the nature of the action we are being asked to take.

The chairman said we have been on a spending spree, that we have written the checks which are now being presented for payment and that it would be irresponsible for us not to honor the checks when they are presented.

This is not true. We are being asked to approve next year's debt extension, the debt extension for expenditures which will take place during fiscal year 1976—next year. We are asked to approve the debt for next year's spending.

But the Congress of the United States has yet to enact a single appropriations bill. The House has considered a few minor bills, none of the big ones; but the Congress itself has not passed the money for next year's appropriations. By passing this debt extension, we are operating on the assumption that Congress will follow a course of spending which is irresponsible on a scale without parallel in the history of our Nation. We are not being asked to pay the checks already written; we are being asked to give a blank check for next year and we should not do it.

Second, we are being told that because a large portion of this debt is temporary chaos will result if we do not take some action to extend the temporary debt. With this I concur wholeheartedly; but I think we are being asked to jump a wide chasm from a logical premise that some action must be taken, to the conclusion that the only possible action is the passage of the bill before us today.

Maintaining the fiction of a temporary debt is the height of irresponsibility. If we allow this so-called temporary debt to lapse and revert to the permanent debt ceiling, we would be unable to manage existing debt, unable to write checks, unable to fund existing obligations. That is entirely wrong, entirely imprudent, entirely irresponsible; but it does not call for this massive increase in the public debt ceiling.

What it calls for is to make permanent the existing temporary debt and then to refrain in the future from the sham of creating a temporary debt. We all know it is not temporary. When we get to the point in this country that we are ready to truly make it temporary, let us show that, not by pinning a false label on the debt, but repaying part of the debt. Actions speak louder than words. We ought to have the courage to say this is our permanent debt and not participate any longer in the charade.

We have also been told this is the wrong way to control Federal spending. I wish it were true, that we could control spending through the Budget Control Act and through the Budget Committee. But we cannot do so. The only tool we have available is the debt ceiling. It is a very crude device, but it is a device of immense power in that it cannot be suspended. We have already found in the first year of experience with the Budget Control Act, that the budget control procedures can be suspended by a simple majority vote of this House.

In closing, let me say to those Members who have voted against many of the spending bills which have required increases in the debt in the past, if they vote now to increase the debt, in my judgment they are with misguided responsibility. They are making it possible for those who have shed crocodile tears about spending, who have voted for every spending bill to come down the pike, to avoid the consequences of their action.

If we pass this bill, we are not only validating last year's fiscal irresponsibility, we are literally validating a year in advance. We are writing a blank check.

For these reasons, I believe this bill should be defeated. There is an alternative. Chaos need not result. If this bill is defeated, then the stage will be set to bring another, more responsible bill to the floor of this House. We will send a message to the Ways and Means Committee that the increase suggested is too high, that the irresponsible temporary features of this legislation are no longer tolerable; and by bringing a new and better bill to the floor, I think we will strike a blow for fiscal responsibility and integrity for the procedures of this House.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the distinguished Member of the committee from Texas (Mr. Burleson).

Mr. BURLESON of Texas. I thank you, Mr. Chairman.

Mr. Chairman, on this issue I think I have been one of the most objective members on this subject. In all candor, I have been on all sides of this issue. Just maybe it depended on how my metabolism was working on that particular day.

I can understand those of you who say "I have no responsibility to vote to raise the debt ceiling," even though you know it must be done for the Government to be able to meet its fiscal responsibilities. Like you I have opposed and voted against many of the expenditures which make it necessary now to increase the borrowing authority of the Federal Government and, to a degree, resent having to do so.

I can understand those of you who find yourself in the same position and react the same way but, nevertheless, this action is required if this Government is to meet its obligations in the immediate future.

The thing more difficult to understand is those of you who have voted for huge Federal outlays and then contend it is a matter of economy to vote against this measure. You know and I know it has nothing to do with economy in Government. That point was past when legislation over the last several years was enacted and you supported it.

A more recent example and one certainly in which new Members participated was the $24½ billion tax cut which now the Federal Government must borrow every dime to pay for it.

This issue is really not meaningful and never was. At one time, probably there was some salutary effect, maybe a psychological effect but even that is long past.

The chairman has indicated that this should be the last of this thing, and I am cooperating fully. I have a resolution here in the hopper which will get rid of this thing and we will get it to the Committee on the Budget, on which I serve.

My chairman, the gentleman from Washington (Mr. Adams) is present. I do not know how we are going to get it to the Budget Committee, but I hope the first thing we are going to do is to repeal this provision. It does not make any difference to my friend from Ohio (Mr. Vanik) when he is going to offer an amendment to cut the thing down or reduce the amount; it does not matter. He knows it.

We are just playing games, so let us get rid of this useless provision of law. We will get the subject matter in the Budget Committee where we are looking at deficits, we are looking at revenues, we are looking at outlays, and then we will look at the debt limit.

It is all one ball of wax. We have the

tools in that committee to do it. I think my chairman of the Committee on the Budget will make every effort to do it. He needs everyone's help. We have the tools, we have the machinery, if we will do it, and I would like to have the chance of doing it. So pass this bill we have here until the next fiscal year and by that time we will get this subject where perhaps we can get some perspective in these responsibilities.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I will be happy to yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. I thank the gentleman for yielding. Mr. Chairman, I want to commend the gentleman for his very realistic and his very honest statements. The gentleman is laying it on the line, the way it should be, and I thank the gentleman for taking a lot of the political hot air out of this whole exercise. I thank the gentleman for his contribution.

Mr. BURLESON of Texas. I thank the gentleman for his remarks.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

Mr. Chairman, the problem with many of the things that the gentleman has said is that the people back home just do not understand why we continue this—as the gentleman called it—"a game."

Mr. BURLESON of Texas. Yes. That is one of the reasons why some of our colleagues will come along and vote against it, because they say it is an economy question. It does not have anything to do with the economy at all. It just sounds good.

Mr. ROUSSELOT. If the gentleman will yield further, it has this much to do with the economy. Every time we vote an increase in the debt ceiling—and especially of this substantial nature, $85 billion—we are forcing the Treasury into the marketplace to borrow money.

Mr. BURLESON of Texas. The Treasury is already there.

Mr. ROUSSELOT. And it denies people the ability to buy housing or to build a business or to do the other things that normally they would be doing if the Treasury was not draining so much of the market. And the trouble with this "party line": "That we have no choice"—and I have heard it now for many years—is that there is no place where we really make an attempt to stop this onrushing deficit financing, and we never really stop it.

Mr. BURLESON of Texas. I read the gentleman's "Dear Colleague" letter very carefully. I do not know everything the gentleman said, but it sounded very good.

The CHAIRMAN. The time of the gentleman has expired.

(On the request of Mr. ULLMAN and by unanimous consent, Mr. BURLESON of Texas was allowed to proceed for 1 additional minute.)

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. Yes, I will yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I thank the gentleman for yielding. I want to commend my good friend from Texas. He is one of the ablest debaters of this House, but——

Mr. BURLESON of Texas. I am afraid of that "but." Let me have it.

Mr. BURKE of Massachusetts. I think the gentleman should point out that those who vote for this $85 billion rise in the debt ceiling are also committing themselves to vote for an additional $100 billion in taxes come January 1, 1977. So it cannot be taken as lightly as some people would have us believe.

Mr. Chairman, I want to commend my good friend. He is one of the ablest debaters of the House. He almost had me sold here for a minute.

Mr. BURLESON of Texas. I thank the gentleman.

I guess it is like Don Quixote here, because of the meaning; it is tilting against the windmill. I was trying to tell my friend that we do not vote against the economy when we vote for this bill. However, I appreciate his remarks.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, I rise in opposition to this bill, H.R. 7548. This body once more is on the verge of raising the debt ceiling. And undoubtedly, it will do so again. But before taking this action, I want to make the House cognizant of the dimensions of this proposed action.

The bill before us would increase the debt ceiling to $616.1 billion. I do not believe many of us can comprehend what $1 billion represents in financial wealth much less 616 of them, but let me attempt to do so.

The proposed debt ceiling is equal to the total goods and services produced in this country during 1964. A child coming into the world today might just as well have a bill for $3,000 attached to his birth certificate because that represents his share of this debt. Over the next years of his life, part of his tax dollars—currently it is 7 cents of each dollar—will go to pay just the interest on this debt. In fact, in the 90 seconds I will have taken to make this statement, the U.S. Treasury will have disbursed $97,110 in interest payments.

Looking at it from a different perspective, we could lay down a path a mile wide from Los Angeles to Philadelphia or over the entire District of Columbia ankle deep with 614 billion $1 bills.

I recite these facts only to make the Members aware of the vast size of the debt we have already accumulated. What is even more disturbing though is that half of this debt has occurred in just the last 15 years. Two years ago the national debt stood at under $500 billion; 4 years before that it was around $400 billion; and 9 years previous to that, 1961, it was $300 billion. If the national debt continues to accumulate at this rate it will stand at $1 trillion in fiscal year 1978.

Money does not grow on trees but neither can it simply be run off of the presses at the Bureau of Printing and Engraving. It has to be backed by goods and services or we are in for serious economic problems.

The debt ceiling is being increased because the Congress has recommended a budget defit of $68.8 billion for fiscal year 1976. As a result, the Federal Government has only two options from which to choose to finance this deficit; it can either grab up a bunch of paper and print $68.8 billion or go into the private sector and borrow the money. But no matter which of these courses the Government chooses it will bring renewed inflation and higher interest rates.

Some Members of Congress tell us we have to spend our way out of the current recession. In the short run, their solution might work. But 1 year from now they will be back before the Congress urging that we need to deficit spend once again so that we can keep these jobs in existence. What they ignore is that by running up these huge deficits they are robbing the private sector of the necessary capital needed to build more plants and create more jobs. As a result, we have an economy which is becoming more and more dependent upon deficit spending by Government and less and less concerned with private initiative.

I would hope that this Congress has learned from the past. After incurring budget deficits in 14 of the last 15 years, we finally paid the price with the worst inflation spiral this country has ever seen. It is clear that Congress must change its extravagant spending habits. If not, we may not be papering a path across our country with dollar bills but we may be papering our walls with it as the Germans did with the mark in the 1930's when it became virtually worthless as a result of rampant inflation.

Mr. SCHNEEBELI. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. Mr. Chairman, I realize that maybe if one accepts what the status is today in this House, it would be irresponsible to vote no on the forced debt ceiling, because with court action, particularly, there is little choice that any President, whether it be President Ford, a Democrat President or a Republican President, has to go ahead and make the expenditures. But I believe what we are doing today is reconstructing what the intent of Congress is. And it seems to me that this could well be construed by a court that we have had a change of heart, since we did vote for these big expenditures.

There have been a number of court decisions that have held that once the Congress has acted to appropriate, that a President must spend the money.

Mr. Chairman, I am going to vote "no" today because I believe the courts would have no other choice but to interpret this as instructions that cuts have to be made.

Now, if I may have the attention of my friend, the gentleman from Massachusetts (Mr. BURKE), for whom I have a high regard, I am not changing my vote today. Back when President Johnson was President, I voted "no" then, too, to debt ceiling increase. I do not know how the gentleman from Massachusetts voted, but I would have a strong suspicion.

Mr. BURKE. of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I am happy to yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I am happy to say I voted for those increases, but none of them ever reached such high proportions as this request. This is $85 billion, and it is too much.

Mr. MYERS of Indiana. Yes, very much so.

Mr. BURKE of Massachusetts. It would be extremely difficult for me to vote for a $85 billion increase in the debt ceiling.

Mr. MYERS of Indiana. Mr. Chairman, I very much agree with the gentleman. I just hope that the gentleman will vote against the spending bills as they come before this Congress so that we could make those cuts individually. It is a shame that there is the authority and the responsibility within the Government to make these kinds of increases in the national debt necessary.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I will yield one more time to the gentleman. My time, however, is limited.

Mr. BURKE of Massachusetts. Mr. Chairman, I would like to let my friend, the gentleman from Indiana, know that I voted for $30 billion in cuts in the last 2 years, and I also voted for taxes.

I voted for that 3-cent tax the other day. A lot of Members around here said we should bite the bullet, but a lot of Members would not even bite a marshmallow.

Mr. MYERS of Indiana. Mr. Chairman, at this point I will say to the gentleman that that 3-cent tax has nothing to do with this issue today. That was an entirely different matter. That gasoline tax would have gone into a trust account.

A moment ago the gentleman from Ohio made reference to this matter when I asked what money could be spent that has not been authorized and appropriated by this Congress I am sure he did not mean to suggest that the President does have a slush fund down there someplace.

Every dollar has to be authorized by this Congress, even if it is being spent from trust funds. This Congress has to take action in order to make those expenditures.

I do not think this really should be a political argument. I do not think it should be, and I am sorry to see it injected in here that it is Jerry Ford's fault that we do not balance the budget. I think it is our responsibility. A responsibility we have not accepted.

Mr. Chairman, I hope this bill will be rejected and, hopefully, we will reach a point where we in the Congress will have to sit down with the President and decide to rescind some appropriated programs. Last week after a veto was sustained there was much talk about cooperation. I just hope we will have the cooperation whereby a Democrat-controlled Congress and a Republican President can get together and resolve this difficulty over the debt and spending.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, I just want to say in answer to my friend, the gentleman from Indiana (Mr. MYERS), that what he is saying is absolutely correct, that every dollar spent must be authorized by this Congress. That is another reason, among some others, that I understand the gentleman from Texas advanced, why this Second Liberty Bond Act of 1917 should be repealed.

This is not a thing in the world except a vehicle upon which to hinge this sort of legislation and try to cover up what has happened here to the people at home.

Really what we are doing here in authorizing an extension of this debt ceiling is simply approving what has already been done.

Mr. MYERS of Indiana. Mr. Chairman, I recall what happened back in the days when the Executive impounded funds. We had speeches here objecting. Court action was started even by many Members of this Congress.

But how much can the Executive do to stop spending and the need to increase national debt without impounding funds? That tool was overturned by court decisions. Veto now is the only way to stop spending. We can help today by indicating to the President, the Nation, and to ourselves we do not like the rapid increasing national debt.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. MCDONALD).

Mr. MCDONALD of Georgia. Mr. Chairman, one of the most important functions of the statutory limitation on public debt is to force the advocates of Government spending to defend their policies whenever the debt limit needs increasing. Thus public attention is drawn to Government fiscal policies—and the worse the policies, the more often attention must be paid to our ever-increasing public debt.

Nevertheless, the welfare statists attempt to turn fiscal irresponsibility and economic decline into assets. Massive deficit spending, they proclaim, is needed to spur the economy and lift us out of the current recession. In other words, the worse the economy, the greater the demand for fiscal irresponsibility.

It should be noted that when the economy is booming, the statists argue for greater Government spending on the grounds that we are rich and can afford it. When the economy is slumping and we cannot afford it, however, they reply: "Oh, yes we can. In fact, we cannot afford not to increase Government spending since it is needed to get the economy going again so we can become rich and afford more Government spending."

This argument is false on several grounds. First, Government spending as such is nonproductive. The Government does not produce its resources, it takes them from those who do. Some Government spending is necessary—on such things as the military, the police, and the law courts—to maintain a free economy and to protect the rights and liberties of American citizens. But most of today's Government spending is not necessary and is a tremendous drain on the productive ability of the economy. Welfare spending, for example, transfers assets from the productive to the nonproductive. These assets are then consumed and unavailable to those who would otherwise use them as the basis for further production and thus further economic growth.

To get an idea of just how much Government is consuming, consider that Federal spending has risen from $9 billion in 1940 to an estimated $350 billion in 1976. To eliminate the increase in population as a factor, consider the growth of total Government spending—Federal, State, and local—per capita: $33 per person in 1913, to $1,066 in 1965, to $2,290 in 1974. The amount of everyone's earnings taken by all levels of Government rose from 25 percent in 1940 to 43 percent in 1974.

But even worse than Government spending per se, is Government deficit spending. Deficits can be financed in only two ways: Printing or borrowing. Printing more paper money inflates the money supply and devalues the currency held in private hands, and thus constitutes a transfer of private capital into the hands of the Government. The difference between this and direct taxation, is that inflation is a fraud. It would be most accurately described as "legalized thievery."

To get an idea of the extent of the Government's practice of legalized thievery, consider that the Consumer Price Index has risen from 48 in 1945 to 156 in 1974—1967 equals 100. Or, to put it another way, the value of a dollar has shrunk from $1 in 1939 to 24 cents in 1974.

Borrowing likewise transfers the assets of the productive into the hands of the Government, preempting savings that would otherwise be available for capital investment and thus business expansion and economic growth.

Economically, then, raising the debt limit to accommodate another $85 billion of deficit spending within the next year is disastrous. It will not spur economic recovery, but will increase the enormous consumption of our productive resources by the Government.

Nevertheless, economics is not the real issue. The Keynesian theories advocating government spending as a road to prosperity are so demonstrably false in both theory and practice that I doubt even their strongest defenders really believe them. They are useful, however, to provide a thin veneer of economic justification to cover-up the policies, programs, and failures of the welfare state.

Consider the growth of the biggest, although by no means the only, Federal welfare agency—the Department of Health, Education, and Welfare. Beginning in 1954 with a budget of $6.4 billion, HEW grew to $15.1 billion in 1960, $52.2 billion in 1970, and an estimated $118.4 billion in 1970. In 1960, HEW spending comprised 16.8 percent of total Federal spending. Compare this to the 47 percent of the Federal budget that went for defense in 1960. By 1975, HEW's percentage has reached 36.5, while that of Defense has shrunk to 25.2. It is also revealing to observe that the Federal Government debt has gone from $290 billion in 1960 to approximately $615 billion at present, an increase of $325 billion. During the same period, total HEW spending amounted to approximately $739 billion, or about $500 billion more than if it had maintained the 1960 level of spending.

Obviously, the increase in Government spending, and particularly Government deficit spending, has been necessary to feed the huge appetites of the programs of the welfare state. Thus it will do little good in the long run to merely attack deficit spending on economic grounds without attacking its source: the programs of the New Deal, the New Frontier, and the Great Society.

Fiscally it is irresponsible. But politically, deficit spending makes sense to those who are buying the votes of the beneficiaries of the welfare state. And it will continue to make sense until such policies and programs are attacked directly and their failure, and the ultimate loss of freedom they entail, is explained to the American people.

The time to start is now, by voting against an increase of $85 billion in our Federal debt. This would force the Government to balance its budget and cut spending on wasteful and nonproductive programs.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. Blouin).

Mr. BLOUIN. Mr. Chairman, there are just two points I want to make. It is always discouraging to see it being made by so few people. However, we have heard a lot about the President's position on this. I have yet to understand what his position really is. Yet, I have heard that Mr. Simon is inclined to support a certain level.

Mr. Chairman, I think for the record we ought to make it known that in the 24 times this question came before this Congress when the President was a Member of this Congress, on 14 of those times the President voted to increase the national debt. That was as a Member of this body. On another nine times he voted against increasing the national debt.

Let me tell the Members the interesting thing about those statistics.

Of those nine times that he voted no, every time he did so was when there was a President who was a member of the opposite political party. Only twice in the 14 yeses did he vote in favor of a Democratic budget, as put forth by a Democratic President. The other 12 times when he voted in favor were indications of support for Republican administrations in the White House.

That tells me that our Nation's leader, our President, views this vote as a question of priority. In other words, why is the ceiling going up?

Mr. Chairman, I find myself strangely in agreement with that being the basic question before me today. As a result of it, I have to find myself pitted against this bill because I frankly disagree with the priorities that are involved within this $85 billion increase in the national debt.

There has been no effort to reorder priorities in this Congress or from the White House. There has been no effort to bring about meaningful tax reform. There has been no effort to cut the waste out of defense spending. There has been no effort to bring about some meaningful employment of people who could then pay taxes and drastically diminish this debt.

All I have seen is vetoes followed by objections followed by failures to override those vetoes and in effect a failure to reorder our priorities in any meaningful fashion.

Mr. Chairman, as a result, I cannot support this bill.

Mr. SCHNEEBELI. Mr. Chairman, I have no further requests for time.

Mr. ULLMAN. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, voting against this measure will not save $1 of Federal spending.

As has been pointed out here time and again, this is an exercise that accomplishes nothing, and it is time that we figured a better way of doing it.

I urge all Members to support the committee position and the committee bill, and I urge them to vote against all amendments.

Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That during the period beginning on July 1, 1975, and ending on June 30, 1976, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by $216,100,000,000.

AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Vanik: On line line 4, strike "June 30, 1976," and insert "March 31, 1976,"; On line 7, strike $216,-100,000,000," and insert $206,600,000,000".

Mr. VANIK. Mr. Chairman, the debt limit as reported by the committee extends the temporary debt limit through the entire next fiscal year ending on June 30, 1976. My amendment merely extends the debt limit for 9 months. Accordingly, the staffs of the Budget and joint committees, the amount subject to a limit on March 31, 1976, will be $206.6 billion. What I endeavor here to do is to give the Congress an opportunity to look at the debt situation on or before March 31 of next year, and then make a decision as to where we are going with the debt ceiling.

I feel that a debt ceiling provides the Congress with a very important tool with which to measure the debt.

It is only on hearing before the Committee on Ways and Means, and in discussions on the floor as we are having today, that we can determine the makeup of the debt, that we can determine the direction of the debt, that we can determine the need for and the extent of the increase in the debt. I think that this is a very important function of the Congress. At times it is difficult for me to know, as a member of the Committee on Ways and Means, what constitutes the debt. I think that the Congress and the American people are entitled to have an opportunity to have the debt explained, to have the debt of our Government analyzed and discussed as a very, very important part of our business.

At this time I am not going into the reasons why the debt must be increased, or why it should not be. I want to allow the Government all the leverage it needs to conduct the affairs of Government.

I have taken into consideration in my amendment all of the assumptions that were made in the committee bill, but I provide that the ceiling would run to March 31 instead of the entire fiscal year.

Under the Budget and Impoundment Control Act the following schedules are established for the formulation and consideration for each of the target budget requests. On March 15 each standing committee submits to the Budget Committee its recommendations on the budget. On April 1 the Congressional Budget Office submits reports to the Budget Committee. On April 15 the first budget resolution is reported. On May 15 the first budget resolution is adopted.

By moving consideration of the debt limit to March 31, 1976, we are providing important support to the new budget process. This March 31, 1976, date insures that consideration of the debt limit will occur at or about the time that most committees will be submitting their budget recommendations to the budget committees. Debate on the debt ceiling at that time will provide these committees with a comprehensive perspective on the impact of their activities on the Federal budget.

Tying the debt limit to the budget review process guarantees that the debt limit review will continue to be an important congressional control point on the budget.

Enactment of this amendment, I believe, is a positive step to insure that the congressional budget control process is responsible and effective.

Mr. Chairman, I offered this amendment in the committee, and it was not adopted. I would hope that the Committee of the Whole House at this time will favorably consider this amendment, which would provide the Government with the debt limit review that it needs to conduct the affairs of government as we know them until March 31, 1976. Prior that time we can consider revisions to the debt ceiling that may be necessary because of the operations of the Government in the intervening period.

The CHAIRMAN. The time of the gentleman has expired.

AMENDMENT OFFERED BY MR. BURKE OF MASSACHUSETTS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. VANIK

Mr. BURKE of Massachusetts. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Burke of Massachusetts as a substitute for the amendment offered by Mr. Vanik: On page 1, line 7, strike out the figure "$216,100,000,000" and insert the figure "$199,990,000,000".

Mr. BURKE of Massachusetts. Mr. Chairman, this amendment is a very reasonable amendment. I might point out that over the years that I have been on the House Committee on Ways and Means, I never recall a time when we gave any administration the amount of money they asked for. We always cut them down a little bit. But this year for some reason it is a little different.

I see in this debt ceiling that is being raised by the $85 billion a cushion of some $16 to $20 billion, and I think that is outrageous at a time like this. It is the only vehicle that we have through which to do anything about spending. I know that we have got the Joint Committee on control of the budget. It is going to be another year before we find out whether they are going to be able to accomplish the purpose for which they were established, and this is the last opportunity we are going to have.

My amendment here will cut the request by approximately $16 billion and give the administration enough money to run the Government right up until March of next year. I think that is a reasonable amount of time and a reasonable amount of money. We should not be putting more money into the debt ceiling than is needed to pay the bills. I certainly cannot see the justification for a cushion of $15 or $16 or $20 billion more than they need.

There is additional money in there that the Federal Government has that it can use. There is a Federal Bank, I understand, where they can borrow money up to $15 billion in addition to these moneys. We do not hear about that. Then there is a $6 billion amount of money that is held in cash. So there is a lot of leeway for the Government. They are not being put in any strait jacket. This is just a feeble attempt on our part to keep the spending restraints within reason. I do not believe in putting any administration in a straitjacket, but I do think that this administration is no different than any others.

I recall back a year ago when they put a $6 billion expenditure control amendment on the debt ceiling. We do not see those things often here today. Today we hear talk about doing away with the debt ceiling. That would be the biggest mistake Congress ever made, if we are going to have the "funny money" boys run this country and do away with the debt ceiling and not take any reasonable action on the part of the people. We have a chance here to demonstrate. I will admit I voted for spending bills, but even I need restraints. But I think the President needs restraints, and I am willing to vote for a restraint on myself.

The question now is have we got enough courage to vote for restraints on ourselves, or do we want the sky to be the limit? This is the day to be counted. The amendment I have offered will not cause a bit of harm, but it will keep their feet to the fire in certain respects, and I think that is something we should do.

Mr. Chairman, I hope my amendment is adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Massachusetts.

The gentleman from Massachusetts offers an amendment that reduces in the bill the figure of $216.1 billion down to $199,990 million, a reduction of about $16 billion. The gentleman does not change the termination date. The bill would still carry a termination date through June 30, 1976, but in looking at the month by month tables it would be necessary for us to come here before February 29 and increase the debt limit if the Government is going to pay its obligations.

Let me ask what the gentleman from Washington, the distinguished chairman of the Budget Committee, would have as a reaction to this amendment?

Mr. ADAMS. Mr. Chairman, I think on this amendment we should not proceed to approve the amendment for this reason. We are going to have a concurrent budget resolution on the floor on the 15th of April, which will be setting up at that time what the budget amounts are and what the debt ceiling must be for the following fiscal year.

If we proceed with this, on our spread sheet we will have run out of money to carry out the programs as set forth in the current budget resolution on February 29, when at that point the deficit will be at $595.9 billion. Therefore, the procedure that has been suggested by the Committee on Ways and Means of putting this fiscal year picture into one complete whole I think is a good one, and we can go to an earlier date if we want and if we have political reasons why we want to hang something on the debt ceiling bill we can pick a date on the spread sheet at any earlier date or a date to reduce it, but this will not help the budget process next year because we will be at the end of the year. We have given what the outlays and inputs are and we will see the crosshatch and the spread month by month, and if we do not have it the Government cannot operate.

Mr. ULLMAN. Is it not true the Budget Act next year will be in force and there will be a binding concurrent resolution which we will pass?

Mr. ADAMS. That is correct. We intend in the fall to come in with a concurrent resolution to put a ceiling on the spending and anything beyond that will be subject to our control.

Mr. ULLMAN. Will it not be much more responsible for the Congress to act following the concurrent resolution so we know what the Congress has set in the way of a deficit so we can take it into account in establishing the debt ceiling procedure?

Mr. ADAMS. Yes. The fiscal year this year will have started by June 30. The reason we did not go into full implementation this year is predicated on the fact the fiscal year will have started on June 30 and by the time we reach September approximately one-third to one-half of the fiscal year will have been gone. However, next year we will proceed with the concurrent resolution in spring and a second resolution in September and since both of them are presented before October 1, 1976, we will have a spending ceiling in effect before the fiscal year has started for fiscal year 1977. This year it is up to the Members of the House and the Committee on Ways and Means if they wish to establish a figure that causes the Government to exhaust its funds prior to the end of the fiscal year.

The Committee on Ways and Means has determined they should go through the fiscal year this year and have only one debt ceiling resolution. If some Members want to go to an earlier date all I can say is we have given Mr. BURKE and others the spread sheets by months and the Congress must cover the deficit each month or we will not have money to pay our bills at the end of such month. According to our figures the Burke amendment means another resolution must be passed in the early part of next year.

Mr. ULLMAN. Mr. Chairman, I dislike to disagree with my friend, the gentleman from Massachusetts but I urge we vote down his amendment.

Mr. SCHNEEBELI. Mr. Chairman, I rise in opposition to the amendment.

As I understand this amendment it would reduce the debt ceiling by over $16 billion for the same time duration as the original bill.

I think there is an intimation somewhere along the line that we should get rid of the cash balance of $6 billion and the contingency fund of $3 billion, the two of them adding up to $9 billion. But ever since I have been on the committee we have had both this cash balance and contingency money to the same amount, to the total of $9 billion.

I do not know that the gentleman, the author of this amendment, has been very specific as to where this 16 plus billions of dollars will come from by which he reduces the limitation up through next June; so I rise very much in opposition to the amendment.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. ARMSTRONG TO THE AMENDMENT OFFERED BY MR. BURKE OF MASSACHUSETTS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. VANIK

Mr. ARMSTRONG. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

> An amendment offered by Mr. ARMSTRONG to the amendment offered by Mr. BURKE of Massachusetts as a substitute for the amendment offered by Mr. VANIK: Amend the Burke amendment by adding the following: and on line 6, strike the word "temporarily."

Mr. ARMSTRONG. Mr. Chairman, I will take only a moment.

POINT OF ORDER

Mr. SCHNEEBELI. Mr. Chairman, I reserve a point of order, that the amendment is not germane.

The CHAIRMAN. The gentleman's point of order comes too late. The gentleman from Colorado has already commenced his statement.

Mr. ARMSTRONG. Mr. Chairman, my amendment really is the test of credibility, not of the Burke amendment, but of the bill itself.

Mr. Chairman, my amendment simply makes the debt—at whatever level we ultimately approve—permanent instead of temporary. If we fail to do so, we are perpetuating the sham that the debt is temporary. We are fostering the opinion among our colleagues and among the public that we are doing something temporary when, in fact, it is the intention of the body to make the debt permanent without saying so.

Well, if it were only the sham of it I would not offer the amendment. But continuing a large portion of the debt under a fictitious table of "temporary" debt has very serious practical problems. It is like a ticking time bomb which can cause chaos for the reasons I have previously discussed.

So it is my purpose to remove that sword hanging over the heads of the Members of the House. We have the opportunity to do so by adopting this amendment. I hope the Members will adopt my amendment and then vote favorably on the Burke amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. ARMSTRONG) to the amendment offered by the gentleman from Massachusetts (Mr. BURKE) as a substitute for the amendment offered by the gentleman from Ohio (Mr. VANIK).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 26, noes 35.

Mr. ARMSTRONG. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Eighty-nine Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the request of the gentleman from Colorado (Mr. ARMSTRONG) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 315, not voting 39, as follows:

[Roll No. 304]

AYES—79

Abdnor
Armstrong
Bafalis
Bauman
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Butler
Byron
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Daniel, Dan
Daniel, R. W.
Derwinski
du Pont
Edwards, Ala.
English
Erlenborn
Eshleman
Fenwick
Fish
Frenzel
Gilman
Goldwater
Goodling
Gradison
Guyer
Hagedorn
Hammerschmidt
Holt
Howe
Johnson, Colo.
Kasten
Ketchum
Lagomarsino
Lent
Lott
McCloskey
McCollister
McDonald
McEwen
Martin
Michel
Moore
Myers, Pa.
Nichols
O'Brien
Pettis
Pritchard
Rhodes
Robinson
Roncalio
Ruppe
Satterfield
Sebelius
Shriver
Smith, Nebr.
Snyder
Steelman
Symms
Thone
Traxler
Treen
Van Deerlin
Walsh
Wampler
Whalen
Whitehurst
Wiggins
Wilson, Bob
Winn
Wydler
Young, Fla.

NOES—315

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Buchanan
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clay
Collins, Ill.
Conlan
Conte
Corman
Cornell
Cotter
Crane
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Devine
Dickinson
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Grassley
Green
Haley
Hall
Hamilton
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Hinshaw
Holland
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jordan
Karth
Kastenmeier
Kazen
Kelly
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Landrum
Latta
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lujan
McClory
McDade
McFall
McHugh
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nix
Nolan
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pickle
Pike
Poage
Pressler
Preyer
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Long, La.
Risenhoover
Roberts
Roe
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Russo
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schneebeli
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thompson
Thornton
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
White
Whitten
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—39

Ashbrook
Bell
Bevill
Burke, Calif.
Burke, Fla.
Clausen, Don H.
Conyers
Coughlin
Early
Flynt
Forsythe
Gude
Harsha
Hastings
Hébert
Henderson
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kemp
McCormack
McKay
Mann
Miller, Ohio
Mollohan
Nowak
Patman, Tex.
Peyser
Price
Rangel
Rodino
Rogers
Ryan
Stokes
Talcott
Teague
Udall
Wylie
Young, Tex.

So the amendment to the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I urge the Members to stay on the floor. We can dispose of this bill in very short order. There are two pending amendments. Mr. VANIK has an amendment that would terminate the temporary limit on April 1 and reduce the amount involved to the debt level the Budget Committee expects at that time.

Then as a substitute, Mr. BURKE has an amendment that would continue the temporary limit until the end of the fiscal year but would reduce the temporary limit to $199,990,000,000. I oppose both amendments. I especially oppose the Burke amendment and hope that is voted down because, in colloquy with the chairman of the Budget Committee, it seems obvious that this would carry us only through next February just prior to the time of any action on the budget resolution. We think that is not an appropriate time to consider a debt limit bill.

I would also urge the Members to oppose the Vanik amendment, although in effect he permits the debt to be extended for a somewhat longer time. He would, in place of extending the temporary limit through the end of the year, continue it only until April 1. Here, again, the chairman of the Budget Committee indicated this would be a poor time for the limit to come up because the budget resolution would come up April 15 and we would have to act on a debt ceiling bill before we would have a chance to act on our budget resolution.

So, in both instances, I think the amendments should be voted down.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I

support the chairman of the committee in his opposition to both amendments and I hope we vote down both amendments.

Mr. BURKE of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

I am sorry to disagree with my good friend the gentleman from Oregon, the chairman of the committee, but I want to point out there is a $20 billion cushion in this bill. My amendment does not put anybody in a financial straitjacket. It just keeps their feet to the fire a little bit. All I am asking for is a little bit of fiscal responsibility on the part of the White House.

Mr. HARKIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a new Member this year, one of the things I have come to look for in the House of Representatives is true leadership. One of the things I have come to look for in the House is consistency. And if there is one thing I thought I could count on as a new Member it was that the fiscal conservatives would be consistent. I thought I could count that their weathervane would always point true towards fiscal conservatism. So it was with shock and disbelief that I watched the last vote being taken, when the so-called fiscal conservatives voted to make the debt permanent and not temporary.

Mr. Chairman, nations must learn to live like families. We must learn to live within our means. Debts must only be temporary and never permanent.

I have just heard here a rumor, and it is only a rumor, and I cannot substantiate it any further than that, but I have heard a rumor that those Members who just voted "no" on this amendment, the true fiscal conservatives, that is, the 314 who voted to make the debt temporary and not permanent, I have heard a rumor that every one of those 314 Members will now be in line to receive the most coveted prize that could ever be awarded to any Member of Congress, and that is the "Watchdog of the Treasury" award. Those of us who voted "no," that is, to make the debt only temporary, are the true fiscal conservatives.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have served under several Republican Presidents and I have not checked the RECORD for sure but I think I voted for a rise in the debt ceiling every time I have been asked. I am not going to today, at least not until very near the end of the vote, because I am getting pretty tired of a Republican President asking for a rise in the debt ceiling and his own party voting against it, and then blaming it on the Democrats.

I think it might be smart if we voted for the Burke amendment to hold their feet to the fire and then wait and see how they vote on the rise, and if they do not support it, then we do not support it, let the Congress cast a veto for once.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. BURKE) as a substitute for the amendment offered by the gentleman from Ohio (Mr. VANIK).

The question was taken; and on a division (demanded by Mr. ULLMAN) there were—ayes 142, noes 73.

RECORDED VOTE

Mr. SCHNEEBELI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 314, noes 83, not voting 36, as follows:

[Roll No. 305]

AYES—314

Abdnor
Abzug
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Casey
Cederberg
Chappell
Chisholm
Clancy
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conlan
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Dellums
Dent
Derrick
Derwinski
Devine
Diggs
Dingell
Dodd
Downey
Downing
Drinan
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Fountain
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCollister
McDade
McDonald
McKinney
Macdonald
Madden
Maguire
Mahon
Martin
Mathis
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Nowak
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pike
Poage
Pressler
Quie
Randall
Regula
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Roe
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Runnels
Russo
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Treen
Tsongas
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOES—83

Adams
Anderson, Ill.
Ashley
Barrett
Bergland
Biester
Boland
Bolling
Bonker
Breckinridge
Brown, Calif.
Brown, Mich.
Burleson, Tex.
Carter
Clawson, Del
Conable
Conte
Corman
Delaney
Dickinson
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Erlenborn
Findley
Foley
Fraser
Green
Hicks
Howard
Hyde
Jarman
Jordan
Karth
Kazen
Krueger
Landrum
Latta
McClory
McCloskey
McEwen
McFall
McHugh
Madigan
Matsunaga
Meeds
Michel
Mink
Mitchell, Md.
Moorhead, Pa.
Morgan
Mosher
Murphy, N.Y.
Nedzi
Oberstar
Obey
O'Brien
O'Hara
Pickle
Preyer
Pritchard
Quillen
Railsback
Reuss
Rhodes
Roberts
Rostenkowski
Roybal
Ruppe
Schneebeli
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stratton
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Waggonner
Wiggins
Wilson, Bob
Wilson, Tex.

NOT VOTING—36

Ashbrook
Bell
Burke, Calif.
Burke, Fla.
Clausen, Don H.
Conyers
Flynt
Forsythe
Gude
Harsha
Hastings
Hébert
Henderson
Jones, Ala.
Jones, Okla.
Jones, Tenn.
McCormack
McKay
Mann
Miller, Ohio
Mollohan
Patman, Tex.
Peyser
Price
Rangel
Rees
Rodino
Rogers
Ryan
Staggers
Stokes
Talcott
Teague
Traxler
Udall
Wylie

So the substitute amendment for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. VANIK), as amended.

The amendment, as amended, was agreed to.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to H.R. 7545, legislation which would increase the debt limit from $531 billion to $600 billion through June 30, 1976.

This increase of $69 billion in the temporary debt limitation could only further intensify the inflationary/recession pressures in the economy. In my opinion, Federal deficit spending of the magnitude that we in Congress have allowed in recent years is the primary cause of the inflation/recession that is burdening every citizen of our Nation. The only solution to restoring long-term economic stability, and to stimulating permanent job producing programs in the private sector is to bring Federal spending into balance with Federal revenues. We are not creating long-term permanent jobs by financing accelerated temporary public works projects, giving out tax rebates to individuals in the year after they were collected, giving away tax dollars to assist foreign countries, continuing to pay our farmers not to grow certain crops, and burdening the taxpayers with $35 billion in interest in 1967 to cover the financing of new debt and the refinancing of old debt. We can only create long-term permanent jobs by bringing the Federal budget into balance and thereby reducing the Treasury penetration in the private money markets. This will allow a resumption of economic growth in the private sector and the creation of permanent jobs for the unemployed.

There is strong evidence that many companies are already being forced out of the bond market as a result of Treasury borrowing to finance the deficits.

An article in the April 3, 1975, issue of the Wall Street Journal stated that—

> The corporate bond market may be on the verge of collapse. . . . The reason so many companies are being forced out of the bond market is the vast sums of money that the U.S. Treasury will have to raise there, thus causing a shortage of cash for other issues. It's estimated that the Treasury will have to tap the public debt market for an estimated $80 billion over the rest of this year to offset a record U.S. budget deficit. Earlier this week the Treasury said it must raise about $17.5 billion in net new money by June 30. This is a staggering $13 billion more than had been forecast as recently as late February. . . .

Another article in the Wall Street Journal on April 7, 1975, went on to point out that—

> The Treasury . . . will preempt a large share of the available funds as it finances big federal deficits. So the upshot will be one of the following or, quite possibly, a combination of both:
>
> Interest rates will rise and some business borrowers will be crowded out of the market; a rush to avoid just a development has helped to push the bond market close to collapse within the past few days.
>
> The Federal Reserve System will supply enough funds to meet the combined needs of the Treasury and business. But the swift growth of the money supply eventually will rekindle inflation and that will push up interest rates. . . .

And yet another article in the Journal on May 12, 1975, went on to further elaborate on the effects of "crowding out" as a result of Treasury borrowing, and anticipated Treasury borrowing, to finance the deficits:

> The crowding-out argument consists of a series of very simple statements: Government borrowing competes with private borrowing. Government borrowing finances government deficits. Private borrowing finances capital investment. Capital investment is a central determinant of future economic growth.
>
> Borrowing is possible only to the extent savings are available to finance it. When borrowing demands exceed savings supply, interest rates rise. At this point the Federal Reserve System has two choices:
>
> The Fed can allow the rates to rise. This means that someone who would have borrowed at the lower rates must drop out of the market. The government will not drop out by reducing its deficit. So private borrowers must drop out by reducing capital investment. Thus the government crowds out investment.
>
> Or the Fed can create enough money to accommodate both government and private borrowers. If the Fed creates money too rapidly, it causes inflation.
>
> . . . To cover the deficit, the Treasury will borrow some $70 billion of new money in the credit markets this year. By comparison, the largest previous deficit for any calendar year since World War II was $21.9 billion. The strains of Treasury demands are already apparent. Bond issues are in fact being postponed, though since the beginning of the year the Federal Reserve has created money at an annual rate of 7% to 7.5%, already at the top of the range the Fed considers non-inflationary over the next year.
>
> Now comes Secretary Simon's announcement last week that during 1976 the Treasury will need to borrow another $86 billion on top of the $70 billion this year. . . . With this kind of borrowing, its hard for us to see how the Fed can avoid the choice of allowing a credit crunch to crowd out investment, or boosting the money supply in ways that will unleash a new round of inflation. In fact it will choose the second, and we will be on a new roller-coaster of boom and bust.

It is clear to me that the only solution to restoring long-term economic stability is to bring Federal spending under control and ease the inflationary pressures in the economy. A balanced budget would mean more credit available in the private money markets—a fact that would encourage capital investments by industry to expand production and jobs. And a fact that would also mean that the Federal Government would not be absorbing capital that would otherwise be available for investment to meet our needs in housing, transportation, and energy.

The answer to finding jobs for Nation's unemployed lies in creating an atmosphere whereby private industry can expand and production can be stimulated. Full production would lead to full employment—and employment without inflation. On page 17 of the House Budget Committee's report on House Concurrent Resolution 218 (H. Rept. 94–145), the first budget resolution under the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), it is stated that—

> (I)n 1973, 83% of manufacturing capacity was utilized. By the final quarter of 1974, capacity utilization was down to 75.9% (Federal Reserve Board index), and all indications are that utilization declined further during the first quarter of 1975.

The following charts recently provided by the Office of the Secretary of the Treasury, Office of Debt Analysis, show that the percentage of Federal penetration in the credit markets has increased dramatically from approximately 26.4 percent in fiscal year 1972 to projections of over 50 percent in fiscal years 1975 and 1976:

GROWING PENETRATION OF U.S. CREDIT MARKETS TO FINANCE FEDERAL AND FEDERALLY ASSISTED CREDIT

TABLE A.—FEDERAL AND FEDERALLY ASSISTED CREDIT AS PERCENT OF TOTAL FLOW OF FUNDS IN U.S. CREDIT MARKETS, BY TYPE OF CREDIT [1] (FISCAL YEAR 1972)

[Dollar amounts in billions]

Net funds raised	Total	Federal Government	Percent Federal
LONG-TERM FUNDS			
Mortgages:			
Residential	$43.8	$12.4	28.3
Commercial	12.7		
Farm	2.5	2.3	92.0
Total	59.0	14.7	24.9
Corporate Securities: [2]			
Bonds	21.7	.2	.9
Stocks	14.3		
Total	36.0	.2	.6
Total long term	95.0	14.9	15.7
GOVERNMENT SECURITIES			
U.S. Government	$19.6	$19.6	100.0
Federal agencies	8.8	8.8	100.0
State and local governments	15.6	1.9	12.2
Total	44.0	30.3	68.9
OTHER FUNDS [3]			
Business credit	18.8	2.2	11.7
Consumer credit	14.5		
Security credit	9.0		
Other loans, including foreign	9.5	2.9	30.5
Total	51.8	5.1	9.8
Total funds raised	190.7	50.3	26.4

[1] Based on Federal Reserve Flow of Funds and Special Analyses C. & E., U.S. Budget, fiscal year 1976.

[2] Including foreign.

[3] Includes bank term loans and long-term Federal credits.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE B.—FEDERAL AND FEDERALLY ASSISTED CREDIT AS PERCENT OF TOTAL FLOW OF FUNDS IN U.S. CREDIT MARKETS BY TYPE OF CREDIT[1] (FISCAL YEARS, 1973 AND 1974)

[Dollar amounts in billions]

	Fiscal 1973			Fiscal 1974		
Net funds raised	Total	Federal Government	Percent Federal	Total	Federal Government	Percent Federal
LONG-TERM FUNDS						
Mortgages:						
Residential	$55.7	$5.9	10.6	$44.3	$6.3	14.2
Commercial	16.7			16.6		
Farm	3.4	3.2	94.1	4.4	3.2	72.7
Total	75.7	9.0	11.9	65.2	9.5	14.6
Corporate securities:						
Bonds	15.4	.2	1.3	17.4	.6	3.4
Stocks	12.2			7.1		
Total	27.6	.2	.7	24.5	.6	2.4
Total long term	103.3	9.2	8.9	89.7	10.1	11.3
GOVERNMENT SECURITIES						
U.S. Government	$18.5	$18.5	100.0	$2.1	$2.1	100.0
Federal agencies	14.3	14.3	100.0	21.3	21.3	100.0
State and local governments	12.6	2.2	17.5	16.8	2.0	11.9
Total	45.4	35.0	77.1	40.2	25.4	63.2
OTHER FUNDS[3]						
Business credit	53.3	9.6	18.0	69.6	11.2	16.1
Consumer credit	23.3			16.3	.1	.6
Security credit	−3.2			−3.3		
Other loans, including foreign	13.2	3.2	24.2	11.8	3.3	28.0
Total	86.6	12.8	14.8	94.4	14.7	15.6
Total funds raised	235.3	57.0	24.2	224.3	50.2	22.4

[1] Based on Federal Reserve Flow of Funds and Special Analyses C. & E., U.S. Budget, fiscal year 1976.

[2] Including foreign.

[3] Includes bank term loans and long-term Federal credits.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE C.—FEDERAL AND FEDERALLY ASSISTED CREDIT AS PERCENT OF TOTAL FLOW OF FUNDS IN U.S. CREDIT MARKETS, BY TYPE OF CREDIT[1] (FISCAL YEARS, 1975 AND 1976 PROJECTED)

[Dollar amounts in billion]

	Fiscal 1975			Fiscal 1976		
Net funds raised	Total	Federal Government	Percent Federal	Total	Federal Government	Percent Federal
LONG-TERM FUNDS						
Mortgages:						
Residential	$30.5	$8.1	26.6	$42.0	$11.0	26.2
Commercial	7.6			12.1		
Farm	5.7	4.0	70.2	7.1	3.8	53.5
Total	43.8	12.1	+ 27.6	61.2	14.8	24.2
Corporate securities:[2]						
Bonds	38.2	1.5	3.9	31.3	1.6	5.1
Stocks	1.9			4.2		
Total	40.1	1.5	3.7	35.5	1.6	4.5
Total long term	83.9	13.6	16.2	96.7	16.4	17.0
GOVERNMENT SECURITIES						
U.S. Government	$56.5	$56.5	100.0	$94.0	$94.0	100.0
Federal agencies	11.7	11.7	100.0	11.0	11.0	100.0
State and local governments	18.0	2.4	13.3	19.0	1.9	10.0
Total	86.2	70.6	81.9	124.0	106.9	86.2
OTHER FUNDS[3]						
Business credit	15.5	12.0	77.4	8.9	5.4	60.7
Consumer credit	2.5	.1	4.0	8.4	.3	3.6
Security credit	—4.4			2.6		
Other loans, including foreign	12.5	3.6	28.8	12.7	5.4	
Total	26.1	15.7	60.2	32.6	11.1	
Total funds raised	196.2	99.9	50.9	253.3	134.4	53.1

[1] Based on Federal Flow of Funds and Special Analyses C. & E., U.S. Budget, fiscal year 1976.

[2] Including foreign.

[3] Includes bank term loans and long-term Federal credits.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

I strongly urge my colleagues to vote with me in defeating this legislation. We have not yet enacted any appropriations bills for fiscal year 1976, and now is the time for us to demonstate to the Nation that we mean to bring Federal spending under control. In defeating H.R. 7545 and returning this legislation to the Ways and Means Committee, we can make it clear that we intend to move toward reducing Federal spending to bring the budget into balance—the only long-term solution to ridding the economy of the inflation/recession that has been primarily caused by our deficit spending policies.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Burke amendment is wonderful because its subverts the budget resolution that the gentleman from Massachusetts (Mr. BURKE) and the gentleman from Iowa (Mr. HARKIN) voted for the spenders have apparently got religion, and I am glad to share it with them.

Two hundred and thirty Members voted for the budget resolution which confirmed the need for, and was the basis for, H.R. 7545. More than 220 of those who voted on May 1 for the $70 billion deficit were Democrats. But having stood up in May for an "expansionist" budget, more than a few of those 220 are now roleplaying as conservatives and have voted to repudiate the budget committee and the budget resolution.

The amendment seeks to embarrass the President, but I will support the amendment because it only applies fiscal restraints on the Congress. It will save us the trouble of vetoing the excessive programs of the Democrats. The effect of the Burke resolution will simply run the country out of money before the new spending programs can be carried out.

The Democrats' performance today provides a dramatic example of their leadership ability. First they vote for an excessive budget. Then they repudiate that vote by trying to hold down the national debt. Their efforts to hold down the debt are intended to "put the President's foot to fire," but actually those efforts will only hold down the Congress wild programs. The denial of the debt increase could be interpreted as an implied threat for higher taxes, unless this House is willing to see that to believe it. I am still going to vote "no" on H.R. 7545. At the original level it is irresponsible because it is wired to a budget level I do not support. At the amended level, it is an exercise in hypocrisy. I am perfectly content to let the perpetrators pass, or defeat, their own mess.

Mr. SYMMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this bill.

Mr. Chairman, I am opposed to this entire process. If continued it will surely lead to the destruction of the U.S. dollar and hence of Western civilization itself. For us on this day to allow our Government to be at the front of the loan line to the tune of $1.5 billion per week will only drive interest rates higher and higher, and when they get too high and the credit crunch hits the thrift institutions what do you think the Federal Reserve will do?

When push comes to shove my colleagues, the Federal Reserve will turn on the printing presses and print money to keep the banks open. We must stop trying to live outside of nature; now is as good a time as any. I urge you to vote "No."

A "no" vote simply would mean that we want to start living within our means and paying as we go. The day of reckoning is coming sooner or later. We might as well start today.

This debt is going to $616 billion—that amounts to $3,000 per person—no wonder the baby cries when brought into this world when it means that a baby born today will be in debt by approximately $10,000 by the time he reaches earning age with the interest accumulation.

Mr. Chairman, I include in my remarks the following letter signed by several of my colleagues:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 10, 1975.

Re: H.R. 7545.

DEAR COLLEAGUE: The debt limit increase should be defeated.

There is a better, more responsible alternate. Instead of permitting another gigantic increase in the federal debt, by defeating H.R. 7545 we can set the stage for reevaluating and lowering the amount of federal debt, reform of Treasury debt management practices and elimination of the succession of "veto proof" debt ceiling bills which the Senate has repeatedly turned into Christmas trees with unrelated legislation which the House would not otherwise approve.

Many Members have come to regard periodically increasing the national debt as an unpleasant but routine chore, a pro forma responsibility rather than a serious exercise of Congressional policy-making. There is an attitude of weary resignation about the whole process, even on the part of those who have little or nothing to do with the huge spending programs which necessitate increasing the debt, even among those who have vigorously opposed such spending increases. Some of our colleagues feel constrained to assume responsibility for a problem they have not created. While their sense of duty is commendable, they are, in effect, violating the very budgetary excesses they deplore and fostering future excesses and debt increases.

We all instinctively realize there's something terribly wrong with federal finances. But the numbers have grown so huge and the issues so complex that we are losing perspective. We have become so accustomed to massive debt increases that we are losing our capacity to be alarmed, or even take seriously, the rapid rate of increase. In considering H.R. 7545, it might be well to bear in mind that gigantic debt and huge year-to-year increases are a relatively recent development. Throughout most of our nation's existence the debt was small and was regarded as truly temporary, something to be ultimately repaid. But H.R. 7545 proposes an increase in the federal debt which is larger than the total of all federal obligations accumulated from the earliest days of the Republic until 1941. Consider the trend:

U.S. NATIONAL DEBT

[In billions]

Year	Permanent debt	Temporary debt	Total
1929	$17.5		$17.5
1930	17.3		17.3
1935	36.2		36.2
1940	52.2		52.2
1945	279.6		279.6
1950	257.8		257.8
1955	276.2	$6.0	282.2
1960	286.6	10.0	296.6
1965	291.7	39.0	330.7
1966	300.3	43.0	343.3
1967	315.9	45.0	364.9
1968	373.1		373.1
1969	382.0		382.0
1970	389.6	12.0	401.6
1971	409.1	15.0	424.1
1972	399.3	50.0	449.3
1973	404.9	65.0	469.9
1974	417.0	75.7	492.7
1975	397.0	131.0	528.0
1976[1]	400.0	216.1	616.1

[1] Proposed.

Obviously, something is drastically wrong with a financial system which requires continuous deficits. Dr. Burns has warned of the collapse of our civilization; Secretary Simon has cautioned about withering of the private sector, that the free enterprise system is being destroyed; economists are apprehensive the massive increase in the federal debt, mandated by H.R. 7545, will crowd out the private sector. They note with utmost concern that federal borrowings already account for over two-thirds of the total capital market and ask how the hoped-for economc recovery can materialize if funds are not available to finance private sector activity, particularly the construction and other industries which rely on large amounts of long-term borrowing. There are many of us, perhaps the majority of the House, who are still old-fashioned enough to be concerned about moral implications of continuous borrowing to meet our current needs while leaving our children a heritage of debt which they must pay . . . or at least for which they must pay the interest. This year's interest on the federal debt is about the same dollar amount as the total of the federal debt only 40 years ago; the interest alone is over two and a half times the total of all federal spending in fiscal year 1941 and is approximately the same as the total federal outlay in fiscal year 1948 . . . just the interest!

We know this can't go on forever. Yet we continue on a spending-debt treadmill, running faster and faster, year after year, from one budget to the next, from deficit to deficit, debt increase to increase, crisis to crisis . . . a trend which must certainly end in financial disaster if we don't mend our ways.

Surely an overwhelming majority of Members agree something must be done.

But year after year the House is persuaded to support debt increases because we are led to believe there is no responsible alternative. We are asked to jump from the sound premise that some action is necessary to the illogical conclusion that the only possible action is passage of the particular debt increase before us. Obviously, there is an alternative. We can reject the bill and insist instead on a lower debt total, better debt management, and reform of the legislative procedures for approving future debt ceilings.

We are also told that chaos will result if we do not pass this bill because a portion of the existing debt is temporary. When the authority runs out the government will be unable to issue checks for vital functions or even to refund maturing bonds. This concern, while perfectly valid, does not require passage of H.R. 7545; a simple bill to end the charade of "temporary" debt would accomplish this purpose. And while permitting Congress to consider the proposed debt increase on its merits, as a separate issue, such a change would also permit the Treasury Department to manage its debt in a more orderly manner which is precluded by the fiction of short term "temporary debt". If and when Congress is ready to repay some of the federal debt, a happy thought, then will be time enough to declare some of the debt to be "temporary". To continue doing so when repayment clearly is not intended is disruptive and is only making a bad situation so much the worse. In any event, the whole issue of "temporary" versus "permanent" debt is separate from the main issue of how much debt the nation should bear and does not require passage of H.R. 7545.

It is also argued that trying to hold the line on federal debt is the wrong way to control spending. A better approach, we are advised, is to rely on the new Budget Control Act.

This does not seem particularly realistic after seeing the results of Budget Control Act efforts to date. Perhaps there will be a substantial improvement in future years, but the first cycle of congressional budgeting has projected the worst peacetime deficit in the nation's history. And, regrettably, precedents have already been established which will permit the House to merely suspend the whole budget control process when it becomes expedient to do so.

While the debt ceiling is admittedly a crude device for controlling federal spending, it is nonetheless a device of great power. Unlike limits set under the Budget Control Act, debt ceiling limits cannot be suspended at the whim of a simple majority of the House.

Finally, we are told there is a moral obligation to pass the debt increase bill because it is like paying the bill for spending which we have previously approved.

Not so!

In the main, H.R. 7545 increases the debt limit to cover contemplated spending for fiscal year 1976. Thus far not a single FY 1976 appropriation has been enacted.

For these reasons, we believe the more responsible vote is to defeat H.R. 7545.

WILLIAM L. ARMSTRONG.
MARJORIE HOLT.
JOHN H. ROUSSELOT.
TOM HAGEDORN.
JACK KEMP.
STEVEN D. SYMMS.

Mr. KEMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as long as the Congress continues to approve these so-called temporary national debt ceilings, we will never send forth the message that it is time to stop the growth of Government, its level of spending, its taxing of the people's livelihood, and its strangulation of the private, free enterprise, productive sector of our economy. And, until this message is sent forth, we will never have a full revitalization of the economy and a complete recovery in real—not inflated—terms.

The national debt ceiling reflects how much we and our children and grandchildren are indebted to the holders of Government notes in the future. Our national debt, just like every other debt, must be paid off, *for it is owed* to those holding Government securities. And, we must pay interest on it like everyone else.

It took this country over 150 years after 1789 to reach the $200 billion public debt mark, then less than 20 years to double it to $400 billion, and then only 10 more years to add another $100 billion up to half a trillion. Between 1973 and 1976 alone, it will grow nearly $149 billion. And, the interest payments on the debt in 1976 will total nearly $25 billion. The amount of national debt now borne by every man, woman, and child in this country is over $6,000, and the amount of taxes paid by every man, woman, and child just to support the interest payments on the debt in fiscal year 1976 will be about $250—just to pay interest on the debt.

The line must be drawn. The message must be sent. Here is the place at which to do it, in my opinion. To do anything to the contrary—to authorize this additional increase in the debt ceiling—is to invite more growth in government, more spending, more taxes, more inflation, higher interest rates, fewer jobs in the productive sector of the economy, and more crowding out of investment capital.

Inflation and the crowding out of capital markets are the two immediate consequences of enacting the bill before us, and we should insist upon the cessation of both.

Inflation can occur only when money increases in supply relative to goods and services. Given the institutional structure of national economic policy, only government can cause this to happen.

If a government's expenditures are in excess of its revenues from taxation, it has a deficit in its budget. The deficit must then be financed by borrowing. The Government has two sources from which it can borrow: it can borrow from the private sector of the economy and it can borrow from the Federal Reserve System.

When the Government finances its deficits by borrowing from the Federal Reserve, the U.S. Treasury prints bonds which it sells to the Federal Reserve. The Federal Reserve pays for the bonds by creating new money. This transaction increases the supply of money relative to the supply of goods. Total expenditures increase relative to the supply of goods, thus forcing the average of all prices to rise. This allows the Government and its beneficiaries to increase their share of goods and services relative to the private sector's share. In effect, with newly created money in their hands—money that has not been previously in circulation—the Government and its beneficiaries can bid goods and services away from the private sector. As prices rise, the private sector release some of the goods and services it would have had to the Government and to the Government's beneficiaries. This is what it means to say that our money buys less.

When the Government finances its deficits by borrowing from the private sector, the U.S. Treasury prints bonds which are sold to commercial banks, private individuals, and business firms. In this case no new money is created. Private investments decrease by the amount the Government's expenditures increase, leaving total expenditures unchanged but shifting decisionmaking and resources from the private to the public sector. In order to buy the Government's bonds, the private sector must reduce either its current consumption or its current investment. Private individuals might decide to consume less and buy more Government bonds, or to buy Government bonds instead of corporate bonds, stocks, and saving certificates in banks. Banks which buy the bonds are left with less to lend to private industry. Since the Government's expenditures consist mainly of transfer payments which go for current consumption, to the extent that the bond sales which finance these expenditures are at the expense of private investment, the net effect through time of Government borrowing from the private sector is to increase the demand for currently produced goods relative to the demand for future produced goods. The composition of total expenditures is altered toward more current consumption demands and less current investment demand. Although no new money is created, the effect through time is to decrease the supply of goods relative to the demand for goods, thus causing the average of all prices to rise.

We must also not forget that the extent to which private capital is transferred out of investment and into consumption is understated by the size of the Government's deficit, because the borrowings of the off-budget agencies are not even included. Furthermore, in addition to the private capital formation which is preempted by Government borrowing, an enormous amount of private capital has been destroyed by the Government's inflationary policy. Profits have been overstated and thus overtaxed, and the decline in the market value of the stocks listed on the New York Stock Exchange is directly related to the uncertainty caused by inflation. The decline in the stock market has prevented firms from raising capital through new stock issues. Thus, the negative impact of the Government's deficit on private capital formation is greater than the size of the deficit might suggest.

In summary, whether the Government borrows from the Federal Reserve or from the private sector, the Government's deficit is inflationary because it alters the ratio between the supply of money and the supply of goods. If—as in the past 12 months—the inflation rate is 11 percent, it costs you $122-plus to buy today what you could buy for $100 12 months ago.

The cost of living is, therefore, related directly to the inflation created by Government's policies—deficit spending and borrowing. Its time to cut the cost of living by cutting the cost of Government.

We should vote this bill down.

And, we should begin anew the process of relying on the private and productive forces in our society—business and labor harnessing private capital and resources—to bring about a restoration of the economy and confidence in our future. The Jobs Creation Act, H.R. 7240 and H.R. 7241, introduced with nearly 50 cosponsors on May 21 and joined by nearly a dozen more since then, would make great strides toward accomplishing this objective. Designed to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy, it would make great strides toward these goals. A detailed discussion of those bills, including the text, can be found at pages 15735–15740 of the daily Record of May 21. It is certainly the direction in which we should be moving.

Mr. YOUNG of Florida. Mr. Chairman, once again I rise in opposition to increasing our national debt and further mortgaging the future of the United States. We are being asked to increase the debt ceiling to a colossal $616.1 billion; $400 billion of this sum is permanently authorized public debt, and the balance is so-called temporary debt. At the rate we have been going for the past few years, our temporary debt will soon equal our permanent debt and we will be carrying a debt load of almost a trillion dollars.

The economy cannot stand this burden.

The American taxpayer cannot stand this burden.

We must reject the debt increase. And we must also realize that the most effective way to hold down our debt is to be more realistic about the many, many spending bills which come before the House. Only by voting for those programs which are really needed, and only by making sure that our spending is tailored to the revenues of the Federal Government can we bring our colossal debt under control.

Mr. Chairman, at this critical point in our debate, I would like to bring to my colleagues' attention a fine editorial column by Mr. W. A. Leavell of St. Petersburg which very effectively summarizes many of the reasons we should not go further into debt.

The column follows:

Too Much Debt . . . It Is Killing Us!

A long time ago, back before World War II, Debt was a dirty word. Most people avoided going into debt if they could. If they had to go into debt they didn't like it and just as soon as they could they got out of it. People saved to buy things and waited until they had the cash.

Today, debt is just another economic word and holds no fear for people. In fact, we no longer use the word very much. Those in the money lending and financing business came up with another word to take the place of debt. The new name is credit. Credit doesn't sound bad at all and everyone has an easier time dealing with credit than debt.

In recent years we have been spending like crazy and adding layer upon layer of ever growing credit. Credit has become a way of life and something to be accepted. Little concern has been given to ever being able to pay it all off. A 60 year old person buys a home with a 30 year mortgage knowing they will never live to pay it off. The payments are not designed to repay the loan, it is just credit, or rent.

All this massive credit is now coming home to roost. Debt is killing us. The worst recession since the Great Depression is hurting us all. The worst inflation in a century is hurting us all. But the worst hurt of all is too much debt. Individuals, businesses, and governments, are dangerously overextended. Our credit society is in danger of being unable to make its monthly payment.

The publication Business Week, which is not known for overstatement, recently offered a comment on our debt situation: ". . . never before has the debt economy seemed more vulnerable, with a depressing number of borrowers and lenders in precarious shape."

The figures on our debt situation are so large they defy comprehension:

*Total public and private debt in the U.S.A. is $2,800,000,000,000. If that figure is too much for you it is $2.8 trillion. That comes out to about $13,000 for each American. That is twice the annual per capita income. That is twice the national gross product. For every $1 in our money supply, there is $8 in debt.

*The total debt breaks down into $1.3 trillion in corporate debt, $650 billion in public debt and $900 billion in individual debt. The corporation debt is 15 times after-tax profits. For individuals it is 93 per cent of disposable income. One dollar out of every four that individuals have in total income after taxes must go for debt repayment.

*The federal budget deficit for fiscal 1975 is estimated at $45 billion. Next year's deficit is expected to be close to $100 billion. That would be larger than the previous 15 budget deficits combined.

This abuse of debt, or credit if you like, all started just after World War II. Deprived of material possessions for years by first the Depression and then the war, consumers went on an unprecedented buying spree that lasted until just recently.

As the economy boomed from this buying spree the available cash resources soon vanished. Consumers borrowed to finance their purchases. Businesses went into debt to meet the demands on them to produce more goods. The crowning touch was the Federal Reserve which increased the money supply through regulation of bank lending and the purchase of government securities.

All this debt was based on perpetual prosperity. As long as the economy is strong and growing, the amount of debt is irrelevant, just a matter of bookkeeping. Consumers get wage increases, business make more profits, bonds and stocks go up and money flows like water.

The increasing interest and repayment burdens which all this debt placed on us made everything vulnerable to economic slump. When the recession came and turned into a depression the credit crunch started to hurt.

We now have a first class mess. We owe more than we can pay. If we don't pay, the businesses will not be able to pay the banks and then the banks will not be able to buy government securities. It is the domino effect.

We hate to mention a dirty word but whatever happened to thrift? What is wrong with pay as you go? A little do without until we can pay could go a long way in solving the credit problem.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7545) to increase the temporary debt limitation, pursuant to House Resolution 535, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

MOTION TO RECOMMIT OFFERED BY MR. CLANCY

Mr. CLANCY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CLANCY. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. CLANCY moves to recommit the bill (H.R. 7545) to the Committee on Ways and Means.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. HAYS of Ohio. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 175, nays 225, not voting 33, as follows:

[Roll No. 306]

YEAS—175

Adams
Addabbo
Anderson, Ill.
Annunzio
Ashley
AuCoin
Badillo
Barrett
Bergland
Biester
Bingham
Boggs
Boland
Bolling
Brademas
Breaux
Breckinridge
Brooks
Brown, Calif.
Brown, Ohio
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Carter
Cederberg
Chisholm
Clay
Collins, Ill.
Conable
Conte
Corman
Cotter
Coughlin
Daniels, N.J.
Danielson
Delaney
Derwinski
Diggs
Dingell
Downing
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Findley
Fish
Fisher
Flood
Foley
Ford, Mich.
Fraser
Gilman
Gonzalez
Green
Hall
Hamilton
Hanley
Hawkins
Hébert
Heckler, Mass.
Heinz
Helstoski
Hicks
Horton
Howard
Hungate
Jarman
Jeffords
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kazen
Koch
Krueger
Landrum
Leggett
Lehman
Long, La.
Long, Md.
McClory
McDade
McEwen
McFall
McHugh
Macdonald
Madden
Madigan
Mahon
Matsunaga
Meeds
Melcher
Metcalfe
Michel
Mikva
Milford
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, N.Y.
Myers, Pa.
Nedzi
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Pepper
Perkins
Pickle
Pike
Preyer
Pritchard
Quillen
Railsback
Reuss
Rhodes
Riegle
Roberts
Rooney
Rostenkowski
Roybal
Ruppe
Sarbanes
Schneebeli
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stephens
Stratton
Thompson
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Waggonner
Whalen
Whitehurst
Wiggins
Wilson, C. H.
Wilson, Tex.
Wright
Wydler
Yates
Young, Ga.
Young, Tex,
Zablocki

NAYS—225

Abdnor
Abzug
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Aspin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bevill
Biaggi
Blanchard
Blouin
Bonker
Bowen
Brinkley
Brodhead
Broomfield
Brown, Mich.
Broyhill
Buchanan
Burgener
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Casey
Chappell
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conlan
Cornell
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dellums
Dent
Derrick
Devine
Dickinson
Dodd
Downey
Drinan
Edgar
Emery
English
Eshleman
Evans, Ind.
Fascell
Fenwick
Fithian
Florio
Flowers
Ford, Tenn.
Fountain
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Hefner
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jenrette
Johnson, Colo.
Jones, N.C.
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
LaFalce
Lagomarsino
Latta
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Lott
Lujan
McCloskey
McCollister
McDonald
McKinney
Maguire
Martin
Mathis
Mazzoli
Meyner
Mezvinsky
Miller, Calif.
Mineta
Moffett
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Neal
Nichols
Nix
Nolan
Ottinger
Patterson, Calif.
Pattison, N.Y.
Pettis
Poage
Pressler
Quie
Randall
Regula
Richmond
Rinaldo
Risenhoover
Robinson
Roe
Roncalio
Rose
Rosenthal
Roush
Rousselot
Runnels
Russo
St Germain
Santini
Sarasin
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Steelman
Steiger, Ariz.
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Treen
Tsongas
Vigorito
Walsh
Wampler
Waxman
Weaver
White
Whitten
Wilson, Bob
Winn
Wirth
Wolff
Yatron
Young, Alaska
Young, Fla.
Zeferetti

NOT VOTING—33

Ashbrook
Bell
Burke, Calif.
Burke, Fla.
Clausen, Don H.
Conyers
Flynt
Forsythe
Gude
Hastings
Henderson
Jones, Ala.
Jones, Okla.
Jones, Tenn.
McCormack
McKay
Mann
Miller, Ohio
Mollohan
Patman, Tex.
Peyser
Price
Rangel
Rees
Rodino
Rogers
Ryan
Stokes
Talcott
Teague
Traxler
Udall
Wylie

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Price for, with Mr. Flynt against.

Mr. Stokes for, with Mr. Rogers against.
Mr. Mollohan for, with Mr. Conyers against.
Mrs. Burke of California for, with Mr. Traxler against.
Mr. Patman for, with Mr. Jones of Oklahoma against.
Mr. Teague for, with Mr. Jones of Tennessee against.
Mr. Jones of Alabama for, with Mr. Henderson against.
Mr. Rodino for, with Mr. Mann against.
Mr. Gude for, with Mr. Don H. Clausen against.
Mr. Bell for, with Mr. Wylie against.

Until further notice:

Mr. McCormack with Mr. Udall.
Mr. McKay with Mr. Miller of Ohio.
Mr. Ryan with Mr. Ashbrook.
Mr. Rangel with Mr. Forsythe.
Mr. Rees with Mr. Burke of Florida.
Mr. Talcott with Mr. Hastings.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks and include extraneous matter and that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 7545) just considered.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

FEDERAL RULES OF CRIMINAL PROCEDURE AMENDMENTS ACT

Mr. HUNGATE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6799), with Mr. Van Deerlin in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday, June 6, 1975, all time for general debate on the bill had expired.

Under the rule, no amendment shall be in order to the bill except amendments offered by direction of the Committee on the Judiciary or germane amendments printed in the Congressional Record at least 2 calendar days prior to the start of consideration of the bill for amendment, but said amendments shall not be subject to amendment except those amendments offered by direction of the Committee on the Judiciary; and it shall be in order to debate pending amendments or sections of the bill under the 5-minute rule by offering pro forma amendments.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Rules of Criminal Procedure Amendments Act".

Sec. 2. The amendments proposed by the United States Supreme Court to the Federal Rules of Criminal Procedure which are embraced by the order of that Court on April 22, 1974, are approved except as otherwise provided in this Act, and shall take effect on August 1, 1975. The amendments made by section 3 of this Act shall also take effect on August 1, 1975.

Sec. 3. The Federal Rules of Criminal Procedure, as amended by the amendments that were proposed by the United States Supreme Court to the Federal Rules of Criminal Procedure which are embraced by the order of that court on April 22, 1974, are further amended as follows:

(1) Rule 4(b) is amended to read as follows:

"(b) Issuance of an Arrest Warrant.—

"(1) An arrest warrant shall issue whenever a defendant fails to appear in response to a summons.

"(2) Upon good cause presented, the magistrate shall issue an arrest warrant in lieu of a summons.

"(3) A summons having issued, the magistrate, upon good cause presented, shall issue an arrest warrant. A magistrate either in the district in which the summons was issued or in the district in which the defendant is found may issue a warrant under this paragraph.".

(2) Rule 4(c) is amended to read as follows:

"(c) Probable Cause.—The finding of probable cause may be based upon hearsay evidence in whole or in part. More than one warrant or summons may issue on the same complaint or for the same defendant.".

(3) Rule 4(e)(3) is amended to read as follows:

"(3) Manner.—The warrant shall be executed by the arrest of the defendant. The officer need not have the warrant in his possession at the time of the arrest, but upon request he shall show the warrant to the defendant as soon as possible. If the officer does not have the warrant in his possession at the time of the arrest, he shall then inform the defendant of the offense charged and of the fact that a warrant has been issued. The summons shall be served upon a defendant by delivering a copy to him personally, or by leaving it at his dwelling house or usual place of abode with some person of suitable age and discretion then residing therein and by mailing a copy of the summons to the defendant's last known address.".

(4) Rule 4(f) is amended to read as follows:

"(f) Suppression of Evidence.—A determination that an arrest warrant shall issue after a summons or in lieu of a summons shall not be grounds for the suppression of evidence seized incident to the arrest or to a search incident thereto.".

(5) Rule 9(a) is amended to read as follows:

"(a) Issuance.—Upon the request of the attorney for the government the clerk shall issue a summons for each defendant named:

"(1) in the information, if it is supported by oath; or

"(2) in the indictment.

The court, upon good cause presented by the attorney for the government, shall order that a warrant shall issue in lieu of a summons. The clerk shall deliver the warrant or summons to the marshal or other person authorized by law to execute or serve it. More than one warrant or summons may be issued on the same information and indictment or for the same defendant. If a defendant fails to appear in response to the summons, a warrant shall issue. A determination that a warrant shall issue after a summons or in lieu of a summons shall not be grounds for the suppression of evidence seized incident to the arrest or to a search incident thereto.".

(6) Rule 11(c) is amended to read as follows:

"(c) Advice to Defendant.—Before accepting a plea of guilty or nolo contendere, the court must address the defendant personally in open court and inform him of, and determine that he understands, the following:

"(1) the nature of the charge to which the plea is offered, the mandatory minimum penalty provided by law, if any, and the maximum possible penalty provided by law; and

"(2) if the defendant is not represented by an attorney, that he has the right to be represented by an attorney at every stage of the proceeding against him and, if necessary, one will be appointed to represent him; and

"(3) that he has the right to plead not guilty or to persist in that plea if it has already been made, and that he has the right to be tried by a jury and at that trial has the right to the assistance of counsel, the right to confront and cross-examine witnesses against him, and the right not to be compelled to incriminate himself; and

"(4) that if he pleads guilty or nolo contendere there will not be a further trial of any kind, so that by pleading guilty or nolo contendere he waives the right to a trial; and

"(5) that if he pleads guilty or nolo contendere, the court may ask him questions about the offense to which he has pleaded, and if he answers these questions under oath, on the record, and in the presence of counsel, his answers may later be used against him in a prosecution for perjury or false statement.".

(7) Rule 11(e)(2) is amended to read as follows:

"(2) Notice of Such Agreement.—If a plea agreement has been reached by the parties, the court shall, on the record, require the disclosure of the agreement in open court or, on a showing of good cause, in camera, at the time the plea is offered. Thereupon the court may accept or reject the agreement, or may defer its decision as to acceptance or rejection until there has been an opportunity to consider the presentence report.".

(8) Rule 11(e)(3) is amended to read as follows:

"(3) Acceptance of a Plea Agreement.—If the court accepts the plea agreement, the court shall inform the defendant that it will embody in the judgment and sentence the disposition provided for in the plea agreement or another disposition more favorable to the defendant than that provided for in the plea agreement.".

(9) Rule 11(e)(4) is amended to read as follows:

"(4) Rejection of a Plea Agreement.—If the court rejects the plea agreement, the court shall inform the parties of this fact, advise the defendant personally in open court that the court is not bound by the plea agreement, afford the defendant the opportunity to then withdraw his plea, and advise the defendent that if he persists in his guilty plea or plea of nolo contendere the disposition of the case may be less favorable to the defendant than that contemplated by the plea agreement.".

(10) Rule 11(e)(6) is amended to read as follows:

"(6) Inadmissibility of Pleas, Offers of Pleas, and Related Statements.—Except as otherwise provided in this paragraph, evidence of a plea of guilty, later withdrawn, or a plea of nolo contendere, or of an offer to plead guilty to the crime charged or any other crime, or of statements made in connection with, and relevant to, any of the foregoing pleas or offers, is not admissible in any civil or criminal proceeding against the person who made the plea or offer. However, evidence of such a plea, offer, or relevant statement is admissible in a criminal proceedings for perjury or false statement if made on the record by the defendant, under oath and in the presence of counsel.".

(11) Rule 12(e) is amended to read as follows:

"(e) Ruling on Motion.—A motion made before trial shall be determined before trial unless the court, for good cause, orders that it be deferred for determination at the trial of the general issue or until after verdict, but no such determination shall be deferred if a party's right to appeal is adversely affected. Where factual issues are involved in determining a motion, the court shall state its essential findings on the record.".

(12) Rule 12(h) is amended to read as follows:

"(h) Effect of Determination.—If the court grants a motion based on a defect in the institution of the prosecution or in the indictment or information, it may also order that the defendant be continued in custody or that his bail be continued for a specified time pending the filing of a new indictment or information. Nothing in this rule shall be deemed to affect the provisions of any Act of Congress relating to periods of limitations.".

(13) Rule 12.1 is amended to read as follows:

"Rule 12.1. Notice of Alibi

"(a) Notice by Defendant.—Upon written demand of the attorney for the government stating the time, date, and place at which the alleged offense was committed, the defendant shall serve within ten days, or at such different time as the court may direct, upon the attorney for the government a written notice of his intention to offer a defense of alibi. Such notice by the defendant shall state the specific place or places at which the defendant claims to have been at the time of the alleged offense and the names and addresses of the witnesses upon whom he intends to rely to establish such alibi.

"(b) Disclosure of Information and Witness.—Within ten days thereafter, but in no event less than ten days before trial, unless the court otherwise directs, the attorney for the government shall serve upon the defendant or his attorney a written notice stating the names and addresses of the witnesses upon whom the government intends to rely to establish the defendant's presence at the scene of the alleged offense and any other witnesses to be relied on to rebut testimony of any of the defendant's alibi witnesses.

"(c) Continuing Duty To Disclose.—If prior to or during *trial,* a party learns of an additional witness whose identity, if known, should have been included in the information furnished under subdivision (a) or (b), the party shall promptly notify the other party or his attorney of the existence and identity of such additional witness.

"(d) Failure To Comply.—Upon the failure of either party to comply with the requirments of this rule, the court may exclude the testimony of any undisclosed witness offered by such party as to the defendant's absence from or presence at, the scene of the alleged offense. This rule shall not limit the right of the defendant to testify in his own behalf.

"(e) Exceptions.—For good cause shown, the court may grant an exception to any of the requirements of this rule.".

(14) Rule 12.2(c) is amended to read as follows:

"(c) Psychiatric Examination.—In an appropriate case the court may, upon motion of the attorney for the government, order the defendant to submit to a psychiatric examination by a psychiatrist designated for this purpose in the order of the court. No statement made by the accused in the course of any examination provided for by this rule, whether the examination shall be with or without the consent of the accused, shall be admitted in evidence against the accused on the issue of guilt in any criminal proceeding.

(15) Rule 15(a) is amended to read as follows:

"(a) When Taken.—Whenever due to exceptional circumstances of the case it is in the interest of justice that the testimony of a prospective witness of a party be taken and preserved for use at trial, the court may upon motion of such party and notice to the parties order that testimony of such witness be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged, be produced at the same time and place. If a witness is committed for failure to give bail to appear to testify at a trial or hearing, the court on written motion of the witness and upon notice to the parties may direct that his deposition be taken. After the deposition has been subscribed the court may discharge the witness.".

(16) Rule 15(b) is amended to read as follows:

"(b) Notice of Taking.—The party at whose instance a deposition is to be taken shall give to every party reasonable written notice of the time and place for taking the deposition. The notice shall state the name and address of each person to be examined. On motion of a party upon whom the notice is served, the court for cause shown may extend or shorten the time or change the place for taking the deposition. The officer having custody of a defendant shall be notified of the time and place set for the examination and shall, unless the defendant waives in writing the right to be present, produce him at the examination and keep him in the presence of the witness during the examination, unless, after being warned by the court that disruptive conduct will cause him to be removed from the place of the taking of the deposition, persists in conduct which is such as to justify his being excluded from that place.".

(17) Rule 15(c) is amended to read as follows:

"(c) Payment of Expenses.—Whenever a deposition is taken at the instance of the government, or whenever a deposition is taken at the instance of a defendant who is unable to bear the expenses of the taking of the deposition, the court may direct that the expense of travel and subsistence of the defendant and his attorney for attendance at the examination and the cost of the transcript of the deposition shall be paid by the government.".

(18) Rule 15(g) is amended to read as follows:

"(g) Unavailability.—'Unavailability' as a witness includes situations in which the deponent: (1) persists in refusing to testify concerning the subject matter of his deposition despite an order of the judge to do so; or (2) testifies to a lack of memory of the subject matter of his deposition; or (3) is unable to be present or to testify at the hearing because of death or then existing physical or mental illness or infirmity; or (4) is absent from the hearing and the proponent of his deposition has been unable to procure his attendance by process or other reasonable means. A deponent is not unavailable as a witness if his exemption, refusal, claim of lack of memory, inability, or absence is due to the procurement or wrongdoing of the proponent of his deposition for the purpose of preventing the witness from attending or testifying.".

(19) Rule 16(a)(1)(B) is amended to read as follows:

"(B) Defendant's Prior Record.—Upon request of the defendant, the government shall furnish to the defendant such copy of his prior criminal record, if any, as is within the possession, custody, or control of the government, the existence of which is known, or by the exercise of due diligence may become known, to the attorney for the government.".

(20) Rule 16(a)(1)(D) is amended to read as follows:

"(D) Reports of Examinations and Tests.—Upon request of a defendant the government shall permit the defendant to inspect and copy or photograph any results or reports of physical or mental examinations, and of scientific tests or experiments, or copies thereof, which are within the possession, custody, or control of the government, the existence of which is known, or by the exercise of due diligence may become known, to the attorney for the government, and which are material to the preparation of the defense or are intended for use by the government as evidence in chief at the trial.".

(21) Rule 16(a)(1)(E) is amended to read as follows:

"(E) Upon a request by the defendant, and subject to subdivision (d)(1), the attorney for the government shall furnish to the defendant, three days in advance of trial, a written list of the names and addresses of all the government witnesses whom the attorney for the government intends to call in the presentation of the case-in-chief, together with any record of prior criminal convictions of any such witness which is within the possession, custody, or control of the government, the existence of which is known, or by the exercise of due diligence may become known, to the attorney for the government. When a request for discovery of the names and addresses of witnesses has been made by a defendant, the government shall be allowed to perpetuate the testimony of such witnesses in accordance with the provisions of rule 15."

(22) Rule 16(a)(2) is amended to read as follows:

"(2) Information Not Subject to Disclosure.—Except as provided in paragraphs (A), (B), and (D) of subdivision (a)(1), this rule does not authorize the discovery or inspection of the mental impressions, conclusions, opinions, or legal theories of the attorney for the government or other government agents in connection with the investigation or prosecution of the case, or of statements made by government witnesses or prospective government witnesses except as provided in section 3500 of title 18, United States Code.

(23) Rule 16(b)(1)(A) is amended to read as follows:

"(A) Documents and Tangible Objects.—If the defendant requests disclosure under subdivision (a)(1) *(C)* or *(D)* of this rule, upon compliance with such request by the government, the defendant, on request of the government, shall permit the government to inspect and copy or photograph books, papers, documents, photographs, tangible objects, or copies or portions thereof, which are within the possession, custody, or control of the defendant and which the defendant intends to introduce as evidence in chief at the trial.".

(24) Rule 16(b)(1)(B) is amended to read as follows:

"(B) Reports of Examinations and Tests.—If the defendant requests disclosure under subdivision (a)(1) (C) or (D) of this rule, upon compliance with such request by the government, the defendant, on request of the government, shall permit the government to inspect and copy or photograph any results or reports of physical or mental examinations and of scientific tests or experiments made in connection with the particular case, or copies thereof, within the possession or control of the defendant, which the defendant intends to introduce as evidence in chief at the trial or which were prepared by a witness whom the defendant intends to call at the trial when the results or reports relate to his testimony."

(25) Rule 16(b) (1) (C) is amended to read as follows:

"(C) Defense Witnesses.—If the defendant requests disclosure under subdivision (a) (1) (E), upon compliance with such request by the government, the defendant, on request of the government, and subject to subdivision (d) (1), shall furnish to the attorney for the government, three days in advance of trial, a written list of the names and addresses of all of the witnesses the defendant intends to call in the presentation of the case-in-chief. When a request for discovery of the names and addresses of witnesses has been made by the government, the defendant shall be allowed to perpetuate the testimony of such witnesses in accordance with the provisions of rule 15.".

(26) Rule 16(b) (2) is amended to read as follows:

"(2) Information Not Subject to Disclosure.—Except as to scientific or medical reports, this subdivision does not authorize the discovery or inspection of the mental impressions, conclusions, opinions, or legal theories made by the defendant or his attorneys or agents in connection with the investigation or defense of the cpse, or of statements made by the defendant, or by government witnesses, or by prospective government or defense witnesses, to the defendant, his agents or attorneys.".

(27) Rule 16(c) is amended to read as follows:

"(c) Continuing Duty To Disclose.—If, prior to or during trial, a party discovers additional evidence or material previously requested or ordered, or the identity of an additional witness or witnesses, which is subject to discovery or inspection under this rule, he shall promptly notify the other party or his attorney or the court of the existence of the additional material or witness.".

(28) Rule 16(d) (1) is amended to read as follows:

"(1) Protective and Modifying Orders.—Upon a sufficient showing the court may at any time order that the discovery or inspection be denied, restricted, or deferred, or make such other order as is appropriate, including an order extending the three-day time limit of subdivision (a) (1) (E) or (b) (1) (C). Upon request by a party, the court may permit the party to make such showing, in whole or in part, in the form of a written statement to be inspected by the judge alone. If the court enters an order granting relief following such an ex parte showing, the entire text of the party's statement shall be sealed and preserved in the records of the court to be made available to the appellate court in the event of an appeal.".

(29) Rule 17(f) (2) is amended to read as follows:

"(2) Place.—The witness whose deposition is to be taken may be required by subpoena to attend at any place designated by the trial court, taking into account the convenience of the witnesses and the parties.".

(30) Rule 20(d) is amended to read as follows:

"(d) Juveniles.—A juvenile (as defined in 18 U.S.C. § 5031) who is arrested, held, or present in a district other than that in which he is alleged to have committed an act in violation of a law of the United States not punishable by death or life imprisonment may, after he has been advised by counsel and with the approval of the court and the United States attorney for each district, consent to be proceeded against as a juvenile delinquent in the district in which he is arrested, held, or present. The consent shall be given in writing before the court but only after the court has apprised the juvenile of his rights, including the right to be returned to the district in which he is alleged to have committed the act, and of the consequences of such consent.".

(31) Rule 32(a) (1) is amended to read as follows:

"(1) Imposition of Sentence.—Sentence shall be imposed without unreasonable delay. Before imposing sentence the court shall afford counsel an opportunity to speak on behalf of the defendant and shall address the defendant personally and ask him if he wishes to make a statement in his own behalf and to present any information in mitigation of punishment. The attorney for the Government shall have an equivalent opportunity to speak to the court.".

(32) Rule 32(c) (1) is amended to read as follows:

"(1) When Made.—The probation service of the court shall make a presentence investigation and report to the court before the imposition of sentence or the granting of probation unless, with the permission of the court, the defendant waives a presentence investigation and report, or the court finds that there is in the record information sufficient to enable the meaningful exercise of sentencing discretion, and the court explains this finding on the record.

"The report shall not be submitted to the court or its contents disclosed to anyone unless the defendant has pleaded guilty or nolo contendere or has been found guilty, except that a judge may, with the written consent of the defendant, inspect a presentence report at any time.".

(33) Rule 32(c) (3) (A) is amended to read as follows:

"(A) Before imposing sentence the court shall upon request permit the defendant, or his counsel if he is so represented, to read the report of the presentence investigation exclusive of any recommendation as to sentence, unless in the opinion of the court the report contains diagnostic opinion which might seriously disrupt a program of rehabilitation, sources of information obtained upon a promise of confidentiality, or any other information which, if disclosed, might result in harm, physical or otherwise, to the defendant or other persons; and the court shall afford the defendant or his counsel an opportunity to comment thereon and, at the discretion of the court, to introduce testimony or other information relating to any alleged factual inaccuracy contained in the presentence report.".

(34) Rule 32(c) (3) (D) is amended to read as follows:

"(D) Any copies of the presentence investigation report made available to the defendant or his counsel and the attorney for the government shall be returned to the probation officer immediately following the imposition of sentence or the granting of probation, unless the court, in its discretion otherwise directs.".

(35) Rule 3(b) (2) is amended to read as follows:

"(2) after being warned by the court that disruptive conduct will cause him to be removed from the courtroom, persists in conduct which is such as to justify his being excluded from the courtroom.".

Mr. HUNGATE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 3, strike out line 11 and insert in lieu thereof the following:

"(4) Rule 4 is amended by adding at the end the following:".

On page 6, line 9, immediately after "shall" insert ", on the record,".

On page 6, line 11, immediately after "court" the first time it appears insert "or, on a showing of good cause, in camera,".

On page 8, line 20, strike out "trail" and insert in lieu thereof "trial".

On page 9, line 3, strike out "shall" and insert in lieu thereof "may".

On page 9, line 3, immediately before "witness" insert "undisclosed".

On page 9, beginning on line 8, strike out "this" and all that follows down through the end of line 9, and insert in lieu thereof the following: "subdivisions (a) through (d) of this rule."

On page 9, immediately after line 9, insert the following:

"(f) Inadmissibility of Withdrawn Alibi.—Evidence of an intention to rely upon an alibi defense, later withdrawn, or of statements made in connection with such intention, is not admissible in any civil or criminal proceeding against the person who gave notice of the intention.".

On page 9, line 19, strike out "on the issue of guilt in any criminal proceeding" and insert in lieu thereof "before the judge who or jury which determines the guilt of the accused, prior to the determination of guilt".

On page 10, line 24, insert "he" immediately after "deposition,".

On page 10, line 25, immediately after "place." insert the following:

"A defendant not in custody shall have the right to be present at the examination upon request subject to such terms as may be fixed by the court, but his failure, absent good cause shown, to appear after notice and tender of expenses in accordance with subdivision (c) of this rule shall constitute a waiver of that right and of any objection to the taking and use of the deposition based upon that right."

On page 11, line 21, strike out "exemption,".

On page 12, line 8, insert a comma immediately after "known".

On page 12, line 24, insert "Government Witnesses.—" immediately after "(E)".

On page 15, beginning in line 23 and ending in line 24, strike out "made by" and insert in lieu thereof the following: "of".

On page 18, line 15, strike out "contendre" and insert in lieu thereof "contendere".

On page 19, line 18, strike out "Rule 3" and insert in lieu thereof "Rule 43".

Mr. HUNGATE. Mr. Chairman, I ask unanimous consent that all committee amendments be considered en bloc, except the amendment for page 6, which begins on line 8 of the reported bill and line 4 of the introduced bill.

Mr. Chairman, I further ask unanimous consent that all committee amendments be considered as read and printed in the Record, except the amendment for page 6, which begins on line 8 of the reported bill and line 4 of the introduced bill. That particular amendment is controversial.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. HUNGATE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Van Deerlin, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules, had come to no resolution thereon.

FURTHER LEGISLATIVE PROGRAM

(Mr. MATSUNAGA asked and was given permission to address the House for 1 minute.)

Mr. MATSUNAGA. Mr. Speaker, I have asked for this time to make an announcement.

Mr. Speaker, I take this time to announce that we are adding to the list of suspensions tomorrow House Concurrent Resolution 136, the World Food Conference.

GENERAL LEAVE

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H.R. 1607, which was passed under suspension this afternoon.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute.)

Mr. SEIBERLING. Mr. Speaker, I have asked to be recognized to explain that I was absent on the vote taken today on the Veterans' Disability Compensation Survivor Benefit Act (H.R. 7767). I was conferring with some other Members and missed the vote.

Had I voted, I would have voted for passage of the act.

PERSONAL EXPLANATION

(Mr. KEMP asked and was given permission to address the House for 1 minute).

Mr. KEMP. Mr. Speaker, on the Armstrong amendment I was temporarily delayed in my office with constituents. Had I been present I would have voted "aye."

GENERAL LEAVE

Mr. DOWNEY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Pennsylvania (Mr. Eilberg).

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from New York?

There was no objection.

PRIVACY RIGHTS AND GOVERMENT SURVEILLANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Mosher) is recognized for 60 minutes.

Mr. MOSHER. Mr. Speaker, in recent years we have become increasingly aware of the dangers that are posed to the rights to privacy of American citizens. In particular, we have become aware of the dangers of warrantless Government surveillance activities.

It is the purpose of this special order to publicly express the concern felt by many Members of Congress over the dual issues of rights-to-privacy and Government surveillance activities.

Joining me today as cosponsor of this special order is the gentleman from Wisconsin (Mr. Kastenmeier). We believe a bipartisan group of Members will join us in this dialog.

When we requested the time for this order we could not know that it would come just a few days after the release of the Rockefeller Commission's report to the President. Certainly that report makes this special order especially timely and topical today.

Mr. Kastenmeier and his Subcommittee on Courts, Civil Liberties and the Administration of Justice have done a commendable job of disclosing and documenting questionable surveillance activities, and other congressional panels also are bringing to light various abuses of the Government's surveillance authority.

Other Members participating in this special order may be discussing those specific abuses or usurpations of rights-to-privacy, and these will be helpful in illustrating the nature of the problem.

But I think it also is important for us to look beyond the actual events to their implications.

Mr. Speaker, I am especially concerned by the "chilling effect" of warrantless Government surveillance. The number of persons who are actually subject to surveillance is relatively small, but a far larger number of people do begin to fear that they are being secretly monitored by the Government.

It is not uncommon for me, or for any Member of Congress, to receive a letter from a constituent that begins or ends, "I know I'll probably end up in some FBI or CIA file for making this complaint * * *" Of course, such fears are essentially needless, but they are real and widespread nonetheless. I suggest we should examine here why law-abiding citizens live in fear of being spied upon by their own Government.

We have no way of measuring how many citizens fear to petition their elected representatives for a "redress of grievances" simply a right assured by the Constitution, fear because they believe their names will be placed in some ominous Government file. We cannot count how many citizens have been kept away from political gatherings for fear that they would be photographed and indexed into someone's file. No one knows how many individuals decline to contribute to political organizations for fear of being identified as "subversives" by their Government.

We have no way of telling how many people are afraid to talk freely on their telephones, because they suspect that a click or a buzz on the line may be a telltale sign of a wiretap installed by Big Brother.

The point of all this is that many individuals are living in fear that their private activities may be monitored by the Government. The chilling effect of this is that many citizens consequently refrain from writing to their representatives, refrain from writing letters to newspaper editors, stay away from political meetings, and otherwise shy away from the lawful exercise of their constitutional rights. It is a shame that any American citizen would live in fear of our own Government—the Goverment which is supposed to protect and preserve our rights.

To remedy this situation, Senator Mathias and I have introduced the Bill of Rights Procedures Act (H.R. 214). I am pleased to note that we are joined by more than 70 cosponsors in the House; and I see that many of them are here to participate in this evening's special order.

Essentially, the Bill of Rights Procedures Act provides that no agent of the Federal Government can conduct any form of surveillance on an American citizen—for any reason—unless a court order is obtained upon a showing of probable cause. Any person who participates in a warrantless wiretap or any other warrantless surveillance activity would be personally liable to criminal penalties.

Mr. Speaker, I think we must recognize that surveillance, or any other infringement of a person's basic right-to-privacy, is an infringement of the citizen's constitutional rights. In my view, only the courts should have the authority to permit abridgments of the individual's constitutional rights.

Presently, we have yielded to the executive branch frightening amounts of discretionary authority in the area of surveillance. I think it is now time that we in the Congress move to restore the proper safeguards for citizens' rights.

The Bill of Rights Procedures Act is not the only rights-to-privacy bill now pending in the Congress. There are many other bills as well. Regardless of which bill or bills finally are accepted, the object remains clear. We must act quickly to assure private citizens that they shall not be subject to capricious surveillance by the Government.

We must remove the Executive's discretionary authority to invade citizen's privacy. We must restore the courts to their proper role as arbitrator between the citizens' rights to privacy and the State's need to protect society.

It is our hope that this special order will help to illustrate the intensity of congressional feeling on rights-to-privacy and the dangers posed by our present state of virtually unlimited authority for Government surveillance activities.

Mr. KASTENMEIER. Mr. Speaker, will the gentleman yield?

Mr. MOSHER. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Speaker, as chairman of the House subcommittee now considering a number of legislative proposals designed to limit the scope of Government surveillance of Americans I am pleased to join with my colleague from Ohio, Congressman Mosher, in sponsoring today's special order.

The scope of surveillance practices and resulting invasions of personal privacy is so vast that it is difficult to define narrowly the subjects requiring close congressional scrutiny and legislative reform.

For example, the eavesdropper may be a Federal investigator or an intelligence agent, a local policeman, or a private investigator, a soldier or a civilian. He may use a wiretap or a bug. He may choose a method totally unrelated to electronic technology, such as examining our credit, bank, medical, or business records. He may open mail or he may cover mail—examine outside of envelopes sent to us. He may engage in eavesdropping pursuant to a court order or he may simply claim that the national security requires it. His surveillance may be legal or illegal.

My Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice has already held a number of days of hearings both this session and in the 93d Congress each dealing with a different aspect of the problem, and we intend to continue our work with the twin goals of providing the Congress with sound legislation and assuring the enforcement of existing laws through vigorous oversight.

These hearings have, without a doubt, established that the fundamental right to privacy in America is today in a state of siege. Consider for a moment these examples from the testimony presented to our subcommittee.

National security wiretapping: Despite the plethora of revelations cascading down upon us almost daily during the last year about the abuses of the so-called national security rational for Goverment surveillance, the Department of Justice continues to conduct approximately 100 warrantless wiretaps each year. These wiretaps are not supervised by any court; they are not reported to the Congress; the subject of the wiretap is never notified that he has been surveilled; he has no protection except the goodwill of the intelligence gathering bureaucracy. These national security wiretaps may go on indefinitely. Indeed, we heard testimony about one tap directed against a domestic organization which lasted for 25 years.

Telephone company monitoring: In addition to indefinite warrentless wiretapping by Government intelligence agencies we have also received extensive evidence of the highly questionable eavesdropping practices of the Nation's largest telephone system—American Telephone and Telegraph Co. Between 1965 and 1970, according to testimony of Bell executives, the company secretly monitored over 30,000,000 telephone calls made by its customers. The subjects of these surveillances were never notified even though the purpose of the monitoring was to gain information which might lead to criminal charges against them. I should note that this practice is justified under a questionable exception to Federal wiretap laws which allows the phone company even greater freedom in conducting wiretapping than law enforcement agencies enjoy.

Police wiretapping: The subcommittee heard testimony from the chief of police of a major U.S. city describing systematic use of illegal wiretapping by police officers. In some cases this wiretapping was conducted with the knowledge of the very Federal law enforcement agents charged with enforcing existing anti-eavesdropping laws. What is particularly shocking is that evidence from these wiretaps was often disguised as having come from unidentified informants and used as the basis for search and arrest warrants which ultimately led to convictions and prison terms for the unwitting subjects of the surveillances. This is completely repulsive to our centuries old concept of due process of law.

Illegal private political wiretapping: The same police chief who revealed extensive police wiretapping also made the shocking observation that any person in his city in a "controversial position which possibly includes everyone in political life" is probably wiretapped "on a fairly regular basis," in many cases by private wiretappers operating wholly outside the law.

Other forms of surveillance: We have also learned that the pervasive use of surveillance does not stop at wiretapping. It includes inspection of personal, supposedly private records as well. For exexample, the way the famous White House plumbers found out that Daniel Ellsberg was using the services of Dr. Henry Fielding, a psychiatrist whose office they burgled, was by examining records of his checking account, supplied by a friendly bank teller.

Not only are our telephones and private records subject to outside scrutiny, but our mail as well. The Chief Post Inspector of the United States told our subcommittee that for 20 years the Central Intelligence Agency opened and read the mail of American citizens, knowing that this practice was a violation of existing Federal law.

Not only has mail been opened and read, but every year the correspondence of thousands of Americans is monitored regularly by the process known as a mail cover—the systematic recording of information contained on the outside of envelopes. By this means any State, local, or Federal body claiming to be an investigative agency can find out how many letters you send or receive and with whom you are corresponding. There are presently no statutory safeguards against abuses of this practice. The Postal Service admits that it regularly conducts mail covers for agencies with such questionable connections with normal police work as a local real estate commission, a welfare department, and a State fish and game commission.

Fortunately, the abuses of Government power and of modern technology which I have just described have not gone unnoticed by Members of the House. At the present time 24 bills directed to the problem, sponsored by over 100 Members, are pending in my subcommittee.

It is my hope that after further analysis by the subcommittee and the full Judiciary Committee, this House as a whole, will have an opportunity to debate and vote on one or more of these proposals.

I am taking the liberty of inserting into the Record a short description of these pending bills.

Mr. Speaker, at this time I would request unanimous consent that the record remain open for 5 business days so that Members not present may submit their views on this important subject.

Surveillance Bills Pending in Subcommittee on Courts, Civil Liberties and the Administration of Justice

H.R. 141 by Mr. Kastenmeier (Surveillance Practices and Procedures Act of 1975). Requires a court order for national security wiretaps. Also mandates regular reports to House and Senate Judiciary and Foreign Affairs Committees on national security wiretapping and electronic surveillance.

H.R. 142 by Mr. Kastenmeier (Freedom from Military Surveillance Act of 1975). Makes investigation, surveillance, and record keeping regarding the beliefs, associations, political activities or private lives of civilian citizens by the military a crime punishable by up to two years imprisonment or $10,000 fine. Also provides for civil cause of action, including class action, for actual and punitive damages in the case of such surveillance.

(Identical bills are: H.R. 266, Boland. H.R. 2753, 2754, 2862 and 3284, 4339 Steelman and 49 others.

H.R. 539 by Holtzman and H.R. 2556 by Abzug are the same bill with slightly different language).

H.R. 171 by Ms. Abzug. Makes wiretapping and electronic surveillance conducted with the consent of one party to the conversation illegal, unless pursuant to a court order. (Same effect as H.R. 620 by Long.)

H.R. 214 by Mr. Mosher (Bill of Rights Procedures Act of 1975). Prohibits interception of any communication by electronic or other devices, surreptitious entry, mail opening, or the inspection or procuring of bank, telephone, credit, medical, or other business or private records without a court order based on probable cause a crime has been or is about to be committed. Because probable cause is required, this bill effectively abolishes national security surveillance for intelligence purposes.

(Identical bills are: H.R. 414, Fish and H.R. 2330, 2603, 2604, 3113, 3467, 3855, 3874, Mosher and 71 cosponsors.)

H.R. 620 by Mr. Long of Maryland. Same effect as H.R. 171 by Ms. Abzug. Makes wiretapping, recording, and electronic surveillance conducted with the consent of one or more parties to a conversation, but without the consent of all parties, illegal unless authorized by a court order.

(H.R. 620 has 13 co-sponsors; H.R. 2453, an identical bill, has 1 cosponsor for a total of 14 co-sponsors.)

H.R. 1603 by Mr. Drinan. Makes all wiretapping and electronic surveillance illegal by deleting those sections of the law currently authorizing such activity when authorized by a court order.

H.R. 1864 by Mr. Kastenmeier (Freedom from Surveillance Act of 1975). Makes investigation, surveillance, and record keeping regarding the beliefs, associations, political activity or private affairs of American citizens punishable by one year imprisonment, $10,000 fine or both, unless such activity is conducted upon reasonable grounds to believe that the subject of the surveillance has committed a felony or is an applicant for federal employment.

Bills With Multiple Cosponsors

H.R. 214 (Bill of Rights Procedures Act, Mr. Mosher, chief sponsor) total—72 Sponsors.

H.R. 414 (H.R. 2330, Mosher and 25 cosponsors): Fish, Abzug, Anderson (Calif.), Badillo, Conte, Conyers, Coughlin, Duncan, Forsythe, Harrington, Helstoski, Holtzman, McCormack, McKinney, Moorhead (Calif.), Pettis, Quie, Regula, Roe, Ruppe, Sarasin, Seiberling, Stark, Talcott, Charles Wilson (Tex.), Won Pat.

H.R. 2603, Mosher and 14 co-sponsors): Anderson (Ill.), Andrews (N.D.), Ashley, Bell, Brown (Calif.), Esch, Frenzel, Heinz, O'Brien, Pritchard, Richmond, Solarz, Symington, Whalen.

(H.R. 2604, Mosher and 7 co-sponsors): Goldwater, Conlon, Heckler, Hinshaw, Horton, Lagomarsino, Thone.

(H.R. 3113, Mosher and 13 co-sponsors): Biester, Boggs, Cohen, Fenwick, Hechler (W. Va.), Jeffords, McCloskey, Melcher, Mitchell (Md.), Patterson (Calif.), Rangel, Schroeder, Studds.

(H.R. 3467, Mosher and 8 co-sponsors): Baldus, Fauntroy, Howe, Jeffords, Matsunaga, Spellman, Steelman, Stokes.

(H.R. 3855): Hammerschmidt.

(H.R. 3874, Mosher, Hammerschmidt and 2 others): Keys, Long (Md.).

H.R. 142. (Freedom from Military Surveillance Act of 1975, Mr. Kastenmeier, chief sponsor, and Mr. Steelman, total 72 sponsors.)

H.R. 266: Boland.

H.R. 3753: Steelman, Goldwater, Horton, Koch, Vigorito, Martin, Melcher, Regula, Forsythe, Solarz, Spence, Pritchard, Mathis, Thone, Keys, Charles Wilson (Tex.), Brown (Calif.), Symington, Charles Wilson (Calif.), Hefner, Edgar, Ryan, Anderson (Ill.), Mosher, Talcott.

(H.R. 2754 Steelman, Goldwater, Horton and 6 co-sponsors): McKinney, Edwards (Calif.), Mitchell (Md.), Studds, Anderson (Calif.), Heckler (Mass.).

H.R. 2862: Charles H. Wilson (Calif.).

H.R. 3284 (Steelman, Goldwater, Horton and 15 co-sponsors): Gude, Tsongas, Harrington, Pattison, Obey, Coughlin, Quie, Riegle, Lent, Leggett, Hannaford, Biester, Matsunaga, Chisholm, Buchanan.

(H.R. 4339 Steelman, Goldwater, Horton and 3 co-sponsors): Hammerschmidt, McCormack, Hawkins.

H.R. 620 (Abolishing One Party Consent Eavesdropping, by Mr. Long (Md.) chief sponsor): Hechler (W. Va.), Riegle, Brown (Calif.), Chisholm, Moss, Charles Wilson (Tex.), Mitchell (Md.), Diggs, Rangel, Helstoski, Collins, Harrington, Mink.

H.R. 2453 (Long and one cosponsor): Leggett.

Mr. DRINAN. Mr. Speaker, will the gentleman yield?

Mr. MOSHER. Yes, I will yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, when the newspapers and the committees of Congress only a few years ago began to uncover the surveillance activities of the executive branch into the lives of our citizens and elected officials, few persons ever expected such revelations to reach the magnitude they have. The initial disclosures, such as the wiretaps of the 17 public officials and newspaper reporters in connection with alleged national security materials, were considered by many to be abberations by an overzealous Executive seeking, in good faith, to protect the Nation against subversion.

THE WIDENING SCOPE OF SURVEILLANCE

What followed, however, was a series of disclosures which widened the circle of persons who were considered proper subjects of surveillance by the investigatory units of the executive branch. We soon learned, for example, that during the sixties and the seventies, the U.S. Army, in cooperation with the FBI and other agencies, engaged in an extensive program of surveillance over the lawful activities of American citizens who were merely exercising their constitutional rights in protesting a terrible war in Southeast Asia and other social and political injustices.

Civil rights groups, dissident organizations, splinter political parties, and others became the targets of extensive surveillance by Federal and State investigators into permissible and protected conduct.

These surveillance activities did not, to be sure, stop at the organizational level. Not only did Government agents consider members of these groups as fair game for their intrusions into political beliefs, but they also spied on persons who had any connection with such groups or their members. A few years ago, a high school student in New Jersey wrote to an organization which was then the subject of Government surveillance, apparently because someone in the Justice Department disagreed with its political viewpoint. The student had written for some information in connection with a course in political thought. Because the FBI then had a mail cover on the group, the student's name was acquired and an inquiry into her activities was undertaken. Of course, the investigation did not uncover any unlawful activity nor anything resembling illegality. But the data collected was used to open an FBI file on the unsuspecting student and retained by the FBI until the U.S. district court ordered it destroyed.

Nor did the surveillance activities stop at the borders of the United States. Federal agents kept watch over the activities of Americans in foreign countries, including members of the Armed Forces. I am sure this body recalls the snooping by Government agents into the lives of American citizens residing in Germany. It appears that such surveillance was directed again at war dissenters and persons who supported the Democratic candidate for President in 1972. Such surveillance must be considered a serious invasion of the constitutional rights of citizens.

Federal agents have not allowed the doctrine of separation of powers to interfere with their information gathering on Members of Congress. We do not yet have an accurate picture of the extent to which the FBI and other agencies maintained files on elected Members of the National Legislature. When Attorney General Levi appeared before the Subcommittee on Civil and Constitutional Rights of the House Judiciary Committee, of which I am a member, he sketched the scope of the surveillance activities of the Federal agents into the lives of legislators. While admitting that this data collection was totally unwarranted, Mr. Levi declined to give us anything but the most general outline of these intrusions in the legislative sphere.

Since that time, the Justice Department has steadfastly refused to provide sufficient access to our subcommittee so that we might make an independent determination of the nature and scope of these surveillances.

A CASE STUDY OF UNWARRANTED SURVEILLANCE

Only by actually examining one of these files can one fully appreciate the unwarranted invasion of privacy and the wastefulness of the activity engaged in by the FBI. I recently had occasion to examine my own file which the FBI has maintained for many years. After I had spent more than 2 months pursuing my rights under the Freedom of Information Act, Director Kelly finally released to me a copy of most of the material contained in my file. He refused to provide certain documents. Director Kelly stated that I had never been a subject of a criminal investigation. Nevertheless, the FBI had assiduously collected 81 pages of material concerning public activities of mine both before and after my election to Congress.

I will reproduce in the CONGRESSIONAL RECORD, in the immediate future, a copy of the file provided to me by the FBI. I will also attach an exchange of letters with Attorney General Levi on this subject. I am placing this material in the RECORD so that all of my colleagues can see for themselves how the FBI is spending the taxpayers' money. Nowhere in the statute which establishes the FBI is contained the authority to amass information on civil rights work, antiwar speeches, or any of the other entirely lawful activities described in my file. Nowhere is the FBI or any other agency given the power to monitor the political beliefs and activities of American citizens who are exercising their constitutional rights under the protection of the law.

Because the Justice Department has refused to cooperate fully with our subcommittee, it is impossible to specify the scope of this type of surveillance and recordkeeping by the FBI. If my file is any indication, however, the total number of persons and documents involved is staggering. Based on the limited information available to us, it is fair to say that the FBI presently has millions of entries describing perfectly lawful activities of American citizens. How many more such files are maintained by dozens of other Federal and State investigatory agencies is unknown. We can only speculate on how many of the FBI's 19,178 employees and huw much of the Bureau's $444.2 million budget is wasted on this insidious and unauthorized activity.

THE EXECUTIVE BRANCH HAS NOT CURBED ABUSES

What has been the Government's response to these revelations? It has been a grudging admission of the surveillance activities, a limited attempt to disclose publicly their extent, and a total failure to take adequate remedial measures. The press and the committees of Congress have not even been able to get a complete picture of the matter. For example, only after many, many months of pitched battle did the Justice Department give up documents, highly "sanitized," to the press and to our subcommittee regarding the Cointelpro program, the operation to disrupt lawful activities of private groups. The Justice Department, including the new Attorney General, has been equally reluctant to provide us complete information on other surveillance activities. Thus the attempts by Congress to exercise its proper oversight responsibilities have been thwarted by the executive agencies, which, in my judgment, have an obligation to disclose such data to the Congress when requested to do so.

Of course, some of these agencies, which engaged in surveillance, claim they have taken corrective steps. After Senator Ervin's inquiry into the Army surveillance program, that department stated that it had destroyed its files relating to the lawful conduct of Americans. No one has ever really checked to confirm that action. Even if the Army has destroyed the files, it is important to note that the Army was never the sole repository of the data collected. Such information was freely circulated among various Federal investigatory agencies, including the FBI. It was part of the cooperative effort of these agencies to carbon copy every bit of information collected and distribute it to the participating agencies. We have never received any assurances from these other units that the "Army files" were destroyed.

The Justice Department takes the view that, if any citizen seeks access to his or her file under the Freedom of Information Act, such data will be disclosed. One of the problems with this approach is that many citizens, who may have been subjected to surveillance, do not know that information about them is on file at the FBI or another investigating agency. For example, in connection with the Cointelpro operations, the Federal agents must have collected thousands of names and indexed them in files which still exist. When Attorney General Saxbe and then Levi admitted that much of this activity was improper, they were asked if the Justice Department planned to contact all persons who were affected by the program. They declined to do so.

If the Department of Justice refuses to advise citizens that they were subjects of improper Government activity, such as the insidious Cointelpro program, and if the Department refuses to disclose fully the nature of such activities to the Congress, what other avenues do we have to check unbridled executive behavior in these sensitive areas? The only answer is continued attempts by Congress to exercise its oversight responsibilities and to enact legislation which will control such operations. And if we have to legislate partly in the dark because the executive refuses to divulge sufficient data, I am one Member who is prepared to do so.

LEGISLATIVE REMEDIES ARE NEEDED

The Congress began last fall to enact legislation to control the executive branch in its data collection activities. First, we passed the Freedom of Information Act amendments over the veto of President Ford. That any President should dare to reject a measure which seeks to secure constitutional freedoms by opening up files to citizens should stand as an indication that the present Chief Executive will not, on his own, exercise the necessary restraint in managing the executive bureaucracy.

Second, in December, Congress passed the Privacy Act of 1974. Although this law does not take effect until September 27, 1975, it will open additional files to private citizens wishing to learn what records their Government is maintaining on them. While the law has a number of deficiencies, it should provide a new remedy for those who wish to look behind the paper curtain which executive employees have drawn across their file cabinets.

There are a number of other measures which Congress must enact if the constitutional rights, including privacy, of American citizens are to be restored to their proper place in our scheme of government. At a minimum, we must: First, press our right to examine clearly the operations of the executive branch. If the Justice Department or any other agency refuses to disclose data which we consider essential in performing our oversight functions, this House must be prepared to issue subpenas to obtain the materials; second, enact laws which will prohibit executive agencies, particularly the FBI, from collecting any information which is unrelated to investigations into criminal conduct or into the qualifications of a nominee for high office. We cannot permit the agencies which we established to have unbridled investigatory authority to look into any activities of citizens which they choose to investigate.

Additionally, Congress should: Third, amend existing laws to allow easier access by citizen to files maintained about them. Despite the new amendments to the Freedom of Information Act, there are indications that additional changes may be necessary. A recent article in the Nation, "You Still Need a Can Opener," catalogs some of the difficulties which have arisen under the new act; and fourth, at least with respect to investigatory agencies, we should alter our rules so that the legislative committees have authority over the appropriations of those units. It makes little sense for the subcommittee of one standing committee to examine the budget of the FBI, while another subcommittee of another standing committee conducts oversight of its activities. If Congress really means to check excesses of the Executive, it must be prepared to reform its own legislative machinery to maximize its ability to restrain the other branch. The pending resolution which would assign appropriations authority over the Justice Department to the Judiciary Committee should be passed at the earliest possible time.

We must act swiftly to prevent the unwarranted surveillance and information gathering which has gone on for so long to continue into the future. Before appropriating funds to the Department of Justice for the upcoming fiscal year, we should insure that these funds will not be used to conduct surveillance and maintain files which are outside the bounds of the Department's legitimate law enforcement responsibilities. Consequently, when appropriation bills for the Departments of State, Justice, Commerce, the Judiciary, and Related Agencies come before the House next week, I intend to offer an amendment to prohibit any sums appropriated for the activities of the FBI to be used to gather information and maintain investigative files which are not related to criminal investigations or other specific responsibilities of the FBI which are authorized by law. The adoption of such an amendment will save the American taxpayers the money presently being used to collect the kind of information reflected in the contents of my own file.

Mr. Speaker, I extend my gratitude for arranging this special order to the gentlemen from Ohio (Mr. Mosher) and from Wisconsin (Mr. Kastenmeier), who is also the distinguished chairman of the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, which has examined some of these problems in depth. It provides an opportunity for each of us, outside the normal course of our legislative duties, to bring to the collective attention of other Members different thoughts and perspectives on the whole range of problems created by the untoward and outrageous surveillance activities of the Executive.

But speeches alone are not adequate for the task of eradicating the evils which flow from the indiscriminate surveillance by government of the lives of our citizens. The words must be reinforced by action. If the bicentennial anniversary of our democracy is to have significance, we must reaffirm in deeds the principles upon which our ancestors found this Nation 200 years ago. Nothing short of that should be our goal.

Mr. MITCHELL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. MOSHER. Yes, I will yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Speaker, for many years I have argued that the most grave threat to the democratic form of government does not come from the Union of Socialist Soviet Republics, nor from the People's Republic of China, but that it comes from within this Nation. That threat is the illegal trammeling of civil rights and civil liberties done in the name of national security. The threat grows out of an over reaction to peaceable protest, an almost paranoic reaction to the exercise of the right to dissent, and an all pervasive, unreasoning fear about "the Communist takeover."

The recent disclosures about the illegal and unethical practices of the Central Intelligence Agency, the Federal Bureau of Investigation, the Internal Revenue Services, and other agencies of Government reveal how widespread and endemic have been these practices.

I think we in this Congress have not done enough to disclose the extent to which local police departments, acting in collusion with Federal agencies, have violated the constitutionally guaranteed rights of citizens, especially black citizens and those who protested against the illegal war in Vietnam.

On March 4 I testified before the subcommittee on Courts, Civil Liberties, and the Administration of Justice. I testified in support of H.R. 3113.

In my testimony, I established the extent to which unlawful surveillance of citizens was done by the Baltimore City Police Department. This evening I want to share portions of that testimony with you.

On February 14, 1975, 131 persons sent the following statement to the Governor of the State of Maryland:

> As we approach the bicentennial of the founding of our Nation, we are troubled by mounting evidence of police enroachment on rights guaranteed to citizens in the Amendments to the Constitution. The published list of names of 125 organizations on which the Baltimore Police Department gathered information suggests the frightening and indiscriminate scope of their activity. When there are real crime problems, why has the Police Department wasted half a million dollars a year of taxpayers money in surveillance of such groups as the National Association for the Advancement of Colored People, the American Friends Service Committee, the Baltimore Tutorial Project and the Interdenominational Ministerial Alliance?
>
> While we recognize the necessary role of the police to maintain order and to prevent crime, for the Police Commissioner to justify blanket surveillance of these groups listed to "prevent disorder, revolution and strife" is absurd and tragic. The majority of people involved were not remotely connected with any activities that could be considered criminal. They were persons who care about America and were exercising their Constitutional rights as assemble, to enjoy free speech, a free press, to seek redress of grievances, hoping to make the nation more free and more just.
>
> With Justice Oliver Wendell Holmes, we believe our Constitution was made for people of fundamentally differing views. The strength of the United States has been in diversity, in capacity to accept difference and to profit from dissent. Civil Rights victories were won in the 1960s because citizens used their right to protest against inequality and injustice. The Vietnam war was halted in large measure because citizens used their right to dissent.
>
> Although some were aware of the presence of police photographers and infiltrators in the 1960s and early 1970s struggle for human rights and peace, only now is the magnitude and threat of police spying in Baltimore becoming apparent. We are shocked by reports from the newspapers, the American Civil Liberties Union and others, and by the Police Commissioner's own admissions concerning: Infiltration of Peace and Civil Rights groups. Routine photography of demonstrators for several years.
>
> Collection of information on reporters writing stories unfavorable to the Police Commissioner, or on controversial issues.
>
> Surveillance of persons who write letters to editors of Newspapers.
>
> Surveillance of Congressman Parren Mitchell; infiltration of a meeting of the Congressman's campaign staff.
>
> Surveillance of numerous other public officials, including the Baltimore State's Attorney and the head of the Community Relations Commission.
>
> Surveillance of Black Clergymen.
>
> ISD collection of reports on recent striking hospital workers.
>
> ISD collection of reports on individuals and license numbers of persons entering the Friends Meeting House and other places in Charles Village.
>
> As citizens concerned for the well being and enhancement of Baltimore, Maryland and the nation, we ask you as head of State and as the authority to whom the Commissioner of Police is responsible, to bring to an end the illegal and immoral activity of the Police Department and to help restore an atmosphere of respect and trust in this branch of the government. We urge that you:
>
> (1) End all surveillance of peaceful activity by the Police.
>
> (2) Inform the public of the nature and scope of the activity (methods, not disclosure of individual files), of the "Red Squad."
>
> (3) Inform persons if they have been under political surveillance and no criminal charges have been filed against them. Grant them the right to examine their files, to destroy them if they wish, and authorize the destruction of duplicate files.
>
> (4) Develop written standards controlling Police Department surveillance and infiltration; restrict Police investigation to areas where there is evidence of criminal activity.
>
> (5) Develop a system of accountability, giving an independent civilian body the power to review Police methods, files, etc.
>
> (6) Place the Office of Police Commissioner under the Mayor, and encourage leadership sensitive to individual liberty and sympathetic to the rights of privacy.

Included among the 131 signers of this statement were the names of over 40 religious leaders including Bishop Joseph Gossman, the Reverend Hugh Dickinson, and the Reverend Vernon Dobson; from the NAACP, Enolia P. McMillan, president, and Leonard L. Saunders, vice-president; also representatives from Johns Hopkins University and Medical Institutions; representatives from Goucher, Townson State, Loyola and CCB; from the American Civil Liberties Union, the director, John Roemer, along with 10 lawyers; included also are representatives of the American Friends Committee.

Based upon information made available to me to date, I am firmly convinced that a national domestic espionage apparatus existed in America. I further firmly believe that this apparatus involved the Federal Bureau of Investigation; the Army Intelligence; and local police departments. In this domestic espionage apparatus, information gathered, without benefit of court orders, was exchanged between local police departments and Federal agencies. The information was gathered and exchanged on persons and organizations that were not involved in criminal activity.

Obviously had the provisions of H.R. 3113 been in effect, this dreadful Kafkaesque situation could not have developed in my city and in other cities across the Nation.

H.R. 3113 is a good, needed bill. I have one or two areas of concern that hopefully can be cleared up today.

The first is with the language referring to "private dwelling used and occupied as a dwelling." I think this language needs to be broadened and I shall explain why. During my primary campaign in 1974, infiltration of my campaign headquarters took place. Here is the story as reported by the local press:

> Leonard Jenoff, the secret police operative who worked for dope trafficker John (Liddie) Jones' lawyer, also infiltrated the offices of Rep. Parren Mitchell, it has been learned.
>
> Jenoff volunteered to work "morning, night, plus weekends" in Rep. Mitchell's last election campaign. He also took photographs of Mitchell's campaign workers.
>
> Jenoff is an admitted supplier of information to the police department's Inspectional Services Division (ISD), a clandestine intelligence gathering unit that reports directly—and only—to Commissioner Pomerleau.
>
> One of Mitchell's aides said Jenoff asked if he could take pictures of campaign workers "for a photography course he said he was taking." He turned over 10 to 15 pictures to us. I don't know if any were given to the police.

There is strong evidence to suggest that in my previous congressional campaigns similar infiltrations by paid or unpaid police agents took place. These persons could have, and I believe did, inspect records of telephone calls, credit records, and the like. Therefore, I would like to see the language broadened to cover that kind of situation.

My second area of concern deal with section 2519, "Reports concerning intercepted wire, oral and other communications." I am aware of the complexity of legal, bona fide information gathering by agencies and I am keenly aware of the need for confidentiality to govern such operations. However, I do feel that the person on whom information was gathered ought be advised somewhere down the line that he was the object of such activities. Obviously, if the intercepts result in a specific criminal charge, then the person would know.

However, if intercepts do not result in such a charge—or charges—or if indeed intercepts prove that the individuals conduct and behavior has not been inimical to the best interests of the country, I think the person has the right to know that he was under surveillance and why the surveillance took place.

Hopefully, you can clarify these two problems for me. I have and will continue to support H.R. 3113 because it is legislation needed to protect basic civil liberties which are guaranteed by the Constitution.

Ms. ABZUG. Mr. Speaker, will the gentleman yield?

Mr. MOSHER. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Speaker, I would like to extend my appreciation to the gentleman from Ohio (Mr. Mosher) and the gentleman from Wisconsin (Mr. Kastenmeier) for the foresight and insistence that this issue of surveillance and privacy be significally aired at this time.

Mr. Speaker, I believe that it is important because we have yet to complete the responsibility that is placed upon us by the Constitution and by the electorate to make certain that those pacts which we uncovered at Watergate will not be covered over by a continuation of those same activities through various agencies of the executive branch of Government.

My own committee, the Subcommittee on Government Information and Individual Rights, has jurisdiction, as the

Members know, over the Freedom of Information Act and the Privacy Act, and in both of those connections we are pursuing very extensively the oversight of various agencies which have been collecting information on the American people. Our citizens have the right to know, and under the Privacy Act they have the right to obtain all of the information and data which these agencies have maintained.

In the course of our preliminary hearings to date, we have been shocked to find that there have been extensive and deep violations of fundamental rights of privacy, as well as first amendment rights, of many, many untold numbers of American citizens in this country.

Mr. Speaker, only last week we discovered that instead of the Army's having really destroyed all of the files of civilians whom they have had under surveillance, they discovered by accident some more files, now numbering at least 9,000. The Secret Service has indicated it is maintaining surveillance on 47,000 citizens, although they admit only 300 of those persons could actually constitute a threat to the life and safety of the President or his family and other persons under their protection.

The CIA, as we all know, has conducted massive surveillance over the activities of American citizens. These facts have been developed in hearings being conducted by the Select Committee of the Senate, by my committee, by other committees in Congress, including the Committee on the Judiciary, as well as the Rockefeller Commission.

We find there have been serious invasions of privacy through surveillance not only by the CIA but also by the FBI in an unauthorized manner, including violation of the postal laws, in that first-class mail was illegally opened. We have also discovered unauthorized wiretaps, infiltration of political groups, and outright burglary.

Legislative control must be exercised in this area. The Congress must not only continue its oversight activities, but must enact legislation which will stop the kind of abuse we have recently discovered.

My subcommittee will continue its oversight in our jurisdictional area of Government information and privacy. We will also consider legislation designed to control the excesses of the Government police agencies. Hearings have already begun on amendments to the Privacy Act. These amendments will remove the blanket exemptions granted to the CIA and the Secret Service in the original bill. The facts that have recently come to light make it imperative that the CIA and the Secret Service be held accountable to each American citizen whose rights have been abridged by their activities.

In addition I am considering legislation which will control the spread of computers throughout the Government—especially the linking of various computers through advanced communications networks. I have also introduced legislation which would prohibit the interception of certain communications unless all parties to the communication agree to the monitoring or interception.

Mr. Speaker, I especially want to compliment again the gentleman from Ohio (Mr. Mosher), who brought this special order, because we can do a lot more to bring this matter to the attention of the Congress and the public.

Mr. MIKVA. Mr. Speaker, will the gentleman yield?

Mr. MOSHER. I yield to the gentleman from Illinois (Mr. Mikva).

Mr. MIKVA. Mr. Speaker, I want to join my colleagues in commending the gentleman from Ohio (Mr. Mosher) for his concern about this problem and for his focusing the attention of the Congress and of the people on this problem. It is a problem that has not gone away, and it will not go away unless all of us express the kind of concern that he has shown.

There is a feeling extant in the country that if one has nothing to hide, if one has done nothing wrong, what difference does it make if somebody is following him around or if somebody is listening in on his telephone conversations? And indeed there is also a feeling that, after all, if a few thousand people or even 10,000 people are being watched and spied upon and their activities are being reviewed, in a country containing 213 million citizens this somehow is not a very serious problem.

Mr. Speaker, I think, in addition to the violations of the rights of people who are being followed and who are being interdicted and their freedom threatened, that there is a much more serious problem, and that is the deterrent effect that this kind of activity has on the whole free society, because there is the danger that, through surveillance or even because of the popular belief that there is the existence of surveillance, we will discourage the kind of full, free, and unrestrained exchange of ideas and viewpoints on which democracy is based. When people and citizens and participants in political debate feel they must restrain their utterances, that they must watch their tongues, that they must have a care about which groups they join or which candidates they vote for and who they write letters to or who they receive letters from because somebody might be watching them, we are taking that first step—but it is a very long step—toward the very totalitarianism that these activities are proclaimed to prevent and deter; then we are in our way in America reaching toward the kind of closed society that the CIA, the FBI, and all the other intelligence-gathering agencies assure us in the defense of their actions they are trying to keep from happening.

It has long been the hallmark of totalitarian societies that only approved persons ought to participate in the political process.

If we did not have the right ideas, if we did not vote for the right people, and if we did not have the right relationships with other people in the public arena, then we ought not get involved.

There was and is a deliberate effort in totalitarian states to keep people from getting involved in political processes, and if we do not want that kind of deterrent here, then we must finally put a check on the kind of Government surveillance of activities, particularly in the political arena, which is going to put a chill on that kind of thing in the political arena.

I suppose that one of the problems about trying to do anything about it is that most of the time the Government agencies which are involved end up by saying, "We did not do it, and we promise to stop."

It is always a very ephemeral kind of proof that one has about who is being wiretapped, and about where the extent of the surveillance exists. There is always some kind of justification for it.

Mr. Speaker, I would only say that if the Congress does not begin to treat with seriousness of the problem that the gentleman from Ohio (Mr. Mosher) suggests and my distinguished colleague, the gentleman from Wisconsin, my former chairman, suggests, I think we are going to deserve the kind of trouble we have because, when all is said and done, if we cannot abide the very freedom that distinguishes this society from totalitarian states, then the Government agencies which are engaged in that surveillance are going to be the best justification of all for engaging it because we will not be able to exist in any other way.

Mr. Speaker, I thank my colleague for yielding.

Mr. MOSHER. Mr. Speaker, I especially appreciate the emphasis the gentleman from Illinois (Mr. Mikva) has just placed on the chilling effect that the atmosphere of fear has, which I emphasized in my earlier remarks. This seems to me to be a matter of extreme concern.

Mr. Speaker, I now yield to the gentleman from New York (Mr. Badillo).

Mr. BADILLO. Mr. Speaker, I want to commend the gentleman from Ohio (Mr. Mosher) and the gentleman from Wisconsin (Mr. Kastenmeier), for having brought up this special order which I think is particularly appropriate for discussion at this time in view of the report of the Rockefeller Commission.

I think that the statements and the recommendations of the Rockefeller Commission, which merely call upon the President to tell the postal authorities and the CIA not to do it again, that is, not to violate the law, cannot be accepted by this Congress. I think in view of those recommendations, it is urgent that our subcommittee and the Committee on the Judiciary, of which I am a member, take action at this session to pass either the bill advocated by the gentleman from Ohio (Mr. Mosher) or an appropriate bill that will deal with the question of surveillance.

I just want to cite one example of the need for urgency. The Rockefeller Commission report points out that there were a limited number of mail openings that took place during the 20-year period where the mail was being opened, but Mr. Cotter, who testified before our subcommittee and who is the chief postal inspector, indicated clearly that the arrangement for the opening of the mail was such that there really was no way in which the postal inspectors could know how many letters, in fact, were opened by the CIA and the FBI personnel who were involved.

Therefore, in the light of that, to suggest that it is enough merely for the President to say to the agencies involved not to take this action, I think is totally inadequate. I think, therefore, we should take action now.

I think we have to go even further, frankly, because the report also points out that the Justice Department had agreed for a period of 20 years not to prosecute anyone who was violating the law and who was a member of the CIA because they agreed to let the CIA, in effect, investigate itself.

I think, under those circumstances, the fact that President Ford said last week that he was referring all of the materials received from the Rockefeller Commission to the Justice Department is an inadequate recommendation because it is the Justice Department which itself is violating the law.

I think that not only do we have to take action on a bill this session, but I think we have to establish a special prosecutor to see to it that those who are responsible for illegal acts are prosecuted, including those people who are within the Justice Department right now.

So I think it is very appropriate that we begin a dialog on this subject, and that we complete the bill, report out a bill from our subcommittee, the full committee, and on the floor of this House, and from the other body.

Mr. MOSHER. Mr. Speaker, I very much welcome the expression of support of the gentleman from New York (Mr. Badillo) for the legislation that is before the gentleman's committee.

Mr. KOCH. Mr. Speaker, I am pleased to participate in the special order on privacy called for by our colleagues, Charles Mosher and Robert Kastenmeier. In the 93d Congress on April 2, 1974, Congressman Barry Goldwater, Jr., and I sponsored a special order on the issue of privacy and we were pleased with the response of the members to our concerns. The 94th Congress must be concerned with the preservation of the individual's right of privacy and I am hopeful that today's dialog will elicit some new thoughts and serious discussion on this issue.

Last December 31, the President signed into law the Privacy Act of 1974. This was the culmination of a 6-year effort on my part and that of many of our colleagues to place controls on the Federal Government's collection, use and dissemination of personal information about citizens.

Earlier this year Congressman Goldwater and I introduced H.R. 1984 which provides that controls similar to those in the Privacy Act be placed on State and local governments and organizations in the private sector. The provisions of this bill are by no means sealed in cement. We have sent a questionnaire to organizations affected by this legislation to ascertain the reactions to it. Approximately 500 responses have been received and we will be tabulating the results shortly. The results will be made available to our colleague, Don Edwards, who chairs the Judiciary Subcommittee on Civil Rights and Constitutional Rights, and who will be holding hearings during this Congress on the legislation.

The legislation which Barry Goldwater, Jr., and I have introduced and which we consider the basic draft is for the purposes of eliciting comments. Undoubtedly, there must be additions, deletions and changes. That is why the Privacy Protection Study Commission came into being so as to provide the forum for that testimony.

The Privacy Act of 1974 calls for the establishment of a privacy commission which will report to the President and the Congress in 2 years on the results of its study on data banks in governmental, regional, and private organizations. The Commission is to determine what must be done to protect personal information, and the privacy of individuals. The Commission members are Minnesota State Senator Robert Tennessee; William Dickinson, retired managing editor of the Philadelphia Bulletin; William O. Bailey, executive vice president of Aetna Life and Casualty; David F. Linowes, a partner with Laventhol, Krekstein & Horwath; Willis H. Ware, corporate research staff member of the Rand Corp.; Congressman Barry Goldwater, Jr., and myself.

The Privacy Commission has had nearly a 6-month delay in getting started because all of its members had not been appointed. But now that the President has announced his appointments, all seven members will get together shortly to begin our work. I am pleased that the private sector and State governments are represented on the Commission. I intend, as I hope the other members do, to pursue hearings regarding the impact of privacy legislation with an open mind. We have to be made aware of much information from the private sector in developing our report and I encourage organizations to submit their reactions to us.

The special order called for today is devoted to the specific issue of domestic surveillance activities of the U.S. Government. Last year the Annual Chief Justice Earl Warren Conference on Advocacy sponsored by the Roscoe Pound-American Trial Lawyers Foundation held a conference on the subject of Privacy in a Free Society. Three areas were discussed—data banks and dossiers, electronic surveillance, and political informing. I am appending from the report of the conference, in which I participated, the recommendations on electronic surveillance.

The material follows:

Final Report—Privacy in a Free Society

PART A—RECOMMENDATIONS: ELECTRONIC SURVEILLANCE

Summary

(Note: Final Recommendations on Electronic Surveillance emanating from the Conference together with commentaries follow this summary.)

The Conference undertook the study of electronic surveillance in two areas—domestic intelligence and law enforcement. The Conference expressed strong opposition to electronic surveillance for domestic intelligence purposes. It opposed, by a narrow margin, the use of electronic surveillance for law enforcement purposes.

In discussing two methods of electronic surveillance, the Conferees were opposed to both telephone tapping and room bugging. However, they felt that room bugging was more insidious than telephone tapping because of the much greater and less controllable invasion of privacy resulting from room surveillance.

A broad consensus of the Conferees revealed general skepticism toward electronic surveillance as a tool and towards methods for control of its use. It is interesting to note that this general skepticism was shown among members of such a diverse group including many with long experience in law enforcement and in law. The opponents of electronic surveillance based their conclusions on a belief that electronic surveillance was of relatively little value to conventional law enforcement, was used primarily for minor offenses, produced very serious invasions of privacy, and was quite difficult to control. It should be noted that there was some discussion about the validity of the available statistics, which indicated that electronic surveillance was invoked most often in cases of "minor offenses."

There were Conferees supporting some electronic surveillance for law enforcement purposes, who believed that the technique should be used only for crimes of the utmost gravity and only if controls are strengthened and, together with those currently in the statute, are more effectively enforced.

The Conference stressed that, if there were to be any electronic surveillance, regardless of its form, of American citizens, it should be only with prior judicial scrutiny and approval—with a court order. A substantial majority recommended that no surveillance for intelligence purposes be permitted. However, if any electronic surveillance were authorized, it should be only for solving specific crimes and not for obtaining general intelligence about particular individuals or groups.

The Conference also overwhelmingly recommended a series of procedural and other controls. It suggested a requirement that, whatever federal electronic surveillance is done, it should be conducted only by the Department of Justice, subject to criteria and procedures examined at public hearings, and under close scrutiny by congressional committees. Also, the Conference urged that persons subjected to illegal electronic surveillance be permitted to recover damages from the governmental agencies engaging in such activity.

RECOMMENDATION 1

There should be no electronic surveillance for domestic intelligence purposes.[1]

(Adopted by substantial majority)

Commentary: While disagreement remained as to whether electronic surveillance, with restrictions, is permissible when related to detection and prosecution of specific crimes, a majority of the Conferees determined that electronic surveillance for domestic intelligence should not be permissible.

RECOMMENDATION II

There should be no electronic surveillance for law enforcement purposes.[2]

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[1] Mr. Michael Kenney wanted to be on record as being opposed to all electronic surveillance. His single Recommendation in this area would be: "There should be *no* electronic surveillance."

[2] Mr. Kenneth Conboy dissents from this Recommendation and adds the following statement: "I cannot subscribe to the dubious logic of the proposition that, because too many gambling warrants have been issued in the past several years, no authority, regardless of how circumscribed in execu-

(Adopted by narrow margin)

Commentary: This vote represents the fundamental division among the Conferees. While there was general skepticism regarding the effectiveness of electronic surveillance, a narrow majority believed that law enforcement authorities should not be allowed to use electronic surveillance even for crime detection purposes, and a minority believed that electronic surveillance should remain available for law enforcement, though this group insisted that it be used only for very serious offenses, and under very strict controls. There was a group of Conferees who, whatever their individual predilections on this issue, made the point that our current knowledge concerning electronic surveillance at all levels of law enforcement (federal, state and local) is inadequate. Additional empirical studies are needed to determine the extent and the effectiveness of its use.

RECOMMENDATION III

State and local authorities should not be allowed to engage in electronic surveillance.[3]

(Vote evenly divided)

Commentary: There was a sharp split over whether state and local law enforcement officials (as opposed to federal officials) really need electronic surveillance, whether they have used it excessively and indiscriminately, and whether the judicial and other controls in the statute do or can function properly on the state level.

RECOMMENDATION IV

No electronic surveillance should be carried out without a court order for any purpose on American citizens on United States soil or on American citizens in foreign countries.

(Adopted overwhelmingly)

Commentary: The Conferees drew attention here to the Supreme Court's decision the *United States vs. U.S. District Court,* 407 U.S. 297, 92 S. Ct. 2125, 32 L. Ed. 2d 752 (1972), which suggested in an 8–0 decision that, in all cases of electronic surveillance on American citizens or organizations for intelligence purposes, that is, for purposes unrelated to solution of a specific crime, a court order is required. Also, the Executive Branch has no inherent power to invade a citizen's right to privacy without satisfying an impartial magistrate that a justification exists for such an intrusion.

This Recommendation expresses the Conference's conviction that there be *no* warrantless electronic surveillance, under any circumstances on American citizens.

RECOMMENDATION V

To the extent that electronic surveillance is permitted for law enforcement purposes, it should be limited to crimes of the utmost gravity.

(Adopted by large majority)

Commentary: While there was some discussion on the meaning of "crimes of utmost gravity," the Conference reached no final definition of the concept, except that it would almost certainly include an imminent threat to life.

RECOMMENDATION VI

If used at all, electronic surveillance for law enforcement purposes should be permitted only by court order and on probable cause subject to the following conditions:

(A) It must be directly related to specific criminal acts or activities;

(B) There must be a specific limitation of the time during which the device remains in place or in use; and the length of time permitted should be the shortest possible;

(C) There must be a definite demonstration of the need for installation of the device;

(D) There must be no other law enforcement technique available for obtaining the information, and the applicant must demonstrate this fully;

(E) There must be restraint—responsible action and accurate reporting by the law enforcement officials carrying out the order.

(Adopted overwhelmingly)

Commentary: This Recommendation reflects specific problems in the present operation of the electronic surveillance statute, and is intended to supplement and make more effective the statutory controls.

RECOMMENDATION VII

Even when electronic surveillance is used with regard to crimes of utmost gravity, there should be no electronic surveillance of rooms—no bugging of a room.

(Adopted by large majority)

Commentary: Bugging should *not* be utilized under any circumstances. Bugging was seen as a more serious invasion of privacy than wiretapping since, while one can refrain from using a telephone and thereby avoid a wiretap, the presence of a room bug in one's home or office makes it impossible to be free from surveillance.[4]

RECOMMENDATION VIII

If any federal electronic surveillance is to be permitted, the authority for all warrants for wiretapping should be limited to a single governmental agency—the United States Justice Department. The Justice Department should be the only federal agency to install wiretaps on United States soil and on American citizens abroad.[5]

(Adopted overwhelmingly)

Commentary: Since electronic surveillance is difficult to detect in the first place, a proliferation of federal agencies engaged in wiretapping would ineluctably result in more privacy abuses than would result if all legal wiretapping were the responsibility of only one agency.

The Conferees were mindful of the diversity of government agencies engaged in electronic surveillance which were uncovered during the Watergate investigations—some of them accountable to no one but the President—with the Justice Department and the courts being entirely bypassed.

RECOMMENDATION IX

The procedures and criteria by which wiretaps and other forms of eavesdropping are sought, and warrants for their use issued, should be clearly and properly prescribed by the United States Justice Department only after complete public hearings on these procedures and criteria, such hearings to be held in various parts of the country.

(Adopted overwhelmingly)

Commentary: If the Justice Department is established as the only agency with the responsibility for federal electronic surveillance, the citizenry should be made aware of this. Furthermore, the citizenry should be made aware of the precise processes by which eavesdropping is permitted by the courts and carried out by the Justice Department. In this way the widespread fear that government eavesdropping is pervásive can be countered by a precise vesting of limited authority—and accountability for any abuse of that authority—in this one agency.

RECOMMENDATION X

A very strong congressional oversight committee should be established in both branches of Congress to review all wiretaps by federal agencies. This would apply to the United States Justice Department if it were established that it were the only governmental agency authorized to wiretap.

Commentary: The unanimous approval of this Recommendation reflects the strong conviction of the Conferees concerning the establishment of an active monitoring system by Congress—representatives selected by the citizenry—to ensure accountability on the part of those involved in limited, carefully restricted, use of electronic surveillance.[6]

RECOMMENDATION XI

A reporting system should be undertaken by the Justice Department, subject to proper regulations to maintain confidentiality, so that all information disclosed by taps can be given to Congress for it to properly exercise its oversight function.

(Adopted unanimously)

Commentary: The information would include: the duration or the wiretap; the need for the tap; an affidavit submitted for the issuance of a warrant for the tap; the authorization by the Attorney General of specific taps; what information the tap revealed and the consequences of the tap, that is, whether there was an arrest, conviction or any other disposition.

RECOMMENDATION XII

A specific minimum amount of damages, plus attorney's fees, should be available for any violation of the wiretapping or other eavesdropping statutes by federal, state or local officials. These damages should be recoverable in a federal court from the particular governmental agency engaged in such eavesdropping.

(Adopted overwhelmingly)

Commentary: The Conferees believed that effective sanctions must be provided against all who violate statutes concerning the use of electronic surveillance.

Mr. BIESTER. Mr. Speaker, I wish to commend the distingunished gentleman from Ohio (Mr. MOSHER), and the distinguished gentleman from Wisconsin (Mr. KASTENMEIER), for their leadership in further bringing to the attention of the House and of the American public the need for legislation in the field of Government surveillance of private citizens. I know firsthand the dedication to civil liberties and individual rights which these two Members of Congress have exhibited in their work in the House.

In March of this year, it was my privilege to appear before the Subcommit-

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tion, should be vested in the courts to issue warrants in cases involving, for example, imminent bombings, aircraft hijacks, random killings or barbarous political murders."

Ms. Mary C. Lawton wished it noted that she abstains on propositions relating to electronic surveillance. She felt that more precise definitions of terms used in the discussions were needed.

[3] Mr. Conboy did not support the Recommendation because "the data supports the conclusion that state authorities have been more discriminating in the use of electronic surveillance than federal authorites. For example, the huge number of gambling warrants obtained were predominantly obtained by the FBI. Also, jurisdiction for the most serious crime in terms of penalty—murder—is almost exclusively with state officials."

[4] Mr. Conboy dissented from this Recommendation and explained how he saw its result: "the law would simultaneously authorize (wiretapping) and condemn (room bugging) electronic surveillance of the imminent criminal, contingent solely upon the mode (phone conversation or face to face meeting selected by him.)"

[5] Professor John Elliff suggests that "the United States Department of Justice should not be the agency to install wiretaps overseas, since its investigative jurisdiction is primarily within the United States. However, the Attorney General might properly be required to approve any wiretaps installed by another agency on American citizens abroad."

[6] Mr. William D. Ruckelshaus informed the Conference, that "not once, in the eighty days during which I was Acting Director of the FBI, was I called on to testify before Congress about the FBI's involvement in electronic surveillance. It is not in the public interest for any such activity to go unmonitored by the Congress."

tee on Courts, Civil Liberties, and the Administration of Justice, chaired by Mr. KASTENMEIER. I testified on behalf of legislation known as the Bill of Rights Procedures Act, introduced by Mr. MOSHER in the House, and by the distinguished gentleman from Maryland, Mr. MATHIAS, in the Senate.

The Bill of Rights Procedures Act would require any Federal agent to obtain a court order before he or she could conduct any form of surveillance on a private citizen. The Government would be required to demonstrate probable cause that a crime had been or was about to be committed before any warrant for surveillance could be issued. The legislation is intended to be comprehensive in scope, to cover all forms of surveillance, including bugging, wiretapping, and all other forms of electronic surveillance, opening of mail, mail covers, entering of dwellings, and the inspection or procurement of the records of telephone, bank, credit, medical, or other private transactions.

Mr. Speaker, I believe the need for new legislation in the field of governmental surveillance of private citizens is clear cut. The fourth amendment to the Constitution of the United States proclaims the right of the people to be "secure in their persons, houses, papers and effects against unreasonable searches and seizures." Security, however, must be more than an abstract legal proposition. If security is to have any meaning at all, it must be a sure perception of one's condition.

I seriously doubt that the American people today consider themselves secure against unreasonable searches and seizures. Twentieth century technology has given governments and indeed private institutions the ability to intrude into the private realm of an American's life with staggering efficiency, sophistication, and secrecy. The technological capacity for an unprecedented degree and scope of governmental intervention into peoples lives exists today. Without new, stricter safeguards and more effective means of oversight and control, there is little reason to doubt that such technology will eventually be used, if indeed aspects of it have not already been employed.

The American people today are suspicious of government. They are skeptical not only of its ability to solve problems, but they even question government's basic motives. That skepticism is healthy to the degree it results in demands that the Congress of the United States act forthrightly to end unnecessary and illegitimate intrusions into people's private lives. Only by responsibly addressing itself to this very basic but complex problem can Congress restore to the American public a firm sense of security, a justified perception that one is indeed safe against unreasonable and arbitrary or capricious governmental intrusion.

Clearly the questions at stake in consideration of the whole issue of governmental surveillance go to the very core of the democratic process. This issue forces us to contend with perhaps the most basic question faced by a free society: where do we draw the line between the rights of the individual and the legitimate and necessary functions of society as embodied in the Government?

Such a question has never been easy to answer, and it is particularly difficult in this complex and technically sophisticated age. The introduction of national security considerations further complicates the issue.

As a member of the Committee on International Relations, a member of the Subcommittee on National Security during the 93d Congress, and a former member of the Judiciary Committee, I would particularly like to examine the question of governmental surveillance in matters pertaining to national security.

Clearly all those in positions of public responsibility must approach national security considerations with a weighty concern for the dangers inherent in the prevailing international political system, and the peculiar obligations which our position within that system imposes on the Government of the United States. Few would dispute the need for the Government to deal with some especially sensitive matters in secrecy. Few would dispute the need for the Government to preserve international trust in the confidentiality of diplomatic discussions.

But equally clear must be the need to deal with such legitimate national security concerns within our constitutional framework—to subject governmental surveillance to proper and reasonable standards of procedure, and to minimize the scope for individual caprice or abuse of power.

With regard to national security, what balance do we properly strike? Where, indeed, do we draw the kind of line which protects both the individual and society at large?

I would contend that under existing procedure, the rights of the individual under the fourth amendment are inadequately protected.

The law presently allows surveillance to be undertaken on the authority of the President—with such authority usually executed by the Attorney General—when national security is considered to be at stake.

It seems clear to me that such a procedure—involving individual interpretation of such a broad and ambiguous term as "national security" does, indeed, allow for abuse of power.

The Bill of Rights Procedures Act would rectify that situation by linking all surveillance—including that undertaken on grounds of national security—to a court order based on probable cause that a crime had been or was about to be committed.

In the case of national security, such an order would have to be linked to suspected sabotage, espionage, treason or similar crimes.

Is this an unreasonable restraint on executive power? Would such a requirement hamper the proper stewardship of our national safety? Would it indeed swing the judicial pendulum dangerously in the direction of individual rights at the expense of societal security?

I think not. Such a requirement is inherently reasonable and proper, and would not have to subject our society to risk.

I am supported in this belief by the Honorable William D. Ruckelshaus, former Deputy Attorney General and former Acting Director of the Federal Bureau of Investigation. Hardly a man oblivious to legitimate national security considerations, Mr. Ruckelshaus last year stated before joint hearings of the Senate Committees on the Judiciary and Foreign Relations that he sees "no reason why all wiretaps should not be subject to court warrant."

To restrict wiretaps and other forms of surveillance to instances approved by a Federal court, simply means the Government must establish to the satisfaction of an independent arbiter that a reasonable suspicion exists as to the commission of a crime affecting the national security of the United States. The Bill of Rights Procedures Act would thus not bar necessary national security surveillance; it would simply subject the need for that surveillance to prior assessment by the judicial branch. Such a prior assessment simply, but significantly removes national security surveillance from the realm of possibly arbitrary, capricious action.

Government surveillance—divorced from suspected criminality and unrestrained by any check—imperils our constitutional system, and thus undermines the very national security it is ostensibly designed to protect.

If we are to protect our genuine national security interests as well as safeguard individual rights within our constitutional framework, Congress must respond to the complex challenge of enacting new legislation on surveillance. I feel confident that with dedicated Members like CHARLES MOSHER and BOB KASTENMEIER helping to lead the way, Congress will adequately meet this difficult challenge.

Mr. GOLDWATER. Mr. Speaker, I am very pleased that my distinguished colleague from Ohio, Representative CHARLES MOSHER, and the chairman of the Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice, Representative ROBERT KASTENMEIER, have taken this special order on the subject of surveillance and the interception of communications by electronic and other devices of citizens of the United States. I have had the pleasure of testifying before Mr. KASTENMEIER's subcommittee on Congressman MOSHER's bill, H.R. 2604, the Bill of Rights Procedures Act of 1975. I am a cosponsor of that legislation, as I was in the preceding Congress. This is important legislation and Congressman MOSHER is to be congratulated for being its author and chief proponent in the House of Representatives.

I do not believe that there is anyone who can question the interest of myself or my family in the quick and successful combating of individual and organized crime in the United States. I agree fully with former Chief Justice Earl Warren's statement that the modern law enforcement community must utilize all that is legitimately available to it, including the fruits of modern technology, in its battle to stop crime and end lawlessness. The quality of our life and the future of our society are at stake in this battle against crime.

My support for this bill stems from my deep and sincere belief that the inalienable rights and liberties found in the Constitution and the Bill of Rights—especially the 1st, 4th, and 14th amendments relating to freedom of speech and association, security in one's property and personal possessions, and the right to due process—are being erroded by the increasing use of surveillance as a primary tool and investigative aid by the law enforcement community. There is loose an idea that electronic gadgets and surveillance are by definition helpful in the prevention of crime and in the successful prosecution of criminals. This attitude is apparently an outgrowth of American technocracy: that things scientific and technical in their general application to daily life are good, healthy, and desirable. It causes citizens and members of the law enforcement community to assume that the activity is compatible with our basic rights and liberties. But, such applications, when left unquestioned, can clearly lead to abuse and misuse.

This propensity recently received its confirmation in the Watergate break-in and in the illegal surveillance conducted by the so-called plumbers unit. There, surveillance was conducted that directly violated our Constitution. Some of it was accomplished through the misuse of legitimate law enforcement operations. In a few instances, Federal law enforcement personnel unwittingly contributed to the problem because they had no comprehensive, commonly identified and agreed with criterion for judging the legitimacy of the activity.

I have a sense of urgency about this area of activity for each of us knows that recent events do not stand alone. They are not an abberation. To varying and often lesser degrees, we know of events like Watergate and of excesses in the general law enforcement community going back over 30 years. And, the current situation at the Federal level cries for improvement. Simply put, there is too much vaguely defined administrative authority within the executive branch that applies to the area of surveillance. Operational authority is so widely dispersed as to undermine standardization of surveillance criterion and decisions. And, the situation has not been made any better by the recent conflicting and contradictory court decisions that have been added to the "surveillance mix."

Clearly what is needed is legislation that defines the term surveillance, restricts and regularizes the authority for undertaking surveillance, and that establishes strong penalties for violations of basic civil rights through illegitimate surveillance. The Mosher bill, H.R. 2604 does these things. For that reason I commend it to the careful attention of the House. And, I thank my colleague for arranging for this special discussion and giving me the opportunity to participate.

Mr. METCALFE. Mr. Speaker, everywhere we turn today, we see Government infringing on the civil liberties of its citizens. This Government surveillance, this keeping of dossiers, these dirty tricks seem to pervade every level of American Government today. These activities have taken many forms, they have been overt and covert, they have been insidious and they have been undisguised.

The list of those Government departments and agencies involved in this spying seems endless. The White House, the FBI, the CIA, the IRS, the Secret Service, the U.S. Army, and State and local government in at least four States, have allegedly been involved in maintaining files or improper surveillance on tens of thousands of American citizens.

A pattern of abuse is clear. On every governmental level, we see elected representatives of the people and their agents conducting improper and illegal surveillance activities for the sole purpose of identifying and harassing dissenters and political opponents who, for the most part, exercise their constitutionally guaranteed rights in a legal and lawful manner.

Abuses on the Federal level have been well documented in recent months. The laundered Rockefeller Commission report, even with its extensive gaps, is simply the latest in a long and sad series on revelations concerning misuse of power within the Federal executive branch.

These same kinds of abuses, on State and local levels, have not yet been so well documented. Enough of these activities have been disclosed, however, to give us a strong indication that the Federal Government was not alone during the past 10 years in its illegal surveillance.

We have seen cases of State and local agencies, in some cases using Federal funds, maintaining improper and possibly illegal surveillance on private citizens. In my home city of Chicago, for example, it has become clear that the police intelligence division was used, at least in part, to maintain surveillance upon thousands of Chicago area residents who never had been the subject of criminal investigations. Police officials have acknowledged after months of denials, that surveillance was maintained and files were kept on literally thousands of Chicagoans whose only "crime" was some connection with any one of dozens of political, civic, and community groups within the city who the administration perceived as a threat to its policies. Files were maintained on, among other people, Senator CHARLES PERCY; myself; Father Theodore Hesburgh, president of Notre Dame University; Arthur Woods, chairman of the board, Sears, & Co.; Illinois State Attorney Bernard Carey; an Illinois State representative; and at least three aldermen of the city of Chicago.

In addition, secret grand jury testimony of the former superintendent of the Chicago Police Department, made available to the press indicates that the superintendent was aware of illegal surveillance activities, including wiretapping and burglaries which were undertaken by the intelligence division.

The General Accounting Office has recently completed, at the request of myself and others, an investigation into the use of Federal funds for these activities.

It has determined that nearly $10 million was spent on the police intelligence division between 1972 and 1974. Nearly $5 million of these funds were Federal moneys—$3.9 million to LEAA funds and between $539,000 and $779,000 in revenue sharing funds.

The GAO was unable to determine whether or not revenue sharing funds were used to pay salaries of those officers who engaged in the political spying of the intelligence division. Its lack of subpena power and a continuing State grand jury investigation severely limited its investigation in this respect.

Enough information was gathered by the GAO, however, to warrant further investigation. Therefore, I have written Chairman RODINO of the House Judiciary Committee and Chairman ULLMAN of the Ways and Means Committee, whose committees, of course, do have subpena power, asking them to determine precisely what role Federal funds played in the political intelligence activities of the Chicago Police Department.

In the case of the revenue-sharing funds, I have also informed the Office of Revenue Sharing of the GAO report and intend to forward such information as may be gathered in congressional investigations for them to act upon.

The Office of Revenue Sharing has the authority to conduct its own investigation into matters such as this. If they determine that "improper" use of revenue-sharing funds has occurred, they may take action on one of several levels, including demanding that the funds improperly used be returned to the Federal Treasury.

There is no doubt that the responsibility of the Office of Revenue Sharing is clear in these cases of police spying. Illegal surveillance certainly constitutes improper use of Federal funds. If it can be determined by either the courts or by a committee of the Congress, that such surveillance was, indeed, illegal, I would hope that the Office of Revenue Sharing uses its authority in this matter to apply the most strict penalties against States and cities that use Federal revenue-sharing funds in this manner.

The General Accounting Office report outlined the use of LEAA funds, as well, by the police intelligence division. Nearly $4 million of these funds was used by the city of Chicago to establish a computer system to which many city agencies, including the intelligence division, seem to have had access. In light of the widespread misuse of such data banks by both government and private groups, this too would seem a matter for further study.

The General Accounting Office obtained information on one other aspect of intelligence activities in the Chicago area. This concerned the 113th Military Intelligence Group and its alleged support of right-wing terrorist activities. According to these reports, this Regular Army unit provided information and weapons to militant groups such as the Legion of Justice and assisted them in the systematic disruption of various liberal organizations in the Chicago area. These same reports alleged that the 113th Military Intelligence Group exchanged information and received assistance from the intelligence division of the Chicago Police Department.

The GAO, in its investigation, could only determine that most files of the 113th Military Intelligence Group had been burned in 1972 and those that had not been destroyed "were not readily available."

Mr. Speaker, Chicago may be one of the most blatant examples of such misuse of authority by high administrative officials, but it is certainly not the only example. Similar cases have been reported in Philadelphia, Baltimore, and Houston in recent months and this, too, may only be the tip of the iceberg.

At the time the GAO report on police intelligence activities in Chicago was released, I called the activities it outlined "an obscene misuse of governmental authority."

What I said about Chicago is equally true about other cities where this may have happened and equally true about the Federal Government's illegal surveillance activities.

These abuses have infected nearly every level of government in this country, and in almost every single case, the Federal Government seems involved, either directly or indirectly.

Whether it is the use of Federal money to fund the intelligence activities of local police departments or the improper use of Federal data banks or Army support of right-wing terrorists or Cointelpro or the White House plumbers or any of the others, these sickening abuses of the Constitution have gone far enough.

If unchecked, these activities could in a very real sense, mean the end of American democracy as we know it. Should they continue on the massive scale that they have existed in recent years, a cornerstone of our system of government—the right of dissent—would be in serious jeopardy.

Corrupt and power hungry officials and petty despots to the contrary, however, the first amendment is still with us.

Those of us who see injustice and inequality in this country will continue to speak out in order to make this a better country. We will not be deterred. We will not be intimidated.

Activities such as those I have outlined here today, will only redouble our efforts to speak out against these abuses.

This Congress, however, must put a stop to these activities wherever they occur. If 1 cent of Federal money, money that we appropriate, is used for these abuses, it is our responsibility, our obligation, to expose it and end it, once and for all.

Mr. GUYER. Mr. Speaker, as indicated by Vice President Rockefeller's recent report on the CIA, there is a definite need for more powerful legislation to further protect the individual's right to privacy. Despite the fact that most States have enacted laws to protect the individual, the right of privacy is often routinely violated. I am referring to cases in which individuals are victimized by information on mailing lists that Government agencies unethically make available. Citizens are forced to provide personal information about their public and private lives to such organizations as census bureaus, credit associations, police files, and others. Even information from personal income tax reports is often not kept confidential.

Personal records are almost as readily available as the daily newspaper—and all too often, the individual is unaware that the information contained in his records is being clandestinely used.

The continuance of invasion of personal privacy is not only degrading and embarrassing but is an outright contradiction to the spirit of the fourth amendment. In a nation where individuality is so greatly treasured, tolerance of such invasion is unpardonable.

From my participation in the Republican task force on privacy, I became acutely aware of the many abuses made on the individual with regard to loss of privacy. During our concentrated efforts to protect the rights of juvenile offenders, we unearthed countless cases where, due to readily accessible court and police records, these individuals have been branded "criminal" for life, and thus have been denied equal opportunities with other citizens of the country. There is an obvious need to eliminate such stigmatizing effects and to allow the individual to become a member of society with a clear slate.

I am especially hopeful that violations of the right to privacy will soon become a relic of the past. The right to privacy is a freedom that should be guaranteed and cherished by all.

Mr. KEMP. Mr. Speaker, I wish, first, to commend my colleague, the gentleman from Ohio (Mr. Mosher), for providing Members an opportunity this afternoon to address the problems associated with assuring the individual's right to privacy. The gentleman has been in the forefront of efforts to safeguard privacy—efforts which have been, and are continuing to be, transformed into legislation and enacted into law. Together with other Members, such as the gentleman from California (Mr. Goldwater), he has helped to increase substantially the consciousness of Members and the public on the nature of the threat to personal privacy.

This has been one of the principal issues in which I have been involved also. I think the protection of personal privacy is fundamental to the rights of free men and women—the specific rights enumerated in our Constitution and the premises which underlie them. It is a protection against the unwarranted intrusion of someone else into the life of the individual, and if one examines the multitude of actual and alleged violations of this right to privacy in recent years one can see quite clearly that "someone else" is most often an instrument of government.

The intrusions upon privacy and the growth of government have been coexistent.

Nothing is more to blame for the rise in government interference and intervention in our private lives and security than the notion that government can solve all our problems and must be given, therefore, the unrestricted range of authority to do so.

Only when we come to full grips with those notions will we ever secure ourselves and our posterity against infringements on the right of privacy.

Jefferson observed that:

> It is the natural course of events that liberty recedes and government grows.

While accurate, Jefferson's observation stated only one specific aspect of a larger and more complex equation. To wit: As external, collective human control over, and interference with, a person's life intensifies, individual liberty shrinks proportionally.

In this larger sense, the real threat to individual liberty is the collective will of any institution or group of people which has the power—economic, political, or whatever—to coerce, intimidate, control, deny, or even give. The recognition that it is the natural course of events for liberty to recede as government grows is, then, only one manifestation of threats to liberty, albeit the most evident threat in both Jefferson's and our times.

The lessons of history teach us that this growth of collective power can come from institutions other than government. The problem is not singularly the "bigness" of these institutions, in relation to the individual and the exercise of free choice, but such "bigness" does accentuate the problem. It tends to reduce the range of alternative choices of conduct available to the individual.

In the 20th century, particularly in our Nation, it has been the growth of—the "bigness" of—government which has posed the single greatest threat to human liberty. This growth in government is occasioned by the erroneous notions that only government can solve the major social, economic, and societal problems of our era, and that government schemes and regulations are preferable to the laws of supply and demand and the exercise of free choice by individuals.

Woodrow Wilson, a doctor of philosophy in history and a recognized scholar on the processes of maintaining individual rights before coming to the Presidency, warned that—

> Liberty has never come from government. . . . The history of liberty is the history of limitations of government power, not the increase of it.

In contradistinction to the classifical liberalism embodied in these profound observations of Jefferson and Wilson, despite the clear warnings from history as prior human experience, and despite the all-too-apparent results of the rapid growth of government in our modern age, we seem, as a people, to have learned little. For, that government has grown *disproportionately to* the whole of society is factually indisputable, and that such growth has occasioned an ever-growing threat to individual liberty is, in my opinion, equally indisputable.

In both absolute and percentage terms,

government's growth has been virtually without restraint during the past nearly half century. It has exceeded all bounds of necessity and perspective.

What are the facts?

Between 1940 and 1976—

The Federal Government's gross annual revenue rose by 42 times—from $7 billion to $297.5 billion;

Total Federal expenditures rose by 35 times—from $10.1 billion to $349.4 billion—and will probably go even much higher in 1976;

The Federal debt outstanding rose by 14 times—from $42 billion to $605-plus billion;

Federal expenditures per person rose by over 15 times;

The Congress enacted nearly 15,000 public laws;

Federal employment zoomed to over 2.8 million people;

Federal forms, to be painstakingly filled out by individuals and corporations, grew and grew in number and complexity;

Federal investigatory surveillance, and monitoring staffs grew to enforce each and every measure;

The number of Federal initiatives, most of which are reinforced through interventionist regulatory powers and policies, mushroomed; and

The Federal agencies which execute these powers and policies—and, frequently, call for more—grew accordingly.

It is almost impossible to itemize the areas of conduct now subject to Federal control because there are so many, but a cursory examination of any Government organization chart shows us the areas of our lives now subject to Government regulation: health, education, welfare, labor, commerce, housing, transportation, finance, agriculture, environment, communications, wages and prices, energy, labor-management relations, trade, alcohol, tobacco, firearms, savings, community relations, civil affairs, land and natural resource uses, recreation, commodities, securities, insurance, marketing, consumer affairs, productivity, nutrition, research, forestry, product standards, travel, economic development, shipping, vocational and career opportunities, employment standards, occupational safety, child development, retirement and income security, rehabilitation, interest rates, credit availability, land sales, aviation, railroads, highways, safety, institutionalized voluntarism, arts and humanities, equal employment opportunity, export-import terms, trucking, small business, veterans, postal service ad infinitum.

The unfortunate, yet perhaps inescapable, impact of the exercise of this vast amount of Government authority was infringement upon privacy.

The manifestations were myriad: data banks, wiretapping, electronic surveillance, eavesdropping, credit histories, medical histories, income tax information, information systems, regulatory report filings, disclosure statements, data exchanges.

Separately—and, most assuredly, when taken collectively—these devices and procedures add up to a growing infringement on the right to be let alone, the right to privacy.

We simply must come to better understand the relationship between the extent of government and the threats to privacy. Government can carry out its almost unlimited functions only through information gathering, analysis, dissemination, and exchange. Thus, we should reduce the range of those functions.

We can, and we should, do those things which we think are necessary to protect the right of privacy, and such measures as the Privacy Act of 1974 are definitely steps in the right direction.

I think most Members are aware of my efforts in that regard—the sponsorship of legislation which was incorporated into that act, the Goldwater-Kemp privacy amendments to the Federal Energy Act of 1974, the support for additional protection of student records, the introduction of the first comprehensive medical privacy proposal. But throughout that work I was, and I remain, constantly aware of the more fundamental causes of the intrusions we are trying to guard against—the growth in Government intervention in our private lives.

We can address the causes of invasion of privacy with substantial effectiveness only when we address the size and extent of government and set about to reduce and limit it.

This, I think, we must very soon do, or our entire way of life will be substantially altered—and it will not be for the good.

Mr. ROYBAL. Mr. Speaker, when the Government becomes a lawbreaker, the law and society as we know them cease to exist.

The news of the last 2 weeks has brought forth another torrent of reports of Government intrusion into the personal lives of its citizens. The Rockefeller Commission report on the CIA has documented an organized domestic infiltration and surveillance unit known as Operation Chaos. The purpose of this unit was to spy on Americans who were engaging in civil rights activity protected under the Bill of Rights of the Constitution. The report credits Chaos with 32 wiretaps, 32 buggings, 12 break-ins, and the inspection of the income tax returns of 16 individuals. Yet Operation Chaos was but a small part of the CIA's illegal domestic intelligence surveillance operation. Overall, the Agency involved itself in systematic operations which included mail openings; monitoring of overseas telephones; infiltration of American political groups and the campaigns of candidates for offices; and wiretaps, buggings, and assorted breakins and burglaries.

At the same time, a major television network reported that a breakthrough in computer technology now allows the Department of the Army to consolidate information on an individual collected by various Government agencies.

Last year, the Congress specifically refused to fund a project known as FEDNET, which was a system of computer terminals linked to five central data banks. Congress feared that the consolidation of individually collected information into one computer could lead to the creation of a complete file which would violate a person's constitutional rights.

Now we are told that, through a technological breakthrough, the Department of the Army has accomplished this same end. There are persistent reports that the system is already in use and that pieces of information about an individual collected by various Government agencies have already been consolidated.

Public outcry over these revelations has been somewhat muted. It could be that the American public has come to accept, almost with a sense of resignation, that its Government does in fact spy on them. A few years ago, when the buggings and burglaries of Mr. Nixon's special investigation unit were revealed, the public outcry was overwhelming. People followed with great interest the daily revelations of the Ellsberg break-in, and the buggings of political and Government officials. At that time, they believed that the Government's intrusion into private lives was limited to criminals and the aberrational behavior of President Nixon's domestic spying team. But then, there were further revelations of domestic spying by the Internal Revenue Service, the FBI, the Federal Drug Enforcement Administration, and the Army. The public soon realized that many Government agencies had an organized, extensive and long-standing policy of surveillance and intrusion into the personal lives of many of this country's citizens.

The Government's infringement upon the civil and political rights of its citizens can be traced to three specific causes. First is the zealotry of certain Government officials. These people believe that it is their duty to collect information at any cost, even if it means a total disregard of the laws they have sworn to uphold.

The second cause revolves around the politicization of the information-gathering apparatus. Politicians, in their quest to retain their offices or to discover some insidious fact about the opposition, have used domestic surveillance as a means of gathering the necessary information.

Finally, domestic surveillance is used by some as a malicious instrument to hurt or embarrass people and groups which are either out of favor or disliked by a majority or by an official who has control over the information-gathering system.

Although governments have always kept a close watch over their citizens to a certain degree, the practice of domestic surveillance has been made much easier by the advent of the age of technology and the advances in computer science. It is now possible to consolidate disparate, often innocently given information which reveals the private life of an individual. This can be done surreptitiously and almost instantaneously. Domestic spying is fast becoming the private domain of high Government officials and a small number of computer operators.

Congress must put a stop to this deplorable activity. If we are to adopt the CIA oversight mechanism proposed by the Rockefeller Commission, let us insure that the Oversight Committee not be brainwashed by the mentality that currently pervades information-gathering agencies. The committee must not be allowed to shade the truth, look the other way, or decide that a close issue could qualify under the aegis of national security.

In addition to the recommendations of the Rockefeller Commission, we have at our disposal a legislative reform package. H.R. 214, the Bill of Rights Procedure Act, introduced by Congressman MOSHER, would prohibit all agencies of the Federal Government from conducting private surveillance without a court order. Further, any Federal employee found to be involved in surveillance without court approval would be subject to a criminal penalty of 1 year in jail and/or a $10,000 fine.

This bill represents a step in the right direction, but it does not cure all the ills of domestic surveillance and should not close the door to further investigation and legislative remedies. We should recognize that the ultimate safeguard of our liberty is a vigilant citizenry, and its will to question the actions of government.

Mr. SARASIN. Mr. Speaker, the Congress has become increasingly aware of the problems and dangers posed by Federal Government surveillance activities. Appalling discoveries in the recent past serve only to remind us that the discretionary authority of the executive branch of Government to conduct surveillance activities should be more closely monitored to insure complete compliance with the Constitution. Congressional hearings have uncovered a history of Government policies and activities that have frightening implications for all who are concerned with protecting privacy rights.

H.R. 2230, the Bill of Rights Procedures Act of 1975, now pending before the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice, is a positive step in the direction of the restoration and reinforcing of our fourth amendment rights. The major provision of this bill is the requirement that Federal agents would have to obtain court orders to initiate surveillance action against private citizens. The bill broadly defines surveillance to include the spectrum of intelligence-gathering activities. Dwellings, mail, and private records would be protected from sometimes arbitrary and unfair inspection. Searches conducted under the guise of "national security" would also be more vigorously controlled. The various loopholes in the present legal structure, a source of contradiction and frustration in the eyes of the public, would be unconditionally closed. Protection against "unreasonable searches and seizures" is an American right. H.R. 2330 will reestablish this constitutional promise.

The public strongly supports right-to-privacy legislation. The Harris survey poll of September 5, 1974, found that 68 percent of all Americans are "opposed to giving Government at any level authority to wiretap or use other kinds of electronic surveillance to gather evidence against citizens suspected of criminal activity without a specific court order granting permission in every case; 77 percent of all Americans believe overwhelmingly in the right "not to have one's mail opened by the Government, except by specific court order." Eighty-one percent assert their right "not to have one's phone conversations tapped for any reason, except with a court order." The American people resolutely demand absolute safeguards against invasion of privacy by the Federal Government.

Other important legislation is awaiting House approval. I urge quick action on H.R. 5198, a bill to amend the Internal Revenue Code to restrict the authority for inspection of tax returns, and H.R. 5299, which would establish formal procedures for the selection of tax returns for audit, including the informing of individuals as to why their returns were selected for additional official scrutiny.

The public clearly champions right-to-privacy legislation. True bipartisan support indicates the strength behind these measures. Let us take swift action in this critical area.

Mr. MAGUIRE. Mr. Speaker, I am privileged to join my distinguished colleague in this dialog today concerning Government surveillance of U.S. citizens.

One of the basic rights we cherish most in America is the right of privacy. With the advance of technology, that right has been increasingly threatened. The problem is not simply one of setting effective curbs on invasions of privacy, but even more fundamentally, it is one of limiting the uses to which essentially private information is put, and of recognizing the basic proprietary rights each individual has to information concerning himself.

A government called upon to manage an increasingly complex modern society and to satisfy ever-widening demands of the people for services has come to require more and more information, as well as more and more effective means to handle it. Only in the last few years has it become widely recognized that the new information technology gives government great opportunities to do ill, as well as good. The accidental discoveries of various forms of political surveillance in recent years have served to underscore heavily the need to protect the privacy and individual liberties of American citizens.

I found it astonishing, as I am sure many of my colleagues did, to read in the Senate Subcommittee on Constitutional Rights' recent report "Federal Data Banks and Constitutional Rights," that in the 54 Government agencies surveyed, a total of 858 Government files contained more than 1¼ billion records on individuals. More recent information suggests the magnitude of files and records is much greater.

One of the most important aspects of the need for Government information systems is the extent to which each is authorized by explicit congressional enactment. I find it highly troubling that this report revealed that 84 percent of the 544 data banks analyzed are unable to cite explicit statutory authority for their existence. Further, I find it troubling that 18 percent could cite no statutory authority whatsoever.

Mr. Speaker, several of the distinguished committees of the House, one of which is the Government Information and Individual Rights Subcommittee of which I am a member, are committed to ferreting out the facts regarding extraneous information kept on U.S. citizens by their own Government, and outright abuses of the Government's information-gathering techniques and systems.

Recent hearings of this committee revealed that public concern over improper government preoccupation with the political activities and views of American citizens by agencies such as the Secret Service, the FBI, CIA, IRS, and Department of the Army was well founded. Files accumulated under various cover names such as "Leprechaun," "Cointelpro," "Chaos," or equally amorphous-sounding organizational names such as Special Services Staff or Defense Central Index, contained at one time a minimum of 2 million U.S. names.

Continuing agency efforts to terminate what the heads of these agencies have acknowledged are improper or illegal files are to be encouraged. However, with each passing day, more astonishing revelations are made concerning the extent to which these files were not only kept, but were exchanged among various Government agencies. Illegal Army surveillance files on U.S. citizens which were thought to have been destroyed in 1971 still exist; moreover, the Defense Department admits that prior to 1971, exchange of this information between agencies did occur. Congressional efforts to purge unauthorized information collected by unauthorized persons had been thwarted.

Public and congressional concern over an increasing trend within our Government to snoop into virtually every segment of the lives of our citizens is not new and congressional efforts to deal with various aspects of the problem continue.

The enactment of the Privacy Act of 1974 was a major step toward safeguarding an individual's privacy from snooping and abuse by Government agencies.

But our work is not finished. As the Bicentennial approaches and we recall the battle our forefathers waged to secure these rights, we must not relent in our effort to assure an individual's right to privacy—a right which is absolutely essential to our democratic and constitutional form of government.

Mr. MEZVINSKY. Mr. Speaker, during this Congress, as in previous Congresses, we are continuing to address ourselves to the problems of civil liberties in an increasingly technological society. The ability of institutions, unless restrained, to overwhelm the individual has expanded; the power of government to harass, intimidate, and monitor citizens in the exercise of their rights and liberties has been underscored. The resultant reactions of fear, cynicism, and alienation have been recorded in the news media, public opinion surveys and the congressional mails.

The right of privacy in one's affairs is fundamental. In 1927, Mr. Justice Brandeis articulated the role of the right of privacy in the Bill of Rights:

> The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, his feelings, and of his intellect. They knew that only a part of the pain, pleasures and satisfaction of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and a right most valued by civilized men.

The Privacy Act of 1974 provides a degree of regulation, control and prohibition as to the Federal Government in the collection and dissemination of information in Federal data bank systems. This is an important and significant first step. A number of bills have already been introduced this year to further extend these efforts and to broaden and strengthen them. Still there are abuses to which we must address ourselves.

Because the ability of individuals to ascertain the content of credit investigation files remain limited, room for mischief and abuse continues. Bank records, personnel records, student files, financial records and medicial histories have all been misapplied but not only Government intelligence and law enforcement agencies but from private agencies as well. When someone has applied for credit, employment or insurance, a secret investigation is often made, divulging into one's background, personal lifestyle, personality, habits, even sexual conduct: frequently these "investigations" include innuendo from those who have ulterior motivations which can damage a career, destroy a marriage, deny insurance or prevent a loan.

The Postal Service has admitted tampering of mail by law enforcement and intelligence agencies. Not only did the White House Plumbers tap phone lines, but we are told, so did the telephone company.

Before we in the Congress can say that the efforts necessary in this area have been completed, it is imperative that the practices of State and local governments, as well as private organizations be corrected. We must recognize that the right of privacy grants to each individual a measure of control over who has access to any information which can be identified with that individual. Perhaps we need to go beyond regulation and recognize that one good means of preventing misuse of personal information is to discourage its collection in the first place. Mr. Speaker, this right of privacy must be preserved against any further corruption or abuse by anyone, particularly Government.

Mr. PATTERSON of California. Mr. Speaker, I want to join my colleagues in commending the distinguished gentleman from Ohio (Mr. Mosher) and the distinguished gentleman from Wisconsin (Mr. Kastenmeier) for their concern about the subjects of right-to-privacy and Government surveillance practices, and for their timely action which focuses our attention and the attention of the people on this problem.

More and more of our citizens are concerned that their individual privacy is being invaded by modern technology and, more specifically, computers. This is compounded by the proliferation of large Government and private recordkeeping systems. The citizen no longer can be sure that any information he gives is truly "confidential." It is time we take some steps to bring this confidentiality back to the citizen, particularly in the area of financial privacy.

Government surveillance and transferring of records is necessary in investigating the known criminal, however, such surveillance must be undertaken within the scope of the law; within the defined limits of legal jurisdiction. Credit combines, collection agencies, and large corporations are increasingly becoming involved in transferring information about people's private and financial lives with complete abandon of the confidentiality of such information.

While steps must be taken in all of these areas of privacy, today I would like to limit my comments to the need for legislation to restrict Government access to bank records of customers' financial transactions.

Presently, the Secretary of the Treasury is authorized to prescribe by regulation certain recordkeeping and reporting requirements for financial institutions in this country which "have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings."

Does the disclosure of financial information submitted by banks to the Federal Government raise fourth amendment and invasion of privacy issues? I join with those who answer "yes," and support measures to preserve as much of the recordkeeping viability of the Bank Secrecy Act as possible while insuring judicial control over Government access to financial records. No Government agency or employee should be able to obtain copies of or access to the financial record of any customer from a financial institution unless the customer has been notified and has authorized the disclosure in response to a subpena or court order.

The Privacy Act of 1974 has gone a long way in reserving the right-to-privacy, but we still have much to do to insure our right to feel, think, and express our own thoughts and provide personal information to some one source for a specific purpose without feeling that our entire lives must become an item of "public record."

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special order today of the gentleman from Ohio (Mr. Mosher).

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ANNIVERSARY OF THE LENINGRAD TRIAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Eilberg), is recognized for 30 minutes.

Mr. EILBERG. Mr. Speaker, on this date 5 years ago the Russian Government shocked, and outraged the world by sentencing 11 persons, 9 Jews and 2 Christians, to death or lengthy prison terms for simply trying to act as free men are supposed to be allowed to act.

The sentences, which were imposed to deter other persons from their "dissident" activities were partially reduced after protests poured in from around the world.

Despite the harshness of the sentences and other continued and brutal harassment by the Soviet Government the Jews of Russia are still trying to emigrate to freedom.

Last month I visited Russia with some other Members of Congress and we were able to meet with some of these men and women in Moscow and Leningrad. In Kiev the people whom we were supposed to see were ordered out of the city for the duration of our visit, but we were able to meet with the wife of one of the men who had applied for an exit visa.

In Moscow we spoke with: Vitaly Rubin, Leonid Raines, Irma Chernyak, Sophia Belotserkovskaya, Alexander Lerner, Ida Nudel, Vladimir Slepak, Anatoly Scharansky, and Joseph and Dina Beilin.

Our Leningrad meetings were with; Leopold Ekchilevsky, Boris Krumgalz, Mark Freydin, Vladimir Sverdlin, Alexandr and Oksana Chertin, George Sakiriusky, Ilia and Elleonora Ginsburg, Jeaniette "Janna" Kartseva, Felix Aronovich, and Ilya Shostakovsky.

As I stated previously, the people with whom we were supposed to meet in Kiev were ordered out of the city. Their names are: Ilya Zlobinsky, Vadim Sheinis, Aleksandr Mizrukhin, Vladimir Kislik, and Kim Fridman.

We were, however, able to meet and talk to Mizrukhin's wife, Mila.

Every one of these people, without hesitation, said they wanted their cause and themselves individually to get as much publicity and support as possible. They all asked us to mention their names to the Russian officials with whom we would be meeting later.

They absolutely contradicted the people in this country who claim we are hurting them or the cause of Soviet Jewry by publicly supporting them or putting pressure on the Soviet Government in their behalf.

At this time Mr. Speaker, I would like to place on the Record a statement of support for the persons sentenced 5 years ago today at the Leningrad trials and the more than 40 Soviet Jews who have been imprisoned for trying to reach freedom.

STATEMENT OF SUPPORT FOR PERSONS SENTENCED

Five years ago today, justice was a victim of the Soviet legal system.

On this date in 1970, the Soviet government shocked the world with the arrest of eleven persons. All received harsh prison terms, some as long as 15 years. One was sentenced to death, but in response to cries of outrage from the free world, the sentence was commuted to 15 years.

Nine Jews and two Christians. They were the "criminals" of the First Leningrad Trial.

For keeping typewriters in their homes, they were criminals.

For owning books with the word "Jew" in them, they were criminals. And for possessing letters from relatives in Israel, they were criminals.

What followed their arrest was part of a systematic plan to subdue the remarkable Jewish national movement that emerged in the USSR. It was a plan whose goal was to silence and intimidate Jews seeking to emigrate to Israel. The defendants were charged with such crimes as "betrayal of the fatherland;" "responsibility for the preparation of a crime and for attempted crimes;" "misappropriation of State or public property;" "anti-Soviet agitation or propaganda;" and "participation in an anti-Soviet organization."

Sadly, the Leningrad Trial was only the beginning. Since then the Soviet Union has used its legal system to harass Soviet Jews whose only crime is the desire to emigrate to their ancient homeland, Israel—a right guaranteed by Soviet law and international law.

Within recent months Mark Nashpits and Boris Tsitlionik were arrested and sentenced to five years in exile for demonstrating on behalf of Soviet Jewish prisoners of conscience, including those convicted in the Leningrad Trials of 1970.

Mikhail Leviev, a Soviet Jew who sought an exit visa, was tried and sentenced to death for "economic crimes"; and Dr. Mikhail Shtern, a highly respected Vinnitsa physician, has been sentenced to eight years hard labor on trumped-up charges of accepting bribes from his patients.

In these and other cases the defendants were refused counsel of their choice. Testimony on their behalf was suppressed and documents fraudulently altered in order to convict them.

The arrests that took place on June 15th, 1970 are a reminder of the extremes to which Soviet authorities will go in seeking to prevent Soviet Jews from emigrating to Israel.

But those arrests were not accepted in silence by men and women of conscience throughout the free world. Just today, for instance, more than 500 lawyers from throughout Greater Philadelphia have joined to publish a newspaper advertisement voicing their outrage at this mockery of justice.

While world wide protests against Soviet actions brought no apologies from the USSR, and certainly led to no fundamental changes in policy or in outlook, Soviet authorities were shocked by the storm aroused by the arrests and subsequent trials. Indeed, there is a direct relationship between the protests by men and women of every faith and nationality and every walk of life and the subsequent dramatic increase in the granting of exit visas for Soviet Jews. During the past five years, more than 100,000 Soviet Jews have been granted exit visas to rejoin their people in Israel. In recent months, however, we have witnessed a hardening of Soviet policy, including trials and convictions of Soviet Jewish activists and a sharply reduced rate of emigration.

We believe there is a direct relationship between the Soviet perception of Western concern and their willingness to intensify the intimidation of Soviet Jews. The time is ripe, we are convinced, for the members of Congress to once again send a message to Soviet authorities, a message of protest against the continued imprisonment of Jews whose only crime was their desire to emigrate. We are outraged that many of the Leningrad defendants still languish in Soviet prison camps and that their number has been tragically augmented so that today there are more than 40 Soviet Jewish prisoners of conscience.

In order to call attention to this outrage, we, as members of Congress from the Greater Philadelphia area, have agreed to each adopt a Soviet Jewish prisoner and to undertake specific efforts in order to hasten their release and ameliorate the harsh conditions under which they live in Soviet labor camps. We hope that other members of Congress will follow our lead and join us in this effort so that the conscience of America can be given voice on this grave denial of human rights.

William A. Barrett, Joshua Eilberg, Robert N. C. Nix, Richard T. Schulze, William J. Green, Robert W. Edgar, Laurence Coughlin

Finally, Mr. Speaker, I would like to say a few words about one of the men who was tried in Leningrad.

Mark Dymshitz was born May 10, 1927. He is married and has two daughters, Yulia and Elizaveta, who were allowed to leave the country and now live in Israel. His wife Alevtina is still in Russia and lives in Leningrad.

Mark Dymshitz was accused of "treason," "anti-Soviet agitation and propaganda," "anti-Soviet organization," and "misappropriation of state or public property on an especially large scale." The last charge grew out of a plan to take an airplane and use it to fly persons who could not get permission to leave the country out of Russia.

For these alleged "crimes" he was sentenced to death. Had it not been for the massive protests throughout the world, by governments and individuals, Mark Dymshitz would have undoubtedly been executed. Instead, his sentence was reduced to 15 years at "strict regime"—hard labor.

Today he is serving his sentence in a prison camp, Perm No. 36, and his mailing address is: USSR, RSFSR, Moscow, P.O.B. 5110/1 VS 389/36.

Mr. Speaker, Mark Dymshitz has no hope for freedom unless the pressure on the Soviet government continues. He will never be free to live where and how he wants, unless it is made clear to the Russians that he and all the other Soviet Jews will never be forgotten by the people and governments of the world.

Mr. BARRETT. Mr. Speaker, as my able colleague from Philadelphia (Mr. EILBERG) just noted, it was exactly 5 years and 1 day ago—June 15, 1970—that there took place in the Soviet Union the beginning of a series of actions and events which gave rise to an outcry from the civilized world.

It was on that day in 1970 that the forces of the Soviet Government arrested 11 persons, and what followed has come to be known as the first Leningrad trial. These 11 persons were charged with a series of crimes against the state, all of which turned out to be so much poppycock. Their arrest and conviction resulted from the desires of some of them, all of whom were Soviet citizens, to emigrate from the Soviet Union. This is a right guaranteed by Soviet law and recognized as legitimate under international law. Those arrested were either attempting to obtain permission to emigrate or supporting those making such an effort.

Among those sentenced was one Anatoly Altman. Who is Anatoly Altman?

Anatoly Altman was born on September 19, 1942, in Chernovtsy, Ukraine. He was born into a soldier's family. As a child he often visited the local synagogue and the Jewish amateur theater with his parents. Growing up in the only Jewish family in the neighborhood, Anatoly relates that he began to sense a distinct air of hostility to Jews in general and to himself in particular. The closing of the synagogue and the Jewish theater in Chernovtsy made a deep emotional impression on him; he became increasingly interested in the history of Judaism and the Jewish people. As he grew up, he came to the realization that only in Israel could he live a full life.

As a young man, therefore, he went to the Soviet officials in Odessa asking permission to leave for Israel. He was refused. He then tried to move to Riga, Latvia, in the hope that there it would be easier to apply and obtain an exit permit for himself. However, he was prevented from registering as a resident of Riga by Soviet officials.

Altman was arrested along with other activists in June of 1970. During the first Leningrad trial, Altman admitted to having participated in the publication of the newspaper, Iton, but insisted that the contents in no way was anti-Soviet.

Needless to say, under the Soviet concept of justice, he was found guilty and sentenced to 10 years in a prison camp under terms of strict confinement.

Anatoly Altman is just one of many who have been arrested and sentenced to outrageous prison terms, some for up to 15 years. One was even sentenced to death, but his sentence was later commuted in response to cries of outrage from the free world. Since that fateful day in 1970, others have been added to the prison camps. Today they number 40 or more.

While it is true within this past 10 years that for a while the Soviet Government allowed Jews to emigrate, they have once again hardened their policy and sharply reduced the rate of emigration.

Mr. Speaker, unfortunately, the Soviet Government has a long history of persecution of minorities. They deny basic human rights to their citizens as set forth in their own laws. I cannot help but wonder as to what avail and for what purpose they practice such policies. One had great reason to hope and believe that with the demise of the Stalin regime the days of the reign of terror would have ceased.

I would hope that the present leaders of the Soviet Government would realize the need to alter practices that give rise to distrust and apprehension; that they would take unto themselves the task of fulfilling the guarantees of the Soviet Constitution and those expressed in the Universal Declaration of Human Rights.

In my opinion, and I would venture in the opinion of all good people in the free world, they would best exemplify such a change of attitude by immediately freeing all those who have been imprisoned because of their desires to emigrate, those whom we so often refer to as prisoners of conscience.

Mr. BIESTER. Mr. Speaker, by word and deed the Congress of the United States has demonstrated its deep concern for the plight of those individuals in the Soviet Union who for reasons of conscience find themselves at odds with the raw power of the Soviet state. One such individual is Leib Khnokh, a Soviet Jew, arrested and tried in 1970 and sentenced to 10 years' imprisonment.

Leib Khnokh was 1 of 11 defendants in what has become known as the First Leningrad Trial of December 1970. Khnokh was charged with "anti-Soviet agitation and propaganda, participation in an anti-Soviet organization, and betrayal of the fatherland."

It would seem, however, that Leib Khnokh's real crime was his desire to leave the U.S.S.R. After his repeated applications for an exit visa were denied, Khnokh began to appeal in writing to both Soviet and Western officials protesting what he justly believed to be violations of his basic human rights.

Those appeals to the West and Khnokh's refusal to submit to the will of the Soviet authorities helped to bring on his arrest and subsequent imprisonment. Under his current sentence Khnokh will be in prison until 1980. His wife, Meri, pregnant at the time of their arrest, now lives in Israel with their child.

Leib Khnokh, for the "crime" of wanting to leave the Soviet Union, for the "crime" of wanting to live in Israel where he and his family could practice their faith, has been denied his liberty for 5 years. He has been cut off from his wife and denied the joy of sharing in the early formative years of his child's life.

It is my deep hope that officials of the Soviet Union will see fit to shorten Leib Khnokh's term of imprisonment and will allow him to join his wife and child in Israel.

I firmly believe that the United States, the Soviet Union, and the world have much to gain by moving away from an era of hostility and confrontation.

Obviously the United States and the Soviet Union must evolve a new way of relating to one another. The question is by what means shall we proceed to lessen the hostilities and apprehension which still characterize United States-Soviet relations? I believe that if détente is to be a creative, hueristic process, it must entail much more than a negotiated arrangement of convenience between our two Governments. If any new Soviet-American relationship is to last, it must be firmly rooted in shared values and mutual perceptions about basic human liberties and rights. Détente must become a means by which the peoples of the United States and the U.S.S.R. can achieve a more meaningful, more peaceful life. Détente must be the kind of relationship which requires less of our national energies, talents, and resources to be channeled into the maintenance of military establishments capable of destroying the world many times over. Détente must be a means to a better life for all our peoples.

Our belief in the essential oneness of mankind demands that we speak out against the kind of treatment which Soviet authorities have meted out to many individuals who wish to leave the Soviet Union. Leib Khnokh is only one man. His plight, however, is all too common among many Soviet citizens. I am pleased to join my distinguished colleagues from Pennsylvania in helping to call attention to this deeply troubling situation. I hope that Soviet officials will read these remarks as evidence of a sincere American desire to proceed toward better relations based on a common appreciation of basic human rights and values. I hope that these expressions of concern for specific individuals will be read as indicative of our belief in universal human rights, including the right of all individuals to leave any country in which they live.

Mr. SCHULZE. Mr. Speaker, I am pleased to join my colleagues of the Greater Philadelphia area today in commemorating the fifth anniversary of the arrest of the defendants of the Leningrad trial. Five years ago, as we all know, the Soviet Government arrested 11 persons—both Jewish and Christian.

Of the many persons arrested in recent years, I have agreed to communicate with two of them—twin boys, aged 23 years old. These Jewish boys, Arkady and Leonid Vainman, were arrested on charges of "hooliganism," and were sentenced to 4 years in separate Soviet prisons.

Let us picture the events which resulted in the arrest and conviction of Arkady and Leonid. In May of 1972, the brothers applied, without their parents' permission, for exit visas to Israel. Both boys subsequently received draft notices, although Leonid had received a medical exemption the previous year. A campaign of harassment by local authorities followed, and they were provoked by a local "tough" who insulted and assaulted them. Soviet agents "happened" to appear on the scene and the brothers were charged with hooliganism and sentenced to 4 years in prison. Since that time, in serving their prison sentences, Arkady and Leonid have suffered attacks by prison inmates and have even been threatened with additional sentences.

In addition to commemorating the arrest of the "criminals" of the first Leningrad trial, which marked the beginning of a systematic plan to subdue the Jewish national movement emerging in the U.S.S.R., I have agreed to correspond with these two young men. It is my desire that writing to Arkady and Leonid will offer them hope for themselves and for their people.

Once before, worldwide protests at the violation of Soviet and international law regarding freedom of emigration caused an increase of exit visas for Soviet Jews. Let men and women of every faith and nationality take this opportunity to join together in loudly protesting such abuses. Let us offer hope and inspiration to prisoners such as Arkady and Leonid.

Mr. EDGAR. Mr. Speaker, I wish to relate to my colleagues at this time the plight of a Russian Jew who languishes in a Soviet prison. His only true crime was a longing to overcome the repressive immigration policies of his country.

Izrail Zalmanson is 26 years old. Instead of looking toward a bright future of building a career, marrying and raising a family, and using his active, creative mind to contribute to the betterment of the world community, Zalmanson can only anticipate the termination of his 8 year sentence. He has only the solitude of the prison walls of Poma No. 3/5, the sterile name of the state camp where he is being held. He longs for the time when he will be in the Promised Land of Israel, free to practice his religion without persecution and intimidation, and also free from the systematic violation of his basic human rights. His uncle, Avram Zalmanson, is safely within Israel, not far away in miles, but behind a wall of intolerance a million miles high. Perhaps the only time intolerance can be justified is upon finding intolerance.

This young man cannot and will not be forgotten by the people of the United States, who have traditionally been compassionate when others have been victims of arbitrary injustice. I urge the Soviet Government to reconsider the case of Zalmanson with a sensitivity to the outrage of all citizens of every nation of the world. Sympathetic reactions to human suffering transcend all ideological and geographical boundaries.

Mr. Speaker, we cannot close our eyes when people who have been victimized by such a blatant suppression of liberty ask for our help, whether in our own nation, or in others. The fate of this unfortunate Soviet Jew should serve as a reminder that individual liberty and justice is not something which should be taken for granted. It is something to be defended. The example of Izrail Zalmansion should help keep us vigilant of attempts to abridge our freedom in the United States, by both our foreign enemies, and by our own Government.

Mr. COUGHLIN. Mr. Speaker, yesterday marked the fifth anniversary of the Leningrad Trials which signaled the start of an intensive Soviet campaign to quash freedom.

On June 15, 1970, eleven persons were arrested on a charge of treason for seeking to leave the U.S.S.R., allegedly by plotting to commandeer aircraft. Two of the convicted individuals, Eduard Kuznetsov and Mark Dymshitz, were given death sentences while the others were sentenced to various terms in prisons within the Gulag. However, due to intensive world pressure and public opinion the death sentences were commuted.

I briefly detail this first trial simply to illustrate that since that time the Soviet Union had used its legal system to harass Soviet Jews whose only crime is the desire to emigrate. The Leningrad Trial of 1970 marked a renewed attempt to deal with a basic, historical problem besetting the Soviet Union—the problem of silencing the dissident voices within their Nation, particularly the Jewish voice.

Restrictions against Jewish religious

and cultural life in the Soviet Union have been amply cataloged in recent years. Such treatment includes inadequate religious facilities, pressures against synagogue attendance, lack of Yiddish or Hebrew language teaching, and quota restrictions on university entrance to name a few. With such discrimination and repression, is it any wonder to those in this Chamber why so many Jewish citizens desire to emigrate?

Let us discuss another example of the abuse the Soviet Judiciary system for the state's purpose.

Alexandr Feldman was 26 when he was arrested. He was charged with allegedly having hit a woman with a briefcase, knocking a cake out of her hands, causing her light bodily harm. For this "crime" Alexandr was sentenced for malicious hooliganism to three-and-a-half years in a hard labor camp. His trial was held in a shutdown munitions factory and his father and brother were denied entry into the courtroom. His lawyer tried to appeal the sentence and has since been disbarred.

The important aspect of this man's trial is that one year before, he had applied to emigrate to Israel and had subsequently been arrested three times before the 1973 trial. Each time, Alexandr was sentenced to 15 days in prison as a "hooligan."

I feel it is appropriate that at this time we as a Nation affirm our dedication to the principles of personal liberty and freedom of choice. For the millions of people who suffer under the shadow of tyranny, we must continue to provide the inspiration and hope so vital to their struggle for the basic human rights which belong to all people.

Obviously, the Soviets are sentitive to world public opinion. Since the Leningrad trial of 1970 over 100,000 Soviet Jews have been granted exit visas. However, recent newspaper articles and reports from Soviet immigrants have indicated a tightening of Soviet policy, increased trials on trumped-up charges and a sharply reduced rate of emigration. Therefore, the need to publicize the plight of the actual and potential prisoners of conscience is more imperative than ever.

While the overwhelming majority of the Prisoners of Conscience are of the Jewish faith, I feel it is important to recognize that such harassment is not limited to a particular race, creed, or religion and is a standard practice for anyone who does not properly fit into the Soviet mold. At the present time the Jews are the victims of this treatment because of their desire to emigrate, but we should not forget the hundreds of other individuals who are suffering within the Gulag for their personal beliefs.

At this point, I would like to submit for the Record a list of the names of Soviet Jewish Prisoners of Conscience and the dates of their arrest.

Names of Soviet Jewish Prisoners of Conscience and Date of Their Arrest

Anatoly Altman—1970.
Yuri Berkovsky—1974.
Anna Berkovsky—1974.
Grigory Berman—1972.
Hillel Butman—1970.
David Chernoglas—1970.
Boris Davarashvili—1972.
Mark Dmyshitz—1970.
Alexander Feldman—1973.
Ilya Glezer—1972.
Lassal Kaminsky—1970.
Leib Khanokh—1970.
Mikhail Kornblit—1970.
Edward Kuznetsov—1970.
Sender Levenson—1975.
Lazar Lubarsky—1972.
Mark Lutskier—1973.
Yosef Mendelevich—1970.
Yosef Mishner—1970.
Mark Nashpitz—1975.
Boris Penson—1970.
Petya Pinkhasov—1973.
Yuri Poch—1972.
Chaim Rennert—1971.
Isaac Skolnik—1972.
Alexander Sliunin—1974.
Kopel Spector—1974.
Mikhail Stern—1974.
Yakov Suslensky—1970.
Boris Tsitlonak—1975.
Arkady Veinman—1972.
Leonid Veinman—1972.
Yuri Vudka—1969.
Lev Yagman—1970.
Israel Zalmanson—1970.
Wolf Zalmanson—1970.
Yuri Fedorov (non-Jew)—1970.
Alexander Murzhenko (non-Jew)—1970.

The following have been sentenced for crimes due to their application for exit visas.

Yevgeny Glikhman—1972.
Semion Gluzman—1972.
Pyotr Goldbert—1974.
Albert Koltunov—1974.
Yefim Krichevsky—1973.
Yechiel Kutchuk—1974.
Grigory Lembert—1974.
Gavriel Superfein—1973.

Mr. GREEN. Mr. Speaker, 5 years ago, today, the Soviet Government shocked the world with the arrest and imprisonment of 11 persons. Nine Jews and two Christians were the criminals of the first Leningrad trial. Their crimes were keeping typewriters in their homes, owning books with the word "Jew" in them, and possessing letters from relatives in Israel.

Thereafter, the U.S.S.R. undertook a systematic plan to silence and intimidate Jews seeking to emigrate to Israel, despite the fact that the right to emigrate is guaranteed by Soviet and international law.

Recently, Mark Nashpits and Boris Tsitlionik were arrested and sentenced to 5 years in exile for demonstrating on behalf of Soviet Jewish prisoners of conscience, including those convicted in the Leningrad trials of 1970.

I am proud to have adopted a Soviet prisoner of conscience, Vulf Zalmanson. Mr. Zalmanson is a graduate of the Riga Agricultural Academy and worked as a mechanical engineer up to 1968, when he was inducted into the army. At that time, he applied to emigrate to Israel. Subsequently, in 1970 he was arrested as one of the nine Jews and two Christians aforementioned. He has since been in prison, after having been refused counsel and after testimony on his behalf was forcefully and fraudulently suppressed.

Free men cannot sit in silence while such repression and denial of basic rights takes place. Men and women of every faith and nationality, of every walk of life, must be shocked at such actions. And they must voice their displeasure.

I am pleased that many members of the Philadelphia legal community—the renowned "Philadelphia lawyers"—are joining an advertisement to protest this mockery of justice.

Recent months have seen a terrible hardening of Soviet immigration policy. The systematic repression of human rights has gotten worse. Sadly, the intimidation of Soviet Jews has intensified.

We in the Western World must make it known that we notice this is happening. We must voice our concern for Soviet Jewry, so that the Russians will know we do not tolerate this attitude. We seek only justice; we do not seek to interfere. We do plead, however, in the name of the prisoners of conscience, with the Soviets to heed our protest. We ask that the Soviet Government apply its own freedom of emigration law evenly. We beseech them to put an end to the human suffering, the indignities, and the outright repression. We do this in the name of humanity.

Mr. NIX. Mr. Speaker, I am very pleased that my colleague from Philadelphia, Mr. Eilberg, has asked for this time to call the attention of the House to continuing political repression in the Soviet Union.

As has been pointed out, today is the fifth anniversary of the famous Leningrad trial, in which 11 persons were sentenced to death or long prison terms for attempting to leave the Soviet Union illegally. The Soviet authorities used this case to set an example to frighten Jews and other presons who desperately desire to emigrate from the Soviet Union.

I will mention specifically the case of Eduard Kuznetsov, who was originally sentenced to death for treason, anti-Soviet propaganda, anti-Soviet organization, and misappropriation of Soviet or public property. Kuznetsov's sentence was later commuted, and he is now serving a 15-year term under a "special strict regime" in Potma Prison.

His wife, Silva Zalmanson, was also convicted in the Leningrad trial, but was released from prison last year and allowed to emigrate to Israel. Kuznetsov's sole desire is to be reunited with his wife in Israel.

Mr. Speaker, it is well known to all of us that the Soviet Union has attempted in the past few years to improve its image. They evidently desire to be considered a respectable member of the world community. The shallowness of the Soviet Union's "Socialist legality" can be seen in the Kuznetsov case. When a situation arose that the Soviet leaders found threatening, they had no reluctance in resorting to the traditional methods of Soviet "justice."

Eduard Kuznetsov has vividly told the story of his persecution by the Soviet authorities in his book "Prison Diaries," which was smuggled out of prison and out of the Soviet Union. It was recently published in the United States by Stein & Day.

I will continue to do all in my power to secure the release of Eduard Kuznetsov and of the others. I believe that we must also continue to press the Soviet Union to allow those who desire to leave the Soviet Union to do so. If the Soviet Union wishes to be considered a civilized nation, I believe they must be judged by the standards of civilized nations. It should be made abundantly clear to them that the United States regards the human rights issue as a fundamental issue in the improvement of relations between our two countries.

REPUBLICANS NOT TO BLAME

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. FENWICK) is recognized for 3 minutes.

Mrs. FENWICK. Mr. Speaker, I would like to respond to the remarks of the majority leader this morning. He held the defeat of the Emergency Employment Act to be the responsibility of the Republican minority. With Democrats outnumbering Republicans 2 to 1, is it not true that Democrats should be able to pass any bill they think wise and good? Is it not true that this bill was not a good one? And, on the other hand, is it not true that a good Republican bill, which would have provided $2.3 billion for youth summer employment, recreation, the WIN program, older Americans employment, public service employment and a work-study program for students, was buried in a committee dominated by Democrats, and never came to the floor?

Now we are told that we will have a new bill and we can all hope that it will include the good programs enumerated above. If it does, I am sure it will attract the support of conscientious Members on both sides of the aisle.

ASIAN BENEVOLENT CORPS ENCOURAGES CROSS CULTURAL UNDERSTANDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, in our country today we too infrequently note the contributions made to many communities by those Americans who are of Asian descent. These people, who trace their ancestry to such lands as China, Japan, Burma, the Philippines, Korea, and Vietnam have made positive, constructive contributions to the life of their communities.

A leading organization which has been working vigorously for over a decade to encourage greater understanding of the cultural contributions made by Asians to America and to promote participation by Americans of Asian origin in the life of their local communities is the Asian Benevolent Corps—ABC.

Since 1963, ABC has directed educational and cultural programs in which Americans of Asian descent join Americans of other backgrounds to explore and enjoy the many dimensions of the Asian heritage, such as painting, music, literature, and other arts and activities.

ASIAN ARTS FESTIVAL

For example, Mr. Speaker, the Asian Benevolent Corps recently held a highly successful 6-day Asian Arts Festival at the Montgomery Mall in Bethesda, Md. At this very interesting festival, works by traditional and contemporary Asian artists were featured, embracing both the fine and applied arts. Theater, music, dance, fashion, flower arrangement, cooking, film, and architecture were on display.

The 6-day Asian Arts Festival was the fruit of ABC's longstanding interest in the arts and its ongoing involvement with them in forums, instruction and training, workshops, publications, and exchange programs.

Mr. Speaker, as sponsor in Congress of the National Arts and Humanities Foundation Act, I was pleased to learn that the Asian Arts Festival was sponsored in part by a grant from the National Endowment for the Arts.

The festival included exhibits of Asian-American paintings and other visual art works; Chinese and Japanese water color demonstrations; Korean, Chinese, Burmese, and Philippine folk dances; demonstrations of Vietnamese, Chinese, East Indian, and Philippine cooking; performances of Vietnamese, East Indian, and Philippine music; demonstrations of Chinese Kung Fu, Japanese Judo, and Korean Martial Arts; and fashion shows of costumes of various Asian countries.

Participating in the Festival were over 100 artists, many of whom were of Asian descent, many of whom were not, and hundreds of community participants and staff members.

DISTINGUISHED PUBLIC SERVICE AWARDS

Mr. Speaker, I would like to add that at this festival, the Asian Benevolent Corps also presented its Distinguished Public Service Awards for 1975 and that the recipients were four of our own colleagues here in Congress, including: the distinguished Senators from Hawaii, the Honorable HIRAM L. FONG, and the Honorable DANIEL K. INOUYE, as well as the two Members of the House from Hawaii, our distinguished colleagues, the Honorable SPARK M. MATSUNAGA and the Honorable PATSY T. MINK.

In the words of the citations which accompanied their awards, these four outstanding Americans of Asian descent were recognized for:

> Their meritorious and outstanding contributions made as Americans of Asian descent, for fostering mutual understanding and goodwill among persons of all national origins, for individual participation and growth in community life through inspiring citizenship and responsibility.

OBJECTIVES OF ABC

Mr. Speaker, I would also like to note here that these awards follow closely from the objectives of the Asian Benevolent Corps which I would like here to note:

To foster mutual understanding and goodwill among persons of all ancestries and backgrounds.

To make the arts, especially Asian arts, available to Americans and other people, and to promote cross cultural exchanges.

To develop interests, talents, and skills in furthering individual growth and harmonious community relations.

To improve the quality of life in the community, especially for disadvantaged persons, by developing community services and resources.

To encourage active participation in public affairs and to foster better citizenship and civic responsibility.

Both Congressman JOHN M. MURPHY of New York's 17th Congressional District, which includes the famed Chinatown, and Congressman MATSUNAGA addressed the persons attending the festival.

Mr. Speaker, the ABC, active here in Washington, also undertakes many other activities to realize these goals.

Through programs or chapters in Washington, D.C., New York, New Jersey, Pennsylvania, Texas, Indiana, and California, as well as through the efforts of individuals working in other Asian communities in this country, about 25 programs are now operating in education, community services and manpower training and referral.

These programs provide career counseling, bilingual education, citizenship, business education, and courses in Asian affairs. ABC's Asian embassy semester, where students gain academic credit for courses in government, economics, and the arts and culture of various Asian countries, is a prime example of ABC's innovation and creativity.

ABC also publishes the magazine, Asian Voice, which features thoughtful articles on the arts and other aspects of Asian lands and which I believe Members of Congress will find a useful source of information on Asian and Asian American affairs.

Indeed, Mr. Speaker, I hope that Members of both the Senate and the House of Representatives will follow with sympathetic interest the many constructive activities of the Asian Benevolent Corps.

ABC is an organization that is making a positive contribution to American life and I wish ABC continued success in its several activities.

THE ETHNIC HERITAGE BICENTENNIAL COMMEMORATIVE MEDAL ACT

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Illinois (Mr. ANNUNZIO), is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, recently I introduced H.R. 7808, a bill to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America.

For too long our history books and folklore have emphasized our English heritage with little or no mention of the stirring contributions made by other ethnic groups. The exploits and dedication of many non-Englishmen have been overlooked with the result that proper acknowledgement of our pluralist history has been lacking.

My bill would help correct this defect in our national memory by striking 25,000 medals, of 21 different designs, which will serve as a reminder, during the 200th anniversary of our Revolution, that we are truly many peoples of one nation. The medals themselves would be designated by the Bicentennial Administration and all cost to the Government in producing the medals will be recovered in the sale of the medals to the general public.

I should like to acquaint you with a few of the names of persons of non-English ancestry who contributed importantly to our success against the British. Merely calling the roll of a few of these individuals will alert us to our many debts.

Take, for example, Thaddeus Kosciusko, born in Poland and trained in military engineering. He received a commission from the Continental Congress in 1776. A dynamic person and a courageous one, he participated in the defeat of Burgoyne at Ticonderoga and Saratoga, built the defenses of West Point, explored the Catawba, and completed his service as a cavalry leader in the South.

Another man of Polish ancestry, Casimir Pulaski, was early recruited by Benjamin Franklin for service against the British. He served as an aide to General Washington at the battle of Brandywine and during the severities of the winter at Valley Forge. He died shortly after being seriously wounded in a cavalry charge at Savannah, Ga., in 1779.

Gustav Henri Rosenthal, known in America as John Rose, was born in what is now Latvia. He fled to America in 1777 and served as a surgeon and as an aide to General Irvine in 1781 and 1782. In 1783 he was honorably discharged and later returned to Russia.

William Paca, of Italian extraction, was a signer of the Declaration of Independence. A Maryland attorney, he was active in almost all the important political movements in the State. He opposed the Stamp Act in 1765, was a member of the Committee of Correspondence, and a delegate to the First Continental Congress. In addition, he helped frame the Maryland constitution, later became chief justice and, in 1782, was elected Governor of the State.

Baron von Steuben probably made some of the most important contributions of any leader to America. Frequently referred to as "the first teacher of the American Army," he was born in Germany, educated by the Jesuits, and served as an officer in the Seven Years War. In 1777, with a letter of introduction from Dr. Franklin, he traveled to America where he became an unpaid volunteer under General Washington. Experienced in the operations of a general staff, an institution with which Americans were unfamiliar, von Steuben developed a training program for the Army. Later, he served in the Monmouth campaign of 1778 and the Yorktown campaign of 1781. After the war, he became an American citizen, living out the remainder of his life in New York State.

And in all rolls of famous revolutionaries, one must include the legendary Marquis de Lafayette. A wealthy nobleman, he arrived in America in 1777. Offering to serve without pay, he was commissioned a major general and appointed an aide to General Washington. He immediately thrust himself into the thick of battle, being wounded at Brandywine and, later, leading a reconnaissance force against Cornwallis. He endured the misery of Valley Forge with his American comrades-in-arms and later provided outstanding service in the Monmouth campaign. More importantly, he laid the diplomatic groundwork for French aid to America, and he himself spent over $200,000 of his personal fortune in support of the American cause, never seeking repayment.

These are a few of the ethnic patriots who sacrificed their time, energy, fortune, and often, lives, for a country which had little to offer in return. America today is the richer for being a pluralist nation with a multitude of languages, religions, and cultures. The passage of this bill would be a suitable expression of our gratitude and appreciation for the contributions of ethnic Americans to our unique heritage, and I urge the support of my colleagues for this legislation.

CONGRESSIONAL ADOPT-A-PRISONER; AMNESTY APPEAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman form New York (Mr. Koch) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, yesterday marked the fifth anniversary of the mass arrests that led to the infamous Leningrad trials of 1970 and the imprisonment of the Soviet Jewish prisoners of conscience. To mark the occasion the Greater New York Conference on Soviet Jewry has initiated a campaign to publicize the plight of the prisoners and hopefully secure some amelioration of their situation. In connection with this campaign, 60 Congressmen from New York and New Jersey have joined the congressional adopt-a-prisoner program wherein each Representative undertakes to insure the release of a particular Soviet Jewish prisoner of conscience. With the worsening condition of Soviet Jews in general, and of the prisoners in particular, this effort takes on great importance.

On June 13 and June 15 rallies were held to commemorate the anniversary of the imprisonment of the Soviet Jewish prisoners of conscience which featured prominent civil libertarians, humanitarians, and public officials. At the request of the Greater New York Conference on Soviet Jewry I have circulated an amnesty appeal petition to the New York delegation participants in the congressional adopt-a-prisoner which was released at the forementioned rallies. In that such occasions have, in the past, been marked by the granting of amnesty to prisoners, we signatories of the appeal hope that the Soviet Union will use this opportunity to release and repatriate those Soviet Jews now in prison who sought to emigrate to Israel.

I am appending the amnesty appeal with its signatories:

AMNESTY APPEAL

As persons concerned with human rights and justice, we the undersigned, appeal to the leaders of the Soviet Union to grant amnesty to the Jewish Prisoners of Conscience in the USSR.

We note with dismay the injustices suffered by Soviet Jews who have been imprisoned for their desire to exercise their basic rights, in accordance with the Universal Declaration of Human Rights, to be repatriated to their national homeland and to be reunited with their families.

We are saddened and outraged at mistreatment of these Jewish prisoners; the physical and mental degradation, the denial of medical care, proper diet and even the minimal privileges granted other prisoners.

We recognize that for many of these prisoners each day of incarceration under these torturous conditions further endangers their very lives.

We call on the leaders of the Soviet Union to release these Prisoners of Conscience and to allow them to be reunited with their families in Israel. As the Soviet Union marks the 30th Anniversary of the victory over the Nazis with humanitarian gestures of amnesty and clemency, we ask that these people who are among the remnants of Eastern European Jewry, be included as well.

In the name of humanity, in the interest of international understanding, we ask the Government of the Soviet Union to heed this appeal.

Rep. Edward Koch, Rep. Bella Abzug, Rep. Joseph Addabbo, Rep. Jerome Ambro, Rep. Herman Badillo, Rep. Mario Biaggi, Rep. Thomas Downey, Rep. Hamilton Fish, Jr., Rep. Benjamin Gilman, Rep. Elizabeth Holtzman, Rep. John Murphy, Rep. Richard Richmond, Rep. Robert Roe, Rep. James Scheuer, Rep. Stephen Solarz, Rep. Ottinger, Rep. Peyser, and Rep. Leo Zeferetti.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kansas (Mrs. Keys) is recognized for 5 minutes.

Mrs. KEYS. Mr. Speaker, earlier this afternoon I was absent from the floor during the vote on H.R. 1607 to extend to newspapers the same lottery prohibitions exemptions presently provided to radio and television stations. Had I been present, I would have voted yes.

NEED FOR PUBLIC SERVICE CONSERVATION JOBS FOR RURAL UNEMPLOYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Bedell) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, last week I introduced a bill which would provide public service conservation jobs for the rural unemployed. Today, I would like to take a brief moment to comment on the need for this legislation.

Unemployment is a very serious problem in rural America today, and the nature and scope of this problem is not fully understood by many Federal policymakers and by much of the American public.

It is a popular myth that the "real" or "hard-core" unemployment in our country is concentrated primarily in the cities, and that rural Americans are living a relatively comfortable and idyllic existence in the countryside. This simplistic conception of rural life ignores the stark realities of the 1970's—the fact that unemployment, depleted life savings, lost health insurance, bankruptcy, and foreclosure are painfully prevalent in every part of the country.

Stagflation does not have a discriminating eye. It has brought great economic and social dislocation to rural and urban areas alike.

Regretably, it often appears that Federal policymakers are either ignorant of or insensitive to this fact. Indeed, when viewed in the overall context of national policy, it becomes quite apparent that the Federal response to the problems of rural America has been much less than equitable. The unemployment situation is an excellent case in point.

At one time, unemployment rates in rural areas were lower than the national average. This is no longer true. Declining wholesale prices and skyrocketing production costs are forcing increasing numbers of farmers and ranchers off their land and into the already swollen ranks of the unemployed. The depressed economy has forced many small businessmen to close up shop and lay off substantial numbers of blue collar workers. The unemployment rate for rural nonfarm residents in the first quarter of 1975 was 9.8 percent, much higher than the national average of 8.3 percent. In addition, the unemployment rate for farm families has risen to 4.4 percent, a significant rise over normal levels. All in all, over 2½ million nonurban Americans are currently jobless, more than a quarter of the Nation's total. This figure is particularly revealing when one considers that less than one-third of the population resides in nonmetropolitan areas.

The inadequacy of the Federal effort to combat the unemployment problem in rural America is evident. An analysis of the Federal budget compiled by Senator James Abourezk of South Dakota disclosed that only 17 percent of all Federal outlays for employment and manpower training go into nonmetropolitan areas, despite the fact that such areas account for more than 30 percent of the Nation's unemployed.

A recent study of Federal employment and training programs prepared for the Rural Housing Alliance by Mr. Tom Karter provides further insight into this matter. In his report, Mr. Karter comments that—

> Rural areas have a greater per capita need for manpower services than urban areas, and this need is recognized by Federal manpower officials. However, rural areas have never received an equitable share of manpower funds. The lack of jobs in rural areas, the dispersion of the rural population, the greater cost of operating rural programs, the lack of resources, facilities and personnel, and the complex problems facing rural manpower planners are only some of the reasons explaining why rural areas have not received their equitable share of manpower funds.

It is clear that something must be done to promote a more balanced Federal response to our Nation's unemployment problem.

The bill I have introduced would help offset the geographic inequity inherent in existing Federal manpower programs by providing direct employment assistance to rural Americans. It would also help to preserve our country's natural resources by allocating the money and the manpower necessary to complete valuable conservation projects in rural communities.

Under this bill, any rural area—as defined by the Consolidated Farm and Rural Development Act—which has an unemployment rate of over 6 percent for a period of 90 days or more would be eligible for a conservation project. The program would be administered by the U.S. Department of Agriculture in conjunction with State agencies already established in rural areas. To be eligible for employment under the program, individuals would have to be over 18 years of age, residents of the designated area, and out of work for at least 30 days.

It is important to keep in mind that this program is designed to complement, not supplant existing manpower programs. It has been drafted to become a permanent part of the Rural Development Act of 1972, and it would become operative whenever unemployment in a rural area rises to an unacceptable level. It is intended to insure that rural Americans will not be forgotten in periods of unusually high unemployment.

This is the critical issue—equal treatment for all our Nation's unemployed, regardless of where they happen to live.

The Congress has demonstrated its concern about our country's serious unemployment problem, and it has offered constructive and responsible proposals to deal with it. Unfortunately, our efforts have been continually frustrated by the administration.

The Congress recently approved a major emergency employment appropriations bill which would have created an estimated 900,000 jobs. It was vetoed by the President.

But, even if this bill had been enacted into law, as I believe it should have been, it would have had a disproportionate impact on rural America. Most of the public service jobs created by this bill would have been earmarked for urban residents.

That is why H.R. 7860 is so important. If the Congress is going to fashion a responsible and equitable program to deal with our unemployment problem, it must provide meaningful employment opportunities for all our Nation's unemployed. This legislation is designed to be part of such a program.

The text of the bill follows:

H.R. 7860

A bill to amend the Rural Development Act of 1972

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Rural-Development Act of 1972 (86 Stat. 657), as amended, is amended by redesignating title VI, and all references thereto, as title VII, by redesignating sections 601 through 606, and all references thereto, as sections 701 through 706, respectively, and by inserting after title V the following new title:

"TITLE VI—RURAL CONSERVATION EMPLOYMENT PROJECTS

"FINDINGS

"Sec. 601. The Congress finds and declares that—

"(1) unemployment levels are seriously high and widespread in many rural areas of the United States;

"(2) these rural areas include lands and facilities of the National Forest System as well as other lands and facilities under the administrative jurisdiction of the Secretary of Agriculture, public forests and other agricultural lands and facilities under the administrative jurisdiction of States and other non-Federal governmental units, and privately owned forest, range, and farm lands;

"(3) there are large backlogs of needed conservation work and other work of a public nature requiring large amounts of labor and relatively small capital investments within these rural areas;

"(4) rural conservation employment projects on public and private lands and at other facilities within rural areas could quickly provide employment and related benefits for thousands of unemployed rural residents, significantly contribute to the management of many rural lands by reducing the large backlogs of conservation work, allow the completion of other projects of a public nature, and stimulate private businesses in rural America; and

"(5) the Department of Agriculture has the experience, procedures, and field organizations needed to effectively administer rural conservation employment projects on lands and at facilities under its adminisitrative jurisdiction and to provide financial and technical assistance to States and other cooperators for such projects.

"PURPOSE

"Sec. 602. It is the purpose of this title to provide employment for unemployed rural residents through rural conservation employment projects within rural areas of substantial unemployment.

"DEFINITIONS AND CONDITIONS

"Sec. 603. (a) For the purposes of this title—

"(1) The terms 'rural' and 'rural area' shall have the same meaning ascribed to such terms by section 306(a)(7) of the Consolidated Farm and Rural Development Act.

"(2) The term 'area of substantial unemployment' means any area of sufficient size and scope to sustain a rural conservation employment project, as determined by the Secretary of Agriculture, and which has had, for 90 consecutive days or more, a rate of unemployment equal to or in excess of 6.5 per centum, as determined by the Secretary of Labor.

"(3) The term 'rural resident' means any person who is a permanent resident of a rural area of substantial unemployment.

"(4) The term 'rural conservation employment project' means any project, carried out within a rural area of substantial unemployment, which (A) provides a significant increase in employment opportunities for rural residents; (B) is administered by the Secretary on lands or at facilities under his administrative jurisdiction, or for which the Secretary provides financial and/or technical assistance in cooperation with any State, Commonwealth, territory, possession, trust territory, public agency, organization, or individual; (C) is within the Secretary's authority and responsibility as set forth in existing law; and (D) accelerate or otherwise further existing programs of the Department of Agriculture.

"(5) The term 'Secretary' means the Secretary of Agriculture.

"(b) Individuals shall be eligible for employment under this title if they—

"(1) are rural residents;

"(2) have attained eighteen years of age; and

"(3) have been unemployed for a period of at least 30 consecutive days.

"PROJECTS ON FEDERAL LANDS AND AT FEDERAL FACILITIES

"Sec. 604. (a) Under such regulations as he may prescribe, the Secretary is authorized to employ, from funds appropriated pursuant to section 607(a) of this title, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and to pay without regard to the provisions of chapter 51 of subchapter III of chapter 53 of such title 5 relating to classification and General Schedule pay rates, individuals meeting the eligibility requirements of section 603(b) to carry out rural conservation employment projects on lands and at facilities within the National Forest System and on other lands or at other facilities under his administrative jurisdiction.

"(b) In carrying out his responsibilities under this section, the Secretary shall—

"(1) determine the areas under his administrative jurisdiction which are within rural areas of substantial unemployment;

"(2) determine and select appropriate work projects for individuals employed under this section, giving priority consideration to projects that (A) are highly labor intensive, (B) have work plans or for which work plans could be readily developed, (C) could be initiated promptly, and (D) could be substantially completed within 12 months after initiated;

"(3) determine rates of pay, hours and other conditions of employment of individuals employed under this section; except that no person employed under this section may be paid a wage higher than the prevailing rate of pay for permanent, full-time employees of the Department of Agriculture doing comparable work or $10,000 per year, whichever is lower.

"(4) provide, directly or by contract and without regard to chapter 57 of title 5, United States Code, such transportation, lodging, and subsistence, and supplies and other services and equipment as he may deem necessary or appropriate for individuals employed under this section to carry out their duties; and

"(5) promulgate regulations to insure the safety, health, and welfare of individuals employed under this section.

"(c) Individuals employed under this section shall not be deemed to be Federal employees other than for the purposes of chapter 171 of title 28, United States Code, and chapter 81 of title 5, United States Code.

"(d) Individuals shall be employed under this section without regard to race, color, religion, sex, or national origin.

"(e) Existing but unoccupied Federal facilities and surplus or unused equipment, or both, of all types including military facilities and equipment may be used by individuals employed under this section, where appropriate and with the approval of the Federal agency involved.

"COOPERATIVE PROJECTS

"SEC. 605. (a) The Secretary is authorized, from funds appropriated and made available under section 607(b) of this title, to extend the provisions of this Act to lands and facilities owned by States and other non-Federal governmental units and to lands in private ownership, within rural areas of substantial unemployment, by accelerating those cooperative programs within his administrative jurisdiction, under existing law, which can best provide rural conservation employment projects.

"(b) In determining which cooperative programs shall be accelerated under subsection (a) of this section and in making the allocations of funds under subsection (c) of this section, the Secretary shall give priority consideration to those cooperative programs which can best provide rural conservation employment projects that—

"(1) are highly labor intensive;

"(2) have work plans or for which work plans could be readily developed;

"(3) could be initiated promptly; and

"(4) could be substantially completed within 12 months after initiated.

"(c) Whenever funds are made available by the Secretary under this section for the acceleration of any cooperative program such program shall be administered in accordance with all applicable provisions of law authorizing such program, except provisions relating to—

"(1) requiring allocation of funds among the States;

"(2) limits upon the total amount of Federal financial assistance for any period; and

"(3) the maximum Federal contribution to any State or local government, whenever the Secretary determines that any non-Federal contribution cannot reasonably be obtained by the State or other cooperator concerned.

"(d) Payments to cooperators under this section may be made in advance or by way of such conditions as the Secretary shall determine.

"(e) Individuals employed with funds appropriated for carrying out the purposes of this section shall—

"(1) meet the eligibility requirements of section 603(b);

"(2) be employed without regard to the personnel laws, rules, and regulations applicable to full-time employees of the State or other cooperator, except such laws, rules, and regulations, if any, relating to tort claims or compensation for injuries which occur while engaged in work pursuant to this section;

"(3) be employed without regard to race, color, religion, sex, or national origin;

"(4) not be paid a wage higher than the prevailing rate of pay for permanent, full-time employees doing comparable work for the State or other cooperator or $10,000 per year, whichever is lower; and

"(5) not be deemed to be Federal employees for any purpose.

"LIMITATIONS ON USE OF FUNDS

"SEC. 606. Not more than 25 per centum of the funds made available for any rural conservation employment project under this title may be expended for non-labor costs.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 607. (a) There are authorized to be appropriated for carrying out the provisions of section 604 of this title $40,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"(b) There are authorized to be appropriated for carrying out the provisions of section 605 of this title $120,000,000 for the fiscal year ending June 30, 1975, and $120,000,000 for the fiscal year ending June 30, 1976.

"(c) Notwithstanding any other provision of law, funds appropriated to carry out the provisions of this title for the fiscal year ending June 30, 1975, shall remain available for obligation until June 30, 1976, and such funds appropriated for the fiscal year ending June 30, 1976, shall remain available for obligation until September 30, 1977."

MANAGING U.S. ARMS SALES ABROAD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROSENTHAL) is recognized for 5 minutes.

Mr. ROSENTHAL. Mr. Speaker, a subtle but dramatic change is occuring in our foreign assistance program which many Members of Congress might not yet recognize. We are gradually eliminating grant military aid, not only because of skepticism in both executive and legislative branches on the urgency, or wisdom of such aid, but also because many grant aid recipient countries have increased their per capita income so that they are ineligible for grants.

The decline in grant military assistance is matched by a sharp increase in sales in military equipment by or through our Government. Since only those sales under credit or guaranty terms require congressional approval, the sharp rise in commercial military sales constitutes an increasingly important area of U.S. military activity overseas outside congressional purview.

I am introducing today a bill which will address this problem by requiring advance congressional approval of U.S. arms sales by country and by major weapons systems and major defense services to be sold. This bill, a companion to one introduced in the Senate by Senator GAYLORD NELSON of Wisconsin, will assert and implement the congressional role in an exceedingly important aspect of foreign policy.

To illustrate the dimensions of the problem of U.S. military sales, I cite these figures:

U.S. military sales abroad—Orders

[Millions of dollars]

Fiscal year 1968	804
Fiscal year 1969	1,557
Fiscal year 1970	921
Fiscal year 1971	1,644
Fiscal year 1972	3,271
Fiscal year 1973	3,865
Fiscal year 1974	8,262

Lest it be assumed that the sharp increase in fiscal year 1974 sales orders was atypical, the Pentagon recently reported that in the first 7 months of fiscal year 1975 orders for U.S. arms totaled $4,600 million. At the present rate of growth, the United States, already the largest arms exporter in the world, will be selling $25 billion in arms overseas in a year.

Congress has a special responsibility to understand and to review this development in our military role overseas because we dominate this field. Here is how our actual arms deliveries overseas in 1973 compared to the other leaders in this field:

Leading arms exporters—deliveries—in 1973

[Millions of dollars]

United States	5,000
U.S.S.R.	2,500
France	500
Britain	333

This bill, which I also intend to propose as an amendment to the Foreign Military Sales Act when it is before our committee for markup this year, has these main provisions:

First. A reporting requirement: To provide the Congress, by February 1 each year, a complete account of military sales of all kinds proposed for the coming fiscal year, by total sales, country, type of weapons system, or defense service to be provided; and a projection of such sales planned for the coming 5 years, if and when known;

Second. A justification requirement: To provide Congress with an explanation and justification for the total military sales program, for the program of each country, and for each major weapons program or defense service to be supplied;

Third. An impact statement: To provide Congress with a description of how the proposed sales program will affect arms control and military balance both in each region and worldwide, and its effects on U.S. military preparedness and war reserve stocks;

Fourth. A response requirement: Within 30 days of its receipt, the executive branch shall respond to a request for additional information concerning items 1, 2, and 3 above from the chairmen of the House International Relations Committee or the Senate Foreign Relations Committee;

Fifth. An approval requirement: First, the Congress must approve an overall foreign military sales program which specifies a maximum amount, by country, and by major weapons and defense service; and second, for sales proposed beyond the program approved under first above, the Congress must first approve specific sales by country and weapons system or service; and

Sixth. A waiver provision: The President may waive the appoval requirement cited above for a particular sale if he notifies the Congress that such a waiver is vital to the security of the United States.

I hope that the Congress will carefully consider this legislation which forms, in my judgment, one of the many individual steps needed if we are to play the role in foreign affairs which our Constitution demands.

I include below the full text of H.R. 7922:

H.R. 7922

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 2 of the Foreign Military Sales Act is amended by adding at the end thereof the following new section:

"SEC. 25. Congressional Approval.—(a) Not later than February 1 of each year, beginning in the calendar year 1976, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a report which shall include the following:

"(1) (A) A statement which shall set forth—

"(i) the total amount of cash sales from stock under section 21, contracts for the procurement of defense articles or defense services under section 22, credit sales under section 23, and guaranties under section 24 of this Act proposed to be made during the next fiscal year to each county or international organization the name of which is set forth in such statement pursuant to clause (ii) of this subparagraph;

"(ii) the country or international organization to which such sale, credit sale, or guaranty is proposed to be made; and

"(iii) in the event any such sale, credit sale, or guaranty involves a major weapons system or a major defense service, a full and complete description of such major weapons system or such major defense service.

"(B) The President may, from time to time, submit additional statements with respect to any of the matter specified in paragraph (1) (A) of this section.

"(2) A projection which shall set forth the total amount of such sales, credit sales, or guaranties expected to be made to each country or international organization during the next 5 fiscal years. In the event such sales, credit sales, or guaranties are expected to involve a major weapons system or a major defense service, such report shall to the maximum extent possible describe fully and completely such major weapons system or major defense service, and shall set forth the name of the country or international organization to which the sale, credit sale, or guaranty thereof is expected to be made.

"(3) An explanation and justification for—

"(A) the total foreign military sales program;

"(B) the foreign military sales program with respect to each country and international organization to which sales, credit sales, or guaranties are made thereunder; and

"(C) any sale, credit sale, or guaranty involving a major weapons system or major defense service;

as described in the projection transmitted under paragraph (1) of this subsection, including an explanation of the extent to which the matter set forth in clauses (A), (B), and (C) of this paragraph will—

"(i) support the foreign policy objectives of the United States;

"(ii) strengthen the security of the United States; and

"(iii) promote world peace.

"(4) (A) An impact statement describing fully and completely the effect of the matter set forth in clauses (A), (B), and (C) of paragraph (3) of this subsection with respect to—

"(i) balances of power and arms races in each region of the world in which such sale, credit sale, or guaranty is expected to be made;

"(ii) international negotiations and efforts directed at the achievement of arms control;

"(iii) the defense production capability of the United States;

"(iv) the military preparedness of the armed forces of the United States; and

"(v) the War Reserve Stocks.

"(B) In the preparation of that portion of the impact statement relating to clauses (A) (i) and (A) (ii) of this paragraph, the President shall consult with the Director of the Arms Control and Disarmament Agency.

"(C) Not later than 30 days following the receipt of a request made by the Chairman of the Committee on Foreign Relations of the Senate or the Chairman of the Committee on Foreign Affairs of the House of Representatives for addiitonal information with respect to a statement transmitted under paragraph (1) (A) of this subsection, such information shall be transmitted to such Chairman.

"(b) (1) After consideration by the Congress of a statement transmitted pursuant to subsection (a) (1) (A) of this section and the passage of a concurrent resolution approving—

"(A) a maximum amount of sales, credit sales, and guaranties with respect to a specified country or international organization during the next fiscal year, the President may make sales, credit sales, and guaranties to such country in an amount not exceeding such maximum amount; and

"(B) a sale, credit sale, or guaranty involving a major weapons system or major defense service;

the President may make such sale, credit sale, or guaranty, subject to any limitations, prohibitions, and authorities contained in such concurrent resolution.

"(2) Any or all of the matter set forth in paragraph (1) of this subsection may be included in a single concurrent resolution of approval.

"(3) (A) No sale, credit sale, or guaranty involving a major weapons system or major defense service may be made unless the Congress by concurring resolution approves such sale, credit sale, or guaranty.

"(B) No other sale, credit sale, or guaranty may be made unless—

"(i) the Congress has approved by concurrent resolution the country or international organization to which such sale, credit sale, or guaranty is to be made;

"(ii) the total amount of sales, credit sales, and guaranties previously made to such country during such fiscal year does not, when added to the amount of such sale, credit sale, or guaranty, exceed the maximum amount approved under paragraph (1) (A) of this subsection; and

"(iii) such sale, credit sale, or guaranty is made in accordance with all limitations, prohibitions, and authorities referred to in paragraph (1) of this subsection.

"(c) The provisions of subsection (b) of this section shall not apply with respect to any particular sale, credit sale, or guaranty if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of the waiver in which he certifies that such waiver is vital to the security of the United States.

(b) Section 47 of such Act is amended by—

(1) striking out the word "and" at the end of clause (1):

(2) striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new clauses:

"(3) 'major weapons systems' means a weapons system which costs, over the life of its development or production in—

"(A) research, development, testing, and engineering, in excess of $50,000,000; or

"(B) procurement in excess of $200,000,000; and

"(4) 'major defense service' means any defense service (as defined in section 644(f) of the Foreign Assistance Act of 1961) which materially increases the military capability of the country to which it is rendered."

CELEBRATION OF ARMY'S 200TH ANNIVERSARY AT FORT BENNING, GA.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BRINKLEY) is recognized for 10 minutes.

Mr. BRINKLEY. Mr. Speaker, it was a high honor this past weekend for the State of Georgia to welcome President Gerald Ford as the guest of honor at the observance of the Army's 200th anniversary at Fort Benning. Along with Secretary of the Army Howard "Bo" Callaway, Gov. George Busbee, Senators HERMAN TALMADGE, SAM NUNN, and JOHN SPARKMAN, Congressmen ROBERT STEPHENS, ELLIOTT LEVITAS, TOM BEVILL, BILL NICHOLS, DAWSON MATHIS, and myself, thousands turned out to hear the President's tribute to the Nation's tradition of strong national defense. On hand to applaud this sentiment were Columbus mayor, Jack Mickle, and Phenix City, Ala., mayor, Frank Roberts, as well as national AUSA president, Jim Woodruff, local AUSA chapter president, Joe Windsor, and Charles Daley, chairman of the Steering Committee for the Bicentennial Celebration.

We had the added thrill and excitement of seeing demonstrations of some of the skills of today's Army—first the Rangers, the toughest soldier of them all; then the airborne, as brave a soldier as they come—far different in appearance from that first Army 200 years ago, but instilled with the same spirit of patriotism that made that Army great.

Perhaps the spirit of the weekend's observance was best summed up by the Saturday Columbus Enquirer and Ledger in an editorial the day of the President's visit. I submit the editorial at this point in the RECORD:

SALUTING THE ARMY

What thoughts must have raced through George Washington's mind that June day 200 years ago when the Continental Congress appointed him general and commander in chief of the Continental Army.

His army was 10 companies of riflemen from Maryland, Pennsylvania and Virginia which had been raised and enlisted just one day before to serve until the end of the Revolutionary War.

When Washington surveyed his troops, he found not a disciplined, well-honed fighting unit, but a group of scraggly, haggered settlers.

They ranged in age from 16 to 60, wore whatever clothes they had taken from their trunk at home and their weapons were ones they had used to fill the kitchen cupboard.

This was the army Washington was to lead, and as he looked them over he must have wondered what kind of future it would have.

What Washington could not see was the dream inside these settlers' minds. They had a dream of liberty, of freedom, of the right to build a land where men of all backgrounds could live in peace and tranquility.

It was that dream, that hope, that prayerful cause which led that group of men through the Revolutionary War and it is that same love of liberty that has caused it to endure through the past 200 years.

President Ford and others from the government that Army has fought to uphold will be here today to express the gratitude of a people and nation for a fighting group which has defended the cause of freedom for two centuries.

As the nation pays homage to this Army, we recall the words of the late Gen. Douglas MacArthur, who wrote, sometime prior to his death in 1964:

"Strange voices are heard across the land, decrying this old and proven concept of patriotism. Seductive murmurs are arising that it is now outmoded by some more comprehensive and all-embracing philosophy, that we are provincial, immature or reactionary when we idealize our own country.

"They say there is a higher destiny for us under another and more general flag, that no longer when we send our sons and daughters to the battlefields must we see them through all the way to victory . . .

"Listen not to these voices. Heed them not. Visit upon a righteous scorn, born of the past sacrifices of your fighting sons and daughters. Repudiate them in the market place, on platforms, from the pulpit.

"The highest encomium you can still receive is to be called a patriot, if it means you love your country above all else and will place your life, if need be, at the service of your flag."

Douglas MacArthur's words are fresh and new today, just as they applied to George Washington's troops of 200 years ago.

We come today not with congratulations to this Army for prevailing. Instead we come with thanks to it, for allowing us to prevail.

REFORMING THE SUPPLEMENTAL SECURITY INCOME PROGRAM

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, last week I had the opportunity to testify before the Public Assistance Subcommittee of the House Committee on Ways and Means regarding proposed reforms of the supplemental security income program.

I cannot emphasize too strongly my belief that reform of this program should be an urgent priority of the 94th Congress.

As many of the other witnesses at these hearings have testified, unless the Congress acts to pass an emergency measure soon, SSI recipients in some States will not receive anything from the cost-of-living increase that is scheduled to take effect on July 1, due to the fact that the State supplement in those areas will be reduced on a dollar for dollar basis when the Federal benefit is raised.

There is also a great need to make fundamental reforms to the SSI program including provisions for the issuance of emergency payments when SSI checks become lost or stolen, provisions for a housing allowance or other regional cost-of-living adjustment, and provisions for a discretionary fund to meet unanticipated expenses. My testimony illustrates the incredible hardships that can be placed on these very low-income people when circumstances arise over which they have no control.

I am inserting into the RECORD my testimony on SSI. I would also like to take advantage of this opportunity to urge all my colleagues in the House to join in the effort to make the necessary adjustments in this program and to accomplish this as quickly as possible in order to alleviate the suffering of the aged, blind and disabled who depend on it for their main source of support.

The testimony follows:

REFORMING THE SUPPLEMENTAL SECURITY INCOME PROGRAM

(Testimony of Hon. RICHARD L. OTTINGER before the Subcommittee on Public Assistance of the House Committee on Ways and Means)

Mr. Chairman and my distinguished colleagues on the subcommittee, I am happy to have the opportunity to appear before you today to present my views on the very urgent need for reform of the supplemental security income program for aged, blind, and disabled Americans.

In my opinion, this program has been a disaster for a group of people for whom it was intended to provide simple and efficient service. The basic problem with the program, of course, is that it simply does not provide enough money for these people to live on, and it is so rigid and inflexible that it places undue hardships on a group of Americans who, because of advanced age or incapacitating conditions, are unable to work to support themselves.

I am a co-sponsor of an SSI reform package introduced by Congresswoman HOLTZMAN which she described to you in some detail earlier in these hearings and which would provide such things as guaranteed cost-of-living increases to SSI recipients in all States, a housing supplement for certain participants in the program and making food stamps available for all SSI recipients who choose to receive them.

Subsequent to the introduction of this bill I developed separate legislation (H.R. 7138) to provide a more adequate housing allowance for SSI participants. According to the provisions of this bill, any aged, blind, or disabled person on SSI who is paying more than a quarter of his or her income for housing would be eligible for a Federal supplement equal to the excess above 25 percent of income that is being spent. Housing is defined as rent or mortgage payments plus property taxes and essential utilities. There is a ceiling on the bill of $1,200 per year for any eligible individual. I believe the figure of 25 percent of income that I have proposed as the maximum an SSI recipient should have to pay for housing is both reasonable and logical because it conforms to the standards set under the section 8 housing assistance payments program in which eligible persons are given a Federal housing benefit equal to the difference between the market value of a rental unit and a given percentage of income. Under this program no one is expected to pay in excess of 25 percent of his or her income for housing, and some very low income persons may pay as little as 15 percent of income.

It has been impossible for me to compute what this proposal might cost the Federal Government, because no comprehensive study has yet been conducted to show how may SSI receipients are paying in excess of 25% of income for housing. I understand, however, that the Social Security Administration does plan to have such data available in the near future, and it would seem to me that at such time as these figures are released, we might be able to make some reliable cost estimates.

It is an established fact that as income falls, the percentage of it spent for housing rises dramatically. The 1970 census indicates that among households headed by persons 60 years of age or older, 71% of those with gross incomes of less than $2,000 a year paid more than 35 percent of that income for housing. The same figure applied to aged heads of household in the annual income category of $2,000 to $3,000.

I firmly believe that rent supplementation is one way of getting around the basic inflexibility of a program that has never taken regional cost-of-living differences into consideration in the awarding of benefits. In the higher cost-of-living areas of the country rising rent and utilities, coupled with a lack of adequate alternate housing at reasonable prices has made it increasingly difficult for those on SSI to survive.

There is also great need for a discretionary fund to be used by the Secretary to meet unanticipated costs to SSI recipients. The present law provides no flexibility to meet what are often desperate situations. I would also like at this time to point out a serious oversight in SSI law with regard to the disabled. Many people do not realize that disabled children of low-income families can also qualify for SSI. The legislation establishing SSI mandated that handicapped people should be referred to vocational rehabilitation agencies under this program. This is obviously not feasible in the case of children in the early years, and there has been bi-partisan legislation introduced in the Senate already this year to correct this oversight. It is imperative that we amend the law to provide for the referral of all eligible handicapped children to the appropriate local or State agency for necessary medical or rehabilitative services. In this way children with handicapping conditions can be treated in the most important formative years when there is still some hope of being able to correct their diabilities. Such a proposal is certainly cost-effective, since it will result in preventing a good many handicaps from becoming severe disabilities and enable many affected children to one day become productive citizens without need to resort to SSI as a permanent source of income.

In concluding my remarks this morning, I would like to tell a story that came to me from a constituent in Westchester County just last month. An aged widow in my district living on SSI, a woman loved and revered for her many years of devoted service to the community, was suffering from the final stages of terminal cancer. Her SSI checks had been diverted from her home address temporarily in December of 1974 when she entered the hospital for treatment. On February 1st of this year this individual was discharged from the hospital and allowed to return home. She notified Social Security that her SSI checks could be resumed to her home address. Weeks passed and she heard nothing. In the meantime, her landlord allowed her to live rent-free in her apartment, believing that she would eventually receive her back payments and be able to pay him. Despite repeated efforts by the individual concerned and members of my staff, the checks never arrived.

At one point in the case we were told that this lady's file had been rejected by the computer and that a certified check covering all back payments would be mailed soon. Two days before her death my constituent called my office to explain how deeply distressed she was to know that she would die without ever being able to repay this debt, which amounted to some $700, to her landlord, who had been so kind and understanding. After her death my office continued to explore how the missing checks might be retrieved in order to at least repay the landlord. We learned that the law specifies that any money due a deceased SSI recipient can only be claimed by a surviving spouse.

I want to tell this story to illustrate how insensitive the SSI program can be to human needs. Since this woman had virtually no income over a period of five months due to a mechanical error, I wonder how she obtained food and other necessities during that period. I can only presume that there were others as compassionate as the landlord who extended a helping hand. Certainly the law should make some provision for cases like this, where an SSI recipient dies after incurring debts that he or she would normally have been able to pay had the SSI checks been received on schedule.

I wish to reiterate my strong desire to see reform of the SSI program made a top priority of the 94th Congress. We must not fail in this Congress to correct the many inequities that were wrought upon the aged, blind and disabled through this program and to end the ravaging effects that an unprecedented rate of inflation has had on the most defenseless group in our society.

TRUE TO THE CORPS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, 2 weeks ago I entered in the Record some correspondence detailing what I believe to be an extraordinary overreaction by the Army Corps of Engineers to a March court decision on their responsibilities under section 404 of the 1972 Water Pollution Control Act. In today's New York Times appeared an excellent, reasonable editorial which I would like to commend to my colleagues' attention:

True to the Corps

The Army Corps of Engineers has cooked up a scheme to evade a provision of law that it doesn't like by reducing a court order to such absurdity that it hopes thereby to force a change in the law. The strategy should be as unsuccessful as it is unconscionable.

Until this year, the Corps—which has always been more interested in building projects than in preserving the environment—narrowly interpreted its function of controlling dredging and filling operations affecting the country's waterways. However, in the Water Pollution Control Act of 1972, Congress had made it clear that the Corps' protective program was to apply not only to "navigable" waters, as heretofore, but also to the country's lakes, streams, rivers and wetlands as well. The Corps chose to ignore that extremely significant change in wording from previous law, continuing to confine its attentions to navigable waters only, to the grave detriment of tributaries and wetlands.

The upshot of a suit brought by the Natural Resources Defense Council and the National Wildlife Federation was a United States District Court decision three months ago that Congress meant just what it said, whereupon the Corps deliberately proceeded to stretch its newly accepted jurisdiction beyond reason. Federal permits, the Corps announced, might now be required of the "farmer who wants to deepen an irrigation ditch or plow a field" or "the rancher who wants to enlarge his stock pond." "Millions of people," the Corps solemnly warned, "may be presently violating the law" and subject to severe penalties.

If such inflammatory nonsense was intended to raise a hue and cry, it succeeded. Congressmen are being pressed by the farm bloc and other lobbies to re-establish "navigable waters" as the only area of the Corps' jurisdiction. This would leave at the mercy of the developers the 60 per cent of the nation's economically and environmentally invaluable wetland resources still intact.

Public pressure should be directed not at Congress to tamper with the Water Pollution Control Act but at the Corps of Engineers, the Army and the Administration itself to execute, not sabotage, the law of the land as interpreted by the courts.

COAL LIQUEFACTION AND COAL GASIFICATION

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, while the administration and the oil exporting countries are talking about just how much extortion the American people should suffer, and while we debate the Energy Conservation and Conversion Act, we are neglecting the real solution to our energy problem. It is coal liquefaction and coal gasification.

Mr. Speaker, I am not going to go into details on our coal reserves—I believe the House knows that for all practical purposes the supply is unlimited.

What I do want to point out is that liquefaction and gasification technology has been available for years and years. Of course perfecting research is needed, but there is no reason in the world why we—the United States—should not go ahead right now with coal liquefaction and coal gasification on a commercial scale.

More than 20 years ago, we were as close as 2 cents a gallon away from converting coal into liquid fuel as cheaply as converting it from petroleum, but the administration in office then stopped the program. It also stopped an underground gasification program in Alabama.

But Germany has had these processes since the 1930's, and South Africa has liquefied coal commercially for many years.

There is no problem with technology—the problem is how to get these plants built and operating.

Mr. Speaker, I have introduced two pieces of legislation which I would like to mention in that regard, because either or both or a combination would put the United States on the road to energy independence the moment one was enacted.

One is H.R. 1358—the proposed Mineral Gasification and Liquefaction Act. It would set up a Mineral Gasification and Liquefaction Administration, with an Administrator charged with the duty to establish a program for assistance to private industry in the development and commercial operation of facilities for the liquefaction and gasification of coal.

Here is what the Administrator could do to bring about a commercial scale liquefaction and gasification industry, run by private companies:

First. Make loans.

Second. Enter into purchase agreements and price support agreements, for the final product, at a fair profit.

Third. Guarantee contracts entered into by firms receiving loans under this legislation.

Fourth. Acquire mineral rights and construction sites needed to bring this industry into existence on a commercial scale.

Mr. Speaker, H.R. 1358 would also require the Environmental Protection Agency to review the construction plans and the actual construction of any liquefaction and gasification plant built under this legislation, so that the most thorough antipollution effort possible is made.

The Secretary of the Interior would be authorized to lease Federal lands for coal to be used in liquefaction or gasification, and the United States would be compensated by a percent of the gross amount of the sale of the products. The Secretary would set the percentage.

Mr. Speaker, the second bill I mentioned, H.R. 6598, is based on the method we used to construct vitally needed industries for World War II material production.

This bill, the Mineral Liquids and Gases Facilities Act, basically provides that the Federal Government should help out with the capital costs of establishing liquefaction and gasification plants.

We know, from the experience of World War II, that the Government built plants which private corporations leased, and eventually acquired, as a method of getting badly needed plants built fast.

Under this legislation, the Energy Research and Development Administration's Administrator would be authorized to work in conjunction with the Administrator of the Mineral Gasification and Liquefaction Administration. After the Mineral Gasification and Liquefaction Administrator approved a project, the ERDA Administrator could purchase the site and construct the plant.

The ERDA Administrator could also acquire existing facilities built for liquefaction or gasification, but the owner of an already built facility would get first chance at leasing it back.

The leases under this legislation would be negotiated, and the operators of the plants would be assured of a fair profit.

The operator of a leased plant would sell the product at the prevailing market price, or keep the output for its own use.

The operator would have up to 10 years to decide whether to buy the plant, at a negotiated price. The Administrator could put a plant up for bids, however, but the operator would have a chance to buy at the highest bid price.

No foreign-owned entity would lease or buy one of these plants, unless the President declared that it was in the national interest.

Mr. Speaker, these two methods of getting the United States into full-scale, commercial coal gasification and coal liquefaction obviously overlap. H.R. 1358 is referred to the Committee on Interior and the Committee on Science and Technology, jointly. H.R. 6598 is referred to the Interior Committee.

There is a world of expertise on these committees, and in the subcommittees charged with the responsibility for considering this kind of legislation. I want to urge these distinguished committees to act now—without delay—and end our dependence on the foreign oil extortionists, once and for all.

Mr. Speaker, last year on December 17, two subcommittees of the Science and Astronautics Committee—Science, Research, and Development, and Energy, held a joint hearing on a related bill, H.R. 17400, which Chairman Teague and I cosponsored. There was an intensive discussion of coal liquefaction and coal gasification at that hearing, and I would like to refer the Members to the report, No. 52, of the committee.

I include the text of H.R. 1358 and H.R. 6598 with my remarks:

H.R. 1358

A bill to establish a program to provide for the development of coal gasification and coal liquefaction, for production of oil from oil shale, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mineral Gasification and Liquefaction Development Act".

Sec. 2. (a) There is hereby established the Mineral Gasification and Liquefaction Administration (hereinafter referred to as the "Administration") which shall have as its head an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall be compensated at the maximum rate established from time to time for level II of the Executive Schedule in section 5313 of title 5, United States Code. The Administration shall have such other employees as the Administrator deems necessary to carry out the functions of the Administration.

(b) There shall be in the Administration a Deputy Administrator who shall be appointed by the President by and with the advice and consent of the Senate, and shall be compensated at the maximum rate established from time to time for level III of the Executive Schedule in section 5314 of title 5 of the United States Code. The Deputy Administrator shall perform such functions as the Administrator shall from time to time assign or delegate, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

Sec. 3. (a) It shall be the duty of the Administrator to establish a program for assistance to private industry in the development and commercial operation of facilities for the liquefaction and gasification of coal and production of shale oil. In order to effectuate such program the Administrator may—

(1) make loans, for such terms and at such rates of interest as he deems advisable, to any person for the purpose of engaging in research, development, and commercial operation of facilities designed for the liquefaction or gasification of coal, and the production of shale oil;

(2) enter into purchase agreements and/or price support agreements, with appropriate terms and conditions, to assure a market for the output of such facilities on a reasonable profit basis, and such profits shall be determined after allowance to the private participants of all normal business expenses including all applicable Federal, State, and local taxes (except Federal income taxes) now in effect or hereafter enacted or imposed; and

(3) in order to assure adequate supplies of material, equipment, and market outlets for the output of such facilities, guarantee performance of contracts by persons receiving loans from the Administrator for the purchase, construction, or other acquisition of equipment and supplies necessary to develop, construct, and operate any such facility.

(b) In addition, the Administrator is authorized to acquire the surface and mineral rights to any lands which are necessary to provide adequate coal reserves and sites for the construction and operation of any coal gasification or liquefaction facility financed, in whole or in part, under the program developed under this Act. The Administrator may transfer such interests to any person receiving a loan under this Act on such terms and conditions as the Administrator deems necessary to carry out the purposes of this Act.

Sec. 4. (a) Section 102 of the National Environmental Policy Act (42 U.S.C. 4332) shall not apply with respect to any loan made, any agreement entered into, or any other action taken by the Administrator, or to any person receiving a loan under this Act.

(b) The construction plans and actual construction of any facility (including any exploration) financed, in whole or in part, under this Act shall be reviewed from time to time by the Administrator of the Environmental Protection Agency who is authorized to require the use in such facility of the most thorough pollution control devices then available. The cost of such devices shall be included in the total cost of each such facility and shall be taken into consideration by the Administrator in granting any loan or entering into any guarantee agreement or purchase or price support agreement under section 3. In the event the Administrator determines that any specific pollution control device is unnecessary, unreasonably burdensome, or it unreasonably delays the construction or operation of any such facility, he may waive the requirement that such device be used in such facility. In the event the Administrator makes such a determination he shall submit to the Administrator of the Environmental Protection Agency the reasons for such determination and such waiver shall be applicable only to the specific facility involved.

Sec. 5. (a) Notwithstanding any provision of the Mineral Lands Leasing Act, or any other applicable law, any lease of Federal land entered into by the United States on and after the date of enactment of this Act for the purpose of exploring for or recovering coal for use in any facility financed in whole or in part under this Act, shall be governed by the succeeding provisions of this section.

(b) The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to lease Federal lands for the purpose of exploring for or extracting coal for use in a gasification or liquefaction facility, in such acreage and for such terms as he shall determine appropriate. For the privilege of mining, extracting, and liquefying or gasifying the coal covered by a lease under this section, the lessee shall pay to the United States, according to regulations prescribed by the Secretary, a royalty which shall be equal to a percentage, determined by the Secretary, of the gross amount realized from the sale of the products of the liquefaction or gasification. Each application for such a lease shall be submitted to the Secretary and shall include a proposal which shall describe the project to be undertaken, the period within which the project will be accomplished, and such other information as the Secretary determines necessary. Each such application shall be reviewed by both the Secretary and the Administrator. The Administrator shall determine the feasibility of any such project and advise the Secretary which such applications should be accepted by him. When more than one application is submitted for the same land, the Secretary shall accept the best application taking into account the technology to be used and the competence of the person making the application, the time involved to complete the project, the expenditure contemplated, and the production expected. In making such determination the Secretary shall give preference to projects which would provide additional employment opportunities in depressed areas, and which would increase competition within the coal and petroleum industries.

H.R. 6598

A bill to provide for acquisition and construction by the Energy Research and Development Administrator of facilities for the production of synthetic fuels from coal and oil shale, for lease of such facilities to private enterprise for operation and marketing of output, and for sale or other disposition of such facilities to private enterprise with certain options for such lessees.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mineral Liquids and Gases Facilities Act of 1975".

STATEMENT OF FINDINGS

Sec. 2. The Congress hereby finds that—

(a) Optimum utilization of the Nation's vast reserves of coal and oil shale for the production of environmentally acceptable forms of energy is urgently required to supplement conventional domestic energy supplies.

(b) Technology for the production of synthetic fuels from minerals is sufficiently advanced to permit commencement of commercial scale operations, and further advancements of technology will be encouraged and expedited by establishment of programs designed to facilitate and assist such operations.

(c) While other forms of assistance to private enterprise for the production of liquids and gases from minerals, such as loans and guaranties, price supports, and Federal purchase contracts, are useful and desirable, the capital costs of commercial scale facilities for production of these materials are so great as to discourage achievement of optimum output levels in the absence of effective measures for initial assumption of such costs by the Federal Government, pending demonstration of economic viability under private ownership.

(d) Past experience in providing strategic materials in short domestic supply to meet emergency needs through acquisition and construction of plants for the production of such materials by the United States Government, or through Federal corporations under lease agreements with private interests, leading to eventual acquisition of these plants by such interests, has clearly demonstrated the efficacy of this means for achieving national goals for secure domestic supplies of such essential materials, within the framework of the free enterprise system.

Sec. 3. The Administrator of the Energy Research and Development Administration (hereinafter in this Act called the "Administrator") is authorized:

(a) with respect to each project approved by the Administrator for the gasification or liquefaction of coal or the production of shale oil, to acquire sites, whether by purchase or condemnation, and to construct at prices and upon such other terms and conditions as he may negotiate, facilities deemed necessary by him to carry out such projects;

(b) with respect to each such project, to acquire by purchase or condemnation such reserves of coal or oil shale as he may deem necessary or desirable to assure supplies of raw materials adequate for attainment of the objectives of such project;

(c) with the consent of the Secretary of the Interior as to each such project on Federal land, to acquire and to construct such facilities; and to acquire rights to mine oil shale on Federal lands sufficient in extent to assure supplies of raw materials adequate to achieve the objectives of such project, upon such terms and conditions as the Secretary of the Interior may by regulation establish; and

(d) to acquire from private interests such facilities as may have theretofore been constructed or acquired by such interests, whether in whole or in part, in connection with any project for the liquefaction or gasification of coal or the production of shale oil at prices to be negotiated by the Administrator with such private interests: *Provided, however*, That in connection with any such acquisition the private interests shall be granted an option to lease such facilities, upon the terms and conditions provided for in section 4 of this Act, such option to be exercised within six months from the date on which the facilities were transferred to the Administrator, if complete, or within six months from the date when such facilities are completed by the Administrator.

SEC. 4. (a) Promptly upon acquisition or completion of facilities by the Administrator, they shall be leased to private interests at such rentals and upon such terms and conditions as shall be agreed to by the parties: *Provided, however*, That the terms and conditions shall be such as shall assure to the lessee a reasonable profit on the manufacture and sale of the output of the facilities under efficient management.

(b) Each such lease shall provide that the lessee may sell at prevailing market prices or acquire for its own account at such prices, the output of such facilities.

(c) Each such lease shall further provide that such private interests shall have options to purchase such facilities at any time within ten years after the date of the respective lease at a price to be agreed upon by the parties. Each such option shall be conditioned, however, upon the right of the Administrator within such term to offer such facilities for sale at public auction and the lessee shall be entitled to purchase the facilities if he meets the highest bona fide offer in excess of the agreed option price. In order that an offer may be considered bona fide, it shall be offered by a bidder who shall have been determined by the Administrator to be financially and technically qualified to purchase and operate the facilities.

SEC. 5. No private interest shall be permitted to lease or purchase any facility covered by this Act if such interest is a corporation, partnership, individual, or other entity owned or controlled directly or indirectly by any foreign government or instrumentality of such government, including any national oil company, unless the President shall find that such sale or lease is in the national interest and shall specifically authorize such transaction.

SEC. 6. The term "facilities" means land, mineral rights, mines, water rights, rights of way, easements and other interests in land, pipelines, machinery and equipment, and all other property, real, personal or mixed, used or to be used in connection with any project for the liquefaction or gasification of coal, or the production of shale oil.

H.R. 1722, CONCERNING CONTRACT TECHNICIANS

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, there are a number of employees in the U.S. Civil Service who were previously employed by the Federal Government as contract technical services personnel. These contract technician positions were converted to Federal positions because of a ruling by the Comptroller General of the United States that such positions were illegal, since the work the technician had performed was tantamount to Federal employment. In spite of this declaration that the work was Federal employment in everything but name, the former technicians have not been accorded seniority or service credit under the U.S. Civil Service Retirement Act for this service. I have introduced legislation in the 94th Congress, H.R. 1722, which will correct this situation.

Some background to this situation may be useful as my colleagues consider this inequitable situation which I seek to remedy. Although the Federal Government may have used contractor-furnished personnel in earlier instances, the full-scale utilization of contract technical services personnel, CTSP, began following the close of World War II.

At that time, the demobilization of our armed services created vacancies in the technical fields which could not be filled by either military or civil service personnel. To take up this slack, private industry was approached to provide qualified technical personnel to work for the Government. Although these employees were paid by the private company which had hired them and contracted their services to the Federal Government, they could only be employed by a contracting officer who was a Federal official and who had the power to remove them; they were supervised in the performance of their daily work by a military or civil service official; and they were performing a Federal function.

In late 1963, the legal aspects of such contracts were questioned. The subsequent decision of the Comptroller General of the United States, dated March 4, 1965, ruled that such contracts were not legal and led to what was commonly known as the CTSP conversion program. Under this worldwide program, CTSP positions were converted to Federal positions, with the CTSP incumbent normally being given the option of converting with his position. The last CTSP conversion took place approximately June 30, 1967.

Although the CTSP positions and their incumbents were converted to Federal service because employment as CTSP had been considered tantamount to Federal employment, the U.S. Civil Service Commission had declined to accepted CTSP employment as Federal employment, or to authorize seniority or retirement credit. The Civil Service Retirement Act requires that to be considered a Federal employee, a person must be: First, engaged in the performance of Federal functions under authority of law or an executive order; second, appointed or employed by a Federal official in his capacity as such; and third, supervised and directed by a Federal official.

Although admitting that requirements point 1 and point 3 have been met, the Commission has declined to grant civil service employees who were formerly CTSP credit for such service, contending that CTSP were not appointed or employed by a Federal official as such. CTSP can, however, be considered to have been employed by a Federal official; for, as the February, 1965, opinion of the Commission's General Counsel included as part of the Comptroller General's decision to which I referred a moment ago states, the CTSP could only be employed in their work after being approved by the contracting officer, who is a Federal employee.

The pertinent portion of the General Counsel's opinion reads as follows:

> From the information submitted by the Department of the Air Force in response to the Commission's request for factual information concerning the use of said contract technicians, it is apparent that there is no real distinction that can be drawn between the positions filled by contract technicians and those filled by Federal employees. Indeed, in some functions, contract technicians and Federal employees are used interchangeably. Daily tasks and temporary duty are assigned without regard to category. These contract technicians are integrated into the regular organizational structure of the Department of the Air Force.
>
> These contract technicians are under the supervision of a Federal employee who directs their efforts, assigns tasks, and prepares the work schedules. The supervisor judges the quantity and quality of the work of these contract technicians.
>
> From the foregoing, we find that these contract technicians can only be employed in the work of the Department of the Air Force after they are approved by the Contracting Officer, who is, of course, a Federal employee, and who has the power to remove them; that the supervision of their daily work is performed by a Federal employee; and that unquestionably, the contract technician is performing a Federal function. Positions whose incumbents have these characteristics should be Federal positions and the incumbents themselves should be Federal employees appointed and paid as such under applicable Federal personnel statutes. The fact that these contract technicians have not been appointed as Federal employees and that their services have been used in such positions without regard to the applicable Federal personnel statutes establishes the illegality of the contract under which they have served.

Mr. Speaker, the fact that CTSP were employed in positions which were subsequently declared illegal was not their fault and they should not be penalized for it. The former CTSP have been penalized, however. They have forfeited their private company pensions and are being denied credit for their work for the

Federal Government with CTSP although the Government was at fault for hiring and using them in an illegal manner.

One example of what this can mean should suffice to demonstrate the hardships. The individual to whom I refer was forced to accept the minimum 40 percent civil service retirement. As a result of having been converted from a CTSP to civil service, he forfeited his company pension plan, and since civil service employees do not contribute to the social security system, his social security account was no longer current and he was not eligible for disability coverage under that either. Since he was not able to work and felt that he could not get by on his retirement in the United States, this individual and his wife finally emigrated to the Philippines where his cost of living is lower.

Laws have passed by this Congress in the past to confer Federal status on the employees of the Agricultural Stabilization and Conservation County Committees (Public Law 86-568), National Guard technicians (Public Law 90-486), and the U.S. Capitol guides (Public Law 91-510). The former CTSP who converted to Federal employment are no less deserving. Risking death or capture from hostile enemy forces in combat areas and loss of health from exposure to contagious and crippling diseases when working and living under unsanitary conditions prevalent in many overseas areas, CTSP have served side by side with our armed services personnel to provide them the technical support they required.

Many CTSP, in fact, wore the uniform of the service with which they were associated, identified as CTSP only by a shoulder patch. The individuals who converted from CTSP to Federal employment provided the Government with a dedicated, completely experienced engineering and technical work force. Considerable savings resulted for the Government since there were no disruptions to military operations and no training expenses.

I urge my colleagues to consider these circumstances most carefully, and to acknowledge the contributions made to the Government service by favorable action on H.R. 1722.

ABOUT EXCESS PAPERWORK, REGULATIONS, ET AL.

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there has been much discussion of the steps to control over-regulation, excess paper work and nonessential agencies of Government. Generally, that is where it ends. There is talk but little action. The Nation's Business magazine for June 1975 carried an informative statement based on an interview with Dr. Murray L. Weidenbaum, a specialist in Government regulation. A former Government official himself, he tells how more and more firms are threatened by the new Federal seizure of management's right to decide profit-and-loss questions. I submit the article in its entirety for reprinting in the RECORD.

WHERE OVERREGULATION CAN LEAD

AN INTERVIEW WITH DR. MURRAY L. WEIDENBAUM

Government power to control and influence the decisions of business threatens the very existence of many business firms and the financial health of many thousands more.

Washington, warns Dr. Murray L. Weidenbaum, a former government official himself, is snatching much of the vital decision-making power away from businessmen and handing it over to a growing federal bureaucracy. The result, he says, is a revolutionary change in our national economic system.

The big problem, he points out, is that more and more of the decisions of business management that affect profit and loss are being controlled and influenced by government agencies which are insulated from the pressures of management responsibility. Businessmen who are responsible for profit and loss no longer have full freedom to make the profit-and-loss decisions.

Dr. Weidenbaum, a distinguished economist and author, is an expert on government and its impact on the economy. That is the theme of his recent book, "Government-Mandated Price Increases," a study of government regulation published by the American Enterprise Institute for Public Policy Research.

Because of his expertise, Dr. Weidenbaum was asked to elaborate on what he calls "the second managerial revolution." In this interview with NATION'S BUSINESS, he says there has been not merely a loss of managerial freedom, but an enormous cost to the public. Unless the nation changes course, he adds, our economic system is threatened with stagnation and continuous high inflation.

Dr. Weidenbaum is Director of the Center for the Study of American Business, established at Washington University, St. Louis, Mo., last January with a grant from the John Olin Foundation. The center's purpose is the study of the role of private enterprise in the development of American society and the relationship between a market economy and a free society.

Its Director has had an outstanding career in government as well as business. He was Assistant Secretary of the Treasury for Economic Policy during 1969-71 and served earlier as a fiscal economist in the U.S. Bureau of the Budget.

From 1958 to 1963, he was the Corporate Economist at the Boeing Co. and is now a consulting economist to Mallinckrodt, Inc., and the First National Bank in St. Louis.

He is the author of "The Economics of Peacetime Defense" and "The Modern Public Sector." With Dr. Paul McCracken, former Chairman of the President's Council of Economic Advisers, he also wrote "Fiscal Responsibility," a study of national economic policy.

Dr. Weidenbaum was interviewed in St. Louis by an editor of Nation's Business.

Is business in the United States facing a threat it never faced before?

Yes, this country is going through a second managerial revolution. The first occurred many years ago, with the divorce of corporate ownership from management. That revolution involved the rise of professional managers, as distinct from owners.

This new revolution is far more subtle. It involves the shift of decision-making from managers, who represent the shareholders, to a cadre of government officials, government inspectors, government regulators.

Increasingly, the power to make business decisions is being taken away from management and assumed by government. The problem is that these government officials and government agencies are not responsive to the pressures of profit and loss and, though their decisions affect management, they have no management responsibility.

In what areas do their decisions affect management?

How you hire people, what products you make, how you go about making them, personnel practices, production methods, marketing, financing. There isn't much, in terms of company decision-making, that isn't closely controlled or influenced by one or more federal agencies. And sometimes the control of one agency conflicts with the control of another.

Since the 1960's, there has been a massive expansion, not only in the number of laws, but in the areas of business under government's thumb.

Some of this is very costly, not only to business, but to the public as well.

The increase in the cost of producing consumer goods is the ultimate burden imposed by government regulation of business.

So this is part of the revolution you mentioned. What are some of the other vital business areas it affects?

It is most apparent, perhaps, in industries like transportation, where literally you can't go into business until government gives its approval. You can't even get started, unless government gives you the go-ahead.

That applies to communications—radio, television, cable TV, microwave transmission—as well as trucking, for example.

But it goes beyond that, doesn't it?

Yes. Obviously, you can't build a factory if it violates the standards of the Environmental Protection Agency. You have to make sure, of course, that in cleaning up air pollution you don't generate water pollution.

That's an example of a growing problem. There is such a proliferation of government regulations that, in trying to obey one, you run afoul of another.

For example, to desulfurize coal—and reduce air pollution—requires a combination with lime. But when you do that, you generate large quantities of solid waste, calcium sulfate. And disposing of calcium sulfate creates water pollution problems.

Let me give you another example.

Federal food standards require meat-packing plants to be kept clean and sanitary. Surfaces that are easiest to clean are usually tile or stainless steel.

But tile and stainless steel are highly reflective of noise and don't always meet Occupational Safety and Health Administration standards.

More is involved than the environment and health, isn't it?

Just go through the major departments of any company.

Let's take the personnel department. It's quite clear that before you can hire anyone, you have to make sure you follow the rules of the Equal Employment Opportunity Commission.

Certainly, once people are hired, you have to meet the requirements of the wage and hour law.

If you have landed a federal contract, you have to file an affirmative action program. Also, you will have to make sure you comply with the Davis-Bacon Act or the Walsh-Healy Act.

In all cases, you must make sure you don't violate the rules of the Occupational Safety and Health Administration. And sometimes those rules get in the way of the Equal Employment Opportunity Commission.

For example, both OSHA and EEOC have jurisdiction over toilets. OSHA once said women need special lounge facilities as part of their restrooms. But EEOC says well if you provide lounges for women you have to provide them for men also.

Regulation like justice must be blind.

What if you clear hurdles like these?

You are not out of the woods yet.

Along comes the Consumer Products Safety Commission. It has the power to ban your product in the marketplace. In the commission's eyes you are guilty until proven innocent.

That is a clear example of the shift of power.

The commission puts out a list of banned products. But it warns that even if you aren't on the list you should consider your products banned unless you can prove they meet the commission's standards. That's what I mean by guilty until proven innocent. They have shifted the whole burden of proof on you.

When you look at the power of the Consumer Product Safety Commission it is really scary. The commission has the ability, and has used it on occasion, to drive a company out of business—through the commission's own mistakes.

The commission put the Marlin Toy Co., a small firm in Wisconsin, out of the toy business, by inadvertently putting its products on the banned list.

Later, the commission recognized its error, but it was too late.

As it turns out, this company was an employer of handicapped people in the little town where it is located. So we are talking about a socially responsible business.

By forcing it to lay off employees, the commission not only added to unemployment, but hurt a group of people who find it especially hard to get jobs—the handicapped.

Isn't it rare for Washington to put a company our of business and people out of work?

Not at all.

For example, about 350 foundries in this country have closed in the past three years because they couldn't meet EPA or OSHA requirements. Basically, these were smaller foundries.

As a result, the larger foundries are working to capacity. They're so busy that they can't take on a lot of military work, including castings for our big M-60 tank.

Now, we have a shortage of tank castings. It is so serious that the army has been investigating tank casting facilities in Britain and West Germany.

Meanwhile, of course, unemployment here continues to rise.

I wonder how much thought EPA or OSHA gave to the unemployment problem or to national defense.

Doesn't this run counter to creating full employment, a top national priority?

Precisely. The old breed of regulatory agencies, like the Interstate Commerce Commission, have been criticized for excessive concern with the health of industries they regulate.

No one has ever accused newer agencies like EPA or OSHA of that. All they're concerned about is their programs.

Somehow, we've got to get that broader idea of the total national interest across to OSHA, EPA, and the rest of the federal regulators Congress has created.

How many federal regulators get into the act?

It varies industry by industry.

We now have what I call a matrix form of regulation. Some agencies specialize by industry.

In other words, the Civil Aeronautics Board regulates the airline industry. The Federal Communications Commission regulates all aspects of radio and television. ICC regulates railroads.

Then we have a new kind of government regulatory agency, like OSHA. It regulates only one aspect of business activity—job safety—but its authority takes in all industries.

Or EEOC, which regulates personnel practices for all businesses.

And EPA. It deals with environmental impact only, but again for all industry.

Why aren't Americans aware of what's happening?

The change isn't visible or dramatic enough, except to the businessman under the gun. However, some symbols of the shift of power to government should be apparent to the man in the street.

For example, the consumer is paying for the new managerial revolution in a number of ways. One is his tax bill. It costs him $4 billion a year to support all the federal regulatory agencies that ride herd on business.

But that's only the tip of the iceberg. The real cost to the consumer is indirect, but much larger.

We are now deeply concerned about our economy's lack of increase in productivity. It is crystal-clear to me that much of our potential growth in productivity is eaten up by the proliferation of government controls.

Government regulation imposes a lot of burdens on business, like mountains of paperwork, that decrease productivity.

But I guess what worries me most is what happens to an industry when it really becomes controlled by government, as some are.

Look at the cost overruns, for instance, in so many Defense Department projects. Also, look at the time delays.

To me, there is a close relationship between them and the very close, day-to-day government regulation of the defense industry—the most closely regulated industry in our society.

More closely regulated than utilities?

Oh, yes. We think of utilities as our most tightly regulated industry. But they aren't regulated anything like the defense industry.

Look at the regulations issued by state utility commissions, and you are talking about a pamphlet. Look at the regulations given the defense contractor by the federal government and you are talking, literally, about volumes.

Government bureaus aren't set up to minimize cost. They have a different outlook on life.

Different in what way?

A smart bureaucrat knows how to say no.

I spent a lot of time in the federal government during the course of my career, and I know that the safest thing to say is no. That way, you won't get into trouble.

Don't stick your neck out.

Well, that runs counter to what happens in private industry, where you are sticking your neck out all the time. When you bring out a new product, you stick your neck out. When you introduce a new production process, you stick your neck out.

But that's the way the system works.

What all this so-called government protection does is protect the consumer against new products, new processes, and lower costs.

The result could well be economic stagnation.

Why don't consumers and business resist more?

Business may be part of the problem. Many companies learn to live in a government-regulated environment and feel comfortable.

But if you expect the government to bail you out when you have losses, you're not going to have the freedom to earn the profits.

You mean government makes the decisions?

More and more every day—and not always wisely.

Look at the automobile industry and catalytic converters.

Big Brother, or Big Mother, however you prefer to think of Washington, got the auto industry to put in the converters. Now Big Mother finds that she may have been hasty. The catalytic converters may cause worse pollution than they eliminate.

But the point is that the decision was shifted from business to government. The irony of it! Think of the outcry if Detroit, on its own, had gone ahead and installed catalytic converters without a full environmental impact statement.

Well, the agency in charge of these environmental impact statements, EPA, apparently went ahead on converters without checking the full impact on the environment.

That's part of the problem of dealing with government. It has a double standard. Business can be forced by government to follow rules and regulations. But the government itself is free to ignore them.

Doesn't that apply to the Consumer Product Safety Commission, too?

Yes, in a way. Last fall, it bought 80,000 toy-safety buttons to be worn on the lapel. The idea was to encourage people to be safety-minded about toys.

Well, it turned out that they used lead paint on the buttons. There was a danger of lead poisoning if they were licked by children. So the commission had to ban its own buttons.

It sounds funny.

But think about the taxpayers who had to foot the bill for producing 80,000 useless buttons.

Isn't that a drop in the bucket for Uncle Sam?

There are so many drops that even that bucket is overflowing.

Each agency is preoccupied with its own narrow interests and isn't concerned with what's happening to the company, an industry, or even to society as a whole.

EPA and the fire ants offer a good case history. EPA has told the Agriculture Department it is imposing severe restrictions on the use of pesticides to kill fire ants. The department had a major program under way to get rid of them. Now the department says EPA's ruling makes it impossible to carry out its eradication program.

So the department thinks fire ants may spread over a third of the United States—as far north as Philadelphia.

Fire ants may not harm the environment as much as EPA thinks pesticides harm it. But their bite is not only painful but can even cause death.

All EPA cares about is the environment. Apparently, the fact that these ants can kill you and me isn't EPA's problem.

I suggest, facetiously, that the Agriculture Department try to breed a special strain of fire ants that bite only people who make such EPA rules.

But much of the public apparently favors these new federal agencies

Of course.

If you were told only of the benefits of government regulation—and not its costs—wouldn't it sound great?

That's a proverbial free lunch, something that will help you and won't cost you a dime. But there aren't any things in life that will benefit you with no cost.

And that's true of government regulation, as well as anything else.

Do you think public opinion will change?

I think so. I am an optimist. But a patient optimist.

To me, Congress' decision to reverse the federal regulators on the interlock, seat-belt system this year was encouraging. It's an example of what can happen when the public gets aroused.

It became obvious to Americans that they were paying through the nose for a complicated system they didn't want. It was extravagant nonsense.

Congress got the picture pretty fast. It threw the interlock out the window.

But only, of course, after the auto industry had spent millions to perfect and install it.

Any straws in the wind there?

Yes, I think so. Congress almost outlawed air bags at the same time.

I think this is a message those who are so much in favor of regulation should take to heart.

When the pendulum swings, it swings with a vengeance. You can get a reaction against all this regulatory cost—and waste—that will involve a wholesale liquidation of these police agencies.

If so, you'll see the end of the good, as well as the bad.

So not all regulation is bad?

No. Unless you are an anarchist you must believe that government should set the rules for society. The question is what kind of rules and how many.

Economics has an answer for that. It says, carry regulation to the point where the added benefits barely exceed the added costs. That's where you stop.

Overregulation is where the added costs exceed the added benefits.

Can you give an example of a useful role for a Government regulator?

Take OSHA. It has a basic role in investigating lethal hazards. That's why Congress set it up. But it should not also be deciding questions like these:

How big is a hole?

What color to paint a door?

What is a ladder?

That's the kind of nonsense that should be eliminated.

What's the right way to promote job safety in your view?

I'd shift the whole emphasis to reducing accident rates and health hazards.

The objective is safer working conditions. Establish some goals, provide some incentives, then let the companies—individually or through trade associations—decide what they'll do to reach those goals.

There's no one royal road to safety. Some companies may find that it is most effective to redesign their equipment, others that a training program is best for them. Still others, more work on supervision.

Get away from the emphasis on detailed federal rules and regulations.

For one thing, from that data I've seen, there's no indication that these government regulators have cut accident rates in industry.

So, even if you follow them to the letter, that doesn't mean the place is safer, it just means you won't get in trouble.

That's the bureaucratic mentality.

We have to realize there are more effective ways of using the private sector to achieve national objectives.

Are more regulations inevitable?

In the short run, I am afraid we are in for more.

I have looked at the proposed new legislation in Congress—and I'm afraid that, for the next year, business must brace itself for another round of federal straitjackets.

In fact, at least 23 congressmen in the House literally believe you should have to get Washington's permission to go out of business. They introduced H.R. 76 last January. It would require a two-year prenotification to the Secretary of Labor to close or move a business—if that would result in 15 percent of the employees losing their jobs.

What can businessmen do if they don't like this trend?

Support something like the bill of Sen. J. Glenn Beall, Jr., of Maryland.

It would require each new law, including those that regulate business, to carry a price tag.

That would alert us to the cost—as well as the promised benefits—of each regulatory proposal put before Congress.

That's progress—a cost-benefit analysis. It would limit new regulations only to those whose benefit to society exceeds the cost, there'd be a lot fewer of them.

Then we must see that the same yardstick is applied to existing regulations and regulatory agencies.

Anything else?

Take a leaf from the environmentalists. They pushed through a rule that before you do anything, anywhere, you must determine what impact this will have on the environment.

I would like to turn that around.

I'd like to see legislation which says that, before EPA or any other regulatory body does anything, is must file a statement describing what this will do to the economy—an economic impact statement.

Can business look for allies elsewhere?

Well, the thing that amazes me is that liberals, who attack the government when it infringes on civil liberties of individuals, couldn't care less when it does the same thing to businessmen.

You know of the outcry over no-knock searches for narcotics.

Well, OSHA inspectors all have no-knock power. They can come into your plant without warning anytime they please.

Liberals should wake up to the fact that there isn't a sharp cleavage between civil liberties in the business sphere.

GULF COUNTY CELEBRATES GOLDEN ANNIVERSARY—WEWAHITCHKA REACHES 100

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, Gulf County and Wewahitchka, in Florida's First District, celebrated historic dates last week. For Gulf County it was the golden anniversary celebration; for Wewahitchka it was the observance of the 100th anniversary of a hospitable community which was founded in 1875.

The Gulf County celebration got into full swing on June 7 when U.S. Senators STONE and CHILES participated in the dedication of the new courthouse and in a parade. The celebration extended through June 14. On that date, I participated in the closing ceremonies and extended a message of greetings and congratulations from President Gerald R. Ford.

There were 9 festive days of fun, recreation, and educational activities portraying the exciting history of an area that is both old and progressive. There were Spanish explorations and possibly settlements in the early 1500's. The French were involved there in the early 1700's at Fort Crevecoure. The English came in the early 1800's. St. Joseph, near the present Port St. Joe, was the site of Florida's first constitutional convention in 1838 and of the State's first steam railroad. Fire, storms, and yellow fever ended the development of what was then one of the most promising cities in Florida.

Modern-day Port St. Joe was founded in 1903. Construction of St. Joe Paper Co.'s huge plant in 1935 brought about new activities which have been implemented by additional industrial and manufacturing plants. Port St. Joe enjoys beautiful beaches on the upper gulf coast where everyone knows the most beautiful beaches in the world are to be found.

Included in the festivities was the Ling Ding Fiesta at Mexico Beach which adjoins Gulf County and where Salt Water Fishing Rodeo awards and other tournament awards were presented.

As a part of the celebration, the citizens of Wewahitchka observed their 100th anniversary. Wewahitchka was founded in 1875. However, earlier during the Indian wars, nearby Jehu Cemetery had served as a grouping location for Gen. Andrew Jackson's forces. Fort Place, built as a bulwark against Indian attacks, was a forerunner of Wewahitchka. Wewahitchka lies on the famous Dead Lakes and is often called the fishing capital of the world, and rightly so. Fishing in the many nearby lakes, rivers, and streams is at its best.

Wewahitchka is renowned as the community with a heart.

Nothing was left undone by the Gulf County Golden Anniversary Commission, headed by Jesse Stone, to make this an outstanding gala. Mr. Stone deserves great credit for his dedicated work for the golden anniversary celebration.

AUDIT OF THE FEDERAL RESERVE—IMPORTANT ISSUE FOR COUNTRY AND COULD REDUCE THE NATIONAL DEBT BY $93 BILLION

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, I am inserting herewith a letter from Mrs. Marie Miller of Chardon, Ohio, dated June 13, 1975, and my reply of June 16, 1975.

CHARDON, OHIO,
June 13, 1975.

Re Federal Reserve Audit Bill.
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR MR. PATMAN: In the interest of good government, I think it is vital that the G.A.O. make a complete audit of the Federal Reserve System.

What right has the Federal Reserve Board to refuse to consent to an audit?

Who owns the bonds and other securities held by the Federal Reserve? Who reaps the enormous profits resulting from the vast operations of the Federal Reserve System?

I think it is high time that the Federal Reserve becomes accountable to Congress and to the public.

Will your Committee kindly consider this Audit Bill in the very near future?

Thank you.

Respectfully,

Mrs. MARIE MILLER.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 16, 1975.
Mrs. MARIE MILLER,
Clardon, Ohio.

DEAR MRS. MILLER: Just received your interesting letter of June 13 about the Federal Reserve Audit Bill. I appreciate your support of the bill. It is very much in the public interest.

Certainly I agree with you that the Federal Reserve has no right to refuse to consent to an audit, but the Chairman of the Federal Reserve Board, Dr. Arthur Burns, has refused and has stopped the audit.

You ask who owns the bonds and other securities held by the Federal Reserve. You doubtless refer to the portfolio of bonds accumulated by the Federal Reserve banks, amounting to $93-billion. These bonds have been paid for once with good American currency and should have been canceled but the Federal Reserve did not cancel them when they were bought and now as the interest becomes due, the interest is paid to the U.S. Treasury and when the bonds become due, they will be paid again although they have been paid for once.

So I agree with you—it is high time that the Federal Reserve becomes accountable to Congress and to the public.

The Subcommittee that I am Chairman of, the Democratic Monetary Policy Subcommittee of the Committee on Banking, Currency and Housing of the House, has reported the Audit Bill out by a vote of six to one, and it is now pending before the whole Committee on Banking, Currency and Housing, and we expect to have a hearing soon and then expect to have it up on the floor of the House for debate and passage. I am sending you a copy of the Subcommittee Report.

Thank you for your letter, with kindest regards and best wishes, I am

Sincerely yours,

WRIGHT PATMAN.

SUMMARY OF H.R. 6860, AS AMENDED

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, I include the following summary of H.R. 6860, as amended:

SUMMARY OF H.R. 6860, AS AMENDED

TITLE I—IMPORT RESTRICTIONS

1. The bill imposes mandatory oil import quotas. These are set at 6.0 million barrels per day (mbd) in 1975 and 1976, 6.5 mbd in 1977, 6.0 mbd in 1978 and 1979, and 6.5 mbd thereafter. (These include the increases of 0.5 mbd in 1979 and 1.0 mbd in 1985 resulting from the Waggonner floor amendment.) The President can vary the quota by 1.0 mbd in 1975–77, 1.5 mbd in 1978 and 1979 and 2.0 mbd in 1980 and future years. The President is to further reduce import quotas to the extent necessary to be sure that savings in U.S. consumption are reflected in reduced imports. Imports of petrochemical feedstocks are exempt from the quota system, and imports of residual oil and heating oil (out of the quotas set above) are guaranteed at 2.0 mbd for 1975–77 (of which 400,000 bd is to be heating oil).

2. The FEA is to distribute the import licenses by public auction, and there is to be a separate auction for small refiners and independent marketers.

3. The President's existing authority to impose import restrictions on oil under the national security provisions of the Trade Expansion Act of 1962 is ended except in time of war, and the existing license fees on oil ($2.21 on crude oil and $1.23 on petroleum products) that the President has imposed under this provision are repealed (but see new duties set forth in No. 4 below).

4. The bill establishes (instead of No. 3) a new tariff equal to 2 percent (approximately 24 cents) for crude oil and 5 percent (ranges around 60 cents) for petroleum products. The President is given the authority to raise these tariffs to 10 percent (ranges around $1.20 under current prices) or $1 a barrel, whichever is higher, except that the tariff on imports of residual oil and heating oil is not to exceed 5 percent for 2 years. (The 10-percent tariff approximates the $1 license fee that the President imposed on crude oil in January 1975 plus the 21-cent import license fee that was first imposed in 1973.)

5. Authority for Federal purchase and sale of imports of oil was deleted by a Ways and Means Committee floor amendment.

TITLE II—GASOLINE CONSERVATION TAX AND RELATED CREDITS

This title was deleted by the Alexander floor amendment.

TITLE III—OTHER ENERGY CONSERVATION PROGRAMS

1. Under the Sharp floor amendment, the bill establishes a set of auto efficiency standards. (Under the Dingell floor amendment to the Sharp amendment, companies must meet these standards on their domestic and foreign car production separately, with domestic production defined to include Canada.) The standard is, in effect, 18 miles per gallon (mpg) in the 1978 model year, 19 mpg in 1979, 20 mpg in 1980, and 28 mpg in 1985 and future years. The Secretary of Transportation is to establish standards for the years 1981–84, and the 1985 standard can be lowered by the Secretary subject to congressional veto. The bill imposes a $50 civil penalty for each mile per gallon by which a company's sales-weighted fleet average gas mileage is below the standard. This penalty is not deductible under the Federal income tax. (The Secretary of Transportation is also to establish separate standards for light-duty trucks, multipurpose passenger vehicles, and vehicles manufactured by companies who manufacture fewer than 10,000 vehicles per year. The civil penalty rules described above are also to apply to vehicles failing to meet these standards.) The Secretary of Transportation also is to reduce the mileage standards to the extent necessary to take account of any more stringent auto emissions standards that are imposed in the future. Any manufacturer that exceeds the mileage standards by more than 0.5 mpg for any one model year may carry back or carry over this excess for one year (thereby reducing the mileage standard for the year to which the excess is carried).

2. The bill repeals the excise tax on buses used in intercity public transportation.

3. The bill repeals the excise tax on radial tires.

4. The bill repeals the excise tax on new oil used in a mixture with rerefined lubricating oil.

5. The bill includes a tax credit for home insulation equal to 30 percent of insulation expenditures, up to a maximum expenditure of $500 (maximum credit of $150).

6. The bill provides a tax credit for solar energy equipment installed in or on (or, the Goldwater floor amendment, connected to) a residence. Under the Wylie floor amendment, the credit is 25 percent of the first $8,000 of qualified expenditures (maximum credit of $2,000). The solar energy equipment must meet definitive performance criteria (or, under the Ottinger floor amendment, interim performance criteria) prescribed by the Secretary of Housing and Urban Development.

7. Under the McCormack floor amendment, the bill provides a 25-percent tax credit for the purchase of electric cars for personal use on highways, up to a maximum $3,000 of expenditures ($750 maximum credit).

TITLE IV—ENERGY TRUST FUND

1. There is established an Energy Conservation and Conversion Trust Fund.

2. The revenue from the import tariff and the tax on the industrial use of oil and gas as fuel (described under Title V below) goes into the newly established trust fund.

3. No more than $5 billion of receipts in years through September 30, 1983, and no more than $2½ billion in 1984 may go into the trust fund (any excess goes into general fund). Also, the unobligated balance in the trust fund through September 30, 1984, may not exceed $10 billion, and in 1985 this balance may not exceed $5 billion. The trust fund terminates on October 1, 1985.

4. Subject to the usual authorization and appropriations process, these revenues can be used for research, development and demonstration of new technologies; for the development of energy resources from U.S. lands; and for research projects and for capital expenditures for demonstration projects relating to more efficient public transportation.

5. The Trust Fund Review Board, 270 days after date of enactment, is to recommend to Congress how it believes the funds should be divided among the four expenditure categories. Board members may not have significant interests in energy-related industries.

6. Under the Benitez floor amendment, duties imposed under title I on imports into Puerto Rico are to be paid over to the Puerto Rican Treasury.

TITLE V—BUSINESS CONSERVATION AND CONVERSION MEASURES

1. The bill includes an excise tax on oil and gas used in business as fuel. The tax is phased in between 1977 and 1980 for natural gas, and between 1977 and 1982 for oil. When fully effective, the rates will be $1 per barrel for oil and 17 cents per thousand cubic feet for gas. There are exemptions for vehicles, vessels, aircraft, apartments, hotels, mining, farming, existing electrical power facilities (in this latter case only until 1982), and tax-exempt educational, charitable, or religious organizations. By June 1, 1976, FEA is to make a report as to other exemptions which are needed in the case of this tax.

2. The bill provides 5-year amortization for waste-burning and recycling equipment, coal slurry pipelines, oil shale and coal gasification and liquefaction facilities, and certain railroad equipment and rolling stock.

3. The bill denies the investment tax credit for oil and gas burning electrical generating equipment (with an exemption for property placed in service in the future pursuant to existing contracts or certain types of existing commitments) and for room air conditioners and space heaters.

4. The bill extends the regular investment credit (now 10 percent; scheduled to return to 7 percent in 1977) to insulation and solar energy equipment in the case of businesses.

5. A tax credit is provided equal to 10 percent of the value of a series of recycled materials. The recycling credit, however, can only be used as an additional 15-percent investment credit against the purchase of new recycling equipment.

TABLE 1.—ESTIMATED REVENUE EFFECT OF THE ENERGY CONSERVATION AND CONSERVATION ACT OF 1975 (H.R. 6860) UNDER THE HOUSE FLOOR ACTION FROM JUNE 9, 1975 THROUGH JUNE 13, 1975, TAX AND TARIFF LIABILITY, CALENDAR YEARS 1975–80

[Millions of dollars]

Title and section	1975	1976	1977	1978	1979	1980
Title I—Import treatment of oil:						
112 Revenue from import licensing system	(1)	(1)	(1)	(1)	(1)	(1)
121 Ad valorem duty on oil [2]	799	2,297	2,664	2,928	3,109	3,264
Repeal of the existing license fee system	−481	−1,438	−1,759	−1,839	−2,032	−2,427
Net effect of title I [2a]	318	859	905	1,089	1,077	837
Title II—Gasoline conservation program—deleted.						
Title III—Other energy conservation programs:						
311 Mandatory fuel efficiency standards						
321 Repeal of excise tax on intercity buses [3]	−5	−9	−8	−5	−5	−5
322 Repeal of excise tax on radial tires [3]	−75	−75	−70	−43	−45	−48
323 Exemption from excise tax for virgin oil used in producing rerefined lubricating oil	−3	−3	−3	−3	−3	−3
331 Credit for insulation of principal residence	−190	−260	−260			
332 Credit for residential solar energy equipment	(1)	(1)	(1)	(1)	−20	−30
333 Credit for qualified electric motor vehicles	(1)	(1)	−10	−20		
Net effect of title III	−273	−347	−351	−71	−73	−86
Title V—Encouraging business conversion for greater energy saving:						
511 Excise tax on business use of petroleum and petroleum products [4]			450	900	1,350	1,975
521 Amortization of qualified energy use property	(1)	(1)	(1)	−25	−50	−85
522 Amortization of qualified railroad equipment	(1)	(1)	(1)	(1)	(1)	(1)
523 Extension of period during which railroad rolling stock may qualify for 5-yr amortization	(1)	(1)	(1)	(1)	(1)	(1)
531 Changes in investment credit relating to insulation, solar energy, and air-conditioning	−20	−25	−25	(1)	(1)	(1)
532 Repeal of investment credit for electrical generating facilities powered by petroleum and petroleum products	(1)	20	30	35	40	45
533 Recycling tax credit		−30	−125	−230	−290	−300
Net effect of title V	−20	−35	330	680	1,050	1,635
Total	25	477	884	1,698	2,054	2,386

[1] Less than $5 million. If the President adjusts the quotas to produce a 5-percent license fee, that would result in additional revenues of $0.5 billion for 1975, $1.3 billion for 1976, and about $1.5 billion for 1977 and subsequent years.

[2a] These estimates do not take into account (as they have not through any of the reports) the President's June 1 increases.

[2] It is assumed that the rate of duty in general will be adjusted to 10 percent, effective Sept. 1, 1975; the rate of duty on distillate fuel and residual fuel will be 5 percent from Sept. 1, 1975. through Aug. 31, 1977, and 10 percent thereafter.

[3] Under the present law, the rate of tax is reduced on Oct. 1, 1977, to ½ of the current rate.

[4] This does not take into account any possible reductions in income tax collections resulting from the deductibility of the excise tax. If the excise tax is passed on, as many believe is usually the case, the deduction would be offset by the additional income resulting from the tax.

Source: Staff of the Joint Committee on Internal Revenue Taxation.

Estimated import reductions from H.R. 6860, as amended (million barrels per day)

Provision:	*1977*	*1985*
Home insulation credit	100,000	100,000
10-percent tariff	250,000	750,000
Auto efficiency penalties	0	500,000
Tax on business use of oil as fuel	0	100,000
Import quota [1]	150,000	375,000
Coal conversion [2]	100,000	200,000
Total	575,000	2,025,000

[1] This assumes that the President uses the flexibility given to him to set the quota at the level that results in a 5-percent license fee.

[2] Various tax incentives in the bill encourage electric utilities to convert from oil and gas to coal, but these conversions may also be ordered by administration action. The estimate of oil saving from coal conversion includes the entire conversion program and does not try to estimate the separate effect of the tax provisions.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. **Burke** of Florida (at the request of Mr. **Rhodes**), for the week of June 16, on account of official business to attend the 20th session of the U.N. Development Program Governing Council.

Mr. **Flynt** (at the request of Mr. **O'Neill**), for this week, on account of illness.

Mr. **Mann** (at the request of Mr. **O'Neill**), for today, on account of official business.

Mr. **Miller** of Ohio (at the request of Mr. **Rhodes**), for today and tomorrow, on account of the death of his mother.

Mr. **Wylie** (at the request of Mr. **Rhodes**), on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. **Gilman**) to revise and extend their remarks and include extraneous matter:)

Mr. **Martin**, for 15 minutes, today.

Mrs. **Fenwick**, for 3 minutes, on June 16.

(The following Members (at the request of Mr. **Downey** of New York) to revise and extend their remarks and include extraneous material:)

Mr. **Gonzalez**, for 5 minutes, today.

Mr. **Brademas**, for 5 minutes, today.

Mr. **Roybal**, for 5 minutes, today.

Mr. **Annunzio**, for 5 minutes, today.

Mr. **Koch**, for 5 minutes, today.

Mrs. **Keys**, for 5 minutes, today.

Mr. **Bedell**, for 5 minutes, today.

Mr. **Wirth**, for 5 minutes, today.

Mr. **Rosenthal**, for 5 minutes, today.

Mr. **Brinkley**, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. **Winn**, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $834.

Mr. **Danielson**, to revise and extend his remarks on H.R. 1607 under suspension of the rules today.

Mr. **Patman**, his remarks made today on H.R. 1607 under suspension of the rules, and to include extraneous material.

Mr. **Jenrette**, to revise and extend his remarks immediately following the vote on rollcall No. 301.

(The following Members (at the request of Mr. **Gilman**) and to include extraneous matter:)

Mr. **Crane**.

Mr. **Harsha**.

Mr. **Walsh** in two instances.

Mr. **Conte**.

Mr. **McClory**.

Mr. **Ketchum** in two instances.

Mr. **Derwinski** in two instances.

Mr. **Steelman**.

Mr. **Collins** of Texas in three instances.

Mr. **Cohen**.

Mr. **Shriver**.

Mr. **Dickinson**.

Mr. **Kemp** in two instances.

Mrs. **Pettis** in two instances.

Mr. **Shuster**.

Mr **Gradison** in two instances.

Mr. **Lagomarsino**.

Mr. **Kelly**.

(The following Members (at the request of Mr. **Downey** of New York) and to include extraneous matter:)

Mr. **Annunzio** in six instances.

Mr. **Anderson** of California in three instances.

Mr. **Gonzalez** in three instances.

Mr. **Rodino** in two instances.

Mr. **Harris**.

Mr. **Evins** of Tennessee in three instances.

Mr. **Rangel** in 10 instances.

Mr. **Teague** in 10 instances.

Mr. **Zefferetti**.

Mrs. Schroeder.
Mr. Hawkins in two instances.
Mr. Harrington.
Mr. Fraser in 10 instances.
Mr. Eilberg.
Mr. Richmond.
Mr. Vigorito.
Mr. Moffett.
Mr. Dominick V. Daniels.
Mr. McCormack.
Mr. Patman in two instances.
Mr. Brademas in six instances.
Mr. Sarbanes in five instances.
Mr. Brinkley.
Mr. Preyer.
Mr. Miller of California.
Mr. Byron.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 824. An act to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes; to the Committee on International Relations.

S. 1191. An act to amend the Public Health Service Act to provide for additional medical scholarships to be known as Lister Hill scholarships; to the Committee on Interstate and Foreign Commerce.

S. Con. Res. 44. Concurrent resolution to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America; to the Committee on Rules.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on June 13, 1975, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 492. Joint resolution making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

ADJOURNMENT

Mr. DOWNEY of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 6 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 17, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1227. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on transfers amounts appropriated to the Department of Defense, pursuant to section 834 of the Department of Defense Appropriation Act, 1975 (Public Law 93-437); to the Committee on Appropriations.

1228. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations and actions related thereto contained in the report of the National Advisory Council on Extension and Continuing Education entitled "Measure of Success: Federal Support of Continuing Education," pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–186; to the Committee on Government Operations and ordered to be printed.

1229. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 75–23, finding that it is in the national interest of the United States to permit the sale to Egypt of 50,000 metric tons of wheat/wheat flour under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, pursuant to sections 103 (d)(3) and (4) of the act; to the Committee on International Relations.

1230. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the administration of oaths and affirmations and for the issuance of supenas in investigations, hearings, and proceedings in the Department of the Interior; jointly, to the Committees on Interior and Insular Affairs, and Education and Labor.

Received From the Comptroller General

1231. A letter from the Comptroller General of the United States, transmitting a report on the lack of uniformity in the treatment of prisoners under the Military Correctional Facilities Act; jointly, to the Committees on Government Operations and Armed Services.

1232. A letter from the Comptroller General of the United States, transmitting a report on the handling of Indochina refugees; jointly, to the Committees on Government operations, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on June 12, 1975, the following report was filed on June 14, 1975*]

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5522. A bill to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 1, 1966, by the United States of America and other countries, and for other purposes; with amendment (Rept. No. 94–295). Referred to the Committee of the Whole House on the State of the Union.

[*Filed June 16, 1975*]

Mr. ULLMAN: Committee on Ways and Means. H.R. 7706. A bill to suspend the duty on natural graphite until the close of June 30, 1978 (Rept. No. 94–296). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7709. A bill to continue for a temporary period the existing suspension of duty on certain istle (Rept. No. 94–297). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN. Committee on Ways and Means. H.R. 7710. A bill to amend the tariff schedules of the United States to provide duty free treatment to watches and watch movements manufactured in any insular possession of the United States if foreign materials do not exceed 70 percent of the total value of such watches and movements (Rept. No. 94–298). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN. Committee on Ways and Means. H.R. 7715. A bill to extend until the close of June 30, 1978, the period during which certain dyeing and tanning materials may be imported free of duty (Rept. No. 94–299). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7716. A bill to amend the Tariff Schedules of the United States to suspend the duty on certain forms of zinc until the close of June 30, 1978 (Rept. No. 94–300). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7727. A bill to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk (Rept. No. 94–301). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7728. A bill to suspend until the close of October 31, 1975, the duty on catalysts of platinum and carbon used in producing caprolactam (Rept. No. 94–302). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7731. A bill to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975 (Rept. No. 94–303). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON of Texas:

H.R. 7910. A bill to repeal the public debt limit; to the Committee on Ways and Means.

H.R. 7911. A bill to amend the Internal Revenue Code of 1954 to provide a more realistic system of capital recovery for productive plant and equipment and to encourage the growth and modernization of American industrial capacity through increased capital investment and expanded employment opportunities; to the Committee on Ways and Means.

By Mr. HALL:

H.R. 7912. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 7913. A bill to establish a national urban bond program to provide an effective means of financing the construction of needed urban housing; to the Committee on Ways and Means.

By Mr. HOWARD:

H.R. 7914. A bill to amend part D of title IV of the Social Security Act to facilitate the administration of the provisions authorizing garnishment of Federal wages to enforce child support and alimony obligations; to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself, Mr. Bergland, Ms. Holtzman, Mr. Richmond, Mrs. Spellman, and Mr. Weaver):

H.R. 7915. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the agricultural industry; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 7916. A bill to amend section 104(g) of title 23, United States Code, relating to the transfer of funds from the rail-crossing program to other uses; to the Committee on Public Works and Transportation.

By Mr. MOORE (for himself, Mr. Hagedorn, Mr. Breaux, Mr. Crane, and Mrs. Holt):

H.R. 7917. A bill to amend titles XVIII, XIX, and V of the Social Security Act to eliminate altogether any requirement that an institution have in effect a utilization review plan in order to qualify for participation in the medicare, medicaid, or maternal and child health and crippled children's services program; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. PEPPER:

H.R. 7918. A bill to amend the Railroad Retirement Act of 1974 with respect to the entitlement under such act of certain surviving spouses of railroad employees; to the Committee on Interstate and Foreign Commerce.

By Mr. RINALDO:

H.R. 7919. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALIO:

H.R. 7920. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 5 years, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY (for himself, Mr. Sikes, and Mr. Dent):

H.R. 7921. A bill to make Flag Day a legal public holiday, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROSENTHAL:

H.R. 7922. A bill to amend the Foreign Military Sales Act to require congressional approval for any sale, credit sale, or guaranty involving a major weapons system or major defense service, and to require congressional approval of the total amount of sales, credit sales, and guaranties made to any country or international organization; to the Committee on International Relations.

By Mr. TEAGUE (by request):

H.R. 7923. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions; to the Committee on Veterans' Affairs.

By Mr. WHALEN:

H.R. 7924. A bill to amend the Interstate Commerce Act to provide assistance in rebuilding the Nation's railroad rights-of-way, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BENITEZ:

H.R. 7925. A bill to postpone for an additional 3 years (until June 30, 1978) the mandatory applications to Puerto Rico, the Virgin Islands, and Guam of section 1902(a) (23) of the Social Security Act, which requires that individuals eligible for medical assistance be permitted to obtain such assistance from any provider who undertakes to furnish it; to the Committee on Ways and Means.

By Mr. BURGENER:

H.R. 7926. A bill to amend the Freedom of Information Act to exempt naval nuclear propulsion information from disclosure in the absence of a finding that such disclosure will not be inimical to the interests of the United States; to the Committee on Government Operations.

By Mrs. FENWICK (for herself, Mr. Mosher, Mr. Horton, and Mr. Robinson):

H.R. 7927. A bill to authorize the disposal of asbestos chrysotile from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. FULTON:

H.R. 7928. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

H.R. 7929. A bill relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation; to the Committee on Ways and Means.

By Mr. GUDE (for himself, Mr. Roe, Mr. Coughlin, Mr. Sarbanes, Mr. Mazzoli, Mr. Fraser, Mr. Charles H. Wilson of California, Mrs. Collins of Illinois, and Mr. Pepper):

H.R. 7930. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits or any exclusion of any type of provider of health servces; to the Committee on Post Office and Civil Service.

By Mr. HARRIS:

H.R. 7931. A bill to authorize the voluntary withholding of State and District of Columbia income taxes, pursuant to agreements subject to review by the Committee on House Administration of the House of Representatives, in the case of certain legislative officers and employees; to the Committee on House Administration.

By Mr. LITTON (for himself, Mr. Derwinski, Mr. Whitehurst, Mr. Andrews of North Dakota, Mr. McHugh, Mr. Kemp, Mr. Jones of North Carolina, Mr. Kindness, Mr. Boland, Mr. Schulze, Mr. Brown of California, and Mr. Mitchell of New York):

H.R. 7932. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. Lujan, Mr. Charles H. Wilson of California, Mr. Nedzi, Mr. Won Pat, Mr. Anderson of California, Mr. Mitchell of New York, Mr. Drinan, Mr. Helstoski, Mr. Devine, Mrs. Lloyd of Tennessee, Mr. Bedell, Mr. Bonker, Mr. Rosenthal, Mr. Walsh, Mr. Leggett, Mr. Fithian, Mr. Derwinski, Mr. Murphy of Illinois, Mr. Dodd, Mr. Hastings, Mrs. Meyner, Mr. Ottinger, and Mr. Tsongas):

H.R. 7933. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mrs. Keys, Mr. Patterson of California, and Mr. Murphy of New York):

H.R. 7934. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. MELCHER:

H.R. 7935. A bill to amend the Food Stamp Act of 1964; to the Committee on Agriculture.

By Mr. ROSENTHAL (for himself, Mr. Abzug, Mr. Addabbo, Mr. Badillo, Mr. Bingham, Mr. Brodhead, Mr. Carney, Ms. Chisholm, Mr. Downey of New York, Mr. Fraser, Mr. Gilman, Mr. Harrington, Mr. Helstoski, Mr. Horton, Mr. Koch, Mr. Miller of California, Mr. Murphy of New York, Mr. Nowak, Mr. Ottinger, Mr. Pattison of New York, Mr. Rangel, Mr. Richmond, and Mr. Roybal):

H.R. 7936. A bill to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a svstem of emergency support grants to State and local governments; to the Commitee on Government Operations.

By Mr. ROSENTHAL (for himself, Ms. Abzug, Mr. Scheuer, Mr. Solarz, Mr. Wolff, and Mr. Zeferetti):

H.R. 7937. A bill to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a system of emergency support grants to State and local governments; to the Committee on Government Operations.

By Mr. ROSTENKOWSKI (for himself, Mr. Mikva, and Mr. Fulton):

H.R. 7938. A bill to amend title XVI of the Social Security Act to make it clear that the reduction presently made in an individual's SSI benefits, on account of State payments for inpatient care which such individual is receiving, shall not apply where the institution involved is a sheltered care facility whose residents are ambulatory and do not require nursing care or medical supervision provided by such institution; to the Committee on Ways and Means.

By Mr. STEPHENS:

H.R. 7939. A bill to amend section 5146 of the Revised Statutes with respect to the qualifications of directors of national banks; to the Committee on Banking, Currency and Housing.

By Mrs. SULLIVAN (for herself, Mr. Downing of Virginia, and Mr. McCloskey):

H.R. 7940. A bill to provide for minimum rate provisions by non-national carriers in the foreign commerce of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KETCHUM:

H.J. Res. 513. Joint resolution to authorize the establishment of a Tule Elk National Wildlife Refuge and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of California (for himself, Mr. Anderson of California, Mr. Brown of California, Mrs. Burke of California, Mr. John L. Burton, Mr. Phillip Burton, Mr. Corman, Mr. Danielson, Mr. Dellums, Mr. Edwards of California, Mr. Hannaford, Mr. Hawkins, Mr. Johnson of California, Mr. Krebs, Mr. Lagomarsino, Mr. Leggett, Mr. Lloyd of California, Mr. McFall, Mr. Mineta, Mr. Moss, Mr. Patterson of California, Mr. Rees, Mr. Roybal, and Mr. Ryan):

H. Con. Res. 308. Concurrent resolution to express the sense of Congress that further Federal offshore oil leases off the California coast be postponed; to the Committee on Interior and Insular Affairs.

By Mr. HARRINGTON (for himself, Ms. Abzug, Mr. Badillo, Mrs. Collins of Illinois, Mr. Conyers, Mr. Edwards of California, Mr. Harkin, Mr. Rosenthal, Mr. Studds, and Mr. Waxman):

H. Res. 542. Resolution directing the President to furnish to the House of Representatives, within 10 days of the adoption of this resolution, information concerning the seizure of the U.S. merchant ship *Mayaguez* and its crew, and subsequent efforts to release them; to the Committee on Armed Services.

By Mr. HARRINGTON (for himself, Mrs. Collins of Illinois, Mr. Conyers, Mr. Edwards of California, and Mr. Waxman:

H. Res. 543. Resolution directing the Secretary of State to furnish to the House of Representatives, within 10 days of the adoption of this resolution, information concerning the seizure of the U.S. merchant ship *Mayaguez* and its crew, and subsequent diplomatic efforts to release them; to the Committee on International Relations.

By Mr. PERKINS:

H. Res. 544. Resolution designating the 23d day of June as International Ladies Garment Workers Union Day; to the Committee on Post Office and Civil Service.

By Mr. SISK:

H. Res. 545. Resolution modifying certain investigatory authority conferred by House Resolution 138; to the Committee on Rules.

By Mr. MOORHEAD of Pennsylvania:

H. Res 546. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

180. By the SPEAKER: Memorial of the Legislature of the State of Nevada, relative to the Energy Independence Act of 1975; to the Committee on Interstate and Foreign Commerce.

181. Also, memorial of the Legislature of the State of Arizona, relative to the Republic of China; to the Committee on International Relations.

182. Also, memorial of the Legislature of the State of Indiana, relative to the Interstate Civil Defense and Disaster Compact; to the Committee on the Judiciary.

183. Also, memorial of the Legislature of the State of Nevada, requesting that Congress propose an amendment to the Constitution of the United States declaring that Representatives to the Congress shall be apportioned among the States according to the total number of persons residing within each State; to the Committee on the Judiciary.

184. Also, memorial of the Legislature of the State of Nevada, requesting that Congress call a convention for the purpose of proposing an amendment to the Constitution of the United States to prohibit Congress or the President or any Federal agency from withholding, withdrawing or threatening to withhold or withdraw any Federal funds from any State as a means of imposing or implementing Federal policies; to the Committee on the Judiciary.

185. Also, memorial of the Legislature of the State of Nevada, relative to the right to keep and bear arms; to the Committee on the Judiciary.

186. Also, memorial of the Legislature of the State of Nevada, relative to administration of the Charles Sheldon Antelope Range; to the Committee on Merchant Marine and Fisheries.

187. Also, memorial of the Legislature of the State of Nevada, relative to research and development in solar energy; to the Committee on Science and Technology.

188. Also, memorial of the Legislature of the State of Nevada, relative to a veterans' hospital in southern Nevada; to the Committee on Veterans' Affairs.

189. Also, memorial of the Legislature of the State of California, relative to the seizure of tuna boats; jointly to the Committees on International Relations, and Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severelly referred as follows:

By Mr. DUNCAN of Oregon:

H.R. 7941. A bill for the relief of Hamish Scott MacKay; to the Committee on the Judiciary.

H.R. 7942. A bill for the relief of Willia Niukkanen, a/k/a William Mackie; to the Committee on the Judiciary.

By Mr. WIGGINS:

H.R. 7943. A bill for the relief of P. S. Seymour-Heath; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII.

154. The SPEAKER presented a petition of the city council, Brunswick, Ohio, relative to deconcentration of the energy industry; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.J. Res. 499

By Mr. HECHLER of West Virginia:

On page 4, line 21, strike the semicolon and insert a coma in the following proviso: "*Provided*, That none of the funds made available by this joint resolution shall be obligated or expended to finance directly or indirectly any activities or operations of the Federal Metal and Nonmetallic Mine Safety Board of Review."

On page 15, after line 12, insert the following new section:

"Sec. 111. None of the funds made available by this joint resolution shall be obligated or expended to finance directly or indirectly any activities or operations of the Federal Metal and Nonmetallic Mine Safety Board of Review."

H.R. 3474

By Mrs. LLOYD of Tennessee:

Page 44, line 5, strike out "Holifield".

Page 44, lines 9 and 13, strike out "Holifield".

Page 44, after line 14, insert the following:

Sec. 402. The Heavy Ion Research Facility under construction at Oak Ridge, Tennessee, is hereby designated as the "Holifield Heavy Ion Research Facility". Any reference in any law, regulation, map, record, or other document of the United States to the Heavy Ion Research Facility shall be considered a reference to the "Holifield Heavy Ion Research Facility."

By Mr. RICHMOND:

Page 19, line 20, strike the figure "$144,700,000" and insert in lieu thereof the figure "$194,800,000".

H.R. 7001

By Mr. LONG of Maryland:

On the first page, immediately after line 8, insert the following:

"Sec. 2. Unless the President determines that the national security requires such license or authorization, and makes a report of such determination to the Congress (which report shall be available to every Member of the Congress) at least 60 days prior to the issuance of such license or authorization, the Nuclear Regulatory Commission shall not use any of the funds herein authorized to license or otherwise authorize any export of nuclear fuel or nuclear technology—

"(1) to any country which furnishes or agrees to furnish uranium enrichment or nuclear fuel reprocessing plants to a country not a party to the nuclear nonproliferation treaty; or

"(2) to any country which is not a party to the nuclear nonproliferation treaty and which develops either any enrichment or reprocessing plant without concluding an agreement with the International Atomic Energy Agency or Euratom to adhere to safeguards established by either such agency against diversion of nuclear material."

H.R. 7500

By Mr. VANIK:

Page 11, immediately after line 9, add the following new section:

"INTERNATIONAL JOINT COMMISSION

"Sec. 16. After the date of enactment of this section, any commissioner of the International Joint Commission appointed on the part of the United States, pursuant to article VII of the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548; III Redmond 2607), shall be appointed by the President by and with the advice and consent of the Senate."

EXTENSIONS OF REMARKS

COMMENCEMENT ADDRESS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. CONTE. Mr. Speaker, as an honorary degree recipient at recent commencement exercises at my alma mater, Boston College, I was privileged to share the dais with the eminent French philosopher Paul Ricoeur.

Professor Ricoeur gave an address to the graduates that thoughtfully dealt with our Bicentennial. I found it an insightful look at what this national time of remembrance means.

In order to share Professor Ricoeur's thoughts with my colleagues, at this time I insert his commencement address in the Record:

COMMENCEMENT ADDRESS AT BOSTON COLLEGE

(By Paul Ricoeur)

This "Commencement" is a special one. You will have to recall it in the next years as a fortunate coincidence with another "Commencement"—French commencement is beginning—that of the Bicentennial of the independence of this nation.

Many people question the relevance of this Bicentennial celebration. Allow me, as a guest of this University and as a foreigner, more precisely as an heir of the French revolution, allow me to say that these people are right and wrong. They are wrong because they overlook the meaning of memory and festivity for any national community. But they would be right if you failed to answer a certain challenge and used this celebration to indulge yourselves in self-deception.

I do say that you are right to commemorate the birthday of this nation and to invite your friends to join in this celebration. For one fundamental reason—modern nations are not different from the ancient Hebrews who kept existing as one people to the extent that they were able to recall the founding events and to re-enact the founding acts of their founding fathers. What you are celebrating is not different. If you object that except for historians who know the real facts in a scholarly way, this memory of the founding fathers and of their deeds is largely mythical, you merely forget that myths have a positive meaning, a creative function.

I should say that each nation, if it is genuinely a nation, has to make an image of its own existence in order to take hold of its own identity among the nations. It is not true that these images are mere distortions of the reality of the nation, because what you call mere reality is not something you might describe in terms of brute facts. Your reality as Americans is not only what you do, but the sum of your values, of your beliefs, and the way in which you look at yourselves. This is what I call the image that you have of your existence as a nation. The French sociologist and anthropologist, Claude Levi-Strauss, used to say that symbolism is not the result of society but that society is the result of symbolism.

It is to the symbolic existence of you as a nation that the memory of your foundation belongs. What I have just called the image of your existence is to a large extent made of memories as well as of projects. You would understand the importance of memory in the making of your own image, if you could for a moment conceive of a society which would exist merely in the present. This society would not be a nation, but a mechanical whole devoted only to technological achievements and to consumption goals. Only a tool is without past and memory. You throw it out as soon as it is no longer useful. By contrast, a nation does not exist merely in the present; its existence connects past and present, old and young, dead and living, past values and dreams of the future. It is an arrow launched from the past towards the future.

And among all of the memories, that of the foundation of the nation has a unique function. Because, in the founding act, an intention has been at once posited, a project has been for the first time enunciated. The ultimate meaning of the celebration, that you are now starting, is therefore to re-enact this intention, and to unfold the potential richness which is not yet exhausted and which even the founding fathers were not completely aware of.

What was this intention, what was this project?

I think that, as a Frenchman, I have enough kinship with this intention and this project to speak of it with sympathy and, above all, with conviction. After all, the French Revolution and the American Revolution are the twin offshoots of the spirit of the eighteenth century. And together they have maintained the sense of democracy on behalf of the Western world during two centuries, with the only challenge of the October Revolution in Russia and of its counterpart in China. But I shall return to that in a moment.

What is unique in the American revolution is the conjunction between a project of independence from the colonial power of that time and a project of inner democracy based on the Bill of Rights. In fact, what you commemorate is this conjunction, not only independence, not only the Bill of Rights, but the union of freedom *from* an alien rule and of freedom *as* self rule.

Your national good fortune is this: in your past you have the two-fold project of freedom, the end of colonial rule, and the government by the people.

At this point, I should like to return to my initial statement. People who question the relevance of this celebration are both right and wrong. They are wrong, because we need to recall the intention and the project which provides the nation with its identity. But they would be right if we missed the challenge addressed to us by this very project. All celebration for sure has its pitfalls in which we may be caught: we may indulge in rhetoric instead of facing the hard tasks of the present; we may, above all, legitimate all the wrong endeavors of the present by the good intentions of the past.

Then, how not to deceive ourselves?

There is only one way for keeping honesty in celebration—to extend to the present and to the future the initial thrust contained in the foundation of the nation. I know that this is not an easy task for the American people. For you have to preserve the elan of a two-fold revolution—against a colonial rule and against the temptations of authoritarian government.

As concerns the latter, it is clear that the founding of an inner democracy remains a task as much as a conquest of the past. Its meaning has to be preserved and increased in a new world where it is challenged by the new paradigms of revolution proposed and very often imposed on the world by revolutions younger than the American and the French. We have to prove that our revolution is not obsolete, that it has not been superseded, and that it is still credible. Then the question is whether we may preserve the political meaning of our eighteenth century revolution without boldly extending it to new kinds of rights than those which we cast in the American Bill of Rights and in the French Déclaration des Droits de l'Homme. I leave this as a question for you and for me.

But that is not all. What you have to preserve is not only the spirit of inner democracy, but the thrust that this endeavor received from its conjunction with the declaration of independence. And this act was an anti-colonial act. You have therefore to preserve the unity of democracy and anticolonialism in a world which knows too often anti-colonial enterprises without democracy and democracy without care for the needs of the third world. There are numerous signs which tend to say that democracy as the inner rule of a nation will not survive if the price to pay is the selfish exploitation of the finite resources of the world, the support of non-democratic powers all over the world, and above all, the growing gap between the haves and the have-nots of the world community.

Such is the predicament of our time.

And it is this predicament, dear fellow graduates, which gives to this day its unique meaning. You are summoned by the spirit of this day to make as much sense as possible of the contingent encounter between a personal event and a national celebration.

But your short experience already tells you that life is memory and project. And that creative projects emerge from a faithful memory.

Dear fellow graduates, I hope that the memory of this day will never be severed from the memory of the Declaration of Independence which made you the American nation.

THE NEW YORK ARMY NATIONAL GUARD

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. WALSH. Mr. Speaker, as everybody is aware, the U.S. Army celebrated its 200th anniversary over the past weekend. Tribute and praise were heaped on the Army for the vital role it has played in the formation of our country. The Army certainly deserved that praise.

However, in my opinion, not enough attention was given to role played by the National Guard whose heritage goes back to the earliest settlers of this continent who banded together in military organizations known as Train Bands. Later these groups became known as the Militia.

Today's National Guard units have descended directly from those home defense groups which protected the frontiers in the French and Indian War prior to fighting the first battles of the Revolution.

I am particularly proud of the fine tradition of the New York Army National Guard whose predecessors, Ethan Allen and his Green Mountain Boys at Fort Ticonderoga took the first offensive action against the British and gave the Redcoats their first defeat.

The citizen soldiers continued their dominance of the early days of the Revolution during the battles on Bunker Hill and at Lexington and Concord. Thus, it was the militia from which our Regular Army evolved during the Revolution. Then, as now, the strength and effective response to aggression essential to success existed in the citizen soldier army. Without it, our Revolution would not have been possible.

The term "National Guard" was first applied to the militia on August 16, 1824. The 7th New York Regiment adopted the name in tribute to Lafayette who was visiting the United States at the time.

Today, the National Guard continues to play a vital role in many areas, specifically, the 27th Brigade of the New York Army National Guard, headquartered in Syracuse, N.Y. and commanded by Col. K. C. Verbeck.

The 27th, with 3,000 troops, maintains a constant combat readiness and is also on hand to help out during civil disaster or disturbance missions as ordered by the Governor of New York. In addition, the estimated payroll of the Army National Guard in central New York for both part time and full time guardsmen is $3 million, a real shot-in-the-arm for the area's economy.

PANEL SUSPECTS GAS WAS WITHHELD

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. HARRIS. I have been concerned since coming to the Congress with the anticompetitive structure of the oil industry, and with the adverse impact which that structure has on the prices which are paid by consumers.

I am inserting into the RECORD an excerpt from this morning's Washington Merry-Go-Round by Mr. Jack Anderson, concerning the manipulation of natural gas supplies which is possible when an industry is concentrated in an unfair and monopolistic way.

The article follows:

PANEL SUSPECTS GAS WAS WITHHELD

(By Jack Anderson and Les Whitten)

A House subcommittee has uncovered evidence that precious natural gas was intentionally held off the market last winter, causing hardship to thousands on the East Coast.

The motive for withholding the gas, sources suspect, was to create public pressure for government deregulation of natural gas prices.

Hardest hit were small communities in southern New Jersey, Virginia, and North Carolina, which are served by the Transco pipeline. Transco was forced to curtail its shipments because of shortages in the Gulf of Mexico.

A staggering 13 billion cubic feet of natural gas was held back from the market last winter. This threatened 19 firms in southern New Jersey with shutdowns at a time when unemployment already had hit 14 per cent. In Danville, Va., 10,000 jobs in a community of 50,000 were jeopardized by the shortage. And in Tunis, N.C., a fertilizer plant was shut down by the energy squeeze.

Transco's fourth largest supplier, for example, closed a field about 50 miles off the Texas coast. This reservoir, under federal lease to Citgo and three other oil firms, was shut down for repairs from Aug. 30, 1974, until Jan. 20—timed perfectly to interrupt the flow of natural gas to the north for the winter season.

The House Commerce Oversight and Investigations Subcommittee, headed by Rep. John E. Moss (D-Calif.) now has evidence that Citgo could have repaired the well during the summer of 1974. This not only would have avoided the winter shortage, but conditions would have been better to work on the well earlier.

The company discovered corrosion in the well's tubing in January, 1974. By April, the corporate brass decided the well would have to be shut down for a "workover." The repairs were planned for the early summer. But mysterious delays held up the work until the end of the summer.

Citgo officials claim they had trouble getting the necessary tubing and a rig to do the repairs. But industry sources say the subcommittee has evidence which disputes the Citgo claim.

Footnote: Two New Jersey congressmen, Bill Hughes and James Florio, asked the House to investigate. Hearings are scheduled this week. The Federal Power Commission also is investigating the gas curtailments.

UNITED STATES TO ACCEPT CHILEAN REFUGEES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. FRASER. Mr. Speaker, I would like to insert a New York Times story indicating that we shall shortly begin admitting Chilean refugees on a case-by-case basis. I would like to commend the executive branch for undertaking this action.

In particular, I would like to compliment the Assistant Secretary for Inter-American Affairs, William D. Rogers, who deserves considerable credit for this achievement. Our efforts to encourage the Chilean Government to give greater respect for human rights will be enhanced by our own willingness to accept Chilean refugees.

The article follows:

[From the New York Times, June 13, 1975]

U.S. TO ADMIT HUNDREDS OF CHILEAN EXILES

(By David Binder)

WASHINGTON, June 13.—The United States is preparing to admit a sizable number of political refugees from Chile, the State Department announced today.

A high-ranking United States official said that the number could reach 1,000, or even more, and would include Chileans now held in prison or detention camps by the Military Government in Santiago as well as some Chileans who are in exile in neighboring Peru.

The United States Government has discussed giving Chileans political asylum ever since a junta overthrew the elected Government of President Salvador Allende Gossens, a Marxist, in September, 1973.

But only 19 Chileans have been admitted to this country as refugees, while more than 1,500 Chileans have been resettled in 15 other countries. Some 1,200 Chileans are in Peru.

United States estimates are that there are between 4,000 and 5,000 Chileans still held in jails or prison camps in Chile.

Last September the Chilean military leadership offered to release and deport prisoners who could be resettled in other countries, and this year the category was broadened to include Chileans convicted of "internal security" crimes.

The United States did not move earlier to receive large numbers of Chilean refugees because it did not wish to encumber its relations with the Santiago Government, an Administration official said. The new resettlement program is to be run through the Office of the United Nations High Commissioner for Refugees, he added.

According to William D. Rogers, Assistant Secretary of State for Inter-American Affairs, the State Department took a "strong initiative" in March to respond to the Chilean Government's offer by arranging to resettle a sizable number of detainees and exiles.

In testimony yesterday before the Senate Judiciary Committee, Mr. Rogers said that the United States was offering asylum in response to an appeal by the United Nations High Commissioner for Refugees.

Mr. Rogers said of the United Nations appeal:

"It is inconsistent to seek cooperation from international organizations and other countries on the Vietnamese refugee problem if we refuse to lift a finger for the Chileans."

He acknowledged that there had been pressure from a number of American church groups and other organizations to provide relief for Chilean political prisoners.

Mr. Rogers testified in a closed session of the Senate committee at the request of its Chairman, James O. Eastland, Democrat of Mississippi. The text of his remarks was given to reporters by aides of Senator Edward M. Kennedy, Democrat, of Massachusetts, who attended the hearing.

Replying to previous queries by Senator Eastland, Mr. Rogers said that the Chilean prisoners would be screened to assure that no Communists were admitted.

Mr. Rogers said that procedures had been worked out with the Immigration and Naturalization Service to admit Chileans "on a case-by-case basis."

OMB-SBA PROPOSAL TO INCREASE SMALL BUSINESS LOAN COST DEFEATED BY SMALL BUSINESS COMMITTEE, REGULATIONS ARE WITHDRAWN

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the House Small Business Committee has reacted quickly to nullify a proposal by the Office of Management and Budget through the Small Business Administration to impose higher loan costs on small businessmen.

SBA recently published in the Federal Register a regulation which had the blessing of OMB and which would have allowed lenders to add 2 to 4 points as a fee in addition to the present maximum rate of 10¼ percent on small business loans.

The Small Business Committee conducted a hearing on the matter and, following a presentation of the proposal by Administrator Thomas S. Kleppe of SBA, indicated its opposition to the proposal.

Subsequently the Small Business Committee adopted a resolution opposing the proposed regulations.

The resolution is as follows:

Resolved: That the Members of the Small Business Committee of the House of Representatives of the Congress of the United States oppose the proposed amendments (as published in the April 4, 1975, issue of The Federal Register, pages 15098–15099) to the rules and regulations of the Small Business Administration, and that

The Chairman of the House Small Business Committee is authorized on behalf of the Committee to take appropriate action to notify the Small Business Administration of the committee's position.

Such notification has been made and the indication from SBA is that the proposed regulation will be withdrawn and not put into effect.

The net result is that many small businessmen will be saved many millions of dollars by this action by the Small Business Committee.

OPERATION YOUTH AT XAVIER UNIVERSITY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. GRADISON. Mr. Speaker, I would like to recognize a conference which recently took place in my district. The organization "Operation Youth" held its 26th annual meeting last week. This program is designed to give young people a better perspective on American Government, its objectives and procedures. The conference met at Xavier University in Cincinnati and was a great success, in large part due to the efforts of Mr. William Smith, director of "Operation Youth" and associate professor of accounting and education at Xavier.

This year 58 high school juniors from Ohio, Kentucky, and Indiana, participated in the week-long program which included speeches, forums, and meetings with many officials from all levels of government and community service. In addition, the students formed and elected leaders to their own city council. I am pleased at this time to recognize those who were elected, as well as the many students who actively participated in this worthwhile program.

They are, as follows: Bryan Allf, mayor; Stuart Gosch, vice mayor; Patricia Stirrat, city manager; Patrick Fahey, clerk; and council members, Kathy Coleman, Bill Collett, Nancy Grainger, Jeffre Laret, Dora Newman, Dale Rouster, and Becky Smith.

Also participating in the conference were Edward Allen, Theresa Althouse, Julia Becker, Mary Benigni, Doug Blough, Leo Bowden, Denise Callaghan, Denise Charrier, Catherine Clough, Lucille Depore, Michael Darr, Daniel Dister, Tomi Dorris, Becky Furrey, Melanie Goertemiller, David Hake, Ted Hill-berg, Ted Jakim, Lynn Janes, Pamela Jones, Linda Kayser, Ron Keller, Mark Kroell, Larry Martini, Martey Masterson, Tom McGee, Gary McCoy, Mimi Mooney, Tom Moorehead, Kirk Morris, Mark Namesnik, Mike Netzley, Peggy O'Donnell, Tamara Overmyer, Brenda Kay Pierce, Earl Poptic, Laura Reyering, Cynthia Richmond, Nancy Ridge, Cindy Roberts, Kathleen Ryan, Jeanne Sanker, Rob Schehl, Chuck Siegel, Raymond Thompson, Sharon Webster, and Rita Wissel.

I would like to congratulate Mr. Smith and all who assisted or participated in the conference. This firsthand look at democracy in action will surely be a valuable and memorable experience for all concerned and is a real contribution to the tristate community.

AGE-GROUP TRIPLE JUMP

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. MILLER of California. Mr. Speaker, I am submitting into the RECORD today a newspaper account of the results of the Valley of the Moon Invitational Track Meet recently held in Rohnert Park's Cal-State Sonoma Stadium. Those familiar with track competition will immediately note the outstanding performances of these young people. Parents of the competitors have every reason to be enormously proud of the achievements at that meet. As a less than totally detached observer, I would like to extend my hearty congratulations to both the winners and all the competitors in these events, to their parents and especially to the parents of Robert Latting of the Diablo Valley Track and Field Club who broke the world record age-group triple jump. The article, taken from the Martinez Morning News-Gazette, follows:

LATTING TOPS WORLD MARK

Robert Latting of the Diablo Valley Track and Field Club broke the world age-group triple jump record for seven-year olds with a leap of 23–7 at Saturday's Valley of the Moon Invitational Track Meet in Rohnert Park's Cal-State Sonoma Stadium.

Latting's jump broke teammate Todd Lichti's previous global mark of 21–6 by over two feet.

Still competing in the AAU's seven-and-under division because of a new birth-year rule, Lichti topped that division's high jumpers with a 3–9 effort. Latting also copped the 330 with a 56.3 clocking while Steve Miller won the mile run.

Marc Tourville and Eric Blood finished 1–2 in the 6–7 50 with times of 7.7 and 7.8 respectively. Tourville picked up another blue ribbon when he leaped 11–6½ in the long jump.

Blood, Latting, Tourville and Lichti combined to run a blazing 1:05.0 to win the 440 relay.

Meanwhile, at the Cupertino Invitational, the DVTFC 10–11 440 and mile relay teams turned in top times on the Monta Vista High oval.

The 440 quartet of Kevin Gatrell, Mike Harris, Jim Salisbury and Mike Rutherford circled the track in 56.5 to place second, while the mile relay squad of Chris Freckmann, Harris, Brian Amador and Salisbury also received red ribbons for their 4:32.2 performance.

Kevin Reynolds remained undefeated in the 12–13 two mile when he clocked his third straight sub–11 minute performance.

Next on the agenda for the local spikers is the Pacific Association (Nor-Cal) Championships, Saturday, May 24 at Hartnell College in Salinas.

ADMINISTRATION OF INJUSTICE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. CLAY. Mr. Speaker, how long will the Attorney General of the United States permit the head of the St. Louis Strike Force to use his power and authority as a political guillotine? How long will Attorney General Levi tolerate a prosecutor like Liam S. Coonan who continuously demonstrates his callous disregard for the individual rights of citizens? How long, Mr. Speaker, will this Government allow the special crime strike force to squander millions of taxpayers' dollars in their aimless, endless pursuit of criminal windmills? How long will this administration of injustice be permitted to flourish?

The strike force was created to fight organized crime. Yet the more evidence we see of organized crime expanding and growing, the less evidence there is that the crime strike force is effectively combating these sinister forces.

In St. Louis, under the leadership of the strike force's most outstanding crime buster, Liam S. Coonan, the record is zero. Mr. Coonan, a low potential, high achiever, after 2 years in St. Louis, has not indicted or convicted one member of organized crime in our community. I challenge him to produce his record of accomplishment. I dare him to publicly justify the tremendous amounts of tax dollars spent in his so-called attack on organized crime.

Mr. Speaker, it is tragic that Mr. Coonan can peddle third echelon narcotic pushers and alley dice shooters off as members of organized crime. And even where he convicted some of these unfortunate victims there are serious questions about the legality and credibility of the evidence and the witnesses involved. In fact, Mr. Speaker, many in our community believe Mr. Coonan framed some of these individuals.

I, for one, am of the opinion that Mr. Coonan would not hesitate to frame Jesus if he thought it would get him some favorable publicity.

It is both shocking and appalling that a person as dangerous as Liam S. Coonan is allowed to continue in this powerful position. Mr. Speaker, I commend the following article by Jake McCarty which appeared June 13, 1975, in St. Louis Post Dispatch to the attention of my colleagues and insert it now in the RECORD:

POLITICS AND JUSTICE

The one-time American dream that a man's personal rights ought to be guarded from the demagoguery of politics has dissolved lately into troubled sleep for four dominant political figures in our town. It raises some deep questions about use or abuse of the "system of justice," it seems to me.

In Missouri in recent weeks, grand juries have responded to the guidance of politically appointed government prosecutors in some unusual situations, to say the least. They lend themselves at best to surprise, and at worst to suspicion that the indictment process is being managed for political purposes these days. That's no easy system for a man to beat, because too many people consider an "indictment" as a finding of guilt, which of course it is not.

So when St. Louis attorney Sorkis Webbe was indicted last week on an income tax matter, it seemed time for some public questioning about the strange goings-on. Webbe contributed to the discussion in a refreshing manner by giving his side of the story to the people. All too often, persons who are indicted are advised by their lawyers to shut up and save their skins in the courts. Webbe, fortunately, is too direct and colorful for that.

Webbe revealed that his indictment follows a four-year controversy about the tax question at issue—claiming a business loss on a tax return six years ago—and that the indictment was issued just short of when the statute of limitations would have applied. Thus it appears the government wanted to keep the argument alive a while longer; if so, it hardly serves the cause of justice.

The Webbe case adds one more strong suspicion for those who see a threatening pattern emerging in America—the use of the "administration of justice" for political purposes, something the Bill of Rights was meant to prevent. Thus it ought to be of paramount public interest that in St. Louis the Strike Force on Organized Crime has spent so much energy on local political leaders.

Its major accomplishments to date, aside from raiding a few doddering old gamblers in upstairs card rooms and some second-line drug dealers, have been to harass the leading Democratic political leader on the North Side—U.S. Representative William L. Clay—and now to obtain an indictment of the leading Democratic political figure on the South Side—Sorkis Webbe.

Even more troubling is the fact that the cases of Clay, who has not been indicted, and Webbe, who has, are not isolated cases. On the other side of the state, a government prosecutor has spent a generous amount of energy in grand jury proceedings to dirty up the name of former Gov. Warren E. Hearnes, who aspires to a Democratic seat in the Senate. Hearnes, as have Clay and Webbe, complained aloud and, it appears, rightly so.

The irony of it all is that the heralded Hearnes "inquiry" resulted in the indictment of one of the state's leading Republicans, Donald E. Lasater, who until that astonishing happening, was board chairman of Mercantile Trust Co. and the best mover and shaker in downtown St. Louis. This perjury indictment, too, involved a controversy on political funding.

Perhaps in the aftermath of Watergate, somebody someplace has decided to go after the Democratic politicians. Or so it seems. I don't know if the wheels of justice will eventually nail one of these guys. But I do know that Bill Clay and Sorkis Webbe and Warren Hearnes and Don Lasater, taken together, have dominated the politics of our area.

All these weird happenings, orchestrated by faceless people, seem a good deal beyond mere coincidence. What's worse is that some of our city's main power brokers wouldn't mind seeing these four people go down the tube. And they're the kind of guys who have meetings in Washington.

THE 35TH ANNIVERSARY OF FORCIBLE OCCUPATION OF THE BALTIC STATES

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. RUSSO. Mr. Speaker, this month we mark the 35th anniversary of the forcible occupation of the Baltic States by the Soviet Union, as well as the resulting deportation of thousands of Baltic citizens to the Soviet Union, mostly to Siberia. The anniversary of these events is commemorated in the United States by joint meetings and religious services. This past Sunday, the 15th, was a sad but significant day to our fellow citizens of Baltic extraction and today I would like to briefly review the courageous but tragic history of these freedom-loving people.

It was June 1940. Hitler's victorious forces had already invaded France. Between June 14 and June 17 the government of Joseph Stalin presented Estonia, Latvia, and Lithuania with ultimatums and then invaded and occupied them. This was followed by incorporation of these nations as constituent republics in the Soviet Union. A year later, within a few days centering around June 14, 1941, thousands of Estonian, Latvian, and Lithuanian citizens were deported to the Soviet Union.

It is impossible to fully appreciate the illegality and terror of these actions without placing them in historical perspective.

The Baltic region was dominated by the teutonic knights during much of the Middle Ages. The courageous Lithuanian nation preserved its independence to establish one of the great states of the medieval epoch under the Jagellon dynasty—the grand duchy stretched from the shores of the Baltic Sea to those of the Black Sea. The Baltic people, however, soon were caught in a pincer between the expanding German powers of Prussia and Austria in the west and the emerging Russian giant in the east. The areas of Latvia and Estonia fell to Russia in early years of the eighteenth century, while Lithuania was annexed by Russia as a portion of its share of the Polish-Lithuanian kingdom in 1795.

During the First World War, patriots in the three Baltic States—so-called because of their location on the Baltic Sea—fought and won their independence. These small armies, brave and determined, cleared their lands by 1919 and Russia was compelled to conclude peace treaties with them. The treaties recognized the independence and sovereignty of the Baltic States and declared that—and what a hollow ring these words have now—the Soviet Union renounced "for eternity" all sovereign rights over the peoples and territories which formerly belonged to the tsarist empire.

What did they do with their independence? Within 5 years each nation had surpassed its pre-1914 standards of living, largely as a result of hard work and thriftiness and this was accomplished virtually without loans and foreign aid. There was a cultural renaissance—education, literature and the arts flourished. They joined the international community as members of the League of Nations in 1921.

But the aggression leading to the Second World War that was to bloody and maim most of Europe was to mean the death of freedom in the three Baltic nations.

The handwriting was on the wall in August of 1939 when Nazi Germany and the Soviet Union signed a nonaggression pact, accompanied by a secret protocol dividing Eastern Europe into spheres of influence. Like chips in a deadly poker game, these free nations were casually and callously assigned to the two aggressors—Estonia and Latvia would be in the Soviet sphere and Lithuania was allotted to Nazi Germany.

It is a familiar pattern of aggression now—the three nations were forced to sign mutual assistance pacts, allowing the establishment of Soviet bases and airfields in the Baltic nations and for the quartering of Red troops at the bases. There was, of course, the obligatory "guarantee" that there would be no interference with the internal affairs of these nations.

There followed complete Soviet control of these countries and then the ultimatum that since the three nations were a military alliance directed against the Soviets they must form friendly governments. Then followed the invasion referred to earlier.

The incorporation of the Baltic States was unlawful. It was an unconscionable action against free people. It was a great tragedy in the annals of human history. And on this occasion I think we must reaffirm our commitment to refuse to recognize the Russian annexation. I am cosponsor of legislation to this end and I intend to continue to speak out in behalf of the people of Lithuania, Estonia, and Latvia.

Thus, it is my firm conviction that right will be vindicated in the end, that the ultimate victory will go to the courageous heart, and that in years to come we will see freedom once more triumphant in those beautiful northern lands where the crisp clear waters of the Baltic meet rocky shores consecrated by the life's blood of the men and women who have honored all mankind by their unending struggle for liberty.

MEETINGS OF THE SUBCOMMITTEE TO REVIEW THE NUCLEAR BREEDER PROGRAM

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. McCORMACK. Mr. Speaker, tomorrow at 2 p.m., the Joint Committee's Subcommittee to Review the National Breeder Reactor Program resumes public hearings in room S-407 of the Capitol. Tomorrow's session will focus on safety and environmental issues.

In each of these sessions, we have invited witnesses, with a view toward obtaining testimony both pro and con on the issues. I regret to report that for this forthcoming session none of the witnesses who in the past have been critical of the nuclear program have accepted our invitation to testify. In particular, the Union of Concerned Scientists, whose principal spokesmen are Dr. Henry Kendall and Mr. Dan Ford, choose not to testify. Dr. Arthur Tamplin, Natural Resources Defense Council, was invited, but he is overseas on extended business. An invitation was extended last week to Dr. Donald Geesamen, but he declined on the basis of inadequate time to prepare. Sheldon Novick of Environment magazine was also invited, but declined for the same reason. I should also mention that Friends of Earth specifically requested an opportunity to testify, but an invitation was extended to them, it was declined.

In order that the committee members and the audience at tomorrow's hearings will be able to hear the claims and allegations of those who have been critical of the program, I have asked Dr. Warren Donnelly of the Congressional Research Service to begin the session with an objective résumé of these claims and allegations, taken from testimony and public statements of qualified spokesmen for antinuclear groups. We will then hear presentations on safety and environmental problems from Dr. David Rose of MIT, Dr. Chet Richmond of Holifield National Laboratory, and Dr. Bernie Cohen of the University of Pittsburgh. The committee members will have an opportunity for questions and discussion.

Mr. Speaker, I would also like to announce that it has become necessary to reschedule our June 19 subcommittee session on the subject of Safeguards by moving it to Wednesday, June 18, at 2 p.m.

BALTIC STATES FREEDOM DAY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. RINALDO. Mr. Speaker, yesterday marks the anniversary of the occupation of the three Baltic States of Lithuania, Latavia, and Estonia by the Russian Army. On June 15, 1940, these small but courageous nations were overrun by a country which previously agreed to respect the sovereignity of the Baltic peoples when it signed several nonaggression pacts in 1919 and 1920.

The Baltic States have endured a long history of aggression and when they regained their freedom after World War I, they sought to insure the rights and liberties of their people. But these new freedoms were quashed in 1940 by the Soviet Union's forcible annexation. In 3 days, June 14 to June 16, 1941, 60,000—more than one-sixth of the total population—were deported to Siberian labor camps. During the years 1944 to 1952, partisans struggled for freedom against the Soviet occupation in prolonged guerrilla warfare at a cost of 50,000 lives. Since 1940, the Baltic population has been depleted by one-quarter: 150,000 lives.

Despite all the attempts of the Soviet Government to suppress them, the Baltic people have continued to fight for their freedom. As recently as 1972, demonstrations erupted and in March 1972, a petition containing 17,054 signatures was sent to Kurt Waldheim, Secretary General of the United Nations, protesting the Soviet Union's treatment of Lithuanian Roman Catholics. On May 14, 1972, a young man, Romas Kalanta, burned himself to death in the city of Kaunas in protest of this religious persecution. His death provoked riots which led to two other cases of self-immolation. Mr. Speaker, the entire post-war history of these nations testifies to their desire for freedom and their rejection of Soviet tyranny.

The United States has steadfastly refused to acknowledge the Soviet occupation and has sought to focus the world's attention on the plight of these people. The problem cannot be ignored; we, as a free nation, must continue to urge other nations to protest and to pressure the Soviet Union. We are faced with a particular challenge this year at the European Security Conference. I have sponsored House Concurrent Resolution 193 which expresses the sense of the Congress that the U.S. delegation to this Conference should not concede the annexation of these three states.

I join with all Baltic Americans in commemorating this sad anniversary and expressing the hope that the Baltic people one day will regain the freedom which they so richly deserve.

A CREATIVE LEGISLATOR

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. COHEN. Mr. Speaker, during consideration of the Energy Conservation and Conversion Act, the Members of this body had an opportunity to witness the thoughtful, creative approach that my colleague, DAVID F. EMERY, brings to his legislative responsibilities.

Congressman EMERY devised a unique approach to the complex issue of import quotas and presented it as an amendment to the energy bill. Although Congressman EMERY's position did not prevail, I believe that he demonstrated a broad understanding of the intricacies of the problem, and I wish to commend him for his presentation.

Mr. Speaker, an editorial in Congressman EMERY's hometown newspaper, the Rockland (Maine) Courier-Gazette, recently took note of his diligence in tackling a major national problem after only a few months of service in Congress. The editorial serves as a reminder to all of us of the importance of our paying heed to the fresh ideas provided by our newer, younger Members, and I ask that it be inserted in the RECORD at this point:

IDEAS SHOULD BE HEARD

We admire the courage of fellow townsman Cong. David Emery in developing and promoting his own plans to help this Nation cope with the problems of obtaining sufficient energy at costs with which the economy may survive. For generations freshmen Congressmen were expected to be like children . . . seen but not heard. While senior members of Congress look upon the young members as brash, these new legislators bring to Washington with them fresh outlooks that deserve to be seen and heard.

Whether or not Congressman Emery has come up with the complete answer to our energy problems we are not prepared to judge but we are convinced that he has done a great deal of personal research in developing a proposal. We sincerely hope that Congressional leaders and the Administration will give the young man from Rockland a chance to explain his ideas backed up by his own research.

The business community long ago discarded the notion that youth was not worth listening to and it is time that government did likewise. We find it ironic that many Congressional and Administration staff people fall in the "under 30" group, yet the old seniority system still rears its head time and time again when it suits their superiors.

Congressman Emery's education has trained him to be analytical in his approach to problems and we are sure that this process is particularly applicable to developing a working solution to a problem as complex as insuring adequate energy supplies for our Nation.

A SALUTE TO THE LITHUANIAN PEOPLE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. RODINO. Mr. Speaker, I would like to ask my colleagues to join me in the observance of June 15, 1975: The sad anniversary of the Soviet annexation of the Republic of Lithuania.

Thirty-five years ago, on June 15, 1940, the political rights inherent in self-determination were unjustly denied the people of Lithuania. Despite having signed a joint declaration at Yalta, upholding the right of all liberated peoples to decide freely on the form of government under which they would choose to live, the Soviet Union forcibly violated the political sovereignty of the Lithuanian people. I am proud to say that the Lithuanian and American peoples have staunchly denied recognition and acceptance of this blatant abrogation of human rights. The legitimate aspirations of the Lithuanian people have shown themselves to be insuppressible.

It is with honor, therefore, that I call attention to the historic significance of this day. In publicly reaffirming American opposition to the conquest of the Lithuanian nation, we must steadfastly reinforce the determination of the Lithuanian people to attain national independence. The sacrifices and protestations made by the Lithuanian people in the past 35 years bear testimony to their rejection of illegitimate incorporation.

I salute and support Americans of Lithuanian descent and Lithuanians throughout the world in their pursuit of justice and national freedom.

THE TENNESSEAN SAYS CIA ACTS "PLAINLY UNLAWFUL" AND CALLS FOR FULL INVESTIGATION OF CIA ASSASSINATION PLOTS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Tennessean in a recent editorial called for completion of the investigation of alleged plots by the Central Intelligence Agency to assassinate foreign leaders.

Chairman ROCKEFELLER of the Special CIA Investigation Commission has failed to develop the full facts for the American people. To this extent, his report is a graywash.

The American people are entitled to know the full facts of any plots and full disclosure should be made by the Rockefeller Commission and by committees of the Congress which are also investigating the CIA "cloak and dagger" operations.

Because of the interest of my colleagues and the American people in this most important matter, I place the editorial from the Tennessean in the RECORD herewith.

The editorial follows:

CIA REPORT SHOCKING, BUT ONE ISSUE EVADED

It is unfortunate that the Rockefeller Commission's report on domestic CIA activities—as shocking and alarming as it is—was not accompanied by disclosure of the panel's findings on alleged plots to assassinate the leaders of foreign governments.

Most Americans will be saddened to learn that an agency of their democratic government has been resorting to such tactics as administering dangerous drugs to unsuspecting human "guinea pigs," monitoring long distance telephone calls, spending money for blatantly political purposes, and other activities which are so abhorrent to a free nation.

But the people are equally interested in the question of whether their tax dollars have been going to finance assassination plots against foreign leaders. Since the people support the CIA and pay for its activities, they have a right to receive straight answers to this question, and they will not be put off by claims that it is "in the national interest" to keep these findings secret. The public will not be convinced that it is in the national interest to cover up the facts about political assassination plots that may have been hatched and carried out years ago.

The Rockefeller Commission seems to have done a fairly thorough job investigating and reporting on the CIA's domestic activities. For if the agency had engaged in more offensive activities than the commission found out about, it is hard to imagine what they could be.

However, there is much question of whether the commission met the assassination question headon, or whether it found this issue too hot to handle.

The contention that the commission did not have the manpower or the time to check out the reports on the assassination plots will not stand up.

After the commission had started on its

investigation of the CIA's domestic activities it was given the additional charge to go into the assassination reports. Thus, it cannot be argued that the commission lacked the authority to go into this matter more fully. And there is no apparent reason why the commission did not have the time, or could not obtain the manpower, to check out the reports. The commission's investigation did not have to end at this time. The commission could have remained on the job until the whole story was known—and it should have done so.

The handling of the assassination phase of the investigation by the commission and the White House suggests an attempt to pass the responsibility on to someone else.

This means the assassination plot investigation will end up in the Senate and House select committees.

Perhaps this is not so bad, for it is in the Congress where the abuses of CIA power should be judged and where the agency's future role must be determined.

The commission's findings have been sent to the Justice Department, where lawyers are studying the evidence for possible prosecution steps.

This is fine. The guilty ones should be brought to justice. But the people are interested in seeing that such abuses are not repeated in the future, and they are looking to their elected representatives in Congress to make certain that proper controls are put on the agency and that such things as assassination plots, domestic syping, and deceitful political activities never become an accepted policy in the CIA.

Congress has been sadly negligent in keeping its eye on the CIA in the past. It is hoped the discoveries now being disclosed will convince Congress of the threat to freedom posed by a super-secret intelligence agency operating without proper citizen control.

The select committees should make full disclosure of all the facts pertaining to the CIA's abuse of power and Congress should pass laws and exercise controls to insure that any information-gathering activities will be carried out within the principles of American justice and liberty.

UNIVERSITY OF TEXAS NATIONAL BASEBALL CHAMPS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. PICKLE. Mr. Speaker, I would like to take this opportunity to recognize the national collegiate baseball champions, the University of Texas Longhorns.

Saturday night the Longhorns defeated a very fine squad, the South Carolina Gamecocks, 5 to 1, to capture the first-place spot in the College World Series in Omaha, Nebr. Although the Longhorns have been a perennial participant in this postseason event throughout the years, this victory Saturday night was the first championship since 1950.

The charges, under the able leadership of Coach Cliff Gustafson, compiled a remarkable record of 58 wins and 6 losses during the 1975 season. No fewer than eight Longhorn players were chosen in the recent major league draft, indicative of the depth of talent among the orange and white fielders, pitchers, and hitters.

I salute Coach Cliff and the talented Longhorn players. It is good to be No. 1 again.

EMERGENCY JOBS PROGRAMS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, the emergency jobs programs authorized by title VI of the Comprehensive Employment and Training Act—CETA—has been functioning for approximately 5½ months. As chairman of the Subcommittee on Manpower, Compensation, and Health and Safety which drafted this measure, I have received much comment—both favorable and unfavorable—on the program from Members of Congress, manpower officials in the field, and from enrollees in title VI jobs. Illustrating the varied opinions on title VI programs is a recent article in the New York Times which I commend to my colleagues.

The Manpower Subcommittee just concluded 9 days of hearings on extension of title VI and will meet in markup session on Thursday, June 19. In view of some of the criticism leveled at title VI, we will be considering a committee print I have proposed which endeavors to resolve certain difficulties in the existing legislation. In order to insure that worthwhile and needed job opportunities are created, the proposed measure would establish competition among various employers for approval of manpower projects. Existing prime sponsors plus private nonprofit organizations offering public services, local school boards, and other units of local government would be eligible to operate title VI programs. Thus, many plans and many employers would be competing for manpower funds—no unit of local government could lay off workers in anticipation of Federal moneys. Further, by instituting competition for project approval, an employer who plans to use funds for political patronage would be competing with bona fide projects aiming to alleviate the hardships of unemployment.

In brief, some of the provisions designed to insure equal treatment of all applicants for a title VI job are the listing of such work opportunities with the appropriate public employment office for at least 7 days prior to hiring; prohibition of nepotism among new enrollees; only one CETA title VI job per household; and public disclosure of records, including salaries and positions of persons employed in CETA title VI jobs. The measure also aims to minimize the burden of recordkeeping and encourages the development of simple and concise forms, guidelines and regulations to facilitate the prompt implementation of the bill and quickly put people into employment slots.

My proposal assures the current units of local government, however, that private nonprofit groups cannot operate projects in public services previously provided by a political subdivision or local educational agency. The measure also authorizes that 20 percent of the appropriated funds be allocated to present prime sponsors under the existing formula of title VI to insure an orderly transition to the new programs.

Mr. Speaker, I believe that an extension of title VI authorization which expires on June 30, 1975, is mandatory. Unemployment is still rising; millions of Americans will face another winter of joblessness. It is incumbent on this Congress to listen to the urgent needs of our constituency and authorize additional sums for title VI in fiscal year 1976. The present level of 310,000 public service jobs which will be maintained with appropriation of $1.625 billion for fiscal year 1975 is obviously not sufficient to meet the magnitude of the problem. Three hundred ten thousand jobs is a mere drop in the bucket when the unemployment rate stands at 9.2 percent. Our subcommittee will consider authorizing $5 billion for fiscal year 1976 in order to create new job opportunities for approximately 500,000 unemployed citizens. This is clearly an urgently needed measure and my subcommittee intends to move quickly to help jobless Americans.

The article follows:

[From the New York Times]

U.S. JOB PROGRAM STIRS A CONTROVERSY IN LIGHT OF WIDESPREAD LAYOFFS HERE

(By Deirdre Carmody)

"I almost had a heart attack when I got hired, I was so used to hearing no," said Alan Adolph, who had been looking for a job since his graduation from the University Law School in 1973.

Mr. Adolph, who has been working as a law secretary to an acting Supreme Court justice since the end of April, is one of 21,000 persons in New York City who are working under the Comprehensive Employment and Training Act (C.E.T.A.), the largest federally financed job program since the Depression. They range from porters and janitors to fiscal records analysts and lawyers like Mr. Adolph, and they are in almost every city agency as well as in a number of private institutions.

Because of people like Mr. Adolph, agencies have been able to develop new programs and create needed jobs and there is no question that in these cases, both the employe and the institution have benefited.

Mr. Adolph, for instance, is one of 25 lawyers who have been dispersed citywide through the court system to help shoulder civil and criminal workloads that were burdening the courts.

The C.E.T.A. program, however, has come under some heavy criticism, particularly from unions, because of the recent layoffs of thousands of city employes for budgetary reasons. The critics point out that civil servants, some of whom have been working for the city for years, are now without jobs, while C.E.T.A. employes are being hired by the very agencies who are laying off workers.

2-WEEK ORIENTATION

Mr. Adolph is working for Judge Jeter J. McQuillan, a Criminal Court judge who is now sitting in Supreme Court but who, despite a heavy caseload, is not allowed a law secretary because he is only an acting justice.

Mr. Adolph had to undergo an intensive two-week orientation course at the courthouse to familiarize himself with various aspects of the law before he began to work for Judge McQuillan.

Jobs in the Federal program pay from $5,500 to $10,000 a year, but there are cases when the city or the private agency supplements the salaries. The standard pay for a law secretary, for instance, is $15,725, so the program pays $10,000 and the city picks up the balance of the tab.

On another floor in the courthouse at 100 Centre Street, C.E.T.A. clerks are at work on a vast project to microfilm stenographic courtroom notes, summonses and reports.

This will not only ease storage problems but will also enable the courts to keep a second set of the microfilmed notes, which can be stored in another place so that there will not be a repeat of the disastrous consequences that occurred after a bomb went off in the courthouse in 1969 and destroyed 90 days of notes.

"The main thing that we tried to do was to train the people we got and we're proud of that," says Lester C. Goodchild, chief executive officer of the Criminal Court of the City of New York. "We tried to design jobs that would be beneficial to the courts."

It has worked two ways, of course, and the program's employes who have been trained now have skills they can use when their jobs are over. Although the funds for next year have still not yet been confirmed, it is expected by officials at the city Department of Employment that the program will be carried through June 30, 1976. There are several C.E.T.A. programs, another of which runs through next February.

"This provides jobs for people who need them and can't find them," said Eileen Murphy, who operates the camera in the microfilming project. "I had gone to so many agencies and they all said they didn't want people without experience. I had worked as a nurse's aide and a switchboard operator, but nobody needed me. I really like this, and I'm waiting for the city to open up the test for clerk so that I can take it and continue with this kind of work."

The city, however, is obviously not going to open up Civil Service tests and critics of federally financed programs point out that it simply raises expectations such as Mrs. Murphy's and then will dump trained people at the end of the program into a market that is not ready to absorb them.

Victor Gotbaum, director of District 37 of the American Federation of State, County and Municipal Employes, is one of the most outspoken critics of the Federal program. He says that many of the agencies have simply created makework jobs because they have neither the time nor the personnel to train the project's employes and that unqualified people are being brought in to do the jobs for which they have no skills.

"The public sector is supposed to absorb the unemployed, but this is a revolving door concept," Mr. Gotbaum said in an interview. "Regular employes with skills are being laid off, while C.E.T.A. employes are coming in."

Mr. Gotbaum illustrated this with an example at the Metropolitan Museum of Art where 23 security guards were laid off as part of the budget under the Federal program more kept on. Mr. Gotbaum says that if it had not been for the C.E.T.A. people, eight of the city-paid guards could have been kept on.

The City Department of Personnel says that on April 21 it sent out notices to 870 employes who had been laid off and who would qualify for jobs under the Federal program. A spokesman said that 300 of these had applied for such jobs and that 120 had been hired.

Lucille Rose, the city's Commissioner of Employment, who heads the C.E.T.A. program, pointed out that unemployment here was at 11.2 per cent and that anything that helped alleviate it was beneficial.

"I share Mr. Gotbaum's concern and I too have a great concern about the many city employes who will be laid off, but I will have to abide by the rules and regulations that have been defined by the Department of Labor in administering the C.E.T.A. program."

Earlier this year, the Beame administration asked for clarification about whether, under the Federal program, it could rehire provisional employes who had been laid off. After considerable delay, the answer came back that the city could not use Federal funds to rehire laid-off provisional employes without first offering jobs to the "most severely disadvantaged in terms of the length of time they have been unemployed."

The program also came under additional criticism when it was discovered that the Office of Neighborhood Services was offering some of the Federal jobs as political patronage.

Information on applying for jobs under the C.E.T.A. program may be obtained at any of the 26 offices of the city's Manpower and Career Development Agency.

GRADISON OPPOSES NATIONAL DEBT INCREASES

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. GRADISON. Mr. Speaker, I intend to vote against H.R. 7545 which would raise the ceiling on the national debt from $531 billion to $616.1 billion. This increase in the debt ceiling is necessary in order to allow for Government borrowing to finance a $68.8 billion deficit for fiscal year 1976.

This $68.8 billion deficit was the figure approved by Congress in its congressional budget resolution. I voted against the budget resolution because I felt that the $68.8 billion deficit was too large.

I believe that a $68.8 billion deficit for the coming fiscal year will tend to aggravate inflationary tendencies in the economy and will thus be detrimental to the long term health of the economy. We should not lose sight of the fact that it was basically inflation that caused the current recession. Excessive deficit spending now will only sow the seeds for another recession.

The supporters of the debt ceiling increase say that we have no choice now but to approve the borrowing authority since Congress has already approved the deficit figure for fiscal year 1976. In reality, it is still not too late to reduce the size of the deficit for fiscal year 1976. So far not a single appropriation for fiscal year 1976 has been enacted. We still have pending before Congress changes requested by the administration which would mean a reduction of $8.5 billion in outlays for fiscal year 1976.

We must reduce Federal borrowings below the levels projected in H.R. 7545 if we are to have sufficient funds available for private corporations to finance investment. This legislation anticipates Federal borrowing of approximately $85 billion in the next 12 months. This is on top of some $11 billion to be borrowed by Federal agencies and means that the Federal Government will absorb almost 40 percent of the available loanable funds this year.

My vote against H.R. 7545 is intended to register my dissatisfaction with the budget deficit approved by Congress and the resulting excessive levels of Government borrowing.

CONGRESSIONAL MUDDLE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mrs. SCHROEDER. Mr. Speaker, there seems to be some sentiment here that regardless of what Congress does or does not do, no one notices so it never matters.

Aside from the foolishness and arrogance implicit in such an attitude—it does matter whether anyone notices or not, I just returned from my district with an article that appeared yesterday in the Denver Post. The article speaks for itself:

DEMOCRATS IN CONGRESS NEITHER LEAD NOR FOLLOW

(By Leonard Larsen)

WASHINGTON.—You must not be angered (or pleased, as the case may be) when some fool suggests it is the fault of the lopsided Democratic majorities that control Congress that nothing happens there—that nothing happens on energy, nothing happens on the economy and nothing happens to answer a presidential veto in those rare instances when the whole Congress does pass something.

The fool would have you believe that there really are "Democratic majorities" in the Senate and House who "control" Congress—but he's bound to be a provable incompetent or a knave who lies.

The truth is the 289 elected "Democrats" in the House of Representatives and the 61 of the same in the Senate are a rabble, a leaderless mob without a sense of unity, of purpose, of obligation, of party discipline—and certainly without direction.

There are no leaders among them and there are not even any followers.

If Republicans make you uneasy, there's still one thing you've got to say about most of them, either as individuals or when they cluster into groups as small as the 145 in the House or the little band of 38 in the Senate.

At least with Republicans, you know what to expect of them, where they're going to be.

They'll be with the bankers and the insurance companies and the oil companies and the chambers of commerce and the associations of manufacturers. They'll be coming at you from the money establishments and almost always they'll be together. It's comforting. You can count on that.

But what of the Democrats, who tell us all sorts of nice things about themselves and their party and what they'll do if you elect them one more time to retain their "control" of Congress?

The controlling Democrats of the 94th Congress actually compose an open, unstructured Montessori kindergarten.

Over here some of the tots are playing in the sandpile and over there others are finger-painting and some others are tossing bean-bags (not to each other, of course) and some naughty ones are splashing in the mud. They quarrel a lot.

The only thing they did together was elect their own leaders and that's so funny they giggle a lot because no one, least of all their elected leaders, would interrupt the play.

Two things might be said to illustrate the quality of the Democratic leadership in the Senate:

In the fourth year or so of the Congressional flapdoddle to confront the energy crisis, the kindly old Democratic majority leader, Sen. Mike Mansfield, D-Mont., purses his lips and wonders out loud if it might be a good idea to form a joint Senate-House committee and get cracking.

And the "power" of Mansfield's leadership is such that another Democrat, Sen. James

Allen, D-Ala., can tie the Senate in knots for days, not because he wants to make things happen but because he wants to keep anything from happening.

The House is merely a larger zoo and the quality of the leadership, if anything, more pathetic. During the past week there Democrats, including the leaders, have been helping Republicans chop up what was once advertised as a Democratic energy program.

Tuesday was a sort of do-or-die day for the "veto-proof" Democratic majority in the House, in attempting to override President Ford's veto of the strip mining control bill, another four-year project some Democrats told us was needed.

The classic battle lines were there. The coal companies and the oil companies which own the coal companies were against it so Ford and most of the Republicans were against it.

Righteous Democrats, of course, were for it and the little House speaker, Rep. Carl Albert, did his bit to whip up sentiment with a 30-second plea from the floor. That was followed by a booming 30-second exhortation from the Democratic leader, Rep. Thomas O'Neal, D-Mass. Heavy, tough leadership stuff.

The override, of course, failed by three votes and the strip mine bill's chief sponsor, Rep. Morris Udall, D-Ariz., suggested vaguely it was the Republicans' fault because a few more of them should have helped out.

Here are some interesting figures about the majority Democrats who "control" the House and the leaders who "control" them.

A total of 57 Democrats—something less than 20 per cent of the party's strength in the House—voted against the override and to sustain the veto. Seven of the 22 Democratic committee chairmen in the House—a shade more than 30 per cent of the "leadership" also voted with Ford and the Republicans or made themselves absent from the long-scheduled vote.

If a congressional Democrat asks you if President Ford can really walk and chew gum at the same time, ask that Democrat if he can chew gum and get reelected at the same time.

ENERGY CRISIS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. FORD of Tennessee. Mr. Speaker, the failure of this Congress to enact energy legislation with tough conservation incentives has been recognized by many people for what it is—a lack of courage on the part of Members of Congress to vote for necessary but perhaps politically unpopular measures. Unfortunately, this House voted to delete the entire gasoline tax provision, once again losing an opportunity to provide necessary leadership.

Even though we seem to have forgotten those long gasoline lines of last winter, all of us must be prepared for a long-term energy shortage in the years ahead. This need for sensible planning to avert such an energy crisis was demonstrated in an excellent editorial which appeared in today's Memphis Commercial Appeal. I present it here with the hope that my colleagues will recognize the need for some strong and tough energy decisions:

DAWDLING ON ENERGY

The House of Representatives piddled around with energy legislation again last week.

After six months of this session the members have been unable to come to any agreement on how to deal with the petroleum problem.

Chairman Al Ullman of the Ways and Means Committee suffered several sharp defeats on the floor when the proposals his committee had labored over for weeks were beaten down. One of these would have imposed substantial taxes on gasoline to discourage unnecessary driving, another would have taxed automobiles which get poor gasoline mileage to induce manufacturers to make more economical cars.

Congress has expressed outrage at President Ford's actions in raising the import fees on foreign oil. But it fails to come up with anything substantial as an alternative.

The trouble seems to be that Congress is not really convinced there is an energy crisis.

And unfortunately that attitude is reinforced by the present market situation. Motorists know they can drive up to the pumps any time they like and get as much gasoline for their cars as they like. Sure, they must pay more for that gas now than they did a year or two ago. Quite a bit more. But hasn't the price of everything gone up in the last couple of years? So they say "Fill 'er up" and they pay the price, grumbling a bit but happy to be able to keep driving as much as they like.

The storage tanks are full. But at what price?

With demand for gasoline remaining high, total consumption of oil has fallen hardly at all. Domestic production is down and imports from the Mideast are making up an increasing share of the imports. That is not moving toward independence.

The trouble is that Congress and the people don't seem to understand what is meant by the "energy crisis."

It is not something we are facing today or tomorrow. It is a problem we know is coming in a few years. President Ford was right when he said again Friday, "It's mandatory that we move. We can't just wait for a crisis and then move. Time is running out."

Somehow that message must be carried to Congress and the people in a convincing manner. It clearly is not enough to prepare advertisements and television commercials urging people not be "fuelish."

If Congress is convinced the people will rebel against very high prices on gasoline because of heavy taxes, or if it believes that the people will continue to buy gasoline whatever the cost and thus add to the nation's problem of inflation, then the members must find yet a different solution.

But Congress must keep in mind that no solution is going to be politically popular. For any solution is going to mean that all of us must use less fuel until new sources of energy can be developed.

C. GLENN WATSON, JR.

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. BYRON. Mr. Speaker, recently Cumberland, Md., lost one of her most distinguished citizens with the passing of C. Glenn Watson, Jr.

Glenn Watson served his community in many capacities. He served 8 years on the Cumberland City Council and operated the Watson Insurance Agency in that city. He was active in many social, charitable, and fraternal organizations.

I know that Glenn Watson will be missed not only by his family and friends but also by the larger community he had chosen to serve. His efforts and activities on behalf of Cumberland and Allegany County will remain as tributes to his dedicated community spirit and his lifelong interest in the welfare of all citizens.

CIVIL GOVERNMENT FOR PACIFIC TRUST TERRITORY

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. KETCHUM. Mr. Speaker, as a former member of the Interior Committee and ranking minority member on the Subcommittee for Territorial and Insular Affairs, I urge my colleagues to support H.R. 7688, which provides for the continuance of the civil government for the Trust Territory of the Pacific Islands.

As explained by other members of the Interior Committee, this bill is essential to the continuation of political status negotiations in the Pacific, which will eventually grant greater autonomy to all Micronesians. For my part, however, I wish to focus on only one aspect of the bill before us—an $8,000,000 authorization to furnish Micronesia with a 4-year college.

During the committee hearing on this legislation, Mr. Raymond Setik, chairman of the Joint Committee on Program and Budget Planning, Congress of Micronesia, made an impassioned plea for U.S. congressional support in the establishment of a 4-year college in Micronesia. Since I had recently returned from South Africa where I had a first-hand opportunity to visit the university of that nation, Mr. Setik's remarks carried a special significance. Having personally witnessed the pride a developing nation takes in its higher educational institutions, I decided to champion the creation of a similar cause for Micronesia, particularly in the light of the deplorable conditions in this regard which currently exist.

Today, in Micronesia, only one 2-year institution of higher professional education is in operation. Housed in temporary buildings, inadequately staffed and limited in curriculum availability, the Community College of Micronesia fails to equip Micronesians with the skills necessary to cope with cataclysmic cultural, economic, and political changes. Accordingly, 70 percent of the post-secondary education is now pursued outside the trust territory at an annual cost to the Government of $3,000,000.

As the colloquy developed in the subcommittee, however, it became apparent that considerably more planning was required before a 4-year college could be established. I suggested that the applicability of correspondence courses be explored—a method that has proved especially effective in South Africa. Another member urged that the community college approach, typified in our Western States, be investigated. Finally, with the stipulation that the subcommittee be informed of all plans pertinent to the foundation of the proposed college, the legislation was amended by unanimous consent to provide up to but not to exceed $8,000,000 for the construction of such buildings as are required for a 4-year college to serve the Micronesian community.

Mr. Speaker, I have cited only one example of the detailed thought that has gone into this bill. I assure you that other provisions of H.R. 7688 have received equal or more deliberation. Accordingly, I ask my colleagues on both sides of the aisle to pass unanimously the legislation now before us.

THE CONTINUING RISE IN UNEMPLOYMENT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. HAWKINS. Mr. Speaker, as we are all aware, the most pressing problem for this great body is the question of the continued rise in unemployment in our Nation. We now have an official rate of unemployment at 9.2 percent—8.5 million persons unemployed. The unofficial rate of unemployment is 18.2 percent or 17.9 million unemployed persons, computed by including the underemployed, the discouraged jobseeker, and the encourageable jobseeker, totaled with those statistically counted as unemployed.

These figures are indeed grim; they become more depressing when one begins to estimate that the official unemployment figure—of 8.5 million unemployed persons—can be multiplied about 3 or 4 times—so as to include the family of the unemployed breadwinner—making a total of between 25.5 million to 34 million persons tragically affected by the unemployment crisis.

There are other tragic spinoffs of economic policies pursued by the Nixon-Ford administrations which equally attest to their combined inabilities to cope with the very economic crises their policies have created:

Unemployment is at the highest rate since 1941.

More than four-fifths of increased unemployment can be traced to job loss.

Rates are also at all-time highs for women, 8.6; teenagers, 21.8; whites, 8.5; blacks, 14.7; household heads, 6.3; full-time workers, 8.7; and black teenagers, 39.9.

These factors should certainly not immobilize the Congress in its ability to develop effective policies and programs necessary to stimulate and revitalize our economy.

Solutions are available—which are neither stopgap nor bandaid.

One such economic solution is the Hawkins-Reuss equal opportunity and full employment bill (H.R. 50), which calls for national economic planning of the kind that would assure a national policy of full employment, fully supported by guarantees within the federal system.

On May 13, 1975, Parade magazine in the Washington Post featured an article on H.R. 50, entitled "Should You Have a Right to a Job?"

Since the article presented an articulate description and summary of the bill, I am presenting the article for my colleagues' consideration and review:

OPEN TO DISCUSSION: SHOULD YOU HAVE A RIGHT TO A JOB?

(By Derek Norcross)

On Jan. 11, 1944, President Franklin Roosevelt said in a message to Congress, "the right to useful and remunerative jobs" was the first principle of an "economic bill of rights."

More than 30 years later, the official unemployment rate is over 8 percent—more than 7.5 million Americans are without jobs. Worse, the official rate understates the actual number of unemployed.

Every month the Bureau of Labor Statistics calculates unemployment based on a polling of 50,000 selected households. A person is defined as unemployed if he or she has been actively looking for work within the past four weeks. Not counted are discouraged workers, those who've given up seeking a job in despair. Also not counted are persons on welfare. Part-time jobholders are counted as fully employed. And the official statistics say little about the subemployed—those with jobs that pay below the poverty line. One Congressional study found that the subemployment rate in some major cities such as Los Angeles or New York was over 30 percent.

Why can't the richest nation in the world provide a decent job for all who want to work?

The answer—according to Prof. Bert Gross of City University of New York—is that the U.S. can provide jobs for all. "The problem," says Professor Gross, "is one of political will. The government certainly has the capacity to act."

A WASTE OF LIVES

Back in 1945, Gross helped to draft the Murray-Wagner Act which created the Council of Economic Advisers and was supposed to establish government machinery to implement FDR's Economic Bill of Rights. However, the bill was gutted by conservative forces led by Sen. Robert Taft Sr. (R., Ohio). It was changed from the Full Employment Act of 1946 to simply the Employment Act. The words "full employment" were changed to "maximum employment." The result—for 30 years the country has tolerated varying levels of unemployment, thereby wasting lives and resources.

What can be done to really implement full employment?

Hesitant steps were taken a few years ago. In 1971, Congress, under the Emergency Employment Act, established the Public Employment Program. PEP was reminiscent of the Works Progress Administration (WPA) of the '30's but on a much smaller scale. Between August, 1971, and June, 1973, PEP employed 404,000 persons. The Nixon Administration tried to end the program, but the Democratic Congress prevailed. Under Title II of the Comprehensive Employment and Training Act (CETA) signed into law in December, 1973, funds were made available for PEP programs in areas with at least 6.5 percent unemployment.

To date, the CETA job program has been successful at creating meaningful public service jobs, though not enough of them. San Francisco, for example, is using CETA funds to hire artists to decorate city buildings, and gardeners to offer classes to citizens in raising vegetables on home plots. In Seattle, CETA money is being channeled through non-profit groups such as the YMCA.

California's new administration, headed by 37-year-old Gov. Edmund (Jerry) Brown, has innovative plans to combine CETA funds with welfare and unemployment money, thereby increasing the number of jobs available. The new administration also wants the Bureau of Labor Statistics to revise its definition of unemployment to more accurately reflect the situation of the jobless and working poor.

JOB GUARANTEE

The most imaginative and far-reaching proposal for creating jobs has come from Rep. Augustus Hawkins (D., Calif.), who represents the inner city of Los Angeles. In conjunction with Sen. Hubert Humphrey (D., Minn.), Hawkins has introduced the Equal Opportunity and Full Employment Act. The bill, drafted by such experts as Professor Gross, would guarantee every American citizen a job as a basic right.

Under the provisions of the bill, the President is required to submit to Congress each year a "Full Employment and National Purposes Budget." This will list domestic programs such as conservation, health-care delivery, housing, and mass transit, which need to be carried out and in which public employees can find meaningful work. Newly created Job Guarantee offices in local areas around the country would administer public and private employment projects to the extent required to reach full employment.

Full employment is defined by the bill as "a situation under which there are useful and rewarding employment opportunities for all adult Americans willing and able to work."

HAWKINS' HEARINGS

Representative Hawkins admits the bill is visionary—but he believes that if economic conditions worsen, support for the bill will grow. Hawkins is currently holding subcommittee hearings on the bill in cities around the country.

Advocates of the bill point out that full employment would bring many side benefits. The crime rate would drop. Mental health would improve. Expenditures for welfare, food stamps, and unemployment benefits would drop. Jobs created in health, education, ecology, transit and other domestic fields would improve the quality of life.

Opponents of the full employment concept believe that some rate of joblessness is the price Americans pay for the benefits of the free enterprise system.

THE 100-YEAR-OLD VOICE IN LOMPOC VALLEY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. LAGOMARSINO. Mr. Speaker, 100 years ago, April 10, 1875, the Lompoc Record, Lompoc, Calif., noted on its front page that "the next Congress"—which would have been the 44th—"would be the first in many years without a member of the Washburn family." One hundred years later it is still reporting news of the Congress "fairly and accurately without regard of fear or favor."

The editions in the years between chronicle the history of this great Nation.

To the citizens of the Lompoc Valley it has meant that for the last 100 years they have not been without a regularly published newspaper. The Record has published continuously, never missing an edition despite economics, wars, and a devastating fire which nearly obliterated the publishing premises. The Record has the distinction of being the oldest established, continuous business in the city of Lompoc.

Under the guidance of the Adam family for more than 50 of its 100 years the Record has always followed the true principles of journalism as set down by its founder, W. W. Broughton, "fairness, thoroughness, objectivity, and accuracy without regard of fear or favor."

In its centennial edition the Record has renewed this journalistic pledge and to "continue to be the eyes and ears of the community we serve."

Because of the long and, indeed, distinguished history of the Lompoc Record in providing news to the community on public issues and for its achievement of excellence in all journalistic areas, I ask the House to extend congratulations to the Lompoc Record on the observance of its 100th anniversary.

MR. TROY—A RARE PERSON

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. FLOWERS. Mr. Speaker, many of us lost a rare and unusual friend on June 7 in the death of Troy Sansing of Woodstock, in Bibb County, Ala. "Mr. Troy," as he was known to me for many years, was a perfect example of good citizenship. He was loyal to his family and his friends and as long as anyone can remember, he was always involved in working hard for his church, his community, his State, and his Nation.

"Mr. Troy" had an enormous capacity for friendship and believed in renewing those friendships with visits on a regular basis. He had a good and kind word for everyone—to meet him early in the day served to make the whole day seem better.

The editor of the Centreville Press expressed well the feelings of so many for Troy Sansing in this editorial:

BIBBS COUNTY LOST ONE OF ITS FINEST CITIZENS

Bibb County lost one of its finest citizens in the passing of Troy Sansing, of Woodstock, last weekend. Troy was a unique person in many ways. Perhaps he is best known for his outspoken dedication to his county, state and nation. He was not afraid to stand up and speak his mind for what he thought was best. There are too few like Troy left. He was a long-time personal friend of mine and of my late father. The three of us have spent many hours talking about what we thought needed done and many more hours working toward those ends. He could always be found working unselfishly for his fellow man. He worked hard to bring city water to his area. He worked tirelessly on the Tannehill Park project and the list goes on. Though Troy Sansing, stood as a close, personal friend to a number of high political leaders, he never asked for anything for himself. He only asked that those leaders do a good job for all the people. I shall personally miss Troy, and Bibb County, this state and this nation will miss Troy Sansing. I join with his thousands of friends in expressing my deepest sympathy to his family.

AMERICA'S FOOD POLICY AND THE CURRENT WORLD FOOD SHORTAGE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. RANGEL. Mr. Speaker, most in this Nation are fortunate enough to be able to get enough food to eat which is high in nutritional value. As the World Food Conference concluded last November, there is a significantly large proportion of the world that considers eating good to be a luxury. Starvation is a fact of life in many portions of the world, and unless something is done soon, will continue to increase.

The United States is in a very pivotal position as a result of the surpluses we have of food products. We should be taking these surpluses and sending them to those nations who are most in need of them. This action should be immediately devised and be free from any political considerations, since mass starvation has no political affiliation.

I would like for my colleagues to carefully consider the article which is entitled "Reflections on America's Food Policy." Essentially the author, Ellen Terpstra states that with our resources we should be doing more to rectify this food crisis. I offer this article for my colleagues not as a panacea but as a starting point for rational discussion on this very important issue. The article follows:

THE MAZE THAT LED TO ROME: REFLECTIONS ON AMERICA'S FOOD POLICY

(By Ellen Terpstra)

(EDITOR'S NOTE.—The haphazard manner in which U.S. food policy appears to be formulated has become the focus of increasing attention. It is, of course, debatable whether the range of government activities affecting domestic and overseas food-related programs are any less coordinated than programs in fields equally as far-reaching. However, this fact fails to make many observers and participants in the policymaking process feel any the more confident.

Ellen Terpstra, a recent graduate of the Georgetown University School of Foreign Service, is currently on the staff of the Congressional Office of Technology Assessment's food, agriculture and nutrition group. A newcomer to the policymaking scene here in Washington, she has found the organization of this process something less than encouraging. The following perspective is based upon her observation of the Administration's preparations for last fall's World Food Conference, Ms. Terpstra's first international conference.)

An estimated 30 to 50 percent of the world's resources are presently consumed by only six percent of the world's population—the people of the United States. One might assume that, in a time of increasing resource scarcity, such a major consumer would have developed the means to monitor and hopefully to temper this apparent overconsumption. However, this has not been the case. A quick glance at our government's response to the growing production and distribution problems plaguing many vital commodities reveals a rather fragmented, directionless policy. This has been particularly true with respect to food and energy resources.

Washington's attempts to formulate a comprehensive food policy have been consistently haphazard. Clearly defined policy objectives have yet to surface. Policy decisions on food and agricultural problems have been basically reactive, responding to problems as they arise. Efforts to develop a strategy for evaluating and tempering the long-term impact of limited quantities of resources at increasing prices have been few and far between.

TOO MANY ADVOCATES

Policy deliberations on proposals to be considered at the United Nations-sponsored World Food Conference, held in Rome last November, revealed a dizzying number of interests within the government. Yet, any official policy had to be acceptable to all interests involved in the considerations. As a result, the process of developing U.S. positions on proposed conference resolutions resembled a game of hot potato more than a serious attempt to confront equally serious problems. Decisions on food aid, grain reserves, and increased international cooperation on agricultural research and development all required a systematic, coordinated approach. Such coordination was absent last fall and has yet to develop. Agricultural, economic, budgetary, political and national security considerations were all pushed with equal commitment by their proponents. The myriad of concerned departments, agencies, and bureaus—all representing their own special interests—endlessly confused the policy deliberations. The result: policies that often compromised the various interest groups and provided inadequate responses to the problems at hand.

A look at the U.S. efforts to put together a position on food aid will reveal much about the policymaking process affecting food and agricultural decisions. Private and governmental interest groups were in no short supply. The practical considerations affecting policy choices were equally abundant. Availability of agricultural commodities, desirable levels of commercial exports, budgetary constraints, the need to respond to disaster-related emergencies, and the possible inflationary impact of any policy decisions all came into play. Furthermore, the perception of food as a potential "weapon"—useful in supporting America's political and national security positions—had become increasingly controversial.

In the months before the Conference, the decision on the level of food aid to be committed by the United States was continually postponed pending one event or another—reports on the latest harvests or the state of the economy, future harvest projections or the increasingly troublesome path of inflation. Additionally Secretaries Kissinger and Butz each had their own, very distinct thoughts on the desirable purposes and levels of food aid. Deliberations were further fragmented as each interest group remained preoccupied with its own particular objectives, and the Administration did little to change this. The U.S. delegation went to the Rome Conference without having even outlined underlying objectives for our "food policy." The confusion of those observing the process was matched only by the confusion of those participating.

EVEN CONGRESS WAS IN THE DARK

The process was hardly clearer to members of Congress than it was to the general public. The Congressional representatives on the U.S. delegation (referred to as "advisors") had received little advance information about the official positions to be taken by the U.S. in Rome. Furthermore, during the months when the Administration was supposedly developing its conference positions, policy suggestions from Capitol Hill stirred little attention across town. The Administration response to Congressional proposals was feeble, if that. As a legitimate participant in the policymaking process, Congress was barely informed and hardly involved.

Once at the Conference, a bi-partisan group of the Congressional advisors, including Senators Clark of Iowa, Hatfield of Oregon, Humphrey of Minnesota, and McGovern of South Dakota, called upon Secretary Butz as head of the American delegation to commit the United States to an increase in its food assistance levels for the year. An additional one million tons of wheat and rice, both in surplus at the time, were called for. This request was then sent off to the President over Secretary Butz signature, with the signature seen as a sign of the Secretary's support for the request. However, Butz later disavowed any support for what he had decided was a "partisan" suggestion—despite the support of both Republican and Democratic Senators for the request.

The subject of the request itself—food assistance—was regarded by other critics as inappropriate. Their feeling was that the Conference had not been called to discuss problems essentially short-term in nature—such as food aid. This allegation proved as confusing as Butz', since other major grain exporting nations had already announced plans to increase their food aid commitments. Furthermore, conference delegates were considering a resolution supporting increases of food aid at that very time.

THE ADMINISTRATION HEDGES

The Administration's reluctance to commit itself to increasing our food aid program was perplexing. In opening speeches at the Conference, Secretaries Butz and Kissinger had both indicated that the U.S. intended to increase food aid levels. However, the Administration initially ignored the cabled request sent from Rome urging a definite commitment on this. This was particularly unfortunate since such a firm commitment by the U.S. would have been both important and timely. Issued at that moment, it would have emphasized the seriousness with which the U.S. was approaching world food problems. The commitment never came at the Conference.

The Administration did respond—but only after the Congressional advisors who had prompted the request for increased food aid had already left Rome. Speaking for the delegation, Mrs. Anne Armstrong then announced that the plea was being rejected. The requested increase, we were told, would have an inflationary effect upon the price of goods purchased by the American housewife, and the Administration considered this unacceptable. This argument was a curious one, however, since the U.S. Department of Agriculture (USDA) had already determined that the increase being considered would have at most added one cent on to the cost of a loaf of bread in this country. When compared to food prices increasing at an annual rate as high as 80% in some developing countries, this seemed a very small amount indeed.

Our story did not end with the Rome Food Conference. By December, Congress was quite frustrated by the Administration's inaction on the food aid request while in Rome. Furthermore, attention was beginning to focus on the increasingly blatant practice of allocating U.S. food assistance to countries on the basis of political benefits which might result. On this basis, more than half of American food aid was being allocated to countries such as South Vietnam, South Korea, Egypt, Syria, Jordan, and Chile. Opposition to this practice pushed Congress to amend the Foreign Assistance Act, the legal authority for the foreign aid program, to require that 70 percent of American food aid go to the neediest countries—those considered by the United Nations to be the "most seriously affected" by current economic difficulties.

Two months later, in February, the Administration announced that it would be increasing the food assistance budget in the 1975 fiscal year to $1.6 billion. This new amount, almost twice the funding authorized for the previous fiscal year, was also nearly double the funding requested by Congressional advisors months earlier in Rome. (The Congressional request, we remember, had been rejected by the Administration for its anticipated "inflationary" effects.)

CONFUSION IS TYPICAL

If the preceding story seems confusing, it is. And the confusion underlying Washington's attempt to construct a position on food assistance is typical of attempts to develop a position for almost any food policy problem. What is needed is a system to coordinate our varied food, agriculture and nutrition programs and give them the high priority which they deserve.

In February, Senators Humphrey and Hatfield introduced plans in the Senate which would create a separate executive branch office to coordinate food policy. Senator Hatfield's bill would establish an Office of Food Administrator, of similar status to the powerful Office of Management and the Budget. Senator Humphrey's resolution calls for the creation of an Office of Food Coordinator within the executive branch. Such an office would have primary responsibility for developing a long-term strategy for handling all programs relating to food policy. As of this writing few other concrete proposals have surfaced, but some system is desperately needed to counterbalance the present influence wielded by OMB and the Secretary of State during food policy deliberations. Without such a system, U.S. food policy will be little more organized and effective in the future than it has been in the past, and our present non-policy is already adversely affecting the people of both the United States and the world at large.

OPERATIONS BY CIA IN UNITED STATES INCLUDE BURGLARIES, WIRETAPPING, MAIL OPENINGS, DRUG ABUSE, AND ELECTRONIC SURVEILLANCE OF AMERICAN CITIZENS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Rockefeller Commission in its report has detailed an appalling list of unlawful activities by the Central Intelligence Agency directed at American citizens—including burglaries, wiretapping, room bugging, secret drug testing, the maintenance of files on 300,000 individuals and organizations, the opening of mail, the monitoring of overseas telephone calls, and the infiltration of some American citizens groups.

The report said that while the "great majority" of CIA activities were legal, there were certain activities that "were plainly unlawful and constituted improper invasions upon the rights of Americans."

One tragic and bizarre episode unveiled in the report was the administration of a drug—LSD—to a CIA employee without his knowledge. Subsequently he developed side effects from the drug and jumped 10 floors to his death less than a week later.

The report indicated that this practice of testing the reaction of CIA employees to various drugs continued from 1953 to 1963 when it was stopped by the CIA's inspector general.

The report said its findings demonstrate the need for "some statutory and administrative clarification of the role and function of the Agency."

The Commission made a number of recommendations, including the following:

Amending of the National Security Act to make clear and explicit the limitation of CIA activities to foreign intelligence.

The Presdent by Executive order should prohibit the CIA from collection of information about the domestic activities of U.S. citizens.

The establishment of a Joint Committee on Intelligence in the Congress to assume the oversight role over CIA.

The Department of Justice and the CIA should establish written guidelines for the handling of reports of criminal violations by employees of the Agency or relating to its affairs.

The President should instruct the Director of Central Intelligence that the CIA is not to again engage in domestic mail openings except with express statutory authority in time of war.

Presidents should refrain from directing the CIA to perform what are essentially internal security tasks, and the CIA should resist any efforts whatever their origin to involve it again in such improper activities.

The CIA should not again engage in the testing of drugs on unsuspecting persons.

The report included an 80-page summary of information concerning assessination plots against some foreign leaders, which was not released by the President.

Efforts in some quarters to minimize the importance of CIA involvement in such activities have resulted in new charges of "coverup" and "whitewash" with respect to the assassination investigation.

Many feel that this is the most important part of the report and investigation and should have been released to the American people.

The New York Times, whose investigative reporting triggered the investigation by the Commission, said in an editorial that the recommendations of the Commission for restraints on CIA activities are needed and necessary to safeguard the interests and security of the American people as guaranteed by the Constitution. The newspaper called the withholding of information as the "Assassination Blot," by the Commission.

In this connection, because of the interest of my colleagues and the American people in this most important matter, I place in the RECORD herewith editorials which appeared in the Times.

The editorials follow:

CIA REFORM

The revelations in the Rockefeller report demonstrate the unwisdom of freeing the Central Intelligence Agency from all the normal legal and institutional procedures that serve to review and restrain the exercise of power by ordinary government agencies. The law establishing the C.I.A. placed total reliance upon the good judgment of the President and the C.I.A. Director.

Even at the outset, in the Truman and Eisenhower Administrations and under the canny leadership of Allen Dulles, this reliance proved insufficient to prevent some illegal activities such as the extensive mail interception program. Under later Presidents this control system totally failed.

The recommendations of the Rockefeller Commission, sound as far as they go, largely add up to imposing the restraints that help control other bureaucracies. It urges that Congress seriously consider making the C.I.A.'s budget "at least to some extent" a matter of public knowledge, instead of concealing it—as is now done—in fictitious items listed in various departmental budgets. Quite apart from all the obvious dangers such loose practice presents, it does not even seem to meet the explicit requirements of the Constitution.

The agency has not only been largely immune from the inquiries of the General Accounting Office, Congress' investigatory arm, but also has felt free to mislead the Office of Management and Budget, the President's agent for fiscal control. Amending the law and executive orders to make it clear that the C.I.A. can no longer escape normal budgetary control, would do much, all by itself, to uncover and perhaps prevent the expenditure of large sums of money on illegal operations.

The C.I.A. has traditionally had an understanding with the Attorney General that the agency would investigate any criminal charges against its own employees and not refer them to the Justice Department. The commission is right to urge that this "gentleman's agreement" be abrogated and that the Justice Department reassume its proper prosecutorial role.

The President's Foreign Intelligence Advisory Board and the Congressional supervisory committees have all failed in their trust. Had they been vigilant and aggressive the shocking misdeeds now being exposed could never have occurred or would soon have been curbed. The commission wisely recommends that the powers of the advisory board be strengthened and that Congress at long last establish a joint committee on intelligence, but not too much reliance can be placed on either of these reforms.

In this dangerous world, the United States must have a well-run agency to gather information about foreign nations, especially those that may have hostile designs. The excesses and aberrations of the C.I.A. do not erase that necessity, nor do they cancel out the useful work the agency has performed at times assessing various critical international situations.

The challenge to President Ford and to Congress is to devise institutions and procedures strong enough and supple enough to enable the C.I.A. to perform its essential overseas tasks without simultaneously swirling out of control and becoming a covert menace to the very freedoms it is supposed to be protecting.

ASSASSINATION BLOT

The best way to avoid suspicions of a cover-up is not to cover up. President Ford's explanations for withholding those portions of the Rockefeller Commission's report concerning allegations of political assassinations only compound the injury already inflicted by massive leaks and innuendo on this sordid issue.

It is no excuse to say, as the President did, that the subject is "extremely sensitive." Indeed it is, which is why a full and authoritative statement is the only way to prevent half-truths and gossip from acquiring a life and credibility of their own. For the President simply to refer darkly to unspecified incidents of the "past fifteen or twenty years" is in itself a veiled indictment susceptible to misuse for partisan political purposes.

The President personally broadened the Rockefeller Commission's assignment to include the reports of United States involvement through C.I.A. in the ugly business of plotting the murder of foreign rulers. Whatever facts the commission's inquiry established should now be made public, along with whatever additional material emerges from the independent investigations now being made by two Congressional committees.

In the absence of such disclosure, Mr. Ford's statement that "I am totally opposed to political assassination" is more fatuous than reassuring.

HUMAN RIGHTS IN SOUTH KOREA

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. FRASER. A forthright analysis of events in Korea has been provided to the International Relations Subcommittee on International Organizations by Donald L. Ranard, who served as Director of the Office of Korean Affairs, Department of State, from 1970 to 1974. Mr. Ranard specialized in Korean affairs from 1959 until his retirement in 1974.

Mr. Ranard presents a candid picture of the depressing situation in South Korea with respect to human rights. His recommendations for U.S. policy deserve careful attention both by the Congress and by his former colleagues in the Department of State.

As long as oppression in South Korea continues, Mr. Ranard recommends that limits be placed on our military aid to South Korea. In any event, he says, grant military aid should be phased out. Mr. Ranard calls for the U.S. Government to publicly criticize the conduct of the government of the Republic of Korea as "reprehensible." Mr. Ranard also argues that our ground troops in South Korea are not required and should be withdrawn gradually.

His testimony follows:

HUMAN RIGHTS IN SOUTH KOREA AND U.S. FOREIGN POLICY

(By Donald L. Ranard)

Mr. Chairman: Hearings on human rights in Korea might well have been held at any time in the past quarter century since Korea resumed her independence. They are particularly timely and opportune, now, however, as our government gropes for a meaningful foreign policy in a post-Vietnam Asia. I have accepted your invitation to appear here in the hope that my observations emerging from some sixteen years experience with Korean affairs may be of some value. I am here with some reluctance, or shall I say sadness, because this marks the first time that I will be speaking critically on the record in public about a country whose people I respect and admire, and whose security and progress has come to be closely linked with that of the United States.

By way of background I may say that I retired from the Foreign Service after thirty years with the Department of State, and service in some five countries in the Asian and Pacific area. My experience in Korean affairs began in the fall of 1959 when I was posted to Seoul as Political Counselor, and it ended officially last fall when I retired as Director of the Office of Korean Affairs of the Department of State.

From the beginning of the Republic until the present, five Korean Leaders have figured largely in governing modern Korea: Syngman Rhee, Ho Chung, Yun Po-Sun, Chang Myun and Park Chonghui. My service in Korea from late 1959 to early 1962 gave me the opportunity to come to know these leaders at first hand and to assess their contributions to Korea's development. I was in Seoul at the time of the April 1960 Revolution against Rhee, and a year later also watched Chang Myun's government, Korea's closest approach to democratic rule, topple from illegal seizure by Korea's present ruler. In the following years I observed Korea's affairs from the side, and then in 1970 I returned to Washington to become Country Director for Korea. This was a time of great change in our Asian policies, and in that position I directed and participated in several major policy and program reviews affecting Korea. I set these experiences down so that you may judge my concern for human rights in Korea, and my qualifications to comment on contemporary Korean affairs.

STATUS OF HUMAN RIGHTS

To turn now to the subject of your inquiry, I would begin by stating that Korea today is under the leadership of a government more undemocratic than any since Korea was liberated from the Japanese in 1945, and I might add, with less justification. Whenever the spectre of authoritarianism in Korea is raised, comparison always is made to Syngman Rhee. While there can be no excusing the brutalities of his rule, there can be some rationalizing. South Korea had hardly emerged from 40 years of Japanese Colonialism when in 1950 it was invaded from the North. Three years later it was left bleeding, prostrate, and impoverished. To secure the nation Rhee, or rather his advisers, moved extra-legally, with almost complete reliance on force and authoritarian rule. No elements of the public body were safe from his search and seizure; and those who lived in Korea at that time can recall vividly the beatings, the torture, and all the other ugly manifestations of a police state.

Yet, those occurrences pale in comparison to those taking place in today's Korea. For where Rhee's Korea was militarily weak, economically poor, and practically wholly dependent on the United States, Korea today is strong, economically independent, and powerful. And, unfortunately, its measures of thought control have similarly become more sophisticated and encompassing. In the realm of human rights, nothing is sacred, nothing secure. Indeed, the best way to summarize the status of human rights in Korea today is simply to say that for all practical purpose, there are none. To take a few examples:

There is *no freedom of press*. Since at least 1971 government has moved persistently to control Korean newspapers, a few of which have practiced standards of jornalism second to none in Asia, and which even under the Japanese and Rhee had found ways to comment openly. Today every Korean newspaper has a CIA censor present; usually an untrained government agent who instructs experienced journalists what news they will print and what lines they will take—as for example with hearings such as this. Government has effectively muzzled the press; CIA agents have beaten press reporters, threatened others and bribed still others to join their ranks.

There is *no academic freedom*. The campus and student and faculty bodies are all infiltrated by CIA agents who maintain exhaustive dossiers and surveillance of student leaders. The great national universities were the first to feel the pressure, and now the private universities are that in name only. Contemporary Korea has the ugly distinction of being possibly the only country to place a death penalty on such minor demonstrations of student protest as absence from class.

The right to petition government for a redress of grievances—perhaps the most essential requirement for democratic rule—has been denied by law, and made a crime by Emergency Regulation.

Due process of law, in most of its manifestations is observed more in the breach than in practice. Military law has been substituted for civil law almost at whimsy and on more than one occasion. Defendants have been denied the opportunity to confront their accusers; their lawyers have been harassed and obstructed in their duties. The accounts of torture of prisoners, intimidation of witnesses and lawyers which have been presented to the committee by unbiased authorities, most recently Amnesty International, are too compelling and persuasive to be turned aside.

No public institution is secured in Korea from the inquisition of a powerful and ruthless government. And this includes the Christian church which served to open Korea to the West, educated countless of her leaders and ministered to the physical and spiritual needs of thousands during the Japanese occupation and Korean War. Church buildings and files have been violated on several occasions, and its personnel similarly infiltrated by intelligence operators from the CIA. It is sad today to see Korea, a country which profited greatly from the American Church contribution, now beginning to expel dedicated American churchmen, a process we have seen take place usually only in authoritarian regimes.

The unfortunate fact is that 30 years after liberation from colonial rule, more than two decades since a cruel war ended, South Korea is no closer to democratic rule than ever.

THE KCIA

Serving to mastermind the process of thought control that now grips Korea is the Korean Central Intelligence Agency—an organization so vast in personnel and so affluent in finances that no reasonable estimates of its assets are known publicly. Its network extends throughout Korea, from Seoul to Pusan—across the Straits to Japan, and exists today in several American cities. In practically any city of size in Korea, the CIA local office is housed in the most prestigious building, its director the most influential citizen. I recall during a visit a few years ago to a central city in Korea, having lunch with a few of the leading officials: it was the CIA Director, (self-invited, as I recall) not the provincial governor, nor city mayor who spoke with the greatest authority. CIA agent can be cruel and vicious, no methods of control are beyond their range—from kidnapping and murder in the most brutal form, to intidimation and bribery in its most subtle.

In the United States, KCIA agents are present in several cities. Their task—to monitor, control, where possible, and report on the activities of the Korean community. Their activities, often conducted through intermediaries, include demonstrations on behalf of a government unpopular with its overseas citizens, or counter demonstrations and always intimidation of Korean residents abroad, frequently by subtle reminders of the vulnerability of family back home. The activities the KCIA carries out in the United States are sometimes unknown to their diplomatic colleagues, and are in direct contradiction to the basis on which their assignment to the United States is approved. KCIA agents are sent to the United States supposedly to conduct liaison with their counterparts in the United States on intelligence estimates of Asian developments, particularly North Korea. While the KCIA in Seoul does have a few such specialists in this field, those sent abroad are not among them. In four years as Country Director for Korea I recall not one discussion intelligent or otherwise with a KCIA Director on the North Korean threat or Asian security problems.

Our government has been lax in controlling the activities of these foreign agents. There is no reason for the assignment of KCIA agents to any American city except Washington, and then only those who conduct intelligence liaison with our government should be accredited. The rest, by far the majority, should be sent packing.

NORTH KOREA

Any discussion of the status of human rights in South Korea leads inevitably to a discussion of affairs in North Korea. After all, the argument goes, people in North Korea do not enjoy even a modicum of human rights—and this is true. Moreover, is not Kim Il-Sung bent on control of the Korean peninsula. And this also is true. But, how does this bear on the status of human rights in South Korea?

The United States did not engage in an exhaustive three year war at a tremendous cost in life, and treasure to wind up having our protegy compared for behavior which in so many aspects is as reprehensible as that we fought against. Surely some 35,000 American lives and $11 billion in assistance entitles us to expect a higher standard of conduct from an ally whose cause we are called on to defend annually in the United Nations and other international forums.

SECURITY CONSIDERATIONS

The second question, i.e., Kim Il-Sung's designs for the Korean peninsula raises some very direct security considerations. What are the facts?

To begin with, we know far too little about North Korea. What we do know warrants the conclusion that while it is possible that Kim might opt for a military solution to the Korean question, there seems little likelihood of that happening. The world has changed greatly since 1953—Sino-Soviet dissention, the improved Korean military and economic posture, as well as a firm U.S. commitment—rule out North Korean adventurism. Of course, North Korea has the potential for trouble, and this continually generates a genuine fear on the part of many in the South about an unpredictable enemy. Uncertainty of the American role in Asia following Vietnam also adds to this concern. But instead of moving to restore calm, the present government manipulates this concern in an effort to further tighten the reins. This, of course, is not new. It has been occurring semi-annually since 1970 as government has moved steadily to broaden its control and perpetuate itself in power.

MILITARY ASSISTANCE

This committee is concerned not alone with an assessment of the status of human rights in Korea—by any account deplorably bad—but also what implications this holds for our foreign policy, particularly military and economic assistance, a continuing troop presence, and importantly, our treaty commitment.

Answers to these questions should flow from our estimate of the importance of Korea to our national interests. In my opinion this relationship is direct and real. The security of Japan, stability and progress in Asia, trade, the investment of our missionaries—these are all interests worth protecting. Because of Korea's shameful record in human rights, there are those who would end all military assistance or eliminate our troop presence. I sympathize with their frustrations but do not join them in their conclusion. Now is not the time to turn our back.

There is a need for continuance of American military assistance, but not on present terms. The time has come for the end to grant assistance. Since agreeing in February 1971 to assist the Koreans in the moderization of their military we will have furnished through Fiscal Year 1975 somewhat under $1 billion in grant aid, slightly more if surplus equipment is considered. In view of her economic recovery, Korea is now in a position to pay cash, or use credit facilities underwritten by our government for all future military procurement. This, of course, should not be without check or restraint. We should be certain that the military hardware procured is defensive in nature, that it is not intended for use against the populace, and that military procurement is in balance with Korea's economic development of the public sector. The Congress should continue to scrutinize closely military assistance to Korea, by visits of members of its committees, including this one, and it should place limitations on amounts provided until Korea's record in human relations improves substantially.

U.S. TROOP PRESENCE: THE U.S. COMMITMENT

American forces have been in Korea since 1950. Today some 40,000 troops remain, scaled down from a figure which during the Korean War numbered more than one half million, and which subsequently was reduced to 62,000 in the sixties. These forces represent all services, the largest by far being the ground troops of the U.S. Second Infantry Division. These ground troops serve a political purpose—a demonstration of the U.S. commitment to the defense of Korea. Somewhere under 10,000 of our forces comprise an air wing which serves to provide a balance to the larger air force of the north. For our air force there is then a military justification to their presence on the peninsula.

The basic American objective towards the Korean peninsula is the avoidance of war in a dangerous corner of Asia where great power interests converge. It is toward that end that we have provided military aid to a government whose conduct is repugnant to democratic society, and also stationed forces. That this assistance has served its larger objective is attested in the relative peace that has prevailed in Northeast Asia over the past two decades.

Critics of Korea's government have called for the end of the U.S. military presence on the peninsula. Certain of them are concerned over the intimate American association with authoritarian governments and would use the threat of our departure as a club to force change. Other critics are worried about our presence on the Asian mainland, and the possibility of involvement in another Asian war.

I believe we should differentiate in the justification for our presence and act accordingly. This should mean that in the future we should begin the reduction in our ground forces. The simple fact is that our ground troops are not needed. The political demonstration they provide can be furnished as well by the continued presence of our air wing.

I recognize that this is a sensitive time to continue the further reduction of ground forces in Korea, but, Mr. Chairman, any time will be. The reduction of 20,000 in 1971 was perhaps a painful experience for Korea, but in retrospect it is surprising how quickly Korea accommodated to change. Actually, the process of reduction which began then has stalled now beyond the plans of those who earlier prepared the blueprints. And I might add also beyond the time our Korean friends had come to expect there would be further reductions. If I recall correctly, Korean leaders had earlier stated their willingness to completely shoulder the burden of the defense of Korea by 1975.

As an aftermath of Vietnam, much is appearing in print about the importance of commitments. Moreover, the focus for this concern increasingly is Korea. A word about this obligation would seem to be in order. The American commitment to Korea emerged from war, was debated fully in our Congress, is represented in treaty form, was developed in full accordance with our Constitution, and, unlike the so-called commitments which led us into Southeast Asia, represents a sober obligation of our government. It exists because it reflects the security interests of our country and I believe it must be maintained. The reduction in ground forces would recognize the realities of the military situation in Korea, and would not be meant as response to Korea's notably poor conduct in human rights, nor would it be meant to demonstrate the beginning of the end of the American commitment to the defense of Korea.

VIEWS ON HUMAN RIGHTS

Mr. Chairman, from my remarks you will recognize that I am in essential agreement with the Administration as concerns the security of Korea, and as concerns the importance of the American commitment to that country. Where I differ, and have differed throughout my four-year tour as County Director for Korea is in our government's reaction to human rights issues abroad and their role in foreign policy.

Respect for human rights was incorporated in all of the documents and laws which framed our government and which eventually made our country the leader of what we once were prone to call the Free World. I find it unbecoming to our heritage and to our role in world affairs, that the United States should be tongue-tied in expressing its revulsion and disdain for the violations of basic human rights that are taking place currently in Korea. To say the least, I find it morally contradictory that the leaders of the past two Administrations should have spoken since 1968 of the importance of democratic institutions in our foreign relations—the most recent example of which was the President's address to NATO—but in practically every instance where vigorous comment was called for, to have muzzled our public and private reaction both in Seoul and Washington.

When eight Koreans, whose guilt in a so-called conspiracy against the state was never established, were hanged recently, our State Department could only mumble its "regrets." From previous experience in the Department I can only sympathize with the frustrations of my former colleagues in their unsuccessful efforts to get through the hierarchy a more forthright statement of the American sense of outrage at this miscarriage of justice. Why should the expression of convictions regarding human rights—principles which are embedded in our Constitution, and in the Universal Declaration of Human Rights—be such an agonizing experience for men of conscience in our State Department?

The most frequently heard explanation for U.S. silence is "non-interference in the internal affairs of other governments." This is a sensible and time-honored doctrine but its application to Korea has too frequently been a convenient excuse for avoiding our responsibility to our own principles. Moreover, it is specious to state we are not involved in Korean affairs. We are involved to the extent of 40,000 troops, and some $150 million annually of military assistance. With Korea, the United States carries responsibilities which arise from a peculiar relationship, and these cannot lightly be brushed aside.

I may also say that I find it disingenuous that our leaders justify their reluctance to speak out in terms of the doctrine of non-interference, especially when we recall the extent to which our officials in Vietnam and Cambodia, with Washington sanction, if not actual instruction, were directly involved in the internal day to day affairs of those countries. In still another Southeast Asian country we financed in part her overseas representation. And in Latin America, we attempted to influence a national election. This is the sort of interference the doctrine sought to avoid. Surely comment about the illegal detention or trial of a Catholic bishop, a nationally prominent poet, a past president, and other honorable and respected men is not in the same category.

We are also told that the security of the Korean peninsula requires a cautious approach, and I concur. Yet for at least four years, the internal situation in Korea has been deteriorating, and relations between government and the people have been eroding. If there is one lesson we should have learned from Korea, it is that her people will not endure forever a government which denies them a right to participate. Unless the present course of events is arrested or reversed, there will be trouble in Korea. And should that occur, how much better for the United States that our role has been honorable and consistent with our ideals. Our conduct to date on human rights issues has not been so.

It may be argued, Mr. Chairman, that there are contradictions in my position. I would criticize Korea's conduct as reprehensible to democratic rule, while continuing to make possible to this same government military assistance and the protection of the American commitment. So be it. It is in the nature of the realities we face in Asia. But I see less contradiction in the position I have advocated than in the lip-service our foreign policy currently gives to those values which made ours a great nation.

STIMULATING HOUSING

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. ZEFERETTI. Mr. Speaker, Congress has passed and sent to the White House a bill to aid in the construction of 400,000 homes and prevent the foreclosure of over 100,000 homes. The measure would offer mortgage interest subsidies to middle-income home buyers, and loans of $250 per month for 2 years to unemployed homeowners who face foreclosure. The bill would generate some 800,000 jobs, approximately $12 billion in business activity, and more tax revenues than it would cost our Government.

Specifically, the bill offers a $1,000 cash grant to buyers of homes on which construction started after March 26, 1975. In lieu of the $1,000, however, middle-income home buyers—those whose income does not exceed the median in their community by 20 percent—would have a choice of two types of interest subsidies: One would offer a 6 percent interest on the mortgage, the going rate of 6 years ago. The other would offer a 7 percent interest for the life of the mortgage.

The subsidies will apply to homes costing up to $38,000 except in high-cost areas where the ceiling would be $42,000. In addition, the measure would extend the number of existing housing programs, including low-interest homes where the rehabilitation of old homes is taking place.

I feel that this is a very important and constructive housing measure. A number of people who have been out of work for some time have missed many mortgage payments and are currently in danger of losing their homes through foreclosure. They are, therefore, in desperate need of our aid. Certainly, the holders of these mortgages are not trying to evade their responsibilities. These people, many of whom are in my district in New York, want and need our help. For these and other reasons, it is my sincere hope that this bill will not be vetoed. If the President sees fit to use his power of veto, the Congress must act once again; Congress must override the President's veto.

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD the final installment of Mr. Levins' articles:

ARSENALS CONTROVERSY: LIES OR MISINFORMATION

(By Hoag Levins)

Secretary of the Army Howard (Bo) Callaway was either lying or misinformed about one of his department's most basic policies when he met with newspaper editors in Philadelphia last month.

In a tape-recorded interview at the Daily News April 23, Callaway denied stories which indicated the Army planned to eliminate arsenals and phase their work into private industry. The Army secretary said such a plan would represent a "dramatic change" from the way the Army traditionally has done its business. He said he had "never approved" such a move and "had no knowledge" of such actions.

However, documents from Callaway's office, the Defense Department, the Congress and other sources indicate that not only does such a plan exist, but that it has been expanded since 1973—when Callaway took office.

The Army recently established new regulations which not only favor private industry over arsenals, but specifically call for private contractors to be given the bulk of the work formerly handled by arsenals. Under the new rules, one high Army official said, "arsenals are restricted to doing only that work which private contractors don't want to do."

Those regulations—which have caused a controversy within the Army Department—are only the latest development in a trend which has guided Army policies during the last decade—a trend which led to the plans to close Frankford and other Army arsenals.

That trend began 13 years ago, shortly after Robert S. McNamara became defense secretary under President Kennedy. McNamara came from Ford Motor Co., and brought with him a revolutionary view of how the Pentagon ought to do business.

McNamara and his deputy defense secretary, Cyrus Vance, made no secret of their new policies—which were little questioned by Congress. They explained the moves as a "basic evolution" toward dependence on private industry. In short, they outlined a broad new Defense Department plan to turn control of the arms business over to private industry.

In 1963, McNamara turned his sights on the arsenal system which had been at the center of Army production since pre-Revolutionary War days. Working through the Army Materiel Command in Washington, McNamara began to look for an industrial alternative to the arsenals. A year later, he ordered half the country's arsenals shut down.

During the next four years, the Army phased out Raritan Arsenal in New Jersey, Benicia Arsenal in California, Rossfield Arsenal in Ohio, and Watertown Arsenal and Springfield Armory in Massachusetts.

The work handled by those facilities was "phased" over to private defense contractors. In the case of Springfield—which had produced every small arms system used by the military for two centuries—the Army first announced its missions would be transferred to other arsenals. In 1968, after the Armory was closed, the bulk of its work was given to private arms manufacturers, who now totally control small arms development and production for the Army.

The Army and Defense Department insisted throughout the 1960s that the arsenals were being closed to "save money." McNamara's moves were applauded by the media and the public—both of which generally wanted to see fewer military armaments made and used.

But the Defense Department neither saved money nor cut down its output of armaments. In fact, with private industry gaining increasing control of the business, the Defense budget went from $45 billion in 1960 to $83 billion in 1970 with private contractors receiving half that money.

At the same time, the industrial weapons cartel, which climbed to power on the rungs of McNamara's new policies, transformed the country into an arms-producing giant. America has become the largest maker of weapons in the world. The armament industries—whose marketing success depend on the continuous flare-up of brush-fire wars—have been reaping large profits by arming both sides in conflicts around the globe.

This trend toward the industrialization of the Army, instituted by McNamara and carried on since, now underlies all major Army procurement decisions.

Ironically, this is a radical departure for the Army.

In a 1955 technical manual on munitions planning, the Army department pointed out that "unlike England, France and Germany, the United States had never sponsored private manufacturing establishments that specialized in the design and production of heavy munitions."

This was a function, the manual pointed out proudly, handled by an Army agency.

About the same time, Congress echoed similar sentiments when it revised the laws which governed the military. During that 1956 revision, Congress specifically kept the "Arsenal Act" on the books. That law demands the Army maintain a system of arsenals to protect itself—and the taxpayers—from being victimized by private arms makers.

The law—little known outside military circles—originally was written in 1920 after the First World War. It was a direct result of the profiteering and unscrupulous procedures used by private industrialists to squeeze money out of the military in a time of national emergency.

In the pre-Watergate years of the mid-1960s—when neither the press nor the Congress seriously challenged the powerful secretary of defense—McNamara instituted purchasing procedures contrary to those called for in the Arsenal Act.

One of the few legislators to raise objections was Sen. Edward Kennedy (D., Mass.) who testified before a Senate subcommittee in 1966 to protest the "completely new concept" of Army procurement. Kennedy did not agree with the new plans which placed "total reliance on private industry to develop and produce" the weapons and equipment needed by the Army.

By the late 1960s, both the Defense and Army Departments no longer spoke openly about their long-range plans which called for "phasing" of work to private industry. The Army routinely denied such was happening, at the same time drafting new procurement regulations to implement the new policy.

Since Nov. 22 when the Frankford Arsenal closing was announced, Army officials have been reluctant to talk about the Arsenal Act and its implications in the arsenal phase-out plans. The assistant deputy undersecretary of defense for installations and logistics characterized the act as "an old law" and said it was not in line with the "current realities" of the Army.

Last month, Army Secretary Callaway said he was unable to comment at all about the Arsenal Act because he had not read it.

"Right now, people in the department are scrambling to find a way around the Arsenal statute," explained another high Army official. "Back in the '60s no one asked questions. They followed orders. This entire department runs on a sort of momentum that is not immediately obvious to outsiders. You do things because that's the way they've been done. You don't make waves. You don't protest. God knows, you don't tell the Secretary he is wrong—if you want to keep your career chances operational."

Another high Army source explained, "To understand what you're seeing today, understand that if we're forced to go before a court or a Congressional committee and really justify our new procurement procedures in light of the Arsenal Act, we are going to have to deal with the uncomfortable possibility that much of what we've done for the last 10 years has been technically illegal."

An internal legal memorandum written at the Army Armaments Command Headquarters last year, noted "an inconsistency" between the Arsenal Act and the latest Army procurement regulations.

That inconsistency caused a great deal of controversy in the Army. Some of the strongest objections came from military officials at the Armaments Command at Rock Island Arsenal, Ill.

Sources indicate Rock Island officials balked at the new procedures which called for private industry to be given first preference in weapons work—in apparent contradiction to the Arsenal Act.

Those objections were quashed in November 1973 by Gen. Woodrow Vaughn, deputy commander of the Army Materiel Command, who sent specific orders to Rock Island.

"It is the policy of (the Army)," Vaughn wrote, "that production of items which can be obtained from industry will not be produced for stock at the arsenals." Between the lines of that communication was the fact that private contractors for years have been lobbying to have *all* Army supplies "obtained" from private industry rather than Army arsenals.

A year later—and two days prior to the announcement that Frankford would be closed—the Armaments Command itself "clarified" the new policy once again in communications to the six remaining arsenals. Those arsenals were directed to make sure that all production work possible was being given to private industry and that arsenals were only taking on that work which outside contractors refused to take.

OFFICER CONTRADICTS BOSS ON ARSENAL

(By Hoag Levins)

In testimony before a Federal judge yesterday, an Army chief of staff officer contradicted statements made by the Secretary of the Army in Philadelphia last month.

Col. Paul Raisig said $24 million a year would be saved by closing Frankford Arsenal.

Raisig is an aide to Gen. Fred C. Weyand, Army chief of staff and its highest military officer.

Last month, the Army's top official, Howard (Bo) Callaway, insisted that closing Frankford Arsenal would save $38 million a year—or $14 million more than Raisig estimates.

U.S. District Court Judge Clarence C. Newcomer is presiding over the suit brought by seven area Congressmen and the arsenal union seeking to halt the closing. The suit charges the Army didn't provide Congress with the details behind its decision—as required by Federal law.

Congressmen, the city, and arsenal officials say the Army has repeatedly issued contradictory and distorted figures on savings and other costs.

During an April 23 tape-recorded interview at the Daily News, Secretary Callaway said the final decision on whether to close Frankford or Rock Island Arsenal in Illinois was a tossup.

"You're going to save $38 million by closing Rock Island or you're going to save the same amount by closing Frankford," said Callaway. "It's like tossing a coin. No matter which one you choose, somebody is going to be madder than hell."

On Nov. 22, Callaway announced Frankford would be closed and some of its work sent to Rock Island. In recent weeks, it has been learned that the Army plans to turn over much of the arsenal work to private companies.

PAT OLIPHANT: THE CARTOONIST'S POISON PEN

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. CRANE. Mr. Speaker, the unfortunate men, women and children of South Vietnam who were forced to leave their own country and seek a new life in the United States are the latest in a long line of immigrants who have sought in America the freedom and dignity they could not find in their native countries.

Unfortunately, much of the initial reaction to these Vietnamese refugees was hostile. A side of America which many of us did not want to believe existed seemed to show itself. Fortunately, this narrowness was short-lived and the better instincts of the American people began to show themselves.

Protestant, Catholic, and Jewish relief agencies have joined together to assist the refugees in their relocation. American families in cities and towns across the country have come forward to act as sponsors. The values I have always believed were ours as a Nation so overwhelmed the antagonism of the few that little criticism has been heard in recent days.

This may be an appropriate time to recall one particularly vicious attack upon the refugees from Vietnam which came, ironically, from a man who is himself an immigrant to our shores.

Discussing Pat Oliphant's cartoon concerning the refugees in the Washington Star, columnist John Lofton described it this way:

> His cartoon showed an embarrassed Statue of Liberty surrounded by a group of sleazy-looking Orientals. The caption read: "Send me your tired and huddled masses, your generals, your wealthy and privileged classes, your crooks and pimps and bar girls yearning to breathe free."

When Mr. Lofton called Mr. Oliphant and asked him if there was not something anomalous about an immigrant like himself being so harsh on the new Vietnamese immigrants, he said—

> "Yes, there was. But, he explained, he resented the fact that he had to fill in all kind of forms and go through all kinds of programs 'these people don't'. . . . First, the Vietnamese immigrants will have to fill out all of those forms and go through all those programs Mr. Oliphant had to endure. He should know that it is one thing to escape Communism, but quite another to elude the federal bureaucracy.

Mr. Lofton concludes that—

> The difficult task of these people starting their lives all over again will be made even more difficult with cheap shots like Oliphant's picturing them as the scum of the earth. The Washington Star says its new editorial cartoonist is one more name that's 'adding to the stature' of the paper. But if his poison-pen portrayal of the Vietnam refugees is a taste of things to come, this would seem to be a false promise.

I wish to share Mr. Lofton's column, which was released by United Feature Syndicate on May 19, 1975, with my colleagues, and insert it into the RECORD at this time:

CARTOONIST'S POISON PEN BAD-RAPS THE REFUGEES

(By John D. Lofton, Jr.)

WASHINGTON.—A few more words about our newest citizens. Whenever a definition of the Yiddish word for brashness—"chutzpah"—is attempted, a frequently cited example is the young man who murders his parents then throws himself on the mercy of the court, begging for leniency on the grounds that he is an orphan. But I would like to suggest a new example of chutzpah, and that is: a person who is himself an immigrant now criticizing the tens of thousands of Vietnamese immigrants who fled Communism. The person I have in mind is the Pulitzer Prize-winning editorial cartoonist for The Washington Star, Pat Oliphant.

According to the promotional ads run by The Star praising Mr. Oliphant—who immigrated to the United States from Australia in 1964—the paper's new cartoonist was brought to the Nation's capital so that his "penetrating eye" and "idol-piercing pen" could give readers "a fresh and witty look" at the people and politics in Washington.

So, the other day, Mr. Oliphant unloaded on the Vietnamese refugees. Clever fellow that he is, his cartoon showed an embarrassed Statute of Liberty surrounded by a group of sleezy-looking Orientals. The caption read: "Send me your tired and huddled masses, your generals, your wealthy and privileged classes, your crooks and pimps and bar girls yearning to breathe free . . ."

When I called Mr. Oliphant and asked him if there wasn't something anomalous about an immigrant like himself being so harsh on the new Vietnamese immigrants, he said yes there was. But, he explained, he resented the fact that he had to fill in all kinds of forms and go through all kinds of programs yet "these people don't."

Well, there are a lot of things to be said in rebuttal to Mr. Oliphant and his cartoon.

First, the Vietnamese immigrants will have to fill out all those forms and go through all those programs Mr. Oliphant had to endure. He should know that it is one thing to escape communism, but quite another to elude the federal bureaucracy.

Secondly, there are 26 categories of undesirable aliens that are not allowed admission to this country. These include such people as convicted criminals, drug dealers, alcoholics, polygamists or disease carriers. It has not yet, however, been deemed criminal activity to have been a general, a wealthy person, a pimp, a bar girl or, for that matter, an editorial cartoonist.

Thirdly, it is a bad rap to represent all the Vietnamese refugees as being the types portrayed by Mr. Oliphant in his cartoon. He himself admits that he has no idea what percentage of the total number of refugees fall into these groups. But it is obvious that a majority couldn't, since an estimated 60 per cent are children.

L. Dean Brown, head of the government's interagency task force to handle humanitarian assistance and refugee problems, tells me tnat "practically none" or "a very small number" fall into the categories drawn by Mr. Oliphant.

For the most part, he says, the "great mass" are relatives of the United States, people believed to be American government employes, employes of American firms, labor people, voluntary agency people, and church people, a lot of priests and ministers.

"These are people who fled in many cases," says Brown, "because they have a very good memory of what happens when a country is taken over by Communists. Many are from North Vietnam themselves and the people from Da Nang remember what happened in that country in 1955, when the forced land-reform program was decreed and it was later announced that 55,000 recalcitrant peasants had been executed. Many knew they would be the first to be knocked off."

Pat Oliphant says he came to America because "I like this country better, I like the people and I like working here." And so it is with the Vietnamese refugees.

But the difficult task of these people starting their lives all over again will be made even more difficult with cheap shots like Oliphant's picturing them as the scum of the earth.

The Washington Star says its new editorial cartoonist is one more name that's "adding to the stature" of the paper. But if his poison-pen portrayal of the Vietnam refugees is a taste of things to come, this would seem to be a false promise. And the last thing The Star needs is less stature.

GRANT SOUGHT FOR INNOVATIVE CLASS IN FAMILY LIVING

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. HARSHA. Mr. Speaker, considering the Federal Government's knack for squandering tax dollars on the most unnecessary, unsound, and unwanted programs, a project with real merit could have great difficulty or go unnoticed entirely.

One project worthy of consideration was spotlighted by the Wall Street Journal in its June 6 edition. The setting is Parkrose Senior High School in Portland, Oreg., where a class is being taught in contemporary family living.

This class is different from most—it emphasizes the hard economic realities of married life. It is a practical and innovative approach to the subject.

The originator and teacher of this class is seeking a Federal grant to package the course and distribute it to teachers elsewhere.

If a grant can be awarded for study of "the population ecology and genetics of the red-spotted newt" or a study of "the differences between native American and Indian whistling ducks," an apparently successful program designed to help our Nation's young people should be well received.

I would like at this time to share with my colleagues the Wall Street Journal article on this unusual project:

[From the Wall Street Journal, June 9, 1975]

MARRIAGE CAN BE A TRYING COURSE, IN SCHOOL AS IN LIFE

(By Joan Libman)

PORTLAND, ORE.—A 17-year-old couple wearing jeans walk past the crystal chandeliers and plastic flowers in the lobby of Batman's Chapel of the Dawn Mortuary and into the business office, where they ask how much it will cost to bury their five-year-old son.

A mortician dressed in a dark, pin-striped suit starts the paper work. The teen-age couple answer his questions about limousine service, flowers and a soloist. Then the mortician asks the deceased child's date of birth and middle name. The husband fidgets with a ball-point pen. The wife nervously twirls a strand of long, blonde hair. Neither can answer the last question.

No wonder, considering that Gail Richey and Forrest Goodling aren't really parents—and aren't even legally married. They were "married" in a mock ceremony in a class in contemporary family living at Parkrose Senior High School here. As part of an assignment, they have taken a turn spinning the "wheel of misfortune," which in their case landed on "death in the family." (Other class members had to deal with homes destroyed by fire, a six-month prison term, birth of triplets or a mother-in-law's moving in.)

A TRIMESTER OF TRAUMAS

Classes in sex education, parenthood and family living aren't new, of course. But the U.S. Office of Education says the Parkrose program goes dramatically further than most. It begins by pairing off the males and females in class as couples; then the partners in each couple are stuck with each other through a trimester that emphasizes the hard economic realities of married life.

During the term, spouses must "rent" an apartment, prepare a budget, buy insurance, calculate the cost of having a baby, buy a home and file income-tax returns. And if those economic realities aren't hard enough, each "marriage" ends with a final trauma—divorce and dividing the property.

"In 16 years of education, this is by far the most rewarding thing I've ever done," says Cliff Allen, the school's hefty former football coach, who heads the social-studies department. He conceived the idea for the class in the early 1960s. Five years ago, he decided to put together a course stressing finances. "I realized that for 12 years, the system protects the kids. Then we throw them out into our economy, and they can't handle the problems," he says.

On some occasions, the dose of class-inspired reality seems harsh. The couple at the mortuary participate in an hour-long funeral-planning session, which even includes a trip down a dark hallway to a room filled with display caskets.

The couple squirm while the mortician talks about embalming ("It's more difficult with a child because the veins are smaller") and the advantages of a sealed casket ("This one over here is guaranteed not to leak for 50 years," he says). By the time the students walk away, they calculate that a burial will cost about $1,500 and that they will have to go over their finances to figure out how to pay the bill.

A BUDGET WITHOUT BASICS

Some lessons are more fun. To the amusement of the class, Anne Graham, a sophomore, with her "husband," Dave Langley, planned a first-year budget that lacked such basics as water, electricity and furniture.

Without exception, students are surprised to realize how much things cost. Rochelle DeHaan is a petite, brown-eyed 17-year-old with a steady boyfriend. She had been thinking about getting married at 19 and starting on a family that would grow to eight children.

"Then I realized that with $12,000 a year and one child, we had only $10 left every month," she says. Rochelle and her "husband" also got into squabbles over money. "I'm really spoiled. I have 13 pairs of shoes in my closet at home. But we'd go shopping, and he'd say, 'No shoes.' He also said I didn't need a broom, that I could clean the kitchen with a vacuum," she says.

These days, Rochelle thinks she will wait to marry until she is "at least 23 and finished with college." She now has cut the number of children she wants to have to three "because it's so expensive."

There are other revelations. Kim Campbell and her "husband", Gary Humphries, were startled to learn how much of their house payment is devoted to taxes. "Our house payment is more than $300, and $75 is taxes," she says, shaking her head.

Kim and Gary also are very involved with their imaginary five-year-old son, whom they refer to as Lyle. As they approach dissolution of "marriage," one can see a custody fight brewing.

"Look," says Gary, wearing jeans and tennis shoes, "my dad was sick until I was five, and after my mother died, I didn't have anyone to talk to because we hadn't built a relationship, so I don't want to give up Lyle."

Kim and Gary will have to tell their story to the judge (Mr. Allen) after they have filled out the dissolution forms and divided the property.

They are typical of the vivid role playing that goes on between the two members of many couples. Wes Johnson, who also teaches the class, relates the story of a couple who got into an argument about the kind of home they should buy. "Finally, she got loud, and he hit her and knocked her down," Mr. Johnson says. "Oftentimes students who take the course find out what they don't want, rather than what they do want, in a partner."

Five minutes from the high-school campus, deep-pink rhododendrons are in bloom in front of a small white frame house. Inside, Shannon Lusby, 21, says he knew what she wanted four years ago, when she enrolled in the course with her former boyfriend.

The Lusbys, who dated since their sophomore year, took the class as seniors. Married a year, they credit the class with causing them to delay the marriage until two years after high-school graduation. "It really made Brad (her husband) realize, 'Hey, we shouldn't get married until I have a good job and know what's happening,'" Mrs. Lusby says.

Today Mr. Lusby, who used to pitch for the Parkrose baseball team, is two years through an electrician's apprenticeship program, and the couple have just purchased a small house. "We already had filled out all the forms and figured out the insurance in class, and it was the same forms over again," Mrs. Lusby says.

Their first year hasn't been easy. Mrs. Lusby has been hospitalized four times, the couple wrecked their car in an automobile accident, and Mrs. Lusby had to give up her full-time job.

"About the seventh month, it was just too much. I was ready to throw in the towel," she recalls. "I went into my hope chest and got out my class notebook. I kept remembering what Mr. Allen used to say about the things that keep people from getting together. He used to say that you really have to listen and that you can't just shut someone up. Finally, we had a knock-down drag-out fight and told each other exactly how we felt. We've been extremely happy ever since."

Mr. Allen finds such comments heartening. Currently, he is trying to get a federal grant to package the course and distribute it to teachers elsewhere. "We need experts in various fields to look at what we've done and make sure it's sound, then we can distribute it. These are good kids, and we aren't giving them what they need to survive," he says.

Mr. Allen also is dreaming up another course. That one, he says, will be entitled "life." It will start with birth and end, of course, with death.

MARINE PVT. GREGORY COPENHAVER

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. BAUMAN. Mr. Speaker, even though the United States has gained new international stature as a result of President Ford's handling of the *Mayaguez* incident, we should not forget the brave young men who made this success possible. One of the casualties in this action was Marine Pvt. Gregory Copenhaver, 19, of Rising Sun, Md.

Private Copenhaver had previously assisted in evacuating refugees from Saigon and had been a member of the Marine Corps since last summer.

It is always tragic when a life so young is ended, but Private Copenhaver gave his life for his country just as much as any soldier or sailor who died in the battles of other wars.

I include at this point an article from the Record of Havre de Grace, Md., regarding Private Copenhaver.

ONE OF THE "FEW CASUALTIES"

(By Marilyn Pare)

RISING SUN.—After helping evacuate 200,000 refugees from Saigon, Marine Pvt. Gregory S. Copenhaver, 19, of Rising Sun, wrote to his friend Jean Brammer in Havre de Grace: "I'm glad to be safe and sound now, and I'm also glad that I had the chance to help some people."

A few days later, Copenhaver was killed in a helicopter crash near the island of Koh Tang in Southeast Asia, attempting to rescue the crew of the captured U.S. ship Mayaguez. He never had a chance to use the Boy Scout survival training he had worked on years ago at Calvert Grange near here.

Less than a year ago, Copenhaver, a 1974 graduate of Rising Sun High School, was an A student at the Vo-Tech Center at Cecil Community College, working for his degree and studying masonry. His 360 Honda cycle wasn't too good in the rain, his friends said, and he dreamed of buying his own car.

Copenhaver liked food, girls, Evel Knievel, rock music, his 20-month-old nephew, Shawn, and being a Marine, his family and friends recalled this week.

"Greg loved and lived this thing," said his mother, Mary Mills of Perryville. "He always wanted to be a Marine, ever since he was a little boy."

Mrs. Mills said that she thought Greg would have made a career of the service. He joined the Marines last summer. After his basic training, he was stationed at Okinawa. From there he volunteered for the South Vietnamese evacuation mission and then for the Mayaguez-rescue.

The Copenhavers came to Rising Sun 17 years ago to live on the dairy farm of Clarence and Pauline Comer. Greg and his younger brother, Doug, grew up with the Comer children, calling Comer "Dad" and spending hours hunting and fishing with him.

"He was an outstanding young person," Comer said this week. "We were always so proud of him. He wasn't afraid of hard work and he always tried to do his best."

Copenhaver had worked all through high school, first as a custodial assistant at Calvert Elementary School where he had once been a student, then as a custodian at the Vo-Tech school. Last summer, he worked for a contractor in Elkton before joining the Marines.

Lucille Perkins, a neighbor of the Copenhavers who helped Greg with his homework years ago, recalled how fond he was of the honey they got from their bee colony.

"Greg really liked to eat," she added, "and he was so tall (6'2") that he could put away a whole pan of biscuits and honey. Which is exactly what he did when he was here in February."

Mrs. Perkins was particularly pleased that Greg wrote so many letters after he joined the Marines. "You know," she said, "he hated "English when he was in school and didn't like to write at all."

But Greg's letters came regularly to his brother Doug, 18, and his wife Charlene, who live in Port Deposit. They said they will save them for their son Shawn when he grows up.

The last thing his mother received from Greg was a copy of "Stars and Stripes," the Armed Forces newspaper.

"They tell me that Greg volunteered for those missions," said his mother, "and that sounds like Greg. He was always trying to help someone. We'll miss him terribly."

Greg's best friend, Charles Hensen Jr., who used to call Greg "frog" because he loved to swim, summed up his thoughts at the death of his friend: "I just can't believe it." That feeling will surround the funeral services to be held at Porter's Grove Baptist Church near here Saturday at 7 p.m.

The body of 19-year-old Gregory Copenhaver will not be returned to this country. He died in Southeast Asia, on a successful mission that Pentagon officials described as "low in casualties."

ONONDAGA COUNTY BAR ASSOCIATION

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. WALSH. Mr. Speaker, yesterday, the Onondaga County Bar Association, located in Syracuse, N.Y., celebrated its bicentennial anniversary. For 100 years that association has had an unequalled record of service and contribution to its community.

Perhaps the depth and quality of that contribution can best be illustrated by looking at the list of capable and talented leaders the association has provided not only to the Syracuse area but to all of New York State and the Federal Government here in Washington.

The Onondaga County Bar Association was founded June 15, 1875. The certificate provides:

> The particular business and object of this society is and shall be to maintain the honor and dignity of the profession of the law, to cultivate social intercourse among its members and to increase its usefulness in promoting the due administration of Justice.

The first directors named in the certificate of incorporation had especially illustrious careers:

William C. Ruger—first president of this association; chief judge of the New York Court of Appeals.

Frank Hiscock — U.S. Congressman (1877–87); U.S. Senator (1888–93); chief judge of the New York Court of Appeals.

Daniel Pratt—the first judge in Onondaga County; Justice of the Supreme Court; attorney general—New York State (1874–75).

George F. Comstock—associate judge of the court of appeals; first reporter of that court; appointed by President Fillmore in 1852 as Solicitor of the Treasury of the United States; founder of Syracuse University, donating one-half of the $100,000 necessary to locate the university in Syracuse; a trustee of that university from the time of its organization in 1870 until his death.

Leroy Morgan—a Justice of the Supreme Court; district attorney of Onondaga County.

George Kennedy—New York State senator (1868–71); Justice of the Supreme Court (1884–93).

Irving G. Vann—associate judge of the court of appeals; a founder of the New York State Bar Association; mayor of the city of Syracuse; Justice of the Supreme Court.

Martin A. Knapp—appointed to the U.S. Interstate Commerce Commission by President Harrison in 1891; reappointed by President Cleveland in 1897, by President Roosevelt in December 1902; served as chairman from January 1898 through at least 1908.

Lawyers from Onondaga and this bar association have held every high office in the State:

Governor—Horace White (1910); Nathan L. Miller (1921–22).

Lieutenant Governor—Thomas G. Alvord elected 1864; Horace White elected 1908; Edward Schoeneck elected 1914 and reelected 1916.

Secretary of State—Elias W. Leavenworth (1853–54).

Attorney General—Daniel Pratt elected for 2 years in 1893 and reelected in 1895 for 3 years.

Speaker of the assembly—Thomas G. Alvord (1858, 1864, 1879).

Lawyers from this county and this association have served in national, State and local legislatures.

U.S. Senate—Frank H. Hiscock (1888–93).

Congress—Victory Birdseye (1815–16); Nehemiah H. Earl, 26th Congress; Horace Wheaton, 28th, and 29th; Freeborn G. Jewett, 22d Congress, 1812–13; Daniel Gott (1847–51); Charles B. Sedgwick, 1859–63; Thomas T. Davis, 1863–67; Elias W. Leavenworth, 1875–77; Frank Hiscock, 1877–87; Michael E. Driscoll, 1897–1912; Walter W. Magee, 1914–27; Clarence E. Hancock, 1927–46—elected November 8, 1927 in special election to fill vacancy caused by death of Walter Magee;John H. Terry, 1971–72.

New York Senate—Under the Constitution of 1822, Victory Birdseye, 1827; under the Constitution of 1846, James Noxon, 1856–59; George N. Kennedy, 1868–71; Daniel P. Wood, 1872–75; Horace White, 1896–1908; Henry Walters, 1911–20, majority leader, 1919–20; George R. Fearon, 1921–36, majority leader April 9, 1931–32, minority leader, 1933–36; Francis L. McElroy, 1937–38; William C. Martin, 1939–40; Richard P. Byrne, 1945–46; John H. Hughes, 1947–72; Charles J. Schoeneck, 1955–60, majority leader, 1959–60; Laurence Rulison, 1959–64; Tarky Lombardi, Jr., 1966– .

New York State Assembly—William J. Vredenburg, 1805–06; Joshua Forman, 1808; Victory Birdseye, 1822, 1838, 1840; Freeborn G. Jewett, 1826; Horace Wheaton, 1824; Thomas G. Alvord, 1844, 1858. 1862, 1864, 1870–74, 1879, speaker, 1858, 1864, 1879; Dudley P. Phelps, 1855; Elias W. Leavenworth, 1850, 1857; D. P. Wood, 1853, 1865; Frederick A. Lyman, 1862; L. Harris Hiscock, 1866; E. O. Farrar, 1882–83; William Kennedy, 1891–92; Patrick J. Ryan, 1892; Thomas B. White, 1894; Levi S. Chapman, 1895; Joseph Bondy, 1896, 1898; Edwin M .Wells, 1896–97; John T. Delaney, 1898, 1899, 1900; Frederick W. Hammond, 1901–09, 1911; George L. Baldwin, 1906–07; John C. McLaughlin, 1908–09; J. Henry Walters, 1908–10; John T. Roberts, 1910; Edward Schoeneck, 1904–07; Thomas K. Smith, 1911–13, 1921–22; Charles R. Milford, 1912; Stephen GayDaly, 1913; George M. Haight, 1914, 1924; Jacob R. Buecheler, 1914–15; J. Leslie Kincaid, 1915–16; George R. Fearon, 1916–20; Harley J. Crane, 1917–18; Arthur Benson, 1923; Horace M. Stone, 1923–36; Richard B. Smith, 1924–37; Willis H. Sargent, 1925–33; Frank J. Costello, 1937–45; Leo W. Breed, 1937–46; Donald H. Mead, 1949–53; George P. Savage, 1961–62; John H. Terry, 1963–70.

Mayors of Syracuse—first mayor—Harvey Baldwin, 1848; Elias W. Leavenworth, 1849, 1859; Horace Wheaton, 1851; Lyman Stevens, 1855; Charles Andrews, 1861–62, 1868; Daniel Bookstaver, 1863; William J. Wallace, 1873; Nathan F. Graves, 1875; Irving G. Vann, 1879; Jay B. Kline, 1902–03; Edward Schoeneck, 1910–13; Harry F. Farmer, 1920–21; John H. Walrath, 1922–25; Rolland B. Marvin, 1930–41; Frank J. Costello, 1946–49; Donald H. Mead, 1954–57; Lee Alexander, 1970– .

Federal Judiciary—several Onondaga lawyers have been judges of the U.S. District Court for the Northern District of New York and have held the office of U.S. Attorney in that district.

William J. Wallace was a Judge of the U.S. District Court of Appeals, Second Circuit.

GENERAL AVIATION: A TOOL FOR UNITY

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. SHRIVER. Mr. Speaker, Mr. Harry Combs, president of Gates Learjet Corp., of Wichita, Kans., last month delivered an important and thought-provoking address to the Aviation/Spacewriters Association in Dallas, Tex., in which he emphasized the contributions which general aviation can make toward the goals of unity and peace for all nations. I found Mr. Combs remarks worthy of the attention of my colleagues in the House, and under leave to extend my remarks in the RECORD include the text of that speech:

GENERAL AVIATION: A TOOL FOR UNITY

I feel that I am correct in saying that all of us are gathered here tonight because we have one common denominator existing between us, we are all interested in hardware. As a matter of fact, it might be said that we are, in one form or another, all hardware merchants.

But of course we deal in a very special kind of hardware, for our hardware has wings, and this unique characteristic gives us, and all the rest of mankind, not only the obvious capability of high speed, but also the subtle quality of a third dimension. It gives us the ability to move about in the air ocean, which by the very nature of things is all encompassing, for the air surrounds all the land and all the sea.

But for this we pay a penalty—for these capabilities put us on a collision course with the most complex of geopolitical considerations. Only a short time ago, within the lifespan of one man, these capabilities were not available to us, therefore it is not surprising that they have brought about a staggering impact on our civilization.

Let us consider the speed factor first. For thousands of years men traveled at roughly the same pace. There was very little difference in the speed of travel available to Moses or to George Washington. Moses rode a camel and Washington rode a horse.

In the last 150 years a dramatic increase in speed has developed. First we had the steam engine, which provided railroad capabilities in the neighborhood of 60 miles an hour, with additional advantages of the ability to travel tirelessly both day and night. Then came the automobile with approximately the same speed capacity on a point to point basis, but with much more diversification and more individual freedom.

And now, of course, I need not recall to you that during just our lifetime there has come about the whole air transport complex providing the capability of 500 miles an hour plus.

But now a very interesting fact presents itself for analysis. In truth, the impact provided by the speed factor of air transportation on civilization has not been necessarily the greatest impact on life patterns. Consider this. It was a much greater shock on the economy and the method of living of the people within the United States when civilization moved from the wagon train to the railroad. With a wagon train it took nine months to cross the country. The railroad reduced this travel time to five days. This was, indeed, something that brought about a revolutionary change in life patterns.

On the other hand, air transportation speeds have only reduced the coast to coast travel from five days to five hours. This is important, of course, but not nearly so significant in the long run as the other subtle quality—namely the third dimensional capability. The real shock to our life pattern has come about because now we can navigate in the entire air ocean—both over the land and the sea—without regard to natural geographic boundaries of any sort.

In theory then, if man could adopt his patterns of life as quickly as his capability of inventing machines, it would be true that the freedom of the whole earth would be available to us through the air ocean. This new tool of mankind, generated from humble beginnings, would give all of us the freedom of the world.

Unfortunately, this is not true, because, although the machine itself has the capability of moving everywhere in the vast air ocean, man has not yet developed the political accommodations to permit it to do so. The human race has been denied the right to inherit and enjoy and utilize the full capacity of this marvelous tool.

Incidentally, we at Learjet have had this point brought forcibly to our attention in the course of the development of a new long-range business jet—a machine that has the capability of making the world's three great non-stop jumps—namely the North Atlantic, Transcontinental, and the West Coast to Hawaii.

By doing this we though that we had virtually opened up all geographic areas of the earth to a general aviation vehicle. We thought that we would be able to navigate over the airspace of the entire globe but, of course, we reckoned without political considerations.

Unfortunately the triumph of this machine has had its sobering moments, for we now realize—more than ever—that there are air boundaries we cannot cross.

It is discouraging to realize that these invisible barriers stretch up in the earth's atmopshere to the edge of space. First, of course, there is the immutable barrier of the iron curtains. To a lesser degree there are barriers in free countries which, if not entirely immutable, are—at best—frustrating. These barriers stem from territorial imperatives. They have existed around the same geopolitical entities for thousands of years.

By strange twists of science and sociology, it is interesting to note that these invisible barriers are only applicable to hardware that is sustained by airfoil configuration and propelled by asperating power plants. These barriers do not exist in outer space and they are not applicable to vehicles that fly by the truth of Newtonian physics.

We may well ask ourselves, "Why is it that it is within man's capability to build a machine that allows him to operate in the air ocean, and should give him the total freedom of the earth, and yet the use of this is denied because of political considerations?"

I am sure that this must bring to our minds a very pertinent fact that despite our subconscious tendency to believe otherwise, all of our problems are not always soluble by scientific or engineering means. Some of them are social and have their deep roots in the strange, almost mysterious, biology of the evolutionary processes.

It has been rather a joke around our plant that at times I have told our engineering staff, "Your problems aren't technical, they are social. You forgot to communicate with somebody who may have had the answer for you already, and would have saved you an enormous amount of time, or, you may have found that the exercise that you performed was technically correct on the one hand and impossible on the other, simply because of the social considerations involved in the consequence." This is entirely true with our global outlook—our ability to travel in the vast air oceans on the wings of our design depends on social as well as technical considerations.

I am sure that all of us have looked at the world situation with a sense not only of frustration, but, perhaps, with a subconscious recognition of a problem that we dare not really admit, namely that perhaps our way of life has not long to endure.

Can any of us in truth say that we see that the free world of a capitalistic system, designed around individual ownership of property and its consequent freedom to the individual, provides an expanding way of life? No, on the contrary, what we see is a constant spread of communism throughout the world and internally we see socialism which, beginning in the thirties, provides a cradle to the grave philosophy, now advancing with the speed of galloping consumption and we are the consumed.

Can any of us possibly, now that we know the fate of Vietnam, deny the truth? Communism is on the forward march and capitalism and the free world are on the retreat. Can any of us say that our last decade of experience in Indochina has been anything but a ghastly disaster? It has cost our nation blood and treasure in enormous quantities on the one hand, but what is much more disastrous, an internal decay of standard and ethics even more catastrophic on the other.

We are told by some of our politicians, and by some foreign statesmen, that we are the leaders of the world, or at least of the free world, and that under those circumstances we have obligations which are not beholden upon other nations. Just what those obligations are have not been totally defined, but we learn through experience that they run something like this: If there is a disaster in Vietnam, or in India, we are to help out at our expense regardless of what other nations may be willing or unwilling to do. If there is trouble in the Middle East it is up to us to try to settle it in the face of a totally uncooperative adversary in the communist world. We are charged to "defend the liberty of our friends against their adversaries" without regard to the fact that this may put us in the very unseemly position of interfering in the internal affairs or the civil strife of other countries. Of course, if we have internal disasters here in the United States, such as floods, tornados or earthquakes, we are not to expect help from others.

We are told that we are to maintain and support the processes of the free world, wherever they may be while being damned by friend and foe alike. This is a totally puzzling pronouncement and has proven to be a rationale of idiocy. It is not surprising that it is so, because, in the first place, it completely denies all the fundamental processes of nature; the laws of evolution; the natural biological urges which demand that most important of all things for all existing creatures is a territorial imperative. To put it bluntly, we simply do not know, nor have we defined where our territorial imperatives exist. We don't know where our boundaries are and, incidentally, our enemies don't know, and for this reason we have been drawn into two disastrous wars in the last two decades.

Now let me digress for just a moment. For several years it was my privilege to serve on the wildlife commission of the state of Colorado. We in Colorado are very proud of natural advantages which our state affords—the great forest wilderness of the Rocky Mountains and the natural habitat that the forests provide for great herds of game, for deer, and elk, and bear, and big horn sheep, and antelope, and mountain lion, and for the mountain streams wherein abound at least five different species of trout. Those of us who served on that wildlife commission were aware of the intense jealousy with which the people of Colorado regarded this priceless treasure—an inheritance handed down from the long ecological corridors of time, and so totally and obviously vulnerable to the advances of civilization. We felt that all precautions for its preservation were mandatory.

While serving on the commission, it was necessary that one be exposed from time to time to the results of the studies of the wildlife biologists, whose professional capabilities were in truth the pride of our state.

I must say it was an education to me, as a layman, because it bears out a very important point. One day one of the biologists devoted his lecture subject to the nature and behavior patterns of the North American timber wolf. I felt that the revelation of his studies was so interesting, and applicable to the problems of human society, that their high points are worth repeating here tonight.

The biologist described the nature and social structure of a wolf pack. How a pack would consider a given range its own territory, a range covering an area of roughly 100 square miles. The pack considered this its very own hunting preserve, to be denied to all wolves outside of the pack. The pack had established its own oligarchy, ruled by the four or five top dog wolves. These wolves defended the pack, and led the hunt, but at periodic intervals, traveling in their brotherhood together, led by the top dog, they would travel in single file the boundaries of the territory of the wolf pack. Surveying and marking its holdings by scent signals as they went—perhaps along yonder far ridge down to the edge of the great river, along its eastern banks to the beginning of the ridge to the south—then up that ridge to the top range of the mountains, and back along the eastern side to meet again the northern boundary. As I say, the dog wolves as they traveled left their scent signals for all to know. Caribou or deer or elk or moose could cross this boundary but no other wolves, not without challenging the ferocity of the pack. This was the pack's way of outlining its territory, and it was nature's way of assisting the pack in preserving its hunting domain, without the necessity of continually engaging in lethal combat. This system assured the continuity of the species, for any wolf outside the pack who crossed that boundary line would know he did so at mortal peril—and few cared to take the risk.

The important thing is that this same principle applies absolutely and directly to man. The territorial imperative is of compelling force in the conduct of our world's society. It is absolutely necessary for the continuity of the species, and has been a fundamental force in the nature of all social patterns of the human race from time immemorial. Man must have his own territory—whether he is an individual, a tribe, or a nation. This force is so strong within him that any design of any social pattern, whether it is political or economic, must take this biological fact into consideration. Individuals live by it—business corporations are designed around it—governments are founded on it—and military forces are built to protect it. But first it is totally necessary to define it.

We may well ask here in the United States, when we find ourselves in the complex position of being caught in the net of world leadership, or so called, to begin again to define our own territorial imperatives in the face of advancing communism. To deal with these we have, of course, four potential avenues.

1. We can stick our head in the sand like an ostrich and pretend that this nightmare will go away. It won't go away, the people of Saigon are finding that out tonight.

2. The second thing, of course, is to do what we have done all along. We can fight. But where now will we fight? Where are our boundaries? Is the Pacific Ocean our moat to the West? If so, where will we defend it? Will be defend it on the shores of the mainland of Asia, or will we retreat to the bas-

tions of the Japanese Islands, Formosa, the Philippines, and Indonesia? Will we fight on the northern boundaries of India if that country is invaded, or Iran if that happens? Where is our boundary area in Europe? Is it at the Berlin Wall, or the boundaries between East and West Germany? Just where do we intend to establish our hunting territory?

Let us take, for example, the outbreak of the Korean War. What brought it about? In 1950 about six or seven men of our government from the Pentagon and the White House, caught completely by surprise and working under duress, decided in a few hours that the territorial imperative of the United States existed somewhere on an artificial boundary line on the Korean peninsula. Unfortunately, we never defined that before. Our enemies didn't know about it, and we didn't know about it. And many of the GIs that died there had never heard of it.

If we had defined it, if we had just said, "This is our boundary line and if you cross we will fight," there is some possibility we would have avoided, like the wolf pack, the necessity of engaging in lethal combat with the North Koreans—probably not. Because if we investigate the true nature of boundaries, even this possibility in that particular location in Korea is hardly likely. It is not a natural boundary.

Certainly we did not define a boundary in Vietnam until the case was too late, and we were already heavily involved. And then we had extreme difficulty in defining any of our objectives—either to our enemies or to our allies. The result, of course, was total disaster.

There is a third possibility—one that has been advanced by some militarist—namely, that when we are engaged in a war—wherever we are engaged—regardless of our boundary commitments, we should fight to win—and that means go all out. Of course, that means nuclear war. Anybody who is aware of the estimate that it only takes 47 one hundred megaton bombs to destroy all life—not just human life, but all life, within the continental boundaries of the United States, can certainly decide for himself that the course of action of all out war, can only be written off as totally idiotic.

Then there is the possibility of the fourth course of action. But before I mention this, let me just say one more thing about boundaries and the territorial imperative in man.

It is a rather fantastic revelation when one considers what has happened to the boundaries of the world during the course of history. Let us take Europe for example.

Regardless of the internal political considerations, natural territorial boundaries of Europe and, incidentally, of Asia, have changed very little in the last two thousand years. Julius Caesar, in his report to the Roman Senate described the Europe of 56 B.C. It was roughly the Europe of today. Caesar called Spain Iberia, but it was still Spain—bounded by the Atlantic and the Mediterranean and the Pyrenees. France he called Gaul—it was still France. Italy was, of course, Italia, and it was the same as it is today. Switzerland was Helvetia and its boundaries were roughly as they are now. The British Isles he called Briton, and Germany he called Germania, and it was bounded by the natural barrier of the Rhine.

Once during Caesar's governorship of Gaul, the German General Ariuvistus insolently crossed the Rhine with some of his followers into Northern Gaul. Caesar defeated him—as you will remember—by a brilliant feat of generalship and destroyed the entire command. Caesar then built a pylon bridge across the Rhine and took his legions in to have a look at the heart of Germania.

The ferocity of the attack of the German tribes in the dark forest of that country brought him to the conclusion that the territorial imperative of these people was too great for him to hold the land in subjugation—even with the iron discipline of the Roman Legions. He retreated back across the Rhine and destroyed the bridge, but he gave historical precedence to the recognition of a boundary.

Strangely enough, the country of Romania was called the Roman Province of Dachafelix, the Happy Province. Today it carries the name of Romania, from its Roman background. It was defined by natural boundaries, and exists as a state today. Greece was also there in about the same geographical location as it exists now and certainly Caesar's Egypt has not changed much from that to this.

Yet all of these states in Europe and the Near East were subject to continual wars and rumors of wars, to devastating invasions by incredibly wild and ferocious tribes that swept down from North Central Asia with almost tide-like consistency; there were first the Goths, and then the Visigoths, and then Vandals, and then the Huns, and many others.

They struck with a ferocity that spelled terror and devastation to the last remnants of the Roman Empire. But the amazing thing was that after each successive invasion, after the tide of war had passed, after the smoke had cleared away and man was again forced to pursue the ever demanding necessity of making a living—the political unities involved settled along the same old geographic boundaries.

What does this all mean to us? Just one thing—that regardless of the form or kind of government that is involved, the territorial areas in which those governments function, are developed along natural geographical lines, and on a territorial imperative basis. We see it, as proof, in the communistic world. For thousands of years, the territory of Russia existed ruled first by the Scythians and Parthians in Roman times—then by the Tartars. China in relatively the same territorial area existed from the time of Caesar. It simply had a different name. Then it was called Cathay. The Romans knew of it, and its shape and size has not changed very much down to modern times.

But the interesting thing is that these same territorial imperatives operate inside the communistic system, as well as they do anywhere else, as well as they do in the free world. For we now find that we have a brand "Russian Communism" and we have a brand "Chinese Communism", and I think we all know that we have another brand of "Yugoslavian Communism." The point is that it makes no difference what types of governments, what the political structure is, the natural territory in which that political structure operates is the dominant factor. This produces the boundaries of states and nations and philosophies as we know them today. Unfortunately, those boundaries, for us who operate the hardware with wings, extend up to the limits of the atmosphere.

So now we come to the possible fourth course of action.

Let's try something new—and yet something that is as old as the hills. We know that the greatest socializing force that controls the life patterns of man down through history is that of the family. From the time that man was a hunter in the primitive forest, the basic social unit was the male, female and the children. Nature demanded this in support of its preservation of the species, and its force still exists today, although many modern and sophisticated types of societies have decided to try to experiment in breaking it down. It has never been successfully replaced. Certainly in cataloging the forces that bring people together, we would have to say that the family unit is still the strongest item.

Outside of the family then, and next to this in importance, as a socializing force, comes the pattern of a man's relationship with the rest of the people of the world—the people in his immediate surrounding environment. How does he relate to them? What are the forces that keep him in their company, and that keep the relationship a steady and consistent working factor? What is it that keeps a man living in a society from turning on his neighbor and destroying him in a fit of anger, or from wandering off by himself and disassociating himself from the group?

That force is the second most important function of nature and society. It is the exchange of goods and services. It has been said that no man is an island—and a noted economist, Adam Smith, when he wrote the "Wealth of Nations" expounded at great length on what he called "the division of labor" wherein each man would learn a specific job and do it so well that his efficiency would be rewarded by the goods that were produced by others. In this fashion natural trade came about and that's what holds the world together. In other words, I may not like you, but you son-of-a-bitch, I need you!

The human race cannot live without this natural force. What man in this room could start from absolute scratch, with no tools whatsoever, and no assistance from another person and build, for instance, an automobile? Or, for that matter, even a bicycle? Even the simplest tools require a high specialty of knowledge and skill on the part of someone, somewhere, to construct them. They are distributed throughout the rest of the social group by a thing called trade.

If there is one thing that we have learned from the space program, it is seeing ourselves as we really are. The astronauts looked back on the beautiful white and blue planet of Earth and realized that we "were indeed unique," other planets in our solar system have no chance of carrying anything like the life—intelligent and manipulative life of the human animal. They are either fiery hot or icy cold and devoid of water vapor and oxygen and other life supporting elements. We are told, of course, that out in the sidereal universe, in our own galaxy alone, there are ten billion suns and beyond this, 10 billion other galaxies like our own extending to the very limits of the expanding universe and, therefore, certainly somewhere in all that great vastness there must be other plants that are similar to earth with atmosphere and temperature and water vapor adequate to support life.

But I submit that the chance of evolution developing by its incredible process of genetic selection, any animal form, similar to the intelligent life and manipulative capability peculiar to man—is so remote as to be impossible within the spectrum of our time frame of consciousness on this planet.

If another planet is one hundred million light years away, what odd chance that we could communicate or ever benefit from something that would have to fit in the short span of human existence—maybe a matter of a few thousand years. Genetic and time frequency odds are so far out of phase as to virtually preclude any possibility. We are alone, the human race, we occupy the space ship Earth as it whirls on its ancient course. We have no other choice. Together we must solve the problem of our existence or perish.

We have tried so many other methods. Let's try this. Let's try to trade with these people. Let's open the doors of all countries if we can, to the wonderful free world of consumer products—and what better lead product have we than our general aviation airplanes? Today we produce over 90 percent of the airplanes made in the world. They are instruments of state—they carry our language and our technology to the far corners of the earth. With them, let us penetrate these artificial barriers of the atmosphere—these ancient territorial boundaries that stretch up invisibly to outer space.

The communist technique with regard to

America will, no doubt, not be an invasion. And, unless inadvertently provoked, will not be an atomic struggle—rather, it will be an infiltration and a decay from within. In fact, this has been the Marxist doctrine from the beginning—capitalism will spend itself into bankruptcy trying to make its system work and will be picked off like ripe apples.

I suggest we fight fire with fire. Let us infiltrate with our means—with our forte—our capability of producing these wonderful products that have made man's life happier and easier—let us infiltrate their economy and their territorial boundaries. I am not suggesting, for one minute, to relax our military position. Quite the contrary. We must deal in trade from a position of strength. The early American traders who ventured among the wild Indian tribes of the upper Missouri in the first days of the 19th century, found, only too well that they needed to carry the long rifle in one hand, and the beads and cloth and trinkets in the other. But, trade is our way. It is the only possible salvation—the only thing that will save the world from holocaust—therefore we must bend every effort to see that it is facilitated.

It is not an easy task. The very existence of the Iron Curtain tells you how much communist leaders fear the penetration of what they call the "softening effect" of capitalist countries' consumer goods entering into their well-disciplined and enslaved populations. If they were not afraid of us, there wouldn't be an Iron Curtain. And if the world economy were at a reasonable level, there wouldn't be other frustrating tariff and non-tariff barriers in our own free world.

Let us make a plea for this approach. It is so all important to every one of us. As a beginning, may I suggest that general aviation industry take a position of leadership, which it deserves, which is its rightful heritage and its positive responsiblty.

Let the general aviation industry declare its own views—make a statement of policy—a white paper if you like—of how *we* feel international trade should be conducted, and what we desire our government to do toward that end.

None of us is so naive as to believe we will get everything that we want right in the beginning. Of course not. But we have to make a beginning, we have to try and we must stand up and be counted. It's our only chance.

With that premise in mind, let me suggest we construct the platform of our position on five strong points. There may be others later, but at least this is a start.

1. Let us press for the elimination of all tariffs and non-tariff barriers on our products everywhere.

2. Let us press for the standardization of regulation governing both the certification and operation of aircraft throughout the world.

3. Let us press for the removal of export controls of general aviation aircraft, parts and accessories. They don't belong in our industry.

4. Let us retain and expand the stimuli provided by the Ex-Im Bank and the DISC corporation—and any other tax relief system we can possibly devise or attain to aid our export effort.

5. And above all, we want to press for expanding detente with the Iron Curtain countries—that's the real challenge—the real goal. Let's don't avoid it. Rather let us meet it head on.

Now before closing, let me say a little something about this "new isolationism." This has been a source of worry and even concern to many of us. Some fear that because of our terrible setback in the rough and tumble barroom brawl of Asian politics that our people have lost heart, that we're giving up and slipping back into the old unworkable World War I League of Nations isolationism.

I submit that this is not the case.

I think perhaps we don't understand this new posture—or the deep sources from which it stems, nor the destiny toward which it leads. And like man's constant fear of the unknown, we are afraid of it. But I submit truly we should not be so—not if we understand it. We should recognize it for what it is—a deep subconscious biological urge of the whole nation to again redefine its territorial imperatives—to determine its boundaries—to regroup and reevaluate its position. I submit that this is a healthy thing—long overdue—and that from it can come the stability and the platform—the fortress America—which we can, in good conscience, defend with a sense of integrity, national unity, confidence and resolve, and from which, we in turn, can launch our counter offensive—the onslaught of our goods and services. Our marvelous products can cross the barriers of the world, the iron curtains, far easier than our tanks and guns.

That's the road to the promised land—to the unity and peace of all nations of the space ship Earth—and general aviation should lead the way. It has the ideal tools, the products, the technology and it has the call. It only needs the resolve.

COMMERCIAL ENERGY WASTE

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. MOFFETT. Mr. Speaker, nearly everyone these days is agreed that conservation is the key to solving our energy crisis. We are exhorted over and over to cut consumption in the home and at the gas station. But it would be absurd to expect such sacrifice on the part of the individual and the family while continuing to encourage waste and overconsumption by businesses and industries—which is precisely the case. Through preferential utility rate structures, large energy users are told in effect that they need not worry about conservation, and that energy is cheap when bought in bulk. Consequently, overheating and overlighting in the commercial sector account for massive energy waste.

The admirable reductions in consumption which have occurred thus far are largely attributable to the conscientious efforts of private citizens and the economic hardships that inflated energy costs have brought such persons. The potential for energy savings in the business world is much greater, and this potential could be realized if only industry were obliged to live with the same economic realities as individuals and demonstrate a similar conscientiousness.

An excellent study of this issue is the Massachusetts Public Interest Research Group's report entitled "Commercial Energy Waste: An Extravagance No One Can Afford." While industries often try to underplay the possibilities for substantial energy conservation, this study puts things in their proper perspective, and the conclusions are inescapable: The waste involved is enormous, and the existing Government programs are misdirected and unfair to consumers and small businessmen. I highly recommend this report to anyone seriously concerned with the energy situation. I hereby submit for inclusion in the RECORD several key sections from the study:

COMMERCIAL ENERGY WASTE: AN EXTRAVAGANCE NO ONE CAN AFFORD

ABSTRACT

Survey design

Twenty students from six Massachusetts colleges and universities affiliated with Mass PIRG visited 106 commercial establishments in Boston, Worcester and Lawrence, and asked permission to take light meter and thermometer measurements to determine whether they were consistent with those recommended by the Federal Energy Administration's (FEA) Office of Conservation and Environment. Ninety-two stores (51 in Boston, 22 in Lawrence and 19 in Worcester) consented to having measurements taken.

Survey results

a. At 75% of the surveyed stores temperature levels in the main business area were measured to be in excess of the FEA recommended level of 68°F. At 41% of the surveyed stores, temperature levels in excess of 72°F. were recorded.

b. At 62% of the stores surveyed lighting levels in the main business areas were measured to be in excess of FEA recommended levels. At each of these stores, at least one-half of the lighting level measurements recorded were above the levels recommended by FEA.

Other conclusions

Despite the significant amount of energy wasted by the commercial sector, state and federal governments are doing little to foster energy conservation. The Commonwealth has no program, and the federal government's program is both ill-conceived and understaffed.

I. INTRODUCTION

In the United States, energy is a commodity limited in supply but subject to increasing demand. Since 1965, energy consumption has grown at the annual rate of 4.5%. The United States now consumes nearly one-third of world energy production while constituting only 5.7% of world population.

Domestic energy production has not kept pace with galloping energy consumption. U.S. energy production has been nearly level since 1970. The resulting energy gap is plugged with imported energy products. Imports of foreign crude oil increased 56.6% per year from 1970 to 1973, and imported refined petroleum products increased annually 18.8% for the same period. Presently 32% of the national supply and 70% of the New England oil supply is imported.

The 1973 Arab oil embargo jilted the U.S. romance with overseas oil. Our legislators are divided as to what course we should follow to achieve energy independence, but most agree that one important step we should take is to eliminate waste. The Ford Foundation's Energy Policy Project estimated that annual energy growth could be held down to 2% in the future if proper energy conservation measures are instituted.

To study energy waste in Massachusetts Mass PIRG surveyed the heating and lighting patterns of many typical commercial establishments. Commercial shops and businesses were chosen because they account for 12.6% of our nation's total energy consumption, 25% of the electricity we use, and constitute the fastest growing sector of our energy economy. Finally, since many Management Action Programs reveal that federal office buildings which implemented a heating and lighting reduction program saw their energy cost reduced, on the average, by 27%. Similarly, it has been predicted that implementation of FEA Guidelines can result in a 3% heating bill reduction per degree F decline in temperature (e.g. 5°= 15%).

Since Mass PIRG's energy conservation survey is based upon FEA's Guidelines (entitled "Lighting and Thermal Operations: Energy Management Action Program for Commercial-Public-Industrial Buildings"), a brief review of them is in order.

The guidelines describe various voluntary heating, lighting and cooling conservation strategies which, according to FEA, "will have a significant effect on decreasing energy demand and will make a vital contribution to insure sufficient energy supplies in the future." While these guidelines must be modified to consider variations in such factors as available sunlight, acceptable costs, and visual tasks to be performed, government analyses indicate that "in most situations they (the FEA Guidelines) are very useful in providing the guidance necessary to achieve substantial savings in lighting energy and costs while also providing an adequate visual environment."

The FEA defines as commercial structures all office buildings, administrative spaces, retail establishments, schools and warehouses.

The temperature guidelines simply recommend that throughout the winter commercial buildings should maintain their temperatures at 65–68°F during working hours and at 55°F during non-working hours.

Within the commercial category, the recommended illumination levels vary with the purpose for which the space is to be used. The illumination guidelines recommend the following levels:

Occupied work station, 40-60 ft. candles (normal office work, such as reading and writing, on task only; store shelves; general display areas).

Work areas, 25–35 ft. candles (circulation area within work space but not at work station).

Hallways or corridors, 5–15 ft. candles.

V. GOVERNMENT APPROACH TO ENERGY CONSERVATION

The data collected by PIRG students highlights the low priority which energy conservation efforts are receiving in Massachusetts. Further analysis suggests that this finding may be explained, at least in part, by the fact that many individuals and commercial establishments simply do not understand how to conserve or appreciate that conserving energy can be profitable. And neither fact should surprise anyone very much, given the Government's token energy conservation efforts at both the State and Federal levels.

On the state level, the Massachusetts Energy Policy Office candidly admits that its staff of four people spends most of its time on energy policy matters unrelated to energy conservation. What little time they have left to propagate energy conservation has been spent supporting FEA's efforts to implement their Guidelines. Because inadequate funding for conservation programs is at least part of the problem, however, there is reason to believe that the State's energy conservation program may improve in the near future when its FEA grant proposal is funded, hopefully as soon as this April. Unfortunately, most of these funds are already scheduled to be used in areas other than energy conservation. Mass PIRG has not been able yet to uncover the precise amounts in question.

While the national government's energy conservation program, administered by FEA, has been relatively more aggressive than Massachusetts, it too leaves much to be desired. FEA's primary effort has been a campaign to reduce commercial, public and industrial energy consumption, by educating these sectors how to save money by conserving energy in line with FEA's Guidelines. Specifically, FEA began in November 1974 to contact 5,000 of the largest Massachusetts firms by letter to inform them of the existence of a program for energy conservation, without actually "promoting it." Thereafter, FEA chose to contact the largest 550 enterprises in Massachusetts by telephone to: a) inquire as to whether the firm has an energy management program, b) request a copy of the program if the firm has one, and c) suggest the FEA program if they do not have one. That telephone campaign is still under way.

Despite these efforts, FEA's attempt to combat energy wasted by the commercial sector is deficient in 3 respects:

(1) the FEA management guidelines for lighting are of little use to those smaller companies which lack the expertise to implement these standards. For example, before a company can determine whether it is over-lighting a building, it must be able to measure its existing lighting levels. To accomplish this relatively simple task, a portable light meter calibrated to foot candles must be obtained, a real difficulty according to our Mass PIRG surveyors. Moreover, the Guideline's suggestion that certain energy reduction procedures, including the use of multiple switches and lower illumination levels, be implemented may be of little value to smaller companies with little or no experience in the implementation of these strategies. FEA's suggestion that a company without in-house expertise hire a consulting engineer may also be a hollow aide for those companies to whom the added cost of a consulting engineer may make implementation of these energy conservation strategies an unrealistic option in today's economy.

(2) FEA's New England Office of Conservation and Environment has a 3 member staff which is woefully inadequate to deal with New England's massive energy waste problem. For example, responsibility for the entire telephone inquiry process described above has been delegated to one person, who must also meet with those firms which express an interest in the FEA conservation program. To make matters worse this individual simply lacks the expertise needed to implement a meaningful energy management program.

(3) FEA's telephone inquiry is ill-conceived. FEA's decision to attack commercial energy waste by communicating with the 550 major Massachusetts based corporations which employ 250 or more people ignores the fact that these large corporations are the ones least likely to require FEA's technical or motivational assistance. There are approximately 100,000 businesses in Massachusetts, over 90% of them consisting of less than 250 employees. Since FEA is only contacting those businesses employing 250 people or more, it is ignoring the vast majority of businesses in Massachusetts—which are most in need of the energy conservation message—in favor of a minority of businesses who have much less need for FEA's suggestions. As Robert Philpott, Regional Director of the FEA Office of Conservation and Environment stated recently: "Preliminary indications are that big businesses are saving energy because most of them have had conservation programs since the Arab oil embargo back in 1973." If this is so, why spend the little time, money and effort available in contacting them when it is the smaller companies that need FEA assistance?

VI. CONCLUSIONS AND RECOMMENDATIONS

Mass PIRG's energy survey indicates that a clear majority of the ninety-two stores surveyed is not complying with the FEA's energy conservation Guidelines. Commerce is guilty of wasting energy, and government is guilty of ignoring the conservation needs of the small stores which constitute 90% of Massachusetts businesses. Most of the store proprietors approached by the PIRG students were unaware of either the potential savings which could be realized from simple conservation measures, or of the existence of FEA lighting and thermal Guidelines. Much of the commercial sector apparently has little desire to seek out energy conservation measures on its own initiative, and government is not supporting the efforts of many stores to save energy.

Mass PIRG recommends that the following action be taken to improve energy conservation efforts by Bay State business establishments:

1. Increase the staff at the FEA's Office of Conservation and Environment. The present regional conservation program staff of three persons is totally inadeqate to educate and assist 90% of Massachusetts businesses. The increased public cost of greater staffing should be quickly recovered by businesses and consumers in decreased energy bills and lower priced commodities.

2. Improve the FEA Energy Management Action Program by a) shifting the emphasis away from the largest firms, which benefit least from FEA's attention, and toward the majority of stores (those with less than 250 employees) which can most benefit from the assistance FEA can provide; b) initiating a public media campaign to educate the masses of store owners and occupants, who will never be contacted by FEA's selected survey; and c) instituting a Waste Elimination Consulting Service, consisting of small teams of engineers or other trained individuals, which coul advise businesses how to maximize energy conservation benefits by implementing FEA's Guidelines. Presently a business without in-house technical expertise can accomplish little without hiring an expensive engineering consultant. FEA's Consulting Service would not have to conduct complex analyses of building systems, but rather would (i) measure lighting and temperature levels, (ii) suggest and demonstrate simple steps that can be taken to lower these levels, and (iii) estimate the energy saving which should result from the consequent reduction of lighting and temperature levels in each store.

3. The Massachusetts Energy Policy Office within the Department of Consumer Affairs should allocate a significant amount of money to develop and implement a program of energy conservation. Programs similar to the consulting service (see Recommendation #2(c)) must be a part of any program to reduce energy consumption in Massachusetts.

4. Co-operation is needed from the representatives of the commercial sector, including the Chamber of Commerce, Better Business Bureau, Building Owner and Manager Associations, and retail associations. These organizations have a responsibility equal to that of government to use their power and influence to reduce commercial energy consumption.

COALITION OF BLACK TRADE UNIONISTS SUPPORTS H.R. 50

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. HAWKINS. Mr. Speaker, the Coalition of Black Trade Unionists—CBTU—which was organized in 1972 and represents 37 different national and international unions, recently held their fourth annual convention in Atlanta, Ga. The conference addressed itself to the current economic recession, equal employment opportunity, affirmative action regulations, and the seniority system, employment, and underemployment. It was especially concerned about these issues as they affect the black worker and his nonwhite brothers and sisters in the labor movement.

An important area of discussion was the alternative programs to the present unemployment crisis. One such alternative, the Hawkins-Ruess equal opportunity and full employment bill (H.R. 50) was a focal point for intensive debate.

The result of the debate was a resolution adopted by the conference calling for the passage of H.R. 50.

I respectfully submit the CBTU resolution for the Record:

Resolution No. 19

Resolutions on jobs presented by the Metropolitan Detroit area CBTU chapter to the fourth annual national convention of the Coalition of Black Trade Unionists, Atlanta, Ga., May 23, 1975

Whereas, as the monthly statistics have piled up, the overwhelming magnitude of the disaster that has hit black and other minority communities has become cruelly obvious. While, in April, 1975, the official national average unemployment rate hit 8.9 percent, the figures for all black and other minority workers actually reached 14.6 percent! For males over 20 years of age the rate for black and other minority workers was nearly twice as high as those for white workers, and

Whereas, the unemployment rate for black and other minority teenagers was an almost unbelievable 40.2 percent compared to an already insupportable 17.8 percent for white teenagers, it is well known that these figures leave out those workers who have given up hope of finding a job. Among these "discouraged workers," who numbered over 1 million in the first quarter of this year, around 30 percent were blacks, even though blacks comprise about 11 percent of the labor force as a whole, and

Whereas, it now appears virtually certain that 25 to 30 million Americans, nearly 1 out of 3 workers, will be unemployed at some time in 1975—approximately 10 million of those for periods of 3 and one-half months or more. Counting dependents, this means that 55 to 75 million Americans will be directly scarred by the bitter failure of our society to provide useful work for all who want and need, it and

Whereas, for every person who is actually laid off, there are 2 or 3 who fear they will be. This insecurity and fear that one's livelihood, as well as one's sense of dignity and social usefulness may be suddently taken away, can eat away at a marriage, at family hopes and plans like a vicious acid. It spreads throughout society, setting white against black, men against women, young against old, employed against unemployed. It corrodes the very basis of a free, just and democratic nation, and

Whereas, a decade of slow and painful progress for civil rights in places of employment is going up in smoke as whole contingents of black, female and younger workers are wiped off employment lists. An entire generation of young people, especially minority youths, are starting their adult life in bitternes, cynicism, frustration and despair. For blacks and other minorities, the experience is especially bitter because the last ten years have been a period of progress, of promises made and hopes raised. Now those hopes are being smashed and the question now arises:

What should be done?

Many of the measures we support regarding energy-related problems will also create significant numbers of jobs. But over and above that, this country must commit itself to a real full employment program.

The promise of such a program is contained in the Equal Opportunity and Full Employment Act of 1975 (H.R. 50 and S. 50).

This legislation sets out to establish the *right* of every American who is able and willing to work to a suitable job at decent wages. It mandates all agencies of government, including the Federal Reserve Board, to enforce this commitment through appropriate policies. It specifies that the goal of full employment may not be sacrificed in the interest of any other economic goal.

Further, it mandates the President to prepare a Full Employment and National Purposes Budget annually. The goal of this budget is to design programs capable of reducing unemployment to no more than three percent within eighteen months of the first report and lower at a later time. This is perfectly possible. It has been done before. Unemployment was reduced from over ten percent in mid-1941 to under two percent eighteen months later. At that time we had a war to fight against the Axis powers. Today, we have a war to fight against the threat to our energy supply, against poverty, bad housing, inadequate education, poor medical care, a deteriorating mass transportation system and destruction of our environment.

Meshing our other national goals with the fundamental need for full employment will require a major mobilization on the part of government and the private sector. Some of the mechanics for doing this are spelled out or suggested in the proposed legislation. Others will require complementary legislation. Plant closings, for instance, are obviously an important area in which parallel action will have to be taken. But HR 50 would provide the necessary framework and the starting point.

Without the discipline of an ironclad commitment to the profoundly democratic ideal of full and free employment with fair compensation, planning could easily become an anti-democratic tool. Too often we have seen instrumentalities intended to protect the public interest taken over by the corporate interests they were supposed to oversee. The same could happen with a national planning effort if it is not firmly welded to deep democratic political principles.

The most important part of HR 50 is Section 3. It is this Section which elevates HR 50 far beyond the realm of "just another public jobs program." Section 3 mandates the President to prepare a National Purposes Budget setting out: (a) explicit national goals with regard to full employment and seventeen other matters which vitally affect full employment, (b) a broad analysis of the resources to be devoted to these goals and their allocation. The federal budget would be only one part of this overall National Purposes Budget (albeit a very important one). Section 3 requires that the federal budget shall be directed toward achieving the goals laid out in the National Purposes Budget and shall be consistent with this. A similar requirement of explicit consistency with and devotion of the National Purposes Budget is required of the Federal Reserve Board.

If this Section is executed in good faith the whole apparatus developed in subsequent sections for providing public jobs to residual unemployed workers could and should be *smaller*, both in the amounts of money dispersed and the number of workers placed, than under current and proposed public service job programs. Far from being simply a massive and costly leaf-raking program, a real full employment program along the lines of HR 50 would reduce the residual of unemployed workers needing temporary public service jobs to negligible proportions. Not only would a real full employment program cost the government less in public relief and public service jobs than current policies, they would yield far more to society in extra production and to government in extra taxes than they could ever cost.

Let us make no mistake about it, this bill is about social planning, but it is planning with a deep moral and democratic purpose rather than a purely mechanistic or technocratic intrusion—a purpose which, far from being authoritarian, is fundamental to the freedom, dignity and well-being of all people who work for a living. The core of HR 50 is the creation of a process by which national economic goals can be spelled out, necessary resources tabulated and the efforts of government. and private bodies coordinated within the solid framework of a mandatory commitment to full employment.

THEREFORE, BE IT RESOLVED, That this National Convention of the Coalition of Black Trade Unionists commit itself to work for the rapid adoption and implementation of HR 50 and S 50, the Full Employment and Equal Opportunity Act.

However, we recognize that the promise of this piece of legislation will not necessarily be fulfilled in time to make an impact on our current unemployment problems.

THEREFORE, BE IT RESOLVED: That, for the short run, we urge the following interim measures for job creation:

1. The budget policies of Congress and the Administration virtually guarantee high unemployment for the next two years at least. President Ford's budget is geared to keeping unemployment at 7.9 percent in 1976. Congress, in setting an unwarranted ceiling of $70 billion on the budget deficit, has virtually assured that there will be no significant abatement in the Administration's plans. When we realize that the output of our economy, as measured by the Gross National Product in 1975, is likely to be more than $200 billion below what would be produced if unemployment were "only" 4 percent, we see just how much of a gap needs to be made up by prompt and vigorous government action. We, therefore, urge Congress to act more quickly and more bolder to authorize government expenditure sufficient to turn our economy around.

2. At the same time we need action to bring interest rates into line with the needs of critical sectors such as housing. This can be done if the Federal Reserve Board were instructed to increase the money supply sufficiently and if credit were allocated to high-priority areas whose prosperity is especially dependent on interest rates.

3. We also believe that the allocation of government's expenditure is at least as important as the amounts. We, therefore, call upon Congress to recognize the following priorities:

(a) Increasing direct federal grants to state and local governments for specified approved projects; reversal of the trend to broad, unspecified revenue-sharing, which often encourages reductions in employment-creating programs.

(b) Substantial funding for public service employment in the current year plus an on-going permanent national program of public service jobs to meet the specific needs of local communities. Funding for such programs should not be restricted to the national unemployment rate but should take account of areas that suffer from persistent disproportionately high unemployment rates.

4. Curbing incentives to increase overtime—transforming overtime work into new jobs. One way to do this would be to increase the overtime premium under the Fair Labor Standards Act and related legislation from time and a half to double time.

5. Federal supervision and regulation of plant closings.

6. Be it finally resolved that C.B.T.U. encourage the trade union movement to maintain its ties with its unemployed members by setting up counciling services to inform them of (a) Job Openings, (b) Training Programs, (c) Their rights with respect to unemployment compensation, welfare, food stamps, etc.

MYSTERIES OF THE "MAYAGUEZ"

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. HARRINGTON. Mr. Speaker, more than 30 of my colleagues and I have introduced resolutions of inquiry directing the President and the Secretary of State to provide a full account of executive deliberations, decisions and actions in the *Mayaguez* affair. A great many of the questions we have raised, both collectively and individually, were articulated very well this week by Roger Morris in the New Republic. I am therefore inserting his article in the RECORD at this time.

The texts follow:

WHAT TO MAKE OF MAYAGUEZ

(By Roger Morris)

The *Mayaguez* rescue seems one of those events destined to shrink from banner headline to footnote. It has been easy to see the raids in terms of the vulnerable psychology of the Ford administration in the aftermath of the final disaster in Vietnam. A frustrated President acts forcefully to shore up his sagging domestic constituency and the country's international credibility. "Our thirty seconds over Tokyo, and it felt pretty good for a change," as one senior State Department official put it.

The Congress, press and public, all with visibly mixed feelings about Vietcong flags flying over Saigon, were glad to share in the therapy. "The main thing that has happened . . ." explained James Reston in *The New York Times* "is merely that Uncle Sam went out of Cambodia and slammed the door . . . ." Three weeks later Washington is again preoccupied with a messy, inglorious battle over energy policy, defense budgets and a sick economy.

Yet if the *Mayaguez* affair was a fleeting thing, it did provide a vivid illustration of some more enduring realities of American foreign policy. As an exercise in crisis management and credibility, it was, on closer examination, scarcely the success it seemed. As a political event it was remarkable for what did not happen after nearly a decade of dissent and legislation against arbitrary presidential action in foreign affairs. And in a sense, seen against other, less publicized but far more serious crises, the raids were an ironic symbol of Washington's growing powerlessness to deal with the new international dangers of the post-Vietnam era.

Outwardly it was the way power is supposed to work. Shielded by fighters from the *Coral Sea,* a company of marines goes in, guns blazing, and the 39 hostages come out safe—an economy of force reminiscent of one of the more alluring Pentagon formulas of the 1960s, the "neat surgical strike." But was the operation neat or even surgical in the sense that it was the military force that extracted the crew? Running through the *Mayaguez* crisis was much of the muddled, impulsive policymaking that marked the worst and the most ineffectual of the US intervention in Southeast Asia over the last decade. Even taken on its own terms, the operation does not seem a reassuring demonstration of the force option in international politics.

As so often in the Vietnam war, there would be in the *Mayaguez* incident puzzling questions about Washington's ability or good faith in managing the delicate balance between diplomacy and force. Notes requesting the crew's release went to the Cambodian Embassy in Peking and to the Chinese government on the afternoon of May 12, within 12 hours of the seizure. Officials now say both notes were returned without response 24 hours later, though neither Secretary of State Kissinger nor President Ford apparently saw the return as a rejection of diplomacy." It [the return] didn't mean anything," Kissinger subsequently told reporters off the record. "The Chinese have good Xerox machines."

Yet less than 24 hours later, on May 14—only two days after delivery of the notes and the same afternoon the US asked UN Secretary General Waldheim to intercede—President Ford ordered the raids. The assault began less than two hours before Phnompenh broadcast its "order" to the *Mayaguez* "to withdraw from Cambodian waters." Lengthy and propaganda-laden, the statement was obviously in the writing prior to the US attack. Four hours after the broadcast the crewmen were aboard the destroyer *Wilson,* having sailed in a small boat the 30 miles from Sihanoukville. Lost in the superfluous squabbles raging at the moment and in the later self-congratulation was the strong probability that the Cambodians had released the crew not under marine guns, but rather as a diplomatic decision.

After the crisis, however, the diplomacy of those two days was dwarfed by the details of the fighting. About the most important diplomatic communications presumably yet sent by the Ford administration, there was casual confusion. The President, said White House aides, had "no idea" whether the Cambodians had received the May 12th note. At the same time Kissinger was telling the press, without further comment or questions, that both messages got through that the Chinese "counseled restraint" by Cambodia. It was not just a question of principle in giving diplomacy a chance. Even officials supporting the military action were worried that once a diplomatic solution was in process, the raids might have backfired disastrously. Had the crewmen not already been released, a Cambodian regime that had decided to give them up on its own initiative (or perhaps at Chinese prodding) might well have reneged under military coercion, particularly since the marine assault on Tang Island missed the crew entirely.

"It was almost a mini-Marigold," said one concerned official, referring to the code name of December 1966 secret peace negotiations that collapsed when US planes bombed Hanoi in the midst of promising diplomacy by the Poles. In any event, say several sources, Washington operated in the *Mayaguez* seizure with almost no diplomatic intelligence on the possible intentions of the new Cambodian regime. Lower level State Department officers with long experience in Cambodia were excluded from the center of crisis management, much as the handful of officials analyzing Hanoi or the Vietcong were absent from the critical decisions by Presidents Johnson and Nixon on the war. Gerald Ford in 1975, as his predecessors had so often before him, seems to have struck in Southeast Asia not as a last resort after exhaustive diplomacy, not in some genuinely informed calculus of the adversary's intentions, but by what must have been a largely intuitive judgment that he had no other choice.

Whatever the timing and motivation for the raids; the tactical military planning turned out to be as questionable as the diplomacy. For the umpteenth time in Indochina, in a bloody sequence from the Tonkin Gulf to the Tet Offensive, American forces were committed to battle with fatally inaccurate military intelligence. According to Pentagon officials the marine company landing to face savage resistance on Tang Island had only misleading, low definition satellite photos and no up-to-date reconaissance. Whether Pentagon planners were inhibited by fears of alerting the Cambodians, or whether 48 hours was too short a time to organize the proper intelligence, the lesson for any observant government is that the United States is not especially adept at such operations. The precedent for *Mayaguez* in this respect was the futile Son Tay POW raid into North Vietnam. Like *Mayaguez,* Son Tay would have been "successful" only if the captors had decided to release the prisoners independently of the military action.

So too were there troubling doubts about Washington's command and control of the military strike. Official sources are unanimous that communications between Washington and the task force in the Gulf of Siam were nearly instantaneous, with constant radio contact. Yet at perhaps the most critical point in such a crisis—the moment when the objective has been accomplished and operations must be carefully measured to avoid embroilment exceeding policy—the administration's simplest communications failed. Between the Pentagon's receipt of the news that the crewmen were returned and the relay of that crucial message to the President, who immediately ordered the strikes to cease, there was a lapse of 21 minutes. It was during those 21 minutes that the carrier planes bombed the Cambodian mainland at an airfield near Sihanoukville.

In the official version the mainland raid was to protect the marines still on Tang Island, though the logic of those tactics would have dictated either a preventive strike timed with the initial landings more than three hours earlier, or simple surveillance of the field to attack any Cambodian T-28s attempting to take off. The bombing was obviously a punitive gesture. But the explanation for continuing the strikes well after the crew had returned seems far more disturbing. "The momentum of the operation was too strong," said one high official in words redolent of August 1914, "to turn it back at that point." It was as if military "momentum" had somehow carried US planes to attack, for good measure, the Russian vessels *after* they had turned back from the blockade of Cuba during the 1962 missile crisis, or President Eisenhower had allowed the bombing of the Suez Canal in 1958 to cover the marine landings in Lebanon. Whether indulgence of loose bombing plans or inadequate civilian control, the Ford administration's handling of the mainland attacks in the *Mayaguez* crisis may quite possibly have been its most irresponsible act in office.

But then apparently Washington barely averted a still more bizarre step—the use of B-52 bombers if strong headwinds had not brought the *Coral Sea* into position for the operation by May 14. Confided to reporters traveling with Kissinger to Vienna four days after the crisis, the strategy in deploying the B-52s would have been to "frighten" the Cambodian government away from making humiliating demands on the US. "It was the only means at our disposal [without the carrier]," Kissinger told the reporters, again off the record. Assuming this was more than posturing, the questions of objective and sense of proportion in such an option strain the imagination. How many B-52s? With what intensity on what targets, military, urban, rural? How long, in defiance of specific congressional prohibition, would it be before the Khmer Rouge, with their own hard-earned expertness in strategic bombing, surrendered the crew? Here it is 1975. The Indochina war is a bitter lesson. Yet we are suddenly back in June or December 1972, or February 1965, intent on intimidation beyond our interest and probably beyond our political capability to sustain.

All this must be fairly weighed, of course, against the administration's perspective on the crisis. The President and his advisers were no doubt in the grip of the *Pueblo* tragedy, whatever the differences between the two cases. They were anxious to avoid further "defeat" in Indochina, which they saw as demoralizing at home and emboldening enemies abroad. The operation was conducted, explained Secretary of Defense James Schlesinger in his baroque style, for "purposes necessary for the well-being of this society."

Moreover the cultural gap inevitable in such encounters was probably deeper than ever; a Khmer Rouge reported to be emptying Phnompenh to create an isolated agrarian communism may well have seemed utterly irrational to a former congressman from Grand Rapids. And as always even the best and the brightest civilian officials are hostage in a crisis to the quality and candor of their military staffs.

But Washington's blunders, if thinly veiled by publicity, were neither academic nor excusable. To potential future players in the credibility and force option game—whether Arabs, Israelis, North Koreans, the Soviets or the Chinese, all of whom have to take a more precise view of such events than the American Congress or press—the demonstration may have been just the opposite of what was intended or is now widely supposed. Our crisis diplomacy can be seen as uncoordinated or hypocritical, our military intelligence chronically flawed, White House civilian command and control perhaps unreliable, escalation to B-52 strategic bombing an almost reflexive resort. Those precedents might deter some governments with room to be cowed by our sheer capriciousness. More likely the *Mayaguez* presents a future adversary with the prospect of a diplomacy he cannot trust and a military operation neither side can measure, the ingredients not of credibility, but of catastrophe.

The loose control and excesses of the crisis were almost certainly easier amid the ready acquiescence of the Congress. Before it had basis to judge either the situation or US actions, the Senate Foreign Relations Committee unanimously endorsed the use of force. Except for Gaylord Nelson (D, Wisc.) and George McGovern (D, SD), who spoke out, and Edward Brooke (R, Mass.) who quietly sent the administration a list of questions, the Senate seemed generally prepared to be, as Sen. John Stennis (D, Miss.) put it, "as severe as necessary." The House followed suit, its bold freshmen for the most part suddenly mute in the mysteries of national security.

Few on Capitol Hill will quite say it, but President Ford clearly violated the long-fought 1973 War Powers Act, the language of which expressly obligates the President to consult the Congress "*before* introducing US armed forces into hostilities. . . ." "We were informed, not consulted," observed Majority Leader Mike Mansfield (D, Mont.). But the Congress shows no disposition to investigate the crisis either for its military-diplomatic implications or for the serious practical and Constitutional ambiguities it exposed in the war powers legislation.

The *Mayaguez* raids laid bare in that respect a reality in the politics of foreign policy that many liberals have denied or ignored. It is that the congressional majorities that produced the war powers and anti-bombing legislation of 1973–74 and even the broader assertion of foreign policy prerogatives in this session have not been anti-militaristic, or even anti-imperial in the sense of the gunboat politics of the *Mayaguez*. The specter haunting most of the Congress was not so much arbitrary presidential foreign policy as the great *faux pas* of that system—land embroilment in Indochina. Once that danger had receded, for most members the point was made.

"We took a bath in the Gulf of Siam," said one congressional aide about the *Mayaguez*. But the uncritical congressional acceptance of the crisis was only part of a larger surrender already in motion. The recent reversal of the Turkish military aid cutoff, the defection of liberals like Sen. Walter Mondale (D, Minn.) from support of the Mansfield amendment to reduce troops in Europe, the genteel co-opting of the Senate Special Committee on the CIA—all signal an abiding fear the Congress has of sustaining even its partial responsibility in foreign policy.

Perhaps the most insidious effect of the *Mayaguez* experience, however, was to obscure the far more urgent international problems facing the Ford administration, problems in which even efficient military force or good faith diplomacy appear increasingly useless. To the extent that the *Mayaguez* cast foreign policy in terms of US credibility, it slowed understanding that the real crises are mainly *within* rather than between nations, and therefore beyond our reach. Thus the collapse of NATO that *Mayaguez* was supposed to help forestall proceeds from political and economic instabilities in Portugal or Italy or Great Britain that not even Kissinger's brilliance can remedy. So also, the food and energy crises, which Kissinger flew off to Europe to address after *Mayaguez*, are at their core vast problems of domestic politics and social organization in both the industrialized and poor countries. No external force will bring the land reform or population control or technological transformations that will determine the shape of the world in the last quarter of the century. It was far more important for the future foreign relations of the United States, for example, that Kissinger recently proposed new concerted action in developing alternative energy sources and a one billion dollar world food reserve, even if his schemes cannot be imposed by Washington. But it was about the *Mayaguez* that columnist Joseph Kraft concluded "that the government can do some things and do them fairly well."

Even the Middle East, presumably a central audience for the lessons of *Mayaguez*, is becoming less amenable to such crisis management. The recent domestic turmoil in Lebanon, with far-reaching consequences for both the Palestinian guerrillas and Israel, is likely to be much more important than any demonstration in the Gulf of Siam.

Seen in a longer view the *Mayaguez* crisis still belongs to that Nixon era of foreign policy when sudden swings to savage unpredictability in using military force were thought necessary to maintain our security. Ironically it was a younger and more detached Henry Kissinger who warned in 1961 that, "to make of ambiguity a principle of conduct is to court disaster." But if the ghost of that earlier Kissinger pointed to the perils of the *Mayaguez* policy or cautioned against its self-deluding aftermath, no one seems to have heard.

TULE ELK NATIONAL WILDLIFE REFUGE

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. KETCHUM. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following: Mr. Speaker, a number of my distinguished colleagues from California have joined in cosponsoring legislation to establish a Tule Elk National Wildlife Refuge in the Owens Valley region of that State. However, many residents of the valley, located in Inyo County, which I have the privilege of representing, are adamantly opposed to the creation of such a refuge. Opponents of the bill include: the Inyo County Board of Supervisors, the Inyo County Cattlemen's Association, the Bishop Chamber of Commerce, the City of Bishop, Lone Pine Chamber of Commerce, and various other civic groups as well as the Los Angeles Department of Water and Power, and the California Department of Fish and Game. I would like to therefore introduce joint legislation today to establish a Tule Elk Reserve in that portion of the San Luis National Wildlife Refuge in which the elk are currently grazing. I do so with the intention of creating a protective domain for the elk which will be in the best interests of all concerned.

National Wildlife Refuge status gives the Secretary of the Interior broad powers to protect wildlife. He has the authority to outlaw all grazing, hunting and fishing, all construction of public facilities, road construction, canals, telephone and powerline work, should he believe the tule elk are being endangered or threatened in any way. In effect, House Joint Resolution 154 would allow all Federal land in the Owens Valley to become the exclusive preserve of the tule elk and other wildlife. To a valley whose economy is based on tourism and cattle, this would be disastrous.

Dr. Dale McCullough, professor of resource ecology at the University of Michigan, and who is considered an expert on the tule elk, opposed the creation of a Tule Elk Refuge in the Owens Valley during hearings on similar legislation in 1973. Dr. McCullough firmly believes that it would be unwise to establish a major refuge for a species in a location which is outside of the native range and contains habitat which is marginal for the species. Tule elk were unknown in the Owens Valley prior to their introduction by man in 1933.

The elk, however, are native to the San Joaquin Valley, in which the San Luis National Wildlife Refuge is located. In early 1975, the California Department of Fish and Game, in cooperation with the U.S. Fish and Wildlife Service, transported 18 tule elk from the San Diego Wild Animal Park to 800 acres of prime native habitat within the San Luis Refuge. The elk are thriving in their new home. Since the elks' arrival in San Luis, there have been two births and two more calves are expected.

For these reasons, I urge consideration of the San Luis National Wildlife Refuge, rather than the Owens Valley, as the site best suited for the creation of Tule Elk Reserve.

OVERSIGHT ACTIVITIES COMMITTEE ON SCIENCE AND TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. TEAGUE. Mr. Speaker, on Thursday, June 12, 1975, I initiated publication of a series of summaries of oversight activities scheduled for the 94th Congress, outlining the plan of the Committee on Science and Technology for discharging its responsibilities under the provisions of rule X of the Rules of the House of Representatives.

This is the third in a series on this subject and involves planned activities in the area of science, research, and technology. In general terms, activities included under this category involve authorizing legislation and other matters relating to the National Science Foundation—NSF—to the National Bureau of Standards—NBS—and all scientific research and development and applications, science programs, policy; science centers; scientific resources—including manpower—science scholarships; technology transfer; technology assessment; technological innovation; and standards—weights, measures, et cetera.

A summary of scheduled oversight activities in this area follows:

SCIENCE, RESEARCH AND TECHNOLOGY

OVERSIGHT PLAN SUMMARY

Legislation under consideration

Fiscal Year 1976 NSF Authorization (Feb.–July 1975)

Metric Conversion Act of 1975 (March–October 1975)

Fiscal Year 1977 NSF Authorization (Nov–Dec. 1975; Feb.–June 1976)

Oversight

The peer review system for NSF project grants (June–August 1975):

Concern has been expressed by some Members of Congress that the peer review system used by the National Science Foundation in awarding grants is not effective. Two weeks of hearings are scheduled in July as part of an intensive Subcommittee review.

Geographical distribution of NSF grants (July–September 1975):

Over the years, Congress has been keenly interested in the geographical distribution of R&D. In this particular review the focus of a staff review will be on the relationship between the distribution of grants and NSF's education programs. Upon completion of a staff report a decision on whether to hold hearings will be made.

Relative proportions of NSF basic and applied research (September–November 1975):

Concern has arisen within the Committee during the recent years about the rising proportion of applied research budget amounts vis-a-vis basic research. Since the NSF is the nation's major supporter of basic research, and the Department of Defense has imposed tight restrictions on the types of basic ability to maintain an adequate reservoir of fundamental knowledge. The Committee's concern has been heightened by growing pressures for R&D to produce "quick fixes" for many of society's problems. We need to understand better:

(1) The trends of basic research in relation to applied research.

(2) The effects of these trends on the NSF.

(3) The effects on education programs and geographical distribution of NSF grants resulting from the above trends.

Staff review will be carried out prior to a decision on more comprehensive Subcommittee investigation and hearings.

Survey of the social sciences, (November 1975–January 1976):

Some Members have recommended a review of the social science programs of the NSF. It is contended that these programs do not receive adequate funding or attention. A preliminary staff review will be carried out prior to a decision on a more comprehensive Subcommittee investigation.

Survey of the Research Applied to National Needs (RANN) program (November 1975–January 1976):

During the 93rd Congress a survey was made to determine how the outputs of the RANN program were being used. The results were inconclusive, and questions remain about the value of this activity on the part of the NSF. A staff study will be continued prior to holding hearings during 1976.

Materials review (June–October 1975):

The first phase of a major materals study was conducted during 1972—with the focus on industrial materials and related technical problems and issues. A second phase is underway at the present time in which the concentration is on glass, iron, plastics and wood.

The conclusions of the earlier study point toward the need for explicit policy, design of programs, exploitation of science and technology, sustained monitoring of the U.S. position in materials, and a flexible responsiveness to changing problems and conditions in materials supply and use.

The magnitude of these problems calls for continuing work and concentrated attention by the Subcommittee. Staff review will continue prior to a decision on when hearings will be held.

Special Oversight

Agricultural research, materials and scientific planning (May 1975–November 1976):

The important relationships between world food problems and R&D have been identified as an area requiring extensive investigation and analysis. After preliminary staff review, introductory hearings are planned for June. These hearings will be followed by staff analysis of key issues, programs and problems which, in turn, will lead to several weeks of hearings in September. It is expected that work will continue in this area for the remainder of the 94th Congress. These hearings will be held jointly with the Subcommittee on Domestic and International Planning and Analysis.

OUR DIETS HAVE CHANGED, BUT NOT FOR THE BEST

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD a most interesting and significant article entitled, "Our Diets Have Changed, but Not for the Best" by Dr. Michael Jacobson, a biochemist and director of the Center for Science in the Public Interest.

The article, which appeared in the April 1975 issue of the "Smithsonian" magazine, follows:

OUR DIETS HAVE CHANGED, BUT NOT FOR THE BEST

(By Michael Jacobson)

If the bromide, "You are what you eat," is true, we could all end up being very different people from our ancestors. Modern science and agriculture have freed the United States and many other nations from traditional diets based largely on natural farm products. New varieties of crops, transcontinental shipping, a wide spectrum of food additives, and new food-processing techniques have led, for better or worse, to diets different from any previously consumed by human populations. But these dietary changes reflect the decisions of business executives and investors, rather than nutritionists and public health officials.

NEW FOODS TAKE HEALTH TOLL

The United States, not surprisingly, has been the leader in the genetic engineering of food crops and in the laboratory creation of new foods. Benjamin Franklin and Abraham Lincoln, if they could visit us, would probably have some difficulty distinguishing between a toy store and a supermarket. They would not even recognize as foods such products as artificial whipped cream in its pressurized can, or some of the breakfast "cereals" that are almost half sugar and bear little resemblance to cereal grains. Franklin and Lincoln would probably feel much more at home in the homey "natural foods" stores that are popping up everywhere than they would in the 10,000-item supermarkets. Many of the new foods do save us time and trouble, but they are often costly, in terms of both dollars and, ultimately, health.

"Modern" eating practices start young, often with the tiny infant. Most pediatricians agree that good old-fashioned breast-feeding is the best way to feed a baby, but all too often mothers are persuaded by cultural and commercial pressures—or because of their work schedule—to bottle-feed with canned baby formula. Only about one in four infants enjoys the nutritional (and psychological) benefits of breast-feeding.

COMMERCIAL BABY FOODS CAUSE CONCERN

Until the 1930s solid baby food was prepared at home by the mother. Now, however, commercially prepared strained baby foods are the rule and are being introduced into a baby's diet at an increasingly early age. Mothers often compete with one another on the basis of how early little Johnny or Susie starts to eat solid food. Many researchers believe that feeding a baby solid foods too early can lead to both over-feeding and allergic reactions.

Some pediatricians and researchers worry about the health consequences of commercial baby foods. In the past 20 years canned formula has become the most popular food for infants. Although this is probably superior to the old-fashioned formulas based on evaporated milk and corn syrup, it is still a pale imitation of human breast milk. For instance, it lacks the antibodies and enzymes that help ward off disease and the "bifidus factor" that promotes the growth of favorable intestinal bacteria. Because it is based on cow's milk, infants may have allergic reactions. Differences include higher levels of sodium and unsaturated fats and lower levels of cholesterol as compared to breast milk.

FOR INFANTS: ALLERGIES AND OVERFEEDING

A researcher at the University of Iowa, Dr. Samuel J. Fomon, suggests that formula feeding may be more likely than breast-feeding to lead to obesity in later life. He reasons that the formula-fed infant is expected to finish the last drop in the bottle, while the breast-fed baby stops when he has had enough. Fomon and his colleague, Dr. Thomas A. Anderson (who once worked for Heinz, a major baby food manufacturer), have also suggested that early introduction of solid foods may lead to overfeeding—the infant often is expected to finish the last spoonful in the dish.

Pediatricians also wonder about strained baby foods. Although as yet they have little solid evidence, some fear that the salt and sugar used so freely as flavorings establish taste patterns that remain with a person throughout life.

EARLY SALT HABIT MAY LEAD TO HIGH BLOOD PRESSURE

In 1969 a Congressional committee held hearing that focused on the high salt content of baby food. This attention led the manufacturers to reduce voluntarily the salt levels in baby foods, but many products still contain up to ten times as much sodium (mainly from added salt) as does breast milk. Salt is of great concern to doctors and nutritionists because too much of it in the diet of adults contributes to high blood pressure (hypertension), which is the primary cause of about 20,000 deaths a year and is the major underlying factor in some 900,000 deaths a year from stroke and cardiovascular disease. Dr. Jean Mayer, Professor of Nutrition at Harvard University and probably the most influential nutritionist in the country, has said that "preventing hypertension would be much better than finding it and treating it—and a critical step in prevention is so easy: Just eat less salt."

CALL CEREAL CANDY

For a child whose taste buds were initiated on blueberry buckle, raspberry cobbler and other sweetened and salted baby foods, the step to artifically colored and flavored sugar-coated breakfast "cereals" is a small and natural one. Many of these products, which could be called candies, are 30 to 50 percent sugar. One widely known children's cereal, for instance, contains a higher percentage of sugar (approximately 50 percent) than a chocolate bar (40 percent).

TRAINED TO SUGAR: EAT NOW, PAY LATER

Highly sweetened foods encourage young children to develop a taste for sugar, of which the average American consumes approximately 100 pounds per year. Dental researchers have proved that sugar is a major cause of tooth decay. In addition, sugar's "empty calories" displace nutritious foods and contribute to obesity, diabetes and heart disease.

While the Food and Drug Administration has not taken any action on the high sugar content of some cereals, Dr. Lloyd Tepper, Associate Commissioner for Science at FDA, said this at a 1973 Senate hearing on nutrition:

"I don't think you have to be a great scientist to appreciate the fact that a highly sweetened, sucrose-containing material, which is naturally tacky when it gets wet, is going to be a troublemaker. And I would not prescribe this particular food component for my own children, not on the basis of scientific studies, but because I do not believe that prolonged exposure of tooth surfaces to a sucrose-containing material is beneficial."

TOOTH DECAY BILL COULD BE $8 BILLION ANNUALLY

While tooth decay is certainly not a deadly disease, it can be both painful and costly. Army surveys indicate that, on the average, every 100 inductees require 600 fillings, 112 extractions, 40 bridges, 21 crowns, 18 partial dentures and one full denture. Although Americans currently pay dentists about $2 billion a year for treating decayed teeth, Dr. Abraham E. Nizel, of the Tufts University School of Dental Medicine, has estimated that we would be paying $8 billion a year if every one went to the dentist and had all his dental needs taken care of. It is Dr. Nizel's impression that tooth decay is so rampant that even "if all the 100,000 dentists in the United States restored decayed teeth day and night, 365 days a year, as many new cavities would have formed at the end of the year as were just restored during the previous year."

CHILDREN HEED THEIR PARENTS WRONG ADVICE

As children grow older and more independent, most of the messages they get from the adult world encourage them to eat food that is not best for their health. School cafeterias frequently serve meals rich in fat and low in whole grains. Television commercials employ the latest ad agency techniques to promote sugar-coated cereals and snack foods. The U.S. Department of Agriculture—over the objection of many nutritionists—allows schools to serve children nutrient-fortified cupcakes for breakfast in place of cereal and orange juice. Vending machines invite children (and adults) to buy soda pop, candy and gum. Fast-food outlets specialize in meals that are almost devoid of vitamins A and C, two of the vitamins that many Americans consume too little of. Living in this kind of environment, children may be confused when their health teacher admonishes them to "eat good foods."

America's eating habits are epitomized by what is served at our standard celebrations: baseball games, carnivals and picnics. What child would be caught at one of those affairs without a hot dog and soda pop? The child does not realize (and is not told), of course, that a diet with too high a fat content (including for example, too many hot dogs) can contribute to the epidemic of heart disease and obesity with which this country is saddled.

40 MILLION AMERICANS ARE OVERWEIGHT

Obesity is a serious medical problem. Dr. Ogden Johnson, former Director of Nutrition at FDA, has estimated that 40 million Americans are overweight or obese. In addition to being a severe social and psychological handicap, obesity is a major factor in cardiovascular diseases, mentioned earlier.

The fluffy white bun in which the hot dog is served is made from white flour, which lacks some of the nutrients that are present in whole wheat flour. Fiber is one substance that is almost entirely eliminated when the flour is refined. For several decades most researchers ignored this indigestible carbohydrate, disdaining it as mere "roughage." But evidence is mounting rapidly that fiber plays a crucial role in maintaining the health of the gastrointestinal tract (particularly the large intestine), in controlling calorie intake and in excreting cholestrol.

British physicians, notably Drs. Denis Burkitt, Thomas Cleave, G. D. Campbell and Hubert Trowell, have led the campaign to awaken the medical world to the importance of fiber. On the basis of field experience and laboratory studies, they maintain that people who consume too little fiber—and too much sugar—stand a high risk of developing obesity, diverticulosis, appendicitis, hemorrhoids, constipation, peptic ulcer, diabetes, heart disease and cancer of the colon.

WHOLE GRAINS FOR A SOUND DIET

Although Americans do get a substantial amount of fiber from fruits and vegetables, Burkitt and Trowell believe that this fiber is not nearly as effective in maintaining health as that found in whole grains and legumes. Many physicians and nutritionists in the United States are now urging Americans to base a larger part of their diet on whole grains, nuts, bran and other fiber-rich foods.

In their middle years, most Americans consume a diet that is reasonably complete as far as vitamins, minerals and protein are concerned. The typical diet usually reflects eating habits formed in childhood, however, and is hazardously high in calories, sugar, fat, cholesterol and salt, and hazardously low in fiber. Still, aside from dental problems and obesity, this diet usually causes no overt problems during the middle 20 or 30 years of most people's lives. Scurvy, pellagra, beri-beri and other nutritional-deficiency diseases are almost unknown in the United States. After about age 40 or 50, however, the changes within the body that have been gradually and silently occurring over the decades begin to make themselves felt.

REDUCE FAT CONSUMPTION

A heart attack or stroke is often the first sign that something is wrong. After the fact, physicians often urge dietary (and other) changes to prevent recurrences. The patient is ordered to lose weight and eat less cholesterol and less fat—especially the saturated fat found in meat and dairy products. The person who is around to make these changes in eating habits should consider himself lucky. The American Heart Association recommends reducing fat consumption and body weight *before* a heart attack drives home the message.

REGULAR DIET OF VEGETABLE FIBERS PREVENTS INTESTINAL DISORDERS, SAVES MONEY

As old age approaches, signs frequently show up first—and painfully—in the large intestine. Every television watcher who suffers through the incessant commercials for laxatives surely knows that constipation or, euphemistically, "irregularity" affects millions of people. The commercials push brand-name panaceas, but vegetables, whole grain breads and cereals, and fiber-rich bran (which you can get in bulk from health food stores or as one of the all-bran cereals) can do the trick equally well. Of course, eating an adequate amount of fiber-containing foods all along would have helped prevent constipation from developing.

Many elderly Americans suffer from diverticulosis of the colon, and every year approximately 170,000 people are hospitalized for treatment. This often painful illness develops when pressure builds up within the large intestine, causing outpouchings, which frequently become infected. The prescription for prevention or treatment is the same: a diet high in fiber-rich foods.

To complete our description of a lifetime of eating, we return to baby food. This time around, though, the consumers are not infants, but the elderly who have lost their teeth as a result of decay and gum disease and can eat only semi-solid strained foods. About 18 percent of all American adults have no teeth.

FAST FOODS: A VITAMIN DEFICIENT WAY OF LIFE

Ironically, some of the same companies that manufacture the foods that contribute to heart disease, constipation, and other illnesses of middle and old age have special lines catering to the suffers of these illnesses. Individuals who have become constipated partly through eating sugar-coated flakes can switch to all-bran. Did high blood pressure result partly from heavily salted soups? The hypertensive patient can turn to dietetic low-salt soups (and pay a little extra for *not* having salt). Diabetics who one loved fruit canned in heavy sugar syrup must pay a premium price for fruit packed in water.

FOOD PRODUCTION AND NUTRITION INFREQUENTLY CORRELATED

Despite the close relationship between diet and disease, no person, governmental agency or private organization in the United States has had the mission or authority to develop a broad national food policy that would consider nutritional value as a top priority in the way our food is grown, processed and distributed. As it is, our agricultural practices and eating habits have developed with little guidance from health professionals.

SENATE COMMITTEE HOLDS HEARINGS ON NATIONAL NUTRITION POLICY

The importance of developing a coherent national food policy has gained much high-level support in the past year, largely because of rising food prices and an increasing awareness of nutrition. Famine overseas has also awakened many people to the moral obligations of the wealthy nations. The development of a food policy was given a boost last June, when the Senate Select Committee on Nutrition and Human Needs held a hearing on national nutrition policy.

Heard time and time again at the Senate hearing was the need for us to base a larger part of our diet on vegetables than we now do. As Frances Moore Lappe explained so eloquently in *Diet for a Small Planet*, growing soybeans and grain to feed livestock and then eating the livestock is a much less efficient way of producing food than eating the vegetable crops (see Smithsonian, January 1975). Huge amounts of fertilizer, energy and food would be saved if Americans ate less grain-fed meat. More food could go to nations in short supply.

CALLS FOR FEDERAL NUTRITION POLICY

Serving as one cornerstone of a food policy should be the vast amount of knowledge that the world's researchers have produced in recent decades. We need to apply the findings of this research. One way of facilitating this would be to establish a Federal Nutrition Advocacy Agency, which could disseminate information to the public and professionals, and prod other governmental agencies to employ their resources to encourage better nutrition.

While awaiting the creation of such an agency, we can easily improve our own diets. For most of us, that means eating less fat, sugar, refined flour and salt—and more fiber. In terms of foods, that translates into more whole grain foods, fruits, nuts, beans and vegetables, and less meat and snack foods. A change to this kind of diet would mean better health for Americans and more food for the rest of the world and would give us less cause to worry about becoming what we eat.

TAXPAYERS FORCED TO SUBSIDIZE SMUT

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. BAUMAN. Mr. Speaker, the subject of Government grants for purposes which strike most taxpayers as irrelevant or frivolous continues to be of interest to the journalism fraternity and to the people. Syndicated columnist John Lofton recently wrote a column concerning a $5,000 grant to superfeminist Erica Jong, which helped her write "Fear of Flying," an "unhibited" book which Newsweek characterized as a "horny first novel."

I have nothing against Ms. Jong writing a "horny" novel and getting it published if she can. But I do question the propriety of her receiving a $5,000 subsidy from the taxpayers for this purpose.

This grant underscores the importance of effective review and oversight of the grantmaking procedures of various Government agencies. Earlier this year the House expressed its concern about the procedures of another agency, the National Science Foundation by passing my amendment which provided for congressional review of NSF grants. It may be that NSF is not the only agency which should be the subject of closer scrutiny by Congress.

The article by John Lofton follows:

[From the Philadelphia Inquirer, June 1, 1975]

Public Paid for "Horny" Novel

(By John D. Lofton, Jr.)

Washington.—Sometimes—like when I'm flipping through the National Endowment for the Arts' new 356-page "up-to-date guide to more than 50 Federal Government programs offering assistance to individuals, groups, and cultural institutions"—I wonder: Big Brotherwise, how the hell did we get to where we are from where we were?

I wonder: Is there any screwball project sufficiently far-out to disqualify it from being financed by the American taxpayer through a Federal grant from somewhere? I say I wonder. But after reading Erica Jong's "Fear of Flying," I really don't wonder. The answer is clearly: There is not.

Have you read Miss Jong's book: The one which its publisher labels "a dazzingly uninhibited novel that exposes a woman's most intimate sexual feelings"? Well, you should, because you helped pay for it. That's the right. It says so inside the cover of the paperback edition.

No. I'm not kidding. Besides her "intrepid editors" Miss Jong also thanks the National Endowment for the Arts "for a grant which helped." And indeed they did help, to the tune of some $5,000 bucks; your bucks and mine.

Now, the fustrating thing about the Jong book is that despite the fact that you and I helped finance it, I cannot, in a family paper, quote from it. The raunchy parts that typify the sleaziness of the book are simply too . . . well, raunchy and sleazy. But what some other people say will give you the flavor of "Fear of Flying."

The Associated Press' Bob Thomas says it is "rank enough to make Henry Miller blush." Cosmopolitan magazine calls it "lusty, raw material." And Newsweek's Walter Clemons characterizes the book as a "horny first novel" that will "scare any male who believes women 'don't think like that'."

When asked what the late Robert Frost would have thought of Miss Jong, poet Louis Untermeyer declared: "Oh, he'd be entirely disgusted by her . . . Frost lived by discretion and understatement. He'd regard her book as a howling piece of exhibitionism."

If Untermeyer is correct, Frost would not be alone. Late last year, the Smithsonian Institution canceled an appearance by Miss Jong after a dispute over what she could or could not read aloud from her book. "I am strongly opposed to a lecture by Miss Jong," said Institution Secretary S. Dillon Ripley.

Ah, government in action. A book subsidized by one government agency cannot be read aloud at another federally-funded institute.

But the thing that bugs me about the Jong book is not that it reads like a series of crank letters to the Playboy Adviser. So what? Nobody forced me to buy the book. Besides, there's a lot of trash written every year.

What makes my wallet stand on end is the fact that the government is in the business of subsidizing any of the arts or humanities! Why should it be? If some dizzy dame, or guy wants to write about her or his "most intimate sexual feelings," why should you and I be stuck with the tab for these ravings from a restroom wall?

Surely, there is a verbal voyeur somewhere with enough private capital to finance such foolishness. And if not, then this is some indication of how really "dazzling" Miss Jong's inhibitions are, isn't it?

The same applies to symphony orchestras, ballet troupes, and museums. If enough people want these things, then they will flourish. If not, they won't. And this is as it should be. I personally hope such things do flourish. And think it's bad if they don't. But what's worse is to force people to pay to support such activities through taxation when by their actions they show they have no desire to patronize such things.

As we approach our two hundredth anniversary, with our nearly $400 billion government looking about as svelte as professional wrestler Haystacks Calhoun, I think Uncle Sam ought to look to the airlines for leadership. If National, Eastern, Delta, American and Continental can give those passengers who forgo certain things like food and drink a 35 percent discount on their fares, why can't Washington inaugurate this kind of service?

If we can have "no frills" airline service, why not "no frills" government? My fear is not of flying, but of paying, paying through the nose for more Big Government than I need or want.

TWENTY-FIRST ANNUAL NATIONAL SECURITY SEMINAR

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. PREYER. Mr. Speaker, recently my administrative assistant was a guest at the U.S. Army War College for the 21st annual National Security Seminar. There he and more than 100 other people from around our country had an opportunity to meet and talk with an outstanding class of officers They were particularly impressed with the address of welcome delivered by Maj. Gen. DeWitt C. Smith, Jr., commandant of the college. I have had an opportunity to read General Smith's remarks and believe them a fine statement of the role of the Army in our Nation and world in this Bicentennial era. I commend General Smith and his associates for their commitment to our country and I want to share his seminar remarks with my colleagues:

Remarks by Maj. Gen. DeWitt C. Smith, Jr., at the 21st Annual National Security Seminar, Carlisle Barracks, Pa.

Ladies and Gentlemen: I am DeWitt Smith—through the grace of good fortune, the tolerance of my superiors, and with the help and forbearance of my subordinates, Commandant of the Army War College . . . until relieved. On behalf of all the vital and dedicated human beings who live and work at Carlisle Barracks, it is my special pleasure to extend a sincerely warm welcome to this 21st National Security Seminar.

We welcome you . . . truly welcome you . . . because we stem from the society we serve. We belong to that society. We share its values. Its problems are our problems. Its dreams are ours to dream, too.

Then, too, we know that national security is indivisible. It is often thought to be our business, but it is only so in a narrow sense. In the fullest sense, national security is the concern of every person in this land. For these many reasons, then, we welcome you. We welcome the chance to talk to you and learn with you. We welcome the chance to "go home again."

Some of you are most familiar with what we are and who we are and why we are, as well as with what we do. Others are less so. If you will indulge me for a moment, then, let me seek to provide a common base of understanding for our association and deliberations together this week.

The Army War College is an old institution whose fundamental purpose was articulated by its founder, Secretary of War Elihu Root . . . "Not to promote war, but to preserve peace by intelligent and adequate preparation . . ." That purpose has stood the test of time. It is akin to Admiral Mahan's dictum that "The purpose of power is to permit moral ideas to take root." I suspect that few if any other war colleges on this globe have set forth before them such a primary, civilized focus on peace, above war.

This college is not a "trade school," dealing with techniques and mechanics and training, important as they are. Neither is it a graduate institution in international affairs, important as that field is. It is not a rest camp, not a "charm school" for generals, and it is not now an extension of the general staff, although it was so in the very beginning.

Rather, the Army War College is dedicated to the highest professional military education of carefully selected, highly individual human beings from diverse personal and professional backgrounds in the military services and governmental agencies. "Military education," broadly defined: that is, sensitive to the subordinate role of the military in a free society; concerned with that society and both the human and national importance of the domestic agenda; understanding of the imperfect world in which we live; thoughtful of the American role in that world, past, present and future; and yet a College which also recognizes that a major part of its curriculum must be devoted to the profession itself, to history, to leadership and management and human relations, to planning and strategy, and to refining individual talents and skills.

The leadership of American armed forces must be broad-gauged, sensitive, compassionate, and understanding; at the same time, it must be tough, clear-minded, disciplined and thoroughly professional. That is much to expect of people. It is our aim to contribute to that. We hope, and believe, that our students become more skilled and professional, wiser, more perceptive, and more understanding. In sum, men and women well prepared to contribute, within the constitutional framework, to the wise and responsible use of military power in the pursuit of national objectives.

In pursuing these objectives, we believe, indeed we know, that the primary obligation of an armed force in peacetime—active or reserve—is to train its men and units, and to educate its officers. In peacetime especially, education is not nice-to-do, it's essential; the cost of this is not "goldplating," it's absolutely necessary . . . an insurance policy. The people engaged in teaching and learning at the War College, and throughout the Army, have not been taken out of the so-called "pipeline." In peacetime, they are in the front line; performing the primary chores which, in other days, produced Marshalls, Eisenhowers, Bradleys, Pattons and Ridgways; preparing themselves for a day which they hope will never come; certain that that day is less likely to come if they are capable; and knowing that our credibility to potential adversaries is dependent upon this.

The academic discipline underlying our programs derives from our purpose and mission. It incorporates studies in those fields of academic and practical endeavor which constitute the military profession. This body of knowledge, a wide one, can be called "military art and science." It is comprised of inter-disciplinary studies of the development, operation and support of military forces in peace and war; and the interrelationship of the military economic, political, technological, social and psychological factors which bear upon the broad field of national security, and upon critical questions as to the utility of military forces as an instrument of national power today and tomorrow.

The curriculum which provides the framework for this study is challenging, tailored to the needs of both the armed forces and the students, and varied in both content and methodology. The first part of the year is taken up with a core curriculum, common to all students—military and civilian, all Services, and all specialties. It begins with study of the United States and the world environment—who we are as a people and nation, our problems, our opportunities, the nations and peoples of the rest of the world, and our relationship to them. Soon thereafter we begin to integrate study of command and management—the managerial sciences, and the human sciences. Closely following these, and partially integrated with them, we take up the professional fields of military planning and strategy.

Running through all this core curriculum, and giving it further interest and variety, are a series of guest lectures by men and women who have done or thought significant things; a group of some 14 special issues such as racial relations, or the role and responsibility of the press in a free society; and a series of military strategy seminars, designed to provide historical depth and professional perspective to our present-day efforts.

As the year turns and George Washington has another birthday, our students turn to the individual concentration phase—the "electives," some 52 of them. These seminars, taught by our military and civilian faculty, and by visiting professors and other academic and practicing experts, are designed to shore up the weaknesses of some students, to reinforce the strengths of others, and especially to prepare them for a profession which places an ever-greater premium on special talents and skills. These electives range the spectrum from professional ethics, to personnel management, to research and development and on to such areas as grand tactics and strategy. In their depth, scope, and quality of guest and resident faculty, the electives here are probably unparalleled anywhere else in the military.

Then, throughout the year, those students who can persuade the faculty that they have something important to research, and the ability to do it—singly or in groups—pursue a variety of inquiries, often to the marked benefit of the entire Army or Defense establishment. This work is carried on in lieu of one of the elective requirements.

There are still other opportunities available, and still other methodologies employed. These, however, should give you an idea of just what a rich and varied intellectual fare your seminar mates of this week have been enjoying.

This symposium itself is designed to synthesize the work and thinking of a school year. Here we hope the students can consider again, in year-long perspective, the broad, key issues of national security; arrive at conclusions; and expose them to the helpful comment and critique of such a disparate group of talented fellow Americans as you. Certainly their considerations, and your discussions, must encompass such questions as these:

What are our vital national and international interests?

What priority should be given to defense expenditures in this time of peace, domestic need and economic difficulty?

What is the present-day relationship between international economics and national security?

What should be the post-Vietnam role of America in world affairs?

Why does the Soviet Union continue to increase its defense expenditures and strength?

How sound are the ethical bases underlying our national institutions, our military forces, and, indeed, our world friendships and world commitments?

What are the implications of detente?

Is military strength required to make detente possible and safe?

How much strength?

How can we obtain adequate security at lesser cost?

What are the implications of nuclear parity?

What is the future utility and desirability of alliances?

The list is long; there are more issues; there is much to think about. This is what our students have been doing all this year.

Perhaps there is one other thing they have been doing, too. It concerns their humanity, and people. For the Army, after all, and above all, is people. It is suggested by a quote long ago from Professor Woodrow Wilson, when he observed that ". . . a college is not only a body of studies but a mode of association . . . home for the spirit of learning" . . . where, "by the gentle infection of friendliness, the life of the intellect is made a general contagion."

I think many of our students, given the time for once to breathe and reflect, have been pondering the human, spiritual, and philosophical aspects of their lives, their careers, and their profession. In a place of fewer institutional crutches, fewer symbols of position or authority—this College—they have been able to think about who they are, what they should be, and what they should do. Self-deception is difficult in an open society of peers; the virtues of friendship loom larger than ambition; the end is not more important than the means; principles count; and striving to achieve an ideal is more important than competing to outshine a fellow officer. These are not new thoughts to the fine men and women who come here to study. But, in a very busy world, the time and chance to reflect upon them is new.

So, since you will be with us throughout this week, I wanted you to know something of what we have been thinking and doing this year. A free nation such as ours asks much of its military leadership. Among other things:

That it be professionally skilled; lean, tough, able; and educated;

That it be representative of its society and representative of that society's best instincts;

That it be in touch with its society, socially and philosophically;

That it be constitutionally responsive to the imperatives set forth in the founding documents of this free people;

That it be committed to the protection rather than the suppression of the freedoms of these people;

That it not be bellicose, and yet be fully capable of defending both our national freedom and our national freedom of action.

Lastly, that it be thick-skinned and able "to stand the heat in the kitchen"—not sulking or overly-sensitive about those who carp or criticize or doubt. In a free society, skepticism and honest criticism of the military are requisites of freedom itself. We can endure them, and profit from them. What we cannot endure are unthinking support on the one hand, or ignorance, apathy and indifference on the other. What we should not have to endure, but can, are stereotyping, emotional criticism, and know-nothing attacks.

I am deeply proud of the fine officers we have had here as students this year. I think, as fellow citizens, you will share my admiration as you get to know them. While to the best of my knowledge, they all stem from legitimate origins, nevertheless they fit the description of Voltaire, when he said: "Whoever serves his country well has no need of ancestors."

They, in turn, are proud of their country and their armed forces. They know that both the land and the armed forces have warts on their faces and human imperfections. But more importantly, they know that both the land and the Army, judged in real-world perspective against other lands and armies, stand tall on the relative horizon of man's achievements. This is no disillusioned Army after Indochina and Algeria! Nor even the Army of Cromwell. This is no Nazi Germany! Nor even a land of kings, or especially of military oligarchs. This is a land and an Army with 200 years of demonstrated faith in ideals; 200 years, not of perfection but of moving up the road of human progress—together.

With that knowledge and the faith it creates, all these students—soldier, sailor, marine, and civilian—are preparing now to step back into the workaday world of public service, sharing in their own ways the faith and convictions expressed by General Creighton Abrams in his last speech: He said "There must be, within our Army, a sense of purpose, and a dedication to that purpose. There must be a willingness to march a little farther, to carry a heavier load, to step out into the dark and the unknown for the safety and well-being of others."

What is true of our Army is also true of our nation. It, too, needs purpose, dedication, and the willingness to step out into the dark for the well-being of itself and others.

We welcome you here, representing as you do nearly every region and profession and walk of our society, to help us prepare better for the load we are privileged and proud to carry. We have no doubt that we can carry the load. And we have no doubt that the Great Republic will prosper. To that end, let us join together.

THE FALLACIES OF GUN CONTROL

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. SHUSTER. Mr. Speaker, in the June 1975 edition of the Pennsylvania Game News, our distinguished colleague, Mr. Symms, has presented a cogent rebuttal to those zealots who have advocated the regulation of firearms in our Nation.

I have contended that gun control has always been a "fake issue." Certainly, removing firearms from the hands of those who commit crimes is a desirable goal; however, to expect criminals to register their guns is sheer naivete.

Mr. Symms, guest editorial presents a most convincing case and I heartily recommend it for reading by all in this Chamber.

The editorial follows:

[From the Pennsylvania Game News, June 1975]

Representative Steve Symms on Gun Control

"I am all in favor of keeping guns out of the hands of criminals, although I must confess that I am much more concerned about the commission of a crime than I am about the method or weapon employed. Nevertheless, disarming criminals of firearms is a worthy goal. Unfortunately, it is also completely unrealistic. Those who attempt to impose strict registration requirements or outright bans on firearms as ways of keeping them away from criminals are fighting a losing battle. Common sense tells us that the reason they are classified criminals in the first place is because they are in the habit of breaking laws. There is no reason to assume that they will obey federal gun laws any more than other laws they have broken.

"The question of federal gun registration goes even beyond this argument, however. As a result of the Haynes decision by the Supreme Court in 1968, criminals would not be legally obliged to register their guns—only honest citizens would. The Court ruled that since persons who possess firearms illegally would be incriminating themselves if they came forward and registered them, they were in effect exempted from gun registration.

"The desire to ban firearms as a solution to crime is very analogous to the desire in the 1920s to ban liquor as a solution to intemperance. Gun prohibitionists and liquor prohibitionists both reach their conclusions by convoluted logic about human behavior.

"Their assumption is that human beings are victims—mere pawns of the inanimate objects around them. Remove the objects and all will be well. The Prohibition period should have taught us that this kind of reasoning is nonsense, that deviant behavior is primarily a function of human free will. And just as whisky was readily available in the 1920s to whoever chose to break the law, so will firearms be easily obtainable through illegal channels by the crime community. The black market opportunities for organized crime would be staggering. Ultimately, any ban on firearms would have the effect of funneling huge amounts of money into the coffers of those whom the law was originally intended to control."

In regard to the emphasis being placed on gun control as opposed to the overall problem of serious crime nationwide, Rep. Symms brought these facts to attention:

"1) According to FBI reports, firearms are used in less than four percent of all serious crimes nationwide. 2) While firearms ownership has gone up steadily over the years, the rate of homicides involving guns has been declining significantly. 3) Over the past ten years, less than one-fourth of the aggravated assault cases across the Nation were committed with firearms. 4) There are perhaps 200 million private owned fireams in the U.S. today, of which only one-sixth of one percent are used in the commission of crimes annually, including less than one percent of all handguns. 5) Firearms and shooting sports are ranked 15th on the list of sports most likely to cause accidents. There are 20 times more accidental deaths with cars, 8 times more through falls and three times more through drowning.

"My final objection to Federal firearms control rests on moral and philosophical grounds. Gun owners, hunters, sportsmen, collectors, and shooters are, as a group, probably the most law-abiding people in the entire United States. They are not potential killers and menaces to their communities as the anti-firearms campaign portrays them. Virtually every gun organization and club in the U.S. sponsors, conducts, staffs and supports training and safety courses in firearms. To penalize these people who use firearms for lawful purposes because of the criminality of a minute number is not in conscience with the fundamental American principle of justice and fairness. Nor does it set well with our heritage and our history as a free people."

Rep. Steve Symms, of Idaho, presented the above comments before the Subcommittee on Crime of the House Judiciary Committee.

NICK THIMMESCH OF THE LOS ANGELES TIMES ON WHY THE PUBLIC'S ATTITUDE TOWARD "CAPITAL" MUST BE CHANGED IF AMERICA IS TO REDUCE UNEMPLOYMENT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. KEMP. Mr. Speaker, public opinion is a gravitational force, especially in a free society. Public opinion draws in its direction the actions of those who feel their conduct should be consistent with it. Similarly, it keeps them from drifting too far away from the center of that public opinion—a centrifugal force, if you will.

It is customary and understandable, in this context, to see the enactment—by representatives of the people who are chosen through popular election—of policies and programs which reflect the majority opinion.

The English parliamentarian and orator, Edmund Burke, in his address to the Electors of Bristol in November 1774, stated quite clearly—

> Your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you, if he sacrifices it to your opinion.

But, the point remains, that most votes are heavily influenced by perceptions of public opinion.

In fewer instances could this be more aptly demonstrated than in votes cast on economic issues—those affecting the livelihoods of the people.

We have seen in this country the enactment of laws which are decidedly anti-free enterprise. They would undo the free enterprise system, substituting the judgments of far-removed and unaccountable Government officials for those of the people themselves. They would preclude the accumulation of earnings—from which comes the investment capital essential to increasing real productivity and real earnings power—through encouragement of immediate consumption.

The entire free market system—the system which has produced the highest and freest standard of living in the history of the world—is subject to their derision, ridicule, and taunting. Words like "free enterprise," "competition," "profit," "supply and demand," "capital," "productivity"—these are spoken by the anticapitalists in a strictly contemptible sense.

Yet, we cannot reasonably expect the attitude and voting patterns of elected representatives to change—away from the anticapitalist orientation and toward the pro-free enterprise position—until such time as there has been a shift in public opinion on the fundamental economic questions: If the gravitational force of the anticapital opinion is greater than the gravitational force of the pro-free enterprise opinion, that is where the votes will go. The task is to change the strength of the forces pulling against the free market and toward central planning.

If America is to effect a strong and enduring economic recovery—including an appreciable reduction in unemployment—it must change its attitudes concerning in which approach to replace its reliance—Government planning or the forces of a free market economy.

Mr. Nick Thimmesch, the insightful columnist for the Los Angeles Times, makes this point cogently and convincingly in a column of last week. He depicts what has happened to our economy in recent years, including the anti-free enterprise attitudes of "political figures, Government, public-advocacy devotees, and even in my own trade—the media."

I think this column is well worth the attention of every Member of the House and Senate—and of those in the administration and the independent regulatory agencies:

A Reappraisal of Big Business

(By Nick Thimmesch)

WASHINGTON.—For years, those popular ogres, banks and corporations, yelled that taxes were too high, profits too low and free enterprise was in peril. Oh, how many salads were shriveled and digestive juices interrupted by those thundered warnings at bourgeoise luncheons and dinners.

But the public rightfully ignored such cries of calamity, for banks and corporations prospered mightily in the postwar period. The salons of executives and money-changers grew posh, and their suburban premises reflected unusual prosperity.

Small wonder, then, that after a long siege of Naderism and other anti-establishment attack, business turned up unpopular in the polls, its credibility limping and its spirits down.

Small wonder that a survey conducted in April by the Opinion Research Corp. (ORC) showed, for example, that the public believes that the average automobile manufacturer makes about 20 times as much profit after taxes as the company actually does.

What's interesting about this ORC survey is that well-educated, high-income people share this public misconception. Somehow, business has cried "wolf" too often, and few souls believe its spokesmen any more.

Profits, as not enough people know, are necessary for investment—expansion and modernization of productive capacity. In recent years, despite headlines about high (gross) profits, the basic manufacturing industries suffered a great decline in net profits, and the earnings slide further in the current recession.

The unhappy result is that the United States is slipping way behind the rest of the industrialized world in real economic growth. In fact, a survey of the 1960–1970 period shows the United States 18th among the top 20 advanced economies of the world. We are even with Ireland, and several points ahead of Luxembourg. The United Kingdom is in the cellar in this tabulation, and Prime Minister Harold Wilson complains plenty.

U.S. industry suffers a serious capital pinch, and an executive like Ian MacGregor, chairman of the American Mining Congress (now wait a minute, hold your boos, folks), calls it, "probably the most important question facing our country at the moment."

On Mutual Radio's Reporters Roundup, MacGregor explains the American reputation of "being a marvelous capital producer has been seriously eroded since World War II," and seriously questioned whether the United States can provide new jobs and solve the energy problem without "complete changes" in the public attitude toward capital.

Even with population size leveling off, 10 million new jobs must be created in the next five years in the United States. It takes up to $40,000 in capital to create even one job. The best estimate is that in the next 10 years there will be $2.6 trillion available for such investment but that $4.1 trillion is needed.

Much of the problem is lodged in the attitude of political figures, government, public-advocacy devotees and even in my own trade—the media.

Somehow, business is perceived as "bad," profits as "too high," and the need for capital a mystery we'd rather not think about. Curiously enough, an increasing number of labor leaders, the men who learn economics by studying the industries they are trying to extract raises and benefits from, are sharing the concern of executives about industry's ability to expand.

Labor leaders get around the world, and they know that the American industrial plant is at least two years older—and less efficient—than those of Europe and Japan. It won't be long before the United States will suffer serious disadvantages in the tough competition for world markets. The present recession will then seem like good times.

It is hard for the likes of me to see big business as an underdog, but in terms of its ability to reinvest profits and slug it out in the ring of world competition, one can hardly say our guys have the upper hand.

Too much of our wealth—up to 40% of gross national product—is going into the least productive sector, namely government. It is too difficult for people to save money any more—thus providing capital.

Corporations are not given incentives to plow back profits into new investment. The wild swings of fiscal and monetary policies by government makes corporate planning a nightmare.

And it's the businessmen's fault, as well. Too many business executives today live in the comforting corporate womb, too timorous to speak out or to get into the ring and slug. They are allowing a great economic engine—the U.S. economy—to run down, rust and sputter. Even half-Socialist Sweden doesn't allow its engine to fall into disrepair.

If there is not improvement in the profit-reinvestment situation soon, many of those critics who helped damage the once-marvelous engine will be standing there screaming at it for not providing all the goodies it did in yesteryear.

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BIG MOTHER GOVERNMENT

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 16, 1975

Mr. DICKINSON. Mr. Speaker, nearly two centuries ago, Scottish jurist and historian Alexander Tyler said:

> A democracy cannot exist as a permanent form of government. It can only exist until the voters discover they can vote themselves largesse out of the Public Treasury. From that moment on, the majority always votes for the candidate promising the most benefits from the public treasury, with the result that democracy always collapses over a loose policy, always followed by a dictatorship and a monarchy.

I hate to be a doomsayer, but if these first few weeks in June are any indication of things to come, I sincerely wonder if we are not going to see Tyler's prediction come true in our lifetime.

Talk about loose fiscal policy. Today the House voted to extend the debt ceiling another $216 billion, which puts this country over $600 billion in debt. How long can we continue to borrow that kind of money from the private sector to run Government without bringing on the economic collapse of our system? I would hope that we could learn a few lessons from the many mistakes the city of New York has made along these same lines. Apparently we have not.

As for welfare, it appears that we are going to continue to spend more and more on social services although we have already reached the point where nearly half our tax dollars go to support social programs which are welfare oriented. Yet, just 4 days ago a Federal Appeals Court ruled that the Agriculture Department's system of food stamp allotments provides some families with less than adequate diets and gave the Department 120 days to draw up a new plan to insure that food stamp recipients can obtain nutritional meals according to Federal law. Obviously, this means the program will be expanded to bring in more people and also increase the cost of the Government dole per recipient.

And, in last Saturday's Washington Post, there appears the story of a U.S. district judge blocking new Federal rules that would significantly reduce the number of people on welfare. He was acting on a suit filed by the National Welfare Rights Organization and other welfare groups. Since when is welfare a "right"?

As if the judicial system was not increasing the welfare programs rapidly enough, private enterprise is also getting involved. Some of you may have seen what I consider the "last straw"—a full-page advertisement in the June 8, 1975, issue of Parade magazine urging people to take advantage of their "right" to get food stamps even if they make as much as $16,000 a year. An excellent editorial in the June 14, 1975, issue of the Birmingham News addresses this latest ploy to get the public more dependent on Government largesse and I would like to place it in the Record at this point:

SIGNS OF DRY ROT?

The implications one may draw from a full-page advertisement in a recent edition of Parade are shocking, even frightening.

The ad suggests to taxpayers making up to $16,000 per year that they should investigate the food-stamp program to see if they are not eligible to receive dole.

The ad is hustling a book that will explain how even those making comfortable incomes may cut themselves in on the food-stamp ripoff.

It suggests that one should not be embarrassed at taking a government handout meant for the really poor. That's just being old fashioned.

"The embarrassment surrounding food stamps and the old fashioned notion that you must be on welfare to participate are quickly becoming a thing of the past," the ad states without apology.

The ad says that perhaps as many as 15 million are now eligible to receive food stamps under new rulings but have not applied.

The ad suggests to prospective book buyers not to consider food stamps as a welfare handout, but to view them as simply a rebate on taxes they have paid to government lo these many years.

It is to be hoped that no Americans will subscribe to the flawed philosophy of this advertisement. Welfare programs—and that is simply what food stamps are part of—are designed for those unable to earn for themselves sufficient wages to buy necessary food. They were not meant for luxuries as the ad suggests.

It is a shameful that there are those who, for profit, would direct others to prey on the resources of the poor.

It is shameful that there is loose in the land a philosophy that it is all right to pick the bones of charity, that to have pride in one's independence is really old fashion.

It is to be hoped that this kind of thinking is an aberration and not symptomatic of hidden dry rot in the national character.

And those who wrote the new rules regarding eligibility for food stamps should be warned that it is not Big Brother the nation needs to fear as the thief of freedom, but Big Mother, a government that seeks to make all dependent upon it for the necessities of life.

HOUSE OF REPRESENTATIVES—*Tuesday, June 17, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The fear of the Lord is wisdom and to turn from evil is understanding.—Job 28: 28.

God of all mercy, who art with us all our days and art acquainted with all our ways, we pause at the altar of prayer conscious of our sins of commission and omission which have drawn us away from Thee and from the glory of a greater life. Because of our frailties and our faults, because of tasks too difficult for us to manage, we are driven to Thee for wisdom to guide us and for strength to sustain us through these trying times.

In deed and in truth help us to serve our country with integrity and fidelity as we endeavor to build the city of God in the midst of the city of man.

We pray for the Federal Republic of Germany and for her President who speaks to us today. May our countries join together in working for peace and justice and freedom in our world.

In the spirit of the Prince of Peace we offer this our morning prayer. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 18. An act to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes;

S. 584. An act to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; and

S. Con. Res. 45. Concurrent resolution expressing the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing variable rate mortgages unless and until authorized by the Congress.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. **MURPHY** of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERSONAL EXPLANATION

Mr. **PATMAN**. Mr. Speaker, I have a request to correct the Record.

On rollcall No. 283 the question before the House was the gasoline tax, and I was incorrectly recorded as voting "no." Since I oppose the gasoline tax and favored the Stark amendment, I actually voted "aye" on rollcall No. 283.

CALL OF THE HOUSE

Mr. **RHODES**. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **O'NEILL**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 307]

Barrett
Bell
Bevill
Biaggi
Boggs
Brademas
Brodhead
Buchanan
Burke, Calif.
Burke, Fla.
Chisholm
Collins, Tex.
Conyers
Coughlin
Diggs
Dingell
Downing
Drinan
Esch
Evans, Colo.
Fithian
Flynt
Foley
Ford, Mich.
Green
Gude
Harsha
Hébert
Heinz
Jarman
Jones, Ala.
Karth
Kemp
McCormack
Mahon
Michel
Miller, Ohio
Mollohan
Mosher
Neal
Obey
Price
Rees
Riegle
Risenhoover
Roybal
Scheuer
Smith, Iowa
Snyder
Staggers
Stokes
Stratton
Talcott
Teague
Udall
Wiggins
Wilson, C. H.
Wright
Wydler
Wylie
Young, Alaska

The **SPEAKER**. On this rollcall 372 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RECESS

The **SPEAKER**. The Chair declares a recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 20 minutes p.m.) the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO RECEIVE THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY, WALTER SCHEEL

The Speaker of the House presided.

At 12 o'clock and 22 minutes p.m., the Doorkeeper (Hon. James T. Molloy) announced the President and Members of the U.S. Senate who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The **SPEAKER**. The Chair appoints as members of the committee on the part of the House to escort the President of the Federal Republic of Germany, His Excellency Walter Scheel, into the Chamber, the gentleman from Massachusetts, Mr. O'Neill; the gentleman from California, Mr. McFall; the gentleman from California, Mr. Phillip Burton; the gentleman from Pennsylvania, Mr. Morgan; the gentleman from Arizona, Mr. Rhodes; the gentleman from Illinois, Mr. Michel; and the gentleman from Michigan, Mr. Broomfield.

The **VICE PRESIDENT**. Pursuant to the order of the Senate, the following Senators are appointed to escort the President of the Federal Republic of Germany into the House Chamber: The Senator from Mississippi, Mr. Eastland; the Senator from Montana, Mr. Mansfield; the Senator from West Virginia, Mr. Robert C. Byrd; the Senator from Alabama, Mr. Sparkman; the Senator from Utah, Mr. Moss; the Senator from Colorado, Mr. Hart; the Senator from Pennsylvania, Mr. Scott; the Senator from Michigan, Mr. Griffin; the Senator from North Dakota, Mr. Young; the Senator from Texas, Mr. Tower; the Senator from Nebraska, Mr. Curtis; and the Senator from Vermont, Mr. Stafford.

The Doorkeeper announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The Members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 32 minutes p.m., the Doorkeeper announced the President of the Federal Republic of Germany, His Excellency, Walter Scheel.

President Scheel, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

[Applause, the Members rising.]

The **SPEAKER**. My colleagues of the Congress, it is a high privilege and personal honor to present His Excellency, Walter Scheel, the President of a great and free country.

His Excellency, the President of the Federal Republic of Germany.

[Applause, the Members rising.]

President **SCHEEL**. Mr. President, Mr. Speaker, you have invited me to address you. I appreciate this special gesture. I respond by expressing the deep respect which every democrat owes to this outstanding assembly. I am glad of this opportunity to express some thoughts on questions that are of concern to all people in the free world.

The world is fraught with unrest and problems, and I am grateful to be able to discuss them with you.

Today all governments with a sense or responsibility unavoidably find themselves competing to save mankind from misery and anarchy. The leaders in that contest are not automatically the powerful ones, but rather those who can come up with convincing answers to the problems of modern society.

We have had to learn that not only the individual is mortal but the whole of mankind. It can perish in a few days through arms of destruction. It can perish in a few generations through environmental pollution and the wasteful exploitation of its natural resources.

The words of St. Matthew still hold true for the whole of mankind. No town, no household that is divided against itself can stand. The community in this situation has nothing more to fear than the passions of egotism. It needs nothing more than the voice of reason which reconciles the different elements and forges them into a whole. That voice has often been raised on this side of the Atlantic. When Europe began to break up the old feudal systems with new democratic ideas, the American Revolution turned the theory of democracy into practice.

When the nations of Europe picked themselves up from the debris in 1945, it was the United States who through its inspired leadership galvanized the forces of the old continent into a coordinated recovery operation.

That action was perhaps the most generous in the history of mankind. It will be associated forever with the name of Secretary of State George Marshall.

My country was included in it as early as 1947. Indeed in 1946 already a great American statesman, Secretary of State James Byrnes, in his historic speech in Stuttgart held out a hand to the former enemy. The tests and dangers we had withstood together let this understanding grow into a well tried political partnership. That partnership has rendered us capable of great achievements. It has made our ostpolitik possible and has enabled us to defuse the complex and dangerous Berlin problem.

But the freedom of Berlin is not based on international agreements alone. Berlin remains free by virtue of deeds ever since American citizens risked, indeed, sacrificed, their lives during the airlift. It remained free by virtue of the words by which President Kennedy called himself a "Berliner." That city remains a decisive hinge of East-West relations in of détente and our alliance are put to the Europe. Here the strengths of any policy test day by day.

It is true, I speak to you as the representative of a divided nation. We have not succeeded in overcoming the artificial and natural division of Germany by peaceful means. Other than peaceful means have never been thought up, nor will they be. No one will understand better than you, Senators and Congressmen, that a nation can never forgo its unity as a political goal.

The first essential is this: If a rational and sincere policy of détente is to have any meaning for us, it must surely be to make it easier for the people in divided Germany to live together.

After the darkest years in our history, the United States gave us generous support. But let me also say that nothing of what you have done for us since has been in vain. You have gained a good ally who makes its full contribution toward the defense capability of the alliance, a contribution that is second to none but that of the United States. An ally for democracy, a partner for the efforts which Europe and America will have to make together in order to enable all people to live in conditions worthy of man.

But the partners of the Atlantic Alliance who include the oldest democracies on Earth must not shirk the question, "Can our democratic way of life survive?" Has it not already been overtaken by the accelerating rate of change in the world? Do we still have the moral strength to find for ourselves and others the way through the uncertain?

These questions lead us back to the ideas of which our democracies were born.

I am convinced that they will stand scrutiny. They make us alive to the reliable, the constant elements of our policy; the Atlantic Alliance on which our freedom and our freedom of action rests and the common values in which our partnership is rooted.

The meeting of the NATO Council in Brussels and the prominent role which President Ford played there have concurred that these are joint beliefs and vital links. The political responsibility of the world power America extends beyond the Atlantic area. Wherever world peace is threatened, this country places its enormous weight on the scales of peace. And at this present time as well the world hopes that the courage and perseverance of its political leaders will give them the strength to forge peace in the Middle East bit by bit. For what use are the dignity and freedom of man if they lack the ground of peace in which to grow?

Belief in these very values, the dignity and freedom of man, has inspired our best political minds for over two centuries. When my own generation entered upon the political scene, we considered the model offered by America as proof that the concept of Western democracy was a fitting basis from which to cope with the problems of this, the most difficult of all worlds.

I realize that for 12 years those ideals were treated with shocking contempt in Germany, and yet freedom ultimately prevailed. Exactly 22 years ago today, on the 17th of June 1953, it showed its elemental strength when East Berlin workers, heedless of the risks to life and limb, hoisted the black, red, and gold flag on the Brandenburg Gate.

Totalitarianism may use arbitrary means, yet in the end freedom will triumph. Nevertheless, freedom can preserve its strength only if each generation anew makes it its own. In the European Community democratic forces openly vie with one another and with the Communists, but we have learned that our idea of freedom will be cogent only as long as it is the motive force of social change. If this is not so, it remains a hollow word.

The catchword of our time is "détente." It is a fundamental objective of our foreign policy. It is a great hope of our Nation. But the peaceful existence side by side of East and West knows of no cease-fire on the ideological front. And the fronts in this ideological battle run right through the German nation, which has been divided for decades. We shall be the losers in that struggle unless we see why Communist ideologies are effective in Europe or in the Third World. We see communism succeed where injustice and misery predominate, and we have to sharpen our conscience.

It is my belief that political freedom cannot prevail where the social conscience remains silent. In our two countries we have been able to humanize working conditions without revolution and bloodshed. Our political leaders have rated human dignity and freedom higher than the rights of the powerful in the free market. They know that political freedom becomes a farce unless the individual has the material means of self-realization. Freedom and social justice go together. Social peace is the prerequisite for a nation's inner strength. Without that inner strength it has no strength internationally.

Our Constitution upholds the concept of ownership as the basis of a free economic order. But at the same time, it postulates the social obligation inherent in ownership. That is what our Constitution, the basic law of the Federal Republic of Germany, prescribes, and this has been the approach of all governments of the Federal Republic of Germany.

Ten million refugees from the lost regions of Eastern Germany found a new homeland in the destroyed and overpopulated western part of our country. Generous legislation and the sacrifices made by the people gave those expellees equal opportunities. My country is proud of that achievement.

Today we are trying to achieve a balance of interests and opportunities on a much larger scale. The entire world economic order must be given the chance to develop further, but in the process nothing should be given up that has proved its value.

We are called upon to share responsibility for answering vital questions from five continents: Tomorrow's grain and rice deficit, the interplay of population pressure and economic development, the mounting cost of military security. The starving in many parts of the world still need our help. Young nations who hoped to achieve industrial prosperity overnight with the aid of our capital and technology are disappointed and put the blame on us. The industrialized countries can only meet these challenges if their economic constitution is sound.

This means for our countries we must continue along the paths we have taken in fighting unemployment and worldwide recession. Our economic policies must give sufficient impulses to domestic demand.

One thing is certain: Only through close cooperation between North America and Europe, and by harmonizing interests, have we any prospect of mastering such tasks. It is certain that our combined energies will not provide the solution without the contributions of other nations. And it is certain also that we would be betraying the old fundamental ideas of democracy if we were always to be found on the side of those who defend property and privilege against social demands, demands born of hunger and distress.

It is our task to find evolutionary solutions, but this is no easy matter. The welfare of our peoples which we have to guard did not come to us overnight. We owe it to the hard work and privations of whole generations. It would be politically meaningless and economically impossible just to transfer our assets and our social achievements to others, as some developing countries would like it.

Our aim is not to maintain the status quo, but to seek harmonization of interests. The readiness to accept change is the prerequisite for the pursuit of happiness, and in that context it is the spirit we adopt in our relations with the partners from other camps that will be decisive. Our diplomatic tools shall not include threats and intimidation. In a spirit of partnership, without mental reservation, it is possible to reconcile even sharply conflicting interests. In everything we do we must start from the fact that in the decades ahead there is only one rational course open to us, that of cooperation.

The nine European states have, with much good will, worked out an overall modus of economic cooperation with the nations of Africa, Asia, and the Caribbean. In protracted negotiations, sharply differing points of view and interests of many sovereign partners have been harmonized. Here we have a promising example of multilateral cooperation with the Third World. It also shows that the European community can have a stabilizing influence on the world economy.

At the same time, it becomes clear that the European community is capable of helping to ease the burden of the United States, once it finds its way to joint action. The European union to which we have committed ourselves has not yet been completed, and to be frank, in this respect we are still a long way behind our hopes and our promises. But Europe is nedeed, and we shall build it, and in so doing, we need the understanding of the United States.

We need long-term European-American cooperation. It must be based on mutual trust. It must be candid. It must not again make the mistake of emphasizing divergent secondary interests at the expense of primary common interests. We need not only the willpower and the technical capability of the United States which President Ford referred to in Brussels but also to quote him again, "its spiritual drive and steadiness of purpose." Not as some may have feared and others may have hoped, recent developments have not loosened the ties of European-American solidarity. On the contrary, more energies have been set free for the alliance which will be concentrated on its tasks. The awareness of our interdependence is deeper than ever. It has above all become clear to us that it is the common fundamental democratic beliefs which distinguished the alliance from others and which nourished its strength in each member state.

I believe in a Europe committed to the human rights that were embodied for the first time in the constitution of Massachusetts, a Europe which fills these principles with a sense of social justice of our generation. Only with a deeper understanding of our spiritual heritage will the democracies on either side of the North Atlantic be able to assert themselves and thus effectively serve the cause of world peace.

Together with you, we shall recall the concepts and ideals of the American Revolution. May our age find us as resolved, as realistic, but also as idealistic as those men and women who made this great country.

[Applause, the Members rising.]

At 12 o'clock and 58 minutes p.m., His Excellency, Walter Scheel, President of the Federal Republic of Germany, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests, and the Members of the President's Cabinet, from the chamber.

JOINT MEETING RESOLVED

The SPEAKER. The purposes of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses of Congress hereby dissolved.

According at 1 o'clock p.m. the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

The SPEAKER. The House will continue in recess subject to the call of the Chair. The bells will be rung approximately 15 minutes prior to reconvening.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 35 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "non-record" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

CALL OF THE HOUSE

Mr. CONTE. Mr. Speaker, I make the point of order that a quroum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 308]

Andrews, N.C.
Bingham
Brademas
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Fla.
Cederberg
Conyers
Derwinski
Dingell
Drinan
Eshleman
Evans, Colo.
Findley
Fish
Flynt
Foley
Ford, Mich.
Fraser
Fulton
Goldwater
Gude
Hébert
Heinz
Horton
Howard
Hutchinson
Jacobs
Jarman
Jones, Ala.
Krueger
Leggett
McCormack
McHugh
Macdonald
Meyner
Mezvinsky
Miller, Ohio
Mills
Mink
Mitchell, N.Y.
Mollohan
Nolan
Price
Quie
Quillen
Rees
Rosenthal
Ruppe
Santini
Satterfield
Scheuer
Seiberling
Shuster
Simon
Snyder
Solarz
Spence
Staggers
Stanton, James V.
Stokes
Stratton
Stuckey
Symington
Talcott
Teague
Thompson
Udall
Waxman
Wright
Wylie

The SPEAKER. On this rollcall 361 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THIRD ANNIVERSARY OF THE INFAMOUS BREAK-IN OF WATERGATE

(Ms. ABZUG asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Ms. ABZUG. Mr. Speaker, this is the week of the third anniversary of the infamous break-in of Watergate by the plumbers. Regrettably, it is also the week—yesterday—when I believe the House may have given a misinterpretation, or at least a wrong impression, to the American public.

This House understands the meaning of "coverup." This House understands the meaning of its own action, in that it set up a select committee to investigate the CIA, and other intelligence agencies, through House Resolution 138.

Mr. Speaker, I know that the Members who voted here yesterday, regardless of how they voted, recognize that the American people look to them to continue that investigation and, therefore, to continue this committee to conduct that kind of activity. I would hope that there is no backtracking from that position.

There are some Members who have been going around the House and suggesting that this committee should be abolished. I think there are many who voted to support the gentleman from Michigan (Mr. NEDZI) on the mistaken notion that he sought only a vote of confidence. I think that those who insisted that the gentleman from Michigan (Mr. NEDZI) not continue with his own efforts to resign were using this as a pretense to attack the committee.

Mr. Speaker, that, I think, is unfair, and I hope the Members will see to it that we carry out our responsibility under the Constitution and our responsibility to the people by continuing this committee.

VIEWS ON THE PROPOSED NEDZI RESIGNATION

(Mr. MAGUIRE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAGUIRE. Mr. Speaker, yesterday the central issue relating to the Nedzi resignation was never discussed: How will the interests of the Nation best be served in the ongoing investigation of improper CIA activities?

When the gentleman from Michigan (Mr. NEDZI) lost the confidence of all the other Democratic members of the committee due to disclosures never refuted that he had failed to act on previous knowledge of improper CIA activities, his resignation ought to have been offered unambiguously and accepted categorically.

This should not have been presented as a vote on how Members feel about the gentleman from Michigan (Mr. NEDZI) personally or on the distinction of his service in the House. It should have been a vote on whether the House and its special committee will have the confidence of the American people in pursuing the facts regarding CIA activities, wherever those facts may lead.

To see this House yesterday refusing to directly and effectively address that issue astonished and deeply disappointed this new Member.

Mr. Speaker, I came to Congress committed to a principle which I thought most of us in this House shared: that we should affirm and enhance, not compromise and abuse, the important investigative and oversight functions of Congress.

Once again, the people are waiting for Congress to catch up with them. They are waiting for a Congress they can respect, a Congress which will act uncompromisingly in their interests on the critical public issues of the day.

ADDITIONAL VIEWS ON THE PROPOSED NEDZI RESIGNATION

(Mr. MOFFETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOFFETT. Mr. Speaker, I believe that the gentleman from Michigan, LUCIEN NEDZI, is a good man and that all the good things said about him yesterday are very true.

But the American people have not lost sight of the fact that there is definitely a conflict of interests here. Not until this body begins to deal with that issue will the citizens of this country have any confidence in the ability of Congress to investigate the CIA and its alleged abuses.

We all remember when the ratings of this Congress skyrocketed when, during the Watergate probe, the assertiveness and aggressiveness of Congress and its sincere search for the truth were transmitted in living color into the living rooms of homes all over the country.

Mr. Speaker, I suggest that we get back to these central issues and again begin to have an honest and sincere search for the truth on the matter of the CIA. The gentleman from Michigan (Mr. NEDZI) has submitted his resignation from the chairmanship and he should step down.

ABOLITION OF THE FEDERAL METAL AND NON-METALLIC MINE SAFETY BOARD OF REVIEW

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, when the continuing resolution is considered later in the day, I hope to offer an amendment to strike out any funding for the Federal Metal and Non-Metallic Mine Safety Board of Review.

This is a Board which began operating 4 years ago, on July 31, 1971. The Board has heard no appeals and no cases and has done no work. The executive Secretary sits in his office all day listening to Beethoven records and doing nothing. He is paid $19,693 a year, and his secretary draws $14,125 per year. In justice to the executive secretary, Jubal Hale, it should be said that he personally feels and has stated that this Board should be abolished.

It appears that it has proven very difficult for Congress to cut off an agency which has once been established and started. One way to cut off the useless Board would be to agree to my amendment to the continuing resolution which would stop further funding for this do-nothing Board.

PROBLEMS OF SELECT COMMITTEE IN INVESTIGATION OF THE CIA

(Mr. HARKIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARKIN. Mr. Speaker, I do not know any of the personalities involved in this affair as between the chairman and the select committee. I am certain that they are all honorable people and decent people.

I do not know any of the undercurrents that seem to be flowing underneath the surface of all this. I only voted to accept the resignation offered by the gentleman from Michigan (Mr. NEDZI) yesterday simply because he asked to resign.

This is the only reason that I voted to accept his resignation.

However, I am concerned, and I know from being back in my district over the last weekend that my constituents are concerned that the investigation of the CIA continue, and that Congress exercise its proper oversight functions over the Central Intelligence Agency in the future.

PROPOSED LEGISLATION TO AMEND THE HOUSING ACT TO BENEFIT THE ELDERLY

(Mr. BEARD of Rhode Island asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEARD of Rhode Island. Mr. Speaker, I am introducing today legislation that will amend the Housing Act.

A lot of our elderly people have very difficult times when they want to enter public housing, especially high rises for the elderly. Every time they receive a social security increase, many of them are knocked right out of the ball park because they go over the amount of money that is required in order to be able to go into public housing.

Therefore, Mr. Speaker, I am introducing legislation to strike out that provision. We should not penalize the elderly person because he may be getting an increase in social security, and that should not be a factor in whether the elderly get into public housing or not.

Therefore, Mr. Speaker, I think this is good legislation; and if it ever gets to the floor, I hope the Members will support it as an excellent piece of legislation.

DISTORTIONS VIS-A-VIS THE CIA INVESTIGATION

(Mr. McCLORY was asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, as the ranking member on the Select Committee on Intelligence, I want to make this additional statement: I think the suggestions that the committee or any members of the committee, including our distinguished chairman, the gentleman from Michigan (Mr. NEDZI), were going to be soft on the CIA or were willing to qualify in some way the investigation is simply a distortion, and is an affront to every member of the committee.

My own view has always been that we should conduct a thorough and complete investigation of not only the CIA, but of all of the intelligence agencies. The gentleman from Michigan (Mr. NEDZI) concurred in that. We met, and we decided on a bipartisan staff of the committee to operate objectively, just as objectively as the House Committee on the Judiciary operated last year, a committee upon which I serve and upon which I served last year, and to which reference has been made here today.

These aspersions and these innuendoes implying that any of the committee members would be inclined to pull their punches insofar as the investigation of the CIA or any other intelligence agency is concerned, are just rank distortions, untrue charges, and those uninformed individuals who have uttered them ought to withdraw such statements because there is no valid basis for them whatsoever.

With only 64 votes in favor of accepting NEDZI's resignation, there is a clear vote of confidence in Mr. NEDZI's integrity and in his ability to conduct a responsible investigation of the intelligence community—including illegal actions which need to be aired—and corrected.

The CIA's essential functions are important to the Nation's security. But, CIA excesses and the infringement of the rights of individual Americans as well as covert overseas activities including alleged assassinations, should be uncovered and any and all CIA and other wrongdoings must be exposed and corrected. This is, and has been Mr. NEDZI's and my objectives.

It is to be hoped that the Select Committee, with the same or modified membership, will be able to move forward expeditiously and deliberately in fulfilling its mandate as required by the House resolution which established this critical 10-member committee to review and report on all of the intelligence agencies in the Federal system.

SELECT COMMITTEE ON INTELLIGENCE SHOULD CONTINUE INVESTIGATION OF CIA

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I take the well in support of my colleagues who came to the well before me to ask for a continuation of the investigation by the Select Committee of the CIA.

This House has been rampant with rumors that there would be a movement to abolish that committee.

I do not believe that any of the former members have cast aspersions on the ability of this committee to carry out its work.

The concern is that we have seen now for a number of months in the newspapers, allegations and innuendos against leaders or former leaders of this country as to their involvement in covert plans in dealing with assassination, with murder, spying on American citizens, the opening of mail, and eavesdropping.

Mr. Speaker, I do not think we can leave matters like that to the press. I think this House has to carry out its function to fully investigate and to complete its investigation of the CIA, which will show the American people that the House is carrying out its functions.

That is the issue here. It is not the makeup of the committee. It is not the chairman. It is that the House must work its will. It has to decide that this is the No. 1 thing it must do.

Mr. Speaker, I am very much concerned when we say to the American people that we think those allegations do not deserve investigation. I think that I am serving in a House that is interested in the truth and in the pursuit of the truth, wherever that may lead us. I think that is a Member's obligation, and we must continue to pursue that obligation in this House.

THE VOTE ON THE PROPOSED NEDZI RESIGNATION

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I think it is appropriate that some Member of this body in the middle bracket, the young men; that is, those approaching 60, who came into the 89th Congress or thereabouts have a say regarding the LUCIEN NEDZI cause célèbre.

Mr. Speaker, I think many of us who voted to refuse the resignation of the gentleman from Michigan, LUCIEN NEDZI, did so as a matter of deep personal privilege, with regard to the gentleman's integrity and the devotion which he gives to his work.

Mr. Speaker, to me this is not inconsistent with voting to abolish the CIA if the facts warrant that abolition. And a good measure of facts have already come to light, for those of this body who wish to see.

If in fact the CIA has so compromised its position and can no longer do the job which is necessary and vital to our society, then let somebody else do it. Or let us get on with our work of correction in this sad Agency which no longer seems to be able to perform the purposes for which it was lawfully enacted. Instead, it has succumbed to illegal and unlawful domestic spying, it has exported assassination, all against the law.

TWENTIETH ANNIVERSARY OF PUBLICATION OF ROLL CALL

(Mr. MICHEL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I wish at this time to bring to the attention of my colleagues that I have requested a special order at the end of our business day tomorrow in order that Members may have the opportunity to comment on the occasion of the 20th anniversary of the publication of the newspaper Roll Call.

Roll Call, as all of us are aware, is the newspaper of Capitol Hill, and has, throughout its distinguished 20-year history been very much a part of the lives of those of us who work here at the Capitol.

It is important and appropriate therefore, that we pause to pay our respects to Mr. Sid Yudain, the editor and publisher and his staff for their outstanding contributions to journalism throughout that period; I am sure that many Members will want to participate in that activity, which will, as I said, take place at the close of business tomorrow.

THE SPECIAL COMMITTEE ON INTELLIGENCE

(Mr. LaFALCE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LaFALCE. Mr. Speaker, on February 19 of this year, I voted against the resolution to establish a new Select Committee on Intelligence in the House of Representatives. In a matter of this seriousness, being directly on the national security. I thought that the Senate and House should act in concert and that a joint committee should be formed to consider the accountability of the CIA and the other intelligence agencies.

A joint committee, I felt, would be better able to insure that an investigation of this sort would not dismantle that amount of secrecy necessary to preserve the CIA as an effective intelligence arm of our Government. At the same time it could still make public those violations it considered detrimental to the national welfare and our international posture.

However, a House select committee was formed, and a chairman selected. I questioned the effectiveness and propriety of selecting as chairman the same man who chaired the Armed Services Committee's Intelligence Subcommittee, previously charged with oversight of the CIA.

The purpose of forming the select committee was, of course, to investigate the many allegations which had come out about the CIA and other aspects of the U.S. intelligence apparatus. But these questions arose not because of, but rather in spite of, the previous oversight work of the Intelligence Subcommittee. The new approach called for in establishing the select committee seemed also to call for a new chairman.

I feel, therefore, that, despite the present chairman's considerable credentials for the position, the situation called for an altogether different chairman. I also believe that when a Member submits a resignation from a committee, the whole House should honor his or her decision without question.

The most crucial issue, beyond the question of the chairmanship, is the credibility of any Committee on Intelligence, and its ability to complete a satisfactory investigation that will reveal to the public what must be known, and preserve that which must not be known in order to maintain the viability of the intelligence community.

This committee's credibility has been damaged beyond repair. We must either abolish the committee entirely, relying on the Senate's investigation, or form a new select committee, hopefully acting in concert with the Senate, and make a fresh start.

INTERIM EXTENSION OF FIFRA

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6387) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 2 years, as amended.

The Clerk read as follows:

H.R. 6387

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 27 of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. 136(y)) is amended by adding at the end of such section the following: "There is hereby authorized to be appropriated to carry out the provisions of this Act for the period beginning July 1, 1975, and ending September 30, 1975, the sum of $11,967,000.".

The SPEAKER. Is a second demanded?

Mr. WAMPLER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Texas (Mr. DE LA GARZA) will be recognized for 20 minutes, and the gentleman from Virginia (Mr. WAMPLER) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, H.R. 6387, as amended, as reported by the Committee on Agriculture, provides a 3-month interim extension of the Federal Insecticide, Fungicide, and Rodenticide Act. It extends the authorization of appropriations under the act through the period July 1–September 30, 1975, at a level of $11,967,000.

Without this extension, the authorization for appropriations under FIFRA would expire on June 30, 1975.

As originally introduced, H.R. 6387 would have extended the authorization for 2 years through September 30, 1977, with an authorization of $47,868,000 for the fiscal year ending June 30, 1976, and $47,200,000 for the fiscal year ending September 30, 1977. The committee report instead authorizes appropriations only for a 3-month period at one-fourth the amount proposed for the fiscal year 1976 in the bill as originally introduced.

Extensive hearings were held on the bill. The hearings were held during the week of May 12 through 16, 1975, and the committee continued its consideration of the bill on June 3, 5, 9, 10, and 11, 1975. During the hearings testimony was received from the Environmental Protection Agency, U.S. Department of Agriculture, representatives of National Association of State Departments of Agriculture, and the State departments of agriculture of a number of States, from farm organizations, trade associations, industry and public interest groups. Many of the spokesmen at the hearings voiced complaints concerning administration of the act. The hearings gave rise to a number of controversial issues surrounding the administration of the act, resulting in a number of amendments being prepared by various members of the committee.

When it became apparent that the issues could not be resolved in time for adoption of a bill to cover the 2-year extension, the committee by a vote of 22–2 acted to provide an interim extension of 3 months, authorizing a funding level at one-fourth of the rate proposed for fiscal year 1976.

The bill does not settle any of the substantive issues raised during the hearings. It is only a stop-gap measure. The 3-month extension will enable EPA to continue to carry out its functions in an orderly manner while the committee considers the various proposed changes which have been suggested by its members. Approval of the authorization for funding should not be construed as committee approval of any significant expansion of programs under the Federal Insecticide, Fungicide, and Rodenticide Act. In particular, it was the committee's intent that EPA should not use amounts appropriated pursuant to this authorization to begin an expanded program for certification of private applicators. The committee wishes to review this program along with other matters in connection with the authorization for extension of FIFRA beyond September 30, 1975.

The level of funding authorized is slightly in excess of the rate of funding for fiscal year 1975. The differences are accounted for largely by increases in technical support activities to meet regulatory requirements of the act.

A number of amendments were considered but rejected which would have provided for different funding authorizations for the 3-month extension. One of those rejected would have increased the authorization to $24,900,000, the level recommended by EPA. This would have provided an authorization which would have enabled EPA to provide assistance to the States on an expedited basis to carry out State plans for certification of private applicators. The amendment lost by a unanimous vote.

The amount authorized to be appropriated for the 3-month period covers all activities under FIFRA including the amount necessary for environmental research, development and demonstration activities under section 20. The committee has also been working with the Committee on Science and Technology in an attempt to better coordinate EPA's overall research effort. Thus, under this authorization there would be available for such activities—but in no event for purposes relative to enforcement of the act—an amount not to exceed $3,511,975, as provided for in H.R. 7108, reported by the House Committee on Science and Technology.

This bill has the support of the administration. On May 12, 1975, Mr. John Quarles, Deputy Administrator of EPA, testified in support of H.R. 6387, as originally introduced which would have extended the appropriation authority of FIFRA for a 2-year period. At the conclusion of the hearings on June 10, he was asked whether he would support a 3-month extension and indicated that he had no objection to such an extension.

I urge that my colleagues join me in supporting adoption of H.R. 6387.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

Was some of that dissension on the administration policy dealing with the fire ant problem itself?

Mr. DE LA GARZA. Yes. That was mentioned during the hearings.

Mr. KAZEN. I would hope that if this law is extended, the committee would do something about that, because the damage done to human beings and to animals in the South, and the devastation done by the fire ant should be stopped, and it is within the authority of the administration to do something about it, but up until now, they have ignored it completely.

Mr. DE LA GARZA. I might tell my colleague that many members of the committee, including the gentleman speaking, share the gentleman's views, and we are working diligently on trying to arrive at some equitable solution to that major problem in the United States.

Mr. WAMPLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6387, as amended, to extend the Federal Insecticide, Fungicide, and Rodenticide Act for 3 months.

The bill is necessary if the Environmental Protection Agency is to continue to administer its pesticide program under FIFRA beyond June 30, 1975, inasmuch as the authorization for appropriation expires on that date.

H.R. 6387 as originally introduced at the request of the administration by the gentleman from Washington (Mr. FOLEY) and myself, would have provided for a straight 2-year extension of the authorization for FIFRA. However, during the course of the public hearings which were held on the renewal of this authorization, it became abundantly evident that the EPA was not administering the law as Congress had intended when we passed the act nearly 3 years ago. As a matter of fact, so many substantive issues were raised in the committee relative to the administration of the act by EPA that there was no feasible way we could resolve them all before June 30. Therefore, the committee decided to grant a 92-day extension of authorization with the intent that this would allow the EPA to continue to carry out its duties as prescribed by existing law while the committee works its will on the various changes to FIFRA.

There are three fundamental issues that arose in the course of the hearings. While there are at least a dozen other disputes that will have to be resolved, the main difficulty has centered on the establishment of an informant system by EPA under the guise of research, the certification of private applicators under the program, and the registration of materials as pesticides.

I. THE "HOTLINE" ISSUE

In a city that has been numbed by political shock waves in the past several years, I suppose it is hard to find another such shock potent enough to jolt us.

However, we received such a shock at the Committee on Agriculture as the bizarre details of an elaborate informer system established by the EPA came to light during our hearings on H.R. 6387.

Section 20(a) of this act authorizes the Administrator to cooperate with various scientific and academic institutions and "others" to do research on new methods to control insect pests, find biological alternatives to chemical pesticides and to otherwise "carry out the purposes of the act."

Under this authority the EPA contracted with an organization known as the Juarez-Lincoln Center and the "National Farmworker Information Clearinghouse," Antioch College, to conduct a little "research" on the farmers, ranchers, and home gardeners of America.

Under the EPA contract, the supervision of this so-called "research" was delegated to the Office of Enforcement and it is not administered or supervised by the Office of Research and Development.

Pursuant to a $40,000 grant from EPA this group is presently operating a national toll-free—taxpayer-paid—telephone system to record complaints about violations of this law.

Under the contract this group will, in the language of the grant instrument, help EPA "allocate the Agency's limited inspectional resources in a manner which will facilitate evidence-gathering and case preparation in enforcement actions involving misuse—and will distinguish those pesticide use activities which will and will not be considered violations of

FIFRA which may subject the violator to civil or criminal penalties."

To further carry out this so-called "research" effort the Agency issued the following press release on May 16, 1975:

United States Environmental Protection Agency Radio News Dateline Washington for use through Friday, May 16.

Estimates of the number of farm workers made ill every year from misuse of pesticides range in the hundreds of thousands. Hundreds of these workers die. The misuse of pesticides in homes, gardens and other areas also has caused illness and has destroyed plant and animal life. In an effort to reduce these episodes, and accidental poisonings from misuse of pesticides among all sectors of the population, EPA today inaugurated a free reporting service. Peggy Quarles of EPA's Pesticide Enforcement Division explains how the program will work. We'll have a 38 second cut, five seconds from now.

Beginning today, EPA is inviting anyone aware of a misuse of a pesticide that has caused harm to people or to wildlife and plants in the environment to report this on a toll-free telephone from anywhere in the country. The number is 800-424-1173. Suppose you know of a worker who has become ill from a pesticide, or suppose someone's pesticide spray has damaged plants in your garden. Or suppose safety precautions on the label are not clear. In all cases such as this, please call us. That number again: 800-424-1173.

During the hearings at the committee, EPA officials apologized for the inaccuracy of the press release but defended the indefensible informant system.

Now think about this for a minute!

Here we have a Federal agency which has law enforcement responsibilities—and which can levy civil penalties up to $5,000 per offense and instigate criminal action that can impose $10,000 fines and 3 years in the penitentiary—hiring a group of private citizens to help them collect evidence—and on top of that this same agency seeks nationwide publicity to encourage Americans to tattle on their neighbors if "someone's pesticide spray has damaged plants in your garden."

Mr. Speaker, this "hotline" and its accompanying apparatus is an ominous threat to the civil liberty of every American. It smacks of totalitarian regimes which do "research" on their citizens by spying and anonymous informing with chilling regularity.

I hope it will be stopped by the Agency. If it is not, Congress will have to take necessary action to stop this abuse of power and civil liberties.

I include at this point the text of section 20 of FIFRA, a news article from the Washington Post of Thursday, June 5, 1975, and an article from the American Farm Bureau Newsletter of June 9, 1975.

"SEC. 20. RESEARCH AND MONITORING

"(a) RESEARCH.—The Administrator shall undertake research, including research by grant or contract with other Federal agencies, universities, or others as may be necessary to carry out the purposes of this Act, and he shall give priority to research to develop biologically integrated alternatives for pest control. The Administrator shall also take care to insure that such research does not duplicate research being undertaken by any other Federal agency.

"(b) NATIONAL MONITORING PLAN.—The Administrator shall formulate and periodically revise, in cooperation with other Federal, State, or local agencies, a national plan for monitoring pesticides.

"(c) MONITORING.—The Administrator shall undertake such monitoring activities, including but not limited to monitoring in air, soil, water, man, plants, and animals, as may be necessary for the implementation of this Act and of the national pesticide monitoring plan. Such activities shall be carried out in cooperation with other Federal, State, and local agencies.

[From the Washington Post, June 5, 1975]

ANONYMOUS ACCUSATIONS FEARED—PESTICIDE ABUSE PHONE HIT

Criticism of The Environmental Protection Agency was voiced from unexpected quarters at a House Agriculture Committee hearing Tuesday on the agency's new free telephone service for reporting alleged pesticide abuses.

The EPA announced in a broadcast statement last month it was opening a nationwide toll-free telephone line May 16 to receive reports of pesticide misuse or accidents. The agency invited anyone "aware of a misuse of a pesticide that has caused harm to people or wildlife and plants . . . to report this on a toll-free number from anywhere in the country."

The statement said the reporting service was necessary because misuse of pesticides annually injures hundreds of thousands of farm worker and "hundreds of these workers die."

The estimates of farm worker injuries, immediately challenged by the American Farm Bureau Federation, were quickly withdrawn by the EPA, which apologized for using them and said they could not be substantiated. But the reporting system was opened on schedule and has produced some 80 calls leading to "about six or eight" followup EPA inquiries, officials say.

Robert Baum of EPA told the House Agriculture Committee the agency has considered dropping the service because of complaints, it amounts to an invitation to anonymous accusations against neighbors.

Several lawmakers who in the past have labeled themselves friends of environmentalists criticized the system.

Rep. Peter A. Peyser (R-N.Y.) likened it to official spying in Nazi Germany where children were asked to report to government agents on what their parents said.

"This is totally wrong . . . absolutely outrageous. It ought to be terminated at once," he said.

Freshman Floyd Fithian (D-Ind.) said he was elected with help from environmentalists and had considered himself a strong conservationist.

"But in my four months here I've grown increasingly disillusioned by the way you spread your authority beyond what Congress has given you." Fithian told EPA officials ". . . You may kill the goose that lays the golden eggs."

[From the Farm Bureau News, June 9, 1975]

EPA ADMITS "POOR JUDGMENT" IN USE OF UNDOCUMENTED PESTICIDE DATA

In response to a request by the American Farm Bureau Federation that the Environmental Protection Agency either (1) document its charges that "hundreds of thousands" of farm workers are made ill every year from the misuse of pesticides and that "hundreds die" or (2) retract the statement, EPA Administrator Russell E. Train has written to AFBF President William J. Kuhfuss saying that EPA's statement "reflected poor judgment."

"You can be assured that every effort will be made to assure that such a misstatement does not happen again," Train added.

The EPA statement was part of a prerecorded radio tape used in inaugurating a toll-free telephone "reporting" service by which any person could report what he or she thought was a case of pesticide misuse.

Train's response to Kuhfuss' statement that the reporting service "should not be tolerated in a free society" was to provide four alleged reasons for it. He said these are to (1) determine scope and nature of pesticide misuse, (2) develop a means whereby pesticide misuse incidents can come to the attention of EPA enforcement officials, (3) identify classes of persons who frequently misuse pesticides, and (4) identify classes of persons who are harmed by pesticide misuse.

In calling for the termination of the tax-supported toll-free "reporting service," Kuhfuss said it is "nothing more than a bureaucratic surveillance system by Big Brother government with an open invitation for decisions based on prejudice instead of fact."

II. CERTIFICATION OF PRIVATE APPLICATORS

Section 4 of FIFRA establishes a procedure for the certification of private applicators who desire to use "restricted-use" pesticides. The manner in which this section is implemented is crucial both to farmers and to consumers. If EPA were to require a burdensome and unworkable certification procedure, for example, this would only serve to hamper the productivity and efficiency of our farmers as they would encounter endless redtape before being able to purchase and use pesticides that they have safely used for years.

I, for one, am not going to blindly grant EPA open-ended authority to institute just any kind of certification program they desire without having some understanding that the type of procedure they intend to require is reasonable.

III, REGISTRATION AND CLASSIFICATION OF PESTICIDES

Section 3 of FIFRA requires the Administrator of EPA to classify pesticides for either general use, restricted use, or both. Again, I am not going to vote to give EPA a lengthy extension of authorization without being certain that the agency will act responsibly when determining to which category a given pesticide will be classified. I point this out because it is entirely realistic to assume that if a great number of pesticides are classified under the restricted-use category, it may become nearly impossible for the average citizen to purchase and apply the most common of pesticides without first having received a permit from EPA allowing him to do so.

IV. OTHER DISPUTES

Mr. Speaker, there are many other issues that the Agriculture Committee will have to grapple with during the next 3 months.

Most notably, several amendments are pending to allow the use of certain pesticides to combat specific pests. The EPA has severely limited during the last 2 years the ability of our farmers, ranchers, and foresters to control and/or eradicate fire ants, gypsy and tussock moths, and predators, that is, coyotes. I think the committee must reach an understanding of how EPA intends to interpret existing law so that we know what enforcement and regulation programs will be adopted relative to the use of chemicals that have currently been banned or whose use has been exceedingly restricted, even though these pesticides are generally recognized as effective to accomplish the purposes for which they are intended, that is, control of predators, pests, etc.

In conclusion, Mr. Speaker, I urge my colleagues to vote for this bill which will give the committee time to conduct proper and appropriate oversight over the administration of the FIFRA programs by EPA.

H.R. 6387 authorizes funding at a level equal to one-fourth of the rate proposed for fiscal year 1976. The committee has further specified that the EPA shall not use this money to expand its activities under FIFRA, but rather continue its administration of FIFRA on a status quo basis, and that it definitely shall not use funds authorized pursuant to this bill to begin a program to certify private applicators.

I think this bill is necessary and is a reasonable manner in which to proceed, and it is my hope that it will be approved by the House.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from California.

Mr. KETCHUM. Mr. Speaker, I would like to ask this question. During the course of the hearings, when this rather irresponsible statement was issued by EPA relative to how many individual workers have died of pesticide poisoning, and they had to admit it was not true, that they could not substantiate it, have they made that as public as their statement regarding the espionage line?

Mr. WAMPLER. I can only say it is my impression they have not.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I thank the distinguished minority leader of our committee for yielding.

What the gentleman is saying is that the gentleman is urging a vote for this, but that we have a 90-day time period to see whether EPA wants to become more reasonable to the American people, use less Gestapo-like tactics with respect to coyotes causing more damage to range lands than sheep do; is that what the gentleman is saying?

Mr. WAMPLER. This 92-day period will give us the opportunity in the committee to see whether EPA responds to the many questions raised in the course of hearings on the authorization.

Mr. SYMMS. I appreciate the gentleman's point of view. I think the gentleman gave a very excellent speech.

As a member of the Committee on Agriculture, I think the gentleman has spelled it out very clearly and I commend the gentleman. I just hope at the conclusion of the 90-day period that we will be able to de-Nazify and be able to clarify the problem of fire ants and coyotes and the other problems we have and that we are not disappointed in 90 days that we have not made any headway. I hope that the EPA is not allowed to run the whole roost by their dictation, instead of by the will of the American people.

Mr. WAMPLER. Mr. Speaker, let me respond additionally by saying that unless I am satisfied that EPA has responded satisfactorily to these areas of concern, this Member will not be in the well supporting legislation providing any additional authorizations for the agency.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, it is not clear to me what would be the impact or the effect on EPA's authority if this extension is not passed today for this 90 days; what would be the effect on EPA's ability to continue with the present tactics?

Mr. WAMPLER. May I respond to the distinguished gentleman from Indiana by saying that unless we extend the authorization by the end of this month EPA will not have any legal authority to continue activities under FIFRA. It is not my purpose to deny them that authority. I am supporting what the committee felt we should do, in that we are offering in this authorization bill one-fourth of the amount of money requested for the fiscal year 1976.

This bill does give us 92 days beyond June 30, 1975, in which to get some responses to the questions raised in the hearings and which I alluded to earlier in the debate.

Mr. MYERS of Indiana. Did I understand the gentleman to say that if this is not passed today, EPA would have no authority to regulate pesticides, fungicides and rodenticides?

Mr. WAMPLER. That is correct, because the present authorization expires June 30, 1975.

Mr. MYERS of Indiana. I thank the gentleman.

Mr. DE LA GARZA. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. POAGE).

Mr. POAGE. Mr. Speaker, as one who has thoroughly disagreed with a great many of the rulings of EPA, I feel that I must rise and at least suggest to the House why I expect to vote for this bill this afternoon. I recognize that many of our colleagues feel that the agency has been so remiss in its decisions that they feel that we should not give it another day. But, as the gentleman from Virginia has so well pointed out, if we take no action, after the 30th of this month there will be no way whereby the EPA can carry on its program in regard to poisons and pesticides, for it would have no authority for the expenditure of any funds, and it cannot do very much without expending some funds.

There are many in the House who will say, "That would be a good thing, let it die." I think, on reflection, that most Members know, in the first place, that they cannot let it die, that they have not got the votes to let it die at this time. If the Agriculture Committee takes no action I think it is sure that some other committee will assume jurisdiction and will extend the agency's authority. I have always believed that the best legislation was to do the thing that is practical and the thing that is obtainable.

EPA has made more mistakes in the short period that it has operated than it seems possible that one agency could make in that period of time. It has been arbitrary. It has been unreasonable. I think that it has failed in its basic purpose. I think that EPA, and particularly FIFRA, has an obligation to try to balance the good against the evil in the use of these products. I do not feel that there has been any real effort to achieve a balance.

I feel that, on the whole, that FIFRA has not sought to apply any kind of restraints that they could apply to the use of chemical pesticides and chemical toxins on the theory, possibly, that there are many large organizations who tell their people, "You ought not let these rich farmers—"

They are always "rich" farmers until one gets out on the farm, and then one finds that they are generally bankrupt farmers.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I thank the gentleman for yielding to me. I say that in my short time in Congress, I have been with him on many occasions where we have been making a plea for western sheep being grazed off the land by western coyotes. I wonder if the gentleman has had the opportunity personally in the last time frame to talk this over with the Secretary or the President or anybody about what the administration's position may be. I know we have done it before, always to no avail. I wonder if the gentleman has had any information on that?

Mr. POAGE. I talked to the Secretary as late as yesterday. I think it is fair to say that he is definitely in favor of controlling coyotes, fire ants and tussuck moths. I do not think it is any secret that I also talked to the President yesterday about this. I do not want to quote the President, but I feel that he is deeply interested in our problem. I feel that he is beginning to understand our problem, and I am hopeful that if we can have some 3 months to see what EPA will come up with, that they may come up with some more reasonable, more balanced regulations.

If they do, if they come up with what seems to be a reasonable balance between the ecology and the economy, I will be back here 3 months from now urging an extension of EPA. If they fail to give us any indication, that they are not trying to achieve this balance, I can see no justification for continuing the activities of the agency.

But it seems to me that the practical thing to do at this time is to give this agency a 3-month extension to see if they will achieve any approach to a reasonable balance between maintaining of the ecology and maintaining of the economy of the country.

Mr. DE LA GARZA. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. VIGORITO).

Mr. VIGORITO. Mr. Speaker, I thank the chairman for yielding me this time. I rise in support of this legislation. It is a must legislation. It will give us 90 days in which to improve on the legislation so that we can extend it for a year or two before September 30.

I urge my colleagues to vote for this legislation.

Mr. WAMPLER. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Speaker, I would like to bring to the attention of the House a problem that we are having with FIFRA. My good friend from Idaho has pointed out, in his own inimical fashion, about the de-Nazification of EPA. I do not think that very many people will want to describe them as a Nazi-like organization, yet at the same time we are having a very great difficulty with them in trying to get them to come to grips with the real, difficult problems we have in trying to regulate pesticides and insecticides in a more reasonable manner.

We may differ when we say there is a reasonable manner, but the only way the EPA seems to be dealing with these problems is by inactivity, by letting the problems just continue on without really coming to grips with them.

I would like to give the Members two examples. We are now inundated in the Southeastern part of the United States—that is not my part of the country—but we are inundated with an ant that is called the fire ant. It is expanding its coverage at a rate of about 40 miles a year.

If you do not have them in your district now, you will have them, at the rate they are going. And they are a severe pest. The way to get rid of them is by an application of Mirex, which kills about 97 percent of them, but after that one application you have 3 percent left, and they reproduce themselves. The problem with Mirex, of course, is that it has a half life of about 50 years, and it kills small crabs and shrimp by the millions. It gets into the ecosystem of the large shrimp and crabs, and it gets ultimately into the human system. There is evidence that Mirex causes cancer in mice. And, of course, the EPA then has this difficult choice in saying, "Since this is where we are heading, and it will probably sometime show that it may cause cancer in individuals, what are we going to do"?

The EPA, instead of making this determination to do what is necessary to either wipe out the ants or come up with a whole new program that is going to wipe them out, is just letting this thing go, where, ultimately, the whole country will be inundated with fire ants. They refuse to make this hard decision. When we say the Congress should make it then, they say, "No, we do not want the Congress to legislate specifically."

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Colorado. Yes, I will yield to the gentleman.

Mr. POAGE. Before the gentleman concludes with the fire ants, will the gentleman point out the EPA has approved the use of Mirex one time a year—forever, apparently—and we will be pouring Mirex into the water for a thousand years under present regulations.

Mr. JOHNSON of Colorado. Mr. Speaker, the gentleman is exactly right.

Mr. POAGE. Far more than if we kill the ants at one time and then quit.

Mr. JOHNSON of Colorado. That is exactly right, and the accumulation of Mirex in the ecosystem would be far heavier than if we took the necessary steps to wipe them out. But because of their failure to come to grips with the problem, paying attention to an emotional group of people who are so vocal in their opposition to any of these methods or procedures that would ultimately take care of the problem, they just in effect do nothing.

Mr. Speaker, we have the same situation with regard to coyotes. I do not know how many of the Members are familiar with the use of 10–80; 10–80 was outlawed a few years ago. It is a poison. It allegedly had secondary poisoning effects. It was causing the death of coyotes, and, through the coyotes, it was alleged that it ultimately led to the death of eagles, and the eagles were alleged to be in great danger of extinction.

During the course of the hearings I came up with two studies, one of which had been made by the Government and one by an independent agency of the University of California, which said that continuing use of this compound did not have any secondary poisonous effect on eagles if done in a proper manner.

So at that time I asked the EPA for information during three different hearings, twice in public hearings and once in a private hearing, which was attended by several Members of Congress. I asked this question:

"Do you have anything that indicates this is not true? Do you have anything that indicates there are any secondary poisoning effects from this compound if used properly to kill coyotes?"

They said, "No, we don't have anything."

I said, "What evidence do you require that would cause you to change your rules?"

"Well, we don't know."

That is the kind of circular intellectual process we are trying to come to grips with, and in 90 days if we come back with major amendments to the FIFRA Act, this is the reasoning behind it.

It is not that the members of this committee are trying to kill eagles and we are not trying to poison everybody and give everybody cancer. We are tring to deal with specific difficult problems, which the EPA has refused to deal with. The alternative may be unpalatable, but they must be faced.

Mr. Speaker, I would hope that the membership would be sympathetic with what we bring to the Members in 90 days, because unless there is a radical change in the EPA attitude, we will be in here with specific amendments.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I would just like to say that in the Pacific Northwest we have one particular area where there are 800,000 acres of beautiful Douglas-fir trees. This is timber that has had the seed cones at the top part of the tree damaged. The seed cones have been knocked out, and the timber has been destroyed, and the area has been severely damaged. It is going to take years for this timber to recover, and the fire hazard has been increased, all because the EPA has not allowed the U.S. Forest Service to take the necessary action, which would have consisted of a very minimal use of EDC back in 1973. That action could have avoided this terrible economic and environmental disaster in the kind of thing that goes right along with the issue involving Mirex and the fire ants, and so forth.

Mr. BROWN of California. Mr. Speaker, I want to note that H.R. 6387, along with the Science and Technology Committee's H.R. 7108, raises some questions concerning the smooth implementation of the committee jurisdictional changes that the House voted last fall. Rule X of the Rules of the House of Representatives specifically gives legislative jurisdiction over "environmental research and development", as well as nonnuclear energy research and development, to the Committee on Science and Technology. Accordingly, in the tradition of the Science and Technology Committee's careful and detailed authorization proceedings for the National Science Foundation and the National Aeronautics and Space Administration programs, the committee has this year studied and made detailed authorization recommendations for the Environmental Protection Agency's and the Energy Research and Development Administration's research and development efforts. Our authorization and recommendations for the entire EPA R. & D. program, including pesticides, are contained in H.R. 7108, and the report accompanying it. Our recommendations on ERDA are in H.R. 3474. Though the EPA R. & D. program, involving air, water, radiation, toxic substances, and other areas as well as pesticides, is run as a single administrative unit within the EPA, the legislative authority comes from the research and development section of the Federal Insecticide, Fungicide, and Rodenticide Act, which H.R. 6387 extends for 90 days. This act contains regulatory aspects of pesticide use, as well as research and development. In recognition of the Science and Technology Committee's jurisdiction over the R. & D. aspects, Chairman FOLEY has written the Rules Committee withdrawing his verbal objections to granting a rule for H.R. 7108. Moreover, the Agriculture Committee has agreed to insert into their report that the funding level for research and development under their 90-day authorization shall not exceed $3,511,975, "as provided for in H.R. 7108, reported by the House Committee on Science and Technology." A copy of Chairman FOLEY's letter will be inserted into the RECORD at the conclusion of my remarks.

I believe I should note that as a member of the Agriculture Committee, as well as the Science and Technology Committee, I find no reference in the House rules to environmental research and development being within the Agriculture Committees jurisdiction. While this is obvious to any reader of the rules, not all of the problems concerning the implementation of the new jurisdictions are worked out. I have agreed to support, in the spirit of compromise, an amendment limiting the pesticide R. & D. authorization of H.R. 7108 to 90 days, in conformity to the provisions of H.R. 6387. I hope that we will be able to resolve any further issues in that time. The best means for doing this may turn out to be sequential referral of bills authorizing both regulatory and R. & D. programs, or alternatively, passage of separate bills representing the separate jurisdictions of the committees involved. In any case, I want to assure my colleagues that Chairman Foley, and I will continue to work together to achieve the best solution, in the most expeditious fashion.

The letter from Chairman Foley to the Rules Committee follows:

U.S. House of Representatives,
Committee on Agriculture,
Washington, D.C., June 13, 1975.

Hon. Ray J. Madden,
Chairman, Committee on Rules,
U.S. House of Representatives,
Washington, D.C.

My Dear Mr. Chairman: In a hearing held on Wednesday on H.R. 7108, a bill to authorize appropriations for environmental research, development and demonstration, I appeared as a witness and asked for a delay in the granting of a rule in a effort to work out the differences between provisions in that bill and H.R. 6387, which the Committee on Agriculture had just ordered reported to the House.

In view of the following arrangements that I have worked out with Mr. Brown, Chairman of the Subcommittee on the Environment and the Atmosphere of the Committee on Science and Technology, I have no further concern regarding H.R. 7108 and do not object to the granting of a rule on this bill.

H.R. 7108 provides an authorization for EPA to continue research, development and demonstration under FIFRA for a 15-month period ending September 30, 1976, and specified the sums authorized for this purpose.

H.R. 6387 was the subject of extensive hearings by the Agriculture Committee. In contradistinction to H.R. 7108, it provides only a 3-month extension of the authorization for EPA to continue activities under the Federal Insecticide, Fungicide, and Rodenticide Act, which otherwise was due to expire on June 30, 1975.

The hearings on H.R. 6387 gave rise to a number of controversial issues surrounding administration of the Act resulting in a number of amendments being prepared by various Members of the Committee. When it became apparent the issues could not be resolved in time for adoption of a bill to cover the two-year extension, as originally proposed, the Committee acted to provide an interim extension of three months, authorizing a funding level at one-fourth the rate proposed for fiscal year 1976. The amount authorized to be appropriated for the three-month period covered authorization for all activities under FIFRA including amounts necessary for environmental research, development and demonstration activities.

One of the most controversial issues that arose in the course of hearings on H.R. 6387 related to a hot-line used to obtain information on incidents of pesticide misuse. EPA provided a grant to a contractor, The National Farm Workers Clearinghouse, which maintained a toll-free line on which it compiled information obtained from informants. This contract apparently was justified as a research and monitoring activity by EPA, and the Committee has under consideration a number of proposals to limit its use.

Since the hearing before your Committee, we have discussed the matter with Mr. Brown and have arrived at a compromise of the differences in the two bills. In the Committee Report on H.R. 6387 we have incorporated the following statement: "The Committee has also been working with the Committee on Science and Technology in an attempt to better coordinate EPA's overall research effort. Thus, under this authorization there would be available for such activities (but in no event for purposes relative to enforcement of the Act), an amount not to exceed $3,511,975, as provided for in H.R. 7108, reported by the House Committee on Science and Technology."

Agreement has also been reached on an amendment to be presented to H.R. 7108 on the Floor to provide that of the amount that is authorized to be appropriated for environmental research, development and demonstration under FIFRA only $3,511,975 could be obligated prior to September 30, 1975, and no money could be obligated after that date except to the extent hereafter specifically authorized by law. There would be a further proviso that no part of the money appropriated for such purposes could be used for enforcement of the Act, so as to assure that the authorization could not be used for activities such as the hot-line.

We are also working on a memorandum of agreement which will provide better coordination of activities of our Committees in the future.

Thank you for your kind consideration.

Sincerely,

Thomas S. Foley,
Chairman.

Mr. de la GARZA. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. (Mr. McFall). The question is on the motion offered by the gentleman from Texas (Mr. de la Garza) that the House suspend the rules and pass the bill (H.R. 6387), as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for three months.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. de la GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

LOANS FOR SMALL BUSINESSES SUFFERING ECONOMIC INJURIES RESULTING FROM PUBLIC UTILITY DISRUPTIONS

Mr. SMITH of Iowa. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4888) to amend the Small Business Act to make loans available for small businesses suffering economic injuries as the result of the disruption of operations and services of public utilities, as amended.

The Clerk read as follows:

H.R. 4888

To amend the Small Business Act to make loans available for small businesses suffering economic injuries as the result of the disruption of operations and services of public utilities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is hereby amended by inserting immediately at the end of paragraph (8) the following new paragraph:

"(9) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in reestablishing or continuing its business if the Administration determines that such concern has suffered substantial economic injury as a result of the disruption of operations and services of public utilities to such small business concern, providing the disruption was of substantial scope and duration and occurred on or after January 1, 1975: *Provided, however,* That such loans shall be made at the rate of interest and for the period of time provided in section 7(a)(4) of the Small Business Act.

"For the purpose of paragraph (9) the term 'public utility' shall mean a monopoly licensed or franchised by the Government to provide telephone, telegraph, natural gas, or electric service to the consuming public on a continuing basis.

"For the purpose of paragraph (9) a disruption of operation and services of public utilities shall be deemed to be of substantial scope and duration if such disruption occurs within a specifically definable area, and adversely affects a majority of business concerns in that area for a period of at least three consecutive days: *Provided,* That no loans authorized by this paragraph shall be made to any small business concern failing to demonstrate that such loan is necessary for the preservation or reestablishment of such small business concern.".

Sec. 2. Section 4(c) of the Small Business Act is amended by inserting "7(b)(9)," in paragraphs (1) and (2) thereof after "7(b)(8),".

The SPEAKER pro tempore. Is a second demanded?

Mr. J. WILLIAM STANTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Iowa (Mr. Smith) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. J. William Stanton) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Iowa (Mr. Smith).

Mr. SMITH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, very recently a fire in downtown Manhattan virtually destroyed a telephone company switching building and thus knocked out some 170,000 telephones which served over 100,000 residences and businesses on the East Side and in Greenwich Village. Although the telephone company may recover part of its loss by insurance, about 8,400 business and professional offices probably will not. Most of these are small businesses such as delicatessens and restaurants, photographers, florists, pharmacies and even funeral homes.

As a result of the lack of telephone service, these small business merchants are unable to accept telephone orders or give price quotations over the telephone, order merchandise from their suppliers, or make a telephone check to obtain approval of a credit card sale for customers who have come into their business.

The decrease in the income of these small concerns in many cases means the difference between continued operation or failure. Most of these businesses do not have financial reserves which they can fall back on and a loss of several hundred dollars per week for a period of weeks—in this case they were without telephone service for almost 4 weeks—dooms them to failure.

At the present time, according to Small Business Administrator Tom Kleppe, this type of disaster does not qualify an affected business for a disaster loan, although such a business might be eligible for a regular section 7(a) business loan.

Although this general loan program is a source of much needed financing to numerous small businessmen, I do not believe that it should be the sole source of help to those confronted by a disaster.

Not only may the small business concern be unable to meet the more stringent eligibility tests required of section 7(a) applicants, there may be no funds available for direct loans under that program. The Office of Management and Budget is on record as opposing any direct low-interest loans being made by SBA and instead is attempting to turn SBA into an insurer of banks by emphasizing bank guaranteed loans at some 10 percent interest to the exclusion of direct loans.

One illustration of the OMB policy is shown by the administration's budget request for fiscal year 1976 which does not contain any request for direct loan funds, unless Congress would increase the direct loan interest rate to almost 10 percent.

H.R. 4888 was introduced by our colleague, JOE ADDABBO, to remedy this situation by specifically amending the Small Business Act to authorize SBA to make direct or guaranteed loans under the disaster loan program to a small business to assist it in reestablishing or continuing its business if it has suffered substantial economic injuries as a result of the disruption of the operations and services of public utilities to such small business. These loans would be at 6¾-percent interest and repayable over a period of up to 10 years.

At hearings on this bill, testimony was received from Congressman ADDABBO, the City of New York Economic Development Administration and the New York Telephone Co., all of whom favored its enactment. Testimony was also received from the SBA which opposed this bill as unneeded, although Administrator Kleppe admitted that there were no available loan funds which could be used to assist small businesses injured as a result of this telephone company fire.

This bill was considered and unanimously reported favorably after certain changes were made to clarify what some felt were ambiguities. The committee believes that the need for this type of disaster loan assistance is clear and that it should be made available now to assist in situations such as occurred in New York City, Kentucky, Ohio, and New Jersey, to name but a few.

Also, it should be pointed out that Congress has enacted legislation to assist disaster victims in recovering from other nonphysical disasters—OSHA loans, water pollution equipment loans, product disaster loans to alleviate the loss when a product is condemned under the Wholesome Meat Act, energy loans, and many others.

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Speaker, I believe that H.R. 4888, which provides for business loans to concerns suffering economic injuries as a result of the disruption of operations and services of public utilities, is within the spirit if not the letter of the present disaster loans programs of the Small Business Administration. There is a definite need for this legislation as typified by the recent telephone exchange fire in New York City. Its enactment at this time will not require the appropriation of additional funds by the Congress since there are available uncommitted funds which could be used for this purpose.

The greatness of our Nation can be measured by the ways in which our Government has responded to the needs of people who have been adversely affected by disasters. I believe that the Congress has, on numerous occasions, demonstrated this purposeful ideal when called upon to assist small businesses which have been involuntarily subjected to the crushing effects of a physical or nonphysical disaster. The response of the Congress to disasters adversely affecting small businesses is not only of impressive magnitude but also, I believe, establishes a national policy worthy of continued recognition and deserving of further implementation wherever needed.

The Small Business Act recognizes two generic types of disasters which do allow for Federal assistance. The act, as amended, provides for loans to small businesses which have been adversely impacted by certain natural disasters including floods, riots, civil disorders, or other catastrophes. The second category of disaster loan assistance, which the Congress has deemed worthy of recognition, is economic injury or nonphysical disaster loan programs.

Since the enactment of the Small Business Act, various situations, resulting in adverse economic injury to small business, have prompted the Congress to amend the statute to provide for the requisite assistance. Accordingly, under certain qualifying conditions, nonphysical disaster loans are available to small businesses suffering economic loss as a result of: First, a business concern located in an area affected by a disaster, if the Administrator determines that there is a substantial economic injury and if such disaster constitutes a major disaster as determined by the President or a natural disaster as determined by the Secretary of Agriculture; second, a business concern suffering substantial economic injury as a result of being displaced by a federally aided urban renewal program or a highway project or any other construction constructed with Federal funds; third, a small business concern sustaining substantial economic injury as a result of the inability of such concern to process or market a product for human consumption because of disease or toxicity occurring in such product through natural or undetermined causes; fourth, the likelihood of economic injury to a small business concern as a result of its inability to meet the standards established by the Egg Products Inspection Act of 1970, the Wholesome Poultry and Poultry Products Act of 1968, or the Wholesome Meat Act of 1967; fifth, the likelihod of economic injury to small business concerns caused by an inability to meet the standards established by the Federal Coal Mine Health and Safety Act of 1969; sixth, economic injury caused by the requirements of the Occupational Safety and Health Act of 1970; seventh, potential economic injury to small businesses as a result of international strategic arms limitation treaties; and eighth, a small business concern suffering economic injury as a result of the energy situation.

As is clearly evident, these programs are predicated upon a need which was voiced by the small business community and rightly acted upon by the Congress.

H.R. 4888 now presents our Nation's lawmakers with yet another need which is of equal merit and immediate urgency. The need for this amendment to existing legislation was recently typified by a fire in a telephone exchange in lower Manhattan in New York City. This fire silenced 173,000 telephones, of which 104,000 were for residential and commercial use. It is estimated that 8,500 businesses and professional offices lost these vital telephone services as a result of the fire.

The extent of this disaster reached over a 300 square block area and left virtually helpless those small businesses which depend on the telephone for most of their commercial transactions. In fact, I am advised that some businesses below 23d Street in Manhattan which rely on telephones were losing thousands of dollars for each day of this disruption of service, and that some such businesses have, in fact, been forced into bankruptcy.

When I introduced this bill, I was, of course, profoundly aware of its national significance. This proposed legislation is not a private bill to aid the victims of the New York disaster; it is a bill to aid small businesses who are victims of the type of disaster which recently occurred in New York. There is no geographical restriction for this type of disaster. The possibility that similar disasters may occur subsequently in different parts of the Nation is not a contingency to be lightly discounted.

The fact is, the Small Business Act as presently interpreted by the Administrator does not provide relief for this type of situation, and that this Congress, as well as our successors, has a declared statutory duty to "aid, counsel, assist and protect small businesses." H.R. 4888 does nothing more than afford us an additional means to achieve this most worthwhile ideal.

The need is apparent and the funds are presently available. I urge the enactment of H.R. 4888 so that our laws can reflect, once again, the commitment of this Government to aid and protect the small business victims of economic disasters.

Mr. J. WILLIAM STANTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and Members of the House, this is legislation that originally was brought to us many months ago. Some Members on my side of the aisle will remember that the administration did have some strong objections to H.R. 4888.

This was, I say to the Members, back in March of this year; and for that reason, this particular legislation was held off the House floor until these administration questions were answered individually by members of the committee and by giving further thought to the bill in its original form.

Mr. Speaker, not only the administration, but Members on our side of the aisle, in fact, many members of the committee, could not go along with this legislation. However, in the interim months the legislation was considerably tightened up. The original offeror of the amendment itself saw fit to change it from disasters that take place in short periods of time to periods now of at least 3 consecutive days.

Further than that, Mr. Speaker and Members of the House, the subject of what is the definition of a "public utility" was very exclusively set forth in this legislation. It applies only to telephone, telegraph, natural gas, or electric services. It does not include other operations, though, such as public transportation and so forth.

For this reason, Mr. Speaker, I would say that on our side of the aisle, while we do not endorse this legislation, we basically have no strong objections to it.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. J. WILLIAM STANTON. Yes, I will be happy to yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague's yielding.

In the disaster that occurred in California, the earthquake of 1971, several municipally owned utilities were damaged sufficiently so that they were not able to continue electric power service to their customers.

Many of these utilities made application to the Small Business Administration for a refunding of the costs that they incurred when they were not able to generate their own electricity. It was the cost they incurred in buying the electricity from other power sources, and those charges were higher than they had to normally pay to produce electricity for their customers. They came to the Small Business Administration and asked for reimbursement for the differential on the basis that they could not produce the electricity as a result of the disaster.

Can the gentleman tell me whether under this legislation that kind of coverage would be possible or not possible?

Mr. J. WILLIAM STANTON. I will be glad to tell the gentleman that in this particular situation, this particular legislation, H.R. 4888, would have no application whatsoever.

What the gentleman might have misunderstood earlier is that this is disaster money primarily to small businesses.

Mr. ROUSSELOT. And some municipal utilities?

Mr. J. WILLIAM STANTON. No. It means caused by utility failures, so that is where the connection with the utilities comes in.

Mr. ROUSSELOT. But not the utilities themselves?

Mr. J. WILLIAM STANTON. The utilities themselves would have no money involved in this legislation. It is entirely for small businesses.

Second, only those in a total economic disaster, those who cannot survive without the legislation.

Mr. ROUSSELOT. This does not apply to municipally owned utilities that might need a disaster loan to gear up again to go back in service as a result of the disaster?

Mr. J. WILLIAM STANTON. The gentleman is absolutely correct.

Mr. ROUSSELOT. I appreciate the gentleman's comments.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. J. WILLIAM STANTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise in support of H.R. 4888 as amended by the committee.

This bill identifies and addresses a specific problem facing small business. It adds a new section to the Small Business Act to take care of that problem.

While I do not like to see a proliferation of Small Business Act sections and SBA programs, I believe this bill is necessary and appropriate as an interim measure—to meet an identified need—until our committee has an opportunity to draft and present to the House a long needed, comprehensive rewrite of the Small Business Act.

I want to state, quite frankly, that when H.R. 4888 was first introduced and considered by our committee, I had serious reservations concerning its value. My reservations, and those of others on the committee, were not based on the intent of the legislation. The intent was worthy. It was to help those small firms faced with the destruction of their business as a result of the unanticipated loss of vital public utilities, such as telephone, telegraph, and electric service.

My reservations were based on the original drafting of the bill, I and several other members of the committee felt that the bill was too loosely worded. The Small Business Administration, in presenting its views, expresed the same concern.

As originally worded, the bill would have, or could have covered the disruption of train service, airline service, and even bus service. It could have been interpreted to authorize loans to cover the loss of expected profits. It could have been interpreted to cover the loss of service by just one business for a short period of time.

Because of the reservations we expressed concerning these matters, the Small Business Committee amended the bill. We defined "public utilities" to eliminate the transportation services. We limited coverage to small business in an area in which a majority of business concerns are affected for a period of at least 3 consecutive days.

Further, to take care of the objection that we may be moving into dangerous grounds by authorizing loans to cover loss of expected profits, we also limited the coverage to those businesses that could demonstrate that the loans were necessary to preserve or reestablish their business.

So we are not proposing to furnish these people with a ship to ride comfortably over troubled financial waters, we are only throwing them a lifeline.

I might add, Mr. Speaker, that after our committee drafted an amendment to take care of my objections and those of the SBA, the Administrator of the SBA was furnished a copy of the new language and we asked him to submit any objections he may have to the bill as further amended. We received no objections or further comments from the Administrator.

In short, Mr. Speaker, this bill as amended, furnishes a readily available redress for an identified problem. It was reported unanimously by our committee and I believe it deserves the support of the entire House.

Thank you.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield further?

Mr. J. WILLIAM STANTON. I will be happy to yield further to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman yielding me the additional time.

The gentleman may recall that there were several complaints, and I am referring to the legislation relating to authorizations for various kinds of disasters, when that legislation passed this House a year or 2 years ago, that in some cases loans were being made at a much lower cost in interest charges than the Government itself had to pay for money in the marketplace. Can the gentleman from Ohio answer how this legislation addressed itself to that issue?

Mr. J. WILLIAM STANTON. The gentleman from California is absolutely correct that in our old committee we got down to disaster loan rates of 3 percent with forgiveness clauses of up to $5,000. This legislation applies itself to basically the so-called government rate which is now about 6¾ percent, and limited to 10 years.

Mr. ROUSSELOT. The interest charge, then, is higher to the recipient than it is for which price the government is paying interest?

Mr. J. WILLIAM STANTON. That is correct. I know the gentleman from California would be pleased to note that our committee has taken a definite move in the direction of standardizing the disaster relief rates which will be at the cost of borrowing the money.

Mr. ROUSSELOT. I appreciate the comments of the gentleman from Ohio, and the willingness of the committee to address itself to this issue. This process has been a major source of complaint of many of my constituents that, even though many people are highly sympathetic with the problems that occur as a result of various disasters, that it still is not appropriate to charge less interest than the Government has to pay for the same money.

Mr. J. WILLIAM STANTON. The gentleman is correct.

Mr. ROUSSELOT. And if the committee has dealt with that issue then I compliment it for doing so.

Mr. DINGELL. Mr. Speaker, the General Accounting Office has recently advised me that the National Park Service has determined that it is not subject to the small business "set aside" policy that is one of the cornerstones of the Small Business Act.

The NPS has apparently come to this conclusion very quietly and without any review by our committee of this matter. It is my intention in our forthcoming hearings on NPS concession operations to ask the Small Business Administration to express its views on this matter and to indicate whether or not it agrees with the NPS conclusion that the small business "set aside" policy does not apply to concessions. We will also want to know whether or not the SBA agrees as a matter of policy that this "set aside" policy should not apply to concession operations.

I am particularly concerned about this in view of a recent report by the Interior Department which indicates that conglomerates are buying up concessions in the National Park System and looking upon the concessions "more as a capital investment than as a substantive business operation with a special responsibility to the public."

This report is quite interesting and I have asked that the NPS make it available to the public. I have also asked the NPS to indicate when it will implement the several recommendations contained therein.

Mr. MURPHY of New York. Mr. Speaker, unfortunately, many times deficiencies in our existing body of laws are only brought to our attention in the wake of a disaster of serious magnitude. The legislation we are considering today, H.R. 4888, which was drafted in response to the New York City telephone fire of February 27 is a case in point.

H.R. 4888 would establish an additional loan program for small businesses which have suffered substantial economic injury as a result of the disruption of operations and services of public utilities to such small business concerns. In order to be eligible for these loans, the applicant must demonstrate that the loan is necessary in order to preserve or re-establish his business, provided the disruption of service was by a licensed public utility such as a telephone, telegraph, or natural gas or electric company, and provided the disruption existed for a minimal period of 3 days and affected a majority of the business concerns in a specific geographic area.

This legislation is unique in that it amends the Small Business Act so that nonphysical disaster loans can be authorized by the Small Business Administration Administrator. I cannot sufficiently stress the importance of this provision for prior to this legislation very few avenues of recourse existed for small concerns whose business had been impaired by a nonphysical disaster.

As most of you are aware, on February 27 of this year a massive fire erupted in the New York Telephone Co. switching building. Fifteen hours later the blaze had been quelled. However, all telephone service for a 300-square-block area in lower Manhattan which was populated by over 200,000 residents had been completely knocked out.

In other words, an area which contained a population which is equivalent in size to the entire city of Syracuse, N.Y., was left without any telephone service for a couple of weeks.

The area affected by the fire also housed more than 8,400 businesses most of them small concerns. In his testimony before the Small Business Committee, Mr. Abraham Goodman, the first deputy administrator of the New York Economic Development Administration, cited a study conducted by his administration which identified over 4,000 companies in the affected area. Of these 1,390 were identified as manufacturers, 1,087 as wholesalers, 1,245 as retailers, and 499 in the service, transportation, and public utility categories. Furthermore, in these times of rampant unemployment, these firms alone accounted for over 58,000 employees.

Mr. Goodman went on to testify that his administration conservatively estimated that this one fire would result in a financial loss to these small businesses of at least $60 million. Small businesses would be particularly hard hit by this loss of revenues for a number of reasons. First, these concerns were not able to have incoming calls transferred to branch offices nor could they afford to have alternative communication systems such as mobile phones installed. Second, because they lacked the financial resources of large companies, the financial reserves of these small concerns were stretched to the limit resulting, more often than not, in financial ruin.

As a Representative of New York City I would be the first to admit that I am somewhat of a partisan. Be that as it may I do not believe that too many people would argue with the fact that New York City is one of the economic hubs and financial capitals of the world. Any disaster which results in the disruption of a substantial part of the business community of this city is no small matter and warrants, in my opinion, as much Federal disaster relief as would be given to concerns in rural areas which had been devastated by a hurricane or a tornado. Incredibly enough however, despite the intervention of myself, a number of my colleagues on the New York delegation, Mayor Abraham Beame and ultimately Governor Carey, it was made clear that this relief assistance was not forthcoming.

I represent a substantial portion of the lower Manhattan area which was affected by the telephone fire. When it became apparent that many of the small businesses in the area had been seriously injured by the fire and that telephone service was not readily being restored I personally contacted Small Business Administrator Thomas Kleppe and requested that he authorize emergency disaster relief loans to be made to the businessmen and women whose concerns were experiencing financial ruin as a result of the fire. I was informed by Administrator Kleppe that unless physical damage had resulted from the fire the Small Business Administraion had no authority to issue disaster relief loans. Indeed, in his testimony before the Small Business Committee Administrator Kleppe stated that an economic catastrophe of this type, "does not qualify under any provisions we have under our disaster program today." Ironically, it is conceivable that under the provisions of existing law, the New York Telephone Co. may have qualified for Federal disaster relief because the building which housed the switching operations had suffered physical damage.

When Administrator Kleppe made it clear that the Small Business Administration had no legal authority which would permit them to release funds for these disaster loans I tried a different approach. Using the Disaster Relief Act of 1974 as the legislative precedent, I appealed to Governor Carey of New York, requesting that he ask President Ford to declare lower Manhattan a disaster area. If the President made such a declaration the way would have been cleared for the issuance of relief loans. Governor Carey, who had come to the same conclusion as myself regarding the gravity of the situation, telegramed President Ford requesting him to designate lower Manhattan as a disaster area. President Ford, upon receipt of this appeal referred it to the Office of Management and Budget for review and, as far as I can determine, this is the last action on this matter that the administration ever made.

In essence then, we had a situation develop in New York where a substantial sector of one of the largest business communities in the world was crippled by a total breakdown in service—due to fire—in one of the largest public utilities in this country. The extensive economic damage this breakdown was inflicting on thousands of small business concerns was apparent to all involved. Furthermore, it must be remembered that this disruption in the day-to-day functioning of these small businesses occurred at a time when New York City, and the Nation at large, was experiencing one of the most severe economic crises in recent history; at a time when theoretically the entire thrust of this administration's policy was directed toward encouraging the development of the country's small businesses. Yet, despite all of these factors, the Federal Government refused to come to the aid of one of the largest business communities in the world—refused to get involved—refused to assist the thousands of small concerns whose economic existence depended upon some form of immediate financial aid. Quite frankly, I would not like to speculate on whether this refusal was based primarily on the lack of any legal jurisdiction in this area in existing Small Business Administration law or simply on the decision on the part of the administration to pursue a "hands-off" policy, leaving the crisis to be solved by a city which is on the verge of bankruptcy.

In any event, it is quite clear to me that the legislation we are considering today, H.R. 4888, fills a glaring gap in our existing statutes. Situations such as the one that occured in New York have arisen in other parts of the country, most notably in Ohio when a boiler in a municipally owned electric company exploded, cutting off electricity to approximately one-half of the town and forcing many small businesses to close for a 5-day period in 1974, and in New Jersey and Kentucky where manufacturers who were dependent upon natural gas for industrial production found their natural gas supplies discontinued or drastically reduced.

At this stage of the game, where public utilities have grown to monopolistic proportions such that they dominate services vitally needed by a majority of our business concerns, large and small, it is inconceivable that our laws contain no precedents which provide for disaster relief loans for small businesses in the event that one of these utilities ceases its service. Furthermore, it is my strong belief that the Small Business Administration Act needs to be revised so that it includes provisions for nonphysical disaster relief. This is especially crucial given the current chaotic condition of our economy.

For these reasons I urge you, my distinguished colleagues, to join me in voting today for the passage of H.R. 4888.

Mr. KOCH. Mr. Speaker, as you well know, the February 28 fire that ravaged the main telephone switching station for Manhattan's Lower East Side is of particular concern to me because it created grave economic troubles for thousands of small businesses in my district. The area affected by the fire is a conglomeration of cultures, peoples, and life styles and contains a normally bustling business community of more than 10,000 small businesses. While the residential community suffered inconveniences because of the lack of telephone service, including my own home, the small businesses—the "mom and pop" stores—found themselves confronted with disaster because to most of them the telephone is indispensable. For these businesses, the discontinuance of telephone service is a calamity as bad as any mother nature could have wrought. A constant cash flow is essential if they are to survive; without the telephone that flow is dammed.

Soon after the disaster I requested along with Congressman Fred Richmond—who deserves special commendation for his support in this matter affecting primarily my district—and Alfred Eisenpreis, administrator of the Economic Development Administration of New York City, that President Ford immediately declare the area eligible for Federal assistance through the Small Business Administration. On March 6, I received a letter from SBA Administrator Thomas Kleppe stating that because of certain specific criteria established by the SBA and the Federal Disaster Assistance Administration, these floundering businesses were not eligible for economic injury disaster assistance. Clearly, the devastating consequences of this conflagration fully satisfies the spirit of the law; but, unfortunately, it never occurred to anyone that tragedy might wield a technological sword. Consequently, the law would exclude assistance in this case.

On March 13, Congressman Joseph Addabbo introduced H.R. 4888, cosponsored by myself and 21 of our colleagues. The bill would amend the Small Business Act to make loans available for small businesses suffering economic injuries as the result of the disruption of operations and services of public utilities. The most important feature of this legislation is the fact that it is retroactive to February 1, 1975, and will be able to help the 10,000 crippled businesses in the affected area.

The unique situation many of these businesses find themselves in warrants our unfettered passage of this legislation. The need for this legislation is made unmistakably clear by the poignant stories of some of the area's neighborhood businesses who, already inundated by the current economic storm, will surely drown without this life-saving assistance.

Sam Beshenstein, for example, is a wholesale fabric distributor. He has 22 phone lines and 50 employees. His business depends on calls received from all over the country for fabric orders. After the fire he was forced to lay off many of his employees and only reopened after service was restored.

Fernando Carriera owns a takeout delicatessen on Avenue C. His business fell considerably because of heavy reliance on phone orders.

Shapiro Wines and Steits Matzoh Baker's biggest volume of business is at Passover. They experienced the worst business in their 50-year histories, because of their dependence on phone orders for bakery goods and wines.

The terrible disaster that paralyzed New York's East Side is neither unique to New York or the telephone. The same results could be expected in any area of the United States if any public utility was suddenly disrupted. In an age when so much of America's economic life depends on the use of public utilities and in a time when America is fraught with economic ills, it is sensible that we provide permanent legislation to protect small business across the country in similar catastrophes should they occur and provide that assistance to those in New York already suffering. I, therefore, entreat my fellow Members to vote for this necessary legislation.

GENERAL LEAVE TO EXTEND

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on the subject of this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. Smith), that the House suspend the rules and pass the bill H.R. 4888, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TO EXTEND BY 90 DAYS EXPIRATION DATE OF DEFENSE PRODUCTION ACT OF 1950 AND EXTEND FUNDING OF NATIONAL COMMISSION ON PRODUCTIVITY AND WORK QUALITY FOR 90 DAYS

Mr. ASHLEY. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 94) to extend by 90 days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days.

The Clerk read as follows:

S.J. Res. 94

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 717(a) of the Defense Production Act of 1950 is amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1975".

Sec. 2. Subsection (j) of Public Law 93-311 is amended by adding at the end thereof the following new sentence: "In addition, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section during the period from July 1, 1975, through September 30, 1975.".

The SPEAKER pro tempore. Is a second demanded?

Mr. McKINNEY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Ohio (Mr. Ashley) will be recognized for 20 minutes, and the gentleman from Connecticut (Mr. McKinney) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Ohio (Mr. Ashley).

Mr. ASHLEY. Mr. Speaker, the Senate Joint Resolution 94 is for the purpose of extending for 90 days the expiration date

of the Defense Production Act of 1950, and to extend for 90 days the funding of the National Commission on Productivity and Work Quality.

This joint resolution, Mr. Speaker, is necessitated by the fact that the basic legislation to extend the Defense Production Act and to continue the work of the National Commission on Productivity and Work Quality is still pending before the Committee on Banking, Currency and Housing of the House, and has not yet been considered in the Senate.

It is not possible, in my view, to mark up the legislation and report it to the floor before existing legislation expires on the 30th of this month. I think it is important, Mr. Speaker, to consider that if the Defense Production Act is allowed to lapse on June 30, a variety of important preparedness-for-mobilization programs will lose their authority: The Defense Materials System, the Defense Priorities System, the National Defense Executive Reserve, and the Defense Production Stockpile of Minerals and Materials.

Hearings have been held on the legislation to extend DPA and legislation to continue the work of the National Commission on Productivity. I would expect, Mr. Speaker, that these two pieces of legislation will be ready for floor debate within the next few weeks, most certainly before the end of July. Thus, the 90-day extension would carry us through that time period and provide an extra margin of safety.

Mr. Speaker, I would urge my colleagues to adopt this essential temporary extension of legislation regarding these two functions.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I recall very well last year that the House one day voted down this little Mickey Mouse National Productivity Board, and I see now it is combined with another piece of legislation. How did that happen?

Mr. ASHLEY. No; it is not combined with it. This is simpy a resolution that would ask for the extension of two separate programs. There is no connection between the Defense Production Act and the National Commission on Productivity.

Mr. SYMMS. What I am trying to get at is why are we not voting on these individually?

Mr. ASHLEY. It is the form in which the resolution came from the other body.

Mr. McKINNEY. Mr. Speaker, will the chairman yield so I may answer my colleague's question?

Mr. ASHLEY. I yield to the gentleman from Connecticut.

Mr. McKINNEY. I thank the gentleman for yielding.

It is quite true that at one time particularly the Productivity Board was turned down and was repassed by the House. One of the reasons we are voting on this today is for a 3-month extension so that the Committee on Banking and Currency, under the able leadership of the gentleman from Ohio (Mr. ASHLEY) may take a longer look at both of these. I think I can assure the gentleman, knowing what he is concerned about, that he will find extreme progress has been made and this may turn out to be one of the few moneymaking bodies in the Federal Government in many ways. We would be delighted to have the gentleman testify on whatever he would like to say about either one.

Mr. SYMMS. If the gentleman will yield further, I think I will accept, because in my opinion, having some kind of a board to tell us that private enterprise is the way to solve problems is unnecessary. We do not have to have another bunch of Government bureaucrats on the payroll to fleece the American taxpayers just so we can get this passed through the Congress.

I remember very, very vividly one day the two gentlemen from Iowa (Mr. Scherle and Mr. Gross) put up quite an argument here, and we defeated that once.

Mr. McKINNEY. If the gentleman will yield further, I would suggest if the gentleman had followed it further, he would have found that the senior member of the gentlemen from Iowa became a believer at the end. This Productivity Council is probably one of the few organizations in government that have been able to, for instance in the example of the steel industry, bring labor and management together so that an industry thought dead both by itself and by labor and by the Government now survives and survives rather well, with an increase in employment, an increase in productivity, an increase in tax revenues paid, and an increase in efficiency.

Mr. SYMMS. I thank the gentleman.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

I would like to say to my colleague, the gentleman from Idaho, that I was one of those who originally objected to the Productivity Commission being funded, I think it was, at $5 million, and we then came back and cut it to $2½ million on the basis that that was all we felt the Congress could justify on the basis of what had been done in the way of productivity research. One of the studies was in the meat-packing industry; another was in the steel industry; and many of us felt that even though the desired goals of the Productivity Commission were good, we did not believe that it needed to be funded at $5 million, and it was finally passed at the $2½ million figure.

Let me ask my colleague, the gentleman from Ohio, is it the intention of this committee that in this resolution continuing the ongoing Commission, the Commission will be funded only at the present annualized level of $2.5 million?

Mr. ASHLEY. I am glad to respond. The answer is very much in the affirmative. This is not any kind of guise or subterfuge to allow any escalation in the amount of money or authorization that is available to the Commission. Not at all. The 90-day extension will simply provide the same amount of money that has been provided for last year's level.

Mr. ROUSSELOT. Is my colleague, the gentleman from Ohio, and his subcommittee prepared to ask for additional reports that have been produced by this Commission in the field of productivity so that my colleague, the gentleman from Idaho (Mr. SYMMS) can be shown some of the end products of this Commission?

Mr. ASHLEY. That is a good question. I think the interest shown by the inquiry of the gentleman from Idaho is very understandable. The fact is we have held hearings, not concluded yet, that have demonstrated in the testimony, for example, of Secretary Dunlop that the Commission has performed in a variety of areas with some degree of effectiveness. The skepticism of some is quite understandable based on events of the recent years, but I do think that the gentleman from Idaho and others will be reassured by what I am sure will be the unanimity with which the more permanent legislation will be reported to the floor, based on a conviction that the Commission has performed its somewhat limited mandate in a manner which warrants the support and approval of this body.

Mr. McKINNEY. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Speaker, I was going to say to my friend, the gentleman from California, that one of the examples of the work of this Commission, which was not suggested by the gentleman from California, was getting the California vegetables to the eastern coast with some efficiency, which is unknown to American railroads as they are presently run.

If the gentleman will look at the legislation, he will see we are trying to get away from the bureaucracy and trying to build a center which is not going to be an overblown bureaucracy but will allow private interests to come to them and will receive Federal information and other interests. We are trying to change the organization so as to have it become a national center where private enterprise and Government interests and national interests can come and contribute rather than living off the Federal trough, which I know the gentleman is concerned about.

Mr. ASHLEY. The Commission has demonstrated that it has been doing good work with rewarding results in such industries as food and transportation and health. It has encouraged State and local government productivity. It has directed its efforts in a number of areas of private industry, and it does not go in there unless really invited to do so. It also functions with respect to Federal and local government productivity. So the view of the Commission is not limited to these suggested by my friend, the gentleman from Idaho.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, I hope my two friends, the gentleman from Ohio and the gentleman from Connecticut (Mr. McKINNEY) will insist that this Commission produce some of the success stories that it might have had in genuinely getting at the issue of productivity increases which are desperately needed in this country.

Mr. ASHLEY. I can assure the gentleman without any equivocation that it will be shown in the report on the bill we bring before the House. The membership is entitled to know what the Commission has been up to, where it has had success and where it has had difficulty, and that will be in the report.

Mr. ROUSSELOT. Mr. Speaker, I appreciate both of my colleagues replying to me.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I wonder in the report about the transportation of vegetables from California to the east coast, did the committee recommend, or the Commission recommend, that the ICC was the big problem or had something to do with it?

Mr. McKINNEY. I am not sure that the committee would not like to come up with this and one of the reasons it would cease to become a commission and become a center is that it might be removed from the Federal bureaucracy.

I thought the gentleman was going to ask me about the transportation of apples.

Mr. SYMMS. That was one of my points. I appreciate the point of view of both the gentleman from California and the gentleman from Ohio. I was concerned that one Government bureaucrat was going to recommend that another bureaucrat get rid of the other bureaucrat. I was afraid that if we got rid of trucks and trains that we could deliver goods and services around the country without blocking sales in the free market around the country.

Mr. McKINNEY. I could suggest to the gentleman from Ohio and to the gentleman from California that the gentleman from Connecticut, coming from the East, thinks that the ICC is far less efficient than these gentlemen, with respect to those railroads in the East.

We are looking for a communication center, rather than a Federal bureaucracy. The real issue was stated by John K. Tabor, Acting Secretary of Commerce, which is very important:

> What we are talking about really is American productivity. Industry and our Nation are confused. Our average increase in productivity was the lowest of all industrial nations in the entire world.

This is obviously not a problem of just the unions. It is a problem of invested capital. It is a problem of the factories. It is a problem of all facets.

We cannot point to any of the industrial nations and say, for instance, England has a bigger union problem and another country has a limiting foreign trade problem; but the fact of the matter is that taking all these things into consideration, the summaries of our productivity in this Nation are leading us down the hill in what amounts to a foreign exchange disaster. This setup as a center, we feel, not as a commission, not as a bureaucracy, not as anything else, this is one of the reasons we are asking for 90 days to do the right job and I know the gentleman from Ohio wants us to do that kind of job and not to set up, if we wish—I hate to use the word "academic," because I know what the gentleman thinks about academic, but a conference thinking center, where we have corporations continuing to make a profit and the Nation continuing to have a surplus in trade and we can argue out the problems that come up and people are free to say the ICC is wrong.

Mr. SYMMS. I thank the gentleman and I hope the gentleman someday will recommend that we put ICC lawyers to driving trucks and we get rid of union monopolies and things like that.

Mr. ASHLEY. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Ohio (Mr. ASHLEY) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 94).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ENDORSING THE WORLD FOOD CONFERENCE OF 1976 IN AMES, IOWA

Mr. DIGGS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 136) relating to the World Food Conference of 1976 in Ames, Iowa.

The Clerk read as follows:

H. CON. RES. 136

Whereas the means of producing, processing, and distributing food in nutritionally adequate quantities to feed an increasing world population is an awesome problem confronting the world today; and

Whereas the land grant colleges of the United States have made notable contributions to increased agricultural efficiency and improved quality of food and feed crops, particularly through developments in soybean and maize crops, animal breeding and feeding efficiency, farm machinery, and the dissemination of information to farmers and consumers; and

Whereas the Iowa State University of Science and Technology, one of the Nation's foremost land grant colleges, will host the World Food Conference of 1976 in Ames, Iowa, from June 27 through July 1, 1976; and

Whereas the subject of the World Food Conference of 1976 will be "The Role of the Professional in Feeding Mankind"; and

Whereas such conference will bring together scientists and scholars from many disciplines and many countries for the purpose of sharing and increasing agricultural and nutritional knowledge among the world's scientists and teachers, and for the purpose of accelerating the development of methods of food production, processing, and distribution that will result in improved capabilities for meeting the food and nutritional needs of all the people of the world; and

Whereas the American Revolution Bicentennial Administration has endorsed the World Food Conference of 1976 as a Bicentennial project of national and international significance: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States endorses the World Food Conference of 1976 to be held in Ames, Iowa, from June 27 through July 1, 1976, and commends the Iowa State University of Science and Technology for a humanitarian undertaking of international significance.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. DIGGS) is recognized for 20 minutes, and the gentleman from California (Mr. ROUSSELOT) is recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. DIGGS. Mr. Speaker, I urge my colleagues to give their approval and support for House Concurrent Resolution 136, which endorses the World Food Conference of 1976 to be held in Ames, Iowa.

The holding of this conference is consistent with a number of actions, large and small, which are being taken by governments and private groups around the world to follow through in the campaign to eradicate hunger.

These international efforts were, perhaps, brought to the forefront by the World Food Conference, attended by representatives of nearly every country in the world and held last November in Rome. This major international conference represented recognition by the international community that the age-old problem of hunger and the threat of famine is now facing us on an unprecedented and greater scale and urgency than ever before. This is clearly evidenced in the conference's acceptance of the goal "that within a decade no child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition.

The magnitude of the problem is illustrated in estimates which the Committee on International Relations has received that more than 400 million people currently suffer from malnutrition in Asia, Africa, and Latin America.

So I believe it to be entirely appropriate that the American Revolution Bicentennial Administration has recognized the World Food Conference of 1976 to be held in Ames, Iowa, next summer as an official Bicentennial project. The theme of the conference at Ames, which is being sponsored by the Iowa State University of Science and Technology, is "The Role of the Professional in Feeding Mankind." The goal of the conference is to provide "a professional forum of international significance, focusing on the subjects of production, processing, distribution and utilization of food, adequate nutrition and related world problems."

Focus on these critical issues, particularly food production and distribution, was very clearly brought out in recent hearings of the Subcommittee on International Resources, Food and Energy, as more important than ever over the long term. In addition, the conference has proposed workshop themes which include: production of plants and animals for food, capital availability, agrarian reform, land and water use, storage and processing of food, food from the seas, climate control, and food reserves and distribution for emergency uses.

The sponsors of the conference anticipate that more than 1,000 persons will attend from throughout the United States and from many other countries. Participants will include scientists, educators, and persons preparing for careers in the food field.

Mr. Speaker, the resolution before us, House Concurrent Resolution 136, gives recognition of the food problem and expresses congressional endorsement to this worthy and humanitarian undertaking at Ames, Iowa.

An identical resolution, Senate Concurrent Resolution 19, has already passed the Senate under unanimous consent procedures.

For those who might have any doubts about this resolution—and I hope there are none—let me say that:

This resolution does not provide for the expenditure of any Federal funds; and

Neither does it endorse any outcome from the conference in Ames—it only endorses the holding of this conference.

I hope the House will give its overwhelming approval of this resolution.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. DIGGS. I yield to the gentleman form Maryland.

Mr. BAUMAN. Mr. Speaker, the gentleman said that this will not cost any tax moneys. It is my understanding that the food conference has a budget which approaches $450,000, which seems rather high.

I may be mistaken, but I believe they have made application to the U.S. Bicentennial Commission for Federal funding. Is this true, and if so, what amount are they seeking?

Mr. DIGGS. I am sure that there are many who are submitting applications for that kind of assistance. All I can tell the gentleman is that there is nothing in this legislation which involves funding of any type. Whatever kind of funding requests that the University might make to the Bicentennial Commission or any other agency would have to be handled as those funding requests are normally handled.

Mr. BAUMAN. I assume that since this resolution says that Congress specifically endorses the conference, this can be used as a rather strong arguing point in favor of the application to the U.S. Bicentennial Commission for this funding.

Mr. DIGGS. I would assume that this kind of reference could be made, but I repeat that any funding request would have to stand on its own merits. One could not draw any automatic conclusion from the passage of this resolution. The resolution, in essence, just supports the holding of this conference in Ames next year. It commends an undertaking of international significance.

Mr. ROUSSELOT. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Speaker, the United States has a long and dedicated history of leadership in providing world food aid. Over the past 20 years we have shipped food aid of wheat, rice, and other grains at a rate of 70 million pounds a day. But these efforts alone are not adequate enough to fill the needs of an ever increasing world population.

One of the key elements agreed upon by the participants of the 1974 World Food Conference was that food aid provides only a short-run solution to the problems of world hunger. The real solution, in the long run, to the World's Food problems lies in the increased productivity of the needy nations themselves. In those countries, where the greatest need is centered, new technology, combined with sound production policies, are needed to enable their farmers to produce more food.

Such technology and planning is the product of individuals, specialists, and experts, all working together and sharing their knowledge. Just as the World Food Conference of 1974 set the stage for universal governmental cooperation on objectives and principles related to the food crisis, the World Food Conference of 1976 now seeks to provide a needed professional forum to solve the highly specialized problems of food production, processing, distribution and utilization, adequate nutrition, and related world problems.

As the food conference of last year succeeded in focusing world attention on man's most basic problems of hunger and malnutrition, the 1976 conference in Ames, Iowa, entitled "The Role of the Professional in Feeding Mankind", promises to maintain a high level of attention to the world food situation, not only for areas of production, but for a continuing review of all food related areas.

This unique opportunity provides a chance for the great minds of the world to meet and exchange ideas, not as officials, but as concerned citizens joining together to solve a mutual problem. By such a meeting, they will have a chance to focus on issues and problems which are sometimes clouded by governmental interactions.

It is fitting that such a forum be held in America's heartland and in a region which has become the world's breadbasket. I ask my colleagues to join with me in commending the Iowa State University of Science and Technology for this humanitarian undertaking and in supporting this resolution of congressional recognition of the World Food Conference of 1976.

Mr. Speaker, I request that the following correspondence be inserted in this portion of the Record:

May 12, 1975.

Hon. Thomas E. Morgan,
Chairman, Committee on International Relations, House of Representatives.

Dear Mr. Chairman: In response to a request for Executive Branch comments on H. Con. Res. 136, I am pleased to state the following:

In addition to official United States Government efforts to coordinate concerted action on the world food problem, a number of conferences have been held under private auspices. These private efforts have made a contribution in mobilizing support and expertise in the private sector to meet the complicated problem of ensuring adequate nutrition for a growing world population. We believe that the World Food Conference at Ames, Iowa can be a useful addition to the efforts of other non-governmental organizations and we have no objection to the proposed resolution.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for Congressional Relations, Department of State.

American Revolution Bicentennial Administration Action No. 8-74

WORLD FOOD CONFERENCE

The American Revolution Bicentennial Administration hereby recognizes the World Food Conference as an official Bicentennial project with authorization to use the Bicentennial symbol. The sponsor, the Iowa State University of Science and Technology, has scheduled, during the Bicentennial year 1976, a technical-professional meeting of international significance for the Bicentennial devoted to the production, distribution and utilization of food and related nutritional problems.

April 2, 1974.

Hugh A. Hall,
Acting Administrator.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to direct some questions to either my colleague, the gentleman from Michigan (Mr. Diggs), or to the gentleman from Iowa (Mr. Harkin), the author of this concurrent resolution.

First of all, could either one of the gentleman tell us why this was selected out of all the food conferences there are as the one which has some kind of relationship to our Bicentennial celebration?

Mr. DIGGS. Mr. Speaker, if the gentleman will yield, I must say that I cannot answer that particular question in a precise manner.

Mr. ROUSSELOT. Mr. Speaker, perhaps our colleague, the gentleman from Iowa (Mr. Harkin) who represents the area where this conference is to be held can answer my question.

Mr. HARKIN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Speaker, I understand the gentleman's question was why this conference was selected over some others.

I must ask the gentleman, what other food conferences are there next year?

Mr. ROUSSELOT. Mr. Speaker, there are several other food conferences that we have on food throughout the Nation or in other parts of the world. Many colleges have sponsored such food conferences, although not one of this substantial nature.

Why was this one selected to have

some kind of relationship to the Bicentennial?

Mr. HARKIN. Mr. Speaker, if the gentleman will yield further, I think the gentleman from California hit the nail on the head when he referred to the magnitude of this conference. This is an all-encompassing food conference.

We are inviting in people from about 80 to 84 different countries, and it will involve at least a thousand participants from all over the world. We will have simultaneous translators there at the conference. I must say that it is simply because of the magnitude of this conference. The magnitude of this conference is much greater than some of the others the gentleman is talking about, of which I have no knowledge.

Mr. ROUSSELOT. Mr. Speaker, could the gentleman tell us how that has a relationship to the Bicentennial Celebration which we are going through in 1976? Does it have some relationship in some specific instance?

Mr. HARKIN. Mr. Speaker, I am sure the gentleman from California realizes that the sponsors of different events in different communities can make application to the American Revolution Bicentennial Commission to be recognized in official events which a community, for instance, may sponsor next year.

The World Food Institute of Iowa State, which is sponsoring this conference, was established in 1972. The Institute applied to the American Revolution Bicentennial Commission for official recognition, and they received it.

Mr. ROUSSELOT. Mr. Speaker, I am familiar with this aspect of it because several communities in my own district have done the same thing. However, normally it has some kind of specific relationship to the Bicentennial celebration.

Can the gentleman tell me what that relationship is in this instance?

Mr. HARKIN. Mr. Speaker, I think basically the gentleman from California must recognize that our Nation was founded upon agriculture.

Mr. ROUSSELOT. Yes, I am well aware of that.

Mr. HARKIN. Our Nation was founded on food production. We are the breadbasket of the world. Two hundred years ago, when this Nation was first founded, most of the people who wrote the Constitution and our forefathers who signed the Declaration of Independence, were people of the soil.

Mr. Speaker, I think this has a very close connection with the birthday of our Government.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's comments.

We have been informed, upon contacting the institution involved, that it will probably make an application to the U.S. Bicentennial Commission for some kind of Federal grants to support this conference. So I think my colleagues should understand that even though this report from the committee states there will be no Federal costs involved as far as this Committee on International Relations is concerned, the institution itself will make application to the Bicentennial Commission, and obviously they will rely on Federal funds.

Therefore, I think my colleagues should understand that there is going to be some cost to the Federal Government, assuming the institution in question is successful in getting Bicentennial funds. Is that not correct?

Mr. HARKIN. Only as a Bicentennial project. Of course, all Bicentennial projects that receive any funding would fall in that category.

However, I would remind the gentleman from California that this project of the World Food Conference is also receiving a lot of private funding. It is also receiving funding from the State of Iowa and from other sources.

So the only funds the gentleman is talking about would be coming through the American Revolution Bicentennial Commission as such, but there are no authorizations for funds to be expended in this bill.

Mr. ROUSSELOT. Yes, that I understand. The committee report makes that very clear.

My point, however, was that I think my colleague, the gentleman from Iowa (Mr. HARKIN), should understand that those States will make application to the Federal Bicentennial Commission for Treasury funds. Therefore, there will be Federal funds, assuming they are successful in obtaining those grants.

Mr. HARKIN. I would remind the gentleman from California (Mr. ROUSSELOT) that it has already been recognized as an official event by the Bicentennial Commission.

I would also further remind the gentleman that there will be literally thousands and thousands of projects that will make application or have already made application to the Bicentennial Commission for funding, and I am sure that this one will stand or fall on its own merit.

Mr. ROUSSELOT. I had expressed concern originally, as the gentleman knows, because we talked about this yesterday. That this legislation receive full attention of the House. I appreciate the willingness of the gentleman from Iowa to bring this up under suspension so that we could discuss it under the suspension procedure, which allows no real discussion on the whole issue.

My point on this is that in talking to the institution, they plan to spend roughly $450,000 for this activity, part of which will come from the States, if they apply, and also some from the Federal Government Bicentennial Commission.

My reason for raising these questions and discussing them with the gentleman from Iowa (Mr. HARKIN) is that I know this conference will be in his district, so that I did have some difficulty in understanding how this was a Bicentennial function. I am fully aware that this country was primarily an agrarian society when our country started. Even though Iowa was not a State then, Iowa has pushed a major role in agriculture; in fact, the whole country, practically, was engaged in agriculture, on a private market basis. I might add that that Iowa clearly qualifies today as a prime producer of agriculture products. Iowa is a major producer of foodstuffs. Nobody can argue against that point, nor would I try.

Mr. HARKIN. I am sure the gentleman will recognize that most of the States that will be celebrating our Bicentennial were not members of the Union at that time.

Mr. ROUSSELOT. No, but as territories they did engage in some specific activities, as I am sure the gentleman from Iowa will agree, where memorable events did actually occur. For instance, in my own State there are some 21 missions which were run by Spain, were part of the culture of California, and were in existence at the time our country came into being in 1776. Therefore, there is some relationship to the Bicentennial and what was occurring at that time in California.

However, now that the gentleman has explained that there is a direct relationship to the Bicentennial activity or affairs, I see that it possibly has some relationship. I appreciate his willingness to explain it and discuss it. I felt we should have done so yesterday, and I appreciate his willingness in doing so now.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I am glad to yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, another point that I think the gentleman from California (Mr. ROUSSELOT) has overlooked—and I am surprised that he has—is that we have many, many Members, not only in this body, but in the other body, which I see passed this resolution on the 25th of April, 1975, who are aspiring to higher office. After all, this is a good platform for people seeking higher office, or this would be in 1976. Coincidentally with its being the Bicentennial celebration year, it is also an election year.

Mr. ROUSSELOT. My comment to my colleague, the gentleman from Idaho (Mr. SYMMS), is that it is difficult for me to believe that any Member of the other body would attempt in any way to "use" the Bicentennial celebration for that purpose. It is very difficult to believe.

If my colleague, the gentleman from Idaho (Mr. HARKIN), wants to respond, I will be glad to yield to him.

Mr. HARKIN. If the gentleman will yield, I remind the gentleman (Mr. SYMMS) in the well that there are going to be 1,000 participants from all over the world. A lot of these will come from outside the United States, and they will not be eligible to vote in this country.

Mr. SYMMS. If the gentleman will yield further, does he not think that television cameras will be there from all of the national networks, so that we can hear all these great speeches on behalf of people who are starving and so forth, and that there will be a mixture of politics with the celebration?

Mr. ROUSSELOT. I certainly cannot comment on the TV networks.

If my colleague, the gentleman from Iowa, wants to comment, I will be glad to yield to him.

Mr. HARKIN. I thank the gentleman for yielding.

To answer the gentleman in the well, I do not know whether the gentleman is seeking higher office in Idaho or not. Regardless of whether he is, if he will come to Ames, Iowa, next year, he is welcome to attend the World Food Conference.

Mr. SYMMS. I am happy to receive the invitation.

Mr. ROUSSELOT. I am sure that my colleague from Idaho appreciates the endorsement.

Mr. McKINNEY. Mr. Speaker, would the gentleman yield?

Mr. DIGGS. Mr. Speaker, I yield such time as he may consume to the gentleman from Connecticut (Mr. McKINNEY).

Mr. McKINNEY. Mr. Speaker, we have heard the 1976 World Food Conference scheduled for Ames, Iowa, next year subjected to some strong attacks today. I have long been concerned with the food surpluses that we have stockpiled in this country while so many people starved in other lands. We failed to recognize the intrinsic value of these goods while developing our international policy with the underdeveloped nations. For too many years our emphasis was directed to increasing our agricultural productivity rather than sharing our knowledge with the disadvantaged peoples of the world.

The World Food Conference in Rome increased American and international awareness of the awesome scope of world hunger. The conference vividly demonstrated that nothing short of an allout, cooperative effort by the world's developed nations will produce a solution to this complex problem—a solution which must include coordination in the areas of energy, technology, research, transportation, nutritional education, and financial assistance.

To establish our role in this effort, I supported House Resolution 1399 which declared: First, that the United States should vigorously pursue efforts to help poor countries increase agricultural production, promote economic and social development, and assist in voluntary population control programs; second, increase food aid to meet short term emergencies; third, begin planning to increase and maximize food production in the United States and to increase food aid while protecting against adverse impact on the domestic economy; fourth, encourage all developed, food-exporting, and oil-exporting nations to join in these efforts; fifth, seek international agreement and participation in a world food reserves program to meet shortages and protect against future market and supply disruptions; and sixth, increase the production of fertilizer while discouraging nonagricultural uses.

Pursuant to the goals set out in this resolution, Secretary of State Kissinger is about to begin talks in Paris and Vienna with Third World nations, as well as the oil-producing states, in an effort to coordinate price stabilization, food production levels, raw materials distribution, and petroleum-based fertilizer availability. These are all important ingredients in building the foundation of a world food reserve system.

Such a system should be the cornerstone of our efforts. While direct U.S. food aid, which came to $1 billion in 1974, must always be available for emergencies caused by drought and natural disaster, we cannot, and should not encourage needy nations to rely on our abundances of previous years. Presently, world reserves are at their lowest point in many years, with only 89 million tons, or 27 days of food on hand. No single nation could fill the gap if the delicate cycle of world food production is again upset by bad weather or blight, and these reserves are depleted. Therefore, I feel it is essential that we, as well as other advanced countries, intensify our efforts to provide the technical equipment and advice to enable every nation to meet at least the basic food needs of its own people.

Also, we cannot continue to endure the economic strain which massive exports, at low or deferred prices, exert on our domestic markets. I believe a balanced system of food reserves would stabilize both U.S. and foreign prices as well as create a new market for U.S. surpluses—at prevailing prices—as participating nations buy grain to meet reserve quotas. This would also allow continued full farm production in the United States while returning a fair profit to the farmer.

Ours is a nation whose policies have been based on the Judeo-Christian ethic of helping those who are less fortunate. I am opposed to the concept of "food politics"—efforts to use our agricultural power much like the oil-producing nations have used their petroleum superiority—when millions of lives hang in the balance. We must continue to practice the humane, generous policies of the past while moving toward a cooperative solution to world hunger.

An overall perspective on food needs must be maintained. I do not ask that Congress endorse the final statement of a conference that will not sit for another year. But I consider it a positive and encouraging act that the Congress express support for this conference. I strongly support the United States acting as the host to this group. The topic for the conference will be "The Role of the Professional in Feeding Mankind." No other country in the world has been as successful in its professional development of the agricultural industry as the United States. I think it is quite fitting that this Congress openly express its support for the 1976 World Food Conference and pray that it will result in some valuable solutions to this most serious problem, feeding mankind.

Mr. HARKIN. Mr. Speaker, first I want to commend the distinguished chairman of the International Relations Committee, Mr. MORGAN, and the distinguished chairman of the Subcommittee on International Resources, Food, and Energy, Mr. DIGGS, and to thank them for their efforts on behalf of this resolution.

I would like to take this opportunity to inform my colleagues that Iowa State University of Science and Technology will host the World Food Conference of 1976 in Ames, Iowa, from June 27 through July 1, 1976.

The subject of the World Food Conference of 1976 will be "The Role of the Professional in Feeding Mankind." The general objective of the Conference is to increase the involvement of scientists and educators in solving world food needs through concerted efforts among universities, research institutions and organizations, extension services, and their many diverse disciplines.

The World Food Conference of 1976 at Iowa State University defines as its task the bringing together of natural and social scientists to examine the world food situation, to explore crucial points at which breakthroughs may be sought, and to channel creative energies toward the discovery and adoption of superior methods and husbandry of material resources for the production, distribution, and utilization of food. As we all know, the production, processing, and distribution of food necessary to provide adequate nutrition for the world's expanding population is one of the most awesome problems facing the world today.

The land-grant colleges of the United States have made notable contributions to the solutions of this problem. They have been in the forefront of the movement to increase agricultural efficiency and to improve the quality of food and feed crops. They have made significant contributions in the development of farm machinery. They have been instrumental in the dissemination of information to both farmers and consumers.

Iowa State University is one of the oldest and greatest of the land-grant colleges. First chartered by the Iowa General Assembly in 1858, Iowa State University has pioneered in the establishment of agricultural curriculums and in the basic sciences. It was the first State university to establish a school of veterinary medicine and it is one of the Nation's leading colleges in home economics curriculums and engineering curriculums. Today, it is one of the Nation's outstanding universities offering quality instruction to nearly 20,000 undergraduate and graduate students and conducting an extensive research program to advance the frontiers of learning. Because Iowa State University shares with other land-grant institutions the conviction that all people should have access to the ideas and knowledge of the campus, it has established a county cooperative extension program throughout the State of Iowa.

It was precisely this commitment to research and the dissemination of knowledge that led Iowa State University to establish in July 1972 the World Food Institute—a center for food research and education within the university. Building upon the traditional interests, staff competencies, and international leadership of Iowa State University in economics and agricultural development and the production, marketing, and nutrition of food, the institute has focused these competencies and this leadership upon the provision of adequate and nutritious food supplies for the world's people through research and education. The institute has also focused on the interrelationships between the United States and other developed and developing countries in understanding the world food problems.

The World Food Conference of 1976 is one of the projects of the World Food Institute. It is fitting that this Conference should be held in Iowa, the heartland of agriculture in the United States. Iowa ranks first in the Nation in corn production, second in soybean production, first in hog production, and first in finished beef.

Current plans call for the World Food Conference of 1976 to concentrate on the following four broad topics:

First. The effect of national and international policies affecting the production, distribution, marketing, and utilization of food.

Second. The selection, adoption, and use of technology as a means for furthering a nation's capacity to produce and utilize needed food supplies.

Third. The effective use of resources: human, physical, genetic, and economic in solving world food problems.

Fourth. The impact increasing the world's food supply would have on people, their environment and general development.

Conference participants will include natural and social scientists from throughout the world. Over 1,000 persons representing every State in the Union and nearly every nation of the world are expected to participate.

I believe Iowa State University is to be commended for its efforts in organizing this Conference. The Conference is a humanitarian undertaking of international significance. It has been endorsed by the American Revolution Bicentennial Administration as a project of national and international significance. I urge the House similarly to endorse the World Food Conference of 1976 and to commend Iowa State University of Science and Technology for its endeavors in planning and implementing this Conference.

Mr. SOLARZ. Mr. Speaker, I rise in support of this measure—House Concurrent Resolution 136—which expresses congressional endorsement for the World Food Conference to be held in Ames, Iowa, next year.

Clearly, there are few problems confronting the world which are more tragic and urgent than that of hunger and the threat of famine which face hundreds of millions of men, women, and children in all parts of the globe. Many noted experts have predicted that mass starvation is inevitable unless some meaningful action is taken to effectively cope with the problem. As Alan Berg of the World Bank so aptly observed in the New York Times Magazine on Sunday—

> There is a world food crisis, bumper crops or not. It is a crisis that extends beyond the production tallies of agricultural ministry yearbooks.

Mr. Berg, a food and nutrition expert, continued by noting that—

> The food crisis is not so much a supply crisis as it is a price and distribution crisis, and it is developing in the larger shadow of the now-familiar population crisis.

However, by bringing all resources to bear on the interrelated problems with food production and distribution, nutrition, and population I believe the world hunger problem can be resolved. It is most appropriate, therefore, that the Iowa State University should sponsor this most timely world meeting from June 27 through July 1 next year. Experts from the United States and throughout the world will be attending this gathering, which has as its theme "The Role of the Professional in Feeding Mankind."

Mr. Speaker, it is important to note that the resolution before us neither provides for the expenditure of any Federal funds nor does it endorse any possible outcome of the Ames Conference. House Concurrent Resolution 136 simply endorses the convening of this vital world meeting. The Committee on International Relations approved the resolution by voice vote, without dissent, and the Senate has already adopted an identical measure. I urge, therefore, that we enact this resolution in order that the planners and possible participants will know that the Congress supports the holding of a world conference to continue working on the complicated and far-reaching problem of world hunger, starvation, improved food production, processing, distribution, and utilization.

Mr. GRASSLEY. Mr. Speaker, I urge my colleagues to support this resolution. A World Food Conference, if one is to be held, could not be held at a more ideal location than in the State of Iowa, the heartland of the breadbasket of the world. And, if held in the State of Iowa, such a conference could not be held in a more ideal place than the leading land-grant institution in the Nation, Iowa State University in Ames.

Agriculture in Iowa, and Iowa State University, as a leading research institution in agriculture, has much to contribute to the solution of worldwide hunger. The World Food Conference will not only delineate the role of Iowa but the role of all affluent countries in helping the hunger problem. Congress should show its support.

Mr. DOMINICK V. DANIELS. Mr. Speaker, the world food situation is cause for continuing concern among scientists, economists, and political leaders in the developed world. It is a problem with which we have been grappling for nearly 30 years, but still a solution evades us. Even such monumental breakthroughs as the Green Revolution have failed to break the back of hunger in the world.

This Nation has been in the forefront, both as a leader in the humanitarian effort to provide food aid to the world's hungry people and in the application of agricultural technology to improve crop production in the less developed countries. Our concern continues, evidenced by the resolution we have passed in the House today endorsing the World Food Conference to be held in Ames, Iowa, later this month.

Yet, despite these herculean efforts, it is apparent that reliance on traditional agricultural methods will not solve the global nutritional problem. Population increases in the less developed countries and a growing demand for animal protein in the developing nations have eroded the gains in crop yield made possible by the so-called miracle hybrids.

Innovative approaches to this complex and frustrating problem may well hold the key to its final solution, and the New York Times of June 16, contained an article by Harold Geneen on one such innovation. While single-cell microorganisms may sound like something from the realm of science fiction, it is a possibility well within the scope of present technology.

Mr. Speaker, I am sure my colleagues will find Mr. Geneen's article very interesting, and I include it at this point in my remarks:

[From the New York Times, June 16, 1975]

FEED THE PEOPLE

(By Harold Geneen)

With adverse weather and increased demands of burgeoning populations having depleted food resources and created famine in a large area of the world, it is clear that we can no longer rely solely upon traditional agricultural methods to meet global nutritional needs.

Currently, one-third of the world's population suffers from malnutrition, and hundreds of thousands are starving to death. This has led some to suggest that it may be necessary to practice triage—the giving of aid to those who can be saved and ignoring those who are destined to die anyway.

That is an intolerable specter for humanity, and there must be effective action to avoid it. Yet, little is being done. Even the Green Revolution—the development of super-fast-growing strains of certain crops—is still subject to the vagaries of weather and the availability of fertilizer and tillable land.

Thus, adverse weather in a given region inevitably is accompanied by food shortages. For there is little we can do about weather, and as someone has observed, food cannot, like manna, come down from heaven.

But with the proper action, it can emerge from the technology and production know-how of American industry.

For example, one scientific estimate envisions a one-mile square structure in which yeast-like, protein-rich, single-cell microorganisms grow at a rate that would supply all the world's protein needs continuously. Such a dramatic prospect could supplement conventional harvests and largely neutralize the effects of natural catastrophe upon our food supplies.

Single-cell microorganisms are attractive as a food source because they double their weight every few hours—an accomplishment that takes months and great quantities of grain with meat-producing animals.

Since the microorganisms are potentially producers of fats and carbohydrates as well as protein, this approach to food production, if carried to practicality, could bring about a nutritional revolution as significant as the industrial revolution.

Scientists already are studying the growth of single-cell protein in tree sugar byproducts and other nutritive media, but the technology is in its infancy and has not enjoyed adequate priority or financial support.

Now, America, by bringing its technological and industrial strength to bear, has the opportunity to lead the world into a new age of nutrition.

This nation, in the previous decade, landed men on the moon and returned them safely, demonstrating that we have the capacity to fulfill a national goal of extraordinary difficulty. The global food situation today is a new challenge for a new time—and is worthy of a commitment on a scale comparable to that which made the Project Apollo lunar landing possible.

An effort to eliminate the world's hunger pangs would require extensive thought and analysis by the best minds and institutions in the fields of nutrition and food production. However, as a start, such a program might be patterned along the lines of Project Apollo.

Leadership and direction could come from a NASA-type agency charged with developing, in a specified period, a means of synthesizing food apart from traditional agricultural processes. The agency could grant contracts to private industry and other entities with capabilities in food technology, and would monitor progress and integrate the total effort.

At the same time, it could work with international bodies such as the United Nations to establish the mechanism necessary for all nations to share in the development and its results.

The primary goal would be a basic food which would relieve hunger and sustain health. It could supplement diets, or be a complete diet in itself. It might take a number of forms to conform to varying cultural patterns and tastes.

Ultimately, a prime objective should be the capacity to transfer the necessary apparatus and technical processes to any nation anywhere on the globe to enable it to produce its own basic food supply.

The urgency of the world food situation is clear and a failure to act could produce long-term consequences even beyond human suffering. Indeed, the final goals of an undertaking along the lines I have suggested are a more stable peace and enlarged human understanding.

Mr. MORGAN. Mr. Speaker, the Committee on International Relations long has recognized the need for a widespread campaign to deal with a fundamental world need—the need to provide more food supplies for a growing population.

We have reported to the House—and the House and the Congress have passed—numerous bills to help step up agricultural production for needy populations.

We have favored various moves, large and small, addressed to improving the lot of the hundreds of millions of people in poor countries who suffer from hunger.

It is in this spirit that the committee approved—by voice vote and without dissent—House Concurrent Resolution 136, a resolution which expresses congressional endorsement of the World Food Conference of 1976 to be held in Ames, Iowa.

The conference is within the great American humanitarian tradition and it has been recognized as an official Bicentennial project by the American Revolution Bicentennial Administration.

The conference theme is, "The Role of the Professional in Feeding Mankind." It will be a conference attended by professionals and experts in the food field.

It is privately sponsored—by the Iowa State University of Science and Technology. I have received from the State Department a letter supportive of this resolution, which states in part:

> We believe that the World Food Conference at Ames, Iowa, can be a useful addition to the efforts of other nongovernmental organizations and we have no objection to the proposed resolution.

The resolution does not authorize any expenditure of Federal funds.

It does not put the Congress on record in favor of any particular outcome or results of the conference—it only endorses the holding of the conference and commends the Iowa State University of Science and Technology for a humanitarian undertaking.

The Senate, by unanimous consent procedures, already has passed an identical bill.

I urge that the House today join in this endorsement with passage of House Concurrent Resolution 136.

Mr. DIGGS. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DIGGS) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 136).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

GENERAL LEAVE

Mr. DIGGS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the House concurrent resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DIGGS. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of a similar Senate concurrent resolution (S. Con. Res. 19) relating to the World Food Conference of 1976 in Ames, Iowa, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 19

Whereas the means of producing, processing and distributing food in nutritionally adequate quantities to feed an increasing world population is an awesome problem confronting the world today; and

Whereas the land grant colleges of the United States have made notable contributions to increased agricultural efficiency and improved quality of food and feed crops, particularly through developments in soybean and maize crops, animal breeding and feeding efficiency, farm machinery, and the dissemination of information to farmers and consumers; and

Whereas the Iowa State University of Science and Technology, one of the Nation's foremost land grant colleges, will host the World Food Conference of 1976 in Ames, Iowa, from June 27 through July 1, 1976, and

Whereas the subject of the World Food Conference of 1976 will be "The Role of the Professional in Feeding Mankind"; and

Whereas such conference will bring together scientists and scholars from many disciplines and many countries for the purpose of sharing and increasing agricultural and nutritional knowledge among the world's scientists and teachers, and for the purpose of accelerating the development of methods of food production, processing ,and distribution that will result in improved capabilities for meeting the food and nutritional needs of all the people of the world; and

Whereas the American Revolution Bicentennial Administration has endorsed the World Food Conference of 1976 as a bicentennial project of national and international significance: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States endorses the World Food Conference of 1976 to be held in Ames, Iowa, from June 27 through July 1, 1976, and commends the Iowa State University of Science and Technology for a humanitarian undertaking of international significance.

The Senate concurrent resolution was ordered to be read a third time, was read the third time and concurred in, and a motion to reconsider was laid on the table.

A similar House concurrent resolution (H. Con. Res. 136) was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 4723, AUTHORIZING APPROPRIATIONS TO NATIONAL SCIENCE FOUNDATION, FISCAL YEAR 1976

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4723) authorizing appropriations to the National Science Foundation for fiscal year 1976, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Speaker, I offer a privileged motion dealing with the conference.

The Clerk read as follows:

> Mr. BAUMAN of Maryland moves that the managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the bill H.R. 4723, be instructed to insist on the House position on section 7 of the bill H.R. 4723 as passed by the House.

The SPEAKER. Does the gentleman from Maryland desire to be heard on the motion?

Mr. BAUMAN. I do, Mr. Speaker. However, if the gentleman from Texas (Mr. TEAGUE) wishes to be heard, I would certainly be glad to defer to that gentleman.

Mr. TEAGUE. Mr. Speaker, the one thing the gentleman from Texas has to say is that the conferees respect the vote of the House of Representatives, and will insist on the amendment of the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I am offering a motion to instruct the House conferees on the National Science Foundation authorization bill, H.R. 4723, to retain the House-passed amendment which provides for congressional review of National Science Foundation grants.

It is particularly important for us to instruct the conferees on this matter because the other body has had no opportunity to vote on this issue. The bill passed by the other body is different from the House bill in several important respects, most importantly in the amount of money authorized—$826.6 million in the Senate version versus $755.4 million in the House version—and in the fact that the Senate version does not include the provision for congressional review of grants which we approved when we passed the bill on April 9.

The Senate Special Subcommittee on NSF and the full Labor and Public Welfare Committee did not, as expected, include the congressional review provision in the authorization measure which they reported to the floor. To have expected otherwise would have been naive, particularly in light of the fact that the chairman of the NSF Special Subcommittee, Senator KENNEDY expressed his opposition to the House provision the day after the House passed it.

What was not expected was that the bill would be brought up on the floor the day after it was reported, under a procedure which virtually guaranteed that only a handful of Members of the other body would be aware of it until the measure had already passed.

The Senate version of H.R. 4723 was reported on May 12. On May 13, during routine morning business, the other body considered the bill for a few minutes and passed it. None of the several Members of the other body who had expressed an interest in offering the House amendment, or some variation of it, had expected it to be slipped through this way. There was no rollcall vote, of course. Few people expected a measure which has aroused such controversy to be pushed through under a procedure usually reserved for noncontroversial measures.

These facts highlight that the other body has not had the opportunity to vote on this amendment. It has no position as a body. The House does have a position, and it thus becomes appropriate for us to instruct our conferees to fight for our position during the conference.

This is an appropriate time to review just what the House-passed amendment would accomplish. There are two major provisions. The first provides that NSF will transmit a list of proposed grants to Congress at least every 30 days. Congress will have the opportunity to review those grants and the option to disapprove of any which it feels are not in the national interest. If no action is taken by either House of Congress, the grants will automatically be awarded after 30 days.

The second provision has been neglected in the controversy, but it is equally important. It provides that NSF must provide information relating to the background of the grants and how they serve the national interest. This provision will furnish us with additional information on which to base an intelligent decision regarding grants which may be controversial. At present we get one-line descriptions of the grants after they are awarded. Those one-line descriptions have been the subject of a great deal of criticism and amusement from Members of Congress and journalists who have chosen to attack certain grants as frivolous.

In fact, I would not be surprised if many grants whose titles sound frivolous turned out to be obviously important and worthwhile. On the other hand, it is quite possible that projects whose titles sound perfectly legitimate turned out to be duplicative and wasteful, whether because they are a rehash of work already done in the field, or because they have been duplicated in grants made by other Government agencies.

The simple fact is that at present, Congress, which is charged with oversight of the NSF, simply does not have enough information to do the job adequately. The House amendment is really a move for more open and informed government.

It is in reality a "sunshine" amendment, designed to bring the activities of this particular executive branch agency out in the open, where they can be assessed by Congress and the American people whose tax money is financing those activities. I am sure the vast majority of NSF's activities are of such a nature that NSF would be happy to have them out in the open, so they can receive credit for the fine work they are doing. It is not only in the interest of the taxpayers to spot questionable activities before the money has been spent on them, it is in the long-run interest of NSF. In this light, it is interesting to note that NSF Director Guyford Stever has commented that:

> Obviously, it would be quite a different way to operate the government. I am sure people could adjust to it.

Mr. Speaker, the majority of the criticism of the House amendment has centered around two contentions: First, that it would be cumbersome and unworkable; and second, that Congress is not possessed of the expertise and knowledge to review these grants intelligently. I will deal with the first contention in a few moments, but I would like to deal first with the question of whether or not Congress has the ability to review NSF grants.

Most of the letters I have received on this subject have supported my position, and they have come from all around the country. Many have come from members of the academic and scientific community, including potential and actual recipients of NSF grants, who are aware of problems in the grant-making procedure, and are happy to see Congress begin to address itself to these problems.

Those letters in opposition to congressional review have, for the most part, been marked by a disturbing air of superiority bordering on arrogance. Two research scientists in New York wrote that:

> Few of us believe that Congress is equipped or informed enough to make rational judgments on the present or future worth of any research proposal.

Note the language here. Any research proposal. Not most proposals or some extremely technical proposals, but any research proposal.

I have probably been as critical of Congress as a body as any Member. Congress has many shortcomings. But the fact remains that if Congress cannot decide whether or not a particular expenditure of taxpayers' money is in the national interest, then very literally, nobody can. We have the clear constitutional responsibility to do just that. We are in touch with the people more than any branch of Government, and we have to stand for election before the people every 2 years. If Congress cannot decide how to spend the taxpayers' money, certainly a group of nonelected functionaries of the executive branch have even less right to make those decisions. We can delegate some of those decisions, but the responsibility is ultimately ours. If we cannot understand what is being done with the peoples' money, perhaps we ought to exercise a bias against spending it at all.

But the fact is that whatever its shortcomings, Congress does have the ability to make these decisions. We do need more information from NSF than we presently get, but the House amendment has a provision for giving us the necessary information. We have had our staffs increased in the last several years. All of our committee staffs have grown. In addition, I have already received offers from members of the academic and scientific community to assist in this evaluation process, lending their specialized expertise to the process. We have the GAO and the Office of Technology Assessment. And each of us has a certain amount of intelligence. Stripped of jargon, most scientific research is just not all that incomprehensible that a reasonably intelligent person cannot make an informed judgment about it.

The second major contention regarding the House amendment is that it would be cumbersome and unworkable. This contention simply does not stand up under scrutiny.

The House amendment does not require congressional review. It simply permits it. Thus individual Members or committees would put in just as much time as they deemed necessary on the matter. My guess is that assigning a staff member to do an adequate job of review would involve about as much time as assigning him or her to carefully review the CONGRESSIONAL RECORD each day. In addition, the very existence of the review process would cause NSF to sharpen up its grant-making process. The veto provision might never be used at all. But it would have served its function of gaining congressional oversight over executive branch activities, as we have recently done with the War Powers Act and the Budget Control and Impoundment Act.

What about the added administrative burden for NSF? It would exist, but I contend that it would hardly be insurmountable. NSF already fills out two standard forms, form 4 and form 9, for each grant which it makes. These forms explain the grant in nontechnical language and are supposed to be public documents. Thus the information we need is already available, and is part of the NSF grant folder as a matter of standard procedure. All that would be required is to make it available to Congress on a regular basis before the fact.

Mr. Speaker, this amendment is right in line with the stated goal which most Members of Congress have expressed of taking back some of the responsibility and authority which we have delegated to the executive branch over the years. It is an open government, "sunshine" proposal, which would make one agency of Government, and Congress itself, more directly accountable to the people who elected us. It simply places the responsibility for expenditure of taxpayers' money right where it belongs—in the U.S. Congress.

All of us have received letters from constituents outraged by what seem to be frivolous expenditures by NSF and other grant-making agencies. Those people will be watching how we vote on this issue, Mr. Speaker. A majority of the House backed this amendment on April 9, who among us is going to switch our votes now and back down at the taxpayer expense? Do we intend to regain some effective control over expenditure of taxpayers' money, or will we continue to pass the buck to the executive branch. That is the real issue before us, and I hope each member will consider it before we cast our votes on this motion. I hope the House will again endorse this amendment, by voting yes on my motion to instruct.

Mr. MIKVA. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield 3 minutes to the gentleman from Illinois.

Mr. MIKVA. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this motion to instruct the conferees. I have always thought that a motion to instruct conferees is a difficult procedure at best. It limits the negotiating power of the conferees in trying to find accommodation with the other body. But I cannot help but feel in this particular instance, where the vote was as close as it was in the House, in the first instance, that to simply allow this kind of an instruction to go through without some discussion of the merits of it would be beneath the dignity of this body.

The fact of the matter is that what the gentleman from Maryland says about a review procedure having been used in other instances is true, except that in most such instances they have to do with matters where the Government continues to have a direct involvement in the process. For example, we have a veto power, so to speak, an approval power, over reorganization plans of the President. We have a veto power over certain discretion that we have given the President in the energy field, for example. But to say that in this instance an executive agency should have every one of its grants reviewed by the Congress is to demean the legislative process and to try to do through the back door what apparently the gentleman from Maryland is unwilling to try to do through the front door. If you do not like the National Science Foundation, if you do not like the agency that is carrying out these functions, move to abolish it. That is within the power of this Congress. But to suggest that this House and the Senate ought to be some kind of reviewing authority sitting and nitpicking every one of the applications for a grant that comes through and deciding whether this grant should be granted or that grant should be granted, and then telling our conferees not even to talk to the other body about such a proposition, but to hold firm to our position, I think, is in absolute violation of anything I know about the legislative process. I intend to vote against this motion to instruct.

Mrs. HOLT. Mr. Speaker, it would be most irresponsible for the Congress to ignore the need for a reasonable amount of scrutiny over the activities of the National Science Foundation, which shovels out $700 million a year in grants for studies, many of which have only a remote attachment to the public interest.

I have no objection to people studying apes and salamanders, or the flora and fauna in distant corners of the world, but I have the strongest objections to paying for those studies with the taxpayers' dollars unless the studies are in the public interest.

The House previously passed an amendment to provide congressional oversight on the grants of the National Science Foundation. Today, Representative ROBERT E. BAUMAN is asking this House to insist on retaining that amendment in the conference report on the NSF legislation.

The most important feature of the Bauman amendment requires the NSF to relate its grants to the national interest. It is impossible for me to understand how any Member could object to that provision.

Very long ago, government at all levels in this country abandoned the concept that taxes should be collected and used only for essential public purposes. Many of the grants of the National Science Foundation offer us examples of unnecessary and wasteful spending of public funds.

Congressman BAUMAN has proposed that Congress be given an opportunity to review proposed NSF grants for 30 days before they are issued, and to veto such grants as are not in the public interest.

His is a most reasonable amendment, and should be retained in this bill by the conference committee.

Mr. BAUMAN. Mr. Speaker, I yield myself such time as I may require.

I would just say to the gentleman from Illinois that he cannot and should not read into my position on this amendment any opposition to the National Science Foundation as an institution of government. I think that it is doing and has done excellent work in most of the fields to which it has been assigned by the Congress in its original statutory authorization.

My concern is, however, about the quality and the types of grants and the individual amounts of money that have been handed out with very little restriction under a system which allows a blank check, so to speak, to be written by the Congress once a year in authorizations. Then the officials of the National Science Foundation hand out amounts of money for individual grants—as in the instance of the MACOS program which the gentleman from Arizona (Mr. CONLAN) has raised during the original debate on this bill—for programs that probably a majority of us, if we had to vote, would feel to be totally unsuited for the use of the taxpayers' money. This is in no way a derogation of the overall role of the National Science Foundation.

Second, so far as the gentleman's concern about the inability of the Congress to make decisions on these grants, we do have review procedures over many areas of executive branch activity, leaving the final power of review over certain actions in the committees of the House and the Senate. The right to review how these programs are being conducted has many precedents. This review procedure allowed by my amendment is nothing more than permissive. It is not a mandatory review.

We have seen many instances where our constituents have been very concerned about the spending of the NSF and its grants.

So neither is this a derogation of the NSF nor is it a cumbersome procedure. It has historic precedent many times in law and certainly it is in keeping with the will of the majority of the House which was expressed 2 months ago when they voted on my amendment.

Mr. MIKVA. If the gentleman will yield, does the gentleman know of any other granting agency whose research grants of any kind are reviewed by this Congress?

Mr. BAUMAN. The power of this Congress to review executive action extends even to contracts for defense items if they cost more than specified minimums.

Mr. MIKVA. I was referring specifically to research grants.

Mr. BAUMAN. I will be glad to provide the gentleman with a list of the grants which are subject to review by the Congress.

Mr. MIKVA. Does the gentleman know of any research grants which are reviewed by Congress other than the one referred to by the gentleman here?

Mr. BAUMAN. The gentleman from Maryland did not know this matter was scheduled to come up today in time for him to prepare a list but the gentleman will be glad to provide the gentleman from Illinois with a list including many existing instances where Executive action is subject to congressional review and veto.

Mr. MIKVA. I will appreciate it because the gentleman knows of no such power over research grants other than the gentleman has referred to here.

Mr. BAUMAN. The gentleman's interest perhaps is not as intense as that of the gentleman from Maryland.

The SPEAKER. The question is on the motion offered by the gentleman from Maryland (Mr. BAUMAN).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MIKVA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 127, nays 284, not voting 22, as follows:

[Roll No. 309]

YEAS—127

Abdnor
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bevill
Biaggi
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Buchanan
Burleson, Tex.
Butler
Byron
Carter
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conlan
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
de la Garza
Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
Evans, Ind.
Findley
Fish
Forsythe
Frey

Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hébert
Heckler, Mass.
Hefner
Hillis
Hinshaw
Holt
Horton
Howe
Hubbard
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Johnson, Pa.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lent
Levitas
Lott
Lujan
McCollister
McDonald
McKinney
Mann
Mathis
Mazzoli
Michel
Mitchell, N.Y.
Moore
Myers, Ind.
Nichols
Pepper
Pettis
Quillen
Randall
Regula
Rhodes
Rinaldo
Robinson
Roe
Rogers
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Shuster
Skubitz
Slack
Smith, Nebr.
Spence
Steiger, Ariz.
Stratton
Stuckey
Symms
Taylor, Mo.
Treen
Ullman
Vander Jagt
Walsh
Wampler
Whitehurst
Wydler
Young, Alaska
Young, Fla.

NAYS—284

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brown, Calif.
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Cederberg
Chisholm
Clay
Cohen
Collins, Ill.
Conable
Conte
Cornell
Cotter
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Erlenborn
Eshleman
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Gonzalez
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hightower
Holland
Holtzman
Howard
Hughes
Hungate
Jarman
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
Krueger
LaFalce
Landrum
Leggett
Lehman
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Matsunaga
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Railsback
Rangel
Rees
Reuss
Richmond
Riegle
Risenhoover
Roberts
Rodino
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
Whalen
White
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—22

Brooks
Burke, Fla.
Conyers
Corman
Devine
Esch
Evans, Colo.
Evins, Tenn.
Flynt
Fulton
Harkin
Jones, Ala.
Litton
Miller, Ohio
Mollohan
Nix
Price
Snyder
Talcott
Wiggins
Wolff
Wylie

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Miller of Ohio for, with Mr. Price against.

Mr. Wylie for, with Mr. Nix against.

Mr. Snyder for, with Mr. Wolff against.

Mr. Devine for, with Mr. Flynt against.

Mr. Wiggins for, with Mr. Brooks against.

Mr. Talcott for, with Mr. Conyers against.

Mr. Burke of Florida for, with Mr. Mollohan against.

Until further notice:

Mr. Corman with Mr. Litton.

Mr. Evins of Tennessee with Mr. Jones of Alabama.

Mr. Evans of Colorado with Mr. Fulton.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs. TEAGUE, SYMINGTON, FUQUA, FLOWERS, MCCORMACK, MOSHER, and ESCH.

GENERAL LEAVE

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion just voted on.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

CONTINUING APPROPRIATIONS, 1976

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on Thursday last, I call up the joint resolution (H.J. Res. 499), making continuing appropriations for the fiscal year 1976, and for other purposes, and ask unanimous consent that the joint resolution be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 499

Joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1976, namely:

SEC. 101. (a) (1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1975 and for which appropriations, funds, or other authority would be available in the following appropriation Acts for the fiscal year 1976:

Education Division and Related Agencies Appropriations Act;

Department of Housing and Urban Development-Independent Agencies Appropriation Act, including the limitation on aggregate loans that may be made under section 202 of the Housing *Act of 1959*, as amended;

Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act;

Legislative Branch Appropriation Act;

Public Works for Water and Power Development and Energy Research Appropriation Act; and

Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, notwithstanding section 15(a) of the Act entitled, "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, and section 701 of the United States Information and Educational Exchange Act of 1948, as amended.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House as of July 1, 1975, is different from that which would be available or granted under such Act as passed by the Senate as of July 1, 1975, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority: *Provided*, That no provision in any appropriation Act for the fiscal year 1976, which makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation, shall be effective before the date set forth in section 102(c) of this joint resolution.

(4) Whenever an Act listed in this subsection has been passed by only one House as of July 1, 1975, or where an item is included in only one version of an Act as passed by both Houses as of July 1, 1975, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriation acts for the fiscal year 1975: *Provided*, That no provision which is included in an appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act for 1975, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution unless such provision shall have been included in identical

form in such bill as enacted by both the House and the Senate.

(b) Such amounts as may be necessary for continuing projects or activities (not otherwise provided for in this joint resolution) which were conducted in the fiscal year 1975 and are listed in this subsection at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority—

activities for which provision was made in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1975;

activities for which provision was made in the District of Columbia Appropriation Act, 1975;

activities for which provision was made in the Department of Interior and Related Agencies Appropriation Act, 1975;

activities for which provision was made in the Military Construction Appropriation Act, 1975;

activities for which provision was made in the Department of Defense Appropriation Act, 1975;

activities for which provision was made in the Foreign Assistance and Related Programs Appropriations Act, 1975, notwithstanding section 10 of Public Law 91-672, and section 15(a) of the Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended;

activities for which provision was made in the Department of Transportation and Related Agencies Appropriation Act, 1975;

activities for which provision was made in the Treasury, Postal Service, and General Government Appropriation Act, 1975, including payment to the Postal Service Fund at a rate for each quarter of the fiscal year 1976 not to exceed one-quarter of the budget estimate for fiscal year 1976 for the appropriation "Payment to the Postal Service Fund"; and

activities for which provision was made in the Special Energy Research and Development Appropriation Act, 1975.

The following activities for which provision was made in the Departments of Labor, and Health, Education, and Welfare Appropriation Act, 1975, the Supplemental Appropriations Act, 1975, the Second Supplemental Appropriations Act, 1975, or Public Law 93-324, and amendments thereto:

activities under sections 225, 314(e), 317, 318, 319, 329, 472(d), and titles VII, VIII, and X of the Public Health Service Act, as amended;

activities under titles II, III, and IV (part B) of the Older Americans Act;

activities under sections 409 and 410 of the Drug Abuse Office and Treatment Act of 1972;

activities under section 1113 of the Social Security Act, as amended;

activities for grants for the developmentally disabled;

activities under the Lead Based Paint Poisoning Prevention Act of 1973;

activities of the Corporation for Public Broadcasting;

activities of the United States Railway Association; and

activities of the Appalachian Regional Commission, other than those under section 201 of the Appalachian Regional Development Act of 1965, as amended.

(c) Such amounts as may be necessary for continuing projects or activities for which disbursements are made by the Secretary of the Senate, and the Senate items under the Architect of the Capitol, to the extent and in the manner which would be provided for in the budget estimates for fiscal year 1976.

(d) Such amounts as may be necessary for continuing the following activities, but at a rate for operations not in excess of the budget estimate—

activities of the Menominee Indian restoration program;

activities necessary for studies related to oil and gas leasing on the Outer Continental Shelf;

activities necessary for Indian contract support;

activities of the Federal Elections Commission; and

activities of the Commodity Futures Trading Commission.

(e) Such amounts as may be necessary for continuing the following activities, but at a rate for operations not in excess of the current rate unless otherwise provided specifically in this subsection—

activities under section 314(d) of the Public Health Service Act, as amended;

activities under title IV, part A of the Older Americans Act;

activities under title IX of the Older Americans Comprehensive Services Amendments of 1973 at an annual rate of not to exceed $42,000,000: *Provided,* That no State receiving funds under this program will receive less than the amount received in fiscal year 1975 under title III of Public Law 93-203, notwithstanding the provisions of section 906 at Public Law 93-29;

activities under the Council on Wage and Price Stability Act;

activities of the Commission on Federal Paperwork;

activities of the Office of Federal Procurement Policy;

activities under title VI of the Comprehensive Employment and Training Act at an annual rate of not to exceed $1,625,000,000;

for activities of the Youth Conservation Corps, in addition to amounts made available elsewhere in this joint resolution and otherwise, an amount of $10,000,000, to remain available until the end of the fiscal year following the fiscal year for which appropriated: *Provided,* That $5,000,000 shall be available to the Secretary of the Interior and $5,000,000 shall be available to the Secretary of Agriculture;

for activities under title IV, part C, of the Social Security Act, in addition to amounts made available elsewhere in this joint resolution and otherwise, an amount of $70,000,000 for fiscal year 1976 for carrying out a work incentives program including registration of individuals for such program, and for related child care and supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, which together with the previously authorized appropriation for fiscal year 1975, shall be the maximum amount available for transfer to the Secretary of Labor and to which States may become entitled, pursuant to section 403(d) of such Act, for these purposes, for the fiscal year 1975 and for any period in the prior fiscal year provided the prior fiscal year expenditures were claimed on quarterly statements of expenditures received by the Secretary of Health, Education, and Welfare prior to February 1, 1975;

for activities under title IV, part C of the Higher Education Act to carry out work-study programs, in addition to amounts made available elsewhere in this joint resolution and otherwise, an amount of $119,800,000, of which $60,000,000 shall remain available through September 30, 1975, and $59,800,000 shall remain available through June 30, 1976: *Provided,* That funds appropriated in the Departments of Labor, and Health, Education, and Welfare Appropriations Acts for the fiscal years ending June 30, 1974, and June 30, 1975 (Public Laws 93-192 and 93-517) for the work-study program under part C of title IV of the Higher Education Act of 1965, which have been granted to an eligible institution whose allocation exceeds the amount needed to operate a work-study program during the period for which those funds are available, shall remain available to the Commissioner for making grants to other eligible institutions until the end of the fiscal year succeeding the fiscal year for which such funds are appropriated: *Provided further,* That any amounts appropriated for basic opportunity grants for the fiscal year ending June 30, 1974, which are in excess of the amount required to meet the payment schedule announced for the academic year 1974-75, shall remain available for payments under the payment schedule announced for the academic year 1975-76;

for activities under the heading Rural Water and Waste Disposal Grants pursuant to section 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), in addition to amounts made available elsewhere in this joint resolution and otherwise, an amount of $150,000,000 to remain available until expended, pursuant to section 306(d) of the above Act;

The following activities for which provision was made in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1975:

payments to States and Possessions by the Agricultural Marketing Service;

activities of the agricultural conservation program, the forestry incentives program, and the Water Bank Act program;

activities of the Farmers Home Administration pertaining to rural housing for domestic farm labor, and mutual and self-help housing;

food programs under section 32 of the Act of August 24, 1935, and section 416 of the Agricultural Act of 1949, as amended, including cost-of-living increases mandated by law;

activities of the Federal Energy Administration as they relate to the petroleum allocation program;

activities of the legal services program; and

notwithstanding the sixth clause of subsection (b) of this section, activities of the Department of State for assistance to refugees from the Soviet Union shall be funded at not to exceed an annual rate for obligations of $20,000,000, notwithstanding section 15(a) of the Act entitled, "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended.

(f) Such amounts as may be necessary to permit payments and assistance mandated by law for the following activities which were conducted in fiscal year 1975—

activities under the Railroad Retirement Act, as amended;

activities under title XVI of the Social Security Act, as amended;

activities under the Food Stamp Act, the Child Nutrition Act, and the School Lunch Act, as amended, except for section 17(b) of the Child Nutrition Act of 1966;

retirement pay and medical benefits for commissioned officers of the Public Health Service;

grants to States for public assistance;

activities under the Federal Coal Mine Health and Safety Act of 1969, as amended; and

activities funded from the fiscal year 1975 appropriation to the Department of Labor, Employment Standards Administration, for "special benefits".

(g) Applicable appropriations made by this joint resolution shall not be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

Sec. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall be available from

July 1, 1975, and shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) sine die adjournment of the first session of the Ninety-fourth Congress, whichever first occurs.

Sec. 103. Appropriations and funds made available or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in 31 U.S.C. 665(d)(2), but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

Sec. 104. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

Sec. 105. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

Sec. 106. No appropriation or fund made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1975.

Sec. 107. Any appropriation for the fiscal year 1976 required to be apportioned pursuant to 31 U.S.C. 665, may be apportioned on a basis indicating the need (to the extent any such increases cannot be absorbed within available appropriations) for supplemental or deficiency estimate of appropriation to the extent necessary to permit payment of such pay increases as may be granted pursuant to law to civilian officers and employees and to active and retired military personnel. Each such appropriation shall otherwise be subject to the requirements of 31 U.S.C. 665.

Sec. 108. All obligations incurred in anticipation of the appropriations and authority provided in this joint resolution are hereby ratified and confirmed if otherwise in accordance with the provisions of this joint resolution.

Sec. 109. None of the funds herein made available shall be obligated or expended to finance directly or indirectly any assistance to North Vietnam, South Vietnam, Cambodia, or Laos, nor shall any funds herein made available be channeled through or administered by international organizations, United Nations organizations, multilateral organizations, voluntary agencies, or any other comparable organizations or agencies in order to finance any assistance to North Vietnam, South Vietnam, Cambodia, or Laos.

Sec. 110. Any provision of law which requires unexpended funds to return to the general fund of the Treasury at the end of the fiscal year shall not be held to affect the status of any lawsuit or right of action involving the right to those funds.

With the following committee amendments:

Committee amendments: On page 7, lines 22 through 24, strike "activities under title IX of the Older Americans Comprehensive Services Amendments of 1973 at an annual rate of not to exceed $42,000,000" and insert in lieu thereof "for activities under title IX of the Older Americans Comprehensive Service Amendments of 1973, $30,000,000".

On page 8, strike lines 9 through 11 and insert in lieu thereof "for activities under title VI of the Comprehensive Employment and Training Act, $1,625,000,000, to remain available until June 30, 1976;".

On page 11, line 23, after the word "amended", add ", and section 10 of Public Law 91-672".

The committee amendments were agreed to.

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. Speaker, during this session of Congress the Committee on Appropriations has presented to the House 17 bills relating to appropriations. We have approved four deferral resolutions, three rescission bills, and 10 appropriation bills of which two are bills for the fiscal year 1976.

Despite the fact that we have considered these 17 measures, one of which was vetoed—that was the jobs bill—the Congress has not enacted into law any of the regular appropriations bills for the fiscal year which begins on July 1. Therefore, if we did not pass a continuing resolution, the whole Government would be without operating authority on July 1 because there would be no funds and no authorization for the expenditure of funds for carrying on the functions of Government. This is not a unique situation. We have had this problem from year to year.

Mr. Speaker, this resolution represents a stopgap financing mechanism. It conveys funding rates based on the status of appropriation bills as of June 30. The philosophy of the resolution is to take a snapshot of the pending appropriations bills as of June 30 and continue those rates forward until the appropriations bills are passed by the Congress and signed into law. The rates do not change until that occurs.

RATES OF OPERATION UNDER THE RESOLUTION

With a few exceptions, the resolution follows the basic form and concept of continuing resolutions in prior years. The rates of operation which obtain under the continuing resolution until appropriations bills are signed are as follows:

Where the applicable bill has passed only one house—and it appears that six will have passed the House—the operating level shall not exceed the current rate or the rate permitted by the action of the House, whichever is lower.

Where the applicable appropriation bill has passed both Houses but has not been enacted into law and the amount passed by the House is different from that passed by the Senate, the program or activity shall be continued at the rate not in excess of the lesser amount and under the more restrictive authority. Perhaps only two bills, legislative and education, might be in this position at June 30.

Where the applicable bill has not passed either the House or the Senate—and there will be at least eight bills in this position at June 30—the level of operation shall not be in excess of the current rate or the rate provided for in the budget estimate, whichever is lower and under the more restrictive authority.

In a number of instances, special provision is made to continue activities either at the budget rate or at the current rate. The necessity for this arises because of several circumstances. A program may have been funded in fiscal year 1975 in a supplemental or otherwise and would not be covered by the provisions made for the regular bills. In some instances where there is no budget estimate, provision is made to continue the activity at the current rate. In some cases—for instance where a program has been deferred because of the lack of legislative authorization—provision is made to continue the program at the rate of the budget estimate.

Also, Mr. Speaker, the resolution makes special provision for certain Federal programs for which payments are mandated by law. Because of such factors as the uncertainty of the magnitude of participation and recent legislative changes, the current rate for these programs is inadequate. Further, the budget estimates for some programs are or may be inadequate. Some budget estimates are grossly understated and others are of questionable adequacy. The committee has therefore added provisions which will permit these payments as mandated by law. Included in this category are the food stamp, school lunch, and child nutrition programs, payments to beneficiaries under the Federal Coal Mine Health and Safety Act and the Railroad Retirement Act, retirement pay and medical benefits for commissioned officers of the Public Health Service, and grants to States for public assistance.

SPECIAL PROVISION FOR JOBS PROGRAMS

One of the unique things about this resolution is that in addition to making available billions of dollars for expenditure, it contains some regular annual appropriations with respect to certain programs. Those programs relate principally to those of the subcommittee headed by the gentleman from Pennsylvania (Mr. Flood). They relate to items which were carried in the emergency employment appropriation bill which was vetoed by the President.

Mr. Speaker, I call the Members' attention on page 3 of the report to the language with respect to the regular appropriations which we are making for the entire fiscal year 1976:

> Public Service jobs, $1,625,000,000, which will remain available for the entire fiscal year 1976 and sustain the operating level of approximately 310,000 jobs.

Many people, including myself, are not enthusiastic about this program, but it is a program which has been approved.

For the older Americans program, $30 million is provided for the fiscal year 1976. For the college-work study grants, $119.8 million is provided for the fiscal year. For work incentive, the so-called WIN program, $70 million is provided. The Youth Conservation Corps is provided with $10 million. The rural water and sewer grants program is provided with an appropriation of $150 million.

As indicated, Mr. Speaker, these selected items are appropriated for in the continuing resolution at the same level as provided in the emergency jobs bill. One other program, the summer youth employment and recreation program, was lifted from the vetoed jobs bill and passed earlier this month as a special appropriation. An amount of $473,350,000—the conference agreement in the jobs bill—was handled in this fashion because of the urgent need to pay the young people who have these jobs.

STATUS OF APPROPRIATIONS BILLS

Mr. Speaker, as I indicated earlier, the rates of operation which prevail under the continuing resolution are hinged to the status of appropriation bills as of midnight, June 30.

Two bills—legislative and the special education bill—have passed the House. As of today, these measures have not passed the other body and it is questionable if final congressional action will be completed before the forthcoming Fourth of July recess.

Four more appropriation bills are scheduled to be considered by the House before June 30. On Thursday and Friday the committee will report the HUD-independent agencies, Labor-HEW, State-Justice-Commerce, and the public works bills. It is planned that they will all pass the House before the close of business on June 26.

Contingent upon the availability of certain authorizing legislation and other factors, it is presently planned that six bills will be considered by the House in July. These include transportation, agriculture, interior, treasury-postal service, defense, and military construction.

Two bills would remain for handling after the August recess—District of Columbia and Foreign Assistance. The District of Columbia budget has not yet been submitted to Congress and we cannot begin hearings on it until it has. And although the Appropriations Committee is well along with the foreign aid hearings, the authorizing legislation is not in sight. This is a chronic annual problem.

So, Mr. Speaker, this is where we expect to be with the appropriations business of the session at the close of the fiscal year on June 30. Where the appropriations bills are at this point is the determining factor as to the rates which obtain under the continuing resolution. The rates do not change until the bills are enacted.

Further, and as is pointed out in the report accompanying the resolution, the rates of operation under the continuing authorities in the resolution are to be interpreted as ceilings, not as mandatory spending levels. In view of the fact that this is a temporary financing vehicle, this is necessary in order to preserve Congressional prerogatives in arriving at final spending levels in the course of the regular authorization and appropriation process.

NEED FOR CONTINUING RESOLUTION

Mr. Speaker, the continuing resolution is not the optimum solution to efficient fiscal procedure but it is absolutely necessary to avoid chaos in the operation of government programs. It may not be perfect but it is the best device that has been devised by concerted efforts over a period of many years. Hopefully, the procedures under the new congressional budget control legislation, including the change in the fiscal year, the provision for early authorizations, and other factors, will give sufficient momentum to the process whereby continuing resolutions will not be necessary. This objective can be achieved if there is sufficient will throughout the Congress.

Mr. Speaker, the passage of the continuing resolution is absolutely essential. As I indicated the subject of special interest in this measure this year is the provision of the jobs programs. Otherwise the resolution follows the same general theme as in prior years.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Yes, I yield to the distinguished gentleman from Michigan.

Mr. CEDERBERG. The gentleman has stated that after this continuing resolution passes and then an appropriation bill comes along in which certain items are covered in the continuing resolution, the continuing resolution is not effective any longer; is that correct?

Mr. MAHON. The gentleman is, of course, correct.

Mr. CEDERBERG. Except that I understand the gentleman has an amendment to exempt certain items in the bill, including those that he has just enumerated.

Mr. MAHON. The gentleman is correct. I shall offer a technical amendment to clarify the matter involving the regular annual appropriation made in the resolution.

Mr. CEDERBERG. Does that not place us in the position that, if we pass appropriation bills that have additional funds for these items, there is a double amount for these items in our appropriations?

Mr. MAHON. Of course, I would hope that would not be the case in the regular appropriation bills. We could double the amount for all of the items which have been discussed here in the last few moments, but that in my judgment would be an intolerable and indefensible act.

Mr. CEDERBERG. That is what I wanted the chairman to state.

Mr. MAHON. I want to say that I would be opposed to that sort of procedure and I believe that would be the position of the House and certainly that of the Committee on Appropriations.

The SPEAKER pro tempore (Mr. Sisk). The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. Mahon was allowed to proceed for 4 additional minutes.)

Mr. CEDERBERG. If the gentleman will yield further, this is certainly a possibility under the gentleman's amendment; is that not correct?

Mr. MAHON. I would state that the amendment I will offer is technical in nature. The House can always work its will and provide additional funds, of course. There is no way to take away from the House the authority to provide additional funds, but it is certainly not contemplated, by the remotest sense of the word, that these public service job appropriations and the WIN program, the student program, and other, would be doubled in any appropriations. These programs are provided for at the same level as in the jobs bill.

Mr. CEDERBERG. If the gentleman will yield further, that is what I wanted to have the chairman state for the record, so that we understand that this is not the intention of the amendment that will be offered by the gentleman from Texas.

Mr. MAHON. Yes; the committee or subcommittee on Labor-HEW had hearings on these matters, and this whole package of the so-called jobs bill has been approved by the Committee on Appropriations and by the subcommittee headed by the gentleman from Pennsylvania (Mr. Flood).

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Yes, I yield to the gentleman from Illinois.

Mr. MICHEL. If I might further follow the line of questioning of the distinguished gentleman from Michigan (Mr. Cederberg), we did pass the education bill, but the labor, health, and welfare portion of that bill will go to the full committee Thursday and come up on the floor probably next week.

Certainly, for an item of $1,625 million for public service jobs, the chairman would not want to have that item in our regular bill, and also in this continuing resolution provide for an additional $1,625 million over what would be in the regular bill?

Mr. MAHON. This would be the basic appropriation for fiscal year 1976, and we would not of course contemplate increasing that amount in the regular HEW appropriation bill which will be presented in the House by the Subcommittee on Labor and HEW.

Mr. MICHEL. If, for example, in the Labor-HEW bill any one of these items is not in that bill which are in the continuing resolution, can we assume then it is just a one-shot proposition, and the continuing resolution is really the controlling factor as to the level of spending?

Mr. MAHON. I would say to the gentleman that the continuing resolution, for the purposes of these programs we are discussing, contains regular appropriations for the fiscal year 1976 at the level provided for in the jobs bill. But, of course, I must agree that when we bring up the Labor-HEW appropriation bill, the House can work its will, and provide such funds as it thinks proper.

Mr. MICHEL. But if there is a specific amount provided in the continuing resolution at such and such a level I would want to make sure during consideration of the regular bill that we were not adding on. I might want to retract on some of the items just to have the overall figure harmonize with our budget figure, or some reasonable figure above the budget, but certainly not a doubling of the figure such as is possible under the continuing resolution.

Mr. CEDERBERG. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, let us take another example, if I may, and I see the Chairman of the Agricultural Subcommittee, the gentleman from Mississippi (Mr. Whitten) on the floor, and I would ask that gentleman, in this continuing resolution we have $150 million for rural water and sewer grants which was the 1976 budget estimate; is that correct?

Mr. WHITTEN. That is correct.

Mr. CEDERBERG. The Agricultural Subcommittee has already maked up its bill, is that correct?

Mr. WHITTEN. Only tentatively, which the gentleman from Michigan is familiar with. It is subject to being checked.

Mr. CEDERBERG. How much money would be in it for the rural water and sewer grants in this tentative markup?

Mr. WHITTEN. It is a tentative markup in that they are checking to see whether the bill would require an additional amount. The gentleman will realize that sewer and water grant funds were impounded for quite a long time, and also in the recent jobs act which contained funds for sewer and water grants, that, of course, was vetoed and died.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. MAHON. I ask unanimous consent to proceed for 3 additional minutes and I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman from Texas. There is no way to know what the regular bill might be in view of this situation here where the program has been delayed in excess of what we are including in it this year, and we are reviewing the need before we finalize the other bill. By all means it should be here.

Mr. CEDERBERG. The point I want to get clear, the Chairman has stated as emphatically as I could get the gentleman to state it, that it is his position that we should not duplicate these appropriations. If we come out in this bill—and I am not objecting to this bill—but if we do the same thing in this bill then we have a double appropriation in this area over and above the budget.

Mr. WHITTEN. May I review again that certainly there will be no duplication in the regular bill insofar as I have anything to do with it. We will consider the need in comparison with what is being done in cities of 40,000 and above, and the programs will be handled in accordance with the need, so there will be no duplication, may I say to the gentleman.

Mr. CEDERBERG. If the gentleman will yield further, that does not answer my question at all.

Mr. MAHON. Mr. Speaker, I have the time. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

May I repeat that this continuing resmoney that has been delayed for about a year and a half for one reason or another. This should stay in here. Insofar as I am concerned, the other amount will be based on need and not duplication.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Does the Chairman agree with the gentleman from Mississippi that we should add more in that bill, if it is in here and it is the budgeted amount? Is it not true that the gentleman stated in the well of the House that insofar as he is concerned, this is it?

Mr. MAHON. Generally speaking, on these programs I had assumed if we had agreed on a certain figure, this would be the position I would take, and most members of the committee would take, but, of course, a subcommittee or a committee is not restricted in making recommendations and proposals to the House.

Mr. CEDERBERG. If the gentleman will yield further, I understand that the original intent was to take the budget item and put it in this particular bill and then leave it out of the bill in the subcommittee.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

May I say again this program has been held up for around 2 years, so there is a time lag that somebody has got to catch up with. I am saying that I am personally going to try to look at the needs, but I say if there is an argument in line with the gentleman's position that this one should stay in here, we can move now and not leave it in a bill that may not pass until much later.

Mr. CEDERBERG. If the gentleman will yield further, I have a feeling we are going to have a double dip here, twice as much as requested.

The SPEAKER pro tempore. The time of the gentleman has expired.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: Page 15, after line 12, insert the following:

"SEC. 111. Unobligated balances as of June 30, 1975, of funds heretofore made available under the authority of chapter X of part I of the Foreign Assistance Act of 1961, as amended, are hereby continued available for the same general purposes for which appropriated."

POINT OF ORDER

Mr. BAUMAN. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BAUMAN. Mr. Speaker, after the discussion that has just followed here, it is unclear to the gentleman from Maryland whether or not this is a general appropriations bill or whether this is a continuing resolution, and if it is a general appropriations bill, I wish to make a point of order against this amendment and other sections of the bill as being legislation on an appropriation bill.

The SPEAKER pro tempore (Mr. SISK). This is a continuing resolution; it is not a general appropriations bill.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BAUMAN. Mr. Speaker, the gentleman from Texas just said in debate that for all intents and purposes certain of the figures contained in this resolution are the general appropriation figures contained in the resolution and no additional authority will be required. Will points of order not lie against those sections, if that is the case?

The SPEAKER pro tempore (Mr. SISK). The Chairman will state to the gentleman that this was not introduced or reported as a general appropriation bill. This is a continuing resolution, and no point of order would lie in that case under clause 2, rule XXI.

Mr. BAUMAN. Or against any amendment?

The SPEAKER pro tempore. That is the case.

Mr. BAUMAN. I thank the Chair.

The SPEAKER pro tempore. Except on the basis of germaneness of the amendment, of course. The gentleman would recognize that; but, no, otherwise a point of order would not lie.

Mr. CONTE. Mr. Speaker, I rise in support of this amendment to provide authority under the continuing resolution to use funds appropriated in fiscal year 1975 for assistance to Portugal and Portuguese speaking Africa.

The Foreign Assistance and Related Programs Appropriations Act, which was signed into law on March 26, 1975, provided $25 million for this purpose, with the stipulation that not less than $5 million should be allocated for the Cape Verde Islands and not less than $5 million for Mozambique, Guinea-Bissau, and Angola.

Because of the lateness of the passage of the appropriations bill, it has not been possible for all of these funds to be obligated in fiscal year 1975. The Mozambique Government has not yet set a time for the AID economic survey team to arrive, and it now appears that it will be after independence on June 25, 1975. Thus the anticipated obligation of loan funds for that country is delayed, but it is necessary to keep those funds available for obligation during anticipated negotiations in Mozambique between July and September 1975.

With respect to the Cape Verde Islands, it is anticipated that agreements for a $1 million grant and a $3 million loan will be concluded later this month. However, because of the 15-day notification requirement, it is likely that the transaction will not technically be concluded before the end of this fiscal year. It is also necessary to make the remaining balance of $1 million available under this continuing resolution for probably obligation in July.

I would simply point out to my colleagues that this amendment will not cost any more money. It simply permits the unobligated balances for this item from 1975 to be carried over into 1976, and I urge the adoption of this amendment.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Louisiana.

Mr. PASSMAN. The gentleman has stated the situation as it is. We appropriated $15 million for Portugal and we earmarked $10 million for four African colonies. They are now waiting for their independence and the $10 million cannot be obligated to them until they get their independence. It is carrying out the intent of the subcommittee and the gentleman speaking wishes to apologize for neglecting to put it in the bill as we agreed to do. It is strictly an oversight.

This is merely to continue the funds until they get their independence, at which time the obligations can be made.

Mr. CONTE. I thank the gentleman. It is a very clear statement.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. MAHON: On page 7, line 17, after the word "subsection", insert: "*Provided*, That the parenthetical clauses of sections 101(a) and 101(b), and the provisions of sections 102, 103, and 105 shall not apply to the third, seventh, eighth, ninth, tenth, and eleventh unnumbered paragraphs of this subsection".

Mr. MAHON. Mr. Speaker, this is a technical amendment. It is technical in nature and the purpose of it is to insure that the recommendations of the committee may be readily implemented. The committee, as has been stated on the floor today, is making a regular annual appropriation for six programs, a practice not usually followed under a continuing resolution. Other technical provisions in the continuing resolution are such that it is uncertain that this intent would be fully carried out. This amendment sets aside those provisions and eliminates any possible confusion by making it clear that the funds provided by section 101(e) for these six programs are in addition to amounts provided by sections 101(a) and 101(b), 1975 appropriations, and the regular 1976 Appropriation Act. So this amendment relates to the programs for the older Americans and the public service jobs. Youth Conservation Corps, college work studies and so forth. Of course it does not apply to the summer youth employment program because that has been handled and has become law.

So, Mr. Speaker, I ask for a favorable vote on the amendment.

Mr. BAUMAN. Mr. Speaker, I move to strike the last word.

This is an extraordinary procedure in which we are engaged today and the pending amendment points that up very well. We are literally turning a continuing resolution, which heretofore has been a device to get the Government through a period when regular appropriations have yet to be enacted, into a Christmas tree loaded with programs which might not survive on their own merits. This resolution is replete with numerous legislative provisions which would normally be subject to points of order if they were contained in a general appropriation bill, which is the issue I raised with the Chair a few moments ago. Yet we are precluded by this masquerade on the part of the Appropriations Committee bringing this legislation before us and calling it a continuing resolution, when we all know it contains billions of dollars in general appropriations. And we are denied our rights and precluded from attacking it by points of order.

No one seems to be interested on either side of the aisle in informing the House of just precisely what we are doing by the use of this legislative legerdemain. Further than that we should realize we are granting this authority not just for a few months but this resolution, if passed, extends appropriations to the sine die adjournment of the first session of the 94th Congress.

We are abdicating completely the only true power this House has, the constitutional power of the purse, by allowing this committee to slip through in the guise of a continuing resolution all of these multi-billion dollar programs without adequate hearings, debates, or reports. There are not even any printed hearings on the general appropriations contained in this bill. There are no cost estimates.

Mr. Speaker, this so-called continuing resolution is, in my view, a perversion of the appropriations process. The true and traditional reason for any continuing resolution is alluded to in the committee's report on page 4, and I quote:

> The philosophy of the continuing resolution is generally to provide minimum funding for the orderly continuation of existing programs for the interim period until the annual appropriation bills are enacted. By definition, such programs have previously been authorized and funded by the Congress and previously signed into law.

But that quotation is certainly not what this legislation adheres to in substance or in form.

This Nation and its taxpayers are facing a serious time of economic troubles. Our national deficit is the highest it has ever been in peacetime. Unemployment persists. Only yesterday this House voted down an enormous increase in the national debt. Past Federal fiscal policy and the profligacy of congressional spending are bringing this country to the brink of bankruptcy, and yet we here today are asked to legislate in the dark and accept on faith this blank check resolution. That I cannot do.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Yes, I yield to the distinguished gentleman from Texas.

Mr. MAHON. The gentleman will recall that we had a jobs bill, a $5 billion jobs bill. We had extensive hearings in the House and in the Senate and it was sent to the President. The jobs bill was vetoed. So upon the urging of many Members of the House and otherwise, we have put into this bill about $2 billion for public service jobs, the older Americans program and other programs. There are six categories involved. We provide these funds for the fiscal year 1976. It is not something new. It is not something different. It is not something the House has not already approved.

Mr. BAUMAN. Mr. Speaker, I decline to yield further.

Mr. MAHON. Mr. Speaker, I would like to ask unanimous consent——

Mr. BAUMAN. The gentleman has already given us that explanation, and we know in general what these programs are; but ordinarily we would debate these different programs on their individual merits for an hour or two. Then we would be able to offer amendments to improve or change the appropriations if we wanted to. All that is being denied to this House by this extraordinary procedure.

I have not been here very long as a Member, but in previous years when I observed the House in operation, I can never remember this kind of an "expansive" continuing resolution procedure being used to deny the House the ability to carefully consider the expenditure of the taxpayers' money. Here we are asked to acquiesce in the abolition of our power to make any determination on individual programs, to abandon the parliamentary power which our rules are supposed to protect and abandon all points of order with little or no chance to assess the future of these programs and their cost.

Members on this side who have spoken have rightfully raised the wide open question whether we are actually about to appropriate double amounts if we pass this legislation and also pass subsequent general appropriations legislation for the same programs. Imagine coming to the floor of the House with that question still unanswered.

I cannot understand the Committee on Appropriations coming to the House without adequate explanation of the magnitude and scope of what this resolution asks this House to do.

Mr. MAHON. Mr. Speaker, will the gentleman yield further?

Mr. BAUMAN. I am happy to yield to the outstanding and distinguished chairman of the Committee on Appropriations who has a long record of checking excessive Federal budgetary expenditures and upholding the integrity of the congressional budgetary process, up to this time.

Mr. MAHON. If the gentleman will yield——

Mr. BAUMAN. I am most happy to yield.

Mr. MAHON. This is not any sort of steamroller. This is not a bill upon which amendments cannot be offered. If the gentleman wants to move to strike out, increase or decrease any funds in the bill, he can do so.

Mr. BAUMAN. If the gentleman will yield, based on what? On a four-page report that skims over multibillion dollar programs, with no printed hearings; based on that are we supposed to offer intelligent amendments? We cannot do it and the gentleman knows that. This entire process assures the gentleman's control and the committee's control. This is why we have seen a resort to this clandestine procedure and it is certainly a change in the approach of the gentleman from Texas, I must say.

Mr. CHAPPELL. Mr. Speaker, I move to strike the last word.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Texas.

Mr. MAHON. We have discussed the jobs bill repeatedly in the House and it is very clearly pointed out in the report and in the bill what the amounts are; $1,625 million for public service jobs and so on. It is clearly spelled out. The gentleman can make a motion to increase or decrease these amounts. These are ongoing programs. There is nothing new. There is a lot of information available in the hearings and otherwise to all the Members.

Under the older Americans program, there is $30 million. That can be adjusted by any amendment. The same would apply to the college work study grants, the work incentive program, the Youth Conservation Corps and the rural water and waste disposal grants; so there is really nothing arbitrary at all here in connection with the proposal.

Mr. Speaker, I thank the gentleman for yielding.

The SPEAKER pro tempore (Mr. SISK). The question is on the amendment offered by the gentleman from Texas (Mr. MAHON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HECHLER of West Virginia: On page 4, line 21, strike the semicolon and insert a comma and the following proviso: "*Provided*, That none of the funds made available by this joint resolution shall be obligated or expended to finance directly or indirectly any activities or operations of the Federal Metal and Nonmetallic Mine Safety Board of Review."

Mr. HECHLER of West Virginia. Mr. Speaker, this amendment would simply cut off the funds for a Board that has done absolutely nothing during its 4 years of existence, since July 31, 1971. The Federal Metal and Nonmetallic Board of Review has handled no cases; it has heard no appeals. The executive secretary, who makes $19,693 per year, has absolutely no duties. His secretary, who makes $14,125 per year, has no duties. They sit all day waiting for work which never comes.

I went to visit this Board on May 9 and the door was open; no one was in the office. There was a coffee making machine in the office and a record player with a stack of Beethoven records, but no employees. The executive secretary of the Board, Jubal Hale, indicated that he did not feel he should be inhibited from playing Beethoven records during the day. I would prefer that Mr. Hale play Beethoven as an after-hours pursuit, rather than at the taxpayers' expense.

This particular Board has been charged under the 1966 Federal Metal and Nonmetallic Mine Safety Act with the authority to hear appeals on noncoal mine closure orders issued by what is now the Mining Enforcement and Safety Administration. No appeals have been taken from these closure orders, primarily because another route is available through the Board of Mine Operations Appeals in the Department of the Interior, which can handle such appeals. Full due process is provided through this appeal route to the Secretary of the Interior.

The Board of Review has wasted—literally wasted—over a quarter million dollars, not only in salaries, but at its annual meetings. The last annual meeting was held in Las Vegas, Nev. The executive secretary was asked why the meeting was scheduled there, and he said because there happened to be a professional organization meeting in that same town. That organization was the American Mining Congress.

The cost to the taxpayers of that meeting was over $1,800 for the expenses of the Board, the five member board, who traveled to Las Vegas. Every year, they travel to discuss what they are not doing. At Las Vegas, they debated whether or not to recommend that the Board be abolished. The Board, after sober debate, declined to recommend its own abolition.

I know the Members are going to hear objections to the abolition of this Board from those people who would say that there might possibly be some case in the future, or that maybe we should not attach this amendment to a continuing resolution. But I ask, Mr. Speaker, is there any justification whatsoever for this Board to exist any longer? Is there any justification for this Board to continue to waste the taxpayers' money? Is Congress so powerless that this great institution cannot find the appropriate wrench to turn off the Federal spigot?

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, I congratulate the gentleman on bringing this matter to the attention of the Congress. I raised this question with the budget director when he came before the Appropriations Subcommittee. The only defense he could give as to why there was an appropriation item in here was that there was a statutory right to an appeal, and even though there have been 4,000 cases without an appeal, there might conceivably some day be one.

I said, "Well, is there any statutory requirement to fund this agency?" He admitted there was absolutely none.

It might be pointed out also that the board members serve without pay, so that conceivably if there ever were an appeal, these people who were serving without pay would, of course, be called on to serve without pay, but I agree with the gentleman that there is absolutely no reason to go through with this farce.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I thank the gentleman from Maryland and yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I say to my good friend from Maryland that I gained a slightly different impression. It is true that the Members of the Board are not paid, but the fact remains that the Board can only meet if funds are provided by the Federal Government.

If the gentleman's amendment does prevail, the Board will have no funds for its members to meet in the event that it is called upon to meet. The Board will have no funds to pay rent for an office. The Board will have no funds to pay for the hearings.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman let me have about a minute at the end of my time?

Mr. YATES. The gentleman may have an extension if he wants to have it.

Mr. HECHLER of West Virginia. Mr. Speaker, I continue to yield to the gentleman, my good friend from Illinois.

Mr. YATES. The point is, I say my friend from Maryland has gained a contrary impression of mind, because I have a letter here from the Solicitor of the Department of the Interior, in which he points out that this is an administrative remedy which has been created by statute for the purpose of carrying out the provisions of the Federal Metal and Nonmetallic Mine Safety Act, and as long as that law is on the books, a mine operator or a worker has the right of appeal. It is a dual right of appeal. So the gentleman from West Virginia is correct in pointing out an appeal would lie to the Office of the Secretary. But the Solicitor points out that in the alternative an operator may choose to bypass the Secretary and appeal directly to the Board.

The point I am trying to make is that the Solicitor rendered this opinion:

> Keeping in mind the above description of administrative remedies established by the act, it would appear that the legal consequences of congressional failure to appropriate funds for the Review Board could be suits against the Congress or the President or the Secretary for failure to provide due process of law as mandated by the act.

The SPEAKER. The time of the gentleman has expired.

(On request of Mr. YATES and by unanimous consent, Mr. HECHLER of West Virginia was allowed to proceed for 2 additional minutes.)

Mr. HECHLER of West Virginia. I yield further to the gentleman from Illinois.

Mr. YATES. Quoting further:

> Conceivably successful litigation of this nature could result in a virtual halt to this Department's ability to enforce compliance with the act.

The point I am making is this: The gentleman is right, in the sense that this Board has had no appeals filed with it. Its secretary does sit in the office and does wait for work. This is required because the statute is on the books. What ought to be done is that the statute ought to be amended so that there is no requirement on the part of Congress to make funds available for this appellate procedure, which, as the solicitor points out, is the right of any mine operator at the present time. That right would be deprived if the gentleman's amendment were to prevail, and due process would be prevented from being carried out.

Mr. HECHLER of West Virginia. Mr. Speaker, before I yield further, I would like to utilize a little time to respond to the able gentleman from Illinois in his arguments. I have a copy of the letter from the Associate Solicitor at Interior in which he admits in his letter that his arguments are merely "speculative." The gentleman will note that in the last paragraph of the letter.

Point No. 2, a congressional cutoff of funds through the appropriation process will not in itself abolish the Board. The Board will still exist on paper. It is important, as a followup to this, that the Board be abolished by *legislation*, which I introduced on February 20, H.R. 3431. But my amendment would at least prevent the Board from going to Las Vegas and Denver and San Francisco, as they have in the past, to meet for the purpose, as their minutes disclose, to discuss whether or not they should recommend that they should be abolished or the form of the seal which they ought to adopt.

One whole meeting was devoted to this latter matter. I am tempted to observe that the seal could be a huge gold brick.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. Yes; I will yield to the gentleman from Illinois.

Mr. YATES. I agree with the gentleman that it ought to be abolished, but this is not the way to abolish the Board. I would suggest to the gentleman that the gentleman's amendment is in the nature of a useless gesture for a useless Board because, as I understand the law, even though funds are not made available at the present time, such funds could nevertheless be the subject of a suit at a later time by the secretary.

The SPEAKER. The time of the gentleman has expired.

(By unanimous consent Mr. HECHLER of West Virginia was allowed to proceed for 2 additional minutes.)

Mr. HECHLER of West Virginia. I yield further to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding further.

The fact remains that the Government might very well be liable for the payment of the salary of the secretary and for the payment of the other expenses of the Board at a later time.

The way to kill this Board—because, as the gentleman points out, it has a function to perform which it has not been called upon to perform—is by changing the basic legislation, and that is the function of the authorizing committee.

Mr. HECHLER of West Virginia. Mr. Speaker, I would point out that I have tried for 2 years, both through the authorizing process and the appropriations process, to abolish this Board. I have appealed to the President of the United States, urging him to withdraw his nomination of members of the Board. I have appealed to the Office of Management and Budget. My appeals and letters go unanswered. I have testified before committees of the House and Senate. The time for action is now. We can at one stroke kill this do-nothing Board by adopting my amendment today.

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I gladly yield to my friend, the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Mr. Speaker, with due respect to the speaker in the well, the gentleman has not brought this matter to my attention as chairman of the Subcommittee on Manpower, Compensation, and Health and Safety until only a few weeks ago, and I assured the gentleman at that time that our committee having jurisdiction over this matter would look into it and give consideration to conducting hearings on the 2 bills the gentleman introduced, not only with reference to the Federal Metal and Non-Metallic Mine Safety Act, but also with reference to the abolition of this Board.

Since the short time ago that the gentleman spoke to me, I conferred with my colleague, the gentleman from Pennsylvania (Mr. DENT), who is the chairman of the Subcommittee on Labor Standards having jurisdiction over mine safety legislation, on a proposal to consolidate the Federal Metal and Non-Metallic Mine Safety Act and the Coal Mine Safety Act and place both of these organizations under the jurisdiction of the Department of Labor. I am presently working on Legislation to do exactly this. It is the intention of the gentleman who is speaking to conduct hearings on this subject matter in the very near future.

Mr. Speaker, I think inasmuch as our committee has jurisdiction over this matter, we should have the right to initiate legislation which would authorize the abolition of this board.

The SPEAKER. The time of the gentleman from West Virginia (Mr. HECHLER) has expired.

(By unanimous consent, Mr. HECHLER of West Virginia was allowed to proceed for 2 additional minutes.)

Mr. HECHLER of West Virginia. Mr. Speaker, I shall respond to the gentleman from New Jersey.

I would say the legislation which the very able gentleman from New Jersey is introducing is a complex piece of legislation. It amends the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Nonmetallic Mine Safety Act of 1966 and would transfer administration of both laws from Interior to the Labor Department, I have introduced H.R. 5555 which will accomplish this. It is badly needed legislation, and I congratulate the gentleman from New Jersey and the gentleman from Pennsylvania for moving on it. But this is legislation that will take a great deal of time through hearings and through debate on the floor to pass. To mix up this simple issue of how to abolish a do-nothing board with a complex and controversial bill will mean further delay.

I think we ought to stop this Board right now. I think it is a test of the Congress' ability to act in order to see whether or not we can turn off the Federal spigot of money which keeps flowing to this Board.

A year ago, when the Interior appropriations bill was on the floor, I raised the issue about this Board, and I was assured that action would be taken. Yet no action hase been taken.

Mr. DOMINICK V. DANIELS. Mr. Speaker, will the gentleman yield further?

Mr. HECHLER of West Virginia. I gladly yield further to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Mr. Speaker, as I indicated earlier, the gentleman did not bring this matter to my attention until just a couple of weeks ago. Since that time I do not think my committee has been derelict. My committee and my staff are presently working on legislation with reference to the bill that the gentleman introduced, and it is the intention of our subcommittee to incorporate a provision which would abolish this Board.

I think the proper manner in which to handle this thing would be to let the appropriate legislative committee enact the authorized legislation for the consolidation of both these agencies to abolish this Board and to adopt the necessary remedial procedures for review.

Mr. HECHLER of West Virginia. Mr. Speaker, I will point out to the gentleman that on February 4, 1975, which is a little more than two weeks ago, I wrote to the chairman of the committee, the gentleman from Kentucky (Mr. PERKINS), with a copy to my good friend, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), urging abolition of the Board, urging support for my legislation, and urging action in the Senate to reject the Presidential nomination of Charles Schwab as a member of that Board.

On April 21, 1975, I also wrote to the gentleman.

Mr. Speaker, I have been trying every avenue of approach, and nothing seems to work just as the Board itself does not work. I am gratified that some attention is being paid to this do-nothing Board.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Speaker, I am a little bit dumbfounded that the Department of the Interior would keep a staff for a Board that has no function. It seems to me it would be very simple to double in brass with some other personnel of the Department pending such eminently reasonable suggestions and solutions as the gentleman from New Jersey has just proposed.

The SPEAKER. The time of the gentleman from West Virginia (Mr. HECHLER) has again expired.

(On request of Mr. SEIBERLING and by unanimous consent, Mr. HECHLER of West Virginia was allowed to proceed for 2 additional minutes.)

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I wonder if the gentleman could redraft his amendment to simply provide that no funds can be spent for this board until such time as an actual appeal is perfected, which would mean that the Department of the Interior or, in the event that the consolidation proposed by the gentleman from New Jersey takes effect, that new agency could handle the appeal.

Mr. HECHLER of West Virginia. First, I would point out to the gentleman from Ohio, that the Federal Metal and Nonmetallic Mine Safety Board of Review is not within the Department of the Interior; it is an independent Board to which cases may be appealed by non-coal mine operators, but none has been appealed. I would say to the gentleman from Ohio that the Board of Mine Appeals, which is the due-process form of appeal established by the Secretary within the Department of the Interior, has already handled an appeal from the Grand Rapids Gypsum Company of Michigan in a mine-closing case. If my amendment is adopted, it can continue to do so. Indeed, I am advised by that Board that it will establish hearing procedures similar to those used in coal mine cases. There is no reason that that route cannot be utilized.

Mr. SEIBERLING. If the gentleman will yield further, my only point is, Why not make this a conditional instead of an absolute prohibition over spending the money?

Mr. HECHLER of West Virginia. I agree the gentleman's suggestion has some merit, but I think that my amendment will do the trick more effectively and surely, at an early date.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I want to suggest to my good friend, the gentleman from Ohio (Mr. SEIBERLING), that the Board does have a function. It is an appellate board. If there are no appeals filed, it is still, nevertheless, constituted under the law.

The gentleman from New Jersey said that he is going to change the law. In the interim, until such time as the Board is called upon to act, the Board has to have an existence.

How much money is involved here? There is $60,000 involved here, of which the Secretary gets $20,000. His secretary gets $14,000. The rest goes for printing and for possible travel expenses by members.

Mr. HECHLER of West Virginia. Mr. Speaker, here we are arguing over whether or not $60,000 a year, which the President annually keeps reinserting almost mechanically in his budget and saying it is necessary, should be voted up or voted down.

It seems to me that again, here is a test of whether or not Congress can cut off a useless activity and cut it off right away.

Mr. Speaker, I urge support for this amendment.

I also include various materials relatting to this issue.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 10, 1975.

Hon. KEN HECHLER,
House of Representatives,
Washington, D.C.

DEAR MR. HECHLER: I am writing in further response to your recent telephone call to me about the abolition of the Federal Metal and Nonmetallic Mine Safety Board of Review.

I wanted you to have a copy of the report which the Department has just sent to the Senate Government Operations Committee, S. 1774, introduced by Senator Percy, which would abolish the Board. A copy is enclosed.

Sincerely yours,

JACK W. CARLSON,
Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 10, 1975.

Hon. ABRAHAM RIBICOFF,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Your Committee has before it for consideration S. 1774, a bill "To reorganize the executive branch of the Government by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring the functions and powers of such Board to the Secretary of the Interior."

We support abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review as provided in S. 1774, subject to the concerns set forth below.

S. 1774 would repeal sections 2(e) and 10 through 12 of the Federal Metal and Nonmetallic Mine Safety Act and would transfer all functions and powers of the Federal Metal and Nonmetallic Mine Safety Board of Review to the Secretary of the Interior.

The Federal Metal and Nonmetallic Mine Safety Board of Review has heard no cases since it was first established under the Act in 1966. It requires, however, continuous funding and this is wasteful. In abolishing the Board, however, appropriate procedures should be included for review of notices and orders issued under the Act.

We would prefer to retain in the Act specific provisions for judicial review such as those contained in section 12. In addition, procedures for administrative review and a transfer of subpoena power to the Secretary should be explicitly set forth. We will be prepared shortly to supply specific language to meet these concerns. Subject to these considerations, we favor abolition of the Board.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

JACK W. CARLSON,
Assistant Secretary of the Interior.

CHRONOLOGY, 1966–1975

1966—Passage of Federal Metal and Nonmetallic Mine Safety Act of 1966, which established the Federal Metal and Nonmetallic Mine Safety Board of Review.

July 30, 1971—Activation and first meeting of the Board of Review.

July 24, 1974—In colloquy in House of Representatives, Rep. Hechler asks Rep. Julia Butler Hansen (D-Wash.), Chairman of House Interior Appropriations Subcommittee, why the Board shouldn't be abolished. Her response: "I would not object to the abolishing of the Board if that is the will of Congress." No action taken.

October 8, 1974—Federal Metal and Nonmetallic Mine Safety Board of Review holds its "annual meeting" in Las Vegas, Nevada, at a total cost to the taxpayers of $1,885.99. Board debates whether or not to recommend it be abolished, and votes against abolition.

January 13, 1975—President Ford appoints Charles E. Schwab as a member of the Federal Metal and Nonmetallic Mine Safety Board of Review.

February 3, 1975—President Ford includes $60,000 plus $15,000 for transition period for Federal Metal and Nonmetallic Mine Safety Board of Review, salaries and expenses for fiscal year 1976.

February 4, 1975—Rep. Hechler writes letters to Senate and House committees, urging abolition of the Board and rejection by Senate of nomination of Charles E. Schwab as a Board member.

February 10, 1975—Rep. Hechler delivers another in series of appeals that the Board be abolished, in address on floor of House of Representatives, stating, "it is outrageous that this Board should continue to exist and do absolutely nothing."

February 20, 1975—Rep. Hechler introduces H.R. 3431 to abolish the Board.

March and April, 1975—Numerous conversations with staff of committees, attempting to move the legislation.

April 21, 1975—Rep. Hechler writes to authorizing and appropriations committees asking for opportunity to testify in support of abolition.

May 9, 1975—Visit to offices of Federal Metal and Nonmetallic Mine Safety Board of Review reveals office door open, telephone off hook, pile of Beethoven records, stereo, coffee machine, but no personnel present. Left after waiting 20 minutes.

May 12, 1975—Rep. Hechler testifies before House Appropriations Subcommittee, urging abolition of Board by cutting off appropriations.

May 13, 1975—Rep. Hechler writes additional letters to committees urging abolition.

May 14, 1975—Associated Press account quotes Jubal Hale, Executive Secretary of Board, stating he feels Board should be abolished, and "there's nothing whatever to inhibit me from listening to Beethoven records. I think it's a good idea." Meanwhile, a spokesman for the Mining Enforcement and Safety Administration expressed surprise that the Board was still in operation. "I thought it had been abolished some time ago," he said.

May 21, 1975—Rep. Hechler writes to Chairman Mahon, Housing Appropriations Committee, urging zero funds.

May 22, 1975—Rep. Hechler delivers 15-minute address on floor of House, asking "How do you turn off the spigot?" Reps. Fenwick and Rousselot join in to support abolition of the Board.

May 23, 1975—Rep. Hechler writes a letter to President Ford, urging abolition and specifically asking President to direct Office of Management and Budget to advise House Appropriations Committe not to include funds in the continuing resolution.

May 27, 1975—Assistant Secretary of the Interior Jack Carlson advises that he will not publicly support a request for funding of the Board. Office of Management and Budget staff indicate that it is really Congress, which authorized the Board, which should abolish the Board.

June 10, 1975—Rep. Hechler testifies before Senate Government Operations Committee, urging abolition of Board.

TABLE A—FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

MEMBERS OF THE BOARD AND AFFILIATIONS

A. Chairman, Dr. Howard L. Hartman, Dean of the School of Engineering, Vanderbilt University, Nashville, Tennessee.

B. Peter J. Bensoni, United Steel Workers of America, Duluth, Minnesota, District 33.

C. William W. Little, General Manager, Phelps Dodge Corporation, Douglas, Arizona.

D. Robert W. McVay, United Steel Workers, Jefferson City, Missouri, District 34.

E. Charles E. Schwab, President of the Golden Cycle Gold Corporation, Colorado Springs, Colorado. (Status—his term expired on September 15, 1974 and his renomination was submitted to the Senate by President Ford on January 16, 1975, and is pending before the Senate Committee on Labor and Public Welfare.)

TABLE B.—DATA RE: MEETINGS OF FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

Date of meeting	Place of meeting	Summary of matters discussed	Members present	Travel costs	Salary at $50 per day	Total costs
July 30, 1971	Washington, D.C.	Appointment of Executive Secretary and Secretary to Board and adoption of resolution giving Executive Secretary authority to act for Board on such matters as rents, utilities, expense accounts, printing, equipment, and other office services.	Messrs.: Hartman; Bensoni; Little; and McVay.	$863.76	$350.00	$1,213.76
Aug. 17, 1971	Washington, D.C.	Establishing Board's rules of procedure	Messrs.: Hartman; Bensoni; Little; McVay; and Schwab (Mr. Schwab left early).	1,149.29	650.00	1,799.29
Oct. 20, 1971	Washington, D.C.	(A) Heard a presentation from Interior official concerning mine safety inspection, (B) Consider comments on its proposed regulations and then adopted regulations, (C) General discussion.	Messrs: Hartman; Bensoni; McVay; Schwab; and Little.	661.09	400.00	1,061.09

Date of meeting	Place of meeting	Summary of matters discussed	Members present	Travel costs	Salary at $50 per day	Total costs
Feb. 24, 1972	San Francisco, Calif.	(A) Discussed what type of appearance should be made before Congressional committees and what testimony should be offered in support of Board's request for appropriations of $167,000 for fiscal year 1973, (B) Approval of 1-page annual report to Congress. (C) Consideration of Board's seal, (D) Discussion of Bureau of Mine's safety activities.	All	2,252.74	1,050.00	3,302.74
Mar. 1, 1973	Chicago, Ill.	(A) Discussed future status, (B) Budget estimates of $160,000 for fiscal year 1974, and type of testimony before Congressional Committees on Budget.	All	1,068.64	500.00	1,568.64
Sept. 7, 1973	Denver, Colo.	Preparation of estimated budget for fiscal year 1975 of $90,000	All, but Mr. Bensoni	924.32	400.00	1,324.32
Oct. 8, 1974	Las Vegas, Nev.	(A) Discussed budget request of $60,000 for fiscal year 1976, (B) Discussion of bills re: 1966 Act, (C) "General discussion" re: future of Board.	All, but Mr. Schwab whose membership expired on Sept. 15, 1974.	1,485.99	400.00	1,885.99
Total				8,405.83	3,750.00	12,155.83

TABLE C.—FEDERAL METAL AND NONMETALLIC MINE HEALTH AND SAFETY CLOSURE ORDERS [1]

Dates	Imminent danger	Nonimminent danger	Total
1972	151	65	216
1973	475	471	946
1974	1,032	839	1,871
Total	1,653	1,375	3,033

[1] Information supplied to Congressman Hechler on May 29, 1975 by the Mining Enforcement and Safety Administration.

STATEMENT OF JUBAL HALE, EXECUTIVE SECRETARY, FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW, BEFORE THE SENATE GOVERNMENT OPERATIONS COMMITTEE

Mr. Chairman and Members of the Committee, for a period in excess of two years, there has been legislation pending before Congress which would, if passed, extensively revise mine safety law and, in the process, abolish the Federal Metal and Nonmetallic Mine Safety Board of Review. Also, for a period of two and one-half years, the Department of the Interior has been working on legislation that would extensively revise mine safety law and abolish this Board.

Over two years ago, this Board made rather extensive inquiry into what changes might be in the offing in mine safety legislation and discussed whether or not the Board should attempt to play any part in shaping this legislation. The Members of the Board were in unanimous agreement that they should take a proprietary view only of their duties on the Board and not attempt to use their position on the Board to influence mine safety legislation. At the last meeting of the Board, October 8, 1974, in Las Vegas, Nevada, the Chairman raised the question whether or not the Board should file a report with Congress, briefly reciting the history of the Board and recommending to Congress that it consider the Board's abolishment for the reason that *no cases have been filed with the Board*. The Members of the Board were unanimous in opposing the motion of the Chairman. Accordingly, it is the position of the Board that it neither supports nor opposes the passage of S. 1774.

While the Board neither supports nor opposes particular legislation, I must report that the problems of the Board have become such that Congress must take some action of some kind. Members of the Board are appointed by the President, with the advice and consent of the Senate. These nominations are referred to the Senate Labor and Public Welfare Committee. That committee, through its Chief Counsel, has informed us that we cannot expect the Committee to approve any further appointment to the Board.

The Board is a structured Board, consisting of one academic Chairman, two representatives from management, and two from labor. The Board presently has only four Members, being short one management representative, whose appointment remains pending before the Senate. On September 15, 1975, the term of the Chairman expires and, at that time, the Board will consist of two representatives from labor and one from management. It is extremely doubtful whether such a Board is operational at all and I have doubts whether or not the Members would even be willing to serve on such a Board.

Although the Board has had no cases and has been described as "worthless and toothless," a casual reading of the Federal Metal and Nonmetallic Mine Safety Act will reveal that the Board is the principal administrative remedy for an operator whose mine has been closed. The Department of the Interior has approximately 375 mine inspectors in the field. Safety regulations are enforced when necessary by the issuance of mine closure orders. For these closure orders to be viable, they must be such that they can be taken into court and enforced. As of September 15, 1975, if this Board is no longer operational and no new legislation has been passed, the question will have to be faced of whether or not these closure orders can be enforced when the operator does not have the remedy guaranteed to him by the Federal Metal and Nonmetallic Mine Safety Act.

FEDERAL METAL AND NONMETALLIC
MINE SAFETY BOARD OF REVIEW,
Washington, D.C., January 15, 1974.
Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed is calendar year 1974 report of the activities of the Federal Metal and Nonmetallic Mine Safety Board of Review, as required by Section 10(1) of the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 729(1)).

Respectfully yours,
JUBAL HALE,
Executive Secretary.

1974 CALENDAR YEAR REPORT

FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

The Federal Metal and Nonmetallic Mine Safety Board of Review is an independent agency established to review mine closure orders issued by authorized representatives of the Secretary of the Interior (i.e., mine safety inspectors) which require a mine operator to close all or part of a mine because conditions exist in violation of the Federal Metal and Nonmetallic Mine Safety Act or regulation(s) issued pursuant to this Act. Appeal to the Federal Metal and Nonmetallic Mine Safety Board of Review is the principal administrative remedy of a mine operator affected by a closure order and it is before the Board that a record is made from which further appeal may be pursued to the court.

Though 1998 mine closure orders were issued in 1974 under the Federal Metal and Nonmetallic Mine Safety Act, none of these orders was appealed by a mine operator to this Board. Therefore, assuming these orders have been enforced, either the mines remain closed, or they have reopened because the violations have been abated, or the order has been annulled or revised by the Secretary of the Interior.

The Board maintained its principal (and only) office in the District of Columbia, as required by Section 10(d) of the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 729(d)). The Board met once in 1974 for administrative purposes.

JUBAL HALE,
Executive Secretary.

AMENDMENT OFFERED BY MR. YATES AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. YATES. Mr. Speaker, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES as a substitute for the amendment offered by Mr. HECHLER of West Virginia:

On page 4, line 21 strike semicolon and insert the following: "*Provided*, That none of the funds made available by this joint resolution shall be obligated or expended to finance directly or indirectly any activities or operations of the Federal Metal and Nonmetallic Mine Safety Board of Review: *Provided further*, That sections 2(e), 10, and 11 of the Federal Metal and Nonmetallic Mine Safety Act creating the Board are hereby repealed and section 12 of said Act is hereby amended by striking therein all references to 'the Board' and inserting in lieu thereof 'the Secretary of the Interior';".

Mr. YATES. Mr. Speaker, may I suggest to the gentleman from West Virginia (Mr. HECHLER) that the purpose of this substitute amendment is to do what the gentleman from West Virginia (Mr. HECHLER) and others have been speaking about on the floor today. That is, to repeal the existence of the Board and to cut cleanly the need for any appropriations for the Board. The substitute will do away with any possibility that a liability will continue to exist, a possibility that would exist under the amendment that was offered by the gentleman from West Virginia (Mr. HECHLER).

Although it is true that his amendment would cut funds for the Board out of this bill, the fact remains that a potential liability would still exist against the Government of the United States.

My substitute amendment abolishes the funding for the Board and abolishes the Board.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. YATES. Yes, I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I want to commend the gentleman from Illinois (Mr. YATES) for offering this amendment. If we pass this amendment, we will be accomplishing something that has taken a long time to bring out. We ought in any case to proceed immediately and abolish this totally useless Board right away, without any further delay.

I think it is a fine amendment, and I hope that it is accepted by the House.

Mr. YATES. Mr. Speaker, I thank the gentleman for his statement. Ordinarily, I do not like to do this kind of thing in this kind of bill, but I do this in view of the representations made by my good friends, the gentleman from New Jersey (Mr. Daniels).

He has told me that his subcommittee is now going into the entire law under which this Board was created. Abolishing the Board at this time will not hamper the gentleman's committee in any respect, and the gentleman's committee could nevertheless proceed and carry out its will.

Mr. DOMINICK V. DANIELS. This is correct. I want to assure the gentleman from Illinois (Mr. Yates), that this amendment is satisfactory to my subcommittee.

Mr. YATES. I thank the gentleman.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Speaker, I am curious as to how the gentleman's amendment is appropriate right now.

Mr. YATES. I would say to the gentleman from New York, that in response to the question of the gentleman from Maryland it was pointed out by the Speaker that this was not a general appropriation bill; this is a continuing resolution.

Mr. McDADE. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Speaker, I want to commend my colleague, the gentleman from Illinois, for offering his amendment. We have discussed it with the gentleman on this side of the aisle, and this is the appropriate and the best way to abolish this Board. We ought to do it now, we ought to do it promptly and I commend the gentleman for offering the amendment.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, it is the position of the minority party that this is the clean way to accomplish what we all ought to accomplish.

Mr. EDGAR. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Speaker, I wish to identify myself with the remarks of the gentleman from Illinois.

Mr. Speaker, there was a torrid scandal which recently rocked the executive branch when Jubal Hale, the Executive Secretary of the Federal Metal and Non-Metallic Safety Board of Review, admitted that he headed an office without any responsibilities. In fact, he publicized his efforts to deny funding for his own office to awaken Congress to the fact that his annual budget of $60,000 was a complete waste of taxpayers' money. The machinery of Congress is much more oiled when appropriating money than when deappropriating it, and Mr. Hale's fight to terminate his own job and office has not been very successful so far.

Hale's story is worthy of attention, Mr. Speaker. He has freely admitted that his average day is spent listening to Beethoven records and that the Board of Review has reviewed nothing which does not circle at 33⅓ times each minute. For his honesty, Hale was the recipient of accolades from thousands of taxpayers. For his inaction, he received the jeers of thousands of taxpayers. The following newspaper account of this episode was mailed in to me by one of my constituents. Written in the margin was the notation "Why don't you fire this guy personally?"

> Bureaucrat Admits He Just Loafs
>
> Washington.—Jubal Hale admits he's a bureaucrat with little to do. So he spends his working hours reading and listening to Beethoven records at his office.
>
> Hale says it's not that he doesn't try to earn his $19,693-a-year salary as executive secretary of the Federal Metal and Non-Metallic Safety Board of Review. It's just that the board has never had anything to review in its four years, Hale said in an interview.
>
> "We have been expecting to be abolished for over two years," Hale said. "Bills have been introduced in Congress to abolish us. But nothing happened."
>
> And, Hale concedes, nothing is what occupies most of his days on the job, once the routine paperwork of maintaining the office is taken care of.
>
> Apparently, neither Congress nor the Ford Administration has taken the hint. In fact, the administration is asking for $60,000 in annual upkeep for the office in the president's budget for fiscal year 1976.
>
> "We have been extremely candid with Congress," Hale said. "Our annual reports are clear and concise. We have had no cases."

Mr. Speaker, I share the outrage of this constituent and many of my colleagues that an office of the Federal Government could have been so invisible for so long. Was this a singular case of a public servant lost in the swirling waters of bureaucracy? Or was this case a symptom of the executive branch of Government, a branch so laden with bureaus, departments, and agencies, as to threaten to topple the Federal tree from its own weight?

I decided to request a full investigation into this matter. The following is the tongue-in-cheek report I received. I did not decide to release this report immediately, but I wanted to be assured that national security would not be endangered, and that the existing workings of government, so vital to the safety and security of each of us, would not be impaired by imprudent disclosure:

> Mr. Hale was originally scheduled to testify before the appropriate Appropriations subcommittee to urge Members to vote on the legislation which would deny funding for his job and office. He was becoming tired and listless after listening to Beethoven records all day, and he was considering resigning his position to assume the post of listener of Wagner and Strauss records for the Department of Agency Management Development Bureau. However, the torrent of national publicity he received put a monkey wrench into his plans. He had already prepared his testimony for the committee. Hale's beginning line was to be "I regret that I have but one posterior to give for my country." But that was not to be. The phones began to ring with a jangling racket which all but shook the dust from them. After assessing the new situation, he realized that his plans would need revision. He would have to defeat the pending legislation, and instead, seek a supplemental appropriation of $25,000. I asked him why. Had he changed into the average Washington bureaucrat again, realizing that action would end his carefree life forever? Or were there suddenly hundreds of cases to review now that everyone knew his Bureau existed? No, not that, Hale reported. It was just that there were now hundreds of Congressmen and Senators, staff from the FBI, the IRS investigating his case. There was even a nervous looking man in a trench coat who, furtively glancing over his shoulder, suggested that Hale head a proprietary record shop. Everything would be taken care of. All he would have to do would be to compile a list of everyone who purchased German opera or Russian ballet records.
>
> The phones never stopped, the lobby was never empty. The press wouldn't leave him alone, he claimed. He couldn't even sneak a minute or two with a favorite Piano Sonata. The $25,000 supplemental appropriation would be needed for three secretaries, just to keep the phones from ringing. And there were funds needed for a press person to placate the fifth estate and handle the food of requests for his autographed picture. Are you teasing me, I asked incredulously. Well, he equivocated, inflation has hit the record industry, too. . . .

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, in defense of the Executive Secretary of the Board, Jubal Hale, it should be pointed out that he himself advocated the abolition of the Board. I think Ludwig von Beethoven desires a lion's share of the credit. I do not want this discussion to be a reflection on Mr. Hale due to the fact that he was playing Beethoven records, but Mr. Hale himself wants this Board to be abolished.

Mr. YATES. I also hope it is no reflection on Beethoven.

Mr. DENT. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, there is a right way to do something, and a wrong way to do something.

The gentleman in question, as I understand—and I read the newspaper item here—said to repeal the Board. And if I were seeking publicity I would put a resolution in too, because it is very popular. But this is not a newspaper report or a newspaper agency; this is a legislative body

I personally agree the Board should be abolished but it ought to be done the way it should be done.

We are talking about a $330 billion-odd bill and the spending of $60,000, to save $60,000 on a Board that will be abolished within weeks through the regular legislative process.

I say to the gentleman that we only had notice of this from the gentleman from West Virginia about 2 weeks ago, and we have spent time fashioning the proper vehicle for repeal. If we want to do it this way, it is all right with me. If they want to save $60,000, it is all right, but we should do it in a legislative manner rather than being pushed into something because it is convenient and because it sounds good that we are saving $60,000.

Do it this way if the Members want to. Set a precedent if they want to. But we should not legislate under a continuing resolution and overstep the regular legislative process.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. Yates) as a substitute for the amendment offered by the gentleman from West Virginia (Mr. Hechler).

The substitute amendment for the amendment was agreed to.

The SPEAKER. The question is on the amendment offered by the gentleman from West Virginia (Mr. Hechler), as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. CHAPPELL

Mr. CHAPPELL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Chappell: On page 12, line 3, after Public Law 91-672, strike out the period and insert "; notwithstanding the sixth clause of subsection (b) of this section, activities of the Department of Health, Education and Welfare for assistance to refugees in the United States (Cuban Program) shall be funded at not to exceed the annual rate for obligations of $90,000,000."

Mr. CHAPPELL. Mr. Speaker, this is a very simple amendment. It concerns the Cuban refugee program. The bill, as drafted, provides that the funding level shall be that of the preceding year or the budget request whichever is the lesser amount. This would reduce the expenditure for the Cuban refugee program to less than half of its present rate of expenditure. We are here to bring this appropriation in line with most of the other provisions of the bill to provide for the expenditure at the present level of approximately $90 million. The budget request attempted to shift immediately the burden of this program entirely to the States involved which are primarily six or seven, and it would cost the State of Florida, for example, in addition to the 60 percent which it is already spending for its program, roughly $25 million a year.

Mr. PASSMAN. Mr. Speaker, would the distinguished gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I thank the gentleman for yielding.

If I understand the purpose of this appropriation, it reimburses the States for expenditures made on behalf of this program. In fiscal year 1975 we, the Congress, appropriated $90 million, but it just so happens this year that the budget request is only for $40 million. We feel that the expenditures will run at the rate of the estimate we had last year, and, of course unless these obligations are incurred, we do not pay them. I believe this is a good amendment. I think we should approve it.

Of course, unless the States incur these expenses, they are not reimbursed. If they do incur the expense, they are obligated under law to be reimbursed.

Mr. CHAPPELL. Yes. As the chairman of our subcommittee knows, we had a hearing on the permanent bill, and we found that the expenditure of some $85 or $90 million is still going to be required, if we are to prevent the throwing the burden immediately and entirely upon the States.

Mr. PASSMAN. Unless we do approve this amendment and the States make the expenditures, the expenditures will have to be borne by the States.

Mr. CHAPPELL. That is correct.

Mr. PASSMAN. I hope we accept the amendment.

Mr. CHAPPELL. I thank the gentleman.

Mr. LEHMAN. Mr. Speaker, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Florida.

Mr. LEHMAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this amendment. The Dade County School System will be under a great hardship if this amendment does not pass. We have at the present time 70,000 school children in Dade County from Cuban refugee parents. At the present time we have been receiving $12 million to assist these children. If this is cut back, this will place an undue hardship on a group of taxpayers of this country that have welcomed this influx of refugees, all of whom had been processed through Dade County when they came into this country.

I think we are entitled to some assistance. I hope the Members will vote for this to enable us to meet these obligations.

Mr. ROUSH. Mr. Speaker, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Indiana.

Mr. ROUSH. Is not this reduced amount which we find in the administration budget the result of the expression by the Congress that the Cuban refugee program should be phased out?

Mr. CHAPPELL. No, sir. What we have, as the gentleman knows, is an automatic phaseout in the law as presently constructed and over a 4- or 5-year period. According to the Administrator, it will phase itself out anyway. Only about 7 to 8 percent of those involved in the program are involved in it at this time. Of that, Florida has 50 percent, New York, California, and several other States have lesser portions. These States are picking up 60 percent of these costs now. This will phase itself out in 4 or 5 years anyway.

The testimony before the subcommittee, as the gentleman knows, was that in order to do the job we need to retrain this expenditure, in order to do the job which the present law intends will cost $85 to $90 million.

Mr. ROUSH. If that is the case, why is the administration asking for only $40 million?

Mr. CHAPPELL. Because the administration intends to shift virtually all the burden immediately onto the States.

Mr. ROUSH. I appreciate the gentleman's fervor and devotion to his State but I respectfully must say I oppose the gentleman's amendment.

Mr. MAHON. Mr. Speaker, I ask for a favorable vote on the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Florida (Mr. Chappell).

The amendment was agreed to.

Mr. MATSUNAGA. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I have requested this time not only to express my support for the continuing resolution, but also to engage the distinguished gentleman from Pennsylvania (Mr. Flood) in a short colloquy on the impact of the pending resolution on a number of health programs.

It is my understanding that a number of health programs for which authorizing legislation expired in June 1974 have been extended by means of continuing resolutions. I refer particularly to programs under title VII, allied health professions; title VIII, nursing; and sections 306 and 309, schools of public health, of the Public Health Service Act.

I have joined the gentleman in opposition to attempts by the administration to terminate these programs by budget deferrals or rescissions. I am especially concerned that the School of Public Health at the University of Hawaii, for example, which depends on Federal aid for 70 to 80 percent of its operating budget, might suffer serious cuts in funding.

I note that, with one exception, the Appropriations Committee has included these programs under those which are to be funded at the current level or the level contained in the budget request, whichever is the lower. In the case of many of these programs, that budget request is zero. Needless to say, this has raised concerns in the minds of many of those involved in nursing and the allied health professions.

I wonder if the distinguished chairman of the subcommittee could clarify for the House the intent of the committee with regard to these important programs.

Mr. FLOOD. Mr. Speaker, I think I understand the gentleman's problem. This continuing resolution is designed to cover operating expenses for the first and second quarters of the fiscal year. However in the health manpower programs they have a practice of obligating their funds in the fourth quarter of the fiscal year. As a matter of fact, the fiscal year 1975 grants to nursing schools and schools of allied and public health were awarded within the past 2 weeks.

Of course, as the gentleman knows, we do not have authorizing legislation upon which to make appropriations for the programs he mentioned. However, as soon as we have a new law we would immediately follow with a supplemental bill to satisfy or meet those authorizations, as we should.

If by any chance, and we certainly hope that does not happen, there is no authorizing legislation when this continuing resolution expires, we would at once come in with a continuing resolution to guarantee the continuing operation of those programs.

Mr. MATSUNAGA. There is this problem I might point out to the gentleman, that the continuing resolution now provides for funding at the current level or the level contained in the budget request or whichever is the lower. If the administration fails to provide for any of these programs in its budget, or the authorizing legislation is not enacted, due to a Presidential veto, which the Congress is unable to override, what would happen to these health programs? Would it mean the dismantling of existing agencies?

Would the gentleman care to comment on this?

Mr. FLOOD. Well, as I say, if there is no law, when we adjourn sine die we will make certain in any subsequent continuing resolution that the programs, for which no funds were requested in the budget, would continue at the fiscal year 1975 operating level. It is not necessary to take any action now, because the programs you referred to normally obligated their funds in the fourth quarter of the fiscal year and this continuing resolution is designed to meet the funding requirements of the first and second quarters.

Mr. MATSUNAGA. I thank the gentleman for his comments. I have every confidence that the gentleman, as chairman of the Subcommittee on Appropriations dealing with health matters, will do all in his power and influence to protect the health programs, which we so desperately need. I thank the gentleman again.

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. MICHEL. I just want to make a further observation to the gentleman from Hawaii. With our HEW bill going to the floor next week, we will obviously have a figure at the House level for all authorized programs, so it will not be a question of deciding between the budget and the continuing resolution; but a law will be passed by the House.

As the gentleman from Pennsylvania pointed out, if we do not have authorizing legislation for some of the health programs when this continuing resolution expires we can provide for their support in a subsequent continuing resolution. I think when we get done with it the gentleman will be satisfied with what we have done.

Mr. GUDE. Mr. Speaker, 8 days ago, I urged my colleagues to enact a better version of the employment bill the President vetoed.

Specifically, I pressed for enactment of a measure I sponsored to appropriate $1.6 billion for temporary employment assistance under the comprehensive employment training program, $458 million for summer youth employment, $119.8 million for college work-study grants, $30 million for community service employment for older Americans and $70 million for carrying out an existing work incentive program administered by the Department of Labor.

Yesterday, the President signed into law a $473 million summer jobs for youth bill. Today the House will act on the continuing appropriations which provides the same funding levels for all the remaining employment programs included in the employment measure I sponsored.

As I have repeatedly stated on this floor, in addition to the well-deserving employment programs I support, the original jobs bill contained a good number of costly programs which did not contribute to meaningful jobs creation. The vote to override the President's veto of this measure came shortly after economic indicators showed the recession may well be bottoming out. Thus, it was important to sustain the President's veto in order to rework a better jobs bill within the constraints imposed by inflation.

I applaud the efforts of the Appropriations Committee which acted swiftly to bring these much-needed jobs programs back to the floor and urge immediate passage of the continuing resolution by this distinguished body.

Mr. CONTE. Mr. Speaker, we are now considering legislation which is of extreme concern to all Americans. This bill provides for a continuation of funding for all our Federal agencies to continue programs which are so vital to the welfare of our citizens. Perhaps most important of all, this continuing resolution contains funding for the desperately needed portions of the vetoed Emergency Employment Appropriations Act of 1975.

The need for these programs during our current economic crisis cannot be denied. It was unfortunate that public service jobs—title VI CETA—community service employment for the elderly, college work-study, and WIN programs had to suffer the veto because of the $3.3 billion in inflationary funding in that bill.

Congress now has the opportunity to provide the full level of funding for those programs which will genuinely create jobs by adopting this continuing resolution.

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution, with all amendments thereto.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 400, nays 16, not voting 17, as follows:

[Roll No. 310]

YEAS—400

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Eshleman
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton

Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—16

Archer
Armstrong
Ashbrook
Bauman
Collins, Tex.
Crane
Lott
McCollister
McDonald
Rousselot
Schneebeli
Shuster
Steiger, Ariz.
Symms
Treen
Young, Fla.

NOT VOTING—17

Burke, Fla.
Conlan
Esch
Evans, Colo.
Evans, Ind.
Flynt
Hastings
Hébert
Jones, Ala.
Miller, Ohio
Mollohan
Price
Talcott
Teague
Udall
Wiggins
Wylie

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Price with Mr. Burke of Florida.
Mr. Flynt with Mr. Esch.
Mr. Evans of Colorado with Mr. Miller of Ohio.
Mr. Jones of Alabama with Mr. Talcott.
Mr. Hébert with Mr. Conlan.
Mr. Teague with Mr. Wiggins.
Mr. Evins of Tennessee with Mr. Mollohan.
Mr. Udall with Mr. Hastings.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed, and that I may be permitted to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.A. 6860, with Mr. Natcher in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday, June 13, 1975, there was pending an amendment offered by the gentleman from Wisconsin (Mr. Steiger) to strike out title IV.

Are there further perfecting amendments to the title?

AMENDMENT OFFERED BY MR. KOCH

Mr. KOCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Koch: Page 96, line 25, strike out "; and" and insert in lieu thereof a semicolon.

Page 97, strike out the period at the end of line 10 and insert a semicolon.

Page 97, insert after line 10 the following:

"(5) the construction of facilities (A) for the conversion of oil shale into oil or gas, or (B) for processing coal into a liquid or gaseous state if such facilities are to be owned by the Federal Government and operated by the Federal Government or by any other person under a lease with the Federal Government; and

"(6) the purchase of oil or gas produced from the conversion of oil shale or of the products derived from the liquification or gasification of coal if such purchase is pursuant to an agreement between the Federal Government and any other person under which—

"(A) such person agrees to construct and operate a facility for the conversion of oil shale into oil or gas or for processing coal into a liquid or gaseous state, and

"(B) the Federal Government agrees to purchase during the 5-year period beginning on the date the construction of such facility is completed, any production from such facility if the market price for such production is less than the price established in such agreement."

Page 97, line 23, strike out "and (4)" and insert in lieu thereof "(4), (5), and (6)."

Mr. KOCH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KOCH. Mr. Chairman, what my amendment would do is to encourage the immediate use of the existing technology which would permit the conversion of coal and oil shale into oil and gas.

I tried in earlier general debate to make the point that what we have in this country is a great resource. We have enormous stocks of coal and oil shale, and there is technology which would permit the use of that oil shale and the coal. However, the fact is that were that technology to be employed at the present time and the oil companies wanted to break the people who entered that field, they could easily do so by driving down the price of oil until the oil and gas produced from shale and coal under the technology now available would not be competitive.

Therefore, Mr. Chairman, there should be a way whereby the Government could either build the conversion plants and take the risk or guarantee to those companies which build these conversion plants that for a period of time the product from these conversion plants would have a base price so that they would not suffer a loss in the event that the oil companies, in order to break the competition, came in and undersold.

Mr. Chairman, I was interested to see, independent of this particular amendment on my part, a statement by the distinguished gentleman from Kentucky (Mr. Perkins), which appears in today's Record, which he made yesterday, on the very same subject, to wit, that coal in the particular case that he described could be converted, but the technology would have to be subsidized at this point.

Since we have enormous reliance today on imported oil, and we have been battling over the contents of this bill for the last week or so and we have not addressed ourselves to these alternative forms of energy, I hope the distinguished chairman of the Committee on Ways and Means will not oppose this amendment too vigorously, so that, without mandating in any way that the Government must do it, it would have the option to, out of the trust fund, provide for contracts which would permit this proposal to be implemented.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, what the gentleman from New York has said makes a lot of sense.

There are technologies available today, and we do have an abundance of coal, and we could be the Saudi Arabia of coal. I just wondered, since I have not had an opportunity to read the gentleman's amendment, whether the gentleman stipulates some particular technology? Does the gentleman confine it to any specific method, or does the gentleman simply say by any available proven technology? There are several systems available.

Mr. KOCH. No specific technology.

Mr. WRIGHT. They are not limited to anyone of them?

Mr. KOCH. Not at all. And it does not mandate anyone to do it, but allows them to do it if the Government decides it is in the interest of the country to do it.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, is it correct the amendment provides not only for the Federal Government to support the price of oil and gas in such a situation, but indeed the Federal Government could get into the construction itself?

Mr. KOCH. Yes.

Mr. RUPPE. That is a point that was not emphasized too much.

Mr. KOCH. It is not a mandate.

Mr. RUPPE. But it could be done.

Mr. KOCH. What I am suggesting is that there be alternatives available. In one case the Government might decide that it would build the facility and lease it out, or the Government might decide that it would permit others to build the facility, and enter into a contract which would guarantee a floor price on the product of those facilities.

There is nothing in this amendment that requires the Government to take either of those courses; it simply allows it.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Martin, and by unanimous consent, Mr. Koch was allowed to proceed for 1 additional minute.)

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from North Carolina.

Mr. MARTIN. Mr. Chairman, the gentleman from New York is aware, I am sure, that several companies, for example, Coppers Chemical, has had advertisements in newspapers recently where they have already constructed plants for the conversion of coal into synthetic gas. The gas itself is reported to be of a low content, that is, a content of 300 Btu's per cubic foot, and not a richer oil or gas creation. But is the gentleman also aware that the Board of Review that will be given discretion for this in the future as to whether or not the Government will build synthetic gas plants for fuel production will consist of people not one of whom will have been actively involved in any energy industry in recent years? The present composition of the Board provides that none of these will have earned over $10,000 a year in any position in the energy industry.

Mr. KOCH. I am not prepared to comment on the caliber of the people who will make up the Board of Review. I do believe it is possible to find people who are not experts in a particular field who have the good judgment to decide on appropriate governmental actions.

The **CHAIRMAN.** The time of the gentleman has again expired.

Mr. ULLMAN. Mr. Chairman, I wonder if we might come to some agreement as to a time limitation on this amendment.

Mr. Chairman, I ask unanimous consent that we vote on this amendment in 5 minutes.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Chairman, I rise in strong opposition to this amendment. The gentleman from New York has good intentions, but what we are doing here is opening up another bottomless pit. The programs this amendment would cover easily could absorb all of the moneys going into the trust fund. This trust fund is primarily designed for research and development, and pilot or demonstration projects. That is where we need to use the funds. We have already whittled down the funds substantially, and to the extent we fund this amendment it will take funds away from research for, or demonstration projects for mass transit as well as all of the other legitimate purposes.

I strongly object to the amendment, and urge that we vote it down.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I rise in support of this amendment because I think that it offers the hope of what is an alternative source of energy. We know that coal of all the other sources has the greatest single trillions of tons of anything we have in this Nation. I wonder if the gentleman would accept an amendment that the board, which as the gentleman says is restricted in its membership, should get advice from the Office of Technology Assessment as to which of these projects might be appropriate and best for the use of the trust funds?

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from New York.

Mr. KOCH. I thank the gentleman for yielding.

I do not think the amendment is necessary for the board to have the opportunity to get that. I am sure that they would. I appreciate the gentlewoman's support of the amendment.

I would ask the distinguished chairman this: Will not the chairman agree with me that this does not require that the trust funds be used for this particular purpose? It simply gives those in charge of the trust fund the option so that it will not necessarily take moneys away from other form of technology that the people in charge of the trust fund decide they want to use.

Mr. ULLMAN. The amendment does not necessarily require that funds be spent for it. It would also require a separate authorization on the part of Congress in order to implement it. The bad part of the amendment is that it broadens the purposes for which the moneys in the trust fund may be spent. I am afraid we might dilute the funds that go to the other legitimate purposes. That is my basic objection.

Mr. DERWINSKI. Mr. Chairman, will the gentleman from Oregon yield?

Mr. ULLMAN. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I thank the gentleman for yielding.

I think the point that the gentleman made a moment ago is to the effect that this does open up additional pressures on the trust fund, because what would really happen, granted that the language calls for possible expenditures if this amendment were to be accepted, is it would then be argued later that it was the intent of Congress that this would be carried out.

Mr. ULLMAN. The gentleman is right. It might dilute some of the other purposes for which the moneys might go.

Mr. DERWINSKI. I share the gentleman's observations that the gentleman from New York is an extremely honorable, well-intended man, but sometimes even the most honorable, well-intended men have amendments which should be rejected.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from New York (Mr. KOCH).

The question was taken and on a division (demanded by Mr. KOCH), there were—ayes 19, noes 35.

Mr. KOCH. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. HAYS of Ohio. Mr. Chairman, I make the point of order that a quorum is not present.

The **CHAIRMAN.** The Chair will count. Seventy-six Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The **CHAIRMAN.** One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: On page 102 after line 10 insert the following:

"SEC. 414. Amounts required for the purposes of this title (other than section 411) shall be established by annual authorization and appropriation acts."

Mr. HECHLER of West Virginia. Mr. Chairman, I will not take the full 5 minutes.

This amendment is self-explanatory. It makes crystal clear the intent of the bill to untilize the present authorizing and appropriation process. It would require that annual appropriations or authorizations be used for the programs which could be funded by the trust fund.

This procedure, I think, will insure that the authorizing committee has jurisdiction over the subject matter and specifically authorizes the programs to be appropriated.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Oregon.

Mr. ULLMAN. Let me clearly understand this. Under the provisions of the amendment, expenditures from the trust fund would have to be specifically authorized by the Congress subsequent to the passage of the bill; is that right?

Mr. HECHLER of West Virginia. Yes; that is the intent of my amendment.

Mr. ULLMAN. The problem being now, I think, let me say to the gentleman, that was the intention of the committee; but one could interpret it that the existing authorizing legislation might be eligible and, therefore, leave it up to the Board to make that judgment.

I think I would approve of the concept. I think that is what we had in mind in passing the legislation.

Therefore, Mr. Chairman, I gladly accept the gentleman's amendment.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, we have examined the amendment. It seems to conform with the intent of the bill and we support it.

Mr. HECHLER of West Virginia. I appreciate the support of the gentleman from Minnesota and of the chairman of the committee.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from West Virginia (Mr. HECHLER).

The amendment was agreed to.

The **CHAIRMAN.** Are there further amendments to title IV? If not, the question is on the amendment offered by the gentleman from Wisconsin (Mr. STEIGER).

Mr. ULLMAN. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count; 71 Members are present, not a quorum.

PARLIAMENTARY INQUIRY

Mr. SEIBERLING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SEIBERLING. Mr. Chairman, is it in order to ask for a quorum call in the middle of a vote?

The CHAIRMAN. The Chair would like to point out to the gentleman from Ohio that this is a quorum call request only. The Chair has counted. A quorum is not present. The Chair would like to announce that pursuant to clause 2, rule 23, he will vacate proceedings under the call when a quorum of the Committee appears. Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business before the Committee is the demand by the gentleman from Oregon (Mr. Ullman) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 162, noes 247, not voting 24, as follows:

[Roll No. 311]

AYES—162

Abdnor
Ambro
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Aspin
Bafalis
Bauman
Beard, Tenn.
Bell
Biester
Bonker
Bowen
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Butler
Carter
Cederberg
Clancy
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conte
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Dellums
Dent
Devine
Dickinson
Downey
Drinan
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Ford, Mich.
Forsythe
Fraser
Frenzel
Frey
Gibbons
Gilman
Goldwater
Goodling
Gradison
Grassley
Gude
Hagedorn
Hamilton
Hammerschmidt
Hansen
Harrington
Harsha
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heinz
Helstoski
Hillis
Hinshaw
Holt
Horton
Hutchinson
Hyde
Johnson, Colo.
Johnson, Pa.
Kasten
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Landrum
Latta
Lehman
Lent
Long, Md.
Lott
Lujan
McClory
McCollister
McDonald
McEwen
McKinney
Maguire
Martin
Michel
Minish
Mink
Mitchell, N.Y.
Moffett
Montgomery
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
Myers, Pa.
Ottinger
Pattison, N.Y.
Pettis
Peyser
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Riegle
Rinaldo
Robinson
Rogers
Rousselot
Ruppe
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shuster
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Taylor, Mo.
Thone
Treen
Vander Jagt
Walsh
Wampler
Whalen
Whitehurst
Wilson, Bob
Winn
Wirth
Wydler
Young, Alaska
Young, Fla.

NOES—247

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Casey
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Derrick
Derwinski
Diggs
Dingell
Dodd
Downing
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Eshleman
Evins, Tenn.
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Tenn.
Fountain
Fulton
Fuqua
Gaydos
Giaimo
Ginn
Gonzalez
Green
Guyer
Haley
Hall
Hanley
Hannaford
Harkin
Harris
Hawkins
Heckler, Mass.
Hefner
Henderson
Hicks
Hightower
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jarman
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Leggett
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
McCloskey
McCormack
McDade
McFall
McHugh
Macdonald
Madden
Madigan
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Pickle
Pike
Poage
Preyer
Randall
Rangel
Rees
Reuss
Richmond
Risenhoover
Roberts
Rodino
Roe
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Schulze
Sharp
Shriver
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
White
Wilson, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—24

Burke, Fla.
Conlan
Esch
Evans, Colo.
Flynt
Hastings
Hébert
Jeffords
Jones, Ala.
McKay
Miller, Ohio
Mollohan
Mosher
Price
Roncalio
Scheuer
Sikes
Talcott
Teague
Udall
Whitten
Wiggins
Wilson, C. H.
Wylie

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Dingell: On page 102 between lines 13 and 14, insert the following:
>
> "(f) No Federal employee performing any function on duty under this Title shall have a direct or indirect financial interest in any firm or business engaged in the exploration, production, processing, refining, transportation by pipeline, or distribution (other than at the retail level) of energy fuels. Whoever knowingly violates the provisions of the above sentence shall, upon conviction, be punished by a fine of not more than $2,500, or by imprisonment for not more than one year, or both. The Secretary of the Treasury shall (1) within sixty days after enactment of this Act publish regulations, in accordance with 5 U.S.C. 553, to establish the methods by which the provisions for the filing by such employees and the review of statements and supplements thereto concerning their financial interests which may be affected by this section, and (2) report to the Congress on March 1 of each calendar year on the actions taken and not taken during the preceding calendar year under this section."

The CHAIRMAN. The gentleman from Michigan (Mr. Dingell) is recognized for 5 minutes in support of his amendment.

Mr. DINGELL. Mr. Chairman, I offer an amendment to H.R. 6860 concerning the holding of any financial interests by Federal employees administering this title in firms or businesses, including corporations, partnerships, and associations, engaged in the exploration, production, processing, refining, transportation by pipeline, or distribution—other than at the retail level—of energy fuels. My amendment is printed in the May 19, 1975 Congressional Record on page 15169.

In 1879, Congress enacted 43 U.S.C. 31, which states:

> The Director and members of the Geological Survey (of the Interior Department) shall have no personal or private interests in the lands or mineral wealth of the region under survey, and shall execute no surveys or examinations for private parties or corporations.

According to a March 3, 1975, report by the Comptroller General (FPCD–75–131) entitled "Effectiveness of the Financial Disclosure System for Employees of the U.S. Geological Survey," which Congressman Moss requested, the Geological Survey has uniformly interpreted the above statute to mean that:

> No USGS employee may own an interest in oil or mining enterprises.

Despite this interpretation the GAO found on March 3, 1975, page 5:

> A supervisory mining engineer has owned stock since 1968 in seven mining companies (four operating in the United States and three in foreign countries).
>
> A supervisory petroleum engineer in New Mexico and Texas since 1971.
>
> An Administrative geologist owned stock in 12 companies with oil or mining interest.
>
> A supervisory petroleum engineer, empowered to suspend oil company operations on leased lands if operations were not properly conducted, has owned stock in Mobil

Oil Company, Standard Oil of California, and Standard Oil of New Jersey since 1971.

In essence, the GAO found that the Interior Department is not effectively enforcing the 1879 law or the President's 1965 Executive Order 11222 on financial disclosure by Government employees, in part, because the law and Executive order have no teeth.

My amendment will prohibit employees administering title IV of this bill from having a financial interest, direct or indirect, in the businesses and firms I just mentioned. The amendment would require enforcement of this provision by the Secretary of the Treasury and the filing of annual reports to Congress on such enforcement. My amendment would also provide a penalty, upon conviction, for knowing violations of this prohibition.

The amendment applies to all such employees, because many employees even at the lower grade levels would have important responsibilities under this title.

If the Congress in 1879 believed such a prohibition essential then imagine what it would believe today in the light of recent scandals.

I want to prevent future scandals. Federal employees administering this title will be able to have financial interests, and so forth, in many corporations, but not those with interests in energy fuels and related operations. I think this is appropriate.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my friend, the chairman of the committee, the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, as I understand the amendment, it prohibits conflicts of interest to the employees of the board. In the bill we have provided a conflict of interest provision for the members of the board but this would extend the conflict of interest provision to the employees. As far as I am concerned personally, although we did not vote on this in the committee, it seems acceptable and desirable and I have no objection to the amendment.

Mr. DINGELL. I thank the chairman for his kindness.

Mr. Chairman, I observe simply in the interest of time that an amendment almost exactly the same in language to that which I offered today was offered in the strip mining bill and was accepted by the House and Senate and sent to the President. The amendment was exactly identical in purpose.

The function was to prevent conflict of interest.

The General Accounting Office has audited the performance of Federal agencies in this area and has found the record to be replete with gross conflicts of interest. The purpose of this amendment is to prevent those conflicts of interest from occurring.

Mr. SCHNEEBELI. Mr. Chairman, I doubt the need for an amendment of this type. This says that no employee performing any function whatsoever under the trust fund, is allowed to own even one share of stock in any energy company or any energy-related company. I think the amendment goes too far. I think it is too broad. If it were within some specific area it might be different but it is not. I would like to ask the gentleman from Michigan exactly how far the amendment goes?

Mr. DINGELL. Mr. Chairman, if the gentleman will yield, the amendment says:

> No Federal employee performing any function or duty under this title shall have a direct or indirect financial interest in any firm or business engaged in the exploration, production, processing, refining, transportation by pipeline, or distribution (other than at the retail level) of energy fuels.

So it applies to energy-related industries.

Mr. SCHNEEBELI. Any energy-related industry?

Mr. DINGELL. That is correct.

Mr. SCHNEEBELI. What if some oil company sells some rigging to some other company?

Mr. DINGELL. In my opinion that is not covered.

Mr. SCHNEEBELI. What about a company that wants to bring out a well?

Mr. DINGELL. In my view that would not be proscribed.

Mr. SCHNEEBELI. And an employee would not be proscribed from owning stock for example in Du Pont?

The reason I am having this colloquy with the gentleman is to find out how an energy-related company is defined.

Mr. DINGELL. I commend the gentleman for that and for laying out this legislative history.

Mr. SCHNEEBELI. I still have my reservation about this amendment and I am opposed to it.

Mr. ARCHER. Mr. Chairman, will the gentleman yield so I might ask the author of the amendment a question?

Mr. SCHNEEBELI. I yield to the gentleman from Texas.

Mr. ARCHER. What would be the situation if an employee owns stock, say for instance in International Paper, which has recently acquired a small independent drilling operation in oil and gas and operates that as a very small portion of their total business? Would an employee be barred from owning stock in International Paper?

Mr. DINGELL. In my opinion the employee of the board would not be in violation of this particular amendment because his stock would lie in International Paper and International Paper would not in itself be engaging in that but would have simply an interest in another corporation.

Mr. ARCHER. If the gentleman will yield further, how big would the operation of a corporation have to be in an oil and gas industry or one related thereto?

Mr. DINGELL. This refers to the individual employee owning shares of stock or interest in corporations which are directly or indirectly engaged in that industry. As the gentleman has indicated, it would involve, let us say, a paper company which might acquire subsequently another corporation of a relatively small character which would be engaged in that work.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, actually, if an employee is in a mutual fund and had some stock, he would be an employee under this definition.

Mr. DINGELL. I do not read the amendment that way.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ANNUNZIO. Mr. Chairman, we have devoted all of last week to consideration of H.R. 6860, the Energy Conservation and Conversion Act, and are hopeful of completing action today. However, the bill with which we are now left only partially meets the energy needs of America for the future.

Nevertheless, this Congress must continue to formulate a constructive, positive program to deal with our energy problems. The American people demand such a program. We must answer that demand. What this country really needs, and what this Congress should be attempting to produce, is a long-range program designed to come up with alternative sources of energy other than gas and oil, and to make this country eventually self-sufficient in her energy needs.

I remind my fellow Members that many people scoffed in 1960 when President Kennedy proposed that the United States land a man on the moon by the end of the decade. Today many people throw up their hands in despair at the possibility of achieving long-term solutions to our energy needs. However, this need not be the case.

If this country in the 1960's possessed the research talents, technological expertise, and sense of national purpose to get us to the moon, do we not now also have the research talents and technological capabilities to come up with solutions to our energy problems? I think we do.

But I also think, if we are to solve our energy problems, eventually something more is needed than mere scientific talent and sophisticated technology. What is absolutely crucial, if we are ever to resolve our energy problems, is a sense of national purpose and will dedicate to making the sacrifices necessary to achieving energy self-sufficiency. If we as a people are willing to make the hard choices necessary, we can lick the energy problem. If, however, we are unwilling to tighten our belts voluntarily and reduce our energy consumption, if we are unwilling to change the usual patterns of our present lifestyle, and if we are unwilling to make other necessary sacrifices, then we will never fully resolve our energy problem no matter how much scientific brainpower and hardware are available.

It is essential that this country move beyond palliative measures aimed simply at conserving energy, which certainly are necessary and important first steps, to a more comprehensive long-term program designed to make this country self-sufficient in her energy needs by developing sources of energy other than gas and oil.

Such a long-term program is necessary not only to avoid the inconveniences and discomforts in everyday life occasioned by fuel shortages, but even more importantly, to prevent the possibility of having our foreign policy decisions dictated to us by the OPEC nations. It would be unfortunate, indeed, if the major economic and military power in the world today were unable to make and carry out her foreign policy decisions without fear of offending the nations of the oil cartel.

What is critically needed is a long-range energy program which would provide the funds necessary for investigating new and alternative energy sources. I have long advocated the necessity for devising economically feasible plans for coal liquefaction and gasification in order that we may utilize our most abundant energy resource—approximately 200 billion tons of coal; for developing a means to increase the energy yield from our oil shale deposits; for further research into and use of solar, thermal, and nuclear energy; for utilizing vast untapped oil and natural gas sources through offshore drilling on the Atlantic, Pacific, and Gulf coasts; and for moving much more swiftly ahead with the Alaskan Pipeline.

Several provisions of this bill were designed to encourage, through tax credits and other means, increased utilization of alternative energy sources. But these are only the beginning steps in what must be a long-range program designed to eventually make this country energy self-sufficient.

We need to harness all of America's ingenuity and scientific "know-how" in this search, and we must continue the search for other possible sources of energy. For example, there is research presently being carried out to assess the utilization of solid wastes to generate power facilities. This would not only provide more energy but would be a great help in reducing a major source of environmental pollutants.

Even more ingenious are recent British experiments to harness the power of ocean waves to generate electrical power. Several British scientists believe when this system is perfected, the energy harnessed from the waves on the north and west coasts of Britain would be capable of supplying the energy needs of the entire country.

Another possibility now undergoing research is generation of electricity by exploiting the difference in temperature between water on the ocean's surface and in the deep. Based on this principle, an offshore thermal energy plant could be operated at costs below those of an oil-fired plant, with the added bonus of not diminishing a fossil fuel supply and not causing any pollution.

Solutions such as these are obviously far off. But if such solutions are to be achieved in the long run, a beginning must be made now—a beginning which is aimed at long-range problems and solutions and not merely those of the short run.

We in the Congress must begin now so that by the year 2,000 this country will be self-sufficient in her energy needs so that our children and grandchildren need not fear the high-handed blackmailing techniques that the OPEC nations have forced on the free world.

Mr. ULLMAN. Mr. Chairman, I rise for the purpose of coming to some agreement on time.

Mr. Chairman, I think there has been a general understanding that there will be no more votes this evening. It is the intent of the chairman to abide by that agreement and let the Committee rise by 6:30 and have no more record votes.

I would be happy to proceed if we can have some understanding that Members will be recognized prior to the record vote before the Committee rises.

Mr. Chairman, I ask unanimous consent that all debate on this amendment conclude in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, I observe about 15 Members on their feet. If we are to agree to the unanimous-consent request of the chairman, that means each Member will have about 20 seconds. That is no way to find out what is in this amendment. It is an extremely complex amendment. I think it is pernicious. I think we ought to have the opportunity to question the author of this amendment. Unless the chairman has another suggestion, I will object.

Mr. ULLMAN. Mr. Chairman, I withdraw my request.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Natcher, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, had come to no resolution thereon.

ANNOUNCEMENT OF PUBLIC HEARINGS ON TAX REFORM

(Mr. ULLMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, I have requested unanimous consent to include in the Record at this point an extremely important press release issued today by the Committee on Ways and Means announcing public hearings on tax reform to begin on June 23, 1975. This press release outlines in detail the subjects to be covered, the subjects which will not be covered, the plans of the committee with regard to several phases of tax reform, and the details concerning requests to be heard. I think all Members of the House will be interested in this subject. The press release follows:

Chairman Al Ullman (D., Oreg.), Committee on Ways and Means, U.S. House of Representatives, Announces Program for Tax Reform Consideration To Begin on Monday, June 23, 1975

Chairman Al Ullman (D., Oreg.,), Committee on Ways and Means, U.S. House of Representatives, today announced detailed plans of the Committee on Ways and Means for tax reform hearings to commence on Monday, June 23, 1975. This will begin the first phase of a series of tax reform hearings, the second phase of which will begin in November of this year after completion of development and passage of the bill resulting from hearings now being announced.

This first set of public hearings on tax reform will be in three parts: (1) panel discussions on the objectives and approaches to tax reform consisting of invited tax specialists on Monday and Tuesday, June 23 and 24; (2) testimony from Administration officials on Tuesday and Wednesday, July 8 and 9; and (3) presentation of testimony from the interested public—arranged in panels—on specific areas of tax reform—set forth in detail below—to begin on Thursday, July 10 and continuing during the month of July. This particular hearing must be completed by the end of July. Markup sessions will begin in early September after the August recess.

The cutoff date for receipt by the Committee of requests to be heard from the interested public is Thursday, June 26, 1975. All requests should be submitted to John M. Martin, Jr., Chief Counsel, Committee on Ways and Means, Room 1102 Longworth House Office Building, Washington, D.C. 20515 (telephone: (202) 225-3625).

All proceedings will be conducted in the Main Hearing Room of the Committee on Ways and Means, across from the staff office which is Room 1102 Longworth House Office Building, beginning at 10:00 a.m. each scheduled day.

More specific details with regard to these hearings follow:

PANELS OF SPECIALLY INVITED TAX EXPERTS

On June 23 and 24, the Committee will receive testimony and recommendations from panels of specially invited witnesses. Essentially, these panel discussions will be devoted to objectives and approaches to tax reform and to simplification and restructuring of our tax laws. A list of panelists will be released at a later date.

ADMINISTRATION APPEARANCES

Administration officials will be scheduled on Tuesday and Wednesday, July 8 and 9, as the leadoff witnesses immediately after the fourth of July recess, and will probably be recalled at the end of the hearings, as well. These witnesses will include the Secretary of the Treasury and the Commissioner of Internal Revenue.

TESTIMONY FROM THE GENERAL PUBLIC

The third part of these first proceedings on tax reform will consist of receipt of testimony from the interested public and will begin on Thursday, July 10.

SUBJECTS INCLUDED IN THIS HEARING

In general, this phase of the hearing will involve and be confined to the following principal subjects: Tax shelters and minimum tax; tax simplification and reform of domestic income of individuals; foreign income; administrative provisions; "deadwood" bill; extension of individual tax reductions provided in the Tax Reduction Act of 1975; capital formation (including fast depreciation, investment credit, and integration of corporate and individual taxes); capital gains and losses; and limited technical changes. For a detailed itemized list of matters included within each of these principal headings, see List A, attached.

SUBJECTS NOT INCLUDED IN THIS PARTICULAR HEARING

The following subjects will not be included in the first phase of tax reform, and testimony thereon will not be received at this time, but will be heard in public hearings at a subsequent phase of tax reform:

1. Estate and gift taxation.
2. Tax treatment of single persons and married couples.

3. Tax exempt State and municipal bonds.

4. Small business tax problems including Subchapter S.

5. Percentage depletion for minerals generally.

6. Tax treatment of financial institutions.

7. Tax treatment of cooperatives.

8. Tax treatment of insurance companies including casualty and life companies.

9. Tax exempt organizations including private foundations.

10. Charitable contribution deductions.

11. Net operating loss deductions.

12. Bank holding companies; real estate investment trusts.

13. Excise taxes.

14. Integration of pensions and social security.

15. Tax treatment of annuities.

The second phase of tax reform hearings, to be conducted in November, will include, but not be limited to, the subjects of estate and gift taxation and the tax treatment of single persons and married couples.

GENERAL PROCEDURES

Witnesses for the first phase of the hearings to begin at this time will be grouped according to subject matter. Those who will be testifying on several major subjects will be listed in the category of "general witnesses" and will be heard at the beginning of this phase of the hearing. In the cases where a witness wishes to concentrate his testimony on one major subject, but comment in a lesser way on other subjects, he will be scheduled under the major subject and can submit his statement for the record on the minor areas.

Time will be strictly limited and in general will not exceed five (5) minutes per witness except in very limited cases involving broad national organizations. Public witnesses will be arranged in panels. Witnesses must testify when scheduled or else file a written statement. Shifts in dates to be heard will not be made. Time allocations must be strictly followed. Testimony by individuals and groups representing the same position must be consolidated. All written statements must be submitted to the Committee office at least 24 hours before the appearance of the witness.

DETAILS FOR SUBMISSION OF REQUESTS TO BE HEARD

Cutoff Date for Requests to be Heard—Requests to be heard must be submitted by no later than the close of business Thursday, June 26, 1975. As previously indicated, individuals and organizations desiring to testify on most or all of the subjects listed herein will be heard at the beginning of this phase of the hearings, i.e., "general testimony" will be the first category to be heard.

All requests should be submitted to John M. Martin, Jr., Chief Counsel, Committee on Ways and Means, Room 1102, Longworth House Office Building, Washington, D.C. 20515 (telephone: (202) 225-3625.) Notification will be made as promptly as possible after the cutoff date as to when witnesses have been scheduled to appear. At that time necessary guidelines for preparing for the appearance will accompany such notification. Once the witness has been advised of his date of appearance it is not possible for this date to be changed. If a witness finds that he cannot appear on that day, he may wish to either substitute another spokesman in his place or file a written statement for the record of the hearing in lieu of a personal appearance.

Coordination of Testimony—In view of the heavy schedule of the Committee ahead and the limited time available to the Committee to conduct this hearing, it is requested and it is most important that all persons and organizations with the same general interest designate one spokesman to represent them so as to conserve the time of the Committee and the other witnesses, prevent repetition, and assure that all aspects of the subjects being discussed at this hearing can be given appropriate attention. It is contemplated that the Committee will arrange witnesses in panels.

Written Statements in Lieu of Personal Appearance—The Committee will be pleased to receive from any interested organization or person a written statement for consideration for inclusion in the printed record of the hearing in lieu of a personal appearance. These statements will be given the same full consideration as though the statement had been presented in person. In such cases a minimum of three copies of the statement should be submitted by a date to be specified later.

Allocation of Time to Witnesses—Because of the Committee's exceedingly heavy legislative schedule, this will limit the total time available to the Committee in which to conduct these proceedings. Thus, to assure fairness to all witnesses and all points of view, it will be necessary to allocate time to witnesses for the presentation of their direct oral testimony. Most witnesses will be limited to five (5) minutes for their verbal presentation. Exceptions to the rule will be severely limited and in any case only where broad national organizations are involved. Also, as indicated above, it will be necessary to ask certain witnesses to form panels in order to further consolidate testimony. If the witness wishes to present a long and detailed statement, it will be necessary for him to confine his oral presentation to a summary of his views while submitting a detailed written statement for the Committee's consideration and for inclusion in the record of the hearing.

Contents of Requests to be Heard—The request to be heard must contain the following information, otherwise delay may result in the proper processing of a request:

(1) the name, address and capacity in which the witness will appear;

(2) a list of persons or organizations the witness represents and in the case of associations and organizations their total membership and where possible a membership list;

(3) an indication of whether or not the witness is supporting or opposing any specific proposal or proposals (within the scope of this phase of the hearing) on which he desires to testify;

(4) if a witness wishes to make a statement on his own behalf, he must still nevertheless indicate whether he has any specific clients who have an interest in the subject, or in the alternative, he must indicate that he does not represent any clients having an interest in the subject he will be discussing: and

(5) a topical outline or summary of the comments and recommendations which the witness proposes to make.

Submission of Prepared Written Statements—With respect to oral testimony, the rules of the Committee require that prepared statements be submitted to the Committee office at least 24 hours in advance of the scheduled appearance of the witness. Seventy-five (75) copies of the written statements would be required in this instance; and additional seventy-five (75) copies may be submitted for distribution to the press and the interested public on the witness' date of appearance.

As indicated above, any interested person or organization may submit a written statement in lieu of a personal appearance for consideration for inclusion in the printed record of the hearing. Such statements should be submitted by a date to be specified later, in triplicate. An additional seventy-five (75) copies of written statements for the printed record will be accepted for distribution to the Committee members, the press and the interested public if submitted before the final day of the public hearing.

Format of ALL Written Statements—It will be necessary that all prepared statements contain a summary of testimony and recommendations and that throughout the statement itself pertinent subject headings be used.

Resubmission of Requests to be Heard Where Requests Already Made—If a prospective witness has already submitted a request to be heard on any of the subjects covered by this hearing, the request should be resubmitted at this time furnishing the above information and otherwise conforming to the rules set forth for conducting this hearing.

LIST A—TOPICS FOR TAX REFORM PACKAGE IN FIRST PHASE

A. *Tax Shelters and Minimum Tax.*

1. *Minimum tax.*—This category includes the consideration of the exemption level, the rate of tax, the allowance of a deduction for the regular individual or corporate income tax, and the possibility of adding other preference items to the base of the tax or alternatively the consideration of a different version of a minimum tax.

2. Allocation of itemized deductions between taxable and nontaxable income.

3. *Tax shelters generally.*—

a. *Real estate.*—This category includes depreciation methods and life (including any distinction for this purpose between borrowings and equity), recapture rules for excess depreciation, treatment of interest and taxes during the construction period, limiting certain real estate deductions to related income, etc.

b. *Farm operations.*—This category includes the treatment of development costs in the case of fruits and other food products with long development periods, the deduction of farm losses, the so-called hobby loss operations, limiting farm deductions to related income (perhaps only to the extent nonfarm income exceeds some level (such as $20,000)), limiting deductions on livestock to the amount of risk, requiring the accrual method of accounting for corporations engaged in farming, etc.

c. *Natural resources.*—This category includes limiting the deductions for intangible drilling expenses and development costs on a property to the amount the taxpayer has at risk, limiting deductions from intangible drilling expenses (except in the case of dry holes) to the related income, recapturing intangible drilling costs deducted as ordinary income where the property is subsequently sold at a gain, etc.

d. *Motion picture films and similar property.*—This category includes limiting deductions for depreciation in motion picture films, etc., to the amount of income derived from the investments, and limiting loss deductions to the amount at risk, etc.

e. *Personal property (equipment) leasing.*—This category includes limiting deductions of depreciation on personal property subject to a net lease to the income from the property, etc.

f. *Sports teams (player contracts).*—This category includes specifying the portion of an aggregate amount paid to purchase a team or group of assets which is allocable to player contracts and applying recapture rules in the case of player contracts.

g. *Tax treatments of limited partnerships.*—This includes considerations involving the basis for non-recourse loans, requiring certain kinds of limited partnerships (and joint ventures) to be taxed as corporations, etc.

h. *Prepaid interest.*—This category includes requiring the use of the accrual method of accounting for prepaid interest.

i. *Partnership syndication fees.*—This category is included to clarify the rules requiring capitalization of partnership syndication fees.

B. *Tax simplification and reform of domestic Income of Individuals.*

1. Deduction of expenses attributable to business use of homes and rental of vacation homes.
2. Deduction for conventions, conferences, etc., outside the United States.
3. Retirement income credit.
4. Sick pay exclusion.
5. Child care deduction.
6. Deduction of alimony payments.
7. Deduction for guarantees of business paid debts to guarantors not involved in business.
8. Deduction for property transfer taxes and disability taxes.
9. Simplification of itemized deductions generally including (but not limited to) a simplification deduction in lieu of the dividends received exclusion, the deduction for State and local taxes on gasoline and other motor fuels, deduction of casualty losses below a floor (e.g., 3 percent), medical expense deduction below a floor (e.g., 5 percent instead of the present 3-percent floor on medical expenses generally and 1-percent floor on drugs), and deduction for certain employee business expenses and expenses of activity engaged in for profit below a floor (e.g., $200).
10. Extension of tax tables to enable individuals to use the short 1040–A tax form for adjusted gross incomes up to $20,000.
11. Accumulation trusts.
12. Limitation of the interest deduction for nonbusiness interest to a specified amount where it is claimed as an itemized deduction.
13. Simplification of moving expense deductions and application to the military.
14. Tax treatment of scholarships and fellowships (including cancellation of indebtedness with respect to certain student loan programs).
15. Clarification of the tax treatment of certain disaster loan provisions.
16. Qualified stock options.
17. Alternative capital gains tax rate for individuals.
18. Holding period for short-term capital gains.
19. Group term insurance.

C. *Foreign Income*

1. Per-country limitation in computing foreign tax credit.
2. Grossing up dividends from less developed country corporations for purposes of determining U.S. income and foreign tax credit.
3. Application of the foreign tax credit in the case of capital gains income.
4. Treatment of foreign income subsequently earned where foreign losses are offset against U.S.-source income.
5. Deferral of income of controlled foreign subsidiaries.
6. Exclusion for income earned abroad by U.S. citizens living or residing abroad.
7. Tax treatment of foreign trusts.
8. Excise tax on transfers to a foreign business.
9. Treatment of earnings of less developed country corporations where there is a disposition of stock representing these earnings.
10. Western Hemisphere trade corporations.
11. Tax treatment of U.S. possession corporations.
12. Tax deferral under DISC provisions (including export trade corporations).
13. China Trade Act Corporations.
14. Application of the 30-percent withholding tax to dividend and interest income received from the U.S. by foreign persons.
15. Dividend treatment of U.S. shareholders where funds are invested in the United States by foreign corporations.
16. Advance IRS rulings for tax-free exchanges involving foreign corporations related to U.S. taxpayers.
17. Tax treatment of married couples where one spouse is a nonresident alien.
18. Minimum tax on foreign source income.

D. *Administrative Provisions*

1. Income tax return preparers.
2. Assessments in case of mathematical or clerical errors.
3. Application of withholding tax provisions, such as for interest and dividends, certain gambling winnings, earnings of agricultural employees, and State income taxes for certain government employees and military reservists.
4. Disclosure of tax returns and return information.
5. Private letter rulings.
6. Jeopardy and termination assessments.
7. Declaratory judgments in the case of tax-exempt organizations.
8. Tax exempt status of condominiums and homeowner associations.
9. John Doe summons.

E. *Deadwood Bill.*—Repeal and revision of obsolete, rarely used, etc. provisions.

F. *Extension of Individual and Corporate Tax Reductions Provided in Tax Reduction Act of 1975.*

G. *Capital formation (including fast depreciation, investment credit, and integration of corporate and individual taxes).*

H. *Capital gains and losses.*

I. *Limited technical matters.*

LIST B—ITEMS TO BE INCLUDED IN SUBSEQUENT TAX REFORM PACKAGE

(Not in this hearing)

1. Estate and gift taxation.
2. Tax treatment of single persons and married couples.
3. Tax exempt State and municipal bonds.
4. Small business tax problems including subchapter S.
5. Percentage depletion for minerals generally.
6. Tax treatment of financial institutions.
7. Tax treatment of cooperatives.
8. Tax treatment of insurance companies including casualty and life companies.
9. Tax exempt organizations including private foundations.
10. Charitable contribution deductions.
11. Net operating loss deductions.
12. Bank holding companies; real estate investment trusts.
13. Excise taxes.
14. Integration of pensions and social security.
15. Tax treatment of annuities.

BROADCAST LICENSE RENEWAL ACT

(Mr. FREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FREY. Mr. Speaker, together with 56 cosponsors I am today reintroducing H.R. 5578—the Broadcast License Renewal Act—which I first introduced on March 26, 1975.

As I have noted before, inconsistent actions of the courts and the FCC over the past few years have confused the standards by which broadcasters are judged at renewal time. The public still needs a license renewal process which provides the stability broadcasters need to plan and invest in quality programing, the incentives to excel, and the freedom from the unneeded bureaucratic paperwork burdens now imposed by the Government on licensees.

My license renewal bill can help us attain such objectives. Briefly, this legislation lifts the Government paperwork burden from especially the small broadcaster, authorizes the FCC to institute "short form" renewal procedures for appropriate licensees, and clarifies the criterion used to judge the broadcaster at renewal time. In addition, my bill gives the FCC authority to extend the license term from 3 to 5 years, if the Commission determines it is in the public interest to do so. The Commission also retains the authority to set different license term lengths—up to 5 years—and varying ascertainment procedures for radio and television and for different types of broadcasters. Finally, this legislation allows appeals from FCC decisions or orders to be brought into the U.S. Court of Appeals in the circuit where the broadcast station is located instead of only in the District of Columbia U.S. Court of Appeals.

Without question, the FCC needs to establish policy which offers an incumbent licensee who does a good programing job a reasonable expectation of renewal. This bill does just that, without abridging citizens' opportunities to challenge a broadcaster who performs poorly.

Such legislation can significantly improve our broadcast license renewal process and can stimulate the vitally needed debate on this issue. Again, I urge you all to give this bill and the problem it addresses your most careful attention.

JOINT COMMITTEE ON INTELLIGENCE OPERATIONS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BIESTER) is recognized for 5 minutes.

Mr. BIESTER. Mr. Speaker, with Mr. ANDERSON of Illinois, I am today reintroducing legislation to create a Joint Committee on Intelligence Operations. We are delighted to add as cosponsors of this legislation several distinguished members of both political parties.

This legislation creates a Joint Committee to conduct continuing oversight of, and to exercise exclusive legislative jurisdiction over, the foreign intelligence activities and operations of the Central Intelligence Agency, the Defense Intelligence Agency of the Department of Defense, the National Security Agency, the Bureau of Intelligence and Research of the Department of State, Army, Navy, and Air Force Intelligence, and other agencies, bureaus, or departments insofar as their operations include foreign intelligence activities.

The Joint Committee would be comprised of Members of the most directly relevant Committees: Armed Services, Appropriations, and Foreign Relations/International Relations. It would have the power to require such periodic reports as it desired from any department or agency regarding activities within its jurisdiction. All matters relating primarily to the functions of the above-named intelligence organizations would be referred to the Joint Committee. We believe that such a Joint Committee would be a workable way of maintaining effective oversight and control over this crucial aspect of Government activity.

We are pleased that the "Report of the Commission on CIA Activities Within the United States" concluded that—

> The President should recommend to Congress the establishment of a Joint Committee on Intelligence to assume the oversight role currently played by the Armed Services Committees.

While investigations of the activities of the Central Intelligence Agency should and will continue, those investigations do not detract from the need for a new permanent oversight mechanism to oversee all foreign intelligence activities of the intelligence community. At present intelligence oversight is fragmented and, for practical purposes, nonexistent. By bringing together in one committee Members from both Houses—specifically including those who serve on International Relations and Foreign Relations, Armed Services, and Appropriations—we will be better able to follow on a continuing basis what is being done by our foreign intelligence apparatus. The committee would be assured of additional balance by the provision for appointment by the majority and minority leaders of additional members from the general membership of the House and Senate. Through a Joint Committee on Intelligence Operations the Congress could keep a tight rein on the activities not only of the Central Intelligence Agency, but of all other organizations engaged in foreign intelligence. I believe it is essential that this Congress address itself to this very critical issue.

REVISED COST ESTIMATES FOR SPECIAL UNEMPLOYMENT ASSISTANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 5 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, the enactment of legislation by the Congress to provide special unemployment assistance to workers not covered by the regular UI program was a bold step to meet the present emergency crisis. The administration was requested and provided cost estimates for the program. In the absence of any historical data on which to base projections, the Labor Department used conventional estimating techniques. These projections indicated that 3.9 million beneficiaries would file for and receive benefits at a cost of $3.2 billion for calendar year 1975.

The intake of claimants in local employment offices did not materialize as expected during the initial weeks of the program. In April, when the administration submitted its proposals to the Congress, which I introduced, for extending this program through calendar year 1976, the Labor Department did not feel that sufficient experience had been obtained to revise its original estimates. The projected costs, therefore, for the extension of the program were made under the same assumptions. The projected costs of the special unemployment assistance program for the full 2-year period was therefore established at $4.8 billion.

Subsequent to the introduction of this legislation and its enactment by the Congress, the Department was provided with the official revised economic assumptions by the Office of Management and Budget. In reassessing all of the Department's previous estimates, based on the new economic assumptions, it requested and received approval to revise its projections for the special Unemployment Assistance program. These revisions were substantial and, based upon the current claim in-take levels, the administration now estimates the benefit cost to be $1.4 billion for the House-passed SUA program. Director Lynn of the Office of Management and Budget presented these figures to the Congress as a part of the administration's mid-session review of the 1976 budget.

I requested from the Department an explanation of the changes and I am taking this opportunity to bring these revised projections to the attention of the Members of the House since they represent significant reductions.

There is a deep concern, both in the Administration and the Congress, that all workers who are entitled to benefits under this program be made aware of its availability. Extensive efforts have been made by the State Employment Security Agencies through the news media and contacts with many interested groups to insure that knowledge of the program is widespread. While I am heartened by the fact that projected unemployment is lower than expected, I remain concerned that continued efforts be made to insure adequate dissemination of information to potential beneficiaries. I am inserting for the record the history of the workloads under this program through the latest week available, which supports the Department's revised projection of beneficiaries and cost.

SPECIAL UNEMPLOYMENT ASSISTANCE PROGRAM CLAIMS

Week ending (1975)—	Initial claims	Continued weeks claimed[1]	Cumulative, initial claims
Jan. 18	5, 013	11, 724	5, 013
Jan. 25	18, 744	21, 764	23, 757
Feb. 1	36, 567	85, 777	60, 324
Feb. 8	30, 950	107, 381	91, 274
Feb. 15	28, 811	121, 045	120, 085
Feb. 22	30, 376	136, 924	150, 461
Mar. 1	33, 610	182, 246	184, 071
Mar. 8	32, 221	179, 334	216, 292
Mar. 15	30, 949	191, 512	247, 241
Mar. 22	28, 599	193, 978	275, 840
Mar. 29	44, 196	198, 720	320, 036
Apr. 5	41, 057	202, 647	361, 093
Apr. 12	28, 086	207, 527	389, 179
Apr. 19	26, 433	200, 555	415, 612
Apr. 26	33, 932	183, 472	449, 544
May 3	19, 310	181, 505	468, 854
May 10	18, 302	180, 670	487, 156
May 17	19, 823	175, 130	506, 979
May 24	27, 233	168, 251	534, 212
May 31	46, 551	153, 471	580, 763
June 7	94, 686	184, 278	675, 449

[1] Represents insured unemployment 1 week earlier.

THE FUTURE OF COURT-ORDERED BUSING IS UNCERTAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MARTIN) is recognized for 15 minutes.

Mr. MARTIN. Mr. Speaker, the future of court-ordered busing is uncertain, to say the least.

We have had occasion to reflect on the shifting sands of sociological scholarship regarding the impact of court-ordered school assignments based on racial ratios. Hopefully, the recent publication of "second thoughts" in academia will lead to less zeal and more caution on the part of reform-minded jurists all across the country.

The problem, however, is broader than the single controversial issue of forced busing. The chairman of the Charlotte-Mecklenburg Board of Education, Mr. William E. Poe, has had longer direct experience with that burden than any other elected official in the United States. Yet he sees the basic problem as even more deepseated.

In a recent address before the National School Boards Association, he described the growing tendency of the Federal courts to supplant the day-to-day authority of school officials. The case list ranges from pupil assignments to disciplinary action for the unruly, to personnel policy, to curriculum, ad carborundum.

Poe, a highly respected attorney in Charlotte, has analyzed incisively how this tendency has grown, as life-tenured judges seek to advance the next step to utter immortality. The impulse to rewrite the Constitution, without regard to the slow procedure for amendments given in its article V, has too often proved irresistible. Eager, young lawyers can always find mistakes and contradictions in the actions of school boards—or anyone else—and have found that they can bypass the traditional political process by taking their case instead to a shrewdly selected judge whose views are known to be sympathetic.

The pattern may be a familiar one to each of our colleagues. In any case, Bill Poe has some important observations about where this ubiquitous judicial review is taking us.

Read it and wonder.

THE COURTS AS EDUCATIONAL POLICY MAKERS

INTRODUCTION

If these remarks had been presented just a few short years ago, it no doubt would have been in order to devote a substantial amount of time to a recitation of a large number of court decisions to validate the proposition that the judiciary—both state and federal, but largely federal—have assumed in drastically increasing proportions the roles of educational policy makers. To the uninitiated citizen who happens not to have a child in the public schools, the aggressive manner displayed by many judges in finding and decreeing constitutional principles to be at stake in matters once thought to be within the sole province of school administrators and school boards may have gone unnoticed or perhaps unheeded. But no school board member worthy of the name could fail to recognize the last decade as one in which changes in school law—and more likely than not, that means school policy as well—have dominated board meetings, seminars and conferences, and a good bit of the literature which arrives in your mail from day to day—and not only that, but many a board member knows today that when the sheriff or the marshal arrives with a summons to serve, the plaintiff who filed the suit may very well be seeking to invade the pocketbooks of the individual defendants as well as trying to correct an alleged constitutional violation.

With the intervention of the courts, we have moved very rapidly and dramatically into an era of equal and desegregated education for all children based on the 1954 Brown decision and the numerous cases flowing from it; we have seen students accorded rights in the very nebulous area of free speech which few people even dreamed they had prior to the Tinker decision of 1969; teachers, refusing to be outdone by their students, and amply supported by their professional organizations, have obtained court decrees which have protected their jobs with newly-declared constitutional safeguards, as in the Roth decision of 1972; the whole structure of state financial support for public schools is under scrutiny in almost every state as a result of the Serrano decision in California and similar decisions by the highest courts of many other states; student disciplinary procedures within the public schools must be conducted with careful attention to due process rights under the Goss decision of the United States Supreme Court on January 22 of this year; and school board members will expose themselves to civil liability for monetary damages if in a student discipline case they know or reasonably should know that the action they take within the sphere of their official responsibility will violate the constitutional rights of the student affected, according to the Wood decision handed down by the Court on February 25 of this year. Obviously, the end is not yet in sight.

I. What brought about this era of judicial policy making in our public schools? Obviously, a great deal of the credit or the blame belongs to the lengthy struggle for equal rights which followed World War II and reached perhaps its high water mark in the Brown decision of 1954. Schools more than any other institution in our society were seized upon by the advocates of social reform as the most plainly visible and most readily accessible area of our life for attempts to be made to break down cultural and social patterns which existed in a great many places elsewhere but nowhere so obviously as at schools. Although numerous lawsuits were brought around the country with the avowed purpose of ending racial discrimination in the public schools, seldom if ever was there public debate over the issue in any forum other than the courts. The plaintiffs and their attorneys hardly ever went to a school board before filing suit and told the members that in their judgment certain constitutional rights of their particular group were being violated and that the board should take certain suggested steps to remedy the alleged wrong. Board members, after they were sued, usually sat around patiently awaiting the outcome of the last appeal, and didn't really try to anticipate the decision by making any changes in their way of doing things until they were compelled to do so. By and large local political and civic leaders, not members of school boards, took a hands off attitude and hoped that they would never have to deal with the problem. State legislators found themselves embarrassed because of many statutes on the books which they suspected might be unconstitutional, but they were frozen into inaction by the politician's cardinal belief that it is more important to represent the majority voice of his constituents than it is to pursue a progressive and sensible idea whose time has finally come. Senators and Representatives in Washington never have been able to develop and to legislate a national policy on school desegregation and even today are only watching as courts decree different standards and prescribe different remedies for school desegregation in city after city across this land.

Suffice it to say at this point that the federal judges with life tenure on the bench have proceeded in unrestrained fashion to dictate policies to school people that few boards or legislative bodies responsible to an electorate would be willing to adopt or to implement on their own. And because of the way in which the courts must operate, the decisions which are ultimately made in these cases result in there being a "winning" side and a "losing" side with the losers sustaining deep and sometimes costly wounds which don't heal overnight. The public at large, having had no significant role to play in the battle while it is being fought in the courts almost exclusively by lawyers, suddenly finds itself face to face with a newly decreed policy not subject to amendment or repeal through the political and legislative process which most citizens understand and upon which they have learned to rely for fair and sensible treatment.

The recent emphasis on individual rights in this country has also brought school law and its concomitant, judge-made school policy, into the forefront. As far as schools are concerned, it certainly seems appropriate to raise the question as to why professional educators and their policymaking boards of education aren't in a better position to determine and administer fair procedures in regard to student discipline, for example, than are federal judges. Since there are no purely objective standards written into the Constitution or elsewhere, the chances are extremely good that the treatment accorded an unruly student will be just as fair to him if prescribed and administered by the local authorities closest to him as it would be if prescribed and supervised by the nearest federal judge—and it ought to satisfy the Constitution as well.

The Supreme Court of the United States has seemed to say as much on at least two occasions. In *Eppersen v. Arkansas*, a 1968 decision, the Court stated: "By and large, public education in our Nation is committed to the control of state and local authorities. Courts do not and cannot intervene in the resolution of conflicts which arise in the daily operation of school systems and which do not directly and sharply implicate basic constitutional values." Again, in *Tinker v. Des Moines School District*, in 1969, we find this statement: "The Court has repeatedly emphasized the need for affirming the comprehensive authority of the States and of school officials, consistent with fundamental constitutional safeguards, to prescribe and control conduct in the schools." Yet, despite the reaffirmation of these seemingly fundamental principles in very recent cases, the Court has not been able to resist the temptation to find basic constitutional rights at stake in what appear to be rather routine school and classroom decisions which most of us have thought that teachers, principals, and certainly school board members, had a right to make without fear of being reversed in the courts. Many a school official is left to wonder just as did the Supreme Court when it wrote in the *Morrissey v. Brewer* opinion of 1972, "Once it is determined that due process applies, the question remains what process is due."

II. Why, then, have the courts been so free and willing to respond to the pleas of litigants in the area of educational policy making? I have no hard evidence to back up this statement, and it may seem a bit facetious to you anyway, but nevertheless, here it is: Many judges, if not most of them, honestly consider themselves to be educational experts—That shouldn't surprise you though, because if you have been on your board for as long as six months, you are aware of perhaps the greatest revelation that comes to all of us who share this office—everybody is an expert on schools—why shouldn't judges be? After all, they have spent from one-third to one-half of their lives going to one school or another. And when a school case comes before them they are generally but secretly delighted. For once they may deal with something that they really know about, and they are apt to decree very substantial changes because they have known for a long time that there was something wrong with the schools.

In a more serious vein, though, I am inclined to believe that there are two main reasons why judges have shown such a great propensity for embroiling themselves in school controversies in recent years. One of these reasons is that an aggressive, smart and well-heeled group of advocates has arisen from the ranks of the ACLU, the Legal Defense Fund and the Legal Aid Societies, to mention only a few of the best known groups around the country, which are constantly on the lookout for new ground to break in the broad area we sometimes call individual rights. Some judges have been peculiarly sympathetic to the repeated thrusts of the lawyers affiliated with these groups into frontier areas of the law which have been undisturbed for many years. Frequently, a new constitutional concept is uncovered and then profoundly proclaimed to have been there all the time like an uncut and unpolished diamond lying on the ground among ordinary stones.

Strangely enough—or maybe it isn't strange at all because basically, as a people, we respect the law and abide by it—Americans have on the whole accepted far-reaching judicial decrees without a real struggle. In doing so, we have accorded to the courts of this land immense prestige and power that is today challenging—and to some extent intimidating—all other forms of power in our government. Underneath those black robes, judges are human beings, and as such they couldn't help but enjoy the position they have come to occupy in our way of life. The real question is how long can the rest of us enjoy it too.

III. Let's take a look for a few moments at some of the results of judicial policy-making in public education.

A. We have already mentioned the Brown decision and its mandate for desegregation of the schools. Profound changes have occurred and are still taking place as a result of this decision which abruptly changed a national policy the Supreme Court itself had enunciated 58 years earlier in its history. Perhaps in its own good time, the political mechanism of this country could have made the shift in policy, but it could not have come soon enough to prevent many thousands of children from suffering the ravages of unequal educational opportunity. It took another decade, but Congress did follow the lead of the Court by adopting a Civil Rights Act that seemed to put it back in the driver's seat insofar as policy-making in this area of the law was concerned. But the courts haven't relented in their assault on the traditional policy-making mechanisms of our government or relinquished any of their new-found power. If anything, they seem inclined to stake out for themselves claims to more grandiose authority with each day that passes. Obviously, it is true that we have a need for an appropriate blending of the judicial and legislative policy-making functions, but just as obviously, it seems to me, the legislative branch with its members directly responsive to the electorate ought by all means to have the dominant role.

I go all the way back to the first inaugural address of President Abraham Lincoln for this quotation:

Lincoln's First Inaugural Address, March 4, 1961 (VI Messages and Papers of the Presidents (Richardson ed. 1900), 5, 9–10:

"I do not forget the position assumed by some that constitutional questions are to be decided by the Supreme Court, nor do I deny that such decisions must be binding in any case upon the parties to a suit as to the object of that suit, while they are also entitled to very high respect and consideration in all parallel cases by all other departments of the Government. And while it is obviously possible that such decision may be erroneous in any given case, still the evil effect following it, being limited to that particular case, with the chance that it may be overruled and never become a precedent for other cases, can better be borne than could the evil of a different practice. At the same time, the candid citizen must confess that if the policy of the Government upon vital questions affecting the whole people is to be irrevocably fixed by decisions or the Supreme Court, the instant they are made in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having to that extent practically resigned their Government into the hands of that eminent tribunal. Nor is there in this view any assault upon the court or the judges."

More recently, last fall in fact, Justice William Rehnquist delivered a lecture at the University of Kansas, and here is a paraphrased version of some of his remarks:

"Americans are unfortunately gifted at the art of getting courts rather than legislatures to strike the balance between private and government interests. Our greatest governmental invention, judicial review, has become a bad habit. By carelessly expanding our increasingly fuzzy conceptions of constitutional rights, like privacy, we have made it easy to declare that constitutional rights are somehow at stake in most important social policy arguments. This forces courts to supplant legislatures as the arbiters of the issues that arise out of these disputes.

"As we increasingly turn political arguments into constitutional arguments, our powers of political argument (as distinguished from constitutional reasoning) atrophy. And the Supreme Court—nine men appointed for life—becomes our most important legislature. 'For myself,' wrote Judge Learned Hand about extravagant reliance on judicial review, 'it would be most irksome to be ruled by a bevy of Platonic Guardians.' "

And in his dissenting opinion in *Goss v. Lopez*, in January of this year, Mr. Justice Powell, himself a former school board member, said: "One of the most disturbing aspects of today's decision is its indiscriminate reliance upon the judiciary, and the adversary process, as the means of resolving many of the most routine problems arising in the classroom. In mandating due process procedures, the Court misapprehends the reality of the normal teacher-pupil relationship. There is an ongoing relationship, one in which the teacher must occupy many roles—educator, adviser, friend and, at times, parent-substitute. It is rarely adversary in nature except with respect to the chronically disruptive or insubordinate pupil whom the teacher must be free to discipline without frustrating formalities."

To put it another way, it would seem that our traditional reliance on skilled, caring and concerned school teachers and administrators, who along with their parents, have guided our youngsters from kindergarten through high school graduation and have exercised authority over them along the way is being seriously threatened by the imposition of judicial decrees which strike random blows at the system and intimidate its personnel without ever focusing on the system as a whole and certainly without assuming any responsibility for the results, measured in terms of education.

IV. Wherein lies the solution to this problem? Should we attempt to kick the habit of seeking to obtain by judicial review the answers to our most important policy questions in public education? The answers to these questions are not easy to come by and to a very large extent the answers you arrive at depend upon your own conception of the primary role or roles that schools should play in our society.

If, for example, you believe that public schools should concentrate largely upon the teaching of basic courses and skills with a few extras or frills where they can be taught without too much distraction from the mainline emphasis on hard core education, then you very likely would accept the philosophy that learning and a so-called learning atmosphere, are paramount and therefore rather stern and strenuous disciplinary procedures are welcomed and in fact encouraged. After all, why shouldn't we get rid of the troublemakers so that the rest of our youngsters can learn. You very likely accept the proposition also that schools aren't necessarily responsible for the total development of your child or anybody else's child, for that matter.

If, on the other hand, your view is that schools have many functions, only a few of which relate to the primary skills of teachers and school administrators, and that in fact most innovations in our society should start at school where young lives can be molded and a new society shaped during the fateful years of childhood and adolescence, then you may very well see the intervention of the courts in the day-to-day affairs of the schools as a healthy sign that school children are being recognized as individuals and thrust into the mainstream of society which should reform itself more rapidly because it has a new and younger component already aware of its rights (and maybe its responsibilities as well) and aggressive enough to assert them. To some extent you have lost patience with the time-honored process of political pressure, legislative debate and statutes enacted after endless compromise of conflicting and competing interests. You tend to believe that there is virtue in change and the quicker you can effect it the better you think it will be.

As you have suspected already, I have purposely overstated these two points of view, and you will of course recognize that there are many shades of opinion lying somewhere in between—most of them with some good arguments in their favor. Many professional school administrators I have known seem to bounce back and forth between the extremes with the resiliency of a super rubber ball. By and large, they demonstrate a remarkable propensity for adjusting the educational establishment to meet the demands of the latest fad which can find enough supporters to make an uncomfortable noise in a board room. And too often board members don't know the difference because they have not taken time to understand (much less direct) the dominant philosophies of their school district in the first place—They are far more concerned with trying to give the people what *they want* in their schools—oftentimes to the detriment of sound educational policy.

Whether you find yourself at one end or the other of the educational spectrum I have suggested or whether you simply flounder around somewhere in between, there are some principles relating to educational policy making and the courts upon which there may be more general agreement than we might suspect in the light of recent developments—Here are some of them:

(1) Educational policies are generally more realistic and effective when adopted at a level closest to the point of implementation, and appellate courts are not very close even to the litigants themselves.

(2) Citizen involvement and participation in educational policy making is not only an invaluable resource for school boards, but it builds a broad base of community support for its schools.

(3) The policy making function in education will inevitably seek the level of the source of the major funding for the schools. This principle is, therefore, leading us to more federal policy making as we move in that direction for financial support.

(4) Most major court decisions that have made educational policy have arisen out of unfortunate and extreme circumstances—There is a maxim in the law that bad cases make bad law, and this is a risk that we have run far too often. Reform-minded advocates pick their cases with great care. For this reason, their success rate has been relatively high, but judicial policies once made don't limit themselves necessarily to the bad case situations which swing the courts into action in the first place.

(5) Many people will find the means to send their children to a school at which they can influence the educational policies. And if public schools are to be controlled by policymakers who are remote and inaccessible to their patrons, a substantial number of these patrons will find an alternative school.

Obviously, it seems to me, there must be some limits placed on judicial policy making in the educational realm before great damage is inflicted upon the public school as an institution which has traditionally been able to rally its constituents on the local level to great heights of emotion and achievement because it was a friendly, yet respected place, run by people who loved and wanted to help children; and, if it got out of line a bit, it could quickly be straightened out by the people at hand who knew how to get at that somebody who for the moment had forgotten that he had to be right more times than anybody else around, because everybody was looking at him, analyzing him, and above all, counting on him to do no wrong—That's *due process* of a sort the Courts will never know or perhaps even begin to understand. But it is the kind of due process that depends on personal relationships, and these may be gradually slipping away from us in a world that is rapidly becoming depersonalized and more concerned with individual rights.

Assuming for the moment that we desire to reverse the rapid flow of court-made educational policy—or even to slow it down a bit in an effort to regain our perspective—what, if anything, can school board members and citizens at large do to discourage litigants and judges from using the courts as a means of revamping school policies and procedures. There are no easy answers, but here, at least, are some suggestions that may be worth serious consideration:

(1) Pay careful and studious attention to the decisions—especially those of the United States Supreme Court—which have been rendered to this point and make sure that these decisions are fully implemented in your school district. School boards and school supporters have a special responsibility to be law-abiding citizens even when they disagree with the law they are called upon to respect or enforce. At the same time be on the lookout for weak spots in other policies or procedures and take the initiative in correcting those before you are called to account in court. In other words, get rid of your "bad cases" before somebody sues you and the courts make some more "bad law." This frequently means making tough decisions at school board level where there is eyeball to eyeball contact with the public and tempers are sometimes white hot.

(2) Make sure that you understand and can properly evaluate the new tactics which are being employed by plaintiffs who cloak their causes in the popular rhetoric of con-

stitutional rights, but who are in fact primarily interested in promoting a cause that is largely designed to help or protect themselves—for example, job protection for the incompetent employee, avoidance of fair but stern disciplinary measures, compensatory damages and even punitive damages to improve their own economic lot in life. And still other plaintiffs are mere names being used by crusading opportunists hoping to hit the big time with the next spectacular "rights" case. Now that legal fees can be assessed against the school board that loses in court, the temptation to file the long shot civil rights case may simply become overwhelming. Suits that fall into any of the categories suggested here must be defended vigorously and by competent counsel. Failure to do so may simply encourage litigation of this nature and add to the already large legal defense item in your budget.

(3) State and local board members, as well as school patrons, must work especially hard at the job of telling their state legislators not only about their money requirements but also about revisions and additions that need to be made in the general statutory law affecting public schools. Many a lawsuit and its resulting judicial decree could have been prevented had responsible citizens insisted upon prompt action by the legislative body which at least in theory is best equipped to reconcile conflicting viewpoints and through the art of political compromise establish policies that best serve the needs of all the citizens subject to the laws it passes. It is an inexcusable copout for a state legislature to duck the hard issues confronting public education at any time but especially so when a court sitting nearby is about to appropriate unto itself the policy-making prerogative on an issue that has confronted the legislature but was not dealt with because it was found to be too tough to handle.

(4) Not only do we need to prod our state legislatures into taking appropriate action, but today as never before we need to insist that our senators and representatives in Washington continue to act where it has been appropriate for them to do so on educational matters and that on policy issues of national concern to education they move rapidly and aggressively to supplant the federal courts as the primary policy-makers. There is no shortage of reform-minded people within the educational agencies of the federal establishment itself, and Congressmen who are interested in knowing can quickly assemble the major viewpoints of any critical education issue in a very short time either from the agencies of the government itself or from many organizations and individual citizens who are armed with facts, philosophies and arguments. It may be that legislative bodies are more beholden to the majority view than are the courts, but nevertheless minority views are heard in every legislative debate on a major issue. It ought not to be surprising, or objectionable, that the outcome reflects the majority viewpoint most of the time.

(5) If the careless abridgment of somewhat vague and uncertain constitutional rights will endanger the pocketbooks of school board members in damage suits, then we must insist that the rules we live and work by be written in terms clearly understood by laymen, lawyers and judges alike. This may be the one and only way to get the courts back to judging rather than legislating. Can you envision the poor school board ordered by the judge to establish a "unitary" school system. The board says "All right, judge, we will—now, please tell us what a unitary school system is so we can establish one." The judge replies, "I don't really know, myself, but I think I will recognize one when I see it. And, by the way", he adds, "if you aren't unitary by the time school opens this fall and a student sues you for depriving him of his constitutional rights, I'm really going to sock it to you." And then, as if that were not enough already, he warns, "Don't forget about 'due process'. I can't tell you what that is either until I see what you have done in a given case, but if you make a careless mistake I'm going to sock it to you again."

It seems apparent to me that the Constitution and its esoteric interpretations by the appellate courts were never designed nor intended to serve as a manual of operating procedures for school boards across this land, nor is it reasonable to suppose that board members and school administrators untrained in the law should be compelled to operate at their peril unless they correctly construe the inferences, the nuances and the finely refined but nevertheless cryptic language of Supreme Court opinions. Drafters of statutory law emphasize clarity of language and meaning and they openly admit that they are writing new laws. Appellate judges sometimes seem to struggle to write obscure sentences with double meanings and they never admit that they are in fact legislating. The result is an uncomfortable dilemma for school board members who must function at the level where law and policy must be translated into action; yet they are far removed from and have no contact with the policy maker except through the board attorney who gives them uncertain and highly qualified opinions of what he thinks the court has said. There is bound to be a better way to run a school system.

Permit me one further comment by way of conclusion. It sounds a bit strange in the times during which we now live, but in 1821 in the case of *Cohens v. Virginia*, a justice of the United States Supreme Court wrote these words: "The people made the Constitution, and the people can unmake it. It is the creation of their own will and lives only by their will." That's a thought to remember, and in it there is great hope for the future.

TRIBUTE TO BRIAN LLOYD ON HIS 21ST BIRTHDAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MINETA) is recognized for 5 minutes.

Mr. MINETA. Mr. Speaker, today is the 21st birthday of a young man who in those 21 years has brought pleasure, frustration, pride, and consternation to the hearts of his loving parents, Congressman and Mrs. JIM LLOYD. Their son, Brian, was born this day in 1954 in Coronado, Calif., and in that short span of years he has lived in a foreign country, Cuba, where, at the age of 7, he was fluent in Spanish. He was a part of the Cuban missile crisis evacuation of dependents from the U.S. Naval base at Guantanamo.

He won the district essay contest of his grade school at the ripe old age of 11. When he was 14 and 15, he won first prize at the California State science fair, the first year for an infra-red guidance system, the second year for a demonstration of practical aspects of an electromagnetic spectrometer.

By his 16th birthday, he had his private pilot's license and had discovered that girls were really more fun than motorcycles. At 17, he had his commercial pilot's license and had discovered that two girls were better than one. He graduated from South Hills High School in West Covina and proceeded to San Diego State College where he discovered that one girl was better than two. Then, during the course of all this, he convinced himself that the best way to go was through the aeronautical program by way of an academy. He made application to the U.S. Air Force Academy and was accepted. After a year there, he discovered that any girl was better than none.

His proud parents are pleased to report that Brian made a bargain that, if they would suitably reward him, he would neither drink nor smoke—at least until the age of 21—and, Brian having fulfilled this commitment, his parents are suitably rewarding him with a presentation of 1,000 silver dollars. The major reward, however, goes to his parents in the knowledge that they have a son who is not only intelligent and capable but who also is concerned about the welfare of his fellow man, his responsibility to his country, and who has a love for family and friends, the finest kind of tribute that his parents could possibly have.

ENERGY, ECONOMICS, AND THE ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. LEGGETT) is recognized for 10 minutes.

Mr. LEGGETT. Mr. Speaker, shortly after becoming chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the House Committee on Merchant Marine and Fisheries early this year, I was pleased to be invited to keynote the Pacific Coast Dredging Conference in San Francisco.

As all of us are aware, there is increasing strain between environmentalists and those whose primary concerns are expansion of our economy and the need for increased employment. I am not one of those who considers these concerns mutually exclusive but I do believe that a continuing dialog is necessary to assure that all of these important values receive appropriate consideration in our future decisionmaking.

Through the vehicle of the Pacific Coast Dredging Conference, the California Marine Affairs and Navigation Conference in cooperation with 20 western and national labor, maritime and industry groups, provided an opportunity for such a dialog. Some 200 Government, financial and labor officials, scientists, conservationists, and environmentalists came together on this occassion to hear and discuss a broad spectrum of views presented by economists, labor leaders, the Corps of Engineers, and Department of the Navy, port officials, recreational boating officials, academicians and scientists from several related disciplines, environmentalists and Federal regulatory officials on the Conference theme: "Energy, Economics, and the Environment."

Mr. Speaker, I wish to commend the sponsors of the Pacific Coast Dredging Conference for their leadership in providing this forum for the expression of divergent views, and the participants for their willingness to come together to discuss these issues of national importance. I hope that their excellent example will be repeated across our Nation.

My remarks on the occasion of the conference follow:

Remarks of Hon. Robert L. Leggett at the Pacific Coast Dredging Conference, February 20, 1975

It's indeed a pleasure and an honor to participate here today as the keynote speaker for the 1975 Pacific Coast Dredging Conference. It's especially gratifying to be speaking in San Francisco where an extensive research and development program is presently being conducted on the effects of disposing dredged materials into the Bay. Interested concerns throughout the country, including myself, are anxiously awaiting the results of this experimentation, particularly in view of the unique characteristics of the Bay's dredged spoils.

I come here in a new capacity, as Chairman of the House Merchant Marine and Fisheries' Subcommittee on Fisheries and Wildlife Conservation and the Environment. Among the Subcommittee's responsibilities, as many of you are undoubtedly aware, is the oversight of activities of the various Federal agencies charged with carrying out provisions of the "Marine Protection, Research, and Sanctuaries Act," commonly referred to as the "Ocean Dumping Act." It is the "Ocean Dumping Act," together with other legislation enacted over the past several years, including the National Environmental Policy Act, the Federal Water Pollution Control Act Amendments of 1972, and the amendments to the Fish and Wildlife Coordination Act, that has imposed specific requirements on dredging and/or dumping operations for inland and ocean waters.

During my address this morning, I will attempt to "set the stage" by summarizing the basic provisions of this legislation which have impacted on dredging operations, identifying some of the major problems over which many of you have expressed concern, and summarizing recent efforts by Congress to overcome several of these problems.

On January 1, 1970, President Nixon signed into law the *National Environmental Policy Act*, or "NEPA" as many know it by. NEPA, which originated on the House side of the Congress in the Merchant Marine and Fisheries Committee, requires, among other things, the preparation of environmental impact statements for any Federal program or legislation which significantly affects the quality of the human environment. Consequently, this act requires studies of the environmental effects of dredging and all of its alternatives, as well as the preparation of environmental impact statements before proceeding with any dredging project significantly affecting the environment. The enactment of this Act caught the U.S. Army Corps of Engineers, the agency chiefly responsible for dredging activities, with over 1200 waterways maintenance projects on hand, of which almost 350 are dredged in any given year. According to my recent discussions with Corps personnel, there are 95 projects to be dredged this year without environmental impact statements on file.

At the conclusion of the 92nd Congress, two laws were enacted which significantly affected dredging operations in U.S. inland and ocean waters.

The Federal Water Pollution Control Act Amendments (FWPCA) was passed in October, 1972 over President Nixon's veto. The Act, considered by many to be the most comprehensive environmental legislation ever enacted, set as its national goal the achievement of "zero discharge" of pollutants into navigable waters by 1985. Among its requirements, the FWPCA contained provisions under section 404 for the Secretary of the Army to issue permits for discharging dredged materials into navigable waters at specified disposal sites. For these purposes, navigable waters have been defined as including all inland waters of the United States.

Disposal sites for inland waters for dredged materials must be determined through the application of specific guidelines, developed by the Environmental Protection Agency in conjunction with the Secretary of the Army. Final guidelines, which are expected to be promulgated by the summer of this year, should be consistent with criteria for ocean discharges of dredged materials.

At the present time, regional interim criteria are being used in Region IX—which includes the States of California, Nevada, and Arizona—for specifying disposal sites for dumping dredged materials into inland waters of the United States.

In the cases where guidelines for inland disposal would prohibit the specification of a site, then other factors may be considered, including the "economic impact of the site on navigation and anchorage." The Administrator of the Environmental Protection Agency has the final authority to prohibit the specification of disposal sites for inland waters if he determines, after notice and opportunity for public hearings, that the discharges of the dredged materials would have an "unacceptable adverse effect on municipal water supplies, shellfish beds and fishery areas, and wildlife or recreational areas."

A third act which has significantly impacted on dredging operations, specifically in ocean waters, is the "Marine Protection, Research, and Sanctuaries Act" or "Ocean Dumping Act," passed in 1972 at the conclusion of the 92nd Congress. This act, also originating in the House Merchant Marine and Fisheries Committee, resulted from an Administration proposal based on a Council of Environmental Quality report (published in 1970) entitled "Ocean Dumping: A National Policy."

Section 103 of the "Ocean Dumping Act" authorizes the Secretary of the Army to issue permits, after notice and opportunity for public hearings, for the transportation of dredged material for the purpose of dumping it into ocean waters, where the Secretary determines that the dumping "will not unreasonably degrade or endanger human health, welfare, or amenities, or the marine environment, ecological systems, or economic potentialities."

When considering the issuance of permits, the Secretary of the Army is required to 1) apply certain environmental criteria, described under section 102 of the "Ocean Dumping Act", and (2) make an independent determination as to the need for the dumping, based on the effects of navigation, economic and industrial development, and foreign and domestic commerce. Before issuing permits for the dumping of dredged material into the oceans, however, the Secretary is required to notify the Administrator of EPA; if there is disagreement over the issuance of a permit, then the determination of the Administrator shall prevail.

Final regulations for ocean dumping criteria have been promulgated by the Environmental Protection Agency, although the regulations are presently being revised.

Another Act that has been on the books for some time now and has had a vital impact on dredging operations in the United States is the Fish and Wildlife Coordination Act, an Act which originated within the Committee on Merchant Marine and Fisheries. This Act requires that before the waters of any stream or other body of water are proposed or authorized to be impounded, diverted, the channel deepened or otherwise modified for any purpose whatever, by any Federal Agency or by any public or private agency under Federal permit or license, such Federal Agency shall first consult with the United States Fish and Wildlife Service and with the appropriate fish and wildlife agency of the State involved; consultation between the Agencies should be directed at the conservation of fish and wildlife by preventing loss of and damage to such resources as well as providing for the development and improvement of these resources.

Although the Corps of Engineers, with respect to dredging projects, has the final say-so on whether a project will go forward (after consulting with the appropriate Federal and State Fish and Wildlife Agencies), this Act has actually been the vehicle that prevented a number of projects from being carried out, mainly on the grounds that the projects were thought to have adverse effects on the fish and wildlife resources in the project area.

In summary, these laws have changed dredging in the United States from an activity that once was, in essence, relatively free from any administrative red tape to one that is complicated by regulations and restrictions. Briefly, these laws have had the following effects:

a. An assessment must be made of the effects of the dredging and disposal operations on the environment.

b. If it is found that these operations significantly affect the quality of the environment, they must be described and justified in detail in an environmental impact statement.

c. A public notice concerning the project must be issued.

d. Any citizen who will be affected can demand that a public hearing be held on the project, with opportunity for anyone to protest against the dredging or disposal.

e. Fish and Wildlife Coordination Act procedures must be followed.

f. The dumping site in inland or ocean waters must be approved by the Environmental Protection Agency, and

g. EPA criteria for disposal in inland or ocean waters must be met.

While I am in a relatively new position on the Subcommittee, I am nevertheless cognizant of the fact that the viability of our economy is largely dependent upon our ability to keep the channels of our waterways, ports, and harbors open to navigation. Faced with rising unemployment rates, it is interesting to note that in the San Francisco Bay area alone it has been estimated that one-third of the jobs are directly or indirectly related to commerce and industry that depend on deep-water navigation in some way. Last year, for instance, 48.6 million tons of materials were shipped through the Golden Gate, providing an income to the Federal Government in customs alone of approximately $450 million.

In addition to providing jobs and revenue, the waterways provide access to major energy facilities in the Bay area that are important to the energy needs for Northern California and the Pacific Coast regions of the United States. Several refineries and power plants are located on the shores of the Suisun Bay area, and with completion of the Alaska pipeline, activity along existing channels in the Bay area will increase significantly.

Thirdly, the waterways in the Bay area serve an additional function of providing access to several important defense installations, many of which will require improvements to meet the needs of transshipment of important munitions using modern-sized ships and modern cargo-handling techniques.

As a result, as many of you are undoubtedly aware, any failure to maintain a viable system of navigation for our waterways, ports and harbors could cause a variety of adverse socioeconomic impacts on our society.

Consequently, the problems which we face are fairly obvious. On the one hand, we must concern ourselves with the effects on navigation, economic and industrial development, and foreign and domestic commerce. Also, we must ask ourselves, how many jobs will be created or eliminated? What effect will undredged waterways have on our ability to obtain adequate energy supplies? How will this affect our local, State, and regional planning and development on the West Coast?

On the other hand, with unregulated dumping of dredged materials, we face the possibility of contributing substantially to the environmental demise of inland and ocean waters. Unfortunately, no one is absolutely certain at this time of the effects of dumping dredged spoils into our waterways, particularly of the chemical and physical changes that occur when dredged material is dumped through the water columns. In this regard, certain questions arise such as—How will dumping affect human health and welfare, including economic, esthetic, and recreational values? What is the effect of dumping dredged materials on fisheries, shellfish, shorelines, and beaches? How much are we continuously redredging?

I am happy to say that significant efforts have been undertaken in recent years to provide the answers to these and many other questions which you might have. Only last week I met with a contingent of representatives from the Council of Environmental Quality, the U.S. Army Corps of Engineers, and the Environmental Protection Agency to obtain a status report of dredging activities in the San Francisco Bay and of efforts being taken by the Agencies to resolve several of these aforementioned problems. Let me relay to you some of the information which we developed.

Soon after enactment of NEPA, the U.S. Army Corps of Engineers began an accelerated program of environmental studies leading to preparation of several thousand environmental impact statements that would be required on all of its projects—including those in the preliminary investigation stage, those under design, those under construction, and those that were in operation. According to the Corps, only eleven suits have been filed against dredging projects in the nation, of which five were dismissed, three were enjoined, and three are pending. The Corps is hoping that in the next few years, they will have completed the required environmental studies on all of their projects.

With respect to these eleven suits, by far the most popular complaint voiced against the dredging projects has been the preparation of inadequate environmental impact statements (EIS) under the National Environmental Policy Act (NEPA). Of the dredging cases involved, the following reasons have been cited by plaintiffs in their suits against the dredging prospects:

(1) Failure to consider alternatives to dredging;

(2) Lack of coordination with other Federal agencies;

(3) Unreasonable environmental assessment in concluding that an EIS was not necessary;

(4) Violation of NEPA and other statutes, including State water quality standards under the Federal Water Pollution Control Act Amendments of 1972, and the Marine Protection, Research, and Sanctuaries Act.

In reference to this last point (i.e., whether the Corps is required by law to meet, in some cases, more stringent State standards under the FWPCA for dredging operations), the U.S. Army Corps of Engineers has contended that they are not required to meet the more stringent State standards and, in this regard, are awaiting the chance to test the State-preemption question in the courts.

Of the eleven cases mentoned above, at least two deal with this issue. One case, Wisconsin v. Callaway et al is presently enjoined and the Corps is in the process of preparing an environmental impact statement. A second case, Florida Department of Pollution Control v. U.S. Army Corps of Engineers, has been dismissed on a technical violation by the Florida Department of Pollution Control.

Secondly, EPA has informed me that they are hopeful that ocean dumping regulations which are in the process of being revised, will be published in "revised final form" sometime next month. The inland criteria, which must be consistent with the ocean criteria, should be published as "final regulations" during the summer. These criteria will examine various aspects of dumping dredged materials, including the effects on human health, marine life, esthetic, recreation and economic values, alternative locations and methods of disposal, and alternate uses of the oceans. Most of these areas fall specifically under the jurisdiction of my Subcommittee.

Thirdly, I am happy to report that the research and development project at Vicksburg, Mississippi, authorized by Congress a few years back, is well underway. The program, projected over a five-year time frame at an estimated cost of $30 million, was designed to "maximize the beneficial effects and minimize the detrimental effects of dredging, while keeping the cost rise of dredging and disposal operations to a minimum." This is the largest research program ever undertaken by the Corps of Engineers, and has the highest priority of any of their research efforts. It was reassuring to find that EPA was working closely with the Corps on this project in efforts to provide answers to many unsolved questions. I have been informed that 60 percent of the research is being accomplished by contract with universities, consultants, and private research firms throughout the country. The research project is about 30 percent complete.

In addition to the $30 million research project being carried out at Vicksburg, the Corps is also undertaking a $2½ million research and development program in the San Francisco Bay area. One of the basic problems which is being analyzed is the environmental effect of the pollutants in the dredged materials (particularly mercury, copper, and other heavy metals) on the water columns at the dumping sites. Approximately 80 percent of the project has been completed, with the final product—about ten reports—expected during this year.

It was indicated that in order to carry out the dredging operations in the San Francisco Bay in accordance with "regional interim criteria" for inland waters—which is the only area that has adopted the "regional interim criteria"—it would cost between $12 and $15 million, or roughly ten times the $1½ million budgeted for the Bay for dredging. On a national level, if the Corps' dredging program was brought up to these standards, it was indicated that the costs would run between $1 and $2 billion. As I stated in my introductory remarks, however, the problems in the San Francisco Bay area are unique, largely on account of the heavy metals in the Bay region (mercury and copper).

Other EPA regions are apparently not operating under the same criteria for inland dumping of dredged materials as those criteria of Region IX. Instead, many of the other regions are using "internal criteria," developed under an EPA policy prior to enactment of the Federal Water Pollution Control Act Amendments of 1972.

Therefore, it was reassuring to learn that the cost of a national level of carrying out dredging operations in accordance with regional criteria to be followed would not run between $1 and $2 billion, but considerably less, since the basis for this projection was based on the San Francisco Bay area project which is unique in nature and strictly an experimental program as it related to this unusual area. How much it will cost us nationally, we do not know and just how much we have bought with this $15 million that we will have been expended in the San Francisco Bay area, we do not know. However, in closing, I would like to assure each and every one of you these are matters my Subcommittee will be looking into.

As I mentioned earlier, one of the major responsibilities of my Subcommittee is to exercise an oversight of the "Ocean Dumping Act". While oversight on this legislation was initiated in the spring of last year, we are planning on continuing the oversight hearings this Congress in more depth. Additional areas which we will be closely examining are the regulations developed by the Environmental Protection Agency in issuing permits, as well as the specific criteria for dumping dredged spoils. I am hoping that the research which is being conducted in Vicksburg and San Francisco will assist the Committee in its deliberations and I welcome input which any of you are able to provide me in the months ahead.

THE VOTE ON THE DEBT CEILING

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. VANIK. Mr. Speaker, yesterday the House of Representatives defeated the debt ceiling of $599.99 billion by a vote of 175 for and 225 against.

One hundred and thirty Democrats or 44.9 percent of the Democrats voted for the debt ceiling while only 45 Republicans or 30.8 percent of the minority side supported the debt ceiling proposal.

This legislation is essential to orderly conduct of the Federal Government. It has become essential for the President to urge Members of his party to act responsibly and support legislation critical to the financial integrity of the Government.

WESTERN HEMISPHERE FREEDOM OF THE PRESS DAY

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, June 7 marked the 23d observance of Freedom of the Press Day throughout the hemisphere. This special day was established by the Inter-American Press Association to provide an opportunity for reflection on the role of the press in the democratic process whose common heritage binds together the people of North and South America.

The events of the last few years have underscored for all of us in the United States of an independent and free press. It is thus with renewed and strengthened conviction that I salute the men and women of the press who daily strive to insure that truth is the common language of both governors and the governed.

In recognition of Freedom of the Press Day, I call to the attention of my colleagues a statement by the President of the Inter-American Press Association, Mr. Julio de Mesquita Neto, publisher of Brazil's O Estado, São Paulo, who is himself a fierce champion of press freedom.

FREEDOM OF THE PRESS DAY

(By Mr. Julio de Mesquita Neto)

Only those who truly enjoy freedom are able to celebrate Freedom of the Press Day because only they know its price and value. There are many newspapers in the New World community that will not be able to join other Inter American Press Association members in the June 7 celebration. Many of them suffer under arbitrary government censorship and cannot celebrate what they have not yet been able to achieve. Unfortunately there are also many that consciously submit themselves to the wishes of totalitarian regimes, thus betraying a public they are supposed to serve.

But the IAPA was created more to preserve freedom than to celebrate it and, when necessary, to courageously fight for it through all available means. Today, therefore, we wish to reassert our position as spokesmen and supporters of those whose rights have been trampled on, so that they may express and defend themselves through our organization. We also wish to reassert the IAPA's position as a conduit of dialogue and information for the enlightenment of those who have access only to a distorted official "truth."

Among the latest distortions is the strategem of expropriating newspapers, magazines and news agencies with the demagogic argument that they will be truly representative if handed over to professional organizations and unions. We have never felt that the property of publications, whether individual, familial or corporate, could be harmful to freedom of information and opinion. But this freedom is irretrievably harmed when governments arbitrarily decide on the ownership of publications, hardly disguising the scorn they feel for independent criticism, as well as their desire to control public opinion through control of the press.

These facts strengthen our belief that freedom of the press will never be an isolated freedom but that it is interdependent with all the basic freedoms that form the substance of democratic regimes.

STATE DEPARTMENT TESTIFIES ON BALTIC STATES

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, because of the widespread interest in Congress in the Baltic nations of Estonia, Latvia, and Lithuania I wish to bring to the attention of the House a series of statements submitted to the International Relations Committee by the State Department concerning U.S. policy. All the statements refer to U.S. policy in negotiations with respect to the Conference on Security and Cooperation in Europe.

The first statement on U.S. policy is a letter from Assistant Secretary of State for Congressional Relations, Robert J. McCloskey, in response to a request from Chairman Morgan for departmental views on a large number of congressional resolutions. The text reads as follows:

Department of State,
Washington, D.C., April 11, 1975.

Hon. Thomas E. Morgan,
Chairman, Committee on International Relations, House of Representatives, Washington, D.C.

Dear Mr. Chairman: The Secretary has asked me to reply to your letter of February 26 requesting the Department's comments on H. Con. Res. 3, H. Con. Res. 11, H. Con. Res. 79, H. Con. Res. 105, H. Con. Res. 111, H. Con. Res. 118, H. Con. Res. 122, H. Con. 132, H. Con. Res. 140 and H. Con. Res. 149, expressing the sense of Congress concerning nonrecognition by the Conference on Security and Cooperation in Europe of the Soviet Union's annexation of the Baltic States.

The Department affirms that it remains the policy of the United States not to recognize the forcible annexation of the Baltic States by the USSR.

The Department of State agrees with the resolutions' stipulations that the United States delegation to the Conference should not agree to the recognition by the Conference of the Soviet Union's forcible annexation of Estonia, Latvia and Lithuania. We expect that the Conference will adopt a declaration of principles which will include respect for "frontier inviolability" but in our view this will not involve recognition of the forcible annexation of the Baltic States. At the same time, at the initiative of the Western delegations to the Conference, the declaration of principles will include specific references to the possibility of peaceful border changes, to self-determination, and to respect for human rights.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for Congressional Relations.

The following statements are excerpts from testimony May 6, 1975, before the International Political and Military Affairs Subcommittee by Assistant Secretary of State for European Affairs, the Honorable Arthur A. Hartman, on the Conference on Security and Cooperation in Europe:

From an exchange between Congressman Derwinski and Mr. Hartman:

Congressman Derwinski. Do I understand, then, Mr. Hartman, notwithstanding any interpretation that the Soviets might give to the final language and assuming that perhaps we could induce the Department to issue a proper public statement as part of the concluding phase of the conference that it does and will continue to remain the policy of the United States not to recognize the incorporation of the Baltic states into the USSR?

Mr. Hartman. That is correct.

From an exchange between Mr. Hartman and me:

Mr. Fascell. Mr. Hartman, does the United States still follow its position on the Baltic states?

Mr. Hartman. It has not changed.

Based on these statements, Mr. Speaker, I am confident that the Department of State is carrying out the expressed concern of a great many Members of Congress that the U.S. delegation to the European Conference on Security and Cooperation in Europe not agree to recognition of the Soviet Union's annexation of Estonia, Latvia, and Lithuania. I do agree, however, with Congressman Derwinski that the United States should at an appropriate time and in an appropriate manner make clear to all other nations participating in the conference and especially the Soviet Union the United States view toward the Baltic nations.

The memory of the Soviet Union's cruel actions against the people of the Baltic countries may be receding in some quarters, but that is no reason why the United States should abandon either its longstanding opposition to the forcible annexation of territory or its support for the freedom and independence of the people of Estonia, Latvia, and Lithuania. I am pleased that the Department of State has reiterated to our committee its intention to maintain our previous and current policy toward the Baltic nations.

HOME HEALTH CARE FOR THE CHRONICALLY ILL

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, recently, fiscal problems in New York City threatened the continued existence of a unique institution of rehabilitative care for the disabled and handicapped of our city, Goldwater Memorial Hospital. The threatened closing brought an overwhelming demonstration of support from public officials, health care professionals, patients, their families, and concerned citizens. Ultimately, the New York City Health and Hospital Corporation confirmed the important role of this facility in the city's health care delivery system by deciding to continue its use.

Prior to the board's decision, I made a number of visits to the 645-bed institution, located on Roosevelt Island adjacent to my congressional district. As a visitor, one is impressed by the cheerfulness and camaraderie of the patients, most of whom suffer from chronic disabilities. At the same time, I was struck by the number of patients who appeared capable of caring for themselves and who might return to their homes or families if medical and rehabilitative services were available to them in their communities.

Prolonged and unnecessary hospitalization of such patients is the unavoidable result of the absence of community based home health care services. My bill—the Home Health Care Act of 1975, H.R. 4772—is designed to make such unnecessary hospitalization avoidable by expanding the range of home health care benefits under medicaid and medicare through a reduction of the current restrictions on the number of visits following hospitalization. The legislation will provide a program of health care at home for those who are too often forced to seek institutionalization in a hospital or nursing home.

Few studies have been undertaken to document the extent of unnecessary hospitalization of the chronically ill. Nor, as I have pointed out on previous occasions, do the medicaid or medicare programs effectively evaluate, on an ongoing basis, a patient's need for continued hospitalization or plan for their discharge.

In order to better understand the extent of unnecessary utilization of hospital facilities by the chronically ill, I recently asked the medical staff of Goldwater Hospital to survey their patient census so as to provide me with a profile of those persons thought to be typical candidates for home health care. The following cases represent a fraction of the estimated 25 percent of the 636 patients at Goldwater who physicians believe are capable of being discharged to their homes under a home health care program. Each case, however, typifies a level of need or disability to which home health care programs are capable of responding at less cost. The persons listed below would require continuing rehabilitative services on an outpatient basis:

CASE NO. 1

Name: R.R.

Age: 37.

Diagnosis: Quadraplegia due to stab wound.

Home: With mother in New Jersey.

Needs:

1. Uses wheelchair—house may require modest alterations to become wheelchair accessible.
2. Urinary bladder program.
3. Assistance with dressing in morning and bowel management.
4. Vocational rehabilitation and counselling.

Management:

1. Attendant for mornings.
2. Medical care and outpatient services.
3. Transportation to clinic.
4. Vocational rehabilitation.
5. Urological evaluation every six months.
6. Maintainance and repair of equipment and medical/nursing supplies.

CASE NO. 2

Name: R.C.

Age: 23.

Diagnosis: Mild hemiparesis due to traumatic brain damage.

This patient is in the skill nursing section of Goldwater Hospital at a reimbursement of a little more than sixty dollars per day.

R.C. is an excellent candidate for home health care. He needs a minimum supervised environment, social/recreation program, and vocational program. He would need some supervision in housekeeping and "social" decisions.

CASE NO. 3

Name: J.L.

Age: 51.

Diagnosis: Multiple Sclerosis (Foley Catheter).

Needs:

1. Urine checked every two weeks.
2. Assistance in dressing, bathing, toileting, and transferring to and from wheelchair.
3. Wheelchair accessable apartment.
4. Visit to rehabilitative service on an outpatient basis about once a week.
5. Blood tests about once a week.
6. Social/recreational program.

Management:

1. Nursing attendant for basic care, shopping, housekeeping, and food preparation.
2. Medical/nursing supplies.
3. Transportation.
4. Outpatient rehabilitation service.

CASE NO. 4

Name: E.C.

Age: 29.

Diagnosis: Subdural hematoma, hemiplegia.

Needs:

Came from a fourth floor walk-up, need a level apartment or elevator building.

Unable to prepare own food and would need occasional visits for nursing observation, one per week. Physical therapy, three times a week to develop further independence.

Management:

Monthly blood tests—takes Dilantin.

Transportation to clinics and therapy.

Work-up for vocational rehabilitation.

With some assistance in housekeeping and food preparation, this patient could easily receive all care in an outpatient department equipped for rehabilitation.

CASE NO. 5

Name: P.G.

Age: 28.

Diagnosis: Spina bifidia, myelomeningocele paraplegia, scoliosis, Bricker (ureter-ileostomy).

Needs:

1. Assistance in transferring from wheelchair to bed.
2. Assistance in dressing.
3. Dependent person—needs to be involved in a day care center, i.e., recreation, library, vocational training, and mental health counseling.
4. Medical check-up, including blood work, once a month.

Management:

1. Attendant to assist in dressing, bathing, and getting in and out of bed.
2. Outpatient medicine and nursing services about twice a month.
3. Involvement in some activity. Outpatient social/recreation groups.

The unnecessary confinement of these patients to Goldwater Hospital underscores the inappropriateness of the institutional orientation of our Nation's health care delivery system, especially for the chronically disabled. This bears a tragic toll on those unnecessarily institutionalized as well as having important fiscal implications. At a medicaid per diem reimbursement rate of $208 per patient, the annual cost of maintaining a patient at Goldwater Hospital exceeds $75,000. This reimbursement rate applies equally to all patients irrespective of their particular need for more intensive hospital-based care. The distribution of health care dollars in my State, New York, is predictable given this arrangement. Over 48 percent of the medicaid expenditures in New York State were for hospital care, more than 24 percent went for nursing home care, and only a fraction was allocated to what clinical studies show to be a more cost-effective form of care: home health care.

In an era of scarce and costly health care resources, this imbalance must be redressed. Our health policies must discourage this "reflex reaction" to institutionalize persons. As Dr. Edward G. Lindsay, director of health services for the New York State Communities Aid Association has stated:

> The real heart of the cost crisis is not that quality hospital and nursing home costs are high. Good health care in an age of expanding space technology will always cost money, much money. The real issue . . . is our penchant for over-use of costly hospital and institutional facilities.

The cost savings advantages of home health care have been confirmed by numerous studies and were summarized in a recent report to Congress by the Comptroller General. These studies have tended to focus on the savings realized through early transfer of patients from hospitals to home health care programs. The Home Health Care Association of Rochester, N.Y. study showed an estimated reduction of 13,713 patient-days and a savings of $1,055,000 in calendar 1970 and an estimated reduction of 12,579 days and savings of $1,068,000 in calendar year 1971 as a result of their policy of early release of patients to home health care programs.

An evaluation by the Denver Department of Health and Hospitals on the results of the early hospital discharge program showed a savings of $515,729 in hospital costs for medicare patients was achieved in calendar year 1970 through early discharge of 292 patients from hospitals to home health care programs.

A 1970 report by the Health Services Research Center of the Kaiser Foundation Hospitals in Portland, Oreg., shows the comparitive daily costs were $5.26 for home health care, $39 for extended care facilities, and $72.62 for hospitals.

More recent studies updating earlier analyses and studies in preparation reconfirm significant cost savings of early discharges from hospitals to programs of home health care.

While the unnecessary hospitalization of patients at Goldwater Hospital is characteristic of so much of hospital care across the country, Goldwater's patients are uncharacteristic. They suffer a level of disability—many are totally paralyzed—that would normally inhibit even the most determined person's efforts to return to an active social role. Yet that is the great irony and the source of this remarkable institution's uniqueness. The patients at Goldwater are proud and determined—determined to overcome the limitations of their respective disabilities, determined to return to work or education, determined to make a contribution to our society. Within this attitude rests the importance of home health care for the future of the chronically ill. Without access to comprehensive home health care services, Goldwater Hospital will be the only home a patient knows.

EVEN TO THE DEAD: JUSTICE DELAYED IS JUSTICE DENIED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in January of this year I read a news report which stated that James H. Price, whose testimony helped convict a person in the 1973 murders of seven Hanafi Muslims, was placed in the same cell with that very individual along with three others of the five Black Muslims who had been convicted in that case. The next day, Price was found dead in the cell.

I wrote to then Attorney General William Saxbe asking that the matter be investigated on the grounds that local law enforcement officials may have violated the civil rights of Mr. Price in placing him in such a dangerous situation. I would like to place the entire correspondence in the RECORD at this point. The most recent letter from the Department of Justice states that local authorities have "charged three inmates with the murder of Mr. Price" and that a trial is pending.

I believe the response not to be adequate in that it is not sufficient to simply charge the inmates with the murder of Mr. Price without conducting an investigation to ascertain whether local police officers are implicated under the circumstances which placed Mr. Price in that particular cell. Mr. Pottinger in his response to me stated:

> In accord with our policy of deferring to local action, we are following the present proceedings. A decision regarding additional investigation will await the outcome of the trial.

Without passing judgment on whether local prison officials are implicated, I believe that a crime committed by a law enforcement officer is more heinous in its implication than that committed by a common felon; and those law enforcement officials who commit such crimes, must be pursued relentlessly.

The material follows:

Congress of the United States,
Washington, D.C., January 7, 1975.
Hon. William B. Saxbe,
Attorney General,
Department of Justice,
Washington, D.C.

Dear Mr. Attorney General: I am enclosing a news report of January 3d which appeared in the *New York Times* and which made my blood run cold.

The report states that an informer, James H. Price, whose testimony helped convict another person in the 1973 murders of 7 Hanafi Muslins, was placed in the same cell with that very individual along with three others of the five Black Muslins who had been convicted in that case. The next day, Price was found dead in the cell.

There was no shortage of cells in the maximum security block; 37 were vacant. While three guards at the prison have been suspended, none has been charged with the killing.

I am writing to you because I believe the federal government has a responsibility here under the Civil Rights Act. This responsibility must be exercised just as it has been in the past in dealing with local police officers who have violated the civil rights of an individual.

When I read the story all that I could see in my mind was a picture of a mouse being thrown into a snake pit. Unless this matter is pursued, the word will go forth that informers have no protection and indeed may be placed in jeopardy by prison officials guilty of misfeasance or malfeasance and who are depriving such a person of his or her civil rights under color of law.

I would hope that you would initiate an immediate investigation of this matter and advise me of its outcome.

Sincerely,
Edward I. Koch,
Member of Congress.

Slain Inmate Shared Cell With a Muslim He'd Helped Convict

Philadelphia, January 3.—An inmate who was slain in jail last Monday shared a cell with a man whom he had helped convict in the 1973 murders of seven Hanafi Muslims, the superintendent of Philadelphia's prisons said today.

James H. Price, 25 years old, was found dead in his cell at Holmesburg Prison. Officials contended after an autopsy that he had been strangled and that the slaying had been made to look like a suicide.

No one has been charged in the killing.

The Philadelphia Bulletin said the confinement of Mr. Price and Theodore Moody, 20, in the same cell was a violation of state law that requires that prisoners awaiting trial be kept separate from other prisoners.

Louis T. Aytch, the superintendent of prisons, said, however, that no law was violated. The purpose of the law, he said, is to keep prisoners awaiting trial separate from convicts.

Mr. Price was awaiting trial on robbery charges and Mr. Moody on murder charges. The charges against both of them were unrelated to the Hanafi murders.

The Bulletin quoted Walter Cohen, the city's prison master, as saying the two inmates were placed in the same cell although 37 cells in the maximum security block were vacant.

Although Mr. Price never testified against the other defendants, his written statement and confession were credited with breaking the Hanafi case. Seven members of the sect were slain in a house in Washington owned by Kareen Abdul-Jabbar, the professional basketball player.

Five of seven defendants were convicted, one was acquitted and Mr. Price was still to be tried. Four of the five Black Muslims convicted in the case were housed in the cell with Mr. Price.

Three guards at the prison have been suspended. Mr. Aytch said they had failed to lock all unoccupied cells in the area where Mr. Price was jailed.

Department of Justice,
Washington, D.C., January 13, 1975.
Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Congressman Koch: The Attorney General has asked me to acknowledge and thank you for your correspondence of January 7, 1975, pertaining to a January 3rd article which appeared in the *New York Times.*

Because of its specific nature, I have referred your request to John Keeney, Acting Assistant Attorney General, Criminal Division, Department of Justice, Washington, D.C., and have asked that office to reply directly to you.

If I can be of additional assistance in this matter, please call upon me.

Sincerely,
W. Vincent Rakestraw,
Assistant Attorney General.

Department of Justice,
Washington, D.C., February 6, 1975.
Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Congressman Koch: This is in response to your recent correspondence concerning the death of James H. Price, an informer in the case involving the murders of seven Hanafi Muslims in Washington, D.C., in 1973. Mr. Price was found dead after he had been placed in a cell with one of the defendants in that case.

We have directed the Federal Bureau of Investigation to investigate this incident. Should it develop that a violation of federal law was involved, appropriate action will be taken by this Division.

Sincerely,
J. Stanley Pottinger,
Assistant Attorney General,
Civil Rights Division.

Congress of the United States,
Washington, D.C., February 12, 1975.
J. Stanley Pottinger,
Assistant Attorney General, Civil Rights Division, Department of Justice, Washington, D.C.

Dear Mr. Pottinger: I am very appreciative of your response of February 6th reporting that the FBI will be investigating the murder of James H. Price, as requested in my letter of January 7th to Attorney General Saxbe.

I would be most obliged if you would let me know the outcome of that investigation.

Sincerely,
Edward I. Koch.

Department of Justice,
Washington, D.C., March 7, 1975.
Hon. Edward I. Koch,
26 Federal Plaza,
New York, N.Y.

Dear Congressman Koch: This is in reply to your recent correspondence requesting to be informed of the outcome of our investigation into the death of James H. Price, an informer in the case involving the murders of seven Hanafi Muslims in Washington, D.C., in 1973.

The investigation being conducted by the Federal Bureau of Investigation is not yet complete. When such investigation has been completed, we will inform you of its outcome.

Sincerely,
J. Stanley Pottinger,
Assistant Attorney General,
Civil Rights Division.

Department of Justice,
Washington, D.C., June 2, 1975.
Hon. Edward I. Koch,
26 Federal Plaza,
New York, N.Y.

Dear Congressman Koch: This is in reply to your letter of April 29, 1975 requesting the status of our investigation of the death of James H. Price.

We have been informed that local authorities have charged three inmates with the murder of Mr. Price. Trial has been set for mid-June barring any continuances. In accord with our policy of deferring to local action, we are following the present proceedings. A decision regarding additional investigation will await the outcome of the trial.

Sincerely,
J. Stanley Pottinger,
Assistant Attorney General,
Civil Rights Division.

Congress of the United States,
Washington, D.C., June 17 1975.
Hon. J. Stanley Pottinger,
Assistant Attorney General, Civil Rights Division, Department of Justice, Washington, D.C.

Dear Mr. Pottinger: I want to acknowledge your letter of June 2. I am distressed that you would defer an investigation into whether or not local law enforcement officials have violated the civil rights of James H. Price simply because the "local authorities have charged three inmates with the murder of Mr. Price." Even were these inmates to be found guilty that would not relieve, in my judgment, the Justice Department of its responsibility to pursue an investigation into whether local law enforcement agencies were criminally involved by having placed Mr. Price into the dangerous situation which occasioned his death.

I would appreciate your comments on the above matter.

Sincerely,
Edward I. Koch.

THE ESSENTIAL ELEMENTS OF A REAL ENERGY PROGRAM

(Mr. **HARRIS** asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. **HARRIS**. Mr. Speaker, for the last week, the Congress has considered H.R. 6860, the Energy Conservation and Conversion Act. We have been successful in amending the bill in several ways. We have stricken the gasoline tax, and imposed mandatory fuel efficiency standards on car manufacturers. The bill will place limitations on oil imports and provide tax incentives for conservation and conversion. Most importantly, we have rejected the idea that the way to save energy is to inflate the prices paid by middle and lower income persons.

I urge my colleagues to conclude debate on H.R. 6860 and to enact that bill into law. We will very shortly have an opportunity to act on bills to increase domestic oil production on Federal lands, and on the Outer Continental Shelf. I hope we will delay all scheduled recesses and holidays until the House has enacted the energy bill now undergoing markup before the Interstate and Foreign Commerce Committee.

The following is an excerpt from a column by Mr. Hobart Rowen of the Washington Post of Sunday June 1, and I commend it to my colleagues:

The essential elements of a real energy program still include some direct limitation on imports so as to weaken the cartel; government action to allocate reduced supplies; a legislated efficiency requirement for gas-guzzling cars; other conservation measures in heating and air-conditioning; and a shift to other forms of energy, especially coal, while new sources of oil are being developed.

WEATHER MODIFICATION

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, I would like to bring to my colleagues' attention an exchange of correspondence Senator Pell, Congressman Fraser, and I have recently had with the White House concerning Federal weather modification activities. On April 23, we wrote the President the following letter urging the creation of a lead agency to coordinate Federal work on weather modification and urging that such research be conducted by civilian agencies rather than the Defense Department:

House of Representatives,
Washington, D.C., April 23, 1975.

The President,
The White House.

Dear Mr. President: As authors of several resolutions for outlawing environmental modification as a weapon of war, we now write recommending government work in the peaceful uses of such modification that could help to promote energy conservation, safeguard the environment and stabilize agricultural production. In sending these recommendations, we wish to make clear that we support continued research, particularly into weather modification for peaceful purposes, regarding which we believe there currently exist numerous opportunities for its applications.

The role of weather modification in energy conservation was sharply outlined in a recent example which came to our attention. Coming from Boston to Washington, a recent flight was delayed by bad weather and according to one passenger's calculations, as much fuel was exhausted around Washington while the plane waited to land as was consumed during the entire flight from Boston. This is only one example of the energy costs of bad weather, but weather conditions being what they are, it is a frequent case. Research into fog dissipation is precisely the kind of work which can reduce those costs.

We are only beginning to research and understand how our own industrial development has inadvertently modified weather and environment. Studies are beginning to show differences in temperature and air quality over urban and industrial areas, which affect the immediate environment as well as influence weather downwind. There is sufficient growing suspicion that inadvertent environmental modification can help produce extremes of weather, such as drought, to warrant further investigation and research.

The implications of weather modification for agriculture are obvious and various efforts to enhance rainfall have been going on for years. These efforts, however, need coordination and careful study to help determine what approaches are productive, what types of weather formation are most susceptible to modification and how modification in one area affects weather elsewhere. Clearly, the potential for increased agriculture output—both domestically and worldwide—is great.

Given these opportunities, it is unfortunate that civilian directed research has been diffuse. The fiscal 1975 budget shows weather modification projects in six agencies and a division by function as follows:

	Fiscal year—		
	1973	1974	1975
Department of Agriculture	366	270	150
Department of Commerce	4,779	4,673	4,575
Department of Defense	(1,209)	(1,161)	(1,300)
Army	160	96	--------
Navy	404	399	555
Air Force	645	666	745
Department of the Interior	6,370	3,900	3,445
Department of Transportation	1,067	1,397	1,520
National Science Foundation	5,790	4,000	4,270
Total	19,581	15,401	15,270

DIVISION BY FUNCTION

	Fiscal year—			
	1973	1974	1975	Agencies
Precipitation modification	5,472	3,735	3,279	DOC, DOI.
Fog and cloud modification	1,541	1,194	1,264	DOD, DOT.
Hail suppression	2,860	2,000	2,100	NSF.
Lightning modification	624	330	356	DOA, DOD, NSF
Hurricane and severe storm modification	1,818	1,741	1,816	DOC.
Social, economic, legal, and ecological studies	1,740	1,310	1,110	DOI, NSF.
Inadvertent modification of weather and climate	3,252	3,643	4,398	DOC, DOT, NSF.
Support and services	2,274	1,475	937	DOC, DOI, NSF.
Total	19,581	15,401	15,270	

Although in some respects the National Oceanographic and Atmospheric Administration gathers data on all these projects, it does not really function as a lead agency or exert sufficient direction, coordination or control over the civilian or military projects. It is clear from the second chart, furthermore, that considerable overlap and possible duplication exists. We believe, however, that in a field as diverse and speculative as this, a greater degree of centralization is desirable. This same recommendation has been made on a number of occasions by the National Advisory Committee on Oceans and Atmosphere:

NACOA finds that, although we appear to stand on the threshold of practical weather modification, and some facets are operational, in other applications a great deal of complex research still needs to be done. Unless the scientific manpower and funding are better directed, we assuredly will continue to make very slow progress towards weather control. NACOA therefore reiterates its recommendations of last year that:

"The many small programs in weather modification now scattered widely through the Federal agencies be focused and coordinated under NOAA's head; basic cloud physics and dynamics be given higher priority; and that the legal, social, and economic impact of weather modification be thoroughly examined and appropriate regulatory and licensing legislation be sought." (*A Report to the President and the Congress,* NACOA, June 29, 1973, page viii.)

We also believe it is particularly important that any such coordination should be in the hands of a civilian agency; indeed, that all such research should be conducted by civilian agencies.

Considerable doubt has been raised in the past over the nature of some of the research conducted by the Defense Department in the area of weather modification. You will recall the not too successful efforts to increase rainfall over the Ho Chi Minh Trail several years ago at a cost of $21.6 million. We have grave doubts about the merits of any project such as this, but we are also concerned about the way in which the incident was handled by the Government. The project was at first flatly—and repeatedly—denied publicly and before Congress by the Department of Defense, but the basic facts were ultimately conceded some years later by former Defense Secretary Laird in a letter to the Senate Foreign Relations Committee, which confirmed the allegations that had been made.

Such incidents have given rise to continuing concern on our part over the scope of federal research and development on environmental and weather modification. What is significant about these incidents is that they continue to occur in respect to Defense Department research, even though DOD asserts such research has only peaceful applications, such as airport fog dispersal. If this is the case, then it would seem both logical and appropriate to place such research in civilian agencies where it can be carried on with the same degree of precision and success, since weapons' applications are not involved, and where it would not cause new suspicions about the real nature of the work.

Weather modification is a field of great potential, promising considerable benefits to agriculture and transportation, to mention only two prime areas of research. At the same time the potential military applications of weather modification research are serious. Last summer's agreement with the Soviet Union to meet to discuss a ban on weather warfare is most encouraging. We hope that in the light of that agreement, you will be able to give favorable consideration to our recommendations.

Sincerely,

Gilbert Gude,
Member of Congress.
Claiborne Pell,
U.S. Senator.
Donald M. Fraser,
Member of Congress.

On June 5, we received the following response from Norman E. Ross, Jr., Assistant Director of the Domestic Council:

The White House,
Washington, June 5, 1975.

Hon. Gilbert Gude,
House of Representatives,
Washington, D.C.

Dear Mr. Gude: The President has asked me to respond to your letter of April 23, 1975, in which you recommend a coordinated program of governmental work in the peaceful uses of weather modification.

A considerable amount of careful thought and study has been devoted to the subject of weather modification and what the Federal role and, in particular, the role of various agencies should be in this area. As a result of this study, we have developed a general strategy for addressing weather modification efforts which we believe provides for an appropriate level of coordination.

For the most part, as your letter points out, we are just beginning to understand the possibilities for weather modification and the complexities that are involved. Inadvertent modification of weather and environment through industrial development is indeed a prime example.

There are many problems generated by various weather phenomena such as loss of crops through hail damage and destruction of property caused by hurricanes and flooding. In many cases the approaches to solving these problems may or may not be best met through weather modification techniques. Other solutions such as community preparedness, better land use planning, and protective measures may more effectively and realistically achieve the objectives.

For this reason, we believe that the agency which is charged with the responsibility for dealing with a particular national problem should be given the latitude to seek the best approach or solution to the problem. In some instances this may involve a form of weather modification, while in other instances other approaches may be more appropriate.

While we would certainly agree that some level of coordination of weather modification research efforts is logical, we do not believe that a program under the direction of any one single agency's leadership is either necessary or desirable. We have found from our study that the types of scientific research conducted by agencies are substantially different in approach, techniques, and type of equipment employed, depending on the particular weather phenomena being addressed. For example, there is very little in common between hurricane suppression and attempting to increase rain or snow. Fog dispersal efforts have almost nothing in common with any other weather modification. Each type of weather modification requires a different form of program management and there are few common threads which run among all programs.

To the extent that there are common problems and solutions among the programs, the Interagency Committee on Atmospheric Sciences (ICAS) is bringing together agency representatives who are involved in weather modification research, for the purpose of sharing their ideas and approaches to various problems. In addition, a series of lead agencies have been established to concentrate efforts in particular areas: Interior in precipitation; Agriculture in lightning suppression; Commerce in severe storms, including hurricanes; NSF in hail research; and Transportation in fog suppression. These lead roles provide for coordination in areas with common characteristics and have gone a long way toward eliminating duplicative efforts. Although more than one agency is involved in a general area such as inadvertent modification, their efforts are keyed toward particular objectives.

I hope this information will be helpful to you and I would like to thank you for sharing your views with us. We would be happy to provide you any additional information you may need concerning current efforts in the weather modification area.

Sincerely,

NORMAN E. ROSS, Jr.,
Assistant Director, Domestic Council.

The administration's response is disappointing in that it rejects the recommendation of a lead agency, despite the fact that the National Advisory Committee on Oceans and Atmosphere has regularly recommended it. The reply ignores completely the crucial second point of military involvement in weather modification research. I commented on this problem in some detail in my testimony of September 24, 1974, before the Foreign Affairs Subcommittee on International Organizations and Movements:

DANGERS OF WEATHER MODIFICATION—CONTROL

Why should we be so alarmed about a technique that is not nearly as lethal as other forms of warfare? First, there are distinct control and command problems associated with geophysical warfare and weather modification in particular. We simply do not have effective short or long term control over the climates of the world. We can create certain disturbances, but as civilian experiments have shown, control is not precise. In a military environment, control over the results of weather experimentation is even more uncertain in respect to military targets, and there is practically no hope of preventing military efforts from spilling over into civilian life with devastating effect, particularly in developing agricultural countries. Here, wind changes, rainfall changes, or even changes in the composition of rain could seriously disrupt the livelihood of most of the country's citizens and create severe food supply problems, all far distant from the chosen military target. This is partly due to the so-called downwind effect, carrying weather changes with weather movements. But weather unpredictability—enhanced by modification efforts themselves—may make it impossible to determine where "downwind" will be at any given time. This means that the use of weather modification is inevitably indiscriminate. We cannot flood only military targets or cause drought in areas producing only military rations. The technology will be used against people regardless of their uniform or occupation and will inevitably strike civilians harder than nearby military objectives.

The command problem is no less acute. Since the technology to date does not involve great expense or sophisticated equipment, it is not difficult to imagine the use of weather modification by many different military subunits. In fact, there have been reports that we have trained the South Vietnamese to use weather modification. There are no double-key safing mechanisms here, no exclusive possession as with nuclear weapons.

DANGERS OF WEATHER MODIFICATION—IDENTIFICATION AND DETECTION

These issues of command and control highlight another disturbing characteristic of weather modification, the difficulty of detection. Unlike other weapons, it may be possible to initiate military weather modification projects without being detected. In other words, the military results may not be visibly tied to the initiating party. This raises the possibility of the clandestine use of geophysical warfare where a country does not know if it has been attacked. The uncertainty of this situation, the fear of not knowing how another country may be altering your climate is highly destabilizing. This feeding of national paranoia—a pervading suspicion of the motives and actions of a neighboring country—could well be amplified into the laying of blame for any adverse climate conditions or weather disasters on one's neighbors.

This was clearly brought home by the recent admission of the Department of Defense that it had indeed been involved in weather modification activities in Southeast Asia from 1967 to 1972, even at a time when Department witnesses were denying such involvement in their congressional testimony.

In a January 28, 1974, letter to the Senate Foreign Relations Committee, former Defense Secretary Laird corrected his testimony of April 18, 1972, in which he stated, "We have never engaged in that type of activity over North Vietnam." Laird admitted that just such activities were conducted over North Vietnam in 1967 and 1968. It was clearly one of the most useless programs ever conceived by the Government. The rainmaking effort accomplished nothing except washing $21.6 million down the drain, and it was undertaken with no thought as to the very dangerous situations which could evolve from such a policy.

EFFECTS OF WEATHER MODIFICATION RESEARCH

There is no question that much valuable research is now being done under the heading of weather modification. Airport fog dispersal operations, cloud seeding in farm areas threatened by drought, efforts to increase the winter snow pack, and experiments in hurricane control are all legitimate scientific efforts that can meet important domestic and international needs. This work into peaceful applications of environmental modification technology should continue. Unfortunately, Pentagon involvement in weather modification research—whether classified or for peaceful purposes—has serious consequences for the U.S. civilian scientific community, the American public, and the international community.

Geophysical warfare, to use a figure of speech, can poison the atmosphere surrounding legitimate international programs such as the global atmospheric research program, the international hydrological decade and meteorology in general. We have already seen that it caused the U.S. delegation at the Stockholm Conference to water down a recommendation on climate changes. The potential for embarrassment is great.

Our scientific community could come under suspicion or attack at these international meetings. The fine work and trust built up over the years by our excellent atmospheric scientists could be dispelled in one stroke of Pentagon experimentation.

But it is not only our scientists who lose credibility—it is the Defense Department itself. Through its involvement in research which may have military applications, even though it is intended for peaceful purposes, the Pentagon has laid itself open to allegations of a variety of clandestine activities.

Two cases will illustrate the point. The Defense Department engages in considerable medical research, some of which is related exclusively to military needs, while some parallel research carried out by civilian institutions. The Navy, for example, has had a research unit in Egypt studying equatorial diseases for many years. By conducting such research "in-house," so to speak, instead of obtaining it through civilian research agencies, the Navy leaves itself open to charges that it is actually studying or developing germ warfare or the like. As unfounded as such charges may be, they are very difficult to combat, especially in the current climate of suspicion about many Pentagon activities. Yet, there is no reason why this kind of research could not be conducted by the civilian agencies of Government and its results made available to the Defense Department. In cases where Defense required information on subjects not currently under investigation, it could levy requirements on the National Science Foundation which would in turn conduct or contract for the needed research, thus reducing the opportunities for controversy to develop, controversy which might itself hamper research, especially abroad.

In the area of weather modification, I have been assured that Air Force interest in these techniques is limited to developing methods for airfield fog dispersal or suppression and other life-saving measures. These techniques are just as important to business and civil aviation and the general public, and there is no reason why such research cannot be conducted by a civilian agency.

As a general principle, therefore, I would urge that wherever an adequate scientific base exists for conducting specific types of applied research outside of the Department of Defense and associated agencies, it would be wise policy to conduct all such research through non-defense agencies, such as NOAA, NIH, NSF or private institutions. In addition to helping resolve Pentagon credibility problems, such a procedure will tend to reduce duplication of effort and may therefore produce some cost savings.

Thus, although the subject of this hearing is an international treaty banning the use of weather modification techniques as weapons, it is important that we go beyond that and deal directly with the development of such research within our own Government, so as to clearly divorce all weather modification activities from the military and leave no doubt that American interest in this field is strictly peaceful and humanitarian.

This administration and its predecessor have made progress toward an international treaty banning the use of weather modification as a weapon of war, but neither administration has really understood the important link between banning weather warfare and taking weather modification research out of the hands of the military. We cannot credibly negotiate a weather warfare treaty at the same time we are funding classified Defense Department research projects in weather modification. Since the Defense Department has maintained that its research only involves peaceful applications, it is difficult to understand why such research cannot be placed in civilian hands. The administration is unwilling to move in that direction, and legislative action may be necessary. I am in the process of preparing just that, and I plan shortly to submit my proposals for House consideration.

JAMES A. FARLEY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, in the Hallandale Digest of Thursday, May 15, Marty Berg, who used to write a boxing column for the New York Evening Post during the years when Jim Farley served as chairman of the New York State Athletic Commission and has known Mr. Farley for a long time, under his caption "A Bird's Eye View" paid a beautiful but richly deserved tribute to one of the great and good men of America, as he has just celebrated on May 30 his 87th birthday, James A. Farley.

At a time when politicians are generally in a questionable status, if not in disrepute, in America, this supreme politician of the Nation's history stands out today as he did when he was Franklin D. Roosevelt's Postmaster General and the architect of the phenomenal leadership of the Democratic Party in national affairs, as a man of unquestioned integrity, a man of universally acclaimed honor, a man deeply dedicated to the service of God and his country. Jim Farley, the man, indeed the successful businessman, is as much respected today for being the man he is as he was when he was at the height of his great power—next to the President the most powerful man in the country.

The numerous academic, religious, and political honors James Farley has received are a recognition of the stature of the man—his exceptional ability and his concern for people—people everywhere.

Jim Farley remains famous not only for his phenomenal memory for names and faces but for being a politician whose word was his bond, whose character was unassailable and whose interest was the public good. No suggestion of corruption, no intimation of personal profit from his political power, whether it be as a boxing commissioner of the State of New York, or Postmaster General of the United States, and leader of the Democratic Party, ever touched Jim Farley. He was not only a politician's politician, he was a people's politician.

Those were great days when Jim Farley was forging the political organization that vaulted Franklin D. Roosevelt into the White House as President and when he guided the Democratic Party to one of the greatest victories ever achieved in American political history and Jim Farley was the peerless leader of those great days with Roosevelt. How fortunate we are that such a man still lives, strong of body, keen of mind, warm of spirit, at 87—the counselor of his party and of his country, the sage of politics, the symbol of what a political leader should be. His continued good health and his warm qualities of friendship still endear him to innumerable Americans.

As one of those privileged to enjoy the friendship of Jim Farley, with my wife, I join in saluting Jim Farley on his 87th birthday and in the prayer and hope that America for many, many more years will be blessed by the continued health, nobility, and leadership of Jim Farley. Mr. Speaker, I insert this beautiful eulogy of this great man by Marty Berg in the RECORD immediately following my remarks:

A BERG'S EYE VIEW

(By Marty Berg)

This is the time of year when my ever livin' and I explore the gift and sundry shops for a birthday card. Natal day cards aren't such a much as a purchase, and they're usually too slobbery or too dirty. We exercise great care in our selection, because this man to whom we're going to send it is more than a special guy; a great, verily a skyscraper among pygmies.

This card mustn't flatter, because this man is possessed of tremendous humility, notwithstanding honors and degrees heaped upon him by a virtual Who's Who of universities, societies and governments, not excepting the coveted Laetare Medal bestowed upon him last year by the University of Notre Dame, the highest award possible to an American Catholic layman.

No religious message is needed in this card, for this man is a tower of religious strength, deep in his Catholic convictions, yet so free of bigotry, prejudice or bias he inspires others of different faiths to live their religions as devoutly and with as much fulfillment as he.

We don't seek a card that mentions age, for he has little time in a full career to even think of his four score and seven years as other than passages of time much too short for him to accomplish the many tasks he's set for himself. When you reach 87, as he will on Decoration Day, your only concern is in getting things done quickly, so that you can get on to the next chore.

I have been privileged to live on the perimeter of the vast shadow cast by this great man, and I cherish it because I know the many thousands who demand of his time, and the care with which he chooses to dispense it. I am jealously proud of a stack of letters from him accumulated through the years; some brief notes acknowledging receipt of one from me, apologizing for the brevity due to the daily mass of correspondence he first gets out of the way before attending to his business, almost as heavy now as it was before he was named Honorary Chairman of the Board.

There are three and four page single spaced letters from him in which he elaborates his views on the national and world scenes, comments made with such perception, clarity and analytic brillance, it's small wonder he's revered as the politician's politician. What a President he'd have made!

In this day, when politicians are anathema, and so many of them indicted, resigned, jailed, holding office while suspect, it's refreshing to be able to point to him and say, "There's an honest politician, a man with abiding love of faith in his country." No one dares contradict you.

That's James A. Farley. He'll celebrate his 87th birthday on May 30, and the Almighty never blessed a finer man with such years. Congratulations will pour in from the entire world, but he'll be happiest that day talking with his daughters, his son and grandchildren.

I first met Jim when he was appointed to the NY State Athletic Commission in 1924 (whew!) by Governor Al Smith. Tuesday morning sessions of the Boxing Commission, as it was better known, were dominated by this 6'4'' man whose "We'll cross that bridge when we get to it," squelched many a promoter, fight manager or newspaperman who sought a snap decision. He succeeded Bill Muldoon as chairman in 1925 and, through 1933, when he resigned to become President FRD's Postmaster General, he ruled the sport through its most tumultuous years.

There never has been a challenge to the statement that it was Farley who won the Presidency for FDR through the legion of friends in the Democratic Party he'd garnered during his years as National Convention delegate, and National Committee chairman. He delivered the votes. Not even the Kennedys could equal his vast personal organization, completely loyal, uncorruptible.

The Sunday morning crowd outside St. Patrick's Cathedral on Fifth Avenue never failed to recognized the couple walking down the steps after services—"There's Jim Farley and his wife Elizabeth." They made an impressive pair, and you could see the great love Jim had for her as he guided her down the steps.

You can understand then, I hope why my spouse and I are looking forward to going North with such eagerness. We hope he'll be able to see us, if only for a brief moment. Should he, it will be a thrill to go to his Coca Cola Export Corporation's Madison Avenue offices, be met at the entrance by a staff member, be hugged by his secretary, and then be ushered into his presence.

He'll smile that warm Irish smile of his, rise from his chair, come around his desk, and my wife will reach around him affectionately, the top of her head reaching below his chest.

We'll chat for a while. He'll ask after our health, and then talk about his greatly loved grandchildren, baseball, and boxing's decline. From the multitude of photos of the world's religious, political, social and sports greats that cover the office walls from floor to ceiling, there'll be smiles.

We'll take our leave, and I'll be ten feet tall. Happy birthday, Jim! God love you!

ADDRESS ON REAL ESTATE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, workable solutions are slow in coming to the complex problems of a depressed home building industry, riddled with its attendant lagging housing starts and paucity of available long-term mortgage moneys. The renewed vitality of much of our economic life will depend upon a viable home loan financing system which will in turn find its life support with the confidence of our great financial institutions.

We read almost daily about the loosening of funds in the home mortgage industry, about declining interest rates and the upturn in housing construction which is likely to be forthcoming any day. Yet, little of this "upturn" has been translated into a cash flow from lender to borrower, the necessary bottom line in signaling the emergence of a rejuvenated partnership between builders, borrowers and financiers.

Before the distinguished Real Estate Finance Conference of the American

Bankers Association held recently in Denver, Colo., an eminent spokesman for the banking industry, Mr. Arthur H. Courshon, presented a thought-provoking address on the concept of tying home mortgage rates to the changing rate of inflation—an indexing system which would adjust continually to the peaks and troughs of the housing market.

Mr. Courshon, chairman of the board of Washington Federal Savings and Loan Association, Miami Beach, Fla., has long been a pace setter in the financial affairs of south Florida. He has also had a very profound impact upon the savings and loan industry in Latin America. He drafted the law which has worked very successfully in Chile providing for a variable interest rate and variations in deposits of a depositor according to the index of inflation and that system has worked through all of the vicissitudes that Chile has passed through. So the counsel of Mr. Courshon in this critical area is worthy of the consideration of my colleagues and my fellow countrymen. Hence, Mr. Speaker, I include Mr. Courshon's able address to appear in the body of the RECORD following my remarks:

ADDRESS BY ARTHUR H. COURSHON

It's a pleasure for me to be on the program this morning, and to talk about the very hot topic of variable rate mortgages.

In fact, the timing of this conference of the American Bankers Association couldn't have been more precise insofar as the prominence of the subject of our panel today.

The VRM's have been on the front burner in Congress for the past three weeks, and from the looks of things on Capitol Hill the variable rate mortgage may be something that we will just talk about for awhile, rather than actually engage in.

That may be just as well, because in my view the opponents of the VRM have a very valid point: we are asking to de-control one side of the balance sheet without de-controlling the other.

Now that may be heresy coming from a savings and loan manager, but I believe we are very hard pressed to make a successful argument when we ask for authority to change the contract rate on a mortgage, but at the same time, seek to control the liability side of our businesses.

This is not to suggest that the savings and loan industry should seek removal of rate controls, or the differential between our associations and banks, but it does suggest that when we are ready for variable rate mortgages, or some variation of that vehicle, we should be ready for totally free markets.

I think, moreover, that when we speak about variable rate mortgages, we are really talking about another band-aid for the mortgage market.

It's not a cure-all, and I think everyone in this room knows that.

What it does is to cushion the fall. The problem is that we still can fall.

I'd like to see some serious examination of a device that goes further than the variable rate mortgage loan, and accomplishes a great deal more—including true equity for all parties in the mortgages; the saver, the borrower and the lender.

I'm talking about an adjustable mortgage, which is accompanied by an adjustable savings balance—all tied to the rate of inflation.

The word, in case you didn't get that, is "indexing."

You know, we all tend to shrink away with horror when the term indexing is used. We conjure up visions of Latin American revolutions and inflation rates of 500 per cent and more.

But what we tend to forget when we speak about indexing in those terms is the simple—and really inescapable—fact that it works.

The most recent edition of the MGIC Newsletter has in it an article by Professor Edward E. Edwards of Indiana University. In the article, Dr. Edwards talks about the interest rate risks that we lenders must take every time we make a long term fixed rate mortgage in a society that is going to have double digit inflation for some time to come.

Dr. Edwards flatly rejects variable rate mortgages as the answer to this dilemma, but here is what he says about indexing, and I quote:

"Indexing," he says, "is the fairest way of dealing with inflation in long term financial contracts. If indexing had been permitted, its use would at least be understood and perhaps be widespread. But the private market has not had freedom to develop new methods. A good case can be made that it is this lack of freedom, this excessive government regulation, that has brought home mortgage markets to their present state." End quote.

I could not agree more with what Dr. Edwards says in this article—up to this point. Where we disagree is that he dismisses the possibility of indexing the mortgage market because he doesn't think it can be sold to the Federal Government.

While he may be right, I think we ought to at least give it a chance—since he does concede that "it represents the fairest way of dealing with inflation in long term financial contracts."

We are all too eager to accept continued Government intervention in our marketplace in the forms of additional subsidies. Why not try to sell the Government on a device that is equitable to everyone . . . that gives the small saver his due . . . that gives the borrower and the lender the protections they need against Government policies that repeatedly fall short of the mark.

My own experience with a form of indexing is based on a program I helped develop as far back as 1958, in Chile.

I was sent to Chile by the State Department's Agency for International Development, expressly to develop a savings and loan system for that developing country.

The conditions for such a system when I arrived there were incredibly bad. Chile was in the grip of a runaway inflation where it required eleven hundred pesos to equal an American dollar. This was an increase of four hundred pesos in two years, and the rapid increase in the inflation rate destroyed any business incentive to make long term loans for housing or for any other purpose.

The impact of this situation on the housing market was as you might expect—a disaster. Home construction was at a standstill, and no one was making a mortgage loan if he could help it.

We saw about the same thing in the United States last year.

With the assignment in Chile in 1958, what was recommended to the Government at the time was that the rate of inflation had to be a prime consideration before any savings and loan system could be feasible.

This was the element that had to be dealt with first.

What we recommended at that time was to set up a savings and loan system that adjusted savings and mortgages with the inflation, with both the mortgages and savings accounts guaranteed by the Government of Chile.

We were suggesting that in order to make a mortgage a sound business loan, the rate of inflation needed to be taken into consideration.

I submit we can say the same thing about mortgage loans in our own country.

But the Chilean system was more than a simple adjustable mortgage clause. If that were the only thing we went after, we'd have had a variable rate mortgage loan.

And it is here I think that the proposals for VRM loans fall down. They never consider the other side of the coin.

Let me point up what recommended—and which has worked—in Chile.

First, we felt that the solution to the problem required the re-establishment of confidence that monies saved or loaned would be repaid in Pesos with equal purchasing power.

This meant that the principal amounts deposited in savings accounts or loaned on a long term mortgage basis would be protected against inflation through readjustments of principal balances which reflect the inflation.

In this way a depositor in a savings account knows that whenever he withdraws his funds he is going to get money that had been adjusted on the basis of the current value of the money in purchasing power. He also would receive dividends on the funds deposited which would be paid on the basis of a readjusted principal balance each year.

Likewise on money loaned on a long term mortgage to finance housing, the principal balance of the loan would be readjusted each year to reflect changes in the same inflation index.

There would also be changes each year in the amount of the monthly payments to be made by the borrower which will increase in the same percentage as the increase in the inflation rate.

The lender would be assured that it is obtaining repayment of the loan in funds with equal purchasing power, together with the interest earned on the loan.

As in the case of savings, the interest earned on the loan would likewise be computed on the basis of the balances of principal outstanding from year to year as readjusted to reflect changes in the inflation index.

The system adopted a procedure whereby if the inflation index has risen in several years, and then there is an annual period when the index falls, the readjustment is downward. However, in no case would the amount of the principal of a mortgage be reduced below the amount originally loaned, including credit for principal repayments.

Another feature of the program we recommended in Chile, and which was adopted and continues to thrive is one where the borrower pays no more than a stated percentage of his income toward the mortgage. We settled on 25 per cent as the recommended percentage of earnings.

All right, what about the index? That has been the big hangup in the United States insofar as the variable rate mortgage is concerned, and it seems that no one is able to arrive at one where everybody is happy.

In Chile we recommended the index be based on the average increase in earnings for the labor force.

We wanted to come up with something that would be equitable to the lender, so he could make a long term mortgage and not worry about the inflation rate. We also wanted to be equitable to the borrower, who would have to pay the mortgage.

We settled on an index reflecting the average increase in earnings because it bears a reasonable and steady relationship, over a period of time, to changes in the cost of living.

Changes in the average salaries and wages are subject to less variations and represent a steadier course of adjustments—and what's more the changes in the monthly payments in the mortgage would then be within the ability of the borrower to pay, since monthly payments in mortgages would be initially computed on the basis of a fixed percentage of earnings, which percentage of earnings then remains constant.

Now quite obviously, I'm not suggesting a carbon copy of the Chilean system for the United States. We have 50 states, all with differing laws and customs related to real estate transactions.

But I am suggesting that the Chilean system, which, by the way, preceeded by several years the highly touted Brazilian system of indexing, has a seventeen year track record of success.

It works.

And what's more it works even when inflation does go to 500 per cent a year as it did while the Marxist regime of Salvatore Allende was in power in Chile. But even then the savings and loan system not only survived but grew tremendously.

I believe the problems of today's mortgage market are compounded by our extremely acute manner of applying tourniquet after tourniquet to stop our bleeding.

My feeling however is that if we would ever stop and say "enough" we might recognize that the free—and I mean truly free—market is really the only lasting salve for our wounds.

And if that means recognizing that inflation is here to stay for the foreseeable future then we ought to deal with that problem squarely.

Indexing not variable rate loans to my mind is a far more equitable far more realistic solution.

Thank you very much.

DR. REYES SPEAKS ON CUBA

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, one of the most knowledgeable spokesmen in America about the character—indeed the danger of the Castro Communist regime—is Dr. Manolo Reyes, Latin-American commentator on channel 4, the CBS outlet, in Miami, Fla. Dr. Reyes was a distinguished commentator in Cuba before he was forced to leave his native land by the threat of incarceration from Castro. He has innumerous and very valid sources of information as to what is going on in Cuba from contacts he has. He is a student of the Castro regime and of American relations with that Communist government. Dr. Reyes is also an authority on Russian penetration into the affairs in the island of Cuba under Castro and also the growing Russian military threat in the Caribbean to our country. So when Dr. Reyes speaks about America's relations with Cuba and the proposals which some have made that we normalize such relations, he speaks with authority and his views merit the consideration of our Congress and our fellow countrymen. Dr. Reyes made an able address recently before the Tiger Bay Club, a very prominent club in Miami, upon this subject and I commend his remarks to all who will read this RECORD as being informative and, I hope, persuasive upon the reader. Accordingly, Mr. Speaker, I include Dr. Reyes outstanding address to appear in the body immediately following these remarks:

SPEECH BY DR. MANOLO REYES

The United States is a Sovereign nation and can establish relations with the nations it wishes, according to the best interests of its people. But the policy of the United States toward the Fidel Castro regime, I believe is a special political phenomena that has abruptly changed in the last 2 years in a sudden turn of a 360 degrees angle by using "Secret Diplomacy."

For years the Cuban Case was not on the priority list of the United States.

For years it seemed that the United States had frozen the Cuban Case as a "showcase" for the Americas. Isolation was the word. But it is obvious now that the Cuban Case today is a top priority item for the United States foreign policy and not to get rid of the Fidel Castro regime, not to help overthrow him, but to legalize his regime by restoring diplomatic and economic relations with Havana.

The Foreign Policy makers of the United States have followed a course of rapproachement with Castro since the beginning of 1973, and how are they doing it? They are using a new way in the international field, a new system without the knowledge of the general people—"Secret Diplomacy". When Secretary of State, Henry Kissinger, announced several days ago that the OAS had reached a general understanding on a formula to lift the Cuban embargo—he added—"Now, leave the room for secret diplomacy".

"Secret diplomacy", that can be translated in "secret understanding" which need no approval of the Senate—like the secret understanding with South Vietnam to use American forces again—if North Vietnam violated the so-called Paris Peace Agreement.

In Cuba we have had two of those secret understandings: 1) The Kennedy-Kruschev Agreement of 1962 after the Missile crisis. 2) The Nixon-Bhreznev secret understanding on the "Mini-Crisis" of 1970 after the Soviet Union built at a cost of 25 million dollars—a nuclear Soviet submarine facility in Cienfuegos in Cuba. The facility is today in full operation. And probably a third Secret understanding between Moscow and Washington about the Middle East situation with repercussions to Cuba—Guantanamo and the Panama Canal Zone. I'll explain this later.

The nations of the Western World and particularly of the Americas—have always respected the leadership of the United States and that leadershp can be exercised by action or abstention.

Let us make some history and let us bring about some of the examples by action:

1961

January—The United States is forced to break diplomatic relations with Cuba.

April—Bay of Pigs Fiasco.

1962

President Kennedy pledged: He will return the Brigade's flag in a free Havana.

1964

Castro sentenced by the OAS for sending weapons to the Communist guerrillas in Venezuela. The embargo was put on the Castro regime not on the Cuban people.

1967

Ernesto Guevara, alias El Che, was killed in Bolivia.

1970

Cuban mini-crisis on Cienfuegos.

But since 1973 it is obvious that the foreign policy makers of the United States are directing the return of Castro to the OAS. Since the beginning of 1973 the United States leadership on the Cuban issue has been one of abstention—like it happened in Quito last year—and let the Latin nations decide by themselves about Cuba.

That in itself is a great change on United States policy and the Latin nations have detected it.

From 1961 to 1968 the United States policy was: "We will not permit a second Cuba in the Hemisphere".

In 1968 the United States policy to Cuba was this: To make a re-evaluation of United States policy to Cuba.

1) Castro has to stop exporting his revolution.

2) Castro has to stop training guerrilla activities in Cuba.

3) Castro has to break his strong military ties with the Soviet Union.

4) Castro has to change his hostile attitude toward the United States. But since the beginning of 1973 there has been a rush to restore diplomatic relations with Cuba at any cost. And United States has not repeated the previous conditions that we just mentioned.

In fact the one putting the conditions now is Castro demanding the Cuban Embargo to be lifted.

In February 1973, Washington and Havana signed a treaty to finish air-piracy. By this treaty the United States reinforced Castro's position in Latin America, weakening the Cuban exile position because United States reaffirmed in it the Neutrality Law. A few months after, Castro ended the Freedom Flights. Since the beginning of 1973 a total blackout has been almost in effect:

1) The Russian threat from Cuba with some 20,000 Soviet soldiers inside the Island—Mig planes—Naval forces, etc.—In the last World Maneuvers of the Soviet Union in the Atlantic, Pacific and Indian Ocean—just 3 weeks ago—Cuba was used by the Soviets as a military base. The huge Soviet bomber took off from Cuba for this military exercise.

2) A black-out has been almost in effect about the Castro guerrilla training groups and exporting his revolution to other latitudes.

Let me tell you some very interesting paragraphs:

"Castro has consistently recruited from other American Republics, and trained in Cuba, guerrillas to export the Cuban-type communist agrarian revolution. However, radical revolutionary elements in the hemisphere appear to be increasingly turning toward urban terrorism in their attempt to bring down the existing order.

"The recent visit of the Soviet fleet to Havana is one evidence of growing warmth in their relations. This Soviet performance in Cuba and throughout the Hemisphere is to be contrasted to the official Soviet government and communist party protestations not only of peaceful coexistence but of disassociation from Castro and his program of terrorism in the American Republics.

"Clearly, the opinion in the United States that Communism is no longer a serious factor in the Western Hemisphere—is thoroughly wrong."

You know when this was written?—In 1969.

Who wrote it? Nelson Rockefeller after he was on a fact finding trip to Latin America.

Recently I wrote a letter to the Vice President of the United States asking if that report still stands. Would you please listen to the answer:

DEPARTMENT OF STATE,
Washington, D.C., May 7, 1975.

DR. MANOLO REYES,
Miami, Fla.

DEAR DR. REYES: The Vice President has asked me to reply to your letter of March 1.

You asked whether Cuba's policy of "export of revolution", described in the 1969 "Rockefeller Report", remains its current policy. Although a majority of Latin American and Caribbean countries apparently no longer regard themselves threatened by Cuba as evidenced by their decisions either to reestablish relations with Cuba or to vote for lifting of OAS sanctions against Cuba, a number of other countries do regard Cuba as threatening their internal security. And Cuban rhetorical hostility to Chile and some other Latin countries is manifested almost daily. However, Cuban support to export of revolution is largely limited to rhetoric, to financing, and to providing training against a few specific countries. Our position on this subject was discussed at some length in the Department's April 4 letter to Senator Stone which I understand was released to the Miami press in both English and Spanish versions.

The Vice President's many commitments do not make it possible for him to meet with members of the Cuban and Cuban-American communities in the near future. I would be happy to meet with you in the Department at a mutually convenient time.

With best wishes,

Sincerely,

Culver Gleysteen,
Coordinator of Cuban Affairs.

As you see nothing is said about the Soviet Union or the Russians in Cuba. The same blackout has fallen upon the Cuban exiles. Today the new trend is good reports about Castro but the Cuban exiles cannot give their viewpoints nationwide or coast to coast.

In rare occasions they appear giving their political viewpoints. And when they are mentioned is to say that many of the Cuban exiles are rich now. And I maintain that the same time or space given to Castro should be given also to the Cuban exiles so the American people can see the other side of the coin and could make a fair decision. And the big question is—why—why this 360 degrees change on United States policy toward Cuba?

Has Castro something to offer to the United States?

Archbishop Coleman F. Carroll said recently that Castro has nothing to offer to the United States. I say the only thing that Castro has to offer is a big debt of 6 billion dollars with the Soviet Union.

When and if the relations are restored the American people will be helping to pay that debt with their taxes.

Castro will remain in Cuba and the Soviets will remain on their honeymoon with Castro. Because now—Cuba is the Vietnam of the Russians. Is there any change in Castro? None whatsoever.

His hostile attitude against the United States continues. He blasted against this country when Senators Javits and Pell were in Havana last September—and did it again when Senator McGovern left Cuba this month.

Last month, the Internal Security Subcommittee of the Senate made a publication pointing out that the "Venceremos Brigade" is a system of espionage of Castro in the United States.

Castro is still holding in Cuba 700 American citizens with some 1,300 Cuban relatives. They want to leave the island but Castro does not allow it, saying they are Cubans, not Americans. Even though he pledged he will let them out at the end of the Freedom Flights. Human rights continue to be violated. There are still in Cuban jails thousands of Cuban political prisoners.

And sea and air piracy continued in Cuba.

I have been told that 2 vessels from the United States: Willy May and Josefa Maria left Key West in a fishing trip on March 4 with 7 persons aboard. Today, these persons are in Cuba—in Camaguey province—after being apparently captured in international waters. A plane left Grand Cayman—en route to Fort Lauderdale at the end of March with 4 persons aboard—apparently the plane was forced to land in Cuba—and nobody knows what happened to the people aboard.

And then we repeated the same question: Why?

"Secret Diplomacy" between Washington and Moscow. And the name of the game under Russian pressure is: There will be peace in the Middle East if there is peace in Latin America. And the 2 weak spots in Latin America are:

Number One: Castro—the embargo—the relations and Guantanamo Naval Base. We have reports that the United States is little by little dismantling Gitmo.

Number 2: The Panama Canal Zone—that is why the foreign policy makers of the United States are in such a rush to make a new treaty about the Canal Zone with the strongman of Panama, Omar Torrijos, who is threatening with a blood bath if the United States is not giving up the Zone.

Guantanamo and Panama are the only 2 American Military bases in a Communist country like Cuba—and a country under heavy Communist propaganda like in Panama.

These are vital positions of the Western World. And the United States—in their good natured viewpoint looking for peace at any cost—could fall again in a "no win" policy.

Last year the North Vietnamese signed a peace treaty in Paris respecting the rights of South Vietnam.

Even the two main negotiators for the Communists and the United States received the Nobel Peace Prize, a year later the Communists have taken over South Vietnam—violating their agreement. This cannot happen in the Americas.

And history is only written by victory.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Emery) to revise and extend their remarks and include extraneous matter:)

Mr. Biester, for 5 minutes, today.

Mr. Steiger of Wisconsin, for 5 minutes, today.

Mr. Martin, for 15 minutes, today.

(The following Members (at the request of Mr. Baldus) to revise and extend their remarks and include extraneous material:)

Mr. Mineta, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Ms. Abzug, for 20 minutes, today.

Mr. Murphy of New York, for 10 minutes, today.

Mr. Diggs, for 5 minutes, today.

Mr. Leggett, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Martin, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $834.

Mr. Brown of California, just prior to the passage of the suspension on H.R. 6387.

Mr. Hechler of West Virginia, and to include extraneous matter in his remarks during debate on the continuing resolution.

(The following Members (at the request of Mr. Emery) and to include extraneous matter:)

Mr. Crane.

Mr. Steiger of Wisconsin.

Mr. Cohen.

Mr. Anderson of Illinois in two instances.

Mr. Del Clawson.

Mr. Derwinski in two instances.

Mr. Treen.

Mr. McClory.

Mr. Myers of Pennsylvania.

Mr. Peyser in 10 instances.

Mr. Martin in two instances.

Mr. Bauman in 10 instances.

Mr. McKinney.

Mr. Winn.

Mr. Carter.

Mr. Lagomarsino.

(The following Members (at the request of Mr. Baldus) and to include extraneous matter:)

Mr. Russo in five instances.

Mr. Diggs.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Simon.

Mr. John L. Burton.

Mr. Vigorito.

Mr. Biaggi in 10 instances.

Mr. Solarz in three instances.

Mr. Stokes in two instances.

Mr. Hannaford in five instances.

Mr. Thompson.

Mr. McDonald of Georgia in two instances.

Mr. Breckinridge.

Mr. Dominick V. Daniels.

Ms. Abzug.

Mr. Bedell.

Mr. Vanik.

Mr. Matsunaga in two instances.

Mr. Drinan.

Mr. Downey of New York.

Mr. Santini.

Mr. Brinkley.

Mr. Fuqua.

Mr. Evins of Tennessee in two instances.

Mr. Miller of California.

Mr. Foley.

Mr. Maguire.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 18. An act to amend the Act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes; to the Committee on Agriculture.

S. 584. An act to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

S. Con. Res. 45. Concurrent resolution expressing the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing variable rate mortgages unless and until authorized by the Congress; to the Committee on Banking, Currency and Housing.

ENROLLED BILL SIGNED

Mr. HAYS of OHIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4221. An act relating to the operation of certain education laws.

ADJOURNMENT

Mr. BALDUS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 18, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1233. A letter from the President of the United States, transmitting proposed budget amendments for fiscal year 1976 and for the transition period July 1 through September 30, 1976, for the Department of State (H. Doc. No. 94–188); to the Committee on Appropriations and ordered to be printed.

1234. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Act No. 1–18, "To extend the effective dates of the District of Columbia Public Postsecondary Education Reorganization Act, and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

1235. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense article and services to the Government of the Netherlands, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1236. A letter from the Acting Administrator, U.S. Environmental Protection Agency, transmitting a prelimiary assessment of suspected carcinogens in drinking water, pursuant to section 1442(a)(9) of the Public Health Service Act, as amended (88 Stat. 1683); to the Committee on Interstate and Foreign Commerce.

1237. A letter from the General Counsel for the National Council on Radiation Protection and Measurements, transmitting the audit of the Council's financial statements for calendar year 1974, pursuant to section 14(b) of Public Law 88–376; to the Committee on the Judiciary.

1238. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 5, United States Code, to repeal section 5343(d) and make conforming amendments; to the Committee on Post Office and Civil Service.

1239. A letter from the Deputy Administrator, U.S. Environmental Protection Agency, transmitting a revised report on the 1974 survey of the estimated costs of construction of needed publicly-owned wastewater treatment works, pursuant to section 516(b) of the Federal Water Pollution Control Act, as amended; to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG of Louisiana: Committee on Rules. House Resolution 549. Resolution providing for the consideration of H.R. 4415. A bill to amend the Intergovernmental Personnel Act of 1970 to provide more effective means to improve personnel administration in State and local governments; to correct certain inequities in the law; and to extend coverage under the law to the Trust Territory of the Pacific Islands. (Rept. No. 94–304). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 550. Resolution providing for the consideration of H.R. 6334. A bill to amend further the Peace Corps Act (Rept. No. 94–305). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 551. Resolution providing for the consideration of H.R. 7567. A bill to amend the Arms Control and Disarmament Act, and for other purposes (Rept. No. 94–306). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEARD of Rhode Island:

H.R. 7944. A bill to amend the U.S. Housing Act of 1937, and the National Housing Act, to provide that future social security benefit increases shall be disregarded in determining eligibility for admission to or occupancy of low-rent public housing or the rent which an individual or family must pay for such housing, and that such increases shall also be disregarded in determining rents in other federally-assisted housing and eligibility for (and the amount of) other Federal housing subsidies; to the Committee on Banking, Currency and Housing.

By Mr. DERWINSKI:

H.R. 7945. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. DODD (for himself, Mr. Beard of Rhode Island, Mr. Drinan, Mr. Roybal, and Mr. Murphy of New York):

H.R. 7946. A bill to amend the Civil Rights Act of 1964 and the act commonly called the Civil Rights Act of 1968 to prevent discrimination in employment and housing against disabled persons; jointly to the Committees on Education and Labor, and the Judiciary.

By Mr. FREY (for himself, Mr. Byron, Mr. Abdnor, Mr. Annunzio, Mr. Bafalis, Mr. Bedell, Mr. Bell, Mr. Blouin, Mr. Burke of Florida, Mr. Mr. Cochran, Mr. Collins of Texas, Mr. Duncan of Tennessee, Mr. Eilberg, Mr. English, Mr. Fuqua, Mr. Hagedorn, Mr. Hefner, Mr. Henderson, Mr. Hicks, Mr. Jones of Tennessee, Mr. Kasten, Mr. Kazen, Mr. Ketchum, Mr. Lagomarsino, and Mr. Lent):

H.R. 7947. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Mr. Byron, Mrs. Lloyd of Tennessee, Mr. Lujan, Mr. McEwen, Mr. Madigan, Mr. Mann, Mr. Martin, Mr. Melcher, Mr. Milford, Mr. Mills, Mr. Mitchell of New York, Mr. Moorhead of Pennsylvania, Mr. Myers of Indiana, Mr. Perkins, Mr. Pressler, Mr. Preyer, Mr. Quie, Mr. Quillen, Mr. Roncalio, Mr. Santini, Mr. Sarasin, Mr. Schneebeli, Mr. Shriver, and Mr. Snyder):

H.R. 7948. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Mr. Byron, Mr. Steed, Mr. Thone, Mr. Treen, Mr. Waggonner, Mr. Walsh, Mr. Weaver, Mr. Winn, Mr. Young of Alaska, and Mr. Jarman):

H.R. 7949. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS of Ohio (for himself, and Mr. Dent):

H.R. 7950. A bill to amend the Federal election Campaign Act of 1971 to extend the authorization of appropriations for the Federal Election Commission for fiscal years 1976, 1977, and for other purposes; to the Committee on House Administration.

By Mr. HANLEY:

H.R. 7951. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARRINGTON (for himself, and Mr. Conte):

H.R. 7952. A bill to provide for accelerated research and development in the care and treatment of autistic children, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON:

H.R. 7953. A bill to establish a National Energy Information Administration and a National Energy Information System, to authorize the Department of the Interior to undertake a survey of U.S. energy resources on the public lands and elsewhere, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce and Interior and Insular Affairs.

By Mr. KETCHUM:

H.R. 7954. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to Corps of Engineers responsibility and authority to regulate the discharge of dredged or fill material; to the Committee on Public Works and Transportation.

H.R. 7955. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. McHUGH:

H.R. 7956. A bill to apply to rail anchors the same tariff treatment that applies to rails; to the Committee on Ways and Means.

By Mr. PASSMAN:

H.R. 7957. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. BARRETT (for himself, Mr. Brown of Michigan, Mr. Moorhead of Pennsylvania, Mr. Stephens, Mr. Mitchell of Maryland, Mr. Hanley, Mrs. Boggs, Mr. AuCoin, Mr. Rees, Mr. McKinney, and Mr. Reuss):

H.R. 7958. A bill to assist low-income persons in insulating their homes; to the Committee on Banking, Currency and Housing.

By Mr. BIESTER (for himself, Mr. Anderson of Illinois, Mr. Brown of Michigan, Mr. Burgener, Mr. Conte, Mr. Downey of New York, Mr. Edgar, Mrs. Fenwick, Mr. Gilman, Mr. Horton, Mr. Jeffords, Mr. Lagomarsino, Mr. Martin, Mr. Mosher, Mr. Rees, Mr. Roe, Mr. Steiger of Wisconsin, and Mr. Winn):

H.R. 7959. A bill to create a Joint Committee on Intelligence Operations, to the Committee on Rules.

By Mr. BINGHAM:

H.R. 7960. A bill to amend the Elementary and Secondary Education Act of 1965 to assist school districts to carry out locally approved school security plans to reduce crime against children, employees, and facilities of their schools; to the Committee on Education and Labor.

By Mr. BYRON:

H.R. 7961. A bill to authorize in the Energy Research and Development Administration a Federal program of research, devlopment, and demonstration designed to promote electric vehicle technologies and to demonstrate the commercial feasibility of electric vehicles; to the Committee on Science and Technology.

By Mr. CLANCY:

H.R. 7962. A bill making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

H.R. 7963. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

H.R. 7964. A bill to amend the Internal Revenue Code of 1954 to provide that natural wines containing certain flavorings shall continue to be treated as special natural wines for purposes of the excise taxes on wines; to the Committee on Ways and Means.

H.R. 7965. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Ms. COLLINS of Illinois (for herself, Mr. Addabbo, Mr. Conyers, Mr. Diggs, Mr. Edgar, Mr. Fascell, Mr. Koch, Mr. Lehman, Mr. Rees, Mr. Rodino, Mr. Scheuer, Ms. Spellman, and Mr. Stark):

H.R. 7966. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums (to be administered by a newly created Assistant Secretary in the Department of Housing and Urban Development), to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Currency, and Housing.

By Mr. CORNELL (for himself, Mr. Baucus, Mr. Solarz, and Mr. Stark):

H.R. 7967. A bill to provide public financing of primary and general elections for the Senate and the House of Representatives; to the Committee on House Administration.

By Mr. DRINAN (for himself, Mr. Rodino, Mr. Edwards of California, and Mr. Ottinger):

H.R. 7968. A bill to amend chapter 7 (relating to judicial review of agency action) of title 5 of the United States Code to provide for the recovery of attorney fees as a part of costs in certain civil actions to obtain judicial review; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. Rodino, and Mr. Edwards of California):

H.R. 7969. A bill to amend the Civil Rights Act of 1964 to provide reasonable attorney fees in cases involving civil and Constitutional rights; to the Committee on the Judiciary.

By Mr. DUNCAN of Tennessee:

H.R. 7970. A bill to amend title XVIII of the Social Security Act so as to clarify the meaning of the term "outpatient physical therapy services" insofar as such term includes speech pathology services provided by certain persons; to the Committee on Ways and Means.

H.R. 7971. A bill to amend title XVIII of the Social Security Act to provide for coverage of comprehensive hearing health care services, including provision for hearing amplification devices financed in part by the Federal Government; to the Committee on Ways and Means.

H.R. 7972. A bill to amend title XVIII of the Social Security Act to provide for comprehensive and quality health care for persons with communicative disorders under the health insurance program (medicare) including preventive, diagnostic, treatment, and rehabilitative functions; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. FOLEY:

H.R. 7973. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed per se unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENZEL:

H.R. 7974. A bill to amend the Internal Revenue Code of 1954 to provide reasonable and necessary income tax incentives to encourage the utilization of recycled solid waste materials and to offset existing income tax advantages which promote depletion of virgin natural resources; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. Bingham, Mr. Jeffords, Mr. Melcher, Mr. Sarbanes, and Mrs. Spellman):

H.R. 7975. A bill to amend title XVI of the Social Security Act to insure that cost-of-living increases in supplemental security income benefits are granted to recipients of such benefits in all States, to provide a housing supplement to certain recipients of such benefits, to prevent reductions in such benefits because of social security benefit increases, to allow recipients of such benefits in cash-out States to elect to receive food stamps, to provide for emergency assistance to recipients, and for other purposes; to the Committee on Ways and Means.

By Mr. KETCHUM (for himself, Mr. White, Mr. Dominick V. Daniels, Mr. Harris, Mrs. Spellman, Mr. Mineta, Mr. Jenrette, Mr. Udall, Mr. Taylor of Missouri, and Mr. Beard of Tennessee):

H.R. 7976. A bill to amend title 5, United States Code, to provide that annual leave lost by a Federal employee because of an unjustified or unwarranted personnel action shall be restored to the employee, and for other purposes; to the Commitee on Post Office and Civil Service.

By Mr. LEVITAS (for himself, Ms. Collins of Illinois, Mr. Cochran, Mr. Rose, Mr. Stuckey, Mr. Carr, Mr. Brodhead, Mrs. Meyner, Mr. Harris, Mr. Henderson, Mr. Harrington, Mr. Gradison, Mr. Emery, Mr. Cornell, Mr. Whitehurst, Mr. Sikes, Mr. Weaver, Mr. Spence, Mrs. Lloyd of Tennessee, Mr. Hyde, Mr. Krebs, Mr. Holland, Mr. Beard of Tennessee, Mr. Bedell, and Mr. Devine):

H.R. 7977. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly to the Committees on the Judiicary, and Rules.

By Mr. LEVITAS (for himself, Mr. Long of Louisiana, Mr. Landrum, Mr. Young of Georgia, Mr. Waggonner, Mr. Hubbard, Mr. Alexander, Mr. Hayes of Indiana, Mr. Fountain, Mr. Simon, Mr. Montgomery, Mr. Patterson of California, Mrs. Pettis, Mr. Wirth, Mr. Pressler, Mr. Kemp, Mr. D'Amours, and Mr. Lehman):

H.R. 7978. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly to the Committees on the Judiciary, and Rules.

By Mr. LEVITAS (for himself, Mr. Wright, Mr. Sisk, Mr. Mezvinsky, Mr. Fithian, Mr. Butler, Ms. Schroeder, Mr. Pritchard, Mr. Anderson of California, Mr. Davis, Mr. Bowen, Mr. Stephens, Mr. LaFalce, Mr. Krueger, Mr. Hefner, Mr. Bevill, Mr. Breaux, Mr. Kasten, and Mr. Breckinridge):

H.R. 7979. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly to the Committees on the Judiciary, and Rules.

By Mr. MAGUIRE (for himself, Mr. Downey of New York, Mr. Fraser, Mr. Harrington, Mr. McCloskey, Mr. Pattison of New York, Mr. Roe, Mr. Solarz, and Mr. Thompson):

H.R. 7980. A bill to designate a national network of essential rail lines; to authorize the Secretary of Transportation to acquire, rehabilitate, and maintain rail lines; to require minimum standards of maintenance for rail lines; to provide financial assistance to the States for rehabilitation of rail lines, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. MEYNER:

H.R. 7981. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

By Mr. MONTGOMERY (for himself, and Mr. Spence):

H.R. 7982. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of Pennsylvania:

H.R. 7983. A bill to establish an Agency for Consumer Protection in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. PEYSER (for himself, Mr. Ketchum, Mr. Matsunaga, Mr. Patman, Mrs. Spellman, Mr. Studds, Mr. Koch, and Mr. McClosky):

H.R. 7984. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 7985. A bill to regulate commerce by establishing a nationwide system to restore motor vehicle accident victims and by requiring no-fault motor vehicle insurance as a condition precedent to using a morto vehicle on public roadways; to the Committee on Interstate and Foreign Commerce.

By Mr. RISENHOOVER:

H.R. 7986. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTS:

H.R. 7987. A bill to amend title 38, United States Code, to provide special pay and incentive pay for certain physicians and dentists employed by the Department of Medicine and Surgery of the Veterans' Administration in order to enhance the recruitment and retention of such personnel, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Carney, Mr. Maguire, Mr. Carter, Mr. Broyhill, Mr. Hastings, and Mr. Heinz):

H.R. 7988. A bill to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, to revise and extend the program of National Research Service Awards, and to establish a national program with respect to genetic diseases; and to require a study and report on the release of research information; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHULZE (for himself, Mr. Burgener, Mr. Carr, Mr. Emery, Mrs. Fenwick, Mr. Gradison, Mr. Harris, Mr. Hastings, Mr. Hyde, Mr. Kelly, Mr. Mazzoli, Mr. Meeds, Mrs. Pettis, Mr. Rodino, Mr. Sarbanes, Mr. Seiberling, Mr. Solarz, Mr. Stark, Mr. Treen, and Mr. Young of Florida):

H.R. 7989. A bill to authorize the Secretary of the Interior to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TEAGUE (for himself, Mr. Mosher, Mr. Symington, Mr. Frey, Mr. Roe, and Mr. Thornton):

H.R. 7990. A bill to strengthen staff capabilities for providing advice and assistance to the President with respect to scientific and technological considerations affecting national policies and programs; to the Committee on Science and Technology.

By Mr. WHITE:

H.R. 7991. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES H. WILSON of California (for himself and Mr. Nix):

H.R. 7992. A bill to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States; to the Committee on Post Office and Civil Service.

By Mr. LEVITAS (for himself, Mr. CARR, Mr. DOWNEY of New York, Mr. EILBERG, Mr. KREBS, Mr. MATHIS, Mr. MITCHELL of Maryland, Mr. PATTISON of New York, Mr. WON PAT, and Mr. MINETA):

H.J. Res. 514. Joint resolution to establish a National Commission on Social Security; to the Committee on Ways and Means.

By Mr. MOTTL:

H.J. Res. 515. Joint resolution proposing an amendment to the Constitution of the United States to permit the States to provide financial assistance to religiously affiliated schools; to the Committee on the Judiciary.

By Mr. FRASER (for himself, Mr. BINGHAM, Mr. MATSUNAGA, Mr. RICHMOND, Mr. SOLARZ, and Mr. VANDER JAGT):

H. Con. Res. 309. Concurrent resolution expressing the sense of the Congress with respect to International Women's Year; to the Committee on International Relations.

By Mr. MARTIN:

H. Con. Res. 310. Concurrent resolution to disapprove the regulations of the Department of Health, Education, and Welfare relating to nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance; to the Committee on Education and Labor.

H. Con. Res. 311. Concurrent resolution to disapprove certain sections of the Department of Health, Education, and Welfare regulations relating to nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance applicable to athletic programs and grants; to the Committee on Education and Labor.

By Mr. SOLARZ (for himself, Mr. BINGHAM, and Mr. ROSENTHAL):

H. Con. Res. 312. Concurrent resolution disapproving the obligation of Middle East special requirements funds for certain projects in Syria; to the Committee on International Relations.

By Mr. CLAY:

H. Res. 547. Resolution for the impeachment of Liam S. Coonan, Special Crime Strike Force Prosecutor for the United States Department of Justice; to the Committee on the Judiciary.

By Mr. MONTGOMERY (for himself, Mr. WAMPLER, Mr. ROONEY, Ms. SCHROEDER, Ms. SMITH of Nebraska, Mr. BARRETT, Mr. EDGAR, Mr. CONTE, Mr. MICHEL, Mr. GRADISON, Mr. KINDNESS, Mr. ASHLEY, Mr. BROWN of Ohio, Mr. JAMES V. STANTON, Mr. MILLER of Ohio, Mr. MOTTL, Mr. REGULA, Mr. CLANCY, Mr. STOKES, Mr. VANIK, Mr. ASHBROOK, Mr. WYLIE, Mr. MOSHER, Mr. BROOMFIELD, and Mr. TAYLOR of Missouri):

H. Res. 548. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

190. Mr. AuCOIN presented a memorial of the Legislature of the State of Oregon, relative to American citizens missing in Southeast Asian and China; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. O'HARA:

H.R. 7993. A bill for the relief of Mrs. Kap-Sun Yi; to the Committee on the Judiciary.

By Mr. ZEFERETTI:

H.R. 7994. A bill to extend the term of two design patents, Nos. 191,069 (dated August 8, 1961) and 191,770 (dated November 14, 1961), for bottles, granted to Louis Schacher, Dennis F. Wheeler, and John F. Drum; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3474

By Mr. DINGELL:

On Page 38, line 4, strike all through the period in line 12 and renumber the succeeding sections.

On page 38, line 22, strike the period and insert a colon and the following: "*Provided, that* such moneys shall first be authorized for such expenses in annual authorization Acts."

On page 44, between lines 4 and 5 insert the following:

"SEC. 310. No Federal employee performing any function or duty under this Act or any other law administered by the Energy Research and Development Administration shall have a direct or indirect financial interest in any firm or business engaged in nuclear and nonnuclear energy research and development. Whoever knowingly violates the provisions of the above sentence shall, upon conviction, be punished by a fine of not more than $2,500, or by imprisonment for not more than one year, or both. The Administrator shall (1) within sixty days after enactment of this Act publish regulations, in accordance with 5 U.S.C. 553, to establish the methods by which the provisions for the filing by such employee and the review of statements and supplements thereto concerning their financial interests which may be affected by this section, and (2) report to the Congress on March 1 of each calendar year in the actions taken and not taken during the preceding calendar year under this section."

On page 42, between lines 19 and 20, insert the words: "Part C—Other General Provisions" and on page 43 strike line 15.

By Mr. RICHMOND:

Page 33, line 6, strike the figure "$38,800,000" and insert in lieu thereof the figure "$48,700,000".

H.R. 6334

By Mr. HARRINGTON:

On page 1, in line 6, strike out "$88,468,000" and insert in lieu thereof "$90,718,000" and in line 8, strike out "$27,887,800" and insert in lieu thereof "$28,742,800".

H.R. 7001

By Mr. LONG of Maryland:

On the first page, immediately after line 8, insert the following:

"SEC. 2. Unless the President determines that the national security requires such license or authorization, and makes a report of such determination to the Congress (which report shall be available to every Member of the Congress) at least 60 days prior to the issuance of such license or authorization, the Nuclear Regulatory Commission shall not use any of the funds herein authorized to license or otherwise authorize any export of nuclear fuel or nuclear technology—

"(1) to any country which furnishes or agrees to furnish uranium enrichment or nuclear fuel reprocessing plants to a country not a party to the nuclear nonproliferation treaty; or

"(2) to any country which is not a party to the nuclear nonproliferation treaty and which develops either any enrichment or reprocessing plant without concluding an agreement with the International Atomic Energy Agency or Euratom by which all present and future nuclear facilities are made subject to safeguards established by either such agency against diversion of nuclear material."

SENATE—*Tuesday, June 17, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by Hon. ROBERT MORGAN, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, from whom all blessings flow, draw near to us as we draw near to Thee, and grant that Thy spirit may pervade the deliberations of this body. Be with us when we stand to speak, or sit to listen, or walk the aisles, or quietly confer. When we vote, make us obedient to the promptings of conscience and the light of Thy guiding spirit. May we not be molded by pressures from without, but help us to mold the world after the pattern of Thy kingdom on Earth.

O God of all mankind, grant us the spirit of fraternal good will as we welcome the emissary of another nation. Give us ears to hear his words, minds to comprehend his message, and hearts to respond in friendship to the people whom he represents, that there may be reconciliation, brotherhood, and peace among the nations. Help us ever so to comport ourselves as to remain "one Nation under God."

And to Thee shall be all the praise and thanksgiving. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, June 16, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today until 12:30 p.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATORS APPOINTED TO THE PRESIDENT'S SUMMIT CONFERENCE ON REGULATORY POLICY

Mr. MANSFIELD. Mr. President, on behalf of the minority leader and myself, the following Senators are appointed to the President's Summit Conference on Regulatory Policy: the Senator from Connecticut (Mr. Ribicoff) and the Senator from New York (Mr. Javits).

APPOINTMENT OF SENATORS TO ESCORT THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY INTO THE HOUSE CHAMBER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee of Senators on the part of the Senate to join the committee on the part of the House of Representatives to escort the President of the Federal Republic of Germany into the House Chamber.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION OF APPROPRIATIONS FOR THE COAST GUARD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 173, S. 1487.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1487) to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loans, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments, as follows:

On page 1, in line 4, strike out "1977 and".

On page 1, in line 5, strike out "between the two".

On page 2, line 6, strike out "For fiscal year 1977, $110,000,000".

On page 2, line 12, strike out "For fiscal year 1977, $65,000,000".

On page 2, line 18, strike out "For fiscal year 1977, $25,000,000."

On page 3, beginning with line 4, strike out:

(c) For fiscal year 1977, the Coast Guard is authorized an end strength for active duty personnel of 38,231; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–179.

On page 3, beginning with line 24, strike out:

(e) For fiscal year 1977, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 4,000 man-years;

(2) flight training, 96 man-years;

(3) professional training in military and civilian institutions, 385 man-years; and

(4) officer acquisition training, 1,165 man-years.

On page 4, beginning with line 17, strike out:

(c) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $13,000,000 is authorized for fiscal year 1977.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal year 1976 and for the transition period of July 1–September 30, 1976, for the use of the Coast Guard as follows:

Vessels

For procurement of vessels:

For fiscal year 1976, $28,842,000;

For the transition period (July 1–September 30, 1976), $1,561,000;

Aircraft

For procurement of aircraft:

For fiscal year 1976, $36,000,000;

For the transition period (July 1–September 30, 1976), $11,700,000;

Construction

For construction of shore and offshore establishments:

For fiscal year 1976, $52,582,000;

For the transition period (July 1–September 30, 1976), $2,841,000;

Sec. 2. (a) For fiscal year 1976, the Coast Guard is authorized an end strength for active duty personnel of 37,901; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

(b) For the transition period (July 1–September 30, 1976), the Coast Guard is authorized an end strength for active duty personnel of 37,990; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

Sec. 3. (a) For fiscal year 1976, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3,880 man-years;

(2) flight training, 92 man-years;

(3) professional training in military and civilian institutions, 372 man-years; and

(4) officer acquisition training, 1,143 man-years.

(b) For the transition period (July 1–September 30, 1976), military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 1,071 man-years;

(2) flight training, 23 man-years;

(3) professional training in military and civilian institutions, 93 man-years; and

(4) officer acquisition training 277 man-years.

Sec. 4. (a) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $6,600,000 is authorized for fiscal year 1976.

(b) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $2,050,000 is authorized for the transition period (July 1–September 30, 1976).

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments are agreed to en bloc.

Mr. PASTORE. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. Pastore) proposes an amendment:

On page 23, line 21, delete the number "37,901" and insert in lieu thereof the number "37,916".

On page 3, line 1, delete the number "37,990" and insert in lieu thereof the number "38,005".

Mr. PASTORE. Mr. President, I have been seriously concerned about the problems which the fishermen in the State of Rhode Island are encountering with regard to increased foreign fishing activities and the apparent violation of fisheries laws which are causing an economic hardship to New England fishermen, especially to our lobstermen.

Consequently, I am proposing that the active duty strength of the Coast Guard be increased by 15 positions. This would allow the Coast Guard to take one helicopter out of storage and deploy it for fisheries surveillance and enforcement purposes.

I want to make it clear that this proposal would not involve the purchase of a new helicopter. It would merely authorize the additional active duty strength to man and service a helicopter which has already been bought and paid for, but is laid up in a hangar because the Coast Guard does not have the funds or personnel to deploy it. In fact there are approximately 10 such aircraft in storage.

Mr. President, the Senate knows well of the Commerce Committee's efforts in seeking to establish a 200-mile fisheries jurisdiction limit for the United States. The primary factor which has brought the fight for additional fisheries jurisdiction to a head is the tremendous growth of the foreign fishing fleets operating off our coasts, principally on Georges Bank.

As a result of this increased pressure five major species of fish are seriously depleted: haddock, herring, menhaden, yellowtail flounder, and halibut. Just as important, other species are also threatened, including the lobster which is now subject to the exclusive management authority of the United States.

As a result of this situation, we are in a particularly dangerous time with regard to our fisheries. With stocks in a depleted state and with the likelihood of a 200-mile limit more certain, the foreign fleets off our shores will be naturally inclined to bend and break our fisheries laws to make their quotas. Consequently, we need the greater presence of our enforcement forces to deter both wholesale capture of our lobster on the Continental Shelf and incursions into our exclusive 12-mile fishing zone. This is the purpose for my amendment.

More foreign fishing vessels appeared off the northwest Atlantic coast in January of this year than have fished there for 5 years. We must be protective of what fishery resources we have left.

This aircraft could be ready in 6 months and would cost approximately $850,000 in this fiscal year. Yearly operating costs are $473,000. There is also a one-time cost of $377,000 for reactivation of the helicopter.

Mr. President, I firmly believe we will shortly have a 200-mile limit. We must prepare ourselves for this eventuality. This helicopter will help in the New England area. I urge adoption of my amendment.

I will be glad to explain the amendment further, if anyone so desires.

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STEVENS. Mr. President, I call up my amendment which is at the desk.

The **ACTING PRESIDENT** pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Alaska (Mr. Stevens) proposes an amendment:
>
> On page 2, line 15, strike the figures "$52,682,000" and insert in lieu thereof the figures "$60,082,000".

Mr. STEVENS. Mr. President, this is an amendment to S. 1487, to increase the authorization for appropriations for the construction of shore and offshore establishment by $7,500,000, to allow the construction of the Valdez, Alaska, vessel control system and the Sitka, Alaska, Air Station to proceed in a timely manner in order to have these stations operational when the trans-Alaska pipeline is completed and tankers begin taking oil south from Valdez.

This amendment will increase the authorization for appropriations for the construction of shore and offshore establishments by $7,500,000, from $52,582,000 to $60,082,000. The purpose of this increase is to allow the construction of the Valdez, Alaska, vessel traffic control system and the Sitka, Alaska, Air Station to proceed in a timely manner in order to have these stations operational when the trans-Alaska pipeline is complete and the tankers begin bringing oil out of Valdez. These stations are an integral part of the energy supply system stemming from the trans-Alaska pipeline. Because of the importance of this source of energy supply to the United States, and because construction on the trans-Alaska pipeline continues to progress toward completion in 1977, I consider these amendments to be both appropriate and necessary.

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HATFIELD. Mr. President, I would like to indicate my support of the Coast Guard appropriation authorization for fiscal year 1976 and the 3-month transition period—July 1, 1976–September 30, 1976. S. 1487 authorizes total spending of $142,176,000 by the Coast Guard for the procurement of vessels and aircraft, construction of Coast Guard facilities, railroad and public highway bridge alterations, and payment of active duty personnel and military training student programs.

As a resident of Newport on the Oregon coast, and while spending a good deal of time there every year, I have become personally aware of the fine job the Coast Guard has done in sea rescue, boating safety, navigational assistance, enforcement of U.S. maritime laws and treaties, and the many other operations so vitally important to the Oregon coast.

The Senate Appropriations Subcommittee on the Departments of State, Justice, and Commerce will soon be considering the appropriation of this authorized money. As a member of that subcommittee I will be following this legislation very closely. While the subcommittee works with the Coast Guard in determining funding levels, I will try to insure that Coast Guard programs, which have been so valuable to Oregon in the past, will continue to receive the support needed for effective service to the State.

Mr. President, I would like to include for the Record a preliminary breakdown of proposed funding for Oregon-related Coast Guard activities:

[In thousands]

Operating expenses	$10,384
Acquisition, construction and improvements	729
Retired pay	2,583
Reserve training	297
Research and development, testing and evaluation	338
State boating safety assistance	95

Mr. ROTH. Mr. President, one of the Coast Guard's primary responsibilities is to insure the safety of life and property at sea. The Coast Guard has an outstanding record in search and rescue operations, saving over 4,000 lives and assisting another 140,000 persons in fiscal 1974 alone.

I commend the Coast Guard for its record, but I am concerned that the Coast Guard is neglecting its duty to provide adequate rescue service to portions of my home State of Delaware, particularly in the Delaware River, south of the Delaware Memorial Bridges.

Prior to 1974, a Coast Guard tug and a 40-foot patrol boat were stationed in the New Castle, Del. area and provided valuable assistance to the volunteer fire companies in that area.

However, this Coast Guard rescue service has been withdrawn, jeopardizing the safety of pleasure boaters and the volunteer rescue squads. The Delaware City, Goodwill Holloway Terrace, and Port Penn fire companies are all doing an excellent job, but during severe weather conditions a Coast Guard patrol boat is essential.

Budget restraints and the need to conserve fuel have made it difficult for the Coast Guard to provide full-time protection for this area, but I do urge the Coast Guard to make every effort to at least provide weekend protection for the thousands of boaters in the Delaware River near New Castle.

The **ACTING PRESIDENT** pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 1487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal year 1976 and for the transition period of July 1–September 30, 1976, for the use of the Coast Guard as follows:

Vessels

For procurement of vessels:

For fiscal year 1976, $28,842,000;

For the transition period (July 1–September 30, 1976), $1,561,000.

Aircraft

For procurement of aircraft:

For fiscal year 1976, $36,000,000;

For the transition period (July 1–September 30, 1976), $11,700,000.

Construction

For construction of shore and offshore establishments:

For fiscal year 1976, $60,082,000;

For the transition period (July 1–September 30, 1976), $2,841,000.

Sec. 2. (a) For fiscal year 1976, the Coast Guard is authorized an end strength for active duty personnel of 37,916; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

(b) For the transition period (July 1–September 30, 1976), the Coast Guard is authorized an end strength for active duty personnel of 38,005; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

Sec. 3. (a) For fiscal year 1976, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3,880 man-years;

(2) flight training, 92 man-years;

(3) professional training in military and civilian institutions, 372 man-years; and

(4) officer acquisition training, 1,143 man-years.

(b) For the transition period (July 1–September 30, 1976), military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 1,071 man-years;

(2) flight training, 23 man-years;

(3) professional training in military and civilian institutions, 93 man-years; and

(4) officer acquisition training 277 man-years.

Sec. 4. (a) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $6,600,000 is authorized for fiscal year 1976.

(b) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $2,050,000 is authorized for the transition period (July 1–September 30, 1976).

CONFERENCE OF CONGRESSIONAL TASK FORCE WITH THE PRESIDENT

Mr. HUGH SCOTT. Mr. President, the distinguished majority leader and I have designated six Senators each, selecting them from relevant committees and from the leadership, to meet with the President on June 25 for the purpose of discussing several matters, primarily the problems surrounding the actions of the 10 regulatory commissions and, second, to seek means by which we can make available more equity capital for electric utilities, in order to provide for greater production of energy and at the same time seek to maintain a price level as low as is reasonably possible, consistent with the development of those utilities.

As to the regulatory agencies, much that can be helpful to the production of energy and to the search for alternative sources of energy can emerge, in the President's opinion. We are willing to cooperate with him, as is the other body, by the appointment of a similar task force, in the belief that we can find ways to cut redtape, to shorten the times of hearings, to shorten administrative procedures, to find shortcuts toward prompt decisions, and to look into the question of whether or not legislation is needed to allow greater expedition in the consideration of energy-related matters. We believe that these task forces, coming as they do from various important committees of the House and the Senate, can be helpful to the President. He has solicited this help, and we are glad to cooperate.

I hope that from this conference will come some very definite improvements in the handling of energy-related problems. We are prepared to offer legislation, if it is deemed necessary, following the meetings of the joint task force.

Mr. President, I yield back the remainder of my time.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 91–452, appoints the Senator from Ohio (Mr. Taft) to the Commission on the Review of the National Policy Toward Gambling.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes each.

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Morgan) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:02 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, anounced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes.

At 2:05 p.m., a message from the House delivered by Mr. Berry announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 1607. An act to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television;

H.R. 2559. An act to amend title 39, United States Code, to apply to the U.S. Postal Service certain provisions of law providing for Federal agency safety programs and responsibilities, and for other purposes;

H.R. 3348. An act to amend title 38, United States Code, in order to extend and improve the program of exchange of medical information between the Veterans' Administration and the medical community, and for other purposes;

H.R. 3979. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1976;

H.R. 5197. An act to authorize the employment of certain foreign citizens on the vessel *Seafreeze Atlantic*, official No. 517242;

H.R. 5327. An act to reserve a site for the use of the Smithsonian Institution;

H.R. 5522. An act to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and other countries, and for other purposes;

H.R. 6692. An act to authorize appropriations for the period July 1, 1976, through September 30, 1976;

H.R. 7405. An act to amend section 3620 of the revised statutes with respect to certain disbursements to be made by banks, savings banks, savings and loan associations, and credit unions;

H.R. 7688. An act to amend section 2 of the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands;

H.R. 7767. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (H.R. 4221) relating to the operation of certain education laws.

The enrolled bill was subsequently signed by the Vice President.

At 4:30 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4723) authorizing appropriations to the National Science Foundation for fiscal year 1976; requests a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Teague, Mr. Symington, Mr. Fuqua, Mr. Flowers, Mr. McCormack, Mr. Mosher, and Mr. Esch, were appointed managers of the conference on the part of the House.

The message also annouced that the House has passed, without amendment the joint resolution (S.J. Res. 94) to extend to ninety days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days.

The message further announced that the House has agreed to, without amendment, the concurrent resolution (S. Con. Res. 19) relating to the World Food Conference of 1976 in Ames, Iowa.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The Acting President pro tempore (Mr. Morgan) laid before the Senate the following letters, which were referred as indicated:

Report of the Department of State

A letter from the Assistant Secretary of State for Congressional Relations transmitting, pursuant to law, a report on excess defense articles delivered to foreign governments in the third quarter and first nine months of fiscal year 1975 (with an accompanying report); to the Committee on Foreign Relations.

International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

Proposed Legislation by the Nuclear Regulatory Commission

A letter from the Chairman of the Nuclear Regulatory Commission transmitting a draft of two proposed amendments to correct technical oversights in the Energy Reorganization Act of 1974 (with accompanying papers); to the Joint Committee on Atomic Energy.

Reports of the Comptroller General

Four letters from the Comptroller General of the United States transmitting, pursuant to law, four reports entitled "Problems in Administering Programs To Improve Law Enforcement Education"; "Audit of Federal Deposit Insurance Corporation for the Year Ended June 30, 1974, Limited by Agency Restriction on Access to Bank Examination Records"; "National Efforts To Preserve the Nation's Beaches and Shorelines—A Continuing Problem"; and "U. S. Provides Safe Haven for Indochinese Refugees" (with accompanying reports); to the Committee on Government Operations.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Morgan):

Two petitions from several citizens of Iowa and California seeking a redress of grievances; to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 168. A resolution authorizing the printing of the first report of the American Revolution Bicentennial Board as a Senate document (Rept. No. 94–194).

S. Res. 178. A resolution authorizing additional copies of the report entitled "Developments in Aging: 1974 and January–April 1975" (Rept. No. 94–195).

H. Con. Res. 269. A concurrent resolution providing for the printing of a House document "Federal Election Campaign Laws Relating to the United States House of Representatives" (Rept. No. 94–196).

S. Res. 185. An original resolution to pay a gratuity to Inez C. Buckley.

S. Res. 186. An original resolution to pay a gratuity to Clara G. Cagiwa.

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S. 1434. A bill to extend the authorization for the Federal Election Commission, and for other purposes (Rept. No. 94–197).

APPROVAL OF BILL

A message from the President of the United States stated that he had approved and signed the enrolled bill (S. 1236) to extend and amend the Emergency Livestock Credit Act of 1974, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 1607. An act to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television; to the Committee on the Judiciary.

H.R. 2559. An act to amend title 39, United States Code, to apply to the U.S. Postal Service certain provisions of law providing for Federal agency safety programs and responsibilities, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3348. An act to amend title 38, United States Code, in order to extend and improve the program of exchange of medical information between the Veterans' Administration and the medical community, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3979. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1976; to the Committee on Interior and Insular Affairs.

H.R. 5197. An act to authorize the employment of certain foreign citizens on the vessel *Seafreeze Atlantic*, Official No. 517242; to the Committee on Commerce.

H.R. 5327. An act to reserve a site for the use of the Smithsonian Institution; to the Committee on Rules and Administration.

H.R. 5522. An act to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and other countries, and for other purposes; to the Committee on Commerce.

H.R. 6692. An act to authorize appropriations for the period July 1, 1976, through September 30, 1976; to the Committee on Government Operations.

H.R. 7688. An act to amend section 2 of the Act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

H.R. 7767. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes to the Committee on Veterans' Affairs.

H.R. 7405 ORDERED HELD AT DESK

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the bill (H.R. 7405) to amend section 3620 of the revised statutes with respect to certain disbursements to be made by banks, savings banks, savings and loan associations, and credit unions, which came over from the House earlier today, be held at the desk until further notice.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUGH SCOTT:

S. 1951. A bill to provide that Constitution Day shall be a legal public holiday. Referred to the Committee on the Judiciary.

By Mr. MORGAN (for himself and Mr. Garn):

S. 1952. A bill to amend the Small Business Act to provide assistance for small business export activities, to transfer certain disaster relief functions of the Small Business Administration to other Federal agencies, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. DOLE:

S. 1953. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians in Indian Claims Commission Dockets 153 and 135, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. ROTH:

S. 1954. A bill to amend the Outer Continental Shelf Lands Act to provide relief for damages to public or private parties suffered by reason of the discharge of oil or gas from the Outer Continental Shelf. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOMENICI:

S. 1955. A bill for the relief of Manuel Medina Martin. Referred to the Committee on the Judiciary.

By Mr. MONDALE (for himself and Mr. Humphrey):

S. 1956. A bill to amend the Federal Crop Insurance Act to extend crop insurance coverage under such Act to all areas of the United States and to all agricultural commodities, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. FANNIN:

S. 1957. A bill to amend the act of September 14, 1959, Public Law No. 86–272, 73 Stat. 555. Referred to the Committee on Finance.

By Mr. STONE (for himself and Mr. Chiles):

S. 1958. A bill to authorize the Secretary of the Interior to convey certain islands and other lands. Referred to the Committee on Interior and Insular Affairs.

By Mr. PHILIP A. HART (for himself, Mr. Mansfield, Mr. Abourezk, Mr. Haskell, Mr. Kennedy, Mr. McGovern, Mr. Moss, and Mr. Nelson):

S. 1959. A bill to supplement the antitrust laws, and to protect trade and commerce against oligopoly power or monopoly power, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. MOSS (for himself and Mr. Humphrey):

S. 1960. A bill to amend the Internal Revenue Code of 1954 to exempt from Federal income taxation a trust established by a taxpayer for the purpose of providing care for certain mentally incompetent relatives of the taxpayer. Referred to the Committee on Finance.

By Mr. BIDEN (for himself and Mr. Proxmire):

S. 1961. A bill to amend the Truth in Lending Act to protect consumers against inadequate and misleading leasing information, assure meaningful disclosure of lease terms, and limit ultimate liability in connection with leasing of personal property primarily for personal, family, or household purposes, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CLARK (for himself and Mr. Tunney):

S. 1962. A bill to amend the Domestic Volunteer Service Act of 1973 to provide that volunteers in foster grandparent programs may furnish supportive services to mentally retarded individuals regardless of the age of such individuals. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 1963. A bill to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and other countries, and for other purposes. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 1964. A bill to amend section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 to extend the appropriation authorization for fiscal years 1976 and 1977 in order to carry out the provisions of title III relating to marine sanctuaries. Referred to the Committee on Commerce.

By Mr. MONTOYA:

S. 1965. A bill to provide for the striking of medals in commemoration of the Bicentennial of the U.S. Army, the U.S. Navy, and the U.S. Marine Corps. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MONTOYA (for himself, Mr. Inouye, Mr. Mondale, and Mr. Randolph):

S. 1966. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits or any exclusion of any type of provider of health services. Referred to the Committee on Post Office and Civil Service.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUGH SCOTT:

S. 1951. A bill to provide that Constitution Day shall be a legal public holiday. Referred to the Committee on the Judiciary.

Mr. HUGH SCOTT. Mr. President, at the beginning of our Nation's Bicentennial year I feel it is appropriate to recognize the ideals and institutions that have made our system unique. The U.S. Constitution, drafted and signed in Philadelphia, is an extraordinary document that nurtured an infant democracy into one of the most powerful nations on the face of the Earth.

I am introducing legislation today that will designate U.S. Constitution Day, September 17, as a legal public holiday. I am taking this action to give citizens the opportunity to observe one of the most important days in our history.

On the 17th day of September 1787, the Constitution was signed and I am proud to acknowledge that Pennsylvania was the second State to ratify. In the nearly 188 years of its being, there have been only 26 amendments to the Constitution, 10 of which are the Bill of Rights. Although there have been only 26 amendments, more than 4,000 attempts have been made to amend the Constitution, two of the more notable would have given a President a life term in office and another would prohibit dueling, divorce, and polygamy. In spite of the many proposed amendments the Constitution is not a long document. It is exactly 89 sentences long, can be contained on 4 sheets of paper and can be easily read by anyone in the space of about 15 minutes.

The 4th of July 1776, our Independence Day, is celebrated as the day our Nation began to be known as the United States, but it was not until September 17, 1787, that the singularly strong foundation was established that would preserve that independence. This date should be given the recognition it deserves. It represents that this country stands firmly behind and believes fervently in the Constitution which binds us all into a solid aggregation.

A famous Pennsylvanian, Benjamin Franklin, grasped the import of the moment as he was summoned by George Washington to place his signature upon that parchment. Mr. Franklin noticed over the shoulder of General Washington a painting of the Sun hanging on the wall of the Philadelphia State House. He expressed his hope that "it is a rising and not a setting Sun." Today, with the advantage of hindsight, we can say it was a rising Sun but will it remain so if we do not rededicate ourselves to those ideals so skillfully drafted and agreed to in 1787?

I hope my colleagues from both sides of the aisle will join with me in sponsoring this bill.

By Mr. MORGAN (for himself and Mr. GARN):

S. 1952. A bill to amend the Small Business Act to provide assistance for small business export activities, to transfer certain disaster relief functions of the Small Business Administration to other Federal agencies, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MORGAN. Mr. President, I introduce, for myself and the junior Senator from Utah (Mr. GARN), a bill to amend the Small Business Act to provide assistance for small business export activities, to transfer certain disaster relief functions of the Small Business Administration to other Federal agencies, and for other purposes.

In general, our bill would establish within the SBA an Office of Export Development headed by an Associate Administrator for Export Development to encourage and assist small businesses with potential export capability. Included in the section would be a $5 million set-aside by the Export Import Bank for the use of small business exporters. The bill would transfer all authority and function relating to disaster loan assistance, except disaster loans pertaining to small business per se, to the Secretaries of Commerce, Agriculture, and Housing and Urban Development. The bill would also establish a self-supported lease guarantee program administered by the Small Business Administration to allow small business to purchase pollution abatement equipment, and would amend the Small Business Investment Company Act of 1958 to:

Provide 300-percent leverage for all SBIC's and an additional 100 percent for venture capital SBIC's.

Eliminate the maximum leverage ceiling for all SBIC's;

Permit SBIC's to guarantee 100 percent of the borrowing of a small business;

Permit SBIC's to be unincorporated entities; and

Allow banks to own 100 percent of the voting common stock of an SBIC.

Mr. President, I would be remiss in my duties if I did not say that certain provisions of our bill incorporate bills that have been introduced in previous sessions of the Congress. For example, section 5 of our bill incorporates S. 3886 which was introduced by Senator CRANSTON during the 2d session of the 93d Congress.

My colleague, Senator GARN, and I have not asked for cosponsors of the measure we are introducing today. Our main purpose is to provide a forum for the provisions of our bill. While we are not necessarily wed to each provision of the bill, we believe the provisions could be helpful to small business, and this is what we intend to explore when the bill is laid down for hearings before our subcommittee. We are hopeful to hold hearings on this bill and others in July. Appropriate announcement of the hearing will be made at a later date.

By Mr. DOLE:

S. 1953. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians in Indian Claims Commission dockets 153 and 135, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

SAC AND FOX AWARDS

Mr. DOLE. Mr. President, the bill I am introducing today will provide a basis for distribution of judgment funds recently awarded the Sac and Fox Indian Tribes by the Indian Claims Commission. It also stipulates that the future distribution of such awards be made upon the same basis of allocation. Because three distinct tribes of the Sac and Fox Nation—the Kansas/Nebraska, the Iowa, and the Oklahoma—have interests in the $11,566,843.05 awarded in dockets 153 and 135, it is important that these appropriated funds be distributed in the most proper manner, consistent with past practice.

Earlier awards, made as recently as 1966, were disbursed among the three tribes on the basis of 1891 and 1892 allotment and annuity rolls for the three tribes. As the time those rolls were prepared, membership criteria in the three tribes were basically equivalent. In the wake of the most recent judgments in dockets 153 and 135, however, legislative efforts have been initiated to revise the relevant base upon which the funds are divided, substantially reducing the proportionate share of two of the tribes, the Kansas/Nebraska and the Iowa, while increasing the share of the third.

It seems to be most inappropriate to change the basis of distribution at this late date. The Indian Claims Commission has now adjudicated all outstanding claims filed by the Sac and Fox Nation, and ample precedent exists for distribution of the remainder of the awards. Funds must still be appropriated by Congress for the final judgments made, but all final decisions on total sums of compensation by the U.S. Government are complete.

CHANGE WOULD DISCRIMINATE

Mr. President, these awards result from claims filed with respect to certain land sales and cessions made to the U.S. Government by the Sac and Fox Nation in the early years of our Nation's history. The additional compensation now being made to correct inequities of the past, as determined by the Indian Claims Commission, will be used to benefit members of all three tribes both socially and economically today. More than $18 million is involved in the final seven award decisions, of which more than $17 million is to be divided among all three tribes of the Sac and Fox. It is that distribution which the provisions of my bill would determine.

I certainly feel that any change in the previously used method of distribution at this late stage would tend to discriminate against those tribes destined to lose money in the change. It would also cast some doubt upon the relevance of earlier ditributions now completed, based as they were on the 1891 and 1892 membership rolls.

It is to be hoped that the Senate Interior and Insular Affairs Committee, as well as the Senate as a whole, will see fit to retain the present standard of distribution for the final Sac and Fox judgment awards.

Mr. President, I ask unanimous consent that the text of my bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1953

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds appropriated by the Acts of July 6, 1970 (84 Stat. 376), and March 21, 1972 (86 Stat. 86), to pay judgments to the Sac and Fox Nation in Dockets 153 and 135, respectively, together with interest thereon, after payment of attorney fees and other litigation expenses, shall be distributed as provided herein.

Sec. 2. The funds in Dockets 153 and 135 shall be divided among the Sac and Fox Tribe of Oklahoma, the Sac and Fox Tribe of the Mississippi in Iowa, and the Sac and Fox Tribe of Missouri in Kansas and Nebraska as follows:

36.91 percent to the Sac & Fox Tribe of the Mississippi in Iowa,

51.70 percent to the Sac & Fox Tribe of Oklahoma, and

11.39 percent to the Sac & Fox Tribe of Missouri in Kansas and Nebraska.

Sec 3. Percentage authorized herein shall apply to all future claims awarded jointly to the Sac and Fox Tribes.

Sec. 4. After such division, the sum of $5,000.00, together with appropriate interest thereon for not less than one day, shall be deducted from the share of the judgment funds that is due the Sac and Fox Tribe of Kansas and Nebraska from the judgment in Docket 153, and shall be divided between the Sac and Fox Tribes of Iowa and Oklahoma according to the formula for division of the judgment funds as provided in Section 1 of this Act.

Sec. 5. The funds as divided under the provisions of this Act may be utilized for any purposes that are authorized by the respective tribal governing bodies and approved by the Secretary of the Interior; *Provided That*, not less than twenty (20) percent, together with accrued interest thereon, of the share of each Sac and Fox Tribe, shall be used for programing purposes.

Sec. 6. Sums payable to enrollees or their heirs or legatees who are less than 18 years of age or who are under a legal disability shall be paid in accordance with such procedures, including the establishment of trusts as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

Sec. 7. None of the funds distributed per capita or held in trust under the provisions of this Act shall be subject to Federal or State income taxes, and per capita payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act.

Sec. 8. The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act.

By Mr. ROTH:

S. 1954. A bill to amend the Outer Continental Shelf Lands Act to provide relief for damages to public or private parties suffered by reason of the discharge of oil or gas from the Outer Continental Shelf. Referred to the Committee on Interior and Insular Affairs.

Mr. ROTH. Mr. President, today I am introducing legislation to protect the private property and means of livelihood for tens of thousands of American citizens residing in the coastal regions of our Nation. More specifically, my bill would amend the Outer Continental Shelf Lands Act (43 U.S.C. 1331) to provide financial remedies to public and private parties suffering damages by reason of oil spills into the Oceans emanating from oil and natural gas exploration, development and recovery on the Outer Continental Shelf.

Since the founding of our Nation, Americans have relied on the oceans for basic necessities of life, including transportation, food, and recreation. Nearly two-thirds of the current population of the United States lives in the coastal States along the Atlantic seaboard, the Gulf of Mexico, and the Pacific and estimates are this amount will increase to 75 to 80 percent by the end of this century.

Mr. President, a principal factor in the future growth and development of these coastal regions will be the exploration and development of offshore natural resources, specifically oil and natural gas. Most experts from the private sector and the Government have concluded that development of these resources is necessary if America is to improve its position in energy self-sufficiency and be free from "energy blackmail" from abroad.

Intensive efforts are now being made to assure that OCS exploration and development in the coastal zones are accomplished in a manner which minimizes cultural, social, economic, and environmental impact on adjacent States and communities and protects the property of citizens living in these regions. I am sure I speak for all my colleagues in supporting these projects.

However, the best planning and use of environmental control and safety measures in exploration and recovery of oil and natural gas below the ocean floor and transport of resources from wells to onshore storage and refining sites cannot guarantee prevention of significant oil spills into the ocean. There is a risk of accident and injury despite the most strenuous precautions. It is at the results of these spills in terms of damages to ocean life and shorelines that my legislation is directed.

Briefly, my proposal would provide financial relief to parties suffering damages from ocean oil spills resulting either from operations or activities at, related to, or in the vicinity of any offshore drilling site or from transport of oil from any offshore drilling site to any onshore storage facility. The key features of the bill are:

First. It would impose strict liability without regard to fault, and without limitation on the owner or operator of a public OCS lease for oil and natural gas exploration and development for damages resulting from oil spills at or adjacent to such lease;

Second. It would impose strict liability without regard to fault and without limitation on the owner or operator of any vessel transporting oil or natural gas from any OCS lease site to onshore storage facilities for damages resulting from oil spills from such vessels;

Third. Persons eligible to recover for damages caused by oil spills either at the OCS lease site or in transport would include both coastal area property owners and parties, such as fishermen who, without regard to ownership of any adversely affected lands, suffer damages in loss of fish, wildlife, or biotic or other natural resources relied upon for subsistence or economic purposes;

Fourth. All costs of control and removal of oil pollutions in the ocean resulting from OCS oil spills shall be borne by the lease owner or operator. Ocean pollution clean-up from tanker spills is now covered by the Federal Water Pollution Control Act; and

Fifth. It would authorize the Secretary of Interior to establish a program whereby Government insurance would be provided, at premiums accepted in insurance practice, to holders or operators of OCS leases and to vessel owners and operators for liability in amounts exceeding the capacity of the private insurance market.

Mr. President, it is very important that the legislation I am introducing today is acted upon by the Congress as soon as possible.

The administration has announced its intention to move quickly to implement its goal of leasing several million acres of OCS lands for full-scale oil and gas exploration by private industry. Efforts to expand development and recovery operations in the gulf are being pursued and new lease tracts on the Pacific coast, Alaska, and the Atlantic are being opened for nomination.

Mr. President, I am sure my colleagues are aware that several bills have already been introduced in the 94th Congress addressing this strict liability question on OCS oil and natural gas operations. Their objective is similar to mine in that each of these proposals seek to provide just and speedy compensation to parties damaged by oil spills into the ocean.

However, there is a significant feature of my bill which differentiates it from the other bills introduced to date. That feature is that unlike other proposals which provide a shared liability between the oil or gas developer—up to a specified or calculable amount—and the Federal Government, my proposal would assign full liability to the oil interests developing the OCS site and transporting the oil and gas to shore.

It is not fair or reasonable to require American taxpayers to bear the costs of damages resulting from ocean pollution through oil spills caused by profitable oil industry exploration and development on the OCS.

Most of the legislative proposals introduced to date would sidetrack badly needed Federal revenues and place them in a Federal Government liability account which would bear the major portion of ultimate liability attributed to a large-scale spill.

The Federal Government, however, cannot escape complete responsibility. The exploration for offshore oil is the result of national policy. Ultimately, only the Federal Government has the financial means to guarantee that insurance is available to those who operate within the upper extremes of risk-those operations that bear the risk of hundreds of millions of dollars in damages. Though remote, these potential risks cannot be ignored.

Accordingly, the bill I am introducing today would authorize the Secretary to set up a program under which the Federal Government would make insurance available for possible damages which exceed the capacity of private insurance accounts. This Government insurance would be offered only to meet extreme situations and would be financed by premiums paid to the Government by the oil industry interests.

By limiting the Federal role to that of an insurance underwriter for extreme risk operations and placing primary responsibility for damages, without regard to fault and without limitation, upon the owner or operator of offshore oil operations, the enterprise is made to bear the social cost of the activity.

Such an allocation of responsibility does more than relieve taxpayers of the social costs of commerce in oil and guarantee that cleanup expenses and third party damages will be quickly and adequately compensated. Such an allocation of primary responsibility also provides an incentive to the OCS operators to develop and employ the best, most efficient, and safest equipment and overall method of operation available in order to avoid spills and their concomitant costs if at all possible. No scheme of public financing offers the public a similar guarantee of maximum effort directed toward the prevention of spills or the development of technology that lessens their impact.

Mr. President, I ask unanimous consent that the text of my proposal be printed in the Record for ready reference by my colleagues.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Outer Continental Shelf Liability Act of 1975".

Sec. 2. Purposes.—The purpose of this Act is to provide financial relief to parties suffering damages from oil or gas discharges as a result of (1) operations or activities at, related to, or in the vicinity of, any outer Continental Shelf drilling site or (2) the transportation of oil or gas from any such site to any on-shore storage facility.

Sec. 3. Liability Provisions.—The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) is amended by adding at the end thereof the following new section:

"Sec. 18. Strict Liability for Discharges of Oil or Gas.—(a) Any person in charge of any oil or gas operations in or related to the Outer Continental Shelf, or movement of oil or gas from the Outer Continental Shelf to onshore storage facilities, shall, as soon as he has knowledge of a discharge or spillage of oil or gas from any such operation, immediately notify the nearest Coast Guard installation, of such discharge.

(b) (1) Notwithstanding the provisions of any other law, the holder of a lease or right-of-way issued or maintained under this Act shall be strictly liable without regard to fault and without regard to ownership of any adversely affected lands, structures, fish, wildlife, or biotic or other natural resources relied upon by any damaged party for subsistence or economic purposes, in accordance with the provisions of this subsection for all damages, sustained by any person as a result of a discharge of oil or gas from any operation authorized under this Act if such damage occurred (A) within the territory of the United States, Canada, or Mexico or (B) in or on waters within two hundred nautical miles of the baseline of the United States, Canada, or Mexico from which the territorial sea of the United States, Canada, or Mexico, respectively, is measured, or (C) within one hundred nautical miles of any such operation. Claims for such injury or damages may be determined by arbitration or judicial proceedings.

"(2) Strict liability shall not be imposed under this subsection on such holder if such holder proves that the damage was caused by an act of war or by the negligence of the United States. Strict liability shall not be imposed under this subsection with respect to the claim of a damaged person if such holder proves that the damage was caused by the negligence or intentional act of such person.

"(c) (1) Notwithstanding the provisions of any other law, the owner or operator of any vessel or pipeline shall be strictly liable without regard to fault and without regard to ownership of any adversely affected lands, structures, fish, wildlife or biotic or other natural resources relied upon by any damaged party for subsistence or economic purposes, in accordance with the provisions of this subsection for all damages sustained by any person as a result of a discharge of oil or gas from such vessel or pipeline while transporting such oil and gas from any operation authorized under this Act to any onshore facility, if such discharge occurred (A) within the territory of the United States, Canada, or Mexico or (B) in or on waters within two hundred nautical miles of the baseline of the United States, Canada, or Mexico from which the territorial sea of the United States, Canada, or Mexico, respectively, is measured, or (C) within one hundred nautical miles of any such operation. Claims for such injury or damages may be determined by arbitration or judicial proceedings.

"(2) Strict liability shall not be imposed under this subsection on such owner or operator if such owner or operator proves that the damage was caused by an act of war or by the negligence of the United States. Strict liability shall not be imposed under this subsection with respect to the claim of a damaged person if such owner or operator proves that the damage was caused by the negligence or intentional act of such person.

"(d) In any case where liability without regard to fault is imposed pursuant to this section, the rules of subrogation shall apply in accordance with the laws of the State in which such damages occurred, except that in the event such damages occurred outside the jurisdiction of any State, the rules of subrogation shall apply in accordance with the laws applicable pursuant to section 4 of this Act.

"(e) If any area within or without a lease granted or maintained under this Act is polluted by any discharge or spillage of oil from operations conducted by or on behalf of the holder of such lease, and such pollution damages or threatens to damage aquatic life, wildlife, or public or private property, the control and removal of the pollutant shall be at the expense of such holder, including administrative and other costs incurred by the Secretary or any other Federal or State officer or agency. Upon failure of such holder to adequately control and remove such pollutant, the Secretary in cooperation with other Federal, State, or local agencies, or in cooperation with such holder, or both, shall have the right to accomplish the control and removal at the expense of the holder.

"(f) (1) The Secretary shall establish requirements that all holders of leases issued or maintained under this Act shall establish and maintain evidence of financial responsibility of not less than $100,000,000. Financial responsibility may be established by any one of, or a combination of, the following methods acceptable to the Secretary: (A) evidence of insurance, (B) surety bonds, (C) qualification as a self-insurer, or (D) other evidence of financial responsibility. Any bond filed shall be issued by a bonding company authorized to do business in the United States.

"(2) If the Secretary determines that adequate insurance is not available on reasonable terms for the purpose of paragraph (1) or for the purpose of providing such leaseholders or owners or operators of any vessels or pipelines with insurance in amount in excess of the requirement under paragraph (1), he is authorized to establish a program to provide insurance to such party(s) which shall be in addition to amounts obtainable from other sources on reasonable terms and shall be in amounts necessary for such purposes. Such insurance shall be provided by the Secretary at rates established in accordance with accepted insurance practices.

"(g) The provisions of this section shall not be interpreted to supersede section 311 of the Federal Water Pollution Control Act or preempt the field of strict liability or to enlarge or diminish the authority of any State to impose additional requirements.

By Mr. MONDALE (for himself and Mr. Humphrey):

S. 1956. A bill to amend the Federal Crop Insurance Act to extend crop insurance coverage under such act to all areas of the United States and to all agricultural commodities, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. MONDALE. Mr. President, I am today introducing a bill to amend the Federal Crop Insurance Act. The purpose of my proposal is to provide for the expansion of the crop insurance program by lifting the current ceiling on appropriations for the administrative costs of the program, by providing for Federal sharing in the cost of the premiums, and by providing an explicit congressional directive for extension of the program on an economically sound basis to all counties and major agricultural commodities in the United States.

In 1938, the Federal Crop Insurance Corporation was created to offer protection to farmers from losses caused by natural hazards such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. Although coverage has gradually been extended so that it now includes 26 different crops, still fewer than half the counties in the country are able to participate in the program, and not all crops are insured in all locations.

Escalating production costs, high interest rates, and a shortage of credit in many rural areas have in the past few years greatly magnified the need for expanded all-risk crop insurance.

In just the last 2 years farm production costs have increased by 35 percent—more than the traditional rate of inflation for the entire decade. At the same time, the latest quotations of prices received by farmers for many commodities are substantially below the level they were at 6 months ago. Thus the farmer is facing enormous risks as a result of market forces alone, much less if his crops were ruined by disease or disastrous weather.

Although the need for Federal crop insurance has increased dramatically in recent years, participation in the program has come to a virtual standstill. For 1975 it is estimated that 219,300 contracts will be signed by the Federal Crop Insurance Corporation with participating farmers. This is below the level of participation in 1973. The number of crops eligible for crop insurance protection is the same today as it was in 1970. And despite existing authority for expansion of the program to up to 150 counties each year, no new counties are projected for inclusion in the program in 1976; only 25 were added last year; and fewer than half that number in 1973.

As a result farmers in many parts of the country are forced to operate without Federal crop insurance protection. The State of Minnesota has a relatively high rate of participation compared with other States, yet only 60 of Minnesota's 87 counties are fully eligible for Federal crop insurance on specified crops.

There are a number of reasons why the crop insurance program has been so slow to expand during the 1970's. Some of them are purely administrative while others are the result of provisions in the law that have had the unintentional effect of restricting participation.

For example, there is a statutory limitation on administrative costs to carry out the program. At the time that the Crop Insurance Corporation was first established, a limit of $12 million for administrative expenses to be paid out of appropriations was adequate. Now, three decades later it is unreasonable to leave the ceiling unchanged.

Contrary to the original intent of the Congress when it created the Corporation, administrative costs above the $12 million limit are now coming out of the premiums paid by farmers, depleting the capital stock of the Corporation and preventing an expansion of coverage. During fiscal 1973, $3.5 million in administrative costs were charged to premimum income, compared with $2.8 million the year before. By fiscal 1974, $4.6 million came out of the premiums paid, and in the coming fiscal year this figure is expected to jump to $6.76 million. With this continued and accelerating drain on the Corporation's capital stock, it is no small wonder that the program has not been able to expand to meet the current needs of farmers.

One provision of the bill I am introducing today would strike the outdated $12 million limit on administrative costs. It would authorize such sums as are necessary to cover these expenses on a truly nationwide and comprehensive crop insurance program.

A second provision would direct the Corporation to pay 50 percent of the premium costs of the crop insurance issued to farmers under the Federal Crop Insurance Act. Throughout the history of the Corporation, farmers have traditionally paid 100 percent of the premiums; and with the exception of limited funds for administration, the program has been entirely self-supporting. Nevertheless, the cost to farmers, especially those in the high risk areas, can be extremely high—approaching 30 percent of the farmer's cost of production. In these same high-risk areas, the degree of coverage is usually far below that in other parts of the country—in certain cases as low as 40 percent of the farmer's average yield. The result is that agricultural producers who most need protection are forced to pay 10 times the premium rate to receive approximately half the coverage of those in the lower-risk counties.

Federal sharing in the premium costs would not eliminate the requirements that farmers who generally obtain payment in the form of indemnities from the Corporation more often than others must pay more to obtain insurance. However, it would reduce the tremendous burden on individual operators that can be prohibitive for a family farmer who happens to live in a high-risk area.

The concept of Federal cost sharing in premiums payments for protection against natural disasters is not a new idea. The national flood insurance program incorporates substantial Federal assistance to defer premium costs for participating businesses and homeowners in flood prone areas. That program requires participating communities to abide by good land use practices, just as farmers in the crop insurance program are required to use sound agricultural methods. There is no compensation for losses where the producer himself is at fault. But where his crops are destroyed by weather or some other natural calamity, the farmer would have a better chance of receiving help through the Corporation if the Federal Government agrees to assume a share of the risk.

The third section of my proposal would direct the administration to extend crop insurance on an economically sound basis to all counties and to all agricultural commodities.

This provision is intended to overcome the administrative inertia that has characterized the crop insurance program during the past 7 years. In the past when asked to comment on whether a truly nationwide crop insurance program would be desirable, the administration has argued that it would be too expensive, that it would not be economically feasible, and that it would ruin the existing crop insurance program in other parts of the country.

The most recent estimate I have seen on the cost of extending the crop insurance program throughout the country is approximately $50 million. Of course, the legislation I offer today does not envision that the transition can be accomplished overnight. Thus, the near-term cost would be considerably lower than the $50 million figure. But even this total cost—which would not be incurred for several years—is a very small price to pay for greater stability in the Nation's food and fiber industry. When farmers are being asked to risk tens of billions in advance expenses for food production, I believe $50 million is an extremely modest price for the Federal Government to pay to help assure that our producers do not lose their entire investment if natural hazards destroy their crops.

The administration is this year proposing that the Federal Crop Insurance Act be amended so that crop insurance programs on wheat, cotton, corn, grain sorghum, and barley would be extended nationwide. I find a certain irony in this proposal considering an administration statement as recent as June 26, 1973, which stated:

> Historically, the Corporation has experienced poor insurance results when a broad rapid expansion, even of existing commodities, is undertaken.

The real objective of the administration's proposal can be seen in the testimony of Melvin Peterson, Manager of the Federal Crop Insurance Corporation, before the House Appropriations Committee earlier this year. Mr. Peterson states:

> The availability of these crop insurance programs nationwide will obviate the need for disaster assistance as provided for in the 1973 Farm Act.

In other words, the farmer is being asked to give up the minimal disaster payment program in the 1973 farm bill—a program designed to serve as a supplement, not a replacement, for crop insurance—for an expanded crop insurance program that the administration itself believes cannot be made to work properly for some years.

I think the crop insurance program is fundamentally a sound and extremely useful means of offering protection to farmers against disasters at minimum cost to the U.S. Treasury. Nevertheless, there are weaknesses and deficiencies in the current program, a number of which I have mentioned earlier in this statement. Before there is any discussion of doing away with the disaster payments clause in the farm bill, it is essential that we first correct these problems and then consider whether the farmer is receiving the level of protection he needs and deserves. The very worst step we could take would be to abolish the disaster payments program before the reform and liberalization of crop insurance has been accomplished, leaving the farmer to the perils of nature as well as the hazards of the marketplace.

In a sense the Nation's food production system, that is, our system of family farmers, is the most vital element in our national economy. As we have seen in the past 2 years, consumers not only in America but also throughout the world suffer when there is instability in our agricultural economy.

It is time that we as a nation realized that there is no substitute for Federal farm policies and programs that encourage greater stability in agriculture and permit the family farmer to produce the food we need. Federal crop insurance on a comprehensive nationwide basis is, in my judgment, one of the most important elements of a viable, national food strategy. But that program can and should be improved, and I am hopeful that the Senate Agriculture Committee will give careful and positive consideration to the suggestions I am offering today.

Mr. President, I ask unanimous consent that the text of my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1956

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 508(a) of the Federal Crop Insurance Act, as amended (7 U.S.C. 1508(a)), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Subject to the other provisions of this section, beginning with crops planted for harvest in 1976, crop insurance shall be extended on an economically sound basis to all counties and to all agricultural commodities."

(b) The sixth and ninth sentences of such section 508(a) are repealed.

Sec. 2. The Federal Crop Insurance Act, as amended, is further amended by adding after section 508 a new section as follows:

"FEDERAL PREMIUM PAYMENTS

"Sec. 508A. Notwithstanding any other provision of this Act, the Corporation shall pay 50 per centum of the premium costs of the crop insurance issued to any farmer under the provisions of this Act."

Sec. 3. The first sentence of section 516(a) of the Federal Crop Insurance Act, as amended (7 U.S.C. 1576(a)), is amended by striking out "not in excess of $12,000,000", and by inserting "(including Federal premium payments required by section 508A of this Act)" immediately after "cost of the Corporation".

By Mr. FANNIN:

S. 1957. A bill to amend the act of September 14, 1959, Public Law No. 86-272, 73 Stat. 555. Referred to the Committee on Finance.

Mr. FANNIN. Mr. President, I am introducing today a bill to prohibit State taxation on the generation of electricity distributed in interstate commerce. The purpose of this legislation is to alleviate a specific situation confronting Arizona. However, it is clear that other States may be faced with the same type of discriminatory State tax on the generation of electricity which finds its way into interstate commerce.

The specific situation to which I refer is New Mexico's recently enacted Electrical Energy Tax Act which is to become effective July 1, 1975. This law imposes "* * * on any person generating electricity a temporary tax, applicable until July 1, 1984, of four-tenths of 1 mill—$0.0004—on each net kilowatt hour of electricity generated in New Mexico." In addition, cooperative and foreign corporations transacting business in New Mexico are required to pay a tax of $10 for each 100 persons to whom electricity is supplied within New Mexico.

Mr. President, while this taxing structure may appear to be equitable in that it attempts to tax both domestic and foreign generators equally, that is in fact not the case due to two forms of tax credits provided for by the statute. One provision allows the taxpayer a tax credit for the amount of any "electrical energy tax" levied by another State. Arizona does not have an "electrical energy tax" and therefore, this provision would not apply to Arizona power companies. The second tax credit is available to domestic generators who may take a tax credit against gross receipts tax owed the State for electricity used in New Mexico.

The net result of these two tax credits is to impose the entire tax on out of State generators. Since Arizona power companies are the only foreign generators doing business in New Mexico, this discriminatory tax falls directly on Arizona and its citizens.

The additional average annual cost to Arizona users of electricity will approximate $2 to $3. This "average" cost becomes insignificant when one looks at the additional cost to large users. For example, Arizona State University will have an increased energy cost in excess of $20,000 per year.

The bill which I am introducing today states that Congress recognizes that the generation of electricity and its transmission from one State to another are "integral parts of interstate commerce." The imposition of a State tax on the privilege of generating electricity in a State is prohibited as an unreasonable burden on interstate commerce to the extent the electricity generated is transmitted to and consumed in another State.

While the enactment of this "electrical energy tax" by the State of New Mexico may only affect Arizona at the present time, the potential is great for enactment of similar legislation in additional States. On this basis and the fact that this "electrical energy tax" is patently unfair to Arizona, I encourage quick action on this bill.

By Mr. STONE (for himself and Mr. Chiles):

S. 1958. A bill to authorize the Secretary of the Interior to convey certain islands and other lands. Referred to the Committee on Interior and Insular Affairs.

Mr. STONE. Mr. President, on behalf of the senior Senator from Florida (Mr. Chiles) and myself, I am today introducing a bill which would provide for the conveyance of omitted public lands, to the States and their political subdivisions, and for public purposes. This legislation would go a long way in reducing and eventually eliminating the great confusion surrounding such lands.

The omitted lands are largely the result of incomplete surveys in the 19th century. Though once rejected as useless, these lands are now of considerable importance. The increasing demand for water-adjacent territory to meet recreational and ecological needs and the ever-growing shortage of such acreage underlines the importance of these lands.

Omitted lands are areas of upland or swampland which are erroneously shown on the original plats of survey as bodies of water or parts thereof. These lands should have been surveyed at the time the adjoining land areas were surveyed; however, they were erroneously omitted from the original surveys. They should, therefore, be deemed "public lands," despite the disposal of the adjoining uplands by their proper holders, usually passing the public land also under mistaken title.

These erroneous omissions are generally traceable back to the implementation of the original act of the Continental Congress, in 1785, which provided for the prompt survey and disposal of public lands. Due to the pressures exerted on surveyors to complete the surveys and inherent inaccuracies of the instruments then available, the task was crudely administered and executed, resulting in the erroneous—indeed, in some cases fraudulent—omission of irregular tracts.

While the omissions of such lands from the public survey were less than catastrophic in magnitude at the time of the original endeavors, they today present a confusing and increasingly vexing dilemma. The areas of concern quite naturally comprise low-lying waterfront areas and areas encircled by water. Such areas occupied a low-priority position in the settlement plans of our young Nation and could be easily ignored in deference to more readily accessible and expansive regions. The deputy surveyors responsible to the surveyors general under contract to the Government were instructed not to survey any islands which did not justify the cost of survey except if they were occupied. Many of the public land surveys were made during times of floods in the spring and on the ice in the winter in the northern regions. These conditions tended to obscure the true nature of the terrain.

Whatever the reasons for such irregularities, present resolution is crucial to the interests of finally establishing exactly what lands the State and Federal Governments own and the precise location of such lands.

At present the authority for surveying the omitted land can come only through the Director of the U.S. Bureau of Land Management. The Bureau has exclusive jurisdiction over all matters pertaining to surveys and resurveys affecting the public lands. Such surveys are very costly in both time and manpower since they involve the retracement of obliterated original surveys in order to isolate the apparent omitted area.

Persons who apply for surveys of omitted land initially request that the Bureau issue a patent for excess acreage which is not shown on the original plat of survey. In the past when land values were low, an applicant could have sold the omitted land along with the land he legally owned without bank and title company involvement. Today's land values are such that financial institutions will not make any commitments without title insurance, and the title insurance companies will not issue a title guarantee on land which cannot be traced back to a Federal patent. This set of circumstances has led to a flood of litigation on all levels, both to determine boundary lines and to establish title.

This legislation will authorize the Secretary of the Interior to convey to the States or their political subdivisions for public purposes, without survey, islands determined by the Secretary to be omitted public lands. By eliminating the mandatory survey of island territory, the bill would avoid an expensive and time-consuming process and serve to clear title once and for all. This also would permit more concentration on the survey of nonisland omitted lands with more efficient results overall.

Mr. President, this bill would not authorize the indiscriminate conveyance of public lands erroneously omitted from survey. Quite the contrary, any conveyance would have to be determined to be clearly in the public interest.

The "public purposes" desired are not specifically designated herein, but could be determined on the basis of the specific areas involved. As an illustration, the priority guidelines in investigations of such omitted lands in my home State of Florida, as established by the Bureau of Land Management, are the creation of beaches, parks, wildlife preserves, and so forth. Presumably any designation would give consideration to factors of environmental control and be conscious of ecological concerns. It could also, of course, be extended to meet other public demands, such as sports and recreational facilities.

Through this legislation, the United States will convey to the States the title in these omitted public lands. Until title to lands in places erroneously omitted from former surveys passes from the United States to States or individuals, no security or certainty of title can exist, and any improvement of the lands is made with the possibility of their loss.

The great majority of title transfers pursuant to this act would be to the States or their political subdivisions for not less than fair market value. The Secretary could, however, convey the lands for less than fair market value or without monetary consideration to State and local governments only where he determines it to be in the public interest.

In some cases, the transfer of the land in question could work undue and unreasonable hardships on interests presently occupying such property. These present holders may, in some instances, have actually commenced or completed the development of the property subject to this act. Such parties are usually unable to acquire mortgages, title insurance, et cetera, as the clouded title presents an unattractive risk to potential lenders and insurers alike. Under these circumstances, and only where he determines it to be clearly in the public interest, the Secretary could convey the lands to the occupants thereof. It must be emphasized, Mr. President, that any such conveyance would be for not less than fair market value, and upon payment in addition of all administrative costs arising from the transaction. This would protect the public interests by avoiding any possible private abuse to the spirit of the legislation.

I have emphasized the importance of this bill largely in terms of Florida. This is naturally due to my familiarity with my home State, and its special nature as a water-based region. I wish to assure my colleagues, however, that this is not a parochial issue. The problems addressed by this bill are commonly shared by many States. A 1968 Bureau of Land Management office inventory of possible omitted lands in the Eastern public land States resulted in the following estimated acreage tabulation by State:

State	Acres	Percent of the omitted land in the Eastern United States
1. Minnesota	87, 900	31
2. Wisconsin	54, 420	19
3. Florida	48, 200	17
4. Michigan	20, 960	7
5. Louisiana	18, 180	6
6. Iowa	10, 540	4
7. All other Eastern States	45, 020	16
Total	285, 220	100

The above table demonstrates the magnitude of the omitted lands problem, and the need for legislation to clear the doubt in title to such lands.

It is important to note that this legislation acts to reserve to the United States all minerals in the land conveyed under this act, together with the right to explore for and remove them. This will insure the Federal mineral interests in the lands, and safeguard such interests against future discovery by the subsequent title holder.

Mr. President, may I caution that this legislative proposal is merely a preliminary draft. I do not pretend here to offer a complete or exhaustive summary of the problem of omitted lands. Upon committee hearings and further study, new findings and more extensively considered viewpoints might possibly emerge. The hearings would also provide compilation of the time and manpower costs involved in the surveying and conveyancing process. Such investigations are both welcome and necessary to insure informed decisions on these important matters.

I believe the enactment of this legislation will function to clear, once and for all, many of the ambiguities in claims and color of title in the omitted land, by the United States, the States, and concerned private interests alike.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1958

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior (hereinafter referred to as "the Secretary") is hereby authorized to convey to States or their political subdivisions for public purposes, without survey, islands determined by the Secretary to be omitted public lands of the United States.

(b) No conveyance shall be made under this section until a comprehensive land use plan covering the lands involved, prepared by the applicant State or political subdivision, has been approved by the Secretary.

(c) Conveyance made pursuant to this section shall be made for not less than fair market value: *Provided, however,* That the Secretary may convey such lands for less than fair market value or without monetary consideration where he determines it to be in the public interest.

(d) Islands conveyed by the United States pursuant to this section may not be used for any purpose other than those included in the comprehensive land use plan or transferred subsequently, except with the consent of the Secretary and subject to the condition that they continue to be used for public purposes. If at any time the islands conveyed by the United States pursuant to this section are either used for any purpose other than those specified in an approved comprehensive land use plan or are transferred without the approval of the Secretary, title shall automatically revert to the United States without the necessity for further action.

Sec. 2. (a) The Secretary is authorized to convey to States and their political subdivisions for public purposes, lands other than islands, determined by him after survey to be omitted public lands of the United States. Such conveyance shall be subject to all conditions and restrictions in paragraphs (b) and (d) of the first section of this Act.

(b) Conveyance made pursuant to paragraph (a) of this section shall be made for not less than fair market value unless the Secretary determines that conveyance at less than fair market value or for no monetary consideration is in the public interest, and the recipient donates money or services to the Secretary for surveying necessary prior to conveyance. If the Secretary accepts services, it shall be on the basis that all personnel rendering survey services shall be supervised by appropriate officials of the Bureau of Land Management.

(c) The Secretary is authorized to convey to the occupant thereof any omitted lands which, after survey, are found to be occupied if he determines that such conveyance is in the public interest. Conveyance under this subparagraph shall be made at not less than the fair market value, as determined by the Secretary, and upon payment in addition of administrative costs, including the cost of making the survey, the cost of appraisal, and the cost of making the conveyance.

Sec. 3. All conveyances made pursuant to this Act shall reserve to the United States all minerals in the lands conveyed, together with the right to explore for and remove them.

Sec. 4. The Secretary is authorized to issue such patents or other documents of conveyance as he deems necessary to carry out the provisions of this act.

By Mr. PHILIP A. HART (for himself, Mr. Mansfield, Mr. Abourezk, Mr. Haskell, Mr. Kennedy, Mr. McGovern, Mr. Moss, and Mr. Nelson):

S. 1959. A bill to supplement the antitrust laws, and to protect trade and commerce against oligopoly power or monopoly power, and for other purposes. Referred to the Committee on the Judiciary.

THE INDUSTRIAL REORGANIZATION ACT

Mr. PHILIP A. HART. Mr. President, there are some figures that I wish each of us would dwell on for a bit:

The first is $80 billion. That is how much the lack of competition in our economy costs, as estimated by Assistant Attorney General for Antitrust, Thomas Kauper.

Second, 23 percent. That is how much prices rose in the past year in a group of concentrated industries while prices stayed almost the same in competitive industries, as reported by Gardiner Means.

Third, $2.4 billion. That is the monopoly overcharge to consumers for motor vehicles in 1971, as estimated by the Federal Trade Commission staff.

The same study had other startling figures, for example: $1.2 billion—the monopoly overcharge for petroleum products. This, before prices quadrupled. And, $1.2 billion—the monopoly overcharge for steel.

In fact, according to the 1972 FTC staff estimate, the monopoly overcharges by 100 industries topped $15 billion.

The trouble with figures, of course, is that after a while they seem to lack reality. Take Mr. Kauper's $80 billion. It becomes more real when we understand it is 10 percent of what consumers spend each year. In other words, if we had monopoly-free competition, consumers could buy 10 percent more with their present budgets.

Mr. President, few consumers know these figures well. But they sure know the problem. And they have a pretty good idea of how to solve it.

A poll by Opinion Research Corporation in 1973 showed 75 percent of the people believed that too much economic power is concentrated in a few large companies. In 1965, only 52 percent believed that.

And in 1973, 53 percent of the people believed that many large corporations should be broken up for the good of the country.

Once again the people seem to be running way ahead of Congress. Here, when we face a problem growing out of lack of competition, our reaction usually is to establish:

First. A study commission;

Second. Wage or price controls; or

Third. A Government agency to regulate the industry.

There is a tendency to react to the suggestion of legislative restructuring as if it is a creation of a nightmare—an unreal world solution.

Apparently, we have not learned from our history. For several times Congress has required just such a thing—with good results:

The Public Utility Holding Act of 1935 forced combination companies to divest themselves of either gas or electricity distribution facilities. Also required to be divested were all nonutility related assets—such as oil wells, bus companies, and coal mines.

The McKellar-Black Air Mail Act of 1934 required a number of firms to divest themselves of either air carriers or aircraft manufacturing facilities. General Motors, for example, was required to sell off its interests in Eastern, Western, United, and TWA.

The Hepburn Act of 1906 made railroads get out of the business of producing coal and other commodities.

The Glass-Stegall Act of 1932 forced financial institutions to rid themselves of either their commercial or investment banking activities.

In each case, Congress found the potential for abuse so great that it imposed a flat prohibition against ownership. The Industrial Reorganization Act is more conservative. It comes into play only when monopoly or oligopoly power can be demonstrated.

Mr. President, I and several others have pontificated in the past about the concentration in our basic industries. It has become almost litany to recite: 200 corporations control two-thirds of all manufacturing assets in this Nation. Following that, we run through the "concentration ratios" in a few choice industries.

But we do not need highfalutin phrases to see the dimensions of what is happening.

Just run down the average household shopping list:

Soaps and detergents—three manufacturers.

Electric light bulbs—four manufacturers.

Cereal—three manufacturers.

This list of products where four companies have 90 percent or more of the market is, indeed, homespun. It includes such products as toothpaste, camera film, soup and chocolate candy.

Mr. President, there are those who would respond by saying that we have antitrust laws to deal with just such problems. They would be right. But as the continued existence of the problem shows, there is something wrong here.

First, there is substantial doubt as to how far the present law extends. For example, does section 2 of the Sherman Act reach oligopoly or shared monopoly power? Absent some proof of agreement or consensual action, most antitrust observers would say: "No." How great a share of the market must a single firm possess in order to run afoul of the law? In Judge Learned Hand's opinion, it is doubtful whether 60 or 64 percent would be enough. In addition, the Government must prove an element of intent or deliberateness along with the possession of monopoly powers. Proof of this element of intent often causes the Government attorneys to search all the defendants' books and records in order to come up with a "hot" document. We all know the enormous amount of resources which such cases require. In my opinion, our concern should be directed to whether a firm possesses the power to control prices or exclude competitors and nothing more.

Given such doubts as to how far the law extends, it is difficult to fault an Attorney General for not filing more monopolization cases without a new congressional mandate. This bill would provide such a mandate and the resources necessary to carry it out.

Mr. President, I believe that, when enacted, the antitrust laws were intended to eliminate monopolistic power just because it existed—because of the potential for abuse—because its mere existence was a restraint on competition. Unfortunately, the laws have not been so administered.

Therefore, I today reintroduce legislation which would reaffirm the public policy that monopolistic and oligopolistic power is against the public interest and would mandate dissolution where it exists.

Joining with me in sponsoring this bill are our distinguished majority leader (Mr. MANSFIELD) and Senators ABOUREZK, DOMENICI, HASKELL, KENNEDY, MCGOVERN, MOSS, and NELSON.

The Industrial Reorganization Act, which I shall ask unanimous consent be printed in the RECORD at the conclusion of my remarks, has been modified slightly from S. 1167 of last Congress.

The only significant change is that we have eliminated the provision which presumed—subject to rebuttal by the defendant—that monopoly power was present if a firm had an average rate of return of 15 percent after taxes. Testimony on the bill argued that this provision would be a disincentive for companies—in that they would become inefficient at times to avoid the profit rate which would bring them within range of the bill.

The other two rebuttable presumptions, namely, no substantial price competition for a 3-year period, and the market share test of 4 or fewer corporations possessing 50 percent of the market, have been retained.

During our hearings, some have argued against the wisdom of having any rebuttable presumptions of the existence of monopoly or oligopoly power. They feel it is unfair to switch the burden of proof once a given set of facts has been proven to a court's satisfaction. This is an argument which does have a certain amount of appeal. Obviously, the corporate defendant is entitled to as much due process as anyone else. Upon reflection, I am persuaded that the provision should remain. I find some comfort in this regard in Judge Wyzanski's decision in *U.S.* v. *Grinnell*, 236 F. Supp. 244 (D.C. R.I., 1964) at page 248:

> To this Court it appears that the day has come for it, and more important for counsel, to proceed on the acknowledged principle that once the Government has borne the burden of proving what is the revelant market and how predominant a share of that market defendant has, it follows that there are rebuttable presumptions that defendant has monopoly power and has monopolized in violation of § 2. The Government need not prove, and in a well-conducted trial ought not to be allowed to consume time in needlessly proving, defendant's predatory tactics, if any, or defendant's pricing, or production, or selling, or leasing, or marketing, or financial policies while in this predominant role. If defendant does wish to go forward, it is free to do so and to maintain the burden of showing that its eminence is traceable to such highly respectable causes as superiority in means and methods which are "honestly industrial," as Judge Hand characterized the suppositions socially desirable monopolizer.

In that same decision, Judge Wyzanski earlier observed:

> Such a shifting of the burden not merely of going forward, but of proof, such a rebuttable presumption rests on the by-now dozens of court records which make it quite clear that it is the highly exceptional case, a rara avis more often found in academic groves than in the thickets of business, where monopoly power was thrust upon an enterprise by the economic character of the industry and by what Judge L. Hand in Aluminum called "superior skill, foresight and industry." More than 7 decades of Sherman Act enforcement leave the informed observer with the abiding conviction that durable non-statutory monopolies (ones created without patents or licenses or lasting beyond their term) are, to a moral certainty, due to acquisitions of competitors or restraints of trade prohibited by § 1. They are the achievement of the quiet life after the enemy's capitulation or his defeat in inglorious battle.

Mr. President, this bill recognizes the patent exception of which Judge Wyzanski speaks. It also recognizes a more significant exception; namely, that even if a firm or group of firms possess monopoly power, they may still escape dissolution or divestiture if such action would result in the loss of substantial economies. If firms must be of a certain size in order to take advantage of legitimate economies of scale which exist in a certain industry, the court is not to perform surgery which would disturb them.

Further, the companies are not being "punished" by the restructuring which might occur. No matter how the monopoly power was acquired, under this bill, there are no criminal penalties applied. The only result of the bill's enforcement would be restructuring—not jail terms or $1 million fines. More importantly, no treble damage liability attaches.

Mr. President, we must choose—more Government regulation or the free enterprise system. It is clear to me that competition can do more about improving those figures with which I began than Government regulation has a prayer of.

As President Ford has been telling us lately, the track record of much of the Government regulation is not great. He, too, is on the record for favoring competition.

He told the White House Conference on Domestic and Economic Affairs on April 18 this year:

> Competition—I think it is good in politics, I think it is good in athletics, and I think competition is the key to productivity and innovation. Even the businesses that enjoy a protective status under regulation are adversely affected.
>
> Although it is difficult to come up with an exact price tag on the cost of unnecessary and ineffective Government regulation, some estimates I have seen place the combined cost to consumers of Government regulation and restrictive practices in the private sector at more than the Federal Government actually collects in personal income taxes each year—or something in the order of $2,000 per family—unbelievable.

This bill is a step toward turning those figures around.

Mr. President, I ask unanimous consent that the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1959

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Industrial Reorganization Act".

Sec. 2. The Congress finds and declares that (1) the United States of America is committed to a private enterprise system and a free market economy, in the belief that competition spurs innovation, promotes productivity, preserves a democratic society; and provides an opportunity for a more equitable distribution of wealth while avoiding the undue concentration of economic, social, and political power;

(2) the decline of competition in industries with oligopoly or monopoly power has contributed to unemployment, inflation, inefficiency, and modernization of economic capacity, and the decline of exports, thereby rendering monetary and fiscal policies inadequate and necessitating Government market controls subverting our basic commitment to a free market economy; (3) the preservation of a private enterprise system, a free market economy, and a democratic society in the United States of America requires legislation to supplement the policy of the antitrust laws through new enforcement mechanisms designed to responsibly restructure industries dominated by oligopoly or monopoly power; (4) the powers vested in these new enforcement mechanisms are to be exercised to promote competition throughout the economy to the maximum extent feasible, and to protect trade and commerce against oligopoly or monopoly power.

TITLE I—POSSESSION OF MONOPOLY POWER

Sec. 101. (a) It is hereby declared to be unlawful for any corporation or two or more corporations, whether by agreement or not, to possess monopoly power in any line of commerce in any section of the country or with foreign nations.

(b) There shall be a rebuttable presumption that monopoly power is possessed—

(1) if there has been no substantial price competition among two or more corporations in any line of commerce in any section of the country for a period of three consecutive years out of the most recent five years preceding the filing of the complaint, or

(2) if any four or fewer corporations account for 50 percentum (or more) of sales in any line of commerce in any section of the country in any year out of the most recent three years preceding the filing of the complaint.

In all other instances, the burden shall lie on the Industrial Reorganization Commission established under title II of this Act to prove the possession of monopoly power.

(c) A corporation shall not be required to divest monopoly power if it can show—

(1) such power is due solely to the ownership of valid patents, lawfully acquired and lawfully used, or

(2) such a divestiture would result in a loss of substantial economies.

The burden shall be upon the corporation or corporations to prove that monopoly power should not be divested pursuant to paragraphs (1) and (2) subsection (c): *Provided, however*, That upon a showing of the possession of monopoly power pursuant to paragraph (1), the burden shall be upon the Industrial Reorganization Commission to show the invalidity, unlawful acquisition, or unlawful use of a patent or patents.

TITLE II—INDUSTRIAL REORGANIZATION COMMISSION

DEFINITIONS

Sec. 201. As used in this title, the term—

(1) "industry" means all extractive, processing, smelting, refining, transporting, manufacturing, assembling, fabricating, constructing, financing, distributing, or other economic activity carried on in closely related parts of commerce;

(2) "registered corporation" means a firm required by the Commission to file a registration statement under section 205;

(3) "Commission" means the Industrial Reorganization Commission established under section 202;

(4) "Commissioner" means the Commissioner of the Commission;

(5) "person" means an individual, a corporation, a partnership, an association, a joint stock company, a business trust, or an unincorporated organization; and

(6) "security" means any note, stock, Treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

ESTABLISHMENT OF COMMISSION

Sec. 202. (a) There is an independent agency to be known as the Industrial Reorganization Commission.

(b) The Commission shall be under the direction and supervision of a Commissioner, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of seven and one-half years. Any individual appointed to fill a vacancy in such office occurring due to the death, resignation, or removal of the Commissioner shall serve only for the remainder of the term of his predecessor. The Commissioner shall continue to serve after the end of the term to which he was appointed until his successor has qualified. The Commissioner shall not engage in any other activity while holding office. The Commissioner may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(c) The Commissioner shall appoint and fix the compensation of an Executive Director and such other officers, agents, and employees as he deems necessary to assist him in carrying out the duties of the Commission. The Executive Director shall be the chief administrative officer of the Commission, and he shall perform his duties under the direction and supervision of the Commissioner. The Commissioner may delegate any of his functions, other than the making of regulations, to the Executive Director.

(d) The Commission shall have an official seal which shall be judicially noticed.

(e) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"(62) Commissioner, Industrial Reorganization Commission.".

(f) The Office of Management and Budget shall not inspect, examine, audit, or review the records or work of the Commission or comment on any budget request made by the Commission. The Comptroller General shall conduct such reviews, audits, and evaluations of the Commission as he deems necessary. All accounts, budgets, and records of the Commission shall be submitted to the General Accounting Office, from time to time, as the Comptroller General may require, and the Commission shall maintain, preserve, and make available for inspection by the General Accounting Office such records as the Comptroller General may require.

(g) Section 3502 of title 44, United States Code, is amended by inserting in the first paragraph (defining "Federal agency"), ", the Industrial Reorganization Commission" after "the General Accounting Office".

(h) The Commission shall terminate its operations fifteen years after the date of enactment of this Act, and the functions, jurisdiction, powers, and duties of the Commission shall be transferred to the Federal Trade Commission. Upon transfer, the Federal Trade Commission shall succeed the Commission as a party in any legal proceedings, and any judgment or decree of any court of the United States applicable to the Commission shall, at the discretion of that court, be applicable to the Federal Trade Commission.

DUTIES OF THE COMMISSION

Sec. 203. (a)(1) In order to determine whether or not any corporation, or two or more corporations, are in violation of title I of this Act, the Commission shall study the structure, performance, and control of each of the following industries:

(A) chemicals and drugs;

(B) electrical machinery and equipment;

(C) electronic computing and communication equipment;

(D) energy;

(E) iron and steel;

(F) motor vehicles; and

(G) nonferrous metals.

(2) The Commission shall study the collective-bargaining practices within each industry named in paragraph (1), and determine the effect of those practices on competition within that industry.

(3) The Commission shall report to the Congress not later than September 30 in each odd-numbered year with respect to the status of each study undertaken under paragraph (1) or (2), together with such recommendations, including recommendations for legislation as it deems necessary. Such legislative recommendations may include, but are not limited to, amendments to the antitrust laws, the Internal Revenue Code, the patent laws, and the National Labor Relations Act. The Commission may also report to Congress upon the effect on competition of the policies of executive or regulatory agencies of Government together with such recommendations, including recommendations for legislation, as it deems necessary.

(4) The Commission shall prosecute violations of title I of this Act.

(b) The Commission shall enforce the provisions of title I of this Act by filing a complaint and proposed order of reorganization with the Industrial Reorganization Court, established under title III of this Act, in accordance with the provisions of that title.

(c) Whenever the Commission obtains information under this title which furnishes a reasonable basis for inferring that any corporation or person has acted in violation of any law of the United States other than title I or of any State relating to trade or commerce, it shall notify the appropriate law enforcement official. The Commission shall furnish information obtained under this title to the Attorney General of the United States, the Federal Trade Commission, the Federal Power Commission, the Securities and Exchange Commission, and any other Federal regulatory or administrative body upon request, and whenever the Commission obtains information under this title which furnishes a reasonable basis for inferring that a corporation may act in violation of section 7 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes" approved October 15, 1914, as amended (38 Stat. 731; 15 U.S.C. 18), it shall notify the Attorney General of the United States and the Federal Trade Commission, and furnish to them the information upon which that inference is based.

POWERS OF THE COMMISSION

Sec. 204. (a) The Commission shall have power—

(1) to conduct studies of the structure, performance, and control of any industry and its collective-bargaining practices directly or by contract or other arrangement;

(2) to require corporations in industries named in section 203(a), or any person who the Commission shall have reason to believe affects the structure, performance or control of any such industry, to file registration statements in such form as the Commission may require in order to carry out the provisions of section 203(a);

(3) to require periodic and special reports and such other information of corporations, from time to time, as may be necessary to carry out the provisions of this Act, including but not limited to reports by product or line of commerce;

(4) to inspect and examine accounts, procedures, correspondence, memorandums, papers, books, and other records under section 205;

(5) to require interlocking relationship reports and securities control reports by officers, directors, or persons, directly or indirectly, controlling, exercising, or executing the right to vote of 1 per centum or more of any class of securities for any registered corporation under section 206;

(6) to furnish information to the appropriate Federal or State law enforcement official whenever the Commission determines, on the basis of information received by it, that there may be or has been a violation of the Federal or State law;

(7) to sue and be sued in its own name and appear by its own counsel in any legal proceedings brought by or against it;

(8) to request and obtain from any executive department or agency any information or assistance it deems necessary to carry out the duties under this title;

(9) to prosecute complaints before, and submit proposed orders of reorganization to, the Industrial Reorganization Court established under title III of this Act;

(10) to carry out such investigations as may be appropriate to determine whether there is any violation of any provision of this Act;

(11) to sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and production of such books, records, correspondence, memorandums, papers, and documents as it deems advisable, to administer oaths or affirmations to witnesses appearing before it;

(12) to disclose by publication, or otherwise to make available upon request, any information (other than trade secrets or processes) it deems appropriate for public disclosure, subject to the provisions of section 207;

(13) to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $125 a day for individuals;

(14) to issue such regulations, orders, and reports as may be necessary to carry out the provisions of this title; and

(15) to take such other actions as may be necessary to enable it to carry out its duties under the provisions of this title.

(b) Each executive department and agency is required to the extent permitted by law, to furnish information and assistance to the Commission, with or without reimbursement therefor, upon request by the Commission.

(c) Subpenas shall be issued under the signature of the Commission or Executive Director and may be served by any person designated. In the case of contumacy or refusal to obey a subpena issued under paragraph (11) of subsection (a) by any person who resides, is found, or transacts business within the jurisdiction of any district have jurisdiction to issue to such person an application made by the Commission, shall court of the United States, such court, upon order requiring such person to appear before the Commission or an employee thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of such person to obey any such order of the court may be punished by the court as a contempt thereof.

REGISTRATION STATEMENTS; REPORTS; RECORDS

Sec. 205. (a) Any corporation or any person required by the Commission to register under section 204(a)(2) shall file with the Commission a registration statement and such additional reports and information as the Commission may require from time to time.

(b) Each registration statement shall contain—

(1) a copy of the corporate charter, articles of incorporation, partnership agreement, or other agreement or document under which that corporation is organized and doing business;

(2) a copy of such related documents, including, but not limited to, bylaws, indentures, mortgages, trust indentures, underwriting agreements, and voting trust agreements, as the Commission may require; and

(3) such additional information and documents as the Commission may require, including but not limited to—

(A) a statement of the organizational and financial structure of the corporation and the nature of the business in which the corporation is engaged;

(B) a statement of the terms, position, rights, and privileges of each class of security which the corporation has authorized, outstanding, or both;

(C) a statement of the underwriting arrangements, and copies of the underwriting agreements, under which the corporation's securities have been offered to the public or otherwise during the preceding five years, and a statement of the relationship of the underwriters of the securities to the corporation, to its officers or directors, or both and the interest of those underwriters in the corporation:

(D) a statement of the names and addresses of the directors and principal officers of the corporation, the compensation paid to them directly or indirectly, their interest in the securities of, their contracts with, and their borrowings from, the corporation;

(E) a list of the name and address of, and amount of each class of securities held by each shareholder of the corporation;

(F) a statement of the corporation's bonus, profit sharing, and stock option plans;

(G) a copy of any contract to which the corporation is a party; and

(H) a copy of any balance sheet, financial statement, profit and loss statement, or any other report for any product or line of commerce in any section of the country or with foreign nations for any of the preceding seven years, in such form as the Commission may require, and certified, if required by the Commission, by an independent public accountant.

(c) In addition to the registration statement, the Commission may require the filing with it of additional reports of a periodic or special nature necessary to enable it to supplement or bring up to date information contained in registration statements, including, but not limited to, answers to questions raised by the Commission, the minutes of directors', stockholders', or other meetings, and additional information on the financial condition, security structure, security holdings, and assets of a corporation.

(d) Each registered corporation shall keep and preserve such records, accounts, and other documents as the Commission may require, and shall make all of its records, documents, memorandums, correspondence, accounts, and cost accounting procedures available for inspection at reasonable times by Commission employees.

REPORTS BY OFFICERS, DIRECTORS, AND OTHER PERSONS

Sec. 206. (a) Any person who is a director or officer of a registered corporation shall file a report under this section with the Commission in such form and at such times as the Commission may require. The report shall contain—

(1) a list of the name and address of, and amount of securities held beneficially, of record, or both other corporation by any officer or director;

(2) if required by the Commission, a report of changes in the securities ownership in any-other corporation; and

(3) a list of the name and address of each other corporation of which that person is an officer, director, or employee.

(b) Any person who, directly or indirectly, through one or more persons, owns beneficially or of record or controls, exercises, or executes the right to vote, 1 per centum or more of any class of security or any security convertible into or exchangeable, with or without additional consideration, for 1 per centum or more of any class of security of any registered corporation or if the aggregate percentages of the classes total 1 per centum or more, shall file a report under this section with the Commission in such form and at such times as the Commission may require. The percentage is to be calculated on the basis of the number of shares of, or for debt securities the face amount of, any class of security actually outstanding. If not an individual, the Commission shall require such additional information to be provided by such person as may be necessary to carry out the purpose of this subsection.

PUBLIC DISCLOSURES OF INFORMATION

Sec. 207. (a) When the public disclosure of information obtained under this title would be in the public interest as determined by the Commission, the Commission may, after notice to the appropriate corporation or person, make that information available to the public, under such charges and conditions as the Commission may prescribe.

(b) Any person filing a registration statement, report, notification, or other document with the Commission may object to public disclosure of any or all of the information by filing a petition with the Industrial Reorganization Court established pursuant to title III of his Act, in accordance with the provisions of that title.

(c) **It shall be unlawful for any officer** or employee of he Commission—

(1) to disclose any patent application, trade secret, or secret process contained in any document filed with the Commission or obtained under this title except as necessary to carry out his duties under this title; and

(2) to disclose to any other person any information contained in any document filed with the Commission or obtained under this title, except as provided in this title or in order to carry out his duties under this title, or to use any such information for personal benefit, unless that information has been made available to the public under subsection (a), for a reasonable period of time prior to such use.

PENALTIES

SEC. 208. Any person who violates any provision of this title shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine not exceeding $500,000, if not a natural person, or if a natural person, $100,000, or by imprisonment not exceeding one year, or both.

AUTHORIZATION OF APPROPRIATIONS

SEC. 209. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TITLE III—ESTABLISHMENT OF INDUSTRIAL REORGANIZATON COURT

ESTABLISHMENT OF COURT

SEC. 301. (a) Part I of title 28, United States Code, is amended by inserting after chapter 11 thereof the following new chapter:

"Chapter 12—INDUSTRIAL REORGANIZATION COURT

"Sec.
"271. Appointment and number of judges.
"272. Precedence of judges.
"273. Tenure and salaries of judges.
"274. Sessions.
"275. Division of business.
"276. Single-judge trials.
"277. Three-judge trials.
"278. Vacant judgeship.
"279. Publication of decisions.
"280. Bias or prejudice of judge.
"281. Report of court proceedings.

"§ 271. Appointment and number of judges

"The President shall appoint, by and with the advice and consent of the Senate, a chief judge and 14 associate judges who shall constitute a court of record known as the United States Industrial Reorganization Court. Such court is hereby declared to be established under article III of the Constitution of the United States.

"§ 272. Precedence of judges

"The chief judge of the Industrial Reorganization Court shall have precedence and preside at any session of the court which he attends.

"The other judges shall have precedence and preside according to the seniority of their commissions. Judges whose commissions bear the same date shall have precedence according to seniority in age.

"§ 273. Tenure and salaries of judges

"The chief judge and associate judges of the Industrial Reorganization Court shall hold office during good behavior. Each shall receive a salary of $40,000 per year.

"§ 274. Sessions

"The Industrial Reorganization Court may hold court at such times and places as it may fix by rule.

"§ 275. Division of business

"The business of the Industrial Reorganization Court shall be divided among the judges as provided by the rules and orders of the court.

"The chief judge of the Industrial Reorganization Court shall be responsible for the observance of such rules and orders and shall divide the business and assign the cases so far as such rules and orders do not otherwise prescribe.

"§ 276. Single-judge trials

"Except as otherwise provided in section 277 of this title, the judicial power of the Industrial Reorganization Court with respect to any case, suit, or proceeding, shall be exercised by a single judge, who may preside alone and hold a regular or special session of court at the same time other sessions are held by other judges.

"§ 277. Three-judge trails

"(a) Upon application of any party to a civil action, or upon his own initiative, the chief judge of the Industrial Reorganization Court shall designate any three judges of the court to hear and determine any civil action which the chief judge finds—

"(1) raises an issue of the constitutionality of an Act of Congress, a proclamation of the President, or an Executive order; or

"(2) has broad or significant implications in the administration or interpretation of the Industrial Reorganization Act.

"(b) A majority of the three judges designated may hear and determine the civil action and all questions pending therein.

"§ 278. Vacant judgeship

"When the office of a judge becomes vacant, all pending process, pleadings, and proceedings shall, when necessary, be continued by the clerk until a judge is appointed or designated to hold such court.

"§ 279. Publication of decisions

"All decisions of the Industrial Reorganization Court shall be preserved and open to inspection. The court shall forward copies of each decision to the Industrial Reorganization Commission.

"§ 280. Bias or prejudice of judge

"Whenever a party to any proceeding in the Industrial Reorganization Court makes and files a timely and sufficient affidavit that the judge before whom the matter is pending has a personal bias or prejudice either against him or in favor of any adverse party, such judge shall proceed no further therein, but another judge shall be assigned to hear such proceeding on such petition and affidavit.

"The affidavit shall state the facts and the reasons for the belief that bias or prejudice exists, and shall be filed not less than ten days before the beginning of the term at which the proceeding is to be heard, or good cause shall be shown for failure to file it within such time. A party may file only one such affidavit in any case. It shall be accompanied by a certificate of counsel of record stating that it is made in good faith.

"§ 281. Report of court proceedings

"The Industrial Reorganization Court is authorized to contract for the reporting of all proceedings made in open court, and in such contract to fix the terms and conditions under which such reporting services shall be performed including the terms under which transcripts shall be supplied by the contractor to the court and other persons, departments, and agencies."

(b) The chapter analysis of part I of such title is amended by inserting after the item relating to chapter 11 of the following:

"12. Industrial Reorganization Court__ 271".

(c) Section 451 of such title is amended by inserting—

(1) in the first paragraph (defining "court of the United States") ", the Industrial Reorganization Court" after "the Customs Court";

(2) in the third paragraph (defining "judge of the United States") ", Industrial Reorganization Court" after "Customs Court".

(d) The amendments made by this section shall become effective upon enactment except that so much of section 271 of title 28, United States Code (as added by subsection (a) of this section) as relates to the appointment of associate judges shall become effective as provided by subsection (d).

(e) Until such time as the duties of the Industrial Reorganization Court require the services of additional judges, only the chief judge is authorized to be appointed under section 271 of such title. The chief judge is authorized to request the Chief Justice of the United States to assign, and the Chief Justice is authorized to assign, on a temporary basis such judges of the United States, including, upon their request, inactive or retired judges, as may be necessary to carry out the duties of the Industrial Reorganization Court. Whenever the Chief Justice, in consultation with the chief judge, determines that the duties of the Industrial Reorganization Court require the services of permanent judges, the Chief Justice shall report such finding to the President who may make such appointments to the Industrial Reorganization Court in accordance with section 271 of such title.

OFFICERS AND EMPLOYEES

SEC. 302. (a) Part III of title 28, United States Code, is amended by inserting after chapter 55 the following new chapter:

"Chapter 56—INDUSTRIAL REORGANIZATION COURT

"Sec.
"911. Clerk and employees.
"912. Marshal and deputy marshals.
"913. Bailiffs and messengers.

"§ 911. Clerk and employees

"The Industrial Reorganization Court may appoint a clerk and such assistant clerks, stenographic law clerks, clerical assistants, and other employees as may be necessary, all of whom shall be subject to removal by the court. The clerk shall pay into the Treasury all fees, costs, and other moneys collected by him.

"§ 912. Marshal and deputy marshals

"The Industrial Reorganization Court may appoint a marshal and deputy marshals, who shall be subject to re-

"The marshal and his deputy marshals shall attend court at its sessions, serve and execute all process and orders issued by it, and exercise the powers and perform the duties concerning all matters within such court's jurisdiction assigned to them by the court.

"Under regulations prescribed by the Director of the Administrative Office of the United States Courts, the marshal shall pay the salaries, office expenses, and travel and subsistence allowances of the judges, officers and employees of the court, and shall disburse funds appropriated for all expenses of the court.

"On all disbursements made by the marshal of the Industrial Reorganization Court for official salaries, the certificate of the payee shall be sufficient without verification on oath.

"United States marshals for other districts where sessions of the court are held shall serve as marshals of the court.

"§ 913. Bailiffs and messengers

"The Industrial Reorganization Court may appoint necessary bailiffs and messengers who shall be subject to removal by the court.

"Each bailiff shall attend the court, preserve order, and perform such other necessary duties as the court directs."

(b) The chapter analysis of part III of such title is amended by inserting after the item relating to chapter 55 the following:

"56. Industrial Reorganization Court__ 911".

(c) Section 610 of such title is amended by striking out "and the Customs Court" and inserting "the Customs Court, and the Industrial Reorganization Court".

JURISDICTION

SEC. 303. (a) Part IV of title 28 is amended by adding at the end thereof the following new chapter:

"Chapter 96—INDUSTRIAL REORGANIZATION COURT

"Sec.
"1591. Powers generally.
"1592. Jurisdiction.
"1593. Restoration of effective competition.
"1594. Enforcement of competitive orders; appointment of trustees; disposition of assets.
"1595. Time for complying with orders.

"§ 1591. Powers generally

"The Industrial Reorganization Court and each judge thereof shall possess all the powers of a district court of the United States for preserving order, compelling the attendance of witnesses, and the production of evidence.

"§ 1592. Jurisdiction

"(a) The Industrial Reorganization Court shall have original jurisdiction to hear and determine all complaints and proposed orders of reorganization filed by the Industrial Reorganization Commission under title I of the Industrial Reorganization Act.

"(b) After the Industrial Reorganization Commission has filed a complaint and proposed order of reorganization, the Industrial Reorganization Court shall enter a judgment determining whether a corporation or two or more corporations possess monopoly power in any part of trade or commerce among the several States or with foreign nations.

"(c) The Industrial Reorganization Court shall also have original jurisdiction of petitions filed pursuant to section 207 of title II of this Act and of such other proceedings under that Act as the court shall deem necessary and appropriate to effectuate its purposes.

"§ 1593. Restoration of effective competition

"(a) Any corporation or two or more corporations may, within sixty days from the entry of judgment pursuant to section 1592(b), file an alternative proposed order or orders of reorganization.

"(b) Prior to the entry of an order of reorganization, the Industrial Reorganization Court shall conduct a proceeding to determine whether or not the proposed order or orders of reorganization would restore effective competition. In making its determination, the court may call witnesses in accordance with the provisions of sections 2652 and 2653 of this title.

"(c) The court shall enter an order of reorganization appropriate to effectuate the purposes of this Act. The order of reorganization may require a corporation or two or more corporations to take such action as the court shall find necessary to restore effective competition. The order may include—

"(1) a requirement that a corporation modify any contract to which it is a party, terminate any agreement with another corporation, or modify its methods of distribution;

"(2) a requirement that a corporation grant licenses (with or without provision for the payment of royalties) under any patent, copyright, or trademark owned by that corporation, share technical information with others, or dispose of any such patent, copyright, or trademark;

"(3) a requirement that a corporation divest itself of particular assets, including tangible and intangible assets, cash, stock, securities, accounts receivable, and other obligations; and

"(4) such other requirements as the court may find necessary to restore effective competition.

"(d) Any order entered under this section shall be subject to judicial review as provided in section 2114 of this title.

"§ 1594. Enforcement of orders of reorganization; appointment of trustee; disposition of assets

"The Industrial Reorganization Commission may apply to the Industrial Reorganization Court to enforce compliance with any order issued under section 1593 of this title. In any such proceeding the court as a court of equity may, to such extent as it deems necessary for purposes of enforcement of such order, take exclusive jurisdiction and possession of the corporation or any portion thereof, and the assets, or any portion thereof, wherever located; and the court shall have jurisdiction, in any such proceeding to appoint a trustee, and the court may constitute and appoint the Commission as sole trustee to hold and administer under the direction of the court, the assets so possessed. In any proceeding for the enforcement of an order of the court issued under section 1593 of this title, the trustee, with the approval of the court, shall have power to dispose of any or all of such assets and, subject to such terms and conditions as the court may prescribe, may make such disposition in accordance with the order to restore effective competition, which shall have been approved by the court after opportunity for hearing.

"In any proceeding under this section, the court shall not appoint any person other than the Commission as trustee or receiver without notifying the Commission and giving it an opportunity to be heard before making any such appointment.

"§ 1595. Time for complying with orders

"Any order under section 1593 of this title shall be complied with within two years from the date of such order and the Industrial Reorganization Court shall, upon a showing (made before or after the entry of such order) that the corporation has been or will be unable in the exercise of due diligence to comply with such order within such time, extend such time for an additional period not exceeding two years, if it finds such extension necessary or appropriate in the public interest."

(b) The chapter analysis of part IV is amended by inserting after the item relating to chapter 95 the following:

"96. Industrial Reorganization Court-- 1591".

REVIEW OF DECISIONS

SEC. 304. (a) Part V of title 28 is amended by adding at the end thereof the following new section:

"§ 2114. Review of Industrial Reorganization Court orders

"(a) In any proceeding brought in the Industrial Reorganization Court, an appeal from the final order of the Industrial Reorganization Court will lie only to the Supreme Court.

"(b) The scope of review on appeal of any Industrial Reorganization Court order to the Supreme Court under this section shall be limited to: (1) whether or not the Industrial Reorganization Court proceeded correctly under the provisions of this title; and (2) whether or not the findings of fact of the Industrial Reorganization Court are supported by substantial evidence."

(b) The table of sections of chapter 133 of such title is amended by adding at the end thereof the following:

"2114. Review of Industrial Reorganization Court orders.".

PROCEDURE

SEC. 305. (a) Part VI of title 28, United States Code, is amended by inserting after chapter 169 the following new chapter:

"Chapter 170—INDUSTRIAL REORGANIZATION COURT PROCEDURE

"Sec.
"2651. Rules of procedure.
"2652. Expert witnesses.
"2653. Other witnesses.

"§ 2651. Rules of procedure

"Proceedings of the Industrial Reorganization Court shall be conducted pursuant to the Federal Rules of Civil Procedure in effect at the time, subject to such additional rules (which may supersede or supplement the Federal Rules of Civil Procedure) as shall be adopted by the court for the purposes of proceedings before it under this title.

"§ 2652. Expert witnesses

"In any proceeding before it under this title, the Industrial Reorganization Court may designate one or more economists or other persons to serve as expert witnesses to be called by the court. Such witness or witnesses (a) may be furnished with all the evidence introduced by any party; (b) may offer additional evidence subject to objection by any party; (c) may offer an analysis of issues with particular reference to orders proposed to restore effective competition; (d) may recommend appropriate provisions for orders proposed to restore effective competition; and (e) shall be subject to cross-examination and rebuttal.

"§ 2653. Other witnesses

"In any proceeding before it under this title, the Industrial Reorganization Court may call as a witness any person it deems necessary to effectuate the purposes of this Act. Such witnesses may include, but is not necessarily limited to, competitors, suppliers, customers, sources of capital, creditors, consumers, employees, or shareholders."

(b) The chapter analysis of part VI is amended by inserting after the item relating to chapter 169 the following:

"170. Industrial Reorganization Court procedure ------------------------ 2651".

By Mr. MOSS (for himself and Mr. HUMPHREY):

S. 1960. A bill to amend the Internal Revenue Code of 1954 to exempt from Federal income taxation a trust established by a taxpayer for the purpose of providing care for certain mentally incompetent relatives of the taxpayer. Referred to the Committee on Finance.

Mr. MOSS. Mr. President, today I am introducing legislation that would allow special tax treatment of trusts established solely to benefit mentally retarded dependents. In our Nation today there are 6 million citizens, more than 3 percent of our total population, who are mentally retarded. They require some degree of assistance, either personal or financial.

Without question, caring for these people is a job of immense proportion. Their care requires greater time than that of normal persons and often demands constant attention, especially in the cases of the very young or very old. Proper care for mentally retarded persons is also very expensive, either for their guardians or for the Government. More than 180,000 mentally retarded persons are resident patients in one of the Nation's 190 public institutions. The care and training they receive there cost all levels of Government more than a billion dollars annually.

This figure, however, accounts for fewer than one-thirtieth of our mentally retarded citizens. It does not include those mentally retarded persons who are cared for in their private homes at the expense of their families. Neither does it include those in private institutions whose guardians or parents must bear the expense. There are literally millions of private families nationwide who are bearing the expense of caring for and training members of their families who are mentally retarded. In cases where these families wish to establish a trust solely to provide for a mentally retarded relative, it makes little sense to tax the trust. A tax on such a trust would be counterproductive in that it reduces the amount of money the mentally retarded person or his family can make available for his care privately, and might eventually necessitate his membership on welfare rolls or in public institutions at Government expense.

We must, as a Nation, do all possible to care for our citizens who are incapable of caring for themselves. It follows that we must not penalize those individuals who are desirous and capable of caring for their mentally family members themselves.

Relatives of mentally retarded people have a special and difficult burden to bear, involving much patience, time and often, great expense. For those people who have established or are willing to establish, trusts to care for their mentally retarded dependents, exemption of such trusts would help to ease at least the financial burden created by the need for special care and training.

Furthermore, I am please to report that the Utah Legislature in its last session passed a bill with similar intent. I consider this a progressive step in the treatment of mentally retarded persons in our State, and hopefully, through this bill, in our Nation as a whole.

By Mr. BIDEN (for himself and Mr. Proxmire):

S. 1961. A bill to amend the Truth in Lending Act to protect consumers against inadequate and misleading leasing information, assure meaningful disclosure of lease terms, and limit ultimate liability in connection with leasing of personal property primarily for personal, family, or household purposes, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BIDEN. Mr. President, I am today introducing, on behalf of myself and Senator Proxmire, legislation calling for the disclosure of basic cost information in leases of consumer goods, and putting a ceiling on the contingent liability of consumers at the termination of such leases.

In recent years the leasing of consumer hard goods—automobiles and furniture especially—has become an increasingly common marketing practice, displacing in many instances the use of conditional sale or similar arrangements. These leasing arrangements offer consumers certain advantages—no downpayments in many cases, and no obligation to pay for the goods beyond the limited term of the lease. At the same time, consumers who wish to purchase the goods outright at the end of the term usually have that option.

Because these transactions are cast in terms of leases rather than credit sales, the disclosure rules of the Truth in Lending Act—relating to finance charges and annual percentage rates—either are not applicable or do not work well. In addition, some leases are written in such a way that, on default or termination the consumer must reimburse the lessor for the depreciated value of the goods. This enables the lessor to offer low monthly payments, but confronts the consumer with a large contingent balloon payment when the lease ends. The Federal Reserve Board has recommended legislation to require "aggregate cost disclosures in lease advertising and at the time the lease is consummated, regardless of whether the lessee has a purchase option under the lease." The Board also recommends limiting balloon payments on lease terminations.

The present truth-in-lending law requires full and fair disclosure of the charges for buying goods on time. The lease technique dropped through a crack in the floor—for the simple reason that it did not occur to the Congress to include it 7 years ago when leases were much less commonplace. Now leasing is an increasingly attractive way for consumers to acquire on the installment plan. This bill contains the logical step—minimum disclosure of the costs of such leases.

The major provisions of the bill are these:

First, when entering into a lease arrangement the consumer-lessee must be given specific and detailed cost information, including any downpayment, any other special charges—as for insurance—and the amount of any residual liability at the termination of the lease. Similar information must be disclosed in advertisements which mention certain cost elements of the lease. These disclosures should enable consumers easily to compare different lease possibilities, and should facilitate comparisons between leases and outright sales of the goods.

Second, the bill sets limits on the maximum liability of a consumer when a lease in terminated or expires—the lessor can charge no more than twice the monthly payment or 10 percent of the total of monthly payments, whichever is the smaller amount. This important provision will prevent lessors from imposing on consumer-lessees responsibility to make up for the depreciated value of the goods or otherwise trying to get a windfall on the consumer's default.

Third, since this legislation would become part of the Truth in Lending Act, violations are subject to the civil penalty provision in that act. This bill also makes a substantive change in that provision by establishing a higher ceiling for class action recoveries. I believe this move is necessary to give the class action device the teeth it needs to become a real and effective enforcement weapon.

Mr. President, this bill is an important advancement for the principles of truth in lending. As the market for automobiles and similar goods offers the consuming public complex alternative ways to acquire those goods, it is all the more essential that consumers have the necessary information to make intelligent choices. The Federal Reserve Board is to be commended for calling this matter to our attention before we are lost in a sea of complaints, disputes, and litigation, and while we can prevent serious problems at the threshold. I hope Congress will pass this legislation quickly so that full disclosure about consumer lease costs will become regular practice in the marketplace.

Mr. President, I ask unanimous consent that the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1961

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be called the "Consumer Leasing Act of 1975".

FINDINGS AND PURPOSE

Sec. 2. Section 102 of the Truth in Lending Act (15 U.S.C. 1601) is amended by inserting "(a)" before the first sentence, and adding the following subsection:

"(b) The Congress also finds that there has been a recent trend toward leasing automobiles and other durable goods for consumer use as an alternative to installment credit sales and that these leases have been offered without adequate cost disclosures. It is the purpose of this title to assure a meaningful disclosure of the terms of leases of personal property for personal, family, or household purposes so as to enable the lessee to compare more readily the various lease terms available to him, limit balloon payments in consumer leasing, enable comparison of lease terms with credit terms where appropriate, and to assure meaningful and accurate disclosures of lease terms in advertisements.

DISCLOSURE OF LEASE TERMS

Sec. 3. The Truth in Lending Act (15 U.S.C. 1601–16) is amended by adding at the end thereof a new chapter as follows:

"Chapter 5—CONSUMER LEASES

"Sec.
"181. Definitions.
"182. Consumer Lease Disclosures.
"183. Limitation of Liability.
"184. Consumer Lease Advertising.
"185. Civil Liability.

"§ 181. Definitions

"For the purposes of this chapter:

"(a) The term 'consumer lease' means a contract in the form of a lease or bailment for the use of personal property by a natural person for a period of time exceeding four months, and for a specified rent not exceeding $25,000, for personal, family, or household purposes, whether or not the lessee has the option to purchase or otherwise become the owner of the property at the expiration of the lease except that the term shall not include any credit sale as defined in section 103(g).

"(b) The term 'lessee' means a natural person who leases or is offered a consumer lease.

"(c) The term 'lessor' means a person who is regularly engaged in leasing, offering to lease, or arranging to lease under a consumer lease.

"(d) The term 'personal property' means any property which is not real property under the laws of the State where situated at the time offered or otherwise made available for lease.

"(e) The terms 'security' and 'security interest' mean any interest in property which secures payment or performance of an obligation.

"§ 182. Consumer lease disclosures

With respect to a consumer lease, the lessor shall give the lessee prior to the consummation of the lease a dated written statement on which the lessor and lessee are identified setting out in a clear and conspicuous manner the following information, as applicable:

"(a) brief description or identification of the leased property.

"(b) amount of any payment by the lessee required at the inception of the lease;

"(c) amount paid or payable by the lessee for official fees, registration, certificate of title, or license fees or taxes;

"(d) amount of other charges payable by the lessee not included in the periodic payments and a description of the charges;

"(e) statement identifying the party responsible for maintaining or servicing the leased property together with a description of the responsibility;

"(f) brief description of insurance provided or paid for by the lessor and/or required of the lessee, including the types and amounts of the coverages;

"(g) a description of any security interest held or to be retained by the lessor in connection with the lease and a clear identification of the property to which the security interest relates;

"(h) the number, amount, and due dates or period of payments under the lease and the total amount of such periodic payments;

"(i) Subject to section 183, a statement of the conditions under which the lessee or lessor may terminate the lease prior to the end of the term and the amount or method of determining any penalty or other charge for delinquency, default, or early termination;

"(j) Subject to section 183, a statement of the liabilities the lease imposes upon the lessee at the end of the term and whether or not the lessee has the option to purchase the leased property and at what price.

"§ 183. Limitations of liability

"Except for liability for physical damage to the property beyond reasonable wear and use, and for unpaid delinquency charges disclosed under the preceding section, the liability of the lessee under the terms of a consumer lease for any payment upon expiration or termination of a lease may not exceed the lesser of (A) two times an amount determined by dividing the total scheduled payments by the number of months in the term of the lease; (B) ten percentum of the total amount of periodic payments as disclosed under subsection 182(h).

"§ 184. Consumer lease advertising

"(a) No advertisement to aid, promote, or assist directly or indirectly any consumer lease shall state the amount of any payment, the number of required payments, or that any or no downpayment or other payment is required at inception of the lease unless the advertisement also states clearly and conspicuously and in accordance with regulations issued by the Board each of the following items of information which is applicable;

"(1) That the transaction advertised is a lease.

"(2) The amount of any payment required at inception of the lease or that no such payment is required if that is the case.

"(3) The number, amounts, due dates or periods of scheduled payments, and the total of payments under the lease.

"(b) There is no liability under this section on the part of any owner or personnel, as such, of any medium in which an advertisement appears or through which it is disseminated.

"§ 185. Civil liability

"Any lessor who fails to comply with any requirement imposed under sections 182 and 183 of this chapter with respect to any person is liable to such person as provided in section 130. For the purposes of this section, the term "creditor" as used in sections 115, 130 and 131 shall include a lessor as defined in this chapter.

AMENDMENTS TO SECTION 130

SEC. 4. Section 130 of the Truth in Lending Act is amended as follows:

(a) In subsection (a) of that section, delete the words "this chapter or chapter 4" and insert the words "chapters 2, 4 or 5" in lieu thereof.

(b) In paragraph (2) (A) of subsection (a) of that section, insert after "transaction." the following: "(or, in the case of a consumer lease under chapter 5 of this title, twenty-five percentum of the total of monthly payments under the lease)".

(c) In paragraph (2) (B) of subsection (a) of that section, delete the words "lesser of $100,000" and insert the words "greater of $50,000" in lieu thereof.

(d) In subsection (b) of that section, delete the word "finance".

(e) In subsection (g) of that section, delete the words "this chapter" and insert the words "chapters 2, 4 or 5 of this title" in lieu thereof, and insert after "consumer loan," the words "consumer lease,".

CONFORMING AMENDMENTS

SEC. 5. (a) Section 123 of the Truth in Lending Act (15 U.S.C. 1633) is amended by adding before the existing paragraph (a), and adding a new paragraph as follows:

"(b) The Board shall by regulation exempt any State from the provisions of chapter 5 of this title if it determines that under the law of that State, requirements and restrictions are substantially similar to those imposed under chapter 5 and that there is adequate provision for enforcement."

"(b) The table of chapters of the Truth in Lending Act is amended by adding at the end thereof the following:

"5. Consumer Leases........................181"

EFFECTIVE DATE

SEC. 6. This Act takes effect upon the first day of the second full calendar month after the date of its enactment.

By Mr. CLARK (for himself and Mr. TUNNEY):

S. 1962. A bill to amend the Domestic Volunteer Service Act of 1973 to provide that volunteers in foster grandparent programs may furnish supportive services to mentally retarded individuals regardless of the age of such individuals. Referred to the Committee on Labor and Public Welfare.

Mr. CLARK. Mr. President, today I am introducing legislation with the Senator from California (Mr. TUNNEY) to permit foster grandparents to furnish supportive services to mentally retarded individuals without regard to the individual's age. This legislation would correct an inequity in the current program regulations that prohibit foster grandparents from helping handicapped people once they reach 18.

The foster grandparents program was established in 1965 to provide community service opportunities for low-income people 60 and older. Right now, foster grandparents is a part of ACTION, and it employes about 12,500 older people who, in turn serve 25,000 children on a personal, one-to-one basis. Each child qualifies for the program because of exceptional needs and problems. The focal point for program delivery is in a variety of places, but some of the settings include institutions, orphanages, and hospital facilities for the mentally retarded.

Over the years, the foster grandparent program has allowed thousands of older people to use their talents, skills and time to help others, rewarding them financially for that work. At the same time, it has given young children the opportunity to grow emotionally, socially, and psychologically. Because of this, the program has been extremely valuable, but like most programs, it can be improved. One way to do that is to extend it to serve retarded individuals after they reach age 18.

The current requirement causes a hardship for many of the mentally retarded because it sets an artificial barrier between foster grandparents and the children who need the help these older people can provide. This point was made very poignantly by a panel of foster grandparents who testified at a hearing that I conducted several weeks ago in Des Moines, on behalf of the Senate Special Committee on Aging.

Mr. Gordon Dana, of Perry, Iowa, emphasized that many of these children—especially the profoundly and severely retarded—lapse into a state of depression when they no longer have the care and attention from the foster grandparents. Mr. Dana stressed the importance of the personal relationship between the child and the foster grandparent, a relationship which is the strength and essence of the program and which should not be cut off when the child reaches 18.

Ms. Paula Maxheim, the foster grandparent project director for the Iowa Commission on the Aging, stressed that chronological age is not a realistic consideration when serving the mentally retarded. She pointed out that mentally retarded individuals often remain "children" intellectually and emotionally throughout their lives, so that a person who is 20 or 30 years old may be only a very young child in reality.

These people need personal attention and love just like their younger counterparts. But, they are unlikely to receive this kind of attention in understaffed institutions. Foster grandparents can help balance the high ratio of patients to institutional employees, and thus close a very serious gap in patient services.

This bill would help provide the flexibility to respond to the unique needs of the mentally retarded.

It should be noted that there are other programs—such as senior companions and the retired senior volunteer program—which have the potential for providing services to mentally retarded children after they reach the age of 18. However, neither program is responding adequately to the needs. There now are only 18 senior companions projects throughout the Nation, and RSVP participants have not provided personal services for mentally retarded adults on a large enough scale.

The effectiveness of foster grandparents in assisting mentally retarded persons has been demonstrated and proven time and again. More than one-half of the children assisted under the program are mentally retarded. And, in my judgment, these individuals should not be cut off from these personal and helpful services at the arbitrary age of 18, especially when these services are so vitally needed.

My proposal would provide the necessary flexibility to assure that these children's special needs are taken into account, and I hope that this bill can be considered at the earliest possible date.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1962

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 211(a) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5011(a)) is amended by inserting "or mentally retarded individuals" immediately after "children" each place it appears therein.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1963. A bill to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro, May 14, 1966, by the United States of America and other countries, and for other purposes. Referred to the Committee on Commerce.

ATLANTIC TUNAS CONVENTION ACT OF 1975

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference, a bill to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro, May 14, 1966, by the United States of America and other countries, and for other purposes, and I ask unanimous consent that the letter of transmittal be printed in the RECORD together with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE.
Washington, D.C., May 14, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate.

DEAR MR. PRESIDENT: There is enclosed a draft of a proposed bill, "To give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and Other Countries, and for other purposes". We recommend that it be enacted as soon as possible.

The International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, and hereinafter referred to as "the Convention", entered into force March 21, 1969, after being ratified or adhered to by seven countries, including the United States. The countries now party to the Convention are Brazil, Canada, Cuba, France, Ghana, Ivory Coast, Japan, Korea, Morocco, Portugal, Senegal, South Africa, Spain and the United States. The Dominican Republic, Gabon and Venezuela have signed the Convention but have not yet ratifield it. The Convention remains open to adherence by any Government which is a member of the United Nations or of any of its specialized agencies.

Although the United States has ratified the Convention, new legislation is required to carry out its provisions. In addition to authorization for appointment of Commissioners to represent it on the Commission and authorization for the Commissioners to appoint an advisory committee, legislation is required to receive and accept or object to conservation recommendations made by the Commission under the Convention, promulgate and enforce such requlations as may be necessary to ensure compliance by U.S. fishermen with the duly accepted conservation measures recommended by the Commission, and cooperate in carrying out the scientific and other programs of the Commission. The proposed bill provides the specific legislative authority needed for the discharge of these treaty obligations by the United States. Many of these provisions are substantially similar to like provisions in other statutes implementing fishery agreements, such as the Northwest Atlantic Fisheries Act of 1950, as amended, and the Tuna Conventions Act of 1950, as amended.

We hope that every effort will be made to enact this legislation as soon as possible. The United States has now accepted ICCAT regulatory measures (1) prohibiting the landing of yellowfin tuna less than 3.2 kilograms, (2) prohibiting the landing of Atlantic bluefin tuna less than 6.4 kilograms, and (3) limiting the fishing mortality of Atlantic bluefin tuna to recent levels for a period of 1 year. As it now stands, there is no federal authority to enforce these measures with respect to United States fishermen. Delay in the enactment of implementing legislation could have adverse consequences for some Atlantic tuna resources and would be detrimental to the credibility of the United States position at the 1975 ICCAT meeting.

Section 1 of the bill gives a short title for the proposed legislation.

Section 2 defines certain terms used in the bill.

The Convention was a response to the rapidly increasing exploitation of Atlantic Ocean tuna resources by fishermen of a large number of nations of Europe, Africa, the Americas and Asia. It reflects the conviction of the fishery experts of those nations that there is danger of overfishing and a decline in the productivity of the stocks of tunas and tuna-like fishes unless an effective program of international cooperation in research and conservation is implemented.

The Convention establishes an International Commission for Conservation of the Atlantic Tunas to coordinate, and if necessary carry out, scientific research on the Atlantic tunas and recommend joint measures to maintain the populations at levels which will permit the maximum sustainable catch. The Convention obliges the Contracting Parties to be represented by Delegates on the Commission, to furnish statistical and biological information for the Commission's use, to apply the duly adopted recommendations of the Commission, and to take necessary action to enforce the Convention, including collaboration in setting up an international enforcement system. The Commission held its first meeting in 1969, and made its first regulatory recommendations in 1972.

Section 3 authorizes the President to appoint three Commissioners, the maximum number of representatives permitted each country by the Convention, stipulates that they shall receive no compensation for their services, and establishes certain criteria for their selection to ensure that they will be representative of the interested public and Government sectors.

Section 4 authorizes the Commissioners to appoint an advisory committee of from five to twenty persons representative of the various groups concerned with Atlantic tuna fisheries. The rights and functions of the advisers are prescribed and are similar to those of members of similar advisory committees provided by statute for other international fishery commissions.

Subsection 5(a) authorizes the .Secretary of State, on behalf of the United States, to receive and deal appropriately with communications from the Commission, with the concurrence of the Secretary of Commerce and, with respect to enforcement, the concurrence of the Secretary of the Department of Transportation. The purpose of the procedure authorized is to ensure that conservation measures recommended by the Commission shall not be applied to U.S. fishermen if their rejection by another Contracting Party or other Parties would make their application ineffective for accomplishing the purposes of the Convention.

Subsection 5(b) authorizes the Secretary of State, in consultation with the Secretary of Commerce and the Secretary of the Department in which the Coast Guard is operating, to enter into international agreements for the purpose of implementing regulations binding on the Parties. Such agreements may include enforcement which could involve inspection of U.S. vessels and catches by foreign enforcement officers. This provision relates specifically to Article IX, paragraph 3 of the Convention, which calls for international collaboration for the implementation and enforcement of Convention provisions.

Subsection 6(a) prescribes the procedures for promulgation of regulations by the Secretary of Commerce for the purpose of carrying out recommendations of the Commission that are effective for the United States. This subsection also empowers the Secretary of Commerce to designate officers and employees of the States and the Commonwealth of Puerto Rico and authorize them to function as Federal law enforcement agents for the purpose of carrying out enforcement activities under the Act. The enforcement activities of such State officers in regard to foreign flag vessels will be limited to the fisheries zone. Subsection 6(c) places enforcement responsibility primarily with the Coast Guard, and authorizes regulations for procedures and methods of enforcement. Subsection 6(d) provides for the publication of proposed regulations in the Federal Register and affords interested persons the opportunity to participate in the rulemaking. Such regulations when published shall be accompanied by a statement assessing the nature and effectiveness of the measures for the implementation of the Commission's recommendations which are being carried out by other countries fishing the species subject to such recommendations. After publication such regulations would be applicable to U.S. fishermen, but shall be suspended if it is determined that a member country of the Commission for whom the conservation regulations are effective is fishing in such a way as to constitute a serious threat to the achievement of the Commission's recommendations. The kinds of regulations which may be promulgated are described, and import embargo provisions are contained which are similar to those of the Tuna Conventions Act of 1950. These provisions are intended to prohibit the entry of fish under regulation by the Commission taken in such a way as would tend to diminish the effectiveness of the Conservation recommendations of the Commission.

Subsection 7(a) makes it unlawful for any person in charge of a fishing vessel or any fishing vessel subject to the jurisdiction of the United States to fish in violation of any regulation adopted pursuant to this Act or for any person to deal in or be in possession of fish which he knows have been taken in violation of such regulations.

Subsections 7(b) and 7(c) make it unlawful for persons aboard any fishing vessel of the United States to fail to keep records and make reports required by regulations adopted pursuant to this Act or to refuse to stop and show such records, catch, equipment to a duly authorized official and permit interrogation of persons on board the vessel.

Subsection (d) makes it unlawful for any person to import fish which have been denied entry into the United States in accordance with the provisions of Section 6(c) of this Act.

Subsections 7(e) and 7(f) prescribe maximum fines of $25,000 for a first violation and $50,000 for a subsequent violation of subsection (a), and $1,000 for a first violation and $5,000 for a subsequent violation of subsections (b) or (c). Subsection 7(g) prescribes a maximum fine of $100,000 for any violation of subsection (d). Subsection 7(h) provides that all fish taken or retained in violation of subsection (a) or the monetary value of such fish may be forfeited, and makes all provisions of law relating to seizure, judicial forfeiture and condemnation of a cargo for violation of the customs law applicable to seizures and forfeitures under the provisions of this Act.

Subsection 8(a) prescribes how enforcement shall be carried out. It states that any person authorized to carry out enforcement activities under the Act may board and inspect any vessel and its catch in the waters of the Convention area; arrest, with or without a warrant, any person who violates the provisions of the Act or regulations issued thereunder; execute warrants and processes; and seize any fish found aboard a vessel in violation of the Act or regulations issued under the Act. Subsection 8(b) provides authority for duly authorized officials of either the United States or another Contracting Party to carry out enforcement activities with respect to persons or vessels subject to the jurisdiction of the other party to the extent authorized under the Convention or by agreements concluded pursuant to subsection 5(b). This provision insures that the United States can participate in systems of international enforcement established in accord with Article IX, paragraph 3, of the Convention provisions. The subsection also specifies that where any international enforcement agreement provides for arrest of persons or vessels under United States jurisdiction it shall also provide that the person or vessel arrested shall be promptly handed over to an authorized United States official. Subsection 8(c) provides that execution of any warrant or process or seizure of any fish under the provisions of the Act shall be stayed upon posting of a sufficient bond by the accused.

Subsection 9(a) authorizes the United States Commissioners, through the Secretary of State, to arrange for the cooperation of agencies of Federal, State and private institutions and organizations in carrying out the research function of the Commission under Article IV of the Convention. Subsection 9(b) authorizes all agencies of the Federal Government to cooperate in scientific and other programs upon request of the Commission. Subsection 9(c) provides that none of the prohibitions deriving from the Act, or those contained in the laws or regulations of any State, shall prevent the Commission from carrying out or authorizing fishing operations and biological experiments for purposes of its scientific investigations or discharging any other duties prescribed by the Convention. Subsection 9(d) states that the Act does not alter the existing rights of the several States within the territorial sea.

Section 10 authorizes appropriation of the sums necessary for carrying out the purposes and provisions of the Act, including necessary travel expenses of the Commissioners and authorized advisors as well as the United States share of the joint expenses of the Commission, as provided in Article X of the Convention.

Section 11 is a standard separability clause.

The Office of Management and Budget has advised that there is no objection to the presentation of the proposed legislation from the standpoint of the Administration's program.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for Congressional Relations.

S. 1963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Atlantic Tunas Convention Act of 1975".

DEFINITIONS

Sec. 2. For the purpose of this Act, the term—

(a) "Convention" means the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, including any amendments or protocols which are or become effective for the United States.

(b) "Commission" means the International Commission for the Conservation of Atlantic Tunas provided for in article III of the convention.

(c) "Fisheries zone" means the entire zone established by the United States under the Act of October 14, 1966 (80 Stat. 908; 16 U.S.C. 1091–1094), or similar zones established by other parties to the convention to the extent that such zones are recognized by the United States.

(d) "Person" means every individual, partnership, corporation, and association subject to the jurisdiction of the United States.

(e) "Fishing vessel" means any vessel engaged in catching fish or processing or transporting fish loaded on the high seas, or any vessel outfitted for such activities.

(f) "Fishing" means the catching, taking, or fishing, for, or the attempted catching, taking, or fishing for any species of fish covered by the convention, or fishing for any species of fish covered by the convention, or any activities in support thereof.

COMMISSIONERS

Sec. 3. The United States shall be represented by not more than three Commissioners who shall serve as the United States Delegates on the Commission, and who may serve on the council and panels of the Commission as provided for in the convention. Such Commissioners shall be appointed by the President, serve as such during his pleasure, and receive no compensation for their services as such Commissioners. Of such Commissioners—

(a) one shall be an official of the Department of Commerce; and

(b) each of the others shall be a person residing in a State, the residents of which maintain a substantial fishery in the convention area; at least one of such persons shall not be a salaried employee of a State, any political subdivision thereof, or of the Federal Government.

ADVISORY COMMITTEE

Sec. 4. The United States Commissioners shall appoint an advisory committee which shall be composed of not less than five nor more than twenty persons, such members to be selected from the various groups concerned with the fisheries covered by the convention. The members of the Advisory Committee shall serve for a term of two years, and shall be eligible for reappointment. Members of the advisory committee may attend all public meetings of the Commission or of any panel of which the United States is a member and any other meetings to which they are invited by the Commission. The advisory committee shall be invited to attend all nonexecutive meetings of the United States Commissioners and at such meetings shall be given opportunity to examine and to be heard on all proposed programs of investigations, reports, recommendations, and regulations of the Commission. Members of the Advisory Committee shall receive no compensation for their services as such members. On approval by the United States Commissioners, up to three members of the advisory committee, designated by the committee, shall be paid for their actual transportation expenses and per diem incident to attendance at meetings of the commission or a panel thereof, or of the Committee, and other members of the Committee may be paid for such expenses and per diem for the same purposes.

SECRETARY OF STATE TO ACT FOR THE UNITED STATES

Sec. 5. (a) The Secretary of State is authorized to receive on behalf of the United States, reports, requests, and other communications of the Commission, and to act thereon directly or by reference to the appropriate authorities. The Secretary of State, with the concurrence of the Secretary of Commerce, and, for matters relating to enforcement, the Secretary of the department in which the Coast Guard is operating, is authorized to take appropriate action on behalf of the United States with regard to recommendations received from the Commission pursuant to article VIII of the convention. The Secretary of Commerce and, when appropriate, the Secretary of the department in which the Coast Guard is operating shall inform the Secretary of State as to what action he considers appropriate within five months of the date of the notification of the recommendation from the Commission, and again within forty-five days of the additional sixty-day period provided by the convention if any objection is presented by another contracting party to the convention, or within thirty days of the date of the notification of an objection made within the additional sixty-day period, whichever date shall be the later. After any notification from the Commission that an objection of the United States is to be considered as having no effect, the Secretary of Commerce shall inform the Secretary of State as to what action he considers appropriate within forty-five days of the sixty-day period provided by the convention for reaffirming objections. The Secretary of State shall take steps under the convention to ensure that a recommendation pursuant to Article VIII of the Convention does not become effective for the United States prior to its becoming effective for all contracting parties conducting fisheries affected by such recommendation on a meaningful scale in terms of their effect upon the success of the conservation program, unless he determines, with the concurrence of the Secretary of Commerce, and, for matters relating to enforcement, the Secretary of the department in which the Coast Guard is operating, that the purposes of the convention would be served by allowing a recommendation to take effect for the United States at some earlier time.

(b) The Secretary of State, in consultation with the Secretary of Commerce and the Secretary of the Department in which the Coast Guard is operating, is authorized to enter into agreements with any contracting party, pursuant to paragraph 3 of article IX of the convention, relating to cooperative enforcement of the provisions of the Convention, recommendations in force for the United States and such party or parties under the Convention, and regulations adopted by the United States and such contracting party or parties pursuant to recommendations of the Commission. Such agreements may authorize personnel of the United States to enforce measures under the Convention and under regulations of another party with respect to persons under that party's jurisdiction, and may authorize personnel of another party to enforce measures under the Convention and under United States regulations with respect to persons subject to the jurisdiction of the United States. Enforcement under such an agreement may not take place within the territorial seas or fisheries zone of the United States. Such agreements shall not subject persons or vessels under the jurisdiction of the United States to prosecution or assessment of penalties by any court or tribunal of a foreign country.

ADMINISTRATION

Sec. 6. (a) The Secretary of Commerce is authorized and directed to administer and enforce all of the provisions of the convention, this Act, and regulations issued pursuant thereto, except to the extent otherwise provided for in this Act. In carrying out such functions he is authorized and directed to adopt such regulations as may be necessary to carry out the purposes and objectives of the convention and this Act, and with the concurrence of the Secretary of State, he may cooperate with the duly authorized officials of the government of any party to the convention. In addition, the Secretary of Commerce may utilize, with the concurrence of the Secretary of the department in which the Coast Guard is operating, insofar as such utilization involves enforcement at sea with or without reimbursement and by agreement with any other Federal department or agency, the personnel, services, and facilities of that agency, or for the purpose of enforcement with respect to any vessel in the fisheries zone, or whatever found, with respect to any vessel subject to the jurisdiction of the United States, any State agency or agency of the Commonwealth of Puerto Rico. When so utilized such personnel of the States of the United States and of the Commonwealth of Puerto Rico are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(b) Section 1114 of the title 18, USC, is amended by inserting before "shall be punished" under Sections 1111 and 1112 of this title the following:

"and personnel of the States of the United States and of the Commonwealth of Puerto Rico functioning as federal law enforcement agents under Section 6(a) of the Atlantic Tuna Convention Act of 1975."

(c) Enforcement activities at sea under the provisions of this Act for fishing vessels subject to the jurisdiction of the United States shall be primarily the responsibility of the Secretary of the Department in which the Coast Guard is operating, in cooperation with the Secretary of Commerce and the United States Bureau of Customs. The Secretary of the Department in which the Coast Guard is operating, with the concurrence of the Secretary of Commerce, is authorized and directed to adopt such regulations as may be necessary to provide for procedures and methods of enforcement pursuant to article IX of the convention.

(d) Regulations required to carry out recommendations of the Commission made pursuant to article VIII of the convention shall be promulgated as hereinafter provided by the Secretary of Commerce upon favorable action on these recommendations by the Secretary of State under Sec. 5(a) of this act. The Secretary of Commerce shall cause to be published in the Federal Register a general notice of proposed rulemaking and shall afford interested persons an opportunity to participate in the rulemaking through (1) submission of written data, views, or arguments, and (2) oral presentation at a public hearing. Such regulations shall be published in the Federal Register and shall be accompanied by a statement of the considerations involved in the issuance of the regulations, and by a statement, based on inquiries and investigations, assessing the nature and effectivenes of the measures for the implementation of the Commission's recommendations which are being or will be carried out by countries whose vessels engage in fishing the species subject to such recommendations within the water to which the Convention applies. After publication in the Federal Register such regulations shall be applicable to all vessels and persons subject to the jurisdiction of the United States on such date as the Secretary of Commerce shall prescribe. The Secretary of Commerce shall suspend at any time the application of any such regulations when, after consultation with the Secretary of State and the United States commissioners, he determines that fishing operations in the convention area of a contracting party for whom the regulations are effective are such as to constitute a serious threat to the achievement of the Commission's recommendations. The regulations thus promulgated may include the selection for regulation of one or more of the species covered by the convention; the division of the convention waters into areas; the establishment of one or more open or closed seasons as to each area; the limitation of the size of the fish and quantity of the catch which may be taken from each area within any season during which fishing is allowed; the limitation or prohibition of the incidental catch of a regulated species which may be retained, taken, possessed, or landed by vessels or persons fishing for other species of fish; the requiring of records of operations by boat captains or other persons who participate in the fisheries; the requiring of such clearance certificates for vessels as may be necessary to carry out the purposes of the convention and this Act; the requiring of proof satisfactory to the Secretary of Commerce showing that any fish subject to regulation pursuant to a recommendation of the commission offered for entry into the United States has not been taken or retained contrary to the recommendations of the commissin made pursuant to Article VIII of the International Convention for the Conservation of Atlantic Tunas which have been adopted as regulations pursuant to this section; and such other measures as the Secretary of Commerce may deem necessary to implement the recommendations of the commission: *Provided*, That upon the promulgation of any such regulations the Secretary of Commerce shall promulgate additional regulations, with the concurrence of the Secretary of State, which shall become effective simultaneously with the application of the regulations hereinbefore referred to (1) to prohibit the entry into the United States of fish in any form of those species which are subject to regulation pursuant to a recommendation of the commission and which were taken from the convention area in such manner or in such circumstances as would tend to diminish the effectiveness of the conservation recommendations of the commission, and (2) to prohibit the entry into the United States, from any country when the vessels of such country are being used in the conduct of fishing operations in the convention area in such manner or in such circumstances as would tend to diminish the effectiveness of the conservation recommendations of the commission, of fish in any form of those species which are subject to regulation pursuant to a recommendation of the commission and which were taken from the convention area. In the case of repeated and flagrant fishing operations in the convention area by the vessels of any country which seriously threaten the achievement of the objectives of the commission's recommendations, the Secretary of Commrce, with the concurrence of the Secretary of State, may, in his discretion, also prohibit the entry in any form, from such country of other species covered by the convention as may be under investigation by the commission and which were taken in the convention area. The aforesaid prohibitions shall continue until the Secretary of Commerce is satisfied that the condition warranting the prohibition no longer exists, except that all fish in any form of the species under regulation which were previously prohibited from entry shall continue to be prohibited from entry.

VIOLATIONS: FINES AND FORFEITURES: APPLICATION OF RELATED LAWS

Sec. 7. (a) It shall be unlawful—

(i) for any person in charge of a fishing vessel or any fishing vessel subject to the jurisdiction of the United States to engage in fishing in violation of any regulation adopted pursuant to section 6 of this Act; or

(ii) for any person subject to the jurisdiction of the United States to ship, transport, purchase, sell, offer for sale, import, export, or have in custody, possession or control any fish which he knows, or should know, have been taken or retained contrary to the recommendations of the Commission made pursuant to Article VIII of the International Convention for the Conservation of Atlantic Tunas and adopted as regulations pursuant to section 6 of this Act, without regard to the citizenship of the person or vessel which took the fish.

(b) It shall be unlawful for the master or any person in charge of any fishing vessel subject to the jurisdiction of the United States or any person on board such vessel to fail to make, keep, or furnish any catch returns, statistical records, or other reports as are required by regulations adopted pursuant to this Act to be made, kept, or furnished.

(c) It shall be unlawful for the master or any person in charge of any fishing vessel subject to the jurisdiction of the United States to refuse to permit any person authorized to enforce the provisions of this Act and any regulations adopted pursuant thereto, to board such vessel and inspect its catch, equipment, books, documents, records, or other articles or question the persons on board in accordance with the provisions of this Act, or the convention, as the case may be, or to obstruct such officials in the execution of such duties.

(d) It shall be unlawful for any person to import, in violation of any regulation adopted pursuant to Section 6(c) of this Act, from any country, any fish in any form of those species subject to regulation pursuant to a recommendation of the commission, or any fish in any form not under regulation but under investigation by the commission, during the period such fish have been denied entry in accordance with the provisions of Section 6(c) of this Act. In the case of any fish as described in this subsection offered for entry in the United States, the Secretary of Commerce shall require proof satisfactory to him that such fish is not ineligible for such entry under the terms of Section 6(c) of this Act.

(e) Any person violating any provision of subsection (a) of this section shall be subject to a civil penalty of not more than $25,000 and for a subsequent violation of any provision of said subsection (a) shall be subject to a civil penalty of not more than $50,000.

(f) Any person violating any provision of subsections (b) or (c) of this section shall be subject to a civil penalty of not more than $1,000 and for a subsequent violation of any provision of the same subsection shall be subject to a civil penalty of not more than $5,000.

(g) Any person violating any provision of subsection (d) of this section shall be subject to a civil penalty of not more than $100,000.

(h) All fish taken or retained in violation of subsection (a) of this section, or the monetary value thereof, may be forfeited.

(i) All provisions of law relating to the seizure, judicial forfeiture, and condemnation of a cargo for violation of the customs laws, the disposition of such cargo or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act.

ENFORCEMENT

Sec. 8. (a) Any person authorized in accordance with the provisions of this Act to enforce the provisions of this Act and the regulations issued thereunder may—

(1) with or without a warrant, board any vessel subject to the jurisdiction of the United States and inspect such vessel and its catch. If as a result of such inspection he has rasonable cause to believe that such vessel or any person on board is engaging

in operations in violation of this Act or any regulations issued thereunder, he may, with or without a warrant or other process, arrest such person;

(2) arrest, with or without a warrant, any person who violates the provisions of this Act or any regulation issued thereunder in his presence or view;

(3) execute any warrant or other process issued by an officer or court of competent jurisdiction; and

(4) seize, whenever and wherever lawfully found, all fish taken or retained by a vessel subject to the jurisdiction of the United States in violation of the provisions of this Act or any regulations issued pursuant thereto. Any fish so seized may be disposed of pursuant to an order of a court of competent jurisdiction, or, if perishable, in a manner prescribed by regulation of the Secretary of Commerce.

(b) To the extent authorized under the convention or by agreements between the United States and any contracting party concluded pursuant to section 5(b) of this Act for international enforcement, the duly authorized officials of such party shall have the authority to carry out the enforcement activities specified in section 8(a) of this Act with respect to persons or vessels subject to the jurisdiction of the United States, and the officials of the United States authorized pursuant to this section shall have the authority to carry out the enforcement activities specified in section 8(a) of this Act with respect to persons or vessels subject to the jurisdiction of such party, except that where any agreement provides for arrest or seizure of persons or vessels under United States jurisdiction it shall also provide that the person or vessel arrested or seized shall be promptly handed over to a United States enforcement officer or another authorized United States official.

(c) Notwithstanding the provisions of section 2464 of title 28, United States Code, when a warrant of arrest or other process in rem is issued in any cause under this section, the marshall or other officer shall stay the execution of such process, or discharge any fish seized if the process has been levied, on receiving from the claimant of the fish a bond or stipulation for the value of the property with sufficient surety to be approved by a judge of the district court having jurisdiction of the offense, conditioned to deliver the fish seized, if condemned, without impairment in value or, in the discretion of the court, to pay its equivalent value in money or otherwise to answer the decree of the court in such cause. Such bond or stipulation shall be returned to the court and judgment thereon against both the principal and sureties may be recovered in event of any breach of the conditions thereof as determined by the court. In the discretion of the accused, and subject to the direction of the court, the fish may be sold for not less than its reasonable market value at the time of seizure and the proceeds of such sale placed in the registry of the court pending judgment in the case.

COOPERATION: COMMISSION'S FUNCTIONS NOT RESTRAINED BY THIS ACT OR STATE LAWS

SEC. 9. (a) The United States Commissioners, through the Secretary of State and with the concurrence of the agency, institution, or organization concerned, may arrange for the cooperation of agencies of the United States Government, and of State and private institutions and organizations in carrying out the provisions of article IV of the convention.

(b) All agencies of the Federal Government are authorized, upon the request of the Commission, to cooperate in the conduct of scientific and other programs, and to furnish facilities and personnel for the purpose of assisting the Commission in carrying out its duties under the convention.

(c) None of the prohibitions deriving from this Act, or contained in the laws or regulations of any State, shall prevent the Commission from conducting or authorizing the conduct of fishing operations and biological experiments at any time for puropses of scientific investigation, or shall prevent the Commission from discharging any other duties prescribed by the convention.

(d) Nothing in this Act shall be construed to diminish or increase the jurisdiction of the States over their respective territorial waters.

APPROPRIATIONS

SEC. 10. There are authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary for carrying out the purposes and provisions of this Act, including—

(a) Necessary travel expenses of the United States Commissioners and authorized advisers in accordance with the Federal Travel Regulations, as amended, the Travel Expense Act of 1949, or section 10 of the Act of March 3, 1933 (5 U.S.C. 5731)

(b) The United States share of the joint expenses of the Commission as provided in article X of the convention.

SEPARABILITY

SEC. 11. If any provision of this Act or the application of such provision to any circumstances or persons shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1964. A bill to amend section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 to extend the appropriation authorization for fiscal years 1976 and 1977 in order to carry out the provisions of title III relating to marine sanctuaries. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference, a bill to amend section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 to extend the appropriation authorization for fiscal years 1976 and 1977 in order to carry out the provisions of title III relating to marine sanctuaries, and I ask unanimous consent that the letter of transmittal and statement of purpose and need be printed in the RECORD together with the text of the bill.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

MAY 19, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are six copies of a draft bill:

"To amend section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 to extend the appropriation authorization for fiscal years 1976 and 1977 in order to carry out the provisions of Title III relating to marine sanctuaries,"

together with a statement of purpose and need in support thereof.

This proposed legislation has been reviewed by the Department in the light of Executive Order No. 11821 and has been determined not to be a major proposal requiring evaluation and certification as to its inflationary impact.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress and further that it would be consistent with the program of the President.

Sincerely,

JOHN K. TABOR,
Acting Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

The bill would extend the appropriation authorization under section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 (P.L. 92–532) for fiscal years 1976 and 1977. The requested extension would authorize appropriations for processing marine sanctuary nominations and for operating the program as required under section 304 of the Act. As the program becomes known to the public, the number of nominations is expected to increase greatly because nominations can be made by anyone. The legal structure for administering this section of the Act was completed with the publication of Guidelines on June 27, 1974 (Federal Register, v. 39, No. 125, p. 23254) and four nominations have already been received. These nominations range from a proposal to preserve as a marine habitat coral reefs near Florida to a killer whale species reserve in Puget Sound.

Funding under section 304 is currently authorized through fiscal year 1975.

S. 1964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Title III, section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 (86 Stat. 1061; 16 U.S.C. 1434), is amended by striking the word "two" before the words "fiscal years" and inserting in lieu thereof the word "four".

By Mr. MONTOYA:

S. 1965. A bill to provide for the striking of medals in commemoration of the Bicentennial of the U.S. Army, the U.S. Navy, and the U.S. Marine Corps. Referred to the Committee on Banking, Housing and Urban Affairs.

BICENTENNIAL COMMEMORATIVE MEDALS FOR ARMED SERVICES

Mr. MONTOYA. Mr. President, today it is my pleasure to introduce legislation to authorize and direct the Secretary of the Treasury to strike commemorative medals of the Bicentennial celebrations of the U.S. Army, the U.S. Navy, and the U.S. Marine Corps.

This legislation is identical with a bill introduced in the House by my distinguished colleague, Congresswoman LEONOR SULLIVAN of Missouri, on April 8 of this year. I understand that the House will consider this legislation in the near future.

Within the next few months we will celebrate the founding of these three services which have done so much to protect and preserve what the Continental Congress established 199 years ago. Over the past 200 years we have called frequently on our military forces to respond to threats against freedom in many parts of the globe, and we have never had reason to be disappointed in their response. Therefore, it is altogether fitting that we should commemorate the 200th anniversaries of the services with the establishment of national medals.

I urge my colleagues to give this legislation favorable consideration as an appropriate acknowledgement of a grateful Nation for the sacrifices and services of these three great military services in the defense of the United States over the past 200 years.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1965

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in commemoration of the Bicentennial of the United States Army on June 14, the United States Navy on October 13, and the United States Marine Corps on November 10, 1975, the Secretary of the Treasury is authorized and directed to strike three medals of suitable sizes and metals, and with suitable emblems, devices, and inscriptions to be determined by the Secretary of the Army and the Secretary of the Navy, as applicable, subject to the approval of the Secretary of the Treasury.

Sec. 2. The Secretary of the Treasury shall furnish the medals to the Secretary of the Army and the Secretary of the Navy, as applicable, at a price equal to the cost of manufacture.

Sec. 3. The Secretary of the Treasury shall also cause such medals to be sold by the mint, as list medals, under such regulations as he may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses.

By Mr. MONTOYA (for himself, Mr. Inouye, Mr. Mondale, and Mr. Randolph):

S. 1966. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits or any exclusion of any type of provider of health services. Referred to the Committee on Post Office and Civil Service.

Mr. MONTOYA. Mr. President, today I am introducing in the Senate a bill which would require that the Civil Service Commission hold public hearings regarding proposed reductions in health care benefits, before those reductions take effect. My friend Congressman Gilbert Gude of Maryland has proposed identical legislation in the House. I believe that a program such as the Federal employees health benefit system could only benefit from proceedings which are held in the public forum.

Mr. President, my bill would require that notice of any reduction of health benefits be or any exclusion of any type of provider of health services be published in the Federal Register 180 days before such proposals take effect. The bill further provides for simultaneous notification that the Civil Service Commission will hold public hearings 120 days prior to any such proposed reductions or exclusions taking effect.

This bill seeks to encourage a public dialog among insurers, subscribers and physicians, concerning the type of benefits and services which are allowed under the assorted insurance and health care plans which serve the Federal employee. It is essential, I believe, that the consumer in this area be given an opportunity to provide input during the negotiating process. Any purchaser must be given ample opportunity to make their views known on the types of products he will ultimately be asked to choose from. It seems to me that a right exists for health care providers and subscribers to affect the type of plans which will be offered.

Mr. President, we are not dealing here with a small obscure program affecting only a few individuals. The Federal Government participates in the largest voluntary employee group health insurance program in the World. Over 3,004,986 Federal employees and annuitants participate in the various health programs nationwide. In my own State of New Mexico 25,540 Federal employees and annuitants participate in assorted Federal health insurance programs. Mr. President, I ask unanimous consent that a table which shows Federal employee participation in health insurance nationwide and New Mexico, be inserted in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

ESTIMATED NUMBER OF ENROLLEES, JUNE 30, 1974

	New Mexico	Nationwide
Aetna Life & Casualty	7,145	475,118
Blue Cross/Blue Shield	15,012	1,844,309
Government-wide	22,157	2,319,427
Employee organizations	2,318	463,638
Individual practice plans	1,064	56,945
Group practice plans	1	164,976
Total	25,540	3,004,986

Mr. MONTOYA. Mr. President, I am hopeful that my colleagues in the Senate will agree with me that the time has come for the Congress to let a little sunshine into the negotiating process between the Federal Government and those insurers which provide health coverage to Government workers. I urge that this matter be considered at the earliest possible time so that the Senate will have an opportunity to focus on this important question.

Mr. President, I am pleased to be joined on this bill by my distinguished colleagues, Senators Randolph and Inouye.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1966

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8902 is amended by adding at the end thereof the following new subsection:

"(k) In the case of any carrier—

"(1) the benefits provided under any plan offered by such carrier may not be reduced, and

"(2) any class or type of physician, hospital, or other provider of health services may not be excluded under any plan offered by such carrier,

unless, not later than 180 days before any such proposed reduction or exclusion is to take effect, the Commission publishes in the Federal Register a statement explaining such proposal (including the reasons therefor), and giving the time and place of a hearing with respect to such proposal. Not later than 120 days before such proposed reduction or exclusion takes effect the Commission shall hold such hearing, at which interested parties may submit evidence and testify.".

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 461

At the request of Mr. Williams, the Senator from Minnesota (Mr. Mondale) was added as a cosponsor of S. 461, the single parent adoption bill.

S. 523

At the request of Mr. Schweiker, the Senator from Pennsylvania (Mr. Hugh Scott) was added as a cosponsor of S. 523, a bill to provide that U.S. Flag Day shall be a legal public holiday.

S. 981

At the request of Mr. Philip A. Hart, the Senator from Alaska (Mr. Gravel) and the Senator from Colorado (Mr. Haskell) were added as cosponsors of S. 981, the Food Stamp Amendments of 1975.

S. 1009

At the request of Mr. Stone, the Senator from Montana (Mr. Mansfield) and the Senator from Arkansas (Mr. Bumpers) were added as cosponsors of S. 1009, a bill to amend title 13 of the United States Code to require the compilation of current data on total population between censuses and to require the use of such current data in the administration of Federal laws in which population is a factor.

S. 1354

At the request of Mr. Dole, the Senator from Oklahoma (Mr. Bellmon) was added as a cosponsor of S. 1354, a bill to assure foreign countries that reserve stocks of agricultural commodities stored in the United States under certain conditions shall not be subject to export controls.

S. 1621

At the request of Mr. Tunney, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 1621, a bill to amend section 44 of the Internal Revenue Code of 1954 (relating to the credit for purchase of a new principal residence) to provide that the lowest offering price requirement be limited to offers after December 31, 1974, and to expedite the prescribing of final regulations relating to such section 44.

S. 1729

At the request of Mr. Bayh, the Senator from Pennsylvania (Mr. Schweiker) and the Senator from Iowa (Mr. Clark) were added as cosponsors of S. 1729, a bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, to provide benefits for widowed fathers with minor children, to make certain other changes so that benefits for husbands, widowers, and fathers will be payable on the same basis as benefits for wives, widows, and mothers, and to permit the payment of benefits to a married couple on their combined earnings record where that method of computation provides a higher combined benefit.

S. 1754

At the request of Mr. Magnuson, the Senator from New Hampshire (Mr. McIntyre) was added as a cosponsor of S. 1754, a bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution of the marine environment, and for other purposes.

S. 1878

At the request of Mr. Tower, the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Stevens), and the Senator from North Dakota (Mr. Young) were added as cosponsors of S. 1878, a bill to amend the Federal Water Pollution Control Act.

S. 1906

At his own request, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of the bill (S. 1906) to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential under the medicare program.

SENATE JOINT RESOLUTION 90

At the request of Mr. Domenici, the Senator from Minnesota (Mr. Mondale) was added as a cosponsor of Senate Joint Resolution 90, a joint resolution to authorize the President of the United States to designate "National Ski Week."

SENATE RESOLUTION 144

At the request of Mr. Burdick, the Senator from South Dakota (Mr. McGovern) and the Senator from Utah (Mr. Moss) were added as cosponsors of Senate Resolution 144, to urge the restoration of the status of amateur athlete for the late Jim Thorpe, and for other purposes.

SENATE CONCURRENT RESOLUTION 7

At the request of Mr. Beall, the Senator from Nevada (Mr. Laxalt) was added as a cosponsor of Senate Concurrent Resolution 7, expressing the sense of the Congress that business concerns which lower prices shall not be penalized if certain economic controls are imposed.

SENATE RESOLUTION 185 AND SENATE RESOLUTION 186—ORIGINAL RESOLUTIONS REPORTED TO PAY GRATUITIES

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolutions:

S. Res. 185

Resolved, that the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Inez C. Buckley, widow of Wilburn Buckley, an employee of the Senate at the time of his death, a sum equal to one years' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

S. Res. 186

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Clara C. Cagiwa, widow of Bernard G. Cagiwa, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of his death, a sum equal to ten months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

AMENDMENTS SUBMITTED FOR PRINTING

JURISDICTION OF U.S. MAGISTRATES—S. 1283

AMENDMENT NO. 589

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. BURDICK. Mr. President, on March 21, 1975, at the request of the Judicial Conference of the United States I introduced S. 1283, a bill to improve judicial machinery by further defining the jurisdiction of the U.S. magistrates. I stated at that time that the bill was required in order to permit the magistrates to hold evidentiary hearings in habeas corpus and other prisoner petition matters. Since introduction of the bill, the staff of the Subcommittee on Improvements in Judicial Machinery has conferred at length with the chairman and other members of the Judicial Conference's Committee on the Magistrate System, with representatives of the Administrative Office of the U.S. Courts, and with various magistrates. These efforts have culminated in a number of perfecting amendments to S. 1283. Because of the extent of the amendments and the importance of this legislation to the judicial system, I have set them out as an amendment to S. 1283 and I ask unanimous consent that the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 589

That Section 636(b) of Title 28 U.S. Code is amended to read as follows:

"(b) (1) Notwithstanding any provision of law to the contrary,—

"(A) a judge may designate a magistrate to hear and determine, any pretrial matter pending before the court, except a motion for injunctive relief, for judgment on the pleadings, for summary judgment, to dismiss or quash an indictment or information made by the defendant to suppress evidence in a criminal case, dismiss or to permit maintenance of a class action, and to involuntarily dismiss an action for failure to prosecute or for failure to comply with an order of the court. A judge of the court may rehear any pretrial matter under this subsection where it has been shown that the magistrate's order is clearly erroneous or contrary to law.

"(B) a judge may also designate a magistrate to conduct hearings, including evidentiary hearings, and to submit to a judge of the court proposed findings of fact and recommendations for the disposition, by a judge of the court, of any motion excepted in subsection (A), of applications for post-trial relief made by individuals convicted of criminal offenses and of prisoner petitions challenging conditions of confinement.

"(C) the magistrate shall file his proposed findings and recommendations under subparagraph (B) of this subsection, with the clerk of the court, who shall forthwith mail a copy to all parties. Within 20 days after being served with notice of the filing, any party may serve and file writtten objections to such proposed findings and recommendations, together with a motion applying to the court for action on such proposed findings and recommendations. The motion shall be determined by a judge of the court who may accept, reject or modify, in whole or in part, the findings or recommendations made by the magistrate. The judge may also receive further evidence or recommit the matter to the magistrate with instructions.

"(2) A judge may designate a magistrate to serve as special master pursuant to the applicable provisions of this title and the Federal Rules of Civil Procedure for the United States District Courts. A judge may designate a magistrate to serve as a special master in any civil case, upon consent of the parties, without regard to the provisions of Rule 53(b) of the Federal Rules of Civil Procedure for the United States District Courts.

"(3) A magistrate may be assigned such additional duties as are not inconsistent with the Constitution and laws of the United States.

"(4) Each district court may establish rules, consistent with this subsection (b) pursuant to which the magistrates shall discharge their duties.

AUTOMOBILE FUEL ECONOMY AND RESEARCH AND DEVELOPMENT ACT OF 1975—S. 1883

AMENDMENT NO. 590

(Ordered to be printed and to line on the table.)

Mr. DOMENICI. Mr. President, as a member of the Public Works Committee, I have become quite concerned about our automotive transportation problems with particular regard to fuel economy and auto emissions. The Senate Commerce Committee has responded to these problems in reporting cut S. 1883, the Automobile Fuel Economy and Research and Development Act of 1975.

Under the second title of this act, the Department of Transportation would be directed to initiate a program designed to insure the development of a production prototype automobile through the use of grants and loan guarantees. I support the goals of S. 1883 but am concerned as to whether the Department of Transportation is the most appropriate agency to undertake such an extensive mission-oriented R. & D. program.

Presently, Government involvement in automotive R. & D. is fragmented with five different agencies operating under a combined annual budget of less than $17 million. Dr. Dixy Lee Ray, former Chairman of the Atomic Energy Commission, in her report to President Nixon, the "National Energy Future," recommended that the Federal Government initiate a comprehensive R. & D. program in advanced auto propulsion with expenditures of $350 million over a 4-year period.

Congress responded to this report by enacting Public Law 93–438, the Energy Research and Development Act of 1974. The prime objective of ERDA was the consolidation of Government energy R. & D. programs. Specifically included in this consolidation was the transfer of the auto research division of the Environmental Protection Agency headed by John Brogan to ERDA.

Though the funding level for the advanced automotive power system section is inadequate, it quite clearly expresses the intent of Congress to make ERDA the lead agency in automotive R. & D.

S. 1883, however, would give this latter role to the Department of Transportation, which although it has performed limited work at their Cambridge Laboratory, does not have the facilities or personnel of ERDA. ERDA on the other hand has jurisdiction over the Advanced Automotive Propulsion Laboratory at Bartlesville along with several outstanding national laboratories all of which have been involved in automotive R. & D. programs.

I am, therefore, sending to the desk an amendment to S. 1883, which has the same goals as the bill recommended by the Commerce Committee, but one which is more consistent with the Dr. Ray report and the legislative intent of Public Law 93-438. The basic provision of my amendment would be to increase the Government role by establishing a Division of Advanced Prototype and Ground Propulsion Systems within ERDA. This division would develop a technical capacity that would lead or contribute to the production of an improved or new automotive system.

A second provision of my amendment would increase the technology assessment capacity within the Environmental Protection Agency to evaluate technological developments designed to improve future fuel and emission standards. The rationale of this provision is that Congress, the administration, and the regulatory agencies have been crippled by a lack of technical expertise to effectively evaluate the technological problems related to congressional mandates involving the automobile industry. Presently Congress lacks the technical capacity to evaluate the technical claims made by the auto industry and subsequently has been forced to rely on the industry's good faith pledges.

A classic example of the problems stemming from inadequate technical expertise, is the catalytic converter issued in the Clean Air Act. When the industry first put on catalytic converters, the Government lacked the expertise to determine that in addition to cleaning up certain pollutants, the converter was discharging another pollutant, sulfuric acid. This lack of Federal technical capacity has continued to plague our clean air efforts.

My amendment would authorize $20 million over 5 years to expand EPA capacity to allow the administration and Congress the technical expertise to more effectively implement in a fair and objective manner, the Clean Air Act.

A third provision of my amendment would require annual reports by ERDA and EPA to Congress. The reports would include an accounting of the state of the technology available to the auto industry in meeting the emission and fuel economy standards ranging from preproduction and actual production prototypes. These reports will be made directly to Congress without submission to or clearance of any other Federal agency.

Mr. President, my amendment will not alter the mission as established by the Commerce Committee but instead will more effectively utilize existing Government facilities and personnel in meeting these goals. I would, therefore, hope that the distinguished floor manager from California (Mr. TUNNEY) will accept this amendment as it is consistent with the overall energy plan as previously described by Congress.

I ask unanimous consent that my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 590

On page 24, beginning with line 5, strike out all through the end of the bill and insert in lieu thereof the following:

TITLE II—RESEARCH AND DEVELOPMENT

SEC. 201. This title may be cited as the "Automotive Transport Research and Development Act of 1975".

SEC. 202. The Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.), as amended by title I of this Act, is further amended by adding at the end thereof the following new title:

"TITLE VI—RESEARCH AND DEVELOPMENT

"SHORT TITLE

"SEC. 601. This title may be cited as the 'Automotive Transport Research and Development Act'.

"FINDING AND PURPOSES

"SEC. 602. (a) Findings.—The Congress finds that—

"(1) Existing automobiles, on the average, fall short of meeting the long-term goals of the Nations with respect to safety, environmental protection, and energy conservation.

"(2) Advanced alternatives to existing automobiles could, with sufficient research and development effort, meet these long term goals, and have the potential to be mass produced at reasonable cost. Such advanced automobiles could be operated with significantly less adverse environmental impact and fuel consumption than existing automobiles, while meeting all of the other requirements of Federal law.

"(3) Insufficient resources are being devoted, both by the Federal Government and by the private sector, to research and development of advanced automobiles and automobile components.

"(4) An expanded research and development effort by the Federal Government into advanced automobiles and automobile components would complement and stimulate corresponding efforts by the private sector and would encourage automobile manufacturers to consider seriously the substitution of such advanced alternatives for existing automobiles and automobile components.

"(5) The Nation's energy, safety, and environmental problems are urgent, and therefore advanced automobiles and automobile components should be developed, tested, and prepared for manufacture within the shortest practicable time.

"(b) Purposes.—It is therefore the purpose of the Congress in this title—

"(1) to develop ground propulsion systems which are energy conserving, have clean emission characteristics, and are capable of being produced in large numbers at reasonable mass production per unit costs, such systems to meet or better all air quality standards set by or under the Clean Air Act;

"(2) to develop alternative energy sources for use in ground propulsion systems; and

"(3) to preserve, enhance, and facilitate competition in research, development, and production of existing and alternative automobiles and automobile components.

"DEFINITIONS

"SEC. 603. As used in this title, the term—

"(1) 'Administrator' means the Administrator of the Energy Research and Development Administration;

"(2) 'developer' means any person engaged in whole or in part in research or other efforts directed toward the development of production prototypes of an advanced automobile or automobiles;

"(3) 'fuel' means any energy source capable of propelling an automobile;

"(4) 'fuel economy' refers to the average number of miles traveled in representative driving conditions by an automobile per gallon of fuel consumed, as determined by the Administrator of the Environmental Protection Agency, in accordance with test procedures established by rule. Such procedures shall require that fuel economy tests be conducted in conjunction with emissions tests mandated by section 206 of the Clean Air Act (42 U.S.C. 1857f-5);

"(5) 'ground propulsion systems' means the engine, transmission, or drive, and associated controls, necessary to power automobiles, trucks, trains, buses, and selected light marine vehicles;

"(6) "production prototype' means an automobile which is in its final stage of development and which is capable of being placed into production, for sale at retail, in quantities exceeding 10,000 automobiles per year;

"(7) 'reliability' refers to the average time and distance over which normal automobile operation can be expected without repair or replacement of parts, and to the ease of diagnosis and repair of an automobile and of its systems and parts which fail during use of which are damaged in an accident; and

"(8) 'safety' refers to the performance of an automobile or automobile equipment in such a manner that the public is protected against unreasonable risk or accident and against unreasonable risk of death or bodily injury in case of accident.

"DIVISIONS OF ADVANCED PROTOTYPES AND GROUND PROPULSION SYSTEMS

"SEC. 604. (a) There is established within the Energy Research and the Development Administration a Division of Advanced Prototypes and Ground Propulsion Systems and the Administrator shall carry out his functions pursuant to this title, through such Division.

"(b) The Administrator shall carry out a program of research, development, and demonstration of ground propulsion systems, including alternative energy sources for use therein, so as to contribute, among others, to the following objectives—

"(1) the improvement and verifying of ground propulsion systems with emphasis on efficiency, performance, and usefulness;

"(2) the development of energy conserving ground propulsion systems;

"(3) the development of ground propulsions systems with clean emission characteristics, economical per unit cost, and low per mile energy consumption; and

"(4) the most effective utilization in such program of the scientific and engineering resources of the United States already in existence, with close cooperation among all interested agencies of the United States in order to avoid unnecessary duplication and waste of effort, facilities, and equipment.

"(c) In carrying out his functions under this section the Administrator shall evaluate and make a continuing comparative assessment of all ground propulsion systems presently in use, or in a conceptual or development stage.

"(d) The Administrator is authorized to enter into contracts and other agreements or arrangements, and to make such grants, as he may determine necessary and appropriate in carrying out his functions under this section. The Administrator shall, in carrying out such functions, utilize, to the maximum extent, the resources and cooperation of the private sector.

"(e) The Administrator, shall establish an advisory board for the purposes, among others, of encouraging the private sector to participate in the research, development, and demonstration carried out pursuant to this section, and to advise with and make recommendations to the Administrator on legislation, policies, administration, research, and other matters affecting this section.

"(f) The Administrator shall consult and cooperate with the heads of other Federal agencies with respect to their respective duties and responsibilities which relate to this title, and the Administrator and such heads of other agencies shall coordinate their respective activities, in areas of shared concern, to the extent practicable, in order that the duties and responsibilities of all may be performed in a way that will lead to the accomplishment of the policy of this title in the shortest time and in the most efficient and cost-effective manner possible.

"(g) There is authorized to be appropriated for the purposes of this section and not to exceed $20,000,000 for the fiscal year ending June 30, 1976, not to exceed $40,000,000 for the fiscal year ending June 30, 1977, and not to exceed $75,000,000 for each of the three succeeding fiscal years.

"ASSISTANCE IN THE DEVELOPMENT OF PRODUCTION PROTOTYPES OF ADVANCED AUTOMOBILES

"SEC. 605. (a) (1) The Administrator shall provide funds, by contract, to initiate, continue, supplement, and maintain research and development programs or activities which, in the Administrator's judgment, appear likely to lead or contribute to the development, in production prototype form, of an advanced automobile or advanced automobiles.

"(2) The Administrator is authorized to make such contracts with any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual.

"(b) The Administrator in the exercise of duties and responsibilities under this section and section 606, shall consult with the Administrator of the Environmental Protection Agency and shall establish procedures for periodic consultation with representatives of science, industry, and such other groups as may have special expertise in the areas of automobile research, development, and technology. The Administrator may establish an advisory panel or panels to review and to make recommendations with respect to applications for funding under this section and guarantees under section 606.

"(c) Each contract under this section shall be made in accordance with such rules and regulations as the Administrator shall prescribe in accordance with the provisions of this section and of section 602 of this title. Each application for funding shall be made in writing in such form and with such content and other submissions as the Administrator shall require.

"(d) There is authorized to be appropriated not to exceed $50,000,000 to carry out the provisions of this section.

"OBLIGATION GUARANTEES

"SEC. 606. (a) (1) The Administrator is authorized, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, to guarantee, and to make commitments to guarantee the payment of interest on, and the principal balance of, loans and other obligations, if the obligation involved is, or will be, entered into in order to initiate, continue, supplement, and maintain research and development programs or activities which, in the Administrator's judgment, appear likely to lead to the development, in production prototype form, and to the availability, of an advanced automobile or advanced automobiles. Each application for such an obligation guarantee shall be made in writing to the Administrator in such form and with such content and other submissions as the Administrator shall require, in order reasonably to protect the interests of the United States. Each guarantee and commitment to guarantee shall be extended in such form, under such terms and conditions, and pursuant to such regulations as the Administrator deems appropriate. Each guarantee and commitment to guarantee shall inure to the benefit of the holder of the obligation to which such guarantee or commitment applies. The Administrator is authorized to approve any modification of any provision of a guarantee or a commitment to guarantee such an obligation, including the rate of interest, time of payment of interest or principal, security, or any other terms or conditions, upon a finding by the Administrator that such modification is equitable, not prejudicial to the interests of the United States, and has been consented to by the holder of such obligation.

"(2) The Administrator is authorized to so guarantee and to make such commitments to any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual.

"(b) No obligation shall be guaranteed by the Administrator under subsection (a) of this section unless the Administrator finds that no other reasonable means of financing or refinancing is reasonably available to the applicant.

"(c) (1) The Administrator shall charge and collect such amounts as the Administrator may deem reasonable for the investigation of applications for the guarantee of an obligation, for the appraisal of properties offered as security for such a guarantee, or for the issuance of commitments to guarantee.

"(2) The Administrator shall set a premium charge of not more than 1 percent per year for a loan or other obligation guaranteed under this section.

"(d) No guarantee or commitment to guarantee an obligation entered into by the Administrator shall be terminated, canceled, or otherwise revoked, except in accordance with reasonable terms and conditions prescribed by the Administrator. Such a guarantee or commitment to guarantee shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Such a guarantee or commitment shall be valid and incontestable in the hands of a holder as of the date when the Administrator entered into the contract of guarantee or commitment to guarantee, except as to fraud, duress, mutual mistake of fact, or material misrepresentation by or involving such holder.

"(e) (1) If there is a default in any payment by the obligor of interest or principal due under an obligation guaranteed by the Administrator under this section, and such default has continued for 60 days, the holder of such obligation shall have the right to demand payment by the Administrator of such unpaid amount. Within such period as may be specified in the guarantee or related agreements, but not later than 45 days from the date of such demand, the Administrator shall promptly pay to such obligee the unpaid interest on, and unpaid principal of, the obligation guaranteed by the Administrator as to which the obligor has defaulted, unless the Administrator finds that there was no default by the obligor in the payment of interest or principal or that such default has been remedied.

"(2) If a payment is made by the Administrator under paragraph (1) of this subsection, the Administrator shall have all rights specified in the guarantee or related agreements with respect to any security which the Administrator held with respect to the guarantee of such obligation, including, but not limited to, the authority to complete, maintain, operate, lease, sell or otherwise dispose of any property acquired pursuant to such guarantee or related agreements.

"(3) If there is a default under any guarantee or commitment to guarantee an obligation, the Administrator shall notify the Attorney General who shall take such action against the obligor or any other parties liable thereunder as is necessary to protect the interests of the United States. The holder of such obligation shall make available to the United States all records and evidence necessary to prosecute any such suit.

"(f) There are authorized to be appropriated to the Administrator such sums as are necessary, not to exceed $25,000,000 to pay the interest on, and the principal balance of, any obligation guaranteed by the Administrator as to which the obligor has defaulted: *Provided*, That the outstanding indebtedness guaranteed under this section shall not exceed $25,000,000.

"TESTING OF PRODUCTION PROTOTYPES

"SEC. 607. (a) The Administrator of the Environmental Protection Agency shall test, or cause to be tested, in a facility subject to Environmental Protection Agency supervision, each production prototype of an automobile developed in whole or in part with Federal financial assistance under this title, or any ground propulsion system referred to the Environmental Protection Agency for such purpose by the Administrator, to determine whether such production prototype or system complies with any exhaust emission standards or any other requirements promulgated or reasonably expected to be promulgated under any provision of the Clean Air Act (42 U.S.C. 1857 et seq.), the Noise Control Act of 1972 (42 U.S.C. 4901), or any other provision of Federal law administered by the Administrator of the Environmental Protection Agency. In conjunction with any test for compliance with exhaust emission standards under this section, the Administrator of the Environmental Protection Agency shall also conduct tests in conjunction with the Administrator to determine the fuel economy of such prototype automobile.

"(b) The Administrator shall test, or shall cause to be tested in a facility subject to supervision by the Administrator, all production prototypes of advanced automobiles developed with assistance pursuant to this title. Such tests shall be conducted, according to testing procedures to be developed by the Administrator, to determine whether each such automobile complies with any standards promulgated as of the date of such testing or reasonably expected to be promulgated prior to the sale at retail of such automobile, under any provision of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381), the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.), the Automobile Information Disclosure Act (15 U.S.C. 1232), and any other statute enacted by Congress and applicable to automobiles.

"(c) The Administrator of the Environmental Protection Agency and the Administrator may at the request of a developer and payment of costs test any production prototype or ground propulsion system pursuant to the provisions of this section. Such tests by the Administrator of the Environmental Protection Agency may also be provided for determination of future compliance with provisions of law referred to in subsection (a).

"(d) The Administrator of the Environmental Protection Agency is authorized during the five-year period following the date of enactment of this title to evaluate and assess technology which he feels will lead to the meeting of automobile emission standards pursuant to the Clean Air Act and fuel economy standards pursuant to this Act.

"(e) There is authorized to be appropriated not to exceed $20,000,000 to carry out the provisions of subsection (d) of this section. Such amount shall be equally divided over the five-year program provided for in such subsection.

"RECORDS, AUDIT, AND EXAMINATION

"Sec. 608. (a) Each recipient of financial assistance or guarantees under this title, whether in the form of grants, subgrants, contracts, subcontracts, obligation guarantees, or other arrangements, shall keep such records as the Administrator shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of such total cost which was supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such receipts which in the opinion of the Administrator or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, obligation guarantees, or other arrangements referred to in such subsection.

"REPORTS

"Sec. 609. (a) On or before July 1 of each year, the Administrator shall submit to Congress an annual report of activities under this title. Such report shall include, but need not be limited to—

"(1) an account of the state of automobile research and development in the United States;

"(2) the number and amount of grants made and of obligations guaranteed;

"(3) the progress made in developing production prototypes of alternate ground propulsion systems within the shortest practicable time after the date of enactment of this title;

"(4) suggestions for improvements in advanced automobile research and development, including recommendations for legislation;

"(5) the progress made by the private sector in implementing alternate ground propulsion systems in future production prototypes; and

"(b) On or before July 1 of each year the Administrator of the Environmental Protection Agency shall submit to Congress an annual report of activities under this title. Such report shall include, but need not be limited to—

"(1) an account of the state of the automobile industry in meeting the emission standards pursuant to the Clean Air Act and the fuel economy standards pursuant to this Act;

"(2) the development of new or improved technology that has the capability to meet such emission standards;

"(3) the failure of the automobile industry to fully utilize existing technology for future production; and

"(4) the need for Government research and development in certain areas dealing with such emission standards.

"(c) Reports pursuant to this section shall be made directly to Congress without submission to or clearance of any other Federal agency.

"(4) There is authorized to be appropriated not to exceed $1,000,000 in each fiscal year to carry out the provisions of this section.

"GOVERNMENT PROCUREMENT

"Sec. 610. At any time the Administrator informs the Administrator of General Services that a production prototype has been tested pursuant to section 607 and found to meet all the requirements under such section the Administrator of General Services, shall prescribe such regulations as are necessary to require all Federal agencies to procure and to use such prototype to the maximum extent feasible. Such Administrator shall also provide technical specifications and other information with respect to such prototypes. Such Administrator, and all other approriate officers of the United States shall take all steps which are necessary or appropriate to comply with and to implement such regulations, with respect to all Federally owned motor vehicles, by the earliest practicable date.

"RELATIONSHIP TO ANTITRUST LAWS

"Sec. 611. (a) Nothing in this title shall be deemed to convey to any person any immunity from civil or criminal liability, or to create any defenses to actions, under the antitrust laws.

"(b) As used in this section, the term 'antitrust laws' means the Act of July 2, 1890 (15 U.S.C. 1 et seq.), as amended; the Act of October 15, 1914 (15 U.S.C. 12 et seq.) as amended; the Federal Trade Commission Act (15 U.S.C. 41 et seq.) sections 73 and 74 of the Act of August 27, 1894 (15 U.S.C. 8 and 9), as amended; and the Act of June 19, 1936, ch. 592 (15 U.S.C. 13, 13a, and 212), as amended.".

EDUCATION FOR ALL HANDICAPPED CHILDREN ACT—S. 6

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted four amendments intended to be proposed by him to the bill (S. 6) to provide financial assistance to the States for improved educational services for handicapped children.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 132

At the request of Mr. Tunney, the Senator from Nevada (Mr. Laxalt) was added as a cosponsor of amendment No. 132 intended to be proposed to S. 729, a bill to improve judicial machinery in the Fifth and Ninth Circuits.

AMENDMENT NO. 553

At the request of Mr. Tunney, the Senator from California (Mr. Cranston) was added as a cosponsor of amendment No. 553, intended to be proposed to the bill (S. 598) to authorize appropriations for the Energy Research and Development Administration.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 24, 1975, at 10 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Terry J. Knoepp, of California, to be U.S. attorney for the southern district of California for the term of 4 years, vice Harry D. Steward, term expired.

Any persons desiring to offer testimony in regard to this nomination, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full committee.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of public hearings before the Interior and Insular Affairs Committee in Hawaii on June 30 and July 1. These are informational hearings on Hawaii native claims.

The hearings on the 30th of June will begin at 10 a.m. at the Keaukaha Hawaiian Village Luau House in Hilo, Hawaii. The hearing on the following day will begin at 10:30 a.m. and is tentatively scheduled to be held on the Kamehameha School for Girls auditorium in Honolulu, Oahu. Public testimony is invited; however, because of time constraints each witness will be limited to 5 minutes of oral testimony.

Those who wish to testify or submit a written statement for the hearing record should, by no later than June 29, contact Mr. Steven P. Quarles, Senate Interior Committee, 3106 Dirksen Senate Office Building, Washington, D.C. 20510 (202–224–9894); Ms. Barbara Sakamoto, Office of Senator Daniel K. Inouye, 1833 Kalakaua Avenue, room 414, Honolulu, Hawaii, 96815 (808–946–1691); or Ms. Patsy Chung, Office of Senator Hiram L. Fong, Finance Factors Building, room 702, 195 S. King Street, Honolulu, Hawaii 96813 (808–538–7011).

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Michael M. Uhlmann, of Virginia, to be an Assistant Attorney General vice W. Vincent Rakestraw, resigned (Office of Legislative Affairs).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, June 24, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE PARKS AND RECREATION SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JOHNSTON. Mr. President, I wish to announce, for the information of the Senate and the public, the scheduling of a public hearing before the Parks and Recreation Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for June 20, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding S. 1516, a bill to increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial, and for other purposes.

For further information regarding the hearings, you may wish to contact Mr. James Beirne of the subcommittee staff on extension 47145. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Parks and Recreation Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARING

Mr. HUMPHREY. Mr. President, I wish to advise that the hearing on the grain inspection scandal and Senate Joint Resolution 88 has been rescheduled for Thursday, June 19, in room 324, Russell Senate Office Building, beginning at 10 a.m. The Subcommittee on Foreign Agricultural Policy of the Committee on Agriculture and Forestry will hear officials of the Department of Agriculture and the Department of Justice at that time.

NOTICE OF HEARINGS ON USDA PROPOSED COMPUTER ACQUISITION

Mr. McGEE. Mr. President, the Agriculture and Related Agencies Subcommittee of the Committee on Appropriations will hold a public hearing Wednesday, June 18, at 10 a.m., on the recent GAO report concerning the Department of Agriculture's computer acquisition program.

This report has raised serious questions. We will hear testimony from USDA officials and members of the computer industry. The hearings will be held in room 1224, Dirksen Senate Office Building and the public will be welcome.

NOTICE OF HEARING

Mr. PHILIP A. HART. Mr. President, I wish to announce that the Senate Antitrust and Monopoly Subcommittee will hold an additional day of hearings on S. 1284, the Antitrust Improvements Act of 1975, and S. 1637, the Antitrust Civil Process Act amendments.

The hearings will begin at 9:30 a.m. on June 26, 1975, in room 357, Russell Senate Office Building.

NOTICE OF HEARING

Mr. McGEE. Mr. President, I wish to announce that the Committee on Post Office and Civil Service will conduct a hearing on S. 1009, a bill to amend title 13 of the United States Code so as to require the compilation of current data on population between the censuses and to require the use of such data in the administration of Federal laws in which population is a factor.

The hearing will be held on Monday, June 23, 1975, at 10 a.m. in room 6202 of the Dirksen Senate Office Building.

Any persons wishing to submit written statements for the hearing record should send them to the Committee on Post Office and Civil Service, room 6206, Dirksen Senate Office Building, Washington, D.C. 20510.

RURAL DEVELOPMENT HEARINGS SCHEDULED

Mr. CLARK. Mr. President, the Senate Agriculture's Subcommittee on Rural Development will hold a hearing on three bills in room 324 of the Russell Senate Office Building beginning at 10 a.m., on June 25.

The subcommittee will consider three bills—S. 1353, S. 1807, and S. 1916—that would amend the Rural Development Act of 1972.

S. 1353 would permit the Farmers Home Administration to make community facility loans for community medical facilities in places of up to 50,000 population; S. 1807 would establish the concerted services in training and education program formally in the law, and it also would establish an Interagency Task Force to assist in the formulation of national rural development goals; the third bill, S. 1916, gives the Secretary of Agriculture the authority to provide employment in rural communities where unemployment has reached 6 percent or more.

The Assistant Secretary of Agriculture for Rural Development has been asked to testify on all three measures, along with appropriate Forest Service, Rural Development Service, Farmers Home Administration, Soil Conservation and Cooperation Extension Service personnel.

The Secretary of Labor has been asked to send a representative to testify on S. 1807. Public witnesses also will be invited.

ADDITIONAL STATEMENTS

"POLITICS, PRIDE, AND PRAYER"

Mr. PERCY. Mr. President, at a recent Senate prayer breakfast, Senator Strom Thurmond presented a very concise, powerful, and thought-provoking message entitled "Politics, Pride, and Prayer." With an objectivity that has distinguished our colleague Strom Thurmond through the years, he stepped back to take a good look at men and women in the United States who are entrusted with political power and he offered words of caution as well as of hope for us politicians. His presentation took only 5 minutes, but anticipating that my colleagues might wish to contemplate this message carefully and over a longer period of time, I ask unanimous consent that the full text be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Politics, Pride, and Prayer

(Statement by Senator Strom Thurmond)

"Again, the devil taketh him up into an exceeding high mountain, and sheweth him all the kingdoms of the world, and the glory of them;

And saith unto him, All these things will I give thee, if thou wilt fall down and worship me.

Then saith Jesus unto him, Get thee hence, Satan; for it is written, Thou shalt worship the Lord thy God, and Him only shalt thou serve."

These famous lines, verses eight to ten of the fourth chapter of Matthew, describe the last temptation of Jesus in the wilderness. The devil has already tempted him twice, playing upon his hunger and his pride, and now he makes his final offer. What is it that the devil is promising here? What is it that the devil considers the most alluring bribe he can produce? The answer to this question has a special significance for all of us in this room. The devil is here tempting Jesus with political power—"all the kingdoms of the world, and the glory of them."

Of course, Jesus rejected the devil's offer without hesitation. He was not interested in political power. Even if he had been, he would never have accepted it on the devil's terms. Jesus, however, was more than man, with a divine mission and divine strength. We mortals, by contrast, do take an interest in politics. Such an interest is as natural to us, who are of this world, as it was unnatural to Him who was of another. Moreover, we do not bring to our political dealings the same unassailable virtue that Jesus possessed. We are thus vulnerable to the devil's temptations in a way that He was not. When the devil says to us, just as he said to Jesus, "Bow down and worship me, and I will give you the world," we find it difficult not to listen.

Nobody knows this better than practicing politicians. Politicians, particularly officeholders, are the most adulated, flattered, cajoled, sought after, and accommodated—in short, the most tempted people in the world today. Constituents throng to our offices seeking advice and help. Representatives of business, labor, and other special interests trip over each other trying to do us favors. Reporters clamor for interviews and statements and faithfully preserve our every word. In all these attentions and many others we can see the same temptations that the devil put before Jesus in the wilderness.

I am not talking only of the temptation to overt wrongdoing. Sadly, some of our leaders do commit crimes. As recent scandals have shown us, crime is just as possible in the highest echelons of government as in the dreariest slums. However, I believe that criminal wrong-doing on the part of American leaders is relatively infrequent. This is not the manner in which we are most prone to err. After all, it takes very little moral courage, and very little sense, merely to abide by the law.

No, there is a far more subtle and insidious form of temptation which is, accordingly, far more difficult to resist. I fear that we all succumb to it from time to time. This is the temptation to forget who and what we are. Men holding public office, however lofty and important, are still men. As such, they have the same weaknesses, the same vices, the same needs, as all others of our race.

With so many people depending on us, asking our assistance, and looking up to us, we begin to feel more important than we are. With so many people telling us daily how wonderful we are, we begin to believe them. In short, power begets pride, the deadliest and ugliest of all sins. The devil could not ask for or receive a more complete submission to his wishes. To the extent that we worship ourselves, we worship him, and to the extent that we worship him, we yield to the temptation which Jesus resisted.

As far as I know, there is only one way to guard against a false feeling of self-importance—faith in God. Thankfully, if it is the only way, it is also a reliable way. Keep your eyes fixed on God's greatness and glory, and you cannot help realizing your own littleness and insignifiance. His wisdom exposes our folly. His goodness declares our wickedness. Pride cannot flourish in the heart that knows God. The kingdoms of the world in all their glory will mean nothing to the man who understands his rightful place in the universe.

Of course, as all men are susceptible to pride, all men need faith. However, where the temptations are greatest, the need is greatest, too. The members of the Senate Prayer Breakfast recognize their own special need for faith. Leaders all, they have heard the devil's offer, as Christ did, and they know how strength is required to reject it. They seek that strength, here and elsewhere, in prayer. I sincerely hope that other leaders will follow your example. If they do, they and the people they serve will both be the better for it. Prayer is the school of humility, and humility is a lesson which a man in public life cannot learn too well.

In the middle ages, monks and hermits would keep a human skull in their cells to remind them of their mortality. Other religious men would wear a hair shirt to help them remember the weakness of the flesh. I am not suggesting that politicians revive these practices. I am suggesting that we adopt the precautionary attitude that prompted them. We in public life have chosen a profession which exposes us to temptations great and inescapable. Our own welfare and that of our nation demand that we respond to them in only one way:

"Get thee hence, Satan; for it is written, Thou shalt worship the Lord thy God, and Him only shalt thou serve."

REMARKS AT 1975 VIRGINIA GIRLS STATE

Mr. HARRY F. BYRD, JR. Mr. President, over the past weekend, I traveled through various areas of Virginia, including the counties of Frederick, Shenandoah, Rockingham, Augusta, Rockbridge, Botetourt, Roanoke, Bedford, Campbell, Appomattox, Prince Edward, Nottoway, Chesterfield, and the cities of Richmond, Roanoke, and Salem.

In the course of my 450-mile journey through the State, I had the opportunity to address over 300 graduates of Virginia Western Community College at Roanoke at their graduation exercises on Sunday afternoon.

Then, on Sunday evening, I traveled to the Longwood College campus in Farmville where I joined over 600 young ladies from Virginia's high schools in the opening session of the 1975 Virginia Girls State.

I am well impressed with the Girls State program and the fine young leaders in attendance. Miss Anne Meiselman, of my staff, was a delegate to a past Virginia Girls State session, and went on to become vice president of Girls Nation. The excellent girls state program had a positive impact in developing her interest in public service. We need more young people to become active in the affairs of their Government, and Girls State certainly contributes to this.

Mr. President, I ask unanimous consent that my remarks to the Virginia Girls State session be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A Woman's Place Is in the World

(By Senator Harry F. Byrd, Jr.)

It is a real pleasure to be with you for the 29th Session of Virginia Girls State.

I understand that you are here from all parts of Virginia. And, that each of you has been selected by your peers and counsellors of your high schools as having a special spark of leadership.

To each of you, my hearty congratulations for having been selected.

This will be a special week for each of you—not only for the valuable experience of learning about local and state govenment, but also for the friendships you will form.

In studying and experiencing citizenship and government, it is fitting that this program be sponsored by, and conducted for, women.

Some of the most dedicated and enthusiastic Americans I know are the members of the Virginia American Legion Auxiliary.

To you who sponsor this program, our heartfelt thanks for inspiring and trainnig America's future leaders from Virginia.

Each of you delegates, by your leadership in your schools and extra-curricular activities, exemplifies the vast talents and capabilities of today's young women.

I am convinced of the great constructive force which women can exert when they involve themselves in public issues and activities.

Women can bring to government an idealism and integrity that is badly needed. A noted scholar recently said that for "too long, the world has deprived itself of the full potential of this half of its human treasure."

Today, that treasure is being more fully recognized and utilized.

On the international scene, many heads of state are and have recently been women.

In India, Prime Minister Indira Gandhi is now subject to a serious challenge, but she has held office for nine years. The Presidents of Argentina and Sri Lanka, formerly Ceylon, are women. And, until recently, this was also true of Israel.

The potential of women is also being more fully recognized in the United States.

The secretary of a Cabinet Department, the Department of Housing and Urban Develoment, is a woman. Mrs. Carla Hills is the third female cabinet officer in our nation's history. Mrs. Virginia Knauer and Mrs. Patricia Lindh are Presidential Advisors.

The Chairmen of both the International Trade Commission and the Federal Maritime Commission are women, as is the Chairman—or I should say the Chairwoman—of the National Labor Relations Board. Incidentally Mrs. Murphy is a Virginian, and she asked that I give you this message:

"I am very honored that Senator Byrd is conveying my greetings to you today.

"I want you to know that the Federal Government in general and the National Labor Relations Board, my agency, are affording women increasing opportunities for meaningful and satisfying public service careers."

On the state level, women are also making their mark. Ella Grasso, of Connecticut, is the first woman elected to a governorship whose husband had not preceded her in political prominence.

Women are becoming increasingly respected in other fields formerly associated with men. For example, there are women generals and an admiral in the Armed Services.

Today, women are making important contributions in law, medicine and many other professions.

I applaud their talents and welcome their contributions.

Actually, women have played an important role throughout the history of the United States. They were instrumental in the very founding of America.

The women of the Revolution nursed the wounded, spun cloth for uniforms and bandages, comforted the bereaved, and fought on the battlefields.

One of the great Revolutionary heroines was Martha Washington. Every winter, she left Mt. Vernon to bring warm food and materials to the men who were wounded in battle. She aided them with goods and inspired them with her courage and kindness. To her fellow patriots, she was affectionately known as "Lady Washington".

But the women of the Revolution used not only their feminine talents, but also their tenacious strength.

All through the Revolution, Molly Corbin, 25, marched with her husband John's artillery as cook, nurse and laundress. And at one crucial juncture, she became a warrior. David James Harkness describes the battle:

"On November 15, 1776, she crouched inside Ft. Washington on Long Island under heavy attack by British troops. As Molly watched her husband fire one cannon in a two-cannon battery, a bullet cut down the other gunner. Without hesitation, Molly took his place. When her husband dropped, mortally wounded, she kept on firing. After the battle the British found her at the gun, one arm hanging by a thread, her chest shattered."

Miraculously, she recovered and was the first woman to collect a military pension after the war.

At the outset of the American Revolution, women were among the first to reject British goods for the sake of the principle of Independence.

They refused British shipments of sewing pins and materials, and instead, gathered at Natural Bridge, Virginia, to mine salt peter, which was used to make gunpowder for Revolutionary muskets.

It was often said that John Adams could not have endured the long stress and pressures of the Revolution and later, the Presidency, were it not for the fortitude and strength of his beautiful Abigail.

And, few know that Paul Revere was not the only patriot who mounted steed to warn of British troops.

One of my favorite feminine patriots was a young girl of 16 who mounted her father's horse, and rode 40 miles to warn that the British were sacking Danbury, Connecticut. Sibyl Ludington, daughter of a Revolutionary Colonel, heard from a messenger that the British had landed and were destroying her home town.

On April 26, 1777, she donned her father's work trousers, mounted her horse and rode through the night, warning the Colonists of the British brigade.

The militia responded to her call and gathered 400 strong to push the British into retreat.

Then and now, women have made great contributions by virtue of their spirit and strength, their character and their wisdom.

And it is not just the celebrated who count. This country and the world need more and more involvement of women in government and civic life at every level.

The women who helped win the War for Independence gave their courage, their skills, their kindness and fortitude, but perhaps their most important contribution was their spirit and idealism.

That is the same spirit that is so badly needed in the world today.

Today, America is approaching its 200th Birthday.

I have often thought that a nation becoming 200 is like a young person approaching maturity.

It is a time for re-evaluation of ourselves and rededication to the original principles for which our nation was founded and to which we are heirs.

The average lifespan of a democracy throughout history has been only 200 years.

Now is the time for testing to see if that great experiment in human freedom known as the United States of America can preserve and strengthen the principles to which she was originally dedicated.

Today, your talent and idealism are desperately needed for the success of that great test. Your abilities are needed at all levels of government—local, state, national and on the international scene.

Let's take a look at one of the most serious problems we face today in the United States—one that already affects your lives and one that you will have to deal with in the years ahead.

I am speaking of the condition of the American economy, and more specifically, the condition of the finances of the federal government.

It is my view that our most serious economic problem, over the long run, is inflation—and that the reckless spending policies of the federal government are the chief cause of that inflation.

Each of you here knows the difficulties imposed by inflation.

You are all experiencing the rising costs of clothes, food, and other basic items.

One reason that we have such serious economic problems today is that too many of my colleagues don't understand the difference between millions and billions.

It is very difficult to grasp the significance of a billion dollars. Yet during the year beginning on July 1, the federal government will spend a billion dollars every day.

What does that mean?

Well, one billion seconds ago, the Japanese bombed Pearl Harbor.

One billion minutes ago was forty years after the birth of Christ.

One billion hours ago man had not set foot on the face of the earth.

But one billion dollars—why, one billion dollars ago was yesterday.

The billion-dollar-a-day spending of the government is a symbol of what's wrong with the economy today.

It's a symbol of a policy which punishes the productive, rewards the lazy and inefficient, stimulates reckless consumption and stifles job-creating investment.

And now that uncontrolled government spending has brought us to the unsound condition we find ourselves in today, the same theorists who created this policy are proposing more of the same old solutions: more government regulation and more government spending.

My dear young ladies, it won't work. It has not worked in the past and it will not work today.

It is true that we now have a serious recession.

As many of you may know, jobs—including summer and part-time jobs—are hard to get. Unemployment is close to 9 percent. There are slumps in housing and automobiles. There are enormous pools of idle capacity.

This recession is our most serious immediate problem, but inflation is our most serious long-range problem.

True, inflation is declining at the moment, but let's recall that the rate of inflation is still higher than it was when President Nixon felt compelled to impose wage-price controls in 1971.

To a large extent, this persistent inflation is a result of the long-continued policy of deficit spending by the federal government. We need to get back to a balanced budget.

For centuries, many women have been charged with balancing the family budget. Today the Federal government needs to follow their example of responsibility.

The route which the government is now traveling—tax cuts plus huge spending increases—can only lead to more inflation.

I do not see an immediate rise in the rate of inflation. But I do see an increase in a year to 18 months.

The federal government is going to run a 2-year deficit of $125 billion. Undoubtedly, this will stimulate the economy for a while. But it adds further unsoundness to an already unsound situation.

We are pretty much in the situation of a man who has taken too many drinks and has awakened with a bad hangover.

There are two things he can do: He can go through the discomfort of the hangover; or, he can start drinking again.

Federal deficit spending has been our liquor. We have become "spendaholic", year after year pouring ourselves more and more shots of deficits.

The government has been on a spending spree for so long that we cannot expect to put things right overnight. But the longer we put off the sobering-up process, the more painful it will be.

My thinking about these issues does not agree with the analysis of many of the *experts* in Washington. But having been around Washington, D.C. for a while, I have very little confidence in the views of the "experts."

The advice of these experts today is the same advice they've been offering for years: spend your way out of trouble.

I reject this advice. It is just a gimmick, and my dear friends, the party is nearly over. The bill must be paid.

If the deficit-spending solution is wrong—and I am convinced that it is—what are the common-sense solutions to our economic dilemma?

First, get federal spending under control. It is now totally out of control.

In order to get federal spending under control, there must be a tightening up in every department and agency of federal government—including the legislative branch and the White House.

There must be a drastic reduction in foreign aid.

Inefficiency and waste in government programs must be eliminated.

At the same time, the government must also end burdensome regulations that drive up costs to the consumer and produce few, if any benefits.

We are losing, more and more, the spirit of our free enterprise system. Business is being increasingly strangled by government regulations.

This has two very bad results: first, costs are forced upward, damaging both business and consumers; and second, freedom of action for individuals and business is seriously impaired.

The prevailing Washington view is that Washington knows best, and it alone must make decisions.

I do not subscribe to that view.

This country is too big to be run effectively out of Washintgon.

Two centuries ago, Thomas Jefferson recognized the threat to freedom imposed by centralized power. All his life, he was concerned about this threat to liberty and he warned his countrymen that they must remain vigilant lest their hard-won liberty be stolen.

Moreover, Jefferson had the right answer to the threat of over-centralized authority and too much government regulation.

The answer is education of the people in the great issues of the day, and their active involvement in government. That is one main reason why Jefferson pioneered in free public education and championed a free press.

Jefferson believed in his day—and I believe today—that if the American people are given the facts, they will choose wisely.

The difficulty comes in arousing the interest of the people and stimulating them to participate in public affairs.

And that is where you come in. Each of you has been recognized as having a special potential for leadership. I have no doubt that you are going to be leaders in your communities, and perhaps in your state and nation as well.

It is upon young Americans like yourselves that the burden will fall of involving your fellow citizens in the issues of our times.

It is a tremendous challenge.

But upon your success or failure, ultimately, will rest the success of the democratic experiment known as the United States of America.

I said earlier that our country is approaching a great time of testing, to see whether or not a constitutional democracy—for the first time in the history of the world—can survive and prosper beyond two centuries.

In meeting that great test, you have a special responsibility.

I have great faith in this country, because I have great faith in our young people. Throughout our history—and it is a glorious history—young Americans have come forward to assume responsibility in times of challenge and crisis.

I believe this will happen again. I am sure you will prove equal to your task.

I believe that when America celebrates her *Tri*-centennial, those who come after you will have just cause to give thanks for the work you will have done.

I end with a salute: a salute to the sponsors of Virginia Girls State, who are doing so much to mine the rich vein which is American youth; and a salute to the delegates to Virginia Girls State of 1975, in whose hands the future rests.

Congratulations, and Godspeed.

THE CIA

Mr. GOLDWATER. Mr. President, with all of the discussion that surrounds us concerning the Central Intelligence Agency, I feel it is important that we take a look at an article, "Uncloaking the CIA," written by Charles J. V. Murphy for this month's issue of Fortune magazine. Mr. Murphy has provided us with a balancing opinion about the CIA, and it has come at an opportune moment. While some critics would tear down the agency in their attacks, this article begins with an important question—"Why was this agency, so rich in intellectual talent, once full of elan, now gravely wounded, created in the first place?"

The answer, as Mr. Murphy points out, lies in our history in the disaster at Pearl Harbor. The congressional investigation that followed indicated that although we had many early warnings of a Japanese attack, there was no one agency which could coordinate and disseminate those facts.

Mr. President, there was a desperate need for a central intelligence agency in 1941 and because of its lack we suffered. Today, with the advance of communism, there is an even greater need for this agency. Mr. Murphy states his case well:

> What makes the existing situation strange is that the primary task laid upon the CIA eighteen years ago—to be the watchmen of national security—has never been more urgent than it is today.

Mr. President, the article written by Mr. Murphy holds an important message for every one of us, and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

UNCLOAKING THE CIA

(By Charles J. V. Murphy)

No intelligence agency can do its job effectively unless it can keep its operations secret. That's why the investigative hysteria in Washington is so dangerous for U.S. security.

In the hangman's atmosphere that currently envelops the immediate prospects of the Central Intelligence Agency, an important point has been strangely overlooked. Why was this agency, so rich in intellectual talent, once full of élan, now gravely wounded, created in the first place?

The all-but-forgotten answer is that the CIA was brought into existence by Congress in 1947, at President Truman's request, for the straightforward purpose of preventing another such shocking lapse of vigilance as the one that made possible the disaster at Pearl Harbor, six years earlier.

An inquiry by a joint committee of Congress that lasted through seven recrimination-laden months, from November, 1945, to May, 1946, elicited the embarrassing revelation that all the essential intelligence exposing Japan's preparations for war, even the departure of the Japanese fleet, had come into American hands before the attack. The failure to perceive what was in the making was found, in hindsight, to have resulted from the fact that no agency in the government had even been charged with pulling such intelligence together.

The fateful political and military clues, in jigsaw pieces, had all been collected by the State, War, and Navy departments, each in its own parochial interests, in the form of radio intercepts, diplomatic dispatches, and routine military intelligence reports. But no one office or person had the authority, or duty, to make a grand assessment for the President, one sharp enough to command a summary alert.

A QUESTION OF SOVIET INTENTIONS

What makes the existing situation strange is that the primary task laid upon the CIA eighteen years ago—to be the watchman of national security—has never been more urgent than it is today. For example, the Soviet Union has in advanced development, even partly in deployment, the most powerful array of strategic nuclear weapons that the military technologies have so far produced. Secretary of Defense James Schlesinger, a professional strategic-weapons analyst not given to exaggeration, describes the array as "quite awesome." It includes four third-generation land-based ICBM prototypes, plus a fifth that has lately appeared on the test range, a bigger and faster missile-armed submarine; and a supersonic bomber having an intercontinental capability. Four of the new ICBM's and the 4,500-mile submarines launched missile have all been MIRVed—fitted, that is, with from four to eight independently targetable warheads.

If the deployments of these weapons should proceed to the some 2,400 ICBM launchers sanctioned by the SALT agreements of 1972 and 1974, and if the U.S. stands on the weapons it now has in place, the Russians can be expected to end up, four or five years hence, with a superiority in nuclear throw-weight five times, perhaps even six times, greater than the U.S. will have in its order of battle—10 to 12 million pounds for the U.S.S.R. to only two million for the U.S.

Weights and numbers in these magnitudes far surpass anything needed for a defensive strategy of deterrence. How does the U.S.S.R. intend to use this power, once it materializes? This is a question for which the President, the Secretaries of State and Defense, and the Congress must look to the CIA to provide an answer. No other institution is equipped to give one.

But the tilt of the military balance is only one of the uncertainties, and not necessarily the most dangerous one, that beset American prospects. During the past several years, the CIA, by reason of the tightening interdependence of nations, has been drawn deeply into economic analysis and estimating. Efforts by producing nations to cartelize trade in basic commodities, the political realinements in groping evolution around the Persian Gulf, the strategic role to be assigned to the oceans of petrodollars in the contest for national or bloc advantage—all bulk increasingly large in the CIA's purview.

This has happened because the economic events abroad have come to bear so crucially on national decisions affecting foreign policy, and because the minuscule intelligence mechanisms available in State, Treasury, Commerce, and Agriculture could not begin to handle the job. In the view of William E. Colby, the Director of the CIA, "It is becoming as important to our national security to watch the machinations of foreign cartels as to follow Soviet or Chinese missile development."

THE THREE SPOTLIGHTS

Yet, at an hour when the government's need for objective, sophisticated, timely, and many-faceted intelligence could scarcely be more acute, the CIA is in danger of being scattered to the four winds. Three full-bore investigations into the agency's philosophy and operations are in progress in Washington. When they have finished their probing, every consequential activity since its founding, even the most sensitive, will have been brought into the open by one panel or the other.

A presidential commission, seven private citizens under the chairmanship of Vice President Rockefeller, is to render a report this month, after an inquiry that began early in January and summoned just about every senior CIA officer, active and retired, into its chambers for questioning. The Senate Select Committee on Intelligence, under the chairmanship of Democrat Frank Church of Idaho, has started out on a protracted, no-holds-barred inquiry into every controversial aspect and incident of the agency's career.

The temperament and background of the sixty-five-member staff assembled by Senator Church clearly signal that the Senate's share of the show is likely to be on the boards for months. Nor will that be the end of the ordeal. A companion House Select Committee under Representative Lucien N. Nedzi, Democrat from Michigan, no less dovish and isolationist than Church, is to parallel an untrammeled exploration of the CIA's operations with a horizon-filling look into all the federal intelligence activities, including those of the FBI.

Before the curtain is rung down on all this, the CIA will be the only national intelligence service on earth stripped of its secrets. For anyone who recalls the mood in Washington when the agency was being put together some three decades ago, such an outcome is almost past believing. From the start, President Truman, Congress, and the executive departments most directly involved in foreign policy—State and Defense—were all agreed that its work should never suffer much public exposure.

The agency's authority and functions were deliberately left vague in the enabling legislation, and the specific tasks laid upon it by the National Security Council were kept under tight classification. Congressional knowledge and sanction of its operations were limited to several oversight panels consisting of, all together, a dozen or so senior members of the Armed Services and Appropriations committees in both Houses.

Until lately, the overseeing was respectful and trusting, but it did go on all along. The late Richard Russell of Georgia, chairman of the Senate Armed Services Committee and the most influential man in Congress in national security matters, long refused to have William Fulbright, chairman of the Senate Foreign Relations Committee, on his panel, because he considered Fulbright a blabbermouth.

Now that protection, that immunity, has been demolished. And the strangest thing of all is that the blowing of the agency's cover was largely brought on by a dubious piece of journalism—the long report in the New York *Times* of December 22 that the agency during the Nixon years, "directly violating its charter, conducted a massive illegal domestic intelligence operation" against individuals and groups who disagreed with the Administration's policies in Vietnam and other matters. Six months of investigation have pretty well established that these charges were greatly exaggerated.

AFTER THE ORDEAL

Director Colby, to be sure, helped to whip up the storm with his too-ready admission that his predecessors had countenanced certain "illegal" activities. He failed to make it sufficiently clear at the outset just what the mistakes were, and that what had been done was in any case done on presidential authority.

Whether misdemeanors or something worse, providing a measure of support for the Watergate break-in and in the Daniel Ellsberg affair was certainly improper and unwise. (In each case, a top official of the CIA authorized the support, but reluctantly.) The deplorable outcome, in any case, was to generate a suspiciousness in Congress and an uproar in the liberal press that have forced the CIA further into the open than is good for a secret state mechanism. It now has no choice but to stand in the dock while its role and mission are examined.

"The big problem," Representative Nedzi says, "is determining the role of secret institutions in a free, democratic society." But that is only one problem beside other problems. We should also be asking ourselves whether the U.S. can remain "a free, democratic society" without the kind of secret organization that the CIA has to be in order to do its job effectively.

There seems to be no reason to doubt that the ordeal of investigations and hearings and reorganizations will leave the CIA weakened and its operations curtailed. The agency's main business is collecting and analyzing what in the trade is called "high-level positive foreign intelligence"—information concerning the actions and intentions of other states that bear, for ill or otherwise, on the American situation. That function, including available clandestine techniques for enriching the harvest, especially of a political and military nature, is not likely to be taken from the agency, although the sharing of the product between the executive and legislative branches is certain to be broadened, not without risk, perhaps foolishly.

But the functions that have kept the CIA in hot water at home while it has prosecuted the Cold War abroad—clandestine activities ranging from classical espionage and counterintelligence operations to political actions aimed at thwarting hostile development in other countries—are plainly marked for preemptory amputation.

THE LEAKIEST VESSELS IN TOWN

In fact, the CIA, for all practical purposes, is already out of the covert political action business under a prohibition imposed in the last hours of the Ninety-third Congress by a little-noticed amendment tacked on to the foreign-aid bill by a little-known California Democrat, Representative Leo Ryan. The new law forbids the President to use funds appropriated to the CIA for any operation abroad (except for collecting information) without justifying the intended use in a detailed report to Congress—including specifically, the seventeen-member Senate Foreign Relations Committee and the thirty-four-member House Foreign Affairs Committee. These two bodies are esteemed by the Washington press corps as the leakiest vessels in town.

No President in his right mind would enter into such a transaction. Disclosure would almost certainly doom any secret enterprise, and bring embarrassment to whatever foreign movement the U.S. government wished to help.

The CIA has been unique among national intelligence organizations in that it is subject to legislative oversight and lays out its operations before members of Congress when it asks for funds. In Britain, MI6, the agency's counterpart on the clandestine side, is lodged discreetly and impenetrably inside the Foreign Office and serves the Prime Minister directly. Parliament through the generations has tolerated the separateness on the practical grounds that certain necessary state business is most useful pursued in secrecy. Yet, in spite of the potential weakness in the CIA's armor, friendly intelligence services have for a quarter of a century worked trustingly with its officers, and indeed vied with one another for a special relationship, admiring as many did the CIA's unmatched technical resources and the high quality of its people.

A BUSINESS DEPENDENT ON TRUST

Now that relationship has been shaken—not because of a loss of confidence in the agency itself, but rather because in the eyes of foreign intelligence establishments the CIA is no longer permitted to keep its secrets from Congress and the press. A recently retired senior CIA intelligence officer, who had intimate contact with all the major non-Communist services and still remains in touch with them, finds that many of his old friends are reluctant to work with the agency. "These people are worried and scared," he said. "Our business is tremendously dependent on trust. If they have something sensitive, they're loath to share it with us, lest it come out that they had been involved."

Colby himself, shaken by the recoiling of the CIA's foreign collaborators, issued a warning at a congressional hearing that "the almost hysterical excitement" about the CIA could jeopardize its effectiveness. The wonderment and consternation produced in friendly foreign capitals by the compulsive undressing of the CIA was vividly expressed by a diplomat experienced in this work when he exclaimed, aghast, "You Americans don't have a country over there. You have a huge church."

The Administration might have been expected to try to block the Ryan amendment, but instead let it slip through Congress without serious challenge on the floor. The reasoning behind the inaction was blatantly political. Given the mood of Congress, the loss of American zest for foreign involvements, and the uncloaking of the agency's role in Chile and other countries, the decision at the White House was that an arm's-length stance would most become the President until the Rockefeller Commission issued its verdict.

In President Ford's defense, it should be said that he does not have enough fingers to plug all the leaks in the dike. The CIA has an excess of troubles these days. It is a victim of, among other things, the pervasive mistrust of government secrecy. Watergate, along with all its other bad consequences, tipped the balance in the contentious issue of the government's right to secrets. Some people apparently believe that the government has no right to any secrets, a view that, if it prevails, will be fatal to the function of intelligence.

One result of the heightened suspicion of secrecy was the amending of the Freedom of Information Act. Under the amendments passed in the final weeks of the Ninety-third Congress, any federal body, even the CIA, must respond to any request for a classified document. If the response is negative, the government can be compelled to justify its grounds for refusal in court.

In original intent, the law was meant to prod the government into letting scholars and journalists look into classified files no longer deserving of a security lock. But the language of the law, if allowed to stand, could open the files of the CIA to the public. Several test cases are now before the courts.

FENCED IN BY THE FORTY COMMITTEE

The CIA has also been a casualty of détente. Henry Kissinger's objective throughout the six and a half years that he has been guiding U.S. foreign policy has been to convince the Russians, and the Chinese too, that the Cold War was finished as far as the U.S. was concerned. Curtailing the CIA's covert interventions has been one way of getting the message to Moscow and Peking.

Kissinger was able to bring about this curtailment in his capacity as the President's deputy in the transactions of the National Security Council, to which the CIA is generally responsible, and, most directly, in his chairmanship of the Forty Committee. This committee takes its curious name from the number on a top-secret NSC memo stipulating its responsibilities, one of which is to set the metes and bounds of the CIA's covert activities.

How far the CIA's political activities abroad have shrunk can be judged from its inaction in Portugal, in a kind of situation where in the past its talents would have been resolutely brought into play. After the military takeover in April, 1974, it gradually became apparent that the Communists dominated the Armed Forces Movement. The only practical way for Portugal's NATO partners to prevent a Communist takeover was to foster, discreetly, a coalition of the Conservative moderates and the Socialists under the Socialist leader Mario Soares.

But Secretary Kissinger was loath to commit the CIA to such a campaign, lest its role be exposed and the outcry in Congress and the press against CIA meddling in the politics of other countries be redoubled. When Europeans finally mustered the resolve to fill the vacuum and set about rallying support around Soares, it was too late.

AN INSPIRATION AT STATE

Until the advent of the Kennedy Administration, the clandestine side of the CIA was the ascendant side, under an official with the bland title Deputy Director for Plans. His Directorate of Plans managed some 7,000 people, or about two-fifths of the CIA's total force of about 17,000 (now somewhat fewer as a result of firing, early retirements, and attrition), and consumed about half of the agency's budget of some $600 million a year. The resources at his disposal included several highly professional air services, of which Air America has been the most publicized; various paramilitary organizations now in skeletal status; a superb worldwide communications system; and some hundreds of officers attached to or working out from some fourscore stations abroad, mostly in U.S. embassies and consulates.

When the CIA was set up in 1947, it was ill equipped for the war of wits that covert political action demands. Its only going resources at the start were the straightforward intelligence-collecting and counterintelligence functions that it had been able to salvage from the demobilized Office of Strategic Services.

The mechanism for countering the Communist political subversion then epidemic in Europe was the inspiration of the policy-planning staff of the State Department. Basically, the intent was to provide the U.S. government with a covert instrument for funneling funds into non-Communist political organizations. Such funds went mostly for the support of newspapers and journals and the organization of public meetings and demonstrations, all toward the end of making sure that Europe's still feeble parliamentary processes were not paralyzed by the threatening shout of Communism.

The late Frank G. Wisner, a lawyer and a resourceful veteran of OSS service in the Balkans, assembled the basic machinery of the CIA's political-action services behind a facade called the Office of Policy Coordination. His headquarters was in a group of prefab structures belonging to the new agency, situated along the reflecting pool that stretches in front of the Lincoln Memorial. The CIA provided him with funds, but he looked to the State Department and the Pentagon for guidance and targets. He did the work they wanted done but could not or would not do themselves.

THE STRUGGLE FOR VOTES

This was the period, 1947–50, that witnessed the Soviet subjection of Rumania and Czechoslovakia and the struggle to save Italy, Greece, even France and West Germany, from going Communist. Wisner's organization, spiritedly supported by the CIA's expanding intelligence and counterintelligence services, played a telling, perhaps even decisive, role in the defeat of the Communists in the Italian elections of 1948 and in the Greek elections of the early 1950's.

Considering the stakes, the expenditures were modest, only a few million dollars in each operation. And the experience was valuable in the education of the small, elite body of political-action tacticians whom Wisner recruited—a good many lawyers, with a sprinkling of economists, historians, bankers, and journalists.

In 1950, General Walter Bedell Smith, Eisenhower's wartime Chief of Staff, was made director of the agency. He soon decided to bring Wisner's operations under his direct control, alongside covert intelligence. He put Wisner in charge of both functions, which gave rise to the Directorate of Plans, but Wisner continued, as before, to take guidance from the White House in all covert political action.

After Smith came Allen Dulles, who took over in 1953, in the early months of the Eisenhower Administration. Intuitive and bold, Dulles had penetrated the German Foreign office during World War II while in charge of OSS operations in Europe. While still Smith's deputy at the CIA, he had broadened the political-action services to meet the Communist covert war in new sectors: the European labor movements and student and youth organizations.

NEVER A DAGGER

The CIA has a had image these days, partly because so much of the commentary about the agency has been hostile or uninformed, and to some minds anything it does seems at least faintly sinister. But there certainly was nothing sinister about the CIA's political actions. There has been a cloak of secrecy sometimes, to be sure, but never a dagger. When the full story comes out, it will be clear that the much-rumored plot to kill Fidel Castro back in the early 1960's was not hatched by the CIA.

To a large extent, the "dirty tricks" in political action have consisted of efforts to counter Soviet activities by recruiting intellectuals, mostly from the universities, training them in parliamentary tactics, and dispatching them abroad to duel with KGB "agents of influence" and their dupes at various international congresses and conferences. The CIA presence was there by invitation of the host countries. The shared purpose was to keep the KGB and the local Communist apparatus from turning these meetings into anti-American, anti-NATO demonstrations, and fomenting disorder in friendly societies.

Gloria Steinem, now a leader in the women's liberation movement and editor of *Ms.* magazine, worked with the CIA in helping to organize some of the volunteers who attended the World Youth Festivals in Vienna in 1959 and Helsinki in 1962. The CIA people, she later explained, "wanted to do what we wanted to do—present a healthy, diverse view of the United States."

The CIA has involved itself in some dangerous and violent operations, of course. It has proved itself to be pretty good, for example, at conducting small-scale warfare. In the ruin of the American intervention in Vietnam, and with the CIA's world role and mission in danger of irrational truncation, it is important to recall the effectiveness of the agency's paramilitary operations in Indochina. The successes proved to be only temporary, as matters turned out, but the disasters that overwhelmed them were not of the CIA's making.

The CIA's small-war intervention in Laos, beginning in the early 1960's, was a highly effective enterprise. It consisted mostly of supplying Meo tribesmen with rifles, some artillery, air resupply, pay (a few dollars a month), and communications, together with training and administrative support that never engaged more than a few hundred CIA people at any one time.

After ten years of marching and countermarching, the battle lines were about where they were when the agency first set about organizing the Meo tribesmen. Only after South Vietnam and Cambodia fell were the Communists able to prevail in Laos. The so-called secret war there, not really secret at all, took the lives of eight CIA men, and cost about $1 million a week in the last years.

A BETTER WAY IN VIETNAM

CIA guerrilla-warfare specialists also operated effectively in Vietnam in the early 1960's. In those years the director of the CIA was John McCone, a businessman as admired at the agency for his acumen as Dulles had been for his verve and style. Looking back, McCone regrets that the U.S. did not stick to doing things the CIA's way in Vietnam.

"In 1961–62," he recalls, "we had a sound plan—an experienced military assistance group in Saigon and the beginnings of a covert U.S.-directed operation calculated to teach the Vietnamese how to arm for and fight a guerrilla war. The aim was to keep the Diem government afloat without committing sizable U.S. ground forces. Sure, that part of it was covert, but no more so than the Communist force already in the field.

"I remain convinced that if the CIA had been left to develop that strategy, with the Pentagon's help, the Vietcong would have been held at bay, and Hanoi's Soviet and Chinese suppliers would never have let the action escalate on anything like the scale that the increasing direct American military intervention brought on. The war might still be going on, on a small scale, in the countryside, but the United States would have escaped a massive failure."

WIN ONE, LOSE ONE IN CHILE

On the political-action side, McCone points with pride at the CIA's handling of Marxist Salvador Allende's first serious challenge in Chile, in 1964. "As early as 1962," he says, "President Kennedy had decided in the National Security Council that the agency should see to it that Castro's agitators did not take Chile into the Communist camp under Allende's banner. In 1964 that decision was confirmed by President Johnson.

"A sounding indicated that Allende might well slip in. Our effort was centered on promoting in public discussion the proposition that it was in the common interest of the Christian Democrats and the other non-Communist parties to come together against a Communist party heavily financed by Cuba and the Soviet bloc. That was all the political action amounted to. Nothing more. A handful of intelligence officers experienced in political organization, frugal expenditure, and a good case."

That time the CIA succeeded. Six years later, however, when Allende made his next bid, the attention of the White House was occupied elsewhere. The CIA's covert political function was on the way out. Suddenly, in early September, 1970, the State Department awakened to the fact that Allende had emerged in first place in the presidential election, with 36 percent of the popular vote to just under 35 percent for the Conservative candidate and not quite 28 percent for the Christian Democrat. Inasmuch as no candidate had a majority, the choice was thrown into the legislature. With barely seven weeks left before the legislature was to vote, the National Security Council ordered the CIA to head off Allende, if it could, by whipping up sentiment in friendly journals for an anti-Communist coalition. But the bugle sounded too late.

McCone defends covert action such as the CIA took in Chile as a valid means of defending national interests. "Where situations favor covert action, the President must consider such action, and the Congress must tolerate it, provided it is in direct support of a declared national policy. Covert action is a rational alternative to an overt response, as in Vietnam, that can turn costly, unavailing, and humiliating. Covert action is a useful, even indispensable means of self-defense. As the agency has employed this method in many situations, it was the only way of making the voice of reason heard in foreign places."

Today the CIA's capacity for covert action is in shards, at least temporarily. And the responsibility does not lie with Congress alone. When James Schlesinger, now Secretary of Defense, moved into the CIA directorship in January, 1973, he had an unmistakable commission to dismantle the Directorate of Plans, among other things.

Schlesinger succeed Richard Helms, a wartime OSS officer who had risen in that "band of brothers" under Dulles and Wisner to become Deputy Director for Plans in 1962 and director of the agency in 1966. President Nixon's men pushed Helms aside because of his refusal to let the agency be used as a shield for the Watergate break-in. His abrupt departure, to be Ambassador to Iran, was taken inside the agency as a signal that the old guard of professionals was in for a change.

A HAND-CARRIED LETTER

The grapevine was right, as it should be in any intelligence service worth its salt. A force reduction on the order of 7 percent was executed at once, producing the dismissal, resignation, or early retirement of about 1,000 people. The cuts fell most deeply on the Directorate of Plans, where the senior layer was all but peeled off.

Among the most prominent casualties were officers who had come out of the OSS, and had spent their careers in Plans, alongside Helms. Two senior officers were given a hand-carried letter in the morning, notifying them that their services would no longer be required after the close of that day's business.

The counterintellingence service—the best by far in the non-Communist world and the binding element for many of the others—was cut in half. Three senior officers quit in disgust after their chief, James Angleton, was let go. All in all, the share of the agency budget going into clandestine services was severely compressed. To Schlesinger, the departure of the "old boys" was no occasion for weeping; to him, they were "relics of the Cold War."

The Directorate of Plans was renamed the Directorate for Operations. To take charge of it Schlesinger promoted William Colby, a Princeton man who, like Helms and Wisner, came into the agency from the OSS and had passed his whole career on the clandestine side. For five years (1962–67) he was chief of the Far East Division, and for three years (1968–71) he ran with skill and resolution the controversial Phoenix plan aimed at uprooting the Communists from villages in South Vietnam.

THE MAN WHO CAME IN FROM THE COLD

The ascent of a veteran black-side man to be head of what was left of the old Directorate of Plans—and later to be head of the shrunken CIA—was not as odd as it looked. Colby had come in from the cold. He had perceived that detente had altered the role of the CIA. He had also come to realize that, given the mood of Congress, the indifference of the press to the strategic value of intelligence, and the American people's mounting aversion to foreign involvements, the clandestine side had become so vulnerable as to make it all but ineffective.

Colby, then, is resigned to the prospect that the CIA will change into something different from the CIA he worked in for so many years. "Just tell us in the intelligence business what the nation wants and does not want," he said at a congressional hearing, "and we will do our best to satisfy it."

He is too knowledgeable and serious a man, however, to be willing to see the capability for clandestine political action struck down entirely. The President, he says, must be left with a mechanism that in certain situations will allow him "a choice between a diplomatic protest and sending in the Marines." But even that remnant is in jeopardy, unless the President is prepared to fight Congress for it.

If the black side should be extirpated, or transferred elsewhere, the agency wouldn't be without work. Two crucial functions are not in dispute: the collection of intelligence information and the analysis of what is collected. Within the collecting process, the CIA conducts three different programs: electronic surveillance (listening in on electronic emissions of all sorts); photographic reconnaissance utilizing satellites and the high-flying U–2 and SH–71 aircraft; and the collection of intelligence, both covert and overt, by people.

LOOKING INTO A CLOSED SOCIETY

McCone always held that the analytical process, leading to the drafting of the National Estimates from the grist brought to the mill at Langley, Virginia, was the agency's most important (and least appreciated) function. Spying by means of high technology has had the effect of legitimizing the clandestine side of the collection process, and has given the analysts more hard intelligence to work with than ever came from human spies alone. In combination with over-the-horizon radar and electronic techniques for monitoring alien communications, the spying satellites supply the only reliable and comprehensive means for looking down into a closed society and listening in on some of the business being transacted there.

Cameras and film have improved to the point where by some accounts something on the ground only a foot or so in length can be identified in a picture taken 100 miles above. The interpretive techniques have also gained in sureness. The photo interpreters are able to determine within narrow tolerances the physical dimensions and technical characteristics of the new Soviet weaponry as it comes into view—submarines and warships being assembled on the ways, prototype tactical aircraft being assembled on the ways, prototype tactical aircraft being taxied on the tarmac, rocket engines firing up in the test beds, radar dishes under construction.

The CIA does not do all this demanding work alone. It flies the satellites in partnership with the Air Force, which provides and launches them. The cameras and film, together with the interpretation of the pictures, are the responsibility of the CIA. The Defense Department's National Security Agency has done a first-class job in monitoring the telemetry broadcast by Soviet missiles on test flights, and the drill sequences of Soviet technicians on the missile ranges.

From the data accumulated by these and

other means, the CIA and its collaborators are able, in the case of a Soviet rocket, for example, to come up with a fair estimate of its performance. They can determine the rate of acceleration, burning interval, exhaust temperature, instant of cutoff, speed, trajectory, the behavior in trajectory, even the payload and the accuracy at impact. It's a masterly exercise.

Colby believes that with high technology surveillance so far advanced, "we could drop all the covert political operations and the country would stand." He offers an example of how precise the surveillance is these days: "We can say that on a certain date the Russians had exactly 1,618 ICBM's deployed. We are almost absolutely sure of the number."

But knowing what is in place is only part of the knowledge that the CIA is expected to supply. The pictures projected on the magnifiers at the National Photographic Interpretation Center in southeast Washington can't tell the photo interpreters how many weapons of that type are to be deployed and when, or the characteristics of the follow-on weapon no doubt already in preparation under the concealing roofs. All that is hidden inside Russian heads, and is ascertainable only by the clandestine methods now in disrepute—the gleanings of an agent, the secrets spilled by a defector.

CAMERAS OVER CUBA

The CIA's functioning in the Cuban missile crisis in the autumn of 1962, during McCone's stewardship, illustrates both the value of high-in-the-sky surveillance and the value of down-on-the-ground covert intelligence. McCone, an engineer by training, found the new technology of intelligence fascinating. "Technology," in his words, "gives intelligence a new cutting edge." But he also put a high value on clandestine intelligence, and was willing to spend money on the chance of getting it.

In the summer and early fall of 1962, the CIA collected from agents in Cuba some 1,300 reports of Russian missiles being moved about the island. State Department Sovietologists, however, told Kennedy that it would not accord with the Soviet mentality to put offensive nuclear weapons into another country.

McCone was persuaded that Khrushchev would try to do something to offset the American success with its ICBM's, and his conviction crystallized as a result of the information being fed to MI6 and CIA contacts by Colonel Oleg Penkovsky, a member of the Soviet State Scientific Committee. Penkovsky was attached to the Soviet equivalent of the American Joint Chiefs of Staff; he knew when weapons were scheduled for deployment, and was able to pass along word that for some reason only a small number of the only Soviet ICBM in advanced development, the huge SS–6, were to be released to the ready forces.

In the meantime, a heavy ship movement out of the Black Sea was being tracked into Cuba. It was much too large to be explained away as economic aid. The Soviet embassy in Washington had acknowledged that the U.S.S.R. was giving some antiaircraft missiles to Castro for defensive purposes, but McCone asked himself why the Russians wanted SAM's in Cuba unless they had something to hide.

McCone persevered, and in October succeeded in inducing President Kennedy to authorize U–2 photographic flights over Cuba. The photographs taken the first three days revealed the construction of numerous missile sites. Each site showed a singular "trapezoidal" form in the positioning of the rocket launchers. From documents Penkovsky had given them, the CIA men at once recognized the arrangement as standard for the SS–4's and SS–5's with the Red Army in Europe. The SS–4 had a range of about 1,200 miles, and the SS–5 about 2,500. From Cuba, they could reach most of the cities in the U.S.

By then, the photo interpreters had been able to fix the total number of Soviet ICBM's in the operational forces at about seventy only a fraction of what the U.S. Strategic Air Force had in place. There was no doubt then that the balance lay with the U.S. McCone said so, and Kennedy had this knowledge when he decided to move to a showdown.

A DANGER OF BLINDNESS

With the new capabilities in high-technology surveillance, and the increased reliance on them, the CIA has passed into its third age. The Dulles-Wisner period was the first. It emphasized clandestine political action, but it also brought along all the pioneering technical apparatus. The McCone-Helms period, 1961–73, was the second age. Technology came to command the major assets, but the black side was given strong support. The Schlesinger-Colby succession introduced the third age, bringing on a withering away of the clandestine side, and an almost complete dependence on technology, together with analysis drawing mostly on open printed matter and diplomatic reporting.

Is the nation thereby made more vulnerable? For policing the hazy SALT covenants, in the face of the Soviet refusal to allow on-the-ground inspection, the U.S., and the whole non-Communist world for that matter, must look primarily to photographic satellites. A camera, though, can record only what is in plain view. It is possible to fool or blind or render deaf the systems now in place. The Russians could make it much more difficult for us to comprehend their rocket telemetry, and there is some suspicion that they have undertaken to do so. Their submarine pens have been roofed over. There are even disturbing indications that they are edging past the proscriptions placed upon antiballistic systems by raising the power of the radars in place and testing what could be experimental ABM warheads from antiaircraft launchers.

The meaning of all this is not clear. But the pattern is worrisome. It supplies the best of reasons for keeping reckless hands in Congress off the CIA.

How Our Man in Tehran Brought Down a Demagogue

It may be instructive for Americans to be reminded, after the grand-scale squandering of lives, prestige, and wealth in Indochina, that another U.S. government, only a generation back, was capable of exercising power and influence deftly and unobtrusively in a potentially damaging international situation, and achieving success at a very moderate cost. The CIA exercised power that way in Iran in 1953. The performance was a gem in the art of clandestine political action.

The CIA task in Iran, laid upon it by President Eisenhower in the National Security Council, was to unhorse a rabblerousing politician, Mohammed Mossedegh, memorable otherwise for an uncontrollable impulse to public weeping, who had maneuvered his way into the premiership two years earlier. Mossedegh had expelled the British, seized the Anglo-Iranian Oil Co.'s refinery at Abadan and nationalized its properties. A British boycott failed to bring Mossedegh around. He plotted with the Communist party of Iran, the Tudeh, to overthrow Shah Mohammad Reza Pahlavi and hook up with the Soviet Union. To the Kremlin it was an attractive, if nettlesome, prospect, promising access to oil supplies and to the waters of the Persian Gulf.

To head off the danger that Iran would become a Soviet ally, if not satelite, Allen Dulles of the CIA dispatched to Tehran his Middle East operations chief, thirty-seven-year-old Kermit Roosevelt grandson of T. R. He entered upon his mission under a cover that stayed on. Roosevelt's plan, which the Shah approved and in which the British were to be invisible partners, called for the Iranian Army to seize Tehran, arrest the usurper, and install a new Premier.

In mid-August, through bad luck, the enterprise failed. An attempt to arrest Mossedegh misfired. The Shah fled to Rome, and shrieking mobs roamed through the capital. In Washington, Eisenhower's counselors urged the abandonment of a lost gamble; but Allen Dulles insisted that Roosevelt be given his head.

From a private house, never showing himself, working through half a dozen junior CIA officers and a small number of Iranian intelligence officers, Roosevelt succeeded within a week in steeling the Palace Guard in Tehran for action, and whipping up sentiment against Mossedegh in the press, among the merchants, and in the bazaars. Once the army moved, Mossedegh's strength melted away. The Shah returned to his palace, triumphant. Roosevelt left Tehran as inconspicuously as he had arrived. The enterprise cost the U.S. little more than his modest salary (about $12,000 a year) and his travel expenses, plus an advance to the Shah's bodyguard of "a few tens of thousands" of dollars for back pay, a debt that the Shah quickly repaid.

The Iran operation supplied the CIA Directorate of Plans with a useful model. "The lesson was," as one official recently put it, "that a clandestine outfit need not take open command of a coup, or revolution. The intelligent way to control events is to recruit the right people, drill them carefully, and maneuver them into the right spots."

THE F–18 DEBATE: PRECEDENTS INVOLVING REPORT LANGUAGE

Mr. PROXMIRE. Mr. President, I want to further clarify an issue that was raised last week during debate on my F–18 amendment to the Defense authorization bill. The amendment deferred funding for the F–18 until the Comptroller General could render a decision on a formal protest which has been filed on award of the contract. As you know, the amendment was modified on the floor to contain a July 31, 1975, cut-off date, which means that the prohibition will be lifted on that date even if the Comptroller General has not rendered a decision.

In the course of the debate on this amendment the question of a conference report's statutory significance was raised. The Members of the Senate will be interested to know that the courts have held that congressional committee reports are of primary importance in determining legislative intent through legislative history. I cite two of the more exemplary cases, *Zuber* v. *Allen,* [396 U.S. 168, 186 (1969)]:

> A committee report represents the considered and collective understanding of those Congressmen involved in drafting and studying proposed legislation.

And *Housing Authority of the City of Omaha, Nebraska* v. *United States Housing Authority,* [468 F. 2d 1, n.7 (8th Cir. 1972)]:

> In taking into account the above legislative history, we adhere to the general principle that committee reports represent the most persuasive indicia of congressional intent.

As was stated at the time of debate on my amendment, the central most issue is whether the conference report on the 1975 Defense Appropriation Act constituted a mandate to the Navy. The initial appropriation for the Navy air combat fighter was included in the Department of Defense Appropriation Act, 1975, title V, Public Law 93-437 [1974]:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, lease, and operation of facilities and equipment, as authorized by law; $3,006,914,000 to remain available for obligation until June 30, 1976.

The terms of that act do not indicate which projects are encompassed by the words "basic and applied scientific research, development, test, and evaluation." Neither do they specify how the appropriated funds are to be spent among the Navy's projects. Moreover, the term "necessary" is nowhere defined in the act. Thus, it is impossible to discern from a simple reading of the language of the act what expenditures are authorized and provided for by Congress. Accordingly, it is necessary to refer to the legislative history of the act to determine what expenditures Congress authorized and what restrictions Congress placed on such expenditures. Otherwise, the Navy could allocate the $3 billion appropriation among its projects in any manner whatever. Obviously, such action would not be within the congressional intent. Central to legislative history, of course, are conference committee reports, as the judicial opinions I mention so clearly show.

Mr. President, I hope that this background material will help the Members of this body to better understand the purpose of my amendment.

BETTER RELATIONS WITH LATIN AMERICA

Mr. HELMS. Mr. President, a few weeks ago I had the pleasure of visiting Argentina, a country which is troubled internally, but which is struggling mightily to restore order and prosperity. I was greatly impressed with the potential of that magnificent country, partially the endowment of a bountiful nature, and partially the creation of an active and vigorous people. The achievement of Argentina is substantial in building a broad base of economic distribution. First impressions are notoriously unreliable, but in this case I believe that my impression is backed up with statistical demonstrations and with the judgment of those wiser in the ways of Latin America than I. The great extremes between rich and poor, often typical of some countries in our sister continent, are not a social problem in Argentina.

Like most countries, however, Argentina does have problems. The chief problem at present is the wave of terrorism which is radicalizing the social structure and undermining the economy. The terrorists put forward no great plan for the restructuring of society; they are motivated by anarchist and Communist ideologies, dedicated, in this phase, to the destruction of freedom. For we know that freedom can only exist in an ordered society, based upon property broadly defined and widely distributed.

The terrorists know this. With some trained in Cuba, and some coming from the remnants of the Tupamaro terrorist movement driven out of neighboring Uruguay, and others locally recruited, they have brought a halt to foreign investment and have created a chaos which is fueling the soaring inflation. Thus the two sources of raising capital for expansion—external and internal—have been undermined. It is not surprising that productivity has fallen, that wages have not been able to keep pace with inflation, and an air of uncertainty hangs over all.

It is therefore important that the United States take steps to reassure Argentina of our continuing support in her struggle against the terrorists and against economic dislocation. Too often we seem to ignore the plight of Latin American countries, or we take steps that seem to aid socialist or anarchist movements, instead of strengthening stabile forces. In lengthy conversations with our distinguished Ambassador to Argentina, Robert C. Hill and his capable staff at the Embassy, I was shocked to learn that our own Government was making it difficult for Argentina to purchase the proper equipment for fighting the guerrillas, and had blocked the purchase of Huey helicopters and other anti-insurgency supplies. At the same time, our military mission to Argentina has been downgraded.

These may seem like minor items to many here in the United States, but to a country in a life and death struggle they seem like a callous disregard for the freedom and prosperity of its citizens. The reestablishment of order is the first priority of any nation, and we should be particularly solicitous of providing help to countries such as Argentina that are fundamentally based upon the free-enterprise system. For we know that a sound free-enterprise system, based both on external and internal resources is the best way to provide the sound economy that makes individual freedom possible for its citizens. As beneficiaries of such an economy ourselves, we must help others to enjoy the same benefits in their own countries.

While I was in Argentina, I took time out to visit with agricultural officials and leaders, businessmen, and members of the banking community. As a member of the Senate Committee on Agriculture, I wanted to get a good idea of the strength of the agricultural economy. I firmly believe that the only way that we will begin to understand the problems of other countries is in a face-to-face exchange with the various leaders in such fields. I might add, parenthetically, that I did not travel at the taxpayer's expense, and I am not an advocate of government-paid junkets.

In Buenos Aires, I was a luncheon guest with a group of distinguished private leaders at the Sociedad Rural Argentina. It was very reassuring to me to see how eager these gentlemen were to establish better relations with the United States, despite the fact that the United States has generally treated Latin America as a poor relation and, if anything, fostered the growth of socialism and other forces inimical to individual freedom.

Recently I received a letter from one of these friends from the Sociedad Rural, Senor Julio Werthein, who kindly put down in detail a few points where disagreements, misunderstandings, and disregard of common interests have clouded our relationship with Argentina. I would like to share that letter with my colleagues today, for their information and study. I hope that such exchanges will continue, and will help to improve relations between our two countries.

Mr. President, I ask unanimous consent that the letter from Sr. Werthein be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BUENOS AIRES.

Senator JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: It was a pleasure to spend with you some time at the lunch offered by Sociedad Rural Argentina.

I must tell you that I share fully with Ambassador Hill the thought about the necessity to increase the visits and exchange of U.S. Senators and Representatives to be able to have direct information about what this country is and represents in the Western Hemisphere. I want to repeat that our relationship could develop in such a way as to constitute a showcase for Latin America. We have more things in common than differences; and these, I am sure, can be ironed out.

The first point we discussed was the agreement signed in 1935 by the Argentine Ambassador in Washington, Dr. Espil, and your then Secretary of State, allowing the importation of meat coming from zones free of hoof and mouth disease. This could easily be implemented as a sign of good will. Economically, it would have no influence because the principal such region, Patagonia, is extremely short in beef cattle.

P.L. 480 Law: Frictions in this area have existed due to your sale or give-away of the traditional customers of Argentina, at times when our surplus of grains was large. At present this situation does not exist, but it should be avoided so that it does not happen in the future. Assistance should be the prime consideration when the different programs are submitted.

Another problem is that Argentina is supplying human elements to the U.S. in the form of doctors, technicians, etc., a loss which is extremely costly to our country.

Economics: We may have financial difficulties, but I do not believe that we should be a worry to our creditors. Our external debt amounts to only 2 or 2½ years of exports. Further, in the past few years, we have built the Tunnel Santa Fe-Parana, and the Barranqueras-Corrientes Bridge. We are advanced on the Zarate-Brazo project; Largo-Chocon is almost finished, and other works as well. We have the first Latin American atomic plant in operation, and a second one under construction. These are positive achievements.

Another issue is the containerized shipment of meat in bond to your free trade zones for reexport without being opened in the United States—we felt that this matter could be authorized under proper controls.

I hope that I have summarized properly the items discussed.

I remain,
Sincerely yours,
JULIO WERTHEIN.

PASSAGE OF THE AFRICAN HONEYBEE BILL

Mr. DOLE. Mr. President, I commend my colleagues in the Senate and in the Agriculture Committee for their prompt response to the Africanized Brazilian honeybee threat. S. 18, while generally noncontroversial, nevertheless represents a quick and hopefully thorough answer to the real public and agricultural threat to the United States by the Africanized Brazilian honeybee.

This legislation tightens up our quarantine measures and, hopefully, avoids any premature introduction of the bee directly into the United States from abroad. My bill prohibits introduction into this country of all stages of the life cycle of bees from areas where there are undesirable genetic traits or disease and parasites.

Two changes were made in the bill in committee, one of which continues the prohibition of imported semen containing the undesirable genetic traits, but does not prohibit semen from areas with diseases or bee parasites, since such diseases and parasites are not transmitted by semen.

The second change clarifies USDA's authority to eradicate the bee if it should somehow get into the country.

In addition to tightening import controls on bees and bee semen, this bill encourages cooperation between our Government and other governments to check the spread of the new bees before they reach our borders. By working with nations located between ourselves and the areas dominated by the bees, we can perhaps stop the spread of the undesirable insects and even figure out ways to favorably affect the genetic traits so as to moderate the aggressiveness of the bees if they do reach this or other countries in the Northern Hemisphere.

In general, this bill reflects the concern of the Senate for the farmers and agricultural programs of this country by hopefully eliminating a serious future threat to the crops of this Nation. I certainly hope that the house will respond as promptly and favorably on this measure, so that the public and agricultural concerns on this matter may be quickly laid to rest.

BREZHNEV CALLS FOR ACCORD AGAINST TERRIFYING ARMS

Mr. PELL. Mr. President, the leader of the Soviet Union, Mr. Leonid I. Brezhnev, in a major policy speech last week called for an expanded arms agreement among the superpowers to prohibit development of what he described as terrifying new nonnuclear weapons of mass destruction.

This is a proposal which should be warmly welcomed and vigorously pursued by the United States. Locking the lid on the Pandora's box of awesome new weapons development is not peculiarly in the interests of the Soviet Government or the Russia people; it is in the interests of the American people and, indeed, all of mankind.

Regrettably, however, there is a strong tendency in our own Defense and State Departments to dismiss such Soviet proposals as mere Communist rhetoric. Indeed, our own Government has been so silent, cautious, or unconcerned about the threat of new nonnuclear weapons that the American public is generally unaware of the nature of the potential new generation of nonnuclear warfare.

Indeed, as sophisticated a publication as the New York Times, in its report on Mr. Brezhnev's speech, expressed some puzzlement about what kind of weapons he was talking about, noting that chemical and biological warfare already had been outlawed.

There really is no mystery about potential new weapons of mass destruction. The potential for development of environmental warfare, involving the possibilities of climate control, steering of hurricanes, manipulation of rainfall, artificial inducement of earthquakes and tidal waves, has been clearly spelled out.

The U.S. Senate has, in fact, taken cognizance of the threat posed by the potential development of environmental warfare. In July of 1973, the Senate by a vote of 82 to 10 adopted a resolution which I introduced urging the administration to seek negotiation of a treaty to prohibit development and use of environmental and geophysical modification techniques as offensive weapons of warfare.

As the author of that resolution, I have continued to urge the executive branch of our Government to take the initiative and assume world leadership in seeking to clamp an effective lid on environmental warfare development.

The results, very frankly, have been disappointing. One positive step was taken at the 1974 Moscow summit conference when the United States and the Soviet Union agreed to explore the dangers of environmental warfare. Discussions pursuant to that agreement have been held, but without the sense of urgency and importance which I believe they deserve.

In the fall of 1974, the Soviet Union presented to the United Nations General Assembly a comprehensive draft treaty to prohibit environmental warfare. The response of the United States to that proposal was singularly disappointing. On a General Assembly vote to refer the Soviet proposal to the CCD—Committee of the Conference on Disarmament—in Geneva, the United States was one of five nations that abstained, on an otherwise unanimous vote. The U.S. abstention, it was explained, was to express our Government's annoyance at the Soviet Union for failing to fully carry out its agreement to consult before presenting the draft treaty.

I recognize the need for caution in arms limitation agreements with the Soviets to make certain that our national security is not endangered by agreements that handicap the U.S. position.

But we should not permit an excess of distrust and suspicion, born of Cold War hostility, to deter us from vigorously seeking arms agreements that increase the security of all mankind.

The question of prohibiting environmental warfare will be among the subjects on the agenda of the Arms Control talks in Geneva that begin on June 20.

I earnestly hope that our government, at that meeting, will pursue an agreement on environmental warfare seriously and with a sense of urgency. If our Defense Department experts consider the Soviet proposal to be mere old-hat Communist rhetoric, then let us put the Soviets to the test with a positive, specific, and effective proposal to eliminate environmental warfare.

Mr. President, I ask unanimous consent that news reports on Mr. Brezhnev's statement from the New York Times and the Washington Post of Saturday, June 14, be printed in the RECORD.

There being no objection, the news reports were ordered to be printed in the RECORD, as follows:

SUPER-ARMS BAN ASKED BY BREZHNEV

(By Peter Osnos)

MOSCOW, June 13.—Soviet leader Leonid Brezhnev said tonight that the super powers should go beyond the agreement on strategic arms now being negotiated to another accord banning all future development of mass-destruction weapons.

Although Brezhnev did not spell out his proposal, he appeared to advocate talks on limiting technical improvements in existing nuclear weaponry, plus a halt to research into new systems.

There is a "serious danger," he said, "of creating even more terrible weapons than nuclear ones."

[American experts believe that Brezhnev was referring to non-existent exotic weapons in the area of environmental warfare, which could create mass destruction by melting ice caps, creating floods, poisoning the atmosphere or disrupting temperatures.]

[The Soviet Union has been pressing for agreement to ban all such weapons. At the 1974 Moscow summit conference, the United States and the Soviet Union agreed to explore the dangers of environmental warfare. These negotiations have continued intermittently, and a U.S. team of specialists is to go to Moscow soon to resume these discussions.]

Addressing Moscow voters before the election for the Supreme Soviets of the 15 Soviet constituent republics scheduled for Sunday, Brezhnev returned several times to the theme of arms limitation, stressing Soviet interest in ending the arms race. He reaffirmed Moscow's hope that the strategic arms limitation agreement can be signed at a summit meeting in Washington in the coming months.

"The level of present-day science and technology is such that there arises a serious danger of development of still more terrible weapons than nuclear ones," he said. "The reason and conscience of mankind dictate the need for raising an insurmountable barrier to the development of such weapons."

Brezhnev said it was up to all states, but "above all the big powers," to conclude an agreement.

"Military budgets are being actively inflated in certain Western powers," he said. "The military departments there are making tremendous efforts to push ever new appropriations through legislative bodies."

Following this clear reference to the U.S. congressional consideration of military requests, Brezhnev said the Soviet Union wants to cut military budgets.

The arms discussion was the only notable feature of a speech otherwise distinguished for its brevity. A year ago, under similar circumstances, Brezhnev spoke for about 90 minutes and covered the domestic and international situation in detail.

Tonight, he spoke for 50 minutes and touched only generally on foreign policy matters. Brezhnev omitted the Middle East altogether.

A year ago, the election was for the National Supreme Soviet, which functions nominally as a parliament. Like all other candidates, Brezhnev is unopposed.

In the past month, Brezhnev, 68, underwent treatment for an undisclosed ailment, said to be a jaw problem of some kind. This evening's relatively brief speech and Brezhnev's repeated slurring of words seems to indicate that he has not yet fully recovered.

The mystery continues to be just how serious Brezhnev's discomfort is and whether he is planning to step down soon.

The prevailing view of the U.S. embassy, sources said, is that there is nothing seriously wrong and Brezhnev intends to stay on indefinitely.

Other diplomats, including some Eastern Europeans, say that Brezhnev seems to be suffering from a progressively dibilitating disease and that he will give up his post at next February's Communist Party congress.

U.S. Sees Theme in Brezhnev's Words

(By Murrey Marder)

Banning superweapons, or exotic weapons, as Soviet Communist Party leader Leonid Brezhnev proposed yesterday, has been a consistent Soviet theme, American experts noted.

The American view is that the Soviet Union constantly wants to demonstrate for political purposes that it is in the forefront of disarmament initiatives, championing prohibitions on every type of weaponry. The problems arise, one U.S. expert said, on "pinning them down to specifics."

There has been some discussion in the American-Soviet strategic nuclear arms limitation talks at Geneva, one U.S. source said, about language to ban "exotic new weapons systems that might be developed." This may be added to a new nuclear arms accord.

At the 1974 summit conference in Moscow, the United States agreed to a Soviet proposal to discuss how to prohibit environmental warfare. Interest in that subject was aroused in part by American rain-making and defoliation attempts in Indochina to disrupt Communist battle strategy. Those efforts were counted as failures, but the Soviet Union pursued the issue.

Brezhnev Calls for Accord Against 'Terrifying' Arms

(By Christopher S. Wren)

Moscow, June 13.—Leonid I. Brezhnev, the Soviet leader, proposed today that the major powers of the world conclude an agreement to ban new weapons and systems of mass destruction.

In his first public speech in five weeks, Mr. Brezhnev said such a treaty was necessary because modern technology was capable of producing new weapons even "more terrifying" than existing nuclear weapons.

"The reason and conscience of humanity dictate the necessity of erecting an insurmountable barrier to the development of such weapons," Mr. Brezhnev said.

Although his proposal appeared to go beyond formal calls for arms reduction and disarmament made on earlier occasions by the Soviet leadership, Mr. Brezhnev did not spell out how such an accord might be reached, nor did he suggest a timetable. But he said the Soviet Union and the United States could make a "considerable contribution" by working together for such a ban.

Mr. Brezhnev made his proposal during a speech in the Palace of Congresses in the Kremlin to an audience honoring him as a candidate in the single-party elections on Sunday for the Russian Republic's Supreme Soviet, or Parliament.

He pronounced his words indistinctly, tending to lend credence to reports that he had been undergoing treatment for an ailment involving his left jaw or his throat. Today, Soviet television cameras focused on him exclusively from the right side.

Nonetheless, Mr. Brezhnev, wearing Orders of Lenin on his dark suit, spoke strongly for more than 50 minutes, pausing occasionally to sip from a glass of water.

After Mr. Brezhnev's last formal speech on May 8, Soviet sources here privately advised some foreigners that he would be out of sight undergoing medical treatment for two to four weeks.

According to one account, he was having some teeth pulled. But other reports circulated that he was being treated for some jaw or throat problem, possibly caused by an earlier stroke. The Kremlin almost never discloses details on the health of a member of the leadership.

ATTENDED A SOCCER GAME

Mr. Brezhnev reappeared without fanfare at a soccer game last Sunday and greeted a delegation of visiting Czechoslovak Communists in the Kremlin on Tuesday. That meeting was given prominent coverage by television and newspapers.

Mr. Brezhnev spoke optimistically of Soviet accommodation with the West, expressing his belief that "new big and realistic steps can well be taken in the nearest future toward a more stable and healthier peace in Europe and all over the world."

He explained that he had in mind the summit-level conclusion that Moscow has been urging for the European security talks.

Mr. Brezhnev's call for a ban on new weapons systems came less than a week after the Soviet Union completed a new series of missile tests in the Pacific Ocean. According to the United States Defense Department these involved large SS–18 intercontinental missiles carrying multiple independently targetable warheads.

There was speculation in some Western diplomatic quarters that Mr. Brezhnev's new proposal might figure in what Moscow would take to the Soviet-American strategic arms limitation talks reconvening later this month at Geneva. Negotiators on both sides have been trying to work out details of the preliminary accord sketched out between Mr. Brezhnev and President Ford at their meeting outside Vladivostok last November.

In asking for a curb on the arms race, Mr. Brezhnev declared that one major concern not covered by existing agreements "is assuming ever greater urgency with each passing day."

"What I have in mind is that the states, above all the big powers, should conclude an agreement banning the development of new weapons of mass destruction, new systems of such weapons," he said.

"The level of modern technology and science is such that a serious danger arises of creating weapons more terrifying than nuclear ones," Mr. Brezhnev continued.

It was unclear exactly what the Soviet leader's proposed ban was intended to encompass, in view of steps already taken to outlaw chemical and biological warfare.

Mr. Brezhnev made no mention of the Middle East or Asia, both of which were stressed in his earlier speeches as areas of Soviet concern.

He dwelt at some length on Soviet economic progress, noting that in four years of the present five year plan, national income had risen by 26 per cent and industrial output by a third.

THE PANAMA CANAL

Mr. GOLDWATER. Mr. President, I have gone on record as opposing any attempt to give away the U.S. sovereignty over the Panama Canal. And in their letters and conversations with me, the people of Arizona stand firmly against any thought of such an act.

The senate in Arizona recently adopted a resolution urging President Ford, the U.S. Department of State, and this body of Congress to refuse any treaty with Panama which would give away U.S. ownership, operation, and control of the Panama Canal.

This resolution notes that in 1903 we entered into a treaty with the Republic of Panama, and with the loss of American lives and expenditures of American money, we constructed that canal. It was our engineering genius that overcame the adverse conditions under which the 50-mile canal was built. In 1914 the United States paid Panama $10 million for the Canal Zone and has continued to pay construction and maintenance expenses of that waterway. Mr. President, because it appears that a renegotiation of the Panama Treaty might result in a giveaway, the members of the Arizona Senate have made their stand clear. They feel such a move would be a serious blunder and a severe threat to the security of our Nation. And, Mr. President, I agree.

I ask unanimous consent that the Arizona Senate Memorial 1005 be printed in the Record.

There being no objection, the memorial was ordered to be printed in the Record, as follows:

Senate Memorial 1005

A memorial urging the United States Department of State and the Senate of the United States to refuse any treaty with Panama which would give away United States' ownership, operation, and control of the Panama Canal

To the Senate of the United States, the United States State Department, and the President of the United States:

Your memorialist represents:

Whereas, in 1903 the United States of America and the Republic of Panama entered into a treaty under which the United States at great expenditure of lives and money constructed the Panama Canal, a vital waterway link between the Caribbean Sea and the Pacific Ocean; and

Whereas, the fifty-mile canal was completed under very adverse conditions which were overcome only by United States engineering genius where other nations had tried and failed; and

Whereas, in 1914 the United States paid Panama ten million dollars for the canal zone, has paid all expenses for the construction and maintenance of that waterway, has paid Panama an increasing percentage of the annual revenue generated by the canal, has a net investment in the project of about six billion dollars and has never recovered its original costs from revenues; and

Whereas, the 1903 treaty gave the United States sovereign control "in perpetuity" to operate the canal and maintain a fortified ten-mile-wide zone along the path of the canal through Panama; and

Whereas, in 1964 the two nations agreed to renegotiate the treaty and it appears such negotiation will result in the transfer of the canal's operation and maintenance to Panama, the retention of some "use rights" by the United States and the obligation of military protection would remain with the United States; and

Whereas, the Panamanian government is now run by a military dictator who rose to power in a coup d'etat in 1968 and who is a close friend of Cuba's Fidel Castro; and

Whereas, such a renegotiated treaty would amount to a complete giveaway of a vital security holding of an interoceanic passageway to a government whose intentions toward the security of the United States are at least questionable; and

Whereas, such a giveaway would be a serious blunder and would severely threaten the security of our nation.

Wherefore, your memorialist, the Senate of the State of Arizona, prays:

1. That the President of the United States and the United States Department of State cause the negotiations concerning rewriting the treaty governing the Panama Canal Zone to be halted.

2. That the Senate of the United States, if a proposed treaty giving away the Panama Canal Zone is presented for ratification, refuse to ratify such treaty.

3. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States, the Secretary of State of the United States, the President of the United States Senate and to each member of the Arizona Congressional Delegation.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I recently reviewed a memo drafted in 1971 by the distinguished former Senator from North Carolina, Mr. Ervin, which listed 15 reasons for not ratifying the Genocide Convention. I find that none of these are adequate reasons for refusing to ratify the Convention.

Take No. 5, for example. Mr. Ervin says:

> The International Court of Justice would be empowered to decree that the President had interpreted and applied the provisions of the Convention incorrectly.

Mr. President, the Convention does not empower the International Court of Justice to do any such thing. The World Court is given absolutely no more power than it now has. The existing practice of submitting only those disputes to the Court which the disputing parties agree to submit is not altered one whit. The United States is not bound to agree to set up an alternate tribunal. The Convention permits this, but does not require it. The World Court could no more decree that the President has erred than it could try an individual for genocide.

No. 10 says:

> Congress would be required to enact new laws laying down rules of procedure to govern the trial of these newly created federal and international crimes.

Mr. President, we would be required to do no such thing. Genocide can be tried as any other crime is: under the existing Federal Rules of Criminal Procedure, or by any State under its rules of criminal procedure. However, even if it were true that some new procedures would have to be outlined, so what? Is the possible need to add a rule of procedure or two a reason for refusing to acknowledge that genocide is an evil and monstrous crime, to be punished by all nations? Of course not.

Mr. President, the Senate has refused to ratify this treaty for 26 years, and the reasons for the delay are no better than the arguments I have just refuted. I urge the Senate to ratify the Genocide Convention without further delay.

FINANCIAL STATEMENT OF EDWARD W. BROOKE

Mr. BROOKE. Mr. President, on May 2 of last year, I placed in the Congressional Record a financial disclosure statement, and I intend to do so for the remainder of my service in the Senate. This is my second annual statement, which covers the calendar year of 1974 and will be largely repetitive.

First. I am not engaged in the practice of law, nor am I associated with a law firm.

Second. I do not have an interest in a private business firm.

Third. I received as earned income my annual Senate salary of $42,500 and fees for speaking engagements in the amount of $28,750.

Fourth. I received rental income before expenses from my Martha's Vineyard, Mass., property in the amount of $4,875.

Fifth. I received rental income before expenses from my St. Martin, French West Indies, property in the amount of $8,200.

Sixth. I have had no change in my stockholdings since my report of May 2, 1974, and I realized $32 interest income from these securities.

Seventh. I continue to own the following real property:

My home at 535 Beacon Street, Newton, Mass.

Two houses and land at 32–34 Nashawena Park, Oak Bluffs, Martha's Vineyard, Mass.

A house—LaBatterie—at Friar's Bay, St. Martin, French West Indies, together with 10 acres of land in Riley Hill.

A duplex apartment—cooperative—at 2500 Virginia Avenue, Washington, D.C.

Eighth. I paid Federal income tax in the amount of $10,460 and Commonwealth of Massachusetts income tax in the amount of $2,499.

DeNEECE GURNEY: AN OUTSTANDING TEENAGER

Mr. WILLIAMS. Mr. President, on June 11, 1975, the New York Times carried a story on an outstanding young person from New Jersey, Miss DeNeece Gurney. Anyone who reads that story can only stand in awe at the prodigious list of her accomplishments.

Currently, we read many reports about the lethargy of our young people; how they do not want to become involved. I personally have come in contact with many young people who are active and who are involved. Miss Gurney stands in the forefront of that activity and community involvement.

In order that we all may share the report of Miss Gurney's accomplishments, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, June 11, 1975]

A Jersey Teenager Is a Superachiever

(By Barbara Campbell)

East Brunswick, N.J.—Whenever 18-year-old DeNeece Gurney walks, it is at a trot; when she sits, she taps her foot; when she talks, she is fast and precise, and whatever she aims for, she says, "I end up on top."

Miss Gurney is graduating from high school this month, like students her age all over the country, but few have participated in as many activities and won as many awards and honors as she has. Among them are dancing with the Princeton, N.J., repertory company, heading a modern dance department of a Maine summer camp, appearing in 250 performances in dance, drama and music, receiving a master skippers award for sailing, winning other awards for gymnastics, track, music and dance choreography, being president of the student council, head of eight different church committees and programs and receiving so far, six college scholarships.

Nonetheless, she is distressed that when she graduates from East Brunswick High School Thursday, she will not be the valedictorian of her class of 800. Her grade average is 3.88 out a possible 4.00. Two Bs, she said, marred a straight A average.

But her teachers at East Brunswick and many students who are either amazed at, dazzled by or envious of her achievements would designate her cum laude for her breakneck schedule of activities.

NO TIME FOR DATES

Her activities have prevented her from having leisurely chats with girlfriends or going out on dates with boys, but her parents and her teachers say her ambitiousness and friendly competitive drive have been channeled and tempered by her religious upbringing. A devout Mormon, she said she has spent "many hours on my knees" trying to decide the best thing to do.

"We have tried hard to help her keep the right values," said her mother, Mrs. John Gurney. "I believe she would not personally hurt anybody or step over anybody but she will work very hard. We have tried to give her an outlet for her energy where she could accomplish something worthwhile."

Mrs. Gurney believes DeNeece's ability to handle many projects at once and her need to "go for the top" is inborn. At the age of four she exhibited an uncanny leadership ability. "We'd give her a job to do," said Mrs. Gurney, "and she'd have the whole neighborhood doing it. They would be begging to help."

When asked to do a 10-page paper for school, Mrs. Gurney said, "DeNeece would always do 30 or 40 pages." Raising her, Mrs. Gurney said, has been a challenge for her and her husband, a research chemist with Johnson and Johnson.

A younger sister, Michelle, 13, Mrs. Gurney said, is a gifted pianist and a straight A student in a special accelerated math program. "She took a different route because she did not want to be compared to her sister," her mother said.

Her brother, David, Mrs. Gurney added, "is a typical 8-year-old boy who loves recess and lunch and Little League."

As Miss Gurney warmed up in the high school dance room, a class mate, Elizabeth Ehrenman, said: "Watch her concentration. That's how she is at everything she does. It's unbelievable."

Miss Gurney had confided earlier, sitting in an empty room in the principal's offices, that she had made the "most difficult decision of my life" several years ago.

"All my life I have dreamed of being the best dancer in the world but there has been a conflict all my life with my dancing and my church," she said. "Dancing is every day, all the time. I wouldn't be able to have a family, to serve my church."

"But I wanted it so badly. I would have loved the challenge," she said, clenching and shaking her fist for emphasis.

"With my personality I knew that I wouldn't be satisfied until I was at the top," she said. After several months of indecision—"I drove my parents insane"—and with counseling from teachers, her family and particularly her church youth adviser—the church places a strong emphasis on leadership in its young people—she decided not to become a professional dancer.

"For awhile I couldn't even talk about dancing," she said. "If I did I would cry. But now that I see I can excel at many other things I feel content."

Among her recent marks of excellence was her designation as one of the 10 outstanding Teenagers of America, in a contest organized by a marketing concern in Washington, D.C. She was sponsored by her school and her church.

Dr. Larry Ashley, principal of East Brunswick High, said Miss Gurney's programs as president of the student body had lifted the school from apathy into "being interested in activities for the first time." She helped redesign the functions of the student council and led a program in which $2,500 was raised for a school-beautification program. Her only fault, Dr. Ashley said: "She tries to do everything herself and make it come out perfect."

Later, in the living room of her home, after leading a group of small children in singing at her church, she said regretfully that she learned through student leadership that some people "waste a lot of time."

Her decision to attend her parents' alma mater, Brigham Young University in Utah, this fall, a Mormon school instead of an Ivy League college, should enable her to "become better rounded," she said.

LIST OF AWARDS AND ACTIVITIES IS VOLUMINOUS

A list of honors, awards, recognitions and leadership positions held by DeNeece Gurney during her high school years follows:

Outstanding Teenager of the United States.

Outstanding Teenager of New Jersey.

Girls State Governor of New Jersey.

Who's Who Among American High School Students (two years).

National Honor Society.

French International Honor Society.

Dance

Four $900 scholarships to French Camp in Maine (Les Chalets Francais).

Honored by Governor of New Jersey at State Teen Arts Festival for achievements in dance.

Member of the Princeton Ballet Co.—six years.

Member Modern Dance Repertory Co.—Princeton.

Headed Modern Dance Department, Les Chalets Francais.

Danced in New York City at Alvin Alley Professional School of Dance.

Danced Duet at Northeastern Regional Dance Festival.

Participated in Regional Dance Choreography Conference.

Outstanding choreography award in dance.

Drama Club and musicals

"The Crucible"—Abigail Williams.

"Hello Dolly"—Irene Molloy.

"The King and I"—Eliza and choreographer.

"Guys and Dolls"—chorus.

"Cheaper by the Dozen"—chorus and choreographer.

Performances in more than 250 plays, dances and musicals.

Activities

Life-saving Junior and Senior plus water safety certificates (Red Cross).

Master Skippers award for sailing.

Red Cross 20-mile swim.

Cheerleader—captain.

Gymnastics award.

Trophy school talent shows.

Track and Field Award.

Music Award.

Five-year personal achievement award (church).

Seminary—three years (church).

Teacher (training certificate).

College scholarships

Dean's Scholarship to Brigham Young University.

Scholarship to University of Utah.

Scholarship from Outstanding Teenagers of America.

Local and District Elks Scholarship winner.

American Legion scholarship.

Elks State Finalist scholarship (outcome pending).

District talent scholarship award.

POSTAL NIGHTMARE—IN THE FUTURE SUBSCRIBERS WILL HAVE TO BE RICH

Mr. GOLDWATER. Mr. President, the bombshell that hit with the ruling by Administrative Law Judge Wenner, regarding changes in postage rates, is still resounding in the reading world. Thursday, I placed in the Record two editorials which expose the possibility that the average private household would pay a larger postal bill under the proposed change in the rate structure than it is paying now. All a private citizen would have to do is to mail two or three parcel post packages from home in the period of 1 year and he or she would likely pay more in increased postage than would be seved by paying 1½ cents less for stamps on the 200 or so first-class letters mailed from each home in a typical year.

Today, I wish to call to the attention of the Senate an article which points out the catastrophic effect which the proposed rate schedule will have upon publications sent through the mails. For example, the proposal would boost the mail cost of newspapers and magazines five times over what they were in 1971.

Although this article, which appears in the June 16 issue of Time magazine, might be considered to be somewhat self-serving, as well as being a presentation of a noteworthy news subject, it mentions that the largest publishing companies, like Time, Inc., would probably be able to survive postal increases even on the scale proposed in the ruling. Rather, the primary threat is to the American reading public.

The article concludes that should the excessively high rates be accepted, smaller publications would die by the hundreds and the founding of new ones would become even more hazardous than it is today. I might add here that a recent study indicates that there is already less than a 3-in-10 chance of survival for new magazines.

Moreover, the article warns that the circulation of all periodicals would decline sharply due to giant subscription price increases and there would be some inevitable effects on editorial quality as well. The article states:

> To survive, publications would need not simply loyal but also rich readers.

These developments, the article continues, would run totally counter to the intent of the Founding Fathers when they set up the postal system. Its mission was not to make money, but to facilitate the circulation of information.

Mr. President, this is exactly the fundamental reason why I am so alarmed at the possible ramifications of the postal rate ruling. When we start tampering around with the public's ability to receive a wide range of printed materials—books, church pamphlets, club newsletters, magazines, newspapers, and so forth—which have been traditionally distributed in America through the mails, we cannot know what chain effects in our culture may be set in motion.

If we would recall our history, we would remember that printed materials sent through the mails contributed greatly to unifying the country during the American Revolution. Newspapers and magazines of early America helped to mold public opinion for the Constitution. In fact, George Washington called the wide circulation of knowledge "the security of a free Constitution," and he argued for:

> The conveyance of News Papers and Periodical publications in the public vehicles without expense.

Mr. President, I believe this ruling, if sustained, would completely nullify the policy of Congress in enacting S. 411 last year, which is intended to help the reading public receive knowledge through the mails; and I hope the Postal Rate Commission will, upon review, carefully note the drastic and fundamental effects which the ruling would have on our culture and political system.

Mr. President, I believe this article accurately describes the historic role of the public mails and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Postal Nightmare

It has become stunningly expensive to send a magazine or newspaper through the U.S. mails. After a series of rate increases calculated to make each class of mail pay for itself, publications today pay about 100% more for their second-class postage than they did in 1971. By next year, if current Postal Service schedules hold, the increase could mount to 175%.

Now, in a nightmarish great leap forward, Seymour Wenner, the chief administrative law judge for the rate-making Postal Rate Commission, has come up with a decision that would pile an even huger increase on top of all the others. His announced formula, which touched off alarm bells throughout the world of print journalism last week, is to cut first-class rates from a dime to 8½¢ and make up for the lost income in part by raising second-class rates yet another 122%. Added to increases already in effect or planned, Wenner's scheme would boost second-class rates to five times what they were in 1971. Furthermore, there is the likelihood of still another 33% increase 100 days after the Wenner proposal is resolved.

To survive, publications would need not simply loyal but also rich readers. Time's annual subscription price, for instance, which even now reflects galloping paper, production and labor costs, could double and possibly triple. Reason: as prices rise, some subscribers would drop off, and prices would then have to rise again to cover editorial costs and other overhead expenses. Newsweek would perhaps have to make a similar leap, as would such other weeklies as Saturday Review, The New Yorker, New York magazine and Sports Illustrated. Even monthlies, such as Harper's and Reader's Digest, would have to hit their subscribers with drastic price increases. Religious, labor and farm publications would also be severely hurt.

LIMITED AUDIENCE

Reacting last week to the Wenner decision, Emory Cunningham, the Birmingham publisher of Progressive Farmer, warned that subscriptions would doubtless have to jump from $7 to $25. Said he: "The only farmers who will be able to subscribe will be the quite well-off ones."

In all, rates for local mailing of newspapers would shoot up 250%; books and records, 96%; third-class bulk advertising, 35%; and fourth-class parcel post, 67%. The inevitable result, say Wenner's critics: use of the mails would drop, Postal Service revenues would fall, and the entire system would be in a deeper hole than it is now with its $800 million annual deficit. The individual first-class user might save a few dollars a year. But, claims Coleman Hoyt, distribution manager of the Reader's Digest, the saving would be cancelled by increases for other classes of mail used by the same person. "In the long run," says Hoyt, "the people pay for everything."

The decision, reached after 20 months of hearings, is by no means final. As administrative law judge, Wenner conducts the initial hearings in the Postal Rate Commission's cases. His decision must be approved or modified by the full rate commission, a five-member independent body, then go to the U.S. Postal Service's seven-member board of governors, which has final say.

There were signs last week that the ruling faced bumpy sledding in the Postal Service itself. Postmaster General Benjamin F. Blair, angrily denouncing Wenner's decision as "ominous for the Postal Service" and charging that it ignored the long hearings, said that the proposed rate increases would "cost us considerable volume." Other Postal Service officials speculated that the Wenner approach could eventually lead to higher first-class rates.

Even if Wenner's decision is overturned, mail subscription prices may still go up sharply during the next two years. A bill passed and signed into law a year ago would have extended the deadline for already-scheduled postal increases from July 1976 to July 1979. So far, the Administration has not requested and Congress has not approved funding to space out these increases.

In the publishers' view, the most frightening aspect of the Wenner ruling is that it establishes an extreme threat, which even if fended off will make previously contemplated increases that once seemed staggering look almost "moderate." Wenner's decision, whether it stands or not, may assure that whatever rates finally emerge will be far higher than anyone had anticipated.

Wenner, 62, a Harvard-trained lawyer and veteran hearing examiner, was recently upgraded to chief administrative law judge of the Postal Rate Commission. He has been steeped in the rituals of rate making since 1971, the year after Congress set up the Postal Service as a replacement for the much criticized old Post Office Department and gave it a mandate to run the mails on a businesslike basis. From the start, though, Wenner, as part of the autonomous Postal Rate Commission's bureaucracy, has been at odds with the Postal Service. He claims it has not done what a court told it to do two years ago, namely to set formulas for determining rates. In his ruling, Wenner sought to fill that void, in effect telling the Postal Service, "If you don't, I will."

REAL COSTS

As Wenner saw it in his 194-page decision, the current rate structure puts too much of a burden on first-class mail users. Some 2¢ of every 10¢ spent on first-class postage, Wenner calculates, subsidizes other classes. Thus the Postal Service becomes a "tax collection agency, collecting money from first-class mailers to distribute to other favored classes." His solution: cut the current first-class rate and make up for it by presenting the other classes with a bill of $900 million a year. The magazine and newspaper share of that bill—$200 million—would amount to only about 2% of the Postal Service's budget and thus would do relatively little to help it, but the rate increases would devastate publishers. Moreover, many publishers argue that what they pay in postage covers the real costs that they generate. Time Inc. and others, for example, pre-sort and bag magazines by zip code, thus saving the Postal Service millions in handling costs.

Beyond that argument, there is the historical issue posted by Postal Service rate practices. Prohibitive and therefore restrictive rates were never intended by the founding fathers when they set up the postal system. Its mission, they felt, was not to make money but to facilitate the diffusion of information throughout the young republic. That nation-building charter, said George Washington, was to bind "these people to us with a chain that can never be broken." Since then Congress has reaffirmed the principle as a national purpose.

Magazine executives assume that the largest publishing companies, like Time Inc. and McGraw-Hill, would probably be able to survive postal increases, even on the scale proposed by Wenner. Their circulation, advertising revenue and earnings would all decline sharply, with some inevitable effects on editorial quality. Smaller publications would die by the hundreds, and the founding of new magazines would become more hazardous than it is today.

SENATOR SAM NUNN

Mr. TALMADGE. Mr. President, my distinguished colleague from Georgia, SAM NUNN, has served in the U.S. Senate for only a little over 2½ years. According to tradition, he is still regarded as a freshman Member of the Senate. However, in this relatively short time Senator NUNN already has compiled an impressive record of leadership and accomplishment.

Although still a junior Member of the Senate, SAM NUNN is a hardworking and effective Senator, and as such he has brought great credit to the State of Georgia.

Senator NUNN has adopted a policy of not speaking unless he knows what he is talking about nor acting unless he is sure of what he is doing. This has enhanced his reputation in the Senate and earned for him the respect of his colleagues on the floor of the Senate and in the committees on which he serves.

I am very proud to salute SAM NUNN today for a job well done, and I bring to the attention of the Senate two articles from the Atlanta Journal and the Atlanta Constitution which take note of his leadership and effectiveness, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the article were ordered to be printed in the RECORD, as follows:

[From the Atlanta (Ga.) Constitution, June 16, 1975]

SILENT SAM SPEAKS

(By Hal Gulliver)

Georgia Sen. Sam Nunn is making the kind of record, especially on military affairs, that should make Georgia citizens proud.

It is a record in the tradition of former Rep. Carl Vinson and the late Sen. Richard Russell, both men who came to exert great influence on the military matters of the nation. Nunn, a member of the Senate Armed Services Committee, has already functioned on that committee with far more influence than his relatively newcomer's rank would normally indicate.

For one thing, he has become a kind of walking outpost for Sen. John Stennis, the committee chairman. Stennis is getting along in years now and in the last year or so has been recovering from bullet wounds suffered when he was robbed one day in front of his own home. So, Stennis has dispatched Nunn along with committee staff to go on fact-finding expeditions that perhaps might have seemed a little strenuous to the older senator. Problems with NATO? Send Sam Nunn to Europe and let him talk to people and then make a report to Stennis and the full committee. Southeast Asia? Put Nunn in another airplane and let him head over to the opposite side of the globe and report on that, too.

Nunn impresses because he has good talents, a good mind and good judgment, and he is willing to work hard at doing a conscientious job at whatever he is doing. One of the Washington journalists wrote about him the other day as "Silent Sam," observing that ole Silent had spoken up with effective impact in a Senate debate over a major military spending bill. That Silent Sam bit may be a little exaggerated for one who is Getting Tough in Washington, but it is true that Nunn prefers often to operate in a low key effective fashion without the usual doses of accompanying bombast.

He is thoughtful about America's military commitments and the future. For instance, Belgium just made a decision to purchase an American jet fighter, the F16, rather than the competing French Mirage. It was a significant decision for NATO either way, since they would follow Belgium's lead in the interest of standardizing NATO weapons systems.

Nunn thought the decision was fine. But, in conversation, he observed that some of our European allies in NATO already view the standardization of weapons as a "Buy American" approach. "Americans ought to be willing to show it goes both ways," said Nunn. For example, the West Germans have at present a highly regarded modern tank. It may be that the NATO choice in trying to agree on one tank would be between the West German one and the most modern American tank. In the long run, Nunn thinks, Americans have got to be willing (whether with the tank or some other similar choice) to support NATO decisions that don't necessarily mean buying from an American manufacturer.

That is the kind of thinking, the thinking for what is best in the long run, that Sen. Nunn is bringing to his current position on the Senate Armed Services Committee.

[From the Atlanta (Ga.) Journal, June 12, 1975]

NUNN AND THE SENATE

In the newly found role of congressional responsibility, the Senate recently engaged in a "great debate" over U.S. direction in foreign policy in the post-Vietnam era.

The "great debate" was deliberately scheduled to precede action on a $30.3 billion military weapons and manpower authorization bill. There are varying views regarding concrete results from the debate, but at least it set the stage to consider the justification for spending billions more on weapons and manpower.

What is significant is that the Senate in five days of discussing the military bill repeatedly beat back one amendment after another which would reduce our military posture or delete proposed weapons development.

In the light of the debacle in Southeast Asia, a move to withdraw our forces stationed overseas or curtail military advances in technology could be misinterpreted by other nations. And misinterpretations could trigger crises of large proportions.

Thus the Senate in its wisdom—as the House before it—chose the prudent and responsible course in telling the world, in effect, that what has happened in Indochina is not a portent of our future actions.

It should be singularly satisfying to all Georgians that one of the foremost leaders in the Senate fight to retain the bill as drafted was the state's junior senator, Sam Nunn. As chairman of a Senate Armed Services Committee subcommittee, it was the responsibility of Sen. Nunn to block amendments which would weaken and erode the bill.

He did precisely that in a manner which brought to mind his great-uncle, the venerable Carl Vinson, long-time chairman of the House Armed Services Committee, as well as the late Sen. Richard B. Russell Jr., chairman of the Senate Armed Services Committee.

It was reassuring to see the Senate face responsibility on the controversial matter of military weapons and manpower. And the fact that Sen. Sam Nunn made such a noteworthy contribution is an added bonus.

PEACE CORPS VOLUNTEER FROM NEW BEDFORD, MASS., TEACHES SCIENCE, MATH IN ISLAND NATION

Mr. BROOKE. Mr. President, once again I would like to state my support of the Peace Corps, and of the important role it has in creating an atmosphere of understanding throughout the world. As I have stated previously, the Peace Corps has proven to be an invaluable instrument of support to the indigent peoples of the world, in their struggle for a better life. The Corps has served its greatest function, however, as a vehicle for the expression of U.S. good will toward all nations.

My faith in the Peace Corps is reaffirmed each time I hear of the personal commitment and sacrifices made by those individuals who give unselfishly of their talents. I recently received word of another of my constituents who had made such commitment and sacrifice through his participation in the Peace Corps program. He is Mervyn L. Hamer of New Bedford, Mass., who is currently serving in Tonga. At this time, I would like to bring to the attention of my colleagues an article detailing the fine work of this man.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Peace Corps Volunteer From New Bedford Teaches Science, Math in Island Nation

Nuku'Alofa, Kingdom of Tonga.—Tongan youngsters who want the best secondary edducation this tiny South Pacific island kingdom can provide will try their hardest to get into Tonga High School. The elite public school, which selects the brightest students in Tonga, is known for its rigorous scholastic program and its top notch faculty—which includes Peace Corps volunteers like Mervyn L. Hamer of New Bedford, Mass.

Hamer, 23, a chemical engineering graduate of Worcester Polytechnic Institute in Worcester, Mass., has been teaching chemistry, general science and mathematics at Tonga High School for nearly two years. The son of Mr. and Mrs. Frank W. Hamer of 390 Bedford St., New Bedford, he is one of six Peace Corps volunteers teaching at the school in Nuku-alofa, capital of the nation of 95,000 people. The school enrolls 460 students.

"We get fine American graduates. We get the best," says Tonga High School principal Barry Hogan of the Peace Corps volunteers serving on his faculty of 28. "The history of our science department over the past five years has got Peace Corps on every second line."

Hamer, who had never taught at home, came to this nation of 150 islands a month after his graduation in June, 1973 and immediately plunged into teaching. Normally he would have received several months of Peace Corps training, he said, but the Tonga High math and science teacher he was to replace that fall left early. Hamer was needed to take over the classes right away.

"I just got thrown right into the situation and started teaching," he said. "It was kind of a new thing at first.

"I really enjoy it and I enjoy the kids," he added. "You have your bad times but not very often. I usually feel pretty good at the end of the day."

Teaching science in an isolated, traditional island nation poses its own unique problems, he noted. "It's difficult in the sense that it's fairly technical, and kids here don't have any exposure to things like television and mechanical gadgets. You have to spend time teaching them things that we take for granted. But it isn't hard using visual aids and class demonstrations."

In class, Hamer stresses demonstrations and experiments so that students can see scientific principles for themselves. "They do most of the experiments themselves," he said. "It's easy to keep them interested. I'd rather let the kids do things themselves so that they get used to handling things. I figure that you learn what you do."

Most of his students are in the fifth form—roughly equivalent to the eleventh grade—and are studying to pass examinations for their school certificates, similar to high school diplomas. Hamer teaches them from a syllabus intended to prepare them for the exams. Both the syllabus and the tests are geared to New Zealand's educational system, after which Tonga's is modeled.

Hamer must cover the given topics on the syllabus, but his lesson plans and teaching methods are up to him. "I don't like to try to change things too much in class because passing this test means a lot to some kids," he noted. "I don't want to spoil their chances."

He teaches in English, Tonga's official language and the medium of instruction in the secondary schools. The student's first language is Tongan, however, and not all of them are adept in reading, writing and understanding English. "It's tough to give them problems that are really abstract," Hamer said. "English is their second language and they don't really understand them." The students are not allowed to speak Tongan at the school.

Hamer's school day runs from 8 a.m. to 4:30 p.m. After school he may work on lesson plans, correct papers, go to the movies, play handball or soccer with the students, or teach special night classes for students preparing for the exams.

He lives in Nuku'alofa, the only urban center in the country, in a small oceanside house with running water but no electricity. "Life is simpler here, so there are fewer things that can go wrong," he said. "I don't really have that much free time, but I find that things move a lot easier here."

A 1969 graduate of New Bedford High School, Hamer will wind up his two years of Peace Corps service in Tonga this summer. He is one of about 75 Peace Corps volunteers serving in Tonga in a wide variety of education, health and professional service programs. Around the world, about 7,900 Americans are serving as Peace Corps volunteers and trainees in 68 developing nations.

The Peace Corps is part of ACTION, the federal agency for volunteer service established in July, 1971 to administer volunteer programs at home and overseas. Mike Balzano is director of ACTION.

ACTION's domestic programs are Volunteers in Service to America (VISTA), Foster Grandparent Program, Service Corps of Retired Executives (SCORE), Active Corps of Executives (ACE), Retired Senior Volunteer Programs (RSVP), Senior Companion Program, ACTION Cooperative Volunteers and University Year for ACTION.

Persons interested in ACTION programs can call 800-424-8580 toll free for more information.

EUROPE: MAKING GOOD TRAINS BETTER—AMERICA: BAD TRAINS GETTING WORSE

Mr. HUMPHREY. Mr. President, I would like to share with my colleagues an article which appeared in the New York Times May 25 concerning the European train system. This article points out the great advances and popularity that the European nations are enjoying through train travel, while also pointing out the very poor and deteriorating conditions of the track and railbeds in the United States.

The article very perceptively points out that the massive construction effort of the Interstate Highway System helped create a situation of declining use of our rail system. Yet those of us from rural America realize that we need a healthy combination of all forms of transportation, if we are to have a strong and vibrant economy.

As the sponsor of S. 1385, the Railroad Rehabilitation and Recovery Act of 1975, I feel strongly that we must use the present crisis in national rail transportation to work out a long-term, permanent solution to this problem. An efficient and effective rail system is a national priority. It is not something which should be dealt with on a piecemeal basis. We need to establish a national policy to provide for both satisfactory central corridor service, similar to that used in the more populated corridors of Europe, while at the same time adequately maintaining branch lines which are essential to our rural agricultural economy.

One of my greatest concerns is that just as there has been no clear effort to work out a national policy for the rail system as a whole, there has been no consistent attempt to evaluate the implications of the current flood of rail abandonments which have been requested of the ICC by the railroads.

Mr. President, I submit, we have got to get this Nation's railroads back on the track, and we have got to improve the condition of that track to withstand speeds of at least 100 miles per hour. This would be a 100-percent improvement over most of the track which our trains are running on today, while still being 50 percent as efficient as the 190-mile-per-hour speeds which the European railbeds can withstand.

Mr. President, I ask unanimous consent that the article entitled "Europe: Making Good Trains Better," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EUROPE: MAKING GOOD TRAINS BETTER

The European experience would be of value to American efforts to rejuvenate passenger railroad systems: Several European nations are planning trains traveling as fast as 190 miles an hour on improved and integrated systems to supplant airplanes on middle-distance routes.

The new European rail network can be compared with the interstate highway building program in the United States during the 1950's. Ironically, that program sent the railroads into decline, as it enabled Americans to make more use of their autos. At the same time many travelers began using planes.

An indication of the popularity of rail travel in Europe is provided in West Germany, which has less than a third of the population of the United States but has four times as many rail passengers a year.

Several factors, as European experts reported last week, have contributed to this. Europe has many more densely populated corridors of the 200- to 300-mile length suitable for trains. The Europeans were never as attached to automobile travel as Americans. But the Europeans have also been more successful technologically than Americans. For example, turbotrains have been tried with only limited success on Boston-New York runs. In France, which already has Europe's fastest trains, the third generation of 190 M.P.H. turbotrains is being tested.

Perhaps the most significant indication of the European superiority comes from Amtrak, the American rail agency. It has abandoned plans to schedule American-designed turbotrains on interurban routes. Instead, it has placed orders for seven French trains.

Some are already running between Chicago and St. Louis and Chicago and Detroit. However, because of the poor state of the track, their average speed is only 50 miles an hour.

BLUE EAGLES AND DEJA VU

Mr. GOLDWATER. Mr. President, the passiveness of American business leaders throughout the past nearly 40 years has been one of the major contributing factors to the sad plight that free enterprise is now in.

A man who has changed this deplorable practice of passiveness is Mr. Walter B. Wriston, chairman of Citicorp, who has repeatedly spoken out in defense of our economic system and our governmental system and once again he has done this brilliantly before the Society of American Business Writers where he spoke on May 5. I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

BLUE EAGLES AND DEJA VU

(By Walter B. Wriston)

As we approach the bicentennial of our republic, it is useful to remember that our founding fathers faced hard times—much harder than those which are with us today. They, too, had to make some tough choices. Thomas Jefferson expressed the problem in a nutshell: "We are not to expect to be translated from despotism to liberty in a featherbed."

The great principles of our government laid down by our founding fathers embody a vast distrust of centralized government power and an unswerving dedication to the proposition that government rests on the consent of the governed. No sector of our society has been more vigilant than the press in keeping that proposition always before us. Nevertheless, whenever we create the conditions which cause our system to appear to falter, whether through inflation or corruption, people who would destroy our liberty press forward with plans the founders rejected—old plans dressed in a new vocabulary. A good many years ago, John Randolph foresaw the danger and put it this way: "The people of this country, if ever they lose their liberties, will do it by sacrificing some great principle of government to temporary passion."

Today, passions abound in the land. As the heat rises, our memory of fundamentals seems to fade. We forget that the traditional optimism of the American people is an absolute essential to a democracy. We hear a rising chorus of attack upon the unique American economic system, though it has produced both the highest standard of living and the largest measure of personal liberty in the history of mankind.

People who should know better begin to waffle about human freedom and in the moment of passion that John Randolph feared even suggest that some form of dictatorship may not be so bad after all. In the 1930s Senator David Reed from Pennsylvania voiced it bluntly: "If this country ever needed a Mussolini, it needs one now." The admiration in the United States for the way Mussolini made the trains run on time was widespread. *The New York Times* in May of 1933 reported that the atmosphere in Washington was "strangely reminiscent of Rome in the first weeks after the march of the Blackshirts, of Moscow at the beginning of the Five-Year Plan . . . The new capital . . . presupposes just such a highly centralized, all-inclusive government as is now in the making." In the 1930s it began to look more and more as if we would sacrifice some great principle and lose our liberty.

The resident philosopher in Washington in those days was Rexford Guy Tugwell. Like his current counterparts, Tugwell expressed contempt for the consumer's ability to choose and wanted large state-controlled corporations along fascist lines. It was all very simple and logical. He put it this way: "When industry is government and government is industry, the dual conflict deepest in our modern institutions will be abated." This old idea has now been revised with a new name. We now call them "benchmark" corporations. By 1984, George Orwell tells us the concept will be set to music in a telescreen jingle that goes: "Under the spreading chestnut tree, I sold you and you sold me. . ."

The first major step that this nation took toward merging government and industry, and toward the total abandonment of the free market system, was the enactment of the legislation that created the National Recovery Administration. The NRA with its famous Blue Eagle symbol soon began grindiing out hundreds of "codes" repealing economic freedom and arbitrarily fixing wages, prices and hours.

In the temporary passion of that moment, many businessmen welcomed the idea of controls and were openly pleased with the idea of an escape from competition. "Codes" in the 1930s were the equivalent of the current euphemism "guidelines." These "codes" ultimately affected some 22 million workers. Like all schemes which require people to behave in a way they would not act of their own free will, force eventually has to be used against the populace. Since the NRA codes required citizens to make decisions which were contrary to their own economic interests, penalties for noncompliance had to be severe. Tailors were arrested, indicted, convicted and sentenced because their prices for pressing a pair of pants were a nickel below the relevant NRA code. Farmers were fined for planting wheat that they themselves ate on their own farms. Barbers who charged less than the code rate for a shave and a haircut were subject to fines of up to $500. Even the village handyman was prosecuted, since he did not fit in under the multiple wage-and-hour scale set up by the codes.

The complexity of the codes soon antagonized labor as well as management. The average factory worker had been earning $25 a week was cut back to $18.60 under NRA codes. As a result, strikes became a way of life and auto workers, frustrated by red tape, began calling the NRA the National Run Around. When the textile code authority cut production in the mills in 1934, another great strike began in the South. Before the strike ended, the National Guard had been called out in seven states and scores of textile workers were killed and wounded. A few months later, NRA Administrator Gerald Hughie Johnson resigned under a storm of criticism—or, as he phrased it himself, "a hail of dead cats."

As was the case with the rights of minorities in the 1950s and 60s, or with Watergate in the 70s, a few had the courage to challenge the power of the state. A fairly small company, The Schechter Poultry Company, refused to observe NRA standards of "fitness" governing the slaughtering of chickens. When the case reached the Supreme Court, the NRA was unanimously declared unconstitutional. The Court wrote: "Such a delegation of powers is unknown to our law and it is utterly inconsistent with the constitutional prerogatives and duties of Congress." After the decision was read, Justice Brandeis told one of FDR's legal aides: "I want you to go back and tell the President that we're not going to let the government centralize everything." That was a call to return to fundamental American principles.

That time around we were rescued from the temporary passion of the moment by the Supreme Court. For such actions, the justices were reviled as the Nine Old Men. Fortunately, they were old enough to remember the tyrannies of the past and struck down the attack on individual freedom, even though it was wrapped in a package labeled "progress." As if in direct reference to John Randolph, the Court said: "Extraordinary conditions do not create or enlarge constitutional power."

Today, just as we are beginning to win the battle against inflation and recession, the classic attacks on individual freedom are being launched with new vigor. In place of the NRA and Mussolini's Blackshirts of another era, we have new groups with new names selling the same worn-out concept of government planning as "progress."

The current effort to peddle the theories of Tugwell is being quarterbacked by an organization called the Initiative Committee for National Economic Planning. Its members, businessmen, academicians and labor leaders, are all well-intentioned people who should know better. Their program, if adopted, could bring about the step-by-step destruction of the free market system and, as a consequence, all personal liberty. The opening statement of the Initiative Committee expresses the usual doubt about whether our tried and tested system provides "the best hope for combining economic well-being and personal liberty."

Like central planners in the past, the new breed speaks euphemistically of "plenary power" and obtaining a "mandate." They suggest that a "five-year plan" would be "voluntary" but add that it might require a "legislative spur." They imply that they would not set specific goals for General Motors, General Electric, General Foods or any other individual firm but would "try to induce" the relevant industries to do their bidding. *The New York Times,* an ardent advocate of central planning in 1975 as in 1933 (except of course for the media), has fully endorsed the idea of government planning as "a means to help private industry to make its own planning decisions . . . without government coercion." There is no case of government planning not implemented in the end by coercion.

If the proponents of central planning came right out and said they wanted to create an economic police state, their cause would never get off the ground. So, they resort to "doublespeak," as Mario Pei so aptly called it, the usual camouflage for the ultimate use of force against the individual. Ludwig von Mises summed it up when he wrote: "All this talk: the state should do this or that ultimately means: the police should force consumers to behave otherwise than they would behave spontaneously. In such proposals as: let us raise farm prices, let us raise wage rates, let us lower profits . . . the *us* ultimately refers to the police. Yet, the authors of these projects protest that they are planning for freedom and industrial democracy."

Perhaps the oldest lesson of history is that an assault on one aspect of freedom is an attack on the whole, as the framers of the Constitution were well aware. To think that the bell that tolls for economic freedom does not toll for academic freedom or for freedom of the press is a delusion, and a dangerous one. The vigilance of the press which helped smoke out some of the misdeeds of Watergate should be equally focused on the economic *non sequiturs* coming from some of Washington's prominent citizens.

Attacks on the system that has produced our relative affluence as well as our freedom come in part from people seeking power and in part from a failure to understand the American experience. Pulitzer Prize historian Daniel J. Boorstin put it this way: "There is an increasing tendency . . . to blame the United States for lacking many of the ills which have characterized European history. Our lack of poverty is called materialism, our lack of political dogma is called aimlessness and confusion."

All current proposals for a managed economy rest on an underestimation of the intelligence of the American people. They assume that you and I are just not smart enough to decide how to spend the money we earn. The decision must be made for us by a wise government. Those wonderful people who brought us wage and price controls, which so severely disrupted our economy, now wish to extend the chaos on a permanent basis. The intellectual arrogance of those who would substitute their judgment for that of the American people is amazing.

As the incredible complexity of American ilfe begins to dawn on the would-be government managers, as it did in fact ultimately dawn on the Administrator of the NRA, ever increasing pressure has to be applied to make a reluctant citizenry conform. The clash between governmental economic planning and personal liberty is inevitable because, in the end, governmental allocation of economic and intellectual resources requires the use of force. No agency, for example, could have regulated our railroads into bankruptcy as did the I.C.C. without such power. This power must be continuously increased to block opposition, to generate public acceptance and suppress doubts about the competence of the planner.

Last year's Economic Summit should have made it obvious to all the world that experts do not agree. No plan which covers a continent with the infinite variety of America and contains thousands of parts can possibly be agreed upon by experts and certainly not by a majority of the people. Even if by some miracle we could get all the fiscalists and monetarists to concur, the ultimate decisions would be political much more than economic. It would be impossible to get a majority vote in the Congress on every item in the economy which would have to be allocated, priced and assigned priority. Since both political and economic agreement is a virtual impossibility, these decisions have to be delegated to the planner and thus can never represent the will of the majority. Such action by definition destroys the premise on which American democracy rests.

The First Amendment is one of the most sweeping definitions of freedom of the citizen against his government ever enacted anywhere in the world. As in the past, it must now be guarded jealously by all sectors of our society. What I am suggesting to you today is that you must examine with great care and skepticism the proposition that government regulation of goods and services is a legitimate function of government. It is predicated upon the dogma that consumers lack the intelligence to make choices, but that they are capable of sorting out a good idea from a bad one without government help. You should question the logic which leads some people to conclude that a so-called truth-in-advertising law is good, but a truth-in-media law is bad. On a purely logical basis it is hard to sustain the argument that the public is unable intelligently to choose among competing dog foods without government help, but is competent to sort out the true meaning of a senator's speech.

The press, along with the rest of this country, generally has come to the conclusion that the performance of government at all levels leaves a great deal to be desired. Bureaucracy has never been synonymous with efficiency. There is a growing perception across the country that government regulation of goods and services has often tended to promote monopoly, raise the price levels and smother innovation. Professor Houthakker of Harvard made this point dramatically at the Economic Summit by listing 43 areas he thinks the government should deregulate.

Lest you think that you are exempt, more and more educators are beginning to perceive the hand of government within their own campuses, despite the long tradition of academic freedom. Academicians are learning the old lesson that if you take the king's shilling, you will do the king's bidding. We already have government very much in the broadcast field, although some people feel this has not been objected to as strongly by the print media as one might have hoped or wished. If you accept the proposition that government intervention in the dissemination of ideas is bad, which is one I strongly hold, you must then review in your own mind whether it makes any sense to argue for governmental intervention in the individual's choices among goods and services. Whatever conclusion you come to on this proposition, you should not fool yourself that economics and politics live on separate islands; in the end our freedom is indivisible.

One of our least admired presidents was characterized as one who approached power with "muffled oars." Those of you who depend for your existence on the First Amendment should sensitize your ears to pick up the sound of "muffled oars" seeking to approach power through a planned economy. This suggestion is in accordance with sound liberal doctrine as expressed by Woodrow Wilson: "The history of liberty is a history of limitations of governmental power, not the increase of it."

NURSING DIFFERENTIAL SHOULD BE CONTINUED

Mr. ABOUREZK. Mr. President, I am pleased today to cosponsor S. 1906, to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential under the medicare program.

For 6 years, the administration has recognized that medicare patients in hospitals and other health care facilities require careful attention, and a greater share of staff time than younger, nonmedicare recipients. As of July 1 of this year, they will reverse themselves and eliminate the 8½ percent cost differential reimbursement to hospitals for caring for these individuals.

The inescapable solution for hospitals lies in raising rates for nonmedicare patients. Thus rather than sharing the burden equally, as the medicare payment system provides, only the sick will be taxed for this additional cost. Perhaps this is the ultimate in regressive taxation, and I do not believe the Congress intended anything like this in stating in the medicare law that health and hospital care would be fully covered.

Senator Frank Church, who as chairman of the Committee on Aging has focused the attention of the Senate on problems of the elderly, has introduced S. 1906 to remedy this short-sighted administration decision. I endorse this legislation, and urge the Senate to consider and approve it promptly.

A Kaiser Foundation study recently found that medicare patients require about 15 percent more nursing care than other patients.

As if more evidence were needed of the ramifications of the change in Social Security Administration policy, I would like to share comments from two of the many letters I have received protesting the policy change.

David Viland, RN director of nursing service, Marshall County Memorial Hospital, Britton, S. Dak., wrote:

> Of 145 incidents (accidents) within our hospital from January, 1972, to December, 1974, 122 involved patients of medicare age. This is an incredible 84 percent.

Larry Narum, administrator of the Gregory Community Hospital, Gregory, S. Dak. added:

> With our hospital in an already tight financial bind and because our hosptial patient load is comprised of 50 percent medicare patients, we would have no choice but to pass this reduction to other patients in the form of increased costs.

I am pleased to note that over one-third of the entire membership of the House of Representatives is already on record supporting legislation of this sort. I hope that the Senate will join in striking this blow for small hosptitals and for all who support highest-quality health care.

REPUBLICANS ARE PEOPLE, TOO

Mr. HUGH SCOTT. Mr. President, the Republican Party is alive and well and living in neighborhoods all over the country. This is the basic theme of the Republican National Committee's half-hour show on CBS. I ask unanimous consent that John Lofton's humorous article in the Philadelphia Inquirer describing this show be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Shocking Show—Republicans Are People, Too!

(By John D. Lofton Jr.)

Washington.—One of our country's largest minority groups has come out of the closet in front of God and everybody and I think this is a healthy development for all concerned.

Because only as long as most Americans realize that these individuals are basically like you and me, that they have no desire to force their different life-styles on anybody, only then will this group be accepted as the first-class citizens they really are. Only then will these people be granted the full constitutional rights to which they are entitled.

What I'm talking about are those courageous individuals who allowed their faces to be shown and their unscrambled voices to be heard the other night, on national TV, confessing that they are: Republicans!

Without question, the single greatest act of bravery displayed during the Republican National Committee's half-hour show on CBS—"Republicians Are People, Too"—was the appearance of the program's emcee, Chuck Connors. Despite the fact that he runs the risk of having his pictures or his TV shows boycotted, Connors made no bones whatsoever about his Republicanism. Clearly it is blatant, not latent. He's GOP and he's proud.

He quoted Thoreau and everything.

The impact was devastating. Connors was living refutation of all those things that are privately whispered about Republicans. Rumors to the contrary notwithstanding, he was obviously . . . a person.

But there were other Republicans-persons on the show. And in their own way they were just as courageous as Connors. I mean, they are subject to peer group pressure, also. They have jobs and families and children who are open to harassment. But they laid their Republicanism on the line.

There was a rancher, a homemaker, a rising young executive, a black who used to be a Democrat, and a truck driver. All Republicans, and all obviously persons.

The point is that in admitting their Republicanism, these persons, who were obviously people, demonstrated to all the world that they are individual human beings, not animals, vegetables or minerals!

The most convincing case for the idea that Republicans are people, too, was made by Republican National Vice Chairman Dick Obenshan. If you saw him walking down the street you would have no idea he is a Republican. He declared:

"I know that when other people see that we Republicans are friendly folks very much like them, living right in the same neighborhood, they find that we also want a steady job, a good education for ourselves and our children, a decent home to live in and dignity in our older years. Heck, our kids play with their kids. Twenty-nine million of us are their neighbors, and we're usually pretty good neighbors, too."

See the subtle reiteration of the theme? Not only people, but good neighbors, too!

Undoubtedly, there will be some nattering nabobs of negativism, some uptight political straights who feel threatened and outraged that CBS would air such an explicit show at a time when children could see it. But to these narrow-minded bigots I would say: tough! It's time you and your kids learned the truth about Republicans!

My hat is off to the Republican National Committee for the courage to make such a film, and to CBS for its guts in broadcasting it. But do not misunderstand what I'm saying. The GOP's presentation was not perfect. It left unanswered such crucial questions as what happens to property values when a Republican moves in next door? And, the personal question of whether one would want one's sister or brother to marry a Republican?

There is, however, another show July 1, on NBC. Maybe these matters will be cleared up then. Let's hope so. This is what America is all about.

CONTRACTS/GRANTS REFORM LEGISLATION: REVISED OMB POSITION

Mr. CHILES. Mr. President, on April 15 of this year, I introduced, on behalf of eight other Senators and myself, S. 1437, the Federal Grant and Cooperative Agreement Act of 1975. As I stated on that occasion, S. 1437 was a reintroduction of S. 3514, a bill which incorporated two recommendations of the Commission on Government Procurement and passed the Senate without dissent in the 93d Congress.

This bill is an important first step in reforming contract and grant spending practices. When you consider that over a third of the Federal budget is consumed through outlays on contracts—$60 billion—and grants—$55 billion plus—the significance of getting a congressional "handle" on these spending practices is apparent.

In addition to the fine work of the Commission on Government Procurement, 4 days of hearings were dedicated to the measure last session. The Committee on Government Operations issued report 93–1239 on October 7, 1974. I think the present sponsors of this bill indicate the strong nonpartisan support for this reform. I would be pleased to have other Members of the Senate join me in cosponsoring S. 1437 along with Senators Brock, Glenn, Moss, Muskie, Nunn, Percy, Roth, and Weicker.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

Office of Management and Budget,
Washington, D.C., May 15, 1975.
Hon. Lawton M. Chiles, Jr.,
U.S. Senate,
Washington, D.C.

Dear Senator Chiles: At my confirmation hearing in late January, you asked me to review OMB's position on S. 3514. As I understand it, OMB's position in the past has been that the definitions of "contract", "grant", and "cooperative agreement" provided in the bill were too general and may not be conducive to achieving the intent of the bill. Therefore, OMB recommended that a detailed study as required in the bill be accomplished before the passage of legislation.

I have reviewed the situation with my staff as well as with the General Services Administration and have reached the following conclusions:

OMB will not oppose legislation similar to S. 3514 although we still have some reservations about the proposed definitions.

An interagency study similar to the one proposed in Section 8 of last year's bill should be started immediately with the first order of priority being a thorough analysis of the proposed definitions and the development of criteria and conditions for their use. We plan to complete this portion of the study by December 31, 1975.

With respect to the definitions of the three instruments in the bill, we do have some concern that they need to be more specific in order to achieve the objective of the bill which is to standardize relationships between Federal agencies and the recipients. We hope that the Congress will agree to a reasonable period of time to review the results of the first phase of the study which will be completed by December 1975, before requiring formal adoption and implementation of the definitions currently proposed. If the study suggests a need for different sets of instruments and relationships between Federal agencies and the recipients, I assume the Committee would be receptive to amending the legislation as appropriate.

We plan to contact all affected Federal agencies shortly to describe the purpose of the study and solicit their support including assignment of personnel to work with us. The study will be conducted under the joint leadership of the Deputy Administrator of GSA, and the Associate Director of OMB for Management and Operations. OMB will monitor the overall progress of the study and participate directly in selected areas, particularly the first phase. The Office of Federal Procurement Policy, and the Intergovernmental Relations and Regional Operations Division of OMB will be the primary sources of policy guidance and support on procurement and domestic assistance matters, respectively. We will also establish procedures to seek input and advice from recipients of Federal assistance and public interest groups. We would sincerely welcome your support and suggestions as we move forward on the study.

We would be pleased to meet with you or members of your staff with respect to our concern over certain provisions of the bill which I've mentioned.

Sincerely,

James T. Lynn, *Director.*

U.S. Senate,
Washington, D.C., June 2, 1975.
Hon. James T. Lynn,
Director, Office of Management and Budget,
NEOB, Washington, D.C.

Dear Jim: I want to thank you for your letter of May 15 which reviews OMB's position on the Federal Grant and Cooperative Agreement Act, an issue discussed during your confirmation hearings last January. As you know, the legislation which passed the Senate last session has been reintroduced this year as S. 1437.

Needless to say, I was pleased to learn that OMB has revised its position and will not oppose the legislation this year. I also appreciate the personal attention you devoted to reconsidering this issue. It demonstrates a welcome spirit of cooperation that I hope we can continue at every opportunity.

There are a few points in your letter I would like to touch on for clarification.

First, I feel it should be our common understanding that the bill represents a much needed but only a first step in addressing the complex problem area of contract and grant spending practices. The intent of the legislation is not to define legal instruments—contracts, grants and cooperative agreements—but rather to characterize the basic relationships between the Federal Government and other parties that these instruments should reflect: procurement and assistance and, within assistance, relationships that entail either minimal or substantial Federal involvement with the recipient during performance. The bill then categorizes types of legal instruments to reflect these fundamentally different relationships and requires Federal agencies to consciously and deliberately consider their use.

While the bill should bring some basic discipline to Federal agencies, it also provides them with needed flexibility to select the proper instrument and to determine its content.

Our intention is to give more meaning to the terms "contract," "grant," and "cooperative agreement" than presently exists and to prevent certain abuses, such as the use of grants in procurement situations. Additionally, this initial step will contribute to the important goal of better communication between Federal agencies and states, locals, universities, and other recipients. The language of the bill as it now stands, I believe, would accomplish these purposes.

I appreciate your concern that the definitions may need to be more specific. I believe the relationship-based criteria for use of these instruments would provide a sound basis for considering later, for example, what terms and conditions and what management procedures and practices are appropriate in transactions that reflect these relationships. This further second-step refinement is precisely the object of the study provisions of section 8.

Section 8 also requires consideration of "changes in the provisions of sections 3 through 7 of this Act, as may be deemed appropriate on the basis of the findings of the study." This safeguard should dispel any reservations concerning whether the Congress will consider changes in the criteria and definitions in the bill. It is my belief, however, that the distinctions are sound. The findings of a special agency survey conducted last year in conjunction with the General Services Administration (GSA) staff reinforced the validity of the Commission's recommendation.

With regard to executive branch progress on the study provisions, I appreciate your promise to start dedicated action and complete the first steps by December 31, 1975.

I concur with the view presented by the Comptroller General that sufficient study had been completed to justify full confidence in taking the initial steps outlined in the legislation. In both Senate and House hearings, representatives of the Administration also concurred with the need and the purposes of this bill.

As you know, we in the Congress often hear appeals for delays in legislation until some executive study is completed. During our hearings ten months ago, the Deputy Administrator of the General Services Administration indicated work was already beginning.

Your plans to perform the study envisioned by section 8 of the bill are of central interest to the committee and we would like to participate in and support your efforts wherever possible. A better understanding of alternative means of implementing Federal assistance programs and a comprehensive system of guidance for these programs is an important goal and we would like to contribute to the success of this effort. I would appreciate having the committee staff review the status and progress of the study toward this end.

Let me thank you again for your personal cooperation. Please feel free to call if we can be of any assistance.

With best regards,
Sincerely,
LAWTON CHILES, *Chairman.*

Mr. CHILES. Mr. President, during Mr. Lynn's confirmation hearings, I asked him to review his agency's position that the Congress wait for additional executive study before enacting the bill. I am pleased to announce that OMB has revised its position and will not oppose this legislation. This change suggests that the Director has introduced a new air of cooperation within OMB. I thank him and hope it continues.

JOHN KENNETH GALBRAITH

Mr. GOLDWATER. Mr. President, the free enterprise system has been a basic ingredient of American life since the founding of our great country. It is a system which is important to our way of business as well as to our way of daily activity. Yet it is also a system that is under attack from the creeping threat of socialism.

For this reason I have great concern when I find that American tax dollars will be used to finance John Kenneth Galbraith as he hosts a television series on the economic evolution. Mr. Galbraith is a well-known socialist and makes no secret of his distaste for free choice in the marketplace. He would like to see an end to the economic system upon which this country is built.

A recent editorial from the Arizona Republic shares this concern of mine and voices it in a very capable manner. It points out that while others—

> . . . may cavil at high taxes . . . Galbraith believes taxes aren't high enough; they still leave consumers with too much discretionary buying power for his taste.

Mr. President, I find it cause to worry when the Public Broadcasting System uses American taxpayer's money to produce and disseminate Mr. Galbraith's socialistic propaganda. It is difficult to find a practical value in the public financing of his views. I wish to bring the Republic's editorial, "On Prime Time," to the attention of my colleagues and for this reason I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

On Prime Time

John Kenneth Galbraith is 6 feet, 8½ inches of charm and wit. He's the only economist tall enough to play basketball. He's also the only economist who can write entertainingly on that dismal "science." He sparkles with ideas.

Galbraith, in short, has every qualification to host a television series on economics—except one. He's more an entertainer than an economist.

However, this drawback has not dissuaded the British Broadcasting Corp., the Canadian Broadcasting Corp., and the Public Broadcasting Service from hiring Galbraith to write and narrate a series of 12 or 13 broadcasts entitled "The Age of Uncertainty" and subtitled "The Growth and Crises of Industrial Society—A Personal View by John Kenneth Galbraith."

The series will deal with such topics as the history of money, classical capitalism, Victorian capitalism, colonialism, socialism, the Depression, the modern corporation, and the growth of the "military-industrial complex."

For anyone who has read Galbraith's books or listened to him speak, it's not at all difficult to predict what he will say.

Galbraith is a socialist, frankly so. He's not a Marxist, but he believes the free-enterprise system is finished.

He believes the law of supply and demand became a dead letter with the coming of the modern corporation and the modern trade union, which are in cahoots to administer prices and wages.

For that reason, he believes the government should take over industry. In the meantime, he advocates wage-and-price controls.

Others may cavil at high taxes. Galbraith believes taxes aren't high enough; they still leave consumers with too much discretionary buying power for his taste.

He doesn't like the way consumers spend this money—on flashy automobiles, for example. He wants the government to grab it from them and use it for schools, parks, housing and the like.

Much of the money spent for defense also is wasted, Galbraith says. He insists the Pentagon and the aerospace companies invented the Communist threat.

The idea for the series came from BBC, and it's easy to understand why. BBC is a British government agency, and the British government today is committed to socialism.

However, where does the PBS get off spending American taxpayers' money to produce and disseminate socialist propaganda?

Congress created the PBS to put on educational and cultural programs with too limited a prospective audience to interest manufacturers of deodorants, detergents and remedies for indigestion.

It certainly never dreamed of creating an agency to propagate socialism.

However entertaining he may be, putting Galbraith on prime time is a misuse of government funds.

SENATOR ROBERT C. BYRD'S SPEECH BEFORE THE 58TH ANNUAL CONVENTION OF THE NATIONAL COAL ASSOCIATION

Mr. ROBERT C. BYRD. Mr. President, on the morning of June 16, I had the pleasure of addressing the 58th annual convention of the National Coal Association, in Washington, D.C.

I ask unanimous consent that my remarks on that occasion be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech to National Coal Association

(By U.S. Senator Robert C. Byrd)

Mr. Chairman, members of the National Coal Association, ladies and gentlemen. Welcome to the dawn patrol. But even at this remarkably early hour on a Monday morning, it is a pleasure for me to visit with the members of the National Coal Association and their guests.

All of you have been in Washington many times. You are aware, therefore, that whatever we may run out of, it will never be rhetoric. But we have a situation in America today in which rhetoric will not suffice if we are to have any hope of recovering from the economic recession that has plagued us since 1973. Nor will rhetoric solve the problems of people's disillusionment with Government and its leaders. The time is past when honeyed words and a commanding presence are acceptable substitutes for firm plans that can be translated into constructive action.

This is especially true in the field of energy—a field that is currently occupying center stage in the economy of this Nation and of the world. Every developed country in the world—and particularly the United States—is almost wholly dependent on energy for economic existence. Nonavailability of energy fuels would ring the death-knell for modern industry, and with it the entire fiscal structure of the developed world.

We have heard a great deal in the past eighteen months about the energy crunch, the energy shortage, and the energy bite, and when energy is mentioned, it is synonymous with oil. The fact of the matter is that there is presently no shortage of oil. There is only inequity in production capability and distribution. It is reported that the OPEC Cartel will raise the price of a barrel of oil within the next 3 or 4 months by at least $2, and possibly by $4 a barrel. President Ford has already imposed an additional $2 a barrel excise tariff on each barrel we import. It is projected that by 1976, a gallon of gasoline at the pumps will cost the American motorist as much as $1, which will put gasoline into the same luxury bracket as lamb chops and crab meat. It might even achieve the objective that the administration is ostensibly aiming at—a reduction in the consumption of gasoline for nonessential purposes. But I doubt it. The vast majority of Americans may substitute hamburger for lamb chops. But there is no viable substitute for gasoline in the internal combustion engine, and American society is so wedded to the automobile that divorce is wellnigh out of the question, whatever the grounds.

The plain fact of the current world oil situation is that the oil producing nations, after many years of playing second fiddle in an orchestra conducted with considerable autocracy by the major U.S. and European oil companies, are now wielding the baton and we will pay the fiddler and still not call the tune. Some may call this blackmail. Others may call it poetic justice. But whatever it is, it puts the United States in a position where we had better discard the rhetoric and get on with the job of so utilizing our own energy resources that it will no longer be necessary to wine, dine and lionize the Shah of Iran in Washington, only to have him announce the probability of another hike in our oil prices.

I wonder if his royal highness ever recalls the verse from the Rubaiyat, written by an earlier Persian:

> "The wordly hope men set their hearts upon,
> Turns ashes—or it prospers; and anon,
> Like snow upon the desert's dusty face,
> Lighting a little hour or two—is gone."

If this Nation will face up to the realities of the energy situation, and if we will pursue our objectives with pragmatism instead of wishful thinking, we could make that "little hour or two" of lighting the desert's "dusty face" into a little minute or two.

Coal—and only coal—is in a position to again put the United States in a posture of energy independence that we once enjoyed. If we would stop spending money or wordy conferences, both here and overseas, among economists and diplomats who either won't or can't understand the facts of life, and add several hundred million more dollars to the relative pittance we have earmarked already for coal research, development and production, we could tell the OPEC nations to stick the oil in their derricks.

In looking over the program for this 58th N.C.A. Convention, it would appear that you at least are facing up to the realities of today. Your first order of business is to discuss production and productivity. That is as it should be, because that is where the whole process begins—getting the coal out of the ground by the most economic and efficient means that our technology can devise. This means turning to the equipment manufacturers to find out what their knowledge and ingenuity can come up with in the way of new methods of extraction and conveyance. If we are to succeed in doubling coal production by 1985, as the industry has been called upon to do, the equipment manufacturers will be one of the keys to this achievement.

Having extracted the coal from the ground, it must then be transported from the point of origin to the place of use. The question arises whether our railroad system, so long neglected and in some instances so abysmally administered, can handle a 100% increase in coal traffic. With present freight rolling stock, and considering the appalling condition of many railroad roadbeds, I am not optimistic that our railroads could meet the demands, but there are signs that suggestions that I and some of my colleagues in the Senate have made, to allocate funds toward improving the railroad beds, may be falling on fertile ground. I am convinced that without substantial improvements in our rail system, the very worthy objectives of substituting Appalachian and western coal for Middle East oil will be almost impossible to attain.

It is my opinion that nothing is currently more vital to the health of our future industrial economy, and therefore to our whole way of life in America, than the replacement of imported oil by domestic coal. I can assure you that whatever lies in my power to do, to further these ends—not only because I represent one of the Nation's great coal States, but also because I see this solution as the only practical solution presently in our power to control—I will do it with all my might.

I note also that you have on your participant list the president of one of the Nation's largest banks, and also the Secretary of the Treasury. This shows me that you are cognizant of the importance of financing in this planned resurgence of the country's most abundant fuel.

I note also that Congress and the executive branch of Government are well represented among those who will contribute to your convention deliberations. The attitudes of Congress and the Executive will greatly influence your ability to meet the increased demands that will be placed upon you in the next decade. If the co-operation of both branches is forthcoming—and I cannot see any reason why it would not be—your task will be rendered easier, and the security and well-being of the United States will be significantly enhanced.

There are very few certainties in life—apart from death, taxes, and increasingly higher dividends from the Consolidation and Peabody Coal Companies, but I would like to include in these certainties the one that says we cannot go on importing oil in the quantities that we are now indulging in, and even more certainly not in the additional quantities that are projected for the next ten years.

In addition to the suggestions I have already made, the one sure way to prevent this catastrophe of increased oil imports will be the conversion of oil-fired and gas-fired power plants to coal, and a crash program in the technology of coal gasification and liquefaction.

There are all kinds of experts who are saying that decontrol of gas prices, or decontrol of old oil prices, are what we need to substantially solve our energy fuel shortages. I would agree that partial decontrol or re-regulation will probably be necessary and will help. What is certain is that we know beyond any doubt that we have within our own shores enough coal to see us through centuries, even with vastly increased production and utilization. And I cannot see why anybody would not bet on a certainty.

It seems to me to be high irony that thirteen coal gasification plants are in operation in Europe, Africa, Asia and the Middle East. South Africa expects to produce at least 30% of its total energy needs by coal conversion next year. But here in the United States, where we have half of the world's known coal reserves and a critical need for gas, no full scale coal gasification plant is even under construction.

The reluctance of U.S. industries to devote huge capital sums to coal conversion plants is understandable, and they probably will not invest until coal conversion is recognized by government as a vital and ongoing component of an overall and committed national fuels policy—a policy that a few of my colleagues and I have tried in vain to bring to reality for 20 years. Nobody is going to sink billions of capital funds in plants that might be at the mercy of wildly fluctuating world oil prices, and find that the conversion plant product cannot be competitive in price after the huge investment has been made. Our government policy must be firm enough and realistic enough to give assurance to coal conversion investors that whatever political or price pressures the major oil producers might attempt to bring, coal conversion is here to stay. Then, and only then will coal conversion take its rightful place in our energy picture. And "then", in our present parlous condition, is most assuredly "now".

I do not want to give the impression that all is negative. I have high hope that the long-overdue federal research and development programs now underway, and the parallel efforts being made by the coal operators and the equipment manufacturers, will lead to technologies that will make a doubling of our coal production possible in the time frame of ten years that we have been given. What I do emphasize, however, is that time is of the essence. Coal mining, from mine managers down to the coal face, is infinitely more sophisticated than it was even ten years ago, and it takes more time to train men in the use of the highly technical equipment that will be necessary if we are to meet the goals.

And finally, federal policies that led to the almost exclusive use of oil and natural gas in utility boilers must be revised. We haven't got these fuels in quantity at home anymore. We cannot afford to pay the extortionate prices to import them, without wrecking our eocnomy. But we do have the coal. We must utilize this coal in every conceivable form.

I don't want to sound dramatic—but coal, much maligned for many years, could well be our national salvation.

Thank you.

THE ENERGY SHORTAGE

Mr. YOUNG. Mr. President, one of the most serious problems facing the United States today is our energy shortage and our great dependence on the Middle East and other foreign countries for our petroleum requirements.

Most everyone recognizes there is a problem but few are willing to face up to the hard realities. Solving this problem requires some difficult and even unpopular actions.

The Fargo Forum, North Dakota's largest newspaper, carried an excellent editorial on this subject, and one which I believe would make a lot of sense to most people.

I ask unanimous consent to have this editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Fargo (N. Dak.) Forum, June 14, 1975]

FORD ADMINISTRATION, DEMS IN CONGRESS NEAR STALEMATE IN SOLVING "ENERGY CRISIS"

As the Ford administration and the Democratic majority in Congress go their separate ways in trying to come up with a workable and acceptable solution to the nation's "energy crisis," the situation is fast approaching a stalemate.

The Congress passed a bill to regulate and tax coal, with the heavier tax on coal produced by strip mine operations. It was almost the same bill that President Ford vetoed at the end of the '74 Congress. He vetoed it again, as expected. Despite the election of heavy new Democratic majorities in the '74 congressional elections, the House was unable to mobilize the two-thirds majority needed to override the veto. The override attempt fell short by only three votes, but it means that Congress will have to come up with a different approach if it is going to try to pass another bill regulating strip mining.

More recently, the House refused to accept a 23-cent increase in the federal gasoline tax, an integral part of an energy tax and tariff bill written by the Democrat-controlled House Ways and Means Committee.

The gas tax increase was another item to which President Ford had expressed complete opposition. Apparently, a majority of the House agrees with him that the American public is not ready to accept higher taxes as the only feasible way to cut down the import of petroleum products from abroad.

Probably the underlying problem in Washington's failure to reach agreement on energy conservation programs is that the American public is not yet convinced that there is truly an energy crisis. There are no lineups at the service stations. Gasoline is readily available all night and every weekend. Last winter there were no unheated homes, no unheated churches, no unheated offices. Our neon lights still blaze across the country. The air conditioners go full blast during the hot days of summer.

Still, Congress and the administration talk in terms of an energy crisis, but what they are really concerned about is a crisis in foreign exchange, because we are spending so much of our money for high-priced oil from foreign producers. At the same time the uncertainty about what the government will do in regulating and taxing our coal and oil industries throttles any effort to develop increased domestic energy sources.

There will be an energy crisis when the Arab oil-producing nations institute another major price boost, or slap another embargo on exports to the United States. Congress itself puts energy production in a secondary position. The strip-mining bill was an example. It was written to please the red-hot environmentalists first, and any increased production and use of coal was supposed to come simply because there is more coal than oil available in the nation.

The bill put the cart before the horse. What Congress should do is establish a realistic energy production program, and then fit in the necessary environmental controls without stifling the various types of energy producers and transporters. We need more coal mines, more power plants, more pipelines and more high voltage transmission lines. If we don't get them without prolonged court battles every step of the way, the nation will some day be confronted with a critical energy shortage.

These are the things in which Congress should interest itself, instead of passing bills which they know President Ford will veto. A long string of vetoed bills will give the Democrats something to talk about in the 1976 presidential campaign, but that isn't the way to solve the energy problem.

JOINT ECONOMIC COMMITTEE HEARINGS ON ECONOMIC PLANNING

Mr. HUMPHREY. Mr. President, last week the Joint Economic Committee completed 2 days of hearings on the subject of National Economic Planning. These hearings concerned themselves with the problems and issues involved in planning for balanced growth and full employment in America.

In my judgment, the question the Nation faces is not whether or not to plan, but when and how to plan. To begin the national debate on planning options, Senator JAVITS and I recently introduced the Balanced Growth and Economic Planning Act of 1975, S. 1795. I have also introduced, with Senator JAVITS and others, the Equal Opportunity and Full Employment Act, S. 50—to provide an effective program of work for all Americans who need jobs. Together, these proposals can make the promise of the Employment Act of 1946 a reality for our people.

The witnesses at last week's hearing generally supported the principle of national economic planning, and most of them were in substantial agreement with the Humphrey-Javits bill. Yet, there were witnesses who opposed planning and presented their arguments forcefully and well.

There is a growing consensus for national economic planning. This is apparent not only from the testimony we have heard, but also from the many newspaper stories, articles, and editorials that have been written about the subject in recent months.

I am fully aware that national planning will not be a panacea. I have no illusions that somehow a set of planning procedures will be a cure-all. I know that it will not provide policymakers with a crystal ball to see clearly into the future.

But, planning can provide for greater coordination of policies, for systematic appraisals of long-term problems, and a governmental mechanism for attempting to marshal scarce national resources to meet a much more explicit set of national goals.

Americans want to control their own destiny, to the extent possible. We are not satisfied to depend upon fate and luck.

Private corporations plan for the future. Labor organizations plan for the future. Our State and local governments do a great deal of systematic planning. In fact, being the pragmatic people we are, American institutions do a great deal of planning. In fact, the Federal Government is the last bastion of unplanned activity in the United States.

The hearings we have begun represent an effort to focus public attention on our failure to plan and its cost to the Nation. The issue of national economic planning itself is one that is just barely coming into view as a major public policy issue. Undoubtedly, in the months to come, it will be much more in the public eye than at any time in the past.

The Joint Economic Committee, of course, is not a legislative body. However, Senator JAVITS and I, as authors of the Balanced Growth and Economic Planning Act of 1975, and also as members of the Joint Economic Committee, concluded it would be useful to inquire into the economic issues surrounding the question of national planning.

A good deal already has been written about the Balanced Growth and Economic Planning Act, some of it not too accurately. It may, therefore, be helpful to briefly summarize the principal elements of the bill.

First, the objective of the bill is to establish procedures for the Federal Government to follow in the development of long-term economic policy. Last year Congress enacted the Budget Reform Act to fill the gap that existed in the area of short-term economic policy. That was a very significant piece of legislation, and I believe it is going to help Congress greatly in all matters relating to fiscal and budgetary policy. It will help us coordinate short-term actions. Congress is now better equipped to handle short-term economic problems, which on the executive side are dealt with through the Council of Economic Advisors, the Office of Management and Budget, the Secretary of the Treasury, and officials in other agencies. But no Government agency has the responsibility for long-term economic policy. As a result, long-term considerations invariably give way before the immediacy of the short-term requirements.

The Humphrey-Javits bill creates an Economic Planning Board in the Office of the President to help fill this need. The Board would deal exclusively with long-term economic issues.

Second, the bill provides for democratic planning. We do not seek to set up a group of technocrats to make long-term economic decisions for the rest of us. We provide for checks and balances, for a great variety of contributions from different parts of the Federal Government and for State and local participation.

Under the Humphrey-Javits bill, Congress is given a central role in the planning process. This should be emphasized, because in my judgment economic policy should be more than Executive edict. In addition, the bill recognizes the fact that we have a federal system, and that the States and local governments are a vital part of that system. We have, therefore, included in the planning process a very significant role for States and local governments.

The planning board would draft a proposed plan with the aid of a Council on Economic Planning, composed of cabinet members and other high ranking executive branch officials, and an Advisory Committee on Economic Planning composed of four persons appointed by the President and eight persons appointed by Congress.

The President, after approving the draft submitted to him by the planning board and modified by the Council on Economic Planning, would transmit a proposed plan to Congress. At the same time, copies of the proposed plan would be sent to the Governor of each State. The Joint Economic Committee would hold extensive hearings on the proposed plan after receiving the views of each standing committee of Congress as well as reports from each of the Governors. It is assumed that the Governors will hold public hearings in their States so as to obtain the views of citizens and State and local officials.

The bill gives Congress the authority to approve, disapprove, or modify any portion of the proposed plan, and any portion of the proposed plan that is not approved by Congress may not be implemented by the President. What we have done is to provide for the widest public participation in the planning process.

Third, the bill provides for a Division of Economic Information under the planning board to obtain information from Federal agencies and to assist in the distribution of information to the public so that decisions by individuals, business firms, and States and local governments can be made on a more informed basis than is the case today. Among the testimony received by the Joint Economic Committee is a description of the multiplicity of data gathering agencies within the Federal Government and the cross purposes and confusion which they sometimes serve to produce.

Finally, the Humphrey-Javits bill provides for a voluntary system of economic planning, as distinguished from a mandatory or compulsory system. No authority is placed in the economic planning board or any other agency of Government or in the Office of the President to order or direct the private sector of the economy to do anything as a result of a particular economic plan. There has been considerable confusion on this point, and there is understandable suspicion on the part of some that the Federal Government under the guise of economic planning will seek to expand its control over the economy. Unfortunately, that is what planning means in some countries. But that is not a true definition of planning and that is certainly not the way planning would work in the United States.

It is intended that the plan will identify the resources required for achieving our economic objectives. The plan may also recommend legislative and administrative actions to achieve the objectives. But I want to stress that the plan can only recommend steps to achieve objectives and goals. Congress will be required to pass on those recommendations and it is only Congress that can establish, in the first place, the national goals.

Mr. President, at the JEC hearings on June 11 and 12 we were pleased to receive testimony from several outstanding witnesses. Because of the quality of their testimony, and the need for a better understanding of the economic planning issue, I ask unanimous consent that the statements of Mr. Leonard Woodcock, president of the United Auto Workers, Lief H. Olsen, senior vice-president and economist for the First National City Bank of New York, W. Howard Chase, consultant and former vice-president for the American Can Co., Leon H. Keyserling, former chairman of the Council of Economic Advisors, George G. Hagerdorn, chief economist for the National Association of Manufacturers, Robert R. Nathan, president of Robert R. Nathan Associates, and W. W. Leontief, Nobel Prize winner for his work in economics, be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Statement of Leonard Woodcock

I am very happy to participate in this Committee's consideration of proposals for national economic planning, because the lack of such planning is a fundamental shortcoming of our system. We do not have mechanisms adequate to deal with the interdependence and long lead times that stem from developments such as instant communication, specialized production and investment in complex technology. Individual elements of the economy utilize sophisticated forecasting in an attempt to meet their own needs. A number of states have efforts under way to plan for their economic development. However, at the national level there is no provisions for developing the comprehensive long-range overview required to establish goals and the policies to achieve them, nor is there the coordinated data gathering that must support such planning.

The prevalent attitude continues to reflect the assumption that millions of separate decisions made daily in all areas of the economy—including those made by the federal government itself—will, somehow, produce satisfactory results. But few Americans are satisfied with the outcome. We have high unemployment, rapid inflation, shortages of energy, transportation, housing, medical care and other important requirements. In order to improve the sitaution, we need a procedure for effective national economic planning.

As you probably know, I have been associated with the Initiative Committee for National Economic Planning which produced a statement on this subject. That statement has received support from a significant number of notable people. I don't imply that they each agree with every detail of any specific proposal. Rather, they subscribe to the idea that national economic planning is needed, and urge the Congress to move forward in establishing a mechanism to achieve that.

The bill (S. 1795) which has been introduced by Senators Humphrey and Javits provides an excellent basis for congressional consideration. As the discussion of its progresses, there undoubtedly will be many suggestions for changes in specific provisions of the bill. I plan to review it further with my staff for such coments. At this time, however, it seems more appropriate to consider the general principles that must be basic to such legislation, rather than to get into any detailed aspects of the bill.

The most basic concept is the importance of public input, discussion and evaluation; in short, effective assurance that there will be democratic planning. National economic planning is not to be merely a technical analysis, conducted by experts, of alternative possible procedures. It requires the establishment of goals and priorities; these must reflect the desires of the American people. It will be necessary to make effective provision for widespread public consideration of any proposed plan, possibly of a number of alternative plans, in order to obtain the input which the government will need to arrive at conclusions.

One of the mechanisms for achieving this democratic planning is the check and balance of the Executive and Congress. The Executive branch would initiate consideration of each plan (they are to be revised biennially), and based on that the President would submit his recommendations to Congress. This activity of the Executive branch should include procedures (including sufficient staff support) for non-governmental representatives of broad segments of the public to participate in the formulation of proposed plans; this would include the development of alternative plans when appropriate. The Congress would have independent arrangements to evaluate the proposals—both as to technical and public policy aspects—in order to formulate the National Economic Plan. Thereafter, the Executive branch would be responsible to see that the activities of departments and agencies throughout the federal government are consistent with the Plan. Similarly other legislation enacted by Congress should be consistent with the overall framework established by the Plan.

I urge you to keep in mind this concept of the Plan as a framework, within which decisions about specific matters take their place. It would provide the overview—across the entire economy and ahead into time—that we now lack. Obviously the planning process must deal with specific time periods and aspects of the economy, and the Plan must be expressed in those terms. Nevertheless, its primary importance is in revealing the interaction of these specifics. We cannot continue to deal with every issue independently, without regard to our total requirements for natural resources and other matters. Similarly, we cannot continue to deal with issues on a short-term basis; the present structure of government decision-making is too heavily influenced by effects that occur within a year or so. The purpose of adopting a Plan is to obtain the perspective that now is missing.

Obviously, the Plan cannot solve all problems, nor will it fully anticipate all developments (even if it is revised biennially). There will continue to be need for more detailed action by Congress and the Executive on specific matters and for specific time periods. Many obvious illustrations come to mind:

The budget: The Plan would not replace the annual budgeting process; instead it would provide a time perspective that now is only minimally available.

Energy: We must have an overall program to deal with this matter, it would cover many more details than is feasible to consider in a National Economic Plan; nevertheless, even an issue as broad as energy should be evaluated with respect to other national goals, such as full employment.

Transportation: There is growing recognition that an overall transportation program is needed; a major portion of such a program would have to be coordinated with the energy program, but each has broader implications; neither one can be considered as a subsidiary of the other, nor can they be considered independently, they need to be considered as part of an overall National Economic Plan.

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the relationship between the Humphrey-Javits bill for national planning and the proposed "Equal Opportunity and Full Employment Act" sponsored by Representative Hawkins and Senator Humphrey. In my view these are complementary pieces of legislation (even though various details would have to be reconciled), and I understand this to be the view which Senator Humhprey indicated last October[*] when he stated that additional planning mechanisms might be needed to achieve the goal of full employment. The Humphrey-Javits bill deals with the entire issue of long-range national planning. The Hawkins-Humphrey bill makes it clear that the primary goal of any such national planning must be the achievement of full employment (that bill also provides some mechanisms—e.g., the Employment Service and Job Corps provisions—to implement the full employment goal). Planning must ultimately be based on value judgments as to the priority of various goals: the combined effect of these two bills would make it clear that the provision of income security, through full employment, is the primary goal. Planning is needed to achieve full employment and other goals; equally important, goals which reflect human needs must be mandated if planning is to avoid potential abuses.

A necessary requirement for effective planning is the availability of adequate data. Furthermore, data obtained from diverse sources must be compatible so that they can be consolidated. I have been told that there are over fifty federal offices collecting economic data, in most instances insufficiently detailed, frequently obsolete, often contradictory and incompatible. No single office is responsible for setting appropriate standards and bringing these data together so that they can be used to pursue coherent national objectives. The national planning mechanism must have authority to deal with this issue. In this connection, it must be kept in mind that an important purpose of planning is to anticipate future developments. Such insights often result from putting together data that previously might have been considered unrelated. The present approach to government data collection too often requires that the reason for obtaining the data (i.e., the expected relationship) be specified in advance; it is the discovery of an unexpected relationship which is often the most important value of any data analysis. Thus, while the data collecting agency should make every effort to avoid unnecessary work by those who have to supply the data, it should have authority to obtain significant data even if the precise relevance of that data is unclear.

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[*] In testifying on the then pending Equal Opportunity and Full Employment Act of 1976.

Data must be disseminated in useful form, as well as collected. I emphasized earlier the need for public participation in the discussion and evaluation of proposed plans. To achieve that, there must be adequate arrangements to provide needed data and analysis. Here again we must find the proper balance between the work involved and the need for public discussants to have information sufficient to make useful evaluations and suggestions.

Another important procedure in the achievement of democratic planning is the involvement of regional, state, and local planning units. Our federal system recognizes the variations that exist across the nation, and this must be reflected in the planning process. The national agency will have to obtain input from these other levels of government in formulating any proposed plan, and they must be used in the public evaluation, and ultimate implementation of any plan. In this regard, I am aware that a number of states have economic planning mechanisms at various stages of development, while any such state mechanism must be adapted to special conditions in that state, it should also operate in a way which will produce data and analysis compatible with the national planning. Furthermore, such states now must make their own predictions as to the future national goals, policies, and activities. The adoption of a National Plan would provide the states, and other planning units, with that information.

Last, but not least, a few comments on the effect of national planning on activities of the private sector. The "knee-jerk" reaction to proposals for national planning is that our lives will be more controlled than now. That is certainly not the kind of planning which I have in mind. There is no desire to tell individuals where they are to live or work, nor what they are to purchase for consumption or investment. Similarly, it is not intended that specific goals would be set for business firms. Instead, the specification of national goals and policies would provide individuals and businesses with additional information on which to base their own decisions. Obviously, it would be foolish for someone to undertake an activity which will be likely to be unsuccessful because it conflicts with known national goals. Similarly, in extending credit, lenders are more likely to approve investments which are consistent with national goals and policies and hence less likely to go into default.

Furthermore, numerous government decisions are now made which affect each of us in many ways. These range from the current efforts to stimulate the overall economy to matters such as where a road or government building will be located. Developing a framework for these decisions will give greater assurance that they will assist in achieving our overall goals, instead of a single goal at the cost of other goals with equal—or perhaps higher—priority.

Many of those who oppose national economic planning would like us to ignore the effect now exerted—and not just by government—over our actions and decisions. The 200 largest U.S. industrial corporations control two-thirds of the assets and employ 50 percent of the industrial workforce. They now make decisions which affect all of us, but those decisions are based on the interests of those corporations rather than of the people. The issue is not whether we will be affected by the decisions of others; instead it is who will make those decisions and who will benefit from them. Democratic national planning for widespread benefit is preferable to our present system that produces unnecessary hardship and suffering.

Statement of Leif H. Olsen

Mr. Chairman, I wish to thank you and the committee for this opportunity to discuss with you the detailed direction of economic activity by the federal government or what has come to be called "economic planning." My appearance here is in response to your invitation to produce what you hope will be a vigorous national debate on economic planning. I take a dim view of further government intervention into the private economy. And I am specifically opposed to the Balanced Growth and Economic Planning Act of 1975.

My opposition to the centralized economic planning proposed by this legislation is threefold.

First, centralized economic planning by government would, by depriving people of their right to make free choices and decisions, decisively limit personal liberty.

Second, there is no evidence that supports the crucial assumption underlying central planning, namely, that the service inflation followed by the deep recession from which we are suffering stems from the failure of the central government to direct activities in the private economic sector.

Third, on the contrary, economic planning, similar to price-wage controls and other efforts to allocate economic resources, would provide an excuse for pursuing highly inflationary monetary and fiscal policies.

Let me elaborate on these three points.

1) *Threat to Economic Freedoms*

The Balanced Growth and Economic Planning Act would establish an Economic Planning Board with responsibility for "anticipating the Nation's economic needs, measuring available national economic resources, assuring an adequate supply of industrial raw materials and energy, outlining economic goals, and in the light of long-range economic trends and opportunities, for developing a proposed Balanced Economic Growth Plan, and recommending policies to achieve the objections of the Plan." [1]

So what we are talking about here is a comprehensive government blueprint for the restructuring—the radical restructuring—of the private sector. And the Act provides broad powers to achieve that goal.

The sponsors of the bill have assured us that the Economic Planning Board would not have the power to tell anyone what to do, that powers would be those of persuasion, not direction. Government by persuasion—the line between persuasion and coercion becomes wafer thin—however, is not compatible with the maintenance of a free society. The establishment of committees on a regional and local basis, the creation of an Advisory Committee on Economic Planning composed of business, labor and the public at large coupled with proposals for widespread hearings on multiple levels, creates an environment that is completely hostile to the spirit of voluntarism that played such an important role in our democratic society. Planning would introduce here those elements of persuasion and coercion that are so common in the highly centralized economics of Eastern Europe, the Soviet Union and China. For example, Alexei Kosygin, chairman of the Council of Ministers of the U.S.S.R., in his report of the five-year plan in 1971 said:

"The Party's Central Committee criticized breaches of state discipline by some economic executives: non-fulfillment of plans, of targets for cooperated deliveries, and a weakened sense of responsibility to the people. . . . The Party requires that every administrator should have a high sense of duty to the people, [and] approach the fulfillment of economic tasks with state interests in view. . . ."

The Balanced Growth and Economic Planning Act itself and the fact sheet that was distributed at the time of its introduction do not spell out how the private sector will be induced to perform in a way that would appear to be consistent with the economic plan. However, the Initiative Committee for National Economic Planning which provided expert counsel in the preparation of the act was somewhat more explicit in the statement that it distributed regarding national economic planning. In that statement the Committee said:

"It should be clear that the planning Office would not set specific goals for General Motors, General Electric, General Foods, or any other individual firm. But it would indicate the number of cars, the number of generators and the quantity of frozen foods we are likely to require in, say, five years, and it would try to induce the relevant industries to act accordingly."

But just as in the days of the NRA—the National Recovery Administration—with its "Blue Eagle" in the early 1930s, I find it hard to believe that if large segments of American industry are unwilling to behave in a manner which would be consistent with the wishes of the Economic Planning Board that means would not be found to "persuade" recalcitrant industries to comply. Again, the Initiative Committee for National Economic Planning in its statement said:

". . . to reach democratically chosen objectives, it influences those decisions with a consistent set of economic techniques. The means of influencing those decisions are already familiar to us. Some, such as tax incentives and disincentives, and traditional monetary and fiscal policies, influence individual actions indirectly. Others, such as selective credit controls, guidance of basic capital flows, limits to the use of air, water and land, and mandatory resource allocation, affect individual actions directly."

I submit, Mr. Chairman, that unless the economic plan is largely ignored as the so-called "indicative plans" are in France, ways and means will be found to compel or coerce individuals, business enterprises and entire industries to comply with the wishes of the bureaucrats who comprise the Economic Planning Board.

(2) The Absence of Centralized Government Planning Is Not The Cause of Our Present Economic Distress.

It appears to me that proponents of detailed government planning of the private sector are seizing on the economic distress of the country as an excuse to revive an already tried and discredited idea that has little relevance to current economic problems. Economic instability also creates a political environment in which proposals for new regulations and radical structural changes thrive. And the underlying assumption never changes. It is that, if only these measures had been implemented at some earlier date, our current economic problems would have been averted. But there is little or no evidence to support that contention.

Mr. Chairman, I will not go into a detailed analysis of the elements that produced economic conditions in 1974 and 1975, but I would like to enter into the record a copy of the talk I delivered before the Annual Virginia Conference on World Trade in October 1974 which does provide somewhat greater detail. I would like to add here, however, that the introduction of price-wage controls in August 1971, which were also offered to the country as a panacea for our economic problems, contributed significantly to bottlenecks and the shortages which we experienced in 1973 and 1974.

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[1] Furthermore, Section 208 of the Act states: "The Plan shall—

(1) establish economic objectives for a period to be determined by the Board, paying particular attention to the attainment of the goals of full employment, price stability, balanced economic growth, an equitable distribution of income, the efficient utilization of both private and public resources, balanced regional and urban development, stable international relations, and meeting essential national needs in transportation, energy, agriculture, raw materials, housing, education, public service, and research and development . . ."

In an analysis undertaken by the Economics Department at First National City Bank we observed that price-wage controls did not interfere seriously with the timing of new capital investments in the basic materials industry, but they interfered substantially with the ability of those industries to allocate available resources effectively through the price mechanism. Those industries were caught in the summer of 1971 with prices at relatively low cyclical levels. Unlike finished goods industries, basic materials prices are actually reduced during recessions, and this was the case in the recession of 1969–70. In 1972 and 1973, the sales of these industries ran from two to seven times the annual average increases over the preceding 16 years and, as they approached full utilization of their capacity, they were forced more and more to place customers on a quota basis.

In addition, at the same time that we applied price-wage controls in 1971, the devaluation of the dollar effectively reduced the prices of U.S. goods and services—particularly many basic materials prices—at or below world prices, thus attracting a strong demand from overseas.

So it was not the absence of detailed government planning of the private sector that produced these chaotic conditions in the basic materials area, but it was instead government intervention, specifically the imposition of price-wage controls and earlier on misguided efforts to maintain rigidly fixed exchange rates for the dollar. There were those who warned that price controls would have these effects. There were those who urged that price-wage controls be terminated promptly and early in 1972. To characterize the events of the past two years as the product of chance and the lack of coordinated planning is to ignore these basic facts, as well as a tested body of economic theory.

I find it particularly distressing, and my fears about the possibility of preserving our freedoms grow stronger, when economic difficulties that were directly caused by the fumbling hand of government elicit demands for still more government intervention. It is as if an effort were made to "save" a drowning man by forcing more water down his throat.

In 1968 we heard it said that monetary policy could not alone slow inflation. So the 10 percent income tax surcharge was imposed. But that was a mistake. Monetary policy had to do the job in the final analysis. In fact, it was so effective that the income tax surcharge soon had to be repealed and the suspended investment tax credit reinstated. Once again, in 1971, we were told that monetary policy was obsolete and no longer effective in combatting inflation. And so price-wage controls were imposed with disastrous effects for the U.S. economy in 1973 and 1974. Now again we find monetary and fiscal policy discredited to make room for detailed government planning of the private sector. Inflation and recession are substantially monetary phenomena and the responsibility of government. These economic cycles do not eminate from capricious decisions in the private sector of the economy which needs therefore to be analzed, controlled and shorn of its freedoms.

But the lags in the conduct of monetary and fiscal policy are constantly underestimated in this world of impatience. The fact of the matter is that unlike instant coffee, there is no such animal as an instant monetary effect. It takes time—not as long as vintage wine—but time nonetheless. And that is why we had last September's spectacle of a "summit" meeting to combat inflation at a time when it was obvious to many analysts that we were already plunged into the deepest of the postwar recessions.

(3) Economic Planning Will Subordinate and Multiply Monetary and Fiscal Policies.

Paragraph three in Section 208 of the Act states the Plan shall:

"(3) recommend legislative and administrative actions necessary or desirable to achieve the objectives of the Plan, including recommendations with respect to money supply growth, the Federal budget, credit needs, interest rates, taxes and subsidies, antitrust and merger policy, changes in industrial structure and regulation, international trade, and other policies and programs of economic significance."

Mr. Chairman, the link between money supply and changes in nominal national income has clearly been established by an abundance of historical evidence that stretches over centuries. Just for illustration, let me state that an increase of 8 percent in the narrowly defined money stock—that is, currency in circulation plus privately owned checking account balances—to which we would add 2 percent for secular velocity of money would generate a 10 percent growth in the demand for goods and services or nominal gross national product. And if the potential for real GNP is 4 percent, the resulting rate of inflation would be 6 percent over time.

But suppose that in order to achieve a "full employment" goal by say the end of 1976, the Planning Board decrees that money supply grows at 15 percent and to avoid another recession it must hold or accelerate money growth. The rate of inflation would then gradually accelerate to 11 percent—back to the double-digit environment that we have found to be intolerable. So what we have here is a conflict between price stability and full employment. It is a problem of reconciling the irreconcilable.

Another dilemma. How will we come to grips with the problems of interest rate levels and monetary policy? Interest rates decline only for a short while after the adoption of a more expansionary monetary policy and then they begin to rise. And pursuing an even more expansionary monetary policy in order check the rise of interest rates will not work. In fact, it is like trying to smother a fire with gasoline. The faster the money stock grows, the faster the inflation and the higher the interest rates.

Mr. Chairman, far from fearing that a lack of central planning will lead to trouble, I believe that greater intervention by the federal government in the private sector causes shortages, bottlenecks and other disruptions rather than to prevent them. We have few shortages today because the price mechanism is now permitted to both encourage more production and clear markets through timely price changes. Now, of course, we are experiencing insufficient demand because by necessity monetary policy was forced to hold the rate of money growth below the rate of inflation to avoid validating double-digit increases.

In my opinion, we made a positive step this year in obtaining from the monetary authorities a better insight into the targets for monetary growth. We should move further along this road to improve public comprehension with regard to the linkage between monetary policy and income growth. Had businessmen last year understood that monetary policy would not validate their inventory decisions, we might well have begun cooling off inflation earlier and with less economic difficulties. In short, we can do much to improve the execution and the public understanding of our traditional monetary and fiscal policies. We can also move along a program of eliminating those government measures that interfere with the productivity and efficiency of the private sector. Such proposals as those made last year by Hendrik S. Houthakker, former member of the Council of Economic Advisers, as a means of fighting inflation are just as timely today.

We are now at a crucial juncture in the economic history of our country. Having worked hard to reduce inflation, we must exercise patience and wisdom in the conduct of monetary and fiscal policies to avoid another painful round of inflation followed by more recession and worse unemployment. As with the summit meetings last year where we heard proposals for additional economic restraints at a time when the economy was well advanced into recession, we must guard against policy proposals emanating from impatience with the pace of economic recovery—policies which would propel us into economic disorder. Among such proposals is the current one which would send us off on a new adventure in economic planning. We should bear in mind that those areas of the economy which have been subjected to the most intensive government planning, regulation and supervision—such as transportation, housing and most recently our public utilities—have also been the scene of chaos and/or bankruptcy.

Some of our most perverse economic policy strategies have been candy coated for public consumption. They come in such packages as price-wage controls where labor, consumers and business lose out; or as interest rate ceilings which force savers to subsidize borrowers during inflation; or as the minimum wage which prices jobs out of the market and prevents the young and the unskilled from exercising the fundamental freedom of negotiating for a job on their own terms; or as restraint on utility rates which will ultimately deprive consumers of adequate power; or as environmental measures which hide staggering costs which consumers must pay though they rarely know what they are buying. Economic planning is one of these. Cloaked with the word "democratic" and promising a world of perfect economic order, how can anyone find serious fault? But there is a loss of personal freedoms and the hidden costs of potentially severe disruptions to the economy. When the private sector suffers another economic nervous breakdown, this time from government planning, what new kind of economic straightjackets will government fashion for labor, business and consumers?

STATEMENT OF W. HOWARD CHASE

My name is W. Howard Chase. I serve as consultant to William F. May, chairman of American Can Company, having served until early this year as corporate vice president, and assistant to the chairman. I serve as assistant to the president of New York Polytechnic Institute, where I am also guest professor in the Graduate School of Management Sciences in the areas of business and its societal relationships. Finally I edit and publish the Innovation and Management of Change Letter with distribution in this country and abroad.

Only the most compelling personal reasons prevent Mr. May's presence here today. I ask the indulgence and understanding of this distinguished Committee in presenting our mutual point of view on the Bill which would establish a Balanced Economic Growth Plan.

Mr. Woodcock will remember that shortly after he and Professor Leontieff publicly advocated such a bill, he received from Mr. May a letter of appreciation for his insights into the social, economic and political urgencies that demand the most concentrated attention from all of us.

Over the past two years, Mr. May has proposed a National Social Policy Act which demands maximum planning and decision functions in critical areas. This proposal has just been published in his book entitled "Man, Environment and the Planning Society," widely distributed by The Presidents' Association of the American Management Association.

Mr. May's language is not unlike the content of the Bill under discussion. I quote: "The National Social Policy Act would create a permanent national planning structure, publicly financed and expertly staffed. Its function would be to coordinate and develop the goals of a planning society."

Such a procedure, he wrote, is "an extension of common practice to total social goals. Modern complex industry virtually lives or dies by effective planning. Modern labor organizations have research and analysis departments that rival those of universities, which are themselves socio-economic-technical research and planning centers."

To demonstrate application of the national planning function to the real world, Mr. May used six critical areas of modern life as examples. I submit them t othis distinguished body:

1. "It is time for the leadership of business to join with humanitarians in advocating and obtaining an income floor below which no member of our society is allowed to fall. The tradeoff?—the elimination of most current bureaucratic inequitable welfare plans, and no income ceiling for those whose talent or productiveness can enrich us all.

2. "The fear of decastating effects of medical disaster haunts American. It is time for business, labor, government and medical leadership to become positive advocates of a modern efficient system of delivery of comprehensive health services that combine the best that public and private sectors can provide. We don't have it now.

3. "It is time for business and union leadership to devise incentive systems—not expediencies—by which labor at all levels shares the rewards when the system produces satisfaction, and the penalties when it doesn't. Obviously this involves full labor participation in the planning function.

4. "It is time for all leadership to sponsor with their minds, hearts, and purses, a total renovation of our bedraggled and ineffective educational system.

5. "No country should apologize for generation of capital and for rewards for successful use of capital. Until recently our own record in this has been superb. Let us unite in recognizing once again the importance of the generation of capital and rewards in this country. We should revive public acceptance and admiration for return on investment adequate to generate the new capital required for domestic stability and international leadership.

6. "The scientific resources of industry, of universities, and of government can work together on an incentive basis to accelerate the development of technology for pressing social ends. Such collaboration between public and private sectors is customary for urgent national defense goals. It is inconceivable that we do not direct our combined genius towards technology for energy, for enviromental protection, and for medicine."

It should be clear that Mr. May and I, as one of his associates, are not prepared to turn a deaf ear to the objectives of the Bill under discussion. We agree thoroughly with the Reverend Theodore M. Hesburgh, president of Notre Dame University that "One of the greatest intellectual and moral needs of mankind is to find a workable rationale for continuity in times of change."

Having stated this theoretical position which is hospitable to the planning idea, I draw to a close with a word of caution, and a specific suggestion.

The caution: John D. Rockefeller III, in his thoughtful book entitled "The Second American Revolution: called for a most careful distinction between a planning society and a planned society. I share his concern. The planned societies have tended to be the dictatorships of the extreme left or right—the totally statist societies in which the individual loses both dignity and importance. With our legacy of the free man, we have fought wars to prevent the planned societies from dominating the world.

There is broad suspicion that national planning, once established as an arm of government, can lead to arbitrary decision-making based more on political beliefs, preferences, or ideologies than on Father Hesburgh's argument for "a workable rationale."

Mr. May also observes that a planning society demands a citizenry with a strong sense of inner self-discipline and responsibility. Government by pressure groups is the routine to a planned—not a planning—society. What both de Toqueville and the late Walter Lippmann called "the tyranny of a temporary majority" affords no highway to a planning society.

On the other hand, responsible planning and national goal setting in itself can be training for citizen maturity and a remedy for self-centered materalism and avarice that all too frequently mar a society with no sense of national mission.

In these contexts Mr. May has asked me to extend his support, in principle, for the spirit of the Bill under discussion, with the caveats just listed, and with two specific suggestions:

There are two areas of enormous, social and political concern that affect the general welfare of every citizen, both in this country and abroad. They are food and energy.

The problems represented by these two vital areas are broad enough to challenge all the planning talents envisioned by the Bill in its proposed Economic Planning Board in the Executive Office of the President and by the Council on Economic Planning which would draw broadly on the Cabinet and major administrative agencies. I think it is fair to say that we have no true national policy in the areas of either food or energy, despite the enormous ferment and public debate they engender.

My suggestion is, therefore, that the concept of Balanced Growth and Economic Planning be confined for a pilot-plant period of two years to the generation of national goals in these two areas: food and energy. The Economic Planning Board and the Council on Economic Planning should have Congressionally imposed terminal dates and the entire concept of a Balanced Economic Growth Plan be evaluated by its contribution to generally accepted national goals for both food and energy.

I have no critical suggestion to make about the government apparatus required to do the job. As a citizen, who believes in the rule of reason above political passion, I join the rest of the population in having much at stake.

Thank you.

SUMMARY OF TESTIMONY OF LEON H. KEYSERLING [1]

What I shall now be saying is a summarized version of my comprehensive prepared testimony, including charts. I would appreciate it if this comprehensive testimony and charts can be included in the printed record, and I assume that the testimony I am now offering will also appear ultimately in the printed record.

I have been invited to give my separate views on the "Balanced Growth and Economic Planning" proposal of Senators Humphrey and Javits for long-range economic planning, and on the "Equal Opportunity and Full Employment Act" proposals of Senator Humphrey and Congressman Hawkins for full employment.[2] I respectfully submit that this dichotomy between long-range economic planning and the restoration and maintenance of full employment is not practical. The successful pursuit of sustained full employment must, in my view, contain practically every important element of long-range economic planning. Long-range economic planning, in my view, will achieve its full objectives mainly by concentrating upon sustained full employment when adequately defined and sought. Any substantial dichotomy between the two would, in my view, defeat the purposes of both.

This position can be made clear by defining the true meaning of full employment. The goal of full employment is not satisfied merely by the full use of the labor force, any more than the goal of full production is satisfied merely by a given level of output. Both include the use of manpower and other resources with due attention to social justice and the meeting of the great priorities of our national needs. Both depend essentially upon balance economic growth. Indeed, social justice and priority service are not only needed products of full employment and full production; they are also, for reasons which I shall state, essential to achieve and maintain full employment and full production. The failure to act in this broader perspective is the central reason why we have egregiously failed for so long to achieve and maintain full employment and full production. The avoidance of long-range economic planning, as I shall demonstrate, has been the central reason for this failure. I have asserted this position through my more than 40 years of devout commitment to both full employment and economic planning.

I can best illustrate my basis thesis by discussing our long-term failure to achieve or maintain full employment, and the reasons for it. The main reason, as I have just said, is the failure to plan.

Some still take the position that planning is long-range and in the future, and that not much time or effort should be devoted to it until we first take the immediate measures required to restore full employment in an economy which is now sorely stricken. Nothing could be more dangerously incorrect. We need to plan today to get where we want to be tomorrow, even though we cannot plan successfully today without taking a long look ahead. If we continue to improvise rather than plan today, we will, as four times in the past since 1953, have another inadequate recovery followed by another stagnation and then another recession. And we cannot begin to plan effectively today unless we take a long look at the past, measure precisely where we have fallen short, and the extent to which the failure to plan has contributed to these unfortunate results.

During the years 1953–1974 inclusive, through fairly consistent patterns of inadequate upturn, stagnation, and then recession or absolute downturn, we forfeited more than 2.6 trillion dollars of G.N.P. measured in 1974 dollars. To illustrate the connection between this and the neglect of our great domestic priorities which it is the purpose of planning to serve, we consequently forfeited enough public revenue at all levels to have been consistent with almost 760 billion dollars of additional public outlays, applied to our grossly neglected domestic priority needs. This priority neglect, in turn, was a major reason why we suffered the G.N.P. losses. Concurrently, we suffered more than 54 million man-years of excessive unemployment, true employment concept. If we do no better in the future—and I see no prospect of doing better without drastic changes in national policies and programs under planning—we will during 1976–1980 inclusive forfeit 1.2 trillion dollars of G.N.P. again measured in 1974 dollars, and more than 460 billion of priority public outlays, and suffer another 16.5 million man-years of excessive unemployment, true employment concept. For the details on this, see my comprehensive testimony and Charts 1, 2, 3, and 4.

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[1] Chairman, Council of Economic Advisers under President Truman. President, Conference on Economic Progress.

[2] Expanded and revised March 20, 1975 Subcommittee print of Subcommittee on Equal Opportunity, House Committee on Education and Labor.

The first persistent and causal error, in need of correction through planning, is to substitute purposeful quantitative goals for excessive emphasis upon pure forecasts. The President's January 1975 Economic Report, and the work of the new Budget Committees in the Senate and the House, forecast intolerable levels of unemployment for several years ahead. Purposeful planning should reverse instead of vindicate these morbid forecasts. We have gotten unemployment below 3 percent in times of war, and even to 1.2 percent, and it is no easier to obtain full employment through making weapons of destruction than through the happier process of translating unused resources into employment and production and meeting essential domestic needs.

A second reason why we have done so badly through a failure to plan is that stagnations and recessions have been repeatedly contrived, responsive to the so-called "trade-off" theory, and even today an adequate program of economic restoration is being estopped by this false theory. The empirical analysis essential to planning would reveal that, during the past 20 years or longer, a healthy economy generates far less price inflation than a sick economy. This record is fully developed in my comprehensive testimony and my Charts 5 and 6.

The third persistent and causal error, through lack of planning, has been the distorted use of the Keynesian economics in an aggregative or blunderbuss manner to stimulate the economy when it is too slack and to restrain it when it allegedy has been too tight. But the real trouble has been distributive, and has called for microeconomic as well as macroeconomic measures through the process of planning. And this would also have developed due attention to the great priorities of our needs which are a major concern of the planning process. See my comprehensive testimony and Chart 7.

The fourth persistent and causal error, due again to the absence of planning, has been and still is adherence to a false dichotomy between purely economic objectives and fulfillment of the priorities of our human and social needs which are essentially economic in nature because they require the use and allocation of our economic and financial resources. This unfortunate choice between purely economic and human purposes has never really been valid. The chronic failure to allocate a large enough proportion of total resources and incomes to these human or social purposes has been and remains a primary reason why we have not achieved the economic balance essential to sustain full employment and full production. Under current and prospective technological trends, nothing could be clearer than that the improved distribution of income, and the relative and positive enlargement of human welfare services, are the foremost requirement for a fully used economy in conventional terms. The purposes of planning are therefore all one.

The fifth persistent and causal error has been the treatment of the Federal Budget and the Federal deficit as entities in themselves, instead of recognizing fully that the Federal Budget is but one of the means toward achieving the three great goals of full resource use, priorities, and social justice. Current examples of this are the President's program and the recent pronouncements of the new Committees on the Budget in the Senate and the House, more concerned about the Budget and the deficit than about restoration of a full and just economy. My comprehensive testimony and Charts 8, 9, 10, 11, and 12 demonstrate how the Federal Budget should be attuned to these three great goals, and how this offers the only prospect of a Budget in balance and then in surplus. To treat the Budget upside-up instead of upside-down, we need planning.

The sixth persistent and causal error, in the absence of planning, is the neglect of the logistics of the economic restoration task. The 1975 tax reductions, combined with real prospects for Federal spending, are woefully short of the requirements for restoration of a reasonably full economy at any foreseeable time. Appropriate goals for full economic restoration by the end of 1977 are set forth in my comprehensive testimony and Charts 13 and 14. These require planning.

The seventh persistent and casual error has been the misuse of the Federal Reserve Board policy of tight money and excessively high interest rates, with some undulations. My comprehensive testimony and Charts 6, 15, 16, 17, and 18 portray fully the intolerable results of this policy, and how it should be coordinated with other national economic policies under the process of planning.

The eighth persistent and causal error is excessive reliance, under the Employment Act of 1946 and elsewhere, on fiscal policy proper. A full national economic program, geared to full employment and full production, must necessarily fuse and integrate many other programs, powerfully economic in their effects, including the Social Insurance programs, the housing program, the farm program, the regulatory programs related among other things to energy and mass transportation, and many others. Uncoordinated treatment of these areas has frustrated full economic performance, ignored social priority goals, contributed to serious shortages of energy, food, and housing, and reflected lack of economic planning. My full discussion of these issues is contained in my comprehensive testimony and in Charts 19, 20, 21, 22, 23, and 24. These illustrate that what we must do toward full employment and full production, as set forth in the Humphrey-Hawkins proposal, is about the same as the planning defined in the Humphrey-Javits proposal.

The current advocates of planning legislation divide clearly into two main groups, with approaches so different that a discerning choice between them appears essential. On the one hand, as reflected in the Humphrey-Javits proposal, there are those who urge legislative initiation of "planning" mainly as a mechanism for the more orderly and systematic handling of economic issues, the more comprehensive gathering of facts, and a longer look ahead. Partly for reasons of "practical politics" and to "reduce controversy," this legislative approach seeks to avoid specific policy mandates, written into the law ab initio. My own profound concern, based upon my experience in the governmental process including the wartime years when we did plan, and also as a close observer of that process during the past 22 years, is that this limited approach, whether through one existing agency or through a new agency or through more than one agency, would alone be greatly disappointing. I respectfully submit the imperative need to deal first with some basic national objectives which must be decided before planning can achieve its full potentials. I believe that these basic objectives of planning are much too important to be left entirely to technical planners, or even to policy makers in the Executive Branch.

A fundamental reason we have fallen down is neither lack of information nor lack of planning, although both are essential. The main reason is lack of proper analysis, proper purposes, and proper values, rising in part from a severe cultural lack in economic thinking. For example, the persistent and abysmally wrong decision deliberately to contrive high unemployment and low production in a failed effort to contain inflation cannot be cured by pure planning; it was in fact a type of planning for the wrong purposes. Planning in itself would not determine whether we should accept 4 percent, 6 percent, or even 8 percent unemployment. The new planners, if not mandated, might do the same thing again, and probably would. We must mandate a revision of some of these erroneous approaches even before we start to "plan," and a large part of this reconstruction will not come without help of Congressional mandates, to define what we are planning for.

I therefore urge the second approach to economic planning legislation, which combines establishment of the mechanism for planning with a few mandated objectives of national policy. These mandates may make the enactment of planning legislation somewhat more difficult. But it might well make it easier, because the people at large would better understand what the drive for planning is really all about, and therefore be less confused by ideological objections to it. But even if the task were to be made somewhat harder, I believe this to be an inescapable obligation of the Congress, for otherwise we might get more "planning" and end up where we are now. These mandates are a unique feature of the Humphrey-Hawkins proposal.

As to the administrative structure: The prime significance of what I have thus far said is that, under planning, all of these inseparable policies should be treated, in the overall, at one place and together, toward the balanced and consistent establishment of goals and means. The Humphrey-Javits proposal would establish, apart from the Council of Economic Advisers functioning under the Employment Act of 1946, a new "Economic Planning Board" in the Executive Office of the President, mainly to provide for the development of a "Balanced Economic Growth Plan." I question the need for another large and costly agency. There is really little or no essential difference between the activities intended under the Humphrey-Javits proposal and the original plenary intent of the Employment Act of 1946, which legislation should now resurrect. The difference results from the fact that the Employment Act of 1946 has fallen far short of execution in accord with its original plenary attempt, because of the precise defaults which I have already cited categorically. Regardless of what new agency might be established and what it did, the Employment Act of 1946 could not fulfill its essential and original purposes without overcoming these defaults, and in that event another agency would be duplicative and counter-productive. If the results under the two agencies was substantially inconsistent, they would need to be completely reconciled before transmission by the President to the Congress, or an impossible situation would result. If the results were entirely consistent, why have two agencies?

Essentially, as I have said, planning by the Federal Government is economic in nature because it calls for the use of economic and financial resources, and for the development of *one* plan, unified, consistent, and all inclusive. For this purpose, I believe that all experience demonstrates (and we learned this the hard way during wartime) that the use of one agency is preferable to the creation of additional agencies, with one superimposed upon another. It may be difficult to recruit appropriate persons for the CEA for this larger task, but it would be equally difficult to recruit them for some other agency. The CEA should be authorized by legislation, and the Humphrey-Hawkins proposal does this, to call upon the larger and more specialized agencies to do the work required to fill in the gaps in information, research, and analysis which the CEA itself cannot undertake. The CEA, as a general planning staff, would make full use of the line agencies.

This major concentration within the CEA under the President would not overlook the valuable contributions to be made by the members of the Cabinet, the Federal Reserve Board, etc. The CEA already has, and could further improve, a wide range of working relationships with these other instrumentalities, and their comments upon the President's Proposed *Economic Reports* have always been obtained. But I believe it would be highly inimical to effective action, if legislation were to bring all these other equally into the formulation of the national economic plan, as the Humphrey-Javits proposal would. The result would be excessive diffusion of responsibility, excessive delay, and grievously watered-down decisions. Fifteen Cabinet-rank officials, each from a specialized agency, cannot develop an optimum overall plan.

The type of planning now under discussion, and which I heartily support, is not in ideological conflict with our economic system, our political structure, nor our way of life. It represents an imperative step toward the intelligent deployment of our full economic capabilities, toward the improved understanding and manifestation of the national conscience on the part of a better-informed citizenry, and toward realization of the human promise of America.

National Economic Planning

(By George G. Hagedorn)

National economic planning is a concept that could have great potential for usefulness but also, unfortunately, great potential for danger. This results from the fact that the concepts is in need of extensive clarification—planning seems to mean something different to everyone who talks about it, both among its advocates and its opponents. If the best possibilities of planning are to be realized, and the worst dangers avoided, we will have to make much greater progress than has been achieved so far in understanding clearly what we are dealing with. I appreciate the privilege of participating in a dialogue that may, in some small way, contribute to that process of clarification.

Certainly, the question: "Should we, or should we not, have national economic planning in this country" is much too simplistic to serve as a useful basis of discussion, at least at this stage of thought on the matter. It merely raises other questions, as for example:

1. What is to be the *scope* of planning—is it to embrace the entire economy, or merely the governmental sector?

2. What is to be the *depth* of planning—is economic planning to deal with the fine detail of the millions of distinct kinds of goods and services produced, or only averages for very broad sectors?

3. What is to be the relationship between planning and action? Is the plan to be considered a mold into which the economy is to be forced? Or is the plan to be simply a helpful guide which independent decision makers can follow, or not follow, as they independently choose?

4. Suppose economic developments begin to depart from those previously set forth in an accepted plan. Will this be taken as a signal for action to force the economy in the desired direction? Or will it be taken as a signal to change the plan?

5. How, if at all, is planning to be implemented? Are wage and price controls to be contemplated as a possible instrument? How about control of production schedules? Is mandatory allocation of capital to be one of the instruments of planning?

6. Is planning to be "indicative" (which, taken literally, would imply that there be no implementation at all), or is it to be "imperative" (which might imply rigid regulation of everything)? If planning is to be something in between, how shall we define that something?

7. Is the adoption of national economic planning to be regarded as a repudiation of our traditional reliance on the impersonal forces of the free market system? Such an interpretation might seem to be implied by some of the statements of extremist advocates of planning.

It might seem that we could embark on a course of national economic planning, leaving questions like these to be answered as we went along. I would suggest, however, that this would be both an unfruitful and a dangerous way of proceeding. It could raise false hopes in some sectors of our population, and false fears in others. The false hopes and the false fears could be extremely damaging—economically, politically, and in fact to the whole fabric of our national unity.

EXPERIENCE ABROAD WITH PLANNING

The lessons of planning in other large industrial countries are enlightening. France, Japan and the U.K. (intermittently) have undertaken to prepare national economic plans since World War II. The results cannot be described either as a national disaster, or as a glorious national success. The outcome in those countries must rather, for the most part, be regarded as an exercise in futility, which had no important direct impact, constructive or adverse, on the course of events. The fact is that decision makers—either governmental or private—have, after a brief interval, paid practically no attention to the goals stated in the successive national plans. Indirectly, of course, this kind of planning has been damaging in distracting attention from the real issues that need to be dealt with.

I am sure that, as we contemplate national planning in this country, none of us would want to see that happen here. This outcome has been the result of the fact that in those countries no one really defined the objectives of national planning or thought through the answers to the questions listed above. I would most earnestly urge members of Congress to think through the meaning and objectives of national economic planning, and not simply to enact legislation calling for planning in the vain hope that it will somehow define itself as time goes by.

In what follows, I will offer more concrete suggestions that (hopefully) will assist you as you consider the possibility of legislation to establish a more rational basis for national economic planning. It simply will not do to establish a new agency in government charged simply with preparing a "national economic plan," if Congress does not tell the agency in fairly precise terms what it is supposed to do. The whole subject needs to be given an intellectual content it does not yet possess.

PRESENT STATE OF THE ECONOMY IN RELATION TO NATIONAL ECONOMIC PLANNING

In his state of the union message to Congress of last January, President Ford described the state of the economy as "not good." That is, if anything, an understatement.

There has, in fact, been a progressive deterioration in the health of the American economy, extending over roughly the past decade. It is not merely a matter of periodically recurring fluctuations in the state of business—these are probably inevitable and efforts to suppress them entirely would be counterproductive. But what we have seen is a steady worsening in the character of business recessions: We had a "mini-recession" in 1967; an ordinary "garden-variety recession" in 1970; and finally, what has to be called a "maxi-recession" in 1975.

Inflation has come in waves, with periods when it was growing in intensity, and periods (like the immediate present) when the latest inflationary wave was receding. The real cause for concern is that during the past decade each wave of inflation has been worse than the one before. The process finally culminated in the double-digit inflation of 1973-74. That latest wave of inflation is now subsiding, but we are left with an uneasy feeling that the subsidence may be merely temporary as it proved to be in 1971–72.

During the past decade the record of growth in productivity has been below normal. So has the rate of growth in real wages. By almost any statistical criterion, the record of the American economy during recent years has been substandard.

We have serious underlying national problems which have undermined our economic health. One such problem is the serious shortage of capital which impairs our ability to grow, to create jobs, and to improve productivity. This problem has developed insidiously but persistently over at least the past decade. The external symptoms of this capital shortage are clearly visible but the problem itself has not been called forcibly enough to the attention of the nation.

What conclusion are we to draw from all this? Surely the evidence suggests that we must have been doing something wrong—probably several things wrong. But where precisely did our errors lie?

Does the sorry record of the past 10 years indicate the final failure of our free enterprise system? Did we foolishly cling to an outmoded and unworkable private market system for regulating the economy? Was government excessively reluctant to intervene to improve upon the state of affairs? Did we all suffer from a refusal by government to pay sufficient attention to the needs of the economy, or to involve iteslf in the detailed workings of the economic system?

Statements of some of the advocates of economic planning suggest that they would answer yes to those questions. However, in the face of what actually happened during the past decade, such an answer is incomplete and unconvincing. Government passivism has not been the problem—instead government has been too eager to insert its own presence in areas better left to the free market and, where government's presence is essential, it has performed badly.

The fact is that during the past decade, government has shown a higher degree of attention to the state of the economy, and a greater willingness to intervene in the operations of the marketplace, than ever before. We had the "New Economics" of the mid-1960's, and the "New Economic Plan" of the Nixon administration in 1971. Both were intended to promote price stability, full employment, and economic growth. The end results have been the highest level of unemployment and the fastest rate of inflation in the post-World-War-II era.

The wage-price control episode of 1971–74 was, whatever the rhetoric of those responsible for it, a repudiation of the free market system. We all know that ultimately it was completely useless as protection against inflation, and severely damaging to production and investment. We are still suffering from the capacity-shortages arising from the disincentives to investment created during the control period.

In a vain effort to preserve the fixed exchange rates established by the Bretton Woods system, and to avoid a devaluation of the dollar, government resorted to many unprecedented forms of intervention in the international flow of funds. We had the Interest Equalization Tax, the Controls on

Direct Foreign Investment, the voluntary program for restraining bank loans abroad, new restrictions on tourists, etc. The result, of course, was total failure in achieving the announced objectives and distortion in the flow of trade and investment. The outflow of investment resulting from maintaining an artificially high value for the dollar during a long period leaves an aftermath which still hurts us. However, things have been much better since the attempt to maintain artificial exchange rates was abandoned as hopeless in 1973, and this matter left to a free market.

What we have suffered from during the past decade has clearly not been a generalized reluctance by government to be continuously active in the economic field. Rather, it has been misinformed or ill-conceived by government which led to results quite different from those intended.

We should not, however, draw the lesson that government ought to shut its eyes to what is going on in the economy. Government must, on the contrary, be keenly aware of developing problems and consider the most constructive solutions—as for example the problems of capital shortage and energy self-sufficiency. Governmental activism has too often been superficial and disruptive busy-work rather than fundamental attacks on carefully analyzed central problems.

Far from demonstrating the inadequacy of the free market system, in its own sphere of action, the experience of the past ten years has been a lesson in the futility and counterproductiveness of attempts to supplant it on a large scale by centralized control of such functions as price making. But government has *its* proper sphere in the economic field—e.g., monetary and fiscal policy, information gathering, etc.—and it is of critical importance that these functions be performed efficiently.

A proper framework of economic planning might have helped to avoid the serious mistakes which contributed to the progressive deterioration in our economy during the past ten years. A badly-designed national system of planning might simply have encouraged more or worse mistakes.

Government economic programs and policies need to be better planned in several respects. More careful consideration needs to be given to which economic functions can best be performed by government, and which are best left to the free market. More attention needs to be given to the long-range effects of government actions, as compared with their immediate effects. Greater recognition needs to be given to the indirect impact of government policies (as, for example, the effect of price ceilings in creating shortages, and the effect of taxation on capital supply) which is often not visible to the untrained eye, and is usually not intended by the authors of the policies.

Planning that leads in this direction can provide better guides to government decision-making than we have had in the recent past. Superficial planning, more concerned with setting impressive numerical goals than with devising realistic means for achieving them, can make things worse.

NATIONAL ECONOMIC PLANNING AS A MEANS OF ESTABLISHING AN INFORMATIONAL FRAMEWORK

As a means of establishing a better informational framework for decision makers, both public and private, economic planning can serve a useful function. Decision makers have sometimes been misled by faulty or insufficient economic information. A notable case is the statistics which failed to reveal the accumulation of inventories in the period leading up to the present recession.

Economic forecasters have failed to foresee some of the most striking of economic developments of the recent past, e.g., the sudden emergence of double-digit inflation in 1973 and 1974, after a period of relatively stable prices in the two preceding years. Although many observers shared a general feeling of uneasiness in the early fall of last year, none of them anticipated the sudden deep plunge which began in October and carried the industrial production down by 12 percent in just five months. Not only is our supply of facts inadequate, our rival economic theories for interpreting them are all faulty.

Certainly we must strive to do better, and economic planning, properly conceived, can be a vehicle for such improvement.

We must, however, be aware of the limitations on human ability to grasp all the aspects of our economy and to analyze them in a way which gives each its proper weight. We should not base any effort toward economic planning on the assumption that a quantum upward jump in our economic wisdom has occurred or is about to occur. Sadly, there are no signs of such an event.

Nor should we base a move toward planning on the assumption that planning will in itself, automatically and instantaneously, produce a higher level of economic understanding. The most we can do is design the planning apparatus so that it will contribute to gradual cumulative increase in understanding. Meanwhile, it must live with the present limitations on human economic wisdom.

The most that planning can do—and it is considerable—is to bring forcibly to the attention of the decision makers the long-run implications of the decisions they have to make. The decision makers include you in government and us in the private sector. In fact, every individual has his own economic decisions to make.

Ultimately, however, the responsibility for making decisions must rest where it is. You in Congress cannot abdicate in favor of planners, although you may profit from their information and advice. If a free government and a free society are to be maintained we cannot turn over our respective prerogatives to a regiment of planners.

RECOMMENDATIONS ON LEGISLATIVE PROPOSALS FOR NATIONAL ECONOMIC PLANNING

If Congress undertakes to frame legislation on the subject of economic planning, the following recommendations are offered as guidelines:

1. Legislation should describe in clear terms the nature, scope, objectives, methods of implementation, and limitations of the kind of economic planning contemplated.

A mere endorsement of "planning" as a good idea, without further definition, could at best lead to disappointment and at worst to economic disaster. Merely setting up a new agency assigned to prepare "a plan," unspecified as to character, would make Congress the captive of its own bureaucratic creation.

I urge you to study and think through all the questions that arise when "national ecnomic planning" is proposed, to postpone legislation until you have reached answers that satisfy you, and to ensure that legislation results in planning activities that conform with your conclusions on the proper role of planning.

2. Legislation on economic planning should, in explicit language, make it clear that it is not intended as a repudiation of the free market system or as a move to a radical change in the way our economy is to be organized and operated.

Without such a clear statement of intent, enactment of such legislation might seriously damage the public confidence which is essential to a healthy economy.

It might be thought that Congressional support for the free market system should be taken for granted and there is no need for an explicit statement to that effect. Unfortunately, at the present stage of discussion of planning, statements of some zealots seem to take the view that a move toward planning is indeed intended as a move away from the free enterprise system. Without an explicit declaration to the contrary, enactment of planning legislation might be interpreted as endorsement of that extremist view. This conclusion could have devastating effects on confidence and on planning in the private sector.

There is precedent for such a legislative statement of support for the free enterprise system. The Employment Act of 1946, in its Declaration of Policy, specifies that actions taken under the act shall be performed ". . . in a manner calculated to foster and promote free competitive enterprise and the general welfare . . ." Needless to say, the specific provisions of an economic planning act, should be in accord with such a declaration of policy.

3. Economic planning could be most helpful in providing an informational framework for the guidance of decision makers and the legislation should be framed with that in mind.

The information provided must be factual and realistic, and not the expression of Utopian hopes. The limitations of economic data and analyses must be fully recognized. Gradual improvement can be expected, but no sudden breakthrough as a result of enactment of planning legislation.

4. One focus of planning should be in the area of government planning of activities that indisputably belong to government.

The record of the past ten years has not been one that gives us assurance that government decision making in the traditional areas of government responsibilities has always been planned as carefully as it should have been. Machinery that compels a careful scrutiny of government actions, in the light of their long-run effects could be helpful.

In the past, government programs have grown in an irrational fashion, uncoordinated with each other, and unrelated to the original purpose they were intended to serve. The result has been an accumulation of costly and unproductive (often counterproductive) government activities which consume resources that would be better employed in the private sector. More systematic planning within government would help to avoid this.

Congress has already established a Congressional Budget Office to evaluate systematically the long-run fiscal effects of various government programs; actual or contemplated. Perhaps similar machinery is needed within Congress to consider the long-run effects of other economic programs of government which are not primarily fiscal in character.

5. An important function of planning should be to identify underlying economic problems, to analyze their causes, and to propose effective remedies.

A prime candidate for such attention would be the problem of the national shortage of capital. This is a problem which affects the welfare of everybody, yet it has received very little public attention and virtually nothing has been done to correct its basic causes.

National economic policy in recent years has been concentrated on dealing with the end results of economic problems that have been neglected or mishandled in the past—energy, inflation, balance of payments, transportation, etc.

If economic planning could reconcentrate attention on underlying causes, rather than surface symptoms, it would be a great step forward.

SUMMARY OF REMARKS BY ROBERT R. NATHAN

Mr. Chairman and members of the Committee: Thank you for the opportunity to participate in this important discussion relating to national economic planning in the United States. The need for economic planning and for much improved economic policies in the United States is apparent to every thoughtful person.

We are in the midst of the most severe recession since the 1930's. There is little evidence either that recovery will be vigorous or that the recession will overcome the serious inflation it was designed to combat.

In the first quarter of 1975 the gap between actual and potential Gross National Product in current prices was at an annual rate of $225 billion. In the current second quarter of 1975 the GNP gap will be about $250 billion. That is a tremendous price for the United States and the world to pay for a very limited and perhaps temporary abatement in the rate of inflation.

The severity of the recession is also revealed in the level of idleness in our labor force. Last month 9.2 percent of those normally employed and actively seeking work could not find jobs. When part-time idleness is converted to full-time unemployment equivalent, the labor force time lost was 9.9 percent. In addition, the last quarterly figure on "discouraged workers" was for March 1975, when 1.1 million normally employed individuals were idle but not counted as unemployed because they were not actively seeking jobs—having little hope of finding employment. Taking these three categories into account, we can conclude that some 11 percent of the labor force was idle in May.

This recession, as well as the one in 1970–71, did not just happen. Both were designed and pursued as a means of fighting inflation through a "soft economy." This one got out of hand but perhaps one might accept these bitter doses of medicine if a cure were in prospect. However, I know of no economist who is confident that we will achieve reasonable price stability as the result of the policies now being pursued. In fact, the Administration itself does not envisage reasonable price stability for the entire balance of this decade.

This Committee does not need a restatement of any more facts giving evidence of the dismal failures of the aimless economic programs and policies of recent years. It is clear that this country has suffered from severe economic mismanagement.

Clearly, we do need national economic planning. This does not mean government ownership of productive resources. It does not mean government regimentation and control of those functions and activities which we traditionally leave to the private sector and to state and local governments.

Economic planning does mean that there will be careful and thoughtful consideration of goals and purposes for the nation and for regions and sectors. It does mean that there will be formulations of overall fiscal and monetary policies, of incentives as well as constraints to induce efficient and expansive private production. It does call for the formulation of a variety of programs and measures that will not just provide us with high levels of production and employment along with price stability, but which will also assure full opportunities for every citizen to participate and share in the great productive resources of this nation.

The principal issue is not whether we have national economic planning, but how and where it is to be undertaken. We must not assume that the mere establishment of planning mechanisms will yield good economic planning. In my judgment, the Employment Act of 1946 was one of the great economic charters of this nation. Yet in recent years that existing legislation has been largely ignored, if not "repealed" by failure to carry out its mandate.

It is most difficult for the Congress to formulate legislation which will definitively assure good planning. But surely the requirements set forth in the Humphrey-Javits bill will enhance the prospects for getting such results. Although the Employment Act of 1946 has been largely neglected, the very fact that the Council of Economic Advisers must submit reports and must testify before the Congress at least permits some focus on the failures as well as the successes of the public economic policies.

I believe that the legislation setting up the Committees on the Budget in the Congress will prove fruitful, but here again there can be no absolute assurance of success and effectiveness because it depends so much on what the members of those Committees decide and how the full Congress responds.

I support the Humphrey-Javits bill because it will focus attention on economic planning, which the Council of Economic Advisers has so strongly neglected in recent years. It isn't just the long-term versus short-term perspective which warrants this legislation and this new mechanism for national economic planning, but there is some difference in emphasis and orientation of the planning function as distinct from the policy formulation and coordination functions.

Planning can be worse than useless if it raises false hopes and is never implemented. In too many of the less developed countries of the world expectations have been enlarged and the disillusionment has been damaging.

Equally important, economic policies that deal on an *ad hoc* basis are often ineffective or counter-productive. Thus, policy formulation and policy coordination must be based on fundamental planning goals and programs. Similarly, planning must be realistically related to the real world of policies and problems to avoid its becoming a futile exercise of ivory tower research.

The problem is necessarily one of assuring that both the planning job on the one hand and the policy formulation and coordination task on the other will be effectively performed and interrelated. I believe the Humphrey-Javits bill and the Humphrey-Hawkins bill will tend to achieve these purposes. If they do not prove to be of optimum effectiveness, surely the organizational structure can be amended.

The fact that the Congress will have access to both the Council of Economic Advisers and to the National Economic Planning Board will at least afford opportunities to focus national attention on critical issues and constructive programs.

I know of no way in which the Executive Branch of the Government can be forced to carry out such broad mandates as called for in the Employment Act of 1946 or in the suggested "Balanced Growth and Economic Planning Act of 1975." However, these legislative vehicles will certainly help focus the attention of the country on those issues and those policies and those programs in which the public is vitally interested and which will strongly influence the economic well-being of the nation.

STATEMENT OF DR. W. W. LEONTIEF

Mr. LEONTIEF. I will try not to take more than 15 minutes, and since I think that the general feeling that our system does not work as well as it should was expressed very eloquently from many different points of view, I thought that possibly I will try at least at the beginning to concentrate my testimony on what kind of a move possibly should be undertaken in order to institute an approach which is known as a planning approach. I think, indeed, we should keep out of the ideological discussions and of much of the excitement about it.

What we have tried to do, I think, in a good, traditional, American way, was to try to tackle a problem that you could not tackle in one way by tackling it in another way, and then finally usually finding a solution. What is involved first of all is to get a good, concrete picture of where we stand. It is most depressing what we are doing now. We have difficulties cropping up here and there and in another place. We appoint committees which try to deal with each difficulty separately, and very often it simply shifts the difficulty into some other area. And certainly the ordinary citizen, the bystander, I would say even many of the Congressmen, really cannot follow the picture.

What we want first of all, which I think is required for any systematic procedure, is to see the picture, and the present picture, and also we should try to present the picture of our economy possibly, but not just one, but alternative pictures, each of these corresponding with certain types of policies that we might pursue, or even certain types of external events which we might not control, but we will have to take into account, and about which you will find out a little later. It is a picture of the economy two years from now, four years from now, six years from now.

It must be based, obviously, on a good knowledge of where we stand now, and what the siutation might be in the later times. In many cases, we have to look far ahead. In the case of energy, we know we have to look 10, 15, 20 years from now. In many other fields, all fields in which on the one hand investment, which is a long term process, is involved, or more optimistically in which the progress of our country is concerned, hopefully increasing incomes, and consequently, with a different allocation of incomes, these things can be anticipated.

As a matter of fact, when I say they can be anticipated, I do not mean to say they can be anticipated on the present information we have.

One of the greatest deficiencies from which we are suffering, and from which the Legislative and Executive is suffering is an absence of sufficient information, well organized information.

Representative LONG. Is it the absence of the information, or is it the absence of the information in a form which we can use it and understand it, Mr. Leontief?

Mr. LEONTIEF. You took the words right out of my mouth, Congressman. Indeed, organized information and understandable information, information which is presented in such a way where one item of information is, if you do something in one field, how would that affect the other field, which you can find out only if you know what the structural relationships between the economies are. It is not chaotic information, but an organized picture of the economy.

I cannot abstain from reminding you at the present time that we spend, and I saw different estimates, from $200—or if you stretch—$300 million annually on gathering information, all expenditures on the basic information on the basis of which the government and many private decisions, but because private industry depends very much on government information, private decisions are made. We should at least increase the annual statistical appropriation by $250 million per year, and if you compare it with the cost of advanced military plans, I think we will agree that it is an investment worthwhile to make.

We have now analytical devices which permit us, and the computer is not a difficult thing nowadays, to present this information so that even an ordinary citizen will understand. We do not have to describe everything in terms of complicated indices, because an index is a very abstract thing. We must describe it in terms of so much steel produced, so many passenger movements, so much food produced, far more regional information because people live in places. General unemployment figures do not describe the situation in this country. If the average unemployment is 8 percent, then you have in some parts of Massachusetts 20 or 25 percent unemployment. In other words, we need detail by types of economic activities and by regions.

Once you have it, and this is my experience from the correspondence I get, you have really a deep participation of a community, both businessmen, laboring men, local administration in trying to realize what the situation is and then cooperating in developing a course of action which brings us from here to there. This is the responsibility of the government. If anybody doubts it; if anybody doubts it, look at the assumptions which individual corporations which very often do a very good planning job for themselves, make very good within the circumstances in which they operate, and if you go to any of the corporation operations and ask for the planning officer, the planning officer about the assumptions about the state of the economy or the state of the industry, or the industry to which they expect to sell their products, or the state of the capital market, if you look at these assumptions made by different corporations, and you put them all together, you discover that they are completely contradictory. We could not possibly all realize at the same time, because each one makes an assumption about the other fellow which contradicts what the other fellow really expects to do.

Just putting the picture together by itself will already tend to produce some order of a view of our economy, not only by the government, but by private business, labor and so on.

Coming to the more concrete problems, inflation. I think that we cannot stop inflation without inflicting some great damages into the economy by merely monetary and financial measures. Inflation is a symptom of some disorder in the economy.

For example, how can we ask labor to hold up their demands for higher monetary measures and price increases without promises being shown to them as to what they can expect, what we expect will be done some year or two from now, that certain things will happen in the economy which will secure an orderly increase in the real wages without necessarily an inflationary increase in the number of dollars which they will get? My feeling is we will get much better cooperation on the part of all parts of the society, which is absolutely necessary in order to bring the economy into order, we would get it if we show them the concrete picture. And of course, giving sufficient detail to show the feasibility of it. The feasibility. This is terribly important, because if you look at what is being promised on all sides, very often it proves to be unfeasible.

This in particular applies also to bringing in order the employment picture. To bring the employment picture in order we have to bring in order our industrial picture, our foreign trade picture, our agricultural picture, because employment really depends on all of these sectors and this we should be able to do.

I would like now to come to a few more special issues. It is quite clear in the coming year that very important international negotiations and agreements; negotiations will be conducted and agreements will have to be reached between many countries in the world. In order to be able to deal on the outside, one must know what happens in our own home. It is really sometimes pathetic to see how our negotiators abroad deal with other countries, which seem to have a pretty good order at home, when our negotiators really do not know on what to count. Sometimes one even has the feeling, and I could be wrong, but we try to commit ourselves to foreign countries as a means of introducing some internal commitment.

In other words, putting the thing just on its head, which, among other things, applies to the oil situation.

Now, there is the question of the relation between short-run and long-run planning. My feeling is if one starts to make the distinction, that it is essentially a distinction in the means of handling the situation, rather than the basic situation. For example, building up reserves or stocks, reducing stocks or inventories, this is a short-term measure because it cannot go for a long time. I think there is, I think there is a natural tendency whenever you face short-run problems and long-run problems to pay attention to the short-run problems. They kind of absorb all of the attention. The result is that the long-run problems are not solved and, of course, they will always come home and then be the short-run problems.

Representative LONG. Eat, drink and be merry, for tomorrow you may die.

Mr. LEONTIEF. Exactly. That is why I would suggest at least to keep a part of the long-run planning process, and the activities of the Council of Economic Advisors, and possibly it was not anticipated originally, but which actually is a body which does presently have to simply decide what to do next week. Keep it that way.

As a matter of fact, the planning process will not be installed at once. It is a new machine, and we have to slowly improve our ability to handle it.

For example, we have to get information. Planning without information is really just useless.

I am coming now to my closing remarks.

I have an opportunity very often to go abroad and see what happens in other countries of all kinds. I just returned from Scotland, where the Scotch established a planning system, and they are very smart people, and that is the home of Adam Smith, by the way. In order to handle the present problem of receiving the oil which yesterday began to flow, they have a plan. And I would like to say that of all examples of effective plans which I saw, possibly the best one that I find is in a small country of Norway, which is not a Communist country, which is not the kind of country in which the powerful corporations run anything, although they have them. In that country, in a democratic way, they have really gotten together the information, made a plan and acted accordingly. It is a picture of even progress, private, public, with a considerable amount of political discussion, but no breakdowns of any kind.

Representative LONG. How long have they been carrying on their plan in Norway, Mr. Leontief?

Mr. LEONTIEF. Many years ago they started it. We began getting information, and I might brag possibly a little, to say that many of my students are there, the Minister of Finance was my student, the Minister of Statistics is my student, and many of the people in the statistical agencies, and it works. Part of it has changed, by the way, but the plan remains because we keep it. And I am very pleased to see that we keep it here also on a bipartisan basis, and on this I would like to stop.

Representative LONG. May I depart for a minute from what we have as our established procedure here to pursue this Norwegian thing for a minute. How is this problem of being sure that you do go into a planned economy when you are doing planning, which is really, as Mr. Hagedorn pointed out, and I think was pointed out by our witnesses here yesterday, a real problem? How do we really separate this thing, because it is a danger, it is something that everybody is scared of, and I think scared of with reason.

Now, how have they done that, and how has it worked under the Norwegian process?

Mr. LEONTIEF. Yes. First of all, getting information is a passive activity. It does not tell anybody what to do, but presenting a picture of how good a situation can be if everything is geared nicely and is not also a dictation. As a matter of fact, from the point of view of a private corporation, there is not much difference between the description of the economy and its state and the markets as eventually probably will be presented by the planning body and the description which his business, paying quite often very high fees from private predicting services, and corporations pay a lot of money for that, for data from all kinds of econometric services, a statement of what output of the industry is going to be, what will wage levels be, and I think the government, with all its information, can provide a much better picture. And of course, when they have these pictures, they can determine their own corporate plans, let us say, and very often good planning is, of course, a self-fulfilling plan. If we act accordingly, then the plan will go in effect.

But, let us not forget that about one-third of all spending is done by the government, so the first obligation would be for the government to obey its own plan. This by itself is a very powerful device which does not put discipline on anybody else, but to the government itself. And this certainly is most desirable.

Furthermore, there are very many ways in which the government enters into the picture. If somebody says planning means interference, my answer is we are already interfering a lot of our planning, and that certainly is very bad.

I would not be surprised but if the existing powers and activities of the government were formulated with sufficient information, sufficient insight on the whole picture, that we would not have to increase, and possibly we might be able to reduce.

Let me give you one example about information. You know, very often you can save money if you approach something systematically. Imagine that I want to find out how many tires will be purchased by the automobile industry. If I know how many cars are produced, I do not have to hand out a questionnaire, I can simply multiply it by five, because I know that they usually have five tires per car. Now, it is one example, but I have saved here on one question already, and I will not ask the automobile industry to report to me how many tires they put into their cars, and if you approach a systematic picture like to the problem, or the triangulation when you measure land, you can reach certain conclusions without even asking people.

Furthermore, we should not separate purely statistical information from qualitative information. We discuss technology and our acknowledgment of technology and official responsibilities should be very closely tied in with our statistical information and our ideas of what we want to reach. But I realy spoke too long, and I apologize. I will stop. I am glad to answer any questions.

Representative LONG. Thank you. It has been most interesting, Mr. Leontief, and the Committee is appreciative of your views.

TRADE RESTRICTIONS AGAINST FOREIGN COUNTRIES ENGAGED IN COMMERCIAL WHALING—SENATE JOINT RESOLUTION 81

Mr. PACKWOOD. Mr. President, I am pleased to join with Senator MAGNUSON in support of Senate Joint Resolution 81, which will prohibit foreign countries from importing fish and fish products in the United States that are engaged in commercial whaling.

Commercial whalers, particularly the Japanese and Soviet fleets, are ravaging the world's great whales just as they are ravaging our fish stocks. Both of these nations in particular have flouted the whale-taking quotas set by the International Whaling Commission and a United Nations call for a 10-year moratorium on whaling. Nothing but the strongest legislative action is going to stop countries like this.

In 1973 the United States imported more than $117 million in fish products from Japan, and the Japanese whaling harvest only brought them about $33 million. For too long those fighting for the diminishing herds of whales have waited for a voluntary agreement by the Soviets and Japanese.

Time and time again, year after year the Congress and the United Nations have watched the negotiations of the International Whaling Commission win victorious endorsements from around the world to hault the mercilous killing of whales, only to find the killing continue.

I am thoroughly and unequivocally in support of this rigorous action. The people of Oregon and from around the Nation would express similar sentiments, I am sure. The large Japanese whaling companies are among the Nation's largest fishing companies that are milking the livelihood of Oregon's commercial fisherman. Their continued disregard for the pleas to save the vanishing great whales of the world is a callous response that forces me to ask for establishment of a 200-mile fishing zone limit as well.

This international teeter-tottering, while we wait for treaties and agreements to be reached, is going to end in the tragic destruction of our vital whale and fishery resources, unless the United States makes a firm response now. We are faced with conservation or commercial extinction of our irreplaceable natural resources of the sea.

Mr. President, I ask unanimous consent that the articles from the San Diego Tribune and the one from the Christian Science Monitor, as well as the joint resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the San Diego Tribune, Apr. 21, 1975]

JAPAN FIRM SEEKS BAJA WHALING RIGHTS

(By John Farina)

Japanese whaling interests are checking into the possibility of commercially harvesting gray whales off the Baja California coast.

However, the Mexican Fish Commission in San Diego said permission would probably not be granted by the Mexican government.

Gray whales have been under protection since 1946, and Mexico has given sanctuary status to Baja California's Scammon's Lagoon, where the whales give birth to their young after annual migrations from Alaska. The whales are a tourist attraction as they swim off the San Diego coast.

The proposal to harvest gray whales off the Mexican coast has been made by the Los Angeles office of Y. M. Pacific Co., a Japanese firm, representing the Taiyo Co., of Japan, that country's leading whaling firm.

Under the proposal, Japanese whaling ships and processing vessels would establish offshore stations to harvest whales on a regular basis.

Motosuki Yuri, of the Y. M. Pacific Co., said he is "aware that whaling is a very sensitive issue," and that "it will not be easy to get permission from the Mexican government."

Yuri has contacted a number of persons involved in Pacific fisheries for information, including Dr. Carl Hubbs, professor of biology emeritus at Cripps Institution of Oceanography.

"The Japanese are proposing to bring up the matter in June before the International Whaling Commission, to reestablish whaling for the gray whales in Baja California," said Hubbs.

Yuri said Mexican fishery cooperatives in Baja California want whales harvested again, "because the whales cause some interference with fishing operations."

The gray whales were last hunted off Baja California in the 1930s by Norwegian, Dutch and U.S. whaling firms, said Hubbs. Their population has been estimated at 15,000.

Hubbs, an authority on whales, has sent a letter to the Mexican government recommending against the Japanese proposal.

Amin Zarur Menez, chief of the Mexican Fisheries Commission in San Diego, also objects to the proposal. He is attending the Law of the Sea Conference in Geneva.

"Mr. Yuri contacted Mr. Zarur and was told that it is against Mexican law to harvest whales off Baja California, and that it is doubtful that the government would permit it," said Porfirio A. Romay, of the fish commission office. "The Mexican government wants to preserve the whales as a precious natural resource."

[From the Christian Science Monitor]

NEW THREAT TO GRAY WHALES

(By David Winder)

REDONDO BEACH, CALIF.—The annual migration of spouting Pacific gray whales from the plankton-rich waters of Alaska to their mating grounds off the Baja California coast may soon be another footnote for the history books.

Unless, that is, Japanese and Russian whaling fleets are persuaded to halt their hunts in the northern Pacific this summer.

"The Japanese are now tooling up to go after them," says Bemi de Bus of the American Cetacean Society.

Mrs. de Bus was referring to the proposal to the International Whaling Commission by Japanese whaling fleets that "harvesting" of the gray whales be resumed.

Since both Japan and the Soviet Union have ignored whale-taking quotas set by the International Whaling Commission and United Nations call for a 10-year moratorium on whaling, conservationists expect the worst.

They fear that all the work done by a 1938 international moratorium on gray whale killing, rescuing the animal from near extinction, may be undone. The gray whale, down to 1,000 at one time, now numbers between 10,000 and 15,000.

To forestall this, U.S. Representative Alphonzo Bell (R) of California has introduced a bill in Congress that would empower the President to embargo all products from whaling nations. (A similar but unsuccessful move was made last year.)

Representative Bell also will introduce a second bill calling for an immediate embargo of all fishery products exported to the U.S. by the offending Japanese and Soviet whaling companies.

"HAVE TO GET TOUGH"

"We have to get tough. Otherwise we'll get nothing through and our whales will be extinct," said the Santa Monica-bay area congressman.

"People got upset about the shooting of coyotes, of wild horses, of mountain lions. If we bring out the seriousness of the situation I see no reason [why] Congress can't do something about it."

Conservation groups like the National Audubon Society, the National Wildlife Federation, and the Sierra Club, which have urged a boycott of Japanese and Soviet goods, are concerned that the gray whale may become as much an endangered species as the blue whale.

The blue whale, the largest creature ever known to live on earth, now survives in such few numbers that scientists think it may now be past the point of saving. The humpback, bowhead, and right whales all have been driven to virtual extinction while the numbers of remaining fin, sei, sperm, and minke whales are rapidly dropping.

IMPORT BANNED

The U.S. has banned all commercial whaling and the importation of any whale products, and placed all eight of the great whales on the endangered species.

The Soviets use whale meat to feed minks and sables on Siberian fur farms, and sperm whale oil serves as a lubricant for its intercontinental missiles.

The Japanese have argued that whale meat is vital to Japan, but Representative Bell's office insists that whale meat constitutes just 1 percent of the total protein in the Japanese diet.

S.J. RES. 81

Whereas the whales which inhabit international waters are of great scientific and esthetic interest to mankind and are the common property of the world community;

Whereas many whale species have been exploited to the point of commercial extinction yet the whaling fleets of some nations continue to capture and steadily diminish fin, sei, sperm, and minke whales, converting their catch into petfood, fertilizer, soap, lipstick, shoe polish, mink food, and lubricating oil for which cheap and plentiful substitutes exist;

Whereas the Congress in 1971 adopted resolutions requesting the Secretary of State to seek a ten-year moratorium on commercial whaling, and in June 1972, fifty-three nations adopted a resolution at the United Nations Conference on the Human Environment urging such a moratorium;

Whereas the United States Government has evidenced its concern over the declining whale population by placing all eight species of great whales on its endangered species list pursuant to the Endangered Species Conservation Act of 1969, by banning all commercial whaling by citizens of the United States, and by providing strong leadership in the International Whaling Commission for effective measures to protect whales;

Whereas the International Convention for the Regulation of Whaling, despite a majority vote by member-nations on measures to conserve whale populations based on the advice of its scientific committee, allows a nation whose citizens actually engage in whaling to disagree and not observe such measures;

Whereas the United States Marine Mammal Commission has found that Japan and the Soviet Union have subverted the goals and diminished the effectiveness of the International Whaling Commission programs, and the Secretary of Commerce has informed the President that these nations are violating an international fishery conservation program for which sanctions under the Fishermen's Protection Act of 1967 involving the embargo of fish and fish products from the offending nations may be invoked at his discretion;

Whereas the whaling fleets of Japan and the Soviet Union continue to deplete the populations of fin, sei, sperm, and minke whales by their whaling activities in international waters and thereby together account for more than 80 per centum of the approximately thirty-eight thousand whales killed each year;

Whereas the Japanese companies which operate whaling fleets, Taiyo Fishery Company, Nippon Suisan Kaisha, and Kyokuyo Company, also export to the United States large quantities of fishery products, including tuna, salmon, mackerel, sardines, clams, and crab;

Whereas the Soviet Fisheries Agency, which operates the Soviet whaling fleet, also exports fishery products to the United States, including caviar; and

Whereas a more effective method of bringing an end to whaling practices throughout the world is needed to protect whales from extinction: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of this Joint Resolution the term—

(1) "commercial whaling" means the catching, taking, harvesting, or attempted catching, taking, or harvesting of any species of whale for commercial purposes, and any activity at sea in support of such actual or attempted catching, taking, or harvesting; the term does not include whaling primarily for subsistence purposes by members of any aboriginal community;

(2) "foreign enterprise" means (A) any citizen or national of any foreign nation, or any corporation, partnership, or other association organized under the laws of any foreign nation; (B) any agency, office, or other public or quasi-public entity of any foreign nation; and (C) any subsidiary owned, in whole or in part, or subject to the direct or indirect control of any such citizen or entity, regardless of where the subsidiary is located;

(3) "Secretary" means the Secretary of Commerce; and

(4) "whale" means any species of whale including, but not limited to, blue, fin, sei, right, bowhead, humpback, gray, Bryde's, minke, or sperm.

Sec. 2. (a) Not later than ninety days after the date of enactment of this Joint Resolution, and from time to time thereafter, the Secretary shall initiate and complete such investigations and other actions as may be necessary to identify any foreign enterprise engaged in commercial whaling. In carrying out any such investigation or other action, the Secretary may request the assistance of any other Federal agency, and such agency shall, to the maximum extent practicable, render such assistance to the Secretary. The Secretary shall reimburse any such agency for costs incurred in assisting such investigations or other actions.

(b) Upon finding that any foreign enterprise is engaged in commercial whaling, the Secretary shall immediately publish the name and location of such enterprise in the Federal Register. Such finding shall be a final determination that such enterprise is engaged in commercial whaling unless such enterprise, not later than thirty days after the date of such publication, files an objection to the finding of the Secretary. Upon receiving any objection, the Secretary shall treat such objection as a request by such foreign enterprise for a hearing. Such hearing shall be commenced not later than thirty days after the date on which the objection was received and shall be conducted in accordance with the provisions of section 554 of title 5, United States Code.

(c) After a final determination by the Secretary that any foreign enterprise is engaged in commercial whaling, it shall be unlawful for any fish or fish products produced, owned, or distributed by such enterprise to be imported into the United States. The Secretary of the Treasury shall take such action under the customs laws as may be necessary to prevent the importation of any such fish or fish products.

(d) If the Secretary subsequently determines that any such foreign enterprise determined to be engaged in commercial whaling has ceased to be so engaged, subsection (c) of this section shall no longer apply. It shall be the burden of such foreign enterprise to prove to the Secretary that it has ceased commercial whaling: *Provided,* That any sale or other transfer of any vessel or other equipment by such enterprise shall not be considered as evidence that such enterprise has ceased commercial whaling if such vessel or other equipment is capable of being used or will be used in commercial whaling.

Sec. 3. The Secretary is authorized to issue, and may from time to time amend, regulations to carry out the purposes and provisions of this Joint Resolution.

"TOO MUCH GOVERNMENT BY DECREE"

Mr. FANNIN. Mr. President, important questions are now being raised in many quarters concerning the wisdom and efficacy of Government regulation. Articles have begun to appear in many newspapers, periodicals, and journals of opinion criticizing the operation of Federal agencies and cataloging the nightmarish problems that the bureaucracy is causing our country's businessmen and consumers.

Mr. President, I call the attention of my colleagues to an informative article on the subject which appeared in the May, 1975 issue of the Reader's Digest. In this article, "Too Much Government by Decree!", editor John Barron discusses several regulatory problems created by the Environmental Protection Agency, the Equal Employment Opportunities Commission, the Food and Drug Administration, and the Occupational Safety and Health Administration. He documents graphically how "to an increasing extent, we are being ruled by arbitrary edicts issued by unelected Washington bureaucrats—with results ranging from absurd to tragic."

The specific examples presented by Mr. Barron are but a few of the countless instances of harmful Government overregulation which are occurring with alarming frequency. In the weeks ahead I shall bring to the Senate's attention some of the other horror stories that have come to my attention.

Mr. President, it becomes increasingly evident that the crisis of regulation has become intolerable to millions of Americans. The situation is by no means hopeless, though it cries out for immediate reform.

The issue, as Mr. Barron correctly suggests, is not merely one of too high costs or too much paperwork, increasing inefficiency or loss of personal freedom. As the size and power of the Federal Government continues to expand, the crucial question becomes: Who has the real power to govern, who is to carry out the will of the American people?

Over the years the Congress adopted legislation creating the array of alphabet agencies, bureaus and commissions with which everyone has become painfully familiar. The Congress further delegated to these regulatory bodies the power and responsibility to deal with specific economic and political problems. It is therefore incumbent upon the Congress, as the deliberative and representative branch of Government, to conduct a comprehensive review of all Federal agencies and the regulatory process and to determine what appropriate and necessary measures should be taken to reform these agencies and this process.

As Mr. Barron points out:

> The remedy lies in Congress, which created the problem in the first place. Congress should reappraise each Federal agency, with a view to outright abolition of those that have obviously outlived their usefulness. It should withdraw from the others the vast grants of arbitrary power that it has bestowed. And Congress should define the powers left to bureaucracies in language so clear and explicit that no officials can expand their power beyond Congressional intents. Finally, broad national policies required to protect consumers, workers, minorities and the environment should be implemented through specific legislation rather than bureaucratic fiat.

These are worthy suggestions which merit our careful consideration as we approach the complex and difficult subject of regulatory reform. It is my intention to address these matters in the future at greater length.

Mr. President, I ask unanimous consent that John Barron's article be printed in full in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Too Much Government by Decree!

(By John Barron)

The decree from the Environmental Protection Agency (EPA) fell upon Bostonians like an edict from some ancient king. Beginning March 1, 1975, no one might park on a downtown street between 7 and 10 a.m. Forty percent of all spaces in Boston's park-garages must be kept empty during the same hours. Employers must eliminate one fourth of all employe parking spaces. By making it difficult, if not impossible, for Boston workers to drive to their jobs, the Washington bureaucrats who handed down these sweeping orders hoped to reduce air pollution.

Boston community leaders were appalled. "We cannot eliminate the car until there is a viable alternative," declared Mayor Kevin White. Businessmen predicted serious economic loss and unemployment, as well as personal hardship and traffic chaos. Nevertheless, the EPA all last year stubbornly proclaimed its determination to compel Bostonians to do what it wanted, regardless of the consequences. Repeatedly it warned employers that they were liable to a year's imprisonment and a $25,000 fine if they disobeyed. Threatened with Congressional intervention, the EPA finally, last February, modified its Draconian decrees and granted the city more time to gird for their effects. Grateful for the reprieve, Boston Chamber of Commerce executive William F. Chouinard nonetheless said, "I hate to think what might have happened if we had not fought like hell."

MASS MEDDLING

Even though postponed, the orders arrogantly visited upon Boston are symptomatic of an insidious change which is occurring in governmental processes. Traditionally, Americans have been governed accordng to laws enacted by elected representatives answerable to voters. Today, Americans increasingly find their lives regulated by decrees emanating from bureaucrats who are, in effect, accountable to no one.

The stream of bureaucratic dictates pouring out of Washington has turned into a flood. In 1973, the *Federal Register* needed 35,591 pages to publish all the new decrees and decisions; last year it required 45,422 pages. Random examination of the *Register* suggests how far the bureaucracy has thrust itself into the ordinary businesses of ordinary people. Navel-Orange Regulation 311, for instance, prescribes how many oranges may be shipped from California and Arizona counties during a specific one-week period. Contractors in Allegheny County, Pa., are informed that their bricklayers must be paid $9.52 an hour, whereas bricklayers in Adams and York counties, in another part of the state, can receive $7.65. Arbitrary *Register* regulations may nullify a union contract, require a corporation to spend millions on new equipment, or deny a town the right to approve a new shopping center.

Consumer advocate Ralph Nader points out that senseless or incompetent rulings by federal regulatory agencies drive up prices by suppressing competition, stifling innovation and perpetuating inefficiency. A Senate subcommittee estimates that private business spends $18 billion annually on paperwork demanded by federal bureaucrats, while the General Accounting Office calculated that 1973 paperwork cost the government itself $15 billion. But the gravest consequence of all this bureaucratic meddling carries no price tag. It is eloquently summed up by Sen. Sam Ervin (D., N.C.), Congress' leading constitutional authority, who retired this year after presiding over the Senate Watergate investigation. "Government by bureaucratic decree threatens freedom itself," Ervin declares. "The pursuit of no goal justifies the destruction, or even the erosion, of freedom."

Few Americans would dispute that abolishing racial discrimination, promoting industrial and consumer safety, and cleaning up the environment are worthy goals. The trouble is that Congress has created vast new bureaucracies with sweeping powers to pursue such goals as they see fit. All too often, the results are tragic.

BUSINESS BUSTER

Marlin Toy Products, Inc., in Horicon, Wis., used to provide jobs for 85 of the town's 1400 residents. Its most profitable products were two popular toys designed for babies. One was a transparent plastic sphere containing artificial birds and tiny, bright-colored plastic pellets. The other was a similar sphere containing pellets and artifical butterflies. When the spheres rolled, the birds or butterflies fluttered, the pellets rattled and a child enjoyed motion, color and sound.

In November 1972, the Food and Drug Administration (FDA), then responsible for product safety, suddenly informed Marlin that the toys were unsafe, reasoning that, if a sphere broke, a child might be tempted to eat the pellets.

Since Marlin first marketed the toys in 1962, millions of Americans had purchased them. Not one had complained to the company of any harmful results. The toys had already passed three rigorous safety tests—Marlin's, an insurance company's and a department store's. Nevertheless, Marlin agreed promptly to recall all the spheres and remove the pellets. Within a month, the FDA said it was satisfied and promised to remove the toys from the next published list of banned products.

Marlin proceeded to manufacture hundreds of thousands of the toys, hoping to recover, through the 1973 holiday sales, the losses from the 1972 recalls. But in September 1973 the newly formed Consumer Product Safety Commission (CPSC) issued a "Special Holiday List" of dangerous toys whose sale was prohibited—including the toys Marlin had redesigned months before to FDA satisfaction.

Not until early December did frantic company and Wisconusin officials succeed in getting CPSC to acknowledge that it had made an "editorial error." It was too late. Stores all over the country had canceled toy orders, and Marlin had lost at least $1.2 million. Today the company is on the verge of collapse.

"ARBITRARY . . . CAPRICIOUS."

Congress in 1970 created the Occupational Safety and Health Administration (OSHA), endowing it with authority to dictate work rules to virtually every segment of American business, from the corporate giants of Detroit to mom-and-pop shops at rural crossroads. OSHA inspectors can walk into any business unannounced, search the premises without a warrant and levy fines without a hearing or trial. Industry and labor alike recognize that there are industrial hazards which require intelligent remedies, but too often OSHA simply makes a nitpicking nuisance of itself. Consider:

In Newport Beach, Calif., an OSHA inspector visited Blackie's Boatyard, where owner Arsene "Blackie" Gadarian and six workers repair small craft. Pointing to a man without a life jacket who was working in a boat tied to the pier, the inspector asked, "What would happen if he fell in the water?"

"He would stand up," Gadarian replied. "The water's only three feet deep all along the pier." Still, the inspector thought there should be a ladder at the pier's end. Gadarian said he would nail up a ladder.

Three weeks later, OSHA formally notified Gadarian that he had violated its ladder regulation—Section 1501.84(c)(4)—and was liable to a fine of as much as $1,000. When Gadarian asked to see the rule, OSHA sent him a 248-page document a month later. Nowhere could Gadarian discover any reference to ladders. Asked for clarification, OSHA sent a 48-page supplement saying only that a ladder must be installed in the vicinity of a dock where boats are repaired.

Because Gadarian already had four ladders near his pier, he decided to appeal the fine. OSHA set the fine at only $15, but Gadarian refused to pay.

A battery of government lawyers assembled to argue the OSHA case before a specially appointed federal hearing examiner and a flock of other federal officials. Gadarian, helped by his wife, acted as his own lawyer. The proceedings lasted four hours before Gadarian's innocence was certified. Gadarian's wife would not let him buy a transcript of the proceedings. It cost $500.

OSHA can be just as foolishly autocratic in dealing with big matters as with little. At a cost of $100,000 annually, the Continental Can Corp. effectively safeguards its employes from noise by providing comfortable ear protectors and insisting that they be worn. OSHA itself admits that the protectors reduce the noise level well below federal standards. Nevertheless, OSHA demanded two years ago that Continental Can "engineer" noise abatement by building sound shields around thousands of machines at a cost of $33.5 million—contending that some workers might be too "ignorant or obstinate" to wear the ear protectors. Continental contested the OSHA decree.

After reviewing 1,000 pages of testimony, Judge Robert N. Burchmore last October issued what added up to a searing indictment of both the judgment and the competence of OSHA. A government "expert" had claimed that sound shields could be designed and installed in two months. The court ruled that after seven more years of research it *might* be feasible to install them. OSHA had had to admit that it had found not a single employe who was not wearing the ear protectors. Judge Burchmore dismissed the OSHA ruling, calling it "arbitrary to the point of capriciousness."

PASSION AND THE POLICE

The Equal Employment Opportunities Commission (EEOC) was created to ensure that employers should not discriminate against minorities in hiring and promotions. But the EEOC now ranges for beyond this stated mission; its flagrant excesses have provoked outspoken criticism from even longtime champions of minority causes.

Late last year, for example, the EEOC issued an astonishing set of decrees against the police department of Houston, Texas. By EEOC's own admission, this department has had, in recent years, a commendable record of employing minority personnel, who presently compose about 40 percent of the force. But the Houston police require that applicants have a high-school diploma, and they refuse to hire convicted criminals, people dishonorably discharged from the armed services, and those with a history of defaulting on debts.

The EECO asserted that the ratio of individuals convicted of crimes, dishonorably discharged from the military, or marked as bad credit risks, is higher among blacks and other minorities than among whites. Therefore, ruled the agency, the Houston police department is guilty of racial discrimination and must cease investigating the backgrounds of prospective officers. It threatened legal action unless the Houston police opened their ranks to convicts, those with dishonorable discharges from the armed services, those who had not completed high school.

"If we do not even have the right to ask a man if he has been convicted, we could turn over the department to a bunch of criminals, the very element we're supposed to fight!" exploded Chief Carrol Lynn. "Hire a convicted kidnaper, burglar, rapist, murderer as a policeman? My God!" Houston's leading black newspaper, *Forward Times*, published a full-page editorial ridiculing EEOC and defending the police. To all protests, the EEOC has so far responded with bureaucratic contempt for common sense.

Meanwhile, EEOC's real business often goes unattended. It has a backlog of 100,000 cases, and now takes an average of 28 months to process a complaint. In their passion to pursue their mandate, EEOC investigators frequently fail to get facts straight. As a result, the EEOC general counsel has to return to the field as "unsuitable for litigation" between 80 and 90 percent of the cases submitted to his office. Yet this is the bureaucracy that has the power to impose racial and sexual quotas at all levels of business, and to drag any employer into a costly lawsuit at will.

THE SINGLE MOST POWERFUL

But the Congressional creation that threatens to grow into the most fearsome bureaucratic monster of all is the Environmental Protection Agency. Under a pervasive umbrella of power conferred by the National Environmental Policy Act, the Clean Air Amendments, the Water Pollution Control Act and the Noise Control Act, EPA has claimed for itself authority unprecedented in American peacetime history. Indeed, Prof. Irving Kristol of New York University recently wrote: "If the EPA's conception of its mission is permitted to stand, it will be the single most powerful branch of government, having far greater direct control over our individual lives than Congress or the

Executive or state and local government." Professor Kristol does not exaggerate. Consider:

EPA asserts the right to veto construction of virtually anything that might generate a substantial volume of traffic. Thus, unless Congress intercedes, as of January 1, 1976, local communities may not permit development of a major shopping center, hotel, stadium or factory without approval from Washington.

In Gary, Ind., the U.S. Steel Corp. tried to meet EPA requirements by building two new installations of non-polluting furnaces. But initially their output was limited by factors beyond the company's control: a power failure that damaged its furnaces, the coal strike and a construction strike. So U.S. Steel last fall asked EPA permission to keep its one remaining open-hearth installation in operation six months more. It was told that the installation could be kept open for three months with a $2300 fine for each day of operation. Instead, the company closed the installation, and hundreds of workers are losing their jobs as a result.

An infestation of deadly tussock moths in 1972 defoliated 174,000 acres of magnificent Washington and Oregon forests. To prevent further ravages, state officials and conservationists pleaded with EPA to allow a carefully controlled spraying of DDT. EPA stubbornly refused even a temporary removal of its ban against DDT. Unchecked, the multiplying moths by the summer of 1973 had afflicted 700,000 acres of timber. Faced with Congressional uproar and a lawsuit, EPA in February 1974 relented and authorized use of DDT. Helicopters sprayed the forest, and the infestation ended. But the devastation inflicted by doctrinaire bureaucrats endures.

ULTIMATE REMEDY

Nearly two centuries ago, the people of Boston started one of history's most important revolutions in the name of freedom. In the years since, millions of Americans have risked their lives to preserve that freedom. It is inconceivable that we will now sit back passively and allow it to be lost to bureaucratic usurpation.

The remedy lies in Congress, which created the problem in the first place. Congress should reappraise each federal agency, with a view to outright abolition of those that have obviously outlived their usefulness. It should withdraw from the others the vast grants of arbitrary power that it has bestowed. And Congress should define the powers left to bureaucracies in language so clear and explicit that no officials can expand their power beyond Congressional intent. Finally, broad national policies required to protect consumers, workers, minorities and the environment should be implemented through specific legislation rather than bureaucratic fiat.

If the people don't like the results, then—in the next election—they can remove the members of Congress responsible. That is why the American system has always provided that power must be exercised by elected representatives instead of by bureaucrats who have earned the vote of no one. If freedom is to survive, power must *remain* in the hands of elected representatives.

SENATOR CHURCH: A DISTINGUISHED CAREER

Mr. PELL. Mr. President, last Sunday, the Washington Post Potomac magazine and the Washington Star both featured stories about the career of the distinguished senior Senator from Idaho (Mr. CHURCH).

Myra MacPherson, the author of the Potomac article, and Norman Kempster, who wrote the Star piece, have both pointed out what all of us who serve with Senator CHURCH know full well. I have known Frank Church for 20 years and greatly admire him and hold him in the highest personal esteem. He approaches his tasks with meticulous and firm resolve. He is conscientious and independent. And, I might add, he would make an excellent President.

I commend these articles to the attention of my colleagues, and I ask unanimous consent that the Potomac cover story and the Washington Star feature article be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 15, 1975]

THE POLITICAL SPOTLIGHT SWINGS TOWARD FRANK CHURCH

(By Norman Kempster)

"Senator Church and I are good friends," Henry A. Kissinger said, oozing mock good will. "He calls me 'Henry' and I call him 'Cooper'."

The line, delivered as after dinner repartee at one of those black tie events that simulate bipartisan fun, was intended to be the ultimate put-down: After almost two decades in the Senate, Frank Church was little more than second billing on the Cooper-Church amendment that restricted U.S. military activity in Indochina.

There is some truth to that. Although he has been at the center of legislative battles on emotional issues ranging from social security to Vietnam to giant oil companies, Church has not become a household word. A recent Gallup poll showed that only about one out of four Americans had ever heard of him.

That all could change soon. Frank Church is shuttling between the chairmanships of two high-visibility committees—the special panel investigating the CIA and a Foreign Relations subcommittee probing into overseas bribery by such American corporations as Northrop Aviation.

The failure of the commission headed by Vice President Nelson Rockefeller to complete its investigation of alleged CIA involvement in political murders in foreign countries put a new spotlight on Church and his select intelligence committee.

White House officials who had hoped the Rockefeller investigation would preempt, or at least blunt, any sort of investigation by Congress found themselves obliged to tell reporters they are confident that the Church committee will fill in the blanks left by the Rockefeller commission.

Church is going about his investigation with a seriousness that is almost oppressive. His committee has been the most leakproof in memory and he talks with furrowed brow and half-closed eyes about his determination to "avoid jumping to judgment on a matter of this gravity".

Some members of a House committee which is preparing for its own CIA probe have complained privately that Church is just too solicitous of the sensitivities of the agency. They say they are afraid that the committee may be too willing to give the CIA the benefit of the doubt.

On the other hand, sources close to the Senate committee express concern that the House investigation may turn into a circus.

Whatever the current outlook, the CIA inquiry could be the issue that converts Church into a national celebrity. And with the Democratic presidential picture still a jumble of personalities and ambitions, some liberals are beginning to talk of Church as a possible nominee.

"If Sen. Edward M. Kennedy really means he won't run, Church very well could be the guy," remarked an aide to a liberal Democratic senator.

Church has done nothing publicly to encourage such speculation. But one source who knows him well said said that although he once had no presidential ambitions, he now wants to run.

Church answers questions about his presidential chances while insisting that he is not now a candidate.

"I have deferred any serious consideration of running for president until this CIA investigation is completed," Church said as he toyed with his gold wire-rimmed glasses. "The two just can't be mixed. I can't mix this investigation in presidential politics so I am going to concentrate on the investigation.

"When it is completed it will be time enough to make a new assessment," he said.

Well, just maybe it will be time enough. Church said he hopes to complete the CIA investigation by the end of this year. In the past, the beginning of an election year often was plenty early enough for a candidate to enter the presidential lists. But with the new campaign finance law, most politicians believe that a candidate must begin to raise money this year if he hopes to make a credible race next year.

Tom Dine, who served as Church's staff aide on foreign affairs and is now a fellow at the Kennedy Institute of Politics at Harvard, said Church has concentrated on legislative matters for most of his 18 years in the Senate rather than making a name for himself in national politics.

"I think he sees himself as a national legislator," Dine said. "I don't think he sees himself as a national political leader."

Seated in an arm chair in an office decorated with a print of a painting from Pablo Picasso's "blue period" and with photographs of himself and some of his political icons like John F. Kennedy and Adlai Stevenson, Church agreed that he tries to limit himself to a few important issues.

"I've thought about the way to be effective in the Senate," he said. "I do believe that it takes a degree of specialization."

But while some lawmakers may specialize in the esoteric, Church has concentrated on some of the "gut" issues of the past few years:

He was a vigorous critic of the Vietnam war. After years of talking against U.S. involvement, Church sponsored with Sen. John Sherman Cooper, R-Ky., the Cooper-Church amendments which first prohibited U.S. troops from being sent to Laos and Thailand and later imposed additional restrictions on the President's discretion in fighting the war.

As chairman of a subcommittee on the problems of the aging, Church battled with former President Richard M. Nixon over increases in Social Security benefits. Church wanted a bigger boost than Nixon was willing to accept. The White House accused Church of playing politics. Church accused Nixon of failing to care for the elderly.

Church's subcommittee on multinational corporations conducted a sometimes sensational series of hearings into the activities of the International Telephone and Telegraph Corp., in Chile. His committee established a link between ITT and the CIA in efforts to destabilze the government of leftist President Salvadore Allende.

The same subcommittee investigated the big international oil companies, enabling Church to charge on Jan. 14, 1974—in the midst of the Arab oil boycott and against the background of lines of angry motorists at filling stations—that U.S. energy policy had been shaped for 20 years by a secret agreement with the oil firms.

Church first registered his opposition to Vietnam policy in 1963 when he objected to continued aid to the Ngo Dinh Diem regime. His opposition was sporadic for a time. He voted for the Gulf of Tonkin resolution in 1964 but shortly after that he became a firm and fulltime foe of U.S. involvement in Indochina.

His opposition won him the scorn of President Lyndon B. Johnson and some politicians predicted that it would cost him his Senate seat from staunchly "hawk" Idaho.

Perhaps fortunately for Church, he did not face reelection until 1968 when doubts about the war were much stronger than they had been two or four years earlier. But even in 1968, Church's position on the war was not shared by a majority of his constituents.

Church's campaign literature stresses his role for such a conservation state. But he has been re-elected three times since he won the seat in 1956 in his first bid for statewide office.

So far, at least, Church has avoided the pitfall that led to the defeat of such Senate figures as J. William Fulbright of Arkansas and Thomas W. Kuchel of California—he has not forgotten to keep in touch with the folks back home. Aides say telephone calls from Idaho are answered before calls from the White House.

Church's campaign literature stresses his ties to Idaho. The 50-year-old Senator is described in his official biography as "a native Idahoan from pioneer stock."

He was married in 1947 to Bethine Clark, daughter of the late Chase Clark, a former governor of the state.

The marriage is described by friends as an "excellent partnership, personal and political." One Church aide, referring to Mrs. Church's taste for politics, called her "Idaho's third senator."

Mrs. Church says she vowed as a girl to stay away from politicians because of the erratic home life that is often an occupational hazard. But she came to realize that nothing interests her quite as much as government and politics.

"You dread the year before a campaign, but it's like the old prize fighter, when you hear the bell, you come out," she said.

Mrs. Church said she and her husband have made special efforts to maintain a normal family life in spite of the pressures of politics.

Church ducked out early from the CIA committee's questioning of former CIA Director Richard Helms Friday to attend graduation ceremonies for his younger son, Chase, at Mt. Whitman high school in Bethesda. An aide said Church considered the graduation to be a "command performance."

The Churches also have another son, Forrest, 26.

Mrs. Church refers often to the senator's "sense of humor." But to an outsider, the public Frank Church comes across as a man who is serious to a fault, often sounding like the college debater he was at Stanford University.

One of Church's proudest boasts about the way the CIA investigation has gone so far has been the way the committee has avoided news "leaks."

"It was confidently predicted at the time this committee was created that it would be a sieve through which state secrets would pour," Church recalled. "It hasn't happened. The leaks that have occurred have come from sources other than the Senate committee."

The committee's secrecy rules even bar some members of the staff from access to some information.

An aide to one of the Republican members of the panel remarked, "They know who had access to what information. There was even talk of censuring someone on the (Senate) floor if anything leaked."

Despite the efforts to prevent leaks, Church promised that all of the committee's findings ultimately will be made public.

"The committee feels that these facts should not be divulged piecemeal," he said.

[From the Washington Post, June 13, 1975]

RUNNING SLOWLY FOR PRESIDENT

(By Myra MacPherson)

Twenty-seven years ago, when Senator Frank Church was at Harvard Law School, he began to suffer from terrible lower back pains. His wife Bethine thought he was simply studying too hard and urged him to slow down, but the pain persisted through a bitter cold winter. So the Churches returned to Stanford University, where Church had graduated Phi Beta Kappa. But the change to a new law school and a new climate made little difference to Church who couldn't fight a pain for which doctors could find no reason.

Then they found Frank Church had cancer. Radical surgery was recommended and doctors operated for hours, removing the affected area as well as glands in the groin and abdomen and lymph nodes all the way up to the kidney. "They decided they had cut all they could," Bethine recalls. "They were just going to close him up. They said it was all over; that he couldn't make it," she says, absent-mindedly knocking on a wood end table. "But they had misread the report. It was re-read by a man who looked like God—the cancer was very receptive to x-ray."

The cure was almost worse than the initial pain. "The x-rays just burned him up—it took him to the edge of death," his wife says. For several weeks he suffered the daily agony of nausea following x-ray treatments. Church, six feet, was down to a barely surviving 80 pounds. During the treatments, Bethine recalls, "I'd start to read aloud and just read madly to distract him. Sometimes if I was very histrionic I could get him over the hump of nausea." She remembers reading and re-reading *The Turn of the Screw*, Church remembers *Mr. Roberts*. Now round-faced and jowly, Church on TV looks heavier than his 175 pounds; in person he is slim and athletic. "I never would have made it without Bethine," Church says. "She was just so determined I would get well."

That illness forever shaped Church's attitude on life. "I had previously tended to be more cautious—but having so close a brush with death at 23, I felt afterwards that life itself is such a chancey proposition that the only way to live it is by taking great chances. I watched my maiden aunt, Eva, whom I loved dearly, carefully putting money aside, waiting for the day when she could retire on her very modest income—and then she died three months before retirement. All her plans, those books she had on traveling, all those things she ever wanted to do—all snuffed out overnight . . ."

Church acquired the outlook that taking a chance and trying was more important than winning or losing. After graduating from Stanford law school and practicing in Boise, Idaho, for a few years, Church, a man never before elected to any office, decided to run for the U.S. Senate. He became the boy wonder, the youngest senator in 1956 at the age of 32. Now, 18 years later he is running for the Presidency. He has called off his camp followers and money seekers while he chairs the Senate Select Committee on Intelligence Operations, but he has left the door open to resume that quest in the fall. It is, needless to say, a very chancey proposition. But, while a "Church-for-President" question elicits little wild enthusiasm on the Hill, memories of George McGovern's '72 primaries keep people from laughing. Church is an anomaly: The first Idaho Democratic senator ever to win even a second term, he is now in his fourth term.

And the times may be conspiring to vault to the forefront the Churchian view of a cautious America: a country with a diminished sense of Yankee soldiers-Yankee dollars omnipotence.

Hill handicappers, rating the plusses and minuses of Church, usually start with the good news. He is bright, one of the brightest in the Senate. At 50, he is, incredibly, an elder statesman who has worked with five administrations and is in a top-ranking position of power on the Senate Foreign Relations Committee. At an age when many men are just beginning their senatorial career, Church ranks 16th in seniority and the average age of those 15 senators senior to him is 70.

His voting record is steady; one of the first doves on the Vietnam war, one of the first to champion civil rights. He stuck his neck out on controversial conservationist legislation and supported such causes as aid to the aging before it became popular. He exposed questionable international dealings of multinational corporations and he is now investigating high- and low-level government spying.

His minuses boil down mainly to the fact that he is from a small state; a question of how much depth is really there behind the brightness and the matter of style, or the lack of it. At 16, Church won an American Legion national oratory contest and some detractors say he's been suffering from it ever since. Talking to Church in the shower would be no different than talking to him on the Senate floor, they suspect. He comes off decent and smart but a bit too studied, self-righteous, prissy even, and sincere. Sincerity—the earnest, obvious, serious variety—is something you can't have too little of in Washington, where drawing-room cynicism is prized, and so Franch Church used to be called Frank "Sunday School." Today, with his elevated status, he gets called Frank "Cathedral." Friends pray for an occasional undeleted expletive or a stutter. One colleague once joked, "sometimes he seems like a cross between an Eagle Scout and an old maid." A top Senate liberal Democrat who has observed Church for 12 years admires his work but says, "He's a self-important, pretentious ass; he postures like a little peacock—and loves the sound of his own voice."

Staff and friends wish Church's private humor would emerge more often and have taken to writing quips for him. When he recently attended a meeting of Gray Panthers (senior citizens) he noted that their motto is "Out of the rocking chairs and into action." At an aide's suggestion, Church joked, "That might not be a bad motto for Congress." The Gray Panthers laughed and the press wrote it up.

A close friend and liberal senator said. "Frank's always had that problem of the American Legion orator. It hurts him in his political efforts. Some feel he enjoys words more than the critical thought. I think the charge is unfair—but that perception is the one thing that keeps him one cut below greatness."

Another handicap is that Church has been around a long time without ever moving solidly into center stage. He is a mystery to some. He was airily dismissed by one Hill observer who said, "Oh, he's been hungry for the Vice Presidency or the Presidency for years and just never got it off the ground." Still, it is the Year of the Question Mark for Democratic presidential candidates and almost anyone can be—and is—running. Church recently joked after five Democrats had announced their candidacy, "they are all tied (pause)—for fifth place."

In a time of disgust with politicians, in a time when people are frightened about the economy and their own future, could a public used to sabre-rattling Presidents rally behind a Gentleman Candidate? Could another Mr. Nice Guy be offered up by the Democrats so soon after 1972's Mr. Nice Guy debacle? Senator Gary Hart (D-Colo.) who helped manage George McGovern's defeat, thought a minute. "Have the people had it with a 'good guy?' First, this town is not 'people.' If you mean around the country, the answer is no. The trouble is, good guys seldom get a chance to be known in the country because they seldom get a chance to emerge out of this sink hole. Church is not a member of a clique. He's decent and independent. He does not stab people in the back. He's not scrambling up other people's backs."

Sen. Gaylord Nelson (D-Wis.) says, "If Church had the driving desire of those other guys he would have been out there more. I think it's good he isn't so all consumed with wanting the prestige." It may be an endorsement Church would like to keep in a closet, but 1972's loser is in his corner. "I'd be comfortable with Frank as President," says Senator George McGovern. With a laugh, he adds, "I'd sleep better at night. I think Church is better than any of these guys in the running now. I think he's got a better chance than Udall, Harris, Sanford, Carter, Bentsen; maybe not Jackson.

"But I'm afraid there is some truth that he may suffer from the too-nice-a-guy image. I went through that period of being 'just too nice,' 'too timid,' 'not a dynamic leader.' But there have been great Presidents who were quiet, restrained people. Who? Well, Thomas Jefferson for one. I think Frank Church is capable of writing things as eloquent as Jefferson or Lincoln. He's very effective on everything he's ever done."

But Jefferson was, after all, pre-TV. Today, the candidate who stirs great loves and hates gets that all-important media exposure. Even a former staffer feels, "I don't think Church is charismatic enough to be a very good candidate, but I think he'd be a helluva good President." But those who have seen mild-mannered Church change in front of an audience and bring them to their feet, feel the laugh may be on those who indulge in the conventional Washington sneer.

Students cheer noisily when he calls bailing out companies with public money, "socialism for the rich and free enterprise for the poor." To be sure, his razzle-dazzlers are largely to Jewish groups predisposed to cheer Church these days; they give him standing ovations in Miami, New York, Chicago as he shouts his objections to our administration's "appeasement" policy in Saudi Arabia: "Indeed the only signal that comes through loud and clear is 'give them what they want—American law and American custom be damned!'" Church explains he is "blitzed" with invitations from pro-Israeli groups who need to be "reassured with respect to American foreign policy," but cynics see this as a conscious attempt to syphon off Scoop Jackson's wealthy Jewish "constituency."

The Presidential talk continues nonetheless. Carl Burke, a Boise lawyer and friend since the eighth grade, quit his firm to manage Church's campaign, had corraled wealthy backers in California and New York and several national committeemen before Church halted Burke because of the CIA committee work. But Burke still has his track shoes on. And Frank Mankiewicz, an advisor to Robert Kennedy and George McGovern, sounds like he's looking for another leader—and a job. Mankiewicz urged Church to run. "If he gets all the way in, I feel he'll draw off most of the support for other liberals. He co-authored every important 'restriction' on American policy in Indochina. The reason we're not still fighting and slaughtering over there is mainly because of Church." Who knows, Mankiewicz might even be able to help Church with his good guy problem. He once kidded McGovern that the way to change his Clark Kent image was to "get a rumor spread that someone at a cocktail party made a remark you didn't like, and you gave him a quick karate chop that broke his arm."

Frank Church is where he wanted to be ever since he was 14 and first dreamed of becoming a senator. And, for the first time, in a post-Vietnam foreign policy reassessment, Church, the top-ranking dove, is in a position to be an influential spokesman for change. Even if he cannot harness today's sentiments enough to get his presidential flyer off the ground, Church can be a force in Congress to apply pressure against the administration's adherence to what Church calls our "fatally flawed foreign policy." If he stays in the Senate, Church will be chairman of the Foreign Relations Committee soon, and, if strong enough, could become more a policymaker and less a critic. Church laughs at suddenly being on the popular side and wryly ponders where have all the old hawks gone. "There was a time when the sky was dark with them and the doves didn't dare come out."

A loner from the West, Church admits that he has never fit in Washington. "I've been here 18 years and have no feeling of belonging to this city. I feel lonesome in this town." But there seems to be no deep hunger to belong. He often uses the phrase, "I am relaxed." He is relaxed about the Presidency, relaxed about his current heavy work load, relaxed at a party.

Reporters used to the quick and snappy answers, ask Church questions at their own peril. He insists on giving the whole answer, with all the circumlocutions. Ask him for his vision of America's future foreign policy, for example, and Church first takes you back, if not to the Stone Age, then, at least to the beginnings of our "failing" Asian policy. "Any policy would have to be set at rectifying our mistakes. We saw the Vietnamese as pawns on a great global chess board, being pushed by prime movers as part of an international Communist conspiracy. The Vietnamese saw it as an indigenous war, a continuing struggle for national independence." Any future U.S. help in Asia "should be given at arms length," just as Russia and China helped the North Vietnamese. Troops should be cleared out of Thailand and, less quickly, Korea.

"This is an absolute necessity if we are not to repeat the mistakes of Vietnam. There is no reason, no purpose for U.S. air bases in that part of the world, except to serve as a springboard for another Asian war."

Church does not label himself an isolationist or non-interventionist, as some are quick to call him, but rather an opposer of *indiscriminate*, interventionism. He is always "amazed" when asked how he can be a dove on Asia and a hawk on Israel.

"There is so little comparison! In Indochina, we blundered into a civil war among the people of a region of no strategic importance to the United States. The leaders we supported lacked the capacity to enlist the support of their people. Contrast this debacle with the Israeli experience—a democracy that has asked for the means to defend itself against outside forces—and has never called on American troops to fight for it. That's the biggest contrast. It is inconceivable to abandon Israel. If the Russian-equipped Syrian and Egyptian armies should ever overrun Israel the Soviet Union would be placed in a position of preeminent influence in this strategic part of the world—obviously this would be a severe setback to the United States and such principal allies as Western Europe and Japan who depend so totally on the Middle East for fuel supplies."

Church is among those who see our future threat as an economic one. "I think that the impact of OPEC (Oil Producing Exporting Countries) cartels is far more damaging than anything we have witnessed in Cambodia, Vietnam, Laos."

The Middle East oil situation is murky, complex and fraught with violently divisive political points of view. Church says the exorbitant oil prices are bringing "tremendous inflationary consequences" and the dependency of Europe on Mideast oil has "undermined our whole Western alliance." On the other hand, Gerald Parske, Assistant Secretary of the Treasury, feels this is more rhetoric than reality. "We have to face the fact the price of oil was too low for too long." Church counters, "How can anyone say I am overemphasizing the problem when oil prices alone are equivalent to a $50 billion added tax on the American economy alone? If prices are determined by a free market, alright, but we don't have a free market." Church feels present American policy only gives us increased prices and favors a tougher holding back policy with such countries as Saudi Arabia and Iran. "They've come to believe they can bring any action against us, raise prices, and still get everything they want. Well, many favors can be withheld. They need our technology and weapon systems every bit as much as we need their oil." Administration spokesmen feel such actions would be "precipitous," Church says all he wants is a policy of "reciprocity."

The argument that Arab countries provide only about 11 per cent of our total supply from oil producing countries is of little import to Church's assertive position. Saudi Arabia, sixth among our suppliers, is along with Iran in a vital "pivotal role," he says. "It doesn't matter how much oil we get from Saudi Arabia—these two countries are the architects of OPEC and without their leadership OPEC would begin to crack."

As the "boy senator," Church was described as having a "dazzling" smile. Today, the face is fleshier, the hair, which still falls on the forehead, is beginning to grey, he wears glasses to read. But the smile still dazzles and the look is still earnest.

He laughs at the nicknames and criticisms of the Eagle Scout style. He's heard them all before. Including the latest; that he took the chairmanship of the committee on intelligence operations to get national exposure—televised hearings begin in a few weeks. "I think this committee is so very important; I sought it, but I've never seen it as any other than a political mine field." While liberals write warning letters that the committee "better not be a whitewash," there are just as many others who remember when the CIA and FBI were, as Church says, "enshrined by TV programs and all kinds of p.r." Church plans to strip away the "national security" excuse and says "our major purpose will be to alert the American people to the ever present danger of 'big brother government' prying into every facet of their lives. This is a more insidious danger to freedom than anything. We're examining the CIA, FBI, military intelligence, IRS, Post Office, Secret Service." After months of interviews and studying secret files, Church is "shocked" at the extent of such government surveillance.

One day recently, Church propelled out of his office—a place so debugged as a security measure that even CIA director William E. Colby felt his secret conversations there were safe—into a Washington bright with sunlight, not a fitting background for a day's worth of talk on modern day plague and pestilence. Professor W.K.H. Panofsky testified in a Dr. Strangelove voice before the subcommittee on Arms Control, International Organizations and Security Agreements of the Committee on Foreign Relations. He warned that slow-down, if not a reversal of the U.S. and the U.S.S.R. strategic arms race, was vital in order to halt our "race to oblivion." Back in 1960, when Church was championing Kennedy, he once turned to poetry to criticize what he called President Eisenhower's "refusal to consider the missile gap" between Russia and the United States: "Now we lay us down to sleep/with Ike's smug team the watch to keep/If we die before we wake/Well the bed was soft—and we slept too late."

But the excesses of 15 years ago are not the perceptions of today. Church, who has voted for all disarmament legislation, gloomily preaches, "I wonder, Dr. Panofsky, if we are not really kidding ourselves as to whether these (past) agreements were meaningful at all?"

Church catches the end of an Interior committee meeting then hurries to the Israeli embassy in his decade-old yellow Mustang, driven by an aide. At a "Happy Birthday for Israel" reception Church smiles on George Meany, talks fishing with the British ambassador, kibitzes with a member of the Knesset, clasps Arthur Goldberg, who says, "I just want to say there is no one better qualified than Frank Church for president." People eagerly praise Church for his Arab boycott stand. Church says many times that he released a list of 1,500 American businesses and organizations boycotted by Saudi Arabia for their links with Israel, "so we could fight back and put a stop to it."

The talk is, again, of war. Saigon is about to fall and Church is asked about Ford's view that the rest of the world would see us as having "bugged out" of Vietnam. "What's the matter with us to be so on the defensive? It is the inevitable end of a mistaken policy," he says with a tinge of impatience. "Americans are too sophisticated to buy that view. They see it all on TV; they see soldiers pushing aside old women and children to get on planes." Abba Eban jokes about Ford, "most politicians gloss over their failures, he glosses over his successes." Church laughs and looks as if he might be filing away that line as he glides out, shaking hands, acting the candidate.

In his Capitol hideaway office, Church sits on the floor and eats a club sandwich from a coffee table as advisors brief him on a closed CIA session with Clark Clifford. After three hours with Clifford, Church reveals no nuggets to disappointed reporters. A quick change to black tie in the Senate gym and Church is mingling at the White House photographers' banquet. A drum-rolling presentation of colors quiets the chatter. Church, "that Com-symp" to his John Birch enemies, is the only one at his table who places hand over heart. At dinner's end, Church ducks into a New York Times party for one quick drink. But it is clear he wants to leave; a few minutes later he is on his way home.

Frank and Bethine Church are consistently termed one of political Washington's most happy couples—even by those who work with them, often the most cynical examiners of the public "happy couple" mask worn by unhappy political teams. An interview with them sounds dangerously like a parody of those Modern Screen stories about Hollywood's rare phenomenon, the long-standing happily wed duo. "I find it so hard to talk about our marriage except positively," Bethine says with a giggle. "It comes off a little like those sunsets they paint on calendars." She sees the job as a joint career but laughs at the phrase. "When I say 'this is my career' it always comes out wrong. It just sounds so icky. I feel like 'Mrs. Goody Two Shoes' for the next six hours when I say something like that."

Church says Bethine is the greatest influence on his life. "She's aware of all the pressures. Probably one reason we have a happy marriage is that she understands all of politics." She says, "If someone were going to Timbuktu tomorrow I'd say, 'I've just got to get my toothbrush and the children, I'm a seat-of-the-pants type person." Church sees this as an important plus. "I think the majority of wives are very much oriented toward the nest. Politics is an insecure profession. The people who choose it are driven to it—that's not true of their wives."

The Frank and Bethine team is so honed that one reporter recalled a disconcertingly synchronized performance. "I had this chilling feeling that I was watching two actors, although I like them both." Church describes their technique as "Bethine usually introduces me and then we answer questions. After, she circulates and I circulate through the crowd."

One former aide said, "occasionally we had to tell Bethine there are only two senators from Idaho—and she isn't one of them." When an aide recently discouraged a reporter from following Church around for a day, Bethine was quietly put out. Promptly the next morning the aide called the reporter back and hastily set up a day with Frank Church.

(For years, a macho political joke went that Church was run by two women—Bethine and Verda Barnes, his long-time a.a. Church was one of the few senators who ever appointed a woman to that position and Miss Barnes, like all of his staff, past and present, praises him. "I have never known him to say a petty thing and he has the best disposition of any person I have ever known.")

When Church first ran for office, Bethine drove the car for him and, to counter his shyness about meeting people, would actually push him out the door. His low-budget campaigns rely on as much exposure as possible and by the end of a campaign, the callus in the wedge between his finger and thumb on his shaking hand is hard and brown. Once, Bethine whispered that Church was pressing his thumb too hard when he shook hands with the elderly. He forgot to heed her and "all of a sudden I felt this pressure on my thumb," he recalls. "I looked down and there was Bethine calmly lifting my thumb up in the middle of a handshake!"

"Best friends" in high school, Frank and Bethine carried on a correspondence courtship when he was in World War II and married when he returned to Boise. Church served in the Burma-China-India theater as an intelligence officer. The biggest problem on the Burma road was not always the Japanese but Chinese robbers who swooped down on American troops. But the time Church felt his life in real danger was, strangely, the evening of the Japanese surrender. When his plane landed in Nanking the Americans faced row upon row of crack Japanese units in perfect formation. Church thought for an instant, "this is absolute insanity. Who says they're going to give up to us?" But the emperor's word had come through and all was peaceful.

In Idaho, Bethine is well known in her own right as a member of a strong political family. Her father was a U.S. District Judge and a former governor. Next to his wife, Church credits his liberal father-in-law with having the strongest political influence on his life; Church's own father was more of a counter force. A "stunch Republican" and owner of a sporting goods store, Church's father never forgave himself for voting for Franklin Roosevelt in 1932. In self-defense, Church went to the library to get an unbiased view of Democrats—and wound up in their corner.

When Church came to the Senate it was widely rumored that he was a millionnaire, thanks to having married into mining millions. Bethine laughs and says, "I wish it were true. When we were first married, one mine was paying some dividends. But dad was the kind who believed you can't take it with you so he spent it. He also grub-staked every misbegotten mine in the West. When he died we got a drawerful of IOUs." When Church first came to Washington there were many breathlessly cute newspaper articles about how he looked even younger than his 32 years. He had to wear brown suits to distinguish himself from the pages, who wore blue. One day a woman came up to two young men standing by an elevator in the Capitol. "I understand that one of you boy pages gets mistaken for Senator Frank Church." One of the "boys" answered, "Yes ma'am." He was Church.

Although old hands snickered at his uncontrolled joy at being a senator, Church moved ahead fast. He astounded Jimmy Hoffa, appearing before the labor rackets investigating committee, when he scolded, "We don't need you, Mr. Hoffa, to come up here and moralize on what's right and wrong."

But the first time he presided over a session of the Foreign Relations Committee, Church leaned back in the chairman's high-backed swivel chair, trying to look confident, and toppled over on his head. Righting himself and the chair, he calmly observed, "The junior senator from Idaho is not accustomed to presiding over this lofty committee."

Church's big moment came in 1960 when he was the keynote speaker at the Democratic convention. He was 35. He studied and studied his speech. When no one was looking, he practiced at the podium. He got national publicity before the speech. It turned out to be a flag waver that included such lines as "only an awakened and rededicated America can raise a standard around which the great fraternity of the free can rally." Many conventioneers went to sleep. A long-time friend recalls, "That was a marvelous opportunity to break into the national scene, and, frankly, he blew it with superficial oratory. You don't get a chance to blow too many chances. Maybe he's got another with this CIA business." Today, Church rolls his eyes and shakes his head about that speech. With a laugh he says disarmingly "All I can say in my defense is—I didn't know any better."

On the Senate floor it was another story, as Church grew to be effective. In 1962, although facing a stiff re-election fight, Church sponsored the pro-conservationist wilderness bill. Much of his re-election opposition was coming from business interests opposing the bill. "How does Frank manipulate?" asks McGovern. "He really doesn't. On the wilderness bill, for example, he was an extraordinarily able floor manager. He did it by shaming people into standing for the future of this country—despite all the special interest claims."

McGovern and Church tied for third place—after Morse and Gruening—in their dove stance; Church's first anti-administration policy speech came in January, 1964. He teamed up with McGovern on the Senate floor in early 1965, incurring Lyndon Johnson's wrath as well as that of hawkish Idaho voters. In 1967, John Birch backed opponents, who muttered that the "pinkos" and "punks" got him elected, tried to recall Church for treason. The kooky plan, labelled illegal, backfired and got Church more support than before.

In 1968, Church's opponent hammered away at his civil rights, antipoverty and other domestic legislation, his dove stance and support of the nuclear test ban treaty. His 1974 opponent did the same and was aided by John Birch pamphlets that smeared Church. More than 55% of the votes went to Church. That sounds close for some states but for Idaho, one staffer said, "any Democratic victory over 51% is considered a landslide." Church won the first time with 59%, 55% in 1962 and a whopping 61% in 1968. Church wins by going deliberately parochial back home, stressing his ability to best represent Idaho's interests. In a gun-toting state, where practically everyone is a hunter, he avoids one suicidal position—he vociferously fights gun registration legislation.

Church's multi-national subcommittee

findings were considered important net plusses in detailing such areas as the involvement of global corporations with foreign policy and developing the CIA link in Chile. But Church has been criticized as writing a report less assertive and aggressive than his more flashy hearings; some on the Hill wonder if Church is in it for the publicity rather than for affecting legislation and policy.

For example, a Church-Hart bill for a federal government agency to act as the sole purchasing agent for all United States oil imports has been knocked as unsophisticated, unworkable and impossible by some in the administration and, expectably, the oil industry. The proposal is designed to weaken the power of OPEC. The government would purchase oil under a secret bidding system and would then resell to private companies. John Lichtblau, executive director of the Petroleum Industry Research Foundation—an independent consulting firm working with both industry and government agencies—argues, "What is to prevent OPEC from turning the tables and submitting a collective bid above the prevailing world market price? Our only options would then be to accept the bid or do without OPEC oil. They know we can't accept the second choice." Church says "I don't think that view is realistic at all. There is no indication they would respond this way. That would be like imposing a new embargo and that would put an end to all the largesse they're now getting. There's just too much to lose on their part as well." He added caustically, "This bill touched a raw nerve—oil companies don't want any interference in their marriage with OPEC. Well, they don't have to worry. I've only got 15 senators willing to put their names on it for fear of offending oil companies. I hardly think it will go anywhere."

Church bristles at any inference that his hearings produced "puff" attempts at legislation. "After the ITT hearings we passed a bill to make it a crime for a company to offer money to the CIA," (it is now pending in the House.) A "major legislative achievement" was a bill to phase out government insurance of private business investments abroad "after the subcommittee looked into OPIC (Overseas Private Investment Corp.) and found it was being subsidized by the taxpayers."

And Jerome Levenson, chief counsel for the subcommittee argues, "Church knew they weren't going to do a damn thing on Helms or Kissinger, but he pushed it. The rest of the committee just wanted it all to go away. He was the only guy who pressed on. All that about Helms' meeting with ITT's Geneen, none of that would have come out if we hadn't pressed Helms and crew. The State Department and everyone was urging him to stop and he just blasted them all to get where we did. The net plus is we exposed as issues things that had previously been sacrosanct." In a few weeks the subcommittee will have another go at some 10 to 12 companies, planning, as Business Week magazine says, "a long, hot summer for U.S. companies that have accepted bribery as an ordinary—and necessary—cost of doing business abroad."

Bethine's father gave her some advice on how to run a political life. "He told me, 'Now look, your mother traveled with me. You'll just have to go with Frank. Otherwise, you'll never know what makes him happy or sad or tired.' That helped. I'm such a worrier that had I thought I was not doing the best by Chase and Forrest, I'd just have been a wreck. As it is, I worried enough about all of them."

In earlier days, the Churches allowed politics to encroach on their private time; weekend embassy dinners, Idaho wheat growers' receptions, staff phone calls at night. "The kids didn't complain, but pretty soon we were spending less and less time together," recalls Church. They realized that politics were interfering and creating a distance between Frank and their younger son, Chase, now 18. (Forrest, the older, is married and has just been ordained as a reverend following graduation from Harvard Divinity School). Chase was tuning out of his school work. The Churches "worked things around to consider his needs." They got a cabin in nearby Emmitsburg and, when possible, retreat there. The boys rode Hondas and Church taught them how to skeet shoot. But, mostly, says Bethine, it is where they can be together as a family—"before it gets to the point that you forget what that's like."

The trips to the cabin are less frequent these days. Church once expressed doubts about the rigors of a presidential campaign and that he was "reasonably freightened" by the experience of his friend McGovern. "You see the tremendous time and effort; there's probably a tremendous ego trip involved in such a race—but it puts your marriage under the severest possible strain. When Ed (Muskie) decided not to run with McGovern, it was because Jane really had had enough." (Church himself was available in '72 but the only person who asked him was Jimmy the Greek, who gave him favorable odds as a running mate.) Church continued, "I think for people to want the presidency so badly that they will pursue it for years in the hustings, requires not only elephant glands, but also a terrible inner need for what they consider ultimate recognition in politics."

Today, that tune is somewhat changed. Church says, "Bethine and the boys have always been very political; they'd feel at home with it." One reason Church has changed his mind is, quite simply that he was asked. "This is the first time since 1968 that people have asked me to run. That time I was facing a tough Senate fight and couldn't consider it."

Church thinks the charisma factor sidetracks important issues and Bethine disgustedly feels the personality parade contributes to "Potomac myopia. You lose track of what people are thinking. I think this public relations thing has gone too far. I don't know how it gets undone, but I think people would have more confidence in us politicians if we could stop the treadmill. It isn't just terrible for a politician's personal life, it is terrible for our government. Eventually you're doing more p.r. than work."

Asked why he would want to be President, Church says "That office still remains the great one; there is a tremendous opportunity that comes to no one else, to change things for the better." But Church says he wouldn't mind staying in the Senate, either. He may well have to. Given the complexities of this year's campaign, particularly the new restrictions on financing, Church will have to do a lot of "p.r." to make up for his sidetracked campaign. He shrugs and says that's the chance he'll have to take.

Bethine marvels that "Frank relaxes faster than anyone I've ever met." With a broad smile Church says "in fact I can relax a lot faster than I can rev up."

Statements like that will cause Church's camp followers to lose more than a little sleep. But Church—a man who thought at the age of 23 that he had no future—can afford to be a little philosophical at the age of 50.

"I am," Church says, "just awfully relaxed about what the future will bring."

NEW EMPHASIS ON THE OLD VIRTUES

Mr. PERCY. Mr. President, the Reverend Jesse Jackson, head of Operation PUSH—People United to Save Humanity—and a prominent black spokesman, has called for an emphasis on the old virtues by black Americans. In a Washington Post article of May 25, 1975, Jackson stated his belief that black Americans should return to the traditional values of family love, cleanliness, and hard work. It is a message needed by all American families regardless of race, color, or creed.

Mr. President, I ask unanimous consent that this interesting article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW EMPHASIS ON THE OLD VIRTUES

(By Richard E. Prince)

CHICAGO.—A growing number of influential black Americans have been calling for a return to the traditional values of hard work, close family life, studiousness in school and abstinance from drugs, alcohol, cigarettes and nonnutritious foods.

The Rev. Jesse Jackson, the head of Operation Push (People United To Save Humanity) has become the latest to articulate the new emphasis on the old virtues. But from different vantage points, others, such as poet Nikki Giovanni, publisher W. Leonard Evans, Jr. of Tuesday magazine and a Washington educator, have been saying the same things.

These are ideas that some of those who count themselves among America's black leadership say need to be expressed, although they say it will not supplant their own particular emphasis on jobs, education, housing or political power.

In Chicago, the man who says he aspires to lead not only 100,000 Push members but all black Americans, is no longer chanting "I am somebody." Jesse Jackson has a new refrain for his followers: "We've got enough experience, we've worked hard enough, and we're intelligent," he told one group that week. "Repeat after me: economic generation and spiritual regeneration."

Jackson's call for spiritual rebirth includes exhortation for his followers to give up the "crutches" of cigarettes, alcohol and drugs, renounce platform shoes as bad for the feet, emphasize the family unit and the concept of an extended family, urge children to start savings accounts and renounce materialism.

He says he has no definite program yet to lead the blacks in that direction, except to carry the message with him wherever he goes. Jackson spoke last summer before the conventions of 13 black organizations, and he travels 200,000 miles a year. He says he plans to emphasize it before 2,000 ministers this summer at Push's annual convention in Philadelphia, and Jackson has stressed it before a radio audience of 94,000 here who listen to his Saturday morning evangelical sessions.

While black churches and the Nation of Islam (Muslims) have been promoting the themes of love of family, cleanliness, hard work, and spiritual values for years, until recent weeks these ideas were not given great attention by other black leaders.

In the April issue of Tuesday at Home magazine, a Sunday newspaper supplement for blacks that claims an audience of 2.5 million, publisher W. Leonard Evans Jr. spoke of the need for a revitalized family life.

"The challenges of the next five years call for more concerned action by families as groups or as clans, with certain economic objectives," Evans writes. "Without economic independence, freedom is not total. The family is the most important unit . . . one family multiplied a thousand times creates an economic force that gains recognition in the community, the state or even in the nation."

Poet Nikki Giovanni, in the current issue of Encore magazine, speaks of the need for perseverance by black students. "Black college students are flunking out," she says, "and not because they're dumb. They say, 'Well you know, my teacher is prejudiced.' To that I say, so what; that's not your problem, that's the teacher's problem. Your problem on the college campus is to get the work."

Washington's school board recently passed a resolution that banned "nonnutritive" foods from school vending machines. School Superintendent Barbara A. Sizemore says, "Black people have formed very poor eating habits over the years," and "there ought to be a law against black people buying Cadillac cars. Black people need an ideology, they're not struggling right now. This is an age of mediocrity, and black people are caught up in it."

A Chicago schoolteacher says she notices a "lack of ambition" among blacks between ages 22 and 27, who reached maturity during the "Black is beautiful" era. "My son had come up under the regimented kind of life," she said, "When he was in school he'd write articles about what he wanted to be—he wanted to be a lawyer." The son, now 25, lost his ambition after he graduated from high school. "He and his friends said, 'I don't have to do anything and I am somebody'—which is a lot of crap. He was listening to people like Jesse (Jackson) too much. Jesse never emphasized the importance of being prepared when the doors open. He should have been saying this all along."

How much themes of spiritual regeneration will come to dominate the public conversations of other black leaders remains to be seen.

Speaking of Jackson's stated new directions, Vernon Jordan, executive director of the National Urban League, says, "When you have a minister who has a religious orientation you can talk about the spirit. It's always important to have a guy speak to the spiritual values of a people. But I'm not trying to reform people, I'm trying to reform the conditions under which they live."

"There are enough examples of the degeneration of the spirit, body and the soul, and we do need to talk about that," says D.C. City Councilman Marion Barry. "That's the kind of direction ministers set. Community people do that, too, but not enough of them do. People want to eat and so they don't have too much time to talk about love and sharing."

Jackson, who says he sees himself in the role of America's "prophetic visionary," says a spiritual rebirth is essential to the progress of the "movement." He says he came to that conclusion through general observation of the black community, and specifically cites as evidence a march he led around the White House in February demanding more jobs. During that march, he says, "so many of our young people who came in were so high" he had to cut the march short for fear that if policemen had provoked the marchers after the parade route was changed their lack of discipline could have started an ugly confrontation.

"We've almost become soft," he says of those demonstrators. "They're not really in any shape to sustain a movement."

Although Jackson's critics charge he is opportunistic, does not always follow through with the programs to match the goals he articulates and sometimes oversimplifies the causes of the problems blacks face in America, they concede that he can sense the temper of the times.

"The tragedy of Jesse Jackson is that there are so many things he does not talk about because of the alliances he has formed (with the powerful), "says Chicago writer Barbara Reynolds, author of a new biography critical of Jackson.

"But," she adds, "he is one of the greatest articulators of ideas of our times, and usually his moral pronouncements are right on time."

GRAIN INSPECTION SYSTEM BEING INVESTIGATED

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of my colleagues two June 15 articles in the New York Times and the Washington Post that deal directly with corruption in the grain trade system. The articles indicate that the inspection system has been facing problems in terms bribery and poor quality deliveries for some time. This trend must be halted if the United States is to retain its present position as the world leader in grain exports.

The corruption has resulted in showing higher grades of grain on the official record than actually was shipped and the mixing of lower grades of grain as filler with higher grades of grain. It is readily apparent to me that efforts must be made to end these practices.

As early as 1969, European grain dealers warned the Department of Agriculture about the possibility of corruption in grain inspection. And efforts as recently as 1972 to investigate charges of corruption were reportedly stifled by the Department of Agriculture. It was not until just this year that some investigations—those in New Orleans and Houston—into grain inspection have resulted in indictments. It is clear that strong action is needed if this corruption is to end.

As we hold hearings on this subject and consider my legislation, Senate Joint Resolution 88, I hope that these concerns will receive careful consideration.

Mr. President, I ask unanimous consent that these two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 15, 1975]

UNITED STATES IGNORED GRAIN WARNINGS

(By Dan Morgan)

European grain dealers warned Department of Agriculture officials as early as 1969 that the U.S. grain inspection system was subject to corruption, but the warnings were mainly discounted in Washington, documents indicate.

The gist of the Europeans' complaints was contained in a Feb. 25, 1969, report to Howard H. Woodworth, who was replaced last week as chief of the grain division of the agricultural marketing service at the Agriculture Department. In 1969, Woodworth was chief of the grain inspection branch.

The report was drawn up by John A. Browning, a member of a corn and sorghum "situation team" that visited Britain and six European countries for three weeks in early 1969.

Among the European charges reported by Browning was one that "the inspection system was subject to bribery or fraudulent issuance of certificates."

During a meeting between the American officials and members of the Milan, Italy, stock exchange, an Italian businessman made what Browning called an "astonishing statement."

The businessman said that fines for mishandling or misgrading grain should be increased to $100,000 because "the shipper will make $50,000 or so" (when grain is falsely graded).

Under the grain standards law, the maximum fine is $5,000. "They felt the fine was not large enough to be a deterrent to stop either the shipper or inspector from bribery," he wrote.

The American officials frequently found themselves on the defensive as they sought to explain poor quality of corn and wheat arriving overseas, Browning's report made clear.

As a result, he recommended that the grain division should redouble efforts to prevent "bribery of inspectors or falsifications of inspections," and increase spot checks of inspections performed at night or on weekends.

"After listening to complaints for three weeks and seeing the look on people's faces and in their eyes when they accuse the inspection system of being subject to bribery, I cannot stress too strongly the part good inspection practices, constant supervision and quality control must play in helping this country retain overseas grain markets," he wrote.

The Browning report was first disclosed last month by investigative reporter James Risser of the Des Moines Register, as part of a series of articles exposing corruption, incompetence and built-in conflicts of interest in the grain inspection system.

A copy was later obtained by The Washington Post.

The Register also revealed last month that during a period when American grain exports rapidly increased in volume, the grain division cut its staff of inspection supervisors from 300 to 220. Between 1963 and 1973, field officers were reduced from 48 to 35 and other economies were made, the Register noted.

One official at the Agriculture Department said yesterday he believed that the department's investigations office had checked into the allegations reported by Browning.

Under the law, the federal government licenses inspectors whose fees are paid by state agriculture departments or by private organizations, such as boards of trade. Federal officers supervise these inspections on a spot basis, but they do not inspect the grain. Agriculture Secretary Earl L. Butz said last week that the possibility of having U.S. government inspectors take over this work was under study, in the wake of a number of fraud and bribery indictments connected with the system in Houston and New Orleans.

Eight federally licensed inspectors have been indicted in New Orleans and five others in Houston on a wide range of corruption charges.

Former grain division head Woodworth was reported on leave last week and could not be reached for comment.

David Mangum, of the grain division, said that complaints were received on less than 1 per cent of the total volume of grain shipments. But he confirmed that the complaints had come in larger numbers recently.

[From the New York Times, June 15, 1975]

AGRICULTURE AIDES HALTED GRAIN INVESTIGATION IN 1972

(By William Robbins)

WASHINGTON, June 14.—Three years ago officials of the Agriculture Department blocked efforts by an investigator of the department to press the kind of broad inquiry into alleged corruption in the grain trade now being pursued by the United States attorney's office in New Orleans and other ports.

It is not clear which officials made the decision, but it is known that the agent, Willard W. Griffin, was ordered to turn his attention to other matters and when he attempted to take his alleged evidence to the United States attorney in New Orleans he was rebuffed as a scandal monger.

FEW SUSPICIONS AROUSED

The agent worked for what is now the Office of Investigations in the Agriculture Department. The office is now aiding the Justice Department's investigation.

In New Orleans, the United States attorney's office is coordinating an inquiry by several agencies into the handling, grading and weighing of grain. It has returned 15 indictments thus far, and five others have been returned in an investigation in the Houston area.

Other reports of irregularities in the grain trade have led to more than 100 official investigations by the Agriculture Department's internal agents since 1964 but with few results and apparently without exciting suspicions at high official levels of any broad problems.

Meanwhile, numerous reports of irregularities have been handled administratively.

"That record is an indictment of the grain division—an indictment of management," Ervin L. Peterson, who is retiring as administrator of the Agricultural Marketing Service, said in an interview. Mr. Peterson's jurisdiction includes the division he was criticizing.

"But we're positioned now to begin to move," Mr. Peterson said after a recent reshuffling of grain officials and the addition of some young aides.

Stacks of files at the grain division are filled with reports of irregularities ranging from petty thefts to suspected corruption of grain-elevator executives and suspicions of corporate involvement.

But until last year, when the New Orleans investigation began they produced little besides reports of inadequate evidence for legal action and warning letters to those investigated.

Mr. Griffin, who sought the investigation in 1972, is now retired. When reached by telephone recently, he declined to comment. He cited a legal barrier against his discussing cases he worked on as an agent of the Agriculture Department's Office of the Inspector General, the predecessor to the present office of Investigation and its companion Office of Audits.

But former associates have told of orders he received to drop his own grain inquiry and turn to other matters, after which he sought to turn over to the United States attorney's office in New Orleans the evidence he said he had gathered.

A SOURCE OF SATISFACTION

"It has to be some satisfaction to him now that that same U.S. attorney is turning up the kind of things he wanted to pursue," one associate said recently.

Mr. Griffin began his own investigation in 1971, according to Agriculture Department records, after finding, while pursuing a different matter, what he thought to be suspicious circumstances in the records of a grain company.

What he reported finding was that inspection certificates for grain loaded on a ship showed higher grades of grain than were indicated by records for the bins from which the same grain was taken. He is also reported to have told of the grain-company purchases of "sample-grade" grain, the lowest and cheapest grade, allegedly for to blend with higher grades to increase bulk and weight.

A memorandum by a superior official, part of which was made available to The New York Times, expressed opposition to having Mr. Griffin talk to a United States attorney in a later case.

"The last time he visited the U.S. attorney's office, he tried to cause a scandal about grain blending and inspection in the New Orleans area," the memo said.

An associate said that the frustration of Mr. Griffin's efforts to pursue the grain case had led to his early retirement.

Asked for comment, a spokesman for the Agriculture Department said he had found an official, whom he declined to name, who recalled the Griffin incident. The official asserted that Mr. Griffin "didn't have evidence that you could present to a court," the spokesman said.

Nathanial E. Kossack, who was the department's inspector general at the time, said in a telephone interview that he could not recall having heard of Mr. Griffin, but that Mr. Griffin could have appealed his rebuff directly to the inspector general.

Another former special agent thought differently.

"You go through channels," he said.

Several Federal officials have reported a sense of frustration among field office employes of the grain division when they report irregularities and fail to hear of investigative results.

However, one person making such a complaint seemed unaware of records showing that in many instances cases referred to the Justice Department had been rejected for prosecution.

A list sought from the grain division of cases referred for investigation show 95 proposals since mid-1964 but does not include a number of recent reports.

About one-third of them are cases centered on the Gulf area, where the current investigation is focused. It is being conducted by the United States attorney's offices, the Federal Bureau of Investigation, the Agriculture Department's Office of Investigation and the Internal Revenue Service.

The first case on the list, reported in July, 1964, is a New Orleans case related in nature to issues being investigated in the area now. It involved a ship loaded with wheat certified as No. 2 grade but that was reported to have arrived with wheat containing some grain sorghum, a grain generally used for livestock feed.

In 1973, a request was made for an investigation of a report by a Federal inspector on a field office staff that spot-checks the work of private inspectors. The Federal inspector reported that he had seen a ship approved for grain loading after a cursory inspection from the deck, although the holds were later found to contain water.

He also reported that he had seen another Federal inspector adjust his grain samples to conform with grades shown on ship-loading logs.

In a telephone interview, Mr. Kossack, the former inspector general was asked about his view of the number of irregularities that had come to his agency for investigation.

"If you're asking whether I saw the problem of built-in conflicts of interest in the grain-inspection system, of course I did, and I wasn't alone," he said.

He said that if he had suspected the scope of alleged problems that are being investigated in New Orleans, "we would have been off and running" with a full-field inquiry.

The present director of the Office of Investigation, John V. Graziano, in the position for about a year, could not be reached for comment. However, he has been reported to be hopeful of building his agency into a more powerful force.

Mr. Peterson, the administrator of the Agricultural Marketing Service, said he had begun to sense problems in the grain division about six months after taking the position in June, 1972, and had asked for an audit of its work.

He said that had led him to try to tighten management, to provide young assistants for the division director, and finally to ask the director to step aside.

LOPSIDED CONGRESSIONAL DEMOCRATIC MAJORITY

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD two recent articles which appeared in the press. The first, from the Christian Science Monitor, describes the problems inherent in a "lopsided congressional Democratic majority." The second article, from the Philadelphia Inquirer, discusses how some freshman House Democrats are fearful of the 1976 election because of the "Democratic-controlled 94th Congress record and a possible weak presidential ticket."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 16, 1975]

THE "MAJORITY" CONGRESS THAT DEFERS TO FORD

(By Richard L. Strout)

WASHINGTON.—The lopsided congressional Democratic majority has run aground on the shoals of President Ford's vetoes. The proud craft that was going to produce a new order after Watergate has distress signals snapping in the breeze. Once again questions arise:

Can Congress govern?

Is an "imperial-style" presidency necessary?

Do modern political parties function?

Who's in charge in Washington?

Four major vetoes in a little over a month have been sustained in the House of Representatives despite its make-up: 289 Democrats, 145 Republicans, and 1 vacancy. The House failed to jump the two-thirds veto hurdle put in the legislative obstacle course by the founding fathers.

Here's the scorecard:

Farm price support bill: designed to raise prices for feed grains and give dairy supports, vetoed by Mr. Ford as inflationary; veto sustained 245–182 May 13—40 votes short of necessary two-thirds.

Emergency jobs bill: designed to provide employment and stimulate economy with works program costing $5.3 billion; vetoed as inflationary and inappropriate. Veto sustained June 4 by 277–145, or 5 votes short of two-thirds.

Strip-mining bill: designed to protect the environment by regulating coal operators, vetoed as inflationary and a curb on coal production. Vote on June 10—278–143, or 3 votes short of two-thirds. In the minority were 57 Democrats, 86 Republicans.

The fourth big issue: energy.

Here the debacle of the Democratic Congress was more complete in the floor debate than in the strict veto over-riding procedure. Congressional leaders assailed Mr. Ford's energy program and promised a rival package that seemed destined for a veto, but then they achieved the same negative result by default. The House killed tough gas tax and oil quota proposals last week and fell back on less stringent measures.

The energy issue left two memories: Congress recessing 10 days (May 22–June 2) in default of energy action; and President Ford, May 27, on national TV, tearing pages off a calendar, "February, March, April, and May," marking months since his energy package went un-enacted. (Congress has scheduled six 10-day recesses during 1975, plus a month-long recess in August).

Often Washington's big drama is president-versus-Congress. For half the 28 years, 1947 through 1975, one party has controlled Congress and another the White House. Few other nations could so operate. Polls show U.S. voter identification with its nonideological, coalition parties weakening, and parties lack mechanisms for enforcing discipline.

The 94th Congress rode in with a huge Democratic majority which, some felt, would end legislative erosion and restore Congress after Watergate. It has not happened.

Some Democrats think they are making a record against President Ford that will defeat him, like Hoover, if unemployment continues.

Some Republicans, on the other hand, think it will be a case of another Harry Truman denouncing a do-nothing (Democratic) Congress.

Many wonder about Congress itself.

They ask if the legislature, as organized—lacking strong parties, discipline, and leadership—can formulate complicated measures requiring national sacrifice, even with a huge party majority.

[From the Philadelphia Inquirer, June 15, 1975]

IMAGE STIRS DEMOCRATS

(By Don Shannon)

Washington.—A group of freshman House Democrats has told Democratic National Chairman Robert Strauss that they fear they will lose next year's elections because of the Democratic-controlled 94th Congress' record and a possible weak presidential ticket.

A session with Strauss brought a welter of complaints from 27 freshmen, more than a third of the 75 new Democrats who won their House seats last year.

"If I have a choice of going back and running against this Congress or with it, I know which way I'm going." Rep. Paul E. Tsongas (D., Mass.) said. "I don't intend to get washed out."

Many of the 27 freshmen complained of a lack of support from the national committee and House Democratic leaders. They also expressed their concern that the party would fail to pick a strong presidential ticket next year.

Rep. Philip R. Hayes (D., Ind.), among others, asserted that strength at the top of the ticket would be more important than congressional accomplishments in winning next year.

Strauss told the group that committee experts had discerned early that the new congressmen were going to have difficulty. He said he had offered them political training seminars but had found few takers.

"We think you are in worse trouble than you think you are," the Texas chairman said at one point in the hour-long discussion.

He agreed with the finding by several freshmen that some voters blame Congress for failure to pass particular pieces of legislation over Presidential vetoes. Strauss said polls had shown the new members were also blamed for upsetting House seniority rules and deposing committee chairmen at the opening of this year's session.

Several nodded in agreement when Rep. Gladys Spellman (D., Md.) called for a better public-relations campaign for House Democrats.

"We know there is no such thing as a veto-proof Congress but Ford is going to say, 'Give me a Congress I can work with,' and it's going to be hard to answer," she said.

Rep. Hayes said the Democrats could have overridden Ford's veto of the strip mining legislation if party discipline had been enforced.

"We should have had (national) committee people telling defectors that they weren't going to get any help if they voted to sustain the veto," Hayes said.

Strauss replied that he was notified only two hours before the vote but nevertheless was able to add two votes to the Democratic total, which failed by three to defeat the President.

Rep. Carroll Hubbard Jr. (D., Ky.) commented that the first-term members held the party line to a higher degree than senior Democrats and the party generally voted with more party loyalty than the Republicans in the last two veto ballots.

During the discussions Strauss said at one point:

"The President has been having a couple of pretty good weeks, but in my judgment there is no substance in this.

"The only substance is himself, his manner. The rescue of the cargo ship Mayaguez is not the kind of thing you build an election campaign on."

To avoid what he called the "worst thing" about Sen. George McGovern's nomination in 1972, the failure of elected officials to win adequate representation in the convention, Strauss urged the Democratic congressmen to get involved in the selection of delegates.

TOWARD THE YEAR 2000

Mr. CULVER. Mr. President, 2 weeks ago the World Future Society held its second general assembly here in Washington. Upward of 2,000 of its members from all over the world came together to discuss and debate the challenging theme, "the next 25 years: crisis and opportunity."

The scope and significance of these sessions can be seen from a sampling of the titles of some of the panel discussions: Changing assumptions in health systems—How can we prevent organizational future shock?—The communications revolution—Prospects for religion in the next quarter century—Energy supply and conservation strategies—And forecasting future technology.

As a panelist in the final session of the conference, entitled "Making it work" and from my personal interest in the application of futurism to political processes, I can personally attest that the World Future Society is playing a pathbreaking role in highlighting many important issues which we must resolve over the next quarter of a century. The assembly sessions also illustrated a variety of innovative techniques and approaches—from computer modeling, to telecommunications feedback systems, to public participation in policy formation—which we must experiment with to cope with the problems of the future.

Mr. President, no greater challenge confronts the Congress, if we are to avoid lurching from crisis to crisis, than the need to develop the institutional capacity to better anticipate future problems. We must take appropriate action today to better insure a tomorrow compatible with our common objectives and our democratic traditions.

Accordingly, I wish to commend the World Future Society for holding this conference, and to suggest that the Members of the Senate may wish to become better acquainted with this important movement and its pertinent application to government.

A highlight of the assembly was the thoughtful address delivered on June 3 by the distinguished Senator from Massachusetts, Mr. Kennedy. Since I believe his remarks deserve the broadest possible audience as well as the notice of Congress, I ask unanimous consent that the text of his address, "Toward the Year 2000," be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

TOWARD THE YEAR 2000

(Address of Senator Edward M. Kennedy to the Second General Assembly of the World Future Society on June 3, 1975)

I'm very pleased to be here today to address the Second General Assembly of the World Future Society. My home State of Massachusetts has pioneered in future research, with the University of Massachusetts being one of the first institutions to award PhD's in the study of the future—which I view as an important development, which should be encouraged. As I look around this room, I see many familiar faces who have been involved with the congressional office of technology assessment, which I helped found, and with the Senate Subcommitte on Health and Science, which I chair. And I see from your program that yesterday afternoon you dealt with changing assumptions in health systems, and this afternoon you will be considering ethical issues on the horizon in biomedicine.

So I feel I am among colleagues, and I'm especially pleased to see from the terrific turnout today how the World Future Society has grown and flourished in the nine years since its birth. As first chairman of the Technology Assessment Board, I feel a real affinity for the work of your association. For both the World Future Society and OTA are embarked on the same pursuit—to better inform the present with future trends and options; and to better shape the future through today's decisions and actions.

I know this group is familiar with Santayana's famous aphorism: "Those who do not remember the past are condemned to relive it." I believe the time has come to turn that around and say: Those who actively anticipate the future are empowered to reshape it.

But in the words of Alfred North Whitehead: "Our sociological theories, political philosophy, practical maxims, and doctrines of education are derived from an unbroken tradition from the age of Plato to the end of the last century. The whole of this tradition is warped by the assumption that each generation will substantially live amid the conditions governing the lives of its fathers, and will transmit those conditions to mold the lives of its children. We are living in the first period of human history for which this assumption is false."

We cannot navigate through the final quarter of the 20th century, without major institutional changes. In a time of accelerated change, all our institutions are under increased stress—religion, the family, the educational system—but there is no place where the impact is clearer than in the Congress. We can no longer lurch from crisis to crisis. We must reshape our institutions to cope with our technological age.

There has been some congressional reform in recent years, which has opened up our hearings and committee meetings to the public and we recently loosened the filibuster rule, to 3/5 rather than 2/3 of the Senators present to shut off debate.

These are important steps, but we still have a long way to go to make the Congress responsive to the technological requirements of our age, and capable of dealing with the Executive Branch as an equal partner.

One of the greatest obstacles to an effective Congress is the pattern of conflicting, overlapping jurisdictions among committees.

Take the energy area, for example, we all accept the need for a comprehensive national energy policy; yet Congress has thus far been unable to act on a bill. In the House, the Ways and Means Committee handles the problem of oil import quotas, tariffs, and excise taxes on gasoline, the Science and Technology Committee handles Energy R.&D. and the Interior Committee handles natural resources, including coal and oil.

In the Senate, the Finance Committee handles energy taxation, the Commerce Committee deals with industrial production and use of energy, the Joint Atomic Energy Committee with nuclear energy, the Interior Committee with resources, and the Labor and Public Welfare Committee with basic research.

Yet none of these committees is equipped to deal with the very important foreign policy considerations that dominate the energy area. I spent the last ten days traveling through the Middle East discussing energy and foreign policy issues with leaders in those countries.

It's clear from these meetings that we cannot solve the U.S. energy problem without improved cooperation with the rest of the world. The idea of complete energy independence for the U.S. is an illusion.

The energy issue highlights the tremendous interdependence of our technological age and the need for a systemic approach to our problems. For solutions to the energy problem must be interwoven with solutions to the recession, the inflation, international economic cooperation, the quality of the environment, and the optimum utilization of our scientific and technical resources.

Unfortunately, the committee structure of the Congress, which was established in the 1940's does not have the flexibility to deal with interdependent systemic problems of this magnitude.

The health area in which I have been personally involved further illustrates the need for congressional reform and the reshaping of institutions throughout our society.

For example, the development and passage of progressive, comprehensive Federal health legislation has been seriously impaired by the outmoded and anachronistic committee structure. Jurisdiction over health legislation is divided among at least five committees in the House and Senate. This fragmentation of jurisdiction has given special interest groups opposed to necessary reform of our health care system a far greater opportunity to delay, deflect, and defeat necessary legislation than should be tolerated.

Notwithstanding these problems, we have made some progress. During the past two years, two important pieces of legislation have passed the Congress which recognize the growing necessity for increased public participation in health care institutions. The Health Maintenance Organization Act of 1973 requires at least ⅓ consumer membership in a health maintenance organization's policy making body in order to achieve Federal certification. The National Health Policy, Planning and Resources Development Act of 1974, requires that a majority of the policy making board be composed of consumers. Such public participation was unthinkable as recently as ten years ago, and in fact proscribed by many laws.

Social control over health technology is another field which will require increasing attention over the coming decades. For example, recent advances in genetic engineering make it possible to fuse together the genes of separate species. This is a breakthrough in biology comparable to the splitting of the atom in physics. It could greatly aid in the control of disease and increased agricultural productivity. But if pursued without proper safeguards, it could conceivably unleash major epidemics across the globe.

The recent Asilomar Conference, a voluntary gathering of scientists in this field, with limited attendance by some non-scientists, considered the establishment of safeguards. And my Health Subcommittee recently conducted hearings to explore these issues further. As we continue to move ahead in this field, it is essential that we assure much greater public participation than occurred at the Asilomar Conference.

At the same time that we grapple with intermediate-range problems in fields such as health, energy, and food, we must engage the long-run future through efforts such as yours.

I know there are some who scorn serious thinking about the future on the grounds that it's hopeless. With world population apparently outstripping resources, with man's proven proclivity toward conflict, why worry about the future?

But to accept this would be a surrender of all we have achieved over countless centuries. I reject this doctrine of defeatism and call your attention to President Kennedy's commencement address at American University in 1963: "Our problems are manmade—therefore, they can be solved by man. No problem of human destiny is beyond human beings. Man's reason and spirit have often solved the seemingly unsolvable—and we believe they can do it again."

But to do so, requires faith in the future and the commitment to do something about it which characterizes this assembly. And it requires that we exorcise the anti-planning demon which has plagued public discourse in our country over the past century.

The Founding Fathers—Franklin, Jefferson, and others—had no fear of planning when they established the Republic. L'Enfant could not have laid out the capital along the beautiful lines we still cherish today, if he had been afraid to plan for the future. American pioneers could not have conquered the wilderness and created communities across the continent, if they had not come together and planned for a common future.

Yet the word planning evokes apprehension among our public figures. But effective planning does not lead to loss of personal liberty, rather to its enhancement. The most effective multi-national corporations succeed because of their long range planning. They set goals, and plan to achieve them. This is the kind of hard-headed planning we need in all parts of our society.

We have to openly assess future trends and options—not to lay out some precise master plan to be imposed on the public—but to honestly present the full range of "alternative futures," with their relative costs and benefits. A sort of "truth-in-packaging" for the future. Only in this way can our citizens make informed choices on the vital issues before us.

As aids in this effort there have been two recent changes in the Congress designed to provide foresight as well as oversight. These are the Congressional Budget Office and the Office of Technology Assessment. As the first chairman of OTA, I would like to share our experience to date with you.

The impetus for OTA was congressional inability to assess major Federal programs involving complex technology. The executive branch, with its vast resources, would develop complex programs which Congress had no capability to properly evaluate. So when the time came to vote on issues such as the ABM, the SST, or the Space Shuttle, it was extremely difficult for Congress to marshall the facts and arguments effectively.

OTA is designed to bring to congressional consideration of technical issues the best technical expertise the Nation has to offer, along with the views of concerned citizens. To accomplish this, we have an operating office with a staff of sixty-five and a cadre of two hundred consultants. We have an active, outstanding advisory council, including a Nobel laureate in medicine, the presidents of the Nation's two leading universities, the executive vice presidents of two major technical corporations, and other leading thinkers in a variety of disciplines. I notice that one of the members—a distinguished authoress on environmental and economic issues—is here today.

And we have a bipartisan congressional board of six Senators and six House Members, and the OTA director, to set OTA policy and integrate its assessment results into the ongoing legislative work of the Congress.

The priority issues which OTA is considering reflect the concerns of this assembly. We have major programs underway in energy—especially solar energy—food, oceans, transportation, and materials; and are developing new programs in health, technology and international trade, and national R & D planning and priorities.

In our oceans program we are conducting a major experiment in public participation, involving thousands of citizens in the New Jersey and Delaware region in consideration of off-shore oil and gas, superports and tankers, and floating nuclear power plants. Indeed, public participation is paramount in all OTA programs. And this means a lot more than just holding meetings open to the public. It means that all our advisory panels include not only the technical experts and professionals in fields like economics, law, and medicine, but also representatives of labor, industry, environmentalists, and consumers. In this way we hope to foster the development of technology that is responsive to human needs.

As a new institution sailing on uncharted seas, it is still too early to evaluate the impact of OTA. But we have already provided useful contributions to the ongoing congressional process, and I am confident the overall impact of OTA over time will be enormous.

Perhaps its chief value will come as a spur to institutional innovation in other parts of the society. I am currently drafting several pieces of legislation with this purpose in mind, involving the establishment of: (1) a national institute of policy analysis and research; (2) a program for financing citizens assessment associations; and (3) an experimental futures agency to serve as a national showcase for promising new technologies.

The National Institute of Policy Analysis and Research (NIPAR), would be a semi-autonomous think tank to serve the needs of both the executive and legislative branches for independent, objective policy analysis, with a focus on future trends and options.

But policy formation without public participation is like faith and hope without charity. And public interest groups cannot possibly compete with the special interests unless they have adequate financing.

Accordingly, I am drafting a citizens assessment act to provide adequate financing for public participation in complex policy issues involving technology. This act would provide for government-backed bonds to help finance citizens assessment associations.

These CAA's would be voluntary associations of citizens joined together to address major policy issues like environmental quality, nuclear power plant siting, mass transit programs, the use of pesticides and food additives, and airport noise.

Funded through the citizens assessment bonds, foundation grants, and contracts with government and industry, these CAA's would acquire necessary technical expertise to permit informed public input to policy issues. The law would provide for financial reimbursement from private sources to the CAA's when they had won court suits, or from Federal and State treasuries when legislation for which they provided significant support was enacted.

The reimbursements would cover not only the costs of litigation and public information programs, but also necessary research and technical consulting costs. Through such reimbursements, as well as through grant and contract income, the CAA's would be able to pay a modest interest on their citizens assessment bonds and eventually redeem the bonds.

Through this innovation, individual citizens could help finance deserving public causes, and even receive a modest return on their investment in social progress.

I am also drafting a bill for the establishment of an experimental futures agency. This would be an independent federal agency to serve as a national showcase for promising new technologies. These would be technologies: (A) on which the research had been largely completed, but on which further development was required to demonstrate its full potential; and (B) whose application cut across the responsibilities of other government agencies, so that no other single agency would be in a position to arrange for an adequate demonstration of the technology.

The mission of the experimental futures agency would be to demonstrate the potential of promising technological systems and stimulate their adoption in the private sector. Thus, this agency could sponsor the demonstration of an experimental community using solar power to meet its energy needs, recycling waste disposal for additional energy and organic farming, employing modular personal rapid transit, and advanced telecommunications to meet its educational and business communication needs.

Through this kind of a demonstration program, we could experiment with alternative futures, and show the public what is possible if we make the right choices today. I am confident that the nation's scientists and other professionals, working together with concerned citizens, could design experimental communities to show us what would eventually be possible for all Americans in all communities. Clean air and clean water—reliable proposal rapid transit—computerized health services and educational systems available to all hospitals, clinics, and schools—underground utilities which can be modified without ripping up the streets—public safety systems which use advanced technology to assure safe streets and homes—and environmentally sound energy sources—all on a community scale attuned to human needs.

I've outlined some of the steps I believe we need to take to set the country on course to the year 2000. But what we need above all, is the courage and commitment to shape the future. In the words of Whitehead: "Modern science has imposed on humanity the necessity for wandering. Its progressive thought and technology make the transition through time from generation to generation, a true migration into uncharted seas of adventure. The very benefit of wandering is that it is dangerous and needs skill to avert evils. We must expect, therefore, that the future will disclose dangers. It is the business of the future to be dangerous; and it is among the merits of science that it equips the future for its duties."

I know that you in this assembly are committed to these ideals. But I would like to use this forum today to issue a call to all our countrymen. Let us take up the spirit of the American pioneer. But now, we must be pioneers in time, rather than space. Rather than crossing the continent, we must navigate the "uncharted seas of adventure" which lead to the future.

If I may be permitted a personal note in closing, I should like to say that my brother Robert was always a futurist at heart. His favorite quote from George Bernard Shaw, which he repeated throughout his last campaign in 1968, is—I believe—the central charge of this assembly:

"Some men see things as they are and say, 'Why?'

"I dream of things that never were and say, 'Why not?' "

DRUG LAW ENFORCEMENT HEARINGS

Mr. PERCY. Mr. President, the Permanent Subcommittee on Investigations, of which Senator JACKSON is chairman and on which I serve as ranking Republican, began holding a series of hearings last week on the overall effectiveness and efficiency of the Federal drug law enforcement effort. The subcommittee's inquiry has focused principally on the promises and results of Reorganization Plan No. 2 of 1973, which amalgamated most of the Federal drug effort in the Drug Enforcement Administration within the Department of Justice. The subcommittee has also heard testimony concerning allegations of corruption and malfeasance on the part of Federal narcotics officials, some of whom now occupy positions of considerable responsibility.

As an active participant in the congressional review of this reorganization plan and as one who, together with Senator RIBICOFF, Chairman of Government Operations Committee, foresaw and warned against some of the difficulties that have now come to pass, I have felt particular need to consider the effectiveness of the present organization and structure of Federal drug law enforcement programs, the overall management capabilities of DEA, and the enforcement approaches now used by all Federal agencies involved.

Such a review is especially desirable at this time in view of reliable reports that illicit narcotics are now being imported and used in ever-increasing quantities. Not only have we not "turned the corner" in the so-called "war on drugs," but mounting evidence from public and private sources indicates that we are being waylaid by a series of minor skirmishes.

Indeed, almost 2 years after a major reorganization of manpower and resources, we must ask whether the Federal antidrug effort is any more effective than before, or even worse, whether we are in a state of retreat.

During the opening hearing on this subject, the subcommittee heard the testimony of Mr. Philip R. Manuel, investigator of the subcommittee and an acknowledged expert in the areas of organized and white-collar crime. Mr. Manuel's statement outlines the dimensions of this major congressional oversight and focuses on the major shortcomings of the Federal effort. It is a document that has been most helpful to subcommittee members in their deliberations and I highly recommend it to my colleagues. I ask unanimous consent that this testimony be printed in the RECORD at the conclusion of these remarks.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF PHILIP R. MANUEL, INVESTIGATOR, SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. Chairman, at your direction this Subcommittee is conducting an investigation into the manner in which the United States Government enforces laws concerning the illegal importation, smuggling, sale, possession and use of narcotics and dangerous drugs, with particular attention to the possible existence of mismanagement, malfeasance and corruption within those agencies with responsibility in the drug abuse field, especially the Drug Enforcement Administration.

It has been your stated intention, Mr. Chairman, that these hearings should serve as a platform wherein the national drug enforcement effort could be described, debated and evaluated for the first time since DEA was created on July 1, 1973, according to the provisions of Reorganization Plan No. 2 of 1973.

This plan gave to DEA, within the Department of Justice, virtually all powers of narcotics enforcement both domestically and overseas, including the authority to conduct all internal enforcement operations from the time narcotics are smuggled into the country and the authority to collect and evaluate all foreign intelligence regarding sources of supply and distribution syndicates. The plan, however, left the authority to interdict narcotics at the border with the U.S. Customs Service. To that extent, these two agencies—DEA and Customs—have separate jurisdictions in the narcotics field.

The stated objective of Reorganization Plan No. 2, in combining the functions, assets and talents of the Bureau of Narcotics and Dangerous Drugs (BNDD), a segment of the U.S. Customs Service, the Office of Drug Abuse Law Enforcement (ODALE) and the Office of National Narcotics Intelligence (ONNI), was to improve the aggregate effort of these individual agencies. DEA, therefore, has the inescapable responsibility of achieving that objective.

A certain forbearance is called for, however, in view of the fact that law enforcement actions alone are not the complete answer to the complexities of international narcotics traffic or the national problem of drug abuse.

There are other factors which must be taken into consideration. They are the diplomatic, political and economic methods which can be used to eradicate the production of narcotics at their foreign source and the treatment of the narcotics user to determine why there is such demand in this country for narcotics and drugs.

That being said, then, it is our purpose to measure how well DEA has performed since Reorganization Plan No. 2 and to determine if the stated objectives of the reorganization plan, together with the many representations of the proponents of DEA to the Congress, have been achieved.

The timeliness of these hearings is further accentuated by current reports from both government and private sources that drug abuse is on the increase in this country.

There is evidence which this Subcommittee will have the opportunity to evaluate which indicates that drug abuse problems are worse today than they were on July 1, 1973, that all types of narcotics, including heroin, cocaine, hashish and marijuana, are being smuggled across United States borders in greater quantities than they were on July 1, 1973 and that the availability of narcotics and dangerous drugs on the streets of America is greater today than when DEA was created.

Conversely, it is ironic that the record shows that the period immediately preceding the reorganization—that is, from 1971 through early 1973—federal narcotics law enforcement had its period of greatest success. During that period, massive criminal conspiracy cases imprisoned or otherwise immobilized major narcotics traffickers both within the United States and abroad. These conspiracy cases were effected as a result of the work of both BNDD and Customs. Usually these cases were developed by investigative work following an interdiction or arrest at the border or port of entry. This enforcement success was a principal reason why there was a heroin shortage during that period of time shortly before the implementation of Reorganization Plan No. 2.

It would appear, therefore, that not only has there not been an improvement in narcotics enforcement since Reorganization Plan No. 2; but there has been a failure to hold the gains which were in hand at the time DEA was created.

The central issue to be examined in these hearings, therefore, is whether DEA has failed to adequately perform as envisioned by the proponents of the reorganization and, if so, why?

Stated another way, the issue is, have the American taxpayers received their money's worth in terms of a drug enforcement effort able to disrupt drug traffic at a high level, immobilize the criminal syndicates that traffic in narcotics and prevent, to the extent possible, drugs from reaching the streets? This issue will be addressed in some manner by each witness in these hearings.

In order to best evaluate this central issue, testimony will be received during various segments of these hearings which will describe many pertinent topics which are components of the drug problem as a whole.

These pertinent topics will include:

The historical development of federal narcotics enforcement agencies with a description of their past enforcement methodology, utilization of resources and accomplishments.

Particular problems inherent in narcotics enforcement, especially the dangers of corruption.

An analysis and comparison of enforcement methodology within the United States, at the borders and in foreign countries.

An analysis of the so-called "buy-bust" technique and the use of undercover agents to purchase narcotics and its effectiveness in disrupting narcotics traffic and immobilizing major drug traffickers and syndicates.

The Subcommittee must also determine the effectiveness of management of DEA by an analysis of the allocation of money, manpower and equipment and whether this allocation is consistent with the proper role of the federal government in combating drug abuse.

Mr. Chairman, the Subcommittee has requested of the General Accounting Office (GAO) that a study be conducted into DEA's allocation of monies, manpower and equipment.

Accordingly, Mr. Chairman, I ask that two letters from you to GAO requesting this study be made a part of this hearing record. These letters, dated March 6, 1975 and May 1, 1975, set forth the areas of study GAO was requested to undertake.

GAO spokesmen will testify before this Subcommittee as to the results of this study.

Among the requests the Subcommittee has made of GAO are an analysis of how DEA uses money appropriated by Congress to purchase evidence and purchase information; and an assessment of whether the spending of this money disrupts narcotics traffic at a high level. In that regard, it is significant to note that the GAO study has revealed that in 1969 the total federal monies appropriated for purchasing evidence and information amounted to about $750,000. For fiscal year 1976, the amount had risen to nearly $10 million. The Law Enforcement Assistance Administration (LEAA) currently is providing funding in the amount of $9.1 million to DEA-controlled Task Forces which operate in major metropolitan areas of the United States. The Subcommittee has requested that GAO determine the extent to which portions of that money are used to purchase narcotics or information.

It is recognized by such studies as the Knapp Commission on Police Corruption and the Report by the New York State Commission of Investigation entitled, "Narcotics Law Enforcement in New York City," of April 1972 that drug enforcement, especially because it is concerned with so-called "victimless crime" and is attacked by enforcement by undercover penetration to effect a buy, presents unusual risks and temptations which can lead to problems of corruption within an agency.

Mr. Chairman, I have copies of both the Knapp Commission report and the State Commission report. I request that these documents be received as exhibits.

Although both of these exhibits relate primarily to patterns of corruption at the local enforcement level, the principles derived from these studies are equally applicable to federal enforcement since there are distinct similarities in both operational techniques and area of operation.

In addition, the staff's preliminary inquiry has established that the same kinds of corrupt practices have been discovered in federal narcotics enforcement agencies in investigations conducted under the leadership of Andrew C. Tartaglino, who will testify in depth about them as these hearings progress.

At the time of Mr. Tartaglino's testimony and at other times thereafter testimony, documents and other evidence will be presented to the Subcommittee to demonstrate various types of corrupt, questionable or irregular practices which have existed in federal narcotics enforcement.

With further regard to the issue of corruption, these hearings will seek to determine whether there have been effective policies and programs regarding internal security within DEA and its predecessor agencies commensurate with these inherent risks. The Subcommittee should recognize that because of the way narcotics enforcement is conducted, with its basic dependence on undercover buys, the integrity of the officer is constantly challenged because he is forced to operate in the most potentially corruptive environment in the field of law enforcement.

Further, in order to penetrate this environment, he must often assume the appearance of a criminal in order to perform his duty.

It is the staff's intention to have the Subcommittee examine the seriousness of past known or alleged corruption problems and the possibility that former FBN and BNDD officials with past integrity or mismanagement problems have risen to supervisory positions in DEA.

Before discussing the historical development of federal narcotics enforcement and the differing methodologies which have evolved, it is appropriate at this point to introduce certain facts regarding Reorganization Plan No. 2 of 1973.

I will describe what the proponents of the plan told the Congress it would achieve and I will comment on certain developments that resulted from it, developments which this Subcommittee should consider as you seek to evaluate the effectiveness of the plan and the subsequent ability of the federal government to enforce drug enforcement laws.

The Subcommittee on Reorganization, Research and International Organizations of the Senate Government Operations Committee issued a report October 16, 1973 on Reorganization Plan No. 2.

Mr. Chairman, the Subcommittee report, filed by Senator Abraham Ribicoff, with individual views of Senator Charles H. Percy, is a most informative and educational document. I request that it be made an exhibit.

Mr. Chairman, I also request that the seven volumes of hearings conducted by the Ribicoff Subcommittee concerning the Reorganization Plan No. 2 of 1973 be made exhibits.

I would also add that the Reorganization Plan itself, as originally submitted to Congress, is reprinted in the report.

The report, while not required by the reorganization statute, was submitted so that the Senate could be informed on the Government Operations Committee's consideration of the plan, including the drug enforcement problem which Senators Ribicoff and Percy and others felt had to be resolved successfully to insure the proper implementation of the plan.

From the report itself it is clear that Senators Ribicoff and Percy and other Senators on the Ribicoff Subcommittee foresaw the potential pitfalls inherent in Reorganization Plan No. 2.

The Ribicoff Subcommittee report envisioned the problems involved in Reorganization Plan No. 2 and made specific recommendations to avoid them.

For that reason, as these hearings go forward, the Subcommittee staff will frequently refer to the observations made in the October 16, 1973 report, for this document put the Executive Branch on notice, particularly the Department of Justice, that if not carefully implemented and properly managed, Reorganization Plan No. 2 of 1973, and the superagency it created, DEA, could hinder rather than help the nation's drug enforcement effort.

For example, the Subcommittee report stressed that federal drug enforcement should be uplifted to attack and disrupt the narcotics traffic at the highest levels of distribution.

In turn, the report recommended that DEA focus its resources on disrupting interstate and international narcotics conspiracies.

As for pursuing lower level street narcotics distributors, the Senate report said:

"The use of DEA agents to supervise ODALE-type operations against street-level pushers should be avoided unless specifically requested by a state or locality."

The report went on to say:

"The primary mission of DEA should be to interdict the highest levels of the illicit drug traffic and to support state and local efforts aimed at the lower levels."

Reorganization Plan No. 2 of 1973 was submitted to the Congress by President Nixon March 28, 1973.

As previously indicated, the purpose of the plan was to place primary responsibility for federal drug law enforcement in a single new agency, the Drug Enforcement Administration, in the Department of Justice.

Prior to the creation of DEA on July 1, 1973, 10 federal agencies in five Cabinet departments performed drug enforcement functions.

The main reason for the creation of DEA was to eliminate reported jurisdictional overlapping among these agencies which, proponents of DEA claimed, was undermining the federal drug control effort. In that regard, great emphasis was placed on the jurisdictional disputes and rivalries between BNDD and the Customs Service.

However, the Executive Branch proponents of Reorganization Plan No. 2 spotlighted the negative aspects of this overlapping but little or no attempt was made to define for the Congress the differences between internal and border law enforcement in terms of organizational approaches and methodologies.

In these hearings, as we seek to enable the Investigations Subcommittee to evaluate the impact and the effectiveness of Reorganization Plan No. 2, the staff will try to define the differing methodologies and organizational approaches used by the internal enforcement mechanism as opposed to the border enforcement mechanism.

It is important to note that differing methodologies and approaches do exist and can be justified and that DEA, in its short history, has adopted one methodology at the expense of the other.

As specified in the reorganization plan, or as described in the President's message accompanying the plan, the new DEA assumed responsibility for the following activities:

(1) The Bureau of Narcotics and Dangerous Drugs (BNDD) was abolished as a separate entity in the Justice Department.

(As a parenthetical comment, Mr. Chairman, I would like to point out now—and elaborate on in more detail later in my statement—that BNDD, while it was abolished, was, in fact, the building block upon which the new DEA was created.

BNDD procedures—even including the BNDD Agent's Manual—were incorporated into the new DEA from the start, insuring that the BNDD methodology and organizational approach to drug enforcement would set the pattern for how DEA would function. In addition, former BNDD and ODALE personnel became the key administrators and policy makers in DEA. This consideration is of major importance in any evaluation of the effectiveness of DEA's activities. As I commented, I will have much more to testify about in this regard later in my testimony.)

(2) All functions of the Customs Service related to drug investigations and intelligence gathering and evaluation were transferred from the Secretary of the Treasury to the Attorney General. Customs retained its authority to interdict at the border. However, Customs lost to DEA its authority to conduct intelligence gathering operations overseas. This foreign intelligence capability had previously enabled Customs to alert its personnel at the border as to the modus operandi of narcotics smugglers, profiles of distribution syndicates and other critical information essential to the successful accomplishment of the Customs mission. Under Reorganization Plan No. 2, DEA was given the responsibility for providing this information to Customs. In addition on those occasions when Customs personnel would interdict smuggled narcotics or make arrests at the border, the new plan required them to immediately take both the contraband and the smuggler to DEA for further investigation.

(3) The Office of Drug Abuse Law Enforcement (ODALE) was abolished in the Justice Department by Executive Order. The functions previously carried out by ODALE—that is, those federal operations designed to attack narcotics traffic at the street level in cooperation with local authorities—were transferred to DEA. These functions are now carried out by DEA task forces funded in part by the Law Enforcement Assistance Administration (LEAA). LEAA funding for these pursuits this year will total more than $9 million.

(4) The Office of National Narcotics Intelligence (ONNI) was abolished in the Justice Department by Executive Order. ONNI's conceived misison had been to collect and evaluate international, interstate and domestic narcotics intelligence and integrate that data for the ultimate beneficial use of various interested agencies which then used this information to make narcotics control policy. ONNI's functions were transferred to what is now the intelligence section of DEA.

Implementation of the reorganization plan was to provide DEA with the 3,000 employees from the three Justice Department agencies—BNDD, ODALE and ONNI—and about 500 special agents from the Customs Service of Treasury.

The decision to assign which Customs agents to DEA was based on an evaluation of the amount of time each agent was spending on narcotics related cases. For the most part, Customs agents working 52 percent or more of their time on narcotics cases were designated to have special expertise in narcotics enforcement and were transferred to DEA.

It was the stated purpose of Reorganization Plan No. 2 to transfer these Customs personnel into DEA so that a border enforcement capability, based on anti-smuggling expertise, would be integrated into the new agency. Plans called for former Customs officials to have positions of influence in the making of policies and executing of operations both in Washington and in regional offices.

Early in DEA's history, Customs officials did assume relatively responsible positions in the new agency's structure. Customs officials John Lund, Wallace Shanley and George B. Brosan became Deputy Director for Enforcement, Chief of Special Projects and Deputy Chief Inspector, respectively.

In addition, Customs officials were made regional directors in seven of the 20 DEA regions—five of which were in the United States and two in foreign countries.

As of today, however, there are no former Customs officials at DEA Headquarters with line responsibilities, with the possible exception of Martin Pera, who serves as head of a three-man conspiracy unit within the Enforcement Division.

Former Customs officials, as of the present time, retain regional directorships of DEA offices in New York City, Miami, Dallas, Los Angeles, Seattle, Caracas and Mexico City.

In the transfer of these above-mentioned supervisors and the approximately 500 special agents, Customs personnel had little or no choice. For the most part they were simply told to make the move.

This factor was to have an important impact on the performance of many of the Customs personnel who made the move to DEA. Many Customs agents have since July 1, 1973 returned to Customs and information that the Subcommittee staff has developed indicates that several hundred more former Customs personnel still at DEA have requested to return. At a later point in my testimony, I will address myself to the differences in methodologies which existed in drug enforcement between the Customs agents and those of BNDD and ODALE.

For the time being, I will point out briefly only that the differences in methodology of BNDD, ODALE and Customs were deep and often hard felt differences. In turn, as I have pointed out earlier, the new DEA was patterned for the most part on BNDD policies and procedures and managed by BNDD and ODALE personnel.

It is not surprising, therefore, to find that these differences in methodology of enforcement were made manifest when Customs agents found themselves working on narcotics cases with former BNDD and ODALE personnel.

DEA was to be headed by an Administrator, with a Deputy Administrator, both to be appointed by the President with the consent of the Senate.

The first Administrator was Mr. John R. Bartels, Jr., who came to DEA after serving as Deputy Director of ODALE. He named a federal narcotics career employee, Andrew C. Tartaglino, to serve as Acting Deputy Administrator until a Presidential appointee could be named to that second ranking position in the agency. Mr. Tartaglino had served as both Chief Inspector and Assistant Director for Operations for BNDD.

Reflective of the focus the Department of Justice was to place on drug enforcement was the stated intention to create a separate Narcotics Division within Justice to be headed by an Assistant Attorney General who was to be legal adviser to DEA's Administrator and was to have specific authority over federal narcotics prosecution in the same manner that the Tax Division oversees prosecution of tax violation laws.

Announcement of the intention to create such a Narcotics Division and the Assistant AG slot was made by the then Attorney General Richard G. Kleindienst on April 4, 1973, three months before DEA was created. This, of course, was during the time when the Congress was considering the merits of Reorganization Plan No. 2.

According to Reorganization Plan No. 2, the Attorney General would be required to coordinate his drug law enforcement functions so as to "assure maximum cooperation" between and among the DEA, the Federal Bureau of Investigation (FBI) and other agencies in Justice.

The role of the FBI in the federal drug enforcement effort was characterized by the proponents of the plan as a major step forward.

Previously, the FBI had had no significant narcotics enforcement function. Encouraging the Congress to go along with his reorganization plan, President Nixon cited the new role of the FBI in drug enforcement as one justification for implementing his proposal.

President Nixon said in his March 28, 1973 message to Congress:

"My proposals would make possible a more effective anti-drug role for the FBI, especially in dealing with the relationship between drug trafficking and organized crime. I intend to see that the resources of the FBI are fully committed to assist in supporting the new Drug Enforcement Administration."

As originally submitted to Congress, Reorganization Plan No. 2 also provided for the transfer from the Attorney General to the Secretary of the Treasury those functions pertaining to the inspections of persons and documents at ports of entry.

This provision was to have involved the transfer of 900 inspectors from the Immigration and Naturalization Service (INS) within Justice to the Customs Service.

President Nixon said this transfer was necessary to improve detection of illicit drugs at ports of entry and to "enhance the effectiveness" of DEA.

However, the Congress and the Executive Branch, responding to criticism of the plan from a labor union representing INS employees, came to an understanding whereby the transfer of INS personnel was deleted from Reorganization Plan No. 2. It should be noted that this deletion of an important provision of Reorganization Plan No. 2 occurred two months after the plan was submitted to the Congress and after Executive Branch proponents had testified in favor of the plan as a whole. Therefore, only one of the two major jurisdictional changes in Reorganization Plan No. 2 became a reality.

As far as the creation of DEA was concerned, Executive Branch proponents of Reorganization Plan No. 2 put forward six prime benefits which, they said, would result from the proposal.

The Ribicoff Subcommittee report of October 16, 1973 called attention to these promised benefits but cautioned that, unless Reorganization Plan No. 2 was implemented as its proponents said it would be, the plan itself could not achieve success.

The six major benefits, as promoted by representatives of the Executive Branch, were as follows:

(1) The plan would put an end to the interagency rivalries that had undermined federal drug enforcement, especially the rivalry between BNDD and the Customs Service.

(2) The plan would give the FBI its first

significant role in drug enforcement by requiring that the DEA draw on the FBI's expertise in combatting organized crime's involvement in the trafficking of illicit drugs.

(3) DEA would provide a single focal point for coordinating federal drug enforcement efforts with those of state and local authorities as well as with foreign police forces.

(4) The consolidation of drug enforcement operations in DEA and the establishment of the Narcotics Division in the Justice Department would maximize coordination between federal investigation and prosecution efforts and eliminate rivalries within each sphere.

(5) Establishment of the DEA as a superagency would provide the momentum needed to coordinate all federal efforts related to drug enforcement outside the Justice Department, especially the gathering of intelligence on international narcotics smuggling.

(6) By placing a single Administrator in charge of federal drug law enforcement, the plan would make the new DEA more accountable than its component parts had ever been, thereby safeguarding against corruption and such enforcement abuses as unauthorized and mistaken drug raids.

The emphasis of the Ribicoff Subcommittee report was that unless the six benefits of Reorganization Plan No. 2 were achieved, the plan itself would not be successful.

I make the above observation, Mr. Chairman, because after examination of the six points, it is the finding of this Subcommittee staff that at least two of the six promised benefits have not been accomplished.

It is the finding of this Subcommittee staff that the FBI still has no significant drug enforcement role. We have asked the GAO to make a separate inquiry into the role of the FBI in drug enforcement. GAO spokesmen will testify on this point later in this hearing.

It is the finding of the staff that there is no Assistant Attorney General in charge of a Narcotic Division at Justice and, indeed, there is no Narcotics Division at Justice.

As for the remaining four promised benefits that were to result from Reorganization Plan No. 2 of 1973, there are serious questions about each of them having been accomplished by DEA to the satisfaction of the Congress.

To begin with, the operational disputes in drug enforcement that were to be ended by reorganization still exist. While previously the disputes were between BNDD and Customs, now the operational disputes are between DEA and Customs.

The Subcommittee staff has found that one specific subject currently in dispute is a contention by Customs that Customs officials are not receiving in a timely fashion from DEA the kinds of intelligence information which would enable them to anticipate smuggling activities, couriers and methods of operations of persons wishing to bring narcotics into the United States.

Consequently, according to Customs authorities whom the Subcommittee staff has interviewed, most of the narcotics currently being seized at the border are either the result of the vigilance of individual Customs inspectors or of chance. In fact, heroin seizures are markedly down and almost no high level conspiracy cases have been initiated by DEA since July 1, 1973.

At this point, Mr. Chairman, I would like to depart from the prepared text to explain that the type of conspiracy cases I am referring to here are those which are initiated at the border following the arrest of a courier or seizure of kilo quantities of narcotics at the border.

In other areas, of course, DEA has a record of initiated conspiracy cases which the Subcommittee will evaluate as these hearings progress.

Next, the much-heralded intention of DEA to improve coordination with state and local authorities is an intention subject to question.

The question is, "How much of a federal presence should there be on the street level alongside what may be an adequate state and local capability to enforce local laws relating to the possession, sale, manufacture and use of narcotics and drugs?"

Mr. Chairman, to put that question in perspective, we must go back in time some 45 years to a period when local and state police were not equipped to control the drug traffic within their jurisdictions. Oftentimes, in fact, local laws were inadequate or even nonexistent.

For many years thereafter, the federal effort was of necessity the dominant effort. Today, however, the situation has changed significantly. There are enforceable narcotics laws in every state and, likewise, in many regions of the country there has developed vast state and local capability and expertise in drug enforcement.

Indeed, preliminary inquiry by the Subcommittee staff has led to the conclusion that the combination of enforceable laws and specialized police training has resulted in adequate enforcement capability at the local and state levels. This achievement has come about, to some considerable extent, because of federal support in terms of training programs and the infusion of assistance funds for the acquisition of equipment and technology.

A key issue to be examined as these hearings progress can be characterized this way: "Is the presence of federal agents on the streets and in the neighborhoods of American cities necessary anymore—except in instances where such presence is needed in the direct development of cases involving the interstate aspects of narcotics traffic?"

No one doubts the validity of the concept of federal support for state and local narcotics enforcement units. However, it is the staff's intention that the Subcommittee consider the possibility that the widespread use of federal agents on the streets constitutes a form of unnecessary duplicative investigative effort.

The Ribicoff Subcommittee report of October 16, 1973 addressed itself to this very point when it said:

"It is essential that all levels of the illicit traffic in narcotics and dangerous drugs be penetrated by effective law enforcement efforts. The highest levels must be interdicted to cut sharply into the aggregate supply and to bring to justice the most ruthless and desperate criminals known to society. The middle and lower levels must likewise be assaulted to stop the spread of the drug contagion and to force addicts and abusers into treatment programs. The roles of Federal, State and local drug enforcement agencies in the drug war should be based on their respective expertise and resources. Accordingly, Federal drug law enforcement efforts should be concentrated at the highest possible levels of the illicit international and interstate drug traffic. State and local agencies should utilize their more limited resources by concentrating on lower level traffickers who operate primarily within their jurisdiction. It is essential that there be cooperation at all levels—especially in intelligence gathering. The new DEA holds the promise of a unified command to consolidate Federal enforcement efforts against the major traffickers and to help coordinate State and local efforts against the lower levels of the traffic. But the promise can be fulfilled only with the proper structuring of the new agency.

"Therefore, the subcommittee recommends that the following guidelines be followed in structuring DEA to assure maximum cooperation and minimum competition with State and local enforcement efforts:

"(A) Primary emphasis should be placed on coordinating with State and local drug enforcement efforts by means of LEAA-funded Regional Task Forces and Metropolitan Enforcement Groups, as organized by BNDD.

"(B) The use of DEA agents to supervise ODALE-type operations against street-level pushers should be avoided unless specifically requested by a State or locality.

"(C) The primary mission of DEA should be to interdict the highest levels of the illicit drug traffic and to support State and local efforts aimed at the lower levels."

Mr. Chairman, we should recognize, however, that it is at the lower levels of the traffic that numbers of arrests and seizures can be made with relative ease.

These arrests and seizures at the lower levels do not significantly disrupt the flow of narcotics on an interstate basis. But the arrests and seizures statistics generated by lower level enforcement can give the appearance of effectiveness of enforcement.

It should be further recognized that those dealers arrested at the lower levels are either easily replaced or quickly back in action.

Moreover, the drugs seized at the lower levels of the traffic are of very low purity and very small quantity.

Preliminary inquiry by the Subcommittee staff has found evidence to indicate that DEA focuses considerable effort in pursuit of lower level dealers and in the seizure of very small quantities of narcotics of a very low level of purity.

Very shortly in my testimony I will introduce documents obtained by the staff showing the results of studies made by one of DEA's largest and most active regions, Region 14, which comprises California, Nevada and Hawaii. The studies support the staff's preliminary finding that the federal drug enforcement effort tends to focus at the lower levels of the narcotics traffic at the expense of its stated objectives of disrupting the high level traffic.

Returning now to the six promised benefits of Reorganization Plan No. 2, I will call your attention to the fifth alleged advantage attested to by Executive Branch spokesmen.

That possible advantage to the reorganization was that the establishment of DEA would provide the momentum needed to coordinate all federal efforts related to drug enforcement outside the Justice Department, especially the gathering of intelligence on international narcotics smuggling.

The smuggling issue is a most important consideration because it must be emphasized that in order for narcotics grown or produced abroad to be used on the streets of America, they must first be smuggled past our nation's borders.

Therefore, it is logical to state that a priority for law enforcement is to prevent narcotics from getting into the country and, to the extent possible, federal enforcement should be geared to support that concept. This principle applies both domestically where the narcotics are consumed and abroad where the narcotics are grown, processed and exported.

To graphically illustrate the fact that all narcotics traffic originates outside the United States and how it finds its way to the United States, the Subcommittee staff has prepared a chart.

The chart is entitled, "Examples of Narcotic Routes from Asia, Latin America and Europe into the United States."

Mr. Chairman, I request that this chart be made an exhibit.

As can be seen from the chart, the United States can be assaulted by narcotics smugglers operating from Europe, Latin America and Southeast Asia.

The narcotics will include morphine base, heroin, cocaine, marijuna and hashish.

These may be transported directly into the United States or transshipped via third countries by a variety of means limited only by the ingenuity of the smuggler.

Foreign operations with respect to narcotics control must be geared to two basic considerations.

—First, to attack the problem at its foreign source by both diplomatic means and support of the enforcement capabilities of sovereign nations in ways that do not involve direct participation or unilateral action by American agents.

—Second, the gathering of intelligence information which will enable domestic enforcement to interdict the contraband.

As I have stated above—and I cannot emphasize too strongly—narcotics in the various stages of the crime of smuggling—that is, from the time it leaves a foreign source to the time it crosses the broder to the time it is delivered to its primary source of distribution within the United States—is in its purest form and its greatest quantity.

Once the narcotic is distributed thorugh a vast complicated network of wholesalers and distributors, finally reaching the street, it is in its least pure form, having been cut many times. At the street level, the narcotics are also in their smallest quantity.

To portray the flow of narcotics into the United States and to portray certain principles of internal distribution, the Subcommittee staff has prepared a chart.

The chart is entitled, "Basic Pattern of Narcotic Distribution in the United States."

Mr. Chairman, I request that this chart be made an exhibit, with the understanding that the figures are approximations, and the configurations apply mostly to heroin smuggling.

Before I do that I would like to depart from my prepared text to make an explanation and correct probably what could be misunderstood by the chart.

I would like to make clear that the staff, in presenting this chart, does not in any way mean to imply that there is a monolithic structure headed by one group which smuggles and distributes narcotics in the country.

On the contrary, the staff recognizes and emphasizes the fact that there are many smuggling and distribution systems and networks in the country which exist independent of each other.

The configurations on the chart are meant to show the distribution principles of just one typical network.

The chart is helpful in demonstrating graphically the two differing methodologies which have evolved in drug enforcement.

As I have stated earlier in my testimony, those two methodologies have evolved because of the need and justification for both a border enforcement mechanism and an internal enforcement mechanism.

On this chart, Point A represents the place outside the United States from which narcotics are shipped into the United Staes.

Point A also personifies the individual or syndicate with sufficient resources to assemble a quantity of narcotics large enough to justify the cost and risk involved in initiating a profitable smuggling effort.

Generally speaking, the narcotics to be smuggled will already have been sold or consigned to a person or group in the United States who will be the primary distributors.

Point B is any point on the United States border across which narcotics can be smuggled. Point B can also be any site in the interior U.S. which can be the destination for aircraft, either private or commercial, which can be used to smuggle narcotics.

It should be repeated that it is at Point B—at the border—where narcotics entering this country are in their purest form and largest quantity.

Point B personifies the individual who actually smuggles the narcotics into the United States. This person's criminal stature ranges from the high level sophisticated smuggler with organized crime connections to the low level "mule" commissioned specifically to serve as a courier.

Whether Point B is a high level smuggler or a low level "mule" he or she will still know something or will have done something which can be developed investigatively about both Point A and Point C, thereby establishing an investigative trail between Points A and C.

Historically, some of the biggest conspiracy cases in narcotics enforcement have been initiated by the capture or detection of the courier who, either unwittingly or in a cooperative manner, leads federal investigators to top violators.

Point C is the first point of internal distribution of the narcotics in this country.

Point C also personifies the principal buyer or syndicate and the primary distributor of the smuggled narcotics.

These narcotics are then channelled through an intricate network of distribution until they finally reach Point D.

DEA—and BNDD before it—categories this intricate network of internal distribution by four gradations of dealers, Classes I through IV.

This categorization is spelled out in a DEA document entitled, "Geo-Drug Enforcement Program, First Year Assessment, Fiscal Year 1974."

Mr. Chairman, I request this document be made an exhibit.

I will comment later in my statement on the type and quality of statistics relating to arrests and seizures.

Point D is the lowest level in the narcotics distribution network and represents the pusher who sells to the addict.

Often, Point D personifies a distributor who is himself an addict.

To repeat, at Point D—at the street level—the narcotics are in their smallest quantity and their least pure quality.

For the record, I will read the figures from the chart which show that narcotics flowing through the A–B–C line usually are of a purity of from approximately 75 to 95 percent. For purposes of this illustration, we must assume that the narcotic involved is heroin. The same basic principles apply to other narcotics.

From C to D, according to the figures on the chart, the purity of the heroin declines steadily from purity levels of 50 percent to 6½ percent.

These figures must be approximations, of course, designed to illustrate the principles involved.

To further demonstrate the differences in the levels of drug traffic, I wish to call attention to the figures on the upper left hand corner of the chart.

Assume that a single kilogram—2.2 pounds—of heroin reaches Point C, a purity level of 95 percent.

Then assume that the one kilogram of heroin is inserted into the various levels of the distribution system and it is cut—that is, diluted—by mixing it with innocuous materials such as milk sugar.

By the time that one kilogram of heroin reaches Point D, the street, it will have been mixed with about 12 kilograms of milk sugar.

Thus, we have traced a process whereby a kilogram of 95 percent pure heroin is converted into a substance of 13 kilograms of 6½ percent pure heroin, which is 12 parts milk sugar and one part heroin.

Now, again, for purposes of illustration, let us take that same kilogram of heroin at Point C and trace its movement through the distribution system not in terms of cuts or dilution but in terms of the individual packages or "decks" in which it is sold at Point D, on the streets, to users.

At Point D, that same kilogram would be contained in 100,000 decks of 2 grains of heroin each.

Each deck would sell for $5. This figure is based on December 1972 prices.

Similarly, for each dollar of investment at Point C to purchase narcotics, the selling price at Point D is $50.

In other words, if the major distributor at Point C paid $10,000 for one kilogram of heroin by the time it reached the street level, Point D, the same heroin, cut many times in purity, would be worth $500,000.

Let us assume, again, for purposes of illustration, that Point C is one person. That person is the head of an internal distribution network.

By the time the kilogram of heroin reaches the street—that is, Point D—as many as 1,000 persons could have been involved in the distribution network.

In turn, it must be emphasized that the narcotics traffic, from Points A to D, is conspiratorial, subterranean and silent.

And almost always top level conspirators and financiers are insulated from contact with the narcotic itself.

Generally speaking, then, the narcotics traffic surfaces—and therefore becomes vulnerable to detection and seizure in the United States—at two points, B and D; that is, B at the border, and D at the street or points very close to the street.

The ability of federal enforcement agencies to disrupt the narcotics traffice depends in large measure on the level at which arrests and seizures are made.

It is obvious that arresting 1,000 distributors at Point D may not be as successful a disruption of the narcotics traffic as a handful of arrests at Point C.

By the same token, removing 100,000 decks of heroin from street pushers may not be as significant, in terms of disrupting the traffic, as seizing one kilogram of 95 percent pure heroin at Point C.

There is a need for enforcement at all points on this chart, A, B, C and D. What the staff wishes to do, however, is to provide the Subcommittee with sufficient information to make an evaluation of where the major thrust of federal enforcement should be and why it should be there.

One of the goals of Reorganization Plan No. 2 of 1973 was to integrate and coordinate all enforcement at all points, from A to D.

The reorganization plan gave to DEA authority to enforce laws at Points A, C and D.

Customs, which is vested with the Constitutional authority to safeguard the nation's borders and is thus vested with extraordinary powers of search and seizure, was left with the responsibility for interdicting narcotics at the border Point B.

Reorganization Plan No. 2 of 1973, however, took from Customs its prior authority to develop pertinent foreign intelligence information (Point A) and its prior authority to pursue criminal cases from Point B to Point C.

Thus, Reorganization Plan No. 2 forced a break in the jurisdictional authority in the A–B–C line.

Theoretically, what was envisioned by the Executive Branch proponents of Reorganization Plan No. 2 of 1973 was that DEA foreign intelligence data would be transmitted to Customs. Accordingly, Customs would be better able to interdict at the border.

When Customs would either make arrests or seizures at the border, Customs was then obliged to turn over to DEA either the seized narcotics or the arrested person, or both.

Theoretically, DEA would then conduct further investigation and substantially disrupt the narcotics traffic at the highest levels; that is to say, at points along the A–B–C line.

It is the staff's view that this theory designed to improve the anti-narcotics smuggling effort along the A–B–C line, has failed to show significant results.

In addition, this method of operation has prolonged old inter-agency rivalries, created new ones **and has thus far actually weakened** this nation's capability to interdict the flow of narcotics into the United States.

When DEA was created, an attempt was made to insure that a border capability be built into the new organization.

This was to be accomplished in part by the so-called cross designation of agents transferred to DEA from Customs.

Cross designation refers to the authority of the Customs Service to designate enforcement personnel from other agencies as Customs officers for specific purposes.

This authority vests in the personnel of the affected agency the power to conduct searches and seizures at the border without moving to obtain a search warrant or having probable cause, as required by other law enforcement agencies bound by the restrictions of the Fourth Amendment to the Constitution.

Upon implementation of Reorganization Plan No. 2 in July of 1973, the Justice Department requested that the Treasury Department cross designate a number of DEA personnel to have the authority of Customs at the border and at various ports of entry.

An agreement between DEA and Customs in this regard was formalized on January 11, 1974, ending several months of negotiation.

Preliminary investigation by the Subcommittee staff revealed that the Treasury Department raised an argument about the legality of cross designation in connection with DEA personnel having search and seizure authority on a wide scale.

It is the staff's recommendation that the Subcommittee explore the cross designation question. An appropriate time for gathering facts on this issue can be when witnesses appear from the General Accounting Office, the Treasury Department and the Department of Justice. At the request of the Subcommittee, the GAO has researched the cross designation issue.

Notwithstanding the need for an effective and strong anti-narcotics smuggling capability, the staff does not mean to diminish the necessity for a properly focused internal enforcement mechanism.

For it is a fact that, despite the best efforts of border enforcement, a substantial amount of narcotics is successfully smuggled into the United States and thereafter moves interstate to its final points of destination.

Testimony before the Ribicoff Subcommittee hearings on Reorganization Plan No. 2 reveals that an accurate figure for the amount of narcotics entering the United States is unobtainable.

In 1973, the best estimates of heroin which illegally enters this country range, for example, from 10 to 12 tons per year.

The fact that this much heroin is smuggled into the United States in a single year necessitates the existence of a federal internal narcotics mechanism.

That mechanism is also necessary to enforce laws relating to the illegal manufacture and distribution of dangerous drugs such as amphetamines, barbiturates and hallucinogens.

It is at this point that the staff can describe the basic differences between a border enforcement mechanism structurally competent to prevent smuggling and an internal enforcement mechanism capable of enforcing federal laws relating to the traffic in narcotics and dangerous drugs.

As the chart demonstrates, the crime of smuggling is a continuum from Points A through C. Federal law confronts this crime at Point B and this is a "decreed confrontation."

This "decreed confrontation" is supported by Constitutional power of search and seizure, designed to protect the threshold of the United States. In other words, it is at Point B—the border—where the authority of the government preempts the right of the potential smuggler to be free of Constitutional protections against unreasonable search and seizure.

With regard to the internal mechanism, however, once the narcotics get into the mainstream of the distribution network—that is, any place between Points C and D—a certain advantage passes to the criminal.

This advantage is that the criminal has Constitutional protection under the 4th, 5th and 6th Amendments and the authority of law enforcement is limited accordingly.

For example, while the border enforcement personnel may search and seize without probable cause, the internal enforcement agents must execute valid warrants upon justified and demonstrable evidence that a narcotics-related crime is taking or has taken place.

As I have previously said, narcotics traffic among dealers is conspiratorial, subterranean and silent. In order to attempt to disrupt this flow of traffic, the internal enforcement officer must somehow insinuate himself between Points C and D.

In order to do this, he must penetrate the violators. He has only two means of penetration, once he has selected his target. First, he may assume the role of an undercover agent posing as a narcotics dealer or user. The second choice he has is to use informants for the same purpose.

The objective for the agent then becomes to begin his operation at a relatively low level which is easily penetrated and hope to move up the ladder of the narcotics underworld hierarchy.

The agent's basic tool either performing an undercover assignment or using informants is *money*, with which to buy evidence, the narcotics themselves, or information about narcotics traffic and traffickers.

The undercover buy—and, indeed, the entire act of penetrating Points C and D—is, therefore, a "contrived confrontation," which theoretically should be carefully planned and executed on a selective basis.

The staff wishes to point out that in the lower levels of the narcotics distribution system are dealers who are described by DEA as Class III and IV violators. It is relatively easy to penetrate this level of the traffic and make arrests and seizures.

Arrests and seizures at the lower levels can, in the aggregate, be turned into impressive statistical data which can then be used as a measure of effectiveness for the internal enforcement mechanism.

More often than not, these statistics do not accurately reflect to the public or to Congress what impact such activity has on narcotics traffic.

Seizure of narcotics statistics do not usually reflect the purity of the drug seized. As we have seen from the chart, at the lower levels narcotics are of an extremely low purity.

If, for example, it is reported that during a certain time period 1,000 pounds of heroin has been seized, and if the seizures reflect lower level activity, it can be assumed that the substance seized was 10 percent or less actual heroin and 90 percent or more milk sugar.

Similarly, arrests at lower levels can generate equally impressive statistics in terms of numbers of violators apprehended.

But if most of these arrests take place at the Class III and IV levels, it is obvious that these persons can be easily replaced in the distribution network. Therefore, there is no significant impact on the ability of high level violators to continue their distribution activities.

To the federal narcotics enforcement manager who is anxious to demonstrate the effectiveness of his agents, violators at the lower levels of the narcotics network can easily become "targets of opportunity."

The target of opportunity is often relatively easily identified, often an addict or user himself and inclined to cooperate with the agent after the agent has made a "buy."

Just as the narcotics enforcement supervisor comes to rely on statistics to demonstrate his agents' effectiveness, the agent on the street likewise begins to perceive of a kind of "quota system" under which he perceives that a certain number of arrests are required of him every month or quarter.

After preliminary inquiry, it is the staff's finding that arrests and seizures alone are not the most reliable indicators of an agency's effectiveness.

To say that x amount of narcotics were "taken from the market" can be misleading since it is unstated and, therefore, unclear how such seizures impact on the availability of the drugs at high levels of distribution.

As I have noted, a substantial amount of narcotics is obtained by the internal enforcement mechanism through the use of the "buy."

The "buy" is a form of preemptive purchasing of drugs. It can be effective in reducing availability only when there is a limit on supply. Buying in this fashion can, in fact, create a market and even stimulate production.

With respect to narcotics, which all originate outside the United States, it does not appear that there is now, or in the foreseeable future, any practical limitation on the ability of the foreign syndicates to produce whatever is necessary to meet an increasing demand.

Under those conditions, the "buy" can be described as an infusion of money into the narcotics network and it is likely that the federal tax dollars to buy narcotics generate a profit at points above the level of trafficking where the "buy" was made.

The principle I have just discussed—that is, that narcotics seizures statistics may be misleading—also applies to arrest data. The arrests of large numbers of Class III and IV violators in an indiscriminate manner may make no significant impact on the high level distribution network.

A key issue for the Subcommittee to address as these hearings progress is whether the benefit of federal "buy" money on the nation's narcotics problem is outweighed by the stimulation of the market that those dollars provide; and whether arrests inflicted on the lower levels of traffickers produce significant disruption of the narcotics availability.

Another vital question to be explored as these hearings go forward, is, "Where should the emphasis of the federal internal enforcement be placed? And how should it co-exist with local and state police departments?

Having raised these questions about where the focus of internal enforcement should be, the staff would like now to call the Subcommittee's attention to the DEA Region 14 surveys which have already been referred to. I request they be made exhibits.

At the direction of the current Regional Director of DEA Region 15, John Van Diver, a special committee was established to study the expenditure of money which had been used for purchase of evidence and purchase of information (PE/PI). These funds are commonly referred to as "buy money."

The period of time involved in the expenditure of these funds was from July 1, 1973, the date DEA was created, through March of 1974.

The study involved the compilation of statistical data from a sample of past case histories for the purpose of determining how PE/PI money was spent, on which class of violators and, to the extent possible, to determine the results of these expenditures.

The Region 14 study committee was under the chairmanship of John Windham, a DEA official then assigned to the San Diego office. The committee issued an interim report on May 21, 1974, which indicated that in the cases studied the expenditures were divided as follows among the four classes of violators on a percentage basis:

Class I—8 percent.
Class II—16 percent.
Class III—67 percent.
Class IV—7 percent.
Miscellaneous—2 percent.

In the same report, the committee issued these interim findings based on its review of the largest category of expenditure; namely, the 67 percent which was applicable to Class III violators.

1. In all cases an informant introduces an agent to a Class III violator who reportedly can do large quantities of drugs.

2. The agent usually makes 2 to 4 purchases from the Class III violator.

3. In no case was the source of supply arrested.

4. In none of the cases reviewed did the file indicate a Class I or Class II violator became a target.

5. In none of the cases was a Class I or Class II violator arrested.

6. In the majority of the case files there was no indication that an attempt to identify the source of supply was made.

7. In many cases substantial seizures were made of one pound or more. This represents a total of purchases plus whatever was seized at the time of arrest.

Following the submission of the May 21, 1974 interim report, the Region 14 Committee continued its analysis.

In October of 1974, the Region 14 committee issued its final report, a summary of which has been made an exhibit.

This summary, which was a part of the final report, contained the findings, conclusions and recommendations of the committee and was divided into five sections.

With respect to each section, the Region 14 committee reported as follows:

PART ONE

Part One was accomplished by reviewing all DEA Forms 103 issued for PE/PI Expenditures during the period from July 1973 through March 1974. In those cases where no G–DEP identifier appeared, class of investigation was determined by case number and file review. The following was noted:

1. Seventy four percent of PE/PI funds were drawn for Class three and Class four investigations.

2. Twenty four percent of PE/PI funds were drawn for Class one and Class two investigations.

3. The remaining two percent of PE/PI funds were drawn for GFT investigations.

The review of all Forms 103 indicate that nearly three of every four dollars drawn from PE/PI funds is drawn in investigations of the lowest two violator classes.

PART TWO

Part Two consisted of the review of all Class three investigations in which PE/PI funds were expended to determine if funds expended at that level led to the arrest of violators of a higher class. The following is pertinent:

1. PE/PI money drawn in Class three investigations, when expended, result in the arrest of Class three violators, and little else.

2. When money was expended in a Class three investigation, it was rare that a violator of higher class was arrested, or even identified.

The case review indicated that cases begun at the Class three level ended at the Class three level. The theory that purchasing narcotics or information at the lower levels of the traffic will lead to the arrest or identification of higher traffickers appears to lack validity in most instances in Region Fourteen.

PART THREE

Part Three consisted of interviewing Special Agents in Charge, first line supervisors and Special Agents in field offices throughout the Region to determine what they perceived the Regional PE/PI policy to be, and what, if any, problems they encountered with present Regional practices.

1. Interviews established that the Office heads, Supervisors, and Special Agents all understand that the goal of the Drug Enforcement Administration is the elimination of narcotic traffickers at the highest levels of the traffic. However, some first line supervisors and Special Agents indicated that there was a variance between stated policy and that which was practiced. The reason given was that they viewed routes of advancement within DEA to be open to them predicated on the numbers of arrests they made and the amounts of narcotics they seized. . . .

PART FOUR

Part Four is a summation of the conclusions reached in Parts One through Three.

1. Region Fourteen has not devoted a sufficient percentage of available PE/PI funds to the elimination of violators in the top two violator classes.

2. The widely held and accepted tactic of purchasing narcotics from class three and four violators in the hopes of "working up" has not led to accomplishment of DEA goals in Region Fourteen.

3. Although familiar with DEA violator level goals, most personnel recognized that the goals are not being met in Region Fourteen.

4. The Committee concludes that Regional Management, in conjunction with Headquarters Management, must find ways to direct enforcement activities against the upper levels of the narcotics traffic.

Part No. 5 of the report consisted of seven recommendations which were designed to bring the expenditures of PE/PI money in Region 14 in balance with DEA's stated objective of pursuing top violators.

On October 22, 1974, a final report was issued by John Van Diver and attached to that report was a summary of his committee's findings.

This report was submitted to the Enforcement Division of DEA Headquarters in Washington and to other offices within DEA.

Mr. Chairman, in that all these documents have been made exhibits and are quite lengthy, I will quote pertinent excerpts from them now.

Among Regional Director Van Diver's conclusions were the following statements:

"Region 14 recently conducted an arrest study for the period of July 1, 1973 through March 1974. The conclusion drawn by the study group was that 75% of our PE/PI was being spent on Class III and Class IV violators. . . .

"Headquarters did a similar study on arrests by GDEP which revealed that approximately 70% of the arrests in this Region were Class III and Class IV. Further reports have revealed that most of our manhours are being spent on other than Class I and II violators."

Mr. Van Diver then went on to say that focusing resources on low level violators is contrary to DEA policy.

He articulated this point as follows:

"I have stated DEA's National and Region 14's Policy on this matter many times. It is now being put in writing because apparently the verbal message is not being carried out. It is the policy of this Region to emphasize the investigations and arrests of Class I and II violators. This does not mean that Class III and IV violators will not be investigated. It does mean that when Class III's and IV's are investigated, the resources of this office will be pointed toward Class I's and II's. Class III's and IV's are not an end to themselves.

"DEA is not in the numbers game and the day has passed when agents and officers are judged on quantities seized and numbers of arrest. DEA is seeking to be a disruptive influence in the larger narcotic organization and this can only be accomplished by utilizing all of our resources and energies toward that end result.

"DEA has many investigative tools at its disposal. Among the main investigative tools is undercover penetrations and conspiracy investigations. Every agent in the Region is expected to be able to utilize both tools.

"John R. Bartels, Jr., Administrator of DEA, has stated DEA's goals and priorities many times. He has also stated that he is willing to accept the responsibility for the decrease in arrests and seizures. He demands the quality of the class of violators be increased to Class I's and II's which would offset any decrease in seizures. That goes without saying, that this has been and is the policy of Region 14.

"Law enforcement, as a rule, understands a substantive case when there is a seizure and arrest. The majority of law enforcement understands the conspiracy technique, however, this technique has not been emphasized to the degree which I think it should. You should adjust the direction of your investigations to people more than seizures. It is not necesary to have a seizure in order to have a successful prosecution. Adjust your thinking, your policy, and your emphasis accordingly.

It is requested that the trend for spending 70% of our PE/PI allowance for Class III's and IV's be reversed. Not only could there be a possible savings of money but you will have at your disposal adequate funds in which to institute imaginative types of probes against Class I's and II's.

"It is, therefore, the policy of this Region that PE expenditures in Class III's and IV's are restricted to sample purchases, with a view to the apprehension of the violator and large seizures of evidence, unless it can clearly be shown to the SAIC or G/S that this investigation will lead to the arrest of a Class I or II, or a substantial seizure can be made, which would justify a larger expenditure of PE.

"I have talked with the U.S. Attorneys throughout this Region. It is no longer necessary to make numerous purchases from a suspect to successfully prosecute him. Agreed, that it would be "nice to have," but not "a need to have." I am encouraging delivery of narcotics without necessarily the purchase of a sample or quantity. This will force us to gather more evidence and it will also make better investigators of us. It might be necessary to try many of the cases in State Court. It will be incumbent upon you to foster relationships with all prosecuting attorneys, Federal and State, in order to successfully complete this. . . ."

As I mentioned previously in my testimony, the Subcommittee requested that GAO audit PE/PI money spent by DEA since its inception in all its regions.

Witnesses from GAO will testify in detail as to the results of their inquiries. That testimony will be given later today.

However, for the record, I would like to point out that GAO found that nationwide, for the first six months of fiscal year 1975, 82 percent of the money DEA expended for the purchase of evidence and 44 percent of the money expended for the purchase of information were on Class III and Class IV cases.

Mr. Chairman, I will now return to Reorganization Plan No. 2 of 1973 and comment upon the sixth and final advantage which Executive Branch spokesmen promised would result from the plan.

That promised advantage, according to

the proponents of Reorganization Plan No. 2, was that by placing a single Administrator in charge of federal drug law enforcement, the plan would make the new DEA more accountable than its component parts had ever been, thereby safeguarding against corruption and enforcement abuses such as unauthorized and mistaken drug raids.

With respect to the problem of corruption within federal narcotics enforcement, the Subcommittee spent considerable time analyzing what has occurred in the past and what current problems exist in DEA.

The staff sought to determine what correlation exists between corruption problems and the manner in which the internal enforcement mechanism functions.

In addition, the staff ought to determine what correlation exists between corruption problems and the manner in which DEA is managed, and whether top management in DEA and its predecessor agencies have actively supported the inspection function by adequate staffing, equipment and decisive action.

The staff found that corruption problems have burdened federal drug enforcement for many years.

In January of 1975, the Subcommittee heard in executive session the testimony of two men who are knowledgeable about the system of personnel integrity inspection that existed in the Federal Bureau of Narcotics, the Bureau of Narcotics and Dangerous Drugs and DEA.

The men are Andrew C. Tartaglino and George B. Brosan.

Mr. Tartaglino, the former Acting Deputy Administrator of DEA, was the Chief Inspector of BNDD and before that led a major investigation which exposed organized corruption in the New York Regional Headquarters of the FBN.

Mr. Brosan served as Acting Chief Inspector of DEA from September 1973 to December 1974. Prior to that, he was an official of the Customs Service where he conducted several personnel integrity investigations.

Based primarily on Mr. Tartaglino's and Mr. Brosan's testimony in executive session, the Subcommittee requested and received from the Department of Justice documentation which indicated patterns of corruption within federal drug enforcement.

It is the staff's view that these patterns continue to the present day.

During the course of these hearings, starting with the public testimony of Mr. Tartaglino and Mr. Brosan, the Subcommittee will have the opportunity to review certain cases having to do with the alleged misconduct of federal drug enforcement personnel.

In the preliminary investigation the staff has received and evaluated considerable information relating to these instances of alleged misconduct by drug enforcement personnel; and we have also evaluated the investigations that were made concerning these allegations by the internal security mechanism within DEA and its predecessor agencies.

In addition, the staff has conducted numerous interviews with drug enforcement officals, both past and present. We have interviewed persons who have worked in or were close to the internal security mechanisms within federal enforcement. And we have interviewed persons directly involved in the cases which the Subcommittee will review. Persons in each of these categories will testify as the hearings proceed.

It is the staff's preliminary finding that, considering the dangers of corruption inherent in the manner in which domestic narcotics enforcement must operate with its heavy reliance on undercover operations and its proximity to the criminal element, there has never been an adequate effort in the field of internal security commensurate with the risks involved.

What efforts have been exercised in internal security and what successes have been obtained in exposing and eradicating corruption, especially in the period of 1967 to 1971 in the New York office, can be characterized more as reactions to crises rather than systematic measures to prevent corrupt practices from occurring.

For that reason, it is the staff's preliminary finding that no one has ever known the true extent of corruption in federal narcotics enforcement.

Many charges and allegations against narcotics agents have remained unresolved for extended periods of time, indicating that, with few notable exceptions, top management has been unwilling to deal with integrity problems in a forceful and decisive manner.

In conclusion, Mr. Chairman, it is the staff's hope that as this Subcommittee seeks to evaluate the corruption question in federal narcotics enforcement all of us keep our perspective on this issue and understanding that the overwhelming majority of agents are honest, dedicated, and incorruptible.

THE MARIANAS—U.S. COLONY?

Mr. GARY W. HART. Mr. President, today the results of a plebiscite in the Marianas Islands, located 6,000 miles from the U.S. mainland, were announced. The vote is the capstone of an administration effort extending over several years and designed to make those islands a part of the United States and the islanders citizens.

Those several years have been highlighted by administration promises to the Marianas, expenditures of U.S. public funds and an arrangement called a covenant but which is really a treaty binding American taxpayers to support on a grand scale the economy of the Marianas. What is particularly striking about the methods the administration has chosen to acquire this new colony is that Congress has for the most part been left out in the cold. This despite the fact that the promises made represent an enormous change in our public policy toward Micronesia of which the Marianas are one-tenth of the land area and no more than 15 percent of the population. Changed also is our Pacific foreign and military policy and our relationship with the U.N., the body which "owns" Micronesia and has entrusted it to our care as an indivisible unit.

As far as Congress is concerned, several fundamental issues are at stake:

First. Should Congress participate in determination of our foreign military commitments?

Second. Can the administration, with little discussions with Congress, absorb foreign territories as part of the United States?

Third. Does Congress have the right to be consulted when the administration changes the Nation's agreements with the United Nations?

In March, the Senator from Virginia (Mr. HARRY F. BYRD) and I raised these questions and others before this body, and we were assured nothing was going to be done to compromise the interests of the United States before Congress had a chance to consider the matter. Nevertheless, what has been done and what will be done before Congress is asked to act may very well be irreversible. And it will all be done without Congress being told why it is necessary, or in our interest.

The administration and a select few Members of Congress have told the American people little about why we are doing what we are doing in the Marianas and Micronesia.

So far the administration says little more than that we are making the Marianas our colony because the islanders want it that way. No doubt many other peoples of the world would make the same choice, especially if it were sweetened by promises of aid expenditures totaling $10,000 for every man, woman, and child over several years.

As it is, the citizens of the Marianas can count the promised benefits, and that is why 78 percent of slightly more than 5,000 voters decided yesterday to become Americans. But there is even more to explain why the plebiscite went as it did. An "education campaign" was conducted by an organization called the Marianas Political Status Commission. Apart from the fact that the commission was manned by real estate and gambling interests as well as accused and convicted felons, the education campaign was completely one-sided and based on attacking the patriotism and honesty of citizens of the Marianas who wanted independence or who wished to remain part of Micronesia.

One would think that since the plebiscite has been held, the next step would be to ask Congress to approve what the administration's representatives have promised the Marianas in return for a favorable vote. Yet, that will not be the next step. On the contrary, Congress will continue to be treated as before. In fact, the President's representative all but guaranteed the Marianas people before the plebiscite that the United States would not change a word of the financial arrangement already made.

It is no wonder that the administration plans to complete the separation of the government of the Marianas from that of all of Micronesia as the next step in the process of building the new colony. Only then will the written agreement between the Marianas Political Status Commission and the administration be brought before Congress for consideration.

Quite plainly, the administration plans to receive rubber stamp approval of the covenant, the plebiscite, and the separate government structure, and you can be certain we shall be told we have made a "commitment" to the Marianas that we cannot back out of.

In short, we shall be asked to ratify a fait accompli, the very thing the Senator from Virginia and I said in March would happen.

It might be that the Senate wants the new colony and will welcome the opportunity to authorize what could easily be hundreds of millions of our taxpayers' money for the right to permanently plant our flag in the mid-Pacific. If that is what we want, that is how it is going to be if the administration gets its way. But there is a better method than the White House's tactics, and it is early participation by Congress in foreign and military policy decisions of importance. Make no mistake that the new policy toward Micronesia and the Marianas is farreaching, not only politically, economically and militarily. It is also a significant reversal of our continued diplomatic efforts since World War I to encourage other nations to give independence to their overseas possessions.

We have had some debates on this floor in recent weeks intended to gain back for Congress the constitutional powers given up in past years through neglect or conscious decision. The Marianas question is about to be settled by the old method of the President deciding what is best for Congress and the American people. It is not too late for Congress to draw the line. We must insist that not one further step be taken in dismembering Micronesia until Congress considers the issue fully. The Marianas people should be put on notice that Congress might not ratify every detail of the administration's arrangements and that the separation of the island's government from that of Micronesia cannot be done until Congress specifically approves of it.

I ask unanimous consent that three recent articles and two letters discussing the Marianas question be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Loveland (Colo.) Daily Reporter-Herald, June 13, 1975]

UNITED STATES MAY ACQUIRE MICRONESIA

(By David Boorstin)

WASHINGTON.—America may soon acquire its first new territory since 1917, when the Virgin Islands were purchased from Denmark. On Feb. 15, representatives of the remote Mariana Islands signed a covenant with the United States setting down the terms by which they hope to become an American commonwealth. If approved by the islanders in a plebiscite on June 17, and subsequently by the U.S. Congress and the United Nations, the covenant will create a new group of American citizens. It will also create new long-term financial and military commitments for the United States in the Western Pacific.

The fate of these small islands—fewer than 15,000 inhabitants live on 183.5 square miles of land—promises to raise large issues. The agreement with the Marianas will only partially resolve a dilemma, marked by conflicting humanitarian and strategic obligations, which has confronted the United States for almost 30 years.

Since 1947 the Marianas have been one of six districts composing the Trust Territory of the Pacific Islands (TTPI). The Trust territory, known as Micronesia, is administered by the United States under a unique postwar "strategic trusteeship" agreement with the United Nations. Micronesia has a population of only 115,000 occupying 700 square miles of land, two-thirds the area of Rhode Island. But Micronesia's 2,141 islands, of which fewer than 100 are inhabited, are strategically spread over three million square miles of ocean—an area larger than the United States.

Under the terms of the trusteeship, the United States has been obligated not only to promote the educational, social and economic advancement of the Micronesians, but to promote their political development to the point of self-government or independence. There were ten other U.N. trust territories administered by other countries, and these have already achieved self-government.

In 1969, negotiations began between the U.S. government and the Congress of Micronesia, the legislative body representing all six districts. In 1972, however, the Mariana Islands representatives expressed their desire for "membership in the United States political family," a closer relationship than that of "free association" then being discussed for all of Micronesia. Separate talks with the Marianas began at Saipan in 1972, resulting in the agreement which the islanders will consider on June 17.

The separate negotiations with the Marianas have become a major issue for the United States in its dealings with Micronesia. The trusteeship will only be terminated simultaneously for all six districts of Micronesia, and only under terms approved by the people, their Congress, the U.S. Congress and the United Nations. The U.N. has not favored the splitting up of trust territories, and there will be pressure to give all the Micronesians nothing short of independence.

American critics, too, have opposed the separate negotiations, which they claim have weakened Micronesia's crucial but fragile political unity. They argue that America's long-term interests in the area will be better served by maintaining friendship with a unified Micronesia, rather than by favoring one district at the expense of others.

There is no doubt that in recent centuries the Micronesians' strongest common bond has been foreign bondage. First the Spanish, in the 16th century, then the Germans ruled the islands. Japan seized them from the Germans at the outbreak of World War I, colonized them and developed them economically.

In World War II, Micronesian names like Kwajalein, Eniwetok, Saipan and Tinian became familiar to American ears. But the islands and their people were devastated.

In 1947, the U.N. gave America administering authority over Micronesia. For 15 years, the U.S. administration followed a stagnant policy of "benign neglect." In the 1960s, America's interest awakened in the welfare of the Micronesians. Military considerations have been prominent in recent years. As this country disengaged from Vietnam, and political pressures against U.S. bases grew in Asian countries, some experts began to say that Guam and Micronesia constitute the future keystone of the American military edifice in Asia.

Others disagree, however, saying that the islands do not supply anything the U.S. needs or does not have in its other Asian bases. They argue that the Marianas commonwealth agreement is expensive—it will cost the federal government $120–220 million annually for seven years — and that "carving a military colony" out of a trust territory would cast doubt on America's avowed anti-colonialism.

There are also fears of touching off a remilitarization of the Pacific, such as occurred before World War II. Many strategists agree that the primary strategic interest in the islands is not to fortify them but to deny them to Russia. They maintain that this could be accomplished by agreement, without creating an expensive new group of U.S. citizens. The Marianas agreement, and another one pending with the rest of Micronesia, raise strategic, political, economic and moral questions which are as various and complex as these islands and their people.

[From the Progressive, June 1975]

NEW PACIFIC OUTPOST

(By Judith Miller)

In 1898, the United States could have purchased all of Micronesia for $4.5 million. Having missed that opportunity, Washington has finally succeeded in arranging a second chance. This time, however, the price tag will be far higher—eventually, perhaps, $2 billion. The bill of sale, moreover, will not encompass all of Micronesia's 2,100 islands, but only the fourteen Marianas. And the deal is being billed not as a crass commercial purchase or an imperialist land grab, but as an opportunity for the Marianas to become part of the "American political family" as the newest and tiniest commonwealth of the United States.

Washington's recent, intense interest in the remote Pacific island chain stems not from humanitarian concern for the 15,000 stateless inhabitants of the Marianas, nor from a belated desire to fulfill America's obligation to provide economic and social development under its trust agreement with the United Nations. U.S. interest in the islands, 6,000 miles from the North American continent, is, rather directly related to the Pentagon's relentless search for "secure" military bases on land over which the United States exercises sovereignty, and particularly to U.S. Navy and Air Force contingency plans for a multi-million dollar base and nuclear weapons warehouse on the Mariana island of Tinian.

The 2,100 islands of Micronesia, fewer than 100 of which are inhabited, are scattered over more than three million square miles of ocean—an area roughly the size of the continental United States. Together, the islands' land mass amounts to about 700 square miles, or about half the state of Rhode Island. Their combined population is about 115,000. Since 1947, Micronesia has been administered by the United States as a U.N. Strategic Trust, in which military bases are permitted.

Except for the brief use of Saipan, now Micronesia's capital, as a top-secret CIA training ground, the United States has generally neglected its financial obligations to the islands. For the first five years of the trusteeship, Congress appropriated about $1 million a year for all of Micronesia. During the next eleven years, about $5.5 million were expended annually. Those appropriations, of course, could not meet the islands' needs; the Japanese-built road system, sanitary facilities, and infrastructure which had not been destroyed during World War II were permitted to deteriorate.

Expenditures began increasing in 1963, when President Kennedy according to former State Department officials, decided that a massive influx of capital and concern might encourage the Micronesians voluntarily to choose closer association with the United States. In that year, the Administration requested and received $15 million for Micronesia. Since then, appropriations have increased. Last year's appropriation was $58 million; this year, the Senate has tentatively approved $65 million.

In 1967, just two years after the United States helped establish the Congress of Micronesia (a relatively powerless assembly patterned after the U.S. Congress), negotiations began with the Congress of Micronesia to end the islands' trusteeship status. From the outset, the U.S. negotiating team has reflected the military's strong concern about the area. The team is headed by former President Nixon's appointee, Franklin Hadyn Williams, who has been associated with the Defense Department's International Security Affairs unit and with the Asia Foundation, which was exposed in the late 1960s as a CIA-funded organization. The rest of the team is composed of representatives of the Departments of Interior, State, and Defense.

In 1970, the Nixon Administration proposed that Micronesia become permanently associated with the United States as a self-governing commonwealth—an offer which the Congress of Micronesia overwhelmingly rejected. Instead, the Congress proposed in 1972 a "free association" with the United States, a status that would give Micronesians autonomy over internal affairs while delegating to Washington complete control over defense and foreign affairs. This was acceptable to the United States, but the Micronesians pressed further: they wanted Washington to agree, at some future point, to entertain a unilateral declaration of independence by the Micronesians.

In April 1972, the U.S. negotiating team suddenly reversed its official support of Micronesian unity. Williams announced the United States would begin holding separate negotiations with the Mariana Islands, which were attempting to achieve their own separate agreement on commonwealth status with the United States.

According to a forthcoming study of Micronesia by Donald McHenry of the Carnegie Endowment for International Peace, the Micronesian demand for the option of a unilateral declaration of independence led directly to the U.S. Government's separate negotiations with the Marianas. U.S. officials deny that the two events were related. "The Micronesian interest in securing the option of independence," says McHenry, "was simply incompatible with the military's need for bases on sovereign U.S. territory from which the United States could not be removed."

The U.S. negotiating team initialed a "covenant" with the Marianas' representatives last February, calling for the islands to become a commonwealth of the United States, with a status similar to that of Puerto Rico or the Virgin Islands. The covenant also commits the United States to pay almost $20 million to lease land for a potential military base on Tinian, plus $110 million to the islands over seven years. A plebiscite on the covenant is to be held on the Marianas in June. If a majority supports the offer of commonwealth status, a territorial government separate from Micronesia will immediately be established on the Marianas. The U.S. Congress will then vote on the covenant.

Those who urge rejection, or at least close scrutiny, of the covenant do so for several reasons. McHenry warns that by endorsing the Marianas' right to separate commonwealth status, the United States would be encouraging separatist movements and fragmentation within all of Micronesia. Such a course, he argues, would also create dissent within such existing commonwealths as Puerto Rico and such territories as Guam, which receive far fewer benefits than those promised in the Marianas covenant. "The United States is opening Pandora's Box in Micronesia," McHenry says.

The Congress of Micronesia, which has strongly objected to the proposed covenant with the Marianas, has accused the United States of "shattering the hope of Micronesian unity" and of denying the people of the Marianas meaningful self-determination. As one Micronesian official put it, "The people of the Marianas are being asked to choose between commonwealth status, with some of the benefits of U.S. citizenship, and continued trusteeship status, with none of the rights of free citizens." Paul Warnke, a former top Pentagon official and attorney for the Congress of Micronesia, says the Marianas, given this choice, will probably opt for commonwealth status: "Everybody knows you can't beat something with nothing."

The U.N. Trusteeship Council urged the United States to abandon its dual negotiations in 1973, but the Administration disregarded the request. The Congress of Micronesia has now urged Washington to delay the Marianas' plebiscite until the Micronesians conduct their own territory-wide status plebiscite later this summer, and until the free association negotiations are complete. In this way, people of the Marianas could make a meaningful choice: becoming part of the United States, or opting for Micronesian free association. To date, however, all requests for delays or reconsideration have been categorically rejected by Williams and the Administration.

Another area of concern is whether the Marianas are truly vital to U.S. national security, and whether a base should be built on Tinian, less than 100 miles away from the massive U.S. military facilities on Guam.

Military strategists claim the islands, situated on the "gateway" to the Pacific and across Middle East shipping lanes, are as vital today as they were during World War II, when the United States fought for control, island by island. Though the Navy and Air Force say they have temporarily abandoned their seven-year development plan for a base on Tinian because of budget limitations, Pentagon officials claim Tinian would be an excellent "fallback" position in the event of continued, forced withdrawal from other American bases in Asia, such as Thailand.

Another prospective use of Tinian which the Pentagon has not abandoned, according to Administration officials, is storage of nuclear weapons on the island, whether or not a major military base is built.

Retired Admiral Gene LaRocque, head of the Center for Defense Information, liberal freshman Senator Gary Hart, Colorado Democrat, and conservative Senator Harry Byrd Jr., Virginia Independent, all question the alleged strategic value of the islands. In Senate floor debate on Micronesia, Hart argued that the far-flung islands, especially if politically fragmented, might become a strategic liability rather than a strategic asset. Byrd, who was stationed on one of the islands during World War II, claimed the islands' primary strategic importance was their unavailability to potentially hostile nations. LaRocque says the proposed base makes no sense in view of Tinian's proximity to Guam, and argues further that World War II concepts of "strategic value" have been rendered obsolete by modern technology.

The Administration seems to be trying to avoid a public debate on Micronesia by slipping funding for the covenant, and for the agreement itself, through the overburdened Congress. So far, the strategy has been successful. In March, the Senate approved by a 47-to-39 vote $1.5 million for the Marianas' "transition" to commonwealth status. Although the Senate specified that the funds be spent only after the Marianas and Congress approved the covenant, Senate debate revealed that the State Department is already financing the Marianas' plebiscite, without Congressional authorization. It was also disclosed that much of the $1.5 million authorization, though intended to be spent after the plebiscite, is earmarked toward "reimbursing" the Marianas for "political education" projects conducted *before* the vote, provided, of course, that the Marianas support the covenant.

Micronesia's future is hardly one of the nation's most pressing concerns, but it does raise serious foreign policy issues. Should territorial integrity give way to fragmentation to suit the purposes of the United States? Is a separate status for the Marianas consistent with the traditional American commitment to self-determination? Is Congress, once again, about to succumb to an Administration initiative stamped "vital to national security"?

Most important, is the United States making a new, durable, costly, and dangerous commitment to its self-appointed role as policeman of the Pacific?

[From the Nation, April 19, 1975]

New Outpost of Empire

(By Stephen C. Murray)

Berkeley.—On February 15 the United States made its first move to acquire new territory in more than fifty years. By signing a covenant, the legislature of the Mariana Islands in the remote Western Pacific indicated their willingness to become an American Commonwealth, a status like that of Puerto Rico. The pact becomes final if approved by the U.S. Congress and by a plebiscite among the islanders, whose 14,000 population is concentrated on Saipan and Tinian, scenes of fierce battles in World War II. It seems likely that a majority of the inhabitants of the Marianas will endorse the Commonwealth arrangement, but this expansion into islands 3,300 miles west of Hawaii and 5,400 miles from the coast of California is motivated chiefly by American self-interest, with the political maneuvers directed by the Pentagon, which plans a $300-million air and naval base for Tinian. The covenant also runs counter to the expressed wishes of the United Nations that no agreement be made with the Marianas at this time.

Since 1947, the United States has administered Micronesia, comprising the Mariana, Marshall and Caroline Islands, as a trust territory. It was one of eleven such territories established by the United Nations and doled out to the care of great powers until the native people were ready, in the words of the trusteeship agreement for "self-government or independence." From the start, however, America's overriding interest in Micronesia was its strategic location; the island groups had little to offer economically, and no historic ties to the United States. While civil administrators sent there seldom had policies to follow or money to implement them, the armed services never lost sight of the potential military value of islands practically on Asia's doorstep. A secret study done under the Kennedy administration and following the military's line of thought recommended that the United States assure itself of future control of Micronesia by increasing Congressional grants to the territory, educating the people in American ways and then conducting a plebiscite while Micronesian appreciation of this generosity was at a maximum.

This plan went forward in its essences until the late 1960s, when it ran into opposition from the Congress of Micronesia, the territory-wide legislature. Washington, after much foot dragging, was goaded into opening talks aimed at achieving a new political status for the trust territory. The Congress of Micronesia flatly rejected America's first offer, that of Commonwealth status for the entire territory, and countered with its own proposal of "free association." Under such an arrangement, the Micronesians would govern their internal affairs while allowing the United States to handle their foreign relations. In return for budgetary support, they would make certain lands available to American military forces in each of the three island groups.

But negotiations on free association have been stalled since 1972, largely over disagreements as to what land claims America can make under the proposed relationship. In 1973 America took advantage of the fragile unity holding the disparate islanders together and opened separate talks on political status with the Marianas. This group has long been the most Westernized of the Micronesian Islands and had previously made clear its hope for close ties to the United States. It was also the site of the most extensive American military land requirements. The United Nations, opposed to fragmentation of political units on tribal or regional lines, objected to the talks. The U.N. Visiting Mission of 1973 protested that the 1947 trusteeship agreement gave no authority to the Marianas to negotiate separately from the rest of the territory. The Congress of Micronesia pleaded with Washington to make no arrangements with the Marianas until a Micronesian national referendum had given a clearer view of the wishes of the people. Nor is there precedent for an administering power to absorb a trust territory; the other ten trust territories are now either independent nations or self-governing states under something like the free association Micronesia has sought. All this the United States has chosen to ignore.

As members of a commonwealth the people of the Marianas would live under U.S. sovereignty, and any constitution they might draw up could not conflict with either the American Constitution or the covenant just signed. The Chamorros, as the natives are called, would become U.S. citizens, but with no voting representative in the U.S. Congress. Some islanders have expressed concern over the fact that Americans will now be free to emigrate to the new Commonwealth, whose small population could be easily overwhelmed. Landholding is also a worry, since the United States will be able to exercise powers of eminent domain—on the nearby island of Guam, an American possession since 1898, outsiders now control 70 per cent of the land.

A growing number of Chamorros have, in fact, begun to question the wisdom of tying themselves permanently to the Untied States. Last fall's elections to the Micronesian Congress say the defeat of all but one of those politicians who favored immediate Commonwealth status. But the American negotiator, Haydn Williams, pushed on anyway with the old leadership that had proved so accommodating. One of the new Congressmen complained after the signing of the covenant. "In ten years the islands will not be our own . . . the majority of people living in the Marianas will be foreigners." A Chamorran student observed, "They [Chamorros] have been bought off, just bought cheap," and another added, "The Americans use dollars instead of bullets, but the results are the same." Still, it's doubtful if this bitterness can translate itself into enough votes to carry the plebiscite scheduled for June, especially since the local legislature has already approved the covenant.

Stiffer opposition may come from the U.S. Congress, where Sen. Gary Hart (D., Colo.) is attempting to block approval of the new arrangement, which in his words would convert the islands into a "United States military colony." Hart termed it "appalling" that the United States would "involve itself in this type of archaic policy," and noted that the Administration had not solicited the views of Congress on the "enormously expensive" base slated for Tinian.

Certainly a good deal of money would flow from Washington to Saipan and Tinian. Over the next seven years America plans to pay its new acquisition $140 million, which includes $19.5 million for a fifty-year lease on military lands. The huge air and naval complex, covering two-thirds of Tinian, is seen as a primary fall-back position once U.S. forces finally withdraw from Okinawa. Its location in the Commonwealth would make it secure to a degree that bases on foreign soil can never be. The actual construction of the complex appears temporarily delayed because of the current budget squeeze. But the Administration's willingness to flout the spirit of the trusteeship agreement and shrug off U.N. protests underscores the Pentagon's determination to maintain strong forces in the far Pacific. Except for American holdover bases from World War II, the Pacific has seen rather little military activity in the past generation. Yet Russia, well aware of U.S. plans in Micronesia, has reportedly asked Western Samoa for harbor rights. It would be tragic if America's atavistic pursuit of Manifest Destiny into the Marianas touched off the remilitarization of the Pacific islands.

Micronesia, involuntarily the chessboard on which foreigners struggled when last the Pacific was militarized, is again being manipulated for its strategic value. America will turn a peaceful tropical island into an armed camp poised for military adventure.

CONGRESS OF MICRONESIA,
Saipan, Mariana Islands, May 15, 1975.

Hon. GARY HART
Dirksen Office Building,
Washington, D.C.

DEAR SENATOR HART: The purpose of this letter is to inform you of certain actions now being contemplated by the executive branch of your government, the Department of Interior and the Office of Micronesian Status Negotiations in particular, to partition the Trust Territory of the Pacific Islands prior to termination of the United Nations Trusteeship Agreement. At the same time, I also wish to share with you the sentiments of the people I represent in our national legislature, the Congress of Micronesia, regarding the sensitive question of Marianas separation from the other districts of Micronesia.

Following an announcement in 1972 that then President Nixon's representative to the Micronesian Status Negotiations would initiate separate future political status negotiations with the Mariana Islands District, a report by the 1973 United Nations Visiting Mission to Micronesia stated:

"We wish to emphasize here, that although the Micronesians themselves must work out for themselves what kind of future links they wish to have with one another, the administration (U.S.) is still at this state obligated *to promote national unity in every way possible.*" (emphasis added)

Yet, contrary to this recommendation, plans are now being formulated to issue an executive order to divide our islands from our brothers and sisters in the other districts of Micronesia before your Congress will have the opportunity to review the proposed Covenant for a Marianas Commonwealth.

The net effect of this action will be obvious. A third U.S.-funded political entity will be created in the islands of Micronesia, before the United States Congress will have enjoyed an opportunity to weigh the merits of such an arrangement. All three governments—the unincorporated U.S. territory of Guam, the new Marianas commonwealth, and the rest of Micronesia, which is presently negotiating a "free association" status with your country—will each be financed by American taxpayers.

A plebiscite is scheduled to be held here in June with only 55 percent approval required to permanently link the Marianas to your country. If accepted by the Marianas voters, the majority of whom lack formal education, an executive order will be issued immediately, according to plans already announced by Interior, to cancel Marianas participation in our national Congress of Micronesia, and in the Micronesian Constitutional Convention which will convene on Saipan, July 12, 1975.

It should be mentioned at this point that every vigorous pro-separatist representative in our national Congress was tossed out of office during our November 1974 congressional election, including the chairman of the Marianas Status Commission. Unfortunately, our "state" legislature, the Marianas District Legislature, which created and determined the membership of our status commission, holds elections only every four years and, therefore, has not yet been affected by the rapidly changing sentiments of local voters, which, in my opinion, have drastically changed since the provisions of the proposed status agreement have become public knowledge. Yet, before victorious representatives-elect, who advocated a "go slow" approach in our negotiations, were sworn into office and new members appointed to our status commission, the status negotiations were suddenly concluded.

In short, the United States negotiators and the newly-defeated members of the Marianas Status Commission who proved so accommodating to the U.S. in the past, simply acted as the election never happened. The defeated chairman of the Marianas Status Commission, Edward Pangelinan, who served on that body by virtue of being a member of the national Congress of Micronesia's Joint Committee on Future Status, was forced to step down from the Marianas Status Commission. Shortly thereafter, however, Pangelinan was appointed by the mayor of Saipan to fill a sudden vacancy on the Commission.

As an elected representative of the Marianas people, I strongly believe that the executive branch of your Government would be committing a very grave injustice by separating our islands before your Congress has reviewed the convenant agreement. If you decide to reject part of that agreement after we are separated, such as that part guaranteeing exclusive ownership of land only to U.S. citizens of "Marianas descent", for example, what alternative will our people have then? In short, I condemn any and all actions, such as an executive order by the Secretary of Interior, which will result in division on the Trust Territory of the Pacific Islands and cancel Marianas participation in our national Congress and Micronesian Constitutional Convention before the United States Congress has ratified the commonwealth covenant agreement.

Furthermore, there are a number of legitimate and very crucial concerns which deserve public debate and attention before the scheduled June 17 plebiscite, but which unfortunately I feel cannot seriously be dealt with by our generally uneducated voters in the Mariana Islands.

First, the people of the Marianas favor provisions that prevent outsiders from buying up our precious acreage. However, I have serious reservations as to whether the proposed "covenant's" discriminatory restrictions (only U.S. citizens of "Marianas Descent" will be permitted to own land) will pass the constitutional muster with the Supreme Court of the United States. For us to conclude a political status agreement where this vital issue is in doubt seems to me, suicidal.

Second, my constituents are very much concerned over the likely influx of American-owned business ventures (now regarded as 'foreign') to the Northern Mariana Islands, driving our own, perhaps less efficient businessmen, into insolvency. Under present law, we are able to decide who may or may not do business here. Under the proposed "covenant", we will have no such control.

Third, as a resident of the Northern Marianas, and with all deference to your own position as a member of the United States Congress, I am deeply disturbed that a future Congress of the United States, could drastically modify the proposed "covenant" agreement, exercising its plenary powers under Article 4, Clause 3, Paragraph 2 of the U.S. Constitution. While your Congress clearly has the power to alter the "covenant" through subsequent passage of a statute, it is equally clear that the people of the Marianas have no corresponding right. And, in fact, Ambassador Williams, the top U.S. negotiator, has never said, to my knowledge, that the people of the Marianas will be entitled to a second referendum, to approve or disapprove any changes the Congress of the United States might make before approving the Covenant.

Finally, I firmly agree with the words contained in the Charter of the United Nations Declaration Regarding Non-Self Governing Territories which state:

"Members of the United Nations which have or assume responsibilities for the administration of territories . . . recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust obligation to promote to the utmost . . . the well-being of the inhabitants of these territories . . ."

Because of these obligations, we believe that your responsibilities to the people of Micronesia and the Marianas, are greater than your obligations to your own citizens at home in America because we do not enjoy full political and economic freedom. Likewise, I strongly believe that the present agreement between the Marianas Status Commission and your executive branch will be unacceptable not only to your Congress, but to the Marianas people as well. We welcome any agreement whereby the interests of both sides are protected, including your strategic interests in the Western Pacific, but I feel the United States Congress must have the opportunity to approve or reject the proposed Marianas status agreement, before partitioning by your executive branch is actually carried out.

I believe that the present situation in the Northern Marianas, as I have described it (and I urge your staff to verify my statements so that there may be no doubt as to my veracity), merits the closest attention of the members of the United States Congress.

Sincerely,

Representative Oscar C. Rasa,
Marianas Delegation, Congress of Micronesia, Member, Joint Committee on Future Status, and Marianas Status Commission.

Oregon College of Education,
Monmouth, Oreg., June 10, 1975.
Senator Gary Hart,
The Senate,
Washington, D.C.

Dear Senator: I would like to take this opportunity to express my support in your attempting to block the acquisition of the small territory of the Northern Marianas by the United States.

Before going on, just a brief introduction. I am from the Northern Marianas. I have been away from home for a brief time and have not been back since then. I left to come to school here in the United States and this is my second year in college. So, unfortunately, I will not be witnessing the voting for the plebiscite next week on June 17th.

However, here are some of my views concerning this political event. First of all, it seems likely that the majority of the inhabitants of the Northern Marianas will endorse the Commonwealth arrangement, but this expansion into islands 3,300 miles west of Hawaii and 5,400 miles from the coast of California is motivated by American self-interest, with political maneuvers directed by the Pentagon. From the start, America's overriding interest in Micronesia was its strategic location. While civil administrators sent there seldom had policies to implement them, the armed forces never lost sight of the potential military value of islands practically on Asia's doorstep. A secret study done under the Kennedy administration and following the military's line of thought recommended that the United States assure itself of future control of Micronesia by increasing congressional grants to the territory, educating the people in American ways and then conducting a plebiscite while Micronesia appreciation was at a maximum. Obviously, it is the responsibility of the United States to implement programs and appropriate grants that would benefit the people of Micronesia. Also, to see to it that the native people are ready, in the words of the Trusteeship Agreement, for self-government or independence". However, the United States has been terribly slow or rather ignorant in the economic developments of the islands that would eventually lead the islands to a "self-government or independence" status. So I would conclude that the *only* thing the United States wants from Micronesia, specifically, Marianas is land for military purposes.

In fact, the Pentagon plans a $300 million air and naval base which would require the re-location of the inhabitants of that island called Tinian, a former B–29 base during WWII. I am sure that is not at all accommodating to the people of Tinian.

In addition, I believe the acquisition of Northern Marianas seems a little unfair to the rest of the Micronesian districts. The Micronesian islands are administered by the United States as one regardless of the diversities between the Micronesian islands. The acquisition of this small territory destroys the power of the Congress of Micronesia (the territory-wide legislature) to negotiate a political status for the whole territory. Thus, the United States is not living up to its responsibility in making the islands ready for "self-government or independence", but rather operating on a divide and conquer technique to acquire the only thing it wants from the Marianas—land. The Congress of Micronesia pleaded with Washington to make no arrangements with Marianas until a Micronesian referendum had given a clear view of the wishes of the people, yet, the United States ignored the request.

Also, the United Nations Visiting Mission of 1973 protested that the 1947 Trusteeship Agreement gave no authority to the Northern Marianas to negotiate separately from the rest of the territory. Although the Covenant runs counter to the wishes of the United Nations that no agreement be made with the Marianas at this time, again, the United States has chosen to ignore this.

Besides all these things, let us refer ourselves directly to the Marianas Covenant itself under land ownership where it states that only descendants of the Northern Marianas shall own land. I am optimistic that the U.S. federal court would rule this unconstitutional since the "U.S. government will have full power over lands in Marianas under provisions that gives the U.S. full power of eminent domain", according to Ambassador Franklin Haydn Williams. What would happen to the landowners should this be ruled out? They'll get nowhere and I personally do not want my people to end up in reservations, should that be the case, or to live like some people in Hong Kong who do not have any permanent homes anymore. After all, I belong to the Carolinian community who, in fact, were the first inhabitants of the Northern Marianas, but not descendants of the Northern Marianas. Obviously, we are descendants of the Caroline Islands as our name implies. Therefore, the wording of the Covenant under land ownership is totally unfair to the Carolinian community in the Northern Marianas in that they have spent all their lives on the islands, yet, they are being discriminated against in the Covenant. I believe this is undemocratic and hope you can defeat this discriminatory action.

With all these, I conclude with hope or rather optimism that the Marianas Covenant (the acquisition of the Northern Marianas) would meet defeat in the United States Congress with your opposition in that the Covenant runs counter to the expressed wishes of the United Nations that no agreement be made with Marianas at this time. Also, the Covenant runs counter to the expressed wishes from the Congress of Micronesia to Washington that no arrangements be made with Marianas until a Micronesian referendum had given a clearer view of the wishes of the Micronesian people. In addition, because the provisions under land ownership in the Covenant discriminates against the Carolinian community in the Northern Marianas. And above all, the United States does not want anything from the Northern Marianas but land for military purposes only.

And the United States of America would turn a peaceful tropical island into an armed camp poised for military adventure.

Before closing I Thank You Very Much for your time and effort in at least reading my sincere letter and hope it can be at least considered should it be of any significance to you.

Sincerely,

Thomas A. Tebuteb,
(A concerned citizen of the Northern Marianas away from home.)

BALTIC STATES

Mr. FANNIN. Mr. President, 35 years ago this month the Soviet Union forcibly annexed the independent nations of Estonia, Latvia, and Lithuania. Between June 14 and June 17, these three Baltic nations which existed for centuries as distinct communities ceased to exist.

During this same period in June, 1 year after the Soviet annexation, the Communists deported thousands of Estonian, Latvian, and Lithuanian citizens to remote areas of the Soviet Union, most of them being sent to enslavement in Siberia.

This past Sunday commemorative ceremonies were held around the United States in memory of the victims of the deportations.

The suffering of these tens of thousands of men and women is one of the great tragedies of the 20th century. The brutal conquest of the three small nations reminds us of the unprincipled determination of the Soviets to subjugate the world and impose their form of tyranny on all mankind.

Lithuania, Estonia, and Latvia all had managed to declare their independence and break away from Russian dominance during the Russian Revolution. But they were to enjoy little more than two decades of freedom before the Soviets took advantage of the onset of World War II to force the Baltic States into subjugation.

The massive deportations from the Baltic States to the Soviet Union were halted by the German occupation of Lithuania, Latvia, and Estonia in 1941. But when the Soviets reoccupied the Baltic in 1944, the massive deportations resumed and continued for 5 years.

Mr. President, persons of Lithuanian, Estonian, and Latvian heritage in the United States and around the world pray for the day when independence will be restored to their countries. I share in their concern for what has happened and is happening in the Baltic States, and I, too, pray that the people in these nations will once again enjoy freedom.

FRENCH ECONOMIC PLANNING

Mr. HUMPHREY. Mr. President, the Joint Economic Committee has just completed 2 days of hearings on the important issue of national economic planning. As my colleagues know, Senator Javits and myself, and other Members of the Senate have introduced legislation to establish economic planning in the United States. I have taken this initiative because I believe we must improve our tools of economic management if we are to achieve better economic performance in the future.

There is, of course, a great deal we do

not know about economic planning in this country. As chairman of the Joint Economic Committee, I intend to do what I can to rectify that deficiency. I have asked the staff to develop a complete study series on the issues that would be associated with establishing economic planning in this country.

One of the first things we need to do is carefully examine the successes and failures of economic planning in the Western European countries. France, for example, has used a variety of planning techniques—some with considerable success.

Mr. President, I ask unanimous consent that following my remarks there be printed in the RECORD an excellent article entitled, "Planning in France," by John Sheahan, from the March–April 1975 issue of Challenge magazine.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, I found this article interesting because it made the following two very important points about planning.

First, the success of planning in France has depended to a great extent on the backing it has obtained from the political leader in power. When it has been strongly supported, it has worked well.

It was also interesting to read about the great variety of planning that has occurred in France. In some periods, planning has been used to alter the direction of economic growth by shifting priorities. In other periods, planning has been used to change the supply side of the economy by influencing development of particular industries and occupations. And, in some cases, it has been used primarily to stabilize inflation and unemployment in the economy.

In any event, the French have had a rich experience in economic planning and, interestingly enough, the rate of economic growth has consistently been higher than the United States and most other Western European countries. I intend to find out why this is so, and to what extent it is due to this planning, so that the United States may benefit from this experience.

EXHIBIT 1

PLANNING IN FRANCE

(By John Sheahan)

(Three decades of French planning offer some lessons, pleasant and unpleasant, for those in other countries interested in the planning process.)

The appeal of French planning is that it attempts to combine the dynamic forces of a market system with explicit consideration of the ways in which markets can be used to serve collectively determined social goals. It does not operate by giving orders to firms but by shaping the framework of incentives. At least in principle, it should create the sense of direction that would make economic growth more constructive.

In practice, the results have been modest, possibly even negative in some respects. This is partly a matter of political choice. Recent presidents have been on the conservative side, and democratic planning tends to go the way the country votes. But it also reflects conflict among alternative ideas of what planning can mean. Through successive plans, at least four different conceptions of the purpose of planning have been mixed together in varying combinations:

(1) to give the country a sense of the alternatives open with respect to the uses of national income, the division of income, the balance between private consumption and social services such as education and health, and to some degree the composition of private consumption;

(2) to determine the structure of production, the development of particular industries and occupations, and thus the supply characteristics of the economy as distinct from the uses of income;

(3) on a more partial basis, to define corrective programs for particular problem areas such as energy or transportation;

(4) to clarify the conditions necessary for a stable economy consistent with full employment and external balance.

The First Plan in 1946 was based on supply-specific planning of the second type. The Seventh Plan, which will take effect in 1976, is likely to combine the third and fourth types. However, if the general approach to planning has a significant future, it will probably have to be based on the first concept.

FROM PLAN ONE TO PLAN SEVEN

At the beginning of the postwar period, the feelings of release and hope common to the peoples of France and the United States enabled them to break through old political restraints and try new methods of economic management. In the United States, the productive capacity of the economic system was scarcely in doubt; the problem was generally seen to be one of managing aggregate demand to ensure full employment. The Council of Economic Advisers was a sensible answer to this particular problem, with a scope of activities limited to economic stabilization.

France, however, chose the second way, and created a Planning Commission to reorganize the structure of production. French capitalism had proven unable to cope with change. To be dynamic, capitalism requires two basic elements: entrepreneurs willing to take risks; and an economic system in which entrepreneurs are free to act even when the changes they set in motion undermine established positions. Prewar France certainly had some capable entrepreneurs, but, compared with the United States, French business preferred safety and it operated in a social milieu that tended toward rigidity.

In artistic and intellectual domains, France was ahead of its times. Yet the country failed to develop an economic and social system that would accommodate necessary change. An unusually defensive structure of regulation and trade restrictions held back the transition from agriculture to industry, sheltered smaller producers and older techniques of production, and, in the process, helped keep social classes in fixed positions. France gradually lost its earlier ability to provide scientific and technological leadership, proved increasingly unable to compete in new industries, fell behind in income growth, and clung to an extremely unequal division of income and opportunities. The one significant attempt at social reform by the Popular Front government in 1936 was swept away in less than two years by a conservative reaction.

After France's defeat in 1940, the Vichy government instituted a corporate state subservient to those who had clung to the status quo in prewar France. Conservatism became identified with collaboration. As a result, the immediate postwar governments were dominated by men identified with the Resistance. Even though their individual political views were far apart, the new leaders were able to agree on what then seemed to be drastic changes: establishment of a thorough system of social security, nationalization of the leading banks and much of the country's infrastructure, and creation of a Planning Commission to revitalize the economy.

Jean Monnet and the members of the first Planning Commission did not have any clear authority to force firms to accept the Commission's plans, but they could count on many of the new people in government financial and regulatory agencies to use their positions to support industrial modernization. Further, a significant fraction of private business management accepted the concept of planning as long as its goal was modernization of the economy. The Commission adopted a form of planning suited to these circumstances: consultation with all interested parties, technical review of proposals which originated in both the nationalized firms and private companies within the industries selected for attention, and then a bargaining process in which financial incentives and regulatory favors were traded for cooperation. The approach succeeded. The French economy reached and then maintained a high rate of growth, even though individual firms paid only as much attention to the plans as they wished.

As the economy moved from reconstruction to sustained growth, new pressures forced policymakers to give attention to inflation and sectors of the economy other than industry. The Second Plan (1954–57) responded by shifting somewhat toward the fourth concept of planning, giving less emphasis to expansion and more to economic stabilization. Targets for production were set so low that most were quickly exceeded. Perhaps the greatest achievement of the period was the virtual halt of inflation without the creation of significant unemployment or a break in the momentum of growth.

The Third Plan was considerably bolder. It was prepared under a government led by the Socialists and other moderately left parties and clearly reflected their preferences with respect to the content of growth. The plan, intended for the period 1958–61, called for a reorientation of national economic goals that would place less emphasis on private consumption and more on social investment. It moved firmly toward the first concept of planning—managing the uses of productive capacity. It would not have entailed any increased control of producers but would have worked instead by shaping the composition of government expenditures and credit. Sector planning then filled in the gaps between the new composition of final demand and the structure of investment.

Whether or not the Third Plan might have led to a real change in the course of growth is a matter of conjecture, for the government made the tragic mistake of intensifying a futile war to prevent Algerian independence. Federal spending changed in the wrong directions and the plan ceased to matter. Support for the government disintegrated and the country turned to de Gaulle. The Left has not won a presidential election since.

The Gaullist government, which wrote the Fourth and Fifth plans in the 1960s, and that government's direct descendant, which prepared the Sixth for 1971–75, continued to support the idea of planning and added some interesting themes. But the Gaullists retreated from the attempt to restructure growth for social purposes and concentrated more narrowly on industrial expansion and the development of new technology. And even these more limited objectives were compromised by the increasing concern over inflation. The Fourth Plan was an activist program, particularly intended to stimulate research and the development of advanced technology, but it was undercut by a policy of monetary restriction. The Fifth Plan sought to combat inflation with a coherent incomes policy—a program which might have reconciled high growth with less inflation—but the plan got very little support from the government as a whole and even less from labor and private business. The government stressed fiscal and monetary restraint instead, in spite of rising unemployment, until the popular explosion of May 1968 broke through this atavistic fixation.

Recent plans have backed away from production targets for industry and have turned more to particular problem areas and even to individual companies considered to be especially important to the export and high technology sectors. With respect to social planning, perhaps most notably for health care, the plans have become more detailed and more pragmatic. By the Sixth Plan, health planning had gone well past its earlier preoccupation with investment in equipment to stress policies of prevention and programs to aid groups most subject to illness and accident. Again, it turned out that the planning process produced excellent ideas, but the government failed to carry them out. For all forms of social investment combined, the rate of actual to planned expenditure was only 83 percent for the Fifth Plan (1966–70), and, through 1974, was approximately 87 percent for the Sixth Plan (1971–75).

The pattern now being passed on to the Seventh Plan is thus fairly discouraging, if one thinks of planning as a means for achieving basic change in the future course of events. But it still has two positive elements. One is that the consulting process allows many interests to be expressed, creating pressures on the government to widen its concern beyond inflation and the crises of the moment. The other is that the formulation of corrective programs for particular areas is encouraged, especially, at present, in health planning. Even though there is no assurance that the programs will be enacted, the planning process provides a progressively better understanding of these specific problems.

PLANNING BY CONSULTATION AND ITS EFFECT ON OBJECTIVES

Among the many explanations as to why the planning process in France evolved as it did, two are particularly relevant for any other country interested in the possibilities of such planning. One argues that planning by consultation and negotiation drives the planners into such close alliance with business interests that it chokes off concern for social reform. The other maintains that planning requires a significant degree of control over international trade and capital movements. According to this view, planning is futile in an economy with a large trade sector.

There can be little doubt that the consultation and negotiation process has fostered a community of interest between the planners and those groups within management who cooperate with them. The Planning Commission has been a consistent advocate of high rates of industrial investment and it probably has nudged government policy toward low corporate tax rates and regulatory favors for cooperating firms. This bias has its good side in that it encourages strong aggregate demand and high employment. Moreover, the development of productive capacity is a fundamental social concern. But it also has negative implications in that excessive emphasis on industrial investment restricts the amount of resources available for other objectives.

Cooperation has not involved anything like the narrow subservience to particular industry interests that has characterized some of the American regulatory commissions. The economywide interests of the Planning Commission and the high quality of its staff have saved it from that. But it is still true that a have to change their styles of economic method which requires the Commission to grant favors to corporations in return for cooperation is tantamount to making the commission a spokesman for business within government. In particular, the Commission acts as a representative for the firms which it finds easiest to deal with: these are the largest companies with professional managements best able to understand and influence the plans. The Commission has almost automatically favored greater industrial concentration. This attitude has led to increased concentration both where it may mean greater efficiency and where it may entail disfunctional size. It has weakened any chance of significant domestic competition. If ITT were a French corporation, the Planning Commission would be its natural ally.

Was it inevitable that planning based on consultation and cooperation with business would lead to a reduction of social concerns? Probably not. The Planning Commission does not dominate the policies of the government. The proposals incorporated in the Third Plan give a clear indication of what might be done if the country elected governments with greater social concerns. The Planning Commission may alter the balance toward business interests in those conservative governments that already lean in this direction, but, within a more socially oriented government, it might provide a healthy shield for genuine investment requirements. The Commission would certainly be able, and probably would prefer, to fit investment plans into a more equalitarian framework of social reform if the country elected a government that wanted to move this way.

The tendency of French planning to favor the business community could be minimized by getting away from supply-specific planning of the second type mentioned earlier. It is this particular version of planning which, by requiring business cooperation at the level of detailed enterprise decisions, stacks the cards against social reform. Plans of the first type, which define the goals of society rather than the actions of individual firms or industries, would free the system from the need to bargain with producers. It would not be possible to drop supply-specific planning in an economy which does not have a major trade sector, but it should be feasible with the more open system France has now. That raises the second set of issues central to the evolution of French planning: In what ways does an open economy—one with a large trade sector—limit, and in what way does it liberate, the kinds of planning that are possible?

PLANNING IN A RELATIVELY OPEN ECONOMY

Monnet and the members of the first Planning Commission directed postwar policy toward a more open economy in order to end the self-perpetuating stagnation of the prewar system, to force French industry to modernize and keep up with the rest of the world. This choice has been fundamental for the character of French planning because it dissolves the connection between socially determined goals with respect to the composition of final demand and the actual structure of domestic production.

In an open economy, objectives in the sphere of final demand may be achieved by importing goods rather than producing them. Investment programs for particular firms or industries may turn out to be mistakes either because costs are too high to meet import competition or because producers are able to find export markets and need to expand production beyond expected domestic targets. Both export markets and import supplies can diverge from expectations for reasons beyond national control. Any plan which entails a fixed program for production would therefore be a costly one. Plans may be oriented toward improving the flexibility of supply, but they should not set specific production targets or attempt to ensure markets.

Breaking the connections between final demand and the structure of production does not preclude a form of planning centered on the *uses* of national income. The decision of a country to devote more of disease, to improvement of the environment, or to mass transportation instead of private automobiles can be implemented more readily in an open economy. International trade frees the pattern of demand from the limits of domestic production. It widens the choices of supply and lessens pressures to use the plans as a form of market support for producers. Planning must match the size of total demand to total productive capacity, but it need not make the investment and production decisions of individual firms.

For those who view French planning as a means of altering the structure of production, emphasis on the flexibility gained from foreign trade appears to be a loss of control. If the nation's goal is not just to have a certain amount of hospital equipment and data-processing services available, but to produce them as well, their international trade gets in the way. A completely open economy allows supply-specific planning for human skills and nontradable goods and services, but it rules out application of the same approach to tradable industrial products.

Naturally, these conflicting views of planning have resulted in a series of compromises. In the 1950s pressure led the Planning Commission to propose postponing entry into the Common Market. The de Gaulle government ruled the other way in 1958 but soon reversed course to shelter national development in computers and atomic energy. Attention thus came to center on advanced technology, which received considerable support through government purchases and research contracts, while more open policies were followed in less sensitive fields such as consumer nondurables. Consequently, there are still important industrial sectors in which supply-specific planning can be applied. And in crucial nonindustrial sectors such as health planning, the main issues relate to training and use of human skills, not to international trade. So supply-specific planning is not ruled out by any means. An open economy works against supply-specific planning for most industrial fields. But this is not a disaster which weakens planning but a saving grace, for it frees planners from dependence on private business decisions.

WHAT REMAINS THAT IS USEFUL?

Planning as practiced in France is an instrument of economic management that has real potential. But most of that potential is being wasted. Not because of any fatal limitations imposed by the market system or by a relatively open economy. The waste exists because recent governments have been preoccupied with manipulating aggregates to fight inflation or with salient problems of the moment. But they have failed to develop long-range goals that might help shape the future of society.

American economists who have come to despair of the Council of Economic Advisers are probably wrong to think that the direction of the American economy would have been greatly different had there been a planning commission instead. They are wrong in two ways at once: the Council could still be a constructive force if any administration wanted to make it so; and a planning commission would not have helped much given the kinds of planners and ideals that would have been likely under the current president and his predecessor.

It is nevertheless a sound instinct that makes many people in France want to retain planning and some in the United States to propose it. All noncommunist countries will management in fundamental ways if they are to cope with problems that now go far beyond questions of aggregate demand. Economic growth in the sense of material output must be slowed down without generating the high unemployment that would almost automatically result under present conditions. France needs to recover some of its earlier ability to serve human values in a society with slower economic growth, while avoiding the rigidities and extreme inequality that characterized its prewar system. Inflation, international capital flows, and the behavior of multinational firms all require that the world economy be taken fully into account when national policy is determined. And national policy should not be based on narrow self-interest; it must be a policy which the rest of the world can accept as a basis for cooperation.

The last innovative Council of Economic Advisers, in the Kennedy administration, recognized the need for a broader frame of reference and began to create one. It went beyond demand management to include corrective measures, notably wage and price policies and at least the beginnings of programs to correct supply deficiencies in medicine and construction. These were potentially crucial innovations, designed to meet needs that could not be adequately dealt with in the existing American framework of economic management. Planning would offer a more appropriate institutional structure for such efforts. It need not, and probably should not, give any major role to the directive planning of individual supply decisions with which French planning started. What is required most of all—and this is something France needs to recover—is the kind of planning that considers explicitly the *purposes* of economic growth and offers a coherent sense of direction for social change.

S. 1611, A BILL AMENDING TITLE II OF THE FEDERAL WATER POLLUTION CONTROL ACT

Mr. ROTH. Mr. President, in April I introduced legislation that would amend the Federal Water Pollution Control Act to cut out bureaucratic redtape which is responsible for construction delays and escalating costs. This legislation is intended to minimize the time involved in applying for wastewater treatment grants, give the States greater authority and responsibility over their own water pollution programs, accelerate the time table for meeting our water quality goals, and finally stimulate employment opportunities in the construction industry.

The construction of wastewater treatment plants and the resulting improvement of water quality will benefit both the environment and the economy. Such projects reflect our Nation's commitment to protecting the environment and at the same time provide jobs for countless construction workers who are out of work.

In the past, I have heard criticism from numerous State officials that the program was being restrained by its own provisions. These were people who were complaining not of impoundment or lack of commitment, but of the lengthy administrative processes. The legislation, S. 1611, would resolve most of the delay problems and accelerate implementation of Public Law 92–500, while benefiting the taxpayer by reducing project costs.

Last week the Sussex County Council of Delaware advised me that the council fully endorsed my legislation. The council outlined numerous delays which State and local officials encounter under Public Law 92–500 and its regulations.

Mr. President I ask unanimous consent that the letter from the Sussex County Council be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 27, 1975.

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senator, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR ROTH: Please be advised that the Sussex County Council, after careful consideration, has elected to fully endorse and support S. 1611, a bill which you have introduced to amend Title II of the Federal Water Pollution Control Act (33 U.S.C. 1281 et seq.) to provide for State certification.

The Sussex County Council has had considering experience in applying for, receiving and accepting federal grants under the Federal Water Pollution Control Act Amendments of 1972 (Public Law 92–500). To date three construction grants and two final design grants totalling nine million dollars have been awarded to Sussex County under this legislation. While these grants have been very beneficial in reducing the local share of capital cost for needed wastewater collection and treatment systems, costly time delays have been experienced in the grant application review process.

It is the County's perception that these detainments have occurred primarily at the federal level of review. In some cases, a grant offer was not made by the Environmental Protection Agency until fourteen months following submission of applications and other necessary documents to the Delaware Department of Natural Resources and Environmental Control. These particular applications were submitted according to State deadlines and resulted in Fiscal Year 1974 grant offers being made in January, 1975. Such delays create project scheduling problems as well as increased financial burdens due to the inflation of project costs.

The most apparent and efficient way to expedite funding approval while maintaining quality control over the grant program is to allow qualified States to administer and be primarily responsible for application review procedures. Delaware's Division of Environmental Control already conducts a rather extensive review of all wastewater project applications (since the State matches the Federal 75 percent share with a 10 percent share) and should be qualified for this responsibility.

In conclusion, it seems to be in the County's economic and environmental favor to hasten the award of federal grants for needed water pollution control facilities. The sooner these projects can be initiated, the sooner they can be completed and serve to help abate water pollution. Proper review procedures are still needed to ensure planning coordination, non-adverse environmental impact and technically feasible systems. Federal certification of qualified States to perform this function will alleviate the delays at the federal level while ensuring that the necessary review is accomplished.

The Sussex County Council would very much appreciate your full attention to this important bill. If the Council can assist you in affecting its passage, do not hesitate to call on us.

Very truly yours,
JOSEPH T. CONAWAY,
Sussex County Administrator.
WILLIAM C. HENRY, P.E.,
Sussex County Engineer.

PETROLEUM PRODUCTS IMPORT ACT

Mr. MATHIAS. Mr. President, on June 16, 1975, I introduced S. 1950, the Petroleum Products Import Act. This bill would amend the Tariff Schedules of the United States to impose higher rates of duty on products derived from petroleum, to distribute the revenue from such increased rates of duty to States which consume such products, and for other purposes.

Mr. President, Congress is seriously overdue in its response to the need for a national energy program to deal effectively and comprehensively with our Nation's growing energy problems. I believe that S. 1950 provides a program that would be most effective in helping America accomplish a reduction in energy consumption and I hope that my colleagues will take the opportunity to give this bill careful consideration, together with the reasons set out to support it at the time it was introduced.

Mr. President, I ask unanimous consent that the text of my bill, S. 1950, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1950

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the headnotes for schedule 4, part 10, of the Tariff Schedules of the United States are amended by adding at the end thereof the following new headnote:

"4(a)(1) The President shall establish a program to allocate among importers the amount of residual fuel oils and middle distillates classifiable under items 475.05 and 475.10 respectively which may be entered, or withdrawn from warehouse, for consumption free of duty during any calendar year.

"(2) To carry out the provisions of paragraph (1), the President shall issue a license to each eligible importer for each calendar year which will permit such importer to enter, or withdraw from warehouse, for consumption, free of duty, such amounts, by volume, of residual fuel oils and middle distillates classified under items 475.05 and 475.10 respectively as are determined by the table in sub-part 4(b)(1) of the headnotes.

"(3) After consulting the Administrator of the Federal Energy Administration, the President shall issue licenses for the duty free entry, or withdrawal from warehouse, for consumption of residual fuel oils and middle distillates, classified under items 457.05 and 475.10 respectively, during any calendar year to any person who, in the determination of such Administrator, is enduring severe hardship. The total amount, by volume, of such products entered, or withdrawn from warehouse, for consumption free of duty pursuant to licenses issued under this paragraph for any calendar year may not exceed 10 per cent of the amount, by volume, of such products which were entered, or withdrawn from warehouse, during calendar year 1972.

"(4) For purposes of this subsection, the term 'eligible importer' means a person who imported such products during calendar year 1972."

(b)(1) The amount, by volume, of middle distillates and residual fuel oils which may be entered or withdrawn from warehouse, for consumption free of duty shall be a percentage of the total amount, by volume, of such products entered, or withdrawn from warehouse, for consumption during the calendar year 1972. The applicable percentage for any calendar year shall be determined in accordance with the following table:

Year:	Middle distillates *Percent*	Residual fuel oils *Percent*
1976	80	80
1977	80	70
1978	80	60
1979	40	50
1980	20	35
1981 and thereafter	0	20

•(2) For purpose of paragraph (1)—

(A) the term "Middle Distillates" includes products classifiable under items 475.05 and 475.06, and

(B) the term "Residual Fuel Oils" includes products classifiable under items 475.10 and 475.11.

(b) Schedule 4, part 10 of such schedules is amended—

(1) by striking out all of that portion of the schedule on page 144 beginning with the words "Crude petroleum * * * " and ending with the words "* * * without additives."

(2) by adding new item 475.00 to read as follows:

475.00: Reconstituted crude petroleum and topped crude petroleum, 4.77¢ per gallon—4.77¢ per gallon.

(3) by striking all of item 475.05 and inserting in lieu thereof the following:

475.05: Middle distillate fuel oils (including kerosene) derived from petroleum, shale, or both, with or without additives, and certified by importer not to be further refined, in any calendar year prior to entry, or withdrawal from warehouse, for consumption of an amount equal to the applicable percentage for that year, as determined under headnote 4(b) to this subpart, free—free.

475.06: Other middle distillate fuel oils, 7.14¢ per gallon—7.14¢ per gallon.

(4) by striking all of item 475.10 and inserting in lieu thereof the following:

475.10: Residual fuel oils derived from petroleum, shale, or both, with or without additives, and certified by importer not to be further refined, in any calendar year prior to entry, or withdrawal from warehouse, for consumption of an amount equal to the applicable percentage for that year, as determined under headnote 4(b) to this subpart, free—free.

475.11: Other residual fuel oils, 4.77¢ per gallon—4.77¢ per gallon.

(5) by striking all of item 475.25 and inserting in lieu thereof the following:

475.25: Motor fuel, jet fuel, 7.14¢ per gallon—7.14¢ per gallon.

475.26: Others, 9.52¢ per gallon—8.52¢ per gallon.

(6) by striking all of item 475.30.

(7) by striking out "0.25¢ per gal." and "0.5¢ per gal." in rate columns numbered 1 and 2 of item 475.35 and inserting in lieu thereof "7.14¢ per gal.", respectively,

(8) by striking out "0.2¢ per gal." and 0.5¢ per gal." in rate columns numbered 1 and 2 of item 475.40 and inserting in lieu thereof "7.14¢ per gal.", respectively,

(9) by striking out 2¢ per gal." and "4¢ per gal." in rate columns numbered 1 and 2 of item 475.45 and inserting in lieu thereof "7.14¢ per gal.", respectively, and

(10) by striking out "0.25¢ per gal." and "0.5¢ per gal." in rate columns numbered 1 and 2 of item 475.65 and inserting in lieu thereof "7.14¢ per gal.", respectively.

Sec. 2. (a) The Secretary of the Treasury shall pay to the Government of each State an amount equal to the total amount of duties collected on products classifiable under items 475.06, and 475.11 of the Tariff Schedules of the United States which are first sold in such State, as determined under subsection (b).

(b) for Purposes of subsection (a), a product shall be considered to be first sold in a State if the domicile of the first person who puchases such product from the importer thereof is in such State or, in the case of an importer who is the final consumer of such product, the domicile of such importer. Each importer of such products shall report to the Administrator of the Federal Energy Administration, in such form, manner, and at such time as the Administrator prescribes by regulations, the identity of each person to whom such importer sells such products. The Administrator of the Federal Energy Administration shall report the amount of such products sold in each State to the Secretary of the Treasury from time to time.

(c) There are authorized to be appropriated to the Secretary of the Treasury an amount equal to the amount of duties collected on such products during each calendar year for the purpose of carrying out the provisions of this section.

(d) For purposes of this section, the term 'State' includes each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

Sec. 3. (1) The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after December 31, 1975.

(2) The rates of duty prescribed in rate columns numbered 1 of the Tariff Schedules of the United States, as amended by this Act, shall be considered to have been proclaimed by the President as being required or appropriate to carry out trade agreements to which the United States is a party, not as statutory provisions enacted by Congress.

SENATOR SCOTT HONORED FOR SERVICE TO THE JEWISH COMMUNITY

Mr. MATHIAS. Mr. President, several weeks ago the distinguished Republican leader, Hugh Scott, was honored in Philadelphia for his work in behalf of matters of special interest to the Jewish community. He was introduced by Mr. Bernard G. Segal, a former president of the American Bar Association. I ask unanimous consent to have Mr. Segal's remarks printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Presentation of Honorable Hugh Scott by Bernard G. Segal at the National Conference Dinner

Mr. Chairman, Senator and Mrs. Scott, Reverend Rabbis, ladies and gentlemen: It is of course a highly prized privilege for me to present to you this evening, a great American and my warmly cherished friend.

Hugh Scott has been a Member of the Congress for 33 years—16 of them in the House of Representatives, and 17 in the Senate. A reflection of the esteem in which he is held by those who have known him best over the longest period—his fellow Pennsylvanians—is that each time he has run for reelection, he has won by an increased majority, on the last occasion by the largest margin of any Republican Senatorial candidate in the Country. Nor can there be more convincing evidence of the confidence and trust his fellow Senators have in him than that he is serving his fourth term as Republican leader of the Senate, by unanimous vote at the last election.

The 33 years that Hugh Scott has been in the Congress have included some of the most tumultuous and traumatic years in our Nation's history, years when we have desperately needed leaders with courage, with integrity, with dedication, and with talent.

Hugh Scott is just such a leader. Earlier today, you heard the President of the United States tell how heavily he leans upon Senator Scott, and how highly he values his advice and counsel. The same has been true of past Presidents, regardless of party. For Senator Scott is regarded on both sides of the aisle as one of the giants of our time in the U.S. Senate. I was profoundly shocked to read the wholly unjustified and intemperate attack made upon him in recent days by a Senator of the Democratic party. Perhaps the best rebuttal was made before the event by the stellar majority leader of the United States Senate, and the Democratic leader as well. I quote a small excerpt only from what Senator Mansfield said of our guest of honor. "Senator Scott is one of the greatest Republican leaders of all time;" and "Regardless of party, the needs of the Country come first [with him] and he acts accordingly."

Learned Hand once observed that a man's life is like a piece of tapestry, which interwoven makes a pattern. My task is to try to appraise the rich and radiant tapestry of Senator Scott's life by separating out a few strands. Unfortunately, a few strands may tell something of the richness of the fabric, but they cannot depict the artistry and magnificence of the entire work of art. I am comforted by the fact that so many of you in this room have known and worked with Hugh Scott over the years, and so you will have your own anecdotes, your own memories, your own vignettes that remain in mind and in memory as exemplifying his life and work.

Therefore, I shall merely reminisce on a few of Senator Scott's many, many achievements. Nevertheless, the tyranny of time allows no more.

Very early, Hugh Scott showed marked ability as a lawyer, and he distinguished himself as well as Senior Assistant District Attorney of Philadelphia. His career was interrupted twice by his service as a Senior Naval Officer in World War II and in the Korean War.

It was inevitable, however, that early in his career he would move to the Nation's capital. From the day Hugh Scott went to Congress, he made it crystal clear, by word and deed, that while he would support the Party which had elected him, his votes on questions of public interest would be determined by his convictions and not by political expediency. This marked his entire eight terms in the House. He was variously referred to as a "liberal" Republican, as a "moderate" Republican, as a Republican who, as Senator Mansfield has said, puts the national interest above Party politics when the two clash.

It was a fortuitous circumstance that Hugh Scott entered the Senate as the United States was coming into a traumatic decade when far-reaching changes were to be wrought by the Congress. I have had the privilege of working with him in a number of his Congressional roles. One was in his position as an influential member of the prestigious Judiciary Committee in matters affecting the instrumentalities of justice and improvement in the calibre of persons to be appointed as Federal judges. Inevitably, in a period of almost two decades involving hundreds and hundreds of nominations, we have on occasion had our differences. But they have been extraordinarily few, and on such rare occasions I have respected his view and he has respected mine. I can say categorically that our system of justice and the courts that administer it are better for Hugh Scott's having for so long been a key member of the Judiciary Committees of the House of Representatives and of the Senate.

Similarly, his influence on the critically important Senate Committee on Foreign Relations has been substantial and constructive. As a member of the Council of the World Center on Peace Through Law at Geneva and as a member since the Kennedy Administration of the Department of State Advisory Panel on International Law, his activities in advancing the interests of world peace, in benefiting the underprivileged countries of the world, and in advancing the cause of democracy have been exemplary and of far-reaching effect.

In other roles, too, he has been a mighty force. As Co-Chairman of the Lawyers' Committee for Civil Rights Under Law, I observed at first hand his dedicated and effective work in behalf of civil rights legislation during the troubled and turbulent 1960's. We came to rely on Hugh Scott, and I have no doubt that when the true record of our time finds its way into the history books, it will applaud his part in the enactment of the historic Civil Rights Act of 1964 and the other related legislation which has made such inroads in furtherance of the objective of equal rights under law for all our people.

I address myself for a moment to Hugh Scott as a person, entirely apart from his role of leadership in our Government. I need not tell you that he is an uncommonly attractive person. He is articulate, he has a delicate and pervading sense of humor, he is warm and generous in his attitude toward people. He reacts to the unfortunate with compassion and a deep desire to be of help. And he is most versatile as well—a scholar in his own right, a connoisseur in art, especially Chinese art, and an author whose writings have broadened our horizons.

I have found that few important people can achieve the full measure of their efforts and their talents without the encouragement and the inspiration of their family. It was therefore not only a blessing to Hugh, but in the public interest as well, that in 1921 he married the lovely and talented Marian Huntington Chase. Since their marriage, Hugh and Marian have been blessed with a happy and harmonious household, and now they have a beloved daughter and eight grandchildren. Wherever Marian Scott has gone in the world, she has charmed and impressed everyone she has met, from the highest government officials to the ordinary citizens, of the many, many countries they have visited. As I have traveled around the world, everywhere I have heard enthusiastic expressions of warm affection and high esteem for her.

The tyranny of time allows me to separate out only two more strands from the Hugh Scott tapestry.

First, I observe that the central theme of the Lubavitcher movement, embodied as it is in the words "Chachma, Binah and Daath," "Wisdom, Understanding and Knowledge" has very special application to Senator Scott. For these qualities have marked his career over all the years. He possesses them in very large measure indeed.

The second strand is of special significance to all of us who join in this tribute to him, and is particularly appropriate today as we celebrate the twenty-seventh anniversary of the modern recreation of the State of Israel. For no Member of the Congress has done more than he in behalf of the creation and preservation of Israel as an independent member of the family of nations. He has been a tower of strength at every critical juncture over all the years, as he has emphasized not only the basic right of the Jewish people to their ancient homeland, but also the great importance of this only bastion of democracy in the strategic Middle East to our own country and to the other democratic countries of the world.

Today, Israel's situation is as grave as it has been at any time since its rebirth as an independent nation in 1948. It is a great comfort indeed to know during this time of crisis that Hugh Scott occupies the crucial role of Republican leader in the Senate and that he is so respected and effective in that role. Of all Americans I know, of a different religious faith from ours, no one has done more for Israel than Hugh Scott—and in this he has had the constant and unswerving support of his wife, Marian. It is therefore eminently fitting that the American Friends of Lubavitch, in cooperation with the many friends and admirers of Hugh and Marian Scott, should establish in their names an outstanding Library on the campus of the Girls Town in Kfar Chabad in Israel. I am sure that everyone in this room shares President Ford's enthusiasm at this development as he himself so eloquently expressed it to you just two hours ago.

Yesterday, we celebrated Shevuos, the holiday in Judaism which commemorates the giving of the Tablets of the Law to the Jewish people on Mt. Sinai over three thousand years ago. This reminds us that no title is more honored in our liturgy than that of Law Giver. Tonight, we give richly merited recognition to an eminent, indeed an extraordinary, Law Giver—a man of justice, a man of law, a man of peace.

Hugh, you have been honored at the start of the Lubavitcher ceremonies by the leader of our Nation. Tonight, we who are your constituents—your neighbors, your friends, your admirers—are proud to join in honoring you and Marian. We wish for both of you many more years of health and happiness, and continued achievement and success in furthering the important and estimable goals for which you have fought so long. I close with the words of our ancient seers which express what is in our hearts this evening: May you and Marian go from strength to strength, and may the Lord ever cause His countenance to shine upon the two of you.

THE BEST WAY TO REDUCE UNEMPLOYMENT IS TO CREATE JOBS

Mr. MOSS. Mr. President, the National Manpower Policy Task Force has just issued their policy statement on reducing unemployment. This distinguished task force is made up of 16 specialists in manpower economics, all of whom have had Government as well as academic experience. They are this country's best experts on labor market problems and in light of our current record levels of unemployment and the recent veto of the emergency employment appropriations bill their policy statement is particularly relevant.

"The best way to reduce unemployment is to create jobs. "The administration seems reluctant to adopt this obvious solution. As the task force noted, total expenditures for public service employment, work experience, and special public works were only 1 percent of the Federal budget in fiscal 1975, while wages paid by Federal job creation agencies accounted for nearly 30 percent of all Federal expenditures in the New Deal years.

Mr. President, we have the economic tools to reduce these high unemployment rates, we only need the will to use them. I ask unanimous consent that this policy statement be printed in the Record.

There being no objection, the policy statement was ordered to be printed in the Record, as follows:

The Best Way to Reduce Unemployment Is to Create Jobs

THE NEED FOR ACTION

Eight million Americans have been forced into idleness and more than another million have given up on the search for work because no jobs are available for them. Nearly four million more are working part-time, although they would like to have full-time jobs. This idleness, deprivation and lost income are the direct consequences of public policies. Having contributed to the recession, the federal government has a special responsibility to ameliorate its consequences.

The primary response to the current slump has been the application of macroeconomic measures. The tax cut for individuals and businesses was aimed at stimulating consumer spending and private investment. Increased governmental outlays resulted as needs-based programs expanded automatically in the recession and as Congress opened its purse strings in the belief that increased public spending would be stimulative. The growth of the money supply also has been accelerated to lower interest rates and to stimulate investment. Although Congress extended liberally the duration of unemployment benefits and has expanded its coverage, direct job creation for the unemployed has received less emphasis.

The goal has been to engineer a gradual recovery after wringing out inflationary pressures. Since unemployment tends to linger long after economic recovery sets in, existing restraints ensure the continuance of intolerable joblessness for several years to come. The major constraint to direct job creation has been the fear of pushing the economy into a new inflationary spiral.

THE UNUSED AND NECESSARY OPTIONS

We believe that current policies do not exhaust the practical and necessary options available to the administration and Congress. Compared to the $22.8 billion tax cut and the $20 billion being spent this year on unemployment benefits, job creation strategies have been implemented sparingly despite the gravity of current unemployment conditions and the gloomy longer-term prospects. As an alternative to accepting high unemployment over the long run, the federal government should adopt, in addition to the monetary and fiscal approaches, direct job creation through funding public service employment, employment projects and public works. The public sector can usefully employ idle workers to provide more goods and services when the private sector is in decline. Employment projects (also called works projects or work experience programs) are another option, putting the unemployed to work performing the most labor-intensive public works, but keeping them off regular public payrolls. A third option, public works, involves more capital-intensive projects carried out mostly by private contractors.

Public service employment was begun on a modest scale by the Emergency Employment Act of 1971, which provided $2.5 billion to state and local governments over three years to create useful jobs for the unemployed. Congress continued this approach in the Comprehensive Employment and Training Act of 1973, and added emergency provisions one year later when the recession deepened. These provided for about 325,000 public service jobs on an annual basis, absorbing less than 5 percent of the unemployed. The level of employment or work experience projects has remained virtually unchanged over the past five years and the administration recommended only minor changes for fiscal 1976. On the public works front, court action was required to force the release of $2 billion appropriated for highway construction and $4 billion for construction of municipal waste treatment facilities. Only $125 million of an authorized $500 million emergency public works program was appropriated, and Congress had to fight a Presidential request to rescind even that amount.

Total expenditure for public service employment, work experience and special public works represented only one percent of the federal budget in fiscal 1975, and much of that outlay was not countercyclical in intent since it only continued the modest efforts of the past decade. The meager scale of such endeavors is highlighted by comparison with the emergency job creation efforts during the Great Depression. Wages paid by the federal job creation agencies accounted, during the New Deal years, for nearly three-tenths of all federal expenditures. The proportion of total employment provided by these programs at their peak would equal 5.8 million jobs in today's labor market, and the 2.8 percent of GNP spent would require an annual outlay of $40 billion. This is not to suggest that today's conditions qualify as a depression or that similarly massive job creation efforts are required, but it does indictate the timidity of our response to the deepest economic slump in three decades. On the other hand, the $4 billion we spend annually on direct job creation is only one-tenth of the funds expended for income support of the unemployed and for tax reduction.

Why has direct job creation been deemphasized? The image of idle leaf-rakers and shovel-leaners has lingered since the New Deal. A wide-spread belief persists that publicly created jobs are necessarily unproductive "make-work" compared with "real" jobs in the private sector. Some who grant that useful work could be done, doubt the ability of government to respond in a timely and efficient manner. Others fear that expansion of the public sector is a one-way street in the wrong direction. An overwhelming concern is cost; employment of large numbers at adequate wages is an expensive proposition. But so is the real decline of $75 billion in 1974 GNP, not to mention the potential loss that could have been avoided if the law of the land were carried out placing upon the federal government the responsibility to assure an economic climate conducive to maximum production, employment and purchasing power. It will take more than three years of economic growth at a rate of 7 percent per year to reduce unemployment to 5 percent. But this level of sustained growth was last achieved during the Korean War.

DIRECT AND INDIRECT JOB CREATION— A MEANINGFUL DICHOTOMY?

The rules of economic life have not changed. Jobs are still created only by the spending of money for the purchase of goods and services, and the process can be accelerated only in certain ways. All of them involve additions to total expenditures and to total employment, and all have multiplier effects as receivers of the added income spent for other goods and services.

Tax cuts have differential job creation impacts depending on whose taxes are cut and how recipients choose to spend their added disposable incomes. Lowered interest rates will have a major initial impact on capital goods and construction industries. Public works have an initial impact in the markets for construction equipment, supplies and services. Public service employment has its initial impact on public payrolls. Beyond these immediate impacts, the job creation incidence of any of these forms of added spending differs little. Choice among them, therefore, ought to be made upon three bases:

1. Where and for whom are jobs initially needed?

2. What timing pattern of job creation is preferred?

3. Which goods and services does society prefer?

As a consequence of the much delayed tax cut, consumers are accelerating job creation by spending money which would otherwise have entered public coffers. Also belatedly, the Federal Reserve Board has increased the money supply, hoping to ease interest rates and to encourage spending in investment and housing. The impact of this manipulation will depend upon public confidence and incentives to borrow and invest. In any case, job creation responses are likely to be slow but persistent. Public works jobs of relatively short duration become available as soon as contracts are let, but engineering, architectural and contracting processes may delay spending. Public service employment programs can result in almost immediate jobs and can be shut off as labor markets tighten and alternative jobs become available.

Differences between costs per job and the social contribution of the jobs are not as great as conventional wisdom would have it. To say that the annual direct cost per public works job is $40,000 ignores the jobs created by the latter in manufacturing and other industries. At the same time, to insist that a job created by a tax cut has more inherent worth because it produces goods or services preferred by consumers, ignores the clamor for added public services and facilities. The differences are less than is frequently asserted and a balanced employment policy should include them all.

PUBLIC SERVICE EMPLOYMENT

Public service employment is a relatively new approach, and its lessons are fresh. The 1971 Emergency Employment Act provided 160,000 non-summer jobs at its peak. Federal grants went directly to state and local governments who determined the services they considered most vital and hired workers to provide them. Positions were similar to those already payrolled—teachers, social workers, policemen, maintenance men, road crews, secretaries, and a variety of aides. The federal government offered little interference in the day-to-day administration of the program, except to enforce some general guidelines. The rules of the game required that only unemployed or underemployed workers would be hired, that the state and local governments were not to substitute federal dollars for their own expendtures, and that 90 percent of the total funds would be used for the wages and salaries and not for overhead "frills."

The experience under the Emergency Employment Act offers persuasive evidence that public employment can be a useful anti-recessionary tool.

First, despite fears about the creeping pace of bureaucracy (and every level of federal, state and local bureaucracy was involved), about 150,000 jobs were created within six months after funds were appropriated. As it turned out, more than 95 percent of funds went for wages and salaries, carrying an average annual cost of $7,500. This maximized immediate employment impact. Simulations by the Federal Reserve Board in 1972 suggested that the public service employment approach had a more immediate and large impact on employment than equal federal spending on other programs or equivalent tax cuts.

Second, the make-work image of public jobs creation notwithstanding, a number of evaluations concluded that most workers performed necessary public services, and that the productivity of the newly hired workers was up to par.

Third, public service employment benefitted participants in the long as well as short run. Most of the hired employees were lifted from the ranks of the unemployed. The public employment program not only gave them work, but their employment and earnings after leaving the program also improved.

Fourth, the costs of the program were offset by reductions in income support payments and by the taxes paid by the hired workers. For participants receiving some assistance prior to being hired, the level of aid fell nearly 50 percent. Overall, it is estimated that the value of income support savings and increased taxes paid equalled between one-fifth and one-third of all program costs.

Fifth, experiments with more intensive funding in some areas indicated the potential for significantly expanding on the scale of the program. In 12 areas, extra funds were provided to absorb between 5 and 28 percent of the unemployed compared with the 3 percent potentially absorbed by the program nationwide. Yet the demonstration programs were put into operation with only a few delays. The jobs created paralleled those established under reglular funding, and a majority of both administrators and participants in the demonstration areas felt that the jobs contributed useful services. Despite as much as eight percent net additions to the public payrolls, it appeared that the potential limits for expanding public employment was not reached.

There was some evidence that efforts of this scale could noticeably reduce area unemployment rates. Using statewide unemployment changes as "controls," 10 of the 12 sites did better than expected. On the average, each public employment slot was accompanied by a decline in unemployment of 1.6 persons in demonstration areas. If this average were to be realized nationwide, the National Planning Association researchers estimated that a $4.2 billion public employment program could have reduced national unemployment levels by one percentage point.

No single approach can offer a panacea. There is always a likelihood that state and local governments will use federal funds to offset some of their own personnel costs, but only guesstimates are available about the magnitude of the "displacement." To the extent that budget substitution occurs, neither net new public employment nor net additional public expenditures result. And production from otherwise idle people is a net gain, but recipients of public service funds may not make the best use of the "free" labor paid with federal government funds. Some have also criticized public service employment because not enough disadvantaged were hired by state and local governments. These are arguments for tighter guidelines to secure a balanced policy of job creation.

EMPLOYMENT PROJECTS

Employment projects specifically created to absorb large numbers of the unemployed have been suspect since the days of the New Deal, more because they conflict with the ideology of the free market than because they are proven failures. The Work Projects Administration has been treated harshly by history. Yet WPA and related agency workers, when not leaning on shovels and rakes, sewed 380 million garments for distribution to the needy, served 1.2 billion hot lunches to school children, and produced 108,000 paintings. They built or improved 651,000 miles of highways, roads, and streets, 78,000 bridges and viaducts, 6,000 new schools, 150 libraries, 3,200 stadiums, 8,200 parks, 16,000 miles of new waterways, 1,500 sewage treatment plants and 900 airports, not to mention 5 million outdoor privies that undoubtedly improved the quality of life for their users. These outputs essentially net gains to the nation, utilizing otherwise idle human physical resources.

Operation Mainstream, initiated under the antipoverty legislation a decade ago, was very similar to the WPA, though much smaller in scale. Its aim was to provide work support for a clientele stranded in a areas with surplus labor. Despite limited long-term benefits, Operation Mainstream has been popular. The clients, consisting mostly of middle age and older workers, were considered a "deserving" group. Assessing the program on the basis of income—abeit meager—"psychic" gains provided to participants, the useful work done, and any savings in public assistance, there was a consensus that the benefits far outweighed the costs.

Several employment programs were also initiated for welfare recipients in the 1960s, these proved much less popular both because of their more complex mission and the stricter standards by which they were judged. The largest direct job creation program of the 1960s was the Neighborhood Youth Corps, combining in-school, out-of-school and summer job opportunities for teenagers from poor families. There is no sound proof that any of these efforts had a long-run impact on participants, encouraging school completion or improving subsequent work experience. But they clearly did provide income, an "aging vat" and constructive activity at a very low cost.

Work experience programs for youth and the elderly are now being funded under the Comprehensive Employment and Training Act. Program levels are estimated to have levelled off because of budget stringencies, and many cities are facing the summer of 1975 without the resources for an adequate summer youth program. There is no doubt that a vastly increased number of jobs for youths and the elderly could find takers in the recession.

Different types of employment projects are appropriate for different groups, ranging from the part-time, low-level activity needed by youth to keep them in school, to more substantial employment for the disadvantaged who find no job opportunities in a slack labor market. There is no reason to believe that these unutilized resources could not be put to constructive work, and there is every reason to believe that if they were, the benefits to the individuals and society would be positive.

PUBLIC WORKS

Public works—the construction of schools, highways, hospitals, low-income housing, industrial parks, subways, sewers, parks and navigable waterways—are a longstanding and essential part of government activity. The question is whether a separate "emergency" public works program can undertake expeditiously projects which would otherwise not have been carried out anyway in order to help combat unemployment.

A central issue in funding countercyclical public works is the timing of implementation. There are lags between congressional action and project approval, and between approval and the start of construction and hiring. The $133 million Public Works Impact Program was signed into law in August 1971, and the first projects were not approved until late in the year. Employment resulting from fiscal 1972 funds peaked in August 1972 and nine-tenths of the direct employment generated by then was completed before August 1973. By that time it would appear that the turnaround in the economic conditions reduced the need for additional job creation. Yet the seriousness of the one-year lag between authorization and on-site employment peak and the two-year lapse before substantial completion was not as great as some have claimed. In fact, the flow of expenditures, once started, coincided remarkably well with the pattern of recovery from the 1971 recession. Even in that brief recession, the recovery failed to outpace the outlays for public works. The time lag from legislation to job creation may be even longer for fiscal or monetary stimulus to private investment than for public works.

THE CASE FOR DIRECT JOB CREATION

The case for direct job creation is not limited to its employment impacts alone. It should be supported on other counts, also.

First, public works have added benefits when cost-effectiveness is considered, because the projects constructed increase the wealth of the nation and leave lasting impacts. We are still using the parks, roads and post offices built with PWA and other agency funds. Moreover, tangible results also tend to gain widespread support; public works jobs are generally accepted as "real." The list of proposals is almost endless, and when the chaff is separated from the wheat, there remain thousands of potentially useful projects which could employ large numbers of idle workers. Public works projects tend to have a relatively high skill mix and are tailor-made for construction workers, who despite their skills, are subject to high unemployment during recessions. However, by sacrificing some productivity and efficiency, useful tasks can be performed by large numbers of the unskilled, which is rewarded in reducing income maintenance costs, alleviating unemployment mitigating social ills such as crime and dependency.

Second, the government can move efficiently and effectively. The rapid implementation of the Emergency Employment Act suggested that public service employment can be expanded rapidly. Public works take some time to arrange, but the delays, once funds are available, have frequently been exaggerated and are not an impediment where conditions are so severe that adequate recovery is not imminent. Practically every community has at hand some public facility projects already planned but delayed for lack of available funds. These can be instituted very rapidly if a quick start is made a prerequisite for the receipt of funds. Employment projects can be, and usually are, geared up quickly, and in fact, a more considered pace of implementation might be useful in some cases. There should, therefore, be little doubt about the capacity of federal, state and local government to create and rapidly fill hundreds of thousands of useful and productive jobs.

The timeliness of job creation must be considered alongside other strategies. Increased public spending across-the-board is slow in its impact, and tax cuts for business and individuals have long lags before they affect employment. Direct job creation on a large scale is feasible, and in terms of timeliness, may well complement other strategies. Public service employment and employment projects are likely to have the most immediate impacts. While the implementation of public works may take a little longer, fiscal and monetary policies may require even a longer lag before they stimulate added employment. Such a sequence may well fit a balanced strategy to reverse economic slumps. The need, in cases of economic downturn, is to act quickly and vigorously on all appropriate fronts, adopting each strategy as conditions require.

We stress this point because this is not the last recession we will ever experience. The business cycle has not been outlawed. To still be debating nearly a year and a half into a recession what should be done about alleviating the deprivation of millions forced into idleness is discouraging and suggests to some the bankruptcy of responsible public policy. Direct job creation lends itself well to a triggering approach which can quickly create jobs in either a localized or a national recession.

Third, the cost of direct job creation is not as great as it seems. Multi-billion dollar pricetag are distributing, and it is more palatable to hide stimulative measures in popular tax cuts or to spread them over a number of "urgent" expenditures. However, if properly designed and implemented, job creation can give more "bang for the buck," can be more effectively targeted in reducing unemployment, and can provide valuable goods and services. The output of created jobs is frequently ignored and the outlay per direct slot is assumed to be the cost. Yet the value of useful work performed by otherwise idle resources must be considered. Under the Emergency Employment Act, for example, participants performed the same tasks as other employees and the costs of the program, therefore, produced equal benefit in terms of goods and services. The reduction in income maintenance costs that resulted was a benefit bonus. Under public works, the primary output is the completed facility, and, if cost-effective projects are undertaken, the job creation effects tend to be a bonus. The justification for employment projects is that participants have few alternative employment opportunities, the jobs contribute substantially to their well-being, and income maintenance costs are reduced, even if productivity may be limited.

THE CHOICE OF STRATEGIES

Public service employment, employment projects, public works, tax cuts and monetary policies, while part of a continuum of job creation strategies, nevertheless have important distinctions which must be considered in setting priorities.

Public service employment serves as a shot-in-the-arm approach to counter a short-term recession, and to create jobs for the unskilled and deficiently educated in prosperous times. Of the alternative measures, public service employment has the most rapid and direct job creation impact. It is easier to launch effectively and efficiently than employment projects, and it creates more direct jobs per dollar of expenditure than public works. Public service employment is appropriate for the complete range of unemployed and can put them to work with minimum delay.

On the other hand, public service employment may have a limited role in countering a long-term recession. Its impacts are reduced over time as states and localities substitute federally-funded slots for jobs that would have been funded with state and local budgets. In contrast, the clientele of employment projects are not easily replaced by regular public employees, while public works can be selected which are net additions. To the extent that the public sector can be induced to do more of the same over the long run, there is an unanswerable question whether this results in diminishing returns, and "bloats" the public sector permanently. It may be harder to cut back on public service employment than on work projects which have high turnover and public works which are normally performed under contract with private enterprises.

Employment projects are an essential part of a comprehensive job creation effort because they can utilize the unskilled and the poor. Paying lower wages, more persons can be hired and fewer of these would have gotten jobs on their own. Moreover, part of the cost is offset because persons hired may be otherwise dependent on welfare or social insurance. Output is the major issue with employment projects. It is generally believed, though impossible to prove, that the useful goods and services provided per dollar of expenditure are less than under the public service employment and public works approaches. Since the goods and services provided by the alternative direct job creation strategies vary widely, comparisons of their relative outputs are not useful. But the presumed lower productivity of employment projects may be offset by their greater welfare and employment impacts.

Public works yield a lasting product with an immediate impact on the private sector, without expanding the public sector. Although the direct job creation per dollar of outlay may not be as great as in the other strategies, the multiplier impact of public works may be greater than that of other job creation measures. Timing is also an issue, but with proper congressional and executive action, start-up time can be kept within the time limits required for economic stimulation. The direct labor requirements tend toward highly skilled workers, but these normally experience high unemployment rates in a recession and early recovery. Project selection is the key, and this must be done with great care.

CREATING MORE JOBS

The nation is engulfed by grave economic difficulties. Even rapid recovery may leave a high rate of joblessness for several years, and a timid application of macro-economic tools due to fear of future inflation will insure this eventuality. Policymakers seem hypnotized with fear lest we be overtaken by an inflationary resurgence, ignoring the fact that the percentage of the recession is not to be found in the labor market. Its cures should, therefore, not be sought in labor market restraints.

Direct job creation is one tool which can and should be used to a greater extent than in the past. Analysis of recent experience suggests that public service employment, employment projects, and public works can provide vitally needed goods and service. They can be implemented rapidly and effectively. They can be cut back, if appropriate, when conditions improve. They provide useful output and sustain and develop skills. And they are a less costly way to fight unemployment than many other approaches.

The scale of job creation and the mix of strategies depends on economic developments in the future. The most likely scenario, in the absence of appropriate policies, is a very slowly declining unemployment rate, stagnating at a level of 6 percent or higher for the remainder of the 1970s. However, further deterioration or a more rapid than expected turnaround are also possibilities that should not be ignored. Based on the assumption of stagnation, but recognizing the need for flexibility in the case of a quick rebound or a reversal, the National Manpower Policy Task Force makes the following recommendations:

1. Public service employment should be expanded. The Task Force suggested in December 1972 a triggering formula which would have provided funds to hire one-fourth of the unemployed above a high unemployment level. Assuming a tolerable level of 4.5 percent unemployment, the present 8.9 percent rate means 3.6 million "excess" unemployed and calls for 900,000 public service jobs. Since some 300,000 service jobs are currently available, an expansion of 600,000 jobs is needed, carrying a price tag of about $5 billion. Such an expansion would have been feasible if the recommended trigger mechanism had already been in place. Having lost time, it may be difficult to achieve this goal all at once. Nevertheless, a doubling of present efforts should be feasible.

2. If public service employment is expanded rapidly, states and localities will need more resources for supplies and equipment. Some are already claiming difficulties in putting all their public employment funds to good use because needed materials and equipment were not available. The limitation on non-wage expenses should be liberalized, yet some strict precautions should be taken to assure that money is not siphoned off for other purposes. Public service employment should shift in the direction of employment projects as its scale is increased.

3. It is regrettable that the training provisions of the Comprehensive Employment and Training Act are being deemphasized. A recession may be the most propitious time to upgrade the skills of many to better enable them to take advantage of the eventual recovery. Additional funding for CETA would add to total demand while enabling state and local elected officials and manpower planners to take approaches which meet the specific needs of their communities.

4. The pending emergency public works legislation should be strengthened. Greater specificity of project selection criteria, including public service needs, local unemployment rates, and occupational skills required by the proposed projects, are essential, and preference in allocation of funds should be given to early applicants promising speedy completion. Mechanisms should also be established for linking job creation projects with the CETA system, so that the created jobs are an outlet for its clients.

5. The longer-run implications must also be considered. A trigger formula under both public service employment and public works would reduce as well as expand funds automatically. These trigger mechanisms should be coordinated with similar provisions made under the unemployment compensation system. Countercyclical public works and employment projects should be short-term in nature, so that they can be cut off upon completion if this is desired. On the other hand, to provide options in the case of further economic deterioration, it might be useful to develop not only "shelves of public works," but also plans for employment projects and public service needs, keeping a running inventory of detailed job creation options.

These recommendations carry a multibillion dollar pricetag. Yet, so does a tax cut, expansion of unemployment compensation, and other "emergency" measures which have been taken with no more guarantee of their potential impact. Despite a fair degree of experience to date with direct job creation which suggests that it can be usefully undertaken in the present conditions, a bias persists against an active employment policy. Shedding the misconceptions on which this bias is founded is long overdue. Properly designed and triggered job creation programs can play an important role in augmenting macroeconomic measures and preventing repetition of the current deep recession.

Condoning mass unemployment is no way to begin the third century of our nation's history. An economic slump, essentially created by policymakers in their anxieties about inflation, can be alleviated by them if they can redress their priorities.

The National Manpower Policy Task Force is a private nonprofit organization of academic manpower experts. It is devoted to the promotion of research in manpower policy. This statement represents the combined judgment of the Task Force members. Despite divergency of opinion on details, the members agreed to a unanimous statement without indicating individual exceptions.

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BUREAUCRATIC RULE

Mr. LAXALT. Mr. President, in my recent trip back home one message came through loud and clear from all Nevadans, "Get the Federal Government off our backs." An editorial which appeared in the Ely Daily Times, written by the newspaper's editor Rich Parker, expressed this view incisively and accurately and I commend it to my colleagues.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Bureaucratic Rule

Government of the people, by the people and for the people is a myth.

Today, it's government of the bureaucrats, by the bureaucrats and for the bureaucrats.

A steady stream of red tape from the national seat of power has spread like a cancer throughout the land, until every inhabitant is bound head and foot by the ensuing maze.

One out of six employes works for the government to administer their ever increasing base of influence and scope of power.

Locally, we are feeling the direct effect of this heavy federal hand as it continues to threaten, coerce and cajole Kennecott Copper Corp. into meeting demands—which are both technologically impossible and economically impractical.

The Nevada sheep growers are being forced out of business because of the federal concern to protect the wiley coyote.

The preservation and protection of the eagle has led to added expense in the construction of power lines by Mt. Wheeler Power, Inc.

The Occupational Safety and Health Act has the power to shut down any business anywhere, if they chose to exercise their authority.

Our paychecks are shrinking as we continue to pour money into state and national treasuries to support untold social and welfare programs—which encourage the indolent to enjoy the good life by accepting a government handout.

Nevada is 87 per cent federally owned. And we have witnessed and will continue to see more and more federal employes move into our state to staff the bureaucracies which administer this land.

The list of federal, and to some extent state encroachment of our rights as human beings and citizens, could be expanded indefinitely.

But the point has been made—we are ruled by—as Sen. Paul Laxalt said, ". . . bureaucrats who are unelected and unresponsive to the people."

Why and how has this happened in our country?

We believe for two reasons: 1) Apathy; and 2) the misconception there is a Santa Claus in Washington, D.C.

In the first case, Americans have been so occupied with making a living, they have "Let George Do It!"

They have not got involved in the political spectrum.

They have allowed a small majority of the electorate to pick their representatives. Representatives who may not have been qualified to represent them, or who went to the job with self-interest or special interest motives—not the will of the vast "silent" majority.

We have allowed those who had an ax to grind to dominate the halls of Congress. As Sen. Laxalt stated, the Congress is controlled by representatives who have been backed by labor and environmentalists.

In the second case, the American public has been the victim of deceit.

They have lived under the illusion that

when all else fails—they can turn to Washington and Uncle Sam will provide whatever is needed.

Today, we are finding—as never before—all those Washington "solutions" are both extremely costly and operated under a most inefficient system.

In the real world—away from the make believe promises of long-winded politicians—we have to pay for what we get. And when the money is rerouted through the Nation's Capitol, the cost becomes highly inflated.

Unless we—as voting Americans—begin to be more selective in the people we elect to represent us, on every level and begin to assume a responsible and active role in our individual fates—we are going to find government, administered by bureaucrats, lording over us like a parent minding a small child.

We will be told what we can do, when we can do it, and how it can be done.

We will see an ever increasing share of our hard earned money going to finance the Washington system.

And in the end, the red tape—we helped to create—will choke us and this nation to death.

COMMENCEMENT ADDRESS BY GEORGE W. BALL

Mr. MUSKIE. Mr. President, it was my privilege recently to attend commencement exercises at my alma mater, Bates College in Lewiston, Maine. George W. Ball, the esteemed former Under Secretary of State, delivered a commencement address of significance not merely to young college graduates, but to all of us with responsibilities toward or concerns about the future of the race of man. He noted:

> No longer dare we limit our concerns to the fear that men may destroy one another through wars. Today there is the emerging possibility that we may bring about the world's destruction by getting out of joint with natural forces.

I commend Ambassador Ball's remarks to my colleagues. Mr. President, I ask unanimous consent that his speech, along with the invocation from the Bates College commencement on June 9, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Bates College Commencement, June 9, 1975]

PRAYER OF INVOCATION

Eternal God, in which and by which all things flourish and pass away; we give thanks for the glories of creation: for the seasons of bounty and beauty, for the graciousness of the earth and its ministry to our need.

We give thanks for our noble heritage; for all the generations before us who through effort and pain have so lived that we might be heirs of liberty and truth and peace.

We give thanks for opportunities used and unused, for victories over besetting sins, for the gladness and courage of abiding loyalty.

We give thanks for the discipline that enriches, for the burden that strengthens, for the failure that is true success, and for the sorrow that enlarges the heart.

We pray for a deeper knowledge and clearer understanding of our world, of others and ourselves. We pray for new confirmation of the wholeness of reason. We pray for the strengthening of our aspirations toward noble and spacious thinking. We pray for the scattering of the darkness of ignorance which terrifies the human spirit, demeans the human community, and wantonly destroys the resources of life.

We rejoice and give thanks for the human spirit and its powers, for the impulse to share, to serve, and to save. We pray that the spirit of love which quickens us to noble deeds and actions will continue to abide amongst us. We pray that this love will continue to make us faithful and strong, patient and tender, eager to fulfill the purposes of our lives.

We pray for the power to return to others a small portion of the hope that springs from a remembrance of the good things of our lives, only that this world and the human community will be enriched by the spirit of gratitude and forgiveness. Amen.

COMMENCEMENT ADDRESS BY GEORGE W. BALL

This beautiful land where most of you have spent the last four years is blessed with trees and rocks and verdant hills, with lakes and sandy beaches and the long sweep of the ocean. It is exhilarating country, craggy but open, where a man or woman can walk full stride, where solitude is possible and silence and that deep sense of personal freedom which comes from space and privacy. Yet the feeling of scope and scale you have known here is unfamiliar to most men and women today, and by the time you reach your latter forties you are going to have to accustom yourselves to a much less spacious world.

Within the next twenty-five years—between now and the end of the century—there will be a geometric increase in the earth's population. Yet it is not in our country that this increase will principally occur. Most of it will take place in the poor countries of the world—lands that are in many cases already bursting with surplus humanity.

Today the population of the world is estimated to be between 3.6 and 3.9 billion people, only a little over one billion of whom live in the so-called developed nations. By the year 2000, when most of you will still be in your forties, only two or three hundred million will have been added to the population of the developed nations but the underdeveloped nations of Asia, Africa and Latin America will contain more than five billion wretchedly poor people packed tightly within their borders. If the world population were to continue to increase at the current pace (doubling in Asia every thirty years, in Africa every twenty-seven years and in Latin America every twenty-nine years), the poor nations would have to accommodate 40 billion by 2070.

Obviously the world could never sustain such huge numbers. Historically populations have been kept in check by the Malthusian constraints of famine, war and pestilence, and if the habits and customs in the poor nations were to persist as they are today, we could again experience those dreadful indecencies. Yet, if we face the problem promptly, the world need not pass the point of no return. The experience of Western Europe has shown that the process of industrialization tends progressively to limit the size of families. And, besides, in a few countries systematic family planning programs are at last beginning to make some small dent in the problem.

Yet the time spans required are not reassuring. A slowing of the birth rate that accompanied the industrialization of Western Europe consumed several generations, and the current pace of economic development is far too slow to turn down the soaring demographic curve in many of the poor countries, particularly the largest and poorest. Thus, it is clear that you are going to have to learn how to live on an overcrowded globe, and it is hard for any of us to visualize the constraints this may place on every man's freedom of decision.

Nor is population by any means the sole new problem that will complicate your mature lives. At current high rates of consumption we are beginning to deplete some of the earth's natural resources at an alarming pace. Our industrial processes and life habits are poisoning the environment, polluting our water supply, despoiling the air we breath, and contaminating the seas that are a potential source of food for a world population bursting at the seams. Only now are we beginning to realize the awesome implications of the interdependence of natural processes. Only now are we beginning to realize that apparently unrelated activities may critically interfere with fragile but essential life systems and that we cannot always be sure of the feedback of one activity on another. Finally, we must be on guard that our scientific discoveries not get out of hand. For example, in our strenuous efforts to meet the world's burgeoning energy requirements, we must avoid raising the world's temperature to a point beyond human tolerance.

These are some of the new problems that, over time, are likely to dwarf many of our familiar anxieties. No longer dare we limit our concerns to the fear that men may destroy one another through wars. Today there is the emerging possibility that we may bring about the world's destruction by getting out of joint with natural forces.

One predicament recalls an anecdote that enjoyed a brief vogue a year or two ago. An airline pilot announced to his passengers both good news and bad. The good news was that, with the aid of a powerful tailwind, the plane was flying faster than any other plane in history; the bad news was that the navigational system had failed, so no one knew where the plane was going. Today the speed at which our affairs are moving and changing is clearly a record. Yet we can no longer take it for granted that mankind will win the race for the pursuit of happiness, realize its own perfectability—or even survive. Hobbled by the imperfections of our habits and institutions, we may be unleashing natural forces beyond our capacity to resolve or control, ironically placing the individual of the Twentieth Century in the vulnerable condition of his ancient forebears.

For fear of nature as an implacable enemy is as old as time. Running throughout Greek and Roman thought was the feeling that men confronted unknown and incalculable powers lying just beyond an undefined threshold of knowledge—powers that might destroy them if they pressed the bonds of inquiry too far. Aeneas, so Virgil suggests, would never have been subjected to the hazards of the high seas had man not discovered the art of navigation. Daedalus defied the air by inventing wings, with which his son, Icarus, flew too near the sun and was destroyed. Insisting on opening the box she had brought from heaven, Pandora released evils on the world, while, in the Hebrew myth, Adam ate of the Tree of Knowledge and was ejected from Eden.

Belief in progress had no place in the classical credo. Fate kept mankind in its place; to expect earthly improvement was to challenge the bars dividing the human from the divine. Though men of the Middle Ages used a different vocabulary, they held roughly the same dour conviction: man's original sin destroyed hope for his moral improvement and, with no prospect of improving his human lot, he could rely only on the expectation of a happier afterlife.

Not till late in the Renaissance did the idea of progress begin to emerge. It was that extraordinary frontalist, Francis Bacon, who first suggested that, rather than fearing nature, man could, by increasing his knowledge, ameliorate its hazards and increase his prospects for happiness. The role of science was to endow human life with new "inventions and riches"—or, to put it another way, to establish the reign of man over nature. "It was wrong to assume," wrote Bacon, "that men of antiquity had any monopoly of wisdom." Belonging to an earlier period of history, they were younger in relation to the age of the world. So, just as men were taught by the experience of their elders, each succeeding age had good reason to achieve even greater things than its predecessors, since knowledge was cumulative. In other words, as Leibnitz later put it, "the present is pregnant with the future."

I need say little more about the evolution of the concept of progress that has dominated modern thought; it evolved slowly through the cumulative thinking of many men. Descartes made a seminal breakthrough by insisting that the laws of nature were invariable. Fontenelle extended the argument with the thesis that each generation must take into account what gave the theory of progress its value—the postulate of an indefinite future. Since it depended on invariable laws, progress, he contended, was both necessary and certain.

What was implied by the concept of progress was that an individual's obligations ran not merely to himself and to his friends, but also to posterity—to generations yet to be born. With Huxley's popularization of Darwin's concept of evolution in the latter part of the nineteenth century, the public began to expect a steady improvement of society and of human well-being. Optimism became the order of the day. Renan saw mankind perpetually achieving a more perfect state through the growing domination of reason. Herbert Spencer, interpreting Darwin, envisaged man undergoing an evolutionary adaptation to the point where "the ultimate development of the ideal man is logically certain."

Thus, at the close of the nineteenth century, with the prospect of perfectability inferred from Huxley's interpretation of Darwinism, the human race seemed assured not only that it was here to stay but also that it had a noble future. Nature was to be mastered rather than feared. Even the German pessimist, Professor Rudolf Herman Lotz, though unpersuaded of the perfectability of human nature, could still argue that "as far as men may judge, it seems that in our days there are greater safeguards than there were in antiquity against unjustifiable excesses and against the external forces which might endanger the continued existence of civilization."

It is remarkable that such an optimistic idea could have survived the convulsions of two brutal world wars. Yet, though doomsayers such as Spengler conjured up apocalyptic visions, it was not until the development of nuclear weapons that many men turned toward a new skepticism. The advent of the nuclear bomb marked the end of Western, and particularly of American, innocence; it forced many of us to endure in shocked surprise long thoughts about last things, compelling us, in fact, to experience once again the ancient anxiety that the world might destroy itself at some unpredictable time. Fortunately, we survived the most nervous days of the Cold War without anyone pushing the red button, and, after the Cuban missile crisis had brought both sides face-to-face with the realities of confrontation, the Kremlin made at least a tactical decision to reduce its bellicosity toward the West. Mankind had won a reprieve and Western man again breathed more easily. Provided the Cold War did not heat up again, it seemed possible that the United States and the Soviet Union might gradually agree on arrangements to check the endless escalation of nuclear armaments.

Yet, though there was basis for renewed faith in the inevitable march of progress, optimism enjoyed only a brief Indian summer. Inquisitive men and women began to extrapolate trends, putting together bits and pieces of evidence that pointed toward a new crisis which threatened not only man's faith in himself but the basic assumptions on which Western civilization had long proceeded. The nuclear weapon had been only a warning of other and equally complex problems and even more subtle dangers. They were not easy to comprehend, nor did the doctors agree on the diagnosis—much less the cure.

Yet through all the confusion one or two central ideas have managed to emerge. If the world is engaging in excessive production, it is primarily the production of people and, unless the process is slowed down, there is no possible way to cope with the problems of sustaining population of such magnitude.

A dour English parson named Thomas Malthus had first sounded that alarm a century and a half ago. He foresaw that as the population in Europe began to grow faster in the early nineteenth century, it would, sooner or later, outrun the food supply. With population increasing at a geometric rate (2,4,8) and world food supplies at only an arithmetic rate (2,3,4), starvation seemed inevitable on a vast scale. What was unfortunate for Malthus' reputation as a scientist and prophet—though fortunate for the human race—was that, just at the time he put forward his central proposition, man was beginning to triple his food yield per acre.

Thus, particularly through the introduction of fertilizer, the world has, since the nineteenth century, been able to sustain more and more people at higher standards of living than anyone had earlier thought possible. As a result, for a long time, Malthus' theories were regarded as fallacious and he was treated by his successor scientists with disdain. Yet today that disdain does no credit to his critics, though the fad went so far that as late as 1938, respected intellectuals such as Dr. Gunnar Myrdal were dolefully predicting the collapse of the West because of its declining birth rate.

Now unmistakable realities have given a new validity to the Malthusian prophecy, though in far more complicated terms. If an English parson in the early nineteenth century could hardly be expected to anticipate the expansion of agriculture, neither could he foresee the great acceleration in growth resulting from the worldwide improvement in public health. Particularly since the Second World War, well-intended measures have materially lengthened the average human life span, especially by reducing infant mortality, with the result that more females have survived to child-bearing age. Meanwhile, more older people have been kept alive.

Thus, our humanitarian efforts may have created more formidable problems than they solved. When our doctors eliminated disease, our engineers drained swamps, our agricultural programs distributed food, we hastened the dangers of a Malthusian debacle by ignoring the total equation. Although we still have a considerable margin before reaching the ultimate level of food production, population growth has proceeded relentlessly. Thus we can now begin to perceive that, even if we were recklessly to deplete the feed stocks for petrochemicals on which modern fertilizer production depends and to open new lands for cultivation at a breakneck pace, there are outer limits to the production of food.

Today some serious men are raising hard questions in lurid terms, suggesting if we help feed poor countries already overcrowded in relation not only to space but to resources we may be intensifying the misery of future generations.

As with every other major issue, there are alarmists and iconoclasts—those who overstate the problem by extrapolating curves without adjustment for intervention either by nature or man and those who, reacting negatively to the alarmists, display an excessive complacency. It is hard to tell just where the truth may lie between these two extremes. The most deeply alarmed have likened to earth to a lifeboat that can hold only a finite number of people. To take on board more would jeopardize the lives of all the other passengers. Others have expressed their concern by employing the term "triage"—which came into usage during the First World War and means, in effect, that an army cannot waste its limited medical resources on the critically wounded.

Yet it is by no means clear that painting the future in such stark terms encourages men to find solutions. It may lead more to paralysis than to action, since, when a problem seems insuperable, men are more tempted to ignore it than to solve it. Thus the doomsayers may not do us much good. Anyone who literally accepted their predictions would be as likely to seek escape through some esoteric escapist religion—as some of your generation are doing now—as to tackle the problem in a modern pragmatic fashion.

Still, we would be intellectually dishonest—perhaps the more accurate word is cowardly—if we were to ignore the dilemma the pessimists pose, even though it involves a profound challenge to our religious and moral precepts—and, indeed, to the optimistic belief in unlimited progress that has for a century, at least, been Western man's dominant operating assumption.

Clearly, it is a problem which sooner or later all of you will have to think about. Is it humane to try to support populations that are rapidly expanding beyond their capability for economic production when, by such action—by keeping those populations alive and failing to make rigorous population control a condition to assistance—we may be doing millions of unborn human beings a tragic disservice? Do we, in other words, have an obligation to future generations—to the unborn—that can in some circumstances transcend our obligation to human beings now alive whom we can see and hear and come to know?

As I suggested a moment ago, the concept that mankind had a responsibility to future generations was a corollary to the idea of progress which is, after all, a relatively recent and peculiarly Western contribution to intellectual thought. But how does one measure his or her relative obligation to unborn generations as against man's duty to help his fellow man? Is man capable of so completely letting logic dominate emotion that he can be—as someone put it—cruelly kind rather than kindly cruel?

The iconoclasts, of course, dismiss this whole set of problems as founded on misconceptions of the true capabilities of the wealthier countries. They argue, with considerable force, that we have by no means approached the outer limits of our food supply. A great deal of food could be saved if peoples in the advanced nations (and particularly the United States) would, for example, change the emphasis of their habits from meat eating to the direct consumption of cereals, since the body, after all, is a highly inefficient machine for processing nutriment. Thus, they contend, we should all become happy—or, at least, resigned—vegetarians.

All this may enable us to buy a little time and it would *no* doubt be possible to accomplish a great deal along this line if the world could be promptly committed to a common effort to improve production and mitigate the consumption of available foodstuffs. But it will significantly ease the problem only if meanwhile we have taken far-reaching steps to check the current vaulting growth in the total number of consumers. What good does it do to tap even the most remote sources of food if the world's increment of people, either as a result of excessive births of lengthened time spans, still neutralizes the benefits of everything we do—

as is now the case, for example, in Bangladesh.

Moreover, even if we were able to sustain the unchecked increment of human lives in areas of meager resources and low capabilities, we might well find the cost excessive since the effort could require us to redesign our social, political and economic arrangements in a manner destructive of our basic values.

The question we face is not, after all, merely whether we have the political will to make the extraordinary effort required to preserve human lives in areas where, in G. K. Chesterton's paraphrase of Oliver Goldsmith, "men accumulate and wealth decays;" the question is whether, if we should undertake the task, it will require us to make changes in our habits and institutions that will impose such draconian limits on individual decision and action—and, in essence—on the free operation of our democratic processes—that we would have destroyed more than we had saved.

Obviously, population is only one of the factors that determine the form and shapes of a nation's institutions. Important also are the magnitude of its natural resources, the state of its technology, the extent of its territories, the volume of its foreign trade. The more affluent a country, the more freedom of choice its people are likely to have. Though Belgium is, for example, a densely populated nation, it can, with its high standard of living, afford the luxury of democratic institutions. But when a country is poor, its technology relatively backward, its natural resources undeveloped, an excessive population may well force it toward a distasteful choice—either squalor and ultimate disorder or a repressive political system that dominates every aspect of life, channeling the actions and even the thoughts of men and women within a narrow, rigid doctrinaire framework. Only in this way can meager resources be so fully shared as to prevent widespread starvation; only in this way can people's exertions be effectively harnessed and coordinated toward a goal of common survival.

The comparison that comes quickly to mind is that between India and China, which are, in terms of population, the two largest nations in the world. Both are miserably overcrowded. Much of China's land area is mountainous or otherwise uninhabitable so that seven-eighths of the population, or roughly 700 million people, are crowded into the eastern one-third of the country—and dependent for their food supply on the produce of less than 12% of the surface area of the country. India—with only one-third the area of China to begin with—but with agriculture lands slightly more extensive than those of China—today contains nearly 600 million people. In the city of Calcutta alone, millions huddle together in one vast noisome slum. To the extent that statistics are at all reliable, the per capita income of the two countries is about the same—something less than $100 per year.

But, although the basic economic and physical circumstances of the two countries are not far different, their social, economic and political structures are poles apart. India has developed what it proudly calls the world's largest democracy with a parliamentary system derivative from its years under British rule.

China, on the other hand, is organized with the rigor of a beehive, under an all-pervasive political control and with the people indoctrinated from childhood in a rigid code, their thinking directed on a massive basis and their economic activity constrained within an intricate bureaucratic command system. Yet, repulsive though the Chinese system may be to anyone devoted to the values of the West, the Chinese nation today seems capable of surviving and, indeed—largely through its own efforts—of gradually beginning to move toward more efficient agriculture, industrialization and progressively higher standards of living. Though the extravagant claims of the Peking Government must be substantially discounted, it seems probable that they are approaching—or will within a few years approach—a relatively stable demographic situation that will insure a population with a diminishing, and ultimately a zero, growth rate.

The prognosis for India, on the other hand, is much less sanguine. With an overblown bureaucratic structure that seems to impair more than stimulate progress and with great disparities of wealth between a rich class and the vast mass of wretchedly poor, it is hard to foresee how the present system in India will ever enable the country to manage or overcome its problems. The iron constraints of religion and culture alone are a major impediment to material progress. With inefficient—and for the most part primitive—agricultural methods and an even more imperfect system of distribution, with religious taboos that impose on the food economy a totally parasitic cattle population almost twice that of the United States, the nation is a deficit food producer, in spite of miracle rice and miracle wheat.

Yet, although a number of dedicated Indians have worked to turn down the population curve, family planning has made only a tiny dent on the problem, so that Ambassador Moynihan, who has just returned from an extensive tour of duty in India, predicts that by the turn of the century the population of that country is likely to approach a billion people.

What are the lessons to be drawn from this? Not at all that the Communist structure of China is good and Indian democracy bad, but rather that, if population is permitted to outrun resources in any huge country with a low standard of living, the people may face the hard choice between authoritarian methods or ultimate collapse.

But if the poverty and lack of resources and relatively low capabilities of a country may tend to shape its domestic policies and institutions in the direction of autocracy, they cannot help but influence its foreign policies as well. Just what that influence may be has never been adequately studied, although some scholars have looked at bits and pieces of the problem. During the thirties Japan's imperialistic drive was no doubt nourished not only by the claustrophobia of an island nation but also by the desire of a raw materials deficit country to acquire a resource base of its own, as well as assured markets. At the same time, "Lebensraum" provided a convenient—though not convincing—rationalization for Hitler's aggressions. Thus there is little doubt that, at different times in history the pressures of excessive population has contributed to expansionism, although this is probably less significant under modern conditions of warfare where industrial might and modern technology are more important than mass armies.

Still one cannot discount the importance of population when related to resources, technology, territory and trade in determining a nation's international behavior. And more and more we shall, I think, have to design our foreign policies to take account of those factors.

Just how much these swollen populations may threaten the peace of the world only time can tell. But with the new prospect of widespread proliferation that opened up when India recently joined the nuclear club there is understandable speculation that an impoverished nation threatened with widespread famine, might sometime use its nuclear capability as blackmail in a frantic search for food.

In spite of the forebodings and alarms I have adverted to this morning, you who are graduating today should take comfort from the demonstrated fact that events tend more often than not to confound the prophesies of the experts. If there is one operating hypothesis that is usually safe, it is that things rarely work out as expected. Somewhere, somehow, there are almost certain to be forces working beneath the surface of events that will, to some degree, neutralize or transform forces now apparent. But whether they will work for better or for worse is by no means assured.

This is, therefore, no time for complacency. And in our national concern with transient minutiae, we should not overlook the urgent imperative to seek answers to the questions posed by some of the developments I have suggested. More often than not, you will find those answers in history. That, after all, is your best recourse, for even though the present may wear a new face and the problems seem novel and unfamiliar, you are very likely to discover parallels and precedents if you only probe deeply enough. There is, after all—as the authors of Ecclesiastis told us long ago—"No new thing under the sun," and, as Justice Holmes once put it, "Historical continuity with the past is not a duty, it is merely a necessity."

In living through the aberrations of recent years, we should have been more aware than many of us were that there have been periods of frustration before—and even in our own national history, as Professor Boorstin has eloquently pointed out. Had Americans—including some of your predecessors on the campuses four or five years ago—only applied themselves more diligently to the study of history—the chronicle of our past experience—they would not have been so impressed with the novelty of their own behavior or so intoxicated with the ferocity of their own self-righteousness.

It is a lesson I would commend to your earnest attention. We would all do well to heed it.

OREGON COMPANY NAMED CO-WINNER OF SBA NATIONAL SMALL BUSINESS CONTRACTOR OF THE YEAR

Mr. HATFIELD. Mr. President, on March 26, my colleagues recall I noted with pride that an Oregon company has been chosen as regional SBA subcontractor of the year. Now, I am proud to report OECO has been named as co-winner of the National Subcontractor of the Year.

What is important to me is that OECO has reached this mark through a team effort on the part of all its employees. While the people at the top set the tone for any organization, I know Bob Jack, president of OECO, would be the first to note the contributions of everyone on the OECO team.

I congratulate all employees of OECO for being chosen for this award. It is a credit to the hard working attitude of all the company employees. A special congratulations to OECO President Robert V. Jack, for I know how much this selection means to him and the other executives at OECO.

Mr. President, I ask unanimous consent that a statement from the SBA describing this award that OECO and Semtech, a California company, shared be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Two West Coast Firms Named National Small Business Subcontractors of the Year

Washington, D.C., May 20, 1975.—Two West Coast companies, the Semtech Corporation of Newbury Park, California and the OECO Corporation of Portland, Oregon, were named the National Small Business Subcontractors of the Year today in Washington at the U.S. Small Business Administration's Eighth Annual Subcontracting Conference and Awards Banquet. Awards for the honor were presented to Harvey Stump, Jr., President and Director of Semtech, and R. V. Jack, OECO's President, by SBA Administrator Thomas S. Kleppe.

The two national winners were picked from a field of ten regional winners from throughout the nation. Semtech and OECO share the national honor this year because of their equally outstanding qualifications. Subcontractors are nominated for the award by Federal procurement prime contractors and are judged on the basis of product quality and on-time delivery records.

The Semtech Corporation was founded in 1960 with private venture capital to manufacture silicon rectifiers and related devices in the power electronics field. The founders, Joseph S. O'Flaherty, Harvey Stump, Jr., Gustav H. D. Franzen and William B. Krause, are still the corporation's top management people. In 1963, Semtech's sales exceeded $500,000 annually; during the year just completed, sales have grown to $13,000,000. The company became a publicly held corporation in 1967 with an offering of 120,000 shares.

Semtech's first major breakthrough was Metoxilite, a proprietory encapsulating material developed in 1960. In 1970, the company became a producer of precision metal stampings for the electronic and electromechanical markets, added a ceramic capability, and succeeded in a new area of high-voltage devices. The company's customers' final products range from small appliances to satellites. Semtech's trademark is found on components used in every moon landing, and its products have been used in every interplanetary spacecraft launched to date.

When Gerald L. Osborne formed the Osborne Electric Company, a sole proprietorship, in 1947 to manufacture transformers for the commercial market, he was laying the foundations of the OECO Corporation. In 1956, the company was incorporated as the Osborne Electric Corporation, with Osborne as the sole stockholder.

The corporation was reorganized in 1961 and was incorporated by the State of Oregon. During the 1960's, the new corporation solidified its niche in the electronics components business and became one of the leading specialty transformer manufacturers in the country. Marketing was expanded to all regions of the United States. As an example, OECO was a major supplier of magnetics to the Apollo Program.

OECO then broadened its product line to include circuit designs incorporating its state-of-the-art magnetics. A considerable engineering investment was made in the custom design of power supplies and related solid-state components. As a consequence of this risk investment, OECO has since become a major supplier of sophisticated airborne power supplies.

Both Semtech and OECO were nominated for the subcontracting award by the Tucson, Arizona division of Hughes Aircraft.

AGE DISCRIMINATION

Mr. TUNNEY. Mr. President, the economic condition in which thousands of this Nation's older workers find themselves today can clearly be described as tragic. Their plight was worsened when President Ford vetoed the emergency employment bill. The net result of the veto would have meant full joblessness for many of our Nation's elderly.

Congress took immediate remedial action by appropriating an additional $30 million for the title IX Older Americans Community Service Employment program during its consideration of emergency funding for the summer youth jobs program. I commend both the House and Senate Appropriations Committees for their strong, beneficial action.

The fate of this legislation now lies in the hands of Mr. Ford.

But the infusion of these funds can only solve a part of the problem. I am referring to the problem of ageism, that all too common phenomenon which insists that an older American cannot perform a job, and is therefore retired from that job. Senior citizens have the right to work, as do we all. Ageism, or age discrimination, is a sad development which has arisen hand in hand with our tightening job market. It is wholly unfair, discriminating against a process which starts from the moment of birth.

Recently, Norma Levy wrote an article entitled "Why We Need Our Older Workers," which clearly describes the nature and magnitude of ageism in our society.

I ask unanimous consent that the full text of that article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Why We Need Our Older Workers

(By Norma Levy)

Abraham Beame, mayor of New York, is 68; John De Lury, head of New York's powerful Sanitationmen's Union, is 70. These two "older workers" tried to solve their city's financial crisis by getting rid of government employees 58 and over—themselves excluded. Calling it "early retirement," they attempted to make older workers bear the brunt of the economic recession.

Such a solution to economic problems is neither new nor surprising. As Dr. Harold Shepard of the Upjohn Institute says, every recession in this country has been followed by a reduction in the older work force. In this youth-oriented society, the old are dispensable.

But this time the solution was thwarted—not because of an outcry against injustice, but because it was illegal. Times may be changing. In the work force, as elsewhere in society, old people's liberation has begun.

And just in time too. Older workers have been increasingly denied a fundamental right of citizenship—the right to work. Through a combination of discriminatory employment practices and economic incentives not to work, many still capable workers have been forced into an old age of unhappy unproductiveness and economic insecurity.

The phenomenon is a product of the change from an agricultural to technological society. In 1900, when agriculture was the traditional way of life, 68 percent of all men over 65 worked; today, only 23 percent do.

Contrary to the belief of most Americans, old age does not mean infirmity and senility. People age differently. Some seem "old" at 25; others have the gift of optimism and openness that keeps them "young" until death. On-the-job studies have shown that, except for physically demanding or high pressure work, older workers are as good as—if not better than—their younger counterparts. They are more likely to be stable and happy; they make fewer mistakes, have fewer absences; and they are far more dependable.

EARLY DISCRIMINATION

Nevertheless, potentially productive older people are being forced out of jobs. Discrimination starts long before the traditional time for retirement. From the age of 40, an unemployed worker often finds job hunting a nightmare. Employers frequently prefer a younger worker—sometimes because of prejudice, sometimes because they come cheaper. Once out of work, workers over 40 are likely to remain unemployed much longer than their younger co-workers. Older workers also face on-the-job discrimination. They're passed over for promotion; and they're often the first fired, sometimes to protect a company's pension funds, sometimes to save on salary costs.

Finally, there is the problem of retirement. Today, half of all workers face mandatory retirement, especially salaried employees in large companies. To employers, it's a socially acceptable way to get rid of older, more expensive employees. Unions like it because it opens up slots for impatient younger members. The only ones to object are the retirees who, in the past, have been too unaware and too unorganized to protest effectively.

Today, more and more people, in and out of government, are questioning society's attitudes and policies toward the older worker. Congress took an important first step when it passed the Age Discrimination in Employment Act of 1967—a little-known law that makes it illegal to discriminate against workers aged 40 to 65 on account of age. Although inadequate, it was enough to stop Mayor Beame's attempt to solve New York's problems on the backs of the older workers. It was also enough to force Standard Oil of Californa to reinstate 120 older workers and to give $2 million in back pay to 160 others—the largest age discrimination settlement ever.

Yet, as it now stands, the act is not enough. For it is difficult to prove age discrimination, especially in hiring, and Congress has not been willing to spend much money on enforcement.

Most significantly, the act provides no protection beyond the age of 65; in effect, it authorizes discrimination against the over-65 worker.

Some powerful people are becoming concerned about these injustices, and changes may well be forthcoming. Democratic Sens. Hiram Fong of Hawaii and Frank Church of Idaho will soon seek to eliminate the age 65 ceiling. Says Church: "I think it's high time that we take down the arbitrary stop sign which now suggests that 65 is the end of the road for employment opportunities and advancing age is the stop-off point for occupational advancement. One's year of birth really should be irrelevant in determining whether he is hired, fired, promoted or demoted. Functional capacity, not chronological age, should be the controlling factor."

According to attorney Robert Manning of Los Angeles' National Senior Citizen's Law Center, several lawsuits are now pending to challenge the constitutionality of mandatory retirement. A victory in the courts could go far to end the present pattern of indifference.

A few recent efforts have been made to find useful work for older people. A few federal programs have been started but most are voluntary and pay little or nothing. The only one providing a regular salary, the Senior Citizens Community Service Employment Program, offers part-time employment to people 55 years and over with incomes below the poverty level. They're engaged in socially beneficial work, serving as senior aides and conservation workers.

PART-TIME JOBS

The oldest program, Foster Grandparents, is a part-time operation that pays about $1.60 per hour for low-income older people to provide services to children in institutions, especially the mentally retarded, handicapped and delinquent. About 12,500 people throughout the country participate. In a newly created Senior Companion program, they work with older adults to prevent the institutionalization of these people. Finally, there is an all-volunteer program called RSVP (Retired Senior Volunteer Program).

In addition, some 700 local projects now exist involving 125,000 volunteers performing a variety of services throughout the country. The speed with which such projects have mushroomed suggests the extent to which older people desire to feel productive and useful. Older Americans are by no means dropouts; they just don't know how to get back in again.

As important as these programs are, they are not enough to fill the enormous need. Says Maggie Kuhn, head of the Gray Panthers: "They're lovely, but they're tokens."

SEEK POLITICAL ACTION

The Gray Panthers, a grass roots organization with chapters throughout the country is one of a number of organizations committed to eliminating injustices toward older people through increased awareness and political action. The 65-year age ceiling is also being fought by such groups as the American Association of Retired People and the National Council of Senior Citizens.

But this might be just a beginning. Right now, 20 million Americans, or 10 percent of the population, are over 65. By 2030, it is estimated that the total will reach 51 million, or 17 percent. Obviously, if they organized and focused their energies politically, the over-65 group could become a powerful force in the country. And they could well be a force for the best interests of all. For besides their capacity to work, which we've shamefully neglected, our older people have a good deal of accumulated wisdom—a rare commodity that should not be wasted.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS, 1976—S. 598

AMENDMENT NO. 533

Mr. TUNNEY. Mr. President, Senators Philip Hart, Metcalf, Abourezk, and Cranston have joined me in submitting amendment No. 553 to S. 598, the Energy Research and Development Administration authorization request for fiscal year 1976. The purpose of our amendment is to delay the construction of and the commitment to the design of the Clinch River Breeder Reactor demonstration plant for 1 year in order that the Office of Technology Assessment can investigate the factors affecting the need for, and the timetable of, the Liquid Metal Fast Breeder Reactor—LMBFR.

The purpose of the LMBFR program is to extend our uranium resources. While present light water reactors utilize less than 1 percent of the energy potential of uranium, the breeder would utilize 60 percent, thus increasing our uranium resources by a factor of 100. They would do so by converting nonfissionable uranium 238 into plutonium. Plutonium, which is fissionable, then can be used to fuel light water reactors and other breeders.

The Energy Research and Development Administration's budget request for fiscal year 1976 contains almost one-half billion dollars for the breeder alone. In comparison, the funding request for other energy programs is a relative pittance—$57 million was requested for solar energy, $28 million for geothermal energy and $311 million for the entire fossil fuels program.

While the breeder continues to take up the largest share of the civilian energy budget, the costs of the project continue to soar.

In the 1960's the LMBFR program was estimated to cost just over $2 billion. Today the program is tagged at $10.6 billion—a five-fold increase. The Fast Flux Test Facility which is designed to test fuels and materials for the breeder program was originally estimated to cost $87 million. Today, with several years before the FFTF is completed, the cost is estimated at $933 million.

The Clinch River breeder reactor demonstration plant—CRBR—was estimated to cost $699 million in 1972. Today the Energy Research and Development Administration tells us that it will cost $1.7 billion. In a recent report on the costs and schedule estimates for the CRBR, the Government Accounting Office, however, was not able to determine whether the CRBR could be constructed and operated for $1.7 billion or even $2.1 billion.

Not only has GAO cast doubt upon the reliability of the cost estimate, but they have also criticized the management arrangement for the CRBR.

The CRBR was originally to be managed by the Project Management Corp., an industry consortium. As the costs of the project have risen, however, the Government share of the project has also increased. Today the Government is picking up 85 percent of the cost of the CRBR. In an effort to make management responsibilities commensurate with investment, ERDA has proposed to take over the management of the project. This new management arrangement, however, has been criticized by GAO as being so complex and cumbersome that it is not apparent just how much authority ERDA actually has. GAO points out that, under the new arrangement, the utilities may opt out of the project if any plant component should cost more than $25 million. Because of the chance of explosion within the CRBR, the Nuclear Regulatory Commission is considering the need to require a safety device, the core catcher, to help mitigate any explosion problems. The core catcher has been estimated to cost anywhere from $20 million to $100 million. If the Nuclear Regulatory Commission should decide that a core catcher must be used if the CRBR is to be licensed, and if the core catcher should cost more than $25 million, the utilities can back out of the whole project, leaving the Government to pick up the entire tab. We could be placed in a situation of having chosen between building a plant that cannot be licensed but which has utility support, or building a plant that is licensable but has no utility support. This is, obviously enough, not a very pleasant prospect.

While the purpose of the LMFBR is to "breed" plutonium for use as nuclear fuel, it is not at all certain at this point whether plutonium will be allowed to be recycled as a fuel. Plutonium is an extremely toxic substance—one-millionth of a gram has been shown to cause cancer in animals. Plutonium is also a material from which nuclear explosives can be made. Only 10 grams of plutonium are required to build an explosive with the destructive power of the bomb that devastated Hiroshima.

If plutonium were to be recycled, it would have to be transported, along with the other highly radioactive byproducts of the fission process, from the reactor to a reprocessing plant maybe several thousand miles away. At the reprocessing plant, the plutonium would be chemically separated from the other materials and purified. Until plutonium is purified it presents little danger of being diverted because it is mixed in with other materials which are so radioactive that anyone attempting to steal the plutonium would be killed unless wearing special shielding. Purified plutonium, however, can be handled safely in a plastic bag.

From the reprocessing plant, the plutonium would travel to fuel fabrication and assembly plants to be fabricated and assembled into fuel rods and then shipped on to a reactor to use as fuel in the core.

There currently are no commercial reprocessing facilities operating in the United States. Last year, the AEC issued a draft environmental impact statement on the recycle of plutonium. Under pressure from the Environmental Protection Agency and the Council on Environmental Quality, the new Nuclear Regulatory Commission has provisionally agreed to delay any action on the authorization of plutonium recycle for 3 years pending a more comprehensive assessment of the safeguard problems involved in plutonium recycle.

Beyond the cost overruns, the potential management problems and the safety and safeguards issues involved in the breeder program, there are genuine questions as to when we will need the breeder if we decide that we want it.

Three crucial variables affect the timetable for the introduction of the breeder: Electrical energy demand, uranium supplies, and the introduction of alternative energy sources.

In its comments on the ERDA proposed final environmental impact statement on the LMFBR program, the Environmental Protection Agency states that—

> We have concluded from our review that overall LMFBR benefits are highly sensitive to variations in the assumed future electrical demand and uranium resource availability, neither of which is reliably known at this time.

EPA goes on to say that—

> Using the latest demand projections of Project Independence our preliminary analyses indicate that a delay of 4 to 12 years might be accommodated without significantly reducing the uranium conservation of the breeder.

EPA concludes that—

> Present scheduling indicates what we believe to be highly optimistic assumptions

concerning the time and effort needed for adequate resolution of environmental and safety problems.

Although EPA stresses that its comments on the possibility of a delay apply only to the commercial introduction date of the breeder and not to the demonstration phase of the program, I am not at all sure that the two can be separated.

If the breeder is demonstrated and available for commercial introduction before it is economical, utilities will not buy it. The Government, therefore, will be asked to step in and subsidize the commercialization of the breeder at the further expense of the taxpayer. After spending $10 billion on demonstrating the breeder—many argue that this figure could easily double or triple—it is foolheardy to assume that we can just put the breeder aside until the utilities are willing to put up the money to commercialize it. Not only will there be an inbuilt momentum as the result of spending more than $10 billion on the LMFBR, but there will also be a technology base for the breeder that many will argue will disappear if the breeder is not commercialized in a timely fashion following demonstration. For the program to be successful, it is absolutely essential that the demonstration timetable keep pace with the commercialization timetable. To demonstrate the breeder before it is commercially economical would be the surest way to kill the program. As we all remember, it was not too many years ago that we were asked to approve a subsidy to commercialize the SST.

It should further be noted that some foreign countries, notably France and Russia, are already developing breeders. It may be possible to enter into agreements with these countries in an effort to learn from their experience. This could not only reduce the cost of the breeder for the American taxpayer, but it could also provide new insights into breeder technology. Canada also has a nuclear reactor, the CANDU, which is not a breeder but which is much more efficient at utilizing uranium resources than our light water reactors. Dr. Hans Bethe, a Noble laureate physicist has testified that the CANDU involves less complicated technology, would cost less and would avoid the plutonium problems associated with our light water reactors. If we are truly interested in extending our uranium resources as well as cutting the cost of developing nuclear energy for our taxpayers, we should certainly be doing everything we can to learn from foreign experience.

There are also indications that alternative energy resources, such as solar and fusion, will be available in a timely enough manner to avoid the necessity of a breeder reactor.

In discussing the breeder, it should also be pointed out that several crucial reports are still outstanding. The final environmental impact statement on the LMFBR program is not scheduled to be issued until June 30th. This is also the date upon which Dr. Seamans is scheduled to release his energy policy statement, outlining what he sees as ERDA's role in the development of all energy alternatives. The Joint Committee on Atomic Energy is also in the process of conducting a review of the LMFBR program and its hearings are not expected to be concluded until July.

Our amendment does not seek to kill the breeder program.

In fact, I believe that we must continue research and development on the breeder as one of a number of possible energy options. Our amendment simply requests a 1-year delay in construction of the Clinch River breeder reactor demonstration plant pending an assessment of the factors underlying the breeder program. Of the almost half billion dollars requested for the breeder program, our amendment seeks to delete only $94.1 million for the procurement of long-lead items for the CRBR. In a letter to Congressman McCormack, Dr. David Rose a probreeder advocate from the Nuclear Engineering Department at MIT, states:

> The necessity to develop a breeder reactor program does not imply my automatic approval of the present program. The main open question concerns whether the Clinch River Reactor (CRBR) should be built as planned; along with its industrial backup, its cost is estimated at 1.75 billion dollars. The design is in many ways about 10 years old, and would incorporate many features of the Fast Flux Test Facility (itself not yet completed). As a result, we would get too little advance for too much money. I am in favor of not starting the CRBR at the present time, but instead using the next year or two to develop some insight into the following questions, among others: (1) What should be the optimal mix of reactor designs for the U.S., including LWR's [Light Water Reactors], HTGR's [High Temperature Gas Reactors], CANDU, etc., in terms of best utilization of fissionable or breedable resources? Such a study has never been made in an even-handed way. (2) Can the FFTF be made to serve more of a prototype function (add some steam-raising sections?) so that the CRBR stage might be by-passed? (3) Should be operated at about 30° C lower temperature, at a small penalty in efficiency, but at a large gain in materials integrity? (4) What do the French, Russians, and British have to offer? (5) The advantages and disadvantages of other breeder options? (6) Can less cumbersome and expensive administrative arrangements be made to run the program? To put the matter colloquially, can one turn an elephant into a horse by putting it on a slimming diet?

While stating that no funds are to be authorized for on-site construction of the CRBR this fiscal year, we have retained $87.1 million for continued research and development on the CRBR. In addition, our amendment seeks to clarify the ambiguities surrounding the type of authorization request contained in S. 598. Some argue that the authorization represents a "program" authorization which will not require further authorizing legislation until after the CRBR is built in 1982. To clarify this situation, our amendment specifies that the authorization request for the CRBR is a 1-year authorization and will have to be considered by Congress again next year.

ERDA has recently announced that the National Academy of Sciences—NAS—will be doing an 18-month study on the breeder beginning in July. While I believe that this is long overdue, one ERDA official has already indicated that the study will not affect the pace of the breeder program. The pace of the breeder program, however, is exactly what is at issue. If construction is allowed to commence on the CRBR and procurement of long-lead items continues, we will find ourselves in a situation where we will not be able to examine the issues involved until after the CRBR is built and after millions of more dollars have been spent. Since the NAS study is an 18-month study, Congress will be in no better position to evaluate ERDA's fiscal year 1977 budget request than it is to evaluate the current budget request. While I believe that the NAS study should be conducted, I also feel that Congress should undertake its own study through the Office of Technology Assessment so that it can better evaluate ERDA's fiscal year 1977 budget request.

For these reasons, we feel it is essential that amendment No. 553 be passed when it comes to the Senate floor for a vote. I ask unanimous consent that the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Energy Research and Development Administration Authorizations, 1976—S. 598

AMENDMENT NO. 553

On page 18, line 15, strike "$3,476,729,000.", and insert in lieu thereof "$3,882,629,000.".

On page 25, line 10, after the word "authorized" insert "for fiscal year ending September 30, 1976".

On page 27, after line 10, insert the following:

"(d) No funds authorized by this section shall be expended for on-site construction of the Clinch River Breeder Reactor demonstration plant or for procurement of any plant component, related items, or of long-lead items for such plant.

"(e) The Office of Technology Assessment is required to assess and report to the Congress not later than one year from the date of enactment of this Act on the following: national electrical energy demand projections, the availability of uranium and the factors which affect uranium supply; the optimal mix of nuclear reactors to extend uranium supplies; the advantages and disadvantages of each type of breeder reactor; the costs and benefits of the Liquid Metal Fast Breeder Reactor program; the environmental impacts of the Liquid Metal Fast Breeder Reactor program; the safety implications of the design of the Clinch River Breeder Reactor demonstration plant; the utilization of foreign technology to the effort to extend uranium resources and in the development of the Liquid Metal Fast Breeder Reactor; and the costs, benefits and feasibility of alternative energy resources. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection."

THE 150TH ANNIVERSARY OF DANIEL WEBSTER'S SPEECH AT BUNKER HILL

Mr. KENNEDY. Mr. President, today is the 200th anniversary of the Battle of Bunker Hill and the 150th anniversary of the famous speech of Senator Daniel Webster of Massachusetts at the laying of the cornerstone for the Bunker Hill Monument on June 17, 1825.

At the time, Webster, then a Member of the House of Representatives from

Massachusetts, was also president of the Bunker Hill Monument Association. At the ceremonies, General Lafayette participated as an honored guest in the laying of the cornerstone. The scene is vividly described by Richard Frothingham in his boob, "The Siege of Boston":

> This celebration was unequalled in magnificence by anything of the kind that had been seen in New England. The morning proved propitious. The air was cool, the sky was clear, and timely showers the previous day had brightened the vesture of nature into its loveliest hue. Delighted thousands flocked into Boston to bear a part in the proceedings, or to witness the spectacle. At about ten o'clock a procession moved from the State House towards Bunker Hill. The military, in their fine uniforms, formed the van. About two hundred veterans of the revolution, of whom forty were survivors of the battle, rode in barouches next to the escort. These venerable men, the relics of a past generation, with emaciated frames, tottering limbs, and trembling voices, constituted a touching spectacle. Some wore, as honorable decorations, their old fighting equipments, and some bore the scars of still more honorable wounds. Glistening eyes constituted their answer to the enthusiastic cheers of the grateful multitudes who lined their pathway and cheered their progress. To this patriot band succeeded the Bunker Hill Monument Association. Then the masonic fraternity, in their splendid regalia, thousands in number. Then Lafayette, continually welcomed the tokens of love and gratitude, and the invited guests. Then a long array of societies, with their various badges and banners. It was a splendid procession and of such length that the front nearly reached Charlestown Bridge ere the rear had left Boston Common. It proceeded to Breed's Hill, where the grand master of the Freemasons, the president of the Monument Association, and General Lafayette, performed the ceremony of laying the corner-stone, in the presence of a vast concourse of people. The procession then moved to a spacious amphitheatre on the northern declivity of the hill, where Hon. Daniel Webster delivered an address . . . When the exercises here were concluded, a procession was escorted to Bunker Hill, where a tent covering 38,400 square feet had been erected. Twelve tables ran the entire length of it, which were set with four thousand plates. Here speeches, toasts, and songs, concluded the cermonies [pp. **344–345**].

Mr. President, above and beyond the excellence of his oratory, Daniel Webster's speech is also notable, because it demonstrates, on the occasion of the 50th anniversary celebrations of the American Revolution, the insight of one of America's great early leaders on the meaning of the Revolution for his own time.

We face a similar challenge of understanding today, as we begin our bicentennial celebrations of the Revolution. As Webster stated:

> Those who established our liberty and our government are daily dropping from among us. The great trust now descends to new hands. Let us apply ourselves to that which is presented to us, as our appropriate subject. We can win no laurels in a war for independence. Earlier and worthier hands have gathered them all. Nor are there places for us by the side of Solon, and Alfred, and other founders of states. Our fathers have filled them. But there remains to us a great duty of defense and preservation; and there is opened to us, also, a noble pursuit, to which the spirit of the times strongly invites us. Our proper business is improvement. Let our age be the age of improvement. In a day of peace, let us advance the arts of peace and the works of peace. Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we may also, in our day and generation, may not perform something worthy to be remembered.

As Members of Congress are aware, the final sentence of this excerpt is inscribed on the wall of the House of Representatives, directly above and behind the Speaker's chair, as a continuing challenge to all of us to meet and carry on the ideals of the founding of our country.

Mr. President, I believe that Daniel Webster's address on this occasion will be of interest to all of us and I ask unanimous consent that the full text may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF DANIEL WEBSTER AT THE LAYING OF THE CORNERSTONE OF THE BUNKER HILL MONUMENT, JUNE 17, 1825.

The uncounted multitude before me and around me proves the feeling which the occasion has excited. These thousands of human faces, glowing with sympathy and joy, and from the impulses of a common gratitude turned reverently to heaven in this spacious temple of firmament, proclaim that the day, the place, and the purpose of our assembling have made a deep impression on our hearts.

If, indeed, there be any thing in local association fit to affect the mind of man, we need not strive to repress the emotions which agitate us here. We are among the sepulchres of our fathers. We are on ground, distinguished by their valor, their constancy, and the shedding of their blood. We are here, not to fix an uncertain date in our annals, nor to draw into notice an obscure and unknown spot. If our humble purpose had never been conceived, if we ourselves had never been born, the 17th of June, 1775, would have been a day on which all subsequent history would have poured its light, and the eminence where we stand a point of attraction to the eyes of successive generations. But we are Americans. We live in what may be called the early age of this great continent; and we know that our posterity, through all time, are here to enjoy and suffer the allotments of humanity. We see before us a probable train of great events; we know that our own fortunes have been happily cast; and it is natural, therefore, that we should be moved by the contemplation of occurrences which have guided our destiny before many of us were born, and settled the condition in which we should pass that portion of our existence which God allows to men on earth.

But the great event in the history of the continent, which we are now met here to commemorate, that prodigy of modern times, at once the wonder and the blessing of the world, is the American Revolution. In a day of extraordinary prosperity and happiness, of high national honor, distinction, and power, we are brought together, in this place, by our love of country, by our admiration of exalted character, by our gratitude for signal services and patriotic devotion.

The Society whose organ I am was formed for the purpose of rearing some honorable and durable monument to the memory of the early friends of American Independence. They have thought, that for this object no time could be more propitious than the present prosperous and peaceful period; that no place could claim preference over this memorable spot; and that no day could be more auspicious to the undertaking, than the anniversary of the battle which was here fought. The foundation of that monument we have now laid. With solemnities suited to the occasion, with prayers to Almighty God for blessing, and in the midst of this cloud of witnesses, we have begun the work. We trust it will be prosecuted, and that, springing from a broad foundation, rising high in massive solidity and unadorned grandeur, it may remain as long as Heaven permits the works of man to last, a fit emblem, both of the events in memory of which it is raised, and of the gratitude of those who have reared it.

. . . But our object is, by this edifice, to show our own deep sense of the value and importance of the achievements of our ancestors; and, by presenting this work of gratitude to the eye, to keep alive similar sentiments, and to foster a constant regard for the principles of the Revolution. Human beings are composed, not of reason only, but of imagination also, and sentiment; and that is neither wasted nor misapplied which is appropriated to the purpose of giving right direction to sentiments, and opening proper springs of feeling in the heart. Let it not be supposed that our object is to perpetuate national hostility, or even to cherish a mere military spirit. It is higher, purer, nobler. We consecrate our work to the spirit of national independence, and we wish that the light of peace may rest upon it for ever. We rear a memorial of our conviction of that unmeasured benefit which has been conferred on our own land, and of the happy influences which have been produced, by the same events, on the general interests of mankind. We come, as Americans, to mark a spot which must for ever be dear to us and our posterity. We wish that whosoever, in all coming time, shall turn his eye hither, may behold that the place is not undistinguished where the first great battle of the Revolution was fought. We wish that this structure may proclaim the magnitude and importance of that event to every class and every age. We wish that infancy may learn the purpose of its erection from maternal lips, and that weary and withered age may behold it, and be solaced by the recollections which it suggests. We wish that labor may look up here, and be proud, in the midst of its toil. We wish that, in those days of disaster, which, as they come upon all nations, must be expected to come upon us also, desponding patriotism may turn its eyes hitherward, and be assured that the foundations of our national power are still strong. We wish that this column rising towards heaven among the pointed spires of so many temples dedicated to God, may contribute also to produce, in all minds, a pious feeling of dependence and gratitude. We wish, finally, that the last object to the sight of him who leaves his native shore, and the first to gladden his who revisits it, may be something which shall remind him of the liberty and the glory of his country. Let it rise! let it rise, till it meet the sun in his coming; let the earliest light of the morning gild it, and parting day linger and play on its summit.

. . . We still have among us some of those who were active agents in the scenes of 1775, and who are now here, from every quarter of New England, to visit once more, and under circumstances so affecting, I had almost said so overwhelming, this renowned theatre of their courage and patriotism.

Venerable men! you have come down to us from a former generation. Heaven has bounteously lengthened out your lives, that you might behold this joyous day. You are now where you stood fifty years ago, this very hour, with your brothers and your neighbors, shoulder to shoulder, in the strife for your country. Behold, how altered! The same heavens are indeed over your heads; the same ocean rolls at your feet; but all else how changed! You hear now no roar of hostile cannon, you see no mixed volumes of smoke and flame rising from burning Charlestown. The ground strowed with the dead and the dying; the impetuous charge; the steady and successful repulse; the loud call to repeated assault; the summoning of all that is manly to repeated resistance; a thousand bosoms freely and fearlessly bared in an instant to whatever of terror there may be in war and death;—all these you have witnessed, but you witness them no more. All is peace. The heights of yonder metropolis, its towers and roofs, which you then saw filled with wives and children and countrymen in distress and terror, and looking with unutterable emotions for the issue of the combat, have presented you to-day with the sight of its whole happy population, come out to welcome and greet you with a universal jubilee. Yonder proud ships, by a felicity of position appropriately lying at the foot of this mount, and seeming fondly to cling around it, are not means of annoyance to you, but your country's own means of distinction and defence. All is peace; and God has granted you this sight of your country's happiness, ere you slumber in the grave. He has allowed you to behold and to partake the reward of your patriotic toils; and he has allowed us, your sons and countrymen, to meet you here, and in the name of the present generation, in the name of your country, in the name of liberty, to thank you!

But, alas! you are not all here! Time and the sword have thinned your ranks. Prescott, Putnam, Start, Brooks, Read, Pomeroy, Bridge! our eyes seek for you in vain amid this broken band. You are gathered to your fathers, and live only to your country in her grateful remembrance and your own bright example. But let us not too much grieve, that you have met the common fate of men. You lived at least long enough to know that your work had been nobly and successfully accomplished. You lived to see your country's independence established, and to sheathe your swords from war . . . On the light of Liberty you saw arise the light of Peace, like "another morn, Risen on mid-noon";

and the sky on which you closed your eyes was cloudless.

Veterans! you are the remnant of many a well-fought field. You bring with you marks of honor from Trenton and Monmouth, from Yorktown, Camden, Bennington, and Saratoga. Veterans of half a century! when in your youthful days you put every thing at hazard in your country's cause, good as that cause was, and sanguine as youth is, still your fondest hopes did not stretch onward to an hour like this! At a period to which you coulld not reasonably have expected to arrive, at a moment of national prosperity such as you could never have foreseen, you are now met here to enjoy the fellowship of old soldiers, and to receive the overflowings of a universal gratitude.

But your agitated countenances and your heaving breasts inform me that even this is not an unmixed joy. I perceive that a tumult of contending feelings rushes upon you. The images of the dead, as well as the persons of the living, present themselves before you. The scene overwhelms you, and I turn from it. May the Father of all mercies smile upon your declining years, and bless them! And when you shall here have exchanged your embraces, when you shall once more have pressed the hands which have been so often extended to give succor in adversity, or grasped in the exultation of victory, then look abroad upon this lovely land which your young valor defended; and mark the happiness with which it is filled; yea, look abroad upon the whole earth, and see what a name you have contributed to give to your country, and what a praise you have added to freedom, and then rejoice in the sympathy and gratitude which beam upon your last days from the improved condition of mankind!

The occasion does not require of me any particular account of the battle of the 7th of June, 1775, nor any detailed narrative of the events which immediately preceded it. These are familiarly known to all . . .

The 17th of June saw the four New England Colonies standing here, side by side, to triumph or to fall together; and there was with them from that moment to the end of the war, what I hope will remain with them for ever, one cause, one country, one heart.

The battle of Bunker Hill was attended with the most important effects beyond its immediate results as a military engagement. It created at once a state of open public war. There could now be no longer a question of proceeding against individuals, as guilty of treason or rebellion. That fearful crisis was past. The appeal lay to the sword, and the only question was, whether the spirit and the resources of the people would hold out till the object should be accomplished. Nor were its general consequences confined to our own country. The previous proceedings of the Colonies, their appeals, resolutions, and addresses, had made their cause known to Europe. Without boasting, we may say, that in no age or country has the public cause been maintained with more force of argument, more power of illustration, or more of that persuasion which excited feeling and elevated principle can alone bestow, than the Revolutionary state papers exhibit. These papers will for ever deserve to be studied, not only for the spirit which excited feeling and elevated principle can alone bestow, than the Revolutionary state papers exhibit. These papers will for ever deserve to be studied, not only for the spirit which they breathe, but for the ability with which they were written.

Information of these events circulating throughout the world, at length reached the ears of one who now hears me. He has not forgotten the emotion which the fame of Bunker Hill, and the name of Warren, excited in his youthful breast.

Sir, we are assembled to commemorate the establishment of great public principles of liberty, and to do honor to the distinguished dead. The occasion is too severe for eulogy of the living. But, Sir, your interesting relation to this country, the peculiar circumstances which surround you and surround us, call on me to express the happiness which we derive from your presence and aid in this solemn commemoration.

Fortunate, fortunate man! with what measure of devotion will you not thank God for the circumstances of your extraordinary life! You are connected with both hemispheres and with two generations. Heaven saw fit to ordain that the electric spark of liberty should be conducted, through you, from the New World to the Old; and we, who are now here to perform this duty of patriotism, have all of us long ago received it in charge from our fathers to cherish your name and your virtues. You will account it an instance of your good fortune, Sir, that you crossed the seas to visit us at a time which enables you to be present at this solemnity. You now behold the field, the renown of which reached you in the heart of France, and caused a thrill in your ardent bosom. You see the lines of the little redoubt thrown up by the incredible diligence of Prescott; defended, to the last extremity, by his lion-hearted valor; and within which the corner-stone of our monument has now taken its position. You see where Warren fell, and where Parker, Gardner, McCleary, Moore, and other early patriots, fell with him. Those who survived that day, and whose lives have been prolonged to the present hour, are now around you. Some of them you have known in the trying scenes of the war. Behold! they now stretch forth their feeble arms to embrace you. Behold! they raise their trembling voices to invoke the blessing of God on you and yours forever.

The leading reflection to which this occasion seems to invite us, respects the great changes which have happened in the fifty years since the battle of Bunker Hill was fought. And it peculiarly marks the character of the present age, that, in looking at these changes, and in estimating their effect on our condition, we are obliged to consider, not what has been done in our own country only, but in others also. In these interesting times, while nations are making separate and individual advances in improvement, they make, too, a common progress; like vessels on a common tide, propelled by the gales at different rates, according to their several structure and management, but all moved forward by one mighty current, strong enough to bear onward whatever does not sink beneath it.

A chief distinction of the present day is a community of opinions and knowledge amongst men in different nations, existing in a degree heretofore unknown. Knowledge has, in our time, triumphed, and is triumphing, over distance, over difference of languages, over diversity of habits, over prejudice, and over bigotry. The civilized and Christian world is fast learning the great lesson, that difference of opinion does not imply necessary hostility, and that all contact need not be war. The whole world is becoming a common field for intellect to act in. Energy of mind, genius, power, wheresoever it exists, may speak out in any tongue, and the *world* will hear it. A great chord of sentiment and feeling runs through two continents, and vibrates over both. Every breeze wafts intelligence from country to country; every wave rolls it; all give it forth, and all in turn receive it. There is a vast commerce of ideas; there are marts and exchanges of intellectual discoveries, and a wonderful fellowship of those individual intelligences which make up the mind and opinion of the age. Mind is the great lever of all things; human thought is the process by which human ends are ultimately answered; and the diffusion of knowledge, so astonishing in the last half-century has rendered innumerable minds, variously gifted by nature, competent to be competitors or fellow-workers on the theatre of intellectual operation.

From these causes important improvements have taken place in the personal condition of individuals. Generally speaking, mankind are not only better fed and better clothed, but they are able also to enjoy more leisure; they possess more refinement and more self-respect. A superior tone of education, manners, and habits prevail. This remark, most true in its application to our own country, is also partly true when applied elsewhere. It is proved by the vastly augmented consumption of those articles of manufacture and of commerce which contribute to the comforts and the decencies of life; an augmentation which has far outrun the progress of population. And while the unexampled and almost incredible use of machinery would seem to supply the place of labor, labor still finds its occupation and its reward; so wisely has Providence adjusted men's wants and desires to their condition and their capacity.

Any adequate survey, however, of the progress made during the last half-century in the polite and the mechanic arts, in machinery and manufactures, in commerce and agriculture, in letters and science, would require volumes. I must abstain wholly from these subjects, and turn for a moment to the contemplation of what has been done on the great question of politics and government. This is the master topic of the age; and during the whole fifty years it has intensely occupied the thoughts of men. The nature of civil government, its ends and uses, have been canvassed and investigated; ancient opinions attacked and defended; new ideas recommended and resisted, by whatever power the mind of man could bring to the controversy. From the closest and the public halls the debate has been transferred to the field; and the world has been shaken by war of unexampled magnitude, and the greatest variety of fortune. A day of peace has at length succeeded; and now that the strife has subsided, and the smoke cleared away, we may begin to see what has actually been done, permanently changing the state and condition of human society. And, without dwelling on particular circumstances, it is most apparent, that, from the before-mentioned causes of augmented knowledge and improved individual condition, a real, substantial, and important change has taken place, and is taking place, highly favorable, on the whole, to human liberty and human happiness.

The great wheel of political revolution began to move in America. Here its rotation was guarded, regular, and safe. Transferred to the other continent, from unfortunate but natural causes, it received an irregular and violent impulse; it whirled along with a fearful celerity; till at length, like the chariot-wheels in the races of antiquity, it took fire from the rapidity of its own motion, and blazed onward, spreading conflagration and terror around.

We learn from the result of this experiment, how fortunate was our own condition, and how admirably the character of our people was calculated for setting the great example of popular governments. The possession of power did not turn the heads of the American people, for they had long been in the habit of exercising a great degree of self-control. Although the paramount authority of the parent state existed over them, yet a large field of legislation had always been open to our Colonial assemblies. They were accustomed to representative bodies and the forms of free government; they understood the doctrine of the division of power among different branches, and the necessity of checks on each. The character of our countrymen, moreover, was sober, moral, and religious; and there was little in the change to shock their feelings of justice and humanity, or even to disturb an honest prejudice. We had no domestic thrones to overturn, no privileged orders to cast down, no violent changes of property to encounter. In the American Revolution, no man sought or wished for more than to defend and enjoy his own . . .

It need not surprise us, that, under circumstances less auspicious, political revolutions elsewhere, even when well intended, have terminated differently. It is, indeed, a great achievement, it is the master-work of the world, to establish governments entirely popular on lasting foundations; nor is it easy, indeed, to introduce the popular principle at all into governments to which it has been altogether a stranger. It cannot be doubted, however, that Europe has come out of the contest, in which she has been so long engaged, with greatly superior knowledge, and, in many respects, in a highly improved condition. Whatever benefit has been acquired is likely to be retained, for it consists mainly in the acquisition of more enlightened ideas. And although kingdoms and provinces may be wrested from the hands that hold them, in the same manner they were obtained; although ordinary and vulgar power may, in human affairs, be lost as it has been won; yet it is the glorious prerogative of the empire of knowledge, that what it gains it never loses. On the contrary, it increases by the multiple of its own power; all its ends become means; all its attainments, helps to new conquests. Its whole abundant harvest is but so much seed wheat, and nothing has limited, and nothing can limit, the amount of ultimate product.

Under the influence of this rapidly increasing knowledge, the people have begun, in all forms of government, to think, and to reason, on affairs of state. Regarding government as an institution for the public good, they demand a knowledge of its operations, and a participation in its exercise. A call for the representative system, wherever it is not enjoyed, and where there is already intelligence enough to estimate its value, is perseveringly made. Where men may speak out, they demand it; where the bayonet is at their throats, they pray for it.

When Louis the Fourteenth said, "I am the state," he expressed the essence of the doctrine of unlimited power. By the rules of that system, the people are disconnected from the state; they are its subjects; it is their lord. These ideas, founded in the love of power, and long supported by the excess and the abuse of it, are yielding, in our age, to other opinions; and the civilized world seems at last to be proceeding to the conviction of that fundamental and manifest truth, that the powers of government are but a trust, and that they cannot be lawfully exercised but for the good of the community, As knowledge is more and more extended, this conviction becomes more and more general. Knowledge, in truth, is the great sun in the firmament. Life and power are scattered with all its beams . . .

We may hope that the growing influence of enlightened sentiment will promote the permanent peace of the world. Wars to maintain family alliances, to uphold or to cast down dynasties, and to regulate successions to thrones, which have occupied so much room in the history of modern times, if not less likely to happen at all, will be less likely to become general and involve many nations, as the great principle shall be more and more established, that the interest of the world is peace, and its first great statute, that every nation possesses the power of establishing a government for itself. But public opinion has attained also an influence over governments which do not admit the popular principle into their organization. A necessary respect for the judgment of the world operates, in some measure, as a control over the most unlimited forms of authority . . . Let us thank God that we live in an age when something has influence besides the bayonet, and when the sternest authority does not venture to encounter the scorching power of public reproach. Any attempt of the kind I have mentioned should be met by one universal burst of indignation; the air of the civilized world ought to be made too warm to be comfortably breathed by any one who would hazard it.

* * * * *

And, now, let us indulge an honest exultation in the conviction of the benefit which the example of our country has produced, and is likely to produce, on human freedom and human happiness. Let us endeavor to comprehend in all its magnitude, and to feel in all its importance, the part assigned to us in the great drama of human affairs. We are placed at the head of the system of representative and popular governments. Thus far our example shows that such governments are compatible, not only with respectability and power, but with repose, with peace, with security of personal rights, with good laws, and a just administration.

We are not propagandists. Wherever other systems are preferred, either as being thought better in themselves, or as better suited to existing condition, we leave the preference to be enjoyed. Our history hitherto proves, however, that the popular form is practicable, and that with wisdom and knowledge men may govern themselves; and the duty incumbent on us is, to preserve the consistency of this cheering example, and take care that nothing may weaken its authority with the world. If, in our case, the representative system ultimately fail, popular government must be pronounced impossible. No combination of circumstances more favorable to the experiment can ever be expected to occur. The last hopes of mankind, therefore, rest with us and if it should be proclaimed, that our example had become an argument against the experiment, the knell of popular liberty would be sounded throughout the earth.

These are excitements to duty; but they are not suggestions of doubt. Our history and our condition, all that is gone before us, and all that surrounds us, authorize the belief, that popular governments, though subject to occasional variations, in form perhaps not always for the better, may yet, in their general character, be as durable and permanent as other systems. We know, indeed, that in our country any other is impossible. The principle of free governments adheres to the American soil. It is bedded in it, immovable as its mountains.

And let the sacred obligations which have devolved on this generation, and on us, sink deep into our hearts. Those who established our liberty and our government are daily dropping from among us. The great trust now descends to new hands. Let us apply ourselves to that which is presented to us, as our appropriate subject. We can win no laurels in a war for independence. Earlier and worthier hands have gathered them all. Nor are there places for us by the side of Solon, and Alfred, and other founders of states. Our fathers have filled them. But there remains to us a great duty of defence and preservation; and there is opened to us, also, a noble pursuit, to which the spirit of the times strongly invites us. Our proper business is improvement. Let our age be the age of improvement. In a day of peace, let us advance the arts of peace and the works of peace. Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we may also, in our day and generation, may not perform something worthy to be remembered. Let us cultivate a true spirit of union and harmony. In pursuing the great objects which our condition points out to us, let us act under a settled conviction, and an habitual feeling, that these twenty-four States are one country. Let our conceptions be enlarged to the circle of our duties. Let us extend our ideas over the whole of the vast field in which we are called to act. Let our object be, our country, our whole country, and nothing but our country. And, by the blessing of God, may that country itself become a vast and splendid monument, not of oppression and terror, but of Wisdom, of Peace, and of Liberty upon which the whole world may gaze with admiration for ever!

NATIONAL ACTION ON LAW-RELATED EDUCATION NEEDED

Mr. TUNNEY. Mr. President, last year I had the opportunity to chair hearings before the Judiciary Subcommittee on the Representation of Citizen Interests regarding the need for law related educational programs in our Nation's primary and secondary schools. Among the groups whose representatives testified at those hearings was the Los Angeles based Constitutional Rights Foundation. Last month the foundation sponsored a national conference in Chicago, Ill., which attracted political leaders, educators, attorneys, and judges. I ask unanimous consent to have printed in the RECORD a post-conference statement prepared by the foundation which calls for national action on the question of law-related education.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A Call for National Action—Education for Law and Justice: Whose Responsibility?

Developing programs for young people which effectively teach about America's governmental and legal process was the central theme of a conference for top-level representatives of educational, legal, judicial and governmental agencies from twenty states and ten major U.S. cities held in Chicago by the Constitutional Rights Foundation, LEAP project, May 6–8, 1975.

According to the Constitutional Rights Foundation, the call for this conference was predicated on the following assumptions:

It is the cooperative responsibility of the schools, the bar and other public institutions to prepare young people for effective citizenship. To this end the steps in the process of education should include:

Learning about the structure of our legal and governmental system.

Learning to identify and apply the basic values of our society to public affairs and personal relationships.

Learning, through practice, to become participating citizens. As part of the educational process, young people must come to understand that in all societies law is the foundation and basic instrument for peaceful management of conflict. In our legal system, the principal operating values are the achievement and perpetuation of equality and justice between people and the state. The bar, other public institutions and the schools must develop cooperative educational programs.

In an effort to develop a broad national commitment to these assumptions, decision-makers from all appropriate groups and public agencies were invited to this conference. Teams representing major state and urban areas participated in a program illustrating practical methods of educating young Americans to become thoughtful and participating citizens.

Delegates included 11 state school superintendents, 4 law school deans, 9 federal and state court judges, state school board members from 8 states and numerous state LEAA planning agency directors and other justice agency professionals.

The conference, "Education for Law and Justice: Whose Responsibility?", was hosted by Illinois Governor Dan Walker who challenged delegates to work with the schools to help educate American youth in the ways of responsible citizenship. Walker pledged immediate action to develop a program for his state which brings together all appropriate public agencies to carry out the task.

Senator John Tunney; Secretary of Education John Pittenger of Pennsylvania; Ewald Nyquist, Commissioner of Education for New York; Robert L. Stonek, Chairman, Wisconsin Council on Criminal Justice; Eugene Eidenberg, Chairman of the Illinois Law Enforcement Commission; and Gene Schwilck, President of the Danforth Foundation each spoke of the need for national, state and local efforts to reverse present negative trends in youth knowledge, attitudes and behavior which are adversely affecting our political and legal system.

In addition to these major speakers, sixteen projects in law and citizenship education from throughout the nation participated in the program. The materials and objectives of these groups provided development models that participants could consider for implementation in their own states and cities.

Judging from plans formulated by state and city groups in attendance, the conference objective—stimulating a greater effort in this important area—was achieved.

So that new programs can be successfully implemented, every national, state and city funding source, as well as private foundations share a responsibility to allocate monies for the support of these efforts. As the recent report to LEAA by the American Bar Association's Special Committee on Youth Education for Citizenship indicated, only a tiny fraction of American school children now receive education regarding the American legal system. Few areas of the curriculum seem so significant today as this nation faces a future in which our success or failure as a people may depend upon the degree to which we can accept the peaceful management of conflict.

Almost daily, reports on youth attitudes toward American institutions and statistics on criminal behavior illustrate the growing crises the nation faces from its disaffected youth. Steps must be taken to ameliorate the problem by bringing young people back into the mainstream of American life. Funds to support programs in this field must be allocated by the U.S. Office of Education, additional funds must be provided by the National Endowment for the Humanities, the Law Enforcement Assistance Administration, the National Science Foundation, the Department of Housing and Urban Development and the Department of Labor. A similar process of allocation must be made by all appropriate agencies at the state and local level.

Our institutions of government have been willing to spend hundreds of millions of dollars to prepare engineers and scientists. What are we willing to spend to create a social climate in which we can all live in peace? It is, therefore, incumbent upon the Executive Branch of our national government to develop a program for immediate action.

FPC RULING ON CURTAILMENT OF NATURAL GAS FOR IRRIGATIONAL PURPOSES

Mr. DOMENICI. Mr. President, on December 19, 1974, the Federal Power Commission issued a ruling contained in opinion 697–A which lowered the priority classification for irrigational use of natural gas from category No. 2, or commercial, to category No. 3, industrial. The effect of this ruling will be to make natural gas for irrigation purposes subject to curtailment during periods of peak demand or shortages.

Although opinion No. 697–A applies only to El Paso Natural Gas customers mainly in the States of New Mexico, Texas, Arizona, Oklahoma, and California, many observers believe the action could result eventually in curtailment of natural gas as a farm fuel throughout the United States.

Interruptions of irrigation due to nonavailability of fuels could result in dramatic reductions in agricultural production in the United States. The following table illustrates the widespread use of irrigation in the Western and Midwestern States and the percentage of irrigation units powered by natural gas:

TABLE 1.—PRINCIPAL STATES USING NATURAL GAS FOR IRRIGATION

State	Percent of irrigation power units using natural gas [1]	Acreage irrigated (thousands) [2,4]	Percent of cropland harvested which is irrigated [3,4]
Kansas	60	2, 361	8
Texas	60	8, 500	32
Oklahoma	40	758	6
New Mexico	30	1, 069	65
Arizona	20	1, 150	100
Louisiana	20	676	21
Nebraska	15	5, 338	20
Colorado	7	3, 140	42
Arkansas	5	1, 699	15
Wyoming	4	1, 798	66
California	2	8, 759	83
Idaho	2	3, 872	58
Utah	2	1, 680	72

[1] "Irrigation Journal," survey issue, 1974.

[2] Ibid.

[3] "1969 Census of Agriculture," vol. IV, chart 6, 1973.

[4] Includes acreage irrigated by methods other than natural gas.

A recent analysis by Prof. James Osborn, chairman of the Department of Agricultural Economics at Texas Tech University, shows that eight of these States—Arizona, Colorado, California, Kansas, Nebraska, New Mexico, Oklahoma, and Texas—produce 47.6 percent of the Nation's vegetables, 47.5 percent of the orchards, 40.5 percent of the grain sorghum, 25.2 percent of the cotton and between 8 to 10 percent of the corn for grain and corn for silage.

In agriculture, if you interfere with the growth process of a crop you will end up with reduced production. Of course, the magnitude of the effect of interruptions of irrigation water depends on many factors. Some of these factors are: Water storage capacity of the soil, amount of water stored in the soil at the time of interruption, the stage of crop development, duration of interruption and the water requirements of the crop. As the period of water denial is increased, the amount of yield reduction will increase and will eventually lead to total crop failure. The need for good control over the time-quantity distribution of water received during the season and a predictable and certain water supply matched to crop requirements are vital.

Naturally, fertilizer is necessary to increase crop production and requires water to utilize the chemicals. If a proper balance of water and fertilizer are not maintained the result will be a drastic decrease in production.

Also at issue here are costs of conversion and the availability of alternate sources of fuel. Most industrial plants are designed for alternate fuels and the costs of the equipment and fuel are being passed on to the consumer. The irrigation farmer does not have standby equipment to convert to other fuels because of prohibitive costs, which cannot be passed on to the consumer.

In New Mexico, an analysis by J. J. Strathmann, vice president of Cummins Rio Grande Sales & Service, Inc., indicates conversion to gasoline would increase hourly fuel costs 320 percent for 150 horsepower engines and conversion to propane would increase hourly costs 282 percent. The annual cost of a 3,000-hour irrigation season on the same 150 h.p. engine would jump from $3,570 for natural gas to $15,000 for gasoline and $13,650 for propane.

A study team set up by Dr. G. R. Stairs, dean of the College of Agriculture at the University of Arizona, determined the changeover of 1,256 natural gas powered irrigation pumps in Cochise and Graham County, Ariz., would involve an immediate outlay of $13.4 million to convert to electricity or $18.1 million to convert to diesel.

The team determined that a fully equipped well in that area was a $40,000 investment. They also reported that a farmer with three such wells would face an added investment of $31,224 to convert to electricity or $42,999 to convert to diesel. Including conversion investments amortized over time and added operating costs, this farmer would be looking at $27,900 in added annual fixed and operating costs with electricity or $26,982 with diesel.

Next, we must consider alternate sources of fuel. In my State of New Mexico, the State fuel allocation officer has officially certified that New Mexico's supplies of gasoline, diesel, propane, and electric energy would be inadequate if called upon to replace all the natural gas currently utilized for irrigational purposes.

Mr. President, I have discussed what Opinion 697–A does and I have described the widespread use of natural gas to power irrigation units. I have shown what effects this opinion may have on crop production, irrigation methods, costs of conversion and the availability of alternate sources of fuel. I am sure my colleagues will discuss some of the other ramifications of this issue; such as the structure of the farm market, the farm credit problem, the effect on local economies and the balance of payments situation.

However, I believe there is a much larger issue involved, and that is to assure the production of abundant supplies of food and fiber for the markets of this Nation and for the world food system at reasonable prices.

On Sept. 9, 1974, the U.S. Senate passed Senate Resolution 391, part of which states:

> Therefore, be it further Resolved, That it is hereby declared to be the sense of the Senate that—
>
> (1) all agencies of the Federal Government, which have any responsibility for establishing priorities for the allocation of materials, supplies, or facilities utilized in the production or distribution of fertilizer, fuels and energy, farm chemicals, and other inputs essential to agricultural production, give the highest priority to the agricultural industry and related industries regarding the allocation of such materials, supplies, or facilities;
>
> (2) the Federal Power Commission take immediate steps to provide the highest possible priority for the allocation of natural gas for the expansion of existing capacity for the production of synthetic anhydrous ammonia; feedstocks, intermediates, and solvents utilized in the production of farm chemicals; feed phosphates; and for all other agricultural uses of natural gas.

It is the expressed sense of the Senate that the highest priority be given to inputs essential to agricultural production and for all agricultural uses of natural gas.

In his address before the World Food Conference on November 5, 1974, Secretary of State Henry Kissinger said the following:

> Nothing more overwhelms the human spirit, or mocks our values and our dreams, than the desperate struggle for sustenance. No tragedy is more wounding than the look of despair in the eyes of a starving child.
>
> Once famine was considered part of the normal cycle of man's existence, a local or at worst a national tragedy. Now our consciousness is global. Our achievements, our expectations, and our moral convictions have made this issue into a universal political concern.
>
> The profound promise of our era is that for the first time we may have the technical capacity to free mankind from the scourge of hunger. Therefore, today we must proclaim a bold objective—that within a decade no child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition.
>
> Our responsibility is clear.

Secretary of Agriculture Earl Butz, while addressing the same conference on November 6, 1974, stated:

> The number one responsibility of this conference is to move the world toward a higher level of food production. Its success in guiding and stimulating farmers to grow more food will be the ultimate measure of its achievement—the yarkstick by which history will appraise our efforts of the next few years.

I believe this recent decision by the Federal Power Commission is contradictory to the expressed sense of the U.S. Senate and to public pronouncements by high officials in this administration.

We should keep in mind that the actual onfarm food production involves only about 1.5 to 3 percent of total U.S. energy consumption. A reduction of as much as 50 percent in fuel use on farms would save only 0.75 to 1.5 percent of our total energy requirement, while a 20-percent reduction in fuel use in other areas would save 19 percent or more.

Editorializing in the June 1975 issue of Ag World, editor Edward Jackson writes:

> After all, if fossil fuels are limited (and they are), what better use is there of that energy than in food production? Sooner or later, we will have to develop alternate energy sources, but in the meantime why not use fossil fuels to produce food? It seems food production should be pretty high on anybody's priority list—maybe even higher than fuel for pleasure boats, motorized camper trailers, and electricity for air conditioners.
>
> If we can agree that we all need food, then I would hope we can agree that food producers should be given at least an even break in the allocation of resources.

Mr. President, I want to emphasize that uninterruptable supplies of natural gas are essential to irrigation agriculture and my hope is that the FPC will reverse their opinion of December 19, 1974, and reinstate natural gas for irrigation pumping into the priority 2 category.

Mr. President, I ask unanimous consent that exhibits 1 through 7 be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Exhibit 1

[U.S. Federal Power Commission, Docket No. RP72–6]

Affidavit—El Paso Natural Gas Company

State of New Mexico, County of Bernalillo.

I, Shelley R. Kolbert, after being first duly sworn, upon my oath, depose and state:

1. That I reside at 625 Calle Mejia, Apt. 633, Santa Fe, New Mexico 87501.

2. That I am employed full time by the Office of the Governor of the State of New Mexico as the State Fuel Allocation Officer for the State of New Mexico and as Chairman, Energy Allocation Commission of the State of New Mexico. In my official capacity I am charged by enabling legislation of the Federal Energy Administration of the United States of America with determining the emergency and hardship requests for fuel in the State of Mexico, and act on such requests by investigating needs, and allocating available supply.

3. That I first became aware of Opinion No. 697–A of the Federal Power Commission in Docket No. RP72–6 on January 24, 1975 by virtue of an inquiry from a citizen.

4. That following such initial inquiry on January 24, 1975 I caused my staff to commence with an immediate search to obtain a copy of Opinion No. 697–A.

5. Upon receipt of a copy of Opinion No. 697–A I thoroughly reviewed the application of such opinion to the State of New Mexico.

6. At my request data was obtained on each natural gas powered irrigation well in the State of New Mexico for the year 1974. Such data was used to calculate potential alternative fuel needs in the event that conversion from naural gas to other sources of fuel might be ordered as a result of Opinion No. 697–A.

7. During my investigation I determined to my satisfaction that it is not "technically feasible" to convert irrigation wells powered by natural gas in the State of New Mexico to other alternate fuels because the equipment and capital to bring about such conversions is not available.

8. In the event that conversion of all irrigation wells presently powered by natural gas in the State of New Mexico would be ordered, it would not be technically and economically feasible. In point of fact, there would not be a sufficient available supply of gasoline, diesel, propane or electric energy in the State of New Mexico.

9. It is in the best interest of the State of New Mexico that the Federal Power Commission grant a hearing to enable the irrigation users of the State of New Mexico an opportunity to adduce evidence of their needs.

Exhibit 2

Cummins Rio Grande
Sales & Service, Inc.,
Albuquerque, N. Mex., February 21, 1975.

Senator Pete V. Domenici,
New Senate Office Building,
Washington, D.C.

Dear Pete: As you are aware, the Federal Power people have come forward with a proposal to severely limit the availability of natural gas for agricultural use. This is causing quite an uproar here in the high plains area, since this has been the best and most economical fuel for irrigation purposes.

We have made some calculations on the impact of such a move insofar as the New Mexico area is concerned and thought you might be interested. The enclosed comments were made by my vice-president from known natural gas consumption and published fuel consumption figures for LPG, gasoline and diesel.

Best personal regards.

James D. Dennedy,
President.

Cummins Rio Grande,
Sales & Service, Inc.,
Albuquerque, N. Mex., February 6, 1975.

Subject: *Conversion of farm irrigation engines to alternate fuels.*

To whom it may concern:

We have been asked to comment on the feasibility of the conversion of farm irrigation engines to use alternate fuels, other than the natural gas currently in use, on a routinely shifting fuel availability.

By way of background, Cummins Rio Grande is the largest supplier of irrigation engines in New Mexico. We offer engines manufactured by Cummins, Ford, and International Harvester which utilize all fuels, including diesel, gasoline, natural gas and LPG gas. We are in a position to convert all of these engines to alternate fuels.

We believe that the question of routine conversion of natural gas engines to alternate fuels is one of technical feasibility and impact upon the agriculture industry and ultimately upon the food consumer. However, to put this conversion and fuel cost into proper perspective, we believe an analysis of energy utilization must be reviewed.

First, there are two classes of engines involved, gasoline engines converted to operate on natural gas and diesel engines converted to operate on natural gas.

In the first category, we must analyze engines normally used in cars and trucks manufactured by companies such as Ford, Chrysler, General Motors and International Harvester. In this type engine the only practical alternate fuel to natural gas is gasoline, since LPG gas is also in critically short supply. Typical fuel consumption is shown below for various fuels operated within the same engines, at the same speed and horsepower output.

Horsepower	Natural gas per hour (cubic feet)	Gasoline per hour (gallons)	LPG per hour (gallons)
50	605	4.2	6.0
100	1,210	8.3	12.1
150	1,815	12.5	18.2
200	2,420	16.6	24.2

The cost impact of alternate fuels at current fuel prices is shown on Attachment A, based upon fuel price sampling in several locales in New Mexico.

The technical feasibility of switching from natural gas to gasoline is neither simple nor inexpensive. All engines would require a gasoline carburetor, fuel pump, natural gas fuel adapter and regulator be installed. Each time an engine switched fuel, a basic ignition timing and spark plug removal and gapping would be necessary, requiring a minimum of three hours changeover time.

Conversion cost for gasoline and LPG would be as follows:

A. Natural gas to gasoline:

1. Carburetor change and fuel pump, $150.
2. Gasoline storage tank, $300.

B. Natural gas to LPG:

1. LPG vaporizer, $75.
2. LPG storage tank—500 gal., $500.

Approximately 95% to 98% of the natural gas irrigation engines utilized for farming are of the automotive-type engine as described previously. As shown on Attachment A, the alternate fuels would increase irrigation farming cost several hundred percent over natural gas cost.

The second type of natural gas engine utilized by irrigation farmers is a diesel engine converted to natural gas fuel. The most practical alternate fuel is diesel. This type engine is more efficient operating on natural gas because it is able to perform at higher compression ratios, but is substantially more expensive at initial purchase because of its basic diesel design as shown on Attachment C. A comparison of fuel consumption is shown below:

Horsepower	Natural gas per hour (cubic feet)	Diesel fuel per hour (gallons)
50	410	2.5
100	820	5.0
150	1,230	7.5
200	1,640	10.0
250	2,050	12.5

An operating cost comparison for this diesel-type engine is shown on Attachment B.

There is no practical way at this time to operate this type of engine on alternate fuels, although some development work on this capability is being done. A full conversion of fuel type is necessary. The conversion cost of this type engine from natural gas to diesel represents a major cost. The conversion would include new pistons, cylinder heads, air intake system and diesel fuel system. For a typical diesel-type six-cylinder engine, the conversion expense from natural gas to diesel fuel would cost approximately $3,200.00 per engine.

However, since this diesel-type of engine represents less than 5% of the irrigation engines in use in New Mexico, this type of conversion will have little impact on natural gas use.

One additional energy source for irrigation pumping which should be considered is electric motor drives. At the present time, the initial conversion cost of electric motor pump drives is $25 to $30 per horsepower as shown:

Motor and switchgear cost

Horsepower:	
50	$1,800
100	3,000
150	4,200
200	5,700

The current operating cost of electric motors versus natural gas engines is shown on Attachments D and E.

We strongly recommend that the irrigation farmers of New Mexico be given their former high priority for natural gas in agriculture use. Anything else will either ruin the agriculture industry in New Mexico and the other high plains states through crop failure due to water loss at strategic times or increase consumer food costs by astronomical amounts. If natural gas consumption must be reduced, we recommend that it be allocated based upon past consumption and that allocation be reduced over a five-year period by 10% per year. This will allow the irrigation farmer to obtain the more fuel efficient engines currently available on the market over a five-year period so that their higher initial cost can be planned and absorbed without the serious financial consequence of immediate conversion. The reduced consumption of natural gas by this engine replacement method is projected on Attachment F.

We hope these comments will assist in having the best possible decision be reached in energy conservation considerations.

Very truly yours,

J. J. Strathmann,
Vice President.

ATTACHMENT A

HOURLY FUEL COST COMPARISON AUTOMOTIVE-TYPE ENGINES

Horsepower	Natural gas amount	Gasoline		LPG	
		Amount	Percent increase	Amount	Percent increase
50	$0.395	$1.68	+325	$1.50	+280
100	.79	3.32	+320	3.02	+282
150	1.19	5.00	+320	4.55	+282
200	1.58	6.64	+320	6.40	+282

ANNUALIZED FUEL COST COMPARISON 3,000 HOURS PER YEAR OPERATION

Horsepower	Natural gas amount	Gasoline		LPG	
		Amount	Percent increase	Amount	Percent increase
50	$1,185	$5,040	+325	$4,500	+280
100	2,370	9,960	+320	9,060	+282
150	3,570	15,000	+320	13,650	+282
200	4,740	19,920	+320	18,120	+282

Note: Typical New Mexico area fuel costs: Natural gas—rate 31; average 65.3 cents per 1,000 ft^3; gasoline—40 cents per gal; LPG—25 cents per gal.

ATTACHMENT B

HOURLY FUEL COST COMPARISON—DIESEL-TYPE ENGINES

Horsepower	Natural gas	Diesel	Percent increase
50	$0.27	$0.86	219
100	.54	1.72	218
150	.80	2.57	221
200	1.07	3.43	221
250	1.34	4.29	220

ANNUALIZED FUEL COST CONSUMPTION—3,000 HOURS PER YEAR OPERATION

Horsepower	Natural gas	Diesel	Percent increase
50	$810	$2,580	219
100	1,620	5,160	218
150	2,400	7,710	221
200	3,210	10,290	221
250	4,020	12,870	220

Note: Typical New Mexico area fuel cost: Natural gas—65.3 cents per 1,000 ft.^{3}; diesel fuel—34.3 cents per gal.

ATTACHMENT D

HOURLY FUEL COST COMPARISON—AUTOMOTIVE-TYPE NATURAL GAS ENGINES VERSUS ELECTRIC MOTORS

Horsepower	Natural gas	Electric,[1] per hour	Percent increase	Electric,[2] per hour	Percent increase
50	$0.395	$1.06	168	$1.40	254
100	.79	2.12	168	2.80	254
150	1.19	3.18	167	4.20	252

ANNUALIZED—3,000 HOURS PER YEAR OPERATION

Horsepower	Natural gas	Electric,[1] per hour	Percent increase	Electric,[2] per hour	Percent increase
50	$1,185	$3,180	168	$4,200	254
100	2,370	6,360	168	8,400	254
150	3,570	9,540	167	12,600	252

[1] 2.5 cents per kilowatt-hour.

[2] 2.5 cents per kilowatt-hour and 0.8 cent per kilowatt-hour fueladjustment.

Note: Typical New Mexico area costs: Natural gas—65.3 cents per 1,000 ft^3; electricity—2.5 cents per kilowatt-hour and 0.8 cent per kilowatt-hour fuel adjustment.

Exhibit 3

S.J. Res. 53

Joint Resolution to postpone the effective date of an order of the Federal Power Commission reducing the priority of natural gas used for irrigation pumping

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the effective date of the order of the Federal Power Commission, issued in Opinion Numbered 697-A (docket numbered R P 72-6) on December 19, 1974, reducing the priority of natural gas used for irrigation pumping is postponed until (1) such Commission holds public hearings with respect to such order in each of the States affected, (2) thereafter makes a report to the Congress summarizing such hearings, justifying such order, and containing any proposed changes in such order and recommendations of the Commission, and (3) a period of ninety calendar days of continuous session of the Congress has elapsed following the date on which such report is submitted to the Congress. For the purpose of this joint resolution the continuity of session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such ninety-day period.

EXHIBIT 4

MAY 23, 1975.

JOHN N. NASSIKAS,
Chairman, Federal Power Commission,
North Capitol Street, Washington, D.C.

DEAR MR. CHAIRMAN: I am informed that several questions have been certified to the Commission regarding FPC Docket No. Rp 72-6 which involves El Paso Natural Gas Company's curtailment plan. I believe it is a matter of utmost importance that interim relief from curtailment be extended to the farmers until June 15, 1976 to enable them to arrange for the financing of their winter crops. This should be accomplished by whatever means will grant the relief as quickly as possible. Such relief is essential in order to avoid irreparable injury to the farmers which may occur through the delay, and in spite of the merits, of the case.

In addition, in light of the extended length and voluminous record of the case, the procedural constraints placed upon the judge by the Commission in instituting the hearing should be removed. The parties should be allowed to brief this case to support their proposed finding of fact and conclusions of law and properly aid the Commission in reaching a decision.

Lastly, I would urge the Commission to seek remand of the case from the Court of Appeals in order that the true issues of this case may be properly drawn before the Commission.

Best wishes and kindest regards.

Very truly yours,

PETE V. DOMENICI,
U.S. Senator.

[From the Southwest Farm Press, May 8, 1975]

IRRIGATION PUMPS ENERGY CHANGE WOULD BE COSTLY

TUCSON, ARIZ.—A switch from natural gas to some other form of energy to power irrigation pumps in the southeast corner of the state will make water cost substantially more.

Would you believe 65 percent more?

TEAM REPORT

This, in summary, was learned by a team of University of Arizona investigators.

They determined that changeover of 1,256 gas powered irrigation pumps in Cochise County and including 157 in Graham County near Bonita would entail an immediate outlay of $13.4 million to convert to electricity; $18.1 million, if farmers affected by a recent Federal Power Commission ruling choose diesel power.

"These are conservative figures," said Dr. Gayle S. Willett, University of Arizona farm economist, and team leader. "For example, the electricity figure does not include cost of extending power lines, something that is required in many areas."

Set up by Dr. G. R. Stairs, dean of the College of Agriculture, the study team included Dr. Scott Hathorn Jr. and Charles E. Robertson, both farm economists, and Carmy G. Page, Cochise County agricultural agent.

FPC RULING

Push for the study was a Dec. 19, 1974, ruling by the Federal Power Commission. It lowered agricultural use of natural gas from priority two, to an industrial classification—priority three—making farm pump use highly susceptible to curtailment during periods of high gas use. For example, highest natural gas use in Arizona peaks during the growing season when it also coincides with heaviest loads for air conditioning.

Although the Cochise County gas supplier, El Paso Natural Gas Company, has indicated that gas supplies will not be interrupted for farmers during 1975, state industrial users faced 61 days of curtailment from November 1973 through February 1974, a relatively low use period.

"Producers faced with possible gas curtailments during future growing seasons and resulting potential crop losses will be forced to either convert to more expensive alternative fuels or discontinue farming," the team's report states.

Even with conversion, they face a bleak profit outlook.

DETAILS PRICES

For many crops, with conversion to alternative pumping fuels, the report details these break-even prices, assuming average yields for the area: alfalfa, $85 a ton; barley, $8 per hundredweight; short staple cotton, 74 cents a pound; extra long staple Pima cotton, 88 cents a pound, and wheat, $7.30 per hundred. "All of these costs fall well above current prices," the study points out.

"Only in the cases of sugar beets, pinto beans, and to a lesser extent, milo, will higher electricity or diesel pumping costs leave an opportunity for the average Cochise County farmer to realize a modest return on his investment in land, labor and management."

Typical of the 211 farms in the county, average size is 458 acres with 300 acres cropped and watered from three wells. Typically again, wells measure 16 inches in diameter and 600 feet deep with a water lift of 400 feet, providing 800 gallons per minute or 600 acre feet per year.

To drill and case at today's prices, a well represents $17,472 with another $16,500 investment added in pump, bowls and installation. A natural gas power plant is an additional $5,700 making a fully equipped well a $40,000 investment.

CONVERSION COSTS

For a farmer with three such wells, the report says he faces an added investment of $31,224 to convert to electricity; $42,999 to go the diesel route. Considering conversion investments amortized over time and with added operating costs, he would face $27,900 added annual fixed and operating costs with electricity; $26,982 using diesel.

In terms of per acre foot operating costs, conversion to electric power from natural gas would more than double them, adding $16.11 to natural gas costs of $13.75. Similarly, a shift from natural gas to diesel would run operating costs from $13.75 per acre foot to $26.95, an increase of $13.20.

Willett and his team of researchers determined that 70 percent or roughly 100,000 acres of the Cochise area's 137,000 acres of cropland are irrigated by water lifted from wells powered with natural gas. In money, farm receipts last year were on the order of $20 million in the area affected by the FPC ruling.

PERISHABILITY

A drive has been mounted to amend the December decision, in hopes of replacing use of natural gas for agricultural pumping with a class two priority. Mostly, the case rests on perisability of the farm product.

In Arizona, the total number of irrigation wells powered with natural gas is roughly 2,000.

EXHIBIT 6

[From the Southwest Farm Press, May 15, 1975]

IRRIGATION FUEL HEARINGS DRAW WIDE INTEREST

(By Bob Frazer)

Hearings were scheduled this week and last in three Southwestern cities as a part of an ongoing debate which may eventually decide the fate of natural gas as an agricultural fuel.

Large groups of persons were expected to attend and take part in the hearings scheduled to last two days each in Phoenix last week and in Albuquerque and Lubbock this week. The three hearings, approved by a judge of the Federal Power Commission in Washington on an El Paso proceeding, were to be nontechnical in nature with witnesses to include farmers, bankers and gasoline and diesel fuel representatives.

The public hearings are an outgrowth of technical hearings being held in Washington. The Washington hearings began April 8 and are now in recess until resuming May 20.

NATURAL GAS ISSUE

At issue is whether natural gas for agricultural purposes should continue to have a No. 2 priority rating—a middle priority reserved for much light industry—or if the priority for agricultural interests should be lowered to No. 3. The No. 3 priority includes all heavy industry and those in this group would be the first to lose gas supplies in a shortage situation.

John Aikin, a Hereford, Tex., attorney representing the Plains Irrigation Gas Users Association in its argument for the middle priority rating, told Southwest Farm Press in a telephone interview from Washington that the entire nation has a stake in the proceedings in that food costs will rise sharply if farmers are forced to cut back in their natural gas use or to convert their systems to burn other fuels.

Study results on the cost of conversion of irrigation pumps to fuels other than natural gas published last week in Southwest Farm Press disclosed that conversions would be extremely expensive and in some cases prohibitively costly. Conversion costs and other expenses involved in changing fuels would have to be passed to the consumer in the form of higher prices, Aikin speculated.

The attorney also quickly added that crop losses would be inevitable in irrigation areas if natural gas supplies should be terminated before growers have made other arrangements for pump operating fuels.

PERMANENT DESIGNATION

"What farmers are looking for is a permanent class No. 2 designation because the time of watering is critical and you cannot treat a farmer like you would someone in any other kind of business who can plan his business to be closed down in June, say, or November. It just doesn't work that way in farming," Aikin said.

"There are a lot of critical stages for a lot of different crops and they come at all times of the year. You cannot cut off water when a crop needs it and wait until next week," noted the spokesman for the grower association with members operating 50,000 wells on irrigation in 16 primarily South Plains counties.

Aikin said the three regional hearings were organized mainly for the benefit of the natural gas consumers . . ." to give the farmers an opportunity to be heard without having to come to Washington.

"If we prevail completely at this hearing there's only two things before this trial judge. They are (1) whether or not irrigation gas should properly be qualified as a processed gas and thereby come in category No. 2. This gas is used where no other fuel is feasible.

And (2) whether or not any other fuel is available or technically feasible—this can change from month to month and town to town," Aikin observed.

"This is no lasting relief for us at all and most of the participants have filed an application for extraordinary relief and were invited to do so in the order.

"Again, this is no permanent relief, it depends on the availability of alternate fuels and the cost of conversion. An embargo, for instance, could change that situation in one day.

Backgrounding the growing controversy, Aiken said the future of natural gas as a farm fuel became clouded when the FPC issued a ruling on Dec. 19, 1974, lowering the use of natural gas for agriculture from No. 2 to No. 3 priority.

ON EL PASO LINE

The Dec. 19 ruling applied only to those customers served by El Paso Natural Gas Company, however many persons believe the action will result in curtailment of natural gas as a agricultural fuel throughout the country.

"The Federal Power Commission changed the classification for irrigation gas from the No. 2 commercial, which we've always had, to the No. 3 industrial." This means, he said, that gas supplies could be and will be curtailed substantially if the No. 3 rating is adopted for the entire industry "because industrial users are being curtailed—they were curtailed last year.

"The FPC denied our intervention insofar as a reconsideration of the classification. There was nothing in our pleadings or the law which would cause them to change their minds from the conclusion they reached that it is more nearly an industrial classification than a commercial one.

"So we're not even before the court on this issue. We have asked the commission to demand that and they have refused to do so and refused again last week when they granted our motion for these local hearings."

DEVASTATING EFFECT

Jack King, research director on the Grain Sorghum Producers Association Executive Committee, said the effect of natural gas curtailment on the nation's food and fiber production would be devastating.

He noted that Rep. Morris Udall (D-Ariz.) pointed out in a speech before the House of Representatives March 18 that 60 percent of the irrigation wells in Kansas and Texas are powered by natural gas, 40 percent in Oklahoma, 30 percent in New Mexico and 20 percent in Arizona and Louisiana.

The representative added that a study by Dr. James E. Osborn, chairman of the department of agricultural economics at Texas Tech University shows irrigated acrage in eight of the states where farmers use natural gas to fuel irrigation wells produces 25.2 percent of the nation's cotton 47.5 percent of the orchard crops, 40.5 percent of the grain sorghum and 47.6 percent of the vegetables.

King said intervenors in the FPC hearings, Plains Gas Users Association, represented by Aikin, and Southwestern Consumers Gas Association, represented at the hearings by attorney Larry Lamb of Albuquerque, are responsible for providing the non-technical witnesses at the three field hearings.

THROUGH CONGRESS

The GSPA officer said it is obvious that farmers cannot afford to fight lengthy and expensive court suits in order to obtain priority No. 2 status. Instead growers must go through Congress.

"Texas, Oklahoma, Kansas and New Mexico senators are all working on bills that would give farmers No. 2 priority and then it could be fought in the courts for any length of time without being a burdening expense," King observed.

"It will be a constant battle and this is only the start.

"The federal ruling only applies right now to people on the El Paso gas line." King said that growers are concerned that the priority change will spread throughout the crop irrigation region.

COST MAY DOUBLE

He said "every farmer up here with natural gas irrigation is paying $2 per well and it is being speculated that because of the costs of natural gas, farmers will have to pay $4.

"Up in Guymon, Okla., and the Liberal, Kan., area farmers went under it (allocation) last year and lost as much as $60 an acre. At the peak of their irrigation they were shut down for 10 days.

Exhibit 7

[From the Grain Sorghum News, June 1975]

FPC To Decide Future of Irrigated Farming in United States

The future of American irrigated farming may rest on a judge's decision due soon following a series of Federal Power Commission hearings across the U.S.

Judge Curtis Wagner will announce his decision at mid-June after conducting FPC hearings in Washington, D.C., Phoenix, Albuquerque and Lubbock, Tex.

In thousands of pages of testimony, farmers, bankers and agricultural experts said any curtailment of natural gas as a fuel for irrigation engines would return the great western grain belt to the "dust bowl days."

Farmers by the dozens told the court that when they can no longer rely on natural gas to fuel irrigation pumps they will sell out and quit.

Bankers testified that curtailment of natural gas to irrigated farms would halt production loans and probably would cause many agriculturally based banks to fail.

Agricultural experts cited studies showing the conversion of irrigation engines from natural gas to diesel, gasoline or electric power would boost costs to impossible levels.

Resulting from a Federal Power Commission (FPC) decision to give agriculture a low priority in natural gas allocation, the hearings brought to light these facts:

1. While the FPC gave irrigation farmers third priority, the Federal Energy Administration lists farm fuel in first priority.

2. A former FPC engineer who now operates a Texas farm disagreed vigorously with the natural gas allocation plan.

3. Only two percent of the natural gas pumped by one company, used in irrigation in a small area of West Texas and New Mexico, is involved in the FPC hearings but more than 70 parties from small farm groups to the State of California and one giant corporation, General Motors, have entered the case.

The ball started rolling in 1971 when the FPC became aware of a growing shortage of natural gas. A permanent curtailment plan was adopted in June, 1974, establishing priorities for natural gas use.

The priorities were: 1. Residential and small commercial firms using less than 50 million cubic feet (mcf) on a peak day. 2. Large commercial requirements of more than 50 mcf on a peak day, firm industrial requirements for plant protection, feedstock and process needs and pipeline customer storage injection requirements. 3. Other industrial requirements.

The priorities continued through nine categories.

Farm fuel use of natural gas first was placed in priority 2, but on Dec. 19, 1974, an FPC ruling relegated agriculture to priority 3, based on a curtailment plan devised by El Paso Natural Gas Co.

Attorneys argue that El Paso accepted without question the priorities of customers using more than 98 percent of its gas but in effect told farmers "if you belong in priority 2, prove it."

One of the keys in the case is the use of the word "process" in priority 2. Process gas is defined as fuel for which no alternate is "technically" acceptable due to critical temperature or flame characteristics.

While some 3,000 irrigation wells using only 1.7 percent of El Paso's load are affected by the FPC decision, attorneys point out that the case is certain to become a landmark providing guidance for all future natural gas curtailment plans in the nation.

One of the reasons for the heated controversy, according to knowledgeable observers, is the FPC overlooked the need for establishing an agricultural priority in writing its original curtailment plan. As proof they point out that the FPC didn't mention agriculture in publishing its priority list.

Judge Wagner was charged with reaching decisions in two issues before his court:

A. Does the use of natural gas in irrigation farming fit within the FPC's definition of "process" gas?

B. Are irrigation farmers entitled to temporary "extraordinary relief" from the FPC decision?

The hearings started in Washington, D.C. on April 8 and continued for 19 days. Carrying the fight for the farmers were the Southwest Natural Gas Consumers Association and the Plains Gas Users Association, representing irrigators in Texas, New Mexico, Oklahoma and Kansas.

Meanwhile, Grain Sorghum Producers Association had been busy since the Dec. 19 decision was announced, trying to block any plan to curtail use of natural gas as irrigation fuel.

GSPA president A. W. "Dub" Anthony, Jr. of Friona, Tex., vice president Mabry Foreman of Felt, Okla., executive director Elbert Harp of Abernathy, Tex., and research director Jack King of Lubbock, Tex. attended sessions in Washington with the Federal Power Commission, Federal Energy Administration, the U.S. Department of Agriculture and with many Congressmen.

Responding to requests from parties involved in the case, Judge Wagner agreed to hold two day hearings in Phoenix, Albuquerque and Lubbock.

Farmers, bankers, agribusiness leaders and agricultural experts crowded into hearing rooms, seeking an opportunity to take the stand and tell what natural gas means to irrigation farming. When the session opened in Lubbock, every seat in the courtroom was taken, more chairs were brought in, people were lining the walls and the halls outside were crowded with others listening to the proceedings on a loudspeaker. About 1,500 people had registered when the hearings ended in Lubbock.

Some of the highlights of testimony presented in Lubbock include:

Donald Clayton, vice president of Citizens State Bank at Earth, Tex., saw a black future ahead if natural gas is curtailed.

"With the high cost of input and the possibility of not recapturing the costs, credit will be limited, foreclosures abundant and lending institutions will be in a position of jeopardy, including possible failures among many of the predominantly agricultural banks," Clayton warned.

Don Workman is vice president in charge of agricultural loans at Lubbock's First National Bank, one of the two top banks in farm loans in Texas. He is a farmer and previously a professor of agricultural economics.

Workman said he already has refused some farm production loans because of the threat of natural gas curtailment and will stop other loans on winter wheat.

He warned the court that some thriving West Texas cities will become "ghost towns" if natural gas supplies to farms are restricted.

Don Anderson farms 1,500 acres and is chairman of the board of Citizens National Bank of Crosbyton, Tex.

"I'll rent or try to sell out," Anderson replied when asked what he would do if natural gas is no longer available to farmers.

Anderson said his small bank, which has deposits of $8 million, would stop making production loans to farmers if natural gas is curtailed.

Dr. James Osborn, chairman of the department of agricultural economics at Texas Tech University, testified that eight states where farmers use natural gas to fuel irrigation wells produce 25.2 percent of the cotton, 47.5 percent of the orchard crops, 40.5 percent of the grain sorghum and 47.6 percent of the vegetables raised annually in the nation.

Larry Witten, a farmer from Olton, Tex., representing Grain Sorghum Producers Association, told the court about the advantages of using "dry" natural gas to fuel engines over "wet" fuels like gasoline and diesel.

"Without irrigation, seed production in this area will stop," said Nathan Boardman, a Crosbyton, Tex. farmer also representing GSPA. Owner of a hybrid sorghum seed firm, Boardman said 95 percent of the nation's seed produced under irrigation is from the High Plains of Texas.

"We cannot survive without an adequate supply of natural gas," said Marvin Tune who farms in Hale County, Tex.

When Judge Wagner asked Tune if his banker was concerned about the curtailment of natural gas, Tune replied, "He's terrified."

Robert Yeary is a former engineer for the Federal Power Commission who worked on rate cases for six years in Washington, D.C. and other locations. He now operates an irrigated farm near Morton, Tex.

"I've always wanted to conserve gas," Yeary told Grain Sorghum News after presenting his testimony in court. "Using natural gas for boiler fuel is the wrong way to go. There's just so much gas available and irrigation should have a high priority."

Glen Cavitt, vice president of a large fuel distribution firm, said there are 500 irrigated farms in his area. He estimated that wells on those farms would require 1.5 million gallons of gasoline each year if natural gas was not available.

"We couldn't supply it . . . nobody could supply gasoline or LPG . . . there is no reliable supply," Cavitt said. "Even if the fuel was available there are no storage tanks."

Chester Phillips, farming near Guymon, Okla., told the court curtailment of gas could result in the total loss of irrigated crops. He said irrigation farmers are "personally underwriting the nation's food supply in times of drouth at their own expense and risk."

John C. White, Texas commissioner of agriculture, charged that pressure from General Motors caused the FPC to change natural gas as irrigation fuel from second to third priority.

White wrote T. A. Murphy, chairman of the board of General Motors, saying, "The misleading insistence that farmers can switch to alternate fuel . . . represents bureaucratic irresponsibility at its worst and corporate arrogance at its most flagrant."

John Hill, Texas attorney general, filed a petition for relief from the FPC order on behalf of Texas farmers. Gov. Dolph Briscoe and other Texas officials joined in petitioning the FPC for reconsideration.

After winding down in Lubbock the hearings were resumed in Washington where Judge Wagner heard final arguments May 30. Attorneys presented findings in fact and conclusions the same day after evaluating some 5,000 pages of testimony.

The judge has two weeks to decide whether (a) farm use fits the FPC definition of process gas and (b) farmers are qualified for "extraordinary relief" from the FPC's priority rating. Then the parties in the case have 10 days to file their exceptions to Judge Wagner's decision.

"Establishing farm use of natural gas under the process definition is difficult and on this issue it'll be very close," said an observer. "We have an ironclad case for extraordinary relief but that's only temporary and it will not help the farmers much."

After Judge Wagner makes his decision the case goes back to the Federal Power Commission for review and the FPC can take any action it deems fitting. The case already has been appealed to the U.S. Circuit Court of Appeals and from there can be carried on to the U.S. Supreme Court.

Best bet for the farmer may come before the U.S. Circuit Court of Appeals where the case could be remanded back to the FPC for presentation of additional evidence, and attorneys representing the farmers already have made this request.

Attorneys are hoping they eventually will be able to force an FPC hearing to establish a priority for the use of natural gas in irrigation farming. "The record has been developed to the fullest extent possible to make it relevant in a possible future hearing on priority," one court spokesman said.

But the overall outlook is not a cheerful one. The farmers are fighting powerful adversaries in General Motors and the States of California. And some FPC cases have lingered on the court docket books for almost a quarter century.

A CHANGE OF PRIORITY FOR FARM USE OF NATURAL GAS

Mr. TOWER. Mr. President, I want to express my appreciation to my friend, the Senator from New Mexico (Mr. DOMENICI), for arranging this time to address my colleagues on this matter which affects great numbers of farmers in Texas and the Southwest.

I think it is important not to underestimate the potential impact of the decision of the Federal Power Commission regarding a change in priority for farm use of natural gas. We are not talking about a tiny set of constituents or some small interest group. We are addressing ourselves to a threat to the economy of the Southwestern region of the United States, and the Nation's ability to produce the food we will need—and which the world will need—in the years to come.

In the time allotted to me this morning, I would like to address four aspects of the potential problem which are foremost in importance, the scope of which touches not only the farmer in Texas, but the consumer in New York, the peasant in India, and the governments of the international community.

Let me take just a moment to review the situation up to this point, so that my later remarks can be set in the proper perspective. In December of last year, the Commission issued an order which as applied reduces the priority of natural gas used for irrigation purposes. Under previous allocation schemes, agricultural use of natural gas for irrigation purposes had been assigned a priority two. In other words, among the many uses of natural gas—for home heating, light industry, production of electricity, major heavy industry—agriculture was assigned a priority second only to that given home use.

Under such a priority rating, using five categories of importance, any cutback in allocation of fuel would first affect the lowest category—category 5—before affecting any activity listed under category 4, and so on until all activities in categories 3, 4, and 5 had been denied use of natural gas. At this point, the farmer's use of natural gas would be threatened. The rationale behind such an allocation priority system is based on a number of facts and value choices, but two stand out—first, the importance of the activity vis-a-vis other activities which in a sense compete for fuel, and second, the availability of substitute sources of energy for each activity.

Let me deal with the latter criterion. Unlike facilities for producing electricity, or the energy generating facilities of our major industry, irrigation systems are uniquely suited to natural gas use. There are about 65,000 irrigation wells in Texas and along the El Paso system which are powered by natural gas. Alternative sources of power in most cases are technologically unfeasible—such as burning of coal. In other cases, the capital expenditure necessary to carry out a conversion process to other fuel sources is so enormous that the individual farmer would be unable to make the conversion.

But in all cases, there is an overriding consideration which dictates a single-fuel policy for farm irrigation: when a farmer prepares to plant his land in arid county, as the Southwest surely is, that farmer must decide months in advance whether or not he will irrigate. The type of crops planted, the amount of fertilizer, seed and other materials must be programed, and once made, these decisions are reversible only at the expense of crop loss and loss of the farmer's investment for that growing season. More important than the loss to the farmer, from a national standpoint, is the loss of crops for domestic and foreign consumption.

Additionally, it is economically prohibitive for farmers to be forced to invest in expensive backup systems to fuel their irrigation well pumps. To purchase and install fuel storage systems in Texas would require tremendous expenditures. These expenses would come at a time when farm prices have declined and are creating severe financial hardships on farmers. The result would be a great number of farmers out of business.

So here we have a situation in which demand for natural gas is extremely inelastic. First, the farmer must know whether he will have a dependable source of fuel to power his irrigation system months before the gas will be used. Because of the limitations of technology, availability of capital to install secondary systems, and the prohibitive costs and technical improbability of switching to alternative fuels in mid-season, the farmer must use natural gas as fuel for his irrigation system. So the problem facing the farmer in arid regions, year after year, is "will I be able to count on enough natural gas to irrigate my land this year, or must I resort to planting crops which do not require irrigation—crops which will yield less because of the climate, crops which will require greater monetary inputs to survive?" Unlike other energy users who can switch to alternative fuel sources, the farmer must make the right decision, and he must make it months in advance.

Now if I seem to be painting a glum picture here, there is a very good reason. The fact that farmers must make these critical decisions months in advance might not be so critical if we could plan our fuel shortages months in advance. But in fact we do not plan them that way, and we cannot. In the event of a natural gas shortage, for whatever reason, the farmer is not going to get 3 or 6 months' notice. The only notice he receives is his own observation that those activities which have lower priorities than agriculture are being denied allocations of natural gas. This makes it all the more important that farm use of natural gas for irrigation receive a very high priority, at least in the second category.

There is, however, the first criterion for determining priorities which must be considered, and that is the relative importance of agricultural output vis-a-vis other societal outputs which depend on natural gas. I will not belabor the importance of agricultural products in this world today. My colleagues are aware of my personal concern for agriculture, representing as I do the State with the largest output of agricultural products in the United States. But my interest is not parochial in this regard. What I am concerned about is the growing importance of food production in national and foreign policy, the transcending importance of the macra- over the microfood system.

As I said earlier in my remarks, there are four areas of impact which I believe ought to concern us here today. First is the impact of the Commission's decision on the individual farmer, and on farmers collectively, as a production resource of this country. In a time of declining food prices, and increasing food needs worldwide, we are caught in a classic squeeze. The market forces which act to stimulate agricultural production have succeeded in that goal insofar as the United States is concerned. Worldwide, however, the demand is greater than ever. In regard to this situation, there appeared in the CONGRESSIONAL RECORD last week an article brought to our attention by my distinguished colleague, the Senator from Minnesota, Mr. HUMPHREY. I share my colleague's concern over the problem addressed by Mr. Harry Walters, which discussed the issues underlying food problems. I urge my colleagues to consider his statement on the subject. And I thank my colleague, the Senator from Minnesota, for bringing this excellent article to our attention.

The problem for the individual farmer is that he is caught between a rising demand for his product worldwide, and dwindling return for that product. If, as the Commission has done, the farmer is confronted with the threat that he will not have adequate fuel sources for irrigation, the farmer may well decide that the return on his effort and investment is adequate to justify increased planting.

Now, if the farmer does decide to curtail production, relying on methods which do not require irrigation but which are more predictable, cheaper, and less productive, we have a second level of impact—on the availability of food for domestic consumption, and, hence, on the price of food for the American consumer. I do not think I need to spend a great deal of time tracing the probable reactions to further increases in food costs for consumers, and I think the impact of further inflation on the Nation's economy would be predictably enormous. There is no need to cause such increases in food costs. In the last 2 years, food costs have gone up tremendously, without a concomitant increase in farm income. Increased costs for agricultural inputs, and increases in the agricultural marketing situation, have combined to push the price of food to levels which effectively threaten the budget of all American consumers, and the farmer is worse off now than he was last year. In terms of parity with nonfarm income, the farmer is just about as well-off as he was 2 years ago, before food prices began rising sharply.

If the farmer cuts back on production and the food supply dwindles, there will be more increases in food costs and, worse yet, if the farmer is forced to use alternative sources of energy for irrigation, and then passes on these costs to consumers, the inflationary impact will be greater.

Cutbacks in agricultural production have not only a domestic effect, but are of international significance as well. Any shortfall of agricultural outputs jeopardizes the balance of payments of the country because of the decreasing availability of exports of farm products. Faced with growing needs to import oil at rapidly rising prices, the United States must do everything it can to offset the drain on our National Treasury. Agricultural exports have historically performed this necessary function, and will continue to do so, unless our farmers are placed in a position whereby it is totally unprofitable to increase or maintain production. And unlike the American consumer, who traditionally buys almost all the food for the family table from American farmers, the foreign consumer is not in such a fortunate position. If, for instance, farmers must increase prices to cover increased costs resulting from the use of fuel other than natural gas for irrigation, we jeopardize our competitive position vis-a-vis other agricultural exporters. This, in turn, would lead to less favorable balance between our import needs and our export capability, and potentially to further balance-of-payments deficits.

The final impact of the Commission's decision to downgrade the relative importance of agriculture is on the increasingly volatile international arena, where the United States seeks to meet growing world food needs.

At the World Food Conference in Rome, the United States committed itself to the principle of world food reserves which would be paid for by participating nations. Such reserves of surplus commodities are necessary to provide stability for the world's food needs, and to provide a measure of assurance in times of production shortfalls caused by worldwide crop failures. Given the increasing food needs of undeveloped countries, countries such as the United States, which have traditionally been food exporters, must continue to implement policies which insure a surplus of food for export. Until the developed nations can begin to provide a larger measure of their own food needs, countries such as ourselves must take up the slack.

Having traced the impact of the Commission's decision thus far, through three levels of impact, it is apparent that such a decision is counterproductive to the policy of surplus production to meet world food needs. Our principles of assistance to the hungry nations of the world are useless unless this country has the ability to produce the food needed to fill those reserve storage facilities. Our commitment to participation in a world solution to the problem is devoid of any substance if we shackle our farmers so that there is no incentive to increase production.

Mr. President, these are some of the ramifications of this decision by the Federal Power Commission to subordinate the needs of American farmers to less vital interests. I believe the decision was wrong: I believe no good can come of it. I hope that in the future others will come to recognize what my colleagues and I know is true: the foundation of this Nation's well-being is the person behind the plow, the person who has labored so long at such sacrifice to feed his countrymen, and to feed the rest of the world when no one else would or could.

NATURAL GAS FOR IRRIGATIONAL FARMING

Mr. BARTLETT. Mr. President, I want to commend my colleagues for the interest they have shown in this important matter. In particular I would like to thank Senator DOMENICI for arranging the time so we might enter into this colloquy.

The recent Federal Power Commission ruling contained in Opinion 697A is of particular significance to Oklahoma. This is true because energy and agriculture comprise two of the great endeavors of the people of Oklahoma. Given strong dependence of modern U.S. agriculture on energy and the strong global dependence on the modern agricultural system of the United States, it is apparent that any decision which reduces the availability of energy supplies for agriculture will consequently lower the supply of food for this Nation and the world.

It is inevitable that food will become much more costly and much less abundant unless our domestic energy supplies are expanded significantly and are used efficiently. Energy must be conserved where possible. Our national energy policy must be formulated so that scarce fuels will ultimately be allocated according to the priorities of an unregulated energy market. This free market mechanism is the only way to insure both proper allocation of our energy resources and a successful effort to provide those fuels to all who desire them.

While I believe a free market for all energy in the United States is the only true and fair solution to the energy problem, I recognize that there has not been such a market in operation in the case of natural gas for over 20 years. This has caused tremendous shortages of natural gas and an apparent need for the Federal Power Commission to institute its own allocation program. As long as this allocation system exists, it is essential that the scarce gas be distributed in a manner which is consistent both with internal restraints of the FPC's own allocation program and with our national energy goals and food production commitments.

The recent Federal Power Commission ruling contained in Opinion 697A, issued December 19, 1974, which effectively changed the priority classification for irrigational use of natural gas from category No. 2 to No. 3 is, in my opinion, not consistent with either criteria.

The FPC ruling is inconsistent with the restraints of the Federal Power Commission's natural gas allocation system.

First. The use of natural gas for irrigational purposes should receive, at the minimum, a No. 2 priority because the end-users of the natural gas are more similar to, and identifiable with, small commercial users—priority No. 1—and process users—priority No. 2—than nonprocess industrial users—priority No. 3.

On the average a natural gas fueled irrigation well uses 3,000 MCF per year. On an average daily basis this is only about 8.2 mcf. Clearly, this is less than the 50 mcf/day requirement for the small commercial users of priority No. 1.

A distinction should be made concerning who the end-users of natural gas for irrigational purposes really are. Although, in many cases, the interstate pipeline company distributes the natural gas which will ultimately be used for fueling irrigation wells to a small local distribution company, this local distribution company is by no means the end-user. The end-user is the individual farmer. A good example of this is the Feltwater Development Co. of Felt, Okla., which supplies natural gas to approximately 170 irrigation water wells. These wells operate with gas which is purchased from Feltwater Development Co. individually by about 40 farmers. This is an average of four wells per farmer and in total, per farmer is still less than the 50/mcf cutoff for the small commercial users in priority No. 1.

Second. Individual farmers are not at all similar to the nonprocess industrial users of category No. 3. There are many differences.

Individual farmers do not have the financial strength to finance through equity or debt the capital cost necessary to convert to an alternate fuel for running the irrigation wells. They are small businessmen, not large corporations.

The nature of the farm market today is such that the duplicate capital costs required for conversion to alternate fuels cannot be passed through to consumers of farm products. This is not the same kind of market that the larger industrial firms enjoy, and there is no reason to believe that a change in the nature of the farm market is coming in the future.

A several weeks delay in irrigation could cause loss of an entire crop. Farming is not an ongoing manufacturing process in which a stream of similar goods move through a plant. A crop is a once or twice a year endeavor and the farmers income depends entirely on these harvests.

Furthermore, if there is uncertainty in the supply of gas to be used for irrigation purposes, the decision as to what farming method would be pursued must be made early in the year before the gas is required. The capital requirements and fertilizing techniques for wet versus dry farming are significant different, and it would not be possible to change from one method to another midway through the crop year.

Third. Assigning a category No. 3 nonprocess industrial curtailment classification to individual farmers implies that some alternate fuel can be made available to run the irrigation pumps. In the majority of the cases with individual farmers, alternate fuels are neither technically nor economically feasible.

Diesel fuel, gasoline, and electricity have been considered as possible alternates for natural gas. Converting from a natural gas engine to a diesel engine requires an entire new engine plus diesel distribution and storage facilities. Converting from a natural gas engine to a gasoline engine requires, at the minimum, a carburation change, some engine revamping and gasoline distribution and storage facilities. Converting to electricity requires a new engine plus a distribution system.

The equipment necessary to convert the engines is currently not available in the quantities which would be required to change over the thousands of natural gas fueled irrigation wells to diesel, gasoline, or electricity.

The material for building storage for diesel or gasoline at each of the individual wells is not available.

The local distributors of gasoline and diesel do not have the storage facilities or distribution equipment for handling the tremendously increased sales volumes. One estimate is that it would annually take 63,000 delivery truck loads of fuel to supply diesel or gasoline to the irrigation wells in the Panhandle of Oklahoma.

Most irrigation wells are located off the road near the fields to be irrigated. Roads would have to be built which could accommodate the heavy diesel and gasoline delivery trucks in all kinds of weather.

The need of natural gas for irrigation purposes would be minimal during the peak demand of winter and would increase as overall domestic demand declines.

If equipment and material which would be required for converting a well to an alternate fuel is not available, the alternate fuel is not technically feasible.

If the equipment for distributing an alternate fuel to a well would not be available, the alternate fuel is not technically feasible.

If it would not be possible to move an alternate fuel to an irrigation well because roads are not adequate, the alternate fuel is not technically feasible.

If it would not be possible to secure financing to convert engines, install storage, buy delivery trucks, and revamp roads, an alternate fuel is not technically feasible.

As I have said before, the nature of the farm market provides no assurance that the duplicate costs of converting to an alternate fuel plus the unamortized costs of existing natural gas systems could be passed on to consumers. In a situation like this, the individual farmer would most likely decide to change farming methods rather than lose money by converting or risk losing a crop because of the possibility of being curtailed at a critical time.

If converting to an alternate fuel would mean financial loss, even if the conversion could be accomplished because material and financial constraints are removed, the alternate fuel would not be economically feasible.

II. The FPC ruling is inconsistent with national energy and food production goals:

First. If electricity is considered an alternate, the process of generating electricity by running an irrigation pump with that electricity is less efficient than running the irrigation pump with natural gas directly.

Much of the electricity in the irrigated farming areas is generated with natural gas. Requiring the extra step of generating electricity is counter to our State natural goal of improving efficiency in the use of energy, because this results in two conversion losses instead of one .

The conversion loss of natural gas is the smallest of all energy sources. Furthermore, if the supply of natural gas is short for the purpose of irrigating farm land it will similarly be short for the purpose of generating electricity.

III. The curtailment of natural gas for irrigation purposes would have a devastating and deleterious effect upon national, State and local economies.

This would be particularly detrimental at a time when the entire Nation is facing a significant recession. We should be particularly concerned about farm incomes because agriculture is our Nation's largest industry. It employs 4.5 million workers and produces goods worth about $243.6 billion annually.

Each year farmers spend over $47 billion to produce crops and livestock. This infusion of capital generates considerable economic activity, especially in the small towns and rural communities. On the national level, exports of agriculture commodities totaled an unprecedented $22 billion in 1974 and boosted the favorable U.S. agricultural trade balance to a record $11.8 billion. This agricultural trade balance helped to offset this country's deficit in nonagricultural products, which totaled $14.8 billion in 1974 due to the quadrupling of the price of petroleum imports.

Irrigation farming has played a major role in the overall economic contribution of our Nation's agricultural industry. The Economic Research Service has placed the number of irrigated acres harvested in 1974 at 36,280,000. This is 11.7 percent of the total harvested cropland in the United States, and it represents nearly 27 percent of the total harvest cropland value.

The vast majority of this irrigated land is found in the eight-State region of Arizona, California, Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas. The impact of irrigated farmland upon total domestic food production is significant. Prof. James E. Osborn, of Texas Tech University, has estimated that the irrigated acres of these eight States account for 47.5 percent of our Nation's orchards; 47.6 percent of all vegetables; 40.5 percent of grain sorghum; 25.2 percent of the cotton; 8.6 percent of the corn for grain and 10.7 percent of the corn for silage. It has been estimated that a return to dry land farming in the eight-State region I have mentioned would reduce the agriculture productivity of the irrigated land to 20 percent of present production levels. The impact of a reduction in crop production and resulting loss of cash income of that magnitude would seriously disrupt this Nation's food production and farm economy.

The national impact of loss of food production tells only half of the story. The impact on State and local communities would be immediate and far reaching.

The Economic Research Service estimates that between 1971 and 1973 there were on the average of 375,000 acres of irrigated farmland in Oklahoma. This irrigated acreage includes some of the most productive land we have; and while it accounts for 4 percent of the total land in agricultural production it accounts for 12 percent of the total cash value of Oklahoma harvest crop sales.

The intensive cultivation of irrigated farmland is made possible only by the use of natural gas to power the pumping units of some 2,221 deep freshwater wells. Of these wells 2,203 are located in the three Oklahoma Panhandle counties. These three counties, according to the Oklahoma Department of Agriculture, produce 95 percent of the corn, 85 percent of the milo, and 75 percent of the fed cattle in Oklahoma.

The total annual value of irrigated wheat, corn, sorghum, peanuts, cotton, and alfalfa grown in Oklahoma is $122,000,000. A drastic reduction. It is estimated for example that each dollar decrease in crop production on irrigated acreage results in a decrease in total economic activity of $4.30.

The resulting loss of farm income would mean that farm expenditures for purchases of nonessential items would be sharply curtailed; in the most extreme cases, sales of essential items for farm production would fall off sharply and sales of machinery, trucks, autos and building materials could drop back to pre-1972 levels. The construction of new farm homes would be slowed as farm incomes decreased; fewer dollars retained in rural banks and other financial institutions would mean less credit available for investment in local public improvements in housing, conservation projects and public facilities.

In the face of massive economic disruption of local rural areas dependent upon irrigation farming, consumers would find renewed inflationary pressures upon food and fiber prices as the economy adjusted to an overall reduction in available agricultural supplies.

This economic disruption I have outlined is not far fetched. The high degree of interdependence between energy and agriculture and the high degree of precision with which American agriculture operates have produced a market so highly refined that changes in supplies of one sends ripples throughout the whole economy. When the change is large, the ripple becomes almost a tidal wave with devastating effects on the profitability of other production enterprises.

Because each of the Oklahoma Panhandle counties is large in area and small in population, the economic impact would be exaggerated further.

IV. The curtailment of natural gas for irrigation purposes is contrary to our national commitment toward full and total food production.

Much has been said in recent months concerning worldwide shortages of food and feed grains. The world food supply-demand situation was so precariously balanced in mid-1974 that world grain reserves represented global needs for only 26 days. A poor harvest in any major producing country—the United States, the Soviet Union, India, or China—would have doomed entire nations to starvation. My participation in the World Food Conference in Rome, made it clear to me that it is the United States which has the unique and awesome responsibility of determining which way the food scale will tip. During the 1973-74 marketing year for crop production, the United States provided 85 percent of the world's supply of soybeans, 60 percent of the feed grains, and 45 percent of the wheat exported in the world market. To do this, we exported about 75 percent of our wheat crop, 45 percent of our soybeans, and 25 percent of our feed grains.

This vital contribution to world food production was made possible in part by the massive and uninterrupted dedication of energy into our agricultural system. Irrigation farming has been a significant factor in expanding our Nation's food production capacities.

Imposition of lower energy priorities for agricultural irrigation would make a mockery of our national commitment to full production of food. Category 3 classification—industrial interruptible—puts irrigation farming behind the energy needs of swimming pools and movie theaters and declares that bowling alleys and hot dog stands are more important than orchards or fields of cotton and corn or sorghum and wheat.

Gambling with the food production and the agricultural economy of this Nation because of an ill-conceived ruling on natural gas usage, warrants the determination—and yes, the courage—of the FPC to rescind that ruling.

NATURAL GAS PRIORITIES FOR IRRIGATIONAL FARMING

Mr. FANNIN. Mr. President, in this era of materials and energy shortage, with inflation and unemployment, we in Congress are fighting to gain stability and restore security to America's economic outlook. In this effort, we find one sector particularly hard to protect. This sector, Agriculture, is subject to marketing and weather whims and cannot easily pass its production costs through to consumers. Fortunately economies of scale and advanced technology have produced greater and greater crop yields over the years or American farmers would be in an even worse economic situation.

The problem which many of us are addressing today, though, concerns a very vital part of the agricultural process—irrigation. Farmers in the Southwest were, without hearing or warning suddenly advised of their reduced priority in receiving natural gas supplies. Those many who are dependent on this fuel to operate their irrigation pumps realized immediately that the envisioned curtailment of supplies could reach them within the coming months—and possibly at very crucial stages of their crop production.

While these individuals realize that natural gas is no longer a dependable fuel for their irrigation pumping purposes, they need adequate time to convert to other pumping systems.

According to the Arizona State Fuel and Energy Office 1126 irrigation customers are effected by this ruling of the FPC, Opinion No. 697A. During the 3 winter months of 1974-75, the category in which the farmers are now placed suffered 61 days of supply curtailment. Since the 2,052 pumps that are powered by natural gas in Arizona irrigate 26 percent of Arizona's irrigated farm land, serious consequences would result from similar curtailment in a prime growing season. Aware of this fact, and aware of the diminishing reliability of natural gas—and the lack of congressional support for deregulation of natural gas—Arizona's farming the needed community is taking a hard look at the costs of conversion. Unfortunately, converting to diesel or gasoline, where it is even available, is only a short-term answer. With threats of further import cost increases, and the many competing demands for petroleum products, conversion to these fuels would in the end bring the same allocation and curtailment problems as natural gas.

The other major conversion alternative is, of course, electricity. According to the Arizona Public Service witness at recent FPC hearings, this type of conversion would involve the purchase of an electric motor, starter and service entrance equipment, which could cost as much as $25,000, depending on required horsepower. Additional costs for needed transmission lines would run $10,000-$15,000 per mile. This utility, APS, serves 65 percent of those farmers affected by this ruling and estimates that conversion of their customers to electricity would take at least 2 years, "adequate facilities do not presently exist." Once in operation, these electric pumps would have much lower maintenance costs than those powered by natural gas, but would naturally have high operating costs. By keeping regulated natural gas prices unnaturally low over these past years, the Government has created a totally unrealistic demand and encouraged very inefficient use of this fuel. Now the shock of conversion to other forms of power may force many farmers out of the agricultural business. This may come by their own decision or by their inability to receive adequate financing without a secure availability of water.

In answer to our pleas for assistance, Mr. President, the FPC has offered to grant temporary petitions for relief, and predicts no curtailment of supply until late next fall. Meanwhile, the farmers are finding that adequate conversion equipment is not available at the marketplace and their new operating expenses may be escalated by as much as 900 percent with conversion to electricity. We may be faced with a majority of these producers simply abandoning agriculture, which would certainly be detrimental to the Arizona economy.

Mr. President, I ask that the Federal Power Commission assure these customers continued classification as priority 2. If this cannot be assured, we may see much of the southwest's fertile agriculture land abandoned due to the shortsighted Government policy.

RECESS UNTIL 12 NOON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 12 o'clock today.

There being no objection, the Senate at 11:15 a. m. recessed until 12 noon; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BUMPERS).

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY

The PRESIDING OFFICER. Pursuant to the order of the Senate, the following Senators are appointed to escort the President of the Federal Republic of Germany into the House Chamber: the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. MANSFIELD), the Senator from West Virginia (Mr. ROBERT C. BYRD), the Senator from Alabama (Mr. SPARKMAN), the Senator from Utah (Mr. MOSS), the Senator from Colorado (Mr. HART), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Michigan (Mr. GRIFFIN), the Senator from North Dakota (Mr. YOUNG), the Senator from Texas (Mr. TOWER), the Senator from Nebraska (Mr. CURTIS), and the Senator from Vermont (Mr. STAFFORD).

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the conclusion of the remarks of the President of the Federal Republic of Germany.

The PRESIDING OFFICER. Without objection, in accordance with the previous notice, the Senate will now stand in recess subject to the call of the Chair, for the purpose of attending a joint meeting with the House of Representatives to hear the very distinguished President of the Federal Republic of Germany, Walter Scheel.

Thereupon, the Senate at 12:09 p.m., took a recess, subject to the call of the Chair, and the Senate, preceded by its Assistant Secretary, Darrell St Claire, and its Sergeant at Arms, William H. Wannall, proceeded to the Hall of the House of Representatives to hear an address delivered by His Excellency, Walter Scheel, President of the Federal Republic of Germany.

(For the address delivered by the President of the Federal Republic of Germany see today's proceedings in the House of Representatives.)

At 1:10 p.m., the Senate, having returned to its Chamber, reassembled, and was called to order by the Presiding Officer (Mr. HATHAWAY).

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of Senate Resolution 166, which the clerk will state by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The Senate continued with the consideration of the resolution.

The PRESIDING OFFICER. The time between now and the vote at 5 o'clock will be equally divided.

Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I yield myself 30 seconds.

ORDER FOR RECOGNITION OF SENATOR GRIFFIN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow after the two leaders are recognized under the standing order, Mr. GRIFFIN be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

QUORUM CALL

Mr. CANNON. Mr. President, I suggest the absence of a quorum and request that the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 32 Leg.]

Brooke
Byrd, Robert C.
Cannon
Case
Cranston
Ford
Glenn
Goldwater
Griffin
Hart, Gary W.
Hathaway
Nelson
Randolph
Stafford
Stone
Talmadge
Young

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Biden
Brock
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Chiles
Church
Clark
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Garn
Gravel
Hansen
Hart, Philip A.
Hartke
Haskell
Hatfield
Helms
Hollings
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stennis
Stevens
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

The PRESIDING OFFICER. A quorum is present.

Who yields time?

Mr. HATFIELD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Oregon?

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from Oregon.

Mr. HATFIELD. Mr. President, do I have the floor?

The PRESIDING OFFICER. Yes; the Senator from Connecticut has yielded to the Senator from Oregon.

Mr. HATFIELD. Mr. President, we have had a lot of commentary on this floor in the last 3 days concerning this New Hampshire question. Today we are moving to a vote on the Weicker amendment. At least those who have been present in the Chamber have had the opportunity to hear the arguments, and I hope those who have absented themselves from the floor during this discussion will have availed themselves of the Record, so we can cast our votes on the evidence in the case, and not upon our political party labels, our political persuasions, our philosophical persuasions, or the pressure of party organizations.

I would like to indicate that I think the people of this country are becoming more and more aware of two factors: first, the long delay by the Senate in resolving this question, some 6 months after the election; and second, the anxiety that is increasing in the State of New Hampshire, where they have been forced to have their work in the Senate conducted by only one Senator.

As I have observed on past occasions, perhaps if we go a little bit longer, the people may realize that each State can get along with only one Senator, and they coud cut the cost of the Senate in half—perhaps by retaining the senior Senator for each State; I hasten to make that reservation.

But whether one looks at this problem seriously or facetiously, I think the evidence is clear that the people are anxious to have this issue settled, in New Hampshire and other States as well. People realize that each hour we devote to this issue is an hour taken from other matters are certainly of national concern, such as economic issues, energy problems, and other unresolved problems of this Nation.

As I have indicated, the Committee on Rules and Administration has put in an inordinate amount of time on this issue. We have three members of the Senate's top leadership involved in the work of that committee, namely, the party whip on the Democratic side and the minority leader and assistant minority leader on the Republican side, plus the five other Senators on the committee, all of whom have heavy normal workloads. When one committee demands over 200 hours of a Senator's time over a 46-day period in a 5-months span, I think, as I say, that is a rather inordinate amount of time to be devoted to one issue that is yet unresolved, and is farther from being resolved today than it was when the Rules Committee received the question months ago.

I think it is also reflected in the news media that people are increasingly concerned about this long delay. For example, there was published in today's Washington Star a second editorial on the subject, entitled "Let Voters Fill the Vacant Seat." The editorial states:

For once, the quick and easy way also is the smart and honorable way out of a messy dilemma on Capitol Hill. The Senate can avoid a great deal of unnecessary grief if it will only give up on trying to seat a new senator from New Hampshire, and send that conflict back to the state for a final decision by the voters. It will have an opportunity to vote today on a resolution to do just that, sponsored by Senator Weicker of Connecticut.

If this chance is missed, a disagreeable scenario will have been set in motion which could waste many weeks of the Senate's valuable time and bring a scornful public gaze upon that body. In fact, the Senate should have returned this quandary to the New Hampshire voters back in January, considering that just two votes separated Republican Louis Wyman, the reputed winner, from Democrat John Durkin.

At least that was the last official accounting from the state level, but the Senate Rules Committee since then has sat in lengthy judgment on conflicting claims of the two candidates and recounted some of the ballots at issue. Now it's hung up, with tie votes in committee, on eight procedural issues and the validity of 27 ballots, and is asking the full Senate to break these ties before the committee resumes its deliberations. Hence an exhausting spectacle is easy to visualize. Just deciding these 35 separate questions could very well occupy the Senate until the Fourth of July recess, or longer, and then the matter may still be far from settled.

But most importantly if these matters—some of them quite subjective—are decided largely by party-line votes then the Senate faces the charge of Democratic partisanship in putting Wyman on the skids. This allegation already is directed at the Rules Committee by Wyman people who think the proceedings have been tilted toward Durkin. In debate last week Rules Chairman Howard Cannon reminded his colleagues that the Senate "as the final judge or arbiter of elections, returns and qualifications of its members, is not bound by the statutes and case laws of any state," though his committee has given "full weight" to New Hampshire law in trying to determine what is foremost, "the intent of the voter."

Well, this is much like trying to do surgery on a gnat. It should be apparent by now that the fogginess of some questions with which the committee is grappling, and the minuscule margin of the election, make any precise judgment by the Senate impossible. All those tie votes attest to the difficulty—the divergent views that can be held even of marked ballots, not to speak of election proprieties up in the precincts. Obviously, this closest Senate election in history is too close to count with absolute accuracy here in Washington. And this country can ill afford the added public cynicism that could accrue from a feeling that the Democratic Senate majority had grabbed another seat, out of a confused situation, simply because it had the muscle to do so.

But there need be no acrid cloud over the outcome of this affair. The New Hampshire legislature has acted to make a new election possible, and the Senate can, by the sensible device of declaring the seat vacant, allow that state remedy to take effect. Thereby the Senate would be upholding—yea, celebrating—the democratic principle of representation, and protecting its own reputation as well.

In addition, Mr. President, there was published in the last issue of U.S. News & World Report an editorial entitled "The Case of the Empty Seat," written by Howard Flieger. I ask unanimous consent that that editorial be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Case of the Empty Seat

(By Howard Flieger)

The case of the missing Senator hardly ranks as a burning national issue.

Yet it has kept important members of that august body tied in a legal and political tangle since the first of the year.

In the end, it became the business of the entire U.S. Senate to try to decide who should be installed to fill the empty seat of the junior Senator from New Hampshire.

That State has had only one vote in this session of the 94th Congress instead of the two to which it is entitled and every other State has. From January to well into June, the Senate rocked along shy one member while both parties struggled with the problem of whether the vacant chair should be occupied by a Democrat or a Republican.

On the face of it, you wouldn't think the outcome could make all that much difference. After all, the Democrats already are in such lopsided control—nearly two to one—that the politics of one new member can't change things to any major degree.

But apparently it isn't that simple.

To go back a bit: In last November's election, the senatorial candidates in New Hampshire were Republican Louis C. Wyman and Democrat John A. Durkin. The results were so close—an unofficial victory for Mr. Wyman by 355 votes—that a recount was ordered to determine the winner.

The first recount by New Hampshire's secretary of state gave Mr. Durkin a 10-vote margin. But the State Ballot Law Commission reviewed disputed ballots and certified Mr. Wyman the winner by two votes.

Mr. Durkin appealed to the Senate, since, under the Constitution, each branch of Congress "shall be the judge of the elections, returns and qualifications of its own members."

Meanwhile, he asked that he be seated pending the outcome. But the Senate declined to seat either contestant until it could look into the matter. It has been looking ever since—its Rules Committee deadlocked on who should be awarded 27 disputed ballots, and on other legal and procedural issues.

Why should one Senate seat—important as it is to New Hampshire—be all that vital to the Senate? Even with one seat vacant the Democrats hold a 61–38 majority. On any party-line issue they can clobber the Republicans. So why worry about one vote more—or less?

An important reason may be the future structure of Senate committees. It is in these committees where much of the Senate's meaningful business is transacted.

Committees are set up under a complicated mathematical formula by which membership assignments are based on the political division of the entire Senate, plus the seniority of individual Senators.

Thus, if Democrat Durkin were seated, his party could gain a member on such powerful committees as Foreign Relations, Post Office and Civil Service, and Veterans' Affairs. If that happened and the committees were not enlarged, the most recently appointed Republicans would have to give up their positions because of the rule of last on, first off. That could dislodge such prominent Republicans as Senators Howard Baker of Tennessee and Bob Dole of Kansas.

The dilemma is that, no matter how the Senate decides, about half the voters in New Hampshire are going to feel cheated because the November election was so close nobody can say positively who really won.

An outsider would be justified in asking why the sensible solution wouldn't be to hold another New Hampshire election. There must be some vestige of life left in the old idea of States' rights. Public opinion polls show the State's voters favor such a solution. And, at the very least, it would get the matter off the desks of U.S. Senators at a time when there are more pressing national issues deserving of their time and attention.

Mr. HATFIELD. In today's New York Daily News, there was published a brief editorial entitled "The One Fair Solution" which is most succinct and pertinent to this question. It reads:

The One Fair Solution

To the disputed New Hampshire senatorial election, which the Senate will try to resolve today, is to go back to start and have the state's voters ballot again.

The Senate has frittered away six months pawing over contested voting data. It has no more idea now than it had when it started whether Republican Louis Wyman or Democrat John Durkin is the legitimate claimant.

Meanwhile, New Hampshire has been deprived of its full Senate representation for half a year—an intolerable situation.

Wyman suggested in December that a completely new election be held. It was the best answer then, and it still is.

Mr. President, this afternoon, in the time remaining, a number of Senators wish to be heard, not just to be on record on this question as it relates to the determination this afternoon on the Weicker amendment, but Senators who have studied this case, who have looked at the evidence objectively, who, by their own intense interest, either by reason of legal training or in concern for citizens' rights in this country, wish to be heard.

We hope, that as Senators make their presentations we can have a quorum, and hopefully that those who have not availed themselves of this privilege to hear their colleagues may at least read their statements in the Record.

At this time, I yield to the distinguished majority leader.

AUTHORIZATION OF APPROPRIATIONS TO THE NUCLEAR REGULATORY COMMISSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 168, S. 1716.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1716) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PASTORE. Mr. President, the bill now under consideration, S. 1716, would authorize appropriations of $219,935,000 for fiscal year 1976 and $52 million for the transition period for the Nuclear Regulatory Commission. These are the amounts which the Commission requested and which the Joint Committee is recommending for authorization.

For the nuclear reactor regulation program, which includes powerplant licensing, standards development, inspection, and enforcement, the bill would authorize $65,779,000 for fiscal year 1976 and $16,901,000 for the transition period. It would also allow for 211 additional personnel—38 for licensing, 48 for standards development, and 125 for inspection and enforcement. The Joint Committee believes that the careful regulation of nuclear power must not in any way be limited by lack of resources. The committee also believes that NRC should do everything feasible to assure that nuclear facilities are reviewed and approved under a licensing system which involves no more expense in terms of resources and time delays than is really required to do the job properly.

Authorizations for the nuclear materials safety and safeguards program would be $10,955,000 for fiscal year 1976 and $2,707,000 for the transition period. This program includes fuels and materials licensing, the nuclear energy center site survey, and the security agency assessment study. Concerning safeguards, the bill would authorize a major expansion to, first, continue assuring adequate safeguards exist for the presently limited amounts of strategic materials, and second, develop more comprehensive safeguards for the future when the amounts of these materials will increase substantially.

For the nuclear regulatory research program, which includes not only reactor safety research but also safeguards and nonreactor confirmatory research, the bill would authorize $97.2 million for fiscal year 1976 and $25.2 million for the transition period. These funds will continue to provide NRC with an independent capability to verify, as needed, the data provided by applicants for NRC permits and licenses.

The final budget category—program direction and administration—includes the salaries and other costs of the NRC Commissioners, the Office of the Executive Director, the licensing and advisory boards, and the staff who are engaged in administrative activities. The authorization for this program category would be $24 million for fiscal year 1976 and $6.2 million for the transition period.

These are the highlights of the bill. The Joint Committee believes that it provides the resources necessary for NRC to effectively discharge its responsibilities. The bill was reported out without dissent by either House or Senate members of the committee, and I urge its favorable consideration.

Mr. BAKER. Mr. Chairman, I rise in support of S. 1716, a bill to authorize appropriations to the Nuclear Regulatory Commission for fiscal year 1976 and the transition period ending September 30, 1976.

The distinguished chairman of the Joint Committee, Mr. Pastore, has summarized the bill. Since this is the first regular authorization bill for NRC, which came into existence on January 19 of this year, I would like to discuss the challenges facing this relatively new organization.

There has been some lack of public confidence in and understanding of the regulation of nuclear power, charges of suppressed reports, industry complaints of vague and shifting regulatory requirements, and expensive delays in the regulatory process. NRC faces the challenge of continuing the impressive safety record of nuclear power, while promptly resolving these chronic problems.

Public confidence in nuclear safety has not been commensurate with the degree of safety indicated by the commercial operating record of nuclear plants nor with the experience of the industry in handling nuclear materials. It is not enough just to be assured that commercial nuclear power is safe if the public does not understand the degree of safety and the risks. The Commission must do a better job of explaining, in terms the layman can understand, the risk of public harm when it announces nuclear occurrences or accidents and its own actions in investigating and requiring corrective measures.

The problems of excessive delay in the regulatory process have been of concern to the Joint Committee and the subject of frequent comments for some time. During the early years of nuclear powerplant licensing, only a few plants were proposed in any given year and each design was unique. There was a continuing evolution of nuclear technology, which has been accompanied in recent years by the emergence of an array of environmental requirements. These factors have hindered the stabilization of the regulatory process until recently. A point has now been reached, however, where consistency and predictability in the regulatory process can and must be established.

Regrettably, little improvement in the time required for regulatory review has occurred. It is to be hoped that the new Commission will take a fresh look at the process and make a committed effort to apply innovative techniques to improve its efficiency without sacrificing its quality or depth. If regulatory improvements are not made, nuclear plants, which already take longer to build than conventional plants, will probably continue to suffer and be sacrificed for a more expedient route—fossil fuels. This result can only exacerbate the electricity shortages which are already predicted for 5 to 10 years ahead.

Similarly, attempts have been made, with limited or no success, to reduce the uncertainties stemming from vague or continually changing regulatory requirements, the latter having been labeled "ratcheting" by the industry, with some justification. This remains a problem requiring the critical attention of the new Commission.

NRC, therefore, has several challenges facing it. I believe that this authorization bill provides NRC with the resources necessary to carry out its responsibilities and effectively meet these challenges. I, therefore, urge favorable consideration of this bill.

Mr. President, a parliamentary inquiry. Is the bill open for amendment?

The PRESIDING OFICER. The bill is open for amendment.

Mr. BAKER. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On the first page, immediately after line 2, insert:

TITLE I

And also on the first page, line 3, strike out "That there" and insert in lieu thereof the following:

SEC. 101. There

And also on the first page, immediately after line 8, insert the following:

TITLE II

SEC. 201. Section 201(a) of the Energy Reorganization Act of 1974 is amended—

(1) by inserting "(1)" immediately after "Sec. 201. (a)"; and

(2) by adding at the end of such subsection the following:

"(2) The Chairman of the Commission shall be the principal executive officer of the Commission, and he shall exercise all of the executive and administrative functions of the Commission, including functions of the Commission with respect to (a) the appointment and supervision of personnel employed under the Commission (other than personnel employed regularly and full time in the immediate offices of commissioners other than the Chairman, and except as otherwise provided in the Energy Reorganization Act of 1974, (b) the distribution of business among such personnel and among administrative units of the Commission, and (c) the use and expenditure of funds.

"(3) In carrying out any of his functions under the provisions of this section the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

"(4) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

"(5) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining upon the distribution of appropriated funds according to major programs and purposes".

Mr. BAKER. Mr. President, the purpose of the amendment is to assure that the Chairman of the Nuclear Regulatory Commission has adequate power to perform his functions. The statutory language in section 201 of the Energy Reorganization Act of 1974 pertaining to the chairmanship of the NRC is quite restrictive, at least when it is compared with the statutory language regarding the role of the chairman of other independent regulatory agencies such as the CAB, FPC, ICC, FTC, and SEC. The Senate version of the Energy Reorganization Act of 1974 contained language on the authority of the Chairman which was similar to that in the enabling statutes of other agencies, but the final version approved by the Congress did not include this language. The language, which had the strong support of the Office of Management and Budget and of the Atomic Energy Commission, was eliminated in conference. As a result, the statutory position of the Chairman of the Nuclear Regulatory Commission is relatively weak in comparison with the arrangements in most other agencies.

The Energy Reorganization Act created, below the Commissioner level, three Directors all with the grade of Executive Level IV: The Director of Nuclear Reactor Regulation, a Director of Nuclear Material Safety and Safeguards and a Director of Nuclear Regulatory Research. These Directors manage three basic and coequal divisions and each has direct access to the Commission. That act also established the position of an Executive Director for Operations, who "shall perform such functions as the Commission may direct, except that the Executive Director shall not limit the authority of the director of any component organization provided in this act to communicate with or report directly to the Commission when such director—deems it necessary to carry out his responsibilities."

In spite of a statutorily mandated organizational structure which calls for leadership of the highest caliber to manage successfully, there is no statutory provision, either for the designation of a chief executive officer, or for the grant of authority to that officer. The obvious leader of the Nuclear Regulatory Commission, or any other independent regulatory agency, is its Chairman. A Chairman must have the necessary statutory authority to carry out the executive and administrative functions needed to manage and lead the Commission.

My amendment specifies that the Chairman of the Nuclear Regulatory Commission will be the principal executive officer of the Commission and will exercise all other executive and administrative functions of the Commission with respect to the appointment and supervision of personnel employed under the Commission, the distribution of personnel among the administrative units of the Commission, and the use and expenditure of funds. In carrying out any of his functions, the Chairman would be governed by the general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make. The appointment by the Chairman of heads of major administrative units under the Commission would be subject to the approval of the Commission. Each Commissioner, on the other hand, would be responsible for personnel employed regularly and full-time in their immediate offices. The full Commission would also continue to exercise the functions of the Commission with respect to the preparation of the Commission's budget and with respect to determining the distribution of appropriated funds according to major programs and purposes.

This amendment is needed to provide explicitly for the clear assignment to the Chairman of the primary administrative responsibility for the implementation of NRC's policies. Not to do so would be to risk the development and growth of an organizational structure with weakened leadership. This would lead to crippling conflict among responsible officials which clearly would not serve the public interest. If the chairmanship of the Commission were weakened by the lack of clear and explicit administrative authority, the functioning of the Commission could be significantly impaired. The duties of this Commission are of such great importance and such overall significance to the safety of the public, and to the future supply of energy for this Nation, that risk of administrative impairments within the workings of the Commission's organization should not be eliminated.

Mr. President, I realize that the success of the new Commission will depend in large measure on the qualifications and dedication of the outstanding men and women who are involved in its operation. On the other hand, no unnecessary burden should be imposed on its operational effectiveness because of any inherent organizational structure weakness. Put quite simply, the Chairman of the Commission must have the responsibility to carry out the responsibility that has been placed on the Nuclear Regulatory Commission under the Atomic Energy Act of 1954, the Energy Reorganization Act of 1974, and the National Environmental Policy Act. I repeat again that this amendment would give the Chairman of the Nuclear Regulatory Commission the authority which is now held by the long-established Federal regulatory agencies. There should be no controversy about the acceptability of this amendment and I urge its adoption.

Mr. President, I say to the distinguished chairman of the committee that it has the effect of clarifying the point as to the administrative authority of the Chairman of the NRC. It has been discussed with the counsel and the Chairman of the Nuclear Regulatory Commission.

I believe it brings the NRC into conformity with other practices, and I am under the impression that the distinguished Chairman may be inclined to accept it.

Mr. PASTORE. Mr. President, I am familiar with this amendment. It is acceptable to the committee and surely to me, and I go along with it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

Mr. BAKER. Mr. President, I send to the desk another amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 1, line 7, insert the following:

Change $219,935,000 to $222,935,000 and change $52,000,000 to $52,750,000.

Mr. BAKER. Mr. President, during hearings before the Senate Appropriations Committee, NRC testified that OMB had reduced fiscal year 1975 supplemental budget request by 46 personnel positions and that its fiscal year 1976 budget request had been reduced by 85 positions which were intended to be used in the licensing of nuclear power reactors. At this hearing, in answer to my colleague from Oklahoma's (Mr. BELLMON) question, the Chairman of NRC agreed that NRC could utilize these 131 personnel if, as a result of an upswing in the economy, utilities accelerated their orders for nuclear power reactors.

My amendment, therefore, proposes to add $3.0 million to the NRC fiscal year 1976 budget and $750,000 to its transition period budget so that NRC may be permitted to hire these 131 personnel.

Mr. President, this is an amendment to increase the authorization slightly for the staffing for safety monitoring by the Nuclear Regulatory Commission.

It is cosponsored by the distinguished Senator from Oklahoma (Mr. BELLMON), who received testimony on this point in proceedings before the Appropriations Subcommittee.

I believe it has, as well, been brought to the attention of the distinguished chairman. I hope he might accept it.

Mr. PASTORE. Mr. President, this amendment is acceptable to me as well as to the committee. It makes it a stronger bill in that it does increase the amount of money for safety.

Mr. BAKER. Mr. President, I ask unanimous consent that the statement of Senator BELLMON in support of the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BELLMON

I would like to add some additional support to the Senator Baker's amendment which I have co-sponsored concerning the addition of $3,000,000 to the Nuclear Regulatory Commission's authorization to provide for approximately 131 additional employees in fiscal year 1976. This 131 is in addition to the 283 additional employees requested over 1975 and in addition to the 50 employees not made available in the fiscal year 1975 supplemental by the final Conference report. Thus, if the previously requested additional employees were to be provided, and this additional 131 were provided, there would be 464 additional employees available to the Nuclear Regulatory Commission over those now appropriated.

Many of our colleagues have called attention to the need for adequate safeguards and security for the materials and facilities necessary to support civilian nuclear electric power. I believe no one would quarrel with whatever numbers of employees were thought necessary for these essential functions.

In addition, many of us have spoken on the need to facilitate and expedite the licensing of nuclear power plants so that the nation will not run short of energy and so that nuclear power can play a role in gaining the nation its independence from insecure foreign sources of oil, much of which goes to generate electric power.

I rise to call attention to another need which goes to support both of these admittedly critical areas. This is the present lag in catching-up with the lack of adequate staff support for these functions.

When the Nuclear Regulatory Commission was formed out of the old Atomic Energy Commission those employees in such areas as finance, travel, services, legal and other staff functions were divided between the new Energy Research and Development Administration and the new Nuclear Regulatory Commission. Apparently, the Office of Management and Budget, which made the final division of such personnel, felt that the number of such employees transferred to ERDA should reflect its larger size. But, there seemed to be insufficient recognition of the fact that there is a minimum number of employees necessary to each such function. Therefore, the number initially provided was insufficient and in each subsequent effort to catch-up, the inexorable demands of the substantive programmatic functions took its inevitable priority and the administrative, staff and clerical functions were further starved, especially as the easily justified, technical and professional employees were added with their consequent demands on such supporting services.

When Chairman Anders appeared before the Public Works Subcommittee of the Senate Appropriations Committee on Tuesday, April 22, 1975, I probed this area extensively. While stoutly defending the President's Budget requests as he should, it was obvious that Chairman Anders budget requests had been substantially pared. In the final analysis, the number I recommend to you today is the result of an interrogation which I ask unanimous consent be added to the RECORD at the conclusion of my remarks.

You will note that Chairman Anders alluded to a staffing review currently underway, taking into account their first six months of operation and the possibility of a fiscal year 1976 supplemental. As I advised Chairman Anders at that time, I believe such a strategy would be extremely risky since the inevitable time delays would mean such employees could not be brought on board in time to be effective until months later.

Therefore, I urge you to adopt the alternate strategy I proposed of providing for such an increase in the authorization presently under consideration so that in later consideration by the Appropriations Committee the proper number can be arrived at and added, either by a formal budget amendment or by our own motion if necessary. If licensing action by the Nuclear Regulatory Commission picks up as the economy picks up and as previously deferred plants are rescheduled, as many of us hope and the President has recently suggested, then we will find this to have been both a prudent and wise step to have taken.

Mr. HUGH SCOTT. Mr. President, to supply the energy needs of our growing economy, America must expand all of its potential energy sources. By 1980, this expansion may mean we will have 150 nuclear reactors, to provide a mainstay of America's electrical energy supply.

In light of the increased use of nuclear power generation, we must begin today to insure that we provide for atomic energy safety. As pointed out by the Rosenbaum Study, the far greater risk to public safety is presented not by a nuclear reactor accident but by the possibility of a nuclear theft. We can all imagine the consequences to society if nuclear blackmail occurs. For this reason I shall, in the near future, introduce legislation to deal with the safeguarding of special nuclear materials in transit, storage, and processing.

As present and future users of atomic energy, we have a responsibility to our Nation and the world to guarantee that it is used only for peaceful purposes.

We are approaching the point of great dependence on atomic power. We must act now before we come face to face with nuclear threats caused by the theft of nuclear material.

Mr. President, as we take up the legislation authorizing appropriations for the Nuclear Regulatory Commission I ask each of my colleagues to consider the need for corrective legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 1716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. There is authorized to be appropriated to the Nuclear Regulatory Commission to carry out the provisions of section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974: $222,935,000 for fiscal year 1976 and $52,750,000 for the period from July 1, 1976, through September 30, 1976.

TITLE II

SEC. 201. Section 210(a) of the Energy Reorganization Act of 1974 is amended—

(1) by inserting "(1)" immediately after "SEC. 201. (a)"; and

(2) by adding at the end of such subsection the following:

"(2) The Chairman of the Commission shall be the principal executive order officer of the Commission, and he shall exercise all of the executive and administrative functions of the Commission, including functions of the Commission with respect to (a) the appointment and supervision of personnel employed under the Commission (other than personnel employed regularly and full time in the immediate offices of commissioners other than the Chairman, and except as otherwise provided in the Energy Reorganization Act of 1974), (b) the distribution of business among such personnel and among administrative units of the Commission, and (c) the use and expenditure of funds.

"(3) In carrying out any of his functions under the provisions of this section the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

"(4) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

"(5) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining upon the distribution of appropriated funds according to major programs and purposes.".

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, will the Senator from Connecticut yield time to the Senator from Michigan for a brief presentation?

Mr. WEICKER. I certainly do yield to the distinguished Senator. I yield 20 minutes to the distinguished Senator.

Mr. GRIFFIN. Mr. President, I thank the Senator from Connecticut.

Mr. President, this debate touches the personal lives and futures of two important people. But how the Senate decides this case will affect not just Mr. Wyman and Mr. Durkin; it will affect the people of every State of the Union, as well as the people of the State of New

Hampshire; and it will reflect in an important way on the reputation and future of this Senate as an institution.

This case is unprecedented. The winner of the election as officially declared by the State of New Hampshire, Mr. Wyman, was not seated even provisionally despite the absence of any charge by the contestant, Mr. Durkin, of fraud, corruption, or illegality in connection with the election.

As a practical matter, the only complaint by the contestant, Mr. Durkin, is that the election was close. He would prefer to have the Senate, which is controlled by his own political party, recount some—but not all—of the ballots that were cast, and to have the Senate substitute its judgment with respect to particular ballots for the judgment of New Hampshire officials.

If this case is handled as Mr. Durkin requests, and if it becomes a precedent, then at any time in the future, when a Senatorial election is close, the loser, particularly if his own political party happens to control the Senate, will demand to be counted in by the Senate, just as Mr. Durkin is requesting in this case.

Mr. Durkin says, in effect, that New Hampshire officials were mistaken in their decisions with respect to some of the ballots. We are asked to substitute our judgment and find that New Hampshire officials, though diligent and honest, were somehow wrong because, in some instances, they applied the law of New Hampshire to the ballots they judged.

If we accommodate Mr. Durkin's personal desires on such a basis, Mr. President, we shall not only rue the day as an institution but the Senate will have made a mockery of the concept of States' rights.

We move toward a vote on a crucial amendment which, if adopted, would trigger a runoff election by the people of New Hampshire. This would be a reasonable, a sensible, an honorable, and an eminently fair resolution by the Senate of this case.

In principle at least, Senators will surely agree that this body ought not be engaged, as it is asked to do, in a proceedings under which we simply substitute our judgment for that of State officials. Indeed, we ought to avoid that like the plague, not only because the precedent will burden the Senate and the public purse in years to come but also because it will unavoidably appear that the only reason for denying Senator-elect Wyman his seat in the Senate is because Mr. Wyman is a Republican and Mr. Durkin is a Democrat.

We concern ourselves in this case with an election in a small State. But make no mistake about it, the precedent that would be set—the perversion of our democratic process that would result—could affect your State next time.

The 17th amendment to the Constitution provides that each State shall have two Senators elected by the people thereof. If the Senate votes down the pending amendment and proceeds to count Mr. Durkin in as he has requested, the Senate—rather than the people—will be electing a Senator for New Hampshire. Such a process I suggest contravenes the very Constitution that we are sworn to uphold.

When this matter was before us in January a number of inaccuracies and misjudgments may have misled some Senators. For example, it was represented in the earlier debate that this contest could and would be readily disposed of in a matter of 10 days or 2 weeks if it were referred to the Rules Committee.

It was argued then that to seat Mr. Wyman provisionally would prejudice Mr. Durkin since there might be a runoff election and Mr. Wyman would then be able to run as a former Senator.

Overlooked in that argument was the fact that Mr. Wyman was then, and still is, a former Senator—since he was appointed to this body to serve the unexpired term of our former colleague Norris Cotton. Mr. Wyman took the oath as a Senator on January 1 of this year.

When the earlier vote was taken, which operated to refer the contest to the Rules Committee, perhaps there were some who believed the issues could be easily and quickly resolved in a way that would be satisfactory to all. Unfortunately, that has not been the case.

Now, nearly 6 months later, the Rules Committee has returned the New Hampshire contest to the Senate, reporting a deadlock within the committee on no less than 35 different issues.

In its review of an election with a margin of two votes, the committee is deadlocked—4 to 4—concerning the proper interpretation of 27 New Hampshire ballots. That the committee, comprised of 5 Democrats and 3 Republicans, is undecided as to how to call 27 ballots—14 times the margin in this election—should be convincing proof itself of the uncertainty which hangs over this particular election. It should be convincing proof that the best way the Senate could discharge its obligation would be to declare the seat vacant and return the matter to the people of New Hampshire, where the decision rightfully belongs.

Such a decision on the part of the Senate would be hailed across the length and breadth of this land. In particular, such a decision would be welcomed in New Hampshire by the overwhelming majority of citizens, both Democrats and Republicans, who believe that they—not the Senate—should elect those who will speak for them in the Senate.

Beyond the 27 tie ballots lie other matters of major importance to a fair resolution of the New Hampshire contest. The Rules Committee is tied, 4 to 4, on whether to acknowledge and act on some of Mr. Wyman's protests concerning the election. It would seem to be simple fairness that if this body or the committee is to deal with Mr. Durkin's protests about the election, it would also deal with those protests filed by Mr. Wyman.

The record indicates that the Rules Committee has proceeded to act with respect to Mr. Durkin's protests—but has refused or failed in many instances on tie votes to review important protests made by Mr. Wyman.

For example, Mr. Wyman has protested the tally in 12 precincts. While not questioning how the ballots were awarded by the local precinct officials, he believes that mistakes were made in tallying or counting the vote. Although all of the ballots and tally sheets are in the possession of the Senate, in a room in the old Senate Office Building, the Rules Committee has refused to honor Mr. Wyman's protest—even though it would consume a relatively small amount of time to retally the votes in the 12 precincts that have been challenged.

It is the position of some members of the Rules Committee that they will look only at 3,500 ballots, period—and nothing else. This is an arbitrary and unfair position, which ignores most of Mr. Wyman's protests in connection with the election.

That position—which does not square with a resolution adopted by the Rules Committee—arbitrarily assumes the validity of the base count—the count of the remainder of 180,000 votes—from which votes will be added or subtracted or added out of the 3,500 that are being examined.

As a matter of fact what the Senate should do, if it is not going to return the contest to the people for a new election, would be to establish the actual vote on the November 5, 1974, by recounting, not some, but all of the votes that were cast. To do this would not take nearly as much time as might be assumed, since additional judgment calls on ballots would not required. The process would involve merely the physical tabulation of votes for Wyman and votes for Durkin. Such a course, instead of a selective partial recount, would more nearly accord with the accepted concept of our obligation to deal with a contest with a margin of two votes. Mr. Wyman has consistently requested the Rules Committee to recount all ballots and the Committee has consistently refused.

If the amendment to return this election to the people should fail when it is voted upon later today, I am sure that at an appropriate time, an amendment will be offered to instruct the Rules Committee to recount all the votes cast as the fairest and best way to resolve this contest short of a new election by the people.

Another protest by Mr. Wyman raises very serious questions about the election—questions which by themselves suggest the desirability of a run-off election. Mr. Wyman has pointed out that nearly 1,200 more ballots were counted in that election than there were voters who presented themselves to vote, according to the registration or check lists maintained for that purpose at the polling places.

New Hampshire law requires that before a voter may be given a ballot to vote, his or her name must be announced at the polling place; it is ascertained whether his or her name is on the checklist or registration list. When the ballot is handed the voter, the State law requires that the voter's name then be checked off on the list, and that the list shall be preserved. The registration list or checklist maintained in connection with this senatorial election are now in the custody of the Senate.

Time and time again Mr. Wyman has requested that the number of voters checked off as having presented themselves to vote be totaled and compared with the number of votes that were counted. In some precincts the apparent discrepancies are particularly glaring.

At one point Mr. Wyman asked the Superior Court of New Hampshire to invalidate the election because, on a statewide basis, there were about 1,200 more ballots counted than there were voters who presented themselves to vote. The court declined, not because Mr. Wyman's request lacked substance or merit, but because the court held, under the circumstances then prevailing, that this is a matter for presentation to the Senate. Nevertheless, and despite the court's deference to the Senate, the Rules Committee thus far has just ignored this irregularity altogether.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. BROCK. Although the court says that the 1,200 more votes cast than there were voters is a matter for the Senate, I thought the Senate refused to consider that question. Is that not so?

Mr. GRIFFIN. The Senate Rules Committee has not considered the question.

Mr. BROCK. So the court said it is up to the Senate, and the Rules Committee has refused to consider the question at all.

Mr. GRIFFIN. The Senator from Tennessee is correct.

Mr. BROCK. So, in effect, there is nowhere for Mr. Wyman to go. He has no recourse under the law.

Mr. GRIFFIN. If the Senate does not take jurisdiction or notice of it, that is correct.

Mr. BROCK. I thank the Senator.

Mr. FONG. Mr. President, will the Senator yield for a question?

Mr. GRIFFIN. I yield.

Mr. FONG. I am very interested in what the Senator has said: that if we do not send this election back to the people of New Hampshire, the Senate will be called upon to be the judges in every close election between two contestants. That is what the Senator said.

Mr. GRIFFIN. We would be setting a precedent; and I have no doubt that every losing candidate in the future, in a close election, would point to this precedent and would demand the same treatment.

Mr. FONG. Even if there is no allegation of corruption, no allegation of fraud, no other allegation of wrongdoing, he will be calling upon the Senate to pass upon that election if the election is close?

Mr. GRIFFIN. That is precisely the situation we have here. There has been no allegation of fraud, corruption, or illegality. The only thing Mr. Durkin says, in effect, is that it was a close election, and then he says, "I think the New Hampshire officials were wrong in the way they awarded some of the ballots."

Mr. FONG. If this applies to a Senate contest, what would happen in the House? Would that apply also? If there was a close contest, would the Members of the House be called upon to rule upon such a contest?

Mr. GRIFFIN. As the Senator from Hawaii knows, the other body does not always follow the precedents of the Senate, but I am sure House candidates would point to it and seek to take advantage of it on a comparable basis.

Mr. FONG. And if the House were to follow the precedent of the Senate, then in every election where 435 Members of the House would be up for election, there must be a few contests that will be close. So if they were to follow the Senate, then there would always be arguing as to who won the election, even if there were no corruption, no fraud, or any other wrongdoing?

Mr. GRIFFIN. I think it would be particularly expected in situations where the losing candidate happened to be of the same party as the party which, in numbers, controlled the particular legislative body, the House or the Senate.

Mr. FONG. Yes. So if the Senate does not send this election back to the people of New Hampshire, we would be establishing a very bad precedent?

Mr. GRIFFIN. That is an understatement, I would say, yes.

Mr. FONG. As I understand, we do have some precedents, where the Senate has, in prior incidents, sent matters like this back to the people of the State, is that correct?

Mr. GRIFFIN. Yes, it is. I will, later in my statement, refer to previous cases. But the answer is, yes, on two previous occasions, the Senate has declared a seat vacant, refused to seat a person certified by the State, and thereafter, there were elections to decide who would be seated in the Senate.

Mr. FONG. I think this is a very good precedent. I hope the Senate will follow it.

Mr. CURTIS. Will the distinguished Senator yield?

Mr. GRIFFIN. I am glad to yield to the Senator from Nebraska.

Mr. CURTIS. I wish to ask the Senator, who is a member of the Committee on Rules and Administration, as to whether or not that committee made a decision as to who won this election?

Mr. GRIFFIN. No, I say the committee has not, at least as yet. This is a kind of interim proceeding that we are engaged in here. I think the Senators should be aware that how we vote with respect to these issues presented in this resolution does not dispose of the matter. It only resolves certain questions that the Committee on Rules has put to the Senate. Then we go back to the Rules Committee, to go from there.

Mr. CURTIS. How long has the Committee on Rules had jurisdiction?

Mr. GRIFFIN. The Committee on Rules began looking at this matter very shortly after the election, within a very short time after November 5, 1974. It has been looking at it ever since. So it would be more than 7 months.

Mr. CURTIS. It would be my opinion that, once the Senate took jurisdiction, they should decide it rather quickly if they can, because every State is entitled to two Senators. The very fact that the facts are such that the Committee on Rules or a majority there of have not come out with a clear finding as to who won the election, to my mind, would indicate that it was quite hard to determine that fact. Will the Senator agree?

Mr. GRIFFIN. I think the fact that the Rules Committee is deadlocked, tied, 4 to 4 on some 35 issues is strong evidence of that, yes.

Mr. CURTIS. Was there ever any evidence submitted to the Committee on Rules that would cause the Senator to believe that the certification of Mr. Wyman was not a valid certification?

Mr. GRIFFIN. None at all.

Mr. CURTIS. Was there ever any evidence——

The PRESIDING OFFICER (Mr. GARN). The Senator's 20 minutes have expired.

Mr. GRIFFIN. In behalf of the Senator from Connecticut (Mr. WEICKER), I yield myself 10 additional minutes.

Mr. CURTIS. I shall be very brief.

Was there any evidence submitted to the committee that would indicate that Durkin had a valid certification as winner of that election when Congress convened in January?

Mr. GRIFFIN. As the Senator will recall, there was a point following the recount by the secretary of state when a conditional certificate was issued to Mr. Durkin, conditioned on the appeal to the ballot law commission. That appeal was had; proceedings took place; and the ballot law commission, the final authority under New Hampshire law, then indicated that Mr. Wyman had won the election and an unconditional certificate was issued by the Governor.

Mr. CURTIS. But these certificates were not from competing authorities; were they?

Mr. GRIFFIN. No; they were from the same authority.

Mr. CURTIS. And it was clear that those responsible officials in New Hampshire clearly expressed themselves as nullifying the earlier conditional certification for Mr. Durkin and fully intended to and did certify Mr. Wyman as the Senator?

Mr. GRIFFIN. Yes; on the basis of the review of the three-man ballot law commission, which ruled unanimously that Mr. Wyman had won the election, this ballot law commission being comprised of one Democrat and two Republicans, the Democrat being a former candidate for Governor in the State on the Democratic ticket.

Mr. CURTIS. Has it been the practice in a contested election coming before the Senate to seat the individual who holds a certificate from his State, even though a challenge must be determined thereafter?

Mr. GRIFFIN. There has been practically no exception to the rule that a Senator who has been certified by the highest authority of his State is seated, at least provisionally, while the contest concerning his election is decided. Even in situations, where there have been allegations of fraud or corruption, which we do not have in this case, the elected Senator has been seated provisionally pending an investigation and review by the Senate. In this case, there is no question concerning the certificate, and there is no allegation of fraud, corruption, or illegality. The only allegation is that the election was close.

Mr. CURTIS. Did Mr. Durkin ever appear before the Committee on Rules and claim to be the certified winner of that election?

Mr. GRIFFIN. Well, I do not know. I would have to go back and review the record. He may have. I think he may have made that claim.

Mr. CURTIS. I thank the Senator.

Mr. BROCK. Will the Senator yield?

Mr. GRIFFIN. I shall be glad to yield.

Mr. BROCK. I wish to pursue this matter about the equity of a situation where Mr. Wyman raised protests before the court and the court ruled that they had no jurisdiction; that this was a matter for the Senate; and then the Senate turned down the protest because they just decided not to hear the protest. If I recall, we were talking earlier about some 1,200 votes that were cast in excess of the number of people who voted. Mr. Wyman protested that matter before the courts. They turned him down and said it was a matter for the Senate to determine. The Senate Committee on Rules refused to consider the protest. That is correct, is it not?

Mr. GRIFFIN. Yes.

Mr. BROCK. It is also true that he protested the inability to measure the check list against the tally before the courts, and the courts again ruled that that was a matter for the Senate. And it is true, I think, that the Committee on Rules again refused to hear that protest, even though the court again said that that was a matter for the Senate. Is that not true?

Mr. GRIFFIN. Let me add one further element. It is my understanding that Mr. Durkin, represented by counsel in the court proceedings, argued that the court should not take jurisdiction, because the Senate would have jurisdiction.

Mr. BROCK. But Mr. Durkin protested the Senate's taking jurisdiction when he got down here.

Mr. GRIFFIN. That is right.

Mr. BROCK. What he wanted was for nobody to have jurisdiction so that there would be no way that the consideration could be given to the possibility of machine error or fraud or anything else; is that not true?

Mr. GRIFFIN. That is right.

Mr. BROCK. It is also true that Mr. Wyman protested the absentee ballot situation, and the court again ruled that that was not a matter within their jurisdiction or competence, and that it should be before the Senate.

The Senate, in turn, refused to hear it just because they did not want to hear it; is that not true?

Mr. GRIFFIN. That is correct.

Mr. BROCK. All right.

So we have three specific examples, voting machine counts, checklist, absentee ballots, all of which involved more than two votes and that is the margin of difference in this election in which the court refused to consider their plea because they said they did not have jurisdiction, that it was for the Senate to determine; and then the Senate refused to hear it just because it did not feel like they wanted to hear it, I guess. I do not know what other logical reason there was. Maybe somebody can give me a reason as to why the Senate refused to consider the protest.

Mr. GRIFFIN. It is difficult for this Senator to give the reason because, along with the Washington Post, I advocated that the Rules Committee should consider all of Mr. Wyman's protests, just as they should consider all protests by Mr. Durkin. Unfortunately, the Rules Committee refused to do that.

Mr. BROCK. The thing I cannot understand is the inconsistency of the Rules Committee position, because the Rules Committee says they did not want to hear any new protests, yet they did agree—and I will give the relevant page, page 12 of the committee report of the Wyman position, where it says that Mr. Durkin was allowed to adopt the protest made not by Mr. Durkin but by Mr. Chimento. It was a new protest, in effect, but they denied that request to Mr. Wyman; is that not so?

Mr. GRIFFIN. That is as I understand it.

Mr. BROCK. Mr. President, I ask unanimous consent to have printed in the Record at this point the relevant material, specifically page 12 from the committee report, and pages 688 and 811 from the committee staff transcript of February 28, 1975.

There being no objection, the material was ordered to be printed in the Record, as follows:

> In accordance with the implementing resolution of the Committee that it would consider "all the protests made by either party at any stage of the proceedings," Mr. Durkin's representatives had been permitted during the ballot segregation proceedings before the Riddick panel to raise new protests on ballots which he had not protested before. As a result of this, Mr. Durkin adopted several of Mr. Chimento's protested ballots and changed the nature of his own protests on several other ballots. These ballots were all included within the ballots which were eventually presented to the Committee for review. On at least one occasion, the Committee sustained Mr. Durkin's new protest on one of these ballots, reversing the ruling of the Secretary of State and subtracting one vote from Mr. Wyman's margin of victory.
>
> Mr. VanLoan. I think the record should reflect that this was protested by Mr. Cimento and not protested by Mr. Durkin at the recount and now protested by Mr. Durkin.
>
> Mr. Brown. Can we do that?
>
> Mr. Duffy. What?
>
> Mr. Brown. Now protest a ballot not protested at a prior level?
>
> Mr. Meara. It was protested at a prior level by Mr. Cimento.
>
> Mr. Duffy. According to the motion adopted by the Committee I am not quite sure we can protest it.
>
> Mr. Blair. Of this pile, which originally contained 59 protested ballots, the protest is classed because of a checkmark. We have no protest on 52 of the ballots.
>
> We would like to hold one ballot out—it has Victor DeShuyner—for illustrative purposes.
>
> We would like to hold out four ballots that apparently have in the upper right-hand corner tally markings because the Committee has not ruled on distinguishing marks.
>
> We would like to protest one ballot that has some mark other than a check in the straight Republican circle.
>
> We would like to protest a ballot which I will carefully identify so that we can find it again. This is a ballot that is marked in checkmarks. It has a checkmark in the box for Meldrin Thomson, Louis Wyman. Going over, it appears to have some mark in the box for Carmen Chimento.

Mr. BROCK. I do so because I think this indicates very clearly that the committee has raised the precedent that protests may be raised at any time but only for Mr. Durkin—let me repeat, only for Mr. Durkin; Mr. Wyman raised protests and they said, "It is too late. We cannot consider yours."

But Mr. Durkin comes in with a new protest and they consider that. We have again got a continuing exercise of a categorical, specific, double standard of justice, and that is what I find very difficult to reconcile with the equity the Senate professes in this particular case.

Mr. GRIFFIN. I thank the Senator from Tennessee for that important contribution.

I would like to turn to a couple of examples of problems the Senate as a whole will have to face if we do not vote to send this back to the people for a new election.

First of all, the Rules Committee counted as a straight ticket vote when, in some instances, the voter placed an X, not at the top of a party column—not in the party circle or anywhere near the circle at the top—but at the bottom of the column, below all lines and below all the names of the candidates.

Under New Hampshire law an X placed below all the lines and names of candidates has never been considered as a straight ticket vote.

Now, when any Member of this body runs for election he is bound by the laws of his State in counting the ballots. Every Member respects the laws of his State in this regard. No Senator would argue that the laws of his own State should be disregarded in connection with an election in which he is involved. At least, I would hope that would be the case and I would expect it.

Now, should the Senate disregard the laws of the State of New Hampshire after the fact of the election? It is well settled in New Hampshire that a voter wishing to vote a straight party ticket must mark——

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. WEICKER. I believe at this time I would like to yield the floor to the distinguished Senator from Nevada.

Mr. GRIFFIN. I would like 2 more minutes.

Mr. WEICKER. Yes; I yield 2 more minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 2 more minutes.

Mr. GRIFFIN. The point, of course, Mr. President, is that the Rules Committee, in some of the rulings made, disregarded the laws of New Hampshire, and if the Senate as a whole is called upon to substitute its judgment, it will be asked to disregard the laws of New

Hampshire in making its decision. I do not think the Senate should get itself into that position under the circumstances of this case.

There is no justification for such a position by the Senate if this is a proceeding to ascertain and reflect the will of the people of New Hampshire. In the absence of proof, rather than mere speculation—to clear up and explain such irregularities—this situation alone so clouds the results with uncertainty that the contest should be referred back to the people of New Hampshire for a new election.

In some of the precincts, it appears that there were fewer votes counted than there were voters who presented themselves to vote. This is particularly interesting in the case of the city of Manchester where complaint was made of malfunction of certain voting machines. I understand that the checklists there indicate that the number of votes recorded on the machines were about 1,000 less than the number of voters, according to the checklists, who presented themselves to vote. Yet, the purported investigation of machine malfunction in the city of Manchester by the Rules Committee consisted of the charade of pulling the lever 11 times on certain designated machines and pronouncing that the counters correctly recorded the 11 pulls for each candidate.

Despite Mr. Wyman's request, the committee's investigative staff refused to take off the back of the machines to check the linkage. It refused to even look at the machines in one ward where some 35 fewer votes were recorded on the machines used in that ward than there were voters shown by the checklists to have voted on those machines.

The so-called investigation ignored Mr. Wyman's request to total the voter cards kept in connection with the machines—cards that are presently available for verification and which would establish how many voters actually voted on the machines. If the cards, for example, should total in excess of the machine count, malfunction would be established. It makes no difference in whose favor. As in Louisiana, if malfunction extends to failure to record votes cast—and the number involved exceeds the margin of victory—the only solution in an election with a margin of two votes, is a new election.

Voting machines were used in three cities and one town in the November 5, 1974, election in New Hampshire. Each voting machine has a roll of paper upon which a voter may vote by write-in of the name of a candidate.

Four machine write-ins for Mr. Wyman and one for Mr. Durkin were established before the New Hampshire Ballot Law Commission. But on many machines, no voting paper rolls could be found. The paper had been lost or destroyed, and was unavailable for examination. There can never be a satisfactory answer to whether or not there were write-in votes on that paper. This is just one more aspect of an election about which there is so much uncertainty—uncertainty that simply makes it impossible for the Senate to declare a winner.

Mr. President, there is much more to this can of worms called the New Hampshire election contest. The point is inescapable that the Senate ought not be trying to reinterpret voter intention under these circumstances. Can Senators on the floor, who have not sat through the 200 hours and 46 meetings of the Rules Committee, do a better job—or even a good job—as the Rules Committee members in judging the ballots?

Two matters in particular will be important if and when the Senate as a whole undertakes the job of awarding ballots.

First of all, in a number of instances, a majority of the Rules Committee counted as a straight ticket a vote when the voter placed an X—not at the top—not in the circle—but at the bottom of a party column.

New Hampshire law is clear that to vote a straight party ticket, a voter must mark in the straight ticket circle at the top of the ballot, or the mark must touch or be near the circle. Never under New Hampshire law has an X below all lines been allowed as a straight ticket vote.

When he runs for election, every Member of this body is bound by the laws of his State in the counting of his ballots. Every Member respects the laws of his State in this regard. No Senator would argue that the laws of his own State should be disregarded in connection with an election in which he is involved.

Should the Senate now disregard the laws of the State of New Hampshire, particularly after the fact of an election? To ask the question should be enough to answer it.

It is well settled in New Hampshire that a voter wishing to vote a straight ticket must mark in the circle at the top of the party column. It is both inconsistent and legally indefensible to count as a straight ticket vote, a mark made at the very bottom of a ballot—a mark which has no reference whatever to any candidate for any office.

If it should be necessary, at the appropriate time an amendment will be offered to direct that an X at the bottom of a column cannot be counted for either party.

A second and more serious disregard of New Hampshire law is pointed up by propositions 6 and 7 of the resolution before us. Those propositions are before us because four members of the committee take the position that 12 straight Republican ballots should be counted as votes for Mr. Wyman.

These are loosely described as skip-type ballots on which the voter placed an X in the party circle, and also marked most, but not all, of the candidate squares in the same party column. The square opposite Mr. Wyman's name was not marked on the 12 ballots in question.

These 12 ballots were counted in New Hampshire for Mr. Wyman by local election officials, by the secretary of state and by the ballot law commission in accordance with State law that has prevailed since 1919.

In that year, the highest New Hampshire court made clear that a mark in the party circle indicates a vote for every candidate on the party ticket, unless the name of a particular candidate is crossed out by the voter.

In the case of a skip-type ballot, it is impossible to know whether the voter first placed marks in some of the individual candidate boxes and then decided to vote a straight ticket—or whether he first voted a straight ticket and later sought to vote for some but not all of one candidate listed.

In any event, the New Hampshire law is settled and clear. A voter who casts a straight ticket by placing a mark in the party circle may cancel his vote for a candidate in that column only by crossing out the name of that candidate.

Half the members of the Rules Committee have taken the view either that they are not bound by New Hampshire, or, that election officials in New Hampshire were mistaken in their interpretation of their own State law. By going such a route, half of the committee would throw out 12 Wyman ballots.

It seems inconceivable that the Senate would adopt such a position, particularly in light of undisputed evidence in the record that "hundreds" of similar skip-type ballots were counted for Mr. Durkin.

At one point in its deliberations, the Rules Committee voted 5 to 3, to search out an equal number of skip-Durkin-type ballots, so as to render the issue moot. This is not a satisfactory way, however, to determine and give effect to the decision made by the people on election day.

Later, after one member of the committee sought to change his vote, a motion to reconsider was voted upon and the result was a tie, 4 to 4. Instead of ruling that the motion failed, in accordance with the procedures of the Senate, the chairman ruled that this tie vote should be referred to the Senate. An appeal from the ruling of the Chair then failed on a tie vote.

At the very least, the Senate should confirm the committee's decision to produce an equivalent number of skip-Durkin-type ballots, and thereby put an end to this question once and for all.

If the Senate refuses, we will present to the Nation the spectacle of a proceeding in which the rules for counting ballots are changed after an election is over—a ruling which denies the counting of ballots of a particular type as to one contestant—but allow them to remain counted for the other.

Such a prospect is intolerable as patently partisan, unfair, and denial of due process. That must be the evaluation of all fairminded people when it is known that there are hundreds of skip-Durkin-type ballots that remain counted for Mr. Durkin among the 188,000 paper ballots that are in the Senate's custody.

It is no answer to the people of New Hampshire that Mr. Wyman did not protest the skip-Durkin-type ballots. Indeed, he instructed his challengers that such ballots should be counted for Mr. Durkin in accordance with New Hampshire law. Surely, Mr. Wyman was not required to anticipate that the U.S. Senate would disregard New Hampshire law. At the very least, he should have been able to assume that any review body, including the Senate, would apply the same rule to all ballots in any one category.

Surely, if it decides not to count the skip-type ballots for Mr. Wyman before us, the Senate will also order that all 180,000 paper ballots be canvassed to separate and retrieve all other skip-type ballots that have heretofore been counted.

This is elemental due process.

Mr. President, the long and short of this matter is that the Senate ought not to be occupied any longer with this contest in light of the record developed by the Rules Committee. There is no way that we resolve this contest so as to eliminate the manifest uncertainties with which it is infected.

I am advised that the leader of the Young Democrats of New Hampshire has publicly called for a runoff. He supports the Democratic candidate, of course, but he believes this matter should be resolved by the people of New Hampshire.

This matter should be sent back to the people of New Hampshire for four reasons:

First of all, this whole mess is a "can of worms" fraught with uncertainties. Some of the questions can never be resolved because some of the evidence on which the resolution should be made is not even available. I refer, for example, to write-in paper on voting machines that has been lost and never examined. In a close election where there is a two-vote margin, evidence of that kind becomes very important.

Second, this is a very dangerous precedent that we could establish.

Third, the Senate ought to be spending its time on other important matters.

Finally, we ought to adopt the Weicker amendment because it is the fair, the objective, the nonpartisan, the honorable, and the right thing to do. Because it is the right thing to do I have confidence that the Senate will adopt the pending amendment and send this election back for decision by the people of New Hampshire.

I thank the Senator from Connecticut for yielding.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield such time as he requires to the Senator from California.

Mr. CRANSTON. I thank the Senator very much.

Mr. President, the supporters of the Weicker amendment argue that because of the difficulties encountered by the New Hampshire officials and by the Senate in determining whom the voters chose on November 5, that the election should be set aside and a new election held.

I contend that establishing such a precedent whereby a decision of the voters can be invalidated because an election is close and the results contested would be an open invitation to electoral chaos in our country.

Modern-day, statewide elections are often close. A special election for the New Hampshire Senate race would be a clear signal to any future candidate who loses by a narrow margin that he, too, could have a second chance if he protests loudly enough, if he pounces on the small but inevitable procedural errors which can be found in almost any election, if he demands additional recounts and questions void ballots, and if he argues that anyone attempting to answer his protests is somehow stealing the election.

Any postelection change in public sentiment which could be favorable to the loser would be an added incentive to question the election and even to invent protests if there were no valid grounds.

Any postelection adversity befalling the winning candidate could be a stimulus for an imaginative loser to seek a second chance from the voters.

Moreover, there would be no reason for a close loser not to try to get a second election; having already lost, the worst thing he could do would be to lose again.

If he gets a second chance and wins, the next thing you know we will be getting demands for a third election by the candidate who won the first round and lost the second.

Races for the United States could become a best-2-out-of-3 contest that would make an expensive mockery of the whole election process.

If the precedent set by a special election is bad, however, the case for the Senate's not acting in accordance with the Constitution is even worse. Mr. President, the Constitution is explicit about the Senate's responsibility to judge Senate elections. Article I, section 5, clearly states:

> Each House shall be the judge of the elections, returns, and qualifications of its own members.

The Senate embarked on its proper constitutional course when we voted 58 to 34 for the Mansfield motion to refer the New Hampshire question to the Rules Committee.

The Rules Committee recommendation and the matters on which the committee could not reach agreement are now back before the Senate for a final decision. It is clearly our constitutional responsibility to make those decisions.

Some members of the minority party have argued that a Senate divided 61 to 38 will not give Mr. Wyman a fair hearing—that such a Senate will be unfairly biased toward Mr. Durkin's cause. Not only is that untrue, it also obscures the basic issue.

The issue before us is not how Mr. Durkin or Mr. Wyman are treated. The question is how the voters of New Hampshire are treated.

I further suggest that some members of the minority party are attempting to use the size of the Democratic majority as an excuse to ignore the Constitution and to repeal the New Hampshire election of November 5, 1974, so that the Republicans can have a second chance at electing a U.S. Senator.

In the New Hampshire election there was an election day canvass and then there was an official recount. John Durkin won that recount by 10 votes and was certified as the winner by the secretary of state and the Governor of New Hampshire to our Secretary of the Senate. In 47 of our 50 States, the winner of that recount would have been certified and seated subject to any protest Mr. Wyman might have lodged with the Senate itself. And while the Senate would have carefully considered Mr. Wyman's protests, I doubt that a case for a second election would have been made.

But in New Hampshire, there is a ballot law commission composed of two Republicans and one Democrat. These three men looked at about 400 ballots and then reversed the results of the recount. That action by those three men led to the second certification to the Senate, this time of Mr. Wyman. Their disagreement with the official recount is the foundation upon which has been built the argument that a second election should be held.

It is because of the actions of those three men that we are now asked to set aside 220,000 votes cast in New Hampshire on November 5.

It is because of the action of those three men that we are told that 99 Senators should ignore their clear constitutional mandate to find out whom the New Hampshire voters elected to the Senate.

It is because of the actions of those three men that we are told a second election is the only way to satisfy the voters of New Hampshire.

Mr. President, I say that three men serving on an appointive State commission who reviewed 400 ballots should in no way dissuade 99 duly elected U.S. Senators from fulfilling their constitutional duty of acting as the final judge in the New Hampshire Senate race.

The Democrats could have been partisan in their approach to New Hampshire. On January 27, 1975, I made the following statement on the Senate floor:

> If the majority does indeed wish to commit political theft, we could do it quite easily. We could simply vote, without further ado, to seat Mr. Durkin—and that would be that. We have, as Mr. Wyman's supporters endlessly emphasize, the votes with which to do it.
>
> At the very least we could exert our voting power unilaterally to seat Mr. Durkin temporarily while the disputed ballots are analyzed.

I, of course, opposed any such partisanship, and the Democrats of the Senate choose not to be partisan. Instead we have acted consistently within the letter and the spirit of the Constitution.

Mr. President, the Senate should continue on the constitutional course we started on last January when we sent the question to the Rules Committee.

That committee has reported back to us.

To now summarily dismiss the action of the Rules Committee—disregarding both its agreements and its disagreements without giving them due consideration—would be not only to ignore the Constitution but the committee system as well. Activities of the Rules Committee, of course, are part of the internal workings of the Senate and are intended to precede the activities of the full Senate.

Mr. BROCK. Mr. President, will the Senator yield for a couple of questions?

Mr. CRANSTON. Certainly.

Mr. BROCK. I have great respect for the Senator and his integrity and the integrity of his position, but I do think there are a couple of points that ought to be clarified.

First of all, when the ballot law commission reviewed these three members the Senator referred to, and the rulings of the secretary of state, they found specific errors on the secretary's part, and I think the Senator will find in the committee hearings on page 116 and 117 that Mr. Durkin has since stipulated the rulings of the commission were correct.

So I do not think the Senator can leave the implication that there was partisanship involved here, nor do I think the Senator can ignore the fact that the ballot law commission composed of both parties was unanimous in this particular regard in these cases on the ballots, for example.

No. 1, I would like to be sure that the record is clear in that particular point, but, I think more important, I would like to ask the Senator a question. I am sympathetic with what he says about sending it back to New Hampshire, but I have great difficulty in doing that until I have satisfied my own constitutional responsibility in finding whether or not Mr. Wyman is duly certified. I wonder if the Senator would tell me whether or not he thinks it is logical for us to ask for a total recount rather than a partial recount and whether or not it is logical for us, the minority, to ask that if we are going to use New Hampshire law, it apply both to Mr. Durkin and Mr. Wyman; that if we are going to use Rules Committee law, it apply to both; that we do not apply one law to one and another to the other. Is that not a fairly reasonable thing to ask?

Mr. CRANSTON. On the first point, the reasons I do not think it is logical to go back and count all ballots are twofold. First, they already have been counted in the official recount; second, and more important, they have not been under secure control since that election.

Mr. BROCK. I think the Senator will find that record has been corrected. If the Senator will read the affidavit of the letter from the attorney general of the State, he says they have been secured.

Mr. CRANSTON. On that point, I understand the committee has found otherwise. At least the chairman has reported otherwise. A committee investigator, as I understand it, went up there and found that some of them were in a warehouse which was unlocked. The door happened to be frozen at the time the investigator got there, but it was not a locked door. Various other ballots have experienced recounts, going from one set of hands to another, and that simply has left them not in the pristine state ballots are supposed to be when they are eligible for recount.

Mr. BROCK. Then the Senator is saying that all the rest of us are in a position where we cannot judge and the advocates of this amendment are saying we cannot determine some of these things. I will not accept that.

The recount on the 180,000 ballots was done under New Hampshire law; right?

Mr. CRANSTON. Yes.

Mr. BROCK. The recount of the 3,500 ballots was done under Senate law; right?

Mr. CRANSTON. Yes.

Mr. BROCK. OK, those are two different laws.

How can we apply one standard in one and another standard to the other?

That is what I do not understand, if the Senator will just explain to me how we can arrive at a consistent legal definition for judging this election, I would be delighted.

Mr. CRANSTON. Of course, the 180,000 ballots were not challenged at the appropriate time for challenging when they were in a secure situation.

Mr. CANNON. Will the Senator yield?

Mr. CRANSTON. Yes; I yield to the chairman.

Mr. CANNON. May I also point out that the Senator's statement was incorrect when he said the 3,500 ballots were recounted under Senate law. The 3,500 ballots have never been recounted by the Senate under Senate law or any other law.

The 3,500 ballots were recounted by the Secretary of State under New Hampshire law. They have been segregated and they were gone through by both parties with their counsel down in the Senate basement. The parties stipulated and set aside all those except 900-some-odd and those have not even been recounted.

We have gone through and taken action on many of those ballots individually and put the ballots into the box.

But there has never been any recount of those 3,500 by the Senate under Senate law or under New Hampshire law or anybody else's law, as the Senator from Tennessee was suggesting.

Mr. BROCK. Then the matter in the Senate is under Senate law. The contested ballots were judged under Senate law, not under New Hampshire law. We can call it anything we want to, but there are still two laws that are being applied, one to Durkin and one to Wyman, one by the State and one by the Rules Committee. That is what I do not understand. I do not know why we cannot get an answer as to how we can apply the same rules of procedure, the same law, the same sense of equity, to both candidates, that is all.

Mr. CRANSTON. Both candidates have had ballots cast for whomever that were challenged in appropriate ways, and recounted, first in the first recount up there; secondly in the ballot commission's action; and, third, in the action of the Rules Committee. Fourth, they presumably will have that opportunity in the Senate. It is not known at this stage which in all cases are Durkin ballots or which are Wyman ballots.

Mr. BROCK. If the first recount was held under one law, the second under another law, and the third under a third law, would the Senator think they would adhere to the Constitution of the United States?

Mr. CRANSTON. We are seeking to stay under the Constitution, which is our constitutional responsibility, to determine an election.

Mr. BROCK. Under what law, the New Hampshire law or the Senate law?

Mr. CRANSTON. Under the Constitution of the United States, which is our guide in this matter.

Mr. BROCK. Does that not apply to all the ballots for both candidates?

Mr. CRANSTON. Certainly, except for those that have not been under secure circumstances. The Senator well knows many have not been.

Mr. HATFIELD. Will the Senator yield?

Mr. CRANSTON. Certainly.

Mr. HATFIELD. I think this ought to be clarified right at this point. This question was raised in the early part of our committee hearings on the so-called security of the ballots. We have a letter from the attorney general which gives ample evidence that there has never been any evidence of tampering. There has never been any charge with any evidence at all supporting it, that these ballots have been tampered with or have been left in other than secure conditions.

Let me point out further that the State of New Hampshire sent its election officials down here to the Capitol—could I have the attention of the Senator on this point?

Mr. CRANSTON. Certainly; I am listening.

Mr. HATFIELD. The State of New Hampshire sent its election officials down here to look at these same ballot boxes, and to take the constitutional convention ballots out of the boxes so they could have a recount. Consequently, these have never been considered as less than valid ballot boxes. There never has been a question raised with any validity that anyone has tampered with them. In fact, the State has used them to have a recount. I think that should be clearly stated at this point in the record again. I think this is a diversionary tactic. I think it is a banana peel. I think it is an attempt to divert our attention from the real issue at hand.

Mr. CRANSTON. May I respond by reading from the committee report, not from an official or an employee of the Rules Committee, but Victor Cardosi, U.S. marshal for the district of New Hampshire, who stated in his report on January 22, 1975:

> Major General McSwiney told us that in accepting these ballots, he would not take the responsibility for anything over and above normal security. There is only one night watchman/custodian who is also assigned janitorial work.
>
> One of the overhead doors was not locked. We were told that it did not matter as the door was frozen and could not be opened. The day of our inspection, it was very cold and we found this to be true. However, between the time the ballots were placed there (January 3rd) and the day of our inspection (January 17th) there were several warm days when we feel that if the door was not locked, it could have been opened.
>
> The partitions between the bays consist of chicken wire, 8 feet high, and it would not be too difficult to gain access to bays 8 and 9 from the other bays.
>
> The method of sealing the cardboard boxes and the heavily wrapped packages leaves much to be desired. We were told by John Fraser that some of the checklists used in the November election were never received, also some were returned, as requested, to town officials; therefore, not all of the checklists are now in storage.

That is from the U.S. marshal for the district of New Hampshire.

Mr. HATFIELD. Will the Senator yield?

Mr. CRANSTON. Certainly.

Mr. HATFIELD. Does the Senator have any evidence that there has been tampering with the ballots?

Mr. CRANSTON. No, we have no such evidence, but we do have evidence that they were not under secure circumstances. That would lead to a valid reason to believe that they should not be recounted.

Mr. HATFIELD. Will the Senator yield? Does the Senator think the State of New Hampshire would have used the same ballots for a recount on another issue if they were not secure ballots?

Mr. CRANSTON. I would think any recount now, after this lack of security and this lapse of time, would be open to court challenge.

I yield to the chairman of the committee.

Mr. CANNON. First, may I say to the Senator, if there were 13 recounts in varying degrees, these ballots have been handled in separate counties, not all of them 13 times, but my understanding is 13 separate recounts with respect to some of the Senate races. I think it is very important to go back to what the attorney general said, Republican Attorney General Rudman. This was a statement he made earlier, not 4 months after, when he wrote the letter that the Senator has referred to.

> Now, you have to understand there were two classifications of ballots. The ballots that you see here, about 180,000 ballots, were never protested by anyone. There were roughly 3,500 ballots that were in fact protested. Those ballots are under very tight security, the tightest security imaginable at the State police laboratory in the evidence safe. At the conclusion of the Ballot Law Commission hearings, it was stated on the record and agreed to by the parties that these ballots will be placed in a safe, warm, secure place where they would not get wet or spoiled or what have you if there were any reason ever to look at them in the future. But they have never been protested by anyone, and I think for anyone now to come and say "Well, we have some problems with these ballots," that is just confusing the public and confusing the issue, and I just do not think it is very forthright.

That is from the State Republican attorney general with respect to the ballots and with respect to the so-called 180,000 ballots to which no one ever made a protest.

Mr. CRANSTON. I thank the chairman.

I would like to ask the chairman a question with regard to the ballots that were turned over to the committee. I walked by that room in the basement where the ballots are at 8 o'clock in the morning, 10 o'clock at night, and at various other times. I have always seen a couple of Capitol guards sitting in the hall watching them with apparently extreme care. Why that guard?

Mr. CANNON. We wanted to give those ballots complete security once they were brought down here to Washington. They are placed in there under the tightest of security with the guards on the doors. Senator HATFIELD and I each have a key. We have two locks on there and each of us have a key.

Mr. CRANSTON. Was that done with the concurrence of the Republican members of the committee?

Mr. CANNON. Yes.

Mr. CRANSTON. Then they seem to recognize that there is a need for security and holding ballots which have to be looked at after an election. The absence of any such security over 180,000 ballots in New Hampshire rather plainly disqualifies those ballots from further consideration.

Mr. HATFIELD. Will the Senator yield?

Mr. CANNON. The answer to the question of the Senator from California is yes, but I think also that it is very important to know that no protest ever arose to any of those 180,000 ballots until after the Secretary of State had gone through all of that recount and after Mr. Wyman had found out that Mr. Durkin was the winner. That is when you first heard questions raised about the 180,000, going back to the counties and precincts, about some rolls that were supposedly off the machines, about some of the machine tallies, where they even went out and tried to dredge up some people to say, "That is not the way I voted. I voted some other way" or, "I voted illegally." They came in with affidavits to try to raise questions. Still, in spite of all of that, there has never been a charge of fraud in connection with this.

Mr. HATFIELD. Will the Senator yield?

Mr. CRANSTON. I have one further question of the chairman and then I will yield.

The law in New Hampshire, as I understand it, says it is the intent of the voter which must be determined. In the case of these famous "skip-Louie" ballots, that law was heeded by the Rules Committee, to the best of its ability, the responsibility to determine the intent of the voter overriding the technical requirements of the law. That is in the law of New Hampshire, as I understand it. That is what the Rules Committee did. It is consistent with New Hampshire law, is that correct?

Mr. CANNON. The Senator is correct. It certainly was our attempt to determine the intent of the voter. That has been our overriding consideration. The interpretation of the New Hampshire law by the courts has been to the effect that the election laws are directory, not mandatory, and that the purpose is to try to determine the intent of the voters. That is what we actually tried to carry out. I know the distinguished Senator from New Hampshire will be speaking in a while.

Mr. HATFIELD. Will the Senator yield?

Mr. CRANSTON. I yield.

Mr. HATFIELD. I appreciate very much the Senator yielding.

The Senator has just heard the chairman of the committee outline a very detailed procedure which we followed in order to guarantee the security of these ballots when they were transported from New Hampshire to Washington.

I suppose it is costing the taxpayers maybe $1,000 a week to maintain two guards down there 24 hours a day, with two fat padlocks on the door.

Does the Senator from California think it makes sense to have this healthy expenditure, and this type of a security program to protect insecure ballots?

Mr. CRANSTON. I did not understand the question.

Mr. HATFIELD. If the ballots are ballots as to which question has been raised as to their integrity, why go to all that trouble to protect something that is not secure?

Mr. CRANSTON. As I understand, the ballots being protected are so-called secure ballots.

Mr. HATFIELD. No. Let me say to the Senator from California, we brought down all the 180,000 ballots. We sent the U.S. marshal and the Sergeant at Arms of the Senate up there. We had a great caravan of ballots coming down from up there under guard.

Mr. CRANSTON. I understand what the Senator is saying.

Mr. HATFIELD. Does that make sense?

Mr. CRANSTON. Yes, I think it makes sense, since there are those, the Senator among them, who want those ballots counted. So they should be handled as securely as possible, to avoid any question.

Mr. HATFIELD. The Senator thinks it is worth the cost?

Mr. CRANSTON. Certainly. We live in a world where few people are privileged to have free elections, and a world where there are people who are willing to die for that privilege. So I think we have an obligation to make all elections and the proceedings in connection with them as secure as possible. That is what we are seeking to do here, and that is our obligation under the Constitution.

Mr. BROCK. Mr. President, will the Senator yield for a question?

Mr. CRANSTON. I yield.

Mr. BROCK. No. 1, I simply say they ought to be counted under the same procedures for Wyman as for Durkin. If they are "skip-Louie" or "skip-Durkin," take them out. Whatever standard is asked for; I will support the Senator in that. But give us one standard for everyone.

I am a little tired of hearing this statement that none of the 180,000 ballots were protested by anyone. That is just not a fact. They were protested before the Secretary of State, they were protested before the court, but now we hear the Senator saying, "We do not think they were protested."

It is a matter of public record. The machines were protested, the absentees were protested. But now all of a sudden someone says to me on the Senate floor that they were not protested. That is not the fact. They were protested time and time again. The fact is that they have been protested all the way through, and now it is the Rules Committee——

Mr. CRANSTON. Not all the way through.

Mr. BROCK. Yes.

Mr. CRANSTON. There was no protest at the time of the recount.

Mr. BROCK. They were protested right there in New Hampshire during the recount and in the courts. I will show the Senator the court decision. It says, "We will not consider your protest, Mr. Wyman, because that is a matter for the Senate to determine."

Then, here comes the Senate, in all its nobility, and says, "We are not going to recognize the protest."

Mr. CRANSTON. I understand Mr. Wyman protested those ballots on November 27.

Mr. CANNON. The Senator is correct. The protest was first filed in Bigg's letter of November 27, which was after the secretary of state protested the recount and came up with the other count.

Mr. BROCK. Now, let us talk about the protests made in the precincts. They were before the 27th. Let us talk about the protest on the machines before then. Let us talk about the absentee ballots before the 27th. Do not limit it to one category of protests. Talk about it all.

The fact is that those protests were made before the secretary of state, and it is on page 1344 of the hearings. Look it up; it is there in black and white.

Let us just keep the record clear. We cannot escape this. We cannot change the record. We cannot change the facts. The protests were made, and the Senate is denying access to a hearing on the protests, because the Rules Committee, in its wisdom, just does not think it is necessary.

I have seen an awful lot of people who think Washington is the source of ultimate wisdom in this world. I never have; but we are beginning to act like it, when we say we can read the voters' minds, that we know what they meant. Whether they were old, young, infirm, or healthy does not make any difference; we can read their minds, so we can set our own law, give all the ballots to one candidate, and take away all the ballots from another candidate. Whether we apply one law to one candidate and another to the other does not matter, because the Senate is the ultimate source of all wisdom.

Mr. CRANSTON. Does the Senator suggest that we should ignore the part of the New Hampshire law which says it is the responsibility of those counting the votes to seek to determine the intent of the voter, beyond the technical requirement?

Mr. BROCK. No, I just suggest that we apply the same law to both candidates. To seek to abide by the New Hampshire law is a noble purpose, and I am all for it. But do it for both, apply the same standard to both sides. Do not do it for one and refuse the same privilege to the other.

What we are doing is disenfranchising 110,000 people, at least, in the State of New Hampshire, unless we allow them all to vote under the same rule, the same law, the same process.

The Rules Committee has not done that, but should have. It is just a matter of equity.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. CRANSTON. I yield.

Mr. McCLURE. I thank the Senator for yielding, because there has been a statement made here, and the chairman of the Rules Committee responded to the question of the Senator from California, in regard to the application of New Hampshire law.

This matter was debated rather extensively yesterday afternoon, and perhaps needs some repetition again today, because the law of New Hampshire does clearly state that we will not make technical rules apply to the ballot if we can ascertain the intention of the voter.

But the New Hampshire law also says that if you mark the straight party ballot circle, skipping the square does not invalidate the vote for that person if there is no other evidence on the ballot of intention that that person be left out.

I refer again, as I did yesterday, to the case of Barr against Stevens, decided by the supreme court of New Hampshire in 1919.

It is instructive to look at the ballot that the court was construing in that case. It appears on page 1247 of volume 2 of the proceedings.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. I yielded to the Senator from California for a question, and I do not like his yielding on my time for making out a case, rather than for asking a question. If the Senator wants to use his own time for that, that is fine.

Mr. McCLURE. Will the Senator from Nevada permit me to respond to the earlier question the Senator from California had asked?

Mr. CANNON. On the Senator's own time. I do not know whether he asked a question, but if the Senator wants to respond on his own time, I will be happy.

Mr. WEICKER. Mr. President, I know that the Senator from Nevada is not going to run me short on time, and I am not going to run him short. I yield the Senator from Idaho 3 minutes.

Mr. McCLURE. I thank the Senator from Connecticut for yielding. Apparently the Senator from Nevada did not want me to answer the question according to the ruling of that case, but the ballot shown in the RECORD here very clearly indicates that the skipped square still counts.

If the Senator from California will listen to the explanation of that ballot, and look at it in the record, it is very clear, from the court decision, that they were to vote for three persons for county commissioner.

Mr. CRANSTON. Mr. President, will the Senator yield?

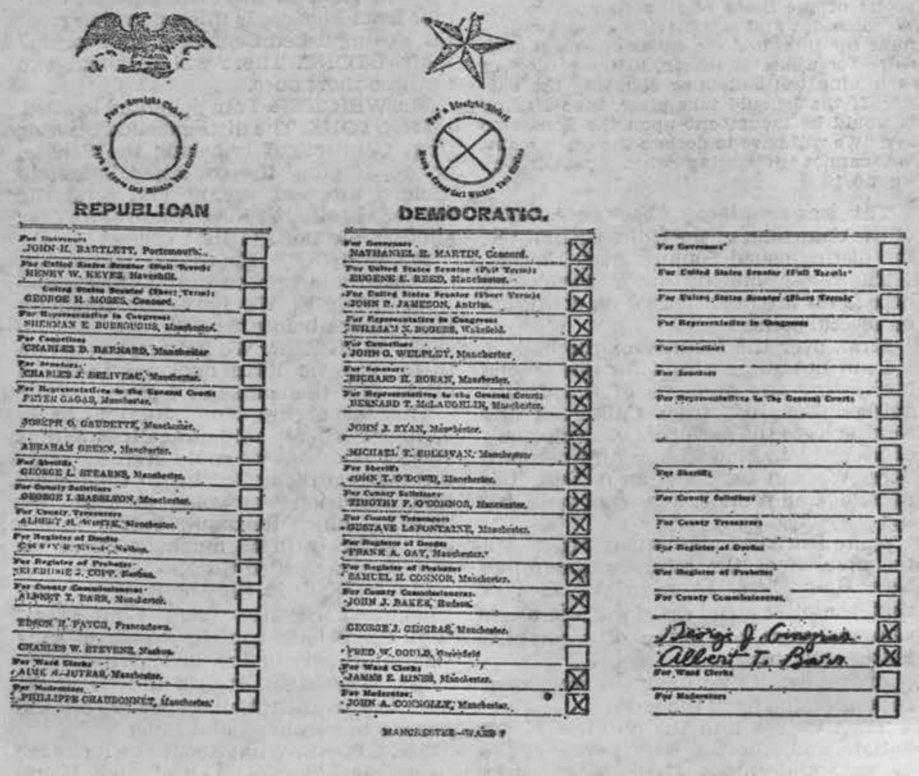
Mr. McCLURE. In a moment, I will be glad to.

They wrote in two names, and they skipped two boxes under the straight party designation, and the court said that was a vote for four people.

The court could not have been more plain in its construction of that particular aspect of New Hampshire law than it was in that case, where skipping two boxes meant two votes for the persons who were skipped, even though they were skipped, by what was a straight party designation.

I ask unanimous consent that the reproduction of that ballot, which appears in the committee hearings record, be printed in the RECORD at this point.

There being no objection, the ballot was ordered to be printed in the RECORD, as follows:



For a Straight Ticket Make a Cross (X) Within This Circle. ○

REPUBLICAN

For Governor	JOHN H. BARTLETT, Portsmouth.	☐
For United States Senator (Full Term)	HENRY W. KEYES, Haverhill.	☐
United States Senator (Short Term)	GEORGE H. MOSES, Concord.	☐
For Representative in Congress	SHERMAN E. BURROUGHS, Manchester.	☐
For Councilor	CHARLES D. BARNARD, Manchester	☐
For Senator	CHARLES J. BELIVEAU, Manchester.	☐
For Representatives to the General Court	PETER GAGAS, Manchester.	☐
	JOSEPH O. GAUDETTE, Manchester.	☐
	ABRAHAM GREEN, Manchester.	☐
For Sheriff	GEORGE L. STEARNS, Manchester.	☐
For County Solicitor	GEORGE I. HASELTON, Manchester.	☐
For County Treasurer	ALBERT H. [illegible], Manchester.	☐
For Register of Deeds	[illegible], Nashua.	☐
For Register of Probate	[illegible] J. COPP, Nashua.	☐
For County Commissioners	ALBERT T. BARR, Manchester.	☐
	EDSON H. PATCH, Francestown.	☐
	CHARLES W. STEVENS, Nashua.	☐
For Ward Clerk	[illegible] A. JUTRAS, Manchester.	☐
For Moderator	PHILLIPPE CHAUDONNET, Manchester.	☐

For a Straight Ticket Make a Cross (X) Within This Circle. ⊗

DEMOCRATIC.

For Governor	NATHANIEL E. MARTIN, Concord.	☒
For United States Senator (Full Term)	EUGENE E. REED, Manchester.	☒
For United States Senator (Short Term)	JOHN B. JAMESON, Antrim.	☒
For Representative in Congress	WILLIAM N. ROGERS, Wakefield.	☒
For Councilor	JOHN G. WELPLEY, Manchester	☒
For Senator	RICHARD H. HORAN, Manchester.	☒
For Representatives to the General Court	BERNARD T. McLAUGHLIN, Manchester.	☒
	JOHN J. RYAN, Manchester.	☒
	MICHAEL T. SULLIVAN, Manchester	☒
For Sheriff	JOHN T. O'DOWD, Manchester.	☒
For County Solicitor	TIMOTHY F. O'CONNOR, Manchester.	☒
For County Treasurer	GUSTAVE LAFONTAINE, Manchester.	☒
For Register of Deeds	FRANK A. GAY, Manchester.	☒
For Register of Probate	SAMUEL H. CONNOR, Manchester.	☒
For County Commissioners	JOHN J. BAKER, Hudson.	☒
	GEORGE J. GINGRAS, Manchester.	☐
	FRED W. GOULD, Greenfield	☐
For Ward Clerk	JAMES E. HINES, Manchester.	☒
For Moderator	JOHN A. CONNOLLY, Manchester.	☒

MANCHESTER—WARD 7

For Governor	☐
For United States Senator (Full Term)	☐
For United States Senator (Short Term)	☐
For Representative in Congress	☐
For Councilor	☐
For Senator	☐
For Representatives to the General Court	☐
	☐
	☐
For Sheriff	☐
For County Solicitor	☐
For County Treasurer	☐
For Register of Deeds	☐
For Register of Probate	☐
For County Commissioners	☐
George J. Gingras	☒
Albert T. Barr	☒
For Ward Clerk	☐
For Moderator	☐

Mr. McCLURE. Mr. President, I will yield to the Senator from California.

Mr. CRANSTON. Mr. President, I will say this on the time that I was yielded by the distinguished chairman.

I have read the committee report, and I have looked, along with others, at the reproduction of that ballot. I have listened to the Senator.

That is the very thing we should debate and decide in this body after the Senate decides, if it so decides to defeat the Weicker motion, so that we can get to such matters.

It is not relevant, particularly to this debate, because it is a matter we can decide one way or another if we reject the Weicker motion. That is the proper time to debate decisions like that.

Mr. WEICKER. Mr. President, I yield myself 5 minutes for some comments, both as to a general nature and as to the remarks of the Senator from California.

First, I think it important to point out certain comments that were made back on January 28 when we debated this motion prior to the elaborate determinations of the committee. The chairman (Mr. CANNON) made the following statement—here is where I think we are losing sight of the problem and more specifically as to why it should go back to New Hampshire—Mr. CANNON said:

> I think not at this time. I do not think that would be carrying out the constitutional responsibility. I believe the Senate could do it in one instance or two instances. I will recite what I believe them to be.
>
> One instance would be if the Senate reviews the election and comes up with an absolute tie. Then the Senate could declare the seat vacant and refer the matter back to the Senate for such further action as they desire to take.
>
> The other instance would be if the Senate attempted to determine the intent of the voters of the State of New Hampshire and we come out and say that we cannot determine the intent of the voters of New Hampshire, for whatever reason, in the process of examining the ballots or counting the ballots. If that should take place, then I think it would be incumbent upon the Senate to say, "We will have to declare the seat vacant. We cannot determine what these voters intend."

This was a statement back in January of the chairman of the Rules Committee, the distinguished Senator from Nevada.

The very argument that we have going here is an argument based on confusion on several points:

First, over the security of the ballots.

I am not going ahead for one second lambasting the opinions of the distinguished Senators from California and Nevada as to the adequacy or inadequacy of security in New Hampshire or down here. We can see right away that it is at issue, and there is no way of resolving it.

Quite frankly I am prepared to accept the opinion of the attorney general of New Hampshire. Even in the face of that, there are members of the committee who feel that our sense of security is better than his.

Automatically we have this very confusion coming upon the scene.

Then we get into the business of the ballots and whether they were counted or not, under New Hampshire law or under Senate law. Then we get to the business of the protests.

So, I think it is very obvious, just from the comments of the distinguished Senator from California, and the argument that ensued, that there is confusion.

That is what is fitting in, almost, to the second category as to why it should go back to New Hampshire as enunciated by the distinguished Senator from Nevada back in January.

In that same January debate, the Senator from Nevada made a statement which obviously has not held true.

I am not saying that it is intentional wrongdoing in any way, manner, shape, or form, but it is a fact of the proceedings.

The Senator stated that—

> The U.S. Senate will try to determine the intent of those voters, irrespective of what the election officials of New Hampshire said. We will do it under uniform ground rules that will apply equally to Mr. Durkin and to Mr. Wyman.

As a matter of fact, and it is a matter of fact, no matter what side of the argument you sit on, the rules have not been applied equally.

Mr. STONE. Mr. President, will the Senator yield?

Mr. WEICKER. In 1 minute I will be glad to yield to the distinguished Senator from Florida

I make those comments in a general nature. We are looking for the specifics and are going to argue about those specifics. But it is the very fact of the argument and the inability to resolve that argument that, in my way of thinking, demands that this go back to New Hampshire, which is exactly what the distinguished Senator from Nevada said back in January.

I will yield to the distinguished Senator from Florida. Is this a question from the distinguished Senator from Florida?

Mr. STONE. There will be about two or three short ones.

Mr. WEICKER. I am delighted to yield.

Mr. STONE. The distinguished Senator from Connecticut is asking the Senate, before deciding the contested issues, to declare the seat vacant and send the matter back to New Hampshire for another election. Is that correct?

Mr. WEICKER. No, that is not correct, because we have been in the process——

Mr. STONE. We have not voted on these issues before us yet.

Mr. WEICKER. We have not voted on them, but we have explored them in depth over the course of 4 days.

This is not the same situation as in January where automatically at that stage I said that we could even see from the material compiled up to that point that confusion was going to exist. We have examined the issues rather in detail, probably in as much detail as we will when we get to the specific——

Mr. STONE. Is the thesis of the distinguished Senator from Connecticut that the Senate has the power to consider and judge or the duty? Which?

Mr. WEICKER. It has the power. It has the constitutional power of the Senate to go ahead and judge.

Mr. STONE. What about the language in article I, section 5, that each House shall be the judge of the elections? Does not "shall" mean "must"?

Mr. WEICKER. Absolutely.

Mr. STONE. Then, really, does not the distinguished Senator's thesis that the Senate has the power give way to the specific constitutional language that we have the duty?

Mr. WEICKER. Absolutely.

Mr. STONE. That if it is possible to judge we must judge?

Mr. WEICKER. Absolutely.

Mr. STONE. Then is it not more consistent with article I, section 5, for the Senate to come to votes on these issues, and if we tie or if we are unable in conscience to vote and, therefore, to judge, that at that point——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WEICKER. I yield myself such time that is necessary.

Mr. STONE (continuing). At that point declare the seat vacant rather than before we even come to grips?

Mr. WEICKER. Here the distinguished Senator from Florida is very positive and very correct when he cites the Constitution as to the word "shall" as to the fact that we have the duty and we have the power. All that is correct. Then he uses the words "but is it not more consistent?"

Now, we fade away from the Constitution, and then it becomes a matter of interpretation.

What I am saying to the distinguished Senator from Florida is, if he would read that book, where does it say that we shall arrive at such a judgment by sending the matter to the Committee on Rules and Administration and then bring it back to the Senate Chamber? There is no such requirement in the Constitution.

Mr. STONE. The Senator is correct.

Mr. WEICKER. Excuse me. I shall yield to the Senator after I have completed my remarks.

So then it becomes a matter of judgment as to how we best exercise that constitutional responsibility. It could go to the Committee on Rules and Administration. It could go to a special committee. It could go to the Senate as a whole.

Yes, we have the power to send it back to New Hampshire.

What has changed is what is expected of us by the American people in the sense of making our judgments relevant and accurate and fair, and as the Senator well knows the constitutional history, it used to be that the U.S. Senators were selected by State legislatures. Obviously, the people of the United States decided that to be an imperfect system, and then we went to the direct election of Senators.

I am saying the same thing here. What used to be decided by the Committee on Rules and Administration or by a small select group of the Senate is now better decided by the people of New Hampshire. This in no way does violence to the power which we have to make the judgment. The judgment is for the people of New Hampshire. They can render a fair and equitable decision on this matter.

Mr. STONE. If the Senator from Connecticut will permit the junior Senator from Florida to observe, that is rather a tortured construction of the word "shall."

Mr. WEICKER. Why is it any more tortured than sending it to the Committee on Rules and Administration?

Mr. STONE. Much, much more tortured.

Mr. WEICKER. Why?

Mr. STONE. I am about to say why. It is much more tortured to say that shall be the judgment, I believe, by refusing to judge, as opposed to saying that a preliminary determination will be made by a committee before being referred to the full Senate. That manner of judging is totally consistent with how you procedurally go about judging, but it is not consistent, in the views of the Senator from Florida, to say that we will judge by refusing to judge and tossing it back for election under different circumstances, at a different time, unless the Senate is unable to determine who received the most votes in a valid, fair exercise of judgment.

Mr. WEICKER. Even granting the point of the Senator from Florida, let us say it is made in good faith and without any partisan considerations whatsoever, and let us assume the statements of the Senator from Connecticut were made in good faith without any partisan considerations.

Mr. STONE. The Senator does assume that as the Senator said. There is no question about it.

Mr. WEICKER. The fact is that we have, what I consider to be, a valid disagreement between two U.S. Senators as to how best to handle it under the powers given to us by the Constitution. So that is getting exactly to the point of why it should be sent back to New Hampshire.

So I respect the opinion. I respect both the correct recitation of the Constitution by the distinguished Senator from Florida, and then I respect his opinion, but there are two things that are being offered by the distinguished Senator from Florida.

Mr. STONE. I thank the Senator from Connecticut for yielding.

Mr. WEICKER. Mr. President, I should like to make other comments upon the remarks of the distinguished Senator from California, and then I shall yield to the distinguished Senator from Kansas.

In case he might have any comments to make, I wonder if I might have the attention of the distinguished Senator from California. I am going to make several comments on the statements of the Senator from California, and I want to be sure that he has a chance to come back at me for any disagreements he might have.

The distinguished Senator from California puts great emphasis on the fact that 47 States of the Union do their balloting in a certain way, thus implying that there is something odd-ball about the way New Hampshire does its balloting.

We get down to the very issue that I think is important in this situation, and that is the matter of States' rights and the fact that New Hampshire's procedures have not been overturned by any court that I know of. They are considered perfectly valid. I do not know what the procedures are in California. I am sure they work well and have been tested legally and have withstood that test.

I do not care if 47 States are doing it one way and New Hampshire is doing it another way. That is their privilege as a sovereign State. I suggest to all my colleagues that they might contemplate this particular issue, that there is nothing that makes New Hampshire's procedures not as good as another State's. We have no way of judging that. That is a matter to be judged in the courts. I am sure it has been subjected to court tests and has survived. So it is just as good as the procedures in the other 47 States.

The fact is, that in the course of that proceeding, a final determination was made that Mr. Wyman was the winner. It is important to keep that in mind, because the distinguished Senator from California kept referring to the protesting and the anarchy that it might lead to in the election process.

Let us be very clear on the fact that Mr. Durkin, under the law of the State of New Hampshire, never was finally certified the Senator from New Hampshire under New Hampshire law. He was not. He received a certificate. It was a conditional certificate, based on subsequent appeal by the other contestant, Mr. Wyman. Such an appeal did take place under New Hampshire law, and that appeal ended in a reversal, in a judgment for Mr. Wyman. Therefore, the final result of New Hampshire, the New Hampshire election process, was that Mr. Wyman was the winner.

The protesting that came about, with much sound and fury and obfuscation, I might add, of the entire procedures—came from the other side. They were the ones who came to Washington and tried to use a majority to overturn what clearly had been established by New Hampshire law.

True, I am not arguing that this body cannot go ahead and overturn that result. We can. We can do it in any election in the United States of America if we wish. That is our power. The question is, Do we want to exercise that power?

Insofar as Mr. Wyman is concerned, it is funny how one gets on the defensive in these matters in such a hurry. He is the one who was the winner under New Hampshire law; yet, he is the one who is perfectly willing to say, "OK. Since there seems to be questions of fairness and what have you—not irregularities or corruption—let us send it back to New Hampshire."

Right now, until the Senate makes a move, Mr. Wyman is the Senator from New Hampshire, by New Hampshire law. I do not want that to get lost in the rhetoric. New Hampshire has decided. What now has to come to pass is what the Senate does with that result. This is in the absence of any specific allegations of corruption or fraud or illegality.

The Senator from California raised this matter, and I will not go over it, because I discussed it at length with the distinguished Senator from Florida.

With respect to the matter of the Constitution, behaving within the Constitution, we can behave within the Constitution of the United States by sending this matter back to New Hampshire. We are not going outside our powers in any manner, shape, or form.

It is unusual; it is new. That should not bother the Senator from California. He has been in the forefront of trying the new, much to his credit. So I find it odd. I am surprised—not in the sense of the position taken, but in the sense of trying to stick with the old method—at the position taken by the Senator from California.

As to the matter of the ballot law commission, of course, there were two Republicans and one Democrat; and this further reinforces the two-vote win by Mr. Wyman, for the reason that the decisions by the ballot law commission were unanimous.

I do not know how else New Hampshire is supposed to operate, except within its own laws—and where you do have a bipartisan commission and the decision comes out unanimous.

One can push hard to have this matter resolved by the U.S. Senate, but no logic is going to prevail. It will be the votes that will prevail. The logic, the facts, the principles—they are all in place. That is why I plead that this matter not take on a partisan tone in any way. Rather, as each person presents an idea, let us have a chance to go back and forth on the matter, see where the logic and principle lie, and have the Members make up their minds on that basis, rather than any other basis.

Mr. President, I yield 10 minutes to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, the Senator from Connecticut has indicated that this would be novel and unique. I share the view that has been stated and restated. I do not fault anyone for the view they may hold, but I can determine quite easily that there are 61 Democrats in this Chamber and 38 Republicans. So I am not under any illusion as to how the Weicker amendment will be dealt with.

It seems to the Senator from Kansas that we can decide our responsibility under the Constitution, which says that each House shall be the judge of the elections returns and qualifications of its own Members, by finding, as has been defined time after time after time, that the record is filled with uncertainties. We can discharge that responsibility by declaring the seat vacant, which, in effect, is what the Weicker amendment would do. It is not totally new. It has been done in the past.

In the period since 1913, when the 17th amendment was adopted, the Senate has twice declared vacancies, after failing to seat the certificated Senator. These cases involved William S. Vare of Pennsylvania and Frank L. Smith of Illinois. Both cases are discussed in the compilation entitled "Senate Election, Expulsion and Censure Cases (1972)." So this is within the power of the Senate. It would discharge our responsibility under the Constitution.

Mr. President, the Senator from Kansas understands that every Member of the Senate is aware of the uniqueness of these proceedings. The Senate, on several occasions since the 1913 direct election constitutional amendment, has been called upon to decide disputed elections; but never before have the circumstances been at all comparable to those which apply in this case.

The Senate is called upon not only to make a determination of fact by this amendment but also to make very difficult decisions of judgment about voter intent in no less than 26 or 27 specific instances.

The Rules Committee has gone over this matter I do not know how many hours, but it has spent about 5 months grappling with this question. They have studied the matter. There have been inconsistencies within the committee. Now we find, at the end of that period—we were all told in January that this matter would go to the Rules Committee and would come back to the floor of the Senate in 2 or 3 weeks and it would be all cleared up—the confusion has become greater instead of diminished.

I am certain that the committee sought some fair resolution of the matter. They tried to reduce it so it could be at least manageable, to some degree, but so narrowed the scope of the inquiry that the issue has been reduced to a consideration of 27 ballots. Presumably, the Senate's determination of the dispute could revolve around those ballots and how we call them, how we vote.

Mr. President, as has been stated time and again, that simply is not fair to the people of New Hampshire, nor is it in keeping with any reasonable reading of the Senate's constitutional direction to be the judge of its own membership.

At the outset of the committee's study, the then very reasonable determination was made to restrict the inquiry only to those ballots which had been disputed in previous recounts. Events—and the conduct of the Rules Committee inquiry—have now rendered that judgment inadequate.

Take, for example, the exchange between two of our colleagues which took place recently on the Senate floor. A member of the Rules Committee was asked whether the same rules and standards should apply to all the ballots that were cast in the New Hampshire election or whether the 3,500 which had been disputed should be treated differently from the rest. The reply from the committee member was "That is a very tough question."

Mr. President, it is not a tough question. Obviously, all votes should be treated the same. If those ballots, for example, on which the Republican straight ticket is voted but the box next to Mr. Wyman's name is left blank are not to be counted for Mr. Wyman, then those ballots which are similarly "skip-Durkin" ballots should not be counted for Mr. Durkin.

That does not seem to be very difficult to understand or comprehend or to demonstrate.

If the New Hampshire election law is to be ignored in a few cases—a course I do not think it would be proper for the Senate to follow—then it should be ignored consistently in all analogous cases.

I would much prefer to see the Senate decide to honor New Hampshire law consistently—but no matter what the decision may be on the degree to which we should feel bound by State statute, my minimal demand is that we be consistent.

Some of the members of the Rules Committee have been deeply immersed in this matter for the last 5 months. It may be, with great justification, very difficult for them to regain their perspective at this point—to be able to distinguish the forest from the trees. That may be understandable, certainly based on the hours and weeks and months that members of the committee have worked on this case.

The members of the committee may have felt it appropriate to focus their attention on the disputed ballots only. But I do not believe the Senate ought to allow any final determination to be made on so narrow a basis.

That is why the Senator from Kansas believes there is much merit in the amendment of the Senator from Connecticut.

Mr. President, I ask unanimous consent that a memo concerning the Senate's authority to declare a vacancy be made a part of the Record at this point.

There being no objection, the memo was ordered to be printed in the Record, as follows:

Senate's Authority To Declare a Vacancy

Article I, Section 5 of the U.S. Constitution provides that "Each House shall be the judge of the elections, returns and qualifications of its own members . . ."

In the period since 1913, when the 17th Amendment was adopted, the Senate has *twice* declared vacancies after failing to seat the certificated Senator. These cases involved William S. Vare of Pennsylvania and Frank L. Smith of Illinois. Both cases are discussed in the compilation entitled *Senate Election, Expulsion and Censure* cases (1972) published for the Senate Rules Committee.

#133 William S. Wilson v. William S. Vare.

Congressman William S. Vare defeated incumbent Senator George Wharton Pepper in the Pennsylvania Republican Primary in 1926. Vare subsequently defeated Democrat William B. Wilson by 175,000 votes. When the Senate convened in 1927, Vare was asked to stand aside, first, because a Senate Committee was investigating excessive campaign expenditures in the Republican Primary, and, second, because Wilson had filed a formal contest alleging corrupt practices, illegal registration and voting, and other irregularities. On December 6, 1929, the Senate voted 58 to 22 to deny Vare the seat and also voted 66 to 15 that Wilson was not elected. Thereafter, Joseph R. Grundy was appointed to fill the vacancy by the Governor of Pennsylvania.

#134 Frank L. Smith.

Frank L. Smith defeated incumbent Senator William B. McKinley in a Republican Primary in 1926. He went on to defeat the Democrat, George Brennan, by about 65,000 votes. In the Republican Primary McKinley reportedly spent $514,000 while Smith reportedly spent $458,000. Smith had been Chairman of the Illinois Commerce Commission. He reportedly received more than $200,000 from Illinois public service institutions in the primary. Although no contest was filed against Smith, he was denied a seat by a vote of 61 to 23 (January 19, 1928). The resolution denying Smith a seat specifically created a vacancy. Otis F. Glenn was elected in November 1928 to complete Smith's term.

In another case, #159, *P. Hurley* v. *Dennis Chavez*, the Committee on Rules and Administration, after investigation, recommended that the Senate find that no one had been elected from the State of New Mexico in 1952 and declare that a vacancy existed. The resolution was rejected by the Senate, 53 to 36, and Senator Chavez, who had taken the oath conditionally, held the seat. One reason why the Senate did not declare the seat vacant is that a vacancy would have been filled by gubernatorial appointment, although the governor had been elected under the same circumstances that brought the Chavez election into question.

The House of Representatives has declared vacancies in numerous cases.

1. It being impossible to determine who is elected, the House declares the seat vacant. *Bowen* v. *DeLarge*, Hinds' Precedents, Volume I, Section 505.

2. It being impractical for the House to determine with any certainty who was elected, the seat was declared vacant. *Latcher* v. *Moore*, Hinds' Precedents, Volume I, Section 55.

3. The report of the Elections Committee not leading to a certain conclusion, the House declared the seat vacant. *Miller* v. *Thompson*, Hinds' Precedents, Volume I, Section 819.

4. When a member was returned by a majority of 1, which was rendered uncertain by a recount, the House declared the seat vacant. *Archer* v. *Allen*, Hinds' Precedents, Volume I, Section 824.

5. In an early election case, the House, having ascertained great irregularities, unseated the returned member, but did not seat contestant. *Jackson* v. *Wayne*, Hinds' Precedents, Volume I, Section 709.

6. Vacancies have been declared in numerour other cases. See, for example, *Easton* v. *Scott*, Vol. I, Sect. 773; *Blakey* v. *Golladay*, Vol. I, Sect. 323; *Jones* v. *Mann*, Vol. I, Sect. 327; *McFarland* v. *Culpepper*, Vol. I, Sect. 321; *Horton* v. *Butler*, Vol. II, Sect. 1123.

Mr. DOLE. Mr. President, we have had discussions, and we had an excellent discussion yesterday by the distinguished senior Senator from Oregon with reference to the so-called skip-Louie ballots. There has been a memorandum prepared concerning the issues raised by Mr. Durkin on March 26 with respect to ballots, No. 252, 256, 267, 279, 280, 281, 284, 285, 288, 305, 314, and perhaps others. In general, these ballots feature a clear, unmistakable mark in the party circle, together with a clearly discernible mark in all or almost all of the squares next to the names of the candidates in the same party column, except for the candidate for U.S. Senator. All these ballots were counted as straight party votes by State officials. On the Wyman-counted ballots, there was no indication of any effort to vote for Mr. Durkin.

In reviewing these ballots, the committee has the duty to apply the law of New Hampshire. The election was conducted under New Hampshire law, the voters were guided by New Hampshire law, and the votes were tabulated and interpreted under New Hampshire law. It seems to this Senator that for the Senate now to say, as has been said before, that we can ignore the law of New Hampshire and apply the will of the Senate, we clearly violate the fifth amendment clause on due process of law.

Mr. President, the law of New Hampshire very clearly provides that these ballots should be counted as straight party votes for all candidates in the party column. The law of New Hampshire provides that a cross in the party circle is a vote for all candidates in that party's column except for the candidates whose names have been erased or canceled.

Mr. President, this matter has been gone over time after time, but I emphasize that an examination of the law of New Hampshire should begin with the statutes. The statutes provide, in chapter 59, section 58:

> *Marketing*. On receipt of his ballot the voter shall forthwith, and without leaving the enclosed space, retire alone to one of the voting shelves or compartments, and *shall prepare his ballot by marking a cross (X) in the circle if he desires to vote a straight ticket. If he desires to vote for a candidate whose name is not printed under the circle in which he has marked he shall erase or cancel the name of the candidate in such column for whom he refuses to vote*, and may vote for the candidate of his choice by marking a cross (X) in the square opposite the name of such candidate, or by writing in the name of the person for whom he desires to vote in the right hand column prepared for that purpose. In such case the vote so marked in the square, or so inserted in the right-hand column, shall be counted, and such ballot shall not be counted for the candidate for the same office whose name is erased . . . (Emphasis supplied.)

Section 59 then reads:

> Alternative Marking. A voter may omit to mark in any circle and may vote for one or more candidates by marking a cross (X) in the square opposite the names, or he may insert the names of the candidates of his choice in the blank or right hand column, and such votes shall be counted.
>
> It is absolutely clear that the statute, and the court decisions interpreting New Hampshire statutory law, make a cross at the head of the column "a vote for all the names therein not canceled or erased."

I suggest there has been no evidence presented that the Senator from Kansas knows of——

The **PRESIDING OFFICER** (Mr. Curtis). The Senator's time has expired.

Mr. **DOLE**. I yield myself 2 additional minutes.

There is no evidence that this Senator knows of that would indicate that there is any cancellation or erasure in the so-called "skip-Louie" ballots.

Mr. President, I ask unanimous consent that this entire legal memorandum may be printed in the Record at this point.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

MEMORANDUM

This memorandum will discuss the issues raised by Mr. Durkin on March 26, with respect to ballots No. 252, 256, 267, 279, 280, 281, 284, 285, 288, 305 and 314 and perhaps others.

In general, these ballots feature a clear, unmistakable mark in the party circle, together with clearly discernible marks in all or almost all the squares next to the names of the candidates in the same party column, *except* the candidate for United States Senator. All these ballots were counted as straight party votes by State officials. On the Wyman-counted ballots, there was no indication of any effort to vote for Mr. Durkin.

In reviewing these ballots, the Committee has a duty to apply the law of New Hampshire. The election was conducted under New Hampshire law; the voters were guided by New Hampshire law; and the votes were tabulated and interpreted under New Hampshire law. For the Senate now to apply to a portion of the ballots some other law would clearly violate the Fifth Amendment clause on due process of law.

I. *The law of New Hampshire clearly provides that these ballots should be counted as straight party votes for all candidates in the party column.*

A. *The law of New Hampshire provides that a cross in the party circle is a vote for all candidates in that party's column, except for candidates whose names have been erased or cancelled.*

An examination of the law of New Hampshire should begin with the statutes. The statutes provide, in Chapter 59, Section 58, that:

"*Marking*. On receipt of his ballot the voter shall forthwith, and without leaving the enclosed space, retire alone to one of the voting shelves or compartments, and *shall prepare his ballot by marking a cross (X) in the circle if he desires to vote a straight ticket. If he desires to vote for a candidate whose name is not printed under the circle in which he has marked he shall erase or cancel the name of the candidate in such column for whom he refuses to vote*, and may vote for the candidate of his choice by marking a cross (X) in the square opposite the name of such candidate, or by writing in the name of the person for whom he desires to vote in the right hand column prepared for that purpose. In such case the vote so marked in the square, or so inserted in the right-hand column, shall be counted, and such ballot shall not be counted for the candidate for the same office whose name is erased . . ." (Emphasis supplied)

Section 59 then reads:

"Alternative Marking. A voter may omit to mark in any circle and may vote for one or more candidates by marking a cross (X) in the square opposite the names, or he may insert the names of the candidates of his choice in the blank or right hand column, and such votes shall be counted."

It is absolutely clear that the statute, and the court decisions interpreting New Hampshire statutory law, make a cross at the head of the column "a vote for all the names therein not canceled or erased." *Barr v. Stevens*, 79 N.H. 192, 194 (1919).

B. *The voters made no legally recognized effort to alter or vitiate their expressed intention to vote a straight ticket on the contested ballots.*

In the ballots under consideration, the voters placed a cross (X) in the party circle, which is evidence of a complete intent to vote for each and every candidate in that party column.

These voters *could* thereafter have changed their minds with respect to the candidate for United States Senator. But *if* they did change their minds, they failed to nullify their old intent or express their new intent, in any legally recognizable way.

Having once made a cross in the party circle, the voter may employ several different means to alter or vitiate his complete expression of intent to vote a straight ticket.

First, the voter may ask for a new ballot.

Second, the voter may erase or cancel the mark in the party circle. This would eliminate altogether any intent to vote a straight ticket, and the ballot would then be tabulated according to the specific checkmarks in the candidate squares.

Third, the voter may erase or cancel the name of one of the candidates in the party column or write "no" over the candidate's name. This is the method set out in the statute for clearly indicating a refusal to vote for a particular candidate. This method of cancellation has been demonstrated on numerous ballots reviewed by the Committee.

Fourth, the voter may place a cross in the party circle of another party, thereby making a complete double vote.

Fifth, the voter may, with or without cancelling the name of a candidate in his party column, place a cross in the box of a candidate in a different party column. This ballot would then be counted as a vote for the specific candidate or as a no vote, depending upon whether there was or was not a name cancellation.

Sixth, the voter may write in a name on the proper line in the proper column. This, too, would be counted as a vote for the write-in candidate or as a no vote, depending upon the presence of a name cancellation in the party column.

With respect to the disputed ballots, the voters *failed* to follow any of these legally recognizable ways to alter or vitiate their complete expression of intent to vote a straight ticket. They did not ask for new ballots. They did not double vote. And they did not erase or cancel the mark in the party circle or the name of the Senatorial candidate.

Senator Allen touched upon this failure to negate the straight party vote in his questioning:

"Senator Allen. Mr. Durkin, as I would understand it, the effect of voting a cross mark in one of the party circles would be to constructively place a cross mark in each individual box opposite the name of each candidate on that particular slate. Would it not, then, take some affirmative action on the part of the voter to remove that cross mark that is constructively in each box? . . . What did he do that was affirmative in nature to remove that cross mark that is constructively in that square?"

Mr. Durkin's answer, that "The affirmative action is omitting" Mr. Wyman's square when the voter made cross marks in other candidates' boxes, does *not* describe any *affirmative* action to negate the effect of the straight party vote. It is certainly possible for a person to draw an inference from the other markings on the ballot that Mr. Wyman is not equally favored by the voter; but one cannot draw any certain inference that the voter, having once voted for Mr. Wyman by marking a cross in the party circle, thereafter decided to cancel out or withdraw that vote by failing to place a cross in Mr. Wyman's box.

On the contrary, in *Barr v. Stevens*, 79 N.H. 192, 194 (1919), the court specifically stated that "The omission to mark a cross opposite the names of Gingras and Gould was not an erasure or cancellation of those names."

Mr. Durkin's argument that the other markings negate the original intention to vote a straight ticket makes no sense at all unless one assumes that the cross in the party circle was the *first* mark made on the ballot and was altered by subsequent marks. But this assumption is not permissible:

In *Murchie v. Clifford*, 76 N.H. 99, 107 (1911), the court said:

"Theories based upon speculation as to which cross was first made cannot be entertained. The ballot is presented as a completed document."

This rule was strongly reinforced in *Barr v. Stevens*, 79 N.H. 92, 194 (1919), when the court observed:

"If it be said the cross in the circle indicates an intention to vote a straight ticket subsequently changed by the other marks and written names, still if we assume these marks and writings were first made, a cross in the circle could be argued to indicate an abandonment of the original purpose to vote a mixed or split ticket and a final conclusion to vote straight. The question cannot be solved upon the evidence of purpose furnished by the ballot . . . The omission to mark a cross opposite the names of Gingras and Gould was not an erasure or cancellation of those names."

Inasmuch as there was no legally recognizable effort by the voter to alter or vitiate the effect of the mark in the party circle, the ballots must be voted for the Senate candidate under the party circle. Indeed, one may infer from the voter's failure to employ any of the numerous methods of cancellation or double voting, a *continuing* intention to vote a straight ticket.

C. The case of Barr v. Stevens is directly applicable to the disputed ballots.

The case of *Barr v. Stevens,* 79 N.H. 192 (1919), concerned a contest for county commissioner. The election was held to fill *three* positions and voters were entitled to vote for *three* different candidates.

According to the report, the Democratic Party had three candidates: Baker, Gingras and Gould. The Republicans had at least two candidates: Barr and Stevens.

One voter put a mark in the Democratic circle at the head of the column. He also put crosses in the box next to the names of all Democratic candidates *except* Gingras and Gould. In addition, he wrote in the names of Gingras and Barr in the proper spaces.

The court stated: "The ballot indicates an intent to vote for four candidates for county commissioner, Baker, Gingras, Gould and Barr,—one more than were to be elected."

The court's conclusion that the voter intended to vote for four persons, including Gould, means that it considered *irrelevant* the fact that there was no cross mark next to Gould's name in the candidate square. This is so, notwithstanding the fact that the ballot contained crosses in each of the squares opposite all the names in the column except Gingras and Gould, and that the voter made up for his failure to place a check after Gingras's name by writing in his name in the appropriate place.

The court thus ruled, as a matter of law, that Gould had received a vote, derived from the mark in the party circle, and that vote was equal to the votes cast for Baker, Gingras, and Barr.

Mr. Durkin's theory, that the failure to place a mark in the Wyman box indicates an intent not to vote for Mr. Wyman—an intent that supersedes the mark in his party circle—is in direct conflict with the holding of the court in *Barr v Stevens*. In that case, the court said:

"It is claimed the failure to make crosses opposite the names of Gingras and Gould indicates an intention not to vote for them, so that the ballot should be counted for Baker, Gingras and Barr. *This cannot be done except by rejecting the cross at the head of the column, which the statute makes a vote for all the names therein not canceled or erased* . . . The omission to mark a cross opposite the names of Gingras and Gould was not an erasure or cancelation of their names," 79 N.H. 193–194. (Emphasis supplied)

II. *The law of New Hampshire, as applied to the disputed ballots, is consistent with the law in the great majority of jurisdictions that have ruled on this issue.*

The law of New Hampshire as set out in Chapter 59, Section 58 of the Revised Statutes, and applied in *Barr v Stevens,* 79 N.H. 192 (1919), is consistent with the holdings in a great majority of the jurisdictions that have ruled on this particular issue.

The holdings are not uniform; but the majority rule is consistent with New Hampshire law and inconsistent with the position advanced by Mr. Durkin. The majority rule is stated in 26 Am Jur, Elections S260, p. 87, as follows:

"It has . . . been held in some jurisdictions that if a voter, after marking in the party square or circle, also places a cross after the name of each individual condidate except one, the extra markings will be without effect and each candidate will be entitled to a vote."

The rule is summarized in 29 Corpus Juris Secundum, Elections S182, p. 525:

"[A] ballot marked in the party column and also opposite the names of candidates of such party may be counted not only for the candidates of the party whose names were individually marked but also for other candidates of the party whose names were not individually marked, since it amounts to a straight vote for all the candidates of such party."

These general statements are derived from the following cases:

1. *Potts v Folsom,* 24 Okla. 731, 104 P. 353, 354 (1909):

"To our minds it seems clear that under the statute a stamp in the circle at the head of the list of candidates is the statutory method provided whereby a voter may manifest his intention to vote for every candidate under that stamp. If this is true, and after having placed the stamp there, the voter has succeeded in voting for all of these candidates, then *the placing of additional stamps in front of the different names on that same list would either constitute distinguishing marks or be without any effect whatsoever.* These are held not to be distinguishing marks . . . Hence *we conclude they are without effect.* Our conclusion herein seems to be supported by the case of *Dickerman v Gelsthorpe,* 19 Mont. 249, 47 Pac. 999; *Spurrier v McLennan,* 115 Iowa, 461, 88 N.W. 1062; *Whittam v Zahorik,* 91 Iowa, 23, 59 N.W. 57 . . . *McKittrick v Pardee,* 8 S.D. 39, 65 N.W. 23." (Emphasis supplied)

2. *Spurrier v McLennan,* 115 Iowa, 461, 88 88 N.W. 1062 (1902).

Quoting from Robinson, J., in the case of *Whittam v Zahorik,* 91 Iowa, 23, 59 N.W. 57, the court said:

"'Hence, when a voter has marked his ticket by placing a cross in the circle opposite the title, he does not add to the legal effect of that marking by placing crosses in squares opposite the names of candidates on the same ticket.' This, we think is true under the present statute. *And we may say, further, that crosses in squares under such circumstances not only do not add to the effect of the mark in the circle, but they do not detract from it; they have no consequence whatever.*" (Emphasis supplied.)

3. *Dunn v Gamble,* 47 S.D. 303, 198 N.W. 821, 823 (1924):

"The ballots that were marked in the circle at the head of the ticket and also in the circle before the names of one or more candidates on the same ticket were properly counted. *Where a voter makes a cross in the circle at the head of the ticket, he votes for every candidate on that ticket, and to place a cross in the circle before the names of the individual candidates on the same ticket has no effect whatever.*" (Emphasis supplied)

4. *Frantz v Hansen,* 104 Utah 412, 140 P.2d 631, 634 (1943):

"Ex. M is marked with a cross in the circle under the Democratic emblem. Crosses are also placed under the names of three Democratic candidates, not including Frantz, and the other squares left blank. . . . Under the law as it stands, this ballot must be counted as a vote for Frantz, *the unnecessary crosses in the squares having no significance.*" (Emphasis supplied)

5. *State ex rel. Brooks v Fransham,* 19 Mont. 273, 48 P. 1, 7 (1897):

"It was further decided, as applied to the ballot just illustrated, that marking in the circle at the head of the Democratic list is, under the law—so far as the legal intent of the voter is concerned—equivalent to placing a cross opposite the name of each and every candidate in the list under said circle. In other words, we think that the permission to the voter to mark in the circle at the head of the Democratic list was simply, in effect, saying to him: 'You may, instead of making crosses opposite the names of each and every candidate on this list, make one cross in the circle at the top, and by doing so you express your intent to vote for each and every candidate of the Democratic party, just as fully and as specifically as if you marked opposite the names of each and every one.' 'The legal intent,' says Justice Buck . . . 'from the cross in the circle, is not subordinate to the intent manifested by marking crosses opposite the names of particular candidates in other lists.'"

6. See also:

State ex rel. Robeson v Clark, 28 Wash. 2d 276, 182 P.2d 68 (1947)

Wade v McKibben, 226 Ind. 76, 78 N.E. 2d 148 (1948)

Hunt v Campbell, 19 Ariz. 254, 169 p. 596 (1917).

As noted earlier, the cases are not uniform. But the cases approving a different rule appear to rely upon the language of a specific statute (e.g., *In re Gegg's Election,* 281 Pa. 155, 126 A. 260 (1924)) or the presumption that specific intent controls general intent (*Young v Simpson,* 21 Col. 460, 42 P. 666 (1895)). Neither of these rationale is applicable to the present situation.

III. *A decision upholding Mr. Durkin's protest on these ballots would be contrary to sound public policy.*

A. *The adoption of Mr. Durkin's proposed rule would mean that different and irreconcilable legal standards will be applied in judging the New Hampshire Senatorial election.*

There is no question that the adoption of Mr. Durkin's interpretation of the disputed ballots would mean that some Senatorial ballots will be judged differently from other virtually identical ballots. Thus, on the same facts, some ballots will be counted, while others will be thrown out. The actions of some voters will be honored, while the identical actions of other voters will be disregarded.

Moreover, the very rule that Mr. Durkin now attacks was undoubtedly applied at the State level on numerous occasions to register good votes for him.

To adopt Mr. Durkin's interpretation of the disputed ballot, while knowing that large numbers of other ballots were treated differently, would amount to a grave constitutional error, correctible, if at all, only by recounting *all* the paper ballots in the State under similar principles of law.

The failure to apply the same rule to *all* ballots would mean that, as far as the Senate is concerned, the voters of New Hampshire are not equal and need not be treated equally.

B. *The adoption of Mr. Durkin's rule would overturn a proper and lawful method of voting and create gross inconsistency in New Hampshire legal theory.*

Chapter 59, Section 58 of the New Hampshire Revised Statutes clearly provides that the voter "shall prepare his ballot by marking a cross (X) in the circle if he desires to vote a straight ticket." On each of the disputed ballots, the voter has placed a cross in the party circle, and officials at the State level have counted these ballots as straight ticket votes.

Mr. Durkin argues that when the voter went beyond the party circle and placed crosses in the boxes of individual candidates, not including the candidate for United States Senator, his intent was to exclude the Senatorial candidate from the effect of the cross in the straight party circle. Mr. Durkin is saying that the voter intended *not* to vote for the party candidate for United States Senator.

It is clear that to adopt this theory is to *overturn the legal effect of complying with the New Hampshire statute.*

Heretofore, the unbroken interpretation of the law has been that a mark in the straight party circle registers a vote for each and every candidate in the party column. The vote thus accorded to each candidate in the column may be subtracted only through a cancellation or erasure of the candidate's name.

In the *double vote* situation discussed in *Murchie* v. *Clifford,* 76 N.H. 100 (1911);

Dinsmore v. *Mayor*, 76 N.H. 187 (1911); *Srearns* v. *O'Dowd*, 78 N.H. 358 (1917), and *Barr* v. *Stevens*, 79 N.H. 192 (1919), one complete expression of an intent to vote *neutralizes* another complete and conflicting expression of an intent to vote, so that no vote is counted. The fact that a voter places a mark in the party circle of one party and then votes for a specific candidate of another party without cancelling out a name in the straight party column, does *not* deprive the candidate in the straight party column of a vote. The vote for the particular individual in the other party simply *offsets* the first vote, so that the votes for both candidates are not counted. Hence, the double vote in the Senate race may be depicted as follows:

$(+1) + (-1) = 0.$

With respect to the disputed ballots, however, there is only *one* vote in the Senate race—the vote that results from the mark in the party circle. The voter has not double voted; and the voter has not cancelled a name in the party column. He has simply placed crosses in the boxes of *some* of his party's candidates. Therefore, the Senate race on these ballots may be depicted as follows:

$(+1) + 0 = 1.$

The plain truth is that the marks in the candidate squares are *not* inconsistent with the mark in the party circle. They are supplementary to it.

Mr. Durkin's theory requires that the straight party voting method be *subordinated* to the candidate square voting method. *Murchie* v. *Clifford*, 76 N.H. 100 (1911), cast aside the New Hampshire statute that attempted to accomplish the opposite subordination.

Mr. Durkin's theory runs counter to statutory law and the theory of the double vote. These irreconcilable theories cannot reasonably coexist in New Hampshire law, and it would be contrary to sound public policy for the Senate to adopt an interpretation of ballots that cannot be reconciled with the settled law of the State.

C. *Mr. Durkin's proposed rule poses the grave danger of contravening the actual intent of the voter as well as the expressed legal intent of the voter.*

The theory of interpretation advanced by Mr. Durkin assumes that the voter first made a mark in the party circle and then made marks in the candidate squares. According to this view, the voter deliberately skipped the box of the Senatorial candidate for the reason that he did not wish to cast a vote for the Senatorial candidate. This theory, of course, is based upon speculation.

It should be noted, however, that the same underlying facts support other plausible theories that would produce a different result.

Senator Griffin noted one such theory on March 26:

"Senator Griffin. Do you not suppose it is just as logical and just as reasonable to assume that maybe he (the voter) went down and made checks in various squares and then, at the last minute, said, oh, hell, I will vote the whole ticket, just like that? Is that not just as logical?"

Mr. Durkin replied:

"Mr. Durkin. That is possible. I do not think it is just as logical. But it is possible."

There are other possibilities. Some voters may place a cross in the party circle and then place a cross in the square of candidates whom they *strongly* favor, as though a double vote for favorite candidates were evidence of special approval.

Some voters may place a cross in the party circle and then cross over to vote for a particular candidate of a different party without cancelling the name of a candidate in the straight party column. Having done that, these voters may be confused as to the impact of their crossover vote. In order to assure that their favorite candidates in the straight party column have not been stripped of their initial vote by the crossover, the voters place crosses in the candidate squares of those candidates about whom they feel most strongly.

Another plausible reason why there is no cross in the square of a particular candidate is that the voter, in making supplemental crossmarks, accidentally or inadvertently missed the box of that candidate.

In *State ex rel. Robeson v Clark*, 28 Wash. 2d 276, 182 P. 2d 68 (1947), the Washington Supreme Court was confronted by an argument almost identical to Mr. Durkin's. This is what the court said:

"Appellant's contention is that, viewed in the light of all the circumstances, the questioned ballot was sufficiently plain to manifest the intention of the elector to vote only for those candidates opposite whose names he had marked an X, regardless of the fact that he also placed an X in the party circle, or, at least, that it was within the discretion of the election board, under the circumstances, to determine that such was the voter's intention.

"It is true . . . that when a ballot is sufficiently plain to gather therefrom a part of the voter's intention, it shall be the duty of the judges of the election to count such part . . .

"*However, any attempt to ascertain in this instance, the voter's intention in marking as he did the particular ballot in question at once leads into the field of speculation.* Did the voter intend to mark an X in the Republican party circle merely to express generally his party affiliation, and then, by placing an X opposite only a limited number of names, including that of one Democratic candidate, further intend to vote only for those particular candidates; or, rather, did he in the first instance intend to vote for all the Republican candidates, except the candidate for sheriff, and then, simply in order to make doubly sure of his vote as to those particular Republicans, conclude to place an X after their names? Again, did the voter first place an X in the party circle, and then go down the list of candidates, changing his mind from time to time, crossing over from one party column to another, and finally concluding that he would vote for a limited number of candidates only; or, on the contrary, did he first vote for certain candidates in whom he was particularly interested, and thereafter place an X in the party circle to indicate that he was thereby voting for all Republican candidates other than as otherwise specifically indicated by him? *One guess is as good as another.*

"*It is impossible to divine the particular voter's mind . . .*

"*We are of the considered opinion that, in these circumstances, the statute above referred to is controlling*; that it is mandatory in the sense that it makes the placing of an X in the circle at the head of a party ticket the equivalent of placing an X opposite the name of each candidate under such party appellation, except that, when the voter marks an X opposite the name, or names, of one or more candidates on another ticket, the ballot to that extent is to be counted for such candidate or candidates; and that *the placing of an X in such party circle establishes the legal intent of the voter to vote for each and every candidate on that ticket . . . In other words, the legal intent established by marking an X in the party circle is not subordinate to the purported intent manifested by marking X's opposite the names of particular candidates.*" (Emphasis supplied.)

Sound public policy does not permit this Committee to substitute "one guess" as to a voter's intent for "another guess" *as well as* the statute *and* the case law in New Hampshire *and* the majority rule in most jurisdictions . . . *because that "one guess" could be the wrong guess.*

D. *Mr. Durkin's proposed rule would establish a very unsound legal precedent.*

In undertaking its responsibilities under Article I, Section 5, of the United States Constitution, the Senate is acting in a *judicial* capacity. With respect to these particular ballots, the Senate is dealing with a question of both fact and law. The legal question is whether the alleged specific intent not to vote for any candidate for an office, indicated by a failure to place a cross mark in the box opposite his name (without cancelling his name) can supersede the legal effect of a cross in the party circle.

In resolving that question, the Senate must consider the precedential value and consequences of its decision, just as an appellate court would do. The consequences of the decision must be considered, because, if the legal question is answered in the affirmative, it will inevitably be followed by the question of how far the decision can be carried. In other words, where do we draw the line?

Begin with this case: There is a cross in the party circle, and there are also crosses in nine of the ten candidate squares. The single exception is the square next to the name of the candidate for United States Senator.

Suppose that the next ballot to be judged contains a cross in the party circle and crosses in nine of the ten candidate squares. *The empty square is the bottom square,* next to the name of the candidate for moderator. Should the *bottom* square be treated the same as the second square?

Suppose the third ballot contains a mark in the party circle and *two* blank squares. What result?

Three blank squares. What result?

Four blank squares. What result?

Five blank squares. What result?

Someplace between the two extremes of *one* blank square and *nine* blank squares a line must be drawn—the point at which the cross in the party circle is no longer subordinated to "specific intent".

What has Mr. Durkin provided the Committee in terms of sound legal reasoning or law to aid in drawing that line? He merely states that:

(a) If the voter "skipped two or three blocks at the top of the ticket . . . my case would collapse in front of me." (Tr. 2631–32)

(b) "I think I stated on the record this morning, if there were two blanks up here, two blanks anywhere in the top part of the ballot, by argument comes down in my lap". (Tr. 2678)

Mr. Durkin's position is premised upon the legal *necessity,* as he sees it, of ascertaining the voter's actual intent, once he departs from the letter of the law. But Mr. Durkin is unwilling to deal with a "specific intent" to skip two party candidates at the top of the ticket. Why? Given the alleged *necessity* of finding actual intent, why should the search for intent end as soon as the voter skips two squares? Is the actual intent to "skip" two party candidates so less plausible than the actual intent to "skip" one candidate that the prospect cannot be entertained?

Mr. Durkin vacillated on the treatment of a blank square at the *bottom* of the column. On page 2677 of the Transcript, in response to a question from Senator Hatfield, Mr. Durkin said: "I think you could make the argument that it (the blank bottom square) should *not* be counted for county clerk, but I don't think it is anywhere near as strong as it is with this unique set of circumstances." (Emphasis supplied.)

On the very next page (Tr. 2677), Mr. Durkin states: "Because there is less concern with the bottom of the ticket . . . *I would count it* for the county clerk or coroner or what have you." (Emphasis supplied.)

Senator Griffin then asked: "Where would you stop counting, at what point?" And Mr. Durkin eventually replied, concerning blank squares: "It wouldn't disturb me on the bottom one. It would disturb me more on the second from the bottom. I would say if you had three blanks down here, then my argument fails." (Tr. 2679)

It is clear that these responses are based upon a quick hunch, not a consistent legal theory.

It should be noted, at this point, that Mr. Durkin has withheld from the Committee during its deliberations on this issue, those ballots which are similar to the contested ballots except that there are several *crossover double votes*. Yet, ballots which feature crossover double votes should be taken into account, for there is no good reason not to honor the alleged "specific intent" of a voter simply because he has double voted in other races.

The consequences of Mr. Durkin's legal theory must be explored by the Committee; for the Committee might have to apply Mr. Durkin's theory in recounting *all* the paper ballots. In any event, if the theory is valid, State election officials will have to be able to write instructions for the men and women at the precinct level who must actually count the votes in future elections. If the theory cannot be sensibly and conveniently applied to a great mass of ballots in an ordinary election, it should be rejected as unworkable.

E. *Mr. Durkin's proposed rule would deprive voters of any vote in the Senatorial election.*

Mr. Durkin's argument would be more appealing if he were contending that the Ballot Law Commission had somehow deprived *him* of votes he had fairly earned. But nowhere on the disputed ballots is there any expression of support for Mr. Durkin. On the contrary, what Mr. Durkin is trying to accomplish here is to take away votes from Mr. Wyman—to gain the lead by systematically stripping away Mr. Wyman's ballots. In order to do this, Mr. Durkin must argue that the voters voted for no one.

There is something unseemly about gaining the advantage by systematically chipping away at your opponent's ballots by successfully gaining tie votes. Such a procedure does not enhance public confidence in the United States Senate.

Mr. DOLE. I do believe, as the Senator from Kansas has stated, that we should be guided, first of all, by the laws of the State of New Hampshire. Second, if in fact, we override the laws of the State of New Hampshire, even though that was where the election was conducted, that is where the next election will be conducted, the laws of New Hampshire govern the voters of that State, the laws of New Hampshire govern the candidates of that State, they govern the tabulation and counting of the ballots of that State.

But if, in fact, the Senate decides, on a party line or near party line or, for some other reason, to ignore the laws of the State of New Hampshire, then the Senator from Kansas suggests that we be consistent. We should count those votes for one candidate and we should count other votes for another candidate, or not count them for one candidate or for another candidate.

Mr. President, finally I commend Mr. Wyman, who said, shortly after the election, that in the event that there should be a 100-vote or less margin, whether it was his or his opponents, there should be a new election. That has been his position from the start. He did not wait for the New Hampshire court or the Ballot Commission or the Rules Committee or the Senate of the United States.

The PRESIDING OFFICER. The time of the Senator from Kansas has expired.

Mr. HATFIELD. I yield 2 minutes more to the Senator.

Mr. DOLE. He made this clear from the outset. He is the certified Senator from the State of New Hampshire.

The Senator from Kansas adds that in sworn testimony on January 9, 1975, Mr. Durkin said:

> Let me state for the record that all along, I have been in favor of a special runoff election. I think I would win a runoff easily.

It seems to me that in view of the numerous, almost countless inconsistencies where the Senate is now asked to impose its judgment rather than the judgment of the voters of New Hampshire, it might be desirable and helpful to look to the intent and to the wishes of those directly involved. There they are for the record. If Mr. Durkin wishes to dispute, or someone dispute for Mr. Durkin, that statement, did he make that statement on January 9, 1975, that he would welcome a special runoff election? I think the record indicates that he does.

The record is clear that Mr. Wyman has said from the start that in the event the election was close, a hundred votes or less, there should be a new election. So I commend the Senator from Connecticut for offering the amendment.

As indicated at the outset, the Senator from Kansas, having gone through a rather close election, has learned to count. It is not too difficult to understand the great pressures that may be brought to bear insofar as this specific case is concerned. The Senator from Kansas would hope this case is decided on its merits.

The PRESIDING OFFICER. The time of the Senator from Kansas has expired.

Mr. HATFIELD. Mr. President, will the Senator yield for a question? What is the time situation?

The PRESIDING OFFICER. The Senator from Connecticut has 20 minutes remaining; the Senator from Nevada has 71 minutes remaining.

Mr. WEICKER. I yield 2 minutes to the Senator from Wyoming.

Mr. HANSEN. Mr. President, there seems to me to be no doubt but that the New Hampshire Senatorial election dispute be settled by the one party who will after all be the most affected by the outcome of the election—the voters of the State of New Hampshire. It is the constitutional right of the voters to elect their representatives; this is an intrinsic part of our heritage and one of the most basic beliefs held in our concept of democracy. How then can the Senate deny this right without tainting its stature as a true legislative body in the eyes of this Nation? The only just course of action to take is to declare this seat vacant, thereby allowing New Hampshire voters to fill it by exercising their right to vote.

The Committee on Rules and Administration has spent many long and patient hours considering this matter in a number of areas. Despite their careful consideration, though, the committee has been unable to arrive at a decision—in fact they deadlocked on 8 issues and 27 ballots. Now the entire Senate is being asked to attempt to break these numerous deadlocks—a task that an eight-man committee spent 6 months on and which was recorded on 2,000 pages of transcript. This task is being handed over to a body of 91 men, most of whom know very little about the complexity of this contest and have little background in New Hampshire election law. Can the Senate realistically afford to spend the tremendous amount of time it will take to examine this matter? Consider the time spent by the Rules Committee—in excess of 46 sessions and 200 hours. I say that time is too precious to this body to use it in trying to decide an issue which belongs to the State of New Hampshire to decide.

I would like to review some of the issues the Senate is being called upon to resolve. The Rules Committee judged approximately 800 ballots of which about half were masked and half unmasked. The committee had a tie vote in less than 1 in 100 of the masked ballots, but in almost 6 in 100 of the unmasked ballots a tie vote occurred. The implication of partisan politics is too strong to be ignored. Now the Senate is to determine the outcome of 27 ballots—24 unmasked and only 3 masked. I would venture to say that the exposure of names and party affiliations could have a great influence on how the Members of the Senate will vote on these ballots. And such partisanship is wrong. We are being requested in this case to act as judges and in that role there is not even the slightest room for partisanship. Therefore this dispute should be settled in a runoff election in New Hampshire.

There are 13 "skip-candidate" ballots to be reviewed. On these the voter marked an "X" in the space which indicated a straight party ticket vote was desired, but then went down the list and placed a mark next to the name of each candidate except that listed for the Senate race. Many clever and lengthy arguments have been made during the committee's hearings regarding these ballots—whether or not they should be counted and if so for which candidate. Now after failing to decide the outcome of these ballots—12 of which are "skip-Wyman" ballots—the Senate is supposed to arrive at a decision on these. I say that there is no way for the full Senate to judge these ballots any more objectively than the Rules Committee. This task is not for us to undertake.

Clearly the only fair way for the Senate to determine the winner of this narrowest of all Senate races is to conduct a full and impartial recount of all votes cast in the November 5 election. The committee has voted to reject this action. And if the Senate is not willing to stage a complete recount—as it has done on three previous occasions—then it should not begin to undertake a matter which the voters of New Hampshire should rightfully decide.

There are too many errors and unanswered questions in this election. It has been reported that 1,157 more ballots were cast on November 5 than voters were crossed off the official checklists of registered voters. Acknowledged malfunctioning of voting machines in Manchester is known. Ballots have been reported as missing and write-in paper destroyed.

All this evidence indicates that this election is simply too narrow to be determined. I cannot conceive of a case in which the call for a runoff election could be louder. We have the opportunity to prove to this Nation that we can put aside partisan politics and work together as a dignified and just body to allow this seat to be filled in a manner which will be free from suspicion and future recriminations. I urge my fellow colleagues to do what is the only fair thing to do—send this election back to New Hampshire.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

Mr. PELL. On behalf of the Senator from Nevada, I yield 10 minutes to the Senator from New Hampshire.

IS RESPECTING THE LAW BEING PARTISAN?

Mr. McINTYRE. Mr. President, we come now to the third act of the longest drama in American election history. As this moment approached, I asked myself what I could say about it that I have not said before. To refresh my memory, I reviewed the public pronouncements I have made since the election dispute began, and in the course of this review I came on a definitive statement that I made in the pages of the Portsmouth New Hampshire Herald on February 8 of this year.

Mr. President, as I reread this statement I concluded that nothing that has happened in the months since, would make me change a single word of that statement.

Therefore, I will say now, in only slightly abbreviated form, what I said then. And I will say it with the same firmness of conviction.

My February 8 statement was in the form of a guest editorial titled: "Is Respecting the Law Being Partisan?" and it read as follows, minus a closing paragraph which referred again to the charges leveled against me and my democratic colleagues by the Manchester Union Leader and the Governor of New Hampshire:

> Regrettably, the dispute over New Hampshire's Senate election has generated far more heat than light. And given the clamorous presence in our State of a newspaper that foments and thrives on disunity and dissension, and a Governor who revels in crisis, perhaps this was inevitable.
>
> In recent days the Manchester Union Leader has called me a "ballot burglar" and a "cheap political chiseler," and the Governor has accused the Democratic members of the United States Senate with having engineered "a legislative Watergate."
>
> The temptation is strong to respond in kind, but respect for truth for reason, and for the intelliegnce of the people of New Hampshire demand that every attempt be made even yet to bring some semblance of dispassionate perspective to the issues.
>
> The question at the heart of the present controversy is that of partisanship, and the time has come for a direct confrontation with this question. I intend to answer it for myself and for my Democratic colleagues. I owe this to the people of our State. And since he raised the question, so does the Governor.
>
> From the moment the closeness of the November 5 vote made it certain there would be one or more appeals for a review of the ballots, I was keenly aware that whatever position I took on this issue risked the displeasure of as many as half the people of our state. So contrary to what some have charged, I did not leap eagerly into what promised to be a "no-win" situation for Tom McIntyre.
>
> At the same time, however, I recognized that the privileges of office accorded me by the people of our state also conferred the responsibility to exercise leadership—even in this issue—as fairly as I could.
>
> I've done my best to meet that responsibility.
>
> From the outset, I said there was only one way to assure maximum protection of the rights of the contestants, and the rights of the electorate, and that was to follow to the letter those provisions of New Hampshire law and the Constitution of the United States that apply to the resolution of a disputed Senate election.
>
> The rights of the contestants clearly include carrying an appeal for election review all the way to the U.S. Senate iteself, for both State law and the Constitution place upon that institution the ultimate responsibility for reading the will of the electorate in a disputed Senate election. Thus John Durkin was exercising his legal right in asking the Secretary of State for a recount of the November 5 election; Louis C. Wyman was exercising his legal right in asking the State Ballot Law Commission to review ballots disputed in that recount; and John Durkin was exercising his legal right to appeal the ruling of the Ballot Law Commission to the United States Senate.
>
> Moreover, the rights of the electorate clearly include exhausting every legal means of determining an election result before the ballots cast in the original election are declared inconclusive and a new election is called.
>
> However appealing the thought of a new election may be at this stage we cannot ignore the rights of those 222,404 people who met their civic responsibilities and went to the polls on November 5.
>
> They have the right to have a fair and final effort determine what they were saying when they cast their ballots. If that legally and Constitutionally-ordained fair and final effort were not made by the Senate, then 222,404 voters would be robbed of their voting rights after they exercised them.
>
> For these reasons, then, I believed due process of law had to be followed every step of the way. And I said so. Again and again and again.
>
> I was—and I am—at ease in this position because I sincerely believe it is legally and morally the right position.
>
> Does this mean I had no partisan interest in John Durkin being declared the ultimate winner? Of course not. I campaigned for and with John Durkin, and I remain convinced that his election would be in the best interests of the people of our State.
>
> But what is important here is the fact that my support of John Durkin's candidacy is not in conflict with my insistence that the law and the Constitution be followed to the letter in resolving the election dispute, for John Durkin also holds that position.
>
> Because of this, neither John Durkin nor I asked the Democrats in the Senate for special favor. We asked only that the law be followed, that a fair and final review of the ballots be conducted by the Senate, and that the chips be allowed to fall where they may.
>
> The Democrats in the Senate voted to do just that. They voted not to seat either John Durkin or Louis Wyman though they obviously had the votes to seat John Durkin had they wished to take partisan advantage. They voted to have the Rules Committee review the election and report its recommendations back to the Senate. In short, by their votes they said that New Hampshire law and the Constitution should, must and will prevail.

Mr. President, that is what I said on February 8. And that is what I have to say today.

In closing, I ask unanimous consent to have printed in the Record an editorial comment on this election by the Concord Monitor, the daily newspaper published in New Hampsire's capital city. This editorial rightly contends that "the only circumstance under which a new election might be called would be the declaration of a flat tie between the contestants" and asks this crucial question: "At every step of the way, the law has been followed. If we do not adhere to the law on this issue, what process do we follow?"

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Concord Monitor, April 23, 1975]

Rudman Declines To Sue Senate

Atty. Gen. Warren B. Rudman has told the Governor and Council, in effect, that he won't file suit against the U.S. Senate for denying the state representation while the Senate Rules Committee is mulling the Wyman-Durkin dispute.

Rudman didn't put it quite so bluntly, but the thrust of his response to a Governor and Council directive to file a suit in the U.S. Supreme Court on behalf of the State of New Hampshire was that it would be an exercise in futility.

The Governor and Council resolution, passed unanimously on April 16, was little more than a grandstand play seated in ignorance. It was another of Gov. Thomson's tactics to try to force a new election in the still-unresolved contest between former Republican Louis C. Wyman and Democrat John A. Durkin for New Hampshire's second seat in the U.S. Senate.

A new election cannot be held at this stage in the proceedings because the law has not yet run its course. The U.S. Constitution clearly provides that the Senate itself shall be the judge of the qualifications of its members and of Senate elections.

The Senate Rules Committee is going through that process right now. And as Rudman cited in his letter to the Governor and Council, the Supreme Court already has ruled that a temporary delay in full representation in Congress, pending a determination of the election outcome, is one of the prices a state must pay in a constitutional democracy.

To file such a suit, knowing that it has no basis in law, would be capricious. If Rudman did as he was directed, New Hampshire would appear foolish and unsophisticated in the eyes of the rest of the nation, and particularly by the Supreme Court.

Rudman also has his own reputation to consider. Any state's chief legal officer who would act on the political whim or the eccentricities of his boss would be in violation of his oath and subject to the derision of his colleagues.

The process of reviewing the results of the Nov. 5 election has followed the dictates of the law scrupulously. Wyman won the initial count by 542 votes. Durkin asked for a recount by the N.H. Secretary of State, and won it by 10 votes.

Wyman appealed to the N.H. Ballot Law Commission, of which Rudman is a member, and Wyman won that review by two votes. As is his right, Durkin appealed to the U.S. Senate, which has final jurisdiction, and the contest now is before the Senate's Rules Committee.

There is no provision in the law for a new election unless the Senate calls for one. That is unlikely. Within a few weeks, the Rules Committee may make a recommendation to the full Senate.

Unless there are allegations of fraud or denial of due process, once the full Senate decides the winner, it is all over. There is no appeal from the Senate's decision.

The Rules Committee has been painfully slow in reaching determinations on individual ballots, or groups of ballot that fall into the same category.

When in Washington last week, we sat in briefly on a session of the Rules Committee. Contrary to our previous notion, we were impressed with the meticulous fairness of decisions on probable voter intent in the ballot examinations.

Our impression was that the delays have resulted more from the haggling of lawyers than indecision or partisan bickering among Committee members. Decisions previously reached were dredged up and argued again.

It seems to us the only circumstance under which a new election might be called would be the declaration of a flat tie between the contestants.

At every step of the way, the law has been followed. If we do not adhere to the law on this issue, what process do we follow? Surely the answer is not the filing of disrupting, expensive and groundless suits as the Governor and Council directed.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Who yields time?

Mr. CANNON. Mr. President, I yield such time as the Senator from New Jersey may require.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. WILLIAMS. I thank the chairman of the Rules Committee for this time. Perhaps some of what I say will be redundant, but there have been a lot of redundancies, I am sure, in this debate.

I hope it is redundant for me to say at the outset that, as a member of the Rules Committee, and having observed our chairman over these many months, I have the greatest admiration and respect for him in his position as chairman of our committee. It has taken unusual patience and wisdom to guide us through this long and tortured route—tortured not by any of his actions, believe me. Mr. President, we might have considerable distance yet to go.

So on November 5, Mr. President, of last year the people of New Hampshire went to the polls and cast their votes for three candidates for U.S. Senator. It turned out that that election was the closest in the history of this Nation. Each of us knows the basic facts in this case, I am sure.

There was first a recount of the election by the New Hampshire Secretary of State, and John Durkin was declared and certified the winner by 10 votes.

A month later the New Hampshire Ballot Law Commission reviewed the case and reversed the decision of the secretary of state and, as a result, Louis Wyman was declared the victor by 2 votes.

At that point, Mr. Durkin filed a petition with the Senate asking that this body take jurisdiction over the contest and he did this pursuant to article 1, section 5 of the Constitution.

In response, Mr. Wyman asked the Senate that he be seated as the duly certified junior Senator from the State of New Hampshire.

After an initial hearing by the Subcommittee on Privileges and Elections, the full Committee on Rules and Administraton met to try to establish procedures to investigate this election.

By tie votes, the Rules Committee was unable to recommend any specific procedure and the matter was referred to the Senate.

On January 28, 1975, the Senate made its decision that both Mr. Wyman and Mr. Durkin should stand aside and that the Rules Committee should fully review the case and make its recommendation to the Senate as to who—if either party—should be seated.

I repeat, Mr. President, on January 29, 1975—more than 4 months ago—the Senate decided that the election should not be sent back to New Hampshire.

The Senate decided instead that the Rules Committee should conduct an investigation and make its recommendation to the Senate.

Now we have heard a good deal of talk in the past several days that the only fair thing to do in this case is to send the election back to New Hampshire.

But that was a decision we made months ago.

And our decision was that we should fulfill our constitutional obligation.

That obligation is that we shall be the judge of the elections, returns, and qualifications of our members.

But some members of the Senate do not believe that we should carry out that constitutional mandate — even though the Senate decided 4 months ago that we have a clear obligation to do so.

Some Members of the Senate want to ignore the plain fact that the Rules Committee has resolved all but 9 issues and 27 individual ballots.

Some Members of the Senate want to ignore the fact that the Rules Committee—pursuant to the Senate's direction—has held 46 sessions, listened to over 200 hours of debate and conducted more than 700 roll call votes in order to decide this dispute.

Some members of the Senate want to ignore the fact that the Rules Committee went far beyond a review of the 400 disputed ballots which were before the ballot law commission:

We agreed to review any of the 3,500 ballots which the parties originally brought to the ballot law commission;

We agreed to investigate the question of whether the voting machines in Manchester actually malfunctioned;

We agreed to investigate allegations of absentee voting irregularities in Nashua;

We agreed to open and count an absentee ballot from Amherst;

We agreed to open and count an absentee ballot from Manchester; and

We agreed to examine an envelope from Portsmouth to determine if there was an extra, uncounted ballot in that envelope.

In all of these instances, we bent over backwards to meet the requests of contestant Wyman.

And we went even further.

It has been claimed that the Rules Committee has tried to severely limit the scope of its inquiry.

But the fact is that we listened to every allegation made by both parties with respect to this election.

The issues before the Senate in Senate Resolution 166 are testimony to that fact.

We listened to argument by Mr. Wyman's counsel that we should recount the recount in 10 New Hampshire towns; and by a tie vote that question was not resolved and is now before the Senate.

We listened to argument by Mr. Wyman's counsel that we should recount the recount in three New Hampshire towns because of alleged inaccuracies in the tally sheets; and by a tie vote we could not agree and that issue is now before the Senate.

We listened to argument by Mr. Wyman's counsel that we should investigate alleged missing ballots in two New Hampshire towns; and by a tie vote we could not agree—that issue is before the Senate.

We listened to argument by Mr. Wyman's counsel that we should further investigate the McCarren absentee ballot; and by a tie vote we could not agree—that issue is before the Senate.

We listened to argument by counsel for both parties as to how we might count the "skip-candidate" ballots; and by a tie vote we could not agree which way these ballots should be counted.

We listened to argument by Mr. Wyman's counsel that we should investigate the alleged voting machine malfunctions.

We hired experts to make that investigation and they found that the machines were in proper order.

Yet, we still heard further argument that those experts were not good enough.

And by a tie vote we could not agree if the machines should be tested again.

Mr. President, it has been said that the Senate has taken too much time to investigate this matter.

It has been said that we have delayed too long and that we must now send the election back to New Hampshire.

I certainly cannot agree.

If we have delayed, we have delayed in order to give both parties the fullest and fairest hearing ever conducted by the Senate in an election dispute.

If we have delayed, we have delayed because we have bent over backward to listen to every possible argument that could be made on every possible issue that could have been raised.

We have taken a long time to be sure.

And if we had taken a shorter time certain Senators would be here today arguing that the majority did not give the minority their full day in court.

Mr. President, I believe that each one of us in the Senate has the duty to make a thoughtful and responsible decision in this case.

Some Senators are trying to leave the impression that the result of this election is going to be based solely on partisan considerations—because there are more Democrats than Republicans in the Senate.

Frankly, the record made to date explodes the partisanship argument.

I would like to go through some of the issues, if the time remains, and indicate how the record shows that so many important decisions were never on partisan lines.

For instance, the committee unanimously voted to accept all ballots marked in red or green pen.

This was out of character with the practice in the State and evidently there was a protest made.

We applied New Hampshire law that tells us that the intention of the voter is to be sought when the ballot is to be examined, whether it was green or red, the ink that was used. We felt that the intention could be found, and unanimously agreed that this deviation from norm would not invalidate a ballot.

The committee unanimously voted to accept all ballots marked with a check rather than an "X."

The New Hampshire statute law says the ballot shall be marked with a cross within the square by the candidate's name.

We soon found that there were ballots marked in many various ways other than a cross within the square by the candidate's name.

There were checks, and there were checks outside the square, there were many forms.

Applying New Hampshire law, we unanimously voted to accept all ballots that were marked with a check and did not require that that check be within the square by the candidate's name.

The committee, in a bipartisan vote, voted to mask as many ballots as we physically could.

There was a very careful examination of the ballots to see which ones could be masked and, of course, that meant, in masking, when the count was made on an individual ballot, there was no sign, no indication, whether it was a Republican column or a Democratic column.

The committee unanimously voted to count—where requested by either party—all 3,500 votes originally brought before the ballot law commission.

This was grist for the recount mill; the protested ballots, there were 3,500 in number.

The committee, in a bipartisan vote, voted to count an absentee ballot which had been returned to the wrong ward on election night.

The committee, in a bipartisan vote, voted to count an absentee ballot which had been carried in the purse of an election worker for several days.

The committee, in a bipartisan vote, voted to send experts to New Hampshire to test the Manchester voting machines.

The committee, in a bipartisan vote, voted to send our investigators to New Hampshire to look into the alleged irregularity in the casting of the Muchaud ballot.

There were a total of approximately 661 committee votes on individual ballots.

Out of these 661 votes there were approximately 471 unanimous votes by the committee—that is, 74 percent of all the committee votes on individual ballots.

One hundred thirty two committee votes on individual ballots were of a bipartisan nature.

Twenty-seven committee votes on individual ballots resulted in a tie.

And only 11 committee votes on individual ballots were on a straight party vote.

On that cold, rainy day in November, thousands of New Hampshire voters went to the polls to elect a Senator.

And there has been one of three results:

Mr. Wyman won, and if he did, he should be seated;

Mr. Durkin won, and if he did, he should be seated;

Or the election resulted in a dead tie and nobody won—and then there should be a new election.

The point is that we do not know who won.

And until we decide these few remaining issues we will not know who won.

I would think that this afternoon should mark the end of delay in this very important matter, very important to the contestants, very important to the voters of New Hampshire, and very important to our Nation. We should turn a corner with the vote at 5 o'clock. I trust and hope we will get on to the final conclusion of this question that under the Constitution is before the U.S. Senate.

Let us approach each of the issues in Senate Resolution 166 on the merits so that we can speedily and responsibly complete the task that the Constitution requires of us.

While this may be a difficult job nonetheless the final judgment must be ours and ours alone.

I suggest under the highest law of the land it is ours alone.

I thank the chairman of the committee for yielding this time for a summary statement.

Mr. CANNON. Mr. President, I yield to the Senator from Minnesota (Mr. MONDALE).

Mr. MONDALE. Mr. President, the U.S. Senate is engaged in an important and solemn function as it seeks to resolve the dispute over whether John A. Durkin or Louis C. Wyman is the duly elected junior Senator from the State of New Hampshire.

There are many—inside and outside of this body—who would rather avoid this duty. There are some who would have the Senate "duck" this responsibility.

This, Mr. President, we cannot—we must not—do.

Article I, section 5 of the U.S. Constitution provides:

> Each House shall be the Judge of the Elections, Returns and Qualifications of its own Members . . .

The language is unambiguous:

> Each House *shall* be the Judge.

Lest there be any doubt, the U.S. Supreme Court has spoken authoritatively on the subject. The Court tells us that the Senate's power to judge this election is "unconditional and final." The Senate has "sole authority." In the words of the Court:

> (The Senate) is the judge of the elections, returns and qualifications of its members (under) Article I, Section 5. It is fully empowered, and may determine such matters **without the aid of the House of Representatives** or the Executive or Judicial Department.

Our responsibility is clear. The U.S. Senate must resolve this dispute. New Hampshire must have a second Senator. The U.S. Senate must have 100 Members.

Even if our constitutional duty were unclear, the Supreme Court of New Hampshire and the statutes of that State look to the Senate as the final arbiter of this dispute.

The Senate Rules Committee, under the able chairmanship of the Senator from Nevade (Mr. CANNON), has held 46 open sessions on this matter. The committee has listened to over 200 hours of debate on this issue. The committee has conducted more than 900 rollcall votes.

The candidates, the committee, the Senate, and this Nation have too much invested in this matter to seek an easy way out at this time. We have a constitutional, a statutory, and a moral obligation to act.

There are some who have suggested that the Senate should order a new election to resolve this dispute. I believe, Mr. President, that this so-called solution is unfair, is impractical, and would create more problems than it would solve.

First, the Senate has already rejected this approach. By its unequivocal vote on this floor in January, the Senate has agreed to assume responsibility for this decision. Those who urge a new election at this time merely seek to avoid the Senate's January decision.

Second, far from being fair to the people of New Hampshire, a new election would be grossly unfair to the voters of New Hampshire. Two hundred and twenty-three thousand voters cast ballots in the senatorial election in New Hampshire on November 5, 1974. Those voters deserve to have their votes count.

A new election—6 to 8 months later—would not be a "runoff." It would be a new election with new voters, new issues. It would not reflect the sentiments of the voters of the State of New Hampshire on November 5, 1974. We have a constitutional duty to effectuate the results of the November 5 election.

Finally, Mr. President, ordering a new election would create a dangerous precedent. How would we draw the line in future requests for new elections? How close must the election be to permit us to ignore the mandate of the voters? How could we reconcile such a precedent with the need for finality and stability in our electoral system?

An editorial in the Washington Post sums up the matter well:

> A re-run in New Hampshire might indeed be the ideal solution—if a true re-run could be held. But it is obviously impossible to ask the same people who voted last November to return to the polls and vote the same way again—but this time to mark their ballots plainly, please. That can't be done. A new election would be just that: a different contest with a different turnout under different political conditions. That is an extreme remedy that has traditionally been resorted to in this country only when a regular election has been proved to be invalid. In this instance that is not the case.

This matter is a severe test of the Senate's capacity to deal fairly, openly, and wisely with a matter of vital importance to the voters of one of our States. We must carefully examine all of the ballots and the issues before us. We must seek to determine the will of the voters of New Hampshire—free of any prejudgments or prejudices on our parts.

Charges of unfairness in our procedures are ridiculous. No Member of this body knows the current tally, nor the effect any of our votes will have on that tally. In addition, many of the votes we take today will have no effect on the ultimate totals. We do not know whether the New Hampshire count gave a particular ballot to a particular candidate. Thus, we do not know whether our votes will add to, subtract from, or leave unaltered the totals determined in New Hampshire.

Mr. President, I charge my colleagues to exercise their constitutional function. This matter must be resolved. In the words of the Washington Post editorial:

> The people of New Hampshire, after all, have lacked one Senator since January. It is time for this election to be resolved.

I yield the floor, Mr. President.

The **PRESIDING OFFICER.** Who yields time?

Mr. **CANNON.** Mr. President, I yield to the Senator from Michigan.

Mr. **PHILIP A. HART.** Mr. President, for at least the 20th time, I rise to remind the Senate that shortly we will vote on this issue and decide whether we will judge the election and returns of the 1974 senatorial election in New Hampshire or, without further consideration, declare the seat vacant.

There are a bundle of claims and counterclaims, and because of them, the appeal to turn the matter back for a new election has an attractive ring to it, especially, I think when the proponents—and I believe they do it in complete good faith—argue that if we do otherwise, we will further erode public confidence in our political system.

I have the uncomfortable feeling that whichever way we jump, the erosion is going to occur; but that plea has, I think, some merit.

So my first inclination was to go that way. But after discussion with some colleagues, and more particularly discussion with my own staff, I have concluded that the Senate should seek to resolve the election now, basically for two reasons. One is practical and very real. It has been referred to by the Senator from Minnesota (Mr. MONDALE) a moment ago. And the second bears on how most responsibly we can respond to a constitutional requirement.

If we send this contest back to New Hampshire without deciding—if we can—who is properly entitled to this seat, then I think we encourage every loser in a close election to file a petition of protest in the Senate.

Many races for House and Senate seats in the recent past have been decided by a few hundred votes. Many more will be as close or closer in the future. We must ask ourselves what would happen if in every such election, the Senate then said:

> Well, because it's close and the facts are complicated, in fairness we should not seat anybody and let the state call a new election.

The answer is clear. The result would be electoral confusion if not chaos. Yet if, at this point in our view, we send this election back to New Hampshire, that is the floodgate we risk opening. When the petitions for Senate review flow in after the next election, in any close contest the issues will be no less complex and here would be the New Hampshire precedent: a new election.

Would that precedent not undermine the stability and certainty of the electoral process?

How close would an election have to be before another is required? How much scrutiny would the Senate give to a petition alleging impropriety in an election before it bowed out by requiring a rerun?

And unless the Senate could determine whether there were any underlying basis for a petition contesting an election, how would we know that the charges were not trumped up? And, if the Senate must make such a determination, then why could and should it not decide those issues on the merits?

Look at it practically. When a contestant who is behind in a very close election asks for a recount, he expects that the ballots will be reviewed and carefully recounted and that if he, on the recount, comes out slightly ahead, he will be declared the winner of the election. He does not say, "I am pretty close, let us have another election." He does not say, "Let us have a recount, maybe I will get a little closer, and then I will ask for a new election." The party that is behind asks that the matter be carefully reviewed. He asks that the factual and legal questions be resolved which will demonstrate that he is the contestant who received the highest number of valid votes and is thus entitled to be seated for whatever office the election is held.

At stake here is the legitimacy of our electoral process. I want to emphasize again the instability that could occur if every losing party in a close election could ask for a new election simply because of the fact that the election was close.

My second reason is found in article I, section 5 of the Constitution, which assigns to each House of Congress the responsibility to be "the judge of elections, returns, and qualifications of its own Members * * *." This is a responsibility that the Senate has accepted for 180 years. Indeed, since the 17th amendment, providing for direct election of Senators, was adopted in 1913, the Senate has considered or investigated over 20 contested elections. This is the process precedents make applicable here.

I have long felt that the committee I least wanted to be on in the Senate was the Committee on Finance, because I have never even been able to make out my own income tax return. But based on the experience of the last few years, the worst one of all to be on is the Rules Committee. Notwithstanding its burden, that committee has made its determination, and I think it should be commended on its enormous effort.

The Rules Committee has conducted a thorough investigation of this election contest, including sending observers from the committee staff to New Hampshire shortly after the election to keep themselves informed of developments. Beginning in January, the Rules Committee began a series of hearings and open executive sessions. They conducted 656 rollcall votes on contested ballots. Over 400 of those ballots were masked to neutralize any bias that the committee members might have had toward favoring the contestant from their own party. The committee is to be commended for utilizing procedures designed to insure the fairest determination of the questions before it. Of the sum of 800 votes the committee was called to rule upon, including some 650 by rollcall vote, only 27 resulted in tie votes, and the Senate is now called upon to make its determination on how those ballots should be counted.

Before the Senate makes a decision to return this matter to New Hampshire, we should vote on these 27 ballots and the other procedural issues upon which the committee was evenly split.

The able Senator from Connecticut would have us refer this matter back to New Hampshire for a new election before we have had a chance to consider the issues that have been brought to us by Mr. Durkin. Mr. Wyman had the last certificate of election—admittedly, the validity of it is disputed—and Mr. Durkin is the one who must convince us that he is entitled to be seated. The burden of proof is on Mr. Durkin. He is the petitioner here. If he cannot prove his charges that Mr. Wyman's certificate is invalid, Mr. Wyman will be seated. The Senate should exercise its constitutional duty by considering Mr. Durkin's charges. The pending motion would foreclose our ruling on the petition of Mr. Durkin.

The Senate may well have no constitutional authority to declare a vacancy—and in effect to call for a new election—simply upon its own will. The Constitution assigns to the Senate the responsibility to be "the judge of the elections returns and qualifications of its own Members." The Constitution clearly vests in the Senate judicial authority over contested Senate elections. This judicial authority must be exercised in a constitutional manner. Would it be a proper exercise of our judicial authority to "throw out this case" without considering the petition of Mr. Durkin? I think not.

After it agrees to consider the issues, the Senate may reject Mr. Durkin's petition and seat Mr. Wyman or vice versa. In doing so, it may rule upon contested ballots; or it may investigate alleged irregularities where there is probable cause to believe such irregularities occurred, and which if proved, would affect the outcome.

But, in this case at least, the Senate should not declare the seat vacant unless there is a tie vote or unless it finds voting irregularities which it cannot resolve and which could affect the outcome of the election.

For these reasons, I believe the motion to declare a vacancy is untimely.

I hope, Mr. President, that if the motion by the able Senator from Connecticut fails, we will be able to proceed and reasonably, responsibly, and fairly resolve the matters in contest. At least, we should be permitted to try.

The **PRESIDING OFFICER** (Mr. DOLE). Who yields time?

Mr. WEICKER. Mr. President, I realize the distinguished Senator from Nevada has more time remaining than I have on this side, but I note that the distinguished Senator from Vermont, who has a statement to make, is ready to proceed. Will the Senator from Nevada yield at this point, so that I may yield to him?

Mr. CANNON. Yes. I think the Senator from Connecticut has 28 minutes and I have about 34 minutes.

I do have some other Senators who wish to speak, but they are not here at the moment.

The **PRESIDING OFFICER.** Who yields time?

Mr. WEICKER. I yield 5 minutes to the distinguished Senator from Vermont.

Mr. STAFFORD. I thank the distinguished Senator from Connecticut for yielding.

Mr. President, any Senator who has commenced the laborious process of examining the facts and issues of the election contest in New Hampshire between Mr. Durkin and Mr. Wyman, will find, as I have that the entire matter is extraordinary difficult; replete with subtle legal distinctions and complex baffling details. This is not an easy case to decide.

The original decision of the voters for Mr. Wyman was reversed when recounted by New Hampshire Secretary of State by a 10-vote margin and then given back to Mr. Wyman by the New Hampshire State Ballot Law Commission by a 2-vote margin after a review of disputed ballots.

Mr. Wyman was certified by New Hampshire as its elected Senator.

But he has not been seated.

Mr. Durkin has appealed the matter to this body under the Constitution which provides article 1, section 5:

> Each House shall be the judge of the Elections Returns and Qualifications of its own Members—

Above all else Mr. President, this Senate must handle the Wyman-Durkin matter in a way that is totally fair; totally equitable to the people of New Hampshire and to the people of the United States. Our decision must be consistent with the highest principles of justice; consistent with the great traditions of this body.

How can we accomplish this?

Here we have an election so close that its result has already been changed three times before it reaches the Senate.

Under these circumstances is it not possible that no matter what decision this Senate makes, no matter how carefully we act, how minutely we may examine the evidence that many people in New Hampshire, perhaps half of them not to mention numbers across the Nation will wonder who really won.

Is it fair under such extraordinary circumstances to leave the people of New Hampshire wondering for 5½ years if the winner we may designate really won, if the loser really lost.

Where is the mandate to represent in such a situation?

Is it fair to create a situation for 5½ years in which the Senator we may designate knows that at best but half, at worst less than half, of the people of New Hampshire want him as their Representative in this body?

With the matter so extraordinarily close and difficult, is not the fair thing to find that the Senate cannot determine a winner beyond a reasonable doubt and that therefore the seat is vacant.

A recent editorial in U.S. News & World Report said in part:

> The dilemma is that, no matter how the Senate decides, about half the voters in New Hampshire are going to feel cheated because the November election was so close nobody can say positively who really won.
>
> An outsider would be justified in asking why the sensible solution wouldn't be to hold another New Hampshire election. There must be some vestige of life left in the old idea of States' rights. Public opinion polls show the State's voters favor such a solution. And, at the very least, it would get the matter off the desks of U. S. Senators at a time when there are more pressing national issues deserving of their time and attention.

A new election in New Hampshire would permit the people most directly concerned to choose their next junior Senator.

It would give the Senator so chosen a clear mandate to serve the people of his State. It would be eminently fair.

Why risk the reputation of this Senate for fairness by following any other course?

I hope this course will be followed this afternoon. I hope very much it will. But I recognize that possibly it may not.

If the majority elect to proceed otherwise, I continue to believe that every tradition of our Government demands of us absolute fairness to Mr. Wyman and Mr. Durkin in recounting ballots.

Purely legalistic, purely technical arguments should not stand in the way of true, equitable procedure.

All ballots in the Senate's possession should be recounted. The same rules should be applied to all of them. In the process of a total recount, all of the "skip candidate" ballots should either be counted for both candidates or neither.

Any attempt to do otherwise—to say that one candidate did not protest the count of his opponent's skip-candidate ballots in New Hampshire and, therefore, such ballots might be counted for his opponent, but such ballots could not for him is patently unfair.

If total equity is to be done, and no less will satisfy either the conscience of this Senate or the rights of the American people, all ballots must be counted according to the same rules.

I close, Mr. President, by urging the Senate in this infinitely close election, to send this matter back to New Hampshire for a new election by our judgment that the winner cannot be determined and the seat is therefore vacant.

Mr. President, I recall an editorial that was read earlier.

The **PRESIDING OFFICER.** The Senator's 5 minutes have expired.

Mr. HATFIELD. Mr. President, I yield 2 minutes more to the Senator from Vermont.

Mr. STAFFORD. I thank the Senator for yielding.

I again call, Mr. President, the attention of this body to an editorial which appeared in the Star this afternoon and was read earlier by the distinguished Senator from Oregon (Mr. HATFIELD), because I think it is worth noting for a second time with new people here what the Star in its editorial said and, incidentally, it is not an editorial column that I always agree with, but I do on this occasion.

It said, in part:

> It should be apparent by now that the fogginess of some questions with which the committee is grappling, and the minuscule margin of the election, make any precise judgment by the Senate impossible. All those tie votes attest to the difficulty—the divergent views that can be held even of marked ballots, not to speak of election proprieties up in the precincts. Obviously, this closest Senate election in history is too close to count with absolute accuracy here in Washington. And this country can ill afford the added public cynicism that could accrue from a feeling that the Democratic Senate majority had grabbed another seat, out of a confused situation, simply because it had the muscle to do so.
>
> But there need be no acrid cloud over the outcome of this affair. The New Hampshire legislature has acted to make a new election possible, and the Senate can, by the sensible device of declaring the seat vacant, allow that state remedy to take effect. Thereby the Senate would be upholding—yea, celebrating—the democratic principle of representation, and protecting its own reputation as well.

Mr. President, I hope the Senate this afternoon will adopt the proposal of the Senator from Connecticut (Mr. WEICKER).

I yield back the remainder of my time.

Mr. HATFIELD. Mr. President, the Senator from Massachusetts wishes to speak.

Mr. WEICKER. Mr. President, I yield 5 minutes to the distinguished Senator from Massachusetts.

Mr. BROOKE. Mr. President, how many minutes did my distinguished colleague say?

Mr. WEICKER. Five minutes.

Knowing of the extraordinary abilities of the distinguished Senator from Massachusetts, I am sure that he will be able to make it in 5 minutes; if he does not, I stand ready to assist.

Mr. BROOKE. I thank my colleague.

Mr. President, 7 months ago the people of New Hampshire went to the polls to elect various local, State, and Federal officials, including a new U.S. Senator.

This race between Congressman Louis C. Wyman and former State insurance commissioner John Durkin was unusually hard fought and unusually close. Indeed, the people of New Hampshire and the Nation soon discovered that the New Hampshire Senate race was the closest election in Senate history.

The basic facts are well-known. On election night, Louis C. Wyman was declared the winner by 355 votes. His opponent, John A. Durkin, asked for a recount by the secretary of state and was declared the winner by 10 votes.

In accordance with New Hampshire law and procedure, Mr. Wyman appealed to the bipartisan New Hampshire Ballot Law Commission, which has the important but statutorily limited jurisdiction to pass upon contested ballots.

At the conclusion of the commission's review, Mr. Wyman was unanimously declared the official winner by two votes. Mr. Wyman was thereupon issued a certificate of election by the Governor and Council of the State of New Hampshire, in accordance with law, and that certificate was presented to the Senate.

This brief statement of facts hardly conveys an adequate picture of the intense clash of personalities and the rich interplay of people and forces involved in the New Hampshire senatorial election.

Nor does it recount the specific individual disputes or the extensive litigation during the State proceedings.

But it does show that as far back as January the Senate knew that it was confronted with an extraordinarily sensitive and difficult problem. It was a problem that required us to rise above partisanship and demonstrate those qualities of statesmanlike behavior that have made the Senate one of the most respected of American institutions.

Mr. President, let me say first that the Senate established a dangerous precedent in January when it refused to seat the person whom State officials had named and recognized as the official winner of the New Hampshire Senatorial election—Louis C. Wyman.

The immediate consequence of that unfortunate decision was to deprive the State of New Hampshire of equal representation in the Senate. New Hampshire has now been denied that equal representation for more than 5 months.

Without question, the normal procedure in this body has been to seat the certificated Senator-elect on a conditional basis, without prejudice to the rights or claims of the contestant. After that action is taken, the Senate ordinarily proceeds to conduct a careful inquiry of the claims of both parties. Unfortunately, these inquiries sometimes last more than a year.

It is true that there have been instances in which the Senator-elect has not been seated during the Senate's review of an election. But these cases involve serious charges of corrupt practices or election fraud.

No such charges were made in this case at the time we considered the issue in January. Mr. Durkin's only charge was that State officials had made errors of fact and law—judgmental errors—in reviewing certain ballots.

The PRESIDING OFFICER (Mr. Bellmon). The Senator's 5 minutes have expired.

Mr. WEICKER. Mr. President, will the distinguished Senator from Nevada yield an additional 3 minutes to the Senator from Massachusetts?

Mr. CANNON. Mr. President, I yield the Senator from Massachusetts 3 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 3 minutes.

Mr. BROOKE. By failing to seat a duly certified Senator-elect in the absence of any substantive charges, or corruption or fraud, the Senate has established a precedent by which the majority party could exclude from this body all incoming Members of the minority party on future sessions of Congress.

This, I submit, is an ominous step toward bad government.

It is a dangerous precedent, a precedent that would allow the Senate to substitute its own voice for the voice of the people.

What has happened here is not an effort to protect the integrity of the Senate, or to prevent illegal or fraudulent practices in the Senate election process from affecting or tainting the outcome of an election.

This is an effort to substitute the decisions by partisan politicians for decisions by the electorate. And this effort comes very close to a repudiation of the democratic process.

The Constitution gives to each House of Congress the right to judge the elections, returns, and qualifications of its Members. This clause, derived from an English parliamentary precedent, is designed to be a check on abuses of the electoral process.

Despite the interpretation given by some, this clause was never intended to give the Senate license to limit the people's right to choose their own representatives in Congress.

Mr. President, the Members of the minority are alarmed by some of the actions in this contest. We fear that the majority may be attempting to take advantage of its strength to accomplish ends that may not be legitimate, through procedures that threaten the present organization and structure of this body.

Mr. President, we are united in our determination to resist any assault on the fundamental rights of the electorate.

Some Senators may honestly believe that we will shirk our responsibilities if we decline to make a final judgment on this election.

Some may believe that we will weaken the power of Congress if we decide not to exercise our power in this case. But I believe that in this case the constitutional power of the Senate should yield to the rights of the New Hampshire voters and the preservation of this body's integrity.

No contention is made that the Senate should not be the final judge of its membership—none at all. The contention is firmly made, however, that our judgments must be in conformity with the law.

The fact is that this case is literally unique—so close and so marked by confusion, error, complexity and uncertainty that it is impossible for the Senate to make a judgment that will select the real winner of this election with any acceptable degree of certainty.

Let us agree on this point, at least: No one knows who won the election in New Hampshire.

The fact is that the New Hampshire election was simply too close to call. If the people of New Hampshire were so closely divided over whom they should send to the Senate, they ought to be given another chance to decide.

Let us agree on another point. No election is free of error. Even when machines and computers are involved, the success with which these machines function is affected one way or another by human fallibility.

The New Hampshire election is not distinguished by the errors that occurred in the counting of votes. It is distinguished by the agonizing closeness of the outcome.

In most elections, the margin that separates the two candidates is large enough to assure that a small degree of error in the counting of votes is irrelevant.

If a candidate has received 10 percent more votes than his opponent, or 3 percent more or even 1 percent more, then a counting error of one-tenth of one percent makes no difference whatsoever to the outcome.

But this was not the case in the Wyman-Durkin election. We are dealing here with a photofinish, and no camera was at the finish line to provide us with a picture of this breathtaking finish. We have no photograph that could prove beyond doubt the identity of the winner. Without that, we are only playing a dangerous guessing game.

Mr. President, I will not review in my remarks today the tedious, complex, and confusing history of the attempts made by the Committee on Rules and Administration to resolve this perplexing dispute.

The eight members of the committee have invested endless hours in discussion of missing ballots, erroneous tally sheets, malfunctioning voting machines, and missing absentee ballots. And they are to be commended.

Mr. President, we have become experts on the Wyman-Durkin election, but we have decided nothing. Thirty-five matters split the Rules Committee 4 to 4. Now we are asking the entire Senate to go through the same tedious process that the Rules Committee has gone through.

It is ridiculous to think that the Senate has either the time, the patience, or the inclination to do this. Thus we are placed in the grotesque position of asking the Senate as a body to unravel a puzzle which has confounded the Rules Committee for 5 months.

That is a senseless approach. We cannot elect a Senator for New Hampshire in the Chamber of the U.S. Senate in Washington.

The best solution to the problem is to vacate the seat and schedule another senatorial election in New Hampshire—the only place where this election should be held.

Under the Constitution, the people's representatives are not to be chosen by a king, or a parliament, or a chancellor, or a premier—or even by a congress. They are to be chosen by the people themselves.

The public's faith in the governmental process has already been severely crippled—by Watergate, by the new revelations of abuses of power by the Central Intelligence Agency, by assorted cases of corruption and wrong doing among politicians across the country.

We cannot afford to inflict further injury to the people's confidence in their government by striking at the very heart of the American concept of democracy—the right of the people to elect their own representatives.

Mr. President, we all know that New Hampshire is a small State geographically. But our Constitution provides that all States shall have equal representation in the U.S. Senate.

Equal representation means, I believe, that New Hampshire has just as much right to choose its own Senators as New York, Texas, California, or any other State.

New Hampshire is a small State geographically, yes. But New Hampshire is a large State historically. And, more, it is one of the United States.

I remind my colleagues that our very Constitution which we are trying today to carry out only became effective upon its ratification by New Hampshire, the 9th of the 13 to do so.

How ironic and how tragic it would be for this Senate to limit the right to representative government in the very State where the battle for liberty began just 200 years ago.

In the upcoming vote, I urge my colleagues to approach this issue with a transcendental spirit.

I ask my colleagues to cast their vote without caring whether the Democrats on one side of the aisle or the Republicans on the other side are going to win the intricate and subtle game which has already consumed too much of our valuable time and our energy.

The stakes are high. The stakes are the reputation of this great body, the rights of the New Hampshire voters, and the rights of voters in every State to elect their own Senators, now and for generations to come.

Mr. President, I urge my colleagues to vote for the Weicker amendment.

The **PRESIDING OFFICER** (Mr. BELLMON). The time of the Senator has expired.

Who yields time?

Mr. **CANNON**. Mr. President, I yield 5 minutes to the Senator from Arizona.

Mr. **FANNIN**. I thank the distinguished Senator, the chairman of the committee.

Mr. President, it is obvious that the uncertainties in regard to the New Hampshire Senate election exceed any margin for either contestant. Seven months after the election, there are more questions than there were when debate over the outcome began. The procedural snarls and tie votes in committee have resulted in additional confusion. Even though, Mr. Wyman was officially declared the winner by the proper authorities in New Hampshire.

My colleagues on the Rules Committee who have wrestled with this issue have attempted to do a good job. They have worked to resolve the issue, but they have not been able to do so.

Today the only resolution which would be fair and which would be accepted by New Hampshire voters as fair would be recognition by the Senate that it has been impossible in this case to make a decision.

Mr. Durkin has been quoted as saying in January that he would favor a special runoff election—that he felt he could win such a runoff.

Mr. Wyman he has been very consistent; he has argued all along that even though he believes the facts show him to be a very narrow winner in the election, he still believes that the people of his State should have the opportunity to make a clear-cut decision in a runoff.

From my viewpoint, there is no way to resolve the uncertainties at this time in the Senate. The resolution lies in declaring the seat vacant for inability to determine the winner.

It has been argued that somehow the people of New Hampshire would be unduly put upon if asked to vote once again on this issue. I would point out that New Hampshire has a statute which would provide for a runoff election within 45 days of a pronouncement that the seat is vacant. I believe that the people of New Hampshire will be grateful for the opportunity to settle this in a democratic manner rather than throwing the issue to the partisan whims of the Senate.

We are talking about what the people of New Hampshire want—who they want to be their Senator. We should not be deciding who the majority of the Senate wants to be the Senator from New Hampshire. If we were going to decide that, then we could simply turn the matter over to a majority caucus.

Students of congressional history know that there was a time when it was not uncommon for the majority party in the House of Representatives to uphold a protest from a member of their own party and throw out the elected minority party claimant to office.

This was common practice in the 19th century.

There were 382 contests in the House of Representatives up until 1907, and all but 3 of these were resolved in favor of the candidate of the majority party.

In other words, standard operating procedure in the 19th century House of Representatives was to do exactly what would be done here in the Senate were Mr. Durkin to be seated.

Mr. President, that was in the 19th century. This is not the 19th century. More than a half century has passed since reforms were made which put an end to this practice of majority tyranny in the House of Representatives. I cannot see why we should revive the oppressive practice now in the Senate.

Some Members are worried about precedent.

Certainly I do not advocate that the Senate should send all contested elections back to the State for another election—for a runoff. But I do believe that the Senate has the prerogative and the obligation to do exactly that when an election is so clouded and the facts so uncertain and the judgment calls so critical as in this case.

The precedent that does worry me is that we return to 19th century practices whereby the majority can bolster its majority by upsetting the will of the voters of a State.

At a time when public opinion of the Congress is at an appalling level, we cannot afford to do anything which will further damage our legislative system. If this Senate votes to seat Mr. Durkin, great damage will occur.

Mr. President, while the Senate in its role as judge of the elections and qualifications of its Members may take arbitrary positions which likely could not be challenged in any court, I believe it is important for the Senate to follow consistent principles in judging any election and to apply those principles fairly. One of the principles should be that the provisions of State law should apply in determining the intent of the voter. This would be consistent with Supreme Court decisions such as Roudebush which seek to harmonize the responsibilities of the State with the power of the Senate and also consistent with the usual practice of the Senate in prior cases.

It seems to me that we as the Senate in our honest judgment, and I think it best for our Nation and best for us, should decide that where the highest authority of a State has acted, absent fraud, banality, crookedness, dishonestly, lawbreaking, et cetera, tampering with ballots, whatever, where it is a straight count, and that seems to be the issue here, we should rely upon the procedures of the State and whatever is the finality in that State, whether it is a court, a commission, or whatever it may be. If not, I really think that we are getting ourselves into a very dangerous situation for our own future in that regard.

That has been stated before in this body.

Mr. President, there is no ascertainable winner possible from the evidence on record before the Senate.

The New Hampshire Senate seat should be vacated. The people of New Hampshire should have a chance to make a clearcut decision. This is the fair and reasonable way. It is the only way which we can take without doing damage to the democratic rights of the people of that State and to the Congress.

I thank the distinguished Senator for yielding.

The **PRESIDING OFFICER** (Mr. BELLMON). Who yields time?

Mr. **CANNON**. I yield 3 minutes to the Senator from North Carolina.

Mr. **MORGAN**. Mr. President, I ask unanimous consent for Bill Brown, of my staff, to have the privilege of the floor during the remainder of this debate.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MORGAN**. Mr. President, I wish to state to the Senate and for the record my position on the motion that is presently before the Senate.

I believe that the Constitution clearly places upon the Senate the responsibility for judging the election returns in the dispute that is before us. After we have heard more debate, more discussion of the testimony that was taken in the Committee on Rules, it may very well be that I will then conclude that the Senate cannot make a correct and proper decision. But I do not believe that at this point in the debate and in the discussion, I could vote for the amendment and thus abdicate my responsibility under the Constitution.

Mr. **CANNON**. I yield myself 3 minutes.

Mr. President, I say to the Senator that he has made precisely the point that a number of us have made here: the Senate has not yet carried out its responsibility under the Constitution. It may be that after we have resolved the 35 issues that are to be here before the Senate, the Senate may then determine that it cannot determine who won the election, or it may result in a dead tie.

We have in the ballot box, the big ballot box down in the basement that will be brought in here, hopefully, if this resolution is defeated today, hundreds of votes that we have cast and placed in the ballot box. We do not know what effect they will have on the result announced by the ballot law commission, which left Mr. Wyman a two-vote winner.

A number of those were masked ballots, so that we did not have any idea for whom we were voting. As to the others that were not masked, we do not have any idea with respect to what the ruling of the secretary of state and/or the ballot law commission was, because those were removed prior to our votes. They have now been reattached and placed in the ballot box.

The only ones that we do know about—we really know about two absentee ballots, which we opened at Mr. Wyman's request, that were turned down by the secretary of state and by the ballot law commission. We opened them on his petition and we knew that they would be ballots for Mr. Wyman, and we cast them for Mr. Wyman and put them in the box. So we know that as a result of that action, he has gained two votes, without a doubt. But the ultimate outcome, we do not know. The Senate will not know it until or if it carries out its mandate, as I see it, under the Constitution. The Constitution does not say the Senate may do this, it says it shall. That is the responsibility I think we have here and I thank the Senator for raising that point.

Mr. MORGAN. If the Senator will yield for a moment, I think that that explanation is exactly the way that I see it.

I add, Mr. President, that I read very carefully in the Congressional Record the proceedings of last Thursday and Friday. I say candidly that the Record does raise a couple of questions that give me some concern—the investigation of the voting machines at Manchester and so forth—and I want to hear more about those investigations. But I do not believe that the proper time for that is until we dispose of this motion.

Mr. CANNON. We shall be preparing to go into that very fully. The report is there and we have the problem that we are ready to present when we go into that if the resolution is disapproved.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I am prepared to yield 4 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, the Senate is engaged in one of the most important responsibilities that it has under the Constitution and under the laws of our land; namely, to pass upon the elections of a U.S. Senator. Today, the Senate is continuing a debate which is certain to establish some very important new precedents for this body. As I understand it, on only 25 occasions in the last 75 years has the Senate been called upon to resolve contested senatorial elections. I believe it was only in five of those cases that it has resolved a question of what is called miscounted ballots. That is the issue that confronts this body now.

Today we find ourselves reviewing the New Hampshire election where, on November 5, 1974, 223,000 voters came out in rather difficult weather—I believe there was a full-scale rain—to cast their ballots. These people elected a United States Senator. That was the purpose of the election. They have a right to know the outcome under the New Hampshire laws that were in effect on November 5, 1974. They surely have the right to have full representation in the U.S. Senate.

In the original canvass of the votes, according to the general information that we have and the very specific information developed here by the committee, Louis Wyman, the Republican candidate, was declared the winner by 110,716 votes to 110,361 for John Durkin, the Democratic candidate, and 1,327 votes for Carmen Chimento of the American Party.

In the recount in that close election, of all of the 223,000 ballots—a recount that was done, of course, under the terms of the State laws of New Hampshire, that recount being requested by Mr. Durkin and conducted by the New Hampshire Secretary of State, Robert Stark—Mr. Durkin was declared the winner by a vote of 110,924 to 110,914, a margin of 10 votes.

Then—and I think this is important—a certificate of election was issued by Gov. Mildrin Thompson and it was filed here with the U.S. Senate.

Mr. Wyman, the Republican candidate, then appealed to a special board which they have in New Hampshire, the three-man New Hampshire Ballot Law Commission which, after a review of 400 ballots—I repeat not the total recount but a review of 400 ballots—declared Mr. Wyman the winner by a vote of 110,926 to 110,924, a majority of two. Then Governor Thompson issued a second certificate of election.

So you have the incredible situation of where, on the one hand, with the total recount there was a margin of victory of 10 votes for Mr. Durkin, and the Secretary of State having conducted that recount under New Hampshire law, the Governor issued a certificate of election.

Under the U.S. Constitution—article I, section 5—the U.S. Senate is the sole "judge of elections, returns, and qualification of its own Members * * *." That is the controlling law.

Under the New Hampshire law in effect on November 5, 1974—RSA 68:11—a new election could be called only in the event of an absolute tie.

The New Hampshire Legislature passed a law on January 22, 1975—and note the date, after the election results were in—to permit the calling of a new election on the only condition that the U.S. Senate declare a vacant seat. This law would apply only to the 1974 Senate election, a very peculiar set of circumstances, may I say.

The New Hampshire Supreme Court has not ruled on the new law, but, in December 1974, it ruled that, under the law as of November 1974, there was no such thing as a "virtual tie" or an election "too close to call" under which a new election might legally be called.

On January 28, 1975, Senator Weicker first proposed sending the question back to New Hampshire to be settled in a new election in accordance with the new law. This proposal was voted down by the Senate, 53 to 39. The U.S. Senate, by a vote of 58 to 34, then properly assumed jurisdiction—which it is required to do under the Constitution—I think we just have to remember that it is our responsibility—and referred the matter to the Rules Committee.

The Rules Committee has held 46 open sessions, listened to over 200 hours of debate, and voted on over 900 rollcalls.

The Rules Committee has already fully investigated and considered unresolved allegations pertaining to tally sheet discrepancies, missing ballots, absentee ballots, and malfunctioning voting machines.

The committee has resolved all but nine issues and 27 ballots, out of 935 ballots reviewed. Throughout these hearings, new charges have been raised as old charges were disposed of, which have delayed the final disposition of this matter. It is the constitutional obligation of the Senate now to resolve these 36 issues and the election contest.

To vote a special election at this time would invalidate a valid election in which 223,000 New Hampshire voters participated.

A new election 6 to 8 months later would not be a rerun of the November 5, 1974, election. It would be a new election; costing the State an additional $250,000. New voters, new issues, additional expense and inconvenience to New Hampshire voters, and an unfamiliar process could not fail to affect the outcome, and there is no assurance that a new election would not result in another recount.

The 36 issues not resolved by the Rules Committee must be settled by the U.S. Senate, if you want to obey the Constitution.

Mr. CANNON. Mr. President, I yield 5 minutes to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, the Constitution of the United States—article I, section 5—says that "each House shall"—it does not say may—"shall be the judge of the elections, returns, and qualifications of its own Members."

This clearly places upon the Senate the responsibility and the duty of determining elections of its own Members, and, in this particular case, the identity of the individual who will hold the disputed New Hampshire seat.

It is not the duty of this Senate to sanction a new election. It is the duty of this Senate to determine the will and the intent of the voters as expressed in the November 5 election of last year. That is our duty—to determine who won the election; who, between Mr. Wyman, Mr. Durkin, or Mr. Chimento received the most votes last November for the U.S. Senate seat.

On January 28 of this year the Senate voted down, by a vote of 53 to 39, a motion by Mr. Weicker to declare the New Hampshire Senate seat vacant, subject to the calling of a new election in New Hampshire. So the Senate has already expressed its will on the question now before us. It did that on January 28 of this year.

Shortly after the vote on the Weicker motion on January 28, the Senate, by a vote of 58 to 34, adopted a motion by the distinguished majority leader (Mr. MANSFIELD) to refer the certificates of election and all papers related thereto to the Committee on Rules and Administration for its recommendations.

The committee has acted in the utmost good faith, with objectivity and with fairness. It has met 32 days, 46 sessions, over 200 hours, voted on 656 individual ballots alone, and on 42 other issues, and the volumes of committee deliberations constitute 1,980 pages.

Out of the whole number of ballots that were determined to be judged by the committee, 426 were masked and 348 were determined to be unmaskable.

The committee chairman and all members of the committee, in my opinion, exemplified the utmost dedication to duty in those long, contentious, difficult, and arduous deliberations.

On May 22, almost 4 months from the day that the Senate referred the matter to the Rules Committee, the Senate Rules Committee referred back to the Senate certain issues and ballots to be decided by the full Senate—72 ballots, 3 of which are masked, and 24 of which are unmasked, and 8 legal issues.

Mr. President, I feel it is the duty of myself, as a U.S. Senator, today to vote against the amendment by the Senator from Connecticut (Mr. WEICKER). If, in the final analysis, the Senate is unable to determine who received most of the votes on November 5 of last year, if the Senate, in the final analysis, is unable to determine what the intent and will of the New Hampshire electorate was on November 5 of last year, then, and only then, would it be the duty of the U.S. Senate to return this matter to the people of New Hampshire for a new election.

Someone won that senatorial election last November 5. It was either Mr. Wyman or it was Mr. Durkin. It may have been Mr. Wyman. At this day no man on God's footstool can say who won that election, based on the actions of the Senate Rules Committee. Not one man on that committee, not one man on that staff, nobody in either party knows the results of the actions of the Rules Committee.

At this time Mr. Wyman may be ahead; at this time Mr. Durkin may be ahead. After the Senate acts on the 35 issues, including the 27 ballots that are before it, even then no one, nobody, will know who is ahead in that election. It may be Mr. Wyman, it may be Mr. Durkin. Only when the count is completed will the winner be known. It is not our duty to be concerned about who will win, but it is our duty—and we have a sworn duty, to uphold the Constitution of the United States, and we cannot avoid that duty—to determine what the will and the intent of the New Hampshire electorate was on last November 5.

Now, if we are unable to do that, then and only then should this matter be returned to New Hampshire for a new election. If the final vote here is a tie vote, then the Senate should remand the issue to the people for a new election.

Mr. President, I think it is also the duty of the Senators who voted on January 28 to refer the matter to the Rules Committee, to back up that committee after it has spent 4 months in these difficult deliberations.

I think it is my duty as one of the 58 Senators who voted on that occasion to entrust this matter to the Rules Committee of the Senate to show my good faith today in that committee. To do otherwise would be a reflection on that committee. It is not a chore that any of us wanted, it is not a chore that I wanted. I could have spent my time elsewhere. My other work got behind during the long days we spent on this issue in that committee. But I have a duty under the Constitution to which I swear every time upon entering this office, and that duty is to support the Constitution, of which article I, section 5, is a part.

Mr. HUMPHREY. Will the Senator yield?

Mr. ROBERT C. BYRD. No, not yet, may I say most respectfully.

Mr. HUMPHREY. Yes.

Mr. ROBERT C. BYRD. It is my duty to back up that committee and not now, after 4 months, vote to take this matter away from the committee, throw out all of its work, and send it back to New Hampshire.

There will be plenty of time to do that if the Senate in the final analysis cannot reach a judgment thereon, and finds the vote to be a tie, but the time is not today.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. CANNON. Mr. President, I reserve the remainder of my time.

Mr. WEICKER. Mr. President, I yield 1 minute to the distinguished Senator from Wyoming (Mr. HANSEN).

Mr. HANSEN. Mr. President, I thank my distinguished colleague.

It seems to me my very good friend, the distinguished assistant majority leader, fails to contemplate one other possibility, and that is that it could very well be that neither Mr. Wyman nor Mr. Durkin won the election, that it could have ended in a tie, and it is just that situation that prompted the good people of the State of New Hampshire to take the action they did in their State legislature authorizing the mechanism whereby they could resolve that issue themselves.

I think it is unfair for my good friend from West Virginia not to recognize that additional possibility and I challenge him to point out why there could not have been more than two outcomes, either one or the other winning, but rather, a third result ending in a tie.

Mr. President, today I rise in support of the Weicker amendment which offers the Senate a fair and equitable resolution of this messy dilemma.

On June 5, the Senate reached something of a landmark. It has been 7 months since election day 1974. The State of New Hampshire is still without a junior Senator.

If fairness is accorded both candidates from New Hampshire, and I am sure it will be the Senate's will that fairness dominate the proceedings, we might be able to vote on a final Rules Committee report a few months from now. However, there can be no guarantee that we will not be voting on the first anniversary of the New Hampshire election—November 5, 1975. In fact, it is simply impossible to know when New Hampshire can get its Senator—and we can get on to truly national business.

Unfortunately, it is equally impossible for us to know in this case whether a just determination is possible. In the past several months we have found that a sufficient number of votes are missing, machines broken, or precincts inaccurately accounted for, that a fair decision in so close an election is truly impossible.

For example, there are more than 3,400 discrepancies between voters checked off checklists and persons voting. All of us know that voter checklists are not, and I doubt that they ever will be, perfectly accurate records. We know politics too well to think they are. But in an election with a 2-vote or a 10-vote or a 100-vote plurality, a discrepancy of such magnitude is monumental.

The Committee on Rules and Administration has spent in excess of 200 hours of deliberation on this matter, spanning more than 46 committee sessions. In that time, the committee has ruled upon approximately 750 ballots. Of those 750 ballots, the committee was able to agree unanimously upon approximately 80 percent. The committee was not able to unanimously agree on the intention of the voter in 20 percent of the cases. Yet, as difficult as this information suggests our task will be—it will be worse.

The committee was wholly unable to come to any decision on 27 ballots. It is those 27 ballots which we will be judging. Eight of our colleagues, having gained over the past 5 months a familiarity with New Hampshire paper ballots and with the issues involved here, were in disagreement over the intention of the voters of these 27 ballots. Four members of the committee thought the voters intended one thing—an equal number thought the voters intended the opposite. Into this quagmire will the other 91 of us be thrown. We could demonstrate no greater confidence in the fairness and good judgment of our colleagues on the committee than to admit that their inability to decide these ballots is proof that this election, like these ballots, is indeciferable.

It is important to note that the passage of Senate Resolution 166 will not mean the final solution of this problem, but only an interim decision on 35 of some of the most complex problems ever to face the Rules Committee of the U.S. Senate. Ninety-nine Senators are to be asked by the Rules Committee to decide issues that the committee has voted as a deadlock tie. In these votes, if either side prevails, may well be the decision of the person who will be selected by us, I repeat, by us, to be the next U.S. Senator from the State of New Hampshire. Ninety-nine Senators will now substitute their opinions for those of 230,000 voters of the State of New Hampshire as to who will represent them for the 5½ years. Ninety-nine Senators will now substitute their opinions for the action of election boards throughout that State and of the Ballot Law Commission from the State of New Hampshire. Ninety-nine

Senators will substitute their opinions for that of election officials of 299 towns in the State of New Hampshire. Ninety-nine Senators will be asked to elect their 100th Member.

Mr. President, by adopting the Weicker amendment, the Senate will not be shirking its constitutional responsibilities. Rather it is a recognition that the Senate cannot determine with certainty the winner of the Senate race from New Hampshire and has chosen a democratic procedure to resolve the question.

The Weicker amendment provides the Senate with a wise course to follow, by bringing the choice back to where it belongs—to the voters of New Hampshire.

As today's Washington Star editorial states:

> The New Hampshire Legislature has acted to make a new election possible, and the Senate can, by the sensible device of declaring the seat vacant, allow the State remedy to take effect. Thereby, the Senate would be upholding—yea celebrating—the democratic principle of representation and protecting its own reputation as well.

The PRESIDING OFFICER. The time has expired.

Who yields time?

Mr. WEICKER. Mr. President, I yield 1 minute to the distinguished Senator from Oklahoma.

Mr. BARTLETT. Mr. President, before we vote on Senator WEICKER's amendment, there are two points I would like to discuss.

First, regardless of which authority we look to in deciding whether Mr. Wyman or Mr. Durkin was duly elected, it is apparent that it is too close for us or anyone else to call. There were 223,000 votes cast in the election. The secretary of state declared Mr. Durkin the victor by a length—10 votes followed by the State ballot commission which declared Mr. Wyman the winner by a nose—2 votes.

Given the fact of a 2-vote edge or a 10-vote edge, and numerous legitimate challenges, there is no way that this body can objectively or fairly determine who should legitimately represent the people of New Hampshire. The vagaries of paper ballots dictate that two people with absolutely no predilection could come up with a differing result and winner.

It will be easy to conjure any number of reasons why the Senate should proceed with trying to decide this election. But those reasons are only rationalization—there is only one way to be absolutely fair about this contest—that is to call it what it is—a dead heat and go back to the people of New Hampshire for a rerun. The people of New Hampshire want this, the State legislature and Governor have by law supported this, and both candidates have indicated their support.

So why are we spending weeks of valuable Senate time debating a question which is obvious of answer and simple of resolution.

But if this body decides against this reasonable solution how then should it proceed? Well, there is a second alternative, which although not so reasonable as the first is far superior to the route we presently seem to be pursuing.

The problem is not counting the ballots, but which ballots to count. The paper ballot is just not a precise way of determining the wishes of a voter in such a close election.

If this is not sent back to the people of New Hampshire, then I think that it should be a definite matter that we would count every ballot because we have an old saying in Oklahoma that "when you don't know what to do, just do what's right." If we are going to recount ballots the only way to do what is right is to recount all of them. We are not a court in the strict sense and to achieve justice in this case we should look at all of the relevant evidence. We should not restrict our search to 10 ballots or 100 ballots, or 3,500 votes, we should recount the election.

I think if we are going to count ballots, then let us count every single one that was cast.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. WEICKER. Mr. President, I yield 5 minutes to the distinguished Senator from Oregon (Mr. HATFIELD).

Mr. HATFIELD. Mr. President, I would agree with the arguments that have been used today to delay any action on sending this back to New Hampshire due to the requirement of Article 1, Section 5 in the Constitution which sets up the Senators as judge of its elections, provided that the Senate would undertake to make a judgment on the election and not just a judgment on a few ballots.

I think Gandhi was right when he said the means are the ends and the making.

I think we have to be just as concerned about means we use to uphold our constitutional responsibilities as the objective we are aiming for.

I think it is very accurate to state that some of those who have been involved as war dissenters, and others who have been involved as I have been here with civil rights, are very concerned about the rights of all people, and I do not think we in this Rules Committee, or the entire Senate can selectively apply the legitimate protest of one candidate and not recognize the legitimate protest of another candidate.

The means that have been followed thus far by the Rules Committee have not been a fair and just means. Therefore, we cannot hide behind these pious comments about the responsibility of the Constitution that imposes upon us to act as judges of our elections without reading the 17th amendment of the Constitution that says the people shall be the electors of U.S. Senators, and that means one man, one vote. It does not mean picking out a few ballots and saying that we will determine that the votes cast by the people of New Hampshire shall be on the basis of a narrow group of voters rather than all the voters who went to the polls in New Hampshire.

I think we have to be very careful to recognize that we have had examples in the last few years of the imperial Presidency, and we could have an example here of the imperial Senate if we are not willing to give all people of New Hampshire the equal right before the law.

I think those of us on the battle line for human rights and civil rights ought to be very careful in the way we vote on this matter of New Hampshire in order that we might be just as concerned about the rights of the people of New Hampshire, rather than apply them selectively as we have criticized the conservatives of the past for applying human rights selectively, on race, color, and creed.

We also should be concerned about the human rights, the political rights, of the people of New Hampshire.

I say the procedures where we apply one criteria for one candidate and one criteria for the other candidate, where we respect and uphold the rights of one to protest and deny it to the other, is denial of the human rights, political rights, and civil rights of those candidates and the people of New Hampshire.

So I would say to my liberal colleagues, let us be liberal in looking at the rights of these people in New Hampshire as we have been concerned about the rights of people elsewhere in this country.

I would like to say that autocratic and arrogant regimes restrict the voting rights of the people. Liberal regimes attempt to expand them. I would like to see this undertaken by the Senate by saying, in effect, it is impossible to know who won this election, absolutely impossible—If we do not accept the Weicker amendments. I think when we get into the midst of this kind of balloting, we will see the difficulty the Rules Committee had by having 27 tie votes on ballots, and every Senator here will wish they voted for the Weicker amendment to send this election back to New Hampshire. They will then know what the Rules Committee has gone through, over 200 hours in trying to resolve this kind of election, where it is impossible to know who won that election.

Therefore, I hope the Senators, liberal, conservative, Democrat, or Republican, will forget their party and philosophical commitments, and look at this as a case of getting equity and justice for the people of New Hampshire.

I urge support of the Weicker amendment.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself the remainder of my time.

Mr. President, we seem to have lost sight of the fact in this debate that this is not a question of seating Mr. Durkin or sending it back to New Hampshire. That is not the issue at all. No one has suggested that. We are trying to find out under the constitutional responsibility who won the election.

We have heard a lot of issues raised on the part of Mr. Wyman that the Senate has refused to consider his protest. Well, when did he make his protest?

He made those to the secretary of state at the time they had the recount and the protest slips were put on the ballots and they went to the ballot law commission and after that period of time or at the conclusion of the recount by the secretary of state when Mr. Wyman found he was behind, then he raised a number of protests in the November 27 letter, the so-called Bigg's letter, and he requested a review of a lot of things, the number of precincts.

Here is Mr. Brown's statement to the ballot law commission:

> We request that this Commission completely review all of the ballots, used and unused, together with the other relevant election documents, of Gorham, Bedford, Gilford and Somersworth Ward 1,

I am skipping some.

> Chairman SNOW. Give us those again. Gorham and Gilford I got—what were the other two?
>
> Mr. BROWN. Gorham, Bedford, Gilford and Somersworth Ward 1.
>
> Chairman SNOW. Okay.
>
> Mr. BROWN. The Commission will recall that in Mr. Bigg's appeal notice we listed several others. We don't intend to pursue the others.

That is Mr. Brown, the attorney for Mr. Wyman, saying to the ballot law commission:

> We don't intend to pursue the others.

He went on and told why they did not want to pursue the others. He said:

> We, therefore, because of special circumstances in each of these precincts, we wish a further review.

They went ahead and considered a number of these issues before the ballot law commission.

We come back to Mr. Brown again, and this is in the transcript:

> Mr. BROWN. With the exception of four precincts that I mentioned—we don't anticipate having to go outside of the envelopes in which Mr. Stark and Mr. Kelley segregated out the ballots that are subject to protest, by all parties.

What were those ballots? They were the ballots that were protested to the ballot law commission, Mr. President.

Mr. PASTORE. May we have order, Mr. President, please?

The PRESIDING OFFICER. The Senate is not in order.

Mr. CANNON. That was the position of Mr. Brown, Mr. Wyman's attorney.

We have to bring this matter to a conclusion at some time. If we do not, they will go back on another issue next week, if we settle one.

Later on:

> taking into consideration all of the issues having to do with recounts in Lancaster, Meredith, Goffstown, Merrimack, Seabrook; the absentee vote in Amherst, absentee vote situation in Nashua; Manchester voting machine situation. With respect to Goffstown, the only issue there is the American Party possible double vote, which we haven't ruled on, and which we'll rule on. I've been advised of that, and that's correct for the record.

This was Mr. Snow speaking.

Going on to Mr. Brown:

> Mr. BROWN. So far as the precinct recount requests—and I had four of them——
>
> Chairman SNOW. Gilford, Bedford, Somersworth Ward 1 and Gorham.

And those are the same issues here in the resolution that the committee could not decide upon——

The PRESIDING OFFICER. All time of the Senator has expired.

Mr. WEICKER. I yield 2 additional minutes.

Mr. CANNON. Next is Chairman Snow speaking:

> Chairman SNOW. I was going to ask you about it.
>
> Mr. BROWN. I am not pressing on any of those, but I may have some live testimony with regard to the Somersworth situation, depending upon how my brother's case develops, and I withdraw the request for the precinct reviews.
>
> Chairman SNOW. Gilford, Bedford, Somersworth Ward 1 and Gorham?
>
> Mr. BROWN. Yes.

That is Mr. Brown, the attorney for Mr. Wyman.

Mr. President, we have to bring a conclusion to this matter at some point in time.

I thank the Senator for yielding.

Mr. WEICKER. Mr. President, I commend the Rules Committee for doing the best it could with an impossible situation.

In the 5 months since January when I first proposed my amendment, the Rules Committee has worked diligently to reach a conclusion. All of these men are friends; all of them have our trust and our respect. They labored with ballots and wrestled over interpretations. They have used the magic eye and worn the batteries out of their flashlights and have worn out their eyes with magnifying glasses, in fact using everything except Dr. Watson in coming to a decision. They have not decided.

They have demonstrated that the margin of disagreement is more than 13 times the margin of victory they started with.

They have proven irrevocably that totally just men attempting to be fair cannot solve this enigma. No honest man can call this election either way.

Now the constitutional issue has been raised, Mr. President. Let me emphasize there is no question as to the constitutional power of this body to determine its membership qualifications attached to its members. What we have at issue here is the use of that power. This is what has to change in order to make our decisions better ones, more relevant ones, even recognized by Mr. Pell in his minority views, which the Members have before them, where he states:

> I remain of the view that the actual counting of the New Hampshire ballots and as much as possible of the procedural decision-making relative to the New Hampshire Senate election contest, should not be done by elected individuals, it should have been delegated to a neutral body chosen from a panel recommended by the American Arbitration Association or other impartial source and agreed upon by the contestants.

Yes, Mr. PELL is going to vote against my amendment. We disagree on the specifics, but the theory is there. He espouses it very well.

This is what I point out, as he did: Not that we lack any constitutional power, not that we are going to nibble away at it, but, rather, that there is a better way, a fairer way, that makes us fulfill our duties with a greater expertise, a greater excellence, a greater responsibility.

In conclusion, Mr. President, I would like to read a passage from "A Connecticut Yankee in King Arthur's Court," because it definitely applies to the situation before this body.

> You see my kind of loyalty was loyalty to one's country, not to its institutions or its officeholders. The country is the real thing, the substantial thing, the eternal thing; it is the thing to watch over, and care for, and be loyal to; institutions are extraneous, they are its mere clothing, and clothing can wear out, become ragged, cease to be comfortable, cease to protect the body from winter, disease, and death. To be loyal to rags, to shout for rags, to worship rags, to die for rags—that is a loyalty of unreason, it is pure animal; it belongs to monarchy, was invented by monarchy; let monarchy keep it. I was from Connecticut, whose Constitution declares "that all political power is inherent in the people, and all free governments are founded on their authority and instituted for their benefit; and that they have *at all times* an undeniable and indefeasible right to *alter their form of government* in such a manner as they may think expedient."
>
> Under that gospel, the citizen who thinks he sees that the commonwealth's political clothes are worn out, and yet holds his peace and does not agitate for a new suit, is disloyal; he is a traitor. That he may be the only one who thinks he sees this decay, does not excuse him; it is his duty to agitate any way, and it is the duty of the others to vote him down if they do not see the matter as he does.
>
> And now here I was, in a country where a right to say how the country should be governed was restricted to six persons in each thousand of its population. For the nine hundred and ninety-four to express dissatisfaction with the regnant system and propose to change it, would have made the whole six shudder as one man, it would have been so disloyal, so dishonorable, such putrid black treason. So to speak, I was to become a stockholder in a corporation where nine hundred and ninety-four of the members furnished all the money and did all the work, and the other six elected themselves a permanent board of direction and took all the dividends. It seemed to me that what the nine hundred and ninety-four dupes needed was a new deal.

That is what I speak for here today, not a diminution of our constitutional authority but, rather, to go ahead and to permit the people of New Hampshire to involve themselves in the election of their Senators rather than us have to do that job for them.

That is the duty I speak for, not in any way eroding the Constitution or the powers under it, but, rather, to reinforce the belief of the people of this country in the U.S. Senate, that it can hang onto its constitutional powers while also doing a job excellently and relevantly.

Mr. JAVITS. Will the Senator yield?

Mr. WEICKER. I yield.

Mr. JAVITS. Mr. President, may I ask the Senator this question: Is it not precisely because the law gives us such power that in a case in which fraud is not charged, where it is strictly a matter of vote counting, we should determine to have our own restraint on the unbridled use of that power by any majority? As this majority may be reasonable, we could have a majority that is tyrannical and could deprive many of us of our seats and millions of people of the fruits of their votes in respect to the U.S. Senate.

Mr. WEICKER. The Senator says it right on the nose.

Mr. JAVITS. One other thing, Mr. President. The Senator has fought a very spirited fight for what I consider to be an entirely proper principle of government, not just about the Senate. I want to thank him personally for it.

Mr. WEICKER. I thank the Senator.

Mr. President, I yield back the remainder of my time. I would be glad to yield to the distinguished Senator from

Nevada. How much time do I have remaining?

The **VICE PRESIDENT**. The Senator has 2 minutes remaining.

Mr. **WEICKER**. I yield 2 minutes to the Senator from Massachusetts.

Mr. **KENNEDY**. Mr. President, I want to commend the Senator from Connecticut for the way he has handled this situation and made his presentation. I do feel, however, that the work that has been done by the Rules Committee has been thoughtful and comprehensive, and the present proposal for a new election is premature.

I believe we have a responsibility to judge the issues, as defined in the Constitution of the United States. This debate has barely started on the Senate floor. The Rules Committee has done an excellent job in narrowing down the number of issues we have to decide. Literally hundreds of issues in this complex case have already been disposed of by the committee, most by unanimous vote. All the Senate is being asked to decide is 8 procedural questions and 27 specific ballots.

We cannot duck our responsibility simply because the race is a close one. If the score at the end of the Super Bowl game is 36 to 35, we do not ask to play the game over again to find the winner.

If this election does end in a tie, then I think the Senator's case is well made, and it ought to be sent back to the people of New Hampshire for a new election. But that is not where we are now.

We have a responsibility to try to rule on the issues and we should meet that responsibility. With all due respect to the distinguished Senator from Connecticut, I am hopeful that we will accept our responsibility, and vote to defeat his amendment.

THE NEW HAMPSHIRE SENATE DECISION

Mr. **CHURCH**. Mr. President, it has fallen to the Senate to make the effort to determine who won last fall's U.S. Senate election in New Hampshire. That is because the various attempts in New Hampshire to declare a victor have been contradictory. Mr. Wyman was declared the winner by 350 votes in the initial canvass. Then Mr. Durkin, after a recount, was declared the winner by a margin of 10 votes. He was certified to the Senate as the victor by New Hampshire's secretary of state. Thereupon, Mr. Wyman appealed to the New Hampshire Ballot Law Commission which declared him to be the winner by two votes. The Governor of New Hampshire, in turn, certified Mr. Wyman to the Senate as the winner. Mr. Durkin then appealed to the U.S. Senate to accept jurisdiction, as provided in the U.S. Constitution.

The Constitution does, indeed, leave the decision in such cases to the Senate. "Each house," says the Constitution, "shall be the judge of the elections, returns and qualifications of its own Members."

Thus it is the duty of the Senate to determine, if it can, who has won the last Senate election in New Hampshire.

However, Mr. President, it remains to be seen whether the Senate can make a decision on the issue. No Senator, other than members serving on the Committee on Rules and Administration, has had the opportunity to examine the disputed ballots. Until each member has seen the evidence, how can the Senate decide whether it can reach a conclusion?

The people of New Hampshire are entitled to know who won their election of a U.S. Senator last November 5, if the answer to that question can be determined.

If, after we have examined the evidence, it appears that the outcome remains in doubt, then would be the proper time to consider sending the matter back to the people of New Hampshire for another election.

The Weicker amendment is offered prematurely, before the Senate has even seen the evidence. Therefore, I will vote against the amendment at this time.

NEW HAMPSHIRE ELECTION

Mr. **PERCY**. Mr. President, for over 5 months the State of New Hampshire has been without a Senator. This situation must be resolved as swiftly and as equitably as possible. The best way I see to do that is to discharge the Rules Committee from further consideration of this matter and send it to New Hampshire for the voters of that State to decide who should be the junior Senator from New Hampshire.

Otherwise, Mr. President, we have the following unpleasant scenario facing us. First, weeks of debate. During the course of that debate we have eight issues upon which the Rules Committee could not make a decision as to whether or not to investigate further. If the full Senate decides that any one of those issues is deserving of further consideration, the Rules Committee will once again have to make another investigation involving no one knows how much time. Even if the Senate decides not to investigate any of these issues, we have 27 ballots before us on which the Rules Committee could not agree. And what are we expected to do? We are expected, all 99 of us, to sit around on the Senate floor and decide whether an X or a checkmark or a squiggle or a clown face drawn in someone's box or placed somewhere else on the ballot is a vote for a particular candidate. I have no idea what these disputed ballots look like, but our judgments will necessarily be subjective and, I am afraid, subject to partisan considerations.

But even if every Member of this body is 100 percent objective, I am afraid the ballots we look at will be extremely hard to judge. If we as a body make a mistake on one or two ballots, we could give the election to the wrong individual.

Further, what happens while the Senate takes several weeks to look at ballots? We do nothing on the many serious problems facing this country. It means we will be taking no action on measures to improve the economy or create jobs; we will be doing nothing to conserve energy; we will not be taking action on Appropriations bills and the new fiscal year begins in 13 days. The Senate will be stalled in a debate and a series of votes and at the end of that process no Member of this body will know whether the final outcome was correct or not. What a bizarre way for the Senate of the United States to spend its time.

Mr. President, I hope the Senate will take the right action, the fair action, the only action that gives any grounds for hope that the next Senator from New Hampshire will be the person the people of New Hampshire desire. Let us let the citizens of New Hampshire vote for their next Senator.

I therefore, intend to vote for the Weicker amendment to take this dispute out of the hands of the Senate and send it back to the State of New Hampshire for a new election. This issue belongs in the State and the sooner we get it there the better.

Mr. **NELSON**. Mr. President, I shall cast my vote against amendment No. 585, which declares the New Hampshire Senate seat vacant and sends the matter back to that State for resolution. The seat is vacant.

The Senate in January of this year already rejected such a proposal by a vote of 53 to 39. I believe the motion was premature then and is still premature. The Senate has an obligation to attempt first to determine, in a fair and impartial manner, whether the State of New Hampshire has already chosen its junior Senator. This obligation is rooted in article I, section 5, of the U.S. Constitution which provides that—

> Each House [of the Congress] shall be the judge of the elections, returns and qualifications of its own Members.

The Senate should declare a vacancy and refer this question back to the State only if it determines one of the following situations to be the case:

First, if the Senate concludes that it cannot determine which of the contestants, Mr. Durkin or Mr. Wyman, won the election held in New Hampshire on November 5, 1974; or

Second, if the Senate determines that neither of the contestants can be rightly declared the winner.

Mr. President, because a constitutional principle is involved here, I thought it would be useful in considering this amendment—and many of the other questions in this matter—to weigh some of the court decisions which have interpreted the constitutional provision involved. To this end, I have obtained from the Library of Congress a short memorandum, prepared by the American Law Division, which sets forth these precedents.

I ask unanimous consent that the memorandum be printed in the Record and call particular attention to the Roudebush case noted therein where the Supreme Court in 1972 stressed the importance of "the Senate's ability to make an independent final judgment" in evaluating such elections. That case has particular relevance here, where we have an obligation to make such a judgment before abdicating our constitutional duty.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Analysis of Article I, Section 5, Cl. 1 of the United States Constitution

The clause of the Constitution in question provides:

Section 5. Each House shall be the Judge of the Elections, Returns and Qualifications of its own Members, and a Majority of each shall constitute a Quorum to do Business;

but a smaller Number may adjourn from day to day, and may be authorized to compel the Attendance of absent Members, in such Manner, and under such Penalties as each House may provide.

This clause was apparently not the subject of general debate in the Convention, nor was it discussed by the authors of the Federalist Papers. The provision follows the pattern established by the English House of Commons, which had asserted the right to judge the elections and returns of its Members (Henry Hallem. The Constitutional History of England. 2 vols. London, 1827. Vol. I, pp. 295–297).

The clause in question has been repeatedly interpreted by the courts to grant exclusive power to each House of Congress (See generally 26 Am. Jur. 2d, "Elections," § 330). This view has been accepted by both state and federal courts, when rejecting attempts to secure a judicial determination of title to such offices (See, e.g. *Keogh* v. *Horner*, 8 F. Supp. 933 (S.D. Ill., 1934) where the Court refused to issue a writ prohibiting the Governor of Illinois from issuing a certificate of election to persons receiving a plurality in the general election for Representatives saying:

> In other words, the power of the respective Houses of Congress with reference to the qualifications and legality of the election of its members is supreme. The many volumes of election contest cases in which every conceivable question has been raised with reference to the right of persons to sit as members of Congress, together with the fact that there are no court decisions to be found, controlling such matters, bear mute but forcible evidence that this court has no authority to be the judge of the manner in which such members were elected, or to interfere with the Governor in furnishing them a certificate or commission as to what the canvass shows with reference to their election. (*Id.* at 935)

See also, *Application of James,* 241 F. Supp. 858 (D.C.N.Y., 1965); *Smith* v. *Polk,* 19 N.E. 2d 281, 135 Ohio St. 70 (1939); *In re Williams Contest,* 270 N.W. 586, 198 Minn. 516 (1936); *Burchell* v. *State Board of Elections Commissioners,* 68 S.W. 2d 427, 252 Ky. 823 (1934).

The Supreme Court of the United States discussed the nature and scope of the power of the Senate to judge the elections and returns of its Members in two cases arising as a result of the 1926 Senatorial election in Pennsylvania. In *Reed* v. *County Commissioners,* 277 U.S. 376 (1928) the Court said of the power of the Senate under Article I, § 5:

> *It is fully empowered, and may determine such matters without the aid of the House of Representatives or the Executive or Judicial Department.* That power carries with it authority to take such steps as may be appropriate and necessary to secure information upon which to decide concerning elections. It has been customary for the Senate—and the House as well—to rely on its own power to compel attendance of witnesses and production of evidence in investigations made by it or through its committees. By means of its own process or that of its committee, the Senate is empowered to obtain evidence relating to the matters committed to it by the Constitution. *McGrain* v. *Daugherty,* 273 U.S. 135, 160, 161, 167, 174. (*Id.* at 388, emphasis added)

In *Barry* v. *Cunnigham,* 279 U.S. 597 (1929) the Court again discussed the nature and scope of the Senate's power in election cases under Article I, § 5. Cunningham had refused to answer certain questions propounded by a special committee selected by the Senate to investigate charges involving the conduct of the 1926 Senatorial campaign in Pennsylvania. A warrant was issued pursuant to a Senate Resolution, and Cunningham was arrested and remanded to the custody of the Sergeant at Arms of the Senate. Cunningham brought a habeas corpus proceeding in federal district court. The case was brought to the Supreme Court on a writ of certiorari for review of an appellate court decision reversing the district court which had discharged the writ.

The Court decision touched upon several aspects of the Senate's power in such cases. Among the questions discussed were:

1. When does the jurisdiction of the Senate attach in such cases?
2. What is the nature of that power?
3. Does the refusal of the Senate to seat a Member-elect pending determination of the contest deprive a state of the equal representation guaranteed each state by Article V of the Constitution?

Among the defenses urged by Cunningham was that since Vare was not a Member of the Senate, he did not have to respond to questions from the committee. This was so, he argued, because under Article I, § 5 the Senate was limited to judging the elections and returns of "Members." In rejecting this argument the Court said:

> It is enough to say . . . that upon the face of the returns [Vare] had been elected and had received a certificate from the governor of the state to that effect. Upon these returns and with this certificate he presented himself to the Senate, claiming all the rights of membership. Thereby the jurisdiction of the Senate to determine the rightfulness of the claim was invoked and its power to adjudicate such right immediately attached by virtue of § 5 of Article I of the Constitution. (*Id.* at 614)

In discussing the nature and scope of that power the Court cited the decision in *Reed* in support of its conclusion that, "The Senate, having *sole* authority under the Constitution to judge the elections, returns and qualifications of its Members, may exercise in its own right the incidental power of compelling the attendance of witnesses without the aid of a statute." (*Barry* v. *Cunningham,* 279 U.S. 597, at 620, emphasis added. See the discussion of *Roudebush* v. *Hartke,* infra, which casts some doubt upon certain implications which might be drawn from this judicial statement.)

Finally, the Court rejected the claim that refusing to administer the oath pending the decision in an election contest case was inconsistent with Article V guarantees of equal representation in the Senate. The provision, the Court reasoned, was intended to prevent permanent denial of such representational equality by constitutional amendment (The subject of the Article in question is the amending power), and it was inapplicable to contest cases involving temporary vacancies (279 U.S. at 615–616).

In *Roudebush* v. *Hartke,* 405 U.S. 15 (1972) the Court was confronted with the question of whether a state conducted recount of a United States Senate contest was a valid exercise of the power of a state to prescribe the times, places and manner of holding such elections under Article I, § 4 of the United States Constitution or an infringement of the Senate's power under § 5 of the same Article to judge the elections and returns of its Members. The Court reasoned that under Art. I, § 4, absent congressional action, the states possess broad powers to regulate the conduct of senatorial elections. The opinion quoted *Smiley* v. *Holm,* 285 U.S. 355 at 356, where the Supreme Court in discussing the meaning of the times, places and manners provision of Article I, § 4 had said these words ". . . embrace authority to provide a complete code for congressional elections . . . [including] prevention of fraud and corrupt practices, counting of votes, duties of inspectors and canvassers, and making and publication of election returns. . . ." (405 U.S. at 24, 25)

The Court found that the Indiana recount proceeding was designed to "guard against irregularity and error in the tabulation of votes" and as such was "an integral part of the Indiana electoral process" and "within the ambit of the broad powers delegated to the States by Art. I, § 4." (*Id.* at 25.)

The opinion acknowledged that such a state proceeding cannot be completely separated from the power of the Senate to judge the elections and returns of its members but reasoned that:

> [A] recount can be said to "usurp" the Senate's function only if it frustrates the Senate's ability to make an *independent final judgement.* A recount does not prevent the Senate from independently evaluating the election any more than the initial count does. *The Senate is free to accept or reject the apparent winner* in either count, and, if it chooses, *to conduct its own recount.*" (Id. at 25, 26, emphasis added, footnotes omitted.)

In making its "final judgment" the Senate has, as *Roudebush* recognizes, a great deal of discretion. That discretion is, however, subject to certain constitutional limits. This is discussed briefly in a footnote to the Court's opinion—

> The Senate's power to judge the qualifications of its Members is limited to the qualifications expressly set forth in the Constitution. *Powell* v. *McCormack,* 395 U.S. 486. One of these qualifications is that a Senator be elected by the people of his State. U.S. Const., Amend. XVII. (*Id.* at 26, f.n. 23.)

Certainly, while the Court would not ordinarily intervene when the Senate has made or is making its final judgment in such matters, the Court's opinion in *Barry* v. *Cunningham* recognized the possible entry of the courts in such contests upon a clear showing of "such arbitrary and improvident use of the power as will constitute a a denial of due process of law." (279 U.S. at 620).

It would appear prudent for the Senate to offer some reasons to support its conclusion that one of the parties in an election contest case has been elected by the people of the state involved. The Senate is acting in a judicial capacity in judging the elections and returns of its Members. This being so, it seems clear that the Senate in offering reasons to support its conclusions can rely on tools traditionally used by the courts in supporting their conclusions. Thus the Senate might utilize the statutory law of the state involved, opinions of the court of that state, other authorities including opinions of courts of other jurisdictions in analogous situations, and prior decisions of the Senate in contest cases.

Mr. CLARK. Mr. President, we have a constitutional responsibility to reach a decision on this case, and we must make every effort to meet this responsibility. Article I, section 5 of the Constitution clearly states that—

> Each House shall be the judge of the Elections, Returns and Qualifications of its own Members.

The Senate has been asked to rule upon similar cases 25 times in the past 60 years, and it has been able to do so in every case without calling for a special election. It should be able to reach a decision without a special election in this case as well. A special election would be justified if fraud or an absolute tie were involved, but there are no such circumstances here. A special election at this point would simply invalidate the election which has already been held. It is up to the Members of this body to clarify the ambiguities still remaining in the results and determine what the outcome of this election actually was.

If the outcome was in fact an absolute tie, then a special election will be in order. But we clearly have not reached that point yet.

For the past 6 months the Senate Rules Committee has worked long and hard attempting to reach a decision on this case. Chairman Cannon and the entire committee are to be complimented for the fair and objective manner in which they have conducted this inquiry. They have performed a truly remarkable job. After spending over 200 hours in open session, and conducting over 900 rollcall votes they have sifted it all down to 8 procedural issues, and 27 ballots—of the 3,500 contested. In each of these 35 instances the committee voted a 4-to-4 tie and was thus unable to make a decision. All they are doing now is turning to the full Senate for help in finishing their business.

On January 28 of this year, the Senate voted 53 to 39 not to call for a special election. We subsequently voted 58 to 34 to assume our rightful responsibility and take this case under consideration and asked the Rules Committee to conduct the inquiry. It would certainly be premature for the Senate to give up in the 11th hour and not allow this inquiry to be completed.

In effect, this substitute amendment would require the Senate to state it is unable to reach a decision before all 99 Members have even been presented with the facts. The proponents of the special election argue that the facts are too complicated and confused to judge fairly. That is like a judge calling off a trial because the facts are too difficult for the jury to understand.

It has been suggested that the Senate, with its current Democratic majority, cannot make a fair decision involving a contest between a Democrat and a Republican. If history is any guide, that assertion is not borne out by the facts.

A 1924 Senate race in my own State of Iowa is a perfect example. The Republican incumbent in that race, Smith Brookhart, was challenged in the Senate by his opponent, Democrat Deniel F. Steck. Ultimately, a Senate with a Republican majority decided to unseat the Republican Brookhart, and replace him with the Democrat Steck.

In similar cases, Senates controlled by Democrats sustained Republican winners in five separate challenges, while supporting the Democratic winner in four other races. The record also shows that other Senates controlled by Republicans have supported Democratic winners seven times and Republican winners three times. This is certainly not a history of a partisan treatment of contested elections. On the contrary, the record indicates a tradition of fairness and objectivity.

Certainly the current Senate also has the ability to reach a fair and objective decision on this matter.

Mr. CANNON. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. Huddleston) is necessarily absent.

The result was announced—yeas 43, nays 55, as follows:

[Rollcall Vote No. 226 Leg.]

YEAS—43

Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Hatfield
Helms
Hruska
Javits
Laxalt
Mathias
McClellan
McClure
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—55

Abourezk
Allen
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Symington
Tunney
Williams

NOT VOTING—1

Huddleston

So Mr. Weicker's amendment was rejected.

Mr. ALLEN. Mr. President, I call up my amendment, which is at the desk, and ask the clerk to state it.

The VICE PRESIDENT. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. Allen) proposes amendment No. 595 in the nature of a substitute:

Strike out all after "*Resolved,*" and insert in lieu thereof the following: "That the Senate seat from the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant effective August 1, 1975, unless, prior to such date, the Senate shall have seated either Mr. Durkin or Mr. Wyman.

Mr. ROBERT C. BYRD. Mr. President, I have discussed the matter of a time limitation on this amendment with the distinguished author of the amendment (Mr. Allen), with the distinguished chairman of the committee (Mr. Cannon), and with the distinguished ranking member of the committee (Mr. Hatfield).

I ask unanimous consent, based on my conversations with these Senators, that there be a time limitation on this amendment of 1 hour, to be equally divided between Mr. Allen and Mr. Cannon.

Mr. VICE PRESIDENT. Is there objection?

Mr. CANNON. Mr. President, reserving the right to object, I wonder if we could broaden that request for a time limitation. As one can see on the face of the amendment, obviously, it could invite a filibuster on the part of some people who might want to send this back to the State of New Hampshire.

I request the Senator to see if he would try to get a time limitation on each of the remaining issues now that are covered in the resolution. If he can get a time limitation on that, so that we have a unanimous consent agreement with the time limitation, I think I would be willing to accept the amendment of the Senator from Alabama.

Mr. ROBERT C. BYRD. Mr. President, I do not know how the Senator from Alabama would want to respond to that.

Mr. ALLEN. Mr. President, I have no comment on the limiting of time on the other aspects of the resolution. I have no objection to the time limitation on the amendment that I have offered.

Mr. HUGH SCOTT. Mr. President, reserving the right to object, I think we ought to take these one at a time, without prejudice.

Mr. ROBERT C. BYRD. Mr. President, I quite agree with the distinguished minority leader. I would hope that no Senator would object. At first, it appeared as though the best we could do was 3 hours. Now we have gotten it down to 1 hour. I hope the request will prevail.

The VICE PRESIDENT. Is there objection?

Mr. PASTORE. Mr. President, unless we can agree on this amendment to vote at a time certain tomorrow, I shall object. It is too late in the evening to decide this issue in 1 hour.

The VICE PRESIDENT. Is there objection?

Mr. PASTORE. I object.

The VICE PRESIDENT. Objection is heard.

Mr. ALLEN. Mr. President, it has been the hope of the Senator from Alabama that we could have a quick vote on this amendment, inasmuch as this is one of the very rare occasions when practically every Senator is in his seat here. We could dispose of the amendment and get it to the point of a vote. Now would be a mighty good time to do it.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. In order that I might try to resolve this matter in a fashion that would be agreeable to the very distinguished senior Senator from Rhode Island, I ask unanimous consent that at 1 o'clock tomorrow the Senate resume its consideration of the pending Allen amendment and that a vote occur on the amendment at 2:30 tomorrow afternoon, with a motion to table being in order.

Mr. ALLEN. Would there be some debate tonight? I would just as soon have all debate at one time.

Mr. ROBERT C. BYRD. And that no time consumed in debate today be charged against that hour and a half, to be equally divided between Mr. Allen and Mr. Cannon, tomorrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. ALLEN. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. Abourezk). The Senate will be in order.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. Senators

and staff members will cease conversation.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, while the Senate is coming to order.

Mr. JAVITS. Mr. President, will the Senator withhold that?

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that Charles Warren, of my staff, may have the privilege of the floor during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I call the attention of the Chair to the fact that when a Senator suggests the absence of a quorum, the Chair is not supposed to recognize another Senator. I have no objection in this instance, but I ask that we now have a quorum call.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

Will the Senator suspend, until order is restored in the Chamber?

The Senate will come to order. All Senators and staff members who are conversing will kindly stop conversing or remove themselves from the Chamber.

AUTHORIZATION OF APPROPRIATIONS FOR THE COAST GUARD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on H.R. 5217, that the bill be considered as having been read twice by its title, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. (Mr. ABOUREZK) laid before the Senate H.R. 5217, an act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and off-shore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

The PRESIDING OFFICER. Without objection, the bill will be considered as having been read twice by its title, and the Senate will proceed to its consideration.

Mr. ROBERT C. BYRD. Mr. President, I move to strike out all after the enacting clause of H.R. 5217 and to substitute the text of S. 1487, as it was passed by the Senate earlier today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert:

That funds are hereby authorized to be appropriated for fiscal year 1976 and for the transition period of July 1–September 30, 1976, for the use of the Coast Guard as follows:

VESSELS

For procurement of vessels:

For fiscal year 1976, $28,842,000;

For the transition period (July 1–September 30, 1976), $1,561,000.

AIRCRAFT

For procurement of aircraft:

For fiscal year 1976, $36,000,000;

For the transition period (July 1–September 30, 1976), $11,700,000.

CONSTRUCTION

For construction of shore and offshore establishments:

For fiscal year 1976, $60,082,000;

For the transition period (July 1–September 30, 1976), $2,841,000.

SEC. 2. (a) For fiscal year 1976, the Coast Guard is authorized an end strength for active duty personnel of 37,916; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

(b) For the transition period (July 1–September 30, 1976), the Coast Guard is authorized an end strength for active duty personnel of 38,005; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

SEC. 3. (a) For fiscal year 1976, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3,880 man-years;

(2) flight training, 92 man-years;

(3) professional training in military and civilian institutions, 372 man-years; and

(4) officer acquisition training, 1,143 man-years.

(b) For the transition period (July 1–September 30, 1976), military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 1,071 man-years;

(2) flight training, 23 man-years;

(3) professional training in military and civilian institutions, 93 man-years; and

(4) officer acquisition training 277 man-years.

SEC. 4. (a) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $6,600,000 is authorized for fiscal year 1976.

(b) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $2,050,000 is authorized for the transition period (July 1–September 30, 1976).

The PRESIDING OFFICER. The question is on engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 5217) was passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the passage of S. 1487 be vitiated and the bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. GRIFFIN is recognized on tomorrow under the order previously entered, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, and for the purpose only of the introduction of bills, resolutions, petitions and memorials, and statements in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in recess until 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF S. 6, EDUCATION FOR ALL HANDICAPPED CHILDREN ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, the Senate proceed to the consideration of S. 6, a bill to provide financial assistance to the States for improved educational services for handicapped children.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10:30 a.m. tomorrow, following a recess. After the two leaders or their designees have been recognized under the standing order, Mr. GRIFFIN will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each. That period for the transaction of routine morning business will be for the purpose of the introduction of bills and resolutions, memorials, petitions, and statements into the RECORD.

At the conclusion of routine morning business, the Senate will take up S. 6, a bill to provide financial assistance to the States for improved educational services for handicapped children. Amendments to that bill are expected to be offered, and rollcall votes could occur thereon.

Under the order previously entered,

no rollcall vote will occur prior to the hour of 12:30 p.m. tomorrow.

At the hour of 1 p.m. tomorrow, the Senate will resume consideration of Senate Resolution 166, which deals with the New Hampshire election dispute. At the hour of 2:30 p.m. tomorrow, a rollcall vote—I am sure it will be a rollcall vote—will occur on the amendment by Mr. ALLEN.

Other rollcall votes may occur during the afternoon, so Senators are assured of at least one rollcall vote tomorrow and, quite likely, others.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:31 p.m., the Senate recessed until Wednesday, June 18, 1975, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 17, 1975:

DEPARTMENT OF THE TREASURY

Sidney L. Jones, of Michigan, to be an Assistant Secretary of the Treasury, vice Edgar R. Fiedler, resigned.

IN THE NAVY

The following named officers of the Navy for permanent promotion to the grade of lieutenant:

LINE

Abler, Ronald John
Abram, Jeffrey Poe
Adams, David Earl, Jr.
Adams, Dennis Jack
Adams, Joe Richard
Adams, William Frederick
Adamson, John Chauncey
Adcock, Douglas Alan
Adler, Gary Alan
Adler, Vance Erick
Ahlstrand, Donald Charles
Airlie, Jack Gibson, Jr.
Akin, Michael Alan
Alasin, Ronald Alexander
Albertolli, William Ramon
Aldredge, Morris Hayden, Jr.
Aldrich, James Hunter, Jr.
Aldridge, Lonn Raymond
Alexander, George Edward, Jr.
Alexander, Michael William
Allee, Raymond Maurice
Allee, Robert G.
Allen, Dannie Howard
Allen, Gary William
Allen, John William
Allen, Kenneth Eugene
Allen, Robert Ripley
Allen, Terry Jon
Allison, John Young
Almgren, Malcolm
Almy, John Hale, II
Alpeter, William Charles
Ambro, David K.
Ambrose, Isaiah Hammack, III
Amidon, Robert Bruce
Ammendola, Vincent C.
Ammerman, Larry Richard
Amtower, James Frederick, Jr.
Andersen, Harald
Anderson, Carl William
Anderson, Dennis Jay
Anderson, Frank Andrew
Anderson, Gerald Barrett
Anderson, John Frederic, Jr.
Anderson, Jon Eric
Anderson, Kenneth Noel
Anderson, Terence Lee
Andres, Stephen Michael
Angstead, Donald Eugene
Antoine, Eddie Pernell, II
Aranyos, John Richard
Arbini, Jerrold Ernest
Arends, Stephen Robert
Arenskov, Peter Thomas
Arey, Sheldon Craig
Arlett, Stephen McLean
Arluck, Richard Michael
Armentrout, Charles Edward
Armitage, Charles Edmund
Armstrong, Richard Carl
Armstrong, Robert John
Arnold, James Laurence
Arnold, Joe Gary
Arnold, Thomas Edward
Arnott, Ralph Edwin
Arnow, Fredric Grant
Ashford, James Henry
Ashford, Richard F., Jr.
Atchison, Donald Lee
Atkinson, Harvey Eugene, III
Atwood, Roger Earle
Aunchman, Leman John, Jr.
Aurand, David Robert
Austin, Gary Lee
Averett, Gregg Herlong
Avery, Klurge Caraway, Jr.
Axtell, Robert Duane
Ayres, Ronald Ray
Ayres, Steven E.
Babson, Carl Vernon, Jr.
Bach, Ronald Clayton
Bachta, Richard Lewis
Bacon, Garwood William
Bader, Lawrence Michael
Bailie, James Matthew
Baker, Dennis
Baker, Norman Eugene
Baker, Robert Lee
Baker, William David
Bakkila, Roger Leonard
Baldy, Mark Bernard
Bales, Alvin Schumann, Jr.
Balhorn, Carl Dean
Ballard, David Lee
Balling, Chris Mark
Bankert, Harlan Roland, Jr.
Bannister, Clarence Quincy
Barabash, Jay
Baran, Robert Austin
Barasha, Lewis Michael, Jr.
Baratko, Robert Edward
Barber, Leland Ray
Barclay, Stuart
Bardal, David Lavern
Bardsley, George Paul
Barker, Joseph Henry, III
Barker, Michael Don
Barkley, Stephen John
Barnes, Georges Wallace, III
Barnes, John Brooks
Barnum, Richard Walter, Jr.
Barr, Richard Conklin, Jr.
Barre, David Arnold
Barrett, James Wilson
Barron, Floyd Archie
Barry, Phillip Allen
Bartholomew, Glenn S.
Bartholomew, James Clayton
Bartleson, George Robert
Bartlett, Paul Robert
Barton, James Douglas
Barwick, James Francis
Basore, Richard William
Bassett, William Frederick
Bast, William Victor
Bastian, Gary Bradley
Batcheller, Oliver Alden
Batcheller, Peter Lyon
Bates, Charles Kirk
Bates, John C., Jr.
Batteen, Earl R., Jr.
Battell, James Joseph, Jr.
Bauer, Carl Thomas
Baughman, John Douglas
Bauman, Ronald Bruce
Baumann, Bruce A. J.
Baumberger, Harold Eckel, Jr.
Baxla, Robert Eugene
Beahan, Terry William
Beakley, James Edwin
Beals, Richard Carl
Beam, Alan Robert
Beard, Irvin Edgar, Jr.
Beard, Robert Adrian
Beasley, Ronald Neal
Beason, Nathan Howard
Beaty, William Everett, III
Beauchesne, Charles Leon
Beavers, Ashley Jerome
Bechtel, Richard Craig
Beck, Arthur Thomsen, Jr.
Becker, John Joseph, Jr.
Beckhart, Richard Searle
Beckwith, Donald Charles
Bedinger, Henry James
Beedle, Darvin Elno, II
Been, Karl Frederick
Beers, Charles Joseph, Jr.
Beers, Lawrence Stanley
Beers, Steven Curtis
Begbie, Albert Joseph
Beinbrink, Jeffrey Robert
Belden, William Ellsworth, Jr.
Bellech, Dewey Eldridge, Jr.
Bell, James Michael
Bell, Stuart Wallace
Bell, William Alva
Bellamy, David B.
Bellemer, Gordon Allen
Bellew, Patrick Harry
Bellinoff, Alan Eliot
Beltz, William Russell
Bennett, Dennis Malcolm
Bennett, Michael Ray
Bennett, Myron Dean
Bennett, Richard Wayne
Bentson, David Allen
Bentz, John Ambrose, Jr.
Berck, Henry Fred, Jr.
Berg, Robert Dewayne
Berg, Sigval Manford, Jr.
Bergner, Jon Clark
Berman, Michael Robin Paul
Bernard, Paul Leroy
Berning, Ronald Charles
Berns, Thomas Herbert
Berry, Carl Thomas, Jr.
Berryman, James Charles
Best, David Robert
Bettinger, Robert Gene
Bever, Jerry Donald
Bevers, Richard Eugene
Beyer, Carl Walter
Biddles, Henry Neal
Bielicki, Dennis James
Bielik, John Paul
Bien, Lyle Gene
Bier, Gary Lanar
Bierbower, William Bruce
Billones, August John
Bilski, Anthony
Birchmier, Charles Orland
Bishop, Grover Cleveland
Bishop, Kenneth Ralph
Bishop, Peter Birney
Bixler, Kenneth George
Black, Harold David
Black, Terrence Wade
Blackburn, William Rockwell
Blackwell, William Allen
Blackwood, Donald William
Blackwood, Edward Barran
Blair, Dana Ray
Blair Dennis Cutler
Blair, Thomas James
Blair, William Allen
Blair, William N.
Blake, Frank J.
Blake, Richard Earl
Blanchard, Robert Charles
Blankinship, Leslie Scott
Blatt, Norman William
Blazer, William Howard
Bleicher, Francis Joseph
Blenkie, William George
Blodgett, George Richard

Blomquist, James Hamilton
Bloyer, Stanley Frank
Blumberg, Richard Edward
Boaz, Lowell David
Bodenhorn, Gregory Stuart
Bodenweber, William Kneer, Jr.
Bodie, Jeffrey George
Boehler, Don William, Jr.
Boelte, William Frederick
Boger, Dan Calvin
Bogert, James Arthur
Boggio, John Martin
Bogle, Aubrey White
Bogle, William Thomas R.
Boire, Paul Maurice
Bone, Theron Carl
Bonhill, Larry Neal
Bonnett, David Edward
Booher, Stephen Reed
Booker, Royston Terrell
Booth, David Henry
Bordon, Ronald Duane
Borowiec, Richard Raymond
Bosley, Dale Earl
Bostian, Richard Massey
Bostic, Larry William
Boswell, Charles Maurice
Boudreaux, Numa A., III
Bourne, Robert Edward
Bowden, Clifton Morris, Jr.
Bower, Duane Bruce
Bower, Phillip Wayne
Bowers, William Raymond
Bowler, Roland Tomlin E., III
Bowser, Harvey Ralph Jr.
Boyd, Richard Allen
Boyd, Robert Michael
Boykin, William Swift Jr.
Boylan, Harold Gerard, Jr.
Boyles, Glenn Robert
Brabenec, John Joseph, III
Braden, Richard Francis
Bradford, John Eugene, III
Bradley, Fred H., Jr.
Bradley, John Earl Jr.
Bradley, Richard Joseph, Jr.
Bradley, Samuel A.
Brady, Donald Robert
Brady, Mark Lee
Brady, Michael Francis
Brake, Gary Franklin
Branan, Phillip Howard
Brandenburger, Robert Bruce
Brandon, William Richard
Brandt, Rudolph C.
Brannan, Lee Roy, Jr.
Branum Richard Cline
Brasher, Stephen Joseph
Bratzler, David Karl
Bray, Malvin Lawson
Breagy, Thomas Joseph
Brechbiel, Nathan Foster
Breeden, George Leakin, II
Breglio, Robert Anthony, Jr.
Brennan, James Patrick
Brennon, Roy Leslie, Jr.
Brett, Joseph Donnis
Brich, Robert Joseph
Bright, David Lee
Brinck, Michael Francis
Brinckerhoff, Robert
Briscoe, James William
Brittain, Jon Frederick
Broadhurst, William Thomas
Brockman, Osborne Lee
Brodeur, Joseph Paul
Brooke, John Richard
Brooks, Frank Charles, Jr.
Brophy, James Michael, III
Brotherton, James Douglass
Broussard, Curtis Wayne
Brown, Clyde Franklin, Jr.
Brown, Gerald Allen
Brown, James Michael
Brown, John Edward
Brown, Michael Eugene
Brown, Patrick Joseph
Brown, Paul Martin
Brown, Paul Robert
Brown, Richard Mitchell, III
Brown, Robert Edward
Brown, Robert Edward
Brown, Stanley Morton, III
Brown, William Andrew
Brown, William Howard, Jr.
Broyles, Ned Anthony
Bruce, Clarke Mullen
Bruce, Robert George
Brumage, Harold Richard
Bruner, Michael Glenn
Brunet, Gerard John
Brunet, Tony Michael
Bruun, James Louis
Bryant, Gary Ward
Brydges, Richard Ross
Bubeck, Richard Bailey
Buchanan, Charles Cecil, Jr.
Buchanan, Richard Alan
Buck, Robert Maynard, Jr.
Buck, Steven Lee
Buckley, Gerard Francis
Buelow, John Peter
Bugg, Stuart Edward
Bulkeley, Peter Wood
Bullock, James Walter
Burch, John Charles
Burcham, George Leon
Burchell, Charles Richard
Burger, Gary Conrad
Burger, James Carl
Burgess, Kenneth Charles
Burggren, Peter Charles
Burin, James Michael
Burke, Jerome Joseph, Jr.
Burke, Robert Gifford
Burkhart, Alan Douglas
Burhart, Daniel Willis, Jr.
Burkholder, James Brooke, Jr.
Burks, John Smeallie
Burnett, Lewis Edward
Burnham, Johnny William, Jr.
Burns, Charles Alan
Burns, Edward Thomas
Burns, Joseph Michael
Burns, Richard Francis, Jr.
Burns, Thomas Francis, Jr.
Burns, William Robert, Jr.
Burrow, Barry Vaile
Burry, Mark Lawrence
Busby, John Carroll, III
Busching, William
Buschmann, Robert Otto, Jr.
Bushnell, Gregory Allen
Buss, Phillip Terry
Butcher, Kenneth Wilfred
Butler, David Eugene
Butler, George William
Butterworth, Robert Martin
Butterworth, William John, Jr.
Buttina, Richard Anthony
Buttinger, James David
Buzhardt, Harry Olin, Jr.
Byrd, Carroll David
Bell, John Franklin
Cable, Robert Lewis
Cahill, David Blake
Cahill, Michael Joseph
Cahill, William Henry
Caldwell, Ellis Alton
Callaham, Thomas Edwin
Calnan, Gary Stephen
Cameron, Robert Bruce, Jr.
Camp, Richard Michael
Campbell, Darrell W.
Campbell, Donald Clifton
Campbell, Francis
Campbell, Fred Parker
Campbell, James Graham
Campbell, Jay Alan
Campbell, Jon Russell
Campbell, Paul Charles
Campbell, Robert Boon
Campbell, Robert Stephen
Campbell, Victor Hubert, III
Candler, David William
Cannady, Charles Robert
Canon, Russell Lloyd
Caparelli, Richard Francis
Carbone, Nicholas Daniel
Carde, Freeland Henry, III
Carden, Arthur Bruce
Carey, Edwin Fenton
Carlin, William Philip
Carlson, Bernard Francis
Carlson, Charles Robert
Carlson, James Robert
Carlson, Martin Walter, Jr.
Carlton, John Calhoun, Jr.
Carlton, Kenneth Marvin
Carpenter, Harold Francis
Carpenter, Melvin James, Jr.
Carpowich, David John
Carr, Kevin McBrier
Carr, Terry Alan
Carrig, Michael Francis
Carroll, Charles Lee, II
Carroll, James William
Carroll, Michael James
Carroll, Charles Thomas
Carroll, Dennis Jerome
Carroll, James Chester
Capshaw, Roy Don
Carter, Jesse Samuel
Carter, John Carroll
Carter, Lynn II
Caruso, Michael Jerome
Carver, Darrel Eugene
Carver, William Earnest, Jr.
Case, Gary Richard
Cash, Ted E.
Casmer, Stephen Bruce
Cassat, Gary I.
Cassell, Robert Wayne, Jr.
Castelluccio, Leonard M.
Castor, Ralph Johnson, Jr.
Catania, John Jacob
Cavanaugh, Michael Patrick
Cazenave, Frederick Frank, Jr.
Celmer, John Anthony
Center, William Dillard
Chaisson, James Edgar
Chalfan, Richard Dale
Challancin, James Richard
Chaloupka, Allan Bischof
Chamberlain, Carl William, Jr.
Chamberlain, Donald Edward
Chamberlain, Martin Lewis
Chambers, Michael Kenneth
Champa, Louis Marko, Sr.
Chaney, Charles, Jr.
Chaney, Dennis Allen
Chapman, James Theodore
Charuhas, Richard Brian
Chase, Robert Winslow
Chatham, Howard Maitland
Chehansky, John Charles
Cheney, Martin Johnson
Chepenik, Stanley Barnett
Chernesky, John Joseph, Jr.
Cherry, Michael Everett
Chesire, John Robert
Chestnut, Wilbur Eugene
Chesterman, Alan George
Chicoine, Rene Joseph
Childers, Richard Dean
Chiprany, Thomas Andrew
Chisholm, Christopher Ian
Christensen, Paul Elliot
Christian, Richard Lee
Christopher, Angelus Demetr
Church, David Earl
Church, John Henry, Jr.
Churins, Peter Reynold
Clabaugh, Cecil Allen
Claffee, James Robert
Claggett, Ronald Lee
Clapp, Roger Barns
Clark, Bartlett Lee
Clark, James Samuel
Clark, Philip Spratt, Jr.
Clark, Richard Allen
Clark, Robert Alvin
Clark, William Lee III
Clarke, Edwin Alfred
Clarke, Wayne A.
Clausen, Charles Perrin
Claytor, Robert Eugene
Cleal, Stephen Roger
Cleveland, Robert Howell
Cline, John Hendrix
Clover, Richard Samuel III
Coan, Matthew John
Coane, Chasey Williams
Coates, Robert Vernon, Jr.
Coats, Michael Loyd
Cobb, William Wilson, Jr.

Coble, Melvin Alan
Cochran, Deford Eugene
Coffey, Philip George III
Coggeshall, Jerry Wayne
Cohen, David Alan
Cohen, Jay Martin
Cohlmeyer, Chris Harold
Cole, Frederick Byron
Cole, Peter William
Cole, Richard Ward
Coleman, Richard Lewis
Coler, Michel Lynn
Collins, Charles Henry, Jr.
Collins, James Lloyd
Collins, Martin Kevin
Collins, Peter Michael
Collins, Wendell Roy
Collins, William Thomas, Jr.
Colomb, Herbert Palfrey, Jr.
Colvert, Robert Gary
Combs, Robert Meredith
Comer, Joseph Scotcher
Comer, Thomas Arthur
Commons, Norbert Anthony, Jr.
Compton, Kenneth David
Conaway, Richard Erle
Conley, Edward Gail
Conn, James Loren
Connell, David Larry
Connellan, Joseph Peter
Connelly, Ralph William
Conner, Harry Merriwether
Conner, Roger David
Conrad, Emerson Seymour, Jr.
Conrad, James Harold
Conrad, Raymond Paul
Conway, Joseph Vincent, Jr.
Conyers, Robert John
Cook, Bruce Littleton
Cook, James Ballou, II
Cook, Jeffrey Alan
Cook, Jon Leslie
Cooley, John Sharpe
Coon, James Maynard
Coonrad, Douglas Vanzandt
Coonts, Stephen Paul
Cooper, Bruce Paul
Cooper, Harold Lambert
Cooper, Marshall Geoffrey
Cooper, Roger Stuart
Cooper, Ronald Wayne
Cooper, William Richard
Coovrey, Donald Paul
Copeland, William Winston, Jr.
Corcoran, Gerald John
Corey, Robert Orrin, Jr.
Corkern, Timothy Eugene
Corn, Richard, III
Cornelius, Clifford James, Jr.
Cornett, Billy, II
Corrigan, Gerard Michael
Corry, Vincent Henry
Corsey, John William, Jr.
Cottle, Joseph Archie, Jr.
Coughlin, James William
Coulter, Edward Carl
Coumatos, Michael James
Courville, James Dewey
Cover, Martin Luther, III
Covington, Donald K., III
Cowan, Daniel Giger
Cowgill, Curtis James, III
Cox, Harold Louis, Jr.
Crabtree, David M., III
Craham, Gary Michael
Craig, Billy Jack, Jr.
Craig David Michael
Craig, James Robert
Craig, William Charles
Craighill, John St. Clair
Crain, Joseph Cecil
Craine, John Wilbur, Jr.
Cramer, Michael William
Crandall, Kenneth Parker
Crapps, Tommie Clyde
Crary, Matteson, Stevens
Crawford, Jerry Wayne
Crawshaw, Robert Ord
Creamer, Chadwick Graham
Creed, Barton Sheldon
Crego, Howard Lawrence
Crim, George Norman, Jr.
Crist, James Elliott
Crompton, David Thomas
Cronk, Phillip Jay
Cross, Allen Michael
Cross, William V., II
Croteau, Gary Howard
Crotteau, Robert Allen
Croucher, Barry Lee
Crowe, Bruce Robert
Crowley, John Joseph, Jr.
Crumbaugh, Richard Daniel
Crume, Larry Everett
Crumrine, James Everett
Crumpler, William Hughes
Cruser, Peter Jesse
Cuciti, Richard Bruce
Culbertson, James Lowrey, II
Culbertson, John Earl
Cullen, James Stephen
Culver, Victor Robert
Culverson, Kenneth James
Cummins, Eugene Joseph, Jr.
Cunningham, Kenneth Newton
Cunningham, Randall Harold
Curran, Joseph Laurence, Jr.
Currie, Michael Patteson
Currivan, John Daniel
Curry, Robert Delong
Curtin, John Wallace
Curtis, James Albert
Curtis, Philip James
Curtis, Richard Mark
Cushman, Charles Whitacre, Jr.
Custer, Howard Byers
Custer, Laurence Duncan L., Jr.
Cutropia, James Anthony
Cwiklinski, Stanley Francis
Dabbieri, Peter Vincent, Jr.
Dadson, James Barker
Dahlinger, Frank W.
Daigle, Noel Anthony
Dail, James Allen
Dailey, Donald Charles
Dale, Louis Benard, Jr.
Daly, Thomas Milton
Danaher, Thomas Patri
Danberg, Robert Benell
Dandalides, William John
Daniels, Gerald Everett
Daniel, Michael Edward F.
Danielson, Donald James
Danner, William Bekurs
Dantone, Harold Brelsford
Dantzler, Herman Lee, Jr.
Darden, Welborn Orr, Jr.
Dare, James Ashton, Jr.
Darnell, Donald Lee
Daughenbaugh, John Stewart
Daughtry, Joseph Sutton, Jr.
David, King Jack
Davidson, Gary Paul
Davie, Clinton William
Davies, Gregory John
Davies, Robert William
Davies, William Edward
Davis, David William, III
Davis, Dean Omega, Jr.
Davis, Dudley Leroy
Davis, Gary Malcolm
Davis, John Philip
Davis, Henry Louis
Davis, Richard Rice
Davis, Russell Erwin
Davis, Stanley Owen
Davis, William Aaron, Jr.
Davis, William Randall
Davison, John Warner
Dawson, Gerald Hill
Dawson, James Seth, III
Dawson, Larry Eugene
Day, Robert Wright
Dearth, Lawrence Charles
Decker, Peter Brennan
Decker, Thomas Richard
Degeorge, Bernard Joseph, Jr.
Degraffenreid, Kenneth Erni
Degruy, Charles Monroe
Dejohn, Charles Andrew
Delaney, Kevin Francis
Delaney, Michael Leonard
Delauer, Richard Daniel, Jr.
Delbalzo, Francis A., Jr.
Delear, Denis Walter
Deleuw, Daniel Robert
Demarest, Harold Raymond, Jr.
Demarino, Thomas Vito, Jr.
Dengler, Frank Gavin
Denigro, Joseph Richard
Dennis, Fred Louis, III
Dennis, John Carlisle, III
Denogean, Rudy
Dermanuel, Eugene Michael, Jr.
Derocher, Paul Joseph, Jr.
Desilets, Robert Auguste
Detchemendy, Edward Michael
Detter, Gary Lee
Dettmann, Terry Robert
Detz, Lewis Winston
Deuter, Richard Carl
Devall, Roger Ronald
Devlin, Joseph Vincent
Dew, John Robert
Dewar, Dorel James, Jr.
Diamond, Emil Richard, Jr.
Dibiase, Gene Frederick
Dickerson, Robert William, II
Dickinson, Charles Owen
Johnson, Delmont Scott
Dickover, David George
Dickson, Skeeter James A.
Didier, Henry Nicholas
Dieckman, Byron Lauritz
Diekemper, Jerome Vincent
Diel, Harry Allen
Dilks, Robert Warren
Dillon, David Lee
Diman, William Louis
Dinkel, Robert Edward, Jr.
Dinorma, Gerald
Dinwiddie, Hugh Norman
Dodd, James Lee
Dodds, Victor Eugene
Doe, James Ernest
Donaldson, William S.
Donat, Winfield, III
Donga, John Leonard
Donnelly, Robert Jennings
Donnelly, William Michael
Donovan, Gerard Matthew
Donovan, Mark Andrew
Doolin, Edward Hamilton, III
Doran, Walter Francis
Dore, James Robert
Dormer, James Warren
Dorny, Louis Brough
Dorsett, Lawrence Preston
Dort, George Thomas
Doryland, Adrian Tracy
Dose, Curtis Richard
Doss, David Leon
Douglas, Charles Owen
Douglas, Charles Timothy
Douglas, Robert Eugene
Douglass, Gene Arlen
Downey, John Bernard
Downing, Donald Allen
Downing, Edward Converse, Jr.
Downing, Rex Allen
Doyle, Bruce Nelson
Doyle, Hugh Joseph
Doyle, Larry Spencer
Drager, James Michael
Drain, Jesse Cyrus, III
Drake, Frank David
Drake, John Oliver, Jr.
Dranchak, John Charles
Drew, Richard, II
Dreyer, Gregory Frank
Dries, David Irwin
Driscoll, John Robert, Jr.
Driscoll, Joseph Edward, Jr.
Drucker, John R.
Drury, John Lee
Dryer, Ross E.
Dubbs, William Martin, Jr.
Dudderar, Raymond Albert, Jr.
Duecy, Charles Patrick
Duesi, Frank Wesley
Duff, Byron Lynn
Dufford, George Chester, Jr.
Duffy, Timothy William
Dufresne, William Francis

Duggan, Robert Francis
Dulin, James Evans
Dullaghan, William Edward
Dumas, Jeffrey Mack
Duncan, John Hollis
Duncan, Michael Joseph
Dundics, Marton Jozsef
Dunn, Ivan Max
Dunn, Peter Haines
Dunning, Kenneth Gerald
Durgin, Harlan Michael
Durst, Robert Stevenson, II
Dusa, Ronald John
Dusenberry, Kenneth Andrew
Dutton, Hubert Langston, Jr.
Dvorak, James Anthony
Dwyer, David Weldon
Dwyer, Dennis Edward
Dwyer, Kevin Richard
Dwyer, Stephen Michael
Dybdal, James Richard
Dyckman, Dennis Vincent
Dyer, Edward William
Eargle, Terry Paul
Easterling, Lael Ray
Eastman, Guy Arthur
Eastman, Jon Andrew
Eberth, Robert William
Eckart, James Edward
Eckhardt, Bruce Kenneth
Eckler, Joseph Francis
Eckley, Glen Edward
Eddingfield, Lawrence E.
Edwards, Arthur Lee
Edwards, Brian Alfred
Edwards, Bruce Barton
Edwards, David Anthony
Edwards, Wilbur Everette, Jr.
Eeckhout, Michael Albert
Egan, James Edward
Egnotovich, Michael M.
Egut, Ronald Stanley
Ehn, Gary George
Eklund, Gary John
Ekstrom, Robert Harry
Eldred, William Lester
Elias, William Theodore
Eller, Douglas Dean
Ellington, James David
Ellinwood, Stanley Carroll
Elliott, Larry Roscoe
Elliott, Lawrence Bruce
Elliott, Richard Francis
Elliott, Robert Russell
Elliott, Walter Michael
Ellis, Charles Eugene
Ellis, Howard Dorf
Ellis, Michael Alden
Ellis, Thomas Christopher
Ellsworth, Joseph Eugene
Emerson, George Allen, Jr.
Emery, Sidney Williams, Jr.
Emmons, Donald Grant
Engel, Ronald Allen
England, Don Rondell
Engle, Edward Charles
Englebretson, Ronald Earl
Ensfield, Arnold Edwin
Englehardt, Cleveland Duane
English, Robert Hugh
Engstrom, George Henry
Erb, Robert Stephen
Erickson, David Milton
Erickson, Edward L.
Erickson, John Michael
Erikson, John Christian
Erland, John Mitchell
Erskine, John Roger
Etter, Steven Milton
Eubanks, Sam Elvis, Jr.
Evans, George William
Evans, John Oliver, Jr.
Evans, Robert Michael
Evans, Robert Stacy
Evans, William Ashley, IV
Everett, David Harrell
Everly, James Richard
Everson, John Everett
Evert, Richard Downey
Ewan, Lawrence Kirby
Ewing, Glenn Everette
Eysenbach, Karl
Faber, Douglas Everett
Fages, Malcolm Irving
Fahey, John M.
Fail, Charles Richard
Faison, Charles Carey
Falerni, Richard Charles
Fallon, William Joseph
Falls, James Sidney
Fandrei, Dennis Ervin
Fantauzzo, Richard Alan
Fare, Freddie Eugene
Farlow, Michael James
Farr, Leroy Allen
Farris, Christy Lee
Farver, Richard Kevin
Fastabend, Gerald Earl
Faulk, Bruce Gregory
Faulkner, George Pruitt, Jr.
Fauth, Herbert Carl
Fedoryszyn, Robert John
Feichtinger, William Michael
Fenn, Richard George
Fenton, John Ward
Feola, Samuel Duane
Ferguson, Robert Andrew, Jr.
Fernandez, William, II
Ferranti, John Peter, Jr.
Ferrell, David Michael
Ferris, Richard Lee
Fessenden, Richard Mial
Fetgatter, Walter Edward
Fetterly, Larry Robert
Feuerborn, Vincent J.
Fidyk, William Gregory
Field, Michael Lee
Field, Richard Johns
Fielder, John Randolph, Jr.
Fielding, Harvey George
Fifer, Richard Michael
Figueira, Russell Joseph
Figueras, Raymond James, III
Finch, David Charles
Fini, Wallace Paul
Finley, Thomas Francis, Jr.
Finney, David Haley
Fischer, Edward Francis
Fischer, Lawrence Allen
Fisher, Newell Everett, Jr.
Fister, John Gant
Fitch, David Paul
Fitzgerald, David Monroe, Jr.
Fitzgerald, John Stephen
Fitzgerald, Michael Joseph
Flaherty, Michael Bart
Flanagan, Richard James
Fletcher, Bennie Lyle, III
Fletcher, Frank Carl
Fletcher, Michael Henry
Flyntz, Frank Joseph
Folker, Cecil Jackson
Foltz, Stanley Charles
Fontaine, Jay Donald
Fontz, Charles Roy
Forbes, Jimmy McMillan, Jr.
Forbes, Keith Cary
Ford, Peter Wayne
Ford, Thomas Joseph
Foshay, Wayne Edward
Fossum, Anton Phillip
Fossum, Leon Keith
Foster, Jeffrey Rand
Foster, Kent William
Foster, Thomas Freeman
Foster, William Irving
Fowinkle, Charles Tinsley
Fowler, Ormond Craig, Jr.
Fox, James Richard
Fox, Victor Leonard, Jr.
Foye, Brian Asa
Fraim, Thomas Stewart
Francis, Gary Edward
Frandsen, Curtis William
Frank, Joe Lee, III
Frank, Timothy Michael
Franson, William Eric, Jr.
Fraser, Donald Ross
Fraser, William Donald
Frawley, Larry William, Jr.
Frazier, James Maxwell
Frederick, Georgie Ray
Frederick, Ronald Jon
Freed, John Warren
Freeman, Floyd Eugene
French, Richard Wayne
French, Timothy Allen
Freudenthal, Paul Edward
Friberg, David Verne
Frick, Kenneth Edwin
Friedman, Richard Wallace
Friel, Robert Cornelius
Fritsch, Curtis Paul, III
Fritz, Gerald Wayne
Froggett, Stephan John
Fromme, Benjamin Charles
Frostad, Theodor Bernard
Fry, Joseph Francis
Fryer, Alton Dempsey, III
Fuerst, Richard George, Jr.
Fulghum, Robert Dale
Fuller, Daniel Webster
Fuller, Richard Greenleaf
Funke, David John
Fusinato, Robert
Gabriel, Charles Andrew
Gadino, William
Gaffney, Neil John
Gaffney, Paul Golden, II
Gaffney, William Alan
Gagarin, Gregory John
Gagne, Gregory Michael
Gaillard, Franklin Delino
Galbraith, Donald Edward, II
Galley, Lauris Ray
Galloway, Harold Lee
Galloway, James Bruce
Gandy, John Milton, III
Ganger, David Ralph
Garcia, Larkin Enos
Garcia, Roland Albert
Gardner, George Henry, III
Garratt, Alan Richard
Garrett, Cain, Jr.
Garrick, John Michael
Gastler, Harold Coe
Gaston, Everett Blair
Gates, Christopher Gleason
Gaudi, Robert David
Gault, Roger Wayne
Gautier, William Kirten
Gay, Robert George
Gay, William Wilson, III
Geer, George Barnash
Gehr, Thomas Rue
Geismar, Donald David, Jr.
Gemmill, Alan Mark
Genstil, Stephen Michael
Gentile, David Louis
George, Daniel Alfred
George, Derek Rea
Gertz, Wayne Harvey
Giardina, Thomas Joseph, II
Gibbs, Dennis Keith
Gibney, James Bradford
Gibson, Ethan John
Giesting, Walter Edward, Jr.
Giffin, Bryant Wayne
Giffin, Henry Collins, III
Gilbert, Arthur James
Gilbert, Gene Edwin
Gilbert, William Walter
Gildea, Richard Francis
Giles, Donald Allen
Gililland, Robert Patrick
Gill, Jerry Dean
Gillett, George Crawford, Jr.
Gilleskie, Robert Joseph
Gilluly, Christopher Willia
Gilmer, Franklin Biggs
Gladman, Dennis St. Clair
Glanzman, Denman Paul
Glerum, Michel Dennis
Glidden, Ray Conner
Glidden, Stephen William
Glor, Peter John
Glover, James Redd, Jr.
Glover, Terry Lee
Glutting, Joseph Christopher
Glynn, Hugh Francis
Gmeiner, Rocklin E., Jr.

Godfrey, William Bret
Goetz, Daryl Lee
Goetz, Richard Stephen
Goff, Larry Hunt
Gold, Rex Craig
Golden, Daniel Wilson
Goldfinch, Albert Louis
Goldmeyer, Frederick Richard
Gongaware, William Ralph
Goninan, Harvey Glenn
Good, Paul Alan
Goodwin, William James
Gordon, John Howard
Gordon, Larry Don
Gorham, Lawrence Morrison
Gorman, Joseph Daniel
Gorrell, Charles Bruce
Gorrell, David Keith
Gottschalk, Glenn Fredric
Gough, William Henry, Jr.
Gouk, Ritchie William
Gouslin, William Adelbert
Gragg, Richard Vernon
Graham, Alan Stevens
Graham, Daniel Earl
Graham, Robert Eugene, Jr.
Graham, Roy Edward, Jr.
Grannis, William Walter
Grant, Brian Edward
Grant, Gary Maxwell
Gravatt, Brent Leigh
Gray, Craig Albert
Gray, Lawrence Alan
Gray, Robert Kelly
Gray, Stephen Vern
Green, Jon Noel
Green, Michael Pruette
Green, Thomas Frederick
Green, William John
Greene, Alan David
Greene, Daniel Fay
Greene, Darold Price
Greenoe, Bartis Edwin
Greer, Richard Earl
Gregory Cletis, Jr.
Gregson, Mark
Gremillion, Joseph S., Jr.
Greuling, Garry Louis
Griffin, David Moss
Griffin, Henry Newbold
Grimes, John David
Grimm, William Frank
Grinnell, Raymond James, Jr.
Grofcsik, Garry Victor
Gromelski, James Carl
Gronemann, Bruce William
Grooters, Ronald Dale
Gross, Christian Robert
Grove, John Axtell, II
Groves, Ronald Ernest
Grulli, Michael David
Grunge, Lance Carter
Gruver, William Kiefer
Guarino, Kenneth Robert
Guch, Steve, Jr.
Gugger, Roger Paul
Guilfoil, Thomas Patrick
Guilfoyle, Kenneth Gordon
Gump, Robert Edgar
Gunkel, William Alois
Gunther, Martin Albert
Gurick, Gerald Anthony
Gygax, Felix Stephen
Haas, Dennis William
Habel, Paul Grimmer
Hack, Theodore Walter
Hackathorn, Dennis George
Hadden, Carlyle Frederick
Hadley, John David
Hagee, Carl Lynn
Hagen, Bruce Lowell
Hagen, Michael Francis
Haimes, William Stephen
Haines, Stephen George
Hale, Ronald Eugene
Haley, Mark Christopher
Hall, Kenneth Arnold
Hall, Marshall Vansant
Hall, Ronald Eugene
Hall, Roy Maxwell, Jr.
Hallauer, Russell Lewis

Halley, Elmer John, Jr.
Hallman, Dennis Stilwell
Hamilton, Jimmie Joe
Hamilton, Steven Monroe
Hammar, Jonathan Albert
Hammert, Carl Henry
Hammond, Rayford Earl
Hammontree, Larry James
Hampshire, Eddie Walter
Hampson, James Price
Hanchuck, Michael Robert
Hancock, Thomas William
Hand, Leroy Corbett, III
Hanley, Paul Windsor
Hannifin, Steven Patrick
Hanover, Ross Louis
Hanrahan, John Dennis
Hanratty, William John
Hansell, Paul Jerome
Hansen, Donnel Eldon
Hansen, Frederick Douglas
Hanson, J. Patrick
Hanson, Lars Parker
Hanson, Robert McDonald
Hanson, Terris Leigh
Hardcastletaylor, Michael
Harden, Charles Edward
Hardin, Tommie Dean
Harding, Wynn Allen
Hardy, Charles Thomas
Harford, Joseph Leo
Hargrove, Harry Leftwich, III
Harkey, James Pierce
Harkness, George Cockett
Harlow, Louis F.
Harmes, William Andrew
Harmon, Billy Ward
Harmon, Danny Raymond
Harmon, Stephen Charles
Harnes, James Joseph, Jr.
Harp, Jerry Wayne
Harper, Weldon Lee
Harper, Wendell Nickell, Jr.
Harrell, Thomas Atkins.
Harrington, Daniel Joseph, IV
Harrington, Douglas Keith
Harris, George Charles, Jr.
Harris, James Leroy
Harris, Joe Newton
Harris, Ronald Robinson
Harris, Wilding Green, Jr.
Harris, William Phillip, Jr.
Harrison, Chester Flynn
Harrison, William Francis
Hart, George Leroy
Hart, Jeff Roderick
Hart, Joseph Edward, Jr.
Hart, Larry Dean
Hart, Larry Joe
Hart, Morris Eugene
Hart, Thomas Edward
Hart, William Gerald
Hartman, Charles Ricks
Hartnett, James Thomas
Hartwell, Charles Michael
Harvey, Daniel George, Jr.
Harvey, James Robert
Hartsell, Harry Winfred
Hassell, Thomas Jerrold
Hastings, Charles Oliver
Hatcher, Douglas Carlton
Hawes, Frederick Joseph
Hawk, William Howard
Hawkins, Robert Baran
Hawley, Ramsey Marshall
Hawthorne, Robert Earle, Jr.
Hay, Charles Francis
Hay, Donald Ross
Haydu, George Andrew
Hayes, Jack Douglas
Hayes, John Franklin
Hayes, Robert Leslie
Hayes, Thomas
Hayes, Timothy Paul
Hayward, Bruce Winslow
Headridge, William Franklin
Healy, Donald Jeremiah
Hearn, Robert Vernon
Heaton, Joel Brion
Hebdon, Frederick James
Heckert, Craig Robert
Hedderson, Thomas Michael
Hedger, Bernard Joseph

Heffernan, William James, III
Hefkin, Donald Clark
Heidner, James Charles
Heilmann, Thomas Carl
Heim, George Raymond
Heim, Robert Joseph
Heineman, Joseph William
Heinemann, Alfred George, III
Heinzel, John Thomas
Heisig, Alan Louis
Heiter, William W.
Heitzman, Jerry Lee
Helfrich, Patrick Clyde
Helgeson, James Daniel
Helm, John L.
Henderson, Joseph Kee
Hendricks, Dale Wayne
Heidrickson, Dean Moffett, Jr.
Hendrix, Royal Felix, III
Hendry, Stephen Mallory
Henke, Charles Barton
Henry, Gary Roy
Hensley, James Maurice
Henson, Lovell Kent
Herr, Marshall Fredrick
Herrick, Glenn Wiley
Herrick, John Beach
Herring, Edward Leslie
Herrington, David Lynn
Hershberger, Donald Andrew
Herzberg, Donald Dale
Herzog, Martin Douglas
Heschl, William Charles
Hester, William Leon, Jr.
Heufelder, John Richard
Heustis, Robert Leroy
Hewitt, Frank Floyd
Hewett, Leslie Wilsdon, Jr.
Hewlett, Edward Malcolm
Hey, Roy Elmer
Hezlep, Lynn Morgan
Hiatt, Douglas Grant
Hibberd, Larry Eugene
Hickok, John Howard
Hickman, Harold William, Jr.
Hicks, Fred Arlen
Hicks, James Richard, Jr.
Hicks, Stormy Thomas William
Hieter, David Claude
Highfill, Harry Mitchell
Highsmith, Raymond Carl, Jr.
Hightower, Alan Lee
Hightower, Terrance Lee
Hildebrand, Charles Louis
Hill, Carl Clifton, III
Hill, David George
Hill, Donal McIlvaine
Hill, Ronald Steven
Hill, William Foster
Hill, William McDowell, Jr.
Hillard, John Rains
Hills, Norman Anthony
Hinkle, James Bruce
Hinman, David Arthur
Hinman, Thomas Theodore
Hinsman, Donald Ernest
Hintz, Edward Joseph, Jr.
Hitchcock, James Ronald
Hobbs, Harold Thomas
Hodak, Gary Wayne
Hodgson, David Alan
Hodson, Eric Staf
Hodson, Paul Raymond
Hoeller, Bruce Michael
Hofer, Eric L.
Hoffman, Craig William
Hoffman, Herbert Stewart, III
Hoffman, John William
Hoffman, Malcolm Patric A.
Hoffman, Robert Emmett
Hofwolt, Gerald Lee
Hogan, John Patrick
Hogan, Walton Lewis, Jr.
Holden, Hollis Ward
Holder, Gordon Stallings
Holdt, Bruce Edward
Holian, Francis Kevin
Holihan, Robert George, Jr.
Holk, Frederick Arthur, Jr.
Holl, Stephen Trygve
Holland, William Eugene
Hollenbeck, Bernard G., Jr.

Hollerbach, Robert John
Holliday, Thomas Baird
Hollyfield, Edward Reid
Holman, Richard Kenneth
Holmberg, Arvid Leroy
Holmes, Gordon Lloyd
Holmes, Richard Thor
Holmes, Robert Allen
Holt, James Stephen
Holt, Robert Paul
Holzapfel, Jon David
Honeycutt, Anthony Ogburn
Honour, Craig Gibson
Honour, Walter Whitaker, Jr.
Hontz, Edward Brigham
Hooker, Gilbert Norman
Hooks, Maurice Leroy, Jr.
Hoople, Douglas David
Hopcroft, Harry Joseph, Jr.
Hopkins, Raymond Joseph
Hoppe, John Charles
Horan, John George
Horan, John Maurice
Horn, Noel Paul
Horn, Thomas James
Hornback, James Leroy
Horne, Kenneth Alfred
Horne, Lance Cameron
Horne, Robert Jackson
Horst, Gary L
Hosp, Howard Lynn
Hough, Marvin Freddie
Hough, Phillip Geoffrey
Houghton, Thomas Christophe
House, Prentice Lee
Houser, Robert Edward
Houston, Sam Kenney, Jr.
Hovland, Tommy Lloyd
Howard, Arthur Francis
Howard, Harold Hulon
Howd, Robert Frank
Howe, Daniel B
Howe, William Bruce
Howell, Ralph Marion
Howick, James Francis
Howitt, Leslie Andrew
Hoyt, Allen Grey, III
Hubbell, James Hamilton
Hubbs, Phillip Malcolm
Huber, Elbert William, Jr.
Hudnall, Newton Duncan
Hudson, Gerald Peter
Huff, Roger Paul
Huffaker, Douglas Dean
Hughes, Dwight Sturtevant
Hughes, James Leonard
Hughes, Philip Joseph
Hughes, Robert Garfield
Hughes, Roger Neal
Hull, Roger Kermit
Hulme, Woodrow Wilson, II
Hulsey, William Jamie
Hultstrand, Victor Sandifor
Hume, Richard Langdon
Humphrey, James Smith, III
Humphreys, Alvin Norman
Hunsberger, Timothy Alan
Hunt, Kenneth Howard
Hunter, Gerald Franklyn, Jr.
Hunter, John David
Hurst, Dennis Wayne
Hurst, Errol Ray
Hurston, James Edward
Hutcheson, Thomas M., Jr.
Hutchins, John Gardner
Hutchinson, Thomas Gerald
Hutchison, Charles Roy
Huth, Douglas Phillip
Hutton, Randell Terrence
Hyde, Richard Webster, Jr.
Hydinger, John Paul
Ide, William Edmund
Idsinga, William
Ihlenfeld, David Lawrence
Ihli, Carl Bolton, Jr.
Ikerd, Gail Emory
Ilgenfritz, Kenneth William
Ingalls, Bryan William
Inman, John Philip
Irelan, Dennis Wayne
Isban Michael Andrew
Iselin, Robert Arthur
Isert, Eugene Shelley
Israel, Stephen Seabrook
Issi, Dominick Frank, III
Ivers, David Michael
Iverson, Gary Kenneth
Jackson, Joseph Ingram, Jr.
Jacobs, Frederick Thomas
Jacobs, Gerald Keith
Jacobs, James Clark
Jacobson, Mark Ernst
Jadryev, James Mark
Janeczek, Joseph John, Jr.
Jankovic, Oleg
Janov, Bernard
Jantz, Michael William
January, Paskell Dean, Jr.
Jaques, James Alfred, III
Jaros, Joseph M.
Jarrell, John Andrew
Jarvis, James Laing
Jedrlinic, John Anthony
Jenks, Frank Wright, III
Jenners, Joseph Anthony
Jensen, Gary Dean
Jensen, Laurence Neal
Jensen, Paul Edward
Jewell, Charles Norman
Jewell, James R., Jr.
Jewett, Eric Lewis
John, William Harrison
Johns, Raymond Stanley
Johns, Vernon Michael
Johnsen, Bruce Martin
Johnsen, Robert Lynn
Johnson, Adrian Warren, Jr.
Johnson, Allan Thomas
Johnson, Donald Howard, Jr.
Johnson, Edward Randolph
Johnson, Eric Harold
Johnson, Everett Ray, Jr.
Johnson, Gary Fredric
Johnson, James Herbert, Jr.
Johnson, Jay Lynn
Johnson, John Michael
Johnson, Lairy Adrian
Johnson, Laurence Everett
Johnson, Paul Francis
Johnson, Ronald Ross
Johnson, Roy Courtney
Johnson, Stephen Alger
Johnson, Walter Smith, Jr.
Johnston, Bruce Alan
Johnston, Richard Howard, III
Johnston, Thomas David
Johnston, William Edward
Johnstone, John Duane
Jones, Albert Donald
Jones, David Sterling
Jones, Harland Wilber, Jr.
Jones, James Delmar
Jones, Jerrold Arden
Jones, Jerry Lee
Jones, John Patrick
Jones, Kenneth Lee
Jones, Larry Martin
Jones, Stephen King
Jones, Thomas Richard
Jordan, Dale Richard
Joslin, David Bruce
Joslin, Leslie Allen
Joy, Ernest Harriman, II
Joyce, James Emory
Judd, Steven Edward
Judnich, Francis Andrew
Juhrs, William Albert, Jr.
Julihn, Lawrence Sumner
Junek, John Filip
Junker, Allan Ernest
Jurcheck, John Clark
Kadlick, Richard Mark
Kail, Karl A., IV
Kaiser, Larry Lee
Kane, John Edward
Kane, John Edward, Jr.
Kanive, Paul Edward
Kapernick, Robert Edwin
Kappel, Leslie George
Kari, James Robert
Karnas, Anthony Allen
Karrer, Allen Eugene
Karver, Walter Robert
Kasting, John Anthony
Kauffman, Gordon Eddie
Kavale, Joseph John
Keane, Walter Francis, Jr.
Keef, Mark Byron
Keefe, Richard Joseph
Keefer, Richard Lee
Kegan, Lawrence Thomas
Keelean, Michael Richard
Keithly, John Luther
Keller, David Wayne
Keller, Gary Robert
Keller, John Craig, Jr.
Keller, Terrence Kenneth
Keller, William Cotesworth
Kellett, Raymond Arthur, Jr.
Kelley, Michael Bernard
Kelly, James Scott
Kelly, Lawrence Michael
Kelly, Robert Bolling, Jr.
Kelsey, Robert Joe
Kennish, James Reginald
Kengla, Donald Clark
Kennedy, John Patrick
Kennerly, John Charles
Kent, Melton Travis
Kent, Thomas Richard
Kenyon, Ralph Edward, Jr.
Kerr, Peter James
Kerr, Thomas Webster
Kester, David Vanorman
Kevan, Mark Richard
Khinoo, Leroy Albert
Kick, Nelson Joseph, Jr.
Kidd, Raymond Charles
Kidder, Marvin Wesley
Kieley, John Joseph, III
Kiernan, Loyd Julian, III
Kiffer, James Christian
Kilmartin, Hugh Edward, Jr.
Kimball, David Patten
Kimener, Michael James
Kindle, Mickey Eugene
King, Carl Robert
King, Edward Gaines
King, W. O., Jr.
Kiniry, Michael Dan
Kinney, James Claude
Kinnison, Gary J.
Kirkendall, James Edward, Jr.
Kirkpatrick, Eric Hay
Kish, Robert Alan
Kjellander, Jon Phillip
Klauser, James John
Klimchak, Andrew John, Jr.
Kline, Edward Marvin, Jr.
Klinger, James Edward
Knapp, John Charles
Knapp, Larry Ray
Knappe, Douglas George
Kneipp, John Albert, Jr.
Knobloch, Earle William
Knode, Ronald Barry
Knowles, Robert Thomas
Knox, James Dennis
Koblitz, Ronald Dean
Koch, Patrick Peter
Koch, Richard James
Koch, William Radcliffe
Koehler, David Arthur
Koehler, David Livingston
Koehler, Richard Evans
Koenig, Karl Victor
Kofoid, Ronald Dean
Kolarcik, Kenneth Ernest
Koller, John
Koltz, Bruce George
Koopman, Theodore
Grable, Paul Davis
Kopinitz, Seigmond Gus
Kopp, John Ward, Jr.
Korba, Michael John
Kosich, John Lewis
Kosky, Edward Louis
Kosloski, Gerald Paul
Kovaleski, Victor Theodore
Kowalchik, Sergei Michael
Kozuch, Bernard Stanley
Kraatz, William Harry
Krafft, Frederick Walter, Jr.

Kramer, John Alan
Kramer, Steven Barker
Krapohl, Richard Francis
Krasik, Steven Lyman
Kratovil, Edward William
Krause, Alan Leon
Krause, Larry Lee
Kreft, Robert John
Kreps, Dennis Alan
Kressel, Herbert John
Kriz, Edward Dean
Krol, Joseph John, Jr.
Kroll, James Thomas
Krubsack, Robert Louis
Kruger, Paul Melby
Krulis, Richard Paul
Krumbholz, Karl Otto
Krupnick, Charles Alexander
Kuehn, Leo Steven
Kuhn, Richard Charles
Kumer, Richard Lawrence, Jr.
Kumpan, Joseph, Jr.
Kusiak, Patrick John
Kust, Edward Norman
Kyriss, Stephen Earl
Labo, Larry Glynn
Labate, Henry Anthony
Lacroix, Francis William
Ladouce, Ralph Jeffrey
Lagow, Michael Laird
Lai, Alexander
Lajoie, Oliver Michael
Lakari, Robert Ewald
Lamar, Robert Vandiver, Jr.
Lambert, John Patrick
Lambert, Max Richard
Lamon, Thomes Ide
Lamprou, Peter Sam
Land, Stephen Ross
Landon, Philip Craig
Landau, James Richard
Lane, William Michael
Lang, Robert Earle
Lang, Ronald J.
Langbehn, Craig Allan
Langland, Rodger Alfred
Langston, Arthur Navarro, III
Lankford, Ronny Dean
Lantrip, Bobby Bennett
Lapicola, John Jay
Lapierre, Russell Robert
Laplant, Michael
Lapointe, Frederick T., Jr.
Lare, George Adam, Jr.
Lareau, Jerome Philip
Lario, Joseph Thomas
Larochelle, Raymond Frank
Larson, David Leroy
Larson, James Rogers, Jr.
Larson, Keith Howard
Larson, Robin Cameron
Larson, Vernon James
Lasswell, John Deane
Lauer, Dennis Norman
Lauzon, Gilbert Paul
Laven, Theodore Michael
Law, Charles Edward
Lawhorn, Robert Martin
Lawlor John Conrad, Jr.
Lawrence, Robert Edwin, Jr.
Lawson, Bobby Ray
Lawson, Peter Gray, III
Lawson, Thomas Nelson
Lawver, Allen Eugene
Laxton, Stephen Ball
Layl, Jerry Neal
Leahy, Joseph Paul
Leake, Laurence Wayne
Lear, Daniel Barrett
Lear, George Barrett, Jr.
Lech, William Richard
Leddy, William Randall
Lee, David Michael
Lee, Gary Anthony
Lee, Gary Lawrence
Lee, Robert Edward
Leffew, James Thomas
Lehman, Brain Leroy
Lehman, Roger Lynn
Leibundguth, Peter Dawson
Leins, William Maroney
Lemon, Ronald Scott
Lenz, Milton Aaron
Leo, Charles Rhinelander, III
Leon, Peter Fiske
Leonard, John Wallis
Leppert, Michael Erwin
Lesher, James Earl
Lesley, Ronnie Joseph
Leslie, John Carlton, Jr.
Lessenger, Hoefert Clay
Letter, Stephen Paul
Lewis, Donald Charles
Lewis, Edgar Barry
Lewis, Michael Nelson
Lewis, Robert G.
Libbey, Miles Augustus, III
Lichtermann, Richard D., II
Lifgren, James Arthur
Lilliendahl, Alfred Stickne
Lilly, Dale Richard
Linberger, Alan Gamble
Lindfors, Bo Gottfrid
Lindquist, Douglas Wayne
Lindstedt, Russell James, II
Lindstrom, Jon Edward
Liner, Bennice Lee
Lingo, Michael Wood
Linn, Larry Dean
Linnander, Robert James
Litsinger, Nelson Howard
Little, Douglas Bruce
Lloyd, Robert Lee, Jr.
Lockhart, Gary Michael
Lodge, Robert Marcus
Loeffler, Stephen Robert
Logue, Donley Charles, Jr.
Lohla, Jerry Alan
Long, Milton Ray, Jr.
Long, Peter Avard Chipman
Long, Steven Kenneth
Longardt, Michael George
Longerbone, James Michael
Longeway, David Michael
Lonquist, Aaron Dorian
Lopez, Delio, Jr.
Love, Jimmy Ray
Loving, John Irving, Jr.
Lowe, Kenneth Walter
Lowell, Robert Leroy, Jr.
Loy, Marvel Henry, Jr.,
Luca, Matthew Harmon
Lucas, Robert Gillem
Lucca, Duane Oreste
Lucey, Joseph Francis
Luczak, Daniel William
Ludwig, Bruce Birney
Ludwig, Frederic George, Jr.
Ludwig, John Elmer, III
Lund, Allan Bruce
Lundahl, David Carlton
Lundquist, Carl Iver
Lustmann, Ronald Raymond
Lutes, Thomas Earl
Luthman, Joseph John
Lydiard, John Morton, III
Lynch, Edward Junior
Lynch, Lynn Morris
Lyons, John Joseph
Lyons, John Thomas, III
Lysaker, Jack Thomas
Lytle, Richard Allen
Macdonald, Douglas Murray
Mach, Raymond Joseph, Jr.
Mackey, Jesse Milford, Jr.
Mackin, John Joseph
MacNeill, Kent Van Lewis
Macomber, Jonathan Day
Madden, Edward Leo
Madden, Jerome Patrick
Madden, Lewis Dot
Madden, Thomas Francis
Maddux, Richard Gilbert, III
Madel, Robert William
Madren, Samuel Thomas
Magill, Phillip Michael
Mahanna, Peter William
Mahew, William Edward, Jr.
Mahumed, Karl Arthur
Maile, David Hal
Maillefert, Christopher W.
Major, Denny Kaye
Mandsager, Dennis Lee
Manker, William Harold, Jr.
Mann, Edward Francis, Jr.
Mann, John Edwin
Manni, Kenneth Louis
Manning, James Richard
Mantei, Robert William
Marek, Gene Allen
Markley, Daniel Craig
Marks, Norman Alfred
Marksbury, Johnsten Lee
Marquart, Phillip Grant, III
Marquez, Octavio Jimenez
Marquis, William Phillip
Marsh, James Gaffett
Marshall, Gregory Sarver
Marshall, Harold Eddy
Marshall, John Kendrick, II
Marshall, Philip Roundy
Marshall, Thomas Leo
Marshall, William Dale
Marshall, Wiliam M., Jr.
Martin, Donald Camburn
Martin, James Lee
Martin, James Philip
Martin, Kenneth Wayne
Martin, Michael Dean
Martin, Patrick Gregory
Martin, Thomas James
Martin, Tim Donald
Martin, William Charles
Martus, Michael Frederick
Marvel, Dennis C.
Marvil, Stephen Patrick
Marzetta, Dante Rudolph, II
Masden, Ward Beacher, Jr.
Maskiell, Frank Harold, Jr.
Maslin, George William, Jr.
Mason, James Rutledge, Jr.
Masslofsky, Antony Paul
Masterson, Frederick James
Materna, David Alan
Mathers, Lee Jon
Matthews, William Charles
Mattioda, Ronald Lee
Matton, Michael Nevett
Mauck, Charles Joel, III
Maxwell, David George
May, Clarke Darwin, Jr.
May, James Erwin
Mayer, Charles Walter, Jr.
Mayer, John Frederick, Jr.
Mayer, Martin J.
Mayes, Larry Jon
Mayo, Richard Walter
Mazza, Joseph Dennis
McAdoo, Richard Allen
McAllister, Richard Lee
McArthur, Donald Mack, Jr.
McBride, Lawrence Cary
McCaffery, Francis Joseph
McCaleb, Virgil Frank
McCallister, Michael Alan
McCamy, William Charles, Jr.
McCann, Eugene Dennis
McCarthy, Dana Garrett
McCarthy, Vincent John
McCarthy, William J., IV
McClelland, William R., Jr.
McCleskey, Franklin Duke
McClure, Halbert Steele D.
McClure, Robert Jerome
McComas, Jon Philip
McConnell, John Michael
McConnell, Michael Charles
McCorkell, Thomas Eugene
McCormack, Jerry Wayne
McCormick, Michael Timothy
McCracken, William Lowell
McCrary, Michael Shannon
McCray, Samuel Elwood
McCulloch, Edward Archie
McCullom, Hugh Joseph
McCullough, Van Lee
McCurry, Robert Alan
McDaniel, Danny Lee
McDaniel, Garold Stephen
McDermond, William Joseph, Jr.
McDermott, Donald Gary
McDermott, Gene Harold
McDonald, Gerald Warner
McDonald, Jerry Ralph

McDonough, Edward Charles
McDowell, Robert Lloyd
McDowell, William Lee, III
McGaughey, James Wilbur, Jr.
McGee, Terry Arthur
McGinlay, Thomas Charles, Jr.
McGinn, Dennis Vincent
McGinnis, Stephen Jack
McGonigle, Paul Wood
McGough, Charles Randall
McGovern, Patrick Daniel
McGowan, Byron Lee
McGowan, James William
McGroarty, James Patrick
McHatton, James Thomas
McHugh, Donald, Jr.
McHugh, Michael Lyn
McIntosh, Clarence Vernon, Jr.
McIntyre, Samuel Peter
McIntyre, Stewart Laird
McKay, Ludwell Howard
McKinney, James Aloysius, II
McLain, Larry John
McLaughlin, William Thomas
McLean, Michael Anson
McMahon, Austin Carney, Jr.
McMahon, John Patrick
McMahon, John Sherman, Jr.
McMullen, Keith Wayne
McNall, Lynn Tracy
McNaughton, Paul Richard
McNaull, Michael John
McNulty, Paul Albert
McQuaid, Michael James
McQuerter, Kent Loryn
McQuiston, Michael Kerry
McRoberts, James Scott
McWatters, Bernard John, IV
McWhorter, John Douglas
McWilliam, John Townsend
Meacham, Larry Ross
Meade Geoffrey Manning
Meade, Martin Carl
Meade, Richard James
Meadows, Robert Preston
Measel, Martin Leman
Meckfessel, John Frederick
Meek, Calvin Leland
Meier, Lyle Dean
Menke, James Ewing
Merickel, Michael Reilly
Merkel, Sherman John, Jr.
Mero, Kenneth
Merriam, Alvin Russell
Merrow, Richard Alan
Meslang, Curtis Allen
Messina, Edward Frederick
Messing, James Arthur
Metcalf, Michael Donald
Metzger, Joe David
Metzger, William Robert
Mewhinney, Thomas Reilly
Meyer, Francis Douglas
Meyer, James Ray
Meyers, William Thurman
Mies, Richard Willard
Migrala, Walter M., Jr.
Milam, James Aaron
Miles, Robert James
Millard, Warren James
Miller, Bruce Martin
Miller, Dana Fontaine
Miller, Gary Wayne
Miller, James John
Miller, Patrick Albertus
Miller, Randall Harold
Miller, Richard Arnold
Miller, Robert Jerel
Miller, Roger Lee
Miller, Steven Walter
Miller, William Cole, III
Milner, John Henry, Jr.
Miltko, Stanley Edward, Jr.
Miner, William Allen, III
Minneci, William Hale
Minno, Dennis Stephen
Minter, Richard Graham
Mitchell, Anthony Edward
Mitchell, John T.
Mitchell, Theodore Arnold
Mitchke, Robert Paul
Mitnik, John
Mitschang, George William
Mockford, Martin David
Moffat, Michael Edward
Moffet, James Francis, III
Moldenhauer, Ernest W., Jr.
Monaco, Anthony Victor
Monagle, Daniel Edward
Mondul, Donald David
Monk, Carl Warren, Jr.
Monroe, Jerry Melvin
Monroe, John Frazier
Monroe, William Howrey
Monson, Randall Charles
Monteith, Richard Alan
Monteville, Arthur Reno, Jr.
Montgomery, Richard Lewis
Montgomery, Samuel Adair, III
Moomy, David Howard
Moon, Julian Lafayette, III
Mooney, Thomas Richard
Moore, Arnold Preston
Moore, Charles William, Jr.
Moore, Daniel Wilson
Moore, Edward, Jr.
Moore, Frederick John
Moore, George Daniel
Moore, Gregory Rayfield
Moore, James Wayne, III
Moore, John Anthony
Moore, Jon Prichet
Moore, Kevin Thomas
Moore, Michael Patrick
Moore, Richard Warren
Moore, Terry W.
Moore, Thomas Weller
Moore, Timothy Blair
Moran, Douglas Ray
Morehead, Robert George
Morell, Paul Leroy
Morge, Kenneth Warren
Morgenson, James Eric
Morris, Larry Lemoyne
Morrison, Richard Martin
Morrissey, Michael Joseph
Morrow, Roy Edward
Morse, Edgar Leroy, III
Morse, Harry Lee
Morse, Wayne Allen
Morton, Michael Dennis
Morzinski, Jerome Arthur
Moser, Robert Dayman
Moses, Donald Albert
Moss, Carl Edward
Moss, Dennis Ray
Moss, George Walter
Moussette, David King
Moyers, Darryl Raymond
Mozgala, David P.
Muccia, Daniel Richard
Mueller, Frank Albert, Jr.
Mulholland, William Michael
Mullen, Michael Glenn
Muller, Kenneth Daniel
Muller, Richard Arnold
Mulligan, Daniel Brian
Munger, Edmund Colby
Muniz, Fred Louis
Munnikhuysen, Richard Dalla
Munsey, Charles Robert, Jr.
Munson, Michael Julius
Munsterman, James Ira
Murphy, James Leroy, III
Murphy, Johnie M.
Murphy, Patrick
Murray, Leslie Glenn
Murray, Michael Gilmour
Murrell, Douglas Monroe
Mushen, Robert Linton, II
Mutty, John Edwin
Myers, David Lee
Myers, Richard Noden
Myers, Roger Edwin
Myers, Rollin Hope, Jr.
Myers, Steven Carl
Myslivy, Guy Edward
Nabers, Walace Johnston
Naile, Thomas Clinton
Nann, Peter Allan
Nanos, George Peter, Jr.
Natter, Robert Joseph
Naughton, Richard Joseph
Nawrocki, Lawrence Meledin
Nawrocki, Peter Anthony
Naydan, Theodore Phillip
Neal, Basil Edward, Jr.
Neal, Teddy Max
Neale, Michael Tilghman
Nebel, Kenneth
Nebiker, Ralph Robert
Neiman, Arthur David
Neirinckx, Daniel Edmond
Nekomoto, David Seiji
Nellis, James William
Nelson, David William
Nelson, Dwayne Hugh
Nelson, Edward Daniels
Nelson, Michael Francis
Nelson, Richard John
Nelson, Robert Edward
Nelson, Lawrence William
Nelson, Robert Hugo
Nesbitt, Howard Wayne
Ness, Frank George, Jr.
Nestell, James E., Jr.
Neumann, Adolf
Nevelle, Frank Gordon
Nevels, Larry Joseph
Neville, Thomas J.
Nevins, James Lawrence
Newman, James Ernest, Jr.
Newman, Vernon Lane
Newton, Alexander Alfred, Jr.
Newton, Samuel Lambie
Newton, Walter Hughes, Jr.
Newton, William Philip
Nibe, Richard Jerome
Nichol, James Arthur
Nichols, Duncan Lawrence, Jr.
Nichols, Kenneth Leslie
Nicholson, Thomas Merl
Nick, John Irvin
Nick, Louis Adolph, Jr.
Nicol, Henry Otto, III
Niehus, James Patrick
Nielsen, Richard F., Jr.
Nimmer, David Sherman
Nittle, Jeremy John
Noble, Russell Lee
Noce, Paul Francis
Noe, George Albert, Jr.
Noel, Charles Edward
Noel, Raymond J., Jr.
Noerager, Jon Philip
Nolan, Robert Gordon
Nolter, Joseph Charles
Nordean, David Less
Nordgren, Robert Carl
Nordland, Gerald Lawrence
Nordman, Robert William
Norelius, Allen Jay
Norman, David Lawrence
Norman, Ronald Wayne
Norris, Phillip Kay
Norris, Robert Norman, Jr.
Norris, William Leland
Norris, William Lloyd, Jr.
Nosal, Leonard Jerome
Nosco, Robert Gene
Nugent, John Thomas
Nydegger, David Lee
Oates, John Scott
Ober, William Taylor
O'Brien, James Patrick
O'Brien, Michael F.
O'Connell, Donald Douglas
O'Connor, Joseph Michael
O'Connor, Theodore John
Ogle, John Lee, Jr.
Ogle, Russell William
Ogrady, James W., Jr.
Ohanlon, Michael David
O'Hara, Justin Joseph
Ohearn, Michael Steven
Ohnemus, Donald Pierre
Ohora, James Richard
Oksner, Michael Lawrence
Olbert, Donald Ernest
Oldach, Robert Dorr
Olden, Irvin Leon
O'Leary, Cornelius Francis
Oliver, James Hillman

Oliver, Thomas William, III
Olsen, John Franklin
Olsen, Wayne Lewis
Olshinski, John Albert
Olson, James Andrew
Olson, Michael Dale
Olson, Stephen Robert
Oltraver, Dennis Allen
Onder, James Andrew
O'Neil, John Edward, Jr.
O'Neil, Michael William
Orr, William Daniel
Opry, Andrew Wesley
Oser, Eric Leroy
Oshiro, Neal Hazen
Osiecki, Arthur Eugene
Osteen, Michael Dale
Ostenson, Harold Thomas
Ostertag, Marc Alan, II
Ostheimer, William L.
Oswald, Raymond Robert
Othic, Francis Eugene
Ott, Christopher Stephen
Otterman, Terry Robert
Overton, Christopher Graset
Overton, John C.
Owen, Robert David
Owendoff, Robert Scott
Owens, Gregg Ouray
Padgett, Phil B., II
Paine, William Gosnell, Jr.
Palkie, Thomas George
Palmer, David Frederick
Panchura, Michael John, Jr.
Papenhausen, David William
Paradis, Michael Patrick
Parda, Nelson Robert
Parker, Charles Vance
Parker, Daniel James
Parker, Donald Stanley, Jr.
Parker, Jimmy Wayne
Parker, Joseph Webster, Jr.
Parrish, John Michael
Parrish, John Michael
Parry, Howell John, Jr.
Parsons, George Theodore
Parsons, Hugh Pence
Paryz, Lawrence Edward
Paschall, Jack, III
Pasinski, Walter Vaughn
Passmore, Leonard Harrison
Patak, Charles Thomas
Paton, Albert Smith
Patrick, Darl Paul
Patterson, Thomas Lee
Patton, Bernard Warren
Patton, Bob Riley, Jr.
Patton, John Collier
Paulsen, William Gary
Pavlock, August Thomas
Payne, Gerald Kenneth
Payne, John Scott
Payne, Richard Edward
Peace, David Curtis, III
Pear, Willard Francis
Pearson, James Anthony
Pearson, Ronald Steven
Pearson, Russell Glenn, Jr.
Pease, Alfred Anthony
Pease, Kendall Millford, Jr.
Peck, Gary Bruce
Peck, Michael Lawrence
Peck, Robert Louis
Peck, Roger Reed
Pelaez, Marc Yve Eugenio
Pellegrin, Myrden Joseph, Jr.
Pellicci, Joel Anthony
Peloquin, Peter Joseph
Peltier, Donald Wallace
Penfold, Robert Rockhill
Penque, Charles W., Jr.
Pentimonti, Richard Joseph
Perkins, Thomas William
Perrault, Michael Edward
Perrin, Clifford Stephen
Perrotta, Joseph William, Jr.
Perry, John Mark, II
Perry, William Stanwood
Pester, James Leroy
Pestorius, Thomas Daniel
Peter, Leo Edwin, Jr.
Peters, James Stephen
Peterson, Arne Maurice
Peterson, Craig Allen
Peterson, Gordon Irwin, Jr.
Peterson, James Curtis
Peterson, John Walter
Peterson, Michael Douglass
Peterson, Robert Lee
Peterson, Walter Harry
Petrie, Allen
Petrocelli, Eugene Dominic
Pettie, Thomas Elmo, III
Petze, Charles Louis, III
Pezold, Robert Kenneth
Pfeiffer, John Francis
Pfeiffer, William Gaines
Pfitzenmaier, Larry David
Phelan, James Arthur
Philipsen, Frederick C.
Phillips, Braden James
Phillips, Charles Donnie
Philpott, Bruce Ray
Phoebus, Ronald Wayne
Picciuolo, Jonathan Charles
Pickavance, William W., Jr.
Pickle, Kenneth Scott
Piehl, James William
Pierce, Paul Gregory
Pierce, Roger Wayne
Pieper, Bruce Allen
Pierman, David Charles
Pierpont, Peter Stewart
Piggott, Bruce Morrow
Pillion, Thomas Joseph, Jr.
Pinegar, Franklin A., Jr.
Pinnell, Robert Brian
Pinz, Bradley Adkins
Pisz, Robert John
Pittman, Alan Ralph
Place, Cameron Bradford
Plank, George Edwin
Pletz, Arthur Carl, II
Plummer, David Morris
Plyler, Conrad A., Jr.
Pocklington, Thomas Philip
Poh, Lawrence Charles J., Jr.
Polk, Albert Sidney, III
Polk, James Stanley
Polk, Michael Raymond
Pollard, Don Pearson
Pomberg, John Albert
Pond, Karl James Edward
Ponessa, Alfred Edward
Poniatowski, Tadeusz Stefan
Pool, James Allen
Poole, William Leonard
Pope, David Lawless
Porter, Gary Ray
Porter, Gene Leroy
Porter, Joel Alan
Porter, John Collier
Post, Howard Allen
Pothier, Robert Bernard
Potter, Jay McCune
Potter, John Everett, II
Powell, Darrell Russell
Powell, David Lee
Powers, Edward Arthur
Prall, Thomas Edward
Pratt, Richard Allen
Prawdzik, David Allen
Preece, Bill Rutherford
Presecan, Thomas Norman
Prestero, Mark George
Prevost, John Joseph
Prewett, John Richard
Pribula, Stephen Matthew
Price, John David
Prince, Michael David
Priscilla, Ronald John
Probst, Frederick William
Proctor, Kenneth Allen
Prutsman, Richard Jay
Pugh, Jon Gilbert
Puhlman, Robert Lee
Punches, Jeffrey Newton
Purhonen, Steven Carl
Purnell, Richard Hawes
Putnam, Frank William
Putnam, Michael Blair
Putnam, William L.
Pyetzki, Charles Melvin
Pyle, Kenneth Lawrence
Pyrz, Kenneth Edward
Queen, Stephen J.
Quelch, Douglas Beecher
Quigley, Michael Dennis
Quigley, Stephen Timothy, Jr.
Quincannon, Joseph
Quinlan, John Hugh
Raaz, Richard Dean
Raba, James Douglas
Rabb, Michael Tribble
Rabensburg, Carl George, Jr.
Rafter, Charles Jeffries
Raglin, Kenneth Alan
Ralston, Gary Gaylord
Ralston, Michael Gilbert
Ramsay, Robert Lee, III
Ramsey, Edward Allen
Randall, Robert Irvin
Randhahn, Gary Joseph
Rankin, Thomas Prater
Rasfield, Joseph Henry
Rasfeld, Joseph Henry
Rather, James John
Ray, William Daryl
Raysbrook, Charles Frank
Reape, Gerald John
Reardon, Kevin John
Reed, Kenneth John
Reed, Maynard Martin
Reedy, John G.
Rees, David Leonard
Regener, Donald Francis
Reid, Steven James
Reidhead, Ricky Morris
Reif, Gordon Charles, Jr.
Reinauer, James Richard
Reinheimer, Richard
Rentschler, Donald Richard
Revenaugh, John Timothy
Reynerson, Donald Martin
Reynolds, Felix Michael
Reynolds, Richard Byron
Rhamy, Thomas Lee
Rhodes, Charles Robert
Ribaudo, Nicholas Ross
Rice, Arleigh Hamilton, Jr.
Rice, Marvin R.
Richard, Jeffrey Luke
Richards, Jesse Morgan, III
Richards, Robert Roger
Richardson, Arthur Lee, II
Richardson, Frederick K.
Richardson, Harmond B., III
Richardson, Murriel L., Jr.
Richardson, Paul Fredrick
Richbourg, William Sharon, Jr.
Richey, Daniel Otto
Richmond, Steven Allen
Rickman, Gary Lee
Ries, Stephen Hamilton
Rieve, Robert Murray
Riffer, William James
Riffle, Donald Lee
Riley, Charles William
Riley, Francis Clair, Jr.
Riley, John William, Jr.
Riley, Michael Andrew
Rinaldi, Ronald Albert
Ringwood, Paul
Rinn, Paul Xavier
Riordan, Stephen Joseph, Jr.
Rios, Trinidad, Jr.
Ristorcelli, Charles Thomas
Rittenour, Harry Taylor
Rivers, Almon Duncan
Rivers, James Louis
Roach, John James, III
Robb, Warren Alan
Robbins, Edward Franklin
Robbins, John Randolph
Robbins, Spencer Everett, II
Robbins, Thomas Farnsworth
Roberds, Darryel Lee
Roberts, Frank Stewart, II
Roberts, Johnny Lee
Roberts, William Pope
Robertson, Michael Carnell
Robertson, Terry Gene
Robinson, Charles Leon
Robinson, Edward Smiley, Jr.
Robison, Frances Dean
Robinson, Michael Dean

Robison, Thomas Steven
Roby, Charles Kenneth
Roddy, Charles Paul
Rodman, Wright Noble
Roe, Jack Willholt, Jr.
Roesh, Donald Richard
Roeske, Alfred Duane
Roessig, Allen William, Jr.
Rogers, George Charles, Jr.
Rogers, Herman Arnold
Rogus, David Francis
Rohrback, Daniel Albert
Rollen, Claude Terence
Romano, Sebastian Anthony
Romans, Calvin Hubert
Romanski, Paul Arthur
Romberg, Wayne Dennis
Rooke, Harold Norman
Roop, William Arthur
Root, Timothy Nicholas
Rose, James Arthur
Rose, John Michael
Roser, James Henry, Jr.
Ross, Alan Lawrence
Ross, David Bernard
Ross, Robert Alton
Rosselle, Charles John
Rossing, Bruce William
Rossiter, Alan Wilson
Roth, Milton Dudley, Jr.
Roulstone, Donald Bruce
Rouse, Francis Clare, Jr.
Roux, Jeffrey Andrew
Rovetto, Gary Wayne
Rowland, Charles Brett
Rowley, Dennis James
Rowney, John Victor
Ruch, William Leech, III
Rucker, David Woodside
Rucker, Perry Clay
Rud, Gilman Everett
Rudolph, Dieter Klaus
Ruhe, Barnaby Seiger
Ruland, Thomas Christopher
Rumble, Earl Earnest, Jr.
Rump, Richard Bryant, Jr.
Rundio, Florian Frank, Jr.
Gowen, Charles Thomas
Ruskosky, Gale Arnold
Russ, John Ernest, III
Russell, Donald Franklin
Russell, Jerold
Russell, William Thomas
Ruth, Michael Allan
Rutledge, Wesley Norris
Ruys, Ronald Ernst
Ryan, Jerry Robert
Ryan, John Roy
Ryan, Mark Joseph
Ryan, Norbert Robert, Jr.
Ryan, Robert Raphael, Jr.
Rydland, Robert Henry
Ryon, Roger Lynn
Saavalainen, Mark T.
Sabadie, Patrick Alfonso
Sabatini, Joseph Francis
Sachau, Kurt Frederick
Sadauskas, Leonard
Sadlier, Richard Thomas
Saffell, Charles Raymond, Jr.
Sager, David Alan
Sallee, Fred Merridith
Salm, Paul Richard
Samms, Floyd Tamerlane, Jr.
Sampson, Gary Allen
Samson, Arthur Kay
Samuels, Michael William
Samuelson, David Rudolph
Sanborn, David Allan
Sanborn, David Lawrence
Sandberg, Larry Alden
Sanders, George Allen
Sanders, James Thomas
Sanders, Thompson Edward
Sandoz, John Frederick
Sandoz, Patrick Allen
Sands, Jack Harding, Jr.
Sands, James Kendall
Sanesi, Nelson Joseph, Jr.
Santoro, Michael Anthony
Sapp, Dennis Jay

Sargent, David Putnam, Jr.
Sariscak, Joseph Charles
Satterfield, Gary Thomas
Savage, Wayne Franklin
Savory, John Robert
Sautter, Frederick Root, Jr.
Sawyer, William John
Saxman, Jonathan Humphrey
Saxon, Patrick Hurley
Scally, Robert Ernest
Scalzo, John Carmine
Scanlon, Edward Charles, Jr.
Schafer, James Joseph, Jr.
Schaeffer, Robert C.
Schantz, Curtiss William, Jr.
Schantz, John Philip, Jr.
Schaubel, Raymond Charles
Scheber, Thomas Keith
Schellhaas, Richard Begue, Jr.
Schemmel, Ronald Joseph
Schenck, Francis Roland
Schenkel, Roger Lee
Scheu, David Robert
Schilhabel, Larry Alan
Schill, Jerome Edward
Schimmel, Carl Wesley, III
Schissler, Frederick, Jr.
Schissler, Paul Frederick, Jr.
Schlegel, Merrill Edward, II
Schmidt, Edwin Alexander
Schmidt, George Walker
Schmidt, Henry Edward, Jr.
Schmidt, John Eugene
Schmidt, Robert Eugene
Schmidt, Robert Stephen
Schmidt, William Robert
Schmidt, William Wallace
Schmitt, Jackie Marvin
Schneider, Daniel Henry
Schoch, William Leon
Schoonderwoerd, Martin Gene
Schottle, Robert Allan
Schranz, Peter Allen
Schreiber, Adrian Herbert
Schreiber, Robert Arnold
Schrock, Joseph Austin
Schrope, Richard Bruce
Schuelke, Robert Otto, Jr.
Schuhl, James C.
Schukis, Francis Joseph
Schwartz, Michael Ira
Schwechten, Robert John, II
Schwikert, Frank Donald
Schwinger, Mark Edward
Sciabarra, Joseph Peter
Scott, David Craig, Jr.
Scott, Donald Jerry
Scott, Donald William
Scott, Dwight Franklin
Scott, Lawrence Wayne
Scott, Richard Frederack
Scott, Richard Tazewell, Jr.
Scott, Robert Mitchell
Scott, Ronald Lvnn
Scott, William Nathan, Jr.
Scott, William Raymond
Sears, Robert Joseph
Seddon, John Alexander, Jr.
Segars, Roy Lee, II
Seiden, John Ben
Seider, Michael Stephen
Selfridge, Harry Edward
Sell, John Christian
Sellers, William Lester
Selmer, John Richard
Senft, Milton Leroy
Serb, Thomas George
Sewall, Andrew Carl
Shaddix, James Delano
Shade, Robert James
Shaffar, James Lee
Shanyfelt, Tommy Lee
Shapiro, Alan Jay
Shaw, Robert Earl
Shaw, William Royal
Shean, Keith Ellis
Sheehan, Daniel Brace, Jr.
Sheffield, Terry Randolph
Sheldon, John Trevor
Sheldrick, Ralph Carroll
Shelton, John Robert

Shepard, Peter Atwood
Sherer, Wesley Michael
Sherlock, James Carter
Sherman, Michael Terry
Shick, John Charles
Shive, Clifford L., Jr.
Shore, Robert Francis
Shores, Leonard McCoy, Jr.
Shotwell, Henry Lawrence
Shoudy, Peter Nelson
Shower, William Arnold, Jr.
Showers, Michael James
Shown, Ted Gillett
Shullo, Philip Francis, Jr.
Shultz, John William, III
Shumaker, Karl Charles
Shurtz, Don Carlos
Sibley, John Richard
Sidner, Robert William, Jr.
Siemon, Douglas Henry
Sikes, Joseph Kelly
Siler, Virgil Robert
Sills, Charles Frank
Silverberg, Jon Friedolf
Simmons, David Franklin
Simmons, Donald Kent
Simmons, Edward John
Simoneaux, Donald Carlton
Simpson, Charles Davis
Simpson, Michael Ernest
Sinclair, John Rodger
Sine, George William, Jr.
Singler, Charles Walter
Singleton, Michael Robert
Sink, Francis Leroy
Sipila, George William
Sisk, Arnold Jay
Siverling, Robert Charles
Sjoberg, Douglas Martin
Sjostrom, Leonard Carl
Skaar, Gerhard Erling
Skaar, Gordon Lee
Skiles, Rolland Wesley
Skinner, Robert Lee
Skinner, Thomas R.
Skjei, Sidney Minard, Jr.
Slattery, Joe Allen
Slattery, John Patrick
Slattery, Michael Gerald
Slebos, Christian Gerard
Slein, Michael James
Sloan, Andrew Keith
Sloat, Gordon
Sloat, John Gregory, II
Slocum, Walter Scott
Smalley, Lewis Hathorn, Jr.
Smedley, Grant William, III
Smith, Alan Roy
Smith, Billy Joe
Smith, Connor Lynn
Smith, Donald Edward
Smith, Donald Lloyd, Jr.
Smith, Donald Stephen
Smith, Donalld W.
Smith, Douglas Edwin
Smith, Edward Allen, Jr.
Smith, Gordon Coleman, II
Smith, Gordon Kenneth
Smith, Harry Lindley, Jr.
Smith, Jack Robert
Smith, James Lawrence
Smith, James Randale
Smith, Kenneth Larry
Smith, Kenneth Raymond
Smith, Larry Campbell
Smith, Leslie Eugene
Smith, Michael James
Smith, Michael John
Smith, Neil Bruce
Smith, Peter Raymond
Smith, Raymond Charles, Jr.
Smith, Richard Charles
Smith, Robert Wayne
Smith, Stephen Edwin
Smith, Thomas Garland, Jr.
Smith, Thomas H.
Smith, William Grady
Smith, William Harold
Smith, William Howard
Smith, William Mitchell

Snavely, William Wayne, Jr.
Snell, Peter Sherman
Snyder, Donald Clinton, II
Sobyra, Michael August
Solder, Edward Lee
Sollenberger, Robert Travis
Solymossy, Joseph Martin
Sommers, Sidney Gordon
Sommers, Thomas Andrew
Soo, Robert Lee
Soper, Wesley Richard
Sorce, Anthony Michael
Sorensen, Kenneth Arnold
Southerland, James J., III
Southgate, Gregg Vanremmen
Southworth, David Moir
Southworth, Thomas Wyndham
Sowa, Edward Stanley, Jr.
Spaeth, Warren Theodore, Jr.
Spahr, John Franklin, III
Spahr, Otto William, III
Spaulding, Gerald Howard
Spayd, Steven Howard
Speakman, Glendon Caldwell
Spears, Oliver Kelly, III
Speed, Danny Lee
Speed, William Goodwin, Jr.
Speight, James Earl
Spellman, Donald Jerome
Spencer, Jerome Fredet
Spengel, Michael Francis
Speyrer, Charles Ray
Sphar, William Rogers, III
Spisso, David Joseph
Spooner, David Ford
Sprott, Gary James
Spruiell, Phillip Ronald
Stahl, Lawrence Oliver
Staley, Miles Marvin
Stanek, Francis Jerome
Stanga, Robert Daniel, Jr.
Stanley, Robert Ray, Jr.
Stanton, Laird Wilvin
Staples, Patrick Ryan
Stark, Rodney Lynn
Starnes, William Heath
Startt, Thomas Lee
Staudmeister, Albert Larry
Stauffer, Ralph Alvin, Jr.
Steere, David Campbell
Stehle, Charles Douglas
Steidle, Craig Eugene
Stein, Eric Andrew
Stender, Robert George
Stephens, Hugh Johnson
Stephenson, Andy, Jr.
Steshko, William Nicholas, Jr.
Steussy, James Michael
Stevens, James Douglas
Stevens, Lawrence Wright
Stevens, William Edward
Stevenson, Robert Willim
Stewart, James Robert
Stewart, Robert Leroy
Stieglitz, Richard Gwydir
Still, Robert Ingo
Stillmaker, William James
Stine, Larry Winton
Stinson, James Alfred
Stockslager, William Eby
Stollery, Jack Joseph
Stone, John Lloyd
Storm, Gary Alan
Strada, Joseph Anthony
Strausbaugh, Wayne Lee
Strawn, Gary William
Street, Ernest Laverne
Strickland, Edward IV
Stright, Robert Leonard
Strohaker, John Guy
Strong, Walter Garland, Jr.
Strother, Dennis Edward
Struble, Arthur Dewey III
Stuart Michael Scott
Stubbs, Gary Winterson
Stults, James David
Sturges, James Walter
Suldo, Michael Richard
Sullivan, Donald Lee
Sullivan, Edward Joseph, Jr.
Sullivan, Gary Marshal, Jr.
Sullivan, James David
Sullivan, Jerry Eugene
Sullivan, Jerry Joseph, III
Sullivan, Timothy John
Sullivan, Timothy Thomas
Sullivan, William Joseph
Sundberg, Gary Mark
Surdyk, Michael Gene
Sutherland, Carl Robert
Sutika, Joseph Edward
Sutliff, Richard Wayne
Sutton, Harry Warren
Sutton, Mahion Robert, II
Svendsen, Michael Roy
Swafford, Thomas Lee
Swaggart, Kenneth Wayne
Swan, David Arthur
Swanberg, Roy John Stewart
Swanson, Dale Eugene
Sweatt, William McClain, Jr.
Sweeney, Orval Lester
Sweetman, James Michael
Swenson, Carl Frederick
Tabbert, Garry Donald
Tamplin, James Arthur, Jr.
Tamulevich, Carl Joseph
Tank, Arthur Newton
Tappan, Thomas E.
Tarantinc, Paul Salvatore
Tarbox, Harold Chester, Jr.
Tauber, Richard Jacob
Taul, Gary Dee
Taylor, Allen Eugene
Taylor, Charley Joe
Taylor, Edward J.
Taylor, James Darrell
Taylor, James Earl
Taylor, James Michael
Taylor, Jonathan Fred
Taylor, Kenneth F.
Taylor, Malcolm Palmer, Jr.
Taylor, Marcus Gene
Taylor, Norman Robert
Taylor, Richard Ford
Taylor, Richard Howard
Tea, Max Ralph
Teetz, William Richard
Tejcek, Jerry Robert
Teneyck, Thomas Willard, Jr.
Tennant, Donald Alan
Tennant, Douglas Melville
Tetrick, Edward Leslie
Thacker, Reginald Allen
Thacker, Richard Leighton
Thiele, John Carl
Thomas, Benton Dean
Thomas, H. Clay III
Thomas, Jon Marc
Thomas, Mack Allen, Jr.
Thomas, Raymond Edgar
Thomas, Scott Shingle
Thomas, William Newton
Thompson, Anthony Robert
Thompson, Gary Robert
Thompson, Jerry Arnold
Thompson, John Richard
Thompson, Paul B.
Thompson, Richard Wittich
Thomson, James William M.
Thorburn, Bruce Neil
Thormeyer, Carl David
Thorne, Larry Martin
Thrasher, Kenneth Charles
Thrower, James Wyche
Tiedeman, George Ralph
Till, Evon Gardiner III
Tillotson, Kenneth Delmer
Tilson, Paul Evans, Jr.
Tilton, Ronald William
Timberlake, William Archer
Tinkel, Terrence Lee
Tinsley, James Robert III
Tippett, Terry Lee
Tirrell, William Barclay
Tkach, Michael Joseph
Tobiason, Joel Edward
Tobin, Roy W.
Todd, James M.
Tollefson, Michael Rolf
Tomlinson, Jack Evans
Toombs, James Everett
Toone, James Joseph
Torgerson, Larry Peter
Torgerson, Richard Duane
Townsend, Hugh Entricken
Townsend, Thomas Gifford
Tracz, Stanley James, Jr.
Traub, Warren Edward, Jr.
Traughber, Thomas Patrick
Treis, Robert Enlow
Trenker, Gary Carl
Tripp, Robert Elwood
Trotter, Richard Lee
Trotter, Timothey Adron
Troutman, David Leland
Troy, Thomas Gerald, Jr.
Trudell, Thomas Alfred
Trumbower, Glenn Curtis
Tryner, Kenneth Frank
Tucci, Donald Joseph
Tuck, Charles Marion
Tuck, William Dean, II
Tucker, Richard Steven
Tulchin, Benjamin David
Tulloch, Allan Wiley
Turner, Bruce Lee
Turner, Dean
Turner, Galen Ellsworth, Jr.
Turner, Horatio Whitridge, IV
Turner, Steven Robert
Turner, Thomas Jonathan, III
Tye, James Milton, Jr.
Tyler, Henry David
Tyler, Julian Woodworth, III
Tyrrell, Robert Grattan
Tzomes, Chancellor Alfonso
Uffenorde, George Dennis
Uelses, John Hans
Uhlenkott, Gary Wynne
Uhrin, John Joseph, III
Underkofler, Quentin
Uplinger, Leon Joseph
Upton, Thomas George
Urbik, Lawrence Walter
Urmston, John Dennett, Jr.
Vanasdlen, David Lester
Vanderpoel, Eric, III
Vanderwest, James Robert
Vandevender, John Archie
Vandivort, Walter Derris
Vanloon, James Peter
Vansaun, David
Vansickle, Garth Allan
Vanvooren, William Peter
Vaughan, John Arvel
Verdery, Edward Hutchinson
Verespy, William Edward, Jr.
Verhoef, Thomas Tymen
Vertovec, Frank James, Jr.
Vice, Larry Wayne
Villanueva, Zall G.
Vincent, Robert Allen
Vinson, John Charles
Vinson, Robert K.
Violette, Richard Gary
Virtue, James Paul
Vivian, William Charles
Voelker, Gary Edward
Voight, Thomas Charles
Volkman, George Charles, II
Volland, Karl Ferdinand, Jr.
Vonsuskil, James David
Voorheis, Gary Martin
Vorhoff, Gilbert Harold, Jr.
Vosseler, Paul Kurt Alfred
Vtipil, Donald Sheridan
Waddell, Ronald Dallas
Wade, Jack Merle
Wagner, Lynn Taylor
Wagner, Marvin Leroy
Wagner, Paul Helmut
Wahler, Lee Robert
Waite, Robert Clark
Wakefield, Robert David
Waldbeesser, Terry Wayne
Waldron, Michael Lewis
Walker, Allan Ray
Walker, Bill
Walker, Charles Harrison
Walker, Ronnie Eugene
Wall, John Russell
Wallace, David William
Wallace, Donald Stephan
Wallace, Ray Anderson
Wallace, Richard Thomas

Waller, Thomas James
Walling, Kenneth Elston
Walsh, Neil Patrick
Walter, Steven G.
Walters, Gary Allan
Walton, William Linwood
Warburton, Frederick T., Jr
Ward, Chester Douglas
Ward, Dennis Lyle
Ward, Joe Frank
Ward, Paul Charles
Ware, Truman Dale
Warner, Carl Dean
Warner, John Blair, Jr.
Warner, Michael Dennis
Washam, Eric Lee
Washburn, Ronald William
Washer, William Lee
Wasowski, Walter Michael
Wassel, Ronald Andrew
Wasson, Gary Clinton
Waterman, Bradford Bates, III
Waterman, William Lloyd
Waters, Deskin Davon
Waters, Lance Arthur
Watkins, Paul Vernon, Jr.
Watkins, Val Elliott
Watson, Jerry Carthal
Watts, Harry Franklin, Jr.
Watts, James Anthony
Wayne, Anthony
Wease, Walter Henry, Jr.
Webb, Richard Allan
Webber, Abbott Milton, Jr.
Webber, James Frederick
Weber, Charles Lawrence, Jr.
Weber, Ronald Bailey
Webster, Donald Richard
Webster, Edward Hollis, III
Webster, Kirwin Shedd
Webster, Ronald Lane
Weeks, Robert Allen
Weeks, Steven Brian
Wehry, Allen Craig
Weinberg, Kenneth Paul
Weir, Marshall Ray
Weiss, Donald Alan
Weiss, Douglas Lee
Welch, Daniel Francis
Welch, Keefer Dee
Wells, Kent William
Wells, Linton, II
Welsch, James Edward
Welterlen, Craig Robert
Welty, Robert William
Wendt, Terrill Jay
West, Edward Malcolm
West, John George
Westbygibson, Peter Barry
Westerbuhr, Norman Lee
Westfall, John Charles
Westman, Charles Stuart
Westmoreland, Michael Neal
Weston, Darvin Lee
Weston, Frank Howard, Jr.
Weston, Stephen Frederic
Whatley, James Wade
Wheat, Luther William
Wheeler, Howard Alvin
Whitco, Denis John
Whitcraft, John Cecil
White, Chareis Theodore
White, Charles William
White, Craig Cameron Lynn
White, David O.
White, James Bryan
White, Peter Leroy
White, Robert Downie
White, Sidney Russell, III
White, Thomas Willard
Whitehouse, John Henry, Jr.
Whitehouse, Theodore Wayne
Whiting, Geoffrey Alan
Whitmire, James Donald
Whiton, Harry Winsor
Whittington, Joseph C., Jr.
Whittle, Charles James, Jr.
Wiant, Jeffrie Edwin, Jr.
Wicklander, Edwin Richard, Jr.
Wiggins, James Howard
Wight, Terry Michael
Wikoff, Wallace Leroy
Wikstrom, Raymond Melvin
Wilcox, Ronald James
Wilde, Michael Keith
Wildermuth, Ronald Everett
Wiley, Max Earl
Wilhelm, Richard Jay
Wilkes, Robert
Williams, David Michael
Williams, Douglas Bowne
Williams, Ivan Leroy
Williams, Jack Bercaw, Jr.
Williams, Kenneth Lynn
Williams, Nathan Clark
Williams, Pharis Edward
Williams, Robert Frank
Williams, Robert Jay
Williams, Robert Ralph
Williams, Terrill Douglas
Williams, William Roger
Williamson, Michael Allen
Williamson, Paul Byers
Williamson, Robert Charles, Jr.
Williamson, Walter Edward, Jr.
Willms, Gary Roland
Wilner, Douglas David
Wilson, David Gerald
Wilson, James Allen
Wilson, Jay Ronal
Wilson, John William, III
Wilson, Michael Francis
Wilson, Samuel Nathan, III
Wilson, Wayne Bruce
Wilson, William Ralph, Jr.
Wilt, Thornton Willard, Jr.
Winge, Donald Ernest
Winters, Timothy Paul
Wire, Keith Raymond
Wise, Cletus Floreece
Witt, Theodore Carl William
Woda, Lawrence Edwards
Wojtkowiak, Daniel Leonard
Wolcott, Hugh Dixon
Wolf, Edward James
Wolfe, Robert James
Wolfgang, Earl Dale
Wolven, Bruce Alan
Wolverton, Gilbert Leroy
Womack, Jack Edward, Jr.
Wood, Barry Edward
Wood, Bruce V.
Wood, Gregory James
Wood, John Robert, Jr.
Wood, Kenneth Arthur, Jr.
Wood, Larry Ronald
Wood, Richard Michael
Wood, Robert Ainslie
Wood, Scott Allen
Wood, Stephen Carl
Woodall, Stephen Russell
Woodfill, William Dale
Woodlan, Donald Ray
Woodman, William Douglas
Woodrum, Robert Lee
Woods, Edward Lawson
Woods, Larry Joe
Wooldridge, Francis Rust
Woollen, Edmund Boice
Woolston, Peter Christopher
Work, Robert Dale
Workman, Gary Grant
Worley, Regis Calvin
Wozniak, John Frederick
Wraith, Lee Taeke
Wright, Clinton Ernest
Wright, David Lee
Wright, Gary Edward
Wright, James Earl
Wright, Jay Lee
Wright, John Thomas
Wright, Robert Jarman
Wright, Sherman E., Jr.
Wright, Vernon Eugene
Wrynn, John Patrick
Wullliez, Richard Harry
Wurzbach, Thomas Harold, Jr.
Wyatt, Randall Edward
Wyckoff, George Thomas
Wynne, Harold Bradford
Wytsma, Johannes
Yackulics, John Joseph, Jr.
Yakeley, Jay Bradford, III
Yankolonis, Barry Lee
Yarham, Larry Paul
Yates, Alan Walker
Yates, David Eric
Yeager, James Hugh
Yenzer, Ronald Dean
Ylitalo, Joe Alan
Yockey, James William
York, Gerald Lee
York, Russell Clayton
Young, Gerald Alan
Young, James Albert
Young, Michael Lynn
Young, Peter Adams
Young, Terry Alan
Young, William Karl
Youngblood, Frederick Lee
Yount, George Richard
Zacharias, Bernard Louis
Zacharias, Merle John
Zahalka, Joseph Harold, Jr.
Zahn, Howard Edward
Zak, Frank Joseph, Jr.
Zavadil, John Leslie
Zemetra, Michael Brundage
Zolczer, Robert Louis
Zuch, Ronald Charles
Zukas, Anton Gregory
Zukowski, Walter Charles
Zuniga, Fred Joseph
Zweerink, James Edward
Zwicker, William Earl

SUPPLY CORPS

Aaronson, Brian David
Ackermann, William Charles
Allen, Randall C.
Allison, Robert Clement
Ames, Hugh Douglas, III
Angelopoulos, Gary John
Atkins, John Wesley, III
Averett, Gary Lynn
Bailey, John Roger
Barham, Robert Preston
Bassi, Felix Joseph
Baum, Christopher Charles
Beamer, George Patrick
Becker, Christopher Santana
Beckett, John Clayton
Benecke, Jay Robert Orrin
Bernichon, Clay Edward
Bidwell, Robert Roy
Biel, Jeffrey Donald
Biggs, Edmund Logan
Blumette, Lawrence Paul
Boal, Donald Stuart
Boardman, Henry Porter, Jr.
Boas, Raymond A.
Bogart, James McNeary
Bonna Ralph Anthony
Bordenave, Lee Joseph
Brasher, Kenton Clark
Brawley, Patrick William
Bredemann, David Lee
Bristol, Roger Willis
Brown, Phil Jay
Bussey, Wayne Eugene
Buteau, Paul James
Byers, David Chapman
Campbell, Thomas Andrew
Carrothers, Timothy Wilder
Carstanjen, Jan Hendrik
Carstens, Delbert Kenyard
Carter, Robert Keith
Caspari, John Allan
Chase Kenneth Ray
Chertock, Stephen Herman
Clark, David Robert, Sr.
Cohan, Lawrence Louis
Cohen, Barry Lee
Cohen, Jay Martin
Cole, Anthony Livingston
Collins, Ralph, Jr.
Conlon, Terence Neill
Conner, James Raymond
Cooper, Raiford Wilson, Jr.
Crow, Douglas Roger
Culver, Joseph Ernest
Culver, Kenneth Duane

Curry, Merrill Dunn
Danielson, Richard Arnold
Dashiell, Robert George
Davenport, Bill Trammell, Jr.
Deck, Robert Lee
Demeritt, Christopher Davis
Derrico, Michael Thomas
Dietz, Louis Edwin
Dorries, Robert Allen
Dow, William Craig
Drum, Eugene Robert
Dunn, Christopher Anderson
Eamigh, John Relon
Elgin, Richard
Elliot, Ernest Alexander
Embry, Lloyd Bertis
Evanoff, Richard Allen
Evans, James Robert
Ewing, Richard Andrew
Fackenthall, William Gordon
Farkas, James Anthony
Finefield, Anthony Edward
Finefrock, Carl George
Fitzgerald, Kenneth Wayne
Forde, Duane Lorenz
Fronabarger, Jerry Lloyd
Fulton, Terry Alan
Gallagher, Stephen Barry
Gallitz, Ronald James
Garrett, George William
Gernentz, Thomas Joseph
Gonick, Timothy James
Goshorn, William Howard
Gould, Jeffrey Paul
Graf, Albert John, III
Greenberg, Joel Michael
Griffiths, William Dennis
Griggs, Thomas George, III
Grigson, Delbert Quincy
Griswold, Robert Edward
Grove, William Earle
Gunderson, Richard Howard
Haddock, Ira Frederick, Jr.
Hallenbeck, Gerald Thomas
Hanlin, John Paul
Harr, David James
Harris, John Walter
Harris, Richard Allison, Jr.
Harris, Robert Earl
Harris, Timothy L.
Hayes, Edward Francis, Jr.
Hayslett, Roderick James
Hemmy, Victor H., Jr.
Herbst, Howard Paul
Hetherington, Jerry Francis
Hickman, William Allen
Hill, Ronald L.
Hofmann, Arnold Robert
Holtman, Bruce David
Hooth, Michael Douglas
Horstman, Donald Martin
Huban, George Hambre, Jr.
Inouye, Clinton Wayne
Ippel, Terry Alan
Jamison, David Campbell
Jennings, Jay Jeffrey
Johnson, Darold Leroy
Johnson, Russell Curtis
Jordan, Larry Jim
Joshua, Edward Raymond, III
June, Michael Anthony
Kamel, Mohsen
Kelley, Joseph Paul
Kellum, William Carlisle
Kelly, Thomas Andrew
Kesselring, Steven Dale
Kice, Charles Jeffrey
Kilpatrick, James Angelo
Kimball, Daniel Webster
Kirtley, Richard Wayne
Kline, Jack Charles
Knight, Robert Clark, Jr.
Knight, Walter Curry
Krogh, Leslie Allen
Krupp, Robert John
Kurz, Robert Raynor
Larmee, Donald Henry, Jr.
Leenstra, Richard Byron
Lewis, Albert Michael
Lindsey, Larry Allen
Link, William Richard
Lippert, Richard Alan
Long, George Conrad
Lowe, Richard Carroll
Luring, Gregory Bates
Maguire, Benedict Joseph
Major, Samuel James, Jr.
Malone, John Murray
Malsack, Thomas James
Mason, Charles Roger
Mason, Edward Frank
Mason, Richard Henry
Masters, Merlyn Maurice
Mathews, Mayes David
McClain, John Franklin, III
McCurdy, Jeffrey Horace
McInnis, Roger Eugene
McKenna, James Lee
McMeans, Edwin Walter
McQuinn, Dale Eugene
McWherter, Marvin Eugene
Menendez, Ernest Marco, Jr.
Miller, David Lee
Miller, Michael James
Moore, Richard Snowden, Jr.
Morin, Mark Frederick
Morrisey, Daniel Patrick
Morse, Gordon Richard
Moser, Daniel Earl, Jr.
Neeb, John Gilcher
Neeley, Daniel Phillip
Nelson, Thomas Russell
Nemeth, John William
Nierman, William Charles
Noll, Gus, III
Nordwall, Marvin Raymond
Oberman, Marvin Dean
O'dachowski, Edward John, Jr.
Overson, Alonzo Robert
Owens, James David
Patrick, Wayne Mendes
Pearce, Richard Leeroy
Pearson, Richard Gordon
Perkins, James McArthur
Perkins, Robert Morris
Perry, William Kurtz, Jr.
Peters, Charles A.
Petersen, Gary Roy
Plumley, James Perrin
Pollock, William Jay
Poole, Francis Xavier
Pretulak, Ronald Theodore
Printz, Stephen Carl
Ptacek, William Joseph
Qualls, David William
Quigley, Robert Michael, Jr.
Ramelli, Daniel Steven, III
Ray, Larry Clay
Rickards, John Douglas
Rinne, Raymond C.
Ritter, Ronald Keith
Rivers, Charles Silas, Jr.
Roach, Leonard Thomas
Robertson, James Clay
Robuck, Charles Henry
Roper, Darcy Wentworth, III
Royal, William Appleby
Sager, Christopher Parke
Sanford, Robert Michael
Schildwachter, Martin J.
Schmitt, Nicholas Joseph
Schrum, Richard Ward
Scudder, Stephen Lee
Sever, Donald Edwin, Jr.
Shaffer, Wayne Henderson
Shapack, Arnold Robert
Shaw, Mark Charles
Shelton, Billy Ronald
Shepherd, Robert Myrick, Jr.
Sirguy, James Charles
Smith, Frank Walker, III
Smith, Jay Schuyler
Smith, Rene Allen
Smith, Stephan L.
Snider, Stephen Edward
Squires, Robert Roy
Stallman, Donald Jacob
Stankfivicz, David Fred
Stephens, Thomas J., Jr.
Stevens, William Allen
Straight, Ronald Lee
Sullivan, Michael Patrick
Sullivan, Reed Alvord
Svihla, Richard Charles
Tabb, Donald Cameron, Jr.
Taylor, Allen Griffith, Jr.
Taylor, Charles Floyd, Jr.
Theiss, Girard Paul
Thomson, James Edward
Townsend, David Alvin
Townsend, Richard Harding
Traynham, Donald Mitchell
Triplett, William H., Jr.
Vanauken, Pierce Richard, Jr.
Vance, Michael Gordon
Vehleward, Verney Virgil
Vellis, John Demetrius, II
Velte, Duane Robert
Villers, James J.
Vroman, Richard Donald, Jr.
Wagner, William Arthur
Walters, Melville Joseph, III
Ward, Paul David
Webber, Bernard Allen
Williams, Fred Alan
Wilson, Richard Davis
Wise, William Allen
Wurzel, Thomas Eugene
Young, Ronald
Zawadzki, Raymond Stanley
Zeller, Robert William, III

CHAPLAIN CORPS

Apple, James Lewis
Dagnoli, Albert James
Ferraro, Joseph Anthony
Frankel, Bernard
Hornsby, Benny Jackson
Marvin, Charles Wellington
O'Connor, Gerald Coman
Pilarski, Peter Richard
Robertson, Carey Ellis

CIVIL ENGINEER CORPS

Angelelli, Ronald Paul
Antoniak, Peter Richard
Ayres, Larry Lee
Bankert, Frederick Ball, III
Barrett, Gerard Jude
Bartlett, James Vincent, Jr.
Bechard, Thomas Philip
Bell, Kenneth Hodges
Bellafronto, Robert Louis
Benroth, Barron Ray
Binning, Cogal David, Jr.
Britt, William Butch
Burke, William Francis, III
Burns, Dennis Raymond James
Corrigan, Phillip George
Cosgrove, Robert Michael
Cullison, Geoffrey Douglas
Dailey, David Leroy
Degon, Robert John
Dempsey, John Garrett
Devescovi, Daniel John
Feck, Denis John
Fennema, Robert John
Frey, Michael Leslie
Fulgham, James G.
Gamble, Bobby Gene
Givens, Larry Russell
Giancola, Anthony Robert
Goepfert, Eric Richard
Gronczmack, Robert Patrick
Guild, Christopher John
Gunn, Thomas Edward
Hamm, Edward Roger
Hanley, William Joseph
Hanz, Erno M.
Heintz, John Wade, Jr.
Hemme, Glenn Darwin
Holland, George William
Hoyt, Ronnie Allan
Huguelet, Thomas Lee
Johannesmyer, Charles Alan
Johnson, Allan William
Johnson, James Kendall
Johnson, Richard Curtis
Johnston, Keith Alan
Jones, Frederick Joseph
King, Jerry Wayne

Koiro, Frank John, Jr.
Kovach, Richard Gaza
Kovalcik, James Patrick
Lehman, John August
Lemon, Harvey Brace
Lewis, Howard Merrill
Loyacano, Joseph Nace
Maccaferri, Don Achille
Mackinnon, Donald Joseph
MacLaughlin, James Warren
Marshall, David Wesley
Marshall, Peter Wayne
Martz, Stephen Joseph
Mason, Robert David
Moeller, Robert Lewis
Mohsberg, Sidney A., III
Monroe, Gary Ellis
Moyle, Allan Leroy
Niece, William Samuel
Norris, Lowell Robert, III
Osborn, Prime Francis, IV
Osborne, Robert Lee
Osth, John Andrew
Painter, Dennis Wayne
Palomaki, Donald William
Pankovics, James
Parker, Gregory Alden
Pennell, Joseph Charles
Pierson, William Paul
Poole, Richard Douglas
Prahl, Charles Scott
Price, David Andrew
Pringle, Alec Todd
Rampe, Thomas Raymond
Reid, Gary Harper
Rice, Richard Hardwicke, Jr.
Saltoun, Sammy
Schierman, Eldon Carl
Schramer, Mathias C., III
Schultes, Daniel Thomas
Shelton, Michael William
Simons, William Joseph
Slaughter, James Taylor, II
Smith, Louis Martin
Spillinger, Ralph Swinton
Stevens, David Lawrence
Stevenson, Herbert Scott
Szutenbach, Lawrence
Talutis, William Romans
Taylor, Brent D.
Thibeaux, Jerome F.
Thoren, Carl Arnold, III
Tomiak, Walter Wayne
Tyler, Raymond Stewart
Vernon, Jerry Leroy
Vogel, Kenneth
Waters, William Allen
Way, Charles Theodore
Webb, Richard David
Wickerham, Arthur Eugene
Wynn, Alfred Lee
Yankoupe, George William

JUDGE ADVOCATE GENERAL'S CORPS

Arledge, George Edward
Banks, Stephen Anthony
Carroll, Steven John
Collins, Cornelius J., Jr.
Dombroski, John Edward
Fortino, Paul Thomas
Guy, David Ansley
Hanssen, Henry Raphael, Jr.
Hoover, William Dean
Kilgore, Ronald W.
Kontras, Nicholas William
McCall, Thomas William L., Jr.
McCracken, Joseph Barry
Milliken, Jon Chancy
Misiaszek, Peter Edward
Neuman, Kermit William, Jr.
Pearson, Ralph Jones, Jr.
Radlinski, Gregory Keith
Reeber, Christopher Joseph
Riddle, John Humbert
Riggio, Michael Vincent
Seiders, Marlin David, Jr.
Surpless, Donn Curtis
Uris, Richard Blair
Warden, Irving Darris, Jr.
Warner, Robert Sands, Jr.
Wylie, Peter Caldwell
Zimmerman, Richard Edward, Jr.

MEDICAL SERVICE CORPS

Adams, Robert Wallace
Andler, Gary John
Aitken, John Robert
Andersen, Melvin Ernest
Apgar, Richard Randolph
Armstrong, Carl Andrew, Jr.
Aulls, John Griswold
Avriett, Lucinda Louise
Baker, Charles Warren
Banner, Herrmann Edwin
Bartlett, Jack Wallace
Bauley, Raymond Philip
Benedict, Walter Franklin
Benson, Milton Junior
Bentley, James Daniel
Bentley, William Sturges
Berry, Wayne Harold
Blackford, James Michael
Biaselle, Claire Jayne
Blaylock, James Donald
Bolster, Harold Guy, Jr.
Brady, James Arvid
Braitsch, Ted Alan
Bruder, Paul Theodore
Campbell, Paul Ernest
Casper, Allan Vincent
Chandler, Donald Ray
Chapman, Raymond Nicholas, Jr.
Chappell, Wendell Leo
Chegash, Thomas John
Christiansen, Richard Allen
Coleman, Loren Marion
Coolbaugh, James Cameron
Cooper, Thomas Michael
Cozart, William David, III
Cygan, Walter Francis, Jr.
Davis, Gary Thayne
Davis, Leslie Allen
Delviks, Uldis Albert
Dould, Philip Edward
Duny, Marshall Sol
Durfee, Paul John
Ebersole, Richard Wilson
Edgerton, Owen Lee
Edman, David C.
Ehrdhardt, Douglas Alan
Elzy, Robert Lee
Eversmann, Donald Frank
Farnham, John Brett
Finley, Clemeth Wallace
Fisher, David Howard
Flondarina, Melchor Navelga
Ford, James David
Ford, Bradley Roger
Foskey, Leslie Thomas
Fraser, Llewellyn Michael
Friedman, Arnold Leon
Fromm, Susan Alice
Fulton, Michael John
Galley, Charles Bernard
Ganz, Neal Robert
Gerhard, John Charles, III
Gonard, George Eugene
Graham, Bruce W.
Grand, Ronald Sherburne
Gravett, Kenneth Reed
Greenfield, Donald Eugene
Gross, Elizabeth Sophia
Groves, Kenneth L.
Harrell, James Howard
Harris, William Baxter
Haws, Virtus Paul, Jr.
Hayes, Elbert Chartrand
Hazelton, Robert Henry, Jr.
Helley, John Arthur
Hicks, William Marlin
Husted, Stanley Ross
Hyde, Noel Alfred
Iczkowski, Marcel Dennis
Irgens, Terry Richard
Ishmael, Rex Harlan
Katzenmeyer, John Jeffrey
Kellogg, William Fredric
Knodle, Edward Maurice M.
Koehn, Galen Roy, Jr.
Lanerie, George Ray
Legg, Robert Paul
Lekvold, William Dean
Lewis, James Stanford
Maples, John Allen
Marks, Richard Charles
Mataldi, Alan Elio
McCarthy, James Edwin, Jr.
McClintock, Thomas William
McDermott, Donald Stephen
McKee, Roland Edmond
McLaughlin, Judith S.
Meaney, Maurice Terrance
Miller, Fenton Crockett
Mock, Leonard Ralph
Montgomery, Charles Ernest
Moorers, Robert Louis
Moyer, Kenneth Edwin, Jr.
Myers, Charles Michael
Nayote, Arthur Dennis
Nazzaro, John Thomas
Nelson, Dennis Pershing
New, James Caudell
Newquist, Robert L.
Norvell, Robert Dayton
Ohnemus, Francis William
Oien, Eldor Roger
Pakowski, Lawrence Paul
Panas, Bruce Richard
Patee, Jerry Curtis
Petersen, Henrik Vang
Pittman, Sallee Hodges
Prigmore, Marvin Earnest
Prucino, Joseph Francis
Pulvermacher, Harold Edward
Rand, Bruce Paul
Rethmeier, Kenneth Allen
Riesenhuber, Richard D.
Rittmeyer, Terry Lee
Roy, Robert Thomas
Rush, Elvin Dale
Ryder, Richard Gould
Sandall, Vernon Pat
Shaffer, Kenneth Wayne
Shannon, Richard Harold
Shea, Terence Kevin
Shepherd, Douglas
Shepherd, James Edison
Shibley, David Russell
Shockley, Richard Stanley
Simmons, Larry Oliver
Sixsmith, Howard Thomas, Jr.
Skurja, Michael, Jr.
Smith, Jerauld Homer
Snyder, James Edward
Sparks, Buddy Tom
Stefanyshyn, Andrew Alexand
Stemple, Todd Ralph
Stovall, Gary Hudson
Stratton, William Frederick
Straughn, William R.
Taylor, Robert Beck
Thomas, Dennis Merrill
Thomas, Jerry Alan
Thompson, Robert Arthur
Truran, Paul Frederick, Jr.
Vaught, Charles Ronald
Vogl, Walter Frank
Vosloh, David Lee
Waldroupe, Derrel Lee
Walker, James Raborn
Watkins, Osborne T., III
Welch, Richard Roy
Wenrick, David Lowell
White, Daniel Ellsworth
Wigle, Earl Clinton
Wildes, Dudley Joseph
Williamson, Robert Larue
Wilson, Don Dewayne
Windham, George Scott
Zila, Robert Charles

NURSE CORPS

Anderson, Marilyn Jean
Andrews, Susan Ann
Baker, Deirdre Jean
Bauer, Patricia Anne
Beaton, Meredith Lee
Bloshinski, Elizabeth Rose
Born, Karen Rae

Brauch, Patricia Anne
Bridges, Uriah
Burns, Rebecca Kathleen
Caruso, Teresa.
Christensen, Clark Kay
Christensen, Donna Marie
Cisneros, Thomasa Lena
Clifford, Betty Jean
Courtad, James George
Cowie, Judith Ann
Crist, Margery W.
Dahlgren, Sarah Shepard
Daniels, Luther Orin
Dibiase, Renee R.
Dudek, Francine Ann
Duffy, Patricia Jane
Eastland, Susan L.
Emerson, David Kent
Engel, Joan Marie
Finley, Frances Lee
Fitzimmons, James W., III
Fondren, Dorothy Evelyn
Foster, Barbara Jean
Fuller, Gae Marie
Fullerton. Linda Lou
Goetz, Mary Elizabeth
Gonnella, Victoria Jean
Greene, Doris Mary
Griffith, Joanne Simon
Hall, Mary Katherine
Hamilton, Dorthea Carolyn
Harris, Marina June
Helzer, Barbara M.
Hess, Catherine Pauline
Hinckley, Patricia Ralston
Holden, Beadie Laura
Horvath, Mary M.
Hugo, Maryanne
Jackson, Donna Jeane
Johnson, Betty Lou
Jones, James Edward
Krauser, Sheila Ann
Kunze, Kathy Anne
Lease, Vicky Marie
Lewis, Shirley Dean
Lindsay, Sheila Anne
Lochotzki, Kenneth Jerome
Lovett, John Reuben
Lukey, Frankie
Mailander, Patricia Mary
Marchal, Lani Michele
McKinney, Dawn Lynn
McLaurin, Elizabeth Annette
Miles, Anne Jordan
Miller, Daniel Everett
Miller, Linda Jeanne
Mocarski, Frances Jane
Moody, Jayne Whittredge
Moran, Michael Thomas
Munro, Donna Lynne
Murphy, Pamela Ann
Nelson, Roberta Dawn
Norman, Jane E.
O'Brien, Barbara Ann
Pattinson, Judith Ann
Pippin, Mary Rubendall
Prather, Caren Joell
Prue, Phyllis Erma
Reese, Charles Alan
Reiter, Rebecca
Riddle, Richard Bruce
Robinson, Ida Marie
Rowell, Margaret Elinor
Ryder, Dorothy Veronica
Sattazahn, Mary Della
Schaefer, Susan Hancock
Schmulian, Patricia Ann
Schneider, Karen Sue
Sentinelia, Dian Kenton
Shelatz, Gary T.
Smith, Kathleen Ann
Smith, Maureen Moloney
Snow, Sandra Ann
Sobkow, Roheanne
Southerland, Mary Arlene
Spinale, Maryellen A.
Sulcer, Bert Reid, Jr.
Taylor, Mary Neal
Thomas, Barbara Jane
Thomas, Thelma Ann
Tirpak, Kathryn Mary
Warenfelt, Marianne Krisand
Willheim, Patricia E.

EXTENSIONS OF REMARKS

U.S. NAVAL PETROLEUM RESERVES

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. BEDELL. Mr. Speaker, in the near future the House will be considering legislation which would authorize development of the U.S. naval petroleum reserves.

While it is generally accepted that development of the reserves is advisable, there is by no means universal agreement as to how the initial development and subsequent production should be administered. In fact, the House Interior and Armed Services Committees have both reported bills that deal with this important subject.

On May 23, 1975, the New York Times published an editorial which highlights the major differences between the two bills and endorses the armed services version. I commend this editorial to my colleagues.

The editorial follows:

[From the New York Times, May 23, 1975]

U.S. OIL RESERVES

Between 1912 and 1924, four tracts of oil-rich land and three tracts of oil shale were set aside by a series of Executive Orders for the exclusive use of the United States Navy in the event of a future emergency. The most famous of these naval petroleum reserves is Teapot Dome in Wyoming, the subject of a major scandal in the Harding Administration; but by far the richest are Elk Hills in California and North Slope in Alaska.

When the Arab oil embargo was proclaimed in November, 1973, President Nixon asked Congress to authorize production of oil at Elk Hills. President Ford renewed that request early this year. Under Navy control there has been only modest drilling and development, but within two years production could be expanded to 300,000 barrels a day, providing a saving in the balance of payments that would amount to more than $1 billion annually.

In response to the Administration's request, the Interior and Armed Services Committees in the House have prepared alternative bills which the House plans to debate and vote upon at the same time. The Interior bill is more to the Administration's liking. It would transfer jurisdiction over the oil reserves from the Navy Department to the Department of the Interior and would authorize production at the maximum efficient rate until the oil ran out. The production could be contracted out to a private company through competitive bidding.

The Armed Services bill would retain the reserves under Navy control, authorize production of 200,000 barrels a day for three years, and would require that this oil must be used by, or exchanged for, petroleum products to be used exclusively by the U.S. armed forces. Both bills would exempt North Slope in Alaska from development until there has been further geological exploration and a subsequent decision by Congress.

It is clearly desirable that the naval reserves except in Alaska be put to productive use. Unless wells and supporting facilities are actually in use, the armed forces could not rapidly increase production in the event of another interruption of foreign supplies. But since it is desirable to keep alive the concept of a petroleum reserve for the armed forces, the more cautious approach of the Armed Services Committee bill is preferable. Once a long-range national energy program has gradually taken shape, the relative importance of production from the naval reserves can be better assessed after three years of experience.

AMBASSADOR ORFILA SEEKS EFFECTIVE OAS AS FIRST GOAL

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. BRADEMAS. Mr. Speaker, one of the most widely respected diplomats in Washington, D.C., is the distinguished Ambassador from Argentina to the United States, His Excellency, Alejandro Jose Luis Orfila.

Ambassador Orfila was recently elected Secretary-General of the Organization of American States.

I believe that Members of Congress with a particular interest in U.S. policy toward Latin America will read with great interest the text of an interview with Ambassador Orfila conducted by Judy Flander of the Washington Star and appearing in that newspaper on June 16, 1975:

ORFILA SEEKS EFFECTIVE OAS AS FIRST GOAL

Alejandro Jose Luis Orfila, socially active Argentine ambassador to the United States and recently elected head of the Organization of American States, was interviewed by Washington Star Staff Writer Judy Flander.

Question. The OAS has been widely criticized as ineffectual and its role called little more than ceremonial. Why did you want to become secretary general of such an organization?

ORFILA. Frankly, I feel that the OAS is an organization that has enormous potential. First of all it's the only forum that we have in the Western Hemisphere, in the Americas, to discuss openly, efficiently and realistically the problems of the Americas. It seems to me that in this particular world, in which we have great problems, the Americas undoubtedly will become the stronghold of our Western ideology. Therefore, a close association and dialogue—and a very dignified understanding—between the nations in the south with the United States will be highly convenient for everyone concerned.

Question. *Is Cuba one of those? Will the OAS move to lift its 11-year embargo?*

Answer. It is up to the individual governments. The OAS will meet July 16 in San Jose, Costa Rica, to review the Inter-American Treaty of Reciprocity. Based on this review, the OAS will or will not decide to lift the sanction against Cuba. Suppose they do vote to lift the sanction. Then it will be up to the individual OAS member countries to make their own decision about lifting trade embargoes with Cuba.

Question. Is it not generally accepted that if the OAS ends its embargo, the U.S. decision will be to follow suit?

Answer. The United States has always made it clear that it will abide by the OAS action. But, of course, we do not know for certain.

Question. Your government has already lifted its sanctions against Cuba. Can't it be expected that your recommendation would be for OAS to follow suit?

Answer. Argentina has resumed complete diplomatic relations with Cuba. But I have to be totally unbiased and not in any way influence the OAS decision.

Question. Do you see yourself as a liaison between the Americas and the United States?

Answer. Yes, I feel as secretary general-elect of the OAS that would be exactly what I have to do. Why do I feel that I can do something? Because basically I am a Latin American. I am an Argentine, and I have all the characteristics and I have all the feelings and reactions of the Argentines and other Latin Americans. But at the same time, I have a great admiration for the United States. I have been many years in this country. I believe that I know the American mind, the American people and the way they react. In this, I can play the role of interpreter because we have to understand the United States as much as the United States has to understand the Latin Americans. This, to me, is the greatest role of the OAS.

Question. You don't think the OAS has been fulfilling this role very well in the past?

Answer. No, I don't think so. The OAS, in my personal opinion, has lacked the support of public opinion that is needed to carry out any particular political task at political levels. The OAS is practically unknown in the United States and is misunderstood in Latin America. The job of the new secretary should be to come up with a campaign that will—to use the English expression—sell to the American public the idea of the OAS, and convince the American public that the OAS is something that they can use to transmit to the Latin Americans their objectives, their policies, their wants and needs.

Question. Then you see yourself to some extent in the role of a public relations person?

Answer. No. I don't believe that we have to do only a public relations job. I don't want only to come up with an image that is nothing but an image. I want to convey an image that is the result of substantive things that the OAS is doing for the people. We have to get programs, we have to come up with more decisions, we have to solve more problems in order to give concrete results in the relations between the Latin Americans and the United States.

Question. During your 20 months as ambassador you became one of the most famous hosts in Washington. How much of that was for image promotion?

Answer. You're right, I became famous because of the entertainment at the Argentine Embassy. But I always said that was a means to an end. And the end was to create an image of Argentina through having more people of influence in the United States know about our problems, about ourselves, by coming to the Argentine Embassy and discussing a lot of subjects and a lot of situations. We were always trying to project the image of the real Argentina, not the Argentina of specific issues like violence—but rather the image of Argentina of violence plus Nobel prizes, plus musicians, sportsmen, businesses, beauty, tourism. We were giving the Americans the chance to judge us not by one event or by one fact; not to look at the tree and forget the forest but to look at the complete forest and see that we are a country with problems but also with great expectations, with great hopes and, I feel, great people.

Question. Has your effort been troubled by the concern over the stability of your government?

Answer. Well, one of the main questions that I always had to face in the beginning of my mission here was: What is going to happen to Argentina when President Peron died—because you know he started his term rather old and not exactly in the best physical health. I always said that I felt that if the president were to disappear or die Argentina will abide by its Constitution. I was happy to note that when the unfortunate event of his death came up, Argentina abided by the Constitution. We have not changed. The present government is a constitutional government elected by a great majority of the people. By that, I don't mean that we don't have problems but the majority of the people is in agreement and those in the opposition are not in an antagonistic position but in constructive opposition.

Question. What happened when Peron died, in terms of your position here?

Answer. The only thing that I received were instructions from the minister of foreign affairs of Argentina representing the new president, Mrs. Isabel Peron, to carry out the same exactly the same instructions that President Peron personally gave me because the new government is nothing but an extension of the policy of President Peron.

Question. Wasn't some of the concern justified in light of Peron's attitude toward Washington?

Answer. The president had a very clear conception of the relationship with the United States. He told me: "What I want is to maintain a dialogue with the United States. A dialogue with dignity in which we both are equals, in which their interests must be respected by us and our interests must be respected by them. I don't want to have the image that some people in the United States have made of me that I am antagonistic toward the U.S. That is not the case," he said. "I am a nationalist, I am an Argentine but I am ready to deal and to negotiate with every country in the world who can participate in the objectives that we have for Argentina." And I carried that over and I have found a magnificent response from the United States. Today—I might be bragging a little—I am proud to say that we are in the highest peak of our relations between the United States and Argentina.

ON REQUIRING SENATE CONFIRMATION OF AMERICAN COMMISSIONERS TO THE INTERNATIONAL JOINT COMMISSION

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. VANIK. Mr. Speaker, on Wednesday, when H.R. 7500 is brought up for consideration, I intend to offer an amendment to require that the American Commissioners to the Canadian-American International Joint Commission be confirmed by the Senate after their Presidential appointments.

Although the International Joint Commission—IJC—has been in existence since 1909, its responsibilities have never been greater than they are today. Originally formed as part of a treaty with Great Britain regarding potential border problems on the 4,000 mile Canadian-American border, the IJC's responsibilities have evolved to great importance. The actions, or inactions, of the Commission now affect millions of Canadians and Americans who live in the Great Lakes basin or along the long international border from Minnesota to Washington.

The Commission over the years has come to have jurisdiction over areas of water pollution control and treatment—especially in the International Water Quality Agreement of 1972 between Canada and the United States—hydroelectric power generation, navigation and commerce, and water level management, among others. They are still responsible for settling border disputes, water diversions, and international pollution questions that they have always considered.

Water levels management has been a particularly visible and important aspect of the IJC's jurisdiction because of the unprecedented high levels that have occurred over the last several years.

Damage to homes and property has been tremendous. Cottages and beaches and property are still being lost daily as every member from the Great Lakes' shorelines can attest.

My amendment, Mr. Speaker, is simple. it requires only that the Senate confirm Presidential appointments to the American section of the IJC. This section is meant to accomplish several things:

1. Improve the quality of the American section of the Commission. Canada has seemed to take the role of the IJC more seriously than the United States and currently has Commissioners with backgrounds in health and hydraulic engineering and public service.

2. Discourage any tendency for the American section to become a patronage position. The tasks that confront the Commission are too important for the Congress to allow a man or woman to be appointed simply because they are members of one party or another. They must have a proven background of expertise in areas of hydrology, foreign affairs, the environment or engineering.

3. Reaffirm the importance of the International Joint Commission. While the role of the IJC may have not been significant earlier, it has come to be an extremely important international body. The Congress must indicate its resolve to make the Commission work as it was meant to and provide it with qualified and capable Commissioners.

4. Help make the public, the Congress and the administration more aware of the IJC and its role and responsibilities. It is also equally important that the Commission itself be made aware that more is expected of it.

I emphasize to my colleagues, Mr. Speaker, that the domain of the International Joint Commission is not limited to the Great Lakes, but extends to all States and territory on the Canadian-American borders. A significant area of our country is served directly or indirectly by commerce or shipping on the Great Lakes and stands to be affected by the actions of the Commission. Requiring some congressional accountability from such an agency is not too much to ask.

A MAINE INSTITUTION

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. COHEN. Mr. Speaker, there are at least three things for which the State of Maine is known throughout the Nation and, indeed, throughout the civilized world: the potato, the lobster, and L. L. Bean.

Bean's has been an institution in our State ever since the day in 1912 when the late L. L. Bean, fed up with slogging through the woods in soggy leather boots, sat down and invented the "Maine hunting shoe," the single item around which grew the sporting goods store in Freeport, Maine, which bears his name.

Despite its humble beginnings, Bean's over the years has grown into an international business counting among its customers Supreme Court Justices, foreign princes, and not a few Members of this Chamber. Yet success has not spoiled Bean's. It retains today the air of solid Yankee commonsense that made L. L. Bean famous.

Sunday's edition of the Boston Globe carried a feature story by Elaine Shannon which recounts in much greater detail the history of Bean's. For the benefit of those of my colleagues who may be as yet uninitiated in the wonders of L. L. Bean, I include the newspaper account at this point in the Record:

Maine's L. L. Bean—Sport Goods Supplier for the Whole World

(By Elaine Shannon)

Freeport, Maine.—In November 1973, as the Mideast was settling into a jittery stalemate after the Yom Kippur war, Israeli troops were digging into the Golan Heights near Syria's border for what was to be a tense, unpredictable winter.

It was the desert-trained army's first winter wartime situation. Cold weather gear was needed quickly, and the usual supply channels were too slow.

Israeli agents in the United States found a source, not a regular military supplier, but an outdoors outfitter and mail order house with a reputation for (1) merchandise able to fend off the obdurate miseries of New England cold spells and (2) next-day shipping. A rush order for hunting boots, snowshoes and heavy shirts ended up in Freeport, Maine, on the shipping desk at L. L. Bean, Inc.

Bean's packed the order off, along with the rest of the approximately 3000 parcels the company was dispatching daily to customers such as farmers, executives, housewives, movie stars or foreign royalty. And if the Bean people were impressed, or surprised, that they were thus sought out, it didn't show.

"Guess they heard the stuff wears forever," shrugged a salesman. "Keeps their feet dry," said another.

L. L. Bean, Inc. (est. 1912), a rickety, rambling emporium on Main street in Freeport (pop. 5500), may look like just another quaint upcountry store, with its hand-lettered signs and its sales staff of retired game wardens, motherly ladies and well-scrubbed rural youths.

In fact, the weathered white building above one of Freeport's two drug stores is the headquarters of a $25 million business, four-fifths of which is done by mail order. In a state where poverty and unemployment are acute and chronic, the Bean company is an island of corporate success. Over the past seven years, its sales volume has grown prodigiously, by almost 660 percent, and sales are continuing to expand, though at a slightly slower pace, during the prevailing recession.

Over the years, L. L. Bean, Inc., has become something of an institution among buyers of sporting goods. This spring, nearly 1.5 million Bean catalogues were mailed to customers in 50 states and 70 foreign countries. Some of the names on the mailing list are William O. Douglas, Warren Burger, Paul Newman, Ethel Kennedy, John Wayne, Walter Cronkite, Jascha Heifitz, Barry Goldwater, Adlai Stevenson 3d, Edmund Muskie, John Stennis, Dr. Joyce Brothers, Mrs. Charles Chaplin, Archibald Cox, Prince Abdorreza of Iran, Chet Atkins, Mrs. David Rockefeller.

There are serious hunters and campers who stop by regularly on the way upstate. And there are strangers to the Northeast, the factory workers, students, salesmen, lawyers, who pore over Bean catalogues trying to imagine the rugged shores and forests of Maine.

L. L. Bean, Inc., is well enough known that letters addressed "Bean's, U.S.A." or "Maine hunting shoe" frequently find their way to Freeport.

The Bean company's image of solid, nononsense Yankee conservatism which was established by its founder, Leon Leonwood Bean (motto: "good merchandise at a reasonable price") is probably its most valuable asset. It is a style which the company's management, presided over by Bean's grandson, Leon A. Gorman, is very carefully and very successfully preserving. "Nobody'll ever accuse us of being flashy," says Gorman.

A casual visitor to Freeport sees the Main street store much as L. L. Bean left it—its random wings wandering here and there wherever L. I. decided he needed a bit more room. Its outer walls are plastered with "No Smoking" signs. Inside, it is a maze of narnow aisles lined with stacks of shirts, trousers, hats, cross country skis, tents, sleeping bags, parkas, fishing tackle, boots, duffles, picnic baskets, traps, grills and gadgets of all sorts.

The other face of the Bean umpire is thoroughly modern, and it is harder to see. It is mostly the work of Leon Gorman, under whose leadership the company's sales volume rose from $3.8 million in 1967, the year L. L. Bean died at the age of 94, to $25 million in 1974. Gorman has no plans to abandon the old store, an inefficient structure which has become something of a white elephant.

But down the road about a mile, with no identifying sign out front he has built a new, 110,000 square-foot warehouse, an airy, modern affair with splashes of red, yellow and indigo on the walls and large, high windows that admit streams of sunlight. The building was designed by the Cambridge architecture firm of Symmes, Maimi & McKee, Inc., to house the company's massive automated shipping and storage operations.

Last year, 861,173 parcels were shipped out, 18,521 posted on a single day before Christmas, and until the new building was opened last August, most of these operations had been cramped into several dark, winding sections of the downtown store.

Next to the warehouse is a remodeled 60,000-square-foot building, formerly a shoe factory, which houses Bean's manufacturing and clerical operations.

In 1970 Gorman installed a computer to handle the paperwork of the mail order sales. He plans to acquire an even larger computer, an IBM 370, because the present one is "too slow." The telephone banks have been brought up to date with a nationwide WATS line.

For all these modernizations, it is still the spirit of L. L. Bean and of rural Maine that dominate the place. In 1912, according to family lore, the patriarch was fed up with slogging through the woods in soggy leather boots. So he invented the "Maine hunting shoe," which featured a rubber galosh-like bottom sewn to a weather-proofed leather lace-up legging. He borrowed $400 to start manufacturing and marketing the shoe, which he advertised as "designed by a hunter who has tramped the Maine woods for the past 18 years." The shoe was an immediate success, and the business took off.

Today, cobblers standing over antiquated lasts hand-sew Maine hunting shoes and other types of boots and mocassins much as was done by Bean's original employees. Last year, 64,500 pairs of hunting shoes and 43,330 pairs of boots and mocassins were made in the renovated factory and shipped out. Near the cobblers, women bending over ancient black Singers stitch caps, duffle bags, wood carriers and other leather goods. In all, the Bean company manufactures, mostly by old-fashioned hand methods, about one-fifth of its merchandise.

As L. L. Bean's reputation grew, so did his line of goods. He outfitted Arctic expeditions, designed shoes for the Army and Navy during World War II and the Korean conflict and came to attract a loyal following of hunters, campers and fishermen within New England and across the country.

Until 1940, the business was entirely mail order, but so many people would wander about the warehouse trying things on that Bean decided to open a showroom.

In 1954, the store began staying open "24 hours a day, 365 days a year." L.L. decided to institute that practice because hunters and fishermen, would show up and ring for the night watchman, demanding that he fetch a pair of hip boots or sell a hunting license.

"A goodly number of people come in before midnight, and few do come in between midnight and dawn," says Daniel Lord, the Bean company treasurer and comptroller.

"I don't know that we've ever evaluated how much it brings in—the three night shift people take telephone orders and work on stock as well as selling. But we think it's certainly worthwhile in terms of customer service."

Bean's alters its line of merchandise with extreme conservation.

"We're not one of those fashion houses, you know," Lord said. "We don't make a big investment in something new for a season. We put something new on the shelf, see if it sells, then maybe we put it in the catalogue."

The low-key, soft-sell tone of Bean's is well reflected in Leon Gorman himself. A lean, bespectacled man of 40, Gorman works in a small office decorated with his pictures of his three children. His easy-going manner belies an often packed schedule, and, true to his region, he is not given to talk.

When asked to explain, in an interview recently, his enviable business record Gorman said, "Well, we did our best."

When pressed, he volunteered this much:

"Oh, we don't have a grandiose marketing plan. We sell products that work, that we like. We brought our product line up to date. We used better advertising methods. It was in the '60s, the economy was on our side. There was interest in the environment, in the outdoors. We just had the right product line at the right time. There were no real miracles."

Gorman says he intends to stay away from sophisticated or highly technical lines—downhill skiing equipment, for instance, or mountain climbing gear. His emphasis like his grandfather's, "meat and potatoes" business, for family outings and casual outdoorsmen.

The big sellers, he says, are the things for which Bean's has been known for years. After the handmade shoes and boots, they include chamois and plaid wool shirts, sleeping bags, duffle bags, and tents. And Gorman says he does not foresee any major changes, any new "Maine hunting shoe" brainstorms.

"There just doesn't seem to be anything new that's as good as the old," he says. "Well, there is one thing new. You know those Swiss army knives? They're heavy, and they fall out of your pockets. We started making these leather sheaths for them that slip onto your belt. We can't make enough of them, they're selling so fast."

Bean's did not exactly rush this revolutionary item, which sells for $1.75, onto the market. "Oh, we'd been bouncing it around for a couple of years," Gorman recalls," and we finally decided to go ahead and make 'em."

Bean's is not everyone's idea of perfection. Some of the catalogue items are decidedly unstylish. You can buy '50s style pork pie hats, but you'll search in vain for wide-legged pants. And the women's styles are considered by some city dwellers to be downright dowdy.

And some of the clerks will not, even on busy days, be rushed. You just have to wait in line.

But what the Bean company trades on, very successfully, is its reputation.

For friendliness. A telephone operator, the story goes, once read the whole catalogue to a long distance customer, who gratefully ordered something from each page.

For durability. Bean's will, for a fee, rebuild partly worn hunting shoes because old Mr. Bean used to say, "Throwing away the good leather uppers is like throwing away a five dollar bill."

And for its iron-clad, money back, no questions asked guarantee.

Bean regulars also seem to find something reassuring about the store's stodgy resistance to change. Bean people know what good buiness is.

So it was with elaborate caution that Bean's undertook, a couple of months back, to enlarge its shoe department by moving a wall 25 feet or so. The spruce paneling on the new walls was carefully matched to the old walls. In fact it was the old original paneling, saved and refitted.

Even so, says Gorman, "I expect we'll get some adverse comments. Some of the old-timers will say something about it."

But the difference, it was noted, was barely discernable.

"Yes," he smiled. But it's just different.

A FARMER'S WIFE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. BRINKLEY. Mr. Speaker, we in the Congress are always elated at receiving good news from our constituents, especially when so much these days is negative. We are, after all, human, and we, too, appreciate hearing the positive every so often.

Such was the case recently in response to my May Legislative Report, which contained a tribute to the farmers of the land, appropriately entitled, "A Farmer Today Is Many Things: Most of All, A Friend."

A constituent, describing herself as "a housewife, a mother, but above all: A farmer's wife," was reminded, in reading this tribute, of another equally appropriate tribute to the wife of the farmer. I share this honest look at the farmer's wife, along with a letter from the young lady who shared it with me, and know that my colleagues in the House will enjoy it.

The letter follows:

LaGrange, Ga.,
June 11, 1975.

Jack Brinkley,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Brinkley: Since I've never taken too much interest in our government, I was a little shocked at myself when I found myself reading your last Public Document. I thought I would let you hear at least one voice from the public ear, so here am I. I thoroughly enjoyed the little story about the little bird, the child and his first experience with death from the First Grade Teacher, but what I really wish to comment on is the insert about the farmer. I never before realized or saw a description of a farmer put into words. The insert said it all. From now on, I shall read your Public Document with a different degree of respect. Because I came from an ancestry of farmers, I have a little poem for you that the wives have passed from one to the other for some time now. It is as follows:

A Farmer's Wife

(By Camela Morgan)

Perhaps it sounds dull, this way of life—
To spend all my years as a farmer's wife;
With dishes to wash and clothes to mend,
A garden to hoe and chickens to tend;
Canning and cleaning and washings, too.

Cows and horses and trips into town,
Neighbors to chat with, help when they're down;
Fields to watch as the seasons go,
Should I ever leave this, I'd miss it so.
Guess I was made for this way of life,
I feel so right as a farmer's wife.

Sincerely,
Mrs. A. Bragg.

BALTIC STATES FREEDOM DAY—1975

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. BIAGGI. Mr. Speaker, yesterday the world marked the official anniversary of Baltic States Freedom Day. This solemn occasion marks the occasion 34 years ago when the Soviet Union ruthlessly deported thousands of citizens of Latvia, Estonia, and Lithuania in a concerted effort to destroy these three Baltic nations which had acquired their freedom after World War I.

Now more than three decades later these citizens continue to live under the rigid control of the Soviet Government. Despite the marked advances made in the international scene due to détente, the Soviet Union remains in firm control of more than 20 million citizens who enjoy no more freedom today then when they became satellite nations of the Soviet Union at various points in the 20th century.

The United States has never recognized the incorporation of the Baltic States by the Soviet Union. There has been increasing concern registered that as a concession for further agreements between the United States and the Soviet Union, our position in this matter might be subject to change. I and numerous others of my colleagues in the House have introduced a resolution maintaining our position of nonrecognition of the Baltic States as part of the Soviet Union. This resolution is designed to provide this administration with increased reasons to work for the freedom and self determination of all peoples under the forcible control of the Soviet Union.

The brave people of Latvia, Estonia, and Lithuania have impressed the world with their strength and resolve to reacquire freedom. This particular event is marked with official observances in major cities across the Nation and provides the peoples of the Baltic States with assurance that we in the United States recognize their plight and are continuing our efforts to gain them their freedom.

ATTORNEY FEES IN PUBLIC INTEREST CASES

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. DRINAN. Mr. Speaker, on May 12, the Supreme Court severely crippled the ability of public advocates to advance the interest of consumers, environmentalists, and civil rights proponents. In Alyeska Pipeline Service Co. against Wilderness Society, the Court held that counsel fees in public interest litigation are not ordinarily recoverable as part of the costs of the action unless Congress expressly authorizes them.

Together with the chairman of the House Judiciary Committee and the gentlemen from California (Mr. Edwards) and New York (Mr. Ottinger), I am introducing two bills which will overturn the Alyeska decision in cases: First, seeking review of Federal agency action which adversely affects consumer, environmental, or civil rights; and second, challenging the denial of civil or constitutional rights by public officials or private persons. Both bills, if enacted, will go far to restore the capacity of individual citizens to protect these vital interests.

I am having both bills inserted here so that Members will be apprised of their content:

H.R. 7969

A bill to amend the Civil Rights Act of 1964 to provide reasonable attorney fees in cases involving civil and constitutional rights

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title XI of the Civil Rights Act of 1964 is amended by adding at the end the following new section:

"Sec. 1107. In any civil action to recover damages or to secure equitable or other relief under the Constitution, or any provision of law which provides for the protection of civil or constitutional rights, the court in its discretion may allow the prevailing party other than a governmental entity or any officer thereof acting in an official capacity, reasonable attorney fees as part of the costs, and the governmental entity or officer shall be liable for such costs and fees the same as a private person."

H.R. 7968

A bill to amend chapter 7 (relating to judicial review of agency action) of title 5 of the United States Code to provide for the recovery of attorney fees as a part of costs in certain civil actions to obtain judicial review

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 7 of title 5 of the United States Code is amended by adding at the end the following new section:

"§ 707. Attorney fees and costs.

"In any section or proceeding to review agency action, where the party seeking review challenges agency action on the grounds its adversely affects civil or constitutional rights, or consumer or environmental interests, and the party seeking review substantially prevails, the court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred."

SEC. 2. The table of sections for chapter 7 of title 5 of the United States Code is amended by adding at the end the following new item:

"§ 707. Attorney fees and costs."

ON WORKIN' ON THE RAILROAD

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. DERWINSKI. Mr. Speaker, many members are especially concerned over the recognizable problems that beset the American Railroad Association. The congressional district that I represent is especially concerned over the financial difficulties which the Rock Island Railroad has encountered.

An article by Paul Kelma, which appeared in the May 29 Tinley Park (Ill.) Star Tribune, addresses this subject in a very timely and fascinating manner, and looks into the economic problems that are faced by the railroad industry. Although the article is directed to the attention of the local community, I believe it to be in the public interest, and therefore, I insert the article at this time:

. . . ON WORKIN' ON THE RAILROAD

Every time I drive over the Rock Island tracks on Oak Park Avenue, I think about the railroad and the economy.

That's not the eighth wonder of the world. No doubt anyone who drives over the Rock Island tracks on Oak Park avenue thinks about the railroad and economy.

And about damaged suspensions, different routes and strangling railroad officials.

But I think about engineers swearing at the traffic, yardmasters swearing at switchmen and switchmen swearing at each other.

At the beginning of the summer of 1971 I was pretty hard pressed for a job. Not a good situation for a college kid without a scholarship, a penchant for chain smoking and in need of a new set of golf clubs.

Through a kind-hearted soul with the pull to get me a job, however, I wound up working as a yardman in a south suburban railroad yard.

For those who don't know, a yardman in 1971—from my two and a half months of experience—was someone who did little more than carry a signal lamp and scratch his head under his baseball cap. He was a member of that class of people who worked for six hours, got paid for eight and yawned most of the way through the day (while watching out for stray box cars).

I was thrilled.

The first thing I had to do was purchase "the proper equipment." This consisted of a wet suit (to work in all kinds of weather), a pair of lineman's boots (to crunch assorted rusty nails underfoot), and a baseball cap (something to scratch my head under).

The second thing was collecting other materials from the yard secretary. This included a lamp and booklets that told me how to do everything from reading light signals to how to tie my shoelace while calmly making an exit from a moving engine.

The next items were three "tours" of work on the three shifts at three yard locations. Here I was supposed to learn how to put those fine instructions to practical use.

Instead I learned how to dodge sneaky box cars, how not to break my neck crossing tracks and how to fight off inflamed motorists who weren't pleased with the crew of an engine that had to work across an intersection.

I quickly developed the habits of looking over my shoulder, fearlessly squashing debris underfoot and staying in the caboose at crossings.

I also learned how easy it can be to hone the fine art of being lazy to a perfect point.

My first full shift was at the hump, a hill from which cars are pushed over, separated and allowed to roll into tracks containing other cars going to the same place.

According to one senior lamp-swinger, though, the hump is where cars are classified into various tracks, get mixed up and have to be resorted.

I learned this while yawning in the coffee room of the hump tower, sharpening the ability to balance on the narrow benches without falling off. I commented to an old timer about how efficient the hump operation was.

After he stopped laughing and the flies settled back down to eating his sandwich, he explained that about five times every shift a car goes into the track of its own choosing. The engine and crew to which the car belongs have to catch it.

This sport, called "hog chasing," originated in times past when an artful yardmaster let a couple of hog cars go into the wrong track. The engine and crew sent to catch it missed, there was a distant crash, and the crews on that shift spent the rest of the day chasing hogs out from under box cars.

This is another railroad pastime—telling yarns in between yawns and shooting holes in box cars. (I knew an engineer who got bored, so to amuse himself he bought a .22 and practiced dotting the I's on faraway car letters. He was pretty good.)

My favorite yarn was passed on by an engineer whose forte was trying to beat the mainline switchmaster to electric switches that weren't turned in his direction. He was popular with the yard repair crews.

His story was about a car that rolled down the hump into an empty track, through the yard unnoticed and down the mainline, through a set of switches left lined up by an engine passing by earlier.

It arrived about two miles later in the northern section of the village of Dolton.

The rule being that "what you lose you have to find," a crew from the hump was sent out in search. Motorists at several crossings along the way were startled by the sight of a lone box car wheeling its way through crossing gates. Seconds later an engine speeded after it, sparks flying from the smokestack and choice words flying from the crew. The entourage concluded with a white hound chasing the engine. (He gave up when—the engine—caught the car and started on its way back.)

Some things I found more believable, though, because they happened while I was there, scratching my head under my maroon baseball cap.

One night, for instance, I was working at the hump (actually I was finishing out the two hours of my—officially—20-minute lunch) when a box car rolled by with a blonde, teen-aged girl on the end of it.

After everyone rushed to the tower windows to get a better look, the car was halted, the girl was politely helped down and taken to a nearby coffee house. Not knowing what else to do, yardmaster left her there.

We found out the next day she had run away from her home in Blue Island.

All of which makes me think about the economy, while I'm preparing my stomach for the Rock Island crossing.

I could go on for pages writing about the things that we did on the railroad while figuring out ways to go home early. Lunches, for instance, were short. So were shifts. Generally, we would work for six hours and then were told by the yardmaster to "tie up" (go home). But we got paid for eight hours.

There are other jobs like this, such as painting guard rails on the tollroad and working for the city of Chicago.

Like these, railroad life is one of working in the hot sun with the knowledge that the paycheck will be large and the physical labor is limited.

The Rock Island tracks could make anyone think about the economy—what it was four years ago and what it is today.

MISSED VOTES

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. BINGHAM. Mr. Speaker, over the past month, because of my wife's illness and subsequent recuperation from an operation, I have had to miss a number of rollcall votes. I wish to record here what my position would have been, had I been present and voting:

Rollcall No. 202, motion to pass H.R. 5357, authorizing funds for the promotion of tourist travel: Yes.

Rollcall No. 204, on House Resolution 461, the rule to consider H.R. 6755 on Indochina migration and refugee assistance: Yes.

Rollcall No. 214, on House Resolution 4710, the role to consider H.R. 6674, the Defense Department authorization: Yes.

Rollcall No. 242, on the conference report on H.R. 5899, supplemental appropriations for fiscal year 1975: Yes.

Rollcall No. 268, on the motion to recommit H.R. 4925, which amends the Public Health Service Act: No.

Rollcall No. 270, on the motion to disagree with Senate Amendment 107 to H.R. 5899—the Senate would have included among the supplemental appropriations $700 million of funds for railroad transportation improvement: No.

Rollcall No. 291, on the Sharp amendment to impose civil penalties on automobile manufacturers whose fleets do not meet fuel efficiency standards—to H.R. 6860; the energy bill: Yes.

Rollcall No. 292, on the Guyer amendment (to phase the repeal of the excise tax on radial tires over a 5-year period) to H.R. 6860: No.

COMMEMORATING THE MASS DEPORTATION TO SIBERIA OF THE BALTIC PEOPLE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. DOWNEY of New York. Mr. Speaker, on the 15th of June 1940, the Baltic States of Lithuania, Latvia, and Estonia were invaded and occupied by Soviet forces. This occupation by the Soviet Union turned into cruel oppression of the Baltic people as the takeover failed to subdue the spirit of these people. The Soviets promptly began deportation and banished 100,000 of the Baltic citizens to slave labor camps in Siberia 1 year later.

The U.S.S.R. has illegally incorporated these three small countries into its huge structure. Throughout the Soviet occupation tens of thousands of the Baltic people were killed and about a million were deported to serve time in slave labor camps. Since then these people have suffered from the collectivization of their farms and the nationalization of their industries. They have been persecuted because of their religious beliefs and indoctrinated through the Soviet educational institutions.

Currently the European Security Conference recognizes the Soviet Union's annexation of Estonia, Latvia, and Lithuania. The U.S. delegation to the European Security Conference should not agree to such a recognition by that body on this policy. House Concurrent Resolution 3 must be supported as it calls for the policy of the United States to remain one of nonrecognition to the annexation of the Baltic States by the Soviet Union. Any Federal legislation that would recognize the Soviet Union's claim to the Baltic States must be defeated.

As citizens of a free nation, we must urge that our liberties be extended to those deprived of them in the Baltic States. The United States should never be reconciled with the tragic fate that has been bestowed upon the citizens of Estonia, Latvia, and Lithuania. The rights of Baltic self-determination must be protected.

The people of Estonia, Latvia, and Lithuania look toward the United States for hope and inspiration and for the day when freedom may once again prevail in their lands. Any change in U.S. policy toward these States discourages the hopes of these captive people.

On the 3d of June the Legislature of the State of New York passed a joint resolution requesting Governor Carey to proclaim June 22, 1975, "Commemoration Day of the Mass Deportation to Siberia of Lithuanians, Latvians, and Estonians." Conducted by the Lithuanian-American Wayside Shrine Committee and the Lithuanian-American Community of the United States of America, ceremonies will be held to show New York State's support for nonrecognition of Soviet annexation and to remind citizens of the massive deportation that occurred 34 years ago.

In this age of closer communication and cooperation with the Soviet Union, the Soviets must be urged to adhere to the respect for the individual. Support for the cause of freedom and the end of oppression of all peoples within the Soviet Union, especially the people of the Baltic States, must be rendered.

I believe that it should be the policy of this Congress to maintain nonrecognition of the Soviet incorporation of Estonia, Latvia, and Lithuania. On this anniversary of Baltic States Freedom Day, we should acknowledge the legitimate aspirations and the perseverance of the Baltic peoples to independence and look toward the day when they will reside in their homeland triumphant in freedom.

SEX DISCRIMINATION

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. MARTIN. Mr. Speaker, I am introducing today legislation providing congressional disapproval of the recent regulations of the Department of Health, Education, and Welfare pertaining to sex discrimination in athletics and sports programs. As transmitted to Congress on June 3, 1975, and published on June 4, 1975 in the Federal Register—volume 4, pages 21128 following pages—these regulations include many features that in and of themselves are desirable and worthwhile. They also contain requirements that amount to destructive meddling in intercollegiate athletics. Totally apart from whatever virtues these regulations may possess, there is no basis for this or any Federal department to concern itself with a responsibility for extracurricular activities which receive no Federal financial assistance.

Accordingly, these regulations should be rejected and sent back to the President and the Secretary of HEW, because they are inconsistent with the provisions of title IX of the Education Amendments of 1972.

As to the merits, I personally favor encouraging girls who are qualified to compete for positions on varsity sports teams that do not involve body contact. That would a priori eliminate football, hockey, basketball, wrestling, baseball, and some track events. The HEW regulations allow the same exclusion because of the obvious dangers of serious physical injury.

Secondly, I believe that if a sufficient number of women students are interested to form a team and if competition is available at the other schools then they should be encouraged with necessary equipment, coaching, access to playing areas, and official school approval. The HEW regulations provide for this with the alternative that if there are insufficient candidates for a girls' team, then individual female athletes must be permitted in noncontact sports to try out for the men's team on the basis of competitive skills. I support that concept.

What I do not support is the intrusion of this Federal agency in an area that is subject to no Federal financial aid and no clear authority for Federal regulation. The merits of part of these HEW regulations would more appropriately be the subject of recommended legislation rather than another case of bureaucratic lawmaking.

I object strongly to the requirements in these regulations relating to athletic scholarships. While reforms may need to be considered, the HEW rules are too destructive. I do not see anything wrong with a college providing scholarships on the basis of athletic ability. The HEW regulations set this consideration to be secondary to quotas based on sex, by requiring that the ratio of athletic grants-in-aid awarded to men versus women in student athletes must be the same as the ratio of men-to-men participating in all athletic teams.

Nothing could be more discriminatory. For one example, if a college provides athletic grants-in-aid only for football and basketball, it would be required by HEW to provide a proportionate number of scholarships to women in noncontact sports. Male students in noncontact sports would not be eligible for such scholarships. Even if the college therefore changed its policy to provide scholarships to male athletes in noncontact sports, not only would this further drain the limited financial resources, but even then males in noncontact sports would receive less scholarship aid than females in noncontact sports in proportion to their numbers—this is inescapable under the HEW rules for as long as any scholarships are awarded in contact sports.

The HEW regulations, in the second place, make no allowance whatsoever for the proposal by the National Collegiate Athletic Association—N.C.A.A.—to exempt the number of athletic grants awarded in revenue producing sports. It is difficult enough—impossible in many instances—for a college or university to balance its present football scholarships against such revenues. While some institutions have sufficiently profitable football and basketball teams to subsidize other sports, the large majority do not. These programs would all be severely damaged by the HEW requirement that amounts to a bureaucratic tax levied upon revenue producing athletics to finance scholarships for members of women's teams.

Consider a third point that the regulations pertaining to athletic scholarships are clearly discriminatory against males. It would be fair to provide that women members of varsity teams be awarded scholarships on the basis of competitive ability. Moreover, it would not be defensible to deny an athletic grant-in-aid to a superior female tennis player if less proficient male tennis players receive such grants. This regulation goes beyond that, however, because as a practical matter it will require such scholarships to be awarded to women athletes whose skills are not adequate to make the men's team. Rather than counteracting discrimination, that will instead discriminate against any male student who is not proficient enough to make the men's team—even if he happens to be competitively superior to every female student who is required by HEW to receive an athletic grant. Presumably, he would be disqualified from trying out for the women's team as a way to supplant the available scholarships. Should it be argued that the foregoing chauvinistically assumes male superiority in athletics, then I would counter that I make the same assumptions which HEW makes. If our assumptions are false, all that is needed is to simply require that athletic grants-in-aid be made only on the basis of competitive athletic ability without regard to sex.

Mr. Speaker, these regulations are an excessive and unsound invasion of the athletic programs of our schools and colleges. They should be rejected.

A REAPPRAISAL OF BIG BUSINESS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. **BAUMAN**. Mr. Speaker, so often in politics we find that the image is more important than the reality. For years, the image of a businessman we have been conditioned to accept is almost identical with that of the proverbial money-changer in the Temple, or the stingy miser and the thieving Babbitt.

The ever-incisive Nick Thimmesch has written an article which appeared in the June 10, 1975 edition of the Los Angeles Times, and I bring it to your attention. In "A Reappraisal of Big Business," he points to the need for capital formation in a free economy, without which prosperity is denied to everyone in society. He also urges businessmen to stop being so defensive in the face of emotional attacks on our free enterprise system. These attacks are often conducted on behalf of the least productive sector of our economy, government.

A REAPPRAISAL OF BIG BUSINESS

(By Nick Thimmesch)

WASHINGTON.—For years, those popular ogres, banks and corporations, yelled that taxes were too high, profits too low and free enterprise was in peril. Oh, how many salads were shrieveled and digestive juices interrupted by those thundered warnings at bourgeoisie business luncheons and dinners.

But the public rightfully ignored such cries of calamity, for banks and corporations prospered mightily in the postwar period. The salons of executives and money-changers grew posh, and their suburban premises reflected unusual prosperity.

Small wonder, then, that after a long siege of Naderism and other anti-establishment attack, business turned up unpopular in the polls, its credibility limping and its spirits down.

Small wonder that a survey conducted in April by the Opinion Research Corp. (ORC) showed, for example, that the public believes that the average automobile manufacturer makes about 20 times as much profit after taxes as the company actually does.

What's interesting about this ORC survey is that well-educated, high-income people share this public misconception. Somehow, business has cried "wolf" too often, and few souls believe its spokesmen any more.

Profits, as not enough people know, are necessary for investment—expansion and modernization of productive capacity. In recent years, despite headlines about high (gross) profits, the basic manufacturing industries suffered a great decline in net profits, and the earnings slide further in the current recession.

The unhappy result is that the United States is slipping way behind the rest of the industrialized world in real economic growth. In fact, a survey of the 1960–1970 period shows the United States 18th among the top 20 advanced economies of the world. We are even with Ireland, and several points ahead of Luxembourg. The United Kingdom is in the cellar in this tabulation, and Prime Minister Harold Wilson complains plenty.

U.S. industry suffers a serious capital pinch, and an executive like Ian MacGregor, chairman of the American Mining Congress (now wait a minute, hold your boos, folks), calls it, "probably the most important question facing our country at the moment."

On Mutual Radio's Reporters Roundup, MacGregor explained the American reputation of "being a marvelous capital producer has been seriously eroded since World War II," and seriously questioned whether the United States can provide new jobs and solve the energy problem without "complete changes" in the public attitude toward capital.

Even with population size leveling off, 10 million new jobs must be created in the next five years in the United States. It takes up to $40,000 in capital to create even one job. The best estimate is that in the next 10 years there will be $2.6 trillion available for such investment but that $4.1 trillion is needed.

Much of the problem is lodged in the attitude of political figures, government, public-advocacy devotees and even in my own trade—the media. Somehow, business is perceived as "bad," profits as "too high," and the need for capital a mystery we'd rather not think about. Curiously enough, an increasing number of labor leaders, the men who learn economics by studying the industries they are trying to extract raises and benefits from, are sharing the concern of executives about industry's ability to expand.

Labor leaders get around the world, and they know that the American industrial plant is at least two years older—and less efficient—than those of Europe and Japan. It won't be long before the United States will suffer serious disadvantages in the tough competition for world markets. The present recession will then seem like good times.

It is hard for the likes of me to see big business as an underdog, but in terms of its ability to reinvest profits and slug it out in the ring of world competition, one can hardly say our guys have the upper hand.

Too much of our wealth—up to 40% of gross national product—is going into the least productive sector, namely government. It is too difficult for people to save money any more—thus providing capital. Corporations are not given incentives to plow back profits into new investment. The wild swings of fiscal and monetary policies by government makes corporate planning a nightmare.

And it's the businessmen's fault, as well. Too many business executives today live in the comforting corporate womb, too timorous to speak out or to get into the ring and slug. They are allowing a great economic engine—the U.S. economy—to run down, rust and sputter. Even half-Socialist Sweden doesn't allow its engine to fall into disrepair.

If there is not improvement in the profit-reinvestment situation soon, many of those critics who helped damage the once-marvelous engine will be standing there screaming at it for not providing all the goodies it did in yesteryear.

THE SLOW DEATH OF FREEDOM IN PORTUGAL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. **CRANE**. Mr. Speaker, the North Atlantic Treaty Organization has been effective in preventing Soviet aggression from succeeding in its desire to expand into Western Europe. By remaining strong, the Alliance has for nearly 30 years enabled its members to thrive in freedom.

Yet, while NATO provides an effective means of responding to physical aggression on the part of the Soviet Union, or any other potential enemy, it is deficient in its planning for an internal subversive takeover of one of its constituent members.

Unfortunately, the current situation in which Portugal finds itself reflects this dilemma. The revolution which overthrew Portugal's traditional authoritarian regime now threatens to impose upon the people of Portugal a government far more tyrannical than any in its history. Already, freedom of speech and of the press have come under serious attack. Although the Portuguese people clearly showed in the recent election that they did not wish to be ruled by communism, the Communists nevertheless appear to have a stranglehold on the current military government.

A recent articles illustrates the situation being faced by the people of Portugal. Helen Gibson, writing from Lisbon for the Christian Science Monitor reports that,

> When the Garretts, descendants of the famous Portuguese poet Elmeida Garrett, came home to their 900-acre farm after a day-trip to Lisbon last month, they found soldiers barring their way. The lieutenant in charge told them the farm now belonged to workers and the soldiers, and that he would later advise the Garretts whether they would be allowed to pick up their personal belongings.

The fact is that thousands of Portuguese are fleeing the country. Freedom, slowly, is being destroyed. And, although it would be efficient and effective in an assault upon Portugal by Soviet troops, NATO is impotent to defend the freedom and integrity of Portugal from subversive attack from within.

Unless we develop an effective strategy to respond to events such as those which are now occurring in Portugal, the future of freedom in many Western nations may soon be at stake.

I wish to share with my colleagues the article, "Portugal's Middle-Class Exodus," which appeared in the June 12, 1975 issue of the Christian Science Monitor and insert it into the RECORD at this time.

PORTUGAL'S MIDDLE-CLASS EXODUS

(By Helen Gibson)

LISBON.—When the Garretts, descendants of the famous Portuguese poet Almeida Garrett, came home to the 900-acre farm after a day-trip to Lisbon last month, they found soldiers barring their way. The lieutenant in charge told them the farm now belonged to workers and the soldiers, and that he would later advise the Garretts whether they would be allowed to pick up their personal belongings.

Now the Garretts are leaving revolutionary Portugal for Brazil—part of an upper-and-middle-class exodus involving all kinds of people, from landowners to waiters, in numbers estimated to reach into the thousands.

"Everyone we know—doctors, lawyers, architects—they're all leaving for Brazil. No one feels sure about the future of this country," said Mrs. Maria Garrett. "Now our farm has been occupied, we're leaving, too."

(Brazil was settled by Portuguese and is Portuguese-speaking.)

The trouble at the Garrett farm had started the previous month when teen-age temporary workers had demanded to be made permanent. The family refused, for they had enough full-time staff. The teen-agers then went to the local military unit, and a lieutenant took over. All the workers still loyal to the family were locked up, then dismissed.

Although COPCON, the powerful military security force in Lisbon, at first showed some concern over the illegal takeover—the farm was too small to come under a new agrarian reform act—they did nothing. The next thing the Garretts heard was that their dairy cattle, their furniture, clothing, and personal belongings had been sold to pay the workers' wages. They also heard that the farm had lost a number of sheep and cattle because the animals had been locked in stables without food or water for several days—forgotten while the workers and soldiers talked politics.

"I had hoped to be able to retrieve some of our things," said Mrs. Garrett. "Now all I want to do is to leave the country. My husband has gone to pieces—he built the farm up from nothing 25 years ago."

A recent editorial in the weekly Expresso, one of the few remaining newspapers that is free of Communist control and that ever criticizes the government, lamented over the "thousands of technicians that are about to reestablish themselves in Europe, the United States, Canada, and Brazil."

Joining them are hundreds of businessmen purged from middle and upper management in insurance companies, banks, factories, and commercial enterprises, who have been blacklisted and unable to get further jobs. They are leaving the country to the strains of the latest popular song, the lyric of which goes, "Come on, let's beat up the bosses."

But it is not only the professionals and businessmen who are leaving.

A headwaiter at Sancho's, a popular downtown restaurant, says he is arranging his documents for emigration to Canada. He had invested his savings in a few shares in the business, but says he now is willing to lose them all to be able to leave the country.

"With the way things are going, this restaurant will be closed in three months' time," he said bitterly. "But let the workers have it and try to run it. We can't."

Union troubles recently closed all hotels, restaurants, and cafeterias for several days, and the government forced the owners to sign up large increases for the staffs. Now that a dishwasher can earn $320 a month and waiters between $370 and $520, many hotels and restaurants say they simply cannot afford to stay in business. The owner of a tourist hotel in the southern Algarve coastal region told one of his guests that he had had to borrow money from the government in order to meet the payment of the previous month's wages.

But at Sancho's, the waiters themselves are not happy about the situation.

"It's all very well for the unions to push for pay increases, but if the restaurant closes, we'll have no jobs, and we'll never be able to get new ones," one said.

Unemployment is the topic of many worried conversations in Portugal just now. The government acknowledges 6 percent, but economists say this is based on incomplete statistics and place it at nearer 15 to 20 percent.

"I'm told," said the waiter, "that I can get a good job in Brazil."

NEVADA SALUTES IRISH SHOWBAND

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. SANTINI. Mr. Speaker, regular visitors to the State of Nevada are members of the Irish Showband, who carry the message of America to Ireland and to Europe.

One of their most moving arrangements is an "American Trilogy" which they play and sing in America and in Europe.

The unique arrangement features the "Battle Hymn of the Republic," "Dixie," and "America the Beautiful." The "American Trilogy" is always preceded by the acknowledgment that our country is at peace after once being divided, and by the hope for an Ireland at peace.

On Sunday, June 22, members of the Irish Showband will be greeted in Las Vegas by Irish Consul General Brendan Moran.

I believe that their contributions to the better understanding of America and American ideals—here and abroad—deserve attention and recognition, and I am delighted they will receive this recognition in Las Vegas on June 22.

I join with all Nevadans in saluting the Irish Showband. I am sure that the many prominent Nevadans of Irish descent, including our Gov. Mike O'Callaghan, will provide a true Nevada welcome.

RIGHTS OF RETARDED CITIZENS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. BRADEMAS. Mr. Speaker, on May 8, 1975, J. Stanley Pottinger, Assistant General, Civil Rights Division of the Department of Justice, delivered an address before a symposium on the placement of mentally retarded persons in nursing home settings.

Mr. Pottinger's speech is an admirable exposition of the role of the Department of Justice in litigation affecting the rights of retarded citizens. I believe that all of us who are concerned with the rights of handicapped citizens will benefit from Mr. Pottinger's speech and I insert it in the Record:

Speech by J. Stanley Pottinger

I am honored to have this opportunity to address The National Association for Retarded Citizens Symposium on Nursing Homes because of the importance of the subject, because of our role in dealing with it, and because of our need to examine where we ought to go from here.

WYATT VERSUS STICKNEY

The Civil Rights Division of the Department of Justice has been participating in litigation concerning the constitutional rights of retarded citizens since 1971 when U.S. Federal District Court Judge Frank M. Johnson of Montgomery, Alabama, requested the United States to assist the court in the now famous *Wyatt* v. *Stickney* case concerning the care provided to Alabama's institutionalized mentally retarded citizens. In the *Wyatt* case, we presented facts to the court which showed the cruel and unusual practices which existed at the Partlow State School for Retarded Persons in Tuscaloosa, Alabama.

We also presented to the court the testimony of Phil Ross, the Executive Director of this Association, which was of immense value to the court in establishing the standards necessary to implement meaningful relief in that case. We supported the constitutional right to treatment for our institutionalized mentally ill and retarded citizens in the *Wyatt* case, both in the trial court and on appeal in the fifth circuit, where the right to treatment was affirmed.

Since *Wyatt*, we have devoted an increasingly larger litigation effort to protect the rights of our retarded citizens. In September, 1974, we established the Office of Special Litigation to conduct litigation concerning the rights of children and physically and mentally handicapped persons of all ages. We are now participating as plaintiff-intervenor or as a friend of the court in law suits to establish the right to treatment for institutionalized mentally ill or retarded citizens in New York (the *Willowbrook* case), Pennsylvania, Ohio, North Carolina, South Carolina, Alabama (the *Wyatt* case), Louisiana, Texas, and Nebraska.

Moreover, we have filed independent actions as plaintiff concerning mental retardation institutions in Maryland and Montana. In our case in Louisiana (*Gary* v. *Stewart*), we are for the first time becoming involved in the private child care industry. In that case, Louisiana has contracted with private care facilities in Texas to care for their dependent and neglected emotionally disturbed and mentally retarded children. We have intervened in the case to assist the court in establishing appropriate standards of care for these children.

More recently, we participated in the negotiated settlement of the *Willowbrook* case in New York. The court has accepted the detailed relief incorporated in that consent decree. The decree provides, among other things that Willowbrook will be gradually reduced in size from its current population of approximately 3,000 to a total of 250 residents over a six-week period. The State of New York has shown admirable concern for its retarded citizens in agreeing to the required relief and has set an example which other states could well follow.

RIGHT TO TREATMENT

The first right to treatment case has now reached the Supreme Court, The case, called *O'Connor* v. *Donaldson*, concerns the failure of Florida to provide treatment to an involuntarily committed mentally ill person, and was heard by the court in January of this year. While we did not participate directly in *Donaldson*, the Solicitor General did indicate our support for the right to treatment in that case through a letter to the court. We are, of course, hopeful that the Supreme Court will define and uphold the constitutional right to treatment. We believe that the establishment of a clearly defined, feasible and understandable right to treatment as the law of the land for involuntarily institutionalized mentally handicapped persons, including mentally retarded citizens, is likely to be accomplished soon.

Improving conditions in institutions is important, of course, but there are related issues of equally critical importance. Civil commitment to and confinement in any institutional setting—even those made more desirable—still constitutes a substantial denial of personal liberty, particularly where the persons involved are not accused of a crime and, typically, are not given the procedural protections accorded criminal defendants. The federal courts have developed the constitutional principle that a person whose liberty has been denied pursuant to civil process—that is, not as punishment for the commission of a crime, but for some other lawful state purpose such as the treatment and protection of mentally retarded persons—must be confined in a manner which is the least restrictive of personal liberty, commensurate with the treatment needs of the person whose liberty has been denied.

Thus, the nature and duration of confinement must bear a reasonable relationship to the purpose of confinement. Mentally handicapped persons whose particular conditions do not warrant the almost total restriction of personal liberty resulting from institutionalization must be placed in freer settings. This is not to say that all institutions are inherently evil or are unable to rehabilitate. Rather, it is to recognize that institutionalization constitutes a severe encroachment on personal liberty and that therefore, under our system of laws which holds personal liberty paramount, only those persons whose conditions truly require it should be so confined.

DEINSTITUTIONALIZATION

State mental retardation and mental health systems are feeling a double pressure to deinstitutionalize their residents as a result of the right-to-treatment litigation. First, as has been demonstrated in our cases, institutional confinement may have a debilitative effect on some residents with a resulting regression in their life skills.

Our participation as a litigating friend of the court in the *Willowbrook* case was primarily directed toward demonstrating these physical, intellectual, emotional and social regressions in order to support our demand for further relief in that case. One response to the debilitative effects of improper institutionalization that some institutions have resorted to is to remove the residents hastily.

The second pressure to deinstitutionalize residents stems from the relief ordered by federal courts in the right to treatment cases which often requires the addition of substantial numbers of staff based upon the numbers of residents in the institutions and their treatment needs.

If the resident population remains static, court-required increases in staff presents a substantial financial burden to the institution, as compared with the cost of operating the same institution with less staff. A rapid, significant drop in the total resident population helps resolve the immediate financial problem of obtaining more favorable staff-patient ratios. As a result, the pressure on an institution to deinstitutionalize its residents precipitously may be substantial. The possible damage to mentally retarded residents, who have been conditioned to depend upon the institution, may also be substantial if proper program support is not provided on a continuing transition basis.

We have recently received information that nursing homes and other boarding facilities are being used in several states as facilities where mentally retarded persons may be placed as an alternative to continued institutionalization. While such placements may often be appropriate based upon the treatment needs of individual patients, we are concerned that residents of institutions may be subjected to a "dumping" process where, after years of institutionalization, they are placed in facilities which are not capable of treating them or are left to fend for themselves.

We believe that the right to treatment, which we and many others have worked so hard to establish, includes the responsibility to prepare residents for non-institutional life, and to provide appropriate program support after deinstitutionalization so that our mentally handicapped citizens will succeed in community placements of all kinds and will be able to retain a maximum degree of their personal liberty and promote the maximum use of their human abilities.

NURSING HOMES

Recently, as this symposium knows, the conditions in the nursing home industry have been receiving widespread attention. The information contained in recent governmental reports and major news articles indicates that the conditions in some nursing homes may be as debilitative as the conditions were in some of the state institutions with which we have become familiar. Long and thoughtful consideration must be given to whether nursing homes are appropriate placement alternatives for mentally retarded persons.

The Senate's Subcommittee on Long-Term care Reports in *Nursing Home Care in the United States: Failure in Public Policy* that the conditions in a substantial number of nursing homes are truly shocking. The Committee report (Supporting Paper No. 1; December 1974) is a litany of abuses in nursing homes. Some of the most common abuses found were: negligence leading to death; intentional physical injury; poor care; poor food; unsanitary conditions; fire hazards; lack of dental care; lack of any psychiatric care; untrained and inadequate personnel; lack of activities, and unnecessary or unauthorized use of restraints. This parade of horribles is reminiscent of the conditions we found at Partlow in Alabama and at Willowbrook in New York.

The Special Committee on Aging reported further that—

"Thousands of elderly patients have been transferred from state mental institutions to nursing homes. . . . This trend is caused partially by progressive thinking intended to reduce patient population in large impersonal institutions. Another powerful reason, however, may be cost. . . . It costs the states an average of $800 per patient per month to care for mental patients in state hospitals while these same individuals can be placed in boarding [nursing] homes at a substantially reduced cost. Charges of 'wholesale dumping' of patients have been made in several states."

Although the Special Committee was referring here to the placements of mentally ill patients in nursing homes, the analogy to a possible "dumping" of mentally retarded patients is obvious.

At the request of Congress, the Government Accounting Office conducted a sample survey of nursing homes, which had been certified for the Medicare and Medicaid programs, and reported on March 18, 1975, that as many as 72 percent of the nursing homes in its sample failed to meet major fire safety code provisions which are incorporated in federal medicare/medicaid regulations. It appears that a substantial number of nursing homes constitute a danger to the lives and well-being of their residents.

We are aware of the fire hazards presented by some nursing homes and are taking action to end the danger. On October 11, 1974, following a referral from the Department of Health, Education, and Welfare we filed a civil suit (*United States* v. *Commonwealth of Pennsylvania*) in the U.S. District Court in Harrisburg, Pennsylvania to enforce the fire safety regulations concerning skilled nursing homes which house the beneficiaries of Medicare/Medicaid throughout Pennsylvania. Prior to our filing suit, there had been several fatal fires in Pennsylvania nursing homes and it had been determined that the fires were caused by violations of Medicare/Medicaid fire safety regulations. We believe that this suit constitutes a major step forward in protecting the rights of residents of nursing homes.

It is clear that more persons will be removed from institutional settings and placed in freer evironments, and for the most part this is a long-overdue trend. But this change in setting for persons committed to the care of the state does not relieve the state of its responsibilities to protect such persons from harm, or to provide the kind of care and treatment that is designed to give residents a real chance to maximize their human skills and enhance their ability to cope with their environment.

The state cannot relieve itself of its constitutional obligations merely by contracting with a privately operated facility to provide services.

Fire hazards and other dangerous conditions that have been exposed in nursing homes must be remedied before they may be used as a placement alternative. Whether any particular non-institutional setting, including nursing homes, will comply with the constitutional treatment standard depends upon whether the basic treatment needs of each patient can be met in that setting. Obviously danger to one's life from fire hazards is not consistent with any form of effective treatment.

But sound, effective deinstitutionalization depends upon steps taken prior to transfer as much as after. It is likely that a patient who has been confined in an institution for a substantial period of time will require assistance in preparing him to function in a non-institutional setting, just as he will require assistance after transfer to insure his continued successful adjustment.

COMMUNITY-BASED FACILITIES

Our experience in the right to treatment cases is that only a small number of retarded persons require institutionalization. The vast majority of presently institutionalized retarded persons could appropriately be placed and treated in a variety of community-based facilities. But placements of this kind ought to be consistent with the principle of "normalization." That is, the environment must permit the individual retarded person the opportunity to function as any other nonretarded person, at least insofar as his condition permits.

To the extent that a nursing home may be entirely a geriatric facility, it would not be consistent with the principle of normalization to place a young mentally retarded patient there. The persons who are available to interact with retarded persons should represent a wide spectrum of ages and abilities and should include a substantial number of persons of the mentally retarded person's age group.

A final consideration is whether the detailed standards concerning care and treatment set forth in such decisions as *Wyatt* are applicable to community-based facilities in general, and to nursing homes specifically. The court in *Wyatt* set forth standards which included considerable detailed relief, as staff-patient ratios. While many of those standards have general applicability to all facilities where retarded persons are treated, the specific relief in that case was, of course, designed to meet the specific problems presented in that case.

Different patient groups with different needs in different settings may well require different staff-patient ratios and the like. The constitutional mandate is not that specific predetermined ratios be met, but that effective care and treatment is provided.

The law must retain its traditional flexibility to permit the development of new treatment modes in the profession and, at the same time, insure the right of personal liberty of our mentally retarded citizens is protected. For that reason, the movement to protect the rights of retarded citizens is proceeding forward at an increasingly greater speed.

The traditional practice of committing mentally retarded persons to large impersonal institutions is under attack. As author David Rothman has pointed out, institutionalization has been too seductive. As responsible officials and society as a whole, we succumbed too easily to the fallacy that merely keeping retarded patients behind walls would do some good. Because confinement of the patient was so easily confused with the improvement of the patient, abuses proliferated.

Deinstitutionalization must therefore continue for those who will benefit from it. Our vigilance must be maintained to insure that proper care and treatment will continue to be provided in freer settings for our most helpless class of citizens.

The Department of Justice is proud to continue to play an active role in the development of this important area of constitutional law.

RURAL RENAISSANCE AT ROUND TOP

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. PICKLE. Mr. Speaker, although there may be some doubt whether the actual population of Round Top, Tex., is 79, 97, or 106, there is little doubt that this Fayette County hamlet has gained international renown during the last 5 years, due in good measure to the acclaimed pianist, James Dick.

Mr. Dick, a member of the faculty at the University of Texas at Austin, organized the International Festival Institute in this rustic central Texas locale and recently the fifth annual gathering there drew the top names in classical music from around the globe.

Mr. Paul Hume, who has distinguished himself as a critic for many years, reported on this mercurial event in the Washington Post. I insert Mr. Hume's article:

AN INTERNATIONAL FESTIVAL-INSTITUTE

Round Top is a town on a wide curve in a road that winds through rural Texas. Its neighboring towns are Winedale, LaGrange, Brenham and Carmine. If you enter Round Top from the southwest, the sign that tells you you are there says: "Pop. 97." But the printed program announcing the "Official Presentation of the Bicentennial Flag to the Town of Round Top, Tex.," dated June 7, 1975, clearly states, "Pop. 79." If you drive into Round Top from the northeast you would see the figure 106. Even if you split the difference, Round Top is still not going to come out a large metropolis.

Yet to Round Top last year went pianist Lili Kraus, singer Maureen Forrester, the Cleveland Quartet, the full Houston Symphony Orchestra under Sixten Erhling and the Houston Symphony's Chamber Orchestra. This year Round Top will be visited by the symphonies of Houston and Dallas as well as the Fort Worth Youth Symphony Orchestra. The Tokyo String Quartet will be there, too, along with cellist Paul Olefsky, well-*remembered* in Washington, and violinist Leonard Posner.

What are these noted musicians doing in Round Top? Well, there is a sign that stretches across the road into the town. It says, "International Festival-Institute," and it means what it says.

The festival, the brainchild of pianist James Dick, is now in its fifth year. It is a summer center for pianists, but Dick has a view of the music world that takes in far more than a Steinway's 88 keys. The first American prizewinner in the Tchaikovsky Competition in Moscow to be invited to return and serve on the jury, Dick has also taken top honors in the Leventritt and Busoni Competitions.

In his regular techings at the University of Texas in Austin, as well as in his concert performances, Dick emphasizes the broadest aspects of the piano world. His pupils are reminded of chamber music, of song literature, and of the repertoire for piano with both chamber and full orchestra. They are also required to play what Dick calls "service concerts."

These are concerts in churches, hospitals, senior citizens' homes, prisons, places where music often does not travel. This requirement is made not only while the young pianists are under Dick's immediate supervision, but also during those times of the year when they may be working on their own or under other teachers.

At Round Top, the students have unusual opportunities both to hear and to study with world-famous artists. Lili Kraus not only played but gave master classes and regular lessons while she was there. Maureen Forrester not only sang a recital but, together with her own pianist, gave a demonstration and discussion of the interrelationship of singer and pianist, and her accompanist added his own insights concerning that neglected field. This year, Gwendolyn Koldofsky of the University of Southern California will continue that discussion, talking about accompanying songs, with special consideration of the songs of Ravel.

When such ensembles as the Cleveland and Tokyo String Quartets visit Round Top, they play concerts, with Dick joining them in a wide variety of literature for piano and strings. They also discuss the problems of string players and various approaches to the repertoire.

Concerts at Round Top are played from the Mary Moody Northern Pavilion stage, a large portable acoustical shell which once stood on the White House grounds. It was from that stage that President Lyndon Johnson made his Pageant of Peace speech the last time he lighted the White House Christmas tree.

There are marked parallels between Round Top and the music center at Marlboro, Vt., whose director is Rudolf Serkin. The same democratic spirit exists in both places. Artists, teachers, students and visitors all meet freely throughout the day, eating together and carrying off each other's dishes.

Round Top started in much the same way as Marlboro: concerts in a tiny hall where the vast world of commercial concerts seems remote. Programs are rehearsed without worries about length of time. Each year on Independence Day, when the town of Round Top observes the oldest Fourth of July parade in Texas, there is a concert in which each pupil plays all or a complete movement of an American work. The most talented students also have regular chances to play chamber music with the various chamber orchestras that are a part of the four week routine.

Until this year all concerts were open to the public without charge. They are played in Henkel Square, a large, open, green area surrounded by old houses which have been restored by the Texas Pioneer Arts Foundation.

This year economic pressures led Dick and his associates to make a small charge for admission. This did nothing to deter people. The opening-night concert, with the Dallas Symphony conducted by Louis Lane, drew over 1,500 people to the square. If the weather turns unfriendly—so far it has been almost uniformly benign—the concerts can be moved to a variety of places, depending on the size of the participating groups.

Dick is concerned that his young charges should consider every aspect of the career artist's world. To assure this, he invites lecturers on various subjects, such as career development, American piano literature, the role of the musicologist and the creature process, to Round Top.

As a logical consequence of Dick's urging the pianists to range widely, it is not uncommon for them to come up with fresh ideas in repertoire and a strong curiosity about many musical areas. During a recent visit to Round Top, I listed a large number of American composers of piano music whose works I consider distinguished but which are rarely, if ever, played. Even their names are known to too few American musicians. Among these works I mentioned the sonata by Herbert Elwell, a neglected composer of quite aristocratic manner. A short time after my talk, an enterprising young man from Manhattan, Kans., came up to me and rather diffidently, but with a touch of open pride, showed me his copy of the Elwell sonata, which he has been working on for some time. It is that spirit which makes Round Top a rewarding place.

There is an interesting postscript to the Round Top season. Each year when the four weeks of work and study are finished, the whole center packs up and goes on the road for a few days, playing in San Antonio and other cities on the way to their final destination, Lafayette, La. This gives them a touch of the traveling artist's life.

In Lafayette there is an extension of the Texas project, sponsored by the Louisiana Friends of the Festival-Institute. This year concerts with members of the New Orleans Symphony will range through lectures, full and chamber orchestra literature and solo recitals featuring Dick and the top artist-students.

Dick has ambitious plans for the immediate future. They call for the addition of faculty in voice, string playing, conducting and composition, but keeping a limited number of students. If he can keep up the momentum that has made the first five years impressive, the festival which he calls "the only festival of serious music of major scope in a vast region stretching from New Mexico to the South Atlantic states (an area the size of Western Europe)" is likely to also become, with honor to both, "the Marlboro of the South."

BALTIC STATES FREEDOM DAY

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. THOMPSON. Mr. Speaker, Baltic States Freedom Day, which is observed on June 15, commemorates the forcible annexation of the Baltic States of Estonia, Latvia, and Lithuania into the Soviet Union.

Between June 14 and June 17, 1940, the Soviet Army marched into these three countries which had maintained free and independent governments since 1920. In order to consolidate its power the Stalin regime conducted a brutal deportation of over 70,000 persons to Siberian labor camps. Today, 35 years later, these nations remain under Soviet domination.

In 1922, the United States extended full diplomatic recognition to Estonia, Latvia, and Lithuania, and despite Soviet domination continues to maintain this recognition of their sovereignty. The people of this area have resisted Russian attempts to expunge their cultural and religious identity. Protests by Lithuanians and other ethnic and religious minorities in the Soviet Union against religious and political persecution have attracted world attention. It is for this reason that I sponsored House Concurrent Resolution 238, expressing the sense of Congress that the U.S. delegation to the European Security Conference should not recognize the annexation of the Baltic States by the Soviet Union. I am hopeful that the State Department will take note of this action and do everything it can to further recognition of human rights in the Baltic States and the Soviet Union.

FORD'S SOUTHERN AFRICA POLICY

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. DIGGS. Mr. Speaker, some of my colleagues have expressed concern that there is a lack of clarity about the position of the Ford administration on African issues. In this time of rapid and significant change in Southern Africa, it is imperative that this policy be made perfectly clear.

In that context I thought it might be helpful, Mr. Speaker, to bring to the thoughtful attention of my colleagues some recent statements on Southern African policy made by the President of the United States. These statements were occasioned by the recent State visit of Kenneth Kaunda, the President of Zambia. Zambia is a courageous nation of 4.4 million people in Southeast Africa that has long been surrounded by areas engaged in armed struggle to achieve their freedom.

Below are the text of the toast offered by President Ford at a dinner at the White House on April 19; excerpts from President Kaunda's response—which appears in full text in the RECORD of May 8 on page 13646—and the text of a letter from the President to my friend and colleague, Hon. CHARLES RANGEL of New York.

The letters follow:

PRESIDENT FORD

Mr. President, Mrs. Kaunda, Kaweche Kaunda, distinguished guests: Let me say that Mrs. Ford and I are extremely delighted to have you, Mr. President, your family, and your distinguished guests with us here this evening. It has been a great pleasure for me to talk to your lovely wife and to know of your delightful family, and on behalf of Mrs. Ford and myself, we extend and wish to you our very, very best.

Your visit to Washington is a mark of friendship that has existed between our two nations since Zambia gained her independence in 1964.

America knows and respects you, Mr. President, but also I should say we know that in the modern history of Zambia and the history of Kenneth Kaunda, they are inseparable. Your moral and intellectual leadership guided your country to independence, and for that we praise you.

Your leadership has made your young nation an example of respect and admiration throughout the world. The American people join me in saluting you for your accomplishments, your dedication, and your wisdom in a controversial and difficult world.

We ask that you convey to your people in Zambia our admiration for them and for you and our greetings.

Mr. President, we have been following developments in southern Africa with great, great interest. For many years the United States has supported self-determination for the peoples of that area, and we continue to do so today.

We view the coming independence of Mozambique, Angola, and the island territories with great satisfaction, just as we viewed the independence of Guinea-Bissau just last year.

May I say, Mr. President, America stands ready to help the emerging countries, the emerging nations, and to provide what assistance we can, and we know, Mr. President, that these new states will continue to look to you for wise, wise counsel as they build to nationhood in the future.

Much still remains to be done in southern Africa. In this connection, Mr. President, we welcome your commitment to change through peaceful negotiations and understanding between the parties concerned, rather than through recourse to violence.

We deeply believe that patient diplomacy will bear fruit, and we promise our continued efforts and our support as you seek, with others, to resolve these problems at the conference table.

Mr. President, in my April 10 speech to the Congress and to the American people, I noted that America is developing a closer relationship with nations of Africa, and I said that Africans must know that America is a true and concerned friend, reliable both in word as well as in deed.

Your visit, Mr. President, coming so soon after that occasion, is most timely for all of us. I hope that you will take back to your countrymen and to all Africans our renewed pledge of friendship.

Our wide-ranging discussions, Mr. President, this afternoon after my return from some of our historic celebrations of our 200th, or Bicentennial, anniversary covered matters of common interest and concern, and it confirmed the relationship between your country and my country.

There is, however, one area, Mr. President, of mutual interest which we tacitly did not discuss. I have since found, tonight, from your lovely wife, that we have a close and intimate interest in a special area. I understand that you do enjoy playing golf [Laughter.] I feel sure, Mr. President, that our common problems, nationally, internationally, bilaterally, on some occasions in the future can best be resolved by a little competition on the links. [Laughter.] I intend to make an honest effort to see if our friendship cannot be broadened by such an experience.

So, I say to you, Mr. President, to your lovely wife and your son and your colleagues here this evening, let me propose a toast to you, to the Republic of Zambia, and to the continuing excellent relations between our two countries: To you, Mr. President, and to your Republic and to your wonderful people.

PRESIDENT KAUNDA

Mr. President, Mrs. Ford, brothers and sisters: I first want to express my deep appreciation and gratitude for inviting me to visit Washington, D.C. I also thank you, the government, and the people of the United States for their warm welcome and the kind hospitality given to my wife and the entire Zambian delegation.

Mr. President, we are happy to be in Washington, D.C. It is a very brief visit, but since we come for specific objectives, it is not the duration that matters, but the results.

So far, we have done a lot. We find we have a lot in common on vital issues affecting mankind. Our discussions have been characterized by a spirit of frankness and cordiality.

This spirit, coupled by the definition of areas of urgent action, should move the United States and Africa closer toward its attainment of our common objectives.

We come, Mr. President, to America with a clear purpose. We simply want to be understood. We seek American understanding of Africa's objectives and America's fullest support in the attainment of these objectives.

The relations between Zambia and the United States cause me no concern, because they are cordial, although there is room for improvement through more sound cooperation.

What gives Zambia and Africa great cause for concern is, Mr. President, America's policy toward Africa—or is it the lack of it, which, of course, can mean the same thing.

I have not worked at the U.N., but I have been told that at the U.N. sometimes there are tricks in which an abstention in a vote can be a vote for or against. A no-policy position may not be a neutral position indicative of a passive posture, but a deliberate act of policy to support the status quo or to influence events in one direction or the other at a particular time.

We have, in recent years, been most anxious, Mr. President, about the nature and degree of the United States' participation in building conditions for genuine peace based on human equality, human dignity, freedom, and justice for all—for all—particularly in southern Africa.

You will forgive us, Mr. President, for our candor if we reaffirmed on this occasion our dismay at the fact that America has not fulfilled our expectations.

Mr. President, to build genuine peace in southern Africa, we must recognize with honesty the root causes of the existing conflict.

First, colonialism in Rhodesia and Namibia. The existence of a rebel regime in Rhodesia has since compounded that problem. Second, apartheid and racial domination in South Africa. Over the last few years, a number of catalytic factors have given strength to these forces of evil.

External economic and strategic interests have flourished in colonial and apartheid regimes. Realism and moral conscience dictate that those who believe in peace must join hands in promoting conditions for peace. We cannot declare our commitment to peace and yet strengthen forces which stand in the way of the attainment of that peace.

The era of colonialism has ended. Apartheid cannot endure the test of time. Our obligation is that these evil systems end peacefully, peacefully. To achieve our aim, we need America's total commitment, total commitment to action consistent with that aim.

So far, American policy, let alone action, has been low keyed. This has given psychological comfort to the forces of evil.

We become, Mr. President, even more dismayed when the current posture of America toward Africa is set against the background of historical performance in the late fifties and early sixties.

We ask and wonder what has happened throughout America. Have the principles changed? The aspirations of the oppressed have not changed at all. In desperation, their anger has exploded their patience. Their resolve to fight, if peaceful negotiations are impossible, is borne out by history.

So, their struggle has now received the baptism of fire. Victories in Mozambique and Angola have given them added inspiration.

Africa has no reason, no reason at all, not to support the liberation movements.

Can America still end only with declarations of support for the principles of freedom and racial justice? This, I submit, Mr. President, would not be enough. Southern Africa is poised for a dangerous armed conflict. Peace is at stake.

The conflict with disastrous consequences can be averted, but I submit again, Mr. President, there is not much time. Urgent action is required.

THE WHITE HOUSE,
Washington, June 12, 1975.

Hon. CHARLES B. RANGEL,
House of Representatives,
Washington, D.C.

DEAR CHARLES: Thank you for your letter of May 1 and your warm expressions of support for the welcome given to President Kaunda of Zambia during his recent visit to Washington.

I was honored to have this distinguished African leader as a guest at the White House, and his views on matters of common interest were of great benefit to me. His visit also gave me the opportunity to convey to Africa that America is a concerned, reliable friend, and that we pledge continued efforts and support in the peaceful resolution of the problems of southern Africa.

We welcome the coming independence of the former Portuguese colonies in Africa and seek mutually beneficial relations with them. We are hopeful that a renewal of negotiations toward settlement in Rhodesia will lead to peaceful transition to majority rule in that country. We believe that South Africa must take concrete actions to resolve the Namibia issue and adopt a more constructive policy for black South Africans.

Once again, may I express appreciation to you and to other members of the Black Caucus for your expressions of support. I value close cooperation with you as we seek to increase friendship and understanding between the United States and the nations of Africa.

Sincerely,

JERRY FORD.

DR. KWANG TSING WU

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. CARTER. Mr. Speaker, on June 30, Dr. Kwang Tsing Wu will retire as head of the Chinese and Korean Section, Orientalia Division, of the Library of Congress, a position in which he has served ably and well since 1966.

Dr. Wu came to the Library of Congress in 1938 as a reference and cataloger of Chinese books in that division. He previously was head of the Editorial and Cataloging Department of the National Library of Peiping in his native China. Dr. Wu did his undergraduate work in history at the University of Nanking. After coming to the United States, he earned a bachelor's degree in library science from Columbia University in 1931, a master's degree in library science the following year from the University of Michigan, and a doctorate from the University of Chicago in 1944—all as a Carnegie fellow.

He taught at the Institute for Far Eastern Librarianship at the University of Chicago in 1969 and belongs to such professional organizations as the Association for Asian Studies and the national honor society for professional librarians, Phi Beta Mu. In addition, he is a member of the Sino-American Cultural Society.

Dr. Wu has had a special interest in bibliographical history, with an emphasis on Chinese printing. Much of his extensive published work has been on the history of Chinese libraries, printing and cognate subjects.

Mr. Speaker, as you will recall, Congress established the Library of Congress in 1800 for its own special use in carrying out its Members' legislative responsibilities. Since that time the Library of Congress has truly become the National Library of the United States. I wish to pay particular tribute to Dr. Wu because it has been exemplary service and devotion to duty such as he has demonstrated during his years at the Library which have helped the Library of Congress to reach its present stature.

While I regret that we here in Congress will lose the active service of Dr. Wu as head of the Chinese and Korean Section, I would like to extend a most sincere wish to him for a long and enjoyable retirement, and I am sure that my colleagues join with me in that wish.

MASSACRE OF 10,000 POLES DESCRIBED

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. McDONALD of Georgia. Mr. Speaker, if more evidence is needed, a document has been discovered shedding more light on the fate of the Polish Officer Corps from World War II, many of whom were murdered at Katyn. This new document sheds some light on those who were not executed at locations other than Katyn. The item as it appeared in the London Daily Telegraph of June 11, 1975, is reproduced below. It is further confirmation of the true nature of communism.

The article follows:

MASSACRE OF 10,000 POLES DESCRIBED

A document throwing new light on the fate of more than 10,000 Poles who disappeared in Russia in 1940 and are believed to have been executed by the Russian secret police was produced at a Press conference at the Commons yesterday.

The document is a secret report from the head of the NKVD (secret police) in Minsk to his ministry in Moscow on the "liquidation" in May and June, 1940, of three prisoner-of-war camps at Kozielsk, Ostashkov and Starobielsk.

These are the camps in which the missing 14,471 Polish officers and men are known to have been held. Those held at Kozielsk are also known to have been executed at Katyn, near Smolensk.

The fate of the remaining 10,217 from Ostashkov and Starobielsk has never been established.

The document produced yesterday indicates that the Ostashkov prisoners were "liquidated" at Bologoye, near the main line from Moscow to Leningrad, and those from Starobielsk were disposed of at Dergachi, near Kharkov.

A copy of the document was produced by Mr. Louis Fitz-Gibbon, honorary secretary of the Katyn Memorial Fund, who is including it in a detailed study of the evidence he has gathered on the Katyn tragedy to date.

He said the document had been found in 1943 in the cellar of a building in Minsk which had been used by the NKVD.

The document was smuggled to Poland after the war, but the Polish Communists would not publish it. It was eventually taken to Germany, where it was reproduced in a relatively obscure weekly and attracted little attention.

Though the document was badly creased and the copy almost illegible, it appeared to be genuine. It is at least the only piece of written evidence hinting at the fate of the missing Poles.

FLAG DAY MESSAGE BY THE PRESIDENT OF THE UNITED STATES

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, on Flag Day, June 14, the President of the United States spoke at Fort Benning, Ga. The President's remarks are well worth the attention of all my colleagues. The leadership of the Army, under Secretary Callaway deserves commendation and the President deserves support for his understanding of and commitment to the volunteer military:

REMARKS OF THE PRESIDENT,
FORT BENNING, GA.

Thank you very, very much, General Tarpley, Governor Busbee, Senators Sparkman, Talmadge and Nunn, distinguished Members of the House of Representatives from the States of Georgia and of Alabama, Secretary Callaway, distinguished guests, ladies and gentlemen:

It is a very, very great honor for me to be here in Fort Benning, the Home of the Infantry, and to join with the citizens of Columbus and Phenix City, as well, to make this a real fine community celebration. You have made coming from the banks of the Potomac to the Valley of the Chattahoochee a very memorable experience.

You know, one of these things I have always admired about our men in uniform is their ever present sense of humor. And what brought this to mind, as we were walking over here Major General Tarpley told me how impressed all of Fort Benning was with the way I came out of Air Force One and down those steps in Salzburg, Austria. I asked him what he meant. He said, "Well, it is the first time we ever saw anyone come out of a plane like that and not wear a parachute." (Laughter.)

I told the General I was only trying to live up to one of your mottos. He said, "Which motto is that?" I said, "Airborne, all the way."

This is a great day for the United States Army, and a great day for all Americans. Today I am proud to join a grateful Nation in saluting the Army on its 200th year of service and sacrifice to our country. On this day in 1775, a year before America's independence, our Second Continental Congress created the American Army to have meaning. The deliberations and debates of Independence Hall had to be backed up by strength.

The decisions made there had to be defended at Bunker Hill and on a dozen other battlefields across this new Nation. It was a bold step from which there could be no retreat. It was a recognition of the realities of the world in which the colonists lived, and in which we live today; that there are times when principles must be defended by the force of arms.

Since that day in 1775, our soldiers have protected and preserved this Nation at home and throughout the world.

I know there is much that I will remember about this visit, but, perhaps, the one thing that best sums up the spirit of this day is, the simple but deeply moving statue here, at Fort Benning, of an American combat infantryman. The statue, as you well know, bears the Infantry's motto—only two short words, but it speaks volumes for the courage, for the sacrifice, that the American fighting man has always demonstrated. The motto is, "Follow me."

It is this "Follow me" spirit, this sense of courage, leadership and sacrifice, that has characterized the American Army from its beginning as a ragged band of citizen volunteers, united only in love of liberty and a deep sense of duty.

Very few people thought that this citizens' army had much of a future in 1775. After all, the colonies had no allies and only limited industrial capacity, and the adversary was the greatest global military power of the 18th Century.

Yet, there were some who sensed from the start that, for all its weaknesses and handicaps, this was no ordinary army and that the goal it served was something special, perhaps, even unique, in the annals of history.

On June 15th, 200 years ago tomorrow, the Continental Congress chose a commander for its new army, a tall quiet Virginian. In his letter to his wife, Martha, George Washington expressed his personal faith in the mission he and his fledgling army were about to undertake together, and he wrote as follows: "It is a kind of destiny that has thrown me upon this service." And that destiny saw Washington and his men march from the harsh winter and privation of Valley Forge to the ultimate victory of Yorktown.

That first American Army faced many obstacles and some defeats. But it had one enduring trait—it would not quit. The mainstays of Washington's revolutionary force was the will to be free and the willingness to pay the price of freedom. Today's Army, exemplified here, at Fort Benning, continues that great tradition, and we thank you all.

Although we still enjoy the freedom, which the Continental Army won for us, we have also learned, over the years, that freedom is never free. Each subsequent generation, in its own time and in its own way, has answered the call to serve and sacrifice to preserve our legacy of liberty.

Today's generation is no exception, and one of the most important contributions, it has made, physically and morally, a strong United States Army, an Army that is worthy of the heritage of two centuries of heroes.

Like the men of 1776, you, who serve today, are volunteers. With your comrades in other services, you are the guardians of both our peace and our liberty. For, if we are to avoid war, we must maintain a credible and ready fighting force on hand, ready.

Today's realities have increased, rather than reduced, our need for a solid conventional fighting force and for strong and ready infantry soldiers, such as I see here today. In today's world, as the world of George Washington, weakness is a provocation to aggression.

It took strength to win our freedom. It will take strength to keep it and to preserve the peace. The American soldier has paid the price of freedom for countless years, and countless battlefields throughout the world. For my part, I will do everything I can to see that our servicemen and women continue to receive the recognition and the respect that is their due. And I will continue and maximize my effort to work with the Congress to keep our Armed Forces supplied with the best and the most modern weapons, training and equipment, in the world today.

In the short time that I have been here at Fort Benning, I have seen and felt the pride and the vitality of the modern volunteer soldier. Last week I had the privilege to fly to West Point to give the graduation address. My old friend and former colleague in the Congress, Secretary Callaway, was along then as he is today. I asked Bo, while we were in Air Force One, how the all-volunteer force was doing.

Well, it is a good thing it was a short flight (Laughter.) because when Bo gets to talking about the success of the all-volunteer Army, he just won't quit. But I can see here today why Bo is so excited, and I share that enthusiasm.

From my days in the Congress, I can well remember the spirited debate and the concern expressed over the establishment of an all-volunteer Army. An all-volunteer Army of 782,000 soldiers was considered by many as impractical at best, and impossible at worst.

I can vividly remember one of my Congressional colleagues saying, "The only way to get good volunteers is to draft them." Well, as so often happens, the doubters were wrong. Today's Army is not only an Army of volunteers; it is most importantly an Army of winners, and we are proud of them.

It is truly representative of all of the American people. As a matter of fact, the Army is attracting better educated, better qualified, higher skilled young men and women into its ranks than ever before. And most importantly, from what I see here today and have observed elsewhere, this new Army has kept intact that esprit de corps, which 200 years of history and tradition have instilled.

Seeing so many flags proudly flying here reminds me of the fact that besides being an important anniversary of the Army, today is also Flag Day. As I travel across America, I am proud to see that more and more people are displaying flags in their yards, on their cars, their places of business. Perhaps the spirit of the Bicentennial has caught on.

Whatever the reason, let us never forget that the flag we honor, that we honor today, embodies 200 years of experiences of great people. It symbolizes the Nation's history. As President Woodrow Wilson said in a quote concerning the flag, "No man can rightly serve under that flag who has not caught some of the meaning of that history."

Each of us in our daily lives, in our sense of patriotism and purpose, can add to that history and the flag that embodies it. For when you get right down to it, the most remarkable thing about America is not the fact that we have produced great leaders. Other nations and other civilizations have done as much.

What is unique is the way in which generation after generation of Americans, working men and women from all national, racial, regional and religious backgrounds, have joined together to build a new Nation and new lives for themselves.

The great lesson of America is that in a free society like ours, the so-called "common man" can rise to uncommon heights of heroism, sacrifice and achievement.

That is what the American flag stood for 200 years ago and what it still stands for today—the integrity and the worth of the individual citizen. And that is what each of us is sworn to defend.

From 13 stars, the flag has grown to 50. From 13 coastal colonies on the edge of an untamed continent, America has grown into the most productive, strongest and freest Nation in the global history.

But strength of spirit is every bit as important as wealth and territory and industrial power. What the American flag will stand for tomorrow depends on each of us today. If we live up to the trust of this Nation's founders and to the dedication of its men in uniform—and I am confident that we will—then the flag and the Nation we pass on to prosperity will still justify Oliver Wendell Holmes' eloquently stated vision—in the words of "One flag, one land, one hand, one Nation, evermore."

Thank you very much.

SOME SOBERING STATISTICS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. SIMON. Mr. Speaker, on Saturday, June 14, an Associated Press story circulated across the Nation containing the following lead paragraph:

> An Illinois congressman has published what government spokesmen said Friday are classified figures on America's nuclear weapons, including the total kilotonnage of warheads.

I was the Illinois Congressman referred to in the article. But whoever in the Pentagon told the Associated Press that I had released secret information misled that news agency.

Here are the facts:

On April 11 of this year I attended a seminar on the United Nations and American foreign policy together with several Senators and House Members, as well as representatives of the academic community and officials from other countries. In a discussion between Senator MIKE GRAVEL and Dr. Fred Ikle, Director of the Arms Control and Disarmament Agency of the United States, Senator GRAVEL mentioned that the United States has nuclear warheads with 615,835 times the power of the bomb which fell on Hiroshima. No one present contradicted that figure nor suggested that it was classified information.

Startled by the figure, I wrote a column discussing the problem of nuclear power growth. Before sending it to the newspapers in my district, I sent copies to Dr. Ikle, to Senator GRAVEL, and to John M. Maury, an Assistant Secretary of Defense. I asked that they let me know if there were any inaccuracies in the column and, specifically of Assistant Secretary Maury, if the material I used fell into a classified category.

On April 28, a member of the staff of Senator GRAVEL talked with Judy Wagner of my staff and confirmed the accuracy of the figures used.

On April 30, I had lunch with Senator GRAVEL and he indicated that, in his opinion, the figures used were not classified and were accurate.

On May 2, Dr. Fred Ikle wrote a letter to me in which he discussed in general terms the need to move responsibly toward disarmament and particularly to control nuclear growth among the smaller nations. It was my opinion that, if I had used classified information, he would certainly have pointed this out. He did not.

On May 5, Mr. D. R. Cotter, Assistant to the Secretary of Defense for Atomic

Energy, wrote me a letter in which he stated:

> It is our opinion that there is nothing in your article that is classified.

On May 6, three officials from the Department of Defense came to my office to discuss the column and suggested that one sentence be changed. I changed it.

On May 8, Congressman Robert Carr of Michigan inserted an article in the Extension of Remarks of the Congressional Record. One line from the article reads:

> The American nuclear arsenal possesses the equivalent of more than 615,000 Hiroshima-size explosions.

On May 24, speaking at the Vermont Technical College graduation exercises, Senator Patrick J. Leahy said:

> We already have 615,835 times as much explosive power in nuclear weapons alone as the one bomb dropped on Hiroshima.

His remarks were inserted in the Congressional Record on June 16 by Senator John Sparkman.

On June 2, Senator Stuart Symington, one of the most respected and knowledgeable Members of that body, stated on the floor of the Senate:

> The figure we computed from information of the Atomic Energy Commission and the Joint Atomic Energy Committee regarding the number of bombs that could be made of the Hiroshima type was 655,000.

At this point in the discussion Senator Birch Bayh interrupted to say:

> Do we have the material stockpiled now for 655,000?

Senator Symington replied, "yes." These remarks are printed in the Congressional Record for June 2.

When I finally released my column on June 14, I used the more conservative figure I had received earlier rather than the higher figure used by Senator Symington. And clearly I had not rushed into print with some sensational information, which had been classified and previously unknown.

After the Associated Press story appeared, Fred Hitz, congressional liaison for the Department of Defense, in a call to our office, assured us once again that the information which we had released was not classified. I appreciate his courtesy and that of the others in the Pentagon who have tried to help inform the electorate.

If the American people are to make decisions which will prevent world disaster, they have to be told the facts, and I intend to do my small part in helping to give them the facts.

Following is the column which caused the concern and unfortunately resulted in incorrect headlines indicating that I had released secret information:

> SOME SOBERING STATISTICS
>
> If it's late at night, don't read this. Wait until morning, because your sleep will not be a peaceful one if you read this column.
>
> Recently I had the chance to visit with a United States Senator and Mr. Fred Ikle, the director of the Arms Control and Disarmament Agency of the U.S. government. We talked about the problem of survival.
>
> Here are a few statistics that obviously have immense meaning for the future of mankind:
>
> The bomb that fell on Hiroshima killed 100,000 people and had 13.8 kilotons of power. We now have in the United States nuclear warheads totaling 615,835 times that amount of power.
>
> If you take the deaths at Hiroshima and multiply that number (100,000) times the power we have (615,835) you come up with 61 billion people who could be killed by U.S. power—many times the actual world population of four billion.
>
> Right now we have 36 nuclear warheads aimed at every major Soviet target of significance and they have at least 11 trained on each of ours.
>
> The Soviets now have about two-thirds of our nuclear capacity, and the other nations of the world together have perhaps one-sixth of ours—though it is growing.
>
> Totally there is now loose on the face of the earth enough nuclear might to theoretically destroy 110 billion people, or 27 times the present world population.
>
> Efforts to limit the spread of arms, to try to prevent "small wars" from breaking into major ones, are vitally important to the survival of mankind.
>
> The thought of nuclear war is so far beyond our calculation that no reasonable person would consider starting one—but what if an unreasonable person comes into power somewhere? And what if we stumble into a nuclear confrontation? What if someone misreads a radar screen and believes that Soviet bombs are heading our way and they are not? Will we denonate our bombs?
>
> The only safe answer has to be the gradual destruction of these bombs by mutual consent among the nations which have them.
>
> Achieving that will not be easy.
>
> But you have to be asleep mentally not to be concerned.
>
> Somehow, in some way, we must move toward greater arms control. If we don't, sooner or later in this century or the next, some madman could end civilization as we know it.

EDUCATOR CATHERINE CUBERT RETIRES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the dedicated work and achievement of a distinguished educator in my congressional district in California.

Mrs. Catherine Cubert is concluding her 46-year professional career as a audiologist, educating children and adults with hearing handicaps. Mrs. Cubert is recognized nationally for her outstanding contribution to audiology.

She received her specialized training at the Central Institute for the Deaf at Washington University in St. Louis, Mo. Following her training she taught at the institute for several years and later in Long Island, N.Y. Upon moving to Chicago in 1939, she attended Northwestern University and obtained a masters degree in audiology. This degree enabled her to engage in the various nonmedical aspects of evaluation and rehabilitation of persons with impaired hearing. For 11 years, Mrs. Cubert served as an audiologist on the staff of the University of Illinois Medical School advancing to the academic rank of associate professor in the department of otolaryngology.

In 1963, Mrs. Cubert moved to California and established the first public school class in Santa Barbara for persons with impaired hearing. That original class of six children has now developed into a comprehensive program of five classes for individuals in preschool through junior high school.

Mrs. Cubert has been a member of the Alexander Graham Bell Association since 1931. She is also an active member of the American Speech and Hearing Association, the California Teachers Association of the Deaf and Hard of Hearing, and the Professional Educators Group of Goleta.

As a result of her no-nonsense approach to meeting the needs of the hearing handicapped, countless persons enjoy a richer, fuller, and more productive life. Mr. Speaker, Mrs. Cubert deserves the commendation of this House for her fine work.

EXCERPTS FROM THEODORE W. COOPER'S "BY POPULAR CHOICE"

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. JOHN L. BURTON. Mr. Speaker, one of my constituents, Theodore W. Cooper, of Novato, Calif., has recently had a book published, called "By Popular Choice."

This is a thoughtful and provocative volume, excerpts of which I would like to call to the attention of my colleagues.

These excerpts follow:

> BY POPULAR CHOICE, WHY NOT VOCALIZE THE SILENT MAJORITY?
>
> By popular choice, Why Not Vocalize the Silent Majority? is the result of an in-depth study of our system of self-government which I have made over a period of nearly ten years. From this scientific study I concluded that we are confronted with a deficiency in federal government which must be corrected before we can hope to regain our normal rate of national progress.
>
> My inquiry was aimed at determining whether or not we have a basic problem in our self-governing system which is the root-cause of our crisis disposition. If so, I had hoped to be able to reveal it, and possibly to derive a solution for it from the principles underlying our system.
>
> By late 1968 I had completed the first phase of my inquiry, and had arrived at a positive conclusion. I found that, while our United States Constitution is a virtual masterpiece of human engineering in most respects, it does contain a defect in design; and that the defect is a matter of design implementation rather than one of design principle. The basic principles of the Constitution were shown to be fundamentally very sound—but incomplete. Lacking from our present governmental structure is a nonpartisan, pre-legislative function which is needed for determining and projecting the will of the People as legislative needs with sufficient foresight and power to effectively guide the President and Congress. I concluded that the lack of such a pre-legislative function is the root-cause of our crisis disposition and of most, if not all, of our internal national problems.
>
> This conclusion may be more acceptable as a reality in view of the fact that in our

contemporary society, with its other activities the most highly automated in the World. we are still using the eighteenth-century approach for our popular communications to government.

Soon after I started the draft of my book manuscript it occurred to me that, if my conclusions were indeed correct, there should be some evidence supporting them from the history of the birth of our Nation. I then undertook a detailed study of the thoughts and actions of some of the founding fathers as documented in The Federalist, a compilation of classical papers authored by Alexander Hamilton, James Madison and John Jay. This study demonstrated conclusively that these founding fathers were at least intuitively aware of the existence of the design defect in the Constitution prior to its full ratification. They also foresaw its impact upon our Nation with expected population growth and expansion. Hamilton, the major author of the papers, had even predicted, in general terms, a future need for the problem solution which I had derived independently—and much more specifically.

I found that the solution of our fundamental problem requires adding another objective function to our third branch of government and thereby creating the Objective Branch. This branch would then have a pre-legislative, projectional power as well as the existing post-legislative, judicial power. This can readily be done in a neat, evolutionary manner by amending the Constitution since the judicial power is, itself, objective. I have presented a draft of the amendment for doing so in Chapter I. Elsewhere in the book I have set a bicentennial goal for achieving this greatly needed constitutional updating: full ratification of the amendment by July 4, 1976.

Each of us, whether we identify with the so-called "silent majority," the radical left, the radical right, the new generation, or whatever, has a big stake in the solving of our internal national problems. I am presenting this book for the express purpose of solving these problems—not just discussing them.

The solution of our fundamental problem is designed for application in an evolutionary rather than a revolutionary manner. However, it is going to require that we, as individuals, tenaciously take the initiative in order to activate the supreme power of the People to complement the supreme law of the Land for the guidance of governmental action—By Popular Choice.

T. W. C.

A PERSPECTIVE

In order to resume maximum progress, we must employ our most effective tool, the scientific approach, in endeavors other than those leading to achievement in only the natural and life sciences.

The following quotations of various statements which were made publicly by Dr. Henry Kissinger, US Secretary of State, were aimed primarily at the diplomatic arena of international cooperation but may have even wider implications and applications at home. They are quoted, with emphasis added, from an article by Nicholas Wade in Science, 17 May 1974, entitled "Kissinger on Science: Making the Linkage with Diplomacy."

We are, in fact, members of a community drawn by modern science, technology and new forms of communication into a proximity for which we are still politically unprepared. Technology daily outstrips the ability of our institutions to cope with its fruits. Our political imagination must catch-up with our scientific vision. . . .

In a global economy of physical scarcity, science and technology are becoming our most precious resource. . . .

Man's technical genius has given us labor-saving technology, healthier populations, and the green revolution. But it has also produced a technology that consumes resources at an ever-expanding rate; a population explosion which presses against the earth's finite living space; and an agriculture increasingly dependent on the products of industry.

Let us now apply science to the problems which science has helped to create. . . .

* * * bridge which spans the gap between reality and ideality, and it thus affords the pathway to progress.

This seems to be the ingredient most lacking in our present bi-partisan system for self-government.

As presently constituted, internal governmental action is either legislative, executive or judicial. Legislative action generates the laws which are to be used as the basis for guidance and control. Executive action establishes and applies these laws, providing guidance and control. Judicial action should objectively interpret these laws during its actions to establish justice in the matters of governmental control.

Where does pre-legislative, objective action arise for application to the guidance function?

CORRECTING THE DESIGN

Seeking to correct the design of the Constitution, while preserving its sound principles and all of the positive aspects of our constitutional system, let us now take another brief look at the Constitution Itself. It is a brilliantly conceived document which, after being ratified by nine states, established Itself as the supreme basis for the creation and perpetuation of our Nation. It simultaneously established our three branches of government, the relationship between the new federal government and the states, the method of maintaining Itself, the basis for governmental operation, and the method for Its ratification. It is clearly the result of the highly objective pursuit of very dedicated men.

The founding fathers tried to maintain the bulk of the governing power in the hands of the People and within the States by providing that only limited power be allowed within federal government. However, events during a broad physical and a large popular expansion have demonstrated a need for stronger central government in certain areas such as interstate commerce, federal money-credit, aeronautics, electronic communications, etc., than was initially provided. It is clear that the People have been left with decreasing tangible power as the strength of federal government has grown since the birth of our Nation.

It is also clear that, if the passive power delegated by the People to government by the Constitution is supreme, then the non-delegated, active power of the People must also be at least as supreme, and that it should be put to far better use than it is at present.

The "self" in our supposedly "self-governing" process currently consists mainly of special interest lobbies which are working in close relationship with our public officials. The special interests are so strong that the citizen's interests are literally obscured by the lobbying tactics. Even lobbying "in the public interest," which is usually the least harmful of present lobbying, is really inadequate; because who can specify what is in the public interest other than the public itself? And today there is no legitimate reason why the public cannot state directly to government just what its interests are!

The steering of our governmental leaders and institutions in the public interest can come only from the individuals of our body politic, and through their direct influence upon government. Yet, in our society, with its other activities the most highly automated in the World, we are still using the eighteenth century approach for communications between the People and government.

Since government's influence upon the public is already highly automated, it is not only fitting and proper, but it is highly essential, that our influence upon government also be organized and automated so that we can maintain the proper balance of influences necessary for self-government. And since lobbying is the exercise of our constitutional right to petition, our only chance to overcome today's undue influence by special interests is by formalizing and automating this right!

What we must have in order to effectively govern ourselves today is a pre-legislative, objective function in government which is guided solely and directly by the People through computerized communications pathways which are open to the individuals of our body politic. This needed new institution in government must be organized to have power which is both non-partisan and supreme!

According to Webster, such an institution would objectify as "belonging to the sensible world and being intersubjectively observable or verifiable, especially by scientific methods."

It is evident that no person of the founding era could have foreseen the technological advances in communications and information-handling capabilities which make a pre-legislative, objective function practical in government today. Such a body would provide commensurate popular power within our stronger federal government for meeting today's increased need for proper and timely guidance and leadership from that government.

To "lead" implies a direction to be followed, and it means to guide "toward," such as toward some objective. Therefore, we cannot reasonably expect to receive the needed guidance and leadership from our government to establish, maintain, and pursue our particular objectives by adding the needed pre-legislative, objective function to its third branch.

Thus, in addition to Legislative and Executive Branches, we need an apolitical Objective Branch of government which has as its function the objectification of government action through the application of both projectional and judicial processes.

The pertinent meanings of "projection" in the projectional process, according to Webster, are "the act of externalizing or objectifying what is primarily subjective" and "an estimate of future possibilities based on a current trend." And today, these are the actions within government which are so conspicuous by their absence!

ORGANIZATION AND ADMINISTRATION OF THE OBJECTIVE BRANCH

Establishment of the Objective Branch by constitutional amendment would be an evolutionary process for correcting the "defect" in original design of our United States Constitution—the defect which was determined in Chapter I, and verified in Chapter II. This expansion of our solely post-legislative Judicial Branch into the Objective Branch would create the necessary pre-legislative, projectional power which has been previously lacking in our third branch.

This branch would constitute government's popular interface, and its interfaces with popular and lower government institutions. Its primary function, the objectification of government actions, would be divided into two powers: the pre-legislative, or projectional power, to be vested in the Supreme Council; and the post-legislative, or judicial power, to be vested in the Supreme Court as in the past.

Pre-legislative objectification would originate with, and thus be guided by, the integrated goals of the People. It would culminate in the specification of the popular legislative needs by the Supreme Council from projections developed by the Projectional

Department based upon these integrated popular goals.

Post-legislative objectification originates in the power of the Supreme Court to adjudicate legislation and its applications, and it should culminate in justice to the people—previously somewhat lacking because no tangible, pre-legislative basis for our legislation has ever been provided to guide adjudication.

The proposed Objective Branch would be organized into four departments which would furnish formal interfaces with the people, popular institutions, and the scientific and technological community. It would provide essential, non-partisan inter-branch and intra-branch services within federal government.

The Research and Development Department would study and establish the popular goals of our Nation. It would supply the supportive data which would then be objectively developed into our legislative needs by the Projectional Department.

The Judicial Department would maintain its former function and identity.

The Scientific Advisory Board would constitute the Nation's highest scientific and technological authority. It would serve all branches of federal government in an advisory capacity and would act as government's interface with the Nation's scientific and technological community.

At the head of the Objective Branch would be its Chief Minister, who would be responsible for budgets, personnel, schedules, etc., and for coordinating branch activities. He would also act as Chief Minister of the Supreme Council, having as his deputy the Chief Counsellor. The heads of each department would report to the Chief Minister for administrative purposes only.

The Minister of Research and Development would head that department and would be responsible for the activities of federal government in the objective determination and documentation of popular goals, and for the study data required for developing our legislative needs. He would also be a member of the Supreme Council.

The Minister of Projection would head the Projectional Department. He would be responsible for the formal translation of research and development data into specific legislative needs, and for the documentation thereof in preparation for action by the Supreme Council, of which he would also be a member.

The Chief Justice of the Supreme Court would still be head of the Judicial Department upon establishment of the Objective Branch, but he would have the additional office of Minister of Justice on the Supreme Council.

The Minister of Science and Technology, as Chairman of the Scientific Advisory Board, would head that department and be responsible for administering and coordinating its actions to provide the scientific and technological guidance required by government and the Nation.

The Chief Counsellor of the Supreme Council would be responsible for establishing agenda, priorities, and schedules for the activities of the Council. He would also be responsible for documenting the actions of the Council, and for communication of the results to Congress and the President after due authorization by the Council.

THE PROJECTIONAL PROCESS

The projectional process is a basic idea for self-government. It was designed using the fundamental theory upon which our United States Constitution was formulated by the founding fathers. It was developed in order to provide greater depths of foresight and insight in federal government; depths beyond those which the political branches alone can hope to provide because of severe bipartisan pressures and the strong influences of well-organized and well-financed special interest lobbies, among other things.

The projectional process would furnish our basic mechanism for societal self-guidance just as the judicial process furnishes our governmental mechanism for societal self-control. Whereas the judicial process is applied by the government to the people and institutions, the projectional process would be applied by the people and institutions of federal government in order to provide the self-guidance function in government which we have never had. Establishing the projectional process as proposed would originate a new, popular access to government; it would derive a will for the Objective Branch directly from the will of the People.

THE NEW PERSPECTIVE

To make our federal system of self-government fully democratic each of us should have equal access to our policy-making, governmental institutions. We do not have it today mainly because the strong influence of money in our present system makes a few citizens' access much greater than the rest.

To diminish the power of money to gain access to government and corrupt the public process, we must establish a non-partisan access which is empowered only by the popular influence that has been integrated from the goals of individuals. This cannot be done today on any significant scale because we are not organized and sponsored to fight the battle for access to our governmental institutions.

But why should we have to fight for that which our system of self-government was designed to provide?

If we must fight each piece of legislation through the legislative process in order to achieve our goals, then we are not being properly or fully represented. The fact that we now have to fight our losing battle for access to government is ample evidence of the existing defect in constitutional design! Our current instruments of self-government are obviously in need of repair.

To restore our confidence in our self-governmental institutions, we must be able to participate significantly in them. This we can hope to do by automating our citizens' right to petition for what we believe we need in order that we may gain the essential access. Since the sophistication of our technology precludes each of us from being sufficiently knowledgeable in all specialty areas to assess and specify our total needs for legislation, we must be represented both objectively and politically by our institutions of self-government.

The first point of popular access to federal government should be non-partisan and pre-legislative so that our needs for legislation are developed both objectively and professionally by a new projectional process which is responsive to our goals and keeps us well-informed on progress. Given this response and information we can hold our Representatives and Senators accountable for fulfilling our needs for legislation. However, we must have this new measure of representation which the projectional process can yield.

Since the concentration of economic power that is presently strangling our process of self-government can be overcome only by popular power, we must establish the Objective Branch as our instrument of access to government. Just because this is a new perspective of self-government does not invalidate the need.

It should add balance to the constituted powers of our Nation, without loss of any constitutional asset, wherein the primary power of the Legislative is "the purse," that of the Executive is "the sword," and that of the Objective is "the People"—the integrated will of the body politic within the limits of nature's laws.

This is consistent with long-standing criminal legal procedures (which would also function under the auspices of the Objective Branch), wherein "the People" oppose the alleged criminal in any action to be settled in court.

Establishing the Objective Branch would constitute the rebirth of our Nation, paving the way for the resumption of our national progress.

DECLINE IN GASOLINE INVENTORY SHOCKING, SHORTAGE FEAR GROWS

HON. GARY A. MYERS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. MYERS of Pennsylvania. Mr. Speaker, coming from an oil and gasoline producing State, Pennsylvania, I frequently read a publication called Oil Daily. Today I read with some concern that U.S. motor gasoline inventories are shrinking at a pace this publication calls "shocking."

It occurs to me, Mr. Speaker, that if the facts related in the article are facts, this Congress at this time should take notice of the situation in its debate on energy. July seems to be the trigger month in determining exactly what the situation is. I hope we are through debating an energy bill and have passed something that makes sense both to consumers and producers of gasoline by that time.

I might point out, Mr. Speaker, that motor gasoline inventories in a comparable preoil embargo period, June of 1973, were 1½ million barrels higher than today's stocks, and today's supply is 22 million barrels of motor gasoline less than it was in June of 1974.

The article follows:

DECLINE IN GASOLINE INVENTORY SHOCKING, SHORTAGE FEAR GROWS

(By Jim Drummond)

HOUSTON.—A further decline in U.S. motor gasoline inventories despite a production surge above the year-ago level surprised some marketers and increased the feeling of others spot shortages are ahead.

In fact, a spokesman for the Society of Independent Gasoline Marketers of America (SIGMA) said members already are experiencing supply curtailments on both the east and west coasts.

West coast allocations were said to be down to about 80% of SIGMA companies' needs. Curtailments on the East coast, mainly in New England, haven't been as severe, the spokesman said.

"Shortages haven't been noticeable in the Midwest yet, but we can feel them coming," he said. "We look for a pretty tight situation in July."

Latest American Petroleum Institute figures put the nation's motor gasoline stocks at 201,899,000 barrels, down from 206,834,000 barrels a week earlier and from 223,663,000 barrels at the like date last year. It becomes difficult, or perhaps impossible, to supply all markets properly when the total drops beneath 200 million barrels, or so the theory goes.

An upturn in domestic gasoline output to 6,594,000 barrels daily from 6,419,000 barrels per day the week before failed to halt the inventory decline. Production a year ago came to 6,544,000 barrels per day.

Some SIGMA members had reopened service stations closed during the gasoline pinch that accompanied the Arab oil embargo. They may have to close some of them again and cut back sales through others, Oil Daily was told.

Demand doesn't appear to be the problem, the SIGMA man said. A recent bank study concluded it's down, chiefly because of bad business conditions and gradual replacement of big cars with small on the highways. It should be curbed further, he thought, when the latest $1 a barrel added to the excise tax is passed through as higher product costs:

"That's another 2½ cents a gallon, which means some gasoline pump prices probably will go to 60 cents a gallon from the 50's. When that happens, the public will become aware of it. The reaction probably will be to cut down driving."

Complicating the picture, said the SIGMA'er are new, blue-printed or proposed regulations: "Trying to fathom them is like trying to go to the washroom in a straitjacket."

AMENDMENTS TO THE FEDERAL RULES OF CRIMINAL PROCEDURE

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. RUSSO. Mr. Speaker, the Chicago Tribune printed an article today emphasizing the major defects in the Federal Rules of Criminal Procedure Amendments Act, H.R. 6799. I hope all of my colleagues will read this well written editorial before the bill comes up on this floor this week.

The article follows:

A HELPING HAND FOR THE CRIMINAL

(By Bob Wiedrich)

Criminals are already getting enough breaks today without having Uncle Sam extend them a helping hand.

Yet, that is the predicted effect of proposed changes in the federal rules of criminal procedure being considered by Congress this week.

According to the Justice Department and United States attorneys across the country, the effect of amending two of the rules would not only open the door to the possible murder or intimidation of government witnesses, but might make it easier for criminals to escape or destroy evidence of their crimes.

"If Congress wants to be a party to murder and intimidation, then so be it," is the stinging conclusion reached in a telegram dispatched to a House Judiciary Committee subcommittee on justice by U.S. Atty. William C. Smitherman of Arizona.

Under the two controversial rules changes recommended by the U.S. Judicial Conference of 100 federal district and appellate judges, these things would occur:

Government prosecutors would be required to furnish the names and addresses of witnesses to the defendant three days before going to trial instead of when the witnesses testify.

Instead of issuing arrest warrants, the courts would send persons charged under indictments or criminal complaints a notice thru the mails instructing them to give themselves up, unless the prosecution could satisfy the court a defendant should be arrested.

Both proposals are extraordinarily silly. They can only strengthen public conviction that the courts system is bending over backwards to coddle the very people who are raping society with increasing ferocity.

The first rule change cited can only serve to make things tougher on those increasingly rare individuals who are willing to stand up and be counted on the witness stand instead of seeking refuge behind the pathetic declaration: "I don't want to get involved."

Things are hard enough on witnesses without disclosing their identities to accused armed robbers, dope dealers, cartage thieves, and organized crime figures so they can violently eliminate damaging testimony against them at their ease.

"It opens an avenue to witness intimidation and subordination of perjury," declares U.S. Atty. James R. Thompson of Chicago.

"In short, it adds enormously complicated problems and unnecessary risks to human life to the administration of criminal justice . . .," echoes U.S. Atty. Paul J. Curran of New York.

" . . . The most important factor is that some of our bleeding-heart judges have a propensity to be more interested in the welfare of the criminal than the victim of the crime," is the bitter commentary of U.S. Atty. W. H. Dillahunty of Little Rock, Ark. "You can quote me on that."

Rep. Henry Hyde (R. Chgo.), a subcommittee member who opposes the two rules changes, points out prosecutors already make it a common practice to divulge witness identities to defendants to persuade them to plead guilty because of the weight of the evidence against them.

But they do so judiciously and never in cases involving the potential for violent retribution or intimidation. And it is in such instances that both Hyde and the Justice Department are bitterly opposed to the rules change.

The second proposed amendment has its own series of pitfalls. Sending defendants advance notice that they are in trouble would create these events, according to opponents: An end to searches incidental to arrest with a warrant which often produce additional evidence or lead to the seizure of narcotics, stolen goods, and other contraband.

A flock of accused criminals taking it on high when they receive their written notice thru the mail. And that is certain to make it harder for federal agents to bring them to justice.

Under present procedure, either a federal magistrate issues an arrest warrant based on a criminal complaint or a federal judge issues a bench warrant based on a grand jury indictment. The system works well, no defendant's rights get violated, so why change things to give criminals another break?

The rules changes recommended by the Judicial Congress were submitted to Congress by the chief justice of the U.S. Supreme Court last year. Usually, Congress pays little heed and lets the rules changes take effect by default.

This time, tho, the House Judiciary Committee has paid considerable attention, prompted by the criticism and opposition of the Justice Department and its prosecutors whose sorry job it is to protect the public against a rising crime rate with one hand already tied behind their backs by high court restraints.

We hope the House flattens the two proposed rules changes and promptly.

U.S. POLICY IN THE PERSIAN GULF

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. WINN. Mr. Speaker, there has been growing interest in the Congress and among the American people in U.S. policy in the Persian Gulf, and specifically in U.S. arms sales to the nations of that region. Under the chairmanship of my distinguished colleague from Indiana, Mr. HAMILTON, the special subcommittee on investigations of the House Committee on International Relations held a hearing on June 10 to explore and discuss those policies. The chief witness was the Under Secretary of State for Political Affairs, Mr. Sisco. His statement, and the ensuing discussion, will, I hope, help to clarify this issue, which has been subject to much misunderstanding and tendentious treatment in the media. I commend Mr. Sisco's statement, the text of which I insert here, to my colleagues:

June 12, 1975:

OPENING STATEMENT OF JOSEPH J. SISCO

Mr. Chairman: My statement will address itself to U.S. policy in the area of the Persian Gulf and the Arabian Peninsula—an area of major importance to the United States in political, economic, and strategic terms.

It is timely to take another comprehensive look at this region, and I want to commend the Chairman and the members of the committee for having launched this useful review and dialogue in 1972—a dialogue which has been carried on with regularity since then. Our policies impact on both regional and global interests, and I hope to show that our military sales programs, in which I know you have a special interest, is an integral part of that overall policy, pursued carefully and with balance, with a view to promoting the interests of the United States.

AREA RELATIONSHIPS

In the Persian Gulf/Arabian Peninsula area are ten countries which are related geographically, religiously, and for the most part ethnically, but which present sharp and distinctive economic and political contrasts. Some have long histories as independent nations with established interests and influence in and beyond the area, while others have achieved independence as recently as 1971. All have strong economic ties with the outside world. Several are among the world's wealthiest in terms of per capita GNP while others are still among the poorest. Their political systems range from absolute monarchy based on Koranic law through gradations of parliamentary democracy to a Marxist-Leninist style Peoples' Republic. Except for the Peoples' Democratic Republic of Yemen, where we have had no diplomatic relations and no official presence since October 1969, and Iraq, where despite the absence of diplomatic relations we maintain a small U.S. Interests Section in the Belgian Embassy, our relations with all the countries, the depth and variety of our relationship have grown significantly in recent years.

It remains an area where a spectacular transition is underway:

Where new political institutions have been formed and tested and where traditional values are subject to modern, social change;

Where there has been a dramatic evolution in relationships between international oil companies and oil producer states;

Where a technology transfer is being greatly accelerated as the oil exporting countries seek help from the developed countries to diversify and industrialize their economies; and

Where concerns for security and stability have loomed large since Britain's termination in 1971 of its protective treaty relationships with a number of Gulf states and as the countries in the area have moved toward greater regional cooperation.

It also remains an area where developments affect the relationships among and policies of major world powers. With the shift in world oil market power from consumer nations to the producer countries, the application in 1973 of the oil embargo, and the quadrupling of oil prices, the global strategic equation has been affected by what happens in the Gulf. The increasing world focus on the Gulf has been marked by a growing Soviet presence in its periphery, as the Soviets have sought to increase their position and military presence in the PDRY, Somalia, and Iraq. Since 1967 and particularly since the October 1973 war, the major Arab oil producers in the Peninsula have become the principal financial support for the Arab states more directly involved in the Middle East conflict. While not directly part of the process of reaching a Middle East settlement, their views are very important and they are regularly consulted by the Arab parties to the negotiations as well as by the Palestinians.

CURRENT OVERVIEW

Before examining our policy, it is important to look briefly at where we were in the area four years ago, when there was uncertainty about the region's future stability with Britain relinquishing its security responsibilities in the Gulf and small, newly independent states in the region were about to emerge. Just four years ago, we were concerned about whether any federation of small gulf states could hold together; about the numerous unresolved boundary disputes; about the impact of the growing communist-supported insurgency in Oman's Dhofar province; and finally about the dearth of technicians and nation-building institutions needed for the area's development. In short, only four years ago there were real concerns as to how and indeed whether the area would be able to benefit from rapid change without falling prey to the instability inherent in such change.

While the rapid political and social transition now underway still leaves a number of uncertainties, there has been a substantial degree of progress and stability. Recently, we have seen the smooth succession of power in Saudi Arabia. The seven-member United Arab Emirates has solidified and is building up its federal structure. The wealthy Gulf riparians are attracting a growing number of foreign technicians and companies to help with their development. The significant rise in the price of oil has made several Gulf states capital-surplus nations, enabling them to increase sharply their level of foreign assistance and to become attractive markets for our goods and services as they seek to accelerate their own development.

At the same time, there has been a perceptible trend toward greater regional cooperation. For these countries, the Gulf remains the key communications link to the outside world for most of their imports and exports, and this circumstance has required them to deal with each other in seeking to resolve issues contributing to area tensions. The Shah's recent visit to Saudi Arabia has highlighted the closer cooperation among the two principal Gulf riparians.

Progress has been made on a number of boundary issues, Iran has settled its boundary dispute with Iraq. Iraq in turn has reached a preliminary boundary settlement with Saudi Arabia. The United Arab Emirates has settled its boundary problem with Saudi Arabia and negotiated a median line in the Gulf with Iran. In the poorest, but most populous state on the Peninsula, North Yemen, we have seen strong Saudi financial support for a new government which is earnestly trying to put centuries of tribalism and factionalism behind it, and to get on with the business of development and progress for its people. The insurgency in Dhofar supported by the radical South Yemeni regime has failed to gain its objective, and one of the principal reasons has been the military and economic assistance Oman has received from friendly regional states. Finally, the reopening of the Suez Canal provides opportunities and incentives to the South Yemen regime to moderate its ideological bent if it plans to put Aden's unique bunkering facilities to use once again for world shipping. Whether it will perceive its interests in this light, of course, remains to be seen.

POLICY OBJECTIVES

Our main policy objectives for the Gulf and Arabian Peninsula region, which we have set forth before to the Committee, have remained constant since we developed a comprehensive policy framework in anticipation of the termination of the special British role there in 1971. They are:

Support for collective security and stability in the region by encouraging indigenous regional cooperative efforts and orderly economic progress. Being responsive to requests from the regional states for advice regarding the types and quantities of military equipment and services, they need to meet their defense and internal security needs as they perceive them and responding on a case by case basis to their requests to purchase such equipment and services from us, has served this purpose;

Continued access to the region's oil supplies at reasonable prices and in sufficient quantities to meet our needs and those of our allies;

Encouraging the states in the area to resolve by peaceful means territorial and other disputes between them and widening the channels of communication between them;

Expanding our diplomatic, cultural, technical, commercial, and financial presence and activities; and

Assisting oil exporters to employ their rapidly growing incomes in a constructive way, supportive of the international financial system.

REGIONAL SECURITY

Mr. Chairman, we must remember that the nations in the Gulf region have a primary interest in stability and orderly progress. The littoral states of the Gulf are aware that they sit on what is probably the world's most valuable energy asset, valued at something over 4.5 trillion dollars at today's oil and gas prices. They know there is little in history to suggest that resources of this magnitude, of such critical importance to every nation of the world, will go unmolested very long unless there is a degree of collective security. They know that any implicit big power guarantees that they feel might have existed in the past have now disappeared, with the British relinquishing their former protective role in the Gulf, and the Gulf states themselves acquiring control and ownership of their own petroleum resources.

It is our view that the major burden for assuring security in the region must be borne by the Gulf states themselves, and in particular by the major nations of the region, Iran and Saudi Arabia. We have had a long tradition of military cooperation with those nations through the provision of training and furnishing of military equipment, which dates back to World War II. When the British announced in 1968 they would end their protective treaty relationships in the Gulf, we carefully reviewed our policy. We decided on an approach which incorporated the following guidelines:

To continue to promote regional cooperation by encouraging the two strongest riparian states, Iran and Saudi Arabia, to assume increasing responsibilities for the collective security of the region;

To establish direct U.S. relationships with the new political entities in the area, where they had not existed before, including the establishment of diplomatic representation in the Lower Gulf states; and

To develop plans for technical and educational assistance and cultural exchange, through private as well as public programs, for the purpose of promoting orderly development.

This approach recognizes the role which the British will continue to play as advisor on security and economic development, but it is a course which has relied increasingly on a varied mix and growing nexus of relationships—in which military supply for regional security is one aspect. It is a policy approach which we have since periodically reexamined in our review of the most desirable basis for maintaining stability in the area of the Persian Gulf and the Arabian Peninsula.

The execution of a regional policy based on these general guidelines has required that our actions be tailored to the specific country concerned, taking into account its human resources, size and geography, degree of development, and the security threats which it believes it faces. There are in the Gulf at least four entities that need to be addressed separately.

IRAN

Iran shares a lengthy border with the Soviet Union. While seeking cooperation with the powerful northern neighbor, any prudent Iranian leader has to remain concerned about long-term Soviet intentions. Looking east and west, he can see substantial Soviet involvement in Afghanistan and Iraq; to the south he seeks growing Soviet naval activity in the Indian Ocean. Possessing half of the shoreline of the Persian Gulf, a waterway of vital importance to its burgeoning economy and oil exports, Iran has a natural strategic interest in maintaining free passage through the Gulf and the Strait of Hormuz, through which pass all of Iran's and two-thirds of the world's oil exports, and the Indian Ocean, through which the Gulf is reached.

Iran's size, harsh terrain, relatively limited transportation network, and great distance from foreign suppliers of military equipment, have required it to develop comprehensive defense plans which correspond to these conditions. The result has been a concept that keeps the standing armed forces relatively small in number (about 350,000) while providing advanced equipment for air, naval, and armed forces and the means to move ground forces by air rapidly from one location to another. While using a portion of its oil wealth to equip itself for its defense, Iran has sought to develop a cooperative approach to regional security among states. It has recently been able to settle a long-standing territorial dispute with Iraq. At the same time, it has offered support to its Gulf neighbors in dealing with radical threats. Iranian units are presently in Oman to help the Sultan end the insurgency in Dhofar, which has its sanctuary and base in the Soviet-backed Peoples' Democratic Republic of Yemen.

The size of Iran's population, coupled with its rapid social and economic development, give it a capability to exercise leadership in the Gulf. The United States has welcomed Iran's taking on greater security responsibilities. We have agreed to sell it a substantial quantity of defense material, especially aircraft and naval craft. The progress which Iran has made in improving its military capability has given Iran a credible deterrent, enabled it to play a more active role in protecting the vital trade routes of the Gulf, and was undoubtedly a factor in the recent decision of the Iraqi and Iranian leadership to resolve a major bilateral dispute by negotiation. I would note it is only recently that Iran's armed forces have drawn level with Iraq's military capabilities and strength.

Much has been said regarding the resources which the Iranian government is putting into building its defense military capacity. But too little has been said about the impressive strides which the government has made in economic development and in improving the welfare of its people. Iran's domestic investment program is more than twice what it spends on defense. The Iranian five-year plan (1973–78) calls for the expenditures of roughly $70 billion in the civilian sector. A substantial portion is for industrial growth, but $19 billion are earmarked for housing, free education, urban and rural development, and a massive increase in medical facilities.

SAUDI ARABIA

Saudi Arabia is also greatly concerned about its security. It too covers a vast land area, almost as big as the United States east of the Mississippi, with 2,000 miles of coastline. On its southern perimeter, it sees a continuing insurgency festering in western Oman supported by the radical South Yemen Regime and to the north an Iraq with significant ideological differences. We tend to forget that Saudi towns were bombed by Egyptian aircraft in 1963, and South Yemeni forces struck Saudi outposts in 1969 and 1973. Lightly populated, with military and paramilitary forces of only about 80,000, Saudi Arabia has much to protect but relatively little to protect it with.

In the security and defense field, we have conducted for the Saudis comprehensive surveys of their military requirements on two occasions in recent years, taking into account the threat they perceive to their national security and their limited manpower resouces. Our cooperative effort has been to assist the Saudis to achieve several objectives which they see as critical to their own defense and stability in the Arabian Peninsula: development of a credible air defense system; modernization and training of their ordnance corps; upgrading of their air force through acquisition of F–5E aircraft; building a small force of naval partol craft; modernizing elements of the National Guard to improve its capabilities to protect key installations; and construction of military infrastructure facilities. Our programs have been clearly related to Saudi Arabia's capacity to abosorb the equipment it purchases. Because training, maintenance, and the construction of the physical plant to use the equipment are such a major portion of our defense-related activities in Saudi Arabia, and because these programs are stretched out over a period of many years, the cost figures involved are often many times higher than would be the case in a purchase of hardware.

KUWAIT

Kuwait's primary concern has been the absence of any acceptance by Iraq of the present boundary between the two countries. Kuwait has made a reasoned analysis of what it can do with its limited territory and its small army to take the steps necessary to equip itself with a modest defense against air and armor attack. After a survey which they asked us to make in early 1972, and after several years of discussion, marked by several Iraqi border incursions and the continued Iraqi occupation of some Kuwaiti territory, Kuwait recently contracted for the purchase of a number of Hawk air defense missiles, A–4 aircraft, and TOW anti-tank missiles. These weapons systems have been purchased by Kuwait for the purpose of reinforcing its defense in order to have sufficient force to slow down an aggressor long enough for either friendly regional forces or diplomacy to come to its aid and bring an end to the fighting.

LOWER GULF STATES

Except for Oman, which is faced with an active insurgency, weapons requirements for these states have been small. What little they have purchased from us has been mainly from commercial sources. Other than the recent sale of a small number of TOWs to Oman to defend against the possible use by South Yemen of Soviet-supplied tanks (Oman itself has no armor) and some anti-personnel mines, our Foreign Military Sales to Lower Gulf states have been limited thus far to training courses. These states have continued to meet their more limited requirements from other friendly sources. While we are prepared to make available on a sales basis modest amounts of training or equipment as may be appropriate to their real internal security needs, we have no intention of encouraging an arms race among these smaller states. Instead, we have encouraged them to cooperate closely among themselves and to look for their security in a regional context by cooperating with their larger neighbors.

Relationship of Military Programs to Overall Objectives: Given our mutuality of interests, it is reasonable and sensible for us to support the policy goals of these friendly countries, where such goals parallel our own. Their concerns are in the political, economic, cultural, as well as the defense fields: political, in a desire for cooperative and friendly relations with us; economic, in a desire for us to play a role in helping them carry out their plans for economic development and diversification which also brings benefits to us; cultural, in a desire for U.S. cooperation in rapidly building their educational resource bases in technological and other fields; and defense, in a desire that we assist them to train and equip the forces necessary to ensure their own security and that of the Gulf area. These elements of policy are closely linked, and an effective policy cannot be realistically pursued by divorcing the defense-related aspect of our policy from other aspects.

This is true because the leaders of the Gulf states do perceive threats to their stability and well-being and see cooperation in defense matters as part of the totality of our relationship. They would consider any U.S. policy which purported to be helpful and cooperative but which ignored their security needs, to be unrealistic and irrelevant to one of their principal preoccupations.

Therefore, we see no practical way to separate the military and defense aspects of our policies from the diplomatic, political, economic, and other ties we maintain. We cannot claim friendship and interest in one breath and deny goods or services which have life or death importance with the other.

Non-Military Aspects of U.S. Relationships: The impression that our military relationships with the Gulf nations have dominated all other aspects of our relations is as erroneous as it seems to be persistent. It persists, I suppose, because the sale of military hardware and services is highly visible and generally carries a large price tag. It is erroneous because we have carried out a vigorous and effective program of broadening our ties to the Gulf states in a number of fields, in specific and conscious execution of the policies we have decided to pursue. Our growing diplomatic, trade and financial ties, our growing technical assistance and educational and cultural exchange, bear witness to the importance of the non-military aspects of our relationships. In the case of Saudi Arabia and Iran, these have further been widened through the recent creation of Joint Commissions which are establishing a more systematic framework for our long-term relationships in many fields of common interest.

Under the auspices of the Iranian Joint Commission, we expect to stimulate a substantial increase in trade—over $20 billion in non-oil, non-military items from now until 1981—and are currently discussing a variety of projects in the fields of agriculture, fertilizer uses and production, manpower training, and housing and urban development, all of which could result in the sending to Iran of scores of technical specialists on a totally reimbursable basis. In Saudi Arabia, the Joint Commission office has recently gone into operation. Within the next year, we expect the Joint Commission will be responsible for more than one hundred U.S. experts in Saudi Arabia in the fields of agriculture, science and technology, statistics, education, and manpower utilization. These are the priority areas established in almost a year of planning and discussion of Joint Commission goals between ourselves and the Saudis. All of this activity will be funded by the Saudi government, primarily via an innovative technical cooperation agreement which we concluded with the Saudis earlier this year. That agreement provides, in effect, for a massive aid program for Saudi Arabia—but an aid program financed by the recipient. In short, the Saudi Joint Commission promises to become a major element in our relations, an important new channel for cooperation between the U.S. and Saudi Arabia, and a significant factor in the development and industrialization of that country.

DIPLOMATIC ACTIONS

As I mentioned above, one specific decisions which flowed from our policy review in the late sixties was that, as the Lower Gulf countries became responsible for the conduct of their foreign policy, we should establish full diplomatic relations with them. Late in 1971, we began to open Embassies in these countries and in the past year have assigned resident Ambassadors who are Arabic-language qualified—an accomplishment, I might add, which was made easier by your strong support, Mr. Chairman. Let me emphasize that in the Lower Gulf, we have lean, hardworking, shirtsleeve Embassies, staffed with some of the best young talent we have, whose mission is to represent the United States to nations and peoples who know little of us first-hand. One of their primary goals is to promote trade with those nations, and, as I will mention later, the commercial opportunities are attractive and fastgrowing.

Another responsibility of our Ambassadors is to maintain a direct dialogue with the leaders and people of the Lower Gulf on such matters of vital interest to us as peace in the Middle East, the continuing supply of oil, and producer-consumer cooperation. This they are doing. They are helping to expand the horizons both of our interests in these nations, and of these nations' perceptions of the United States. And they are only just getting started. Contrast that to the situation only four years ago, when we had no resident representatives at all in the sheikhdoms, and you will readily see that we have come a long way in a short time.

TRADE

There are exceptional market opportunities for the United States in the area of the Persian Gulf and the Arabian Peninsula. Most have to import practically everything they consume, as well as the capital goods to carry out their ambitious development plans. In 1973, their imports totalled $8.7 billion. This total is based on the import figures of Iran, Iraq, Kuwait, Saudi Arabia, Bahrain, Qatar, the United Arab Emirtes, Oman, and North and South Yemen. Preliminary estimates are that their imports rose to over $13.5 billion in 1974 (about 15% of which was security-related equipment), making the area the fastest growing market for our goods and services in the world. By 1980, imports by Gulf countries could well reach $50 billion. As I mentioned, one of the primary tasks of our Embassies is to facilitate access to this market for U.S. business. In a number of cases, we have to overcome long-standing traditions of reliance by these countries on European suppliers. The Department of State, on a daily basis, is directly involved in advising and assisting U.S. businessmen interested in the area. The Commerce Department, which has primary responsibility for trade promotion, has established a special action group which each day helps U.S. businessmen seeking to do business in the Near East. Also, on any given day, hundreds of American businessmen are in the Gulf states actively exploring the possibilities. The policies of the Gulf states themselves, being by and large free market in nature, encourage expanded trade relations with the most favorable suppliers. We believe, we are on the threshold of a major expansion in this area. Our market share in the region has grown to 25 percent in the last two years with $3.4 billion in exports in 1974. We believe that with appropriate effort and support, American businesses will be able to further increase our market share.

FINANCE

The financial reserves of the Gulf states today total about $50 billion; by 1980, they may be several times this figure. Obviously, the sheer weight of these resources involves a potential for disruption of international monetary and financial system. By the same token, these resources cannot be of value to the nations which hold them unless they have access to investment opportunities in the industrialized world, and unless that world also prospers. So there is a very definite common interest between the United States and the industrialized economies of Western Europe and Japan, on the one, and the Gulf states on the other, in promoting the productive and profitable placement of Gulf monies abroad. It is widely acknowledged that the Gulf nations have by and large used their emerging, enormous financial power with prudence and responsibility, making it clear that they recognize both its potential for good and its potential for damage. We have developed close and mutually advantageous relations in this critical area with most of the Gulf nations.

EDUCATIONAL AND CULTURAL EXCHANGE

The scale of activities in educational and cultural exchange has grown rapidly in the last few years. A new aspect of life in many American universities is the growing number of students from the Gulf countries. Iranian students alone are now estimated to number 13,500, and the Iranian Government has instituted a new scholarship program which could double this figure. The number of students from Saudi Arabia and Kuwait has doubled since 1970, now totalling 1,400 and 900 respectively, and both governments have had to expand their official support staff here for these students. Although the number of students from the Lower Gulf states is still small (about 210), it was virtually zero only four years ago. These countries have sought and receive educational counsel from American private organizations and consultant firms. They are entering into university-to-university relationships (there are 12 with Iran alone) and are embarking on a major upgrading of their own institutions of higher learning through faculty development programs.

For our part, we have measurably expanded our cultural and informational activities in these states. We have, for example, an English Language Center in Riyadh (which is financed by Saudi Arabia) and another in Jidda. We hope to have one soon in Abu Dhabi. In Iran, there are six binational centers which we have established in collaboration with Iranian authorities. In Kuwait and the Lower Gulf, we have mounted an active USIA-sponsored speaker and cultural program. We have tripled the number of persons coming from the smaller Gulf states administered by the State Department's Cultural Affairs Bureau. The number of independent travelers from the region is rising even faster. In short, we are seeing a rapidly growing human interchange. We put a high value on this increasing exposure to American customs, education and technology, and we believe it should facilitate U.S. cooperation with these countries over the longer term.

TECHNICAL ASSISTANCE

The Gulf states are striving to convert their principal natural resource—oil—into a complex of financial, industrial, commercial and other assets which will outlast their petroleum supplies and promise a secure and prosperous future. To do so, they will be indeed heavily dependent on the technical expertise of the developed nations, and they are keenly aware of this. We have taken a number of steps to provide the kind of assistance they need, because it is entirely consistent with our policy of promoting friendly and cooperative relations, and because it helps to promote U.S. business opportunities. As I noted above, in Saudi Arabia and Iran, we have in recent months concluded agreements to promote the provision of technical expertise in development-related fields, on a fully reimbursable basis. In Bahrain, whose oil income is relatively modest and whose reserves are limited, we expect to have a jointly funded technical assistance program. Elsewhere in the Gulf, we are also providing reimbursable experts in a variety of fields. As in the commercial field, the opportunities for reimbursable technical assistance are tremendous, and we are pursing them as actively as the situation permits.

CONCLUSION

Mr. Chairman, I know of the concerns in the Congress and of your personal concerns about our arms supply programs in the Gulf region, and I believe it is important to get these concerns out on the table and discuss them. These are valid questions for Americans, who are troubled at seeing their country in the arms supply business. The image of the "merchant of death" dies hard. I hope I have been able to put this issue into proper and realistic perspective, and to demonstrate that we are dealing with it in the context of an overall and carefully developed policy concert. The fact is that foreign relations are a whole piece. We cannot pick up elements with which we feel comfortable and ignore others. For every country in the world, its ability to defend itself is the most important thing to its national survival. If we do not take this into account in our relations with that country, the totality of our relationship with that country will suffer, as will our political and economic objectives.

In the Gulf, we have developed over the years meaningful relationships with most of the states of the region. The importance of the region's energy resourecs and its growing financial wealth dictate an American interest in the security as well as the political and economic progress of the states located therein. They in turn recognize a community of interests with us and with other western industrialized states, and they want to build on that relationship without outside intervention in their affairs. Our relationship, therefore, has been one based on a mutuality of interests. We stand ready to provide advice and technology where needed and wanted, to expand our trading relationship, and to support regional efforts at cooperation. We believe that these states have the will financial resources, and growing capability to assure their security, and we feel that this aspect of our relationship should remain one geared to encouraging regional security. To this end, we are convinced that we should continue to provide military equipment and training. The success of these countries in achieving a degree of cooperation and in maintaining the tranquility that has prevailed in recent years is serving broader U.S. interests in world peace and a relaxation in world tensions. Our close relationships with most of these countries also facilitate our efforts to play an influential role in pursuing new paths toward a resolution of the Arab-Israel conflict. In the final analysis, a resolution of that conflict, which will be seen as just and equitable by all the states and peoples of the area, is essential both to the well-being of the entire region and to the maintenance of cooperaitve, mutually beneficial relations between that strategic region and the United States.

REAR ADM. RALPH F. MURPHY, JR.

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. STOKES. Mr. Speaker, on June 4, 1975 at a Change of Command Ceremony at the Navy Finance Center, Anthony J. Celebrezze Federal Building, Cleveland, Ohio, Rear Adm. Ralph F. Murphy, Jr., SC, USN, was relieved by Capt. Dene B. Stratton, SC, USN.

Rear Adm. Ralph Murphy, Jr., will proceed to his new assignment as Deputy Commander, Naval Supply Systems Command Headquarters, Washington, D.C.

He reported for duty as Executive Officer at the Navy Finance Center, Cleveland Ohio, in August 1973. In June 1974 he assumed command of the Navy Finance Center. On April 18, 1975, he was authorized to assume the title and wear the uniform of rear admiral.

Rear Adm. Ralph F. Murphy, Jr. is a native of Rochester, N.Y. He attended Brighton High School and enlisted in the U.S. Navy in September 1944. He graduated from the U.S. Naval Academy in June 1949 and accepted a commission as an ensign. Following graduation from the academy, he attended Navy Supply Corps School in Bayonne, N.J.

His first duty assignment was in 1950 as assistant to the supply officer on USS *Amphion*, AR–13. He subsequently served on USS *Shea*, DM–30, as supply and disbursing officer, 1950–52; Submarine Supply Office, Philadelphia, as stock branch officer, 1952–54; Submarine Base, Pearl Harbor, Hawaii, as assistant supply officer, 1954–56.

He attended Harvard Business School in Cambridge, Mass., 1956–58, and received a degree as master of business administration.

He served a tour as Special Assistant to the Director of Supply Corps Personnel, Bureau of Supplies and Accounts, 1958–61.

In 1961, he assumed duties as assistant supply officer on USS *Hunmey*, AS–31, which supported the Polaris submarines operating from Holy Loch, Scotland. This was followed by a year at the Naval War College, Newport, R.I.

In July 1965, he assumed duties as Special Assistant to the Deputy Chief of Naval Operations—logistics—and in September 1968, he transferred to Naval Supply Systems Command where he served as Head of the inventory analysis and finance staff.

From 1971 to 1973 he served as Assistant Chief of Staff Logistics and Readiness, on the Staff of Commander Sixth Fleet.

Rear Admiral Murphy is married to the former Mary Louise Thaney of

Rochester, N.Y., and they have four children.

To Rear Admiral Murphy we bid a fond farewell and thanks for a job well done. Sincere best wishes for continued success in a new assignment, a new challenge.

To Captain Stratton we say "welcome aboard."

ANALYSIS OF FOOD RESERVE POLICIES

HON. JOSEPH P. VIGORITO

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. VIGORITO. Mr. Speaker, several weeks ago I asked the Congressional Research Service of the Library of Congress to examine the problem of food reserves, and to prepare a brief analysis of commodity reserve policies.

I have now received that report, and while I do not necessarily share the views expressed in every detail, the CRS statement does seem to me to put the food reserves issue in a meaningful context. It includes a proposal for staggered release of commodities from a reserve, based upon changes in the market prices for the respective commodities held in reserve, which is designed to ameliorate some of the questions raised about the reserves concept by farm producers and others.

The analysis follows:

INTRODUCTION

On first encounter, grain stocks appear as a simple topic. After all, piles of grain stored in weather-protected containers generally do not excite the imagination or stimulate strong emotional reactions. When placed in the context of a market oriented farm economy where food scarcity and abundance change farm prices dramatically, grain stocks take on a more intricate set of economic and political characteristics.

The major issues—how large a stockpile, what purpose it serves, who pays storage costs, and under what circumstances it is released—are issues that don't change over time. One can find a discussion of these major issues in either the 1952 report on "Reserve Levels for Storable Farm Products" prepared for the Senate Committee on Agriculture and Forestry or the 1966 report on "Reserve Stocks of Farm Products," prepared for the Presidential Advisory Commission on Food and Fiber.

Underlying the many issues are some basic facts: Supplies of farm commodities vary from year to year as weather is more or less favorable for agricultural production; utilization of farm products varies from season to season as market conditions shift, and especially as world market conditions change; and some amount of reserve is required if the interyear flow of food products from farm to final consumer is to be stabilized within acceptable limits of price fluctuation.

The issue of stability in farm product supplies almost immediately converts into an issue of product prices, since the absence of stable flow or utilization can cause sharp ups and downs in commodity prices. This was clearly the experience of the 1972–74 period of world and domestic grain shortages. It was not unique, however. The USDA report of 1952 noted the impact of weather reduced crop yields during 1934 and 1936:

The greatest fluctuations in corn yields occurred in the western cornbelt, which is our major surplus-producing area for livestock products. The drought of 1934 and 1936 caused severe hardship to livestock producers in this region. Many were forced to liquidate breeding herds, and resulting disruption in their livestock programs required several years to repair.

Similarly, in 1974–75, shortages of grain and high grain prices reduced the number of cattle on feed by nearly one-third and hog and poultry production by lesser amounts. The effects of these shortages took some time to work themselves through the complex feed-livestock system. Similarly, reversing the decline in livestock numbers also will require many months or even years to complete when more abundant feed supplies become available. In the meantime, livestock producers and meat consumers are experiencing continuous uncertainty over the quantity of meat that is available and the price levels at which it sells.

THE ROLE OF RESERVE STOCKS

The shortages of grain arising out of the production shortfall of 1974 demonstrate the highly interrelated nature of the agriculture industry and the importance of stable supplies of basic commodities. Without any carryover reserve of grain commodities, the secondary activities of livestock production were sharply curtailed. The disruptions create substantial inefficiency in the agricultural system.

Stockpiles of farm products are carried from one marketing year to the next for three main purposes:

(1) *Transaction Requirements.*—To meet the need for pipeline supplies at the end of the marketing year and before the new crop begins to enter channels of trade. These requirements are estimated at 10 percent of total utilization for wheat, 5 percent for corn and 10 percent for cotton.

(2) *Speculative Demand.*—To fill the requirements of market middlemen who buy, hold or sell commodities in anticipation of price increases or decreases. These requirements are usually small, totally no more than one or two percent of total utilization. In times of extreme scarcity, these holdings may expand very substantially; and in times of large surpluses, these holdings may contract sharply—creating severe price instability.

(3) *Precautionary Requimements.*—To offset the variations in domestic and world production. These requirements represent the major portion of what has traditionally been considered as the purpose of stockpiles. The amounts may total 20 percent of total wheat utilization, 15 percent of corn utilization, and 10 percent of cotton utilization.

These three major purposes cover a number of specific uses for stockpiles during periods of shortfalls in production, including maintenance of domestic feed and fiber supplies, assurance of commercial export quantities, availability of food aid assistance, and stabilization of farm cash receipts, expenses and income. In general, the precautionary motive for holding carryover stock of farm products covers the majority of these specific requirements.

MANAGEMENT OF A STOCKPILE PROGRAM

The major questions surrounding stockpiles of farm products arise not from their inherent "goodness" or "badness". Most analysts accept the positive need for strategic resources to prevent starvation in times of world production shortfalls. Rather, the main questions arise from how such a program is administered.

Carryover stocks of products require a high degree of management ability if there is not to be substantial interference with commodity markets. Stockpiles must be purchased at some point, which increases the demand for the product and arises the prices above what it would otherwise be. Stockpiles must also be held from one marketing year to the next if the precautionary motive is to be fulfilled. Holding these stocks involves a cost and minimizing this cost is both desirable and difficult. Stockpiles must also be sold at some point, which increases the supply and lowers the market price below where it otherwise would be.

These three aspects of managing a stockpile program—purchasing, holding and selling—have become the practical issues which have forestalled agreement on an explicit policy toward domestic grain and fiber stockpiles. In the past, stockpiles have increased sharply during periods of unexpected or uncontrolled crop production and decreased during periods of extra large outflow of war- or weather-related shortfalls. Stockpiles grow because of takeovers of commodities by the Commodity Credit Corporation under loan programs designed to support the prices of basic farm commodities. During periods when price support levels have been above market prices, a large amount of grain has been turned over to CCC as full payment of the commodity loans. In contrast, when loan levels were lowered in the early 1960s so that market prices generally exceeded price support levels, farmers tended to repay the loan and sell the grain in the market for the higher prices. During the period when price supports exceeded market prices, reserves under CCC control expanded. When market prices were higher than support prices, quantities declined.

TABLE 1.—CARRYOVER STOCKS OF GRAIN AND FIBER

Marketing year	End of season carryover stocks of— Corn (million bushels)	Wheat (million bushels)	Cotton (thousand bales)
1960	1,787	1,313	7,567
1965	1,147	817	14,288
1970	1,005	885	5,792
1971	667	732	4,285
1972	1,126	863	3,312
1973	709	438	4,058
1974	483	247	3,851

Source: Department of Agriculture.

With this background, it is clear that, so long as the commodity loan-price support program is used to build up commodity stockpiles, the level at which price supports are set is an important determinant of how large a stockpile the Government will hold. The actual loan level can be based on one of several estimates: future market prices, estimates of farmer costs for producing these crops, or some other less market-oriented estimate of fair farm prices. Also, price supports could be higher in years when it is desirable to increase CCC stockpiles and lower in years when stocks are already adequate.

Widespread interest in costs of production as a basis for setting price supports led to considerable work on production costs in early 1975. Some of this work is summarized in Table 2, where estimates of production costs are given for corn, wheat and cotton. These estimates indicate a wide variation in expenses for producing these crops in different States. This is not unexpected since farm productivity and costs differ considerably in different localities and analysts in different States use different types and sizes of farms for making their estimates.

Some of the variation in individual State estimates is removed by combining individual State estimates into a weighted average for all States listed. Based on this concept, production costs are as follows:

	Corn (bushel)	Wheat (bushel)	Cotton (pound)
Excluding land charge	$1.36	$1.84	$0.43
Including land charge	1.90	2.94	.55

Depending on whether the loan rate is set to include a return to land or only to cover variable costs, the loan rates for corn could vary from $1.40 to $1.90 per bushel, wheat from $1.90 to $2.90 per bushel, and cotton from 43 to 55 cents per pound.

The arguments in favor of one set of loan rates versus another, aside from the obvious income effects, depend on the associated storage program objectives. If the objective is to build up a sizeable stockpile of products under government control, the loan rate could be raised to the upper part of the range. If, instead, the objective is to minimize the level of government-controlled stockpiles, the loan rate could be set at the lower end of the range.

The major effect of the different loan levels would ultimately fall on land values. The upper range loan rates include a return to land at its present average value. If this return becomes assured, buyers of farmland will have a tendency to bid up land prices to the point where they reflect the capitalized value of the higher assured return. So long as prices are not supported at the higher levels, there is enough uncertainty over future returns so that buyers tend to discount future earnings of land. Land prices tend to be lower, in turn, a reflection of the lower expected return.

The consequence of all this is that purchasing stockpiles of farm products for a reserve program depends on very indirectly related variables, the loan levels for price support programs. Management of a stockpile program is similarly indirect, with "purchases" of commodities made only when farmers decide to turn over their stockpiles of a product as repayment of a commodity loan.

Handling and management of the product after it is part of CCC stockpiles is not without implications for farm product prices. The major aspect, however, is to keep the reserve stocks in good condition, and maintain the quality factor. This requires certain procedures for turning over products—selling old year products and buying newly harvested quantities. These tasks are not of a nature that any legislative action appears to be essential. At times in the past, questionable sales of grain from stockpiles have been made under the guise that the grain went out of condition. This has stirred political reaction. But the general situation over the past 15 years has been one of a demonstrated high level of management ability of CCC-controlled stockpiles.

Sales of stockpiles for the purpose of relieving tightness in market supplies or for the purpose of reducing government holdings are a very different matter. As pointed out above, sales from stockpiles increase the available supply of a commodity. This tends to lower prices, at least lower than they would have been in the absence of any sales from stockpiles. These lower prices create among farm producers considerable opposition to any sales from stockpiles.

Initially, the restriction was that sales could only be made when market prices exceeded 105 percent of loan rates plus appropriate carrying charges. As opposition to such sales continued to surface, the sales price restrictions was raised to 115 percent of loan rates plus carrying charges. But even this has not removed opposition to government-held reserve stockpiles of farm products. It is probably a fair statement that release of stockpiles—their sales into the market during shortages—is the major issue underlying the opposition to government held stockpiles.

TABLE 2.—COST FOR PRODUCING SPECIFIED GRAIN AND FIBER CROPS IN 1975

	Corn (per bushel)		Wheat (per bushel)		Cotton (cents per pound)	
	Excludes land	Includes land	Excludes land	Includes land	Excludes land	Includes land
Alabama	$1.37				$0.35	
Arkansas	1.74				.37	
Arizona					.84	$0.97
Georgia	1.62	$1.95			.48	.52
Illinois						
Indiana	1.38	2.04	$1.74	$3.18		
Iowa	1.32	1.82				
Kansas			1.54	2.50		
Kentucky			1.63			
Mississippi					$0.34	$0.41
Missouri	$1.34	$1.85	$2.47	$4.10		
Nebraska	1.27	1.76	2.80	3.80		
North Dakota				3.04		
Ohio	1.65	2.42	2.58	4.13		
South Dakota	1.32	1.80	2.07	2.80		
Weighted average	1.36	1.90	1.84	2.94	.43	.55

Source: Senate Committee on Agriculture and Forestry. "Agriculture in a World of Uncertainty: he Potential Impact of Rising Costs of Production on Agriculture and Rural America." Committee rint 48-012. Apr. 14, 1975; and, the Department of Agriculture, costs of production of specified crops in representative areas, mimeograph, spring 1975. Missing data were not presented in either report.

In light of this considerable opposition, it would seem that some new policy on release of stockpiles of grain could be developed—a policy that would provide farm producers with their objectives—the benefits from rising prices during periods of sudden scarcity—as well as giving the Nation and the world protection against a year-long crop shortfall.

Ideally, the government release policy would work in a manner that would be similar to farms holding and releasing stocks during shortages. If farmers hold stocks and prices start to rise, some stocks are released immediately, some as prices rise further, and some at even higher prices. In essence, an increasing supply is available as prices rise—something that is described as a supply curve in economic literature. Figure 1 below illustrates this concept. By the time the market price rises to Po, the quantity Qo would be released into the market. If this concept were applied to government policy, the release might be set in stages, with a certain quantity released with each specified rise in market prices per quarter year, or per year. This concept is shown graphically in **Figure 2**.

For example, if market prices are rising in response to domestic or world shortages, the policy could dictate that with each 10 percent rise in the market price above a specified level, 10 percent of the CCC-controlled stocks may (shall) be released into the market. Limits could be placed on the amount that could be released each quarter of the marketing year, perhaps 25 percent of the total stockpile. Obviously, these ratios could be adjusted in several ways: the release ratio could be 2 percent of the reserve for each 1 percent rise in price, although it would be better stated as 20 percent and 10 percent respectively.

What seems obvious, however, is that the present all-or-nothing policy—with no stocks released until 115 percent of support prices plus carrying charges is reached and then the whole stockpile is eligible to come on the market—is not acceptable to producers. Similarly, the absence of stockpiles which currently exists presents a potentially disastrous situation to economic stability, both in the farm livestock sector and the total economy of the United States.

STOCKPILES AND NATIONAL SECURITY

The purposes served by stockpiles during times of world scarcity have become very evident in the past two years. The Nation's producers and consumers have felt their individual actions constrained by the inadequate supplies of basic agricultural commodities. The supplies of secondary agricultural products like meat, milk and eggs have been tightened or actually reduced if their production depended on grain supplies. Quantities of grain and oilseed commodities for export have been restricted, to the detriment of our foreign relations and foreign consumers. In addition, shipments under humanitarian programs were halved as prices rose dramatically. Fortunately, the world was in a period of relatively peaceful international relations, so that no nation required complete replacement supplies of food and fiber. Had such a condition existed, it is not evident how the other nations would have handled the situation.

There is some question, however, over the degree of national security protection that our Nation has when food stockpiles are so low. Perhaps it only seems inconsistent for the Nation to stockpile larger and larger amounts of military hardware in the desert areas of the Nation, in underground silos, and on oceans around the world, and not to stockpile the items that would be essential to human survival if in fact the use of the military hardware became necessary. There would appear to be some question, however, how balanced or unbalanced this policy should be. At the current time, any outbreak of military conflict would find the United States restricted from supporting a widespread effort of economic and humanitarian assistance. Even famine situations cause generally inadequate response, according to worldwide standards of conduct. It appears that some new policy thrust is called for in light of these several disturbing aspects of present storage policies.

CONTINUATION OF U.S. POLICY ON BALTIC STATES

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. MAGUIRE. Mr. Speaker, June is a month of sadness for the Baltic people as they note that yet another year has passed since the forced incorporation of the sovereign states of Estonia, Latvia, and Lithuania into the Soviet Union.

All of us deplore the seizure of the Baltic States by the Soviet Union in 1939, at the start of World War II. With freedom lost, they face a ceaseless struggle. The United States has never recognized the Soviet occupation or the annexation of these Baltic nations.

This is surely no time to reverse that policy.

There are indications that the Soviet Union will be attempting to gain recognition of its annexation of the Baltic States through the European Security Conference at its meeting in Helsinki this summer.

There are indications the United States is considering such a recognition in the interest of détente.

But to recognize, or even to abandon our principle of nonrecognition of this absorption of free people, would be tacit approval of policies and actions such as this. In this regard, I have cosponsored a resolution supporting the continuation of present U.S. policy.

We as Americans must continue to adhere to and work for basic humanitarian principles of human decency and the dignity of the individual. It is most important that our Nation not forget the just aspirations for freedom and self-determination of all peoples.

SCIENTIFIC COMMUNITY CALLS NUCLEAR POWER SAFE AND ONLY CURRENT ALTERNATIVE TO CONVENTIONAL POWER GENERATION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. **EVINS** of Tennessee. Mr. Speaker, the thrust of scientific opinion is that nuclear power is not only safe, but is the only alternative to conventional power at this time.

A recent statement signed by 32 prominent scientists, including 10 Nobel Prize winners, included this conclusion:

> We can see no reasonable alternative to an increased use of nuclear power to satisfy our energy needs.

With America's oil and gas being consumed at an extremely rapid rate, the importance of the nuclear technology already in being continues to increase.

As the 32 scientists pointed out:

> The U.S. choice is not coal or uranium: we need both . . . There are many interesting proposals for alternative energy sources which deserve vigorous effort but none of them is likely to contribute significantly to our energy supply in this century.

Concerning the safety of nuclear power, the scientists said:

> The safety of civilian nuclear power has been under public surveillance without parallel in the history of technology . . . Contrary to the scare publicity given to some minor mistakes that have occurred, no appreciable amount of radioactive material has escaped from any commercial U.S. reactor.

Six other nuclear scientists in a recent position paper stated:

> Rigorous examination of the present risks, costs and impact of all electric power sources leads us to conclude that nuclear power is more than acceptable; it is preferable.

These scientists, who included Dr. Ian A. Forbes, chairman of the Department of Nuclear Engineering, Lowell Technological Institute, Lowell, Mass., reached these conclusions:

First. During normal operation, nuclear plants pose less risk to public health than coal- or oil-fired electric plants.

Second. The risk to the public, for the worst hypothetical accidents for both nuclear and fossil plants, is less than most of the risks society has historically accepted.

Third. The overall impact of nuclear plants on land, air, and water is far less than that of coal-fired plants and comparable to that of the oil-fired plants.

Fourth. Nuclear plants are much more economical . . . than contemporary large fossil plants.

Testimony before the Subcommittee on Public Works Appropriations, which I am honored to serve as chairman, indicates that today some 53 nuclear powerplants are in operation and providing 7 percent of the Nation's total installed electrical generating capacity.

An additional 73 nuclear powerplants are under construction and 107 other such plants on order or in the planning stage.

Testimony before my subcommittee has shown that there have been no radiation accidents involving the public as a result of the operation of nuclear powerplants over three decades and during the more than 200 commercial reactor-years of operation in this country.

Dr. Ralph Lapp, noted scientist and author, said in a recent statement:

> I oppose the nuclear moratorium on the ground that no substantial case has been advanced to indict the reactor systems on safety contentions, and because opponents of nuclear power have made utterly unrealistic suggestions for alternative sources of energy.

At my request William Anders, chairman of the recently created Nuclear Regulatory Commission, provided his views on nuclear safety.

He said:

> When nuclear power plants are built and operated in accordance with the rigid regulatory requirements of the Federal Government—and it is the job of the Nuclear Regulatory Commission to assure this—the public can be confident the plants are safe.
>
> We consider that the excellent safety record of the industry has been fostered by the substantial safety margins which have been required and provided in the design and operation of the plants.
>
> At this relatively early stage in commercial experience with nuclear power, it is our view that these margins should be preserved, and we are determined to do just that.

Most of us know that Adm. Hyman Rickover, one of the world's foremost authorities on nuclear energy, is the father of the nuclear submarine. In addition to this historic achievement, however, Admiral Rickover in the naval reactors program developed the technology for the light water power reactors which are used in today's nuclear powerplants.

And some Americans do not know and understand that this program of naval reactors demonstrated the safety of the practical application of nuclear energy 20 years ago. This program put 130 light water reactors into operation on more than 110 nuclear-powered warships.

And, I repeat, for 20 years these nuclear-powered ships have sailed throughout the world in complete safety as far as the nuclear reactors are concerned. These ships have logged more than 1,250 reactor-years of operation and have never had a reactor accident.

This is the sound and demonstrated technology and record of safety that laid the foundation for the use of nuclear reactors as instruments for the production of electric power as a part of the program of peacetime application of the atom.

Not incidentally, Admiral Rickover was also responsible for developing and building the first nuclear power station in the world at Shippingport, Pa. This plant has operated since 1957—for more than 18 years—without any reactor accident and without endangering the health and safety of the local citizens.

Certainly this remarkable record demonstrates that power reactors are one of the safest major technical innovations ever developed.

Other testimony before my subcommittee supports the proposition that more radiation may be received from a chest or dental X-ray; the workings of a watch; or a flight from New York to California at 10,000 feet, than would be received if one were a security guard patrolling a nuclear powerplant 12 hours a day for 1 year by walking around the plant.

As a matter of fact, the International Atomic Energy Agency has reached this conclusion:

> Nuclear energy, far from being a major contributor to the pollution of the environment, will in fact diminish pollution as it replaces other sources of electric power such as coal and oil.

Andrew P. Hull, in an article in the magazine Nuclear Safety, stated:

> Nuclear plants produce less air pollution relative to applicable standards than do their fossil-fuel cousins. The concentrations of radioactivity in the liquid effluents from nuclear reactor plants are controllable at levels well below radiation protection standards and pose little threat to the environment.

Many scientists have pointed out—and documented—the fact that the release of radioactivity from nuclear energy is a small fraction of that naturally present in the environment.

A National Academy of Sciences report stated that the radiation from nuclear power was a fraction of the radiation emitted from natural background—natural minerals, rocks, trees, and other sources.

According to R. Philip Hammond, an authority on nuclear reactors:

> The nuclear industry is without exception the safest in the world in which to be employed, and nuclear hazards are far better understood than are thousands of widely used chemical and biological agents, or of common energy sources such as coal.

As nuclear power assumes a greater share of power generation in our country, the level of pollution from power production will fall in direct proportion.

And nuclear powerplants are cheaper to operate than fossil fuel powerplants.

The Atomic Industrial Forum's Ad Hoc Committee recently reported that a 1,000 megawatt nuclear powerplant has an annual fuel savings of approximately $26 million—each year—over a similar-sized coal-fired plant.

Therefore, this report concludes, while nuclear plants are more expensive to build than conventional generating plants, the difference in cost can be recovered in 4 years of nuclear operation because of the economy of operation of nuclear plants.

The present level of energy costs is, of course, extremely high—a moratorium on nuclear power construction would force them significantly higher.

In 1974 the Atomic Energy Commission commissioned an exhaustive study on nuclear plant safety. The director of the study was Prof. Norman C. Rasmussen of the Department of Nuclear Engineering of the Massachusetts Institute of Technology.

This study concluded that—

> The risks to the public from potential accidents in nuclear powerplants are very small.

The report put at 300,000,000 to 1 the chances of a resident living near a nuclear power plant being killed from a reactor accident in any one year—and estimated the odds on an injury from a nuclear plant in any one year are one chance in 150,000,000.

The possibility of an accident involving 1,000 or more fatalities was estimated at 1 in 1,000,000 years—the same probability that a meteor would strike a population center and cause 1,000 fatalities.

There are a number of such comparisons—see attached table—but they all add up to the conclusion that the chances of a nuclear accident are exceedingly remote and the probability of disasters from conventional sources—airplanes, fire, explosions, and toxic gas—incomparably higher.

The table follows:

RISK OF FATALITY BY VARIOUS CAUSES

Accident type	Total number	Individual chance per year
Motor vehicle	55, 791	1 in 4,000.
Falls	17, 827	1 in 10,000.
Fires and hot substances	7, 451	1 in 25,000.
Drowning	6, 181	1 in 30,000.
Firearms	2, 309	1 in 100,000.
Air travel	1, 778	1 in 100,000.
Falling objects	1, 271	1 in 160,000.
Electrocution	1, 148	1 in 160,000.
Lightning	160	1 in 2,000,000.
Tornadoes	91	1 in 2,500,000.
Hurricanes	93	1 in 2,500,000.
All accidents	111, 992	1 in 1,600.
Nuclear reactor accidents (100 plants).		1 in 300,000,000.

As a matter of fact, the probability of 1,000 casualties from an earthquake is 1 in 50 years, while the probability of a nuclear plant accident causing such fatalities is 1 in 1 million years, the Rasmussen report concludes.

This report further points out that there have been no nuclear accidents to date, and that as the technology progresses and more experience is gained in safety, the probability of accidents decreases even further.

Intensive research is continuing in many fields—but at this time the nuclear technology is the only economic power-producing alternative to fossil-fuel and hydropower plants that has proved practical. Billions of dollars have been spent on research and development of nuclear technology, and to abandon nuclear power after its successful development and safe operation over three decades would be wasteful in the extreme and tragic.

As the 32 scientists said in their manifesto of January 16 last:

> Nuclear power has its critics, but we believe they lack perspective as to the feasibility of non-nuclear power sources and the gravity of the fuel crisis.

The continued and expanded development of nuclear power is absolutely essential if we are to attain a reasonable level of energy self-sufficiency. A 1,000-megawatt nuclear power plant operating for 1 year at 70 percent of capacity would produce 6,130,000 magawatt hours. The equivalent fossil fuel requirements for 1 year are as follows:

Oil, 11 million barrels.
Natural gas, 62 billion cubic feet.
Coal, 2 million tons.

The era of low-priced, abundant energy which played such an important role in making America the most prosperous Nation in history appears at an end. However, we must make certain that scarcity of energy does not become a permanent fact of American life. Those who are intent on blocking nuclear power and other forms of energy would cause even higher power rates to become a permanent fact of American life.

Nuclear powerplants are on line and working successfully. Evidence supports their safety—safety in research and development, safety in construction and safety in operation. Nuclear power is the needed and demonstrated alternative for power during the energy crisis and for the future, in the public interest.

SENIOR CITIZENS' POWER

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. **HANNAFORD**. Mr. Speaker, last week, I spoke to the membership of the National Council of Senior Citizens on the subjects of senior citizen power and the need to provide decent health care for all Americans. Due to the recent arbitrary decision of the Social Security Administration to rescind the 8½ percent nursing cost differential under medicare, I believe my remarks are timely. The address follows:

REMARKS OF HON. MARK W. HANNAFORD

President Cruikshank, distinguished guests, members of the National Council of Senior Citizens, ladies and gentleman, I want to congratulate you all on a highly successful legislative conference.

I know from my own contacts with your members on Capitol Hill today, and from the comments I've heard from other members of the House and Senate who have visited with senior citizen groups from their own states, that you have made a real impact in presenting the key items of your legislative agenda to both Democratic and Republican members of the Congress.

I believe you have made a great beginning! But as your speakers at the general session tomorrow will tell you, to achieve a lasting success in the legislative field requires a real down-to-earth, grass roots organizational effort.

So, while I applaud the excellent work of the National Council of Senior Citizens in organizing in the Nation's Capital, I strongly urge you to continue that good work at the state and local senior citizen council level.

The real payoff from your efforts now here in Washington will come over the next weeks and months as the continuing impact of active and organized senior citizen power at the local and state level is felt in the Halls of Congress and down Pennsylvania Avenue at the White House.

Let me also offer my congratulations to the National Council of Senior Citizens on your outstanding "Program for the 94th Congress." The breadth and scope of this "Program" are worthy of the great aspirations of Americans of all ages: to improve income for the elderly; to provide decent health care, not only for the elderly, but for all the people of this country; to establish a more equitable tax program; for long term care in clean and decent surroundings; to create a comprehensive and effective housing program; for nutrition, social services, and transportation; and for serving human needs as the top priority in the nation's energy program.

With your continuing efforts, we will succeed in achieving these goals!

I would like to add a brief note regarding an important health care issue.

I noticed in your special supplement of the "Senior Citizen News" the statement: "Until a national health security system can be fully operational, we urge Congress to resist all efforts to cut back on benefits under Medicare and Medicaid."

I regret to state that the Administration is trying to do just that.

Earlier this year they tried to cut back on your Social Security cost-of-living increase by proposing an arbitrary 5% ceiling. As you know, the Congress last month adopted House Concurrent Resolution 218, the Budget Resolution, removing the Administration's arbitrary and inequitable 5% ceiling on the Social Security increase.

I want to ask your help—now—in stopping another Administration effort to cut back needed health care services for Medicare hospital patients—by contacting your Congressmen and your Senators asking them to join with me in co-sponsoring my bill, H.R. 7000.

In the Senate, Senator Frank Church of Idaho, Chairman of the Senate Special Committe on Aging, is today introducing an identical companion bill to H.R. 7000. Sen. Church's bill number is S. 1906.

Sen. Church and I would deeply appreciate every effort you and your state and local senior citizen council members back home can make to gain a wide bi-partisan cosponsorship of our bills.

I am happy to report to you that as of this noon I have been able to enlist more than 179 of my fellow members of the House of Representatives (over ⅓ of the total membership of the House) in joining me in co-sponsoring H.R. 7000—the largest number of cosponsors of any bill introduced in the 94th Congress.

So we have made a good beginning.

But Sen. Church and I need your help in

gaining majority support for this vital legislation.

Briefly, H.R. 7000 and Sen. Church's bill, S. 1906, would prevent the Social Security Administration from eliminating the present 8½% nursing cost differential for the provision of hospital health care services for elderly Medicare patients.

Basically, as in the Administration's effort earlier this year to impose a 5% across-the-board ceiling on Social Security benefit increases, the Administration's current attempt to cut out the nursing differential for Medicare hospital patients is a bold-faced effort to reduce the budget (in this case by some $120 million) regardless of the harmful and inequitable effect such a budget cut would have on the delivery of urgently needed health care services for America's senior citizens.

We can not allow this to happen.

Senator Church and I need your help.

Let me say again, you are doing good work—keep it up—with a united effort we shall succeed.

AUTHORIZATION OF FUNDS FOR THE LIQUID METAL FAST BREEDER DEMONSTRATION PLANT AT CLINCH RIVER

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. HARRINGTON. Mr. Speaker, legislation has been introduced by Congressman COUGHLIN which would delay the authorization of funds for the liquid metal fast breeder demonstration plant in Clinch River by 1 year, during which time the Office of Technology Assessment—OTA—would prepare a study of the much disputed national electricity demand, factors of uranium supply, the costs and benefits of the breeder program and of alternative energy sources, and the safety implications of the design of the Clinch River breeder reactor demonstration plant. I strongly support this measure and would like to explain my reason for doing so.

The authorization request for the Clinch River breeder reactor is $1.5 billion. A report released by the General Accounting Office dated May 22, 1975, concluded that this cost, which was originally estimated at $700 million in 1973, may rise as high as $2.1 billion.

Cost overruns seem to characterize the nuclear breeder program: the research and development for the liquid metal fast breeder program has increased by threefold from its original estimate in 1969 and is now estimated at $10.6 billion; the cost of the fast flux test facility, first estimated in 1966 at $87 million has since risen to $933 million; and, as noted above, additional cost overruns are expected with the CRBR if design problems are not resolved.

Aside from the economic problems with the breeder program and the safety concerns which I will discuss below, the immediate authorization of funds for the CRBR would be, to a degree, contradictory, given the two actions of two Federal agencies: the Energy Research and Development Administration—ERDA—and the Nuclear Regulatory Commission—NRC.

A recent article in the Wall Street Journal disclosed that ERDA has asked the National Academy of Sciences to prepare a report on whether or not breeder reactors are needed—Wall Street Journal, June 6, 1975. In addition, the NRC recently announced that it was delaying a final decision on the recycling of plutonium as a fuel in our present nuclear powerplants. Since the purpose of the breeder program is to recycle plutonium to produce plutonium for use as fuel, commitment to such a program can only rationally come after and if the NRC decides to go ahead with plutonium recycling. The NRC decision is expected in 1977 or 1978.

Authorization of funds for the CRBR demonstration plant would further commit us to the breeder program—a program that poses safety problems more grave than those presented by our present nuclear powerplants, a program that both nuclear critics and many proponents say is unnecessary.

Our present nuclear reactors produce radioactive waste containing some plutonium, the element that is the material of atomic bombs. If a terrorist stole some of this waste and wanted to make a bomb, he would have to deal with the cost and danger of extracting the plutonium. Both the reprocessing of our current radioactive wastes to extract plutonium, and the breeder program would each result in the production and transport of pure plutonium. The existence of this already-extracted plutonium would vastly simplify amateur bombmaking. Depending on its size, a breeder reactor operating at full capacity would produce 2,000 to 4,000 pounds of plutonium per year; 10 to 20 pounds is enough to make a nuclear bomb.

In addition to the plutonium issue, a major difference between breeder and our present reactors is that breeders can explode. Since breeders use highly enriched plutonium that is tightly packed, an accident could cause an explosion in the reactor.

The justification of the breeder program is the idea that we will run out of uranium—the fuel for our present reactors—and so will need the plutonium created by breeders as a substitute nuclear fuel. This justification involves relatively high estimates of the future growth rate of the demand for electricity and pessimistic estimates of our uranium supply. Both estimates are widely disputed. A report prepared by researchers, including Peter Stockton of the Joint Economic Committee staff, studies the demand for energy and the potential of conservation and alternative sources of energy. This study concludes that we could do without the breeder program and hopefully phase out fission power. Some nuclear proponents, who disagree with these conclusions and also fear the imminent depletion of uranium sources, suggest the use of thorium—a fuel of Canadian reactors—as a more abundant nuclear alternative to uranium.

Aside from posing a danger in itself, construction of the CRBR and further expenditure on the breeder program represent a commitment to nuclear power in general—a commitment that should not be made unless the associated economic, safety, and environmental concerns are studied along with those of alternative sources of energy.

Problems with nuclear reactors that warrant study include:

First. The danger of a major accident in the operation of a plant. According to a report released by the Atomic Energy Commission—AEC—in 1957, such an accident would result in approximately 3,400 deaths, 43,000 injuries, and a contaminated area as large as 150,000 square feet.

The Rassmusen report, released by the AEC in 1974, includes lower estimates of damage and the view that chances of such an accident occurring are negligible. The Environmental Protection Agency (EPA) and critics who are concerned because a key system in preventing a major accident—the Emergency Core Cooling System—has never been fully tested, have contested the optimistic Rasmussen report.

Second. The effect of accidental releases of radioaction and legal releases of low-level radiation. The genetic and somatic consequences of such radiation are not fully understood but a report, issued by the National Academy of Sciences in 1972, concludes that radiation can increase the incidence of leukemia and other cancers, shorten life spans and cause genetic mutations (defects) in offspring. The report also concluded that the frequency of mutations is roughly proportional to the radiator dosage and that there is probably no threshold of "safe" dosage (report of the Advising Committee on the Biological Effects of Ionizing Radiation, National Academy of Sciences, November 1972).

Third. The problems of sabotage in a nuclear plant and diversion or accident in the transport of radioactive materials. A report of the GAO, dated October 16, 1974, concludes that the nuclear plants that were checked were vulnerable to an armed takeover by two or three terrorists. In December of 1972, the Department of Transportation (DOT) released a report listing 11 types of violations of the Department's radioactive material shipment regulations. Many of these regulations were not enforced by the DOT.

Fourth. The permanent storage of radioactive wastes that will remain dangerous for hundreds of thousands of years. Such wastes are presently contained above ground in intermediate storage tanks. No acceptable plan for permanent storage exists.

Criticism of the stress on nuclear power also involves the charges that nuclear plants are unreliable and unnecessary. It has been said that the "unreliability of nuclear power plants is becoming one of their most dependable features."

Daniel Ford, a member of the Union of Concerned Scientists of Cambridge, is convinced that the conservation of electricity will make the construction of nuclear plants unnecessary and that any increase in demand could be met by coal-fired plants for which safe and nonpolluting controls are technically feasible. He also believes we have an 800-year supply of coal. Reliance on this supply of coal could fulfill our relatively short-term energy needs while we research and develop other sources. With reference to nuclear power, the case was put this way:

> The U.S. can insure against overreliance on so controversial a power source by proceeding vigorously toward alternative sources . . . (including) . . . solar energy and the comparatively "clean" nuclear fusion (as opposed to the currently debated nuclear fission).

One promising form of solar energy on which testimony was recently accepted by the Interior Committee's Subcommittee on Energy and the Environment is the ocean thermal energy conversion system.

The breeder program represents a reliance and commitment to nuclear power plants at the expense of developing alternative sources. Regarding the allegation of a need for the breeder program, there seems to be no need for such a program even if we continue to stress nuclear power.

Both the NRC and the ERDA are currently assessing safety and other aspects of a breeder program. The EPA has suggested that the development of the breeder program can be delayed for between 4 and 12 years. Proponents of nuclear power, as well as its critics, are opposed to the CRBR demonstration plant.

Given the reluctance of the public and of administration officials to commit us to a plutonium economy, and given the safety controversy and the problems of cost overruns, we cannot reasonably authorize funds for the CRBR. As the Coughlin amendment proposes, the authorization should await a thorough OTA study and should be debated a year from now.

OVERSIGHT ACTIVITIES, COMMITTEE ON SCIENCE AND TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. TEAGUE. Mr. Speaker, on Thursday, June 12, 1975, I initiated publication of a series of summaries of oversight activities scheduled for the 94th Congress, outlining the plan of the Committee on Science and Technology for discharging its responsibilities under the provisions of rule X of the Rules of the House of Representatives.

This is the fourth in the series on this subject and involves planned activities in the area of energy research, development, and demonstration. In general terms, activities included under this category involve legislation and other matters relating to geothermal energy; solar energy, including wind and other indirect forms; physical research; advanced energy systems; energy transmission; energy conservation; energy utilization; tidal energy; energy conversion technology; special oversight of nuclear energy research and development; and the annual authorization of the Energy Research and Development Administration—ERDA—except fossil fuel and nuclear research and development.

A summary of scheduled oversight activities in this area follows:

ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION

OVERSIGHT PLAN

Legislation under consideration

H.R. 3474—ERDA Authorization, FY 1976 and Transition Period (June).

H.R. 5470—Electric Vehicle Demonstration Bill (June).

H.R. 5456—Industrial Energy Conservation Bill (July).

Agency oversight

Energy R&D is presently scattered among many Federal agencies. Oversight of these agency programs is contemplated that will address integration of the energy components of their research into their total research programs and agency missions. These agencies include:

Energy Research and Development Admintration.

Environmental Protection Agency.

Department of Interior.

National Science Foundation.

Department of Transportation.

Department of Defense (nonmilitary applications).

Department of Agriculture.

Department of Commerce.

National Aeronautics and Space Administration.

Oversight of energy R. & D. facilities

A comprehensive program of oversight would include careful monitoring of the energy R&D facilities of the government agencies. Generally, laboratories of the agencies named earlier would be subject to close scrutiny.

Of immediate importance to this Subcommittee are the national laboratories of ERDA. It is contemplated all of the major ERDA laboratories would be visited by Members and/or staff during the 94th Congress.

Energy R&D facilities not supported by Federal funding would also be the subject of oversight activities. This includes programs and facilities in the private sector in this country and supported by foreign governments and foreign industries abroad. These facilities include:

Geothermal: Iceland, Italy, New Zealand, California, Idaho, Mexico, the Gulf Coast states.

Solar: Australia, France, Japan, solar energy research institute sites in the United States, solar heating and cooling demonstration sites in the United States.

Tidal: Maine, France.

Conservation: U.S. industrial sites, European industries.

Basic research: ERDA national laboratories, NSF and NASA laboratories.

Public laws

During the 93rd Congress, three public laws were enacted which originated in this Committee; another public law had heavy Committee involvement during House passage and conference stages. Thorough oversight of all are contemplated:

PL 93-409, the Solar Heating and Cooling Demonstration Act (May).

PL 93-410, the Geothermal Energy Research, Development, and Demonstration Act.

PL 93-473, the Solar Energy Research, Development, and Demonstration Act.

PL 93-577, the Federal Nonnuclear Energy Research and Development Act.

Oversight of specific technologies

It is desirable in many cases to perform a comprehensive review of all aspects of a specific energy technology, disregarding agency and governmental organization lines. This integral treatment of the research, development, and demonstration aspects of energy technologies would be undertaken in areas such as the following:

1. Advanced energy conversion technologies.
2. Advanced transportation power systems.
3. Conservation.
4. Energy related basic research.
5. Energy storage.
6. Energy transmission.
7. Energy utilization technologies.
8. Helium.
9. Hydrogen (June)
10. Methanol (June)
11. Superconducting technologies.
12. Thermionics.
13. Tidal power.

Special oversight

The Subcommittee on Energy Research, Development, and Demonstration has broad oversight responsibilities under the Committee rules and H. Res. 988 as approved. Specifically, it is charged with carrying out the special oversight over civilian nuclear energy R&D. Planned activities in this category include:

1. Breeder reactors.
2. Controlled thermonuclear research.
3. Environmental research related to nuclear energy.
4. High temperature gas reactors.
5. Laser fusion research.
6. Light water reactors.
7. Nuclear propulsion systems.
8. Nuclear safety research.
9. Nuclear waste disposal.

Nuclear R&D facilities, such as the Clinch River breeder and foreign breeder facilities in France, USSR, and Scotland.

Joint legislative oversight

In addition to the special and legislative oversight enumerated above, it is probable that there will be a need for joint oversight activities with other legislative committees. These would include:

Tax incentives associated with demonstrations and utilization in new energy technologies (Ways and Means).

Mortgage incentives for solar and conservation technology implementation (Banking and Currency).

Energy research supporting both nuclear and nonnuclear technologies (Joint Committee on Atomic Energy).

Land leasing aspects of geothermal energy demonstration and commercial utilization (Interior and Insular Affairs).

International energy R&D cooperative agreements (bilateral and multilateral) which the United States has with other nations. (Other Science and Technology Subcommittees; Committee on International Relations).

THERE OUGHT TO BE NO LAW

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. DEL CLAWSON. Mr. Speaker, among the ratings and awards bestowed upon Members of Congress by assorted individuals and groups, so far I know of no proposed accolade for "foot dragging." On the contrary, the characterization has usually been applied with uncomplimentary intent. An editorial in the Paterson, N.J., News of June 13, however, takes a different slant, and the point of view has merit. It is hard to escape the conclusion that the wisdom of the Pennsylvanian Dutch saying: "We get too soon old and too late smart," will be perfectly demonstrated by this Congress unless we decide to apply the brakes and count the cost of our legislative activity. The editorial entitled "There Ought To Be No Law" follows at this point in the RECORD:

THERE OUGHT TO BE NO LAW

It seems to be fashionable for editorial writers to view with alarm—or maybe just disdain—what they characterize as lack of accomplishment in legislation by members of Congress and the legislatures. However, to one who has long viewed the frenetic pace of passage of more laws with even more disdain the present lackluster record is viewed with appreciation as welcome relaxation.

The truth is that with Congress and 50 state legislatures busily providing more legal cobwebs for the bureaucrats to tangle up faster than the judiciary can untangle them, a moratorium, say for about the next 50 years, on all legislation would be a boon to democracy. But far from aiming at such a respite, the legislators in national and state jurisdictions generally seem bent on producing more and more legal knots in the warp and woof of daily living.

Expanding or adding to laws already on the books are the proposals to limit what to eat, drink, smoke or otherwise consume; to interfere with our possession of weapons for self-defense or sport; to decide what kind of neighbors we can have by zoning changes; to restrict our exercise of architectural taste by exacting building codes; to determine where and how we can conduct businesses; to fix the way we can dress, walk, ride or drive; to assure our adherence to certain religious, social and philosophical beliefs, and many, many other ways of narrowing the base of democracy.

More than fourscore years ago W. S. Gilbert expressed the hope in regard to Britain's upper house that "—the House of Lords withholds its legislative hand, and noble statesmen do not itch to interfere in matters which they do not understand." While it would certainly strain one's sense of noblesse oblige to characterize any of the current crop of legislators as noble, it might be possible to carry the thought further by honoring those legislators who accomplish the least during their active sessions.

We have all kinds of awards for achievements of one kind or another—how about instituting an award for lack of achievement to go to the legislators who enact, move or vote for the fewest new laws? It might just set a trend away from the tendency of a legislator to work so hard for new laws in the belief that he can impress his constituents by so doing. It could well be a step toward the millenium when a campaign poster bears the message: "Reelect Joe Blow for He's the Best; He Legislated Less Than All the Rest."

ANOTHER AGENCY WE DO NOT NEED

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. TREEN. Mr. Speaker, as the debate surrounding the proposed creation of a Consumer Protection Agency increases, I commend to the attention of my colleagues an editorial of June 2, 1975, written by Mr. Ray Dill, editor of the Houma Daily Courier of Houma, La.

In his editorial, Mr. Dill states that it is incredible that the Senate has just passed a bill calling for "still another Government agency to pile on top of existing over-bloated agencies." Although I no longer find it incredible that either the Senate or the House as presently constituted would pass such a bill, I agree with Mr. Dill's sentiments entirely.

He argues that Government regulation of private industry is already costing the American consumer tremendous sums of money, and that the creation of a so-called Consumer Protection Agency will only add to the cost the American consumer has to pay.

I would like to insert Mr. Dill's editorial in the RECORD at this time:

ANOTHER AGENCY WE DON'T NEED

What many of us have long suspected, the prestigious Brookings Institution in Washington has now confirmed: government regulatory agencies have wasted millions of dollars, expended enormous amounts of energy, piled up untold economic losses and squandered human resources while producing little or no benefit for the people of the United States.

These conclusions are found in a carefully researched study published in early May by the Brookings Institution; a study compiled by ten distinguished economists, educators and lawyers and packed into 397 pages of fine print.

The recommendation of the experts? Less government interference and more freedom for business competition.

In a speech delivered in Concord, New Hampshire in April, President Gerald Ford estimated that the combined cost to consumers of federal regulation is $2,000 per family per year. In the light of the Brookings Institution study just released, the President's guess appears low.

It seems incredible, then, that the U.S. Senate has just passed a bill calling for still another government agency to pile on top of the existing over-bloated agencies, an agency for "consumerism." The bill now goes to the Congress where, it is predicted, the measure will be approved.

Happily, President Ford has said that he will veto the bill. Thus, Praise the Lord, we may yet be saved from another bureaucratic boondoggle which will waste millions of dollars and produce far more harm than good.

A letter of encouragement from you to the President will help. And how about reminding your representatives in Washington that you would appreciate it if they would remove some of the existing bureaucrats rather than adding more of them?

AGENCY FOR CONSUMER PROTECTION

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. FUQUA. Mr. Speaker, subcommittee hearings have begun on the bills to create a Federal consumer advocacy agency.

I have several strongly felt concerns over the real prospect of this House bill becoming a haven for special interest exemptions as has happened to its Senate counterpart.

These concerns were expressed in my opening statement at the hearings, and I insert that statement to be printed in the RECORD at this point:

STATEMENT OF HON. DON FUQUA

Mr. Chairman, we are now in our seventh year of trial by ordeal with this important legislation. And, quite frankly, I am very disturbed.

I am concerned over whether we, or a proper bill, will survive intact. What I have seen in the House bill, and especially what I have seen in the Senate-passed bill, leads me to believe that Congress is moving backward, not forward on this issue.

The bills for a consumer advocacy agency have become greater than the sum of their complicated parts. They have become a symbolic test of political strength.

This test of strength, in my opinion, is between those who fear more than they can justify and those who promise more than any federal agency can or should deliver.

I have always believed that a properly empowered and staffed consumer agency would aid—not obstruct—the Governmental process.

Put another way, I have always believed that a properly drafted consumer advocacy bill would save the public as consumers more than it would cost them as taxpayers.

The regressive history of this bill, however, has shaken my belief that Congress will be able to agree on a bill which is neither excessive nor useless.

The history of this bill is that the powers proposed are continually expanding—beyond what is needed, in my opinion. And, as the powers expand, influential special interests whose activities affect consumers find better arguments to get themselves exempted.

This, of course, is nothing more than a natural law of the legislative process at work—the stronger you make a watchdog agency, the shorter you make its leash.

This trend, however, runs contrary to what I always viewed as our original intent; To create a hard-nosed but prudent consumer representative whom we could trust to advocate the interests of consumers properly, wherever those interests might be substantially affected in the Government.

Look at the toll that was taken before passage of the overly muscular bill in the Senate this year.

It started with a totally unjustifiable special interest exemption under which the consumer agency would have absolutely no power to do or say anything about labor disputes such as illegal dock strikes along one of our coasts.

This started an avalanche of other special interest amendments which put a legislator in an indefensible position—if you allow one special interest examption, you must allow others to protect equally affected interests.

Look at the exemptions in the muscle-bound Senate-passed bill now. Exempted from consumer representation is any Federal decisionmaking concerning—

Any Labor Dispute or Labor Agreement;
Any Radio Broadcast License Renewal;
Any Television Broadcast License Renewal;
Any Agricultural Crop Production;
Any Livestock Production;
Any Poultry Production;
Any Raw Fish Production;
Any Alaska Pipeline Construction;
Any Sale of Firearms or Ammunition;
Any Manufacture of Firearms or Ammunition; and
Any Possession of Firearms or Ammunition.

This all started with the special interest labor exception in S. 200.

Now look at page 28 or H.R. 7575. That same special interest exemption—the one the New York Times said was "politics at its most cynical"—is set forth there in the House bill as well.

The exemption has got to come out. The bill should be cut down to proper size if necessary to protect legitimate labor interests. If this consumer agency is too powerful to trust near Federal labor policymaking or decisions, then it is too powerful to trust near any agricultural marketing order process or a host of other economically sensitive activities.

From the point of view of my constituency, I cannot allow labor disputes and agreements to be protected from what organized labor considers to be an inappropriate menace, while ignoring the fact that the farmers in my district also consider this agency to be an inappropriate menace.

I shall offer an amendment to strike the special interest labor disputes exemption. If that fails, I shall have to follow the course of my Senate colleagues from farming communities; I shall offer an amendment to exempt agricultural interests which, in my and many others' view, are worthy of protection equal to that afforded the interests of organized labor.

As a final observation, Mr. Chairman, it has been brought to my attention that some have been led to believe that the labor disputes exemption was my exemption and that big business put me up to it.

A review of the hearing record and, especially, the transcript of our mark-up sessions last year will clear that misimpression up quickly.

I agree that, if some of the stronger powers in this bill are not modified, a consumer agency could be quite disruptive in unfair labor practice proceedings against a union at the National Labor Relations Board. But I also hasten to point out that the agency would be equally disruptive in unfair practice proceedings against a businessman at the Federal Trade Commission.

That is why, while I have consistently supported the concept of an independent consumer advocacy agency, I also have consistently attempted to modify some of the provisions which I considered to be too far-reaching.

CONGRESSMAN RODINO'S ADDRESS TO CHICAGO-KENT LAW SCHOOL GRADUATES

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. McCLORY. Mr. Speaker, the commencement exercises of Chicago-Kent College of Law—now a unit of the Illinois Institute of Technology—held in Chicago on Sunday, June 15, were made especially memorable by the commencement address of our distinguished colleague, Congressman PETER W. RODINO, Jr., chairman of the House Judiciary Committee.

Mr. Speaker, as a class of 1932 alumnus of Chicago-Kent, it was a special pleasure for me to join with the graduates of the class of 1975, which I am certain includes many future leaders of the bar as well as some who will aspire to public service.

Mr. Speaker, I was honored indeed to be in the company of Dr. Thomas L. Martin, president of Illinois Institute of Technology—and to be the subject of a tribute expressed by Dean Lewis M. Collens and to receive the Distinguished Alumnus Award from Chicago-Kent College of Law.

Mr. Speaker, I should add also that I was most impressed by the remarks of Colleen Ann Khoury, the graduate who received the college's highest academic honors.

Mr. Speaker, the commencement address of our colleague, Congressman RODINO, provided a most appropriate background upon which to confer degrees to these newest members of the legal profession. Having brought honor and credit to the entire institution of the Congress through his chairmanship of the House Judiciary Committee, his statements took on special meaning to these young Americans upon whom we must place great reliance for the administration of law and for our future public service.

Mr. Speaker, Congressman RODINO's address follows:

CHICAGO KENT LAW SCHOOL, COMMENCEMENT SPEECH, JUNE 15, 1975

(Address by Congressman PETER W. RODINO, JR.)

Mr. Venema, President Martin, Dean Collens, Representative McClory, graduates, parents and friends:

I congratulate and welcome all of you graduates to the legal profession.

I am delighted to be here today. I am impressed by your lovely campus, which I understand is the work of the famous architect Mies Van der Rohe.

It is also a pleasure for me to be invited to speak at the school attended by Ms. Jan Zarro, a member of my Judiciary Committee staff and by my good friends and colleagues Senator Charles Percy and Representative Bob McClory. The selfless dedication, unflagging good will and nonpartisan attitude which Bob McClory brought to the recent impeachment inquiry, and which marks all his work on the Judiciary Committee are an invaluable contribution to the work of the Congress. And I join you in your salute to him as the recipient of your most distinguished alumni award.

You graduates are indeed fortunate to have attended a law school uniquely located in the heart of Chicago's busy downtown where the life of the law is spread before you and where you have been able to participate in that life through innovative clinical training programs.

I know that today is an occasion for joy and celebration, but I want to be serious for a few moments and talk to you about the responsibilities you now face.

We lawyers have never been popular.

Plato wanted to banish us completely from his republic. And in Henry VI, Shakespeare suggested a way to improve English society.

"The first thing we do," he said, "let's kill all the lawyers."

Karl Llewellyn, that great teacher of law, found the unpopularity of lawyers as natural "as whiskers on a cat."

And today, in the wake of the Watergate scandal—a disgrace perpetrated in large measure by lawyers in the service of a lawyer-President—our reputation has suffered a serious blow.

But paradoxically, ours has also been recognized from time immemorial as the noblest profession. Lawyers since Hammurabi have served as the conscience of mankind, giving expression in rules . . . and bearing witness by their conduct . . . to the highest ethical aspirations of our civilization.

It was lawyers who seized the occasion of a petty squabble between a tyrannical king and a group of greedy barons to establish the great principle of Magna Carta—the doctrine that the king, like his subjects, is under God and the law.

It was lawyers—Jefferson, Adams, Madison, Patrick Henry—who articulated—and then stood upon—the fundamental precept of the American Revolution, the then-radical notion that sovereignty resides in the people, that "governments derive their just powers from the consent of the governed." Thus began the great American experiment.

This was a new beginning not only for America but for all mankind and its effect is still felt throughout the world. Its premises are constantly being tested here and abroad, and last year we came through the most severe test of this principle in more than a century, and I should like to point with a sense of pardonable pride to the fact that it was a group of lawyer-legislators even as your own Bob McClory sitting on the House Judiciary Committee, who steered our country through that impeachment crisis holding steadfast to the principle that ours is a government of laws and not of men. And again people knew that America was not barren of promise.

Watergate and the impeachment process brought us—I believe—to a new turning point . . . a new beginning in our history . . . which could determine the fate of our whole system.

Freedom and democracy are not easy, for they impose upon all of us a larger responsibility to act for the good of the community. In the first year of our Republic, Thomas Paine wrote: "For those who would reap the blessings of freedom they must, like men, undergo the fatigue of supporting it."

We have awakened from what President Ford described as our "long national nightmare" to find a troubled yet hopeful reality. We face problems of truly unprecedented proportions on a national and global scale. But we face them curiously refreshed by the events of last year. One hopeful sign is the spirit with which we as a Nation weathered the recent constitutional crisis. It is hopeful from two perspectives.

First, it demonstrated a serious commitment to the notion that ours is a government of laws, not of men . . . to the principle that under our system of Government no man, not even the occupant of our most powerful or revered office, is above the law which you and I must obey.

And, secondly, it showed once again that our people are decent and steady in a crisis, that honest men and women . . . regardless of party or ideology . . . working together in simple human decency and good faith can surmount any obstacle, weather any crisis, achieve any goal.

In my travels around this country since the impeachment crisis, I have seen a renewed confidence among the people in themselves and in our institutions of Government.

And I have found that the real security of this Nation lies in the integrity of its institutions and the informed confidence of its people.

We shall need that confidence in the days and years ahead, for our task is to translate the spirit with which the American people surmounted the impeachment crisis into specific solutions to our desperate foreign and domestic problems. We must take from this spirit a new attitude toward our Government, our communities and our Nation, one which seeks the changes necessary to meet tomorrow's challenges. We must meet these challenges not out of individual self-interest but out of a higher community purpose.

Admittedly change is difficult. It is not easy to initiate—and once begun, it is not easily directed. Change and progress are not necessarily the same.

The change we seek must find its roots in the values of liberty and humanity on which our republic was founded.

As we approach our Nation's Bicentennial year what better time to reaffirm the cherished and priceless values which gave birth to this country and to dedicate ourselves to a new beginning for America and the world?

We must look not merely at yesterday, today and tomorrow, but at the long sweep of time, past and future, and we must seek solutions to our problems which are future-oriented—not crisis-oriented.

We lawyers—by virtue of our training, our experience, and our profession's tradition of courage and innovation—have a special responsibility to help formulate these future-oriented solutions. Lawyers have been devising new procedures and creating new institutions for the achievement of ethical imperatives ever since our Government began . . . and now we must direct our energies and talents to the jobs that remain to be done.

We must police the ethics of our profession . . . not only to improve our image . . . but to restore the level of probity and integrity which the public has a right to demand of us.

We must devise systems for the delivery of needed legal services, not simply for the rich . . . the very poor . . . but for persons at all income levels on a reasonable basis.

We must work for the enactment of sensitive and compassionate laws . . . and for their fair and even-handed enforcement—so that in the end, justice is done.

In this spirit of decency we must bring the wisdom and experience of our profession to bear upon the problems of our society: of allocating our precious energy resources and finding employment for our people in the time of peace.

We must be bold and ingenious in creating new mechanisms to solve the worldwide energy crisis . . . to avert a global depression with unforeseeable consequences . . . and to bring the world's food supply and distribution systems into balance with the desperate needs of its growing hungry population.

These are some of the challenges you face today. And the response of each of you is vital to the success of the American experiment.

In closing I want to say a personal word to you. Almost forty years is a long time, but I remember what times were like when I graduated from law school. We had something of an unemployment rate then too, We called it the great depression. My own college career was interrupted by the depression, and when I graduated, I took any job I could find—part-time or full-time—and I worked during the day and went to law school at night.

So I have been where many of you find yourselves today, And I know that high minded rhetoric isn't going to make the problems you face any easier. Perhaps all I can say is that times like these will put each of you to a test . . . a test of your own strength and your desire . . . and of your own sense of responsibility to yourselves and your communities. You should remember too that, difficult as our economic situation is at present, things have been worse; and that you like others before you, can succeed, and can enrich the quality of life around you, regardless of the setting in which you choose to pursue your profession.

Even in the best of times, though, success does not come easily. Ralph Waldo Emerson said more than a hundred years ago, "There is no way to success . . . but to take off your coat, grind paint, and work like a digger on the railroad all day, every day."

I remember something else from my student days. In those days I wanted to be a poet. But during the great depression, the unemployment rate among poets was even higher than among lawyers so here I am. For though man can't live by bread alone—a little bit helps.

I must also confess to you today that in recent months—during the impeachment proceedings and with the domestic and foreign problems Congress is facing today—I sometimes have wished I had tried a little harder at my poetry.

I have come to realize that in the end it does not matter whether you are a president or a poet a lawyer or engineer, designing a computer or running one . . . building houses or building highways . . . managing a household or managing a huge corporation. What matters most is how you view yourself and the life you have chosen to lead. Your sense of well being will come from your own belief that what you do is worth doing.

It would be all too easy for you to adopt an air of cynicism and distrust toward the political process. Indeed, one of the unhappy young lawyers caught up in the watergate affairs said he would advise young people not to get involved with government or politics.

I could not disagree more. The system we worked to preserve—the great American experiment—rests upon the premise that free men and women will accept the responsibility to govern themselves. Without you—and the participation of those like you—our system is but an empty and hollow vessel.

There is a tide running in this country today . . . a tide of enormous strength and vitality. That tide has taken us out of a terrible war and through an unprecedented constitutional crisis, it is up to you . . . whether history will record that it was at the ebb or the flow.

You can succeed . . . you can change your own lives and the lives of others for the better . . . if you care enough to try, if you have the faith and the desire to make our system, our constitution and our laws work . . . but if you do not care enough to try, you will never succeed and our American experiment will fail.

I do not believe that you will allow that to happen. But you will ultimately decide . . . and it is your fate which hinges on your decision.

OCTOBER LEAGUE, MARXIST-LENINIST: PART I

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the October League, Marxist-Leninist—OL—is a nationally active, self-proclaimed Maoist Communist organization attempting to, in its own words, "lead the people to make a revolution." The OL asserts that its "main task is to build a new Communist party" which will lead the masses in that revolution.

A constituent disaffected because of what was termed opportunism, basic racism, lack of concern for racial problems in America, and the lack of even token democracy within this totalitarian Leninist organization, has made available to me as a good faith gesture a confidential internal OL document entitled "October League Manual on Open and Secret Work, May 1975."

This 28-page packet sets out for the OL cadres the methods by which the league is building an underground secret organization fully equipped for illegal revolutionary activities in the planned revolution. The October League Executive Committee states in the introduction:

> At times we will be compelled to change our tactics in order to work under conditions of extreme illegality. * * * In the course of leading the people to make a revolution, many of us will have to sacrifice our lives. It is this that is the basis of all our efforts when we speak of security.

The secret October League manual is composed of previously circulated OL Organizational Department directives, new material produced for the manual, and reprints of Communist Party, U.S.A., documents and Comintern instructions dating from the 1930's.

The October League proclaims its conspiratorial and illegal revolutionary aims, page 3:

> * * * our organization is out to overthrow capitalism. * * * we are democratic centralists. * * * [our basic units] are mainly factory based. * * * our members are cadre striving to become professional revolutionaries.

OL continues:

> * * * we are now, as well as later under worse conditions, a mainly secret organization, capable of functioning in a clandestine manner. Though the degre of open work will increase or decrease according to conditions, the basic organization and apparatus always remain secret.

The OL Organizational Department describes the type of Communist party it is building in the following terms, page 4:

> * * * the party we are building will be capable of functioning effectively while suffering the most ferocious attacks of the state. It will be able to recruit and train new members while subject to the most brutal repression. Able to conduct propaganda and agitation under any conditions, it will be a party that leads the struggles of the people while withstanding the open terror of the state. *In short, it will be a fighting party, a party of insurrection.* [emphasis added].
>
> The building of a secret, illegal organization is not a task to be put off and dealt with later. It is a Marxist-Leninist principle that reflects our understanding of the state as an instrument of class dictatorship and our strategy for revolution. In what is to be done, Lenin pointed out the price revolutionaries must pay for their primitiveness, and stated that we must use relative legal periods to build up our secret work and dig deep among the masses.
>
> Even now, during such a period of relative legality, it is necessary that the factory unit be basically secret * * *.

The October League founded in May 1972, as a merger of the Georgia Communist League—M-L—a group formed after the breakup of SDS in 1971 by persons associated with the Southern Student Organizing Committee—SSOC—and the RYM II faction of SDS, and the Los Angeles-based October League developed by Mike Klonsky.

The OL has been visibly active in the Atlanta, Ga., area for several years. It first came to prominence when several OL cadre took leading agitational roles in the 7-week Mead Corp. wildcat strike in 1972 at Atlanta. Since then OL cadres have been involved with the Georgia Power Project—from which OL borrowed the "smokey factory" graphic on page 12 of "Open and Secret Work"—and the Southwide Coalition To Stop South African Coal.

The seriousness of the threat posed by this clandestine revolutionary organization is such, that before proceeding to an analysis of its known activities, I herewith insert the text of the "October League Manual on Open and Secret Work, May 1975," for the enlightenment of my colleagues.

This material includes the first three chapters of the manual, "Introduction," "The Historic Viewpoint of Communists," and "A Matter of Principle."

The text follows:

OCTOBER LEAGUE MANUAL ON OPEN AND SECRET WORK

INTRODUCTION

For as long as our organization has existed, we have understood the necessity of mastering the Bolshevik principle of combining open and secret, legal and illegal work. It is for this reason that we have endeavored to build the OL as a mainly secret organization, though at the same time, taking advantage of every possibility to have an open face to the masses.

The last several years have seen the growth of the OL, both in size and in our influence among the masses. Taking note of this, the imperialists, who seldom hesitate to strip away the mask of even "bourgeois" democracy when it suits their purposes, have increased their attacks on us. Sometimes the attacks take an open and legal form—such as the use of the state apparatus (FBI, police and courts). In some cases, these attacks are through "extra legal" means, such as the bombing of Unidos Bookstore, sending agents into our ranks to spy and disrupt. Whatever form such attacks may take in the future, we can certainly expect them to increase.

Facing these conditions, it is important that we implement the new security rules and policies with the political understanding of their purpose. The main purpose of all our security policies, rules, methods and procedures is: To preserve the organization and its ties to the masses under any and all conditions. This is diametrically opposed to the concept of simply "preserving the organization" or "preserving our cadre." There is no use in having an OL or a party if we are unable to function in carrying out our line.

At times we will be compelled to change our tactics in order to work under conditions of extreme illegality. But we will never allow the imperialists to drive a fascist wedge between us and the people. In the course of leading the people to make a revolution, many of us communists will have to sacrifice our lives. It is this that is the basis of all our efforts when we speak of security. The greater our understanding of this, the less likely we are to commit right or "left" deviations.

The right error around security is in essence a bourgeois rather than a Marxist analysis of the state. People who hold this view think that our security policies are "cumbersome and unnecessary." They see the state as "neutral" rather than as an instrument of class dictatorship. This rightism manifests itself in several ways. Take for instance, the national security rules which were put out almost two years ago. In one district they were never distributed to the cadre, and in most districts the newer cadre have never seen them. They are almost never reviewed in the cells and discipline is seldom enforced against violations.

The "leftist" deviation, though less prevalent in our organization, often manifests itself in a bureaucratic approach, and is actually as harmful to security as the rightest errors. In one district a leading cadre tried to use "concern for security" as a shield to deflect criticism from himself and stifle the ideological struggle. Another example is in one district there is a policy that cadre can't call contacts from their home phone. The result of such a policy is to identify to the police or whoever is tapping the phone, who the OL cadre are, because the only people called outside of family would be other OL members. Compare this policy with a policy that OL cadre should call a large number of people and conduct normal conversations with everyone. Not only would the police have no idea who were cadre and who were not, there would be no small group of people for them to easily target in on.

Having said this it should be emphasized that both views disregard security. We hope that this packet will help raise the entire organization's consciousness around this question, as well as give specific guidance to our work. It should be recalled that because this question of whether to be basically an open organization or a secret organization so adequately reflects an understanding of the state, the Comintern made agreement with it a precondition for admission to its ranks. The whole organization should study this packet seriously and put it into practice as a step toward protecting our work now and in the future.

THE EXECUTIVE COMMITTEE.

THE HISTORIC VIEWPOINT OF COMMUNISTS

Since our main task is to build a new communist party, we must deepen our understanding about the kind of organization we are building now and in the future, particularly around the questions of open and secret, legal and illegal work. The struggle around organization is not just a question of style or tactics for a given period, but is a struggle between two political lines. Our approach to this question determines not only how we function under repression and illegality, but also how we function today, in a relatively legal period.

There are basic differences on questions of organization that distinguish us from the revisionists, social-democrats and other opportunists. Basically it is this: their organizations are suited to carry out reform struggles under capitalism; our organization is out to overthrow capitalism. While they have bureaucratic structures at the top, and ultrademocracy at the lower levels, we are democratic centralists. Their basic units are election district or community based, while ours are mainly factory based. The majority of their members are inactive or poorly trained, while our members are cadre, striving to become professional revolutionaries. And just as important, they build their organization to function only in an open and legal fashion, while we are now, as well as later under worse conditions, a mainly secret organization, capable of functioning in a clandestine manner. Though the degree of open work will increase or decrease according to conditions, the basic organization and apparatus always remain secret.

". . . the organization of revolutionaries must consist first, foremost, and mainly, of people who make revolutionary activity their profession. That is why I speak of organizations of revolutionaries, meaning revolutionary Social Democrats . . .

". . . in view of this common feature of the members of such an organization, all distinctions as between workers and intellectuals, and certainly distinctions of trade and profession, must be utterly obliterated. Such an organization must of necessity be not too extensive, and as secret as possible . . ." Lenin, What Is To Be Done.

Unlike the revisionist CPUSA, SWP, NAM and others of their ilk, the party we are building will be capable of functioning effectively while suffering the most ferocious attacks of the state. It will be able to recruit and train new members while subject to the most brutal repression. Able to conduct propaganda and agitation under any conditions, it will be a party that leads the struggles of the people while withstanding the open terror of the state. In short, it will be a fighting party, a party of insurrection.

The building of a secret, illegal organization is not a task to be put off and dealt with later. It is a Marxist-Leninist principle that reflects our understanding of the state as an instrument of class dictatorship and our strategy for revolution. In What Is To Be Done, Lenin pointed out the price revolutionaries must pay for their primitiveness, and stated that we must use relative legal periods to build up our secret work and dig deep among the masses.

Even now, during such a period of relative legality, it is necessary that the factory unit be basically secret if it to maintain its continuity and contact with the workers. We are not immune to attack or suppression. For some time our organization has been under surveillance by local and federal agencies. The FBI "visits" our cadre, their families, friends an employers. They send agents to infiltrate for the purposes of spying and provocation.

Some time ago, a cadre who has since left the organization wrote a paper criticizing our line of building mainly secret organization. He felt that for us to do so was to "hinder the mass work and stifle the internal life of the organization." He viewed secrecy as being cumbersome and unnecessary in the immediate circumstances; something to put off until later when we had established firmer ties with the masses.

But it is this same line of reasoning that encourages passivity and retreat when our "legality" and "democratic rights" are torn away.

In fact, it is only through secret organization and conspiratorial methods that we can ensure that the organization's ties and contacts with the masses remain unbroken; that the organization will be in a position to advance correct tactics and methods of struggle under the most repressive conditions.

At the same time this comrade was criticizing our line on building a secret organization, he was urging us not to sell The Call at a certain factory where we regularly encountered difficulties with a few reactionary elements. One day he underestimated dangers we face from the state and the next day he urged us into hiding from the masses! Neither course will do for us.

Preserving our oganization from the state is one thing. Doing so, while at the same time continuing to function in our mass work and recruitment is another. What we must master is hiding from the state while at the same time not being hidden from the masses. Communists understand that conspiracy is not an end in itself, or merely being able to hide a leading group. It is a method—a tool—of maintaining our ties and organizational leadership of the masses.

Building along secret lines does not mean sapping the life of the organization—either internal or external. Just the opposite is true. It means conducting a struggle against bureaucratic centralism and strengthening the initiative of the whole organization, particularly the cells.

How do we strengthen the initiative of the organizations? It is not a question of lower bodies functioning autonomously, a problem we currently face. First, it is a question of strengthening centralism. The entire organization must function with iron will and unity, and this can only happen by being consolidated around Marxism-Leninism and our political program.

Our weakness in this area is illustrated by the Dump Nixon campaign. When the directive for this campaign went out, all the cells and committees at every level should have studied and discussed it in order to implement it in their particular factory, community or other area of work. This is what is meant by putting politics in command.

Instead, in a number of districts, the DO either shelved the directive or simply turned it over to a cadre in charge of united front work, without the DC or any other units having a discussion or a plan for how the campaign was to be carried out locally.

On the other hand, democracy and self-initiative of the units must be expanded together with strengthening centralism, because the factory and other cells are the key links of the organization to the masses.

"The essence of illegality does not lie in hiding a small group of people from the enemy, but lies in carrying on uninterrupted mass work, and in having constant influx of new help from the masses—this with the help of a strongly hidden organization."—

"On The Question of Illegal Work," The Communist International, 12/1/1933, p. 854

There are three components of developing the self-initiative of the cells. Most important is having a firm grasp of Marxism-Leninism and the line of the organization. This will enable the unit to quickly get its bearing and act in the spirit of the organizational line and policies, even if cut off from higher levels.

Second: Our practical contact with the masses must be strengthened, through trade unions and other organizations, so that the cell is able to rapidly mobilize the workers to follow our program. This also includes raising the political consciousness of the workers and drawing a group of sympathizers around us to help carry out the work. An example of this would be a CALL distribution network that could clandestinely distribute literature and other materials throughout a factory.

Third: It is a question of organization and appartus. The cells must master secret methods and techniques, from recruiting new members, arranging meeting places, procuring literature from the center, to producing its own agitation, development of codes, etc.

In concluding, there are two points to be made. First, we must tighten up the organization by strengthening democratic centralism. Second, this will give the lower bodies, especially the cells, the political understanding necessary to implement the decisions and policies of the organization without having to go higher to get advice on every detail. This will give us an organization in which the cells, even under the open terrorist dictatorship of the imperialists, could function even when cut off from leadership or from the organization as a whole.

The question of open and secret is a question of principle. It is a part of the organization's line on party building. To liquidate the need for building a mainly secret organization is to abandon Marxism-Leninism and our task of party building, and can only lead to ultimately abandoning the masses.—Reprinted from Spark No. 4 1074, Organizational Department, October League.

A MATTER OF PRINCIPLE

The following excerpts are taken from two articles first appearing in the Communist International (#8, May 15, 1932 and #9, December 1, 1933) and from the book the Bolshevization of the Communist Parties of the Capitalist Countries by Means of Overcoming the Social-Democratic Traditions by O. Piatnitski, head of the Organization Buro of the Communist International and from other people.

i.

. . . The Social-Democratic and Socialist Parties which already existed as mass parties in the principle countries abroad in the 90's, adapted themselves to the existing regimes and legislations. Before the world war the political struggle conducted by the Social-Democratic Parties was a struggle for reforms in the field of social legislation and for universal suffrage, the struggle itself being carried on chiefly by means of the ballot.

While they did not reject in words the ultimate goal of the struggle of the proletariat, socialism; in reality they did nothing of a serious practical nature to prepare for and wage the revolutionary battles, to train for this purpose the necessary cadres, to give the party organizations a revolutionary policy, to break through the bourgeois legality in the process of struggle, etc.—a parliamentary majority, in order to then "inaugurate socialism."

ii.

. . . The illegal condition of the Bolshevik Party (in Russia) as per the reasons given, compelled it to establish Party groups in the factories, where it was easier and more convenient to work. The Party structure of the Bolsheviks thus began with the factories, and this yielded excellent results both during the years of reaction, after the February Revolution, and particularly during the October Revolution of 1917, the civil war and the great construction of socialism. During the reaction following upon 1908 when in places the local party committees and the party leadership (CC) were broken up, there still remained in the factories and mills a certain base, small party cells which continued the work. . .

. . . Abroad . . . the main task pursued by the Socialist Parties was to gain electoral victories, to fight by means of the ballot, and the Party organization was therefore built along residential lines, which made it easier to organize the Party members for the election campaign in the respective election districts.

. . . The Communist Parties immediately after their formation took over the organizational forms of the Social-Democrat Parties, because they did not know of, they were not familiar with, the peculiar Bolshevist forms and methods of Party structure . . .

iii.

That the absence of Party organizations in the factories strongly affects the work of the Communist Parties is shown by such an example, for instance, as that of Germany in 1923, when the Party failed to utilize the revolutionary situation for the overthrow of the bourgeoisie, this being due in no small degree not only to the absence of a truly revolutionary leadership, but also the absence of extensive and firm connections with the workers in the factories . . .

iv.

The Bolshevik Party knew only one form of lower organization, the cell in the factory, office, army barracks, etc. Taking into consideration the conditions abroad, the Comintern was forced to introduce an additional form of organization—the street cells. They were introduced for such members of the Party as housewives, small artisans, etc. . . . But instead of making it into a subsidiary organization, the Communist Parties (e.g. USA) made the street cell the predominant organization. They began to create street cells on such a scale that they embraced 80%, and sometimes even more, of the Party members . . .

v.

The Parties in the principle capitalist countries are legal, but the cells must be illegal. Unfortunately they do not succeed in working unnoticed. The employers and their spies detect the revolutionary workers and throw them out of the factory without meeting any protest on the part of the reformist trade unions, or on the contrary, the latter frequently act themselves as the initiator of the expulsion of the Communists from the factories. But inasmuch as the work of the Communists in the factories is weak, as a rule, the workers do not defend the discharged Communists (though there have been opposite cases, of course). Under these conditions the factory cells do nothing in most cases, or if they display the least activity, their members are thrown out of the factories, owing to failure to conceal even their insignificant work. There are frequently also cases when the Communists are thrown out of the factories even when they do nothing there, simply because of their membership in the Communist Party . . . The Communist Parties suffer very much from their inability to conduct conspirative work in the factories, losing members and revolutionary workers, through their expulsion from the factories . . .

vi.

It is possible and necessary to carry on real Party work connecting the Party slogans with the very every-day struggle in the factories, without calling oneself a member of the Party or cell. It is always possible to find appropriate forms for this . . . In short, everything in the spirit of the decisions of the cell and Party, though in form there is no shouting about it; it may even appear "innocent."

vii.

Underestimation of the importance of the struggle against terror, of all forms of this tions, the mass fight against provocation—is fense of the CP and the revolutionary organizations, organizational measures for the safety and protection of the Party organizations, the mass fight against provocation—is unquestionably a Social-Democratic hangover in our ranks. The basis of underestimation of the importance of the fight against terror, of the adaptation of the Party organization to illegality is legalism, the glossing over of the role of the bourgeois state as a class appartus of violence.

Whenever the Party is obliged to assume illegality—which is determined by the concrete relation between our forces and those of the enemy—it must do so with a fight in every section of its mass work, for then the Party does not become isolated from the struggle of the masses, but, on the contrary, maintains live contact with them in illegality, maintaining a continuity in struggle.

viii.

The basic difference between legal and illegal methods of work does not lie only in conspiracy. It lies in a different system of mass work; in the cohesiveness of the party; in its ability to tie itself up with the masses, and find a road to the masses through the hardest conditions of terror. Underground work demands a different structural system; different systems of leadership, of connections, of cadres, different methods of recruitment and of holding new party members; different methods of publicity and of distribution of publications. Thus, the essence of the thing is not only conspiracy itself, but the task of conspiracy is to make all this work easier, and to secure its inviolability.

ix.

Every experienced underground worker knows that in underground work the more responsible comrades must carry out a number of technical-organizational tasks independently, and search out technical resources for themselves. Lordly distain of this work is especially peculiar to comrades who have little underground experience, and legalistic and bureaucratic habits . . .

The strength of the Bolsheviks, before the Revolution, as well as during the civil war, lay in the fact that their local cadres were able to orient themselves at once in any situation, and further to take the correct position independently, without communication with the center. All CPs must attain such a condition . . .

A party which has strong section committees can withstand the most brutal blows of terror with the least losses; for the basic losses resulting from the blows of terror are not so much on account of arrests, as on account of the loss of separate organizations and party members because of lost connections. The section committee is the leader of the most important acting link of the party—the cells; which carry on direct work with the masses. It is therefore, through its very nature, the decisive link in the system of leadership (especially in the illegal parties, and at critical moments) . . .

The aim of the entire organizational policy of the Party, of its entire system of leadership, advancement and education of cadres, is: maximum development of the mass work of the units, and especially of the factory cells. The work of this basis of the party, of these directly fighting links, which penetrate into the thick of the masses—this work determines the work of the party as a whole. The cell is not only a lower administrative division; the party unit is the basic lever of the party's influence on the masses. Every party directive remains a mere empty sound if it is not brought down to the units, if the unit is not mobilized to carry it out . . .

x.

The cell is the part of the party which has advanced furtherest into the masses, but it is on no account the most vulnerable point of the party organization. On the contrary, when it works skillfully, the cell becomes the link of the party that is most protected by the masses. A cell which carries on daily mass work surrounds itself with a layer of non-pary activities, and has its own system of transmission in the working masses. The scope of the mass work of the cell degrades on its ability to develop the activity of the cadre of non-party workers whom it leads . .

xi.

Illegality is not something set and absolute. The extent to which the party must go underground depends on the correlation of forces, on the activity of the party, and on the party's ability to get to the masses through the barriers of terror. Only a sectarian party, which is isolated from the masses, can be driven completely underground. . .

Conspiracy is a method of preserving party secrets; it changes in accordance with the concrete situation. But the basic thing under all conditions is—the strictest discipline in the work, and a sense of responsibility for the work that is being carried on, and for the preservation of the party organization. Responsibility in conspiratorial work must stand on a level with responsibility for carrying out the party line. Neglect of conspiracy must not go unpunished (regardless of who the guilty person is!!). Regrettably, we meet with this phenomenon at every step; it is often the most responsible comrades who give the most glaring examples of lack of conspiracy. Most often, when they violate conspiracy, comrades offer the excuse that they were in a dilemma: they were forced either to give up carrying on the work or to violate conspiracy. In other cases, inactivity is "justified" by the requirements of conspiracy. Both come to the mistaken conclusion that conspiracy throttles the work of the party. If that is so then why is conspiracy necessary at all? In actual fact, that there is no situation where it is not possible to work both actively and conspiratorially. In the first case we have a typical manifestation of petty bourgeois looseness and flippancy, screened under personal "heroism," and in the second—simply cowardice and opportunism.

PERSONAL EXPLANATION

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. BRECKINRIDGE. Mr. Speaker, due to the hearings held by the Subcommittee on Tobacco of the House of Representatives Agriculture Committee held in Bristol, Tenn., and Lexington, Ky., I was unable to be here for part of the proceedings on H.R. 6860, the Energy Conservation and Convention Act of 1975. Had I been here I would have voted "aye" or "nay" to the following amendments which were considered by the House:

TITLE III OF H.R. 6860

Fisher and others amendment to section 311, "aye."

O'Hara amendment to section 311, "nay."

Sharp amendment to section 311, "aye."

Tsongas amendment to section 312, "nay."

Guyer amendment to section 322, "nay."

Solarz amendment to section 331, "aye."

Gibbons amendment to section 331, "nay."

Jacobs amendment to section 331, "nay."

Goldwater amendment to section 332, "nay."

Ottinger amendment to section 332, "nay."

Wylie amendment to section 332, "nay."

O'Hara amendment to section 333, "nay."

McCormack amendment to section 333, "yea."

Jeffords amendment to section 333, "nay."

TITLE IV OF H.R. 6860

Archer amendment to section 411, "nay."

Benitez amendment to section 411, "nay."

Abzug amendment to section 412, "nay."

Mikva amendment to section 412, "nay."

COMMENCEMENT ADDRESS

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. FOLEY. Mr. Speaker, Mr. Ben J. Wattenberg, a well known, widely read, and highly regarded political analyst and commentator on contemporary society, recently delivered the commencement address at Hobart and William Smith Colleges in New York. I found his remarks on that occasion both extremely interesting and timely and take the liberty of offering them for the consideration of my colleagues in the House.

The text follows:

I bring you greetings from Washington, D.C. Because the Nation's Capital is so close to Maryland, there is a great interest in lacrosse among politicians. In fact, in the aftermath of the incident with the ship Mayaguez, President Ford was feeling pretty cocky, and was reported to be strutting around the Oval Office, saying "America is like Hobart in lacrosse—we don't do everything right, but no matter what anyone says, we're still really number one."

It seems like twenty years ago—in fact it was twenty years ago—that I was sitting in the middle, and not in front of this commencement tent. I remember several things vividly about that day. It was very hot under the tent. We all wanted to go home. There was a recession going on. Students were worried about jobs. And we didn't think much of the commencement speaker.

He too was from Washington, D.C. He too had been selected by the trustees without consultation with the faculty or the students. His selection had been publicly and vigorously denounced. I remember that, because I was one of the vigorous and public denouncers.

The speaker was the Secretary of the Air Force. A young second lieutenant began the proceedings by placing on the rostrum a leather binder with the speech in it. Then the Secretary of the Air Force—the new recipient of an honorary Phi Beta Kappa key—began his profound remarks in roughly this way:

"Air Force: 'A' is for ambition; 'I' is for initiative;
'R' is for resourcefulness . . .
By the time he got to "C"—it was "C" is for "Catastrophe."

The possibilities for such sorts of speeches are almost endless. My own, I hope, will be characterized by an "F"—for "fairly short."

As a footnote, it might interest you to know that it got worse after the speaker left Geneva. A mini-Watergate ensued. He was soon dismissed from his job—for conflict of interest—an occurrence which was piously and publicly regretted by the then Vice President of the United States, Richard Milhous Nixon.

* * * * *

Those were simpler days. The colleges had a strange custom then: it was called the required course.

One of the required courses in those days involved a sequence of thirty credit hours of classes stretching over four semesters. It dealt with the origins and development of Western Civilization.

I learned many things in that course. I learned that you could usually get a "B" if you began an essay question by saying solemnly, "Erasmus was a product of his time." (In those days a "B" was more than a passing grade.) Remarkably, I soon discovered that Spinoza was a product of his time, and so too were Aquinas, Voltaire, Aeschylus, Shakespeare, Euripides, Amos, Isaiah, Peter, Paul, and Mary, Freud, Marx, Locke and Jeremy Bentham.

There are people who feel that my training in the use of that sort of all-purpose gobbledygook has been quite apparent in the ensuing twenty years . . . especially some critics who have reviewed my books. If that is so, I shall be ever grateful to the colleges for vocational training, if nothing else.

But those courses, which were really the centerpiece of education here at that time, did more than teach us the art of how to fill up blank pages. These studies exposed us to some serious thoughts about how the world of the Nineteen Fifties had become what it was.

A full generation has passed, the world has changed, and these changes have shaken all of our lives. Americans died in a war in faraway jungles, students revolted, the price of gasoline sky-rocketed, and a President has been impeached. And now, a great debate is forming in Washington and around the nation about what America's *new* role in the world ought to be. The resolution of this great debate may well determine the way you in the Class of 1975 will live the next fifty of sixty years of your lives.

Because the roots of this debate go back to the Nineteen Fifties, I thought I might begin this morning by briefly describing how I remember my generation looking at its world, back in 1955. Then perhaps I think it will be useful to ask what has changed,—and what hasn't changed—and what we might all do next.

Our studies taught us that the essence of modern Western Civilization dealt with more than just the comforts of suburbia. From our readings we came to see that the heart and soul of our long Western tradition was the growth of human freedom.

We saw that the road of human liberty had not been an easy one or a steady one: progress stopped, tyrants conquered, civilizations rose and fell. Yet, somehow, Western Civilization had limped ahead on a road that seemed to lead toward further expansion of liberty. And we noted, almost as a bonus, that in ancient Athens, in Shakespearean England, and in the modern world that creative explosions went hand in hand with societies that honor liberty—societies that honor the free-spirited genius of a Buckminster Fuller, and let it flourish and grow, to the benefit of us all.

Moreover, it was believed then that the United States had played, and was playing a major role in the pursuit of human liberty both in America and abroad.

At home, we had created a remarkable society where tens of millions of immigrants had been able to stand tall and look any man in the eye—as equals. They even sent their children to college. If such opportunity was not available to all, well, we were working on that—the Supreme Court was on our side and the Greensboro sit-in, the Birmingham bus boycott, Selma, and freedom rides were on their way.

Around the world we made common cause with a network of allies who avowed their concern with freedom.

These nations—many of them partners of ours in the traditions of Western Civilization—felt their liberty threatened by forces seen to be hostile to the very notions of human liberty.

There were, after all, powerful dictatorships that had done away with freedom of speech, freedom of personal mobility, freedom of worship, freedom of the press, freedom to form political opposition. These societies, and their grim desolation of the human spirit, have since been described, as never before, in the works of Alexander Solzhenitsyn.

Such views were subsequently short-handed into a simple formulation: We were the good guys. And there were bad guys around. Good guys versus bad guys—a simple, but not a wholly inaccurate shorthand for the way the world was seen then. And in our view the goodness and badness was not measured by loyalty to any specific economic system. It did not really involve capitalism or communism or socialism. No, the measure of the goodness and the badness, concerned freedom and the lack of it.

Of course, it wasn't quite that plain and good. It led to a flawed policy, as all human policies are flawed. In the course of setting up a freedom coalition, we managed to get allied with some nations that were certainly not bastions of human liberty. We also managed to ignore much of what is today called the Third World. But at the root of it all, still, was an effort to preserve a fragile Western tradition of freedom. And by those lights, the policy was seen to be working rather well.

With that simple, and maybe simple-minded background, you might be able to understand why most of my classmates were not shocked when, a half a dozen years after our graduation, John F. Kennedy delivered the rallying cry of the Cold War. President Kennedy, it has been recalled, said that America "would pay any price, bear any burden, support any friend, and oppose any foe." Of course one of the reasons we weren't shocked was because President Kennedy, unlike some politicians that followed him, had a habit of finishing sentences. That particular sentence, in its entirety, went like this: "We shall pay any price, bear any burden, support any friend, oppose any foe—in order to assure the survival and the success of liberty.

A lot has happened since John Kennedy's voice snapped out over the snow of Washington in January of 1961.

The Bay of Pigs, the Missile Crisis, Assassinations, Riots, War in Vietnam, Turbulence on campus, Withdrawal from Vietnam, Watergate, Attica, Impeachment, an oil embargo, Inflation, Recession and collapse in Vietnam.

With these events and conditions, there came about a birth of a new sort of American view of the world and our role in it. It is a view that is more appealing and familiar to the Class of 1975 than to the Class of 1955. It is a world-view that shapes the terms of the great debate now beginning in America.

To gain a sense of the new view, consider for a moment, some of the more recent catch-phrases:

America Is Not the World's Policeman.

Come Home America (the refrain of George McGovern's 1972 acceptance speech).

We must Reorder Priorities.

The Arrogance of Power.

And, finally, recently, a haunting question—"So What?"—As in So what if the Pentagon is correct and the Soviet Union is really becoming the most powerful nation in the world? As in So what if Communists in Portugal, having lost an election, are now taking over the non-Communist press and all the political parties? As in So what if the Khmer Rouge has sent 3 million souls, including women and children, the elderly and the infirm, on a forced march through the wilderness of rural Cambodia?

And so, the debate is joined. On one hand, a quest to preserve and extend human liberty. On the other, a haunting question, after a decade of despair—So what? And on both sides, honorable and intelligent people searching desperately for a new global policy, a policy that will shape the lives of young Americans in years to come, a policy that says no more Vietnams but at the same time honors human freedom, a policy that can answer the question: So what?

So what?

A tough question.

I wish I knew the answer.

It would be simpler if I could stand here and say "If the Soviet Union becomes the most powerful military nation in the history of the world, the traditions of human liberty will be eroded all over the world . . ." but I don't know for sure that that is so.

It would be simpler if I could stand here and say that "falling dominoes in Southeast Asia have undermined America's credibility as a world power . . ." but I don't know for sure that that is so either.

But many human situations are governed by the principle of We Don't Know What Happens Next. That, after all, is the principle behind the industry we call "insurance." That is the principle endorsed by the heads of families concerned with their health and the well-being of their loved ones, it is the principle endorsed by an automobile owner concerned about a possible car wreck. The principle is: we don't know what happens next—so let's buy an insurance policy and pay the insurance premium.

So then, the question is this: "Must America continue to buy insurance—insurance in the form of power and insurance in the form of national will—in order to assure the survival of liberty?"

And the answer to that question, it seems to me, brings us to another question, a question asked at the beginning of this talk: What has changed in the world situation from 1955 to 1975? Let's see:

Is freedom still threatened around the world?

The answer, I think, is Probably.

Are there still powerful nations that deny their citizens elementary rights of migration, expression, opposition?

Yes. There are no Ralph Naders in the Soviet Union. Woodward and Bernstein file stories from Washington, not Peking.

Are these non-free nations bent on expansion?

Maybe.

Are they potentially expansionist if the United States is weak?

Potentially, probably.

Is power still—as it always has been—the bottom line of international relationships?

Unfortunately—Probably.

Are other free nations threatened by the strength of our adversaries?

As the Israelis.

Would it really matter to us if the freedom of Europeans and Israelis, and Japanese and others were eroded?

Probably. A free American fortress in a totalitarian world is both an unlikely and unpleasant future.

Are we sure of any of these answers?

No.

Were we ever sure of these answers, even a generation ago?

No. There was always plenty of doubt and ambiguity in the hearts of most cold warriors.

Is the price of the insurance premium relatively higher than it was twenty years ago?

No. The cost, actually, is relatively less, six percent of the gross national product versus about eight percent a generation ago.

Will we keep paying the premium?

Maybe.

And that I would suggest is the hinge of the great debate: What is the nature of the premium—and will we pay it?

Those are not easy questions: There were too many "maybes" and "possiblys" in that list of answers. Too much that is very tentative. Too much that is speculative.

But in the real world, when the answer is "maybe", and the possible outcome is catastrophe, people have to act as if the answer is "yes." They buy insurance, they pay the premium.

And the premium is not only the number of dollars in the defense budget, although that is important. A defense budget of $75 billion in a nation that believes in its purposes, will provide more defense than a $150 billion budget in a nation that says "So what?"

The resolution of the great debate, then, does not really depend upon any of us allegedly smart thinkers down in Washington.

For the demographics of this country are obvious. Political power in this nation in the years and decades to come will rest with the Class of 1975, and with your brothers and sisters.

The decision is yours, not mine.

There is an impulse, a powerful and surely decent impulse, to say: let's solve our problems at home first, let's get people back to work, let's take care of our cities, our minorities, our elderly; let's take care of pollution and population. Let us welcome, in the nicest and best sense of the phrase, a real greening of America.

I don't underestimate the decency of that impulse. I question only the equation. It is not a question of either-or. We must have both—we can have a decent, humane America, and we can pay the premium for human freedom. In fact, we can't have either unless we have both.

What happens if Americans stop paying the premium?

Maybe nothing. Maybe nothing happens when a totalitarian power becomes the strongest military force on earth. Maybe.

And maybe something. Maybe we will witness the slow, almost invisible, erosion of rights, freedoms and liberties that we have struggled to gain over centuries. Maybe all of Europe, dis-spirited and afraid, will come to resemble Finland, technically free, but actually a pet in a cage. Maybe, if the Class of 1975 does not respond, does not resolve to pay the premium, does not make the difficult decisions, maybe twenty years from now a commencement speaker at Hobart may be talking to another graduating class that has learned about a new phase in the story of Western Civilization,—a phase of history that notes a greening of America, that notes an America that failed to pay the premium, and notes America's role as the last, big, green, fallen domino.

In the course of making these decisions

I hope young Americans will remember that this last generation brought forth not only Vietnam and Watergate, but brought forth as well the greatest world-wide economic boom in all history, across all continents, for all races, brought forth a medical technology that has cured and prevented some of the world's crippling and fatal diseases, brought forth an agricultural technology that has fed billions of people—not well enough, but better than ever before.

It was a generation that put people on the moon, a feat that will be remembered when Watergate, Vietnam and recession are distant memories. It was a generation that saw the first Catholic in the White House and the first black mayors of white cities. It was a generation that heard one President say, "We will pay any price, bear any burden . . ."—and then heard another President, a Texan, deliver a speech that ended with the words "we shall overcome."

Above all, for all the problems, for all the mistakes, for all the miscalculations, it was a generation that has preserved, for the time being, the fragile tradition of human liberty in the Western world.

That tradition deserves to be, first, understood and, second, protected.

I hope, and I expect, that your class will do it better than mine did.

INNOVATIVE WAYS OF FINANCING CITY SERVICES

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. PEPPER. Mr. Speaker, to maintain the viability and vitality of our cities at a time when fiscal budgets are strapped for new sources of revenue is a challenge that none of us in Governmment should fail to address. The unfortunate trend we see emerging is a growing disenchantment with increasing tax burdens and declining levels of city services, the sad byproducts of shortsighted planning, runaway inflation, and the exodus of business capital to the suburbs.

The city of Miami, Fla., has long been in the vanguard amongst cities in initiating innovative ways of financing vital services without placing undue burdens on its citizens. A unique partnership between city government and the private sector in Miami has been underscored recently with the dedication by the department of offstreet parking and the city of Miami with the official dedication of Mitchell Wolfson Plaza, the latest in a series of planned parking garages designed to alleviate traffic congestion in the downtown area.

The six-member Miami Offstreet Parking Board, chaired by Mr. Mitchell Wolfson, president of Wometco Enterprises, Inc., directs the development of metered parking facilities in the city as well as offstreet lots and indoor facilities. The parking board's operation is supported totally by its own revenues and in fact, offers a surplus to the city treasury. The City of Miami Commission, under the leadership of Mayor Maurice A. Ferre, has continued the wisdom of previous commissions in allowing the parking board to offer its own long-term bond issues as the parking needs of the city dictate an expansion of existing parking facilities. In placing these comments in the RECORD, I commend to my colleagues that dynamic growth and environmental concerns can find compatibility in our cities.

REMARKS AT THE DEDICATION OF THE DOWNTOWN PARKING GARAGE NO. 4

(By Mitchell Wolfson, Chairman, City of Miami Offstreet Parking Authority)

Ladies and Gentlemen: I can't tell you how pleased I am to stand here and help dedicate this wonderful building for the City of Miami.

Our Board of Directors of the Off-Street Parking Authority are here tonight, and I would like to introduce them: A. T. Beckwith, Marx D. Cauthen, Russell Jones, and Arnold Rubin.

We have always been impressed with the responsibility that anything we do in the way of providing parking facilities should not only be functional but have esthetic value as well. The plans of all public building should include esthetic as well as functional features so that the citizens of our community can be proud of them. We think we have accomplished this with this garage.

The main responsibility with which the City Commission has charged us is that we provide adequate, reasonable, permanent, and safe parking facilities in the public interest. This new garage, Downtown Parking Garage Number 4, is seven floors high, including roof-top parking, and has enclosed parking for 683 vehicles, plus 110 spaces on street level, making available 793 additional parking spaces downtown. An identical garage will be built on the outdoor lot immediately adjacent at a point in the future when conditions dictate.

We realize that our job is only partially done and that we will have to continue to provide more and better off-street parking wherever and whenever our funds permit. In order to accomplish this objective, we have to be conservative with our funds to maintain our credit rating and to be in a position to issue revenue bonds as we have in the past without burdening the taxpayers since we receive no subsidies or taxes.

The tour of the garage following these ceremonies will give you a first-hand look at the facilities the garage provides, and you will observe the functional and esthetic values we have tried to build in. I would like to mention one feature of this garage that may not be obvious but was one of the most important considerations in our planning. That is the safety precautions we included in the design.

There has been a lot of talk recently on crime in the downtown area and the efforts by our new police chief to make downtown Miami a safer place to work and visit. I am happy that much progress is being made toward this goal because we all realize that the best facilities will not bring people back downtown if they are afraid of being mugged and robbed, particularly at night. To this end, we have built in the most comprehensive safety features possible, including closed-circuit television surveillance monitored on a 24-hour basis and a delicate sound system designed to pick up a victim's cry for help or the tinkle of broken glass. If a suspect flees for a stairwell, a light will flash on the surveillance panel indicating which door he has opened. All stairwells are glass-enclosed and visible from outside, top to bottom. Armed security guards will be present at all times.

So we believe that these safety features will be a deterrent to crime and that any criminal who attempts a robbery or mugging will be quite surprised at the speed with which he is apprehended. The benefit to the public is that they can park for the Federal Courthouse, for class across the street, or for any other activity without fear of being molested.

Permit me to individually thank our present City Commission: Mayor Maurice Ferre; Vice Mayor J. L. Plummer, Jr.; Commissioners Rose Gordon, Father Theodore Gibson, and Manolo Reboso for their continued and active support in our program of providing parking for the citizens of Miami. We are, of course, also indebted to past commissioners whose support we have always had.

On behalf of our Board of Directors, I want to thank Richard LaBaw, our director; J. B. Rushing, assistant director; Ray Sanders, controller; Art Brawn, assistant to the director; Minna Welkind, secretary, and every employee of our parking system who have done such a great job and are so important in serving the parking needs of the citizens of Miami for the present and future.

Also, since this is Mrs. Richard LaBaw's birthday today, permit me to have a bouquet of flowers presented to her.

I would like to single out a group that made this garage possible by allowing the Off-Street Parking Authority to purchase the land we are located on, just as they had done in the case of the magnificient junior college building across the street. This group is the Neighborhood Development Program #3, a project area committee of the County Department of Housing & Urban Development. It is headed by the Reverend Thedford Johnson as chairman. Thank you, Reverend Johnson, for allowing us to purchase this land from Little Hud. The citizens of Miami owe you and your committee a debt of gratitude.

Finally, I would like to compliment the architect and engineering firm, Ramp Engineering Associates and its president, Michael Dimitri, for designing what I consider must be the most beautiful, functional, and safest parking garage ever built. Your magnificient design speaks for itself, and no further words that I could utter could add anything.

And now, it is my pleasure to introduce the Mayor of Miami, the Honorable Maurice A. Ferre.

NIXON BACK IN THE NEWS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. STOKES. Mr. Speaker, in the first debates on appropriations for former President Richard Nixon under the Former Presidents Act and the Presidential Transition Act I stated my own view that the sums requested were grossly unjustified. When this matter first came before the Treasury, Postal Service, and General Government Subcommittee of the House Committee on Appropriations, of which I was a member, I had an opportunity to personally question Mr. Arthur F. Sampson, Administrator of the General Services Administration, as to how the enormous sums requested were arrived at. His testimony regarding the value of a continuing role for a past President, and the allegation that the American people would call on Richard Nixon for his insight into national and global affairs immediately drew my challenge that Nixon would probably never provide any further input into this country's affairs. I was concerned that the American people should be asked to pay so dear a price for services never rendered and of questionable value even if rendered.

Subsequent events confirmed my belief that Nixon had nothing to offer to justify these appropriations. He is still in virtual seclusion, living like royalty in the name of being a "former President." I voted against giving him this lavish reward for the chaos he created prior to his resignation in the face of impeachment proceedings against him. But I am appalled at the disclosure of how Nixon spent the transition money that my vote could not prevent him from receiving.

Although many of my colleagues would prefer to think that this sordid chapter of our national history should remain closed, I prefer to bring the matter before them once again in light of the fact that millions of Americans are now suffering humiliating poverty while a disgraced President has made extravagant use of the taxpayers dollars appropriated to him by the 93d Congress. I wish to submit for my colleagues information the following article by Jack Anderson and Les Whitten from the June 10, 1975, Washington Post:

Nixon Not Charged for Some Costs

(By Jack Anderson and Les Whitten)

Richard Nixon had $33.35 left over, according to a confidential audit, from the $100,000 that Congress granted him to cover his transition expenses. He managed to stay within the allotment, however, only because the government generously didn't charge him for the big expenses.

For instance, the taxpayers were stuck with $265,580 in salaries for 54 federal employees who continued to work at the San Clemente, Calif., compound. Among those whose salaries weren't charged to Nixon, as we previously reported, were his personal butler, maid, three chauffeurs and a medical corpsman.

In addition, eight Navy mess stewards worked at San Clemente during Nixon's adjustment to civilian status. The General Accounting Office, which conducted the confidential audit, offered this justification: "They were used primarily to dismantle the kitchen equipment," which had been installed for Nixon while he was President.

Nixon also should have paid rent for his office space at an annual rate of $77,470. But under the law, the General Services Administration could waive the rent. He was granted such a waiver last August.

Of course, Congress never expected the Nixons to pay the annual $622,000 cost of their Secret Service protection out of the transition budget. The GAO also decided that the government communications staff assigned to Nixon shouldn't be counted as a transition expense.

Here's how Nixon spent the transition money:

He shelled out $14,466.46 for office furnishings, which, the GAO suggested happily, "can be recovered when they are no longer needed." Not counted were five color TV sets, which the White House Communications Agency declared surplus and left to Nixon.

An astonishing $52,815.95 was spent for stationery. This bought "over 460,000 sheets, 260,000 envelopes and 20,000 each of three kinds of acknowledgement cards with envelopes." Apparently, Nixon was stocking up for the future, since most of the stationery is still unused. Another $12,000 went for postage.

Nixon spent $75, according to the audit, to change his safe combinations. He also paid $896 for picture mounting supplies. These miscellaneous expenses were listed, curiously, as part of a $9,430.37 expenditure for "record preservation and copying work."

Another $6,505.30 went to pay for news service teletypes, telephone service and connection charges. Nixon wasn't billed, however, for the three courier flights that brought him security briefings, although "some passengers and some of Nixon's personal belongings were also on these flights."

And $4,748.57 was paid out in "personal service costs." This category included detailed employees from various agencies and three people who were hired to assist them.

A separate, confidential report, prepared for House Government Operations Committee Chairman Jack Brooks (D-Tex.) disclosed that it cost the taxpayers $118,076.93 to "deactivate" the Nixon compound at Key Biscayne, Fla.

This didn't include $1,780 spent to improve Nixon's heating system, $738.95 for wiring improvements, $1,520 for sod and $2,000 to prevent beach erosion. Nixon was also bequeathed, courtesy of the taxpayers, storm shutters worth $1,081.20, a $390.18 privacy screen and a $119.75 Sears washing machine.

An additional $124,041.36 was spent for the "disposal by demolition" of a security building that Nixon no longer wanted on his Florida property.

As part of the deactivation, the government spent $10,800 to remove bulletproof glass and replace it with plate glass windows, $6,604.57 to remove a screening hedge and $15,950 to restore the walls around the compound.

From all the Nixon property, the government now has in its warehouses $128,703 worth of bulletproof glass, a $65,770 security fence, a $314 seawall ladder, a $125.95 boat trailer and assorted items of furniture running into the thousands.

Some items have been transferred to other agencies. The Air Force claimed two Nixon beds worth $269.80, two golf carts valued at $3,030 and a five-gallon bottle stopper listed at $3.05.

The General Services Administration got Nixon's famous $621.50 icemaker, which produced square cubes "because the President doesn't like ice cubes with holes in them."

HUNGATE SMALL BUSINESS SUBCOMMITTEE INVESTIGATES PAPERWORK, REDTAPE, AND "REGULATORY OVERKILL" AFFECTING SMALL BUSINESS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. EVINS of Tennessee. Mr. Speaker, Chairman William Hungate of the Subcommittee on Activities of Regulatory Agencies of the House Small Business Committee has announced hearings on the effect of Federal regulations on the Nation's small business community.

In 1973 the various executive agencies and independent agencies of the U.S. Government published more than 35,000 pages of new regulations, guidelines, pronouncements, announcements, and directives in the Federal Register. Last year the volume of these new regulations increased to more than 45,000 pages—an increase of more than 25 percent in 1 year alone.

Certainly Federal regulations and related paperwork and redtape touch the lives of every American and most certainly have imposed additional time-consuming requirements on the small business sector of our economy. Reports take time, personnel, and money—it was recently reported by the National Federation of Independent Business that Federal Government paperwork is costing business some $18 million per year to comply and that an additional $18 billion is spent by the Government itself to review and file the paperwork which is required.

Because of the interest of the American people and the Congress in these very timely hearings, I place in the Record herewith a copy of the announcement of the pending hearings on this and related matters.

The announcement follows:

House Small Business To Investigate the Effects of Federal Regulations on Small Business

Congressman Bill Hungate (D-Mo.), Chairman of the Subcommittee on Activities of Regulatory Agencies, announced today that the Subcommittee will open hearings June 19th and 26th to determine how regulations made by various federal regulatory agencies affect small business. As a background to the study, Hungate's Subcommittee has sent detailed questionnaires to the regulatory agencies to develop for public record a comprehensive overview of each agencies' operation. The hearings will be held in Room 2359 of the Rayburn House Office Building, Washington, D.C. at 9:30 a.m.

In approving the hearings, which will begin with the Federal Aviation Administration June 19 and the Civil Aeronautics Board June 26, Small Business Committee Chairman Joe L. Evins (D-Tenn.), said:

"During the past year regulatory reform has emerged as an issue of major importance. National concern over a sagging economy has raised questions concerning the possibility of 'regulatory overkill.' Small businesses throughout the nation have been among the most vocal spokesmen concerning regulatory policies. Therefore, I have authorized Congressman Hungate to investigate the extent of federal regulation and its resulting impact upon the small businesses of the nation."

In addition to the FAA and the CAB, the Subcommittee will hear testimony in July from the Federal Trade Commission, the Interstate Commerce Commission, and the Justice Department's Antitrust Division.

Congressman Hungate stated:

"The first phase of the Subcommittee hearings will produce a general overview of the four agencies under study as well as an analysis of the relationship between the Justice Department's Antitrust Division and the Federal Trade Commission. The members intend to become familiar with each agency's operation, key personnel, and the decision making process. We are particularly interested in learning how regulations are proposed and promulgated, to what extent small businesses make an input into the process, and how each agency deals with small business complaints concerning certain regulations.

"A second phase of hearings will be held to ascertain which of the agencies' regulations are adversely affecting small business. Hearing dates and witnesses will be announced later."

In addition to Chairman Hungate, Members of the Subcommittee are Rep. Berkley Bedell (D-Iowa), Rep. John J. LaFalce (D-N.Y.), Rep. Martin A. Russo (D-Ill.), Rep. Alvin Baldus (D-Wis.), Rep. Jack Hightower (D-Tex.), Rep. Floyd J. Fithian (D-Ind.), Rep. John D. Dingell (D-Mich.), Rep. John Y. McCollister (R-Neb.), Rep. William S. Cohen (R-Maine), and Rep. Millicent Fenwick (R-N.J.).

Representative Joe L. Evins, Chairman of the Full Committee and Silvio O. Conte, Ranking Minority Member are ex-officio Members of the Subcommitee.

NATIONAL HEALTH INSURANCE: AN IDEA WHOSE TIME HAS NOT COME!

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 1975

Mr. CRANE. Mr. Speaker, while there are many who continue to urge that we enter into a costly program of national health insurance their number seems to be growing smaller and smaller each day.

Anyone who believes that Government control of medicine would make it either more efficient or less expensive need simply look at the socialized medical systems of Europe. They are uniformly considered to be disasters, both medically and financially.

A report on British National Health System by Prof. John Jewkes, who served on Britain's Royal Commission on Remuneration of Doctors and Dentists, concluded that, "The average American now has more medical services than the average Briton" and that "the gap between the two has been widening" since the inception of the National Health Service.

More and more Britons, according to the evidence presented by Dr. Jewkes, are seeking medical care outside of the National Health Service. These people, the report notes, are "ready to make sacrifices in other directions in order to enjoy prompt hospital and specialist treatment, free choice of consultant, and private accommodation." To make things even more difficult, there is a massive exodus of doctors from Great Britain—a reaction against the regimentation of the National Health Service.

The same is true of Sweden, France, and Germany. In a recent issue, the West German newspaper, Bremer Bachrichten discusses the long waiting lists for surgery in the semisocialist system of that country. The paper notes:

> Patients needing complex surgery are often forced to wait a matter of months or years. Many large hospitals have drawn up waiting lists. Heart operations involving the use of heart and lung machines, kidney transplants, tonsillectomies and fitting of false joints are often subject to long delays.

Waiting lists of up to 6 months are looked upon as almost normal in large hospitals. In Hamburg, for example, there is a waiting list of about 1,000 for operations involving the use of the city's only heart and lung machine.

While visiting Stockholm, New York Times correspondent Harry Schwartz stated:

> Don't get sick in Sweden. You have never seen such impersonal care and such long waits in your life. Every time you go to the clinic, you see a different doctor. And if you're hospitalized and are seen by a physician three times in one day, it will almost certainly be three different physicians.

Socialized medicine, in each country in which it has been enacted, has produced waiting lists and a scarcity of hospital beds. Our own private practice system of medicine has produced no waiting lists and an abundance of hospital facilities.

Many who previously supported further Government involvement in the lives of Americans are now expressing caution about embarking upon a massive bureaucratic medical program. Among these is the Washington Post.

The Post recently noted that the great wave of social legislation of the 1960's has been less than effective:

> Many of these innovative laws turned out to carry costs and consequences far beyond anything predicted for them. The experience of the past decade is making the country cautious now about fundamental changes in the health care system. Medicare and Medicaid—have—been enormously more expensive than their authors originally estimated. They have raised the question of review and control that are going to have to be answered.

The Post concludes by calling for "step by step" reforms in our medical system rather than a comprehensive national health plan.

The fact that even the liberal Washington Post recognizes the dangers inherent in a socialized medical system is some indication of the fact that national health insurance remains an idea whose time has not yet arrived. It is my hope that we will continue to maintain a free society and that its time will never arrive.

I wish to share with my colleagues the editorial, "Insuring The Nation's Health," which appeared in the Washington Post of June 17, 1975, and insert it into the RECORD at this time:

INSURING THE NATION'S HEALTH

This country seemed, as recently as a year ago, to be on the verge of enacting a national health insurance plan covering most medical costs for everyone. Last January congressional leaders were talking optimistically of early enactment of a health insurance bill. But by now it is clear that the whole proposal is going nowhere at all this year. Whether there is any chance of enactment even in the years beyond depends on finding persuasive answers to a series of large questions. Some of those questions concern financing, but by no means all of them. There is a spreading opinion, in Congress and in the country, that simply providing more money, training more doctors and building more hospitals will not necessarily improve health care for Americans.

To use an analogy that practically everyone will find offensive, the health insurance issue is a bit like the rescue of the Penn Central. In both cases, all right-thinking people can agree that the service is essential and something has to be done. But in both cases any comprehensive solution involves a sufficiently large number of billions of dollars to induce extreme caution. Even if the money can be found, Congress does not want merely to continue obsolete service to places where no one wants to go. In health care as in railroading, there is the matter of featherbedding. Some studies have suggested that, for example, as much as one-third of the surgery done in this country is avoidable. It is evident that any insurance plan is going to have to include mechanisms to protect the patient from too much of the wrong sort of care, provided simply because it was available.

The fading of the current health bills illustrates the broad change that has recently overtaken national attitudes toward large social programs. Part of this change is obviously owed to the recession. But another part of it is a reaction to the great wave of social legislation of the 1960s. Many of these innovative laws turned out to carry costs and consequences far beyond anything predicted for them. The experience of the past decade is making the country cautious now about fundamental changes in the health care system. Medicare and Medicaid have been enormously valuable to the country, but they have also been enormously more expensive than their authors originally estimated. They have raised the questions of review and control that are going to have to be answered before the larger insurance plan goes into law.

Americans are currently spending a little over $100 billion a year for health and medical care. That figure has doubled in the past eight years, with a rising demand for these services compounded by an inflation rate much higher than the average for the economy. Out of that total, some $40 billion is public money, mostly Medicare for the elderly and disabled, and Medicaid for the poor. The rest is private money, and enactment of a comprehensive health insurance program means shifting some or even all of that $60 billion a year to federal administration.

Although President Nixon has supported a health insurance bill, President Ford decided last winter not to revive it. With the economy in a recession and the budget already running an extremely large deficit, he ruled against any bill this year. Health outlays, under a federal insurance program, would be the kind of expenditure that the Ford administration has denounced as uncontrollable. The budget deficit has become one of the most sensitive numbers in Washington politics. The painful surge of inflation over the past two years has made voters highly attentive to it, and the new budget procedures now require Congress to vote explicitly on a deficit. Most of Congress appears to have joined the President in his reluctance to add another large new unknown factor into the federal budget at this moment.

Beyond all of the large questions of public policy, the path of any health insurance legislation is further impeded in Congress by a sharp dispute over committee jurisdictions. Earlier this year, when the House Ways and Means Committee wrote a bill to provide health insurance benefits to the unemployed, the Commerce Committee protested that its territory was being invaded. The affair has now settled into a stalemate. If the House leadership ever chooses to resolve this tangle, it will be confronted with a much more seriout controversy over financing these benefits. All of the present tax and premium proposals are dubious, to one degree or another. The technical difficulties in funding this limited protection for the unemployed is serving to dampen enthusiasm for proceeding with the much larger bill for general coverage of the whole population.

It may turn out that the only possible course is to abandon the idea of a comprehensive bill and, instead, continue to improve the present patchwork. Since the scale of the future system is extremely difficult to forecast accurately, perhaps the patch-by-patch strategy will turn out to be the wisest in the end. It permits Congress to address itself to one issue at a time.

The greatest immediate needs are catastrophic coverage for everybody, and basic care for rural areas. Even families with very good health insurance policies know that there is always a limit to the coverage. Even the most prudent family can be threatened with disaster by one terrible illness. But huge though the costs can be in individual cases, the price for catastrophic coverage is not large for the country as a whole. As for rural areas, experience with Medicare and Medicaid shows that merely making insurance money available is not enough to guarantee reasonable access to modern medical care. Meeting specific needs like these, one at a time, may well take the country toward adequate health insurance faster than a stalled argument over a comprehensive bill that now seems farther than ever in the distance.

SENATE—*Wednesday, June 18, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Spirit, may the hush of Thy presence fall upon our tense and turbulent lives as we face this new day. By the awareness of Thy pervading presence may duty be lifted above drudgery and all work made sacred because it is done in Thy name. May every task great or small reflect our love of Thee and our service to our fellow man. Anoint us that we may dream dreams and catch the vision of the new world yet to come. Lord, may that new world begin in us by making our hearts the dwelling place of Thy spirit. Make us instruments of Thy purpose for the creation of a world free from poverty, injustice, and ill will when all men are brothers in the family of man.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 18, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, June 17, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today until the hour of 1 o'clock.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 189 and the subsequent numbers down to and including 194.

The ACTING PRESIDENT pro tempore. The clerk will report the first bill requested.

REPORT OF THE AMERICAN REVOLUTION BICENTENNIAL BOARD

The resolution (S. Res. 168) authorizing the printing of the first report of the American Revolution Bicentennial Board as a Senate document, was considered, and agreed to, as follows:

Resolved, That the first report to the Congress of the American Revolution Bicentennial Board (pursuant to section 10(i) of Public Law 93–179, approved December 11, 1973), together with resolutions adopted by the Board, be printed as a Senate document, and that there be printed one thousand five hundred additional copies of such document, of which one thousand copies shall be for the use of the Senate Committee on the Judiciary and five hundred copies shall be for the use of the House Committee on the Judiciary.

DEVELOPMENTS IN AGING: 1974 AND JANUARY–APRIL 1975

The resolution (S. Res. 178) authorizing additional copies of the report entitled "Developments in Aging: 1974 and January–April 1975," was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Special Committee on Aging nine hundred additional copies of its report to the Senate entitled "Developments in Aging: 1974 and January–April 1975."

FEDERAL ELECTION CAMPAIGN LAWS RELATING TO THE U.S. HOUSE OF REPRESENTATIVES

The concurrent resolution (H. Con. Res. 269) providing for the printing of a House document, "Federal Election Campaign Laws Relating to the United States House of Representatives," was considered and agreed to.

FEDERAL ELECTION COMMISSION AUTHORIZATION EXTENSION

The Senate proceeded to consider the bill (S. 1434) to extend the authorization for the Federal Election Commission, and for other purposes, which had been reported from the Committee on Rules and Administration with amendments, as follows:

In line 6, strike "$10,000,000" and insert "$15,000,000";

In line 6, strike out "fiscal year" and insert the word "period"; and

In line 7, strike out "June 30, 1976" and insert "December 31, 1976";

So as to make the bill read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 320 of the Federal Election Campaign Act of 1971, as amended (2 U.S.C. 439c), is amended by inserting the following immediately after "1975": "and not to exceed $15,000,000 for the period ending December 31, 1976".

Mr. HUGH SCOTT. Mr. President, I do support this measure. I am glad that it is before the Senate. It is a bill offered by the Senator from Massachusetts (Mr. KENNEDY) and myself to extend the authorization of the Federal Election Commission and for other purposes.

The bill represents a reaffirmation by Congress of the Federal Election Commission's functions and of the purposes for which it is to be used. I hope that the act, of which it is a part, will prevail in the testing now going on in the courts. But I am particularly concerned with this feature of the act and with this Commission because, as the court said only yesterday, certain matters have to be referred to them which heretofore, absent this law, would have further clogged the court system.

I believe this is a good, fair, bipartisan Commission. It is functioning well. It needs the support of Congress, and I support this bill.

Mr. KENNEDY. Mr. President, I am pleased that the Rules Committee has approved the legislation that Senator HUGH SCOTT and I introduced last April to extend the life of the Federal Election Commission.

The committee's action is a welcome vote of confidence in the Commission. In spite of the birth pains and the substantial delay in getting off the ground earlier this year, the Commission is now operating in high gear and is moving quickly and effectively to meet its heavy responsibilities in connection with the 1976 elections. By acting now to extend the Commission through the end of 1976, the Senate can give the Commission the freedom and authority it needs to perform its central role as an independent agency, free of partisan influence in the critical election months ahead.

Of course, there is still a cloud over the Commission—the current litigation questioning the constitutionality of the Election Reform Act of 1974, including the powers of the Commission. However, argument on the case has already been held in the U.S. Court of Appeals for the District of Columbia. As a result, it seems likely that the issues will be ready for a Supreme Court hearing in the fall, with a final decision expected by the end of the year.

In the meantime, the action of the Rules Committee, extending the life on the Commission, is a welcome reaffirmation of our support for the agency we created to implement the landmark election reform legislation passed last fall. I hope that the Senate will approve this important legislation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

CLARA G. CAGIWA

The resolution (S. Res. 186) to pay a gratuity to Clara G. Cagiwa was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Clara G. Cagiwa, widow of Bernard G. Cagiwa, an employee of the Architect of the Capitol assigned to duty in the Senate office buildings at the time of his death, a sum equal to ten months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INEZ C. BUCKLEY

The resolution (S. Res. 185) to pay a gratuity to Inez C. Buckley was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Inez C. Buckley, widow of Wilburn Buckley, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RESOLUTION URGING ALL AMERICANS TO ASSIST IN THE RESETTLEMENT OF INDOCHINESE REFUGEES

Mr. HUGH SCOTT. Mr. President, on behalf of myself and the distinguished majority leader I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 187) to urge all Americans to assist in the resettlement of the Indochinese refugees.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. HUGH SCOTT. Mr. President, the resolution I have submitted on behalf of myself and the distinguished majority leader urging all Americans to assist in the resettlement of Indochinese refugees.

In April of this year, the U.S. role in Vietnam came to an end, and we assumed an obligation to the Vietnamese and the Cambodian refugees who chose life and liberty in America.

Congress has chosen to appropriate nearly a half billion dollars for the resettlement of the refugees. But certainly our obligation in this matter is not discharged simply with a vote on a money bill. The success of the resettlement program will depend ultimately not on how much money we spend, but on how much of ourselves we spend. It will depend upon how much the people of this great Nation of immigrants give of themselves in the task of assimilating the refugees into our national life.

We hear doubts from some quarters about the wisdom and the rightness of bringing these refugees to our shores. There are some who worry that jobs will be lost to refugees. There are others who fear the influence of alien views and culture in their neighborhoods. And there are those who resent them simply because they are Vietnamese and Cambodians, and thus a part of a traumatic experience which scarred our national life for more than a decade.

Such doubts and fears are understandable, perhaps. But I believe that finally, such doubts and fears are beneath a people who are themselves descendants of refugees. And I believe that when asked, Americans will respond to the need to move over and make room for these people. We did not become great by being selfish, or by being frightened of the new and different, or by turning our backs on those in need. So I am confident for the future.

For now, however, the great task is to get the refugees out of the refugee camps. This will require sponsors. It will require the assistance of government at the State and local levels. It will require the assistance of civic and church groups. And it will require the leadership and the encouragement especially of the Members of Congress.

The Federal Government and the American people have joined in a resettlement program of unprecedented magnitude. The Government has mobilized its resources to provide for the well-beings of the refugees. The response from citizens has been more than generous. The performance of the voluntary resettlement agencies has been magnificent.

There must be effective channels developed so that generous offers of sponsorship and assistance are effectively transmitted to the refugee camps. Governors and mayors can and should provide the coordination of volunteer groups in their States and cities with the refugee camps.

The response of the people has been magnificent and governments at every level must assure that the promises become reality.

Mr. President, I hope that my resolution will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 187) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

SENATE RESOLUTION 187

Whereas, the United States of America has been, from its earliest days, a haven and a refuge for the poor, the oppressed, the dispossessed, and those seeking to lead a life of independence in a land of liberty; and,

Whereas, the United States is now host to the tragic remnants of the suffering in Indochina; and,

Whereas, the task of assisting those refugees is one which cannot be successfully accomplished unless it is broadly attempted by all of our people;

Now, therefore be it resolved, that it is the sense of the Senate that State and local governments, with the assistance of voluntary resettlement agencies and local voluntary and civic organizations, should join with the Federal government in assuming responsibility for the sponsorship, resettlement and assimilation of Indochinese refugees into American communities.

NATIONAL SCIENCE FOUNDATION APPROPRIATIONS AUTHORIZATION, 1976

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4723.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 4723) authorizing appropriations to the National Science Foundation for fiscal year 1976, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MANSFIELD. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. KENNEDY, Mr. PELL, Mr. EAGLETON, Mr. CRANSTON, Mr. MONDALE, Mr. LAXALT, Mr. STAFFORD, and Mr. SCHWEIKER conferees on the part of the Senate.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW, FRIDAY, AND SATURDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, tomorrow, and Friday, it stand in recess, respectively, until the hour of 10 a.m. on tomorrow, Friday, and Saturday.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

(The foregoing order was subsequently changed to provide that the Senate convene at 10:30 a.m. tomorrow.)

ORDER FOR CONVENING OF THE SENATE ON MONDAY, JUNE 23, 1975, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the

Senate convenes on Monday next it convene, following a recess, at the hour of 10 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time, the Chair, under the previous order, recognizes the distinguished Senator from Michigan (Mr. Griffin) for not to exceed 15 minutes.

TWENTIETH ANNIVERSARY OF ROLL CALL

Mr. GRIFFIN. Mr. President, Roll Call, the newspaper of Capitol Hill, is 20 years old.

When I first came to Congress as a Member of the House of Representatives in January 1957, Roll Call was a year and a half old and was already demonstrating some of the qualities which, over the years, have made it a congressional institution.

At that time Roll Call was published every other week, and its editor and publisher, Sid Yudain, was working full time as a special assistant to Congressman Albert P. Morano, of Connecticut.

It took a good deal of fortitude and foresight to start a newspaper with only an idea and a handful of dollars. It took ability, dedication, devotion, and a very special understanding of Congress to build that dream into the respected and successful newspaper that Roll Call has become.

Mr. Yudain had those qualities. No quality has been more important than his understanding of Congress. That makes Roll Call unique among thousands of publications and, perhaps, explains why Roll Call became the first publication on Capitol Hill to succeed in the 186-year history of Congress.

Yudain saw in the Congress on Capitol Hill a community. In some ways, and sometimes, it is the most important community in the world—made up of persons from all geographical areas and diverse backgrounds who are engaged in a common pursuit.

Through the establishment of Roll Call, Mr. Yudain sought to instill a feeling of community spirit and to weld all those in the legislative branch into a cohesive family. Despite political differences and diverse backgrounds, I think Mr. Yudain has been able in large measure to accomplish this through this newspaper.

He has provided Congress with a professional newspaper with a "hometown" touch. Those of us who center our lives about the Congress and Capitol Hill have been able to keep informed of what was happening off the floor, get to know our colleagues better, and get acquainted with many of the staffers who serve other members of Congress and who serve the various committees. Realistic political analysis, congressional scoops, political satire, and astute predictions have been mixed in the newspaper with political chatter, personal writeups and sometimes even pretty pinups.

To his credit, Mr. Yudain has been able to keep the newspaper nonpartisan—in a hotbed of partisan politics. He has taken editorial stands, but to my recollection he has never ventured to direct a vote on any legislation. His criticism of Congress has been temperate and acceptable because it has come from "within" and its ultimate purpose is to enhance the image and prestige of Congress.

The heavier the workload in Congress, the less time we have to keep up with what goes on around us. Thanks to Mr. Yudain and Roll Call we are able to do this every Thursday.

I am glad to salute Mr. Yudain and Roll Call on this anniversary.

Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GRIFFIN. Yes.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished assistant Republican leader in the remarks he has just made about Mr. Yudain and Roll Call.

I do think it serves a most useful purpose and I am delighted to be a participant on this anniversary day.

Mr. GRIFFIN. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to exceed 15 minutes, with statements therein limited to 5 minutes each.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Allen) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON CONTINUING EDUCATION AND THE PART-TIME STUDENT—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 94-189)

The ACTING PRESIDENT pro tempore (Mr. Allen) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I herewith transmit the Ninth Annual Report of the National Advisory Council on Extension and Continuing Education. The Council is authorized by P.L. 89-329.

The Council this year recommends a number of legislative changes in Title I and Title IV of the Higher Education Act. I know that the Congress will want to discuss these recommendations further with the Department of Health, Education, and Welfare and the Commissioner of Education who would have responsibility for implementing any changes in the statute.

This report provides a perspective and recommendations which are, of course, limited to the particular field of Title I of the Higher Education Act and the subject of continuing education. They do not reflect the Administration's policies which must be formed in the context of a comprehensive review of the total Federal role in education and other competing fields.

I appreciate the Council's concern with its special responsibility in helping to relate better the world of education to the world of work. I shall await with interest the Council's further thoughts in that regard.

GERALD R. FORD.

THE WHITE HOUSE, *June 18, 1975.*

MESSAGES FROM THE HOUSE

At 10:45 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills and joint resolution in which it requests the concurrence of the Senate:

H.R. 4888. An Act to amend the Small Business Act to make loans available for small businesses suffering economic injuries as the result of the disruption of operations and services of public utilities;

H.R. 6387. An Act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for three months; and

H. J. Res. 499. A joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the enrolled joint resolution (S.J. Res. 94) to extend by 90 days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days.

The enrolled joint resolution was subsequently signed by the Vice President.

At 2:15 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4005) to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the program authorized by that act; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Staggers, Mr. Rogers, Mr. Satterfield, Mr. Preyer, Mr. Symington, Mr. Scheuer, Mr. Waxman, Mr. Carter, Mr. Broyhill, and Mr. Hastings were appointed managers of the conference on the part of the House.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Allen):

A petition from several citizens of California seeking a redress of grievances; to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Appropriations, with amendments:

H.R. 5901. An Act making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–198).

By Mr. PHILIP A. HART, from the Committee on the Judiciary, without amendment:

S. 1549. A bill to amend the Federal Rules of Evidence, and for other purposes (Rept. No. 94–199).

By Mr. LONG, from the Committee on Finance, with amendments to title I and title III of the bill;

By Mr. NELSON, from the Committee on Labor and Public Welfare, with an amendment to title II of the bill:

H.R. 6900. An Act to provide an additional thirteen weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for one year, and for other purposes (Rept. No. 94–200 and Rept. No. 94–208).

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.J. Res. 499. A joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes (Rept. No. 94–201).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

S. Res. 160. A resolution disapproving construction projects on the island of Diego Garcia, together with additional and minority views (Rept. No. 94–202).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

S. 723. A bill to amend title 28, United States Code, to provide that Madison County, Florida, shall be included in the northern judicial district of Florida (Rept. No. 94–203).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

S. 537. A bill to improve judicial machinery by amending the requirement for a three-judge court in certain cases and for other purposes (Rept. No. 94–204).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 611. A bill for the relief of Southeastern University of the District of Columbia (Rept. No. 94–205);

S.J. Res. 84. A joint resolution to authorize and request the President to proclaim October 1975 as "Hobby Month" (Rept. No. 94–206); and

S. Res. 135. A joint resolution proposing the designation of "Norwegian-American Day" (Rept. No. 94–207).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Richard L. Thornburgh, of Pennsylvania, to be an Assistant Attorney General; and

James H. Henson, of Georgia, to be U.S. marshal for the northern district of Georgia.

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Ronald E. Gerevas, of Virginia, to be an Associate Director of the ACTION Agency; and

Willard H. Meinecke, of Maryland, to be an Assistant Director of the ACTION Agency.

By Mr. DOLE, from the Committee on Agriculture and Forestry:

Robert L. Martin, of Illinois, to be a Commissioner of the Commodity Futures Trading Commission; and

James D. Keast, of Missouri, to be General Counsel of the Department of Agriculture.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. SYMINGTON. Mr. President, from the Committee on Armed Services, I report favorably the nomination of Gen. William Rosson, USA, to be placed on the retired list in that grade and Maj. Gen. Frederick William Boye, Jr., to be reappointed to the active list of the Regular Army in the grade of major general. There are 45 temporary appointments in the Army to the grade of major general—list beginning with Latham and ending with Rockwell—and 29 appointments to the grade of brigadier general—list beginning with Miller and ending with Healy; in the Army National Guard there are two appointments to the grade of major general—Brooks and Shimer—and Colonel Clem to the grade of brigadier general in the Reserve of the Army and in the Army, Brigadier General Bhaskar to the temporary appointment of major general, and four to the grade of brigadier general—Kuttas, Parks, Baker, and Augerson. In the Navy, Vice Adm. Douglas Plate, to be placed on the retired list in that grade; in the Marine Corps, Gen. Earl E. Anderson, USMC, to be placed on the retired list in that grade, and Maj. Gen. Robert H. Barrow, USMC, to the grade of lieutenant general, and Maj. Gen. Leslie E. Brown, USMC, to the grade of lieutenant general. In the Air Force, there are six lieutenant generals to be placed on the retired list—Baker, Carson, Jr., O'Connor, Murphy, Patterson, and Pitts—and Major General Shotts to be lieutenant general. I ask that these names be placed on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SYMINGTON. In addition, there are 382 in the Army and Reserve of the Army to the grade of colonel and below; in the Navy and Naval Reserve there are 706 to the grade of captain and below; in the Marine Corps there are 203 for appointment to the grade of lieutenant colonel and below; and, in the Air Force and Reserve of the Air Force, there are 56 appointments to the grade of colonel and below. Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Congressional Record of May 16, 1975, May 21, 1975, June 2, 1975, June 6, 1975, and June 10, 1975, at the end of the Senate proceedings.)

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were each read twice by their titles and referred as indicated:

H.R. 4888. An act to amend the Small Business Act to make loans available for small businesses suffering economic injuries as the result of the disruption of operations and services of public utilities; to the Committee on Banking, Housing and Urban Affairs;

H.R. 6387. An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for three months; to the Committee on Agriculture and Forestry; and

H.J. Res. 499. A joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes; to the Committee on Appropriations.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 18, 1975, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 94) to extend by 90 days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HARTKE (for himself and Mr. Magnuson):

S. 1967. A bill to amend the Interstate Commerce Act and the Harter Act in order to provide for expeditious claim settling procedures to facilitate the flow of freight in interstate commerce, to provide shippers with greater security against monetary loss, and for other purposes. Referred to the Committee on Commerce.

By Mr. HATFIELD:

S. 1968. A bill to amend the Internal Revenue Code of 1954 to exclude certain mission societies and their members from the Federal employment tax, and for other purposes. Referred to the Committee on Finance.

By Mr. HARTKE (for himself, Mr. Beall, Mr. Cannon, Mr. Clark, Mr. Cranston, Mr. Domenici, Mr. Inouye, Mr. Goldwater, Mr. Jackson, Mr. Javits, Mr. Mathias, Mr. McGee, Mr. Pastore, Mr. Pearson, Mr. Ribicoff, Mr. Hugh Scott, Mr. Stone, Mr. Thurmond, Mr. Tunney, and Mr. Williams):

S. 1969. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes. Referred to the Committee on Armed Services.

By Mr. STONE:

S. 1970. A bill to amend title 28 of the United States Code to provide that information relating to the administration of the U.S. courts be made available to the public, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 1971. A bill to designate the plaza area of the Federal building, Portland, Oreg., the "Terry Schrunk Plaza." Referred to the Committee on Public Works.

By Mr. CANNON (for himself and Mr. PEARSON):

S. 1972. A bill to amend the Airport and Airway Development Act of 1970, as amended, so as to extend the airport and airway development program authority. Referred to the Committee on Commerce.

By Mr. INOUYE:

S. 1973. A bill to amend the Export Trade Act and for other purposes. Referred to the Committee on Commerce.

S. 1974. A bill to authorize the mailing of absentee voting matter free of postage. Referred to the Committee on Post Office and Civil Service.

S. 1975. A bill to increase the criminal penalties for the commission of a crime of violence while armed with a firearm. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself and Mr. HATFIELD):

S. 1976. A bill to establish an educational institution in the United States fulfilling the goal of the Nation's first President, George Washington, to further the understanding of the process and state of peace among nations and cooperation between people; to consider the dimensions of peaceful resolution of differences among nations; to train students in the process of peaceful resolution of differences; to inform governmental leaders of peaceful methods of conflict resolution; and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. BARTLETT:

S. 1977. A bill to amend the Internal Revenue Code of 1954 to increase from $1,000,000 to $10,000,000 the exemption from industrial development bond treatment for certain small issues. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARTKE (for himself and Mr. MAGNUSON):

S. 1967. A bill to amend the Interstate Commerce Act and the Harter Act in order to provide for expeditious claim-settling procedures to facilitate the flow of freight in interstate commerce, to provide shippers with greater security aginst monetary loss, and for other purposes. Referred to the Committee on Commerce.

CARGO CLAIMS ADJUSTMENT ACT

Mr. HARTKE. Mr. President, today I am introducing the Cargo Claims Adjustment Act which would amend section 20 of the Interstate Commerce Act to improve the procedures by which claims for loss and damage to goods carried by regulated common carriers can be settled, and to provide shippers with greater protection against financial loss.

Every year, the carriage of freight across the country causes losses of hundreds of millions of dollars in tens of thousands of individual incidents. The problems only begin with the actual loss, for currently there are no uniform and adequate procedures for resolving claims filed by shippers against carriers. As it now stands, when a shipper files a claim with a carrier, he may have no clear idea how the carrier is going to process it and, if the carrier rejects the claim, the shipper may not even know why the claim was rejected. At that point, the shipper's usual recourse is to take the case into court and absorb the court expenses and delay while tying up limited judicial resources for a relatively small individual claim. Even if the shipper prevails in court, getting payment from the carrier may pose additional problems and delay. In all, the current "system" engenders delay, confusion, and expense that does little to serve the interests of either the shipper or the carrier.

The Interstate Commerce Commission has monitored this situation closely over the past few years and has sought to bring reform to the area of shippers claims.

During the early days of last session, the Commission proposed specific legislative language which would have vested adjudicated authority in the first instance in the Commission for handling such cargo claims. This bill was introduced by request. Senator MAGNUSON also introduced a bill which would have allowed carriers to propose informal dispute settling mechanisms which would be called into play to handle cargo loss and damage claims, provided the Interstate Commerce Commission approved the mechanism.

The bill that I am introducing today builds on Senator MAGNUSON's bill and provides that a claim for damages by a shipper against a carrier may include a claim for the recovery of reasonable attorney's fees unless both the carrier and shipper agree, in advance, to utilize a final claims-settling procedure created by the ICC or operated by the carrier with the approval of the ICC. The bill sets specific minimum standards for such claims-settling procedures.

It is my belief that the carriers will move quickly to establish ICC-approved claims-settling procedures when authorized to do so and that these procedures will significantly reduce the delay and confusion that currently marks the claims-collection areas. Alternatively, they will be able to use a procedure adopted by the ICC. The bill allows the chosen procedure to be a complete, one-shot affair because the average claim is small—somewhere in the neighborhood of $100—and does not require expensive, lengthy litigation to solve.

The minimum standards set up by the bill and the monitoring work of the Interstate Commerce Commission will insure that carrier-created claims-settling mechanisms will be independent of the sponsoring carrier, will be endowed with sufficient power to gather the requisite information to handle claims, and will be properly explained to potential shippers before a binding agreement is made.

From the carrier's standpoint, the bill will enhance carrier autonomy by allowing them to create a mechanism that is proper for and tailored to the actual working of the industry.

Aside from speedy and inexpensive claims settling, the proposed bill will have the additional advantage of reducing congestion in the court system. Since most of the claims are small, this bill will help the courts avoid spending their limited resources on individual matters that are relatively insignificant.

The bill will also significantly increase the shipper's protection against eventual loss by authorizing the Interstate Commerce Commission to require and regulate surety bonds, insurance policies, or similar devices from regulated carriers to insure that all just claims can be paid.

Because this bill will help both shippers and carriers and should yield general benefits in the form of improved transportation service and reduced court congestion, I ask that it be given speedy and serious consideration.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Cargo Claims Adjustment Act."

SEC. 2. Section 20 of the Interstate Commerce Act (49 U.S.C. 20) is amended by adding thereto the following new paragraphs:

"(13(a) An action at law for loss, damage, or injury under Section 20(11) of the Interstate Commerce Act may include a claim for the recovery of attorney's fees, unless the defendant common carrier, railroad, or transportation company shall have filed with the Commission, printed and kept open to public inspection tariffs or schedules giving notice that, upon the complainant's agreeing to be similarly bound, it shall accept as final, without further judicial proceedings, an adjudication of liability and of the amount of loss, damage, or injury to be made by the Commission or, alternatively, arrived at under informal dispute settlement procedures, including arbitration, as shall have been published in such tariffs or schedules and approved with or without modification or alteration by the Commission pursuant to subparagraph (b) of the section, and unless the shipper, as part of a contract for the shipment of goods, agrees to claims determination by the Commission or by the carrier's approved informal dispute-settlement procedure. Nothing herein shall deprive any claimant of any remedy or right of court action in lieu of agreeing to determination by the Commission or to informal dispute settlement procedures according to the terms of the carrier's tariffs on file with the Commission. (b) No dispute settling procedure shall be adopted by the Commisison or approved by the Commission for use by a carrier or carriers unless it substantially fulfills the following objectives:

(1) the dispute-settling procedure shall be simple, expeditious, effective, inexpensive and convenient for the use of any person shipping or sending property that is transported by a carrier. Such a procedure shall be designed so as to prevent a carrier from having any special advantage in any case in which the claimant resides or does business at a place distant from the carrier's principal or other place of business.

(2) The dispute-settling procedure shall provide for adequate notice of the availability of the dispute-settling procedure, including a clear, easy-to-read, accurately written summary of the steps involved in using the procedure and of any forms or information necessary for initiating and prosecuting a claim.

Such summary shall be given to shippers before any contract becomes binding and in adequate time to allow for an informed decision as to whether or not the shipper will agree to be bound by such procedure.

(3) Each individual who is authorized, pursuant to an approved dispute-settling procedure, to arbitrate or otherwise settle claims, shall not be subject to control by the carrier or carriers sponsoring the procedure. The procedure shall ensure that such person or persons chosen to settle the claims shall be authorized and able to obtain any material and relevant information to the extent necessary to proper decision-making and to the extent necessary to collect and preserve sufficient statistical and other information about claims to facilitate continuous oversight by the Commission and periodic Commission investigations.

With the approval of the Commission, two or more carriers may join together in creating, maintaining and sharing the costs of a dispute-settling procedure. The Commission shall approve a procedure for a period of up to three years, subject to renewal for an additional period upon proof of satisfactory performance. The Commission may investigate, at any time, the functioning of any approved dispute-settling procedure and may suspend or revoke its approval for failure to meet the requirements of the Commission.".

Sec. 3. Section 219 of the Interstate Commerce Act (49 U.S.C. 319) is amended by deleting therefrom the words "and (12)," adding a comma after the words "section 20 (11)," and inserting after that comma the words "(12), and (13).".

Sec. 4. Section 413 of the Interstate Commerce Act (49 U.S.C. 1013) is amended by deleting therefrom in the two places in which they appear in the first sentence of that paragraph the words "and (12)." adding a comma after the words "section 20(11)," and inserting after that comma the words "(12), and (13).".

Sec. 5. The Harter Act (46 U.S.C. 190–196) is amended by adding a new section at the end thereof, as follows:

"Sec. 197. All actions brought to recover the value of property lost, damaged, injured, or delayed while being transportated by a carrier subject to part III of the Interstate Commerce Act may include a claim for the recovery of attorney's fees, unless the defendant common carrier, railroad, or transportation company shall have filed with the Commission, printed and kept open to public inspection tariffs or schedules giving notice that, upon the complainant's agreeing to be similarly bound, it shall accept as final, without further judicial proceedings, an adjudication of liability and of the amount of loss, damage, or injury to be made by the Commission or, alternatively, arrived at under informal dispute settlement procedures approved by the Commission, including arbitration, as shall have been published in such tariffs or schedules and approved with or without modification or alteration by the Commission pursuant to paragraph (13)(b) of section 20 of the Interstate Commerce Act (49 U.S.C. 20) and unless the shipper, as part of a contract for the shipment of goods, agrees to claims determination by the Commission or by the carrier's approval informal dispute settlement procedure."

Sec. 6. Section 20 of the Interstate Commerce Act (49 U.S.C. 20) is amended by adding at the end thereof new paragraph:

"(14) The Commission is authorized to establish necessary or appropriate requirements to assure that claimants who are entitled to recover for damage to or loss of property, arising out of or in the course of performance of a transportation service subject to this part, do in fact recover for such damage or loss. Such requirements may include, but are not limited to, filing requirements, insurance requirements, prerequisites to qualifying as a self-insurer, and requirements for bonding, surety, and other security arrangements.".

Sec. 7. Section 304 of the Interstate Commerce Act (49 U.S.C. 904) is amended by adding at the end thereof the following new paragraph:

"(f) the Commission is authorized to establish necessary or appropriate requirements to assure that claimants who are entitled to recover for damage to or loss of property, arising out of or in the course of performance of a transportation service subject to this part, do in fact recover for such damage or loss. Such requirements may include, but are not limited to, filing requirements, insurance requirements, prerequisites to qualifying as a self-insurer, and requirements for bonding, surety, and other security arrangements.".

By Mr. HATFIELD:

S. 1968. A bill to amend the Internal Revenue Code of 1954 to exclude certain mission societies and their members from the Federal employment tax, and for other purposes. Referred to the Committee on Finance.

Mr. HATFIELD. Mr. President, the purpose of the bill I am introducing today is to amend certain sections of the Internal Revenue Code of 1954 to provide the same standing and privileges under the U.S. tax laws to missionaries of the Protestant faith as presently is accorded to members of Roman Catholic religious orders and Christian Science practitioners.

According to this proposal, Protestant missionaries and mission societies which are sponsored by or affiliated with one or more churches or church denominations and the majority of the activities of which are conducted in or directed at persons in foreign countries are not liable for the payroll taxes imposed by sections 3101 and 3111 of the code. The proposals are directed toward including these societies within the exemption from the above taxes which is already provided by section 3121 of the code for Roman Catholic religious orders and Christian Science practitioners.

For many years the members of the mission societies have been uncertain as to the applicability of these taxes to their organizations. Some have viewed themselves as "self-employed individuals" while others in analogous positions have been faced with conflicting opinions as to whether or not they must act as "employers" and pay the taxes imposed under the law. Such ambiguities should not be prolonged, and it is the purpose and intention of this bill to resolve them.

Sections 3101 and 3111 of the Internal Revenue Code, commonly referred to as the Federal Insurance Contributions Act—FICA—impose taxes in order to fund the Federal social security and hospital insurance system. Section 3101 of the code imposses a tax on individual employees for their share of the total contribution to such system, while section 3111 of the code imposes a tax on employers for their share of the total contributions to such system. In order for liability to arise for the payment of the taxes provided under either section 3101 of the code or section 3111 of the code, the "wages" paid to an individual by an employer must be paid "with respect to employment" and if any remuneration is to be considered "wages"—as defined in section 3121(a) of the Code—for purposes of sections 3101 and 3111 of the code, such remuneration must be "for employment."

If any remuneration given to an individual by an employer is not for, or with respect to, employment, than no tax is due under either sections 3101 or 3111 of the code. In that case, the individual may qualify to make contributions to the Federal social security and hospital insurance system by paying the tax imposed on self-employment income by section 1401 of the code, commonly referred to as the Self-Employment Contribution Act, and no tax is imposed on the employer.

Section 3121(b) of the code provides an exception as to both sections 3101 and 3111 of the code, namely that remuneration is not to be considered as received or paid with respect to employment if it is for "service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order." The mission societies and the missionaries assert that they should fall within this exception.

The mission societies contend that they are "religious orders" within the meaning of section 3121(b)(8)(A) of the code and that their missionaries are members of a religious order performing duties required by the society. Alternatively, the mission societies assert that if they are not technically "religious orders" within the meaning of that term, they are so akin to a religious order that they should be separately named in section 3121(b)(8)(A) and enjoy the same exceptions as are enjoyed by religious orders.

The same language in section 3121(b)(8)(A) of the code which would exclude missionary service from the term "employment" in sections 3101, 3111, and 3121(a) of the code would classify the income from such service as self-employment income and subject to contribution by the benefits to the missionary under the Self-Employment Contribution Act, IRC, section 1401. If the missionaries serving the mission societies are covered under section 1401 of the code, rather than under sections 3101 and 3111, the result of this treatment is that funds—otherwise payable by the societies under section 3111 of the code as taxes—are released for the societies' charitable purposes without sacrificing contributions by or benefits to the missionaries.

It should be pointed out that the mission societies considered herein are eligible for and most have already been determined to be exempt from Federal income tax pursuant to sections 501(a) and 501(c)(3) of the code. In addition, they are not required to file annual information returns pursuant to Income Tax Regulation 1.6033–2(g)(1)(iv).

To be more specific, the mission societies contend that they are religious orders and that the missionaries working under their auspices are members of a religious order performing duties required by such order within the meaning of section 3121(b)(8)(A) of the code. The societies base this contention on the fact that the structure and function of a missionary society and a religious order are identical and that the only difference that may exist between these two types of organizations lies in the structure of the sponsoring church and not in the religious orders or missionary societies themselves.

The Treasury Department has stated that the term "religious order" means a monastic brotherhood or society; a religious body; an aggregate of separate communities living under a distinctive rule, discipline or constitution. (Document No. 5586(12–65) Social Security Coverage for Clergymen and Religious Workers Abroad.)

The mission societies assert that they meet the definition of a religious order provided in the Treasury publication. They are religious bodies and an aggregate of separate communities living under their own constitutions, stated beliefs and purposes that draw missionaries from various religious communities of the Protestant church who combine to present Christianity and the teachings of the Gospel throughout the world. They depend on their autonomy from denominational restrictions to facilitate their missionary work, but, at the same time the local churches provide financial support and missionaries for their work. Their relationship to the local churches that provide missionaries is similar to the relationship of Catholic or Protestant religious orders to their respective churches in that in order to accomplish their intended purposes they are separate bodies and free from direct church supervision and yet still dedicated to carrying out the programs of their affiliated churches. The societies, although autonomous, are still bound within the confines of the teachings of Christ as are the Evangelical Protestant churches from which they draw their missionaries.

The fact that the missionaries are "members" of the societies and are doing the work required by them is obvious. The income tax regulations are clear that all duties required of a member of a religious order qualify as "duties required by such order" regardless of the nature and extent of such service:

> Service performed by a member of a religious order in the exercise of duties required by such order includes all duties required of the member by the order. Reg. #31.3121(b)(8)-1(d).

A detailed comparison between religious order and missionary societies may be drawn as follows:

First. Membership preparation. Both are selective, requiring that potential members agree to abide by the rules of the order. Mission societies further require a certain level of training.

Second. Vows. In somewhat different form members of both groups agree to obey and abide by the principles of the organization.

Third. Control by the order or society. The type of control reflects the different form of church government. Numerous mission societies reflect the congregational polity of their constituent churches.

Fourth. Discipline and membership revocation. Both groups are firm in their control and discipline of membership. Dismissal may be exercised if a member disobeys the rules or changes his beliefs to an unreconcilable position.

Fifth. Relationship to the church. Members of religious orders and members of missionary societies hold membership in both the church and in their society or order. In either case, these members have a prior responsibility to their church.

Sixth. Living allowance. Members of religious orders and missionary societies are provided basic financial remuneration to be sure their needs are met.

Seventh. Retirement. Once a member of either group reaches the age of retirement, the order or society continues to have the responsibility of supporting such member for the remainder of his life.

It is evident, then, that the structure and function of a religious order and a missionary society, as well as their relationship with their respective churches, are identical. The only difference, if any, lies in the structure of the sponsoring churches themselves, and an even-handed treatment of organized religion should require that the missionary societies be given the same treatment as religious orders. It is submitted that the bill I am introducing today addresses this desire for even handed treatment and should be adopted in the interests of the fair and equitable administration of the U.S. tax laws.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1402 of the Internal Revenue Code of 1954 (relating to definitions for the tax on self-employment income) is amended—

(1) by striking out "or a member of a religious order" in subsection (a)(8) and inserting in lieu thereof a comma and "a member of a religious order, or a member of a mission society",

(2) by striking out "or by a member of a religious order in the exercise of duties required by such order;" in subsection (c)(4) and inserting in lieu thereof a comma and "by a member of a religious order in the exercise of duties required by such order, or by a member of a mission society in carrying out his missionary duties;", and

(3) by striking out "or a member of a religious order (other than a member of a religious order who has taken a vow of poverty as a member of such order) or" in subsection (e)(1) and inserting in lieu thereof a comma and "a member of a religious order (other than a member of a religious order who has taken a vow of poverty as a member of such order), or a member of a mission society. or".

(b) Section 3121 of such Code (relating to definition for the Federal Insurance Contributions Act) is amended—

(1) by striking out "or by a member of a religious order in the exercise of duties required by such order," in subsection (b)(8)(A) and inserting in lieu thereof a comma and "by a member of a mission society in the carrying out of his missionary duties, or by a member of a religious order in the exercise of duties required by such order,", and

(2) by adding at the end thereof the following new subsection:

"(s) Mission Society.—For purposes of this chapter and chapter 2, the term 'mission society' means an organization which is exempt from taxation under section 501 (a) and—

"(1) is sponsored by one or more churches or church denominations, and

"(2) more than one-half the activities of which are the support and administration of religious missionary activities conducted in, or directed at individuals in, foreign countries.".

(c) Section 210 of the Social Security Act (relating to definition of employment) is amended—

(1) by striking out "or by a member of a religious order in the exercise of duties required by such order," in subparagraph (a)(8)(A) and inserting in lieu thereof a comma and "by a member of a mission society in the carrying out of his missionary duties, or by a member of a religious order in the exercise of duties required by such order,".

(2) by adding at the end thereof the following new subsection:

"(p) The term 'mission society' means an organization which is exempt from taxation under section 501(a) of the Internal Revenue Code of 1954 and—

"(1) is sponsored by one or more churches or church denominations, and

"(2) more than one-half the activities of which are the support and administration of religious missionary activities conducted in, or directed at individuals in, foreign countries.".

(d) Section 211 of such Act (relating to self-employment) is amended—

(1) by striking out "or a member of a religious order" in subsection (a)(7) and inserting in lieu thereof a comma and "a member of a religious order, or a member of a mission society", and

(2) by striking out "or by a member of a religious order in the exercise of duties required by such order;" in subsection (c)(4) and inserting in lieu thereof a comma and "by a member of a religious order in the exercise of duties required by such order, or by a member of a mission society in carrying out his missionary duties;".

(e) The amendments made by subsections (a) and (d) shall be effective only in the case of taxable years beginning after December 31, 1975, and the amendments made by subsections (b) and (c) shall be effective only with respect to services performed after December 31, 1975.

By Mr. HARTKE (for himself, Mr. Beall, Mr. Cannon, Mr. Clark, Mr. Cranston, Mr. Domenici, Mr. Inouye, Mr. Goldwater, Mr. Jackson, Mr. Javits, Mr. Mathias, Mr. McGee, Mr. Pastore, Mr. Pearson, Mr. Randolph, Mr. Ribicoff, Mr. Hugh Scott, Mr. Stone, Mr. Thurmond, Mr. Tunney, and Mr. Williams):

S. 1969. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes. Referred to the Committee on Armed Services.

RECOMPUTATION OF MILITARY RETIREMENT BENEFITS

Mr. HARTKE. Mr. President, it is with considerable pride that, on behalf of myself and 20 distinguished colleagues, I introduce legislation providing for the recomputation of military retirement benefits. This legislation addresses itself to a major inequity in our society, and one whose resolution in a satisfactory manner has been thwarted by a long series of parliamentary technicalities.

Most of you are familiar with the history of recomputation legislation. In recent years, we have been forced to attach it as an amendment to various military procurement bills. Each time this has occurred, the Senate has overwhelmingly adopted the amendment which was invariably dropped in conference with the House. Objection to its inclusion has been on the ground of germaneness. It should be added that identical legislation in the House of Representatives has been cosponsored by as many as one-third of the total membership. Most distressingly, it has failed to be reported upon favorably by the relevant committee.

This session, we have eschewed the option of introducing recomputation as an amendment. Increasingly, that has become an exercise in futility; a pro forma ballet without music that allowed—critics have argued—Senators to vote for the measure fully confident that the piper would never have to be paid. This session, I am introducing recomputation as a separate bill. I am hopeful that the Armed Services Committee will be disposed toward serious consideration Should the bill be reported and acted upon favorably by the Senate, the House of Representatives will be required to give serious and thorough attention to recomputation. Even though one-third of the House Members have been cosponsors of identical legislation, there has never been a House vote.

It is disconcerting to me—perhaps, because I have been so intimately involved with recomputation for so long—to hear the remark that it benefits primarily groups who are already well off. That, Mr. President, is absolutely untrue. The simple fact is that over 50 percent of military retirees who retired before 1968 have incomes of less than $4,000, the national poverty level. Over half of our pre-1968 military retirees live in poverty. The thought is outrageous. It is an injustice that cannot be tolerated by any fair-minded person.

I do not believe that it was the intent of Congress or the Defense Department to pauperize the men and women who devoted their lives to the service of their country when the century old practice of periodic recomputation was ended in 1958. But that has been the effect, and it is now time to rectify the mistake. We cannot continue a system that drives retired military men to charity and welfare. Military commissaries redeem food stamps at the rate of $1.5 million per month.

Fully two-thirds of the military retirees affected by this legislation are enlisted men and NCO's, not officers. Colonels and Navy captains constitute only 5.3 percent of the affected group, while generals and admirals represent only four-tenths of 1 percent. In total numbers, only 30 general officers would be affected to the extent of receiving the full benefits of recomputation. In posing the argument in this manner, I seek only to dispel the myth surrounding recomputation; colonels and admirals are no less entitled to justice than anyone else in our society.

Through 1958, it was traditional to recompute retirement benefits on the basis of increases in active duty pay scales. Because of continual upgrading, the older and newer retiree were kept on an equal footing. Beginning in 1958, the system was changed—a change that was formalized in legislation in 1963—in such a manner as to maintain only the relative purchasing power of the retiree at the moment of retirement. When a man retired, his retirement was computed on the basis of active duty pay scales in effect at that time with no provision for future recomputation. To maintain purchasing power, an automatic adjustment factor based upon the Consumer Price Index was evolved.

Because of the new approach, increasingly greater disparities in retirement benefits are in evidence. The unintended consequence of the legislation was to create a multiple class system among military retirees. Each succeeding group of retirees receives more in retirement benefits than those preceding it. The distinctions are invidious and bear no relationship to anything but chance and timing.

For example, a master sergeant with 24 years of service who retired before June 1, 1958 would receive $388 a month in retirement benefits; a master sergeant with the identical service who retired after November 1, 1972 would receive $596 a month. The difference is $208 a month, or 54 percent. Furthermore, the new system under which retirement benefits are linked to the Consumer Price Index serves to further deepen the disparities and to emphasize the inequity.

Take a retiree who receives $400 a month and his counterpart who retired later and receives $600, the CPI formula accentuates the disparity. A 5 percent increase in the cost of living translates into an additional $20 a month for the older retiree and $30 a month for the newer retiree. Whereas the disparity before the increase was $200, it is now increased to $210. Each new increase will further increase the difference by an ever-escalating amount.

It is usual for the Congress to include "grandfather" clauses in legislation that reverses a long-standing practice that will operate to the detriment of those who had reasonable expectations of being beneficiaries. In the case of military retirees, no such provisions were made. The time for such remedial legislation is running out. Between 1972 and 1974, for example, the Retired Officers' Association lost 5,500 members because of death.

The recomputation legislation that I am introducing today is quite simple. First, it applies to retirees who have reached the age of 60 or who have been determined to have 30 percent disability. Second, it provides for a one-time recomputation of benefits based upon active pay scales in effect on January 1, 1972. Third, it is effective immediately upon enactment.

Program costs have been computed by the Defense Department using conservative actuarial assumptions. Since the computer runs were made, a significant number of retirees have died, reducing both the first year and lifetime costs of the recomputation. But using that data, the cost for 1976 will be $488 million. The lifetime cost will approach $19 billion if we assume that the last retiree will die in the year 2048. Putting this figure in perspective, it represents less than one-fourth of 1 percent of our military manpower costs over the next 73 years.

I ask unanimous consent that the bill be printed in the Record at this point, together with four supporting documents: a New York Times article from April 22, 1975, an open letter to the Secretary of Defense, a chart illustrating pay differentials among retirees, and the testimony of Col. George Hennrikus before the Defense Manpower Commission.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 1969

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, a member or former member of a uniformed service (1) who is sixty years of age or older on the date of enactment of this Act or becomes sixty years of age after such date, is retired for reasons other than physical disability and is entitled to retired pay computed under the rates of basic pay in effect before January 1, 1972, or (2) who is entitled to retired pay for physical disability under title IV of the Career Compensation Act of 1949 (63 Stat. 816–825), as amended, or chapter 61 of title 10, United States Code, whose disability was finally determined to be of permanent nature and at least 30 per centum under the standard schedule of rating disability in use by the Veterans' Administration at the time of that determination, and whose retired pay is computed under rates of basic pay in effect after October 11, 1949, and before January 1, 1972, is entitled to have that pay recomputed upon the rates of basic pay in effect on January 1, 1972.

Sec. 2. A member or former member of a uniformed service who was retired by reason of physical disability and who is entitled, in accordance with section 411 of the Career Compensation Act of 1949 (63 Stat. 823), to retired pay computed under provisions of law in effect on the day preceding the date of enactment of that Act, may elect within the one-year period following the date of enactment of this Act to receive disability retirement pay computed under provisions of law in effect on January 1, 1972, in lieu of the retired pay to which he is otherwise entitled.

Sec. 3. (a) A member or former member of a uniformed service who is sixty years of age or older on the date of enactment of this Act and is entitled to have his retired pay recomputed under the first section of this Act shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which this Act is enacted.

(b) A member or former member of a uniformed service who becomes sixty years of age after the date of enactment of this Act and is eligible to have his retired pay recomputed under the first section of this Act shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which he becomes sixty years of age.

(c) A member or former member of a uniformed service who is entitled to make an election under section 2 of this Act and elects to have his retired pay recomputed as authorized in such section shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which he makes such election.

Sec. 4. The enactment of sections 1 and 3 of this Act does not reduce the monthly retired pay to which a member or former member of a uniformed service was entitled on the day before the effective date of this Act.

Sec. 5. (a) A member or former member of a uniformed service who is sixty years of age on the date of enactment of this Act and is entitled to have his retired pay recomputed under the first section of this Act is entitled to have that pay increased by any applicable adjustments authorized by section 1401a of title 10, United States Code, which occur after January 1, 1972.

(b) A member or former member of a uniformed service who becomes sixty years of age after the date of enactment of this Act and is entitled to have his retired pay recomputed under the first section of this Act after he becomes sixty years of age is entitled to have that pay increased by any applicable adjustments authorized by section 1401a of title 10, United States Code, which occur after the date of which he becomes sixty years of age.

(c) A member or former member of a uniformed service who is eligible to make an election under section 2 of this Act and elects to have his retired pay recomputed as authorized in such section is entitled to have that pay increased by any applicable adjustments authorized by section 1401a of title 10, United States Code, which occur after the date on which he notifies the Secretary concerned of his election to have his retired pay recomputed.

Sec. 6. As used in this Act (1) the term "uniformed services" has the same meaning ascribed to such term by section 101(3) of title 37, United States Code, and (2) the term "retired pay" means retired pay or retainer pay, as the case may be.

[From the New York Times, Apr. 22, 1975]

Retired Military in Income Pinch

Washington.—The economic pinch is hurting military retirees, like other people, but the ones who hung up their uniforms many years ago contend they are in worse condition because of a 1958 change in the method of figuring their income.

But all military retirees are now facing new factors that can affect the stretch of their retirement dollars, as are those still on active duty. Such factors include the following:

¶The Pentagon is moving to put military commissaries on a self-sustaining basis by Sept. 13, 1976, meaning a big shrinkage of bargain-rate groceries. Backers said active-duty pay is high enough now to wipe out the budget subsidy. Those who object say low-pay retirees and servicemen already spend $1.5-million in food stamps in commissaries each month to make ends meet.

¶The doctor shortage in the military since the draft ended is causing some care in many military hospitals to be withdrawn from retirees. And budget cuts for CHAMPUS, the military civilian medical care program, means both retirees and active duty people are not reimbursed for some treatment.

SYSTEM ABANDONED

¶President Ford proposes a 5 per cent ceiling on Federal employe raises for 18 months, including military retirees. Opponents object that with no provision for a catch-up, the pay will again lag behind that of private industry.

The older military retirees, and the newest ones, are feeling the financial pinch in regard to retirement pay because the 1958 law shifted the based for increasing pay to the Cost of Living Index and abandoned the 100-year-old system of basing raises on increases in active-duty pay.

This change occurred when military pay was relatively low. As the Pentagon sought in later years to increase active duty pay to a level competitive with that outside Government it jumped up much faster than the cost-of-living increases for retirees year after year.

As a result, a major who retired with 24 years of service before 1958 is now receiving about $653 a month, compared with $974 for a major who retired in 1973. A sergeant major with the same service who retired before 1958 is receiving about $363, compared with about $551 for a 1973 retiree.

There are more than a dozen different retirement pay levels for each rank.

A REVERSE SITUATION

Recently, active-duty raises slowed as the pay approached parity with civilian employment and at the same time inflation stepped up the number of cost-of-living increases in retired pay.

Ever since the system was changed in 1958 there have been demands that something be done for the older retirees to bring their pay in line with the younger retirees.

Now there is similar discussion of what to do about the newest retirees who are being hit in a reverse situation. Persons who retired after last fall receive the same base pay as those who retired before then, but do not get the cost-of-living increase that took effect in the fall. Their next chance for an increase comes this summer, and Mr. Ford proposes to hold that to 5 per cent.

The whole question revolves around the growing alarm over the spiraling costs of the military retirement system, especially with the retiree rolls growing. The cost will reach $6.8-billion in the next fiscal year for 1,107,000 retirees, 57,000 more than this year.

Involved, too, is a Pentagon plan pushed in Congress for several years to overhaul drastically the retirement pay system for future military personnel so it will be less expensive.

Associations representing the military have argued since 1958 that divorcing retirement pay from active duty pay violated a "moral obligation" made to the retirees while they were on active duty.

However, the demand to return to the old system has been softened by a proposed compromise one-shot recomputation. Of several bills being considered, the major one would mean immediate recomputation for disabled retirees and those 60 years or older based on 1972 active duty pay. Others would be recomputed on reaching age 60.

The National Association for Uniformed Services this month urged that a person be given a written contract when going on active duty so he will know "in clear and unmistakable language what he will be entitled to while on active duty and in retirement.

The Retired Officers Association quotes Pentagon statistics that half of the older retirees receive income below $4,000 a year, which the association notes is below the national poverty level of $5,600.

The military did not come under full Social Security coverage until 1957, so the older retirees do not have the supplement unless they gained it later in civilian jobs.

An Open Letter to the Secretary of Defense

Dear Mister Secretary: People are as important as weapon systems.

We fully realize the magnitude of the problems you face . . . We have applauded your forthright stand before the Congress. We, like you, believe that America must remain militarily strong . . . that we must honor our commitments to our allies.

The need for superior weapon systems is understood and fully appreciated by all in the military community, active and retired. Superior weapons provide the edge in combat—the edge, sometimes, between life and death. But a military commander is always aware that weapons require dedicated, trained and experienced personnel with the will to use them . . . mature, career motivated people.

We also believe that the military way of life is a unique one . . . that our nation must recognize this and honor the commitments she has made to the men and women who serve in her armed forces . . . and who served in the past.

I remind you, Sir, that the military way of life is one of total commitment . . . both for the individual and the family. There can be no reservations in the individual's mind. He or she must be prepared to go where ordered when ordered . . . a willingness to serve the country at personal expense and family sacrifice.

These sacrifices, however, represent a symbolic love for country . . . They require reciprocity to make them meaningful.

I quote from the writings of clinical psychologist Dr. Theodore C. Kahn published in The Retired Officer Magazine ("Military Careerists: A New Scapegoat Minority," January 1974):

"The greatly misunderstood fringe benefits, commissaries, post exchanges, medical care and space available travel, all have a symbolic significance that overrides their dollar value many times. Their continuation represents a symbolic expression of national appreciation . . . There is no substitute for them. The military culture prescribes symbols and the nation must reciprocate—at least partially—with symbols in order to maintain military morale."

COMPARABILITY—A FALSE BASE

The contention that since military pay has now achieved "comparability" with civilian pay many of the so-called benefits of service life can be dispensed with is not valid . . . Perhaps it is even dangerous.

There is little comparison between military and civilian careers . . . Thus, to place a dollar value—comparability—on military service is to start from a false base, a base established by money managers . . . Not people managers. Your own Secretaries of the Army, Navy and Air Force recognize this.

The proposal to make military commissaries self-supporting leaves us befuddled. . . It is total support and the faith of the family, in good times and bad, that allows the soldier, the sailor, the airman and the marine to continue to serve this nation . . . The commissary, like other on-base facilities, is recognition of the value of the individual—and his family. It is a benefit, like so many others now threatened or curtailed, that permits the military man to go where needed when needed . . . secure in the knowledge that his family's needs are being cared for.

Not all of our past armed conflicts have been popular. But the military, a disciplined force, went where ordered by the civilian leadership. They served at low pay, believing that their own military service and the government would look to their entitlements . . . As it has turned out, how naive!

We fear, Sir, that in their eagerness to cut non direct-mission spending, some of your appointed civilian deputies are refusing what the military community has come to understand . . . that many earned rights and entitlements have been or are now being abrogated. No amount of rationalization issued from the Pentagon will dispel this belief.

"Expediency" rather than "credibility" appears to be the word.

To the military family it is simple . . . If you have something and someone takes it away, you have lost something. This is how we perceive it.

Yes, Mr. Secretary, we are concerned. Commissaries can be self-supporting, we are told, because military pay is now adequate. We have noted, however, that many do not agree, especially older retirees and lower grade enlisted men trying to raise a family. It could not have escaped you, Sir, that some $1.5 million in food stamps are now being spent in commissaries each month.

And your Assistant Secretary (Comptroller) has the effrontery to suggest that an inequity exists simply because all military retirees do not live near commissaries . . . an inequity that will be erased by the increased costs to those retirees who do shop in commissaries.

That's a bad joke, Mr. Secretary.

RECOMPUTATION AND PAY INVERSION

You tell us that because of inflation and competing demands on the Defense budget, coupled with recent increases in retired pay under the CPI formula, DoD will no longer support recomputation of retired pay even on a one-time basis . . . "Recent retirees are receiving more retired pay under the CPI system than current retirees," you tell us.

Another bad joke, Mr. Secretary.

Older military retirees, those who never enjoyed "comparability," are well aware of the pay those members retiring today are receiving . . . even under the so-called "inversion." We remind you, Sir, that they are at the other end of that inversion, the low end, even though we have struggled for more than a decade to have restored what until 1958—during the time they served this nation—was guaranteed by law.

We realize that today's retirees receive about three percent less than individuals of like service who retired last year. *Too few realize their pre-1958 counterparts are drawing up to 35 percent less.*

We understand your desire to seek legislative relief from the retired pay inversion for those who retired after September 1974—it is an inequity. What we must question, however, is your refusal to seek at the same time legislative relief for those who are obviously suffering the greatest inequity.

NO APOLOGIES

We are not ungrateful, Mr. Secretary, nor bitter. Neither are we apologetic.

We had full, rewarding careers. We appreciate the entitlements Congress has provided . . . the protection of the Survivor Benefit Plan for our families . . . the health care provisions of the Civilian Health and Medical Program for the Uniformed Services. We know these cost money, but they must be recognized for what they represent . . . an unfunded obligation that we, the retired military, have already paid for. Many of our fellow servicemen paid with their lives.

Those currently on active duty are now paying their dues. They, too, are earning whatever benefits and entitlements accrue to them, now and in the future. And, let me assure you, they are intensely aware of every abrogation.

We fear that many of the actions you are taking and others that are proposed will weaken the will of our career military forces . . . that intangible thing called esprit de corps . . . the will to fight and the determination to prevail.

We therefore respectfully urge you, Mr. Secretary, to examine once more the importance of so-called "fringe benefits." And to call directly upon your senior combat commanders for their undiluted views on the subject.

We in The Retired Officers Association, and I'm sure all military retirees, will continue to support the Departments of Army, Navy and Air Force.

We reserve the right to express our views to the Department of Defense, including the Office of the Secretary of Defense . . . solicited or unsolicited.

We are concerned, knowledgeable citizens, Mr. Secretary, who love our country . . . and who know full well the cost of keeping it free.

FULL FAITH AND DEDICATION

We have full faith in those who are guarding our freedom today. We are thankful that they are now receiving financial compensation more adequate to their needs and those of their families.

But, Mr. Secretary, you must recognize that a military life is a unique one . . . one requiring more than a competitive salary to retain dedicated people. Many can earn as much or more in the civilian sector, without the continual uprooting and separations from families which are an integral part of military life . . . occurrences that are costly both in dollars and family pressures. It is the symbolic recognition of this uniqueness—the importance of things provided by the military services that are uniquely their own—that knits the military family.

How often I have heard the words "The Air Force takes care of its own." The same is true for all the services. Do not destroy this, Mr. Secretary, or I fear it could destroy the morale of our armed forces, at the expense of the freedom of this great nation.

JOHN W. CARPENTER III,
Lieutenant General, USAF,
Retired, President.

MILITARY RETIRED PAY—RETIRED PAY RECEIVED BY RETIREES WITH 24 YR OF SERVICE, AS AFFECTED BY DATE OF RETIREMENT

	Retired before June 1, 1958	Retired between—										Retired after Oct. 1, 1972	Disparity against older retirees	
		June 1, 1958–Mar. 31, 1963	Apr. 1, 1963–Aug. 31, 1964	Sept. 1, 1964–Aug. 31, 1965	Sept. 1, 1965–June 30, 1966	July 1, 1966–June 30, 1968	July 1, 1968–June 30, 1969	July 1, 1969–Apr. 14, 1970	Apr. 15–Dec. 31, 1970	Jan. 1–Dec. 31, 1971	Jan. 1–Sept. 30, 1972		Amount	Percent
Major (04)	$701	$721	$807	$828	$840	$867	$892	$942	$981	$994	$1,031	$1,053	$352	50
M/ST (E7)	388	401	436	447	476	491	505	534	555	563	578	596	208	54

STATEMENT OF THE RETIRED OFFICERS ASSOCIATION BEFORE THE DEFENSE MANPOWER COMMISSION ON MARCH 13, 1975

(Presented by Col. George F. Hennrikus, Jr., USAF, Retired)

Mr. Chairman, we feel it is essential that the conditions of the work contract under which military members now serve—the rights, benefits and entitlements—be abrogated only in instances where an improvement can be realized.

With one great exception, there have been few instances in recent history when a modification has not represented an improvement. Historically, this improving trend has been the nature of the Government's treatment of all Federal employees. The exception, of course, is the suspension in 1958, and finally, the repeal in 1963, of the law which provided for recomputation of military retired pay. Other setbacks affecting limited numbers have usually been related to ungovernable circumstances, such as base closures and the consequent loss of medical facilities, commissaries and exchanges.

CHAMPUS, The Survivor Benefit Plan, the cost of living formula, the effort to achieve active duty pay comparability—all have contributed to an excellent retirement system for recent retirees. Even for older retirees who are tied to deflated pay scales, the improvements have prevented complete disaster and have, at least, permitted them and their dependents minimal subsistance.

Now, faced with a combined inflation/recession, and the urgent requirement to maintain a viable defense through an expensive, but essential, weapons modernization program, Secretary Schlesinger has decided he must reduce manpower costs.

Since last summer, when consideration was given to modifying CHAMPUS, every pronouncement from the Secretary's office concerning personnel policy has constituted a threat to the military careerist and the retiree.

In its wisdom, the 93rd Congress successfully blunted the full effect of these threats. Now, Secretary Schlesinger has mounted a new effort to reduce costs by reducing or eliminating people-related expenditures. The President's Budget Request for 1976 recommends the withdrawal of support for recomputation, limiting cost of living increases, and a two-stage reduction of funds normally used to cover personnel costs of commissary operations. An Inter-Agency study, not yet released, is rumored to recommend substantial reductions in the military medical service, over and above those already in force.

In supporting these planned reductions, the Secretary and his assistants contend that military pay has now achieved comparability with civilian pay.

We do not agree. Pay comparability has not been achieved, even in dollars and cents terms. The current military pay scale begins below the poverty level and ends far short of the executive level. Presented graphically, it more nearly resembles a mushroom than the classic pyramid.

But the point I want to make here is that military compensation by the very nature of the profession cannot be fully represented in dollars and cents terms, except possibly with respect to hired mercenaries.

Consider the present circumstances. Despite the most severe recession in 30 years and a catastrophic unemployment rate; despite major force reductions; despite the continued promises of the very benefits which are now being considered for elimination, the Services still must spend millions of dollars each year to recruit and retain volunteers. Granted, recruiting goals are being met at lower cost per recruit, and retention rates are improving. However, most expert observers agree that no matter what pay incentives are offered, the Services will never compete on equal terms with industry for people.

The reasons for this seem fairly obvious. Several are sometimes categorized under the general title, "exigencies of the service": willingness to engage an armed enemy; long and erractic duty hours; frequent and expensive moves with little opportunity to build an investment in a home or to enjoy the long-term security of a familiar community; mental and, sometimes, physical stress on dependents; a work contract that can be changed at the whim of the government; and probably most important, the surrender of certain basic freedoms.

In an article in the January, 1974, issue of THE RETIRED OFFICER magazine entitled "Military Careerists: A New Scapegoat Minority", Dr. Theodore C. Kahn, a clinical psychologist, stated:

"The greatly misunderstood fringe benefits commissaries, post exchanges, medical care and space available travel, all have a symbolic significance that overrides their dollar value many times. Their continuation represents a symbolic expression of national appreciation for the sacrifices that almost every military person has been called upon to make sometime in his career. There is no substitute for them. The military culture prescribes symbols and the nation must reciprocate—at least partially—with symbols in order to maintain military morale."

We can only conclude from his recent actions and pronouncements, that Secretary Schlesinger has decided it's time for the Defense Department to begin emulating the personnel methodology of private industry—that what's good for General Motors is good for our Armed Forces.

We dispute this premise with as much vigor as we support the need for a constantly vigilant, well-equipped defense establishment.

Troops undergoing the rigors and discomforts of field exercises, sailors on long cruises away from their families, airmen in lonely missile silos or on alert beside their aircraft, staffers putting in 60-hour weeks in some recess of the Pentagon are not there because their pay is comparable to their peers in private enterprise.

If this were the case, they would form a union and strike for overtime pay. Furthermore, if they were called upon to engage the enemy, they would probably do so reluctantly, and only after their shop steward had obtained a majority vote.

In predicting the consequences of what we perceive to be Secretary Schlesinger's plan of action, I would cite the sad state of our Merchant Marine. The pay scales necessary to man our merchant ships finally put it out of business.

If this perception of Secretary Schlesinger's intention is correct, and if he achieves acceptance in the Congress, I can only foresee the most dire consequences.

We ask this Commission to do everything in its power to avert what we feel will be a disaster.

In conclusion I would also ask your support for a recomputation compromise. Until recently, our Associations have based our fight for pay equalization solely on its innate legitimacy—righting a wrong. Now, for the first time we have sufficient evidence to support an added argument based on need.

We recognize that, if any or all of the current proposals to reduce benefits were accepted by the Congress, the resultant changes would affect retirees at all levels. However, I want to stress that our particular concern is for the older retirees, those who retired prior to 1967 or 1968. This group represents about two-thirds of the total number of retirees. All of this group were not only affected by the repeal of recomputation in 1963, but also had the misfortune of retiring before the move toward pay comparability got underway. Though the cost of living formula has helped them to cope with the inflationary trend, they are still tied to an extremely low pay rate.

When Secretary Schlesinger and his key people use the term "pay comparability" in justifying reduction in retirement benefits, it is our contention that they are completely ignoring these older retirees. According to Defense Department statistics, more than half of this group receive incomes below $4,000 per year. This means that many of them subsist below the National poverty level. Almost all of them depend upon the commissary and the cost of living formula to survive. Many, even now, must rely on welfare programs to some extent. According to a recent report, more than $1.5 million in food stamps are being redeemed in military commissaries each month.

In the Budget Request for Fiscal Year 1976, the Administration justified its withdrawal of support for recomputation by citing the need to restrain spending, and further noting that "the present retirement system, with its provision for consumer price index adjustments, already had the effect of recomputing retired military pay."

In a White House meeting held two weeks ago, I had an opportunity to discuss this rationale with the executive staff who had prepared the Defense portion of the Budget. When Mr. Ogilvie of the Office of Management and Budget restated their belief that all retirees would ultimately receive equal pay for equal rank and time in service as a result of the cost of living formula, I was able to convince him that this would never occur in anyone's lifetime, much less the lifetime of an individual who retired prior to 1958. Though he was finally convinced, I was not at all reassured that it would cause any change of position on the issue.

This incident, plus other indications we have noted recently, have convinced us that the older retiree has been forgotten by the current Administration. Thus we are taking advantage of this opportunity and any others we are afforded to restate our support of the Hartke-Wilson Compromise plan for recomputation.

Again let me re-emphasize the point that we defend the rights, benefits and entitlements of all retirees under any circumstances but we particularly ask that this Commission give special consideration to the older retiree who is now having great difficulty coping with the current inflation/recession.

Finally, though I know it's unnecessary to point out to persons who hold the credentials of the members of this commission, I would like to note this thought for the record: The treatment accorded by the government to retirees on this or any other earned entitlement is closely watched by the active forces. Clearly it must have an impact on career decisions they must make.

By Mr. STONE:

S. 1970. A bill to amend title 28 of the United States Code to provide that information relating to the administration of the U.S. courts be made available to the public, and for other purposes. Referred to the Committee on the Judiciary.

Mr. STONE. Mr. President, about a year and a half ago, David Hess, a reporter with Knight Newspapers, attempted to get biographical data on all the Federal judges then sitting on Federal courts from Rowland F. Kirks, the Director of the Administrative Office of the U.S. Courts. Mr. Kirks refused to give out this information, contending that it was confidential. On April 21 of this year, Phil Gailey, also with Knight Newspapers, asked Mr. Kirks for information relating to the expenditure of public funds for the travel expenses of U.S. District Judge C. W. Kraft, Jr., of Philadelphia. Mr. Kirks refused to reveal the information.

While it is quite true that biographical data on the Federal judges could have been obtained with some research from other sources and it is even possible that Judge Kraft would have consented to reveal his travel expenses if the reporter had approached him directly, the fact remains that the Administrative Office of the U.S. Courts has a policy of not disclosing information that should be made available to any citizen that requests it. The Administrative Office of the U.S. Courts is a storehouse of information relating to the administration of the Federal courts and disclosure of this information is left entirely to the discretion of the Director of the Office.

The Administrative Office of the U.S. Courts is excluded from the Freedom of Information Act because it is not an "agency" as defined by the statute. But this exclusion should not be used to give the Director of that Office the discretion to withhold information that is of concern to the public.

The Director is already required by law to make an annual report of "the activities of the Administrative Office and the state of the business of the courts." However, this report is very general in nature and, by the time it is published, not up to date. In any case, the publication of a report does not remedy the basic problem which is that the Director decides what information to disclose. He has to make those decisions without any guidance. It is time Congress gave him that guidance.

Currently, there is no provision in the law that requires the Director of the Administrative Office of the U.S. Courts to disclose information concerning the administration of the courts. My bill would remedy this situation. It would require the Director of the Administrative Office of the U.S. Courts to make available to the public, records and documents concerning the administration of the Federal court system. Information such as the travel expenses of Federal judges traveling on official business would be covered, as well as information relating to office expenses. There is an exception, patterned after one in the Freedom of Information Act, for personnel and medical files, other than financial records, the disclosure of which would be a clearly unwarranted invasion of personal privacy.

The bill would also require that the Director make a separate annual report to the Congress on the number and types of information requests made during the past year, the action taken on those requests and an explanation for any refusals to disclose information.

This is not a revolutionary bill. The public has a right to know how its tax dollars are being spent and how the Federal courts are being administered. The judicial branch of the Government should be as accountable as the other branches of Government for its administrative and spending practices.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 604 of Title 28, United States Code be amended by changing the period at the end of subsection (e) to a semi-colon and by adding the following new subsection:

"(f) The Director shall:

"(1) make available for inspection by the public any records and any documents (including but not limited to all financial records relating to the expenditure of public funds) in the Administrative Office of the United States Courts concerning the administration of the courts,

"(A) including any records or documents relating to his duties under subsections (a) and (d) of this section;

"(B) but not including any records or documents (other than those relating to the expenditure of public funds) relating to personnel and medical files, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; and

"(2) report annually to the Congress on the number and types of information requests made in the past year under this subsection, the action taken on these requests, and an explanation for each refusal to disclose information."

By Mr. CANNON (for himself and Mr. PEARSON):

S. 1972. A bill to amend the Airport and Airway Development Act of 1970, as amended, so as to extend the airport and airway development program authority. Referred to the Committee on Commerce.

AIRPORT AND AIRWAY EXTENSION ACT OF 1975

Mr. CANNON. Mr. President, I send to the desk, for myself and Senator PEARSON, a bill entitled "The Airport and Airway Extension Act of 1975."

As many of my colleagues are aware, Congress in 1970 passed landmark legislation providing for aviation development and planning entitled "The Airport and Airway Development Act of 1970." Experience has proven that the program, begun 5 years ago, has been instrumental in developing the Nation's system of airports to meet the needs of the 1980's and has also assured a steady and reliable source of funding for our national air navigation and control system.

On June 30 of this year, the authorization for this important program will expire and development will be temporarily halted unless the bill I introduce today is enacted. Both the Senate and the House are still deliberating both the form and the dollars needed for the aviation development program for the last 5 years of the decade. Unfortunately, because of the press of other business, it does not appear that we will have completed action on a new 5-year program prior to the expiration date of the present law.

My bill will continue in effect for an additional 90 days the current authorization and will give us the additional time necessary to fashion a new program at funding levels dictated by today's economy.

At the same time, it will serve as a solid indication that we in the Senate intend to press ahead for a new program despite the fact that the current authorization is about to expire. I am confident that in an additional 90-day period, both Houses will have completed the difficult legislative work involved and will have reached agreement on a new aviation development program. This bill, when passed, will assure that there will not be a lapse in the program.

Mr. PEARSON. Mr. President, the Airport and Airway Development Act, signed into law on May 21, 1970, is landmark legislation which has been the basis in law for improvement of hundreds of publicly owned and operated airports in every State in the Union.

Under the terms of the Airport and Airway Development Act of 1970, air carrier, reliever and general aviation airports incorporated in the national aviation system plan have been eligible for Federal matching funds for a broad range of airport improvement projects. America's airport authorities depend upon the authorization contained in this Act for Federal funding to assist in the procurement of crash, fire and rescue equipment, runway lighting systems, airport perimeter fencing, as well as runway and taxiway construction and modernization. Over the years the Federal Aviation Administration has administered the Act in an evenhanded and efficient manner. Over the 4-year period, fiscal years 1971–74, nearly $1 billion in airport development funds have been apportioned involving more than 2,000 projects. Under the program, 82 new airports and 166 new runways have been built and several hundred airports have been improved. Scores of communities have received matching Federal funding for the development of airport plans.

Mr. President, I ask unanimous consent that the listing of new airports funded under the airport development assistance program and new runways funded under the program be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PEARSON. Mr. President, the authorization for airport development assistance under the 1970 act, Public Law 91–258, expires on June 30, 1975. The obligational authority contained in the act has been exhausted. Many worthwhile projects throughout the United States must be held in abeyance until Congress completes its review of the ADAP program and considers fully legislation proposed by the administration (S. 1455) to change substantially the method of allocation of funds, as well as the distribution of funds.

I am pleased to join with the distinguished senior Senator from Nevada (Mr. CANNON), chairman of the Senate Aviation Subcommittee, in offering legislation today to extend for 3 months the Airport and Airway Development Act. Our proposal would continue the authorization level at its current level, and would permit both the Senate and the House adequate time to complete the thorough process of review which is contemplated by the responsible committees in both bodies.

Mr. President, as the ranking minority member of the Committee on Commerce and the Aviation Subcommittee, I urge my colleagues to approve the bill, introduced today by Senator CANNON and myself, at the earliest practicable time.

EXHIBIT 1

NEW AIRPORTS FUNDED UNDER ADAP, FISCAL YEARS 1971 TO 1974

Airport, Associated city, State, and program year:

AIR CARRIER

Pine Belt Regional, Laurel-Hattiesburg, Mississippi, 1971.

Klawock, Klawock, Alaska, 1972.

Scammon Bay, Scammon Bay, Alaska, 1972.

RELIEVER

South Weymouth NAS (Shea Field), South Weymouth, Massachusetts, 1972.

Chesterfield County, Chesterfield, Virginia, 1972.

GENERAL AVIATION

Calhoun City, Bruce, Mississippi, 1971.

Industrial (Mun.), Lexington, Mississippi 1971.

Prentiss-Jefferson Davis, Prentiss, Mississippi, 1971.

Lake Placid, Lake Placid, New York, 1971.

Fostoria Metropolitan, Fostoria, Ohio, 1971.

Clarion County, Clarion, Pennsylvania, 1971.

Portland Municipal, Portland, Tennessee, 1971.

Autauga County, Prattville, Alabama, 1972.

Chignik Lake, Chignik Lake, Alaska, 1972.

Tri-County, Bonifay, Florida, 1972.

Marion County, Buena Vista, Georgia, 1972.

Reidsville, Reidsville, Georgia, 1972.

Hawley Municipal, Hawley, Minnesota, 1972.

Fulton-Itawamba County, Fulton, Mississippi, 1972.

Holly Springs-Marshall, Holly Springs, Mississippi, 1972.

Loup City Municipal, Loup City, Nebraska, 1972.

Ogallala Municipal, Ogallala, Nebraska, 1972.

Pender Municipal, Pender, Nebraska, 1972.

Plattsmouth Municipal, Plattsmouth, Nebraska, 1972.

Tecumsch, Tecumsch, Nebraska, 1972.

Fort Yates, Sioux County, Fort Yates, North Dakota, 1972.

Mott Municipal, Mott, North Dakota, 1972.

Antlers Municipal, Antlers, Oklahoma, 1972.

Arrowhead, Canadian, Oklahoma, 1972.

Carnegie Municipal, Carnegie, Oklahoma, 1972.

Healdton Municipal, Healdton, Oklahoma, 1972.

Lawrence Township Mun., Clearfield, Pennsylvania, 1972.

Grove City, Grove City, Pennsylvania, 1972.

Shamokin, Shamokin, Pennsylvania, 1972.

Hemphill Municipal, Hemphill, Texas, 1972.

Grand Coulee Dam, Electric City, Washington, 1972.

Neillsville Municipal, Neillsville, Wisconsin, 1972.

Moton Field Municipal, Tuskegee, Alabama, 1972.

Indian Valley, Crescent Mills, California, 1972.

Jasper-Pickens County, Jasper, Georgia, 1972.

Dade County, Trenton, Georgia, 1972.

Pittsfield Municipal, Pittsfield, Illinois, 1972.

Fleming-Mason, Flemingsburg, Kentucky, 1972.

Springfield Municipal, Springfield, Minnesota, 1972.

Herkimer County, Herkimer, New York, 1972.

Lincolnton-Cherryville, Lincolnton, North Carolina, 1972.

Rockingham County, Reidsville, North Carolina, 1972.

Ashe County, West Jefferson, North Carolina, 1972.

Golden Valley County, Beach, North Dakota, 1972.

Canton Municipal, Canton, South Dakota, 1972.

Fairfield County, Winnsboro, South Carolina, 1973.

Murdo Municipal, Murdo, South Dakota, 1973.

Williamsburg County, Kingstree, South Carolina, 1973.

Springer Municipal, Springer, New Mexico, 1973.

Greensboro, Greene County, Georgia, 1973.

Big Bear, Big Bear, California, 1973.

Edgar County, Paris, Illinois, 1973.

Seward Municipal, Seward, Nebraska, 1973.

Crosbyton Municipal, Crosbyton, Texas, 1973.

Carmi Municipal, Carmi, Illinois, 1973.

Oxford County Regional, Norway, Maine, 1973.

Cuba Municipal, Cuba, Missouri, 1973.

Marlette, Marlette, Michigan, 1973.

Plymouth Municipal, Plymouth, North Carolina, 1973.

Blackwell-Tonkawa, Blackwell, Oklahoma, 1973.

Piedmont Municipal, Piedmont, Missouri, 1973.

Jackson County, Cullowhee, North Carolina, 1973.
Marshall County, Moundsville, West Virginia, 1973.
Sparta-White County, Sparta, Tennessee, 1973.
Mississippi County, Charleston, Missouri, 1973.
Duplin County, Kenansville, North Carolina, 1973.
Stigler Municipal Stigler, Oklahoma, 1973.
Ozark-Franklin County, Ozark, Arkansas, 1973.
Kasigluk, Kasigluk, Alaska, 1973.
Fayette County, Somerville, Tennessee, 1973.
DeSmet Municipal, DeSmet, South Dakota, 1973.
Roosevelt Municipal, Roosevelt, Utah, 1974.
Boonville Municipal, Boonville, Missouri, 1974.
Tooele Valley Municipal, Tooele, Utah, 1974.
Starke County, Knox, Indiana, 1974.
Rutherford County, Rutherfordton, North Carolina, 1974.
Teller, Teller, Alaska, 1974.

New Runways Funded Under ADAP, Fiscal Years 1971–74

Location and Airport:

ALASKA

Chignik Lake, Chignik Lake.
Seldovia, Seldovia.
*Akolmiut, Akolmiut.
*Andreafsky, St. Marys.
*Goodnews, Goodnews.
*Ketchikan, Ketchikan.
*Klawock, Klawock.
*Scammon Bay, Scammon Bay.
*Teller, Teller.
*Valdez, Valdez.

ALABAMA

Prattville, Autauga County.
Tuskegee, Moton Field Municipal.

ARIZONA

Phoenix, Phoenix Deer Valley.

ARKANSAS

None.

CALIFORNIA

Auburn, Auburn Municipal.
Big Bear, Big Bear.
**Napa, Napa County.

COLORADO

*Denver (3), Stapleton International.

CONNECTICUT

None.

DELAWARE

None.

FLORIDA

*Panama City, Panama City-Bay County.

GEORGIA

Greensboro, Greene County.
Jasper, Jasper-Pickens County.
Perry, Perry-Fort Valley.
*Atlanta, William B. Hartsfield-Atlanta International.

HAWAII

*Honolulu, Honolulu International.
(3) Projects with new runways
**Reliever

IDAHO

Mountain Home, Mountain Home Municipal.
Nampa, Nampa.

ILLINOIS

Canton, Ingersoll.
Carmi, Carmi Municipal.
Effingham, Effingham County Memorial.
Kewauee, Kewauee Municipal.
Olney, Olney-Noble.
Paris, Edgar County.
Pittsfield, Pittsfield Municipal.
*Mattoon, Coles County Memorial.

INDIANA

Knox, Starke County.
*Muncie, Delaware County (Johnson Field)

IOWA

Algona, Algona Municipal.
Cresco, Cresco Municipal.
Forest City, Forest City Municipal.
*Fort Dodge, Fort Dodge Municipal.

KANSAS

Anthony, Anthony Municipal.
Beloit, Beloit Municipal.

KENTUCKY

Flemingsburg, Fleming-Mason.

LOUISANA

Homer, Homer Municipal.

MAINE

Norway, Oxford County Regional.

MARYLAND

Cumberland, Cumberland Municipal.

MASSACHUSETTS

None.

MICHIGAN

Fremon, Fremont Municipal.
Galdwin, Gladwin.
Houghton Lake, Roscommon County.
Manistique Schoolcraft County.
Marlette, Marlette.
Sturgis, Kirsch Municipal.
Three Rivers, Dr. Haines.
*Detroit (2), Metropolitan Wayne County.
*Grand Rapids, Kent County.
*Hancock, Houghton County Memorial.
**Pontiac, Oakland-Pontiac.
(2) Projects with new runways

MINNESOTA

Aitkin, Aitkin Muncipal.
Fosston, Fosston Municipal.
Hallock, Hallock Municipal.
Hawley, Hawley Municipal.
LeSueur, LeSueur Municipal.
Ortonville, Ortonville Municipal.
Springfield, Springfield Municipal.
Warroad, Warroad Municipal.
Waseca, Waseca Municipal.
*Fairmont, Fairmont Municipal.
*Mankato, Mankato Municipal.
*Thief River Falls, Thief River Falls Public.

MISSISSIPPI

*Laurel, Pine Belt Regional.
Bruce, Calhoun County.
Fulton, Fulton-Itawamba County.
Holly Springs, Holly Springs-Marshall County.
Lexington, Industrial Municipal.
Poplarville, Poplarville Pear River County.
Prentiss, Prentiss Jefferson Davis.

MISSOURI

Booneville, Booneville Municipal.
Charleston, Mississippi County.
Cuba, Cuba Municipal.
Mansfield, Mansfield Municipal.
Piedmont, Piedmont Municipal.
Sedalia, Sedalia Memorial.

MONTANA

Anaconda, Anaconda City-County.
Forsyth, Forsyth.
Shelby, Shelby Toole County.

NEBRASKA

Cambridge, Cambridge Municipal.
Creighton, Creighton Municipal.
Falls City, Falls City Municipal.
Grant, Grant Municipal.
Loop City, Loop City Municipal.
Pawnee City, Pawnee City Municipal.
Pender, Pender Municipal.
Plattsmouth, Plattsmouth Municipal.
Rushville, Modisett.
Seward, Seward Municipal.
Superior, Superior Municipal.
Tecumseh, Tecumseh Municipal.
Tekamah, Tekamah Municipal.
Wahoo, Wahoo Municipal.
*Hastings, Hastings Municipal.
*McCook, McCook Municipal.

NEVADA

None.

NEW HAMPSHIRE

None.

NEW JERSEY

None.

NEW MEXICO

Springer, Springer Municipal.

NEW YORK

Sidney, Sidney Municipal.

NORTH CAROLINA

Slyva, Jackson County.
Kenansville, Duplin County.
Plymouth, Plymouth Municipal.
Raeford, Raeford Municipal.
Reidsville, Rockingham County.
Rutherfordton, Rutherford County.
West Jefferson, Ashe County.
Whiteville, Columbus County Municipal.

NORTH DAKOTA

Beach, Golden Valley County.
Fort Yates, Fort Yates Sioux County.
Linton, Linton Municipal.
Mohall, Mohall Municipal.
Mott (2), Mott Municipal.
(2) Projects wtih new runways

OHIO

Fostoria, Metropolitan.
**Cincinnati, Blue Ash.
**Columbus, The Ohio State University

OKLAHOMA

Antlers, Antlers Municipal.
Blackwell, Blackwell-Tonkawa.
Broken Bow, Broken Bow.
Canadian, Arrowhead.
Carnegie, Carnegie Municipal.
Chandler, Chandler Municipal.
Medford, Medford Municipal.
Norman, Goldsby.
Stigler, Stigler Municipal.
Walters, Walters Municipal.

OREGON

None.

PENNSYLVANIA

Clarion, Clarion County.
Clearfield, Lawrence Township Municipal.
Grove City, Grove City.
State College, University Park.
* Philadelphia, International.
* Pittsburgh (2), Greater Pittsburgh.

RHODE ISLAND

None.

SOUTH CAROLINA

Kingstree, Cox.
Winnsboro, Fairfield County.

SOUTH DAKOTA

De Smet, De Smet Municipal.
Hoven, Hoven Municipal.
Murdo, Murdo Municipal.

TENNESSEE

Portland, Portland Municipal.
Somerville, Fayette County.
Sparta, Sparta-White County.

TEXAS

* Dallas-Fort Worth (2), Dallas-Fort Worth Regional.
Atlanta, Atlanta Municipal.
Crosbyton, Crosbyton Municipal.
Fort Worth, Meachan Field.
Lamesa, Lamesa Municipal.
Orange, Orange County.

UTAH

Roosevelt, Roosevelt Municipal.
Tooele, Tooele Valley Municipal.

VERMONT

None.

VIRGINIA

Chesterfield, Chesterfield County.
Manassas, Manassas Municipal.

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*Air Carrier.

**Reliever

*Air Carrier
** Reliever

WASHINGTON

Electric City, Grand Coulee Dam.

WEST VIRGINIA

Moundsville, Marshall County.
Petersburg, Grant County.

WISCONSIN

Neillsvile, Neillsville Municipal.
Park Falls, Park Falls Municipal.
(2) Projects with new run ways.
Tomahawk, Regional.
*Mosinee, Central Wisconsin.

WYOMING

None.

TRUST TERRITORIES

* Obyan, Saipan International.

By Mr. INOUYE:

S. 1973. A bill to amend the Export Trade Act and for other purposes. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, the 1970's will go down in history as a period of relative decline of the United States as a factor in the world economy. After many decades of soft living, we suddenly find ourselves facing serious economic competition.

The United States is no longer the world's leading exporter of manufactured goods. The U.S. dollar has been devalued twice and is under constant pressure in international money markets. In 1960, our share of free world exports was 18.2 percent, whereas in 1974 it was 12.7 percent. In 1971, we suffered our first balance of trade deficit since 1893. All of these developments underline the fact that we are now lagging behind many of our international competitors in seeking and developing markets and in helping our exporting community to sell the goods necessary to pay for our imports.

To be sure, some of this relative decline was the natural result of the maturing of foreign economies, but by and large it is a reflection of the fact that many foreign economies are growing much faster than ours and have developed a strong, sustained momentum. Even now, the per capita income of the United States trails Sweden, Switzerland, and West Germany, according to some estimates.

There are some individuals—academic theorists, Government bureaucrats, and others—who profess to be undisturbed about our weakness in international trade. They claim that floating exchange rates and payments adjustments will correct domestic deficiencies and that capital flows will take care of payments deficits.

To follow such a course would be an invitation to disaster. As a result of the worldwide recession, some of our major competitors have embarked on new, aggressive export programs. For example, the British have a program to protect their exporters against exchange rate fluctuations. The Japanese have decided to insure against companies 'losses in large construction projects. The natural result of these programs clearly will be to encourage their exporters to redouble their sales efforts.

I do not believe that we should blindly emulate our competitors. Some countries may be exporting more than they should. At the present time, however, the United States probably underexports. Fewer than 8 percent of our firms engage in exporting. With our unemployment rate creeping past 9 percent, more exports could provide us with additional job opportunities for the unemployed.

The atmosphere in the United States is not very conducive toward exporting. We have not had to devise incentives to encourage exports because of our traditional economic strength and the availability of domestic markets. However, as our economy becomes more dependent on international developments, we need to assess our policies and attitudes toward international economics.

One of the impediments to exports often cited by businessmen is U.S. antitrust laws, which by and large are much stricter than comparable foreign statutes and which are enforced much more stringently. Recognizing the potential need for American firms to collaborate abroad to promote sales or to combat foreign cartels, the Congress enacted the Export Trade Act of 1918, more commonly known as the Webb-Pomerene Act. This act permits companies to form associations to promote American exports abroad as long as such activities do not inhibit domestic commerce.

Although the act at one point was an important factor in our foreign trade, its use has declined for the last several decades. Several court decisions have narrowed its scope and have led to business suspicion about its efficacy. Moreover, there have been charges that the Justice Department is hostile to the Webb associations and that membership in such associations might attract undue attention by the Antitrust Division.

The veracity of these allegations has yet to be proven. What is clear is that the Webb Act is not used extensively and that members of the business community tend to believe that it does not presently offer as wide an exemption as they might wish or could utilize in competing against foreign cartels.

The Committee on Commerce's Subcommittee on Foreign Commerce and Tourism, of which I am chairman, has held hearings in the last two Congresses on amendments to the Export Trade Act which I had introduced to encourage more widespread use by American businessmen who feel at a disadvantage in international dealings. Before we begin to change radically our antitrust laws dealing with foreign operations, I strongly believe that we should first utilize those avenues already available to our business community.

Unfortunately, it is extremely difficult—if not impossible—to establish clearly why an American firm or firms lost an order and whether U.S. antitrust laws may have had an adverse impact. It is virtually impossible for a seller to determine whether he would have succeeded had he collaborated with other firms in a joint effort since any conclusion would be hypothetical and after the fact.

Opponents of the Webb Act have charged that the act has led to abuses and that the declining use of the act is evidence of its ineffectiveness. These allegations, too, are unfounded. Court decisions have, as I noted above, defined more precisely what is legally allowable behavior. Second, the infrequent use of the act may be more attributable to the attitude of the Department of Justice and Federal Trade Commission, which are either generally disinterested in or hostile to the act.

The bill which I am introducing today is precisely the same as section 15 of S. 1486, which passed the Senate in the last Congress but which died when the House adjourned without taking action. The changes have been effected with the collaboration of the Senate Antitrust Committee.

These Webb amendments would accomplish several objectives. First, the bill would authorize exporters of certain services to be included within the act. At the present time, there is serious question as to whether design and construction firms would be allowed to form Webb associations. This bill would remove that ambiguity. The rising importance of services in world trade makes this change a most important one.

Second, the bill would establish new procedures within the Federal Trade Commission whereby the Commission could restrict membership in a Webb association if an applying company would not benefit substantially or produce benefits for other members.

Third, the bill authorizes the Department of Commerce in consultation with the Chairman of the Federal Trade Commission to establish a program to encourage formation of Webb associations.

Finally, the bill requires the Chairman of the FTC and the Attorney General or their representatives to meet periodically to develop a clear policy with respect to Webb associations. This change will hopefully allow the formation of an unambiguous Federal policy with respect to these associations consistent with Congress intention to provide a means whereby American companies can compete effectively abroad with their foreign competitors.

The debate on the effect of our antitrust laws was succinctly described in an article which appeared recently in Industry Week. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS ANTITRUST SINKING U.S. TRADE EFFORT?

(By John H. Sheridan)

(Businessmen contend that the long reach of U.S. antitrust laws handicaps U.S. firms in world trade. They make a convincing argument that exports, joint construction projects, foreign joint ventures and acquisitions, and profitable licensing agreements are being forfeited. But they haven't convinced the right people.)

You're an antitrust lawyer for a U.S. company. One morning, the executive vice president summons you to a meeting in his office.

The firm, he explains, has been looking for a way to get a strong foothold in the European market. After some scouting, it has located a German company which is interested in selling a subsidiary. And that subsidiary has a product line similar to your company's.

"It will give us an immediate entry into the European market," he tells you, "a management team familiar with that market, and an opportunity to export parts made in our U.S. plants."

You mentally begin to search for a legal precent. You're well aware that U.S. antitrust laws have a long reach. But you also know that case law involving foreign ventures is pretty sketchy.

You recall that another company once ran afoul of the Justice Dept. in making a foreign acquisition; the takeover was interpreted by Antitrust Div. lawyers as eliminating a "potential competitor" from the American marketplace.

If your company consummates the deal involving that German company, perhaps the Justice Dept. won't intervene; the facts in your case don't directly parallel those contained in the precedent. But you simply can't be sure what the Antitrust Div.'s response will be.

Then the executive v. p. fires the big question at you: "Could we be asking for trouble?"

What do you advise? Take a chance? Go to the Justice Dept. and ask for clearance? Or kill the project?

If you're like many company lawyers, legal uncertainty makes you uncomfortable. Chances are you'll answer: "We'd better not risk it."

LOST OPPORTUNITIES

The Sherman Antitrust Act, the Clayton Act, and the Federal Trade Commission Act all include language extending their jurisdiction to commerce "with foreign nations." That extraterritorial scope, along with the interpretation put on it by the courts and enforcement agencies, makes the U.S. antitrust laws unique.

That long reach can be intimidating.

As a result, businessmen argue, many U.S. firms have passed up opportunities in the world marketplace. Facing the prospect—perhaps remote—of costly litigation, heavy fines, or forced divestiture, they've forfeited potentially lucrative export sales, technology licensing agreements, and joint engineering-construction projects—as well as overseas acquisitions.

In some cases, American companies have lost business to foreign competitors because the latter have been able to form consortiums and offer package deals, while the U.S. firms have had to bid independently. In other instances, the U.S. company's inability to enter into an agreement to divide world markets has scuttled plans to do business overseas.

U.S. businessmen see their foreign competition playing the international trade game under different, more lenient ground rules—with our balance of payments suffering the consequences.

Says one multinational executive: "The U.S. economy is being had."

"SO—SHOW US THE EVIDENCE"

So far, businessmen haven't been able to argue convincingly enough to pave the way for a relaxation of antitrust laws or a change in the enforcement posture of government agencies.

Why? Because the evidence is mostly hypothetical.

Both the Justice Dept. and the Federal Trade Commission (FTC) expresses a willingness to listen to the evidence. But they want to know about specific problems. They want to know which companies were prevented from doing what. Congressional committees also want specifics.

But specifics are the last thing company lawyers want to divulge. They shy away from anything that might attract the attention of the Justice Dept. or the FTC, especially the Justice Dept's Antitrust Div. (If pending legislation to expand those agencies' investigative powers is enacted, these company lawyers will be even more reluctant to do so. Hearings were held this month on S. 1284, the Antitrust Improvements Act of 1975, which would do just that.)

"There is a built-in barrier against willing documentation of the problem," says Nicholas E. Hollis, vice president of the National Assn. of Manufacturers (NAM) and manager of its International Economic Affairs Dept.

"Businessmen, and especially their lawyers, say the last thing they want to do is to put their heads in a noose by stepping forward and showing examples of where they came close to the line and backed off. Somebody might want to know about other situations where they came close to that line and then decided to proceed."

An antitrust task force of the U.S. Chamber of Commerce found that to be all too true. Its study, which culminated in a report issued in early 1974, concluded:

"American exporters and overseas contractors are unfairly and discriminatorily restricted by U.S. antitrust laws." Foreign countries, including Japan and the leading industrial nations of Europe, it said, "do not impose their antitrust laws upon their export trade, and indeed often encourage their exporters and contractors to combine in the national interest."

But the chamber cited no concrete examples of U.S. companies which were hindered. "Lawyers for businessmen," it pointed out, "discourage speculative evidence (on what might have been transacted), since they are concerned about the possible overzealous reaction by the Justice Dept. in launching unrelated investigations."

JUSTICE: NO SALE

The chamber sent a copy of its report to Justice. Several months later it received a lengthy—and predictable—response from Thomas E. Kauper, the assistant attorney general who heads the Antitrust Div. The task force conclusions he wrote, were "largely unfounded and unsupported."

Mr. Kauper pointed out that lengthy hearings were conducted by the Senate Judiciary Antitrust and Monopoly Subcommittee from 1964 to 1967, and that a number of private studies had been made. "None of these exhaustive efforts has unearthed any real impediments to U.S. foreign trade arising from the operation of antitrust laws," he said.

Further, he stated, neither the Antitrust Div. nor the FTC "has prosecuted a single joint venture or bidding arrangement to sell to foreigners in at least the last two decades." And, he added, "fewer than a dozen" domestic joint ventures have been challenged "out of the many thousands" formed during that period.

But no one can even begin to guess how many projects were scrapped before they ever got off the drawing board.

Often, export-related business decisions are "abandoned without anyone recording the reason why," says Howard MacAyeal, director of corporate projects at Eaton Corp., Cleveland. "It's not like a lost order, where you can go back and document why you lost it or why somebody else got it.

"To say that antitrust isn't a problem in world trade is like saying that cancer isn't caused by a virus," says Mr. MacAyeal, who—along with Eaton chairman E. M. DeWindt—participated in an informal antitrust study group under the President's Export Council. "It's just that nobody seems to have very much real tangible evidence that you can get your teeth into."

At least one member of the chamber task force found the lack of hard evidence "very troubling." Peter D. Ehrenhaft, an attorney with the Washington law firm of Fried, Frank, Harris, Shriver & Kampelman, says he considered filing a dissenting opinion.

In his work as an antitrust lawyer, Mr. Ehrenhaft says, "Never have I found a situation where antitrust laws have prevented an American firm from entering into the world market—where there weren't other reasons for the decision to stop or go.

"That isn't to say that antitrust considerations don't play a role in deciding which of several options to take, or how to structure an investment. But as a general rule I don't think one could make any kind of a showing that investments that should have been pursued were totally derailed because of it."

Mr. Ehrenhaft submits that companies don't regard possible Justice Dept. action as the "most worrisome aspect" of antitrust. "I think people are much more concerned about private, treble damage suits initiated by injured competitors. They have the knowledge and incentive. Triple damages are pretty adequate reward."

Keith Clearwaters, deputy assistant attorney general in the Antitrust Div., believes that companies frequently use antitrust as "an excuse not to support government policies"—such as urgings by the Commerce Dept. to increase exports. Often, he says, they're simply not interested in exporting, because the domestic market is quite large, easier to deal with, "and in some areas sheltered by trade barriers."

James Halverson, director of the FTC's Bureau of Competition, says: "Antitrust, particularly in the foreign market, is a great excuse for marketing failure. Many of our large companies do very well in foreign markets. The relatively inefficient companies don't do as well abroad."

Complaints from businessmen, he adds, "just haven't been that loud" compared with lobbying efforts on other issues. "You can probably find six or seven isolated instances [where antitrust has created problems], but you'd have to have a much more comprehensive analysis before you're likely to persuade us that antitrust exemptions should be broadened. . . . When you allow people to cooperate abroad, it somehow tends to slop over into the domestic market. Antitrust agencies are very skeptical of that sort of thing."

To unearth the kind of evidence needed to satisfy FTC or Justice, suggests Frederick Stokeld, associate director of the chamber's international group, "We'd need 500 people working on it full-time, I think."

But, he adds, the work of the chamber task force did accomplish one basic objective: "It got things stirred up."

NAM: PROTECTING THE WITNESSES

NAM has done a little more stirring.

A NAM study, published in mid-1974, generally agreed with the chamber's conclusions. But it went a step further in documenting its arguments: The report included 19 case studies illustrating that companies have been inhibited in overseas ventures.

The names of the firms involved, however, were withheld; to persuade the companies to provide the needed information, NAM had to promise confidentiality.

In a number of the examples, overseas ventures were abandoned because companies found their hands tied when they tried to protect established markets.

Take "Company No. 10." It had developed a high-level of technology, some of it covered by patents and patent applications. And it was looking for a way to capitalize on this technology in countries where it would have been impractical to build its own manufacturing plants. The logical answer seemed to be licensing its technology to a local overseas manufacturer.

But it didn't want the licensee to use that technology—along with low labor costs—to produce goods for export back to the U.S. or to the firm's other established markets. The U.S. firm feared it might be creating its own worst competitor. But antitrust laws, it concluded, prohibited entering into agreements to restrict marketing territories. Thus, a number of license negotiations were dropped.

NAM began its study with a survey. It received questionnaire responses from "several hundred" of the nation's major companies. More than 70% said U.S. antitrust laws had injured their international competitiveness. Follow-up input helped to pinpoint six major problem areas:

Difficulties with joint-venture formation.

Restrictions on licensing arrangements (such as those Company No. 10 encountered).

A serious problem of uncertainty, because "the boundary between legal and illegal action is ambiguous at best."

Inadequacies in the Webb-Pomerene Act (which provides limited antitrust exemptions for export associations).

Restrictions facing U.S. firms doing business with state-controlled trading companies, such as those representing the USSR.

Difficulties in coping with "the monopolistic policies of emerging foreign resource cartels."

The last two problems have become significant in light of fairly recent developments in world trade.

"The drastic change in world economic realities over the last two decades requires a reassessment of United States policy directed at maintaining industrial competitiveness in overseas markets," NAM argues. Rising energy import costs and the overall balance of trade and payments problem add to the urgency of taking a hard, new look, it adds.

In six of the last seven years, the U.S. "current accounts" balance of payments has been written in red ink. Last year, the payments deficit was slightly more than $4 billion.

That slippage, after years of surpluses, is a "strong incentive" to continue exploring barriers to foreign trade, "whatever those barriers are," says Vincent Travaglini, director of the Commerce Dept.'s Office of International Finance & Investment.

Mr. Travaglini isn't entirely convinced that relaxing antitrust curbs would make a significant trade difference. "Antitrust," he says, "is constantly cited as one of the hairshirts companies are forced to wear. We ought to continue examining that argument until it is either proved or disproved."

Both joint ventures with foreign firms and acquisitions overseas can open up new export opportunities for U.S.-based companies. And both can lead to antitrust difficulties.

NAM found the foreign joint-venture problem to be the most common. When the foreign subsidiary is less than wholly owned, "there are considerable antitrust vagaries, particularly when the proportion of U.S. parent ownership drops below the majority level."

Eaton's Mr. MacAyeal points out: "When the affiliate is less than majority-owned, it is no longer considered part of the same company—but, rather, a potential competitor." And because antitrust law restricts interplay between competitors, the parent firm's participation in the day-to-day decision-making of a minority-owned affiliate may be severely limited—perhaps to the point of threatening the success of the venture.

With the trend, in Latin America and elsewhere, to limit foreign ownership to less than 50%, the likelihood of potential antitrust problems of this nature is increasing. "It's one area where the U.S. enforcement posture needs to be clarified," Mr. MacAyeal says. Where constraints inhibit foreign affiliations, the probable result is "an export dampening."

Many joint ventures and acquisitions have avoided legal snarls. But how can you know when you're treading on dangerous ground?

The key is whether the move will lessen competition, either in U.S. markets or between U.S. firms engaged in foreign commerce. More precisely, it's whether the Justice Dept. has reason to believe that competition will be lessened.

Even a move which eliminates "potential" competition risks an antitrust suit, depending on the other circumstances.

Justice has challenged several cases involving foreign acquisitions, but as yet no court rulings have been issued, notes Mr. Clearwaters, who is leaving his Antitrust Div. post at the end of this month to enter private law practice with a Washington firm.

Domestic cases, however, have established the illegality of an acquisition which eliminates "potential" competition, he points out. In one case, Justice brought suit against Falstaff Brewing Corp., challenging its acquisition of New England's Narragansett Brewing Co. In a 1973 ruling, the U.S. Supreme Court found the acquisition to be anticompetitive.

With regard to foreign acquisitions, Mr. Clearwaters says, "There is really not much uncertainty. The same test will apply." The difficult question in such cases, he explains, is whether the acquired firm should be regarded as a significant potential competitor.

"The factual issues are the tough issues—determining such things as whether the acquisition will affect the behavior of firms already in the market, whether the market is concentrated, or whether the acquisition would make it difficult for other firms to enter the market," he says.

Although U.S. firms have to be careful that their overseas activities don't affect their competition at home, foreign countries are willing to overlook some degree of domestic impact—if they think the overall national interest will be served.

"The Europeans and Japanese tend to look at cartels, monopolies, and restrictive agreements in terms of the overall impact," says John Wagner, director of the Commerce Dept.'s Foreign Business Practices Div. "Where it will help the country to achieve a particular goal, they'll allow it. The Japanese are probably the most pragmatic. They seem to go to the greatest extreme in looking at what's best for the country."

Articles 85 and 86 of the Treaty of Rome contains the European Community's (EC) "antitrust" restrictions. They are tighter than most of the individual EC countries' restraint-of-trade laws—and they do have an extraterritorial reach. But, many argue, they haven't been enforced as rigorously as the U.S. laws have been.

EC countries have "tolerated" agreements to restrict markets or set prices "in some cases where a particular industry needs to be built up or protected from U.S. competition," Mr. Wagner notes.

"Other countries do recognize that monopolies and restraint of trade can be damaging. But they also recognize in many instances the greater good—in improved efficiency—that may result from cooperation or joint action."

Japan's antimonopoly law, for example, allows exemptions for "rationalization" cartels or "antidepression" cartels.

Fred Byset, a staff executive with the U.S. Chamber of Commerce's Antitrust & Trade Regulation Committee, explains that rationalization cartels helps to expedite production of goods for export: "A single industry may produce a product made of many components. Through the cartel, they'll tell one firm to produce what it makes most efficiently. And they'll tell the firm across the street to do what it does best. Then they put the product together at the lowest possible cost."

Because other nations arr more dependent on export trade than the U. S. is, "they have adopted national development policies which have specific export-import trade principles involved," Eaton's Mr. MacAyeal observes. "And they administer those principles in a conscious manner, whereas we don't."

A "SANDLOT PHILOSOPHY"

An obvious question arises. Why is it unthinkable in the U. S. to permit some measure of domestic "spillover" from international ventures if the net result is a *plus for* the nation's economy?

The question reflects a "sandlot philosophy," says Justice's Mr. Clearwaters. "The theory behind the sandlot philosophy is that if the other guys are allowed to gang up, then we should be allowed to gang up, too—that we should form cartels to combat foreign cartels.

"The problem with that theory is that a cartel does one of two things: Either it divides up markets or it raises prices over a competitive level. If you raise prices above a competitive level in international trade, by virtue of an American cartel, then you will probably wind up with less of the market than you had to begin with."

Mr. Clearwaters points out that the U. S. does have a "cartel program" of its own: the Webb-Pomerene Export Trade Act. "To that extent, we've gone along with the crowd. . . . But at least one Webb-Pomerene export association has been disbanded because it found that the purpose of the association, to raise prices, just wasn't realistic in the face of foreign competition."

WEBB EXEMPTIONS: NARROW, DUBIOUS

The Webb-Pomerene Act, adopted in 1918, was designed to put U. S. exporters on a more competitive footing worldwide. It provides conditional exemptions from certain antitrust restrictions for export associations, which must register with the Federal Trade Commission—and which must keep the membership door open. Participating companies can agree among themselves on prices and allocate world markets for exports, as long as competition in the U. S. isn't affected.

But the exemption is not widely used.

One reason for that, says William A. Bailey, is that the Antitrust Div. "has made it as difficult as possible for anyone to use the act."

Mr. Bailey, a former assistant general counsel for the FTC, administered the Webb act for 13 years until retiring from the commission last year. He says the frustration that built up over the years in skirmishes with the Justice Dept. contributed to his decision to leave his government post. He is openly critical of the Antitrust Div.'s attitude toward export associations.

"When it comes to Webb-Pomerene proposals, you can't get justice from the Dept. of Justice. They think that any time three people get together to do business outside of the U.S., it's a conspiracy against the American people," Mr. Bailey says.

Justice, he believes, has gone to unreasonable lengths to block formation of Webb associations. And companies which do form export associations are subjected to "surveillance" by the Antitrust Div. "They don't like that idea," he notes. Thus, many industries have shied away from forming Webb associations. And they view the antitrust immunity as hazy at best.

In other instances, willing companies have been denied Webb status because the enabling law is narrow in scope. It specifically exempts associations which are formed to export "goods, wares, and merchandise." But it doesn't mention anything about services, such as construction, engineering, financing, or management.

JUSTICE: "NO DEAL"

Mr. Bailey recalls one experience in which his interpretation of the scope of the law clashed with the Justice Dept. view. About ten years ago, he met with officials of the National Constructors Assn. (NCA) to discuss the possibility of a Webb association that would scout for joint engineering-construction projects overseas—such as erecting steel mills and petrochemical plants—and would coordinate participation by U.S. firms.

"They estimated that the opportunities we were losing amounted to about $2 billion a year in balance of payments," Mr. Bailey says. "Here we had the greatest technology in the world, but we weren't able to put it to work in foreign ventures because joint bids weren't permitted."

After reviewing the NCA request, Mr.

Bailey concluded the proposed association would qualify under the Webb-Pomerene Act, "since about half the total cost of these projects involved manufactured goods. . . . Then Justice took a look at it and come up with the most specious argument I've ever heard."

Justice objected on the grounds that services would be part of the "package." As a result, the association was never formed, though NCA is hopeful that legislation will yet be adopted to expand the scope of the Webb act.

In the last session of Congress, a measure sponsored by Sen. Daniel K. Inouye (D, Hawaii) was passed in the Senate as part of a larger export-related bill. It would have included engineering and construction under the Webb definition of "exports." The bill failed to clear the House, but Sen. Inouye is expected to reintroduce his proposal in the present 94th Congress.

"We have lost business," the senator said during hearings, "because in many cases we have been outorganized, outplanned, and outhustled."

In one case, an NCA staffer points out, several U.S. firms spent more than $1 million preparing separate bids on the construction of a steel mill in Brazil. That money went down the drain when a Japanese consortium got the job.

Under a Webb association, he points out, the American firms could have put together a package deal, thus enhancing their chances of winning the contract. What's more, bid preparation costs would have been reduced considerably.

Another primary advantage, he adds, is that a Webb association could provide commercial "intelligence" to locate potential projects on a continuing basis.

Mr. Clearwater says Justice would be willing to consider approving an association "to look for projects and cut bidding costs. But we'd have to look at whether or not there are spillover effects into domestic trade or U.S. foreign commerce."

If "spillover" were to be permitted, then the American consumer "would be subsidizing American firms who trade abroad—in the price he pays for goods," he says. "I doubt that the American consumer is ready to do that right now. And I wonder whether he should."

IS A WEBB ASSOCIATION NEEDED?

It may be advantageous to form a consortium to build turnkey projects, Mr. Clearwaters believes. But, he points out, it often isn't necessary to form a Webb association to do so.

"If it is necessary to put a turnkey project together to get a contract, then certainly American firms should be allowed to engage in those kinds of joint ventures," he says, "And they have been allowed."

Mr. Kauper at Justice, in his letter to the chamber, emphasized that where the size of a project or the risks involved are so great that one company cannot undertake it alone, "it will be held to be legal . . . under U.S. antitrust law."

"It is when the joint venture is proved to have been a device for suppressing individual competition which otherwise could or would have occurred, or for excluding competitors, that the transaction will raise serious problems."

It would be reasonable, Mr. Clearwaters adds, to allow a joint undertaking—even in cases where separate bidding might be also feasible—if the joint approach will improve the American firms' chances of winning the contract.

If companies believe there is justification for a joint venture, but they're worried about the legality, they can get an opinion by using Justice's Business Review Procedure. "It's tailor-made for foreign construction projects," Mr. Clearwaters says.

Just as Justice is skeptical about what actually happens when companies are permitted to compare notes, businessmen are wary of the review procedure.

They raise three major objections:

The time they spend waiting for an answer from the Justice Dept. might cost them whatever chance they have of concluding the transaction.

If Justice does give a project a clean bill of health, there is no guarantee it won't renege at a later date. And changes in Antitrust Div. personnel can bring changes in attitudes as well.

Because of a 1974 revision in procedures, Justice will now make its Business Review findings public—in effect, tipping off the competition to what a company is up to.

"Generally," observes Mr. Bailey, "the review takes several months. And when a Webb association is involved, it may take a decade. By the time Justice is finished looking at a proposal for, say, a petrochemical plant, it will probably already have been built by the Japanese.

"Even then, you'll probably get a letter which doesn't really give you an answer."

Several years ago, a group of engineering firms seeking to form a consortium to look for projects in Southeast Asia, received a letter from Justice which said: "The department . . . does not *presently* intend to institute any criminal antitrust proceeding." But it explained that civil action would be taken if "subsequent developments" warranted it.

Mr. Clearwaters contends, however, that the track record shows that "the Business Review letter is a strong commitment on the part of the government"—though it offers no guarantee against suits by private litigants.

"We've never brought a criminal case following the issuance of a Business Review letter," he points out. Civil action has been taken, however, to enjoin continuation of an activity on which the Antitrust Div. later discovered it "hadn't been given all the facts," he adds.

Publicizing review information is "a serious problem," says NAM's Mr. Hollis. "If Justice makes your plans public, it tends to give your competitors an advantage. They'll know who you are, but you won't know who they are."

Mr. Clearewaters explains, however, that where disclosure of information poses a "substantial business risk" to the company involved, Justice has a procedure for keeping it secret. "But the company has to make a showing that it would create a risk."

Justice decides whether adequate cause for nondisclosure has been shown. "Few companies," NAM points out, "will be willing to entrust the Antitrust Div. with the final decision concerning confidential business information in return for a Justice opinion of uncertain benefit or duration."

It's another stalemate, perpetuated by the mistrust between adversaries.

Business fears of fickle enforcement by the Justice Dept. have inhibited a common effort to measure the extent to which antitrust is a barrier to international trade—and to find ways to resolve the various problems.

Dialog between the business community and the Antitrust Div.—in a nonadversary atmosphere—can help. And a start in that direction has been made by the President's Export Council's antitrust study group. In one session, top Justice and FTC officials met with business leaders for an informal, exploratory discussion.

"Perhaps," says the chamber's Mr. Stokeld, "the business community hasn't made enough of an attempt to meet Justice halfway, to talk things out and explain what the problems are." He sat in on the Export Council session and concluded: "The people at Justice can listen—and there are flexibilities in the system." Through such exchanges, he believes, businessmen might become "a little less paranoid" than they have been.

"It is time," says NAM's Mr. Hollis, "for dialog not only between business and Justice—but also between Justice and other government agencies, so that justice isn't operating in a vacuum."

The dialog, he suggests, should focus on two goals: giving business "a clear indication" of what it can do and establishing "a consistent national economic policy." It makes little sense, he thinks for the Commerce Dept. to promote increased export activity while the Justice Dept. thwarts export opportunities.

"There is a tendency" Mr. Hollis says "to look at antitrust with some degree of tunnel vision. We're not saying we want our system restructured to match the Japanese—but a more positive, more flexible approach is needed."

Mr. Clearwaters agrees there is a need to explore possible problems, and in ways other than the Business Review. Justice, he notes, participated in a Commerce Dept. effort to prepare a "white paper" on technology transfer and joint research affecting foreign commerce.

"If a misunderstanding exists, that's a problem," he says. "If an American businessman feels he's hampered when he really isn't—that antitrust is a tar baby that he just doesn't want to tangle with—then frank and open meetings can be invaluable."

Court Rulings With International Clout

Case, activity, and principle established:

DIVIDING MARKETS

U.S. v. American Tobacco Co. (1911). Agreement between U.S. and British companies to divide markets. A British firm involved agreed not to export to the U.S. Allocation of markets illegally restrained trade. All parties to the agreement, including the British firm were held to have violated the Sherman Antitrust Act,

U.S. v. General Electric Co. (1949). Patent-licensing agreement between GE and a Dutch firm, N. V. Philips, which included territorial restrictions. (Philips agreed not to sell for import into the U.S.) Licensing agreements which include restrictions limiting competition in the U.S. are illegal—and the application of the law extends to foreign firms, whether or not their intent was to restrain U.S. trade. (The court held the agreement strengthened GE's lamp monopoly in the U.S.)

Timken Roller Bearing Co. v. U.S. (1951). Joint venture between Timken and a British bearing firm to create a jointly owned French subsidiary. A joint-venture approach does not justify agreements between the partners to allocate world markets and restrict imports to the U.S.

U.S. v. U.S. Alkali Export Assn. (Alkasso) (1949). Agreements made between Alkasso, an alkali-exporting association of U.S. firms, and foreign competitors. Export associations formed under the Webb-Pomerene Act antitrust exemption cannot execute cartel-like agreements with foreign competitors to divide world markets or to "indirectly" fix prices in the U.S.

U.S. v. Imperial Chemical Industries, Ltd. (1952). International joint venture between Imperial, a British firm, and Du Pont, involving use of patent licenses. A joint venture, which in itself may be legal, cannot be cemented by "ancillary" agreements to divide markets.

BLOCKING COMPETITION

U.S. v. Penn-Olin Chemical Co. (1964). A domestic joint venture between two U.S. firms, Pennsault Chemicals Corp. and Olin Mathieson Chemical Corp., to produce and sell sodium chlorate in the southeast U.S. Section 7 of the Clayton Act, designed to thwart monopolies in the early stages, applies to joint ventures as well as mergers. Ventures which would eliminate potential competition between the partners—or create "barriers to entry" by outside competitors—illegally restrain trade. (The precedent is viewed as applicable to foreign ventures which may diminish competition in U.S. markets.)

U.S. v. Falstaff Brewing Corp. (1973). Acquisition by Falstaff of Narragansett Brewing Co., a major New England brewery. The scope of Section 7 of the Clayton Act includes acquisitions which eliminate "potential" competition in a U.S. market. (Though Falstaff argued it would not otherwise have entered the New England market, the Supreme Court nonetheless viewed Falstaff as a potential competitor to Narragansett.)

RESTRICTING U.S. EXPORTS

U.S. v. Minnesota Mining & Mfg. Co. (1950). A two-pronged joint venture by nine U.S. abrasives manufacturers to: (1) establish an export association; and (2) create a foreign joint subsidiary in Europe. Parties agreed not to sell individually in Europe. The Webb-Pomerene export association exemption did not "immunize" the joint venture in Europe from the Sherman Act, since the move would restrict exports from the U.S. (The court also suggested the "intimate association" among the firms in manufacturing operations "may inevitably reduce their zeal for competition . . . in the American market.")

SOURCES: Earl W. Kintner and Mark R. Joelson, An International Antitrust Primer (Macmillan, 1974). National Assn. of Manufacturers, "The International Implications of U.S. Antitrust Laws," 1974. Thomas W. Kauper, assistant attorney general, Justice Dept., letter of Apr. 26, 1974.

By Mr. INOUYE:

S. 1974. A bill to authorize the mailing of absentee voting matter free of postage. Referred to the Committee on Post Office and Civil Service.

Mr. INOUYE. Mr. President. I rise today to introduce a bill to authorize the mailing of absentee voting matter free of postage.

The individual act of voting is at the heart of our democratic system of government. Universal participation in the voting process is an ideal which this legislation hopes to further realize. Today, a significant proportion of ballots are cast in the absentee category. By providing for the free mailing of absentee voting material voter participation would be greatly encouraged. The cost of postage for many of our Nation's citizens and especially among the elderly may prevent them from exercising their fundamental franchise. This measure will remove this impediment and facilitate the freedom of expression through the ballot.

The bill by amending the Postal Reform Act of 1970 authorizes an official or agency of a State or political subdivision thereof empowered to administer the election laws of that State or subdivision thereof, to disseminate absentee voting material without postage. Similarly, an absentee ballot application and the ballot itself may be mailed free of postage. This legislation would extend the privilege of free postage which Congress has previously granted to persons residing outside of the territorial limits of the United States and the District of Columbia under the Federal Absentee Voting Assistance Act, U.S.C.A. title paragraph 50-1151.

In view of our desire to increase voting participation, this measure would be constructive in securing for all Americans the ability to use the absentee ballot.

By Mr. INOUYE:

S. 1975. A bill to increase the criminal penalties for the commission of a crime of violence while armed with a firearm. Referred to the Committee on the Judiciary.

Mr. INOUYE. Mr. President, today, I am introducing a bill which is designed to make minimum sentences mandatory for those persons convicted of employing a firearm or other weapon in the commission of a crime of violence in the United States.

The ever-increasing cycle and scale of violence in our country simply cannot be allowed to continue. I feel compelled to personally speak out against the failure of our laws—and our citizens—to sustain a society where "domestic tranquility" is insured and where everyone can safely pursue their life's work and goals.

Is tranquility and safety inherent in today's America? I should say it is not. Lockmakers and companies that install window grills and iron bars are doing a booming business as more and more Americans try to literally make fortresses out of their homes. Tension and mistrust are now the prevalent mood of our society. People are scared and worried. And they have every right to be.

America's serious crime rate soared 17 percent in 1974—the largest jump in 14 years. This was more than twice the 6-percent increase in 1973. In 1972 the crime rate had actually decreased 4 percent. At the heart of the crime problem is the evermore prevalent use of guns—especially handguns—by those committing the crime. Without these guns, today's crime rate and level of violence as we now know it would simply be impossible. Most people in America fully realize this. The latest polls show that between 70 and 80 percent of the citizens of this Nation favor stricter controls or outright prohibition of handgun ownership. With more than 40 million handguns in private and public possession, the complexities of efficient registration and control become very difficult, if not impossible. Yet, every year more than 2.5 million new handguns are purchased and add to the problem.

Crime in America is fast becoming carnage. Handguns are the weapons used in more than half of the murders in the United States. About one of every four aggravated assaults and one of every three robberies involve a pistol. Yet, a governmental means of systematically and effectively controlling this vast arsenal still seem far off.

Law-abiding Americans argue that they need guns to protect themselves against armed criminals. These rightfully alarmed people claim that society and the police cannot effectively protect them from the violence that could easily befall them. This argument—and their fear—cannot and should not be dismissed out of hand. Their fears are echoed throughout the Nation. Violence, especially criminal violence, should be a matter of concern for everyone. Not one of us is immune from its terrible potential. You or I could be the target of a violent crime tomorrow.

The arguments for or against possession of guns by private citizens are inappropriate here. My bill is aimed point blank at the armed criminal who actually commits a crime. In the next few years, it is apparent that the shocking toll of violence on our streets will continue unhampered unless something is done today to check it.

I am neither a criminologist nor a penologist. But it is common knowledge that captured criminals are often back on the streets on bail the next day. Many crimes are committed by repeaters who are allowed to plea bargain away the charges of a more serious crime in exchange for information or whatever. The cycle simply goes on and on, and its impact on each and every citizen of this Nation is steadily becoming more serious. It must not be allowed to continue.

Some schools of jurisprudential thought have reservations about mandatory minimum sentences. They argue that judges want to have full judicial discretion as to the sentencing of serious criminals. Unfortunately, for many reasons, many judges do not feel that violent crimes with a weapon deserve an insured, maximum sentence. However, I do.

Although some judges may decry that this bill would deprive them of their traditional powers, I do not agree. I strain to hypothesize a situation where a violent crime is committed with a gun or other weapon where the person should not have been deterred from such action and should not be restrained and rehabilitated.

This is not gun legislation. This is gunman legislation. Only potential or actual criminals need fear its provisions. The punishment imposed is certain and prolonged. Those who derive their power over persons and property by use of a gun or other weapon are soon to learn that they have no such right to threaten or interfere with the rights and freedoms of others. The line must be drawn clearly. The punishment for violent crime must be certain and severe. People living in fear of their own personal safety cannot hope to exercise basic democratic freedoms. And without the unrestrained exercise of democratic freedoms, our system of government cannot long endure.

Mr. President, I request that this bill be referred to the appropriate committee for consideration and prompt positive action.

By Mr. HARTKE (for himself and Mr. HATFIELD):

S. 1976. A bill to establish an educational institution in the United States fulfilling the goal of the Nation's first President, George Washington, to further the understanding of the process and state of peace among nations and cooperation between people; to consider the dimensions of peaceful resolution of differences among nations; to train students in the process of peaceful resolution of differences; to inform governmental leaders of peaceful methods of conflict resolution; and for other purposes. Referred to the Committee on Labor and Public Welfare.

GEORGE WASHINGTON PEACE ACADEMY ACT

Mr. HARTKE. Mr. President, today I have the great honor of introducing a bill to establish the George Washington Peace Academy in the United States to further the understanding of the process, state, and art of peace among nations and between peoples, to consider the dimensions of peaceful resolution of differences among nations, to train students in the process of peaceful resolution of differences, and to inform governmental leaders of peaceful methods of conflict resolution.

We in America have come to the celebration of our first 200 years with the basic tenets of life, liberty, and the pursuit of happiness, which our forefathers set for us as a people and a nation, firmly established in our fabric. Let no nation, no people, no friend or foe dare doubt the fabric of America.

The year 1976 shall witness vast local and State celebrations in all corners of America and the Nation's Capital, by all Americans, regardless of their political ideology. That is and will continue to be why America is a democracy for all people and all seasons.

While it is impossible to fully consecrate the ideas and ideals of Americans for the past 200 years which have gone into our fabric, it is within our capacity and understanding to pay respect to the storehouse of blood, sweat, and tears that Americans have given to the cause of liberty they have held so dear. We may not be able to here touch the brow of every man, woman, and child who have touched America, who have worked in the fields and mines, who have worked on the assembly lines and in the factories, who have built America and tamed its plains and meadows, who have walked the corners of America tall, proud, and honored to be a part of this vast experience with democracy and liberty, and who have selflessly worn the uniform of liberty and justice for all with great sacrifice of their lives, fortunes, and time.

But we can now look to the past for wisdom, guidance, and courage while standing on our firm foundation, and begin to build a new wing which will study and understand the process of peaceful resolution of differences between nations as conflicts may arise.

It is altogether fitting and proper that the Congress pass and the President sign S. 1976, to establish the Academy, as the first piece of legislation for the 1976 celebration. Peace among nations and understanding between peoples are paramount national goals that we the people should dedicate ourselves to as we look forward to our next 200 years.

Nearly 200 years ago, George Washington frequently wrote about peace. In order to fully appreciate the man for all seasons that was our beloved first President, it is appropriate that we examine his writings to better appreciate his brotherly love. In a circular to the States, June 8, 1783, George Washington wrote:

> As there can be little doubt but Congress will recommend a proper Peace Establishment for the United States. . . .

He did not entirely leave the cause of peace to the Congress, but in 1779 he charged the people to the task:

> I trust the goodness of the cause and the exertions of the people under divine protection will give us that honourable peace for which we are contending.

George Washington not only directed the attention of the people and Congress toward peace, but he earnestly believed and stated in a circular to the States in 1783 that peace should be a cornerstone, a pillar, of the new Nation.

> There are four things, which I humbly conceive, are essential to the well being, I may even venture to say, to the existence of the United States an an Independent Power: first, an indissoluble Union of the States under one Federal Head. Secondly, a Sacred regard to Public Justice. Thirdly, *The adoption of a proper Peace Establishment,* and fourthly, the prevalence of that pacific and friendly disposition, among the People of the United States, which will induce them to forget their local prejudices and policies, to make those mutual concessions which are requisite to the general prosperity, and in some instances, to sacrifice their individual advantages to the interest of the Community.
>
> These are the Pillars on which the glorious Fabric of our Independence and National Character must be supported; Liberty is the Basis, and whoever would dare to sap the foundation, or overturn the Structure, under whatever specious pretexts he may attempt it, will merit the bitterest execration, and the severest punishment which can be inflicted by his injured Country." (emphasis added)

President Washington's policy was truly one of peace, with the rest of the world. In 1774, he stated to the House of Representatives:

> My policy in our foreign transactions has been, to cultivate peace with all the world; to observe treaties with pure and absolute faith; to check every deviation from the line of impartiality; to explain what may have been misapprehended, and correct what may have been injurious to any nation; and having thus acquired the right, to lose no time in acquiring the ability, to insist upon justice being done to ourselves.

And in 1798 he wrote to his friend, Reverend Boucher:

> Peace, with all the world is my sincere wish. I am sure it is our true policy and am persuaded it is the Ardent desire of the Government.

George Washington, who commanded and led the Continental Army, was a man deeply devoted to peace. When he died in 1799, his last will and testament bequeathed in perpetuity, 50 shares in the Potomac Co. "toward the endowment of a university—under the auspices of the general Government." This was intended to be the proper "Peace Establishment" President Washington wrote about in 1783. Unfortunately, shortly after Washington's death, the Potomac Co. ceased to exist, leaving frustrated his intention and gift.

Just as it was the ardent desire of our first President to have the people, the Government, and the world know that the new and independent Nation sought a course of peace, it is now important to the moral base this country takes as it approaches her next 200 years to establish with George Washington's zeal a fervent commitment to the study of peaceful existence among nations.

Mr. President, we in America, born into liberty, dedicated to the proposition that life should be cherished, and firm in our belief that the pursuit of happiness by our fellow man is a goal that should be cherished, set our sails upon a course that will lead the universe of humanity by our deed and our tasks to begin to fully understand peaceful relations among nations.

It is not enough for a nation of free men to discuss the concept of "peace" with little understanding of the process, the state, or the art. We continuously read that peace may come to an area, though the area is not in war, and that an area may find peace though it is in open aggression. Little is known or understood about peace.

The reason seems clear upon careful examination. The concepts of war and strategies are used not only in daily discussion but in the discussion of peace. It is inescapable that the vocabulary of war is the vocabulary of peace. Such as it is, we must use the present to build the future and a vocabulary of peace shall hereafter gain in stature.

It is no less noble to die for peace than for war. The courage and conviction of Thomas Dooley and Albert Sweitzer were not less than the courage and conviction of Sergeant York and Audie Murphy. Those soldiers who have worn the uniform of their country with valor and honor have no less courage or conviction when they return to Gadsden, Ala., Wichita Falls, Tex., or Everett, Wash., and resume their lives.

Is it more noble to take a life or stop the taking of a life? No war is a memorable experience. The veterans of foreign wars of this Nation know better than any others the heartache, misery, and sadness associated with war. We have experienced battle on four occasions in this country, and the veterans of America famously and courageously were there when America needed them. They will be there to defend freedom when their valor is called upon.

I do not here lessen nor minimize the significance of the actions, past and future, by America's servicemen with the introduction of this bill.

It is important to note that not all cases of open conflict may lend credence to peaceful resolution of differences. The attitudes of certain leaders and countries may be beyond the use of peaceful resolution. It is, therefore, axiomatic that this Nation maintain a strong defense to protect the values we hold so dear.

Mr. President, to the contrary, with the establishment of the George Washington Peace Academy this Nation shall not lessen its guard nor its honor nor its defense of freedom and liberty. As you are aware, the Congress earlier this session passed defense authorization legislation at record levels. The capabilities of the defense posture of the United States are at record levels.

With the quality and quantity of our

defense capabilities, we now have the opportunity to study in a new academic community whether or not peaceful resolution of differences is feasible. With the establishment of the Academy, the dimensions of the concept "peace" will be explored to fully acquaint the leaders of this country and the world with the process, state, and art of peace.

The birth of an institution, no matter how large or small, passionate or calm, sacred or despised, must understand the dimensions of its pursuit, of its spirit, and of its ambitions. The birth of the George Washngton Peace Academy is no exception.

In order to fully place into the perspective of peace the interests of the great scholars of the Western World, I examined the works published in the "Great Books of the Western World, "To my surprise, regrettably, the "Syntopicon of the Great Ideas," published as a study guide to the 'Great Books," had as one category "War and Peace." I then examined the 11 categories of discussion within the chapter, and found but one, the last one, that addressed the question of peace.

The establishment of the Peace Academy is more than the birth of an institution, it is the birth of a study of a relationship between nations, a relationship wherein conflicts are resolved in a manner other than with the use of force, that is thousands of years overdue.

This is a relationship that was called for by our late President, Franklin Roosevelt, in an address he was preparing to deliver when he died. President Roosevelt said:

> We are faced with a pre-eminent fact that if civilization is to survive, we must cultivate the science of human relationship—the ability of peoples of all kinds to live together and work together in the same world, at peace.

Peace has been the desire of former Presidents, and notably, the last President, Dwight Eisenhower, who knew the sacrifices and sadness of war better than anyone, called for an intercultural exchange to better understand the similarities and differences that exist between cultures and nations. The Eisenhower Exchange Fellowship was created in honor of the late President to foster these ends.

In our pursuit, universal peace among nations and between peoples must be our purpose. The machinery of peace that we establish with this legislation must be capable of borrowing the methodology of many disciplines, and ascertain the character and personality of nations and cultures. Some have said the science of right is pure reason. Often, though, pure reason does not provide the leverage and flexibility that is needed to examine the characteristics of each party of the concern. Psychological and sociological methodology may lead the students of the Peace Academy to discover new relationships between cultures and governments.

The Peace Academy is set up to guarantee absolute academic freedom by the faculty and students.

The Academy will have a two-fold purpose. First, the Academy will train individuals in the development of a posture which would serve to relieve the tension of a conflict situation. The arts of negotiation, arbitration, mediation, and conciliation will be explored so as to extrapolate from their methodologies a new art of resolution to be utilized. It will present the facets and factors of any given dispute in the appropriate intercultural context by an international communication system before the appropriate forum to determine a peaceful or nonviolent resolution of the difference.

The Peace Academy as established is without direct political influence. An academy should not directly influence the political character of a nation, but should engage in the study of the characteristics and dimensions of a project.

Such a course is not political in content or in function. It is an art with natural and scientific consideration. A political characterization remains within the political system. In a democracy, the people determine their leaders and the policies the leaders shall adopt. Our system serves to represent the wishes of the people, as expressed by their votes.

We are all aware that the means and methods of devastation of life available to developed nations, and increasingly becoming available to developing nations, insure that future conflicts will be even more costly of lives than those of the past. This is a concern to all of us, and should not be forgotten as we consider the establishment of the Academy as an institution to study and understand conflict situations.

As I have mentioned before, there is a need for an intense study of the dimensions of peace among nations in order to inform decisionmakers of alternative resolutions to conflict situations. The philosophy of peace does not have boundaries nor bases which can be understood within the academic community. It is important that peace be considered in total as an interdisciplinary study which will explore the many disciplines of which a few are the following: political science, economics, psychology, sociology, anthropology, history, law, geography, demography, linguistics, inter-cultural communications, international relations, ethology, physics, philosophy, and literature. This exploration will result in the development of new methodologies and new understandings.

It would be a mistake to limit or specify the areas of study too narrowly. The study of the relationship between nations which may rightly fall within peaceful resolution of differences should draw from the methodologies utilized by existing disciplines to develop new approaches and understandings of conflict situations. Present peace studies consider many of these disciplines, but the interdisciplinary consideration that is necessary to fully understand the concept "peace" and prepare individuals in the operational skills needed to resolve conflict situations, has not materialized.

The empirical and historical nature of the process of peace should be examined through existing disciplines and new disciplines on an interdisciplinary basis to understand the cultural, natural, regional, and international context which caused conflicts previously, and will inevitably lead to conflict situations in the future. It is important to study available historical data to fully understand why any two nations may enter a conflict situation.

After such an extensive and exhaustive study has been done, avenues to peaceful resolution and existence of nations and peoples between and among themselves will emerge. Many avenues are now known and used by this Nation's leaders and leaders throughout the world. But many avenues will be developed through the extraction of these existing methodologies which should be analyzed and utilized to increase the likelihood of peaceful resolution of differences.

It is important that the Academy then pursue its second purpose which is to train individuals in existing methodologies, but more importantly, in new methodologies which will be extracted from the arts of negotiation, arbitration, conciliation, and mediation. These trained resolvers will then be available to be used by our Government, if it politically chooses, international organizations if the proper forum is available, and in new entities which the graduates of the Academy shall surely establish to deal with conflict situations.

The ingenuity of the Academy graduates will develop entities composed of trained resolvers to enter into resolution of differences in a conflict situation when one or more of the parties to the conflict shall call upon them. Team concepts may be developed which shall be comprised of individuals with highly trained skills to enter into conflict situations.

It is also important to note that international communication systems which have expedited the flow of information, culture to culture, should be evaluated and studied to determine their impact on conflict situations. The intercultural aspects of conflicts, historical and contemporary, must be understood in order for conflicts to be resolved peacefully.

Another aspect of the Academy shall be the instruction by seminars and classes of governmental officials from established agencies, departments and offices. This shall provide current information to decision makers as conflict situations develop in the international community which affect America's foreign policy.

More importantly, the Academy is established to bring to the attention of our Government's leaders current information and developments by the Academy. The governing body known as the Board of Trustees shall be composed of 34 members as follows: the President; the Secretaries of State and Health, Education, and Welfare; the chairmen of the Committee on Foreign Relations of the Senate and International Relations of the House; the U.S. Ambassador to the United Nations; the Chairman of the

Federal Council on the Arts and Humanities; four members appointed by the President pro tempore of the Senate; four members appointed by the Speaker of the House; the Chancellor of the Academy; and 18 members appointed by the President upon the recommendation of an advisory council made up of leaders in the academic community and persons recognized for their prominent association with the advancement of international cooperation and the peaceful resolution of differences among nations. The Board is composed of a broad section of governmental leaders and experts in conflict resolution situations in order to bring diversity to the governing body.

The actual administration of the Academy is placed with the Executive Committee which shall consist of the Chancellor, the Deans of the Faculty and Students, four senior professors, and four students. This cross-section representation shall provide the administration with the views and wisdom of those in the academic pursuit at the Academy who are most knowledgeable of the work and developments within the science.

Peace studies have accelerated within existing academic institutions but on a disciplinary basis. The Academy shall have the authority to make grants to postsecondary educational institutions to further their studies and pursuits. The work of the Academy shall supplement the work of existing institutions. They shall not be in conflict, but shall exchange studies and research projects. This is most important in order to explore to the utmost knowledge present and to be developed on conflict situations.

The idea of an Academy and of such an exchange is not new. The current arrangement that exists with the military academies shall provide the necessary guidance and foresight that will be used to make grants to existing educational institutions pursuing peaceful resolution of differences as a study.

The Academy shall appoint on a full or part-time basis such other assistant and associate professors, visiting professors, foreign professors, officers, staff, instructors, and other personnel as the needs of the Academy require. The Chancellor may grant a leave of absence to members of the faculty for periods of study or sabbaticals at other educational institutions.

The students shall come to the Academy from three sources. Each Senator, Representative, and Delegate in the Congress shall nominate two candidates to take a competitive examination for admission to the Academy. The Board of Admissions shall prepare the examination, and establish other criteria of excellence which it shall use to determine which students the President should appoint.

Between 10 and 20 percent of the students shall come from foreign countries. This is an important international application of the intercultural exchange that the Academy shall represent. Presently, Sweden, Norway, and West Germany have nationally supported peace research institutions. Extensive work is underway in Canada, and the new United Nations University to be established in Tokyo shall also examine many aspects of peaceful resolution.

The remainder of the students shall come from individual applications directly to the Academy. They shall also complete the competitive examination and meet the criteria established by the Board of Admissions.

The Academy shall have no more than 500 full-time students at any given time. The Board is authorized to limit the number of students admitted to the Academy according to the capability of the Academy to adequately accommodate them.

The students shall sign an agreement that if the student completes the course of instruction and training at the Academy, the student will serve in a public or private nonprofit agency or international organization, or with an agency, office, or department of the Government in any area approved by the Executive Committee for a period not to exceed 2 years. While many students shall seek entry into our Government, others will enter international organizations. Students admitted from foreign countries shall either enter service in their respective governments or with an international organization.

The cost of the Academy is small in comparison to existing like entities and governmental programs. Locations and facilities have been mentioned which may be donated to the Government for the Academy. If the Government accepts an existing facility, the cost shall be limited to faculty salaries, student stipends, and administration costs. Such costs to the Government shall be minimal. Grants that the Academy shall make to existing educational institutions carrying on peace research shall depend upon the budgetary process which Congress shall determine. Applications for grants approved by the Academy shall be included in budgets submitted to the Congress for congressional approval.

But more important, the cost effectiveness of the Academy is immeasurable. The cost to our taxpayers and to other peoples and governments involved in conflict situations goes into the trillions. The peaceful resolution of a single conflict which otherwise would have resulted in overt determination would more than offset the long-term cost of the Academy. This is important to keep in mind with the austerity approach many are pursuing on Government spending. Moreover, donations, bequests, and other sources of income to the Academy shall reduce the overall cost to the Government.

I would be remiss if I failed to address the question that will often be asked: whether such an institution with a national background will be able to establish international credibility?

We dare not let speculation of credibility less our spirit. Of course, those who are associated with the Academy will in part determine its credibility. But more importantly, the discussion of peace that the Academy will generate and the trained individuals who will go into the world from the Academy, will significantly contribute to our quest for peace. Some have speculated that with the establishment of the Academy in the United States, other countries, some of different ideologies, will also establish peace academies.

Mr. President, I have not touched on all these aspects and considerations that must be well thought out by the Congress prior to passage of bill S. 1976. Hearings which will hopefully be pursued during the next few months in the Labor and Public Welfare Committee shall fully consider the Academy, its structure, and purposes. I shall bring to the attention of my colleagues additional information as it becomes available.

With our Bicentennial celebration nearly upon us, it is important that the Congress expeditiously consider this bill, in order that it will be the first legislation enacted during 1976. As I said earlier, there can be no more fitting or proper celebration than the birth of an institution which will study and explore avenues of peaceful resolution of differences between nations and peoples.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "George Washington Peace Academy Act".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. The Congress finds and declares that—

(1) it is essential to the United States that peace among nations and cooperation between peoples be paramount national goals;

(2) that people borne into liberty, dedicated to the proposition that life should be cherished, and firm in their belief that the pursuit of happiness is a fundamental right, should examine and determine methods for peaceful resolution of conflicts;

(3) history is replete with instances of the overt resolution of differences between nations and groups of people;

(4) that means and methods of destruction of life available to developed nations, and increasingly becoming available to developing nations, insure that future conflicts will be even more devastating than those of the past;

(5) there is a need for a study of the dimensions of peace among nations of the world in order to inform decisionmakers of alternative resolutions to conflicts;

(6) there is a need to inquire into the empirical and historical nature of the process of peace and to examine the disciplines in the social, behavioral, and physical sciences and the arts and humanities to extract methodologies which will provide information and new techniques to develop alternatives to conflict situations;

(7) that avenues to the peaceful existence of nations and peoples between and among themselves are many and varied, some known, others unknown, which should be analyzed and utilized, to increase the likelihood of peaceful resolution of differences;

(8) it is necessary to train and instruct individuals in methods of resolving conflicts among nations by utilizing avenues of peaceful cooperation and understanding;

(9) peace studies have accelerated within existing academic institutions on a disciplinary basis without the full interdisciplinary inquiry that the Academy will pursue, which disciplinary studies should be encouraged;

(10) that governmental leaders should be informed of the dimensions of peace, and alternatives should be available to resolve conflict situations;

(11) international communication systems which have expedited the flow of information, culture to culture, should be evaluated to determine behavioral alteration and ascertain patterns of influence on relations among nations.

DEFINITIONS

SEC. 3. As used in this Act the term—

(1) "Academy" means the George Washington Peace Academy established under this Act;

(2) "Board" means the Board of Trustees of the Academy;

(3) "Executive Committee" means the Executive Committee of the Academy; and

(4) "School Year" means an eleven-month period in each calendar year as established by the Board.

ESTABLISHMENT

SEC. 4. (a) There is established in the United States of America an educational institution which shall be known as the "George Washington Peace Academy". The Academy shall instruct and train for service in peaceful resolution, and international development and cooperation activity, selected persons to be called peace academy students. The organization of the Academy shall be prescribed by the Board of Trustees.

(b) The administration of the Academy shall include—

(1) The Chancellor;

(2) a Dean of the Faculty, who shall be a senior professor;

(3) a Dean of Students, who shall be a senior professor;

(4) at least ten and not more than 20 senior professors;

(5) a Registrar; and

(6) a Director of Admissions.

BOARD OF TRUSTEES

SEC. 5. (a) The Academy shall have a Board of Trustees consisting of thirty-four members as follows:

(1) The President who shall be chairman;

(2) the Secretary of Health, Education, and Welfare;

(3) the Chairman of the Committee on Foreign Relations of the Senate;

(4) the Chairman of the Committee on International Relations of the House of Representatives;

(5) the Secretary of State;

(6) the Ambassador of the United States to the United Nations;

(7) the Chairman of the Federal Council on the Arts and Humanities;

(8) four members, appointed by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate;

(9) four members appointed by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House;

(10) eighteen members appointed by the President of the United States upon the recommendation of an advisory council made up of leaders in the academic community thoughout the United States and persons who are recognized educators and persons of prominence associated with the advancement of international cooperation, peaceful conflict resolution, and world peace and understanding; and

(11) the Chancellor.

(b) The President shall in his absence designate one of the members of the Board to act as Chairman.

(c) The Term of office of each member of the Board appointed under clauses (8), (9), and (10) of subsection (a) of this section shall be seven years. Each member serving ex officio shall serve for as long as he serves in the position referred to in clauses (1) through (7) and clause (11) of such subsection. Each member of the Board shall continue to serve until his or her successor has been appointed and qualified, and each appointed member may be reappointed to serve an additional term of seven years.

(d) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States.

(e) A member of the Board appointed under clauses (8), (9), and (10) of subsection (a) of this section may be removed by the appointing authority for malfeasance in office or for persistent neglect of or inability to discharge his or her duties.

(f) The Board shall meet not less than two times during each school year.

(g) The Board shall establish such advisory councils as it shall deem appropriate and necessary to advise the Board on the activities of the Academy.

(h) The Board shall visit the Academy annually and file with the Senate and the House of Representatives an annual report which shall be due within sixty days after the completion of the annual school year.

(i) Members of the Board who are not regular full-time employees of the United States shall be entitled, while serving on business of the Academy, to receive compensation at rates fixed by the President; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

ADMINISTRATION

SEC. 6. (a) The Board of Trustees shall appoint the Chancellor, by and with the advice and consent of the Senate. The Chancellor shall hold office for a period of six years and may be reappointed for one additional six-year term. The Chancellor may be removed by a two-thirds vote of the members of the Board.

(b) The Academy shall have an 11-member Executive Committee as follows:

(1) the Chancellor, shall be chairman;

(2) the Dean of the Faculty;

(3) the Dean of Students;

(4) four senior professors of the faculty; and

(5) four students, one of whom is President of the student body.

(c) The Executive Committee shall assist and advise the Chancellor on the overall administration of the Academy, and shall prescribe the title of each of the departments of instruction and of the professors of the Academy not inconsistent with this Act.

(d) The senior professors of the Academy shall be appointed by the Chancellor, with the advice of the Executive Committee, from among individuals who by reason of relevant experience, training, or service are especially qualified to serve. The Chancellor shall appoint—

(1) the Dean of the Faculty;

(2) the Dean of Students;

(3) the Registrar; and

(4) the Director of Admissions,

from among individuals who by reason of relevant experience, training, or service, are especially qualified to serve.

(e) The Chancellor shall appoint or assign, on a full- or part-time basis, such assistant and associate professors, visiting professors, officers, staff, instructors, and other personnel as the needs of the Academy require. Such appointments and assignments shall be with the advice of the Executive Committee.

(f) There shall be a Chaplain at the Academy, who must be a clergyman, appointed by the Chancellor for a term of three years, who may be reappointed.

(g) The Chancellor shall be responsible for the administration of the Academy and for all facilities and tangible property of the Academy.

(h) The Chancellor of the Academy may grant a leave of absence for the period of the suspension of the ordinary academic studies, without deduction of pay or allowances, to a professor, assistant or associate professor, instructor, or any other officer of the Academy.

ADMISSION OF STUDENTS

SEC. 7. (a) The authorized strength of the Academy's student body shall total not more than 500 students. The student body shall be selected and composed in the following manner:

(1) Each Senator and Representative and Delegate in Congress, including the Delegates from territories of the United States, the Delegate from the District of Columbia, the Resident Commissioner from Puerto Rico, shall nominate two candidates to take the competitive examination for admission to the Academy, from among which group one-half of the entering students will finally be selected according to criteria which shall be established by the Chancellor and the Board of Admissions.

(2) Not less than 10 per centum nor more than 20 per centum of the entering class may be citizens of a foreign country, selected in order of merit as established by competitive examination and other criteria established by the Chancellor and Board of Admissions.

(3) Not less than 30 per centum nor more than 40 per centum of the entering class will be selected from those students who have graduated from an accredited 4-year college or university and who have applied for admission under the regular admissions procedure for graduate school. Such students shall be chosen on the basis of competitive examination and other criteria which shall be established by the Chancellor and Board of Admissions of the Academy.

(b) Each student shall be appointed by the President. Each appointment is conditional until the student so appointed is admitted.

(c) No individual shall be eligible for admission to the Academy unless such individual has been awarded a baccalaureate degree from an accredited institution of higher education, or a degree which the Registrar determines is generally recognized as the equivalent of a baccalaureate degree awarded upon graduation from an institution of higher education located in the United States of America or in a foreign country, or unless the individual has experience which the Chancellor determines is equivalent to, or of equal value with, such a degree.

(d) The Chancellor shall appoint a Board of Admissions, whose constituency shall comprise at least three students and seven faculty members, including the Dean of Students, which shall be under the direction of the Director of Admissions. Admission criteria shall be set by the Chancellor and the Board of Admissions with the advice of the Board of Trustees, and should include the results of competitive examination as only one index of a variety of indices which among others would include the applicant's leadership qualities, personality, variety of experience and expertise, and commitment to the cause of peace and cooperation.

(e) The Board may limit the number of students authorized to be appointed under this section to the number that can be adequately accommodated at the Academy as determined by the Board after consulting with the Executive Committee.

COURSE OF INSTRUCTION

SEC. 8. (a) Each student of the Academy shall complete 2 years of instruction and training for a Master of Arts degree, which may include periods of appropriate internship and field traineeship.

(b) The Executive Committee shall prescribe the courses of instruction and training offered by the Academy. Special emphasis shall be placed upon the skills necessary to achieve national, regional, and international cooperation, the early identification and avoidance of possible areas of conflict, the ability to resolve conflicts in a peaceful way, and in the promotion of humane and just national policies with respect to international peace and intercultural understanding and the preparation of teachers of peace studies.

(c) Upon the satisfactory completion of the prescribed course of instruction and training, the student shall be awarded a Master of Arts degree.

(d) The Executive Committee under the general supervision of the Board shall establish the school year of the Academy.

(e) The Academy may arrange for short courses of instruction and seminars for government employees, and leaders in the public community. No degree may be awarded for this course work, but a certificate describing the activity may be granted at the termination of the course or seminar.

STIPENDS AND TRAVEL AND TRANSPORTATION ALLOWANCES

SEC. 9. Each student of the Academy shall be entitled to receive—

(1) a stipend in an amount determined by the Board of Trustees to be within the range of stipends payable under comparable Government program providing for the education of students; and

(2) reasonable travel and transportation allowances, including transportation for his immediate family, household goods, and personal effects, under regulations prescribed by the Board, but such allowances shall not exceed the allowances payable under section 5723 of title 5, United States Code.

AGREEMENTS BY STUDENTS

SEC. 10. (a) Each student selected for admission to the Academy, who is a citizen of the United States, shall sign up an agreement that if he completes the course of instruction and training at the Academy he will serve in a public or private nonprofit agency or international organization or with an agency, office or department of government in any area approved by the Executive Committee for a period not to exceed two years.

(b) The requirement of subsection (a) of this section may be waived by the Executive Committee, but only for good cause shown.

ADMINISTRATIVE PROVISIONS

SEC. 11. (a) In addition to any authority vested in it by other provisions of this Act, the Academy, in carrying out its functions, is authorized to—

(1) prescribe such regulations as it deems necessary;

(2) receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be for the purposes of the Academy and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(3) in the discretion of the Academy, receive [and use, sell, or otherwise dispose of, in accordance with clause (2)] money and other property donated, bequeathed, or devised to the Academy with a condition or restriction, including a condition that the Academy use other funds of the Academy for the purpose of the gift;

(4) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of the two-thirds of the members of the Board, be entered into without performance or other bonds and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); and

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

(b) The Chancellor shall submit to the Congress an annual report on the operation of the Academy under this Act, which shall include such recommendations as he deems appropriate.

COMPENSATION OF OFFICERS

SEC. 12. (a) The Chancellor shall be compensated at the rate prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) The Dean of the Faculty and the Dean of Students shall be compensated at the rate prescribed for level V of such Schedule.

(c) Section 5108(c) of title 5, United States Code, is amended by striking out the period at the end of paragraph (12) of such section the second time it appears and inserting in lieu thereof a semicolon and by adding at the end thereof the following:

"(13) The George Washington Peace Academy, subject to the standards and procedures prescribed by this chapter, may place an additional 31 positions in GS-16, GS-17, and GS-18 for purposes of carrying out its functions.".

AUTHORIZATION

SEC. 13. There are authorized to be appropriated to the Academy such sums as may be necessary to carry out the provisions of this Act.

By Mr. BARTLETT:

S. 1977. A bill to amend the Internal Revenue Code of 1954 to increase from $1,000,000 to $10,000,000 the exemption from industrial development bond treatment for certain small issues. Referred to the Committee on Finance.

Mr. BARTLETT. Mr. President, I am today introducing legislation to increase the tax exemption on small industrial bond offerings from the present $5,000,000 to a proposed $10,000,000.

With double-digit unemployment already a reality in the auto and construction industries, and rapidly rising unemployment rates in most other sectors of our economy, the creation of new jobs by encouragement of industrial construction is critically important. However, a recent U.S. Department of Commerce survey, made public January 8, 1975, shows a serious deterioration in the key sector of our Nation's economy relating to business plans to build new industrial plants and to purchase new industrial equipment.

High interest rates is the reason most often given by industry officials for cancellation of plans for industrial expansion. Tax exemption on interest paid for borrowed funds obviously provides lower interest rates on industrial borrowings. The $1,000,000 and $5,000,000 "small issue exemptions" provided for industrial development bonds in section 103(c) (6) of the Internal Revenue Code of 1954, as amended—hereinafter the "code"—were intended to provide just such lower interest rates on industrial borrowings and thereby encourage industrial expansion. However, these exemptions enacted in 1968 are no longer realistic, given the changes in our Nation's economy since 1967.

The Engineering News-Record, Turner Construction Co., and E. H. Boeckh & Associates building cost indices for factory buildings increased almost 90 percent from 1967 to 1974, and have been continuing to increase; a summary of such rate increases is included as a part of this presentation. Clearly, inflation in the construction industry has reduced the "building power" of these limited amounts of tax-exempt bonds to less than half of what it was in 1968 when the exemptions were enacted.

Moreover, the 3 years forward and 3 years back "capital expenditure" rule relating to the $5,000,000 small industrial development bond issue exemption has proven to be inequitable and self-defeating as will be more fully explained below.

It is for this and other reasons that section 103(c) (6) of the code relating to taxation of interest paid on industrial development bonds must be amended, so as to increase the dollar limit for the "small issue exemption" for such tax-free bonds from $5,000,000 to $10,000,000 and to remove the limitation with respect to "capital expenditures" made at facilities financed with such bonds.

Under present law, industrial development bonds do not perform efficiently in expanding existing facilities and attracting new industry. Provision is made in the code for industrial development bonds, the interest on which is exempt from Federal income tax under section 103(c) of the code, to be used to finance several specified categories of development, including the construction of low-cost housing, sports facilities, convention or trade show facilities, certain transportation facilities, public utilities, industrial parks, and air or water pollution control facilities.

Additionally, there is a "small issue" exemption in the code which allows tax-exempt industrial development bonds to be issued in the principal amount of $1,000,000 or, in some cases, $5,000,000 for the construction, improvement or acquisition of land or property of a character subject to the allowance for depreciation under section 167 of the Internal Revenue Code—that is, manufacturing facilities.

Under section 103(c) (6) of the code, interest on industrial development bonds is tax-exempt if the bonds are part of an issue which is limited to $1,000,000 per user in a given county or municipality, or at the election of the issuer of the bonds, to $5,000,000 per corporate user in a given county or municipality. If the $5,000,000 election is exercised, however, the "capital expenditures" incurred by the user of the facilities financed by such bonds in that county or municipality—including both those expenditures financed by the issuance of the bonds and those expenditures made with funds raised from any other sources—may not exceed a total of $5,000,000 during the 6-year period beginning 3 years prior to the date of the bonds' issuance and ending 3 years after their issuance. Violation of this limit makes interest on the bonds taxable, retroactively.

In today's economy where construction costs since 1968—when these dollar limitations were imposed—have virtually doubled the interest savings achieved by a company through using $1,000,000 in tax-exempt bonds usually is not sufficient to provide a substantial incentive for corporations to incur the costs of capital expansion. The incentive provided by the $5,000,000 exemption is also not adequate because of inflation since 1968 and the 6-year "capital expenditure" rule. No corporation can afford to use the entire $5,000,000 in bonds because it must have a "cushion" for the minimal "capital expenditures" which will necessarily have to be incurred within the 3-year period after the bonds are issued.

Furthermore, many corporations are afraid to use the $5,000,000 exemption for fear that technological or other changes will require that the $5,000,000 "capital expenditure" limit be exceeded during the 3 years following the bonds' issuance, thus, by law, triggering taxability of the interest paid on the industrial development bonds previously issued. Such taxability in turn usually requires the redemption of such bonds at a substantial premium pursuant to the leases and trust indentures between the user of the facilities being financed and the purchasers of the bonds.

Section 103(c) was passed in June of 1968. As passed, it preserved the tax-exempt status of industrial development bonds only in cases where the amount of the bond issue was $1,000,000 or less, or the bonds were issued to pay the cost of certain facilities such as pollution control facilities and family housing.

This measure was passed after the promulgation of proposed Treasury Department regulations in March of 1968 which would have eliminated tax exempt status for all industrial development bonds. The Treasury's proposed regulations were intended to correct what Department officials deemed to be abuses in the use of industrial development bonds. The Congress, however, recognized that, while abuses existed, industrial development bond financing serves a valuable purpose by providing communities an opportunity to improve their economic base through industrial development. Accordingly, the Congress passed section 103(c) (6) to preserve the tax-exempt status of industrial development bonds, but with limitations on the size of the bond issues.

Upon further study during 1968, the Congress determined that the $1,000,000 limitation would not enable communities to use this method of financing as effectively as had been intended. Consequently, in October 1968, the Congress amended section 103(c) (6) to provide the alternative $5,000,000 limitation.

Tied to the alternative $5,000,000 "small issue" exemption is the "capital expenditure" rule described previously. No rationale, or reasoning, has ever been given to community developers for this limitation which has proven to be negative and self-defeating. It is important to note that "capital expenditures" are not limited to tax-exempt bond issues, but also must include the money which users borrow themselves, and expenditures from their own cash reserves. Companies who find themselves suddenly in a fast growth situation are prevented from spending their own money to grow and to further stimulate the public benefits which the industrial development bond financing was supposed to bring about in the first place. Not the least of these, is the payment of increased Federal income taxes. Community economic developers have never questioned the concept of limiting the amount of tax-exempt bonds to be issued for a single tenant in a given municipality or county, but seriously question the wisdom of freezing projects by the "capital expenditure" rule, so that they cannot expand through other sources.

In the past, opponents of industrial development bonds have argued that this form of financing is undesirable because:

First, it constitutes a Federal subsidy to private corporations;

Second, industrial development bonds compete in the financial markets with traditional general obligation bonds of municipalities, thus the very existence of such bonds increases the cost of borrowing for municipalities; and

Third, industrial development bonds are an inefficient subsidy in any event, because the cost they represent to the Federal Government, in terms of lost tax revenues, is far greater than any economic benefit received by companies utilizing such bonds as a tool for financing capital expansion and improvement.

An accurate analysis of industrial development bond financing clearly shows these arguments are specious, and such financing does indeed afford a vehicle by which economically depressed areas can effectively entice new and expanded industry thereby creating new jobs which are so desperately needed in this recessionary economy.

As a matter of economic reality, it is unquestionably true that industrial development bond financing generates an economic benefit to private corporations whose capital expansions are financed by such bonds. However, this is not, in itself, an argument against industrial development bonds. The proper question is whether the need for such a form of financing, and the benefits it yields to economically depressed areas, outweigh the "private benefit" it affords to corporations at the expense of lost tax revenues. The answer to that question, manifestly, is "yes."

Industrial development bonds provide, through lower-interest rates, an incentive for businesses to expand their productive capacity. With today's high unemployment rates following several years of inflation, it is recognized that one of our country's most pressing needs is the expansion of productive capacity. Such an expansion will serve two purposes: Alleviation of excess demand which feeds the inflationary spiral; and provision of additional jobs which are so desperately needed today.

The benefits that redound to economically deprived areas from the introduction of a new facility are too numerous to list exhaustively. The most important is the creation of industrial jobs. Furthermore, the local tax base may be substantially increased. In most States provision is made for ad valorem taxation of the facilities financed by industrial development bonds or for alternate methods of collecting "in lieu of tax" payments.

Moreover, the increase in local salary levels provides for greater taxes from other local sources—such as sales and income taxes. This results in better schools, better roads, et cetera which, in turn, make it easier to attract more job-producing businesses. It should also be noted that the creation of 100 industrial jobs creates 65 service jobs; according to statistics from the U.S. Department of Commerce.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 123

At the request of Mr. INOUYE, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of the bill (S. 123) to amend title XVIII of the Social Security Act to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title.

S. 613

At the request of Mr. HATFIELD, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of the bill (S. 613) to prohibit the introduction into interstate commerce of nonreturnable beverage containers, and for other purposes.

S. 962

At the request of Mr. KENNEDY, the Senator from Arkansas (Mr. BUMPERS) and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of the bill (S. 962) the Older Americans Community Service Employment Amendments of 1975.

S. 1009

At the request of Mr. STONE, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of the bill (S. 1009) to amend title 13 of the United States Code to require the compilation of current data on total population between censuses and to require the use of such current data in the administration of Federal laws in which population is a factor.

S. 1618

At the request of Mr. HUGH SCOTT, the Senator from Utah (Mr. GARN) was added as a cosponsor of the bill (S. 1618) to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes.

S. 1657

At the request of Mr. HUGH SCOTT, the Senator from Utah (Mr. MOSS) was added as a cosponsor of the bill (S. 1657) to amend the National Portrait Gallery Act.

S. 1665

At the request of Mr. KENNEDY, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of the bill (S. 1665) to provide for financial assistance to public intervenors in nuclear licensing proceedings.

S. 1712

At the request of Mr. HATFIELD, the Senator from Idaho (Mr. MCCLURE) and the Senator from Utah (Mr. GARN) were added as cosponsor of the bill (S. 1712) to authorize the issuance of gold commemorative coins bearing the seal or symbol of the American Revolution Bicentennial Administration.

S. 1804

At the request of Mr. HANSEN, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the bill (S. 1804) to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs.

S. 1843

At the request of Mr. DOLE, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of the bill (S. 1843) to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters.

S. 1864

At the request of Mr. JACKSON, the Senator from Vermont (Mr. LEAHY), the Senator from Minnesota (Mr. MCNDALE), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from California (Mr. CRANSTON) were added as cosponsors of the bill (S. 1864), the Energy Information Act.

S. 1878

At the request of Mr. TOWER, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of the bill (S. 1878) to amend the Federal Water Pollution Control Act by defining navigable waters.

S. RES. 144

At the request of Mr. BURDICK, the Senator from Montana (Mr. MANSFIELD) was added as a cosponsor of the resolution (S. Res. 144) to urge the restoration of the status of amateur athlete for the late Jim Thorpe, and for other purposes.

S. RES. 163

At the request of Mr. KENNEDY, the Senator from North Dakota (Mr. BURDICK), the Senator from Iowa (Mr. CULVER), the Senator from Colorado (Mr. GARY W. HART), the Senator from Vermont (Mr. LEAHY), the Senator from Connecticut (Mr. RIBICOFF) and the Senator from California (Mr. TUNNEY) were added as cosponsors of the resolution (S. Res. 163) calling on the President to promote negotiations for a Test Ban Treaty.

S. CON. RES. 29

At the request of Mr. CURTIS, the Senator from Michigan (Mr. GRIFFIN) was added as a cosponsor of the concurrent resolution (S. Con. Res. 29) expressing the sense of Congress regarding the annexation of the Baltic nations.

SENATE RESOLUTION 188—SUBMISSION OF A RESOLUTION RELATIVE TO NUCLEAR WEAPONS PROLIFERATION

(Referred to the Committee on Foreign Relations and the Joint Committee on Atomic Energy, jointly, by unanimous consent.)

Mr. MONDALE submitted the following resolution:

S. RES. 188

A Senate resolution urging the President to seek an immediate international moratorium on the transfer to non-nuclear weapons countries of nuclear enrichment and reprocessing equipment and technology to permit time for the negotiation of more effective safeguards against the proliferation of nuclear weapons capability.

SECTION 1

Whereas the Senate of the United States ratified the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) in recognition of the devastation associated with a nuclear war and of the need to make every effort to avert the danger of such a war;

Whereas the parties to the Treaty expressed a common belief that the proliferation of nuclear weapons would seriously increase the danger of nuclear war;

Whereas the United States and other parties to the Treaty pledged to accept specified safeguards regarding the transfer to non-nuclear weapon States of special nuclear materials and facilities for the processing, use, or production of such materials;

Whereas recent events, including the explosion of a nuclear device by India in 1974, the development of a uranium enrichment facility by the Republic of South Africa, and the proposed sales of nuclear enrichment and reprocessing plants to non-nuclear weapon States, cast serious doubts on the scope and comprehensiveness of existing safeguards over the proliferation of nuclear weapons capabiilty;

Whereas the Senate of the United States is particularly concerned about the consequences of transactions that could lead to the production of plutonium and other special nuclear materials by non-nuclear weapon States in Latin America, in the Middle East, and in Asia;

Whereas the Senate believes that improved safeguards are urgently needed to prevent the theft or diversion of plutonium and other special nuclear materials to weapons manufacture: Now, therefore, be it

Resolved that the Senate of the United States strongly requests and urges the President to seek through the highest level consultations with other suppliers of nuclear equipment and technology an immediate moratorium on the transfer of nuclear enrichment and reprocessing facilities and technology to permit time for the negotiation of an agreement regarding more effective safeguards to substantially reduce the risk of diversion or theft of putonium and other special nuclear materials to military or other uses that would jeopardize world peace and security.

SECTION 2

The Secretary of the Senate is directed to transmit copies of this resolution to the President of the United States and to the Secretary of State.

Mr. MONDALE. Mr. President, I am today submitting a resolution that is designed to address an urgent issue, that of nuclear weapons proliferation and the potential for terrorism as a result of the transfer of plutonium separation technology to nonnuclear weapons states.

Leading Members of the Senate, major newspapers, and scientists and other experts throughout the United States are expressing deep and growing concern over the disclosure of currently pending commercial transactions involving the sale of nuclear enrichment and reprocessing facilities to nonnuclear weapons countries.

In my judgment, there is no question of greater importance to the hope of international peace and security in the nuclear era than the consequences of these sales.

Only a few weeks ago, a 65-nation conference met in Geneva to review the results of the 5-year-old Nonproliferation Treaty. The conferees at that meeting agreed that significantly stronger safeguards were required to reduce the risk of a new and more alarming round of the nuclear weapons race.

Despite the recommendations of that Conference, West Germany and France are reportedly engaged in negotiations with Latin American and other countries that threaten to undermine the existing system of controls on the spread of nuclear weapons. These discussions involve the sale of plants that would permit the separation of plutonium from the spent fuel of nuclear reactors.

Until now, the United States and other suppliers of nuclear technology have sold reactors abroad, but we have never permitted the sale of the complete nuclear fuel cycle—including plutonium separation equipment—to nonnuclear weapons countries.

There are a number of reasons why such sales have not been allowed. First, there is no demonstrated need for such sales. As the New York Times pointed out in an editorial on June 9:

> No commercial plutonium separation plant is now operating in the United States . . . It would take a $500 million chemical reprocessing plant serving thirty giant nuclear-power reactors to achieve the economies of scale that might make plutonium recycling commercially feasible.

And while there is no valid economic reason for a country like Brazil or Argentina to acquire plutonium separation plants, there is a grave danger to world peace if they should do so. This danger is twofold: First, that the purchasing country might divert plutonium from such plants to develop a bomb; and second, that proper safeguards have never been devised to prevent theft of plutonium from commercial plants by terrorist or criminal elements.

I do not want to single out Brazil or Argentina, but their case provides a useful example, because both are reportedly interested in buying plutonium separation plants. If either country proceeds in this direction, as Brazil is now on the verge of doing, extraordinary pressures would be placed on the other not only to follow suit, but to initiate a nuclear weapons program. Let me explain why. Nuclear physicists maintain that it is a very simple matter for almost any country to build a nuclear bomb; the difficulty is not in the production of the weapon, but in obtaining the explosive material—plutonium.

Supposedly, nonnuclear countries cannot obtain plutonium for weapons manufacture because nations that have the technology for plutonium production—the United States, West Germany, France, Canada, and others—require that all plutonium produced as a result of power generation or research must be controlled under safeguards prescribed by the International Atomic Energy Agency, IAEA.

However, these safeguards are not as comprehensive as they should be as we saw in the case of the explosion of a nuclear device by India in 1974. Furthermore, there is a major loophole in both the Nonproliferation Treaty and the IAEA safeguards program regarding the transfer of technology for plutonium separation.

Simply put, while Brazil in this instance could not take plutonium from the operation plant provided by West Germany to build a nuclear weapon without violating IAEA safeguards, there is nothing in the Nonproliferation Treaty or the current IAEA program to prevent Brazil from duplicating the facility provided by Germany and using the plutonium from the duplicate plant to build explosive devices.

The loopholes in the treaty are known to both Argentina and Brazil. If either one is in a position to produce plutonium, free of effective international surveillance, the pressures on the other would be extremely great to obtain the means to build its own bomb for self-defense.

Nor is this danger confined to Brazil and Argentina. Serious questions have been raised about the nuclear weapons intentions of South Africa, Pakistan, South Korea, and several other nations. Once Brazil obtains a plutonium separation plant, it would be extremely difficult for the United States to argue that South Korea should not have one as well. Domestic industries that produce nuclear equipment will furthermore maintain that a continuation of restrictions on the part of the United States serves no purpose other than to curb their share of the international market.

This is, in part, the situation that prompted Senator RIBICOFF to warn the other day that—

> The global spread of nuclear weapons is on the verge of running out of control.

Even if we assume that the intentions of Brazil or these other countries are entirely peaceful, and I do not choose to question the sincerity of their official statements, there is no way to take back the technology once it has been transferred and, as the Portugese example shows, governments can change quickly. There is no guarantee that Brazil or Argentina might not some day change also.

I do not wish to be alarmist. But imagine a world in which the United States must build a system of strategic defenses that are capable of defending against not just one or two potential nuclear rivals, but nuclear weapons states in Latin America and around the world. All of our defense assumptions would have to be thrown out the window. The Strategic Arms Limitations Agreements might be rendered meaningless in terms of our national security. These are only hypothetical risks today, but unless control is maintained over the availability and use of plutonium, they could become very real dangers only a few short years down the road.

There is a second danger involved in the sale of plutonium separation equipment that has nothing to do with a decision by the recipient country to build the bomb. This threat relates to the extraordinary difficulties involved in preventing plutonium from falling into the hands of criminals or terrorist groups.

During the past 12 months, there has been intense debate in the United States over whether Government authorization should be provided for domestic commercial separation and reprocessing of plutonium. Senator HART and I joined in this debate last fall when we wrote to Dixy Lee Ray, then Chairman of the Atomic Energy Commission, expressing strong doubts about the wisdom of moving ahead with commercial plutonium recycle.

Plutonium is perhaps the most dangerous material known to man. A quantity the size of a grapefruit could be fashioned into a relatively crude bomb, capable of threatening any major city in America with widespread destruction and the death of as many as 100,000 people. This massive destructive potential requires the most rigid safeguards imaginable. Safeguards have been devised for our military programs, but if plutonium were produced on a commercial basis, the broadest police powers—including methods that are totally inconsistent with our democratic traditions and civil liberties—might be required to deal with a situation where even a small amount of plutonium were discovered to be missing.

These and other considerations prompted the Nuclear Regulatory Commission recently to recommend that commercial separation of plutonium should not be permitted in the United States for at least 3 years or until effective and acceptable safeguards have been devised.

If we in the United States, with three decades of experience in our military programs, are not confident that sufficient controls can be devised to assure that commercial plutonium production will not jeopardize the public safety, there is every reason to believe that less experienced countries will encounter even greater difficulties.

For all of these reasons, I believe that action is urgently needed to prevent a headlong rush into commercial or military manufacture of plutonium by countries the world over.

As a first imperative, I believe that nations which supply nuclear technology must declare an immediate moratorium on the transfer of plutonium separation capability.

Second, I would hope that these suppliers could meet among themselves and with purchasing countries to reach agreement on whether an international safeguards program can be developed that is adequate to meet the risk and, if so, to take the steps necessary to implement such safeguards.

A variety of recommendations have been offered on methods to improve the existing IAEA safeguards program. As a first step, I believe that the Nonproliferation Treaty should be amended to prevent the acquisition of plutonium separation facilities by nonnuclear states, or at a minimum, to assure that any such facilities whether acquired directly or duplicated from equipment purchased from a nuclear supplying nation would be subjected to IAEA inspection. To allay fears that countries might divert plutonium from separation plants to weapons manufacture, these facilities might be regionalized so that rival countries could help to monitor one another. And with added responsibilities, increased funding will obviously be needed if the IAEA is to carry out an effective verification program.

With final action on the West Germany-Brazil transaction scheduled to take place before the end of this month, time is rapidly running out.

The President of West Germany, Walter Scheel, is just completing a visit to Washington. I believe there is no item of greater concern to United States-German relations that the need for deferral of action on this sale. Therefore, I was deeply disappointed by reports that President Ford, in meeting with President Scheel, did not raise this problem.

A number of Senators, including Senators RIBICOFF, PASTORE, GLENN, and others, have already spoken out clearly and forthrightly on this issue. But in order to express the deep and universal feeling within the Senate on this matter. I would hope that the Senate might take the additional step of acting on the resolution I am submitting today.

This resolution expresses the sense of the Senate that existing safeguards over the proliferation of nuclear weapons capability must be broadened and strengthened, that in view of the limitations of the present safeguard program we are especially concerned about the consequences of the sale of plutonium separation plants, and that President Ford should seek through the highest level consultations with other government leaders an immediate moratorium on such sales until a more effective safeguards program can be developed.

To illustrate the urgency of this matter I ask unanimous consent to insert in the RECORD an article from this morning's Washington Post indicating that—

> A spokesman for the Foreign Ministry said West Germany will go ahead with plans to sell a large package of nuclear installations to Brazil despite U.S. concern about possible use for weaponry.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR SALE STILL ON

BONN.—A spokesman for the Foreign Ministry said West Germany will go ahead with plans to sell a large package of nuclear installations to Brazil despite U.S. concern about possible use for weaponry. He said he was unaware of any American call, as reported by a State Department official, for further negotiations on security measures for the pact, which is to be signed next week.

Mr. MONDALE. Mr. President, as further evidence of the need for such action, I ask unanimous consent that an editorial from the June 16 edition of the Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A Message for President Scheel

Today West Germany's President, Walter Scheel, will arrive in Washington for a couple of days of talks and ceremony as part of a state visit to this country. Because U.S.-German relations are fairly stable at the moment, and because heads of state—as distinct from heads of government—do not ordinarily engage in nitty-gritty political negotiations on such visits, there is not what you would call a highly charged agenda of subjects for the two presidents to discuss. But we think there is one subject of considerable urgency that Mr. Ford's administration should take up with the delegation from Bonn. It is the proposed sale by the West Germans to Brazil of equipment required to produce a nuclear bomb. We think the terms of that transaction can and must be modified.

The key equipment in the West Germans' export package is not the power-generating nuclear reactors which will enable the Brazilians over time to produce cheap electric energy. Rather it is the equipment for reprocessing spent fuel and enriching uranium—neither of which is urgent for the Brazilian capacity to generate power and both of which can provide access to weapons-grade fuel. There is every reason, it seems to us, for the West Germans to reconsider their apparent willingness to include these critical items in the deal. The Brazilians have been anything but reassuring about their intentions with respect to acquiring nuclear weapons. The West Germans, whose exports rose last year by 29.2 per cent over the previous year and who are running the largest trade surplus of any industrial country, can hardly be said to be in dire need of overseas sales. And just a couple of weeks ago in Geneva, the Review Conference of the parties to the Nuclear Nonproliferation Treaty agreed on some actions that, in our view, should be given a chance to work before anything so precedent-breaking and fraught with danger as the West German-Brazilian transaction goes into effect.

The nations at the Geneva conference undertook both to strengthen the safeguards against misuse of transferred nuclear power-producing equipment and to push for multinational fuel cycle facilities that would make available the benefits the Brazilians might get from the "extras" the Germans are willing to provide—but which would also make the misuse of such "extras" less possible.

Surely now that the parties to Nonproliferation Treaty—including West Germany—have bestirred themselves to try to control the dangers that attend the export of nuclear power reactors, it would be reckless of the Federal Republic to go forward with a bilateral business arrangement that disregards precisely the dangers the conference was addressing. And this is the more so in view of the fact that the Brazilians do not require this particular technological plant in the period of time that it may take to get the alternative facilities and the strengthened safeguards working. There is still time for the West Germans to alter these particular aspects of the deal. We think President Ford should tell our West German visitor that it is in the interest of everyone concerned that they do so.

Mr. ROBERT C. BYRD subsequently said:

Mr. President, I ask unanimous consent that a resolution submitted earlier by the Senator from Minnesota (Mr. MONDALE) urging the President to seek an immediate international moratorium on the transfer to nonnuclear weapons countries of nuclear enrichment and reprocessing equipment and technology, be referred jointly to the Committee on Foreign Relations and the Joint Committee on Atomic Energy.

The PRESIDING OFFICER (Mr. CHILES). Without objection, it is so ordered.

NOTICE OF HEARINGS

Mr. ABOUREZK. Mr. President, I wish to inform my colleagues in the Senate and the Indian community that the Subcommittee on Indian Affairs will continue its review of Indian housing needs and programs through two field visits during the Fourth of July recess.

I propose to conduct an informal hearing with Indian tribal leaders and housing authority representatives in Phoenix, Ariz., during the morning of July 2. On the afternoon of that day, I plan to visit several Indian reservations in the vicinity of Phoenix to observe firsthand housing projects completed under the auspices of the current Federal Indian housing delivery system. Also, I want to observe housing needs as they actually exist in the various Indian communities I propose to visit.

On July 3 and 4, in cooperation with Pueblo Indian leaders, I plan to conduct site visits on selected reservations in New Mexico to observe housing projects and housing needs as they exist in those Indian communities.

The distinguished ranking minority member of the Subcommittee on Indian Affairs, Senator DEWEY BARTLETT, will chair Indian housing hearings at two sites in Oklahoma as follows: In Anadarko, July 2; and in Muskogee, July 3. Committee staff will assist Senator BARTLETT in scheduling of witnesses and other details for those hearings.

Both Senator BARTLETT and I feel that the forthcoming field visits and hearings will add to our growing record in the area of Indian housing. Such a record will contribute to legislative proposals designed to meet more realistically Indian housing needs as they exist today.

Any Senators desiring further information on the proposed subcommittee activities in the area of Indian housing should call Forrest Gerard of the committee staff on 224-7143.

NOTICE OF HEARING

Mr. BIDEN. Mr. President, on behalf of the Subcommittee on Consumer Affairs of the Senate Committee on Banking, Housing and Urban Affairs, I wish to give notice that public hearings have been scheduled for July 15, 17, and 24, at 10 a.m., in room 5300 of the Dirksen Senate Office Building, on the following bills:

Bills S. 483 and S. 1927, which amend the Equal Credit Opportunity Act, and bills S. 1900 and S. 1961, which amend the Truth in Lending Act with respect to consumer leases.

Any person wishing to testify or to submit written statements for the hearing should contact Ralph Rohner, counsel to the subcommittee, at extension 40893, in room 5300 of the Dirksen Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

LIFETIME LEARNING

Mr. MONDALE. Mr. President, Hunter College in New York recently dedicated a promising new venture—the Center for Research in Human Aging.

In its work, the center will be working on the assumption that all people require stimulation and outlets for creativity throughout their lives—even as they grow old.

I was privileged to have the opportunity to address a convocation in honor of the opening of the center. In my remarks I explored the concept of "lifetime learning" and what it can mean to all of us. At that time I also announced my intention to introduce a "Lifetime Learning Act" as an amendment to pending education legislation.

My personal interest in this subject was sparked by the development of the "Minnesota Learning Society," which is an effort by a consortium of Minnesota institutions to develop programs to meet the education needs and interests of persons of all ages.

Many individuals and organizations have expressed an interest in this subject and a willingness to work with us on such legislation. I ask unanimous consent that my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Remarks of Walter F. Mondale, Center for Research in Human Aging

I am pleased that you invited me to be with you tonight at the launching of an exciting venture—the Center for Research in Human Aging. For the thing, I do have a selfish interest in the creation of this Center. As a member of the Senate Special Committee on Aging, the Finance Committee, and the Labor and Public Welfare Committee . . . I am painfully aware of the need for study and experimentation and research and demonstration in the field of aging. We need your thinking, and we need your advice.

The interdisciplinary approach you are taking has been particularly fruitful in some of the other human service areas . . . and the emphasis you are placing on involvement of the elderly in developing and operating their own programs is also an important advance.

John F. Kennedy once said:

"A society's quality and durability can best be measured by the respect and care given its elderly citizens."

We have made tremendous advances in recent years in improving the life of our older citizens:

We have stretched the borders of the life span of the average American . . . from 47.9 years for men in 1900 to 69.5 years for men today; and from 51.1 years for women in 1900 to 75.8 years today.

We have provided a measure of financial security to some 28 million old people in this country through the Social Security system . . . and have tried to cushion those benefits against inflation by requiring them to increase with the cost of living.

And nearly 22 million Americans now can count on Medicare to help alleviate the health problems of their later years.

We have a long way to go to make these benefits adequate for the elderly citizens who are living below the poverty line. There is no program that has done more for the economic and psychological well being of the elderly in this country than Social Security. But as you well know, we are reaching a time when we must reevaluate the system and reshape it in a way that it will continue to meet the goals for which it was established.

Another area that deserves our most serious and thorough attention in nursing homes. We are all familiar with the horror stories . . . the Senate Special Committee on Aging has done a masterful job of identifying abuses. Now we must turn our attention to the positive side of this . . . how we can improve the care for people who have no choice but to live in a nursing home . . . and how to open up alternative forms of care which can help the elderly to remain in their own homes.

And we must continue our efforts to enact national health insurance and other programs which will free older Americans from the gnawing worry of where their next meal will come from or how they will pay their medical bills.

An adequate income and access to health care are vital . . . but they do not alone guarantee a full, useful life for an American of any age.

I believe that we also have an obligation to provide opportunities to make that existence of Americans of every age meaningful. We need to take a serious look at the sociological and psychological aspects of aging in our society . . . why it is that we so often fail to provide meaningful opportunities for persons who pass that arbitrary barrier of age 65 . . . (which seems to be creeping ever closer to 55).

One clear reason that we do not provide adequate opportunities is our misconception of what the elderly can actually do . . . our misconception of the state of their health, mental and physical. We all are subject to the aging process, and we all feel it and show it to some degree. But the facts are:

One study shows that 80% of people 65 and over say they have no trouble with stairs, washing and bathing, dressing, or going out of doors.

Half of the elderly interviewed rated either "high" or "medium" in a survey of physical vigor and endurance.

Many of the elderly who do have these problems could continue to live at home if provided with home health services or other supports.

We have seen evidence of this vigor and desire to be productive in the response to the few, modest Federal programs that have been established to meet the need. More than 120,000 elderly people are providing necessary services to children, to the disabled, to small business and the community in general through volunteer programs such as Foster Grandparents, RSVP and SCORE. Several thousand more are working on part-time jobs as a result of the program created under Title IX of the Older Americans Act, and this has hardly begun to meet the demand. And a recent poll by Louis Harris showed that 20% of persons over 65 who were interviewed are involved in some kind of volunteer work, and that another 10% would be interested in getting into it.

Our misconception of the capabilities of the elderly has often limited our vision and influenced our public policies. As a result, government often creates programs and policies which deter . . . rather than encourage . . . older people from living a full and productive life.

I have seen evidence of this in my study of what is happening to American families. Over the last year or so we've been looking at how government policies often weaken and destroy families . . . rather than provide the strength and support they need. Perhaps the most dramatic example of this in the area of aging is the high-rises we built exclusively for old people. I don't have to tell you what a disaster this idea has been for many, many old people . . . and for the families who have been cut off from them. At the turn of the century, one Massachusetts study showed, 50% of homes contained parents, their children and at least one other adult—a grandparent, an aunt or other relative. That figure today is about 4%.

James O'Toole, the author of the fine report on work in America, pointed out in a hearing before my Subcommittee on Children and Youth that:

"Work, the activity of adulthood, is performed in age-segregated institutions. Retirement, the activity of the aged, occurs increasingly in "leisure communities," cut off from the rest of the world, both spiritually and physically. As a result the segregation of generations becomes a corollary to the segmentation of lives."

The stimulation and creativity which arise from contact between the generations is a priceless commodity which we cannot afford to squander . . . as individuals or as a society. Rather than cutting the old and young off from one another, we should be encouraging meaningful contact between persons of all ages.

We now have zero population growth at one end of the spectrum . . . and a rapidly increasing number of older adults at the other end. This demands that our perception of the whole cycle of human life undergo a radical change. Berniece Neugarten has coined a useful phrase—the "young old"—to describe what is really a new population group which deserves our attention. These are the people between 55 and 75 years old. As a group, they are getting healthier, and more educated. Many of them are technically retired. But they will increasingly demand more options and opportunities for personal growth and community service.

I am personally excited and encouraged by a new movement which seems to address many of these needs we are discussing . . . the movement toward "lifetime learning." This is the idea that all of us . . . regardless of age . . . encounter throughout our lives a series of changing demands . . . and that we must shape education in its broadest sense to help us meet these needs.

At one stage of life, the need may be for retraining for a new job; at another stage we may require civic education—how to do our taxes, how to influence the political process. And at another time we may require education for what one distinguished educator has called "the free self" . . . that part of us and of our time which is not beholden to a job or to other requirements of subsistence.

I am proud . . . but not surprised . . . not one of the focal points for this movement toward lifetime learning is my home state of Minnesota. Right now an extraordinary coalition of institutions and individuals is working to build what it is calling an "intergenerational learning society." They have received a little money from the Administration on Aging to move the idea ahead . . . but most of the energy has been generated by committed individuals such as a former vice president and dean of Gustavus Adolphus College, Dan Ferber. One of the reasons this idea has progressed is that, for the first time in many years . . . we seem to have educational resources—teachers, dormitories, laboratories—which are not being fully used. These facilities . . . belonging to the University, others in the public schools or private colleges . . . have become a focal point for the "learning society" in Minnesota.

Here are some of the things that are going on:

The University is training a corps of personnel in geriatrics and adult education for older persons

Mankato State College has trained volunteers to identify older people in the community and . . . in cooperation with other community resources . . . help provide them with services and activities they seek

The College of St. Benedict is moving older adults right into the dormitories with younger students

The St. Paul Area Technical Vocation Institute is training geriatric assistants for work in nursing homes

The North Hennepin Community College has a "senior on Campus" program

And the Minneapolis Public Schools have provided facilities and helped organize 33 clubs providing education and other programs for senior citizens.

Planners for the "Minnesota Learning Society" are thinking creatively about the use of other community resources . . . everything from department stores and churches to banks . . . as sources of information and education for citizens of all ages. And they have been working closely with many of the state groups on plans for future cooperative efforts.

I will admit that this idea is not the exclusive property of Minnesotans. For example, France, Germany and Belgium all provide paid educational leave for workers. This program is financed through a system of contributions from both employers and employees. In Syracuse, New York, there is an innovative "Regional Learning Service" which helps adults identify their educational needs and goals, counsels them, and identifies the educational resource which can be most helpful to them. And you are probably aware of similar programs that have not come to my attention.

This is a time of severe economic pressures. These pressures are being felt by millions of Americans. We have been constantly aware of them in our work on the new Senate Budget Committee in the last few weeks. But I sincerely hope that these pressures will not prevent us from moving ahead and trying to act on some promising, hopeful ideas such as the concept of "lifetime learning."

I hope that somewhere in our massive educational establishment in Washington we can start to develop the capability of working toward this goal. We have incredible resources in HEW, in the Administration on Aging, in the National Institute of Education. And I intend to introduce legislation soon which would try to focus some of these resources . . . to encourage some experimentation and some research . . . toward the growth of our country into a "lifetime learning society." The bill has not been drafted yet, and I hope that you will come to us with your ideas on the best way to do it. The concept would be to introduce a "Lifetime Learning Act" which could become a part of the extension of major higher education and vocational education legislation over the next few months.

My bill will establish a program on lifetime learning which would:

Coordinate existing efforts in this area by all Federal agencies; and collect and make available information on programs and activities in the public and private sectors.

Support research and demonstration projects designed to further lifetime learning.

Provide support for training teachers to work with adults; curriculum development; conversion of facilities to accommodate adults; and development and dissemination of television cassettes and other media appropriate for adult education.

Conduct a study of the existing barriers to lifetime learning and how they might be eliminated.

Evaluate existing programs—including methods of financing—in this country and abroad and determine whether they can be used as models.

This is a modest beginning but I think it is an important one. Our adjustment to longer life and greater leisure is not going to be an easy one . . . and we owe it to ourselves to make these added days and months productive and stimulating for all of us.

In planning for lifetime learning, we must make a special effort to consult with persons of all ages. As one 90 year old woman writing in the *Washington Post* recently put it:

"Our young people want to be kind to us, I'm sure. But they don't know what we want and they don't know how we feel."

One of our most shameful failures in the past was our lack of responsiveness to the needs of old people in our society. But they learned how to make us respond. They have organized and become one of the most effective political forces we have.

They have organized for us a vision of the world which we all share. John Martin, Director of the 1971 White House Conference on Aging, summed it up well when he said:

"It should be a world free from fear of being forgotten, of being left out, isolated and ignored, unplanned for, unwelcomed and unneeded. It is a world whose design calls for vision, for imagination, for innovation, because we don't have to be content with what we have. In this great and affluent country, we can afford to dream dreams . . ."

THE 20TH ANNIVERSARY OF ROLL CALL

Mr. WEICKER. Mr. President, it is my pleasure to note that Capitol Hill's local newspaper, Roll Call, is celebrating its 20th anniversary today.

I take special pride in that fact that its founder and editor, Sidney Yudain, is a Connecticut native and good friend.

For two decades, Roll Call has kept the Capitol Hill community informed, enlightened, and entertained. Moreover, it has helped make our world on the Hill a friendlier place.

My sincere congratulations to Sid Yudain on this important day. You and your paper have become a welcome historical landmark.

SMALL BUSINESS TAX CHANGES

Mr. HARTKE. Mr. President, I was proud to be a proponent of the provisions of the Tax Reduction Act of 1975, which benefit small businesses. Although several of the provisions of the act benefit small businesses, the primary provisions which principally affect small businesses are the increase in the corporate surtax exemptions to $50,000; the reduction in the corporate income tax rate; and the increase in the accumulated earnings credit. On May 8, 1975, the Columbus, Ohio, Dispatch published an article about these tax provisions. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Small Businessmen Fight Tax Structure

(By John Cunniff)

New York.—A year or so ago some of the nation's small-business men decided they had taken enough. Through the National Small Business Association they vented their outrage.

"We have condoned and inadvertently encouraged the manipulation of the national economy for the benefit of the bigs, and at the expense of the small," the association said of Americans in general. The fiery emotions may have cooled since then, but the determination is firm. This year the small-business men have tasted victory in a small way, and they want more.

The victory was the Emergency Tax Reduction Act. "For small business, that act was the first forward moving tax measure since 1958," the association said. "Our process of government worked well—if 17 years late." The two major aspects of that victory were:

For companies which earn less than $25,000, a cut in the tax rate to 20 percent from 22 percent.

For companies earning more than $25,000 but less than $50,000 pretax, a reduction of the tax rate to 22 percent from 48 percent.

Other concessions also were won, but the businessmen say they've still got a lot to do before overcoming what they feel is a continued governmental bias toward big business.

In numbers, says the association, small business—the definition varies; in manufacturing it means a company employing fewer than 500—is holding its own. "Its 10.5 million firms are 98 percent of the country's total business units, making jobs for 65 percent of the nongovernment work force." But it adds, "In market share, assets and profits, small business is losing ground disastrously." And one of the reasons, they maintain, lies in the operation of the tax system.

"We need permanent, long-term changes in the tax code," says Milton Stewart, president, pointing out that the recently enacted tax relief is only temporary. And he doesn't disguise his belief that small business should be a major beneficiary.

Stewart refers to a report by Sen. Gaylord Nelson, D-Wis., chairman of the Senate Small Business Committee, which suggests that the present tax system is choking entrepreneurship, risk-taking and individual effort.

Stewart likes to illustrate what he considers an injustice with this example.

An investor buys $10,000 of stock in a big corporation. He knows his shares are liquid, that he can always find a buyer. He puts the shares away in a drawer for six months and a day, or long enough to qualify as a long-term investor. He pays a capital gains tax on his profit.

An entrepreneur starts a small business on a similar $10,000 investment. For 25 years he puts most of his energy into making the business a success. He works long hours and takes great risks. Eventually he decides to sell and retire. He too pays a capital gains tax on his profit.

For all his efforts and contribution to the community, says Stewart, this small-business owner receives no special consideration under the tax system. His active contribution is rewarded not a bit more than that of the passive investor.

"Even though in one case the energy expended was merely to call the broker, while in the other instance a guy worked his guts out to build. No reward for the risk, the hard work, the illiquidity of his investment."

Stewart stressed "illiquidity." You can always get your money out of a big business because its shares are actively traded, he said. An investment in a small business, he said, entails great risk and illiquidity.

Small business, he continued, has just as serious capital needs as big business. "We need to equalize the investment advantages for both big and small."

And to show that the resolve if not the emotion is still there, he issued this challenge to big business:

"Any investment-stimulation tax changes, in order to be just, must provide the greatest stimulus for investment in small business. Otherwise we will not be equalizing the attractiveness of large and small companies to investors."

He stated flatly: "If we're treated only as equal then we're not being given equal treatment."

SIMPLIFORM TAX BILL

Mr. HATFIELD. Mr. President, last February I introduced a bill, S. 802, which is called the simpliform tax bill. This bill is an attempt to both simplify and reform our present tax procedures by creating a simpler tax formula that would make our tax collection system more efficient, easier to understand, and much more equitable.

Some people are concerned that a tax reform such as simpliform would have a harmful effect upon charitable giving in this country, which would force drastic cuts in some of the vital services private nonprofit organizations provide for society. The particular reason for their concern about simpliform is its proposed removal of all tax credits for charitable giving, which some people feel would cause charitable giving to decline.

While I am not prepared to say that simpliform would have no effect on charitable giving, I have good evidence that any curtailment of such giving would be small. Some of this evidence I have already presented to this body; for example, under simpliform most low- and middle-income households would pay less taxes than they pay now, which would leave them more money available for giving.

But further evidence indicating that the removal of tax deductions for charitable giving would have only a minimal effect on such giving has come to my attention. In a recent study, the University of Michigan's Survey Research Center for the Commission on Private Philanthropy and Public Needs found that the overwhelming majority of those who make charitable gifts do so without regard to the availability of tax deductions. The Survey Research Center also found that only about 15 percent of all giving is motivated by tax considerations. Furthermore, the survey showed that 71 percent of all giving came from households with annual incomes of less than $30,000, the very people who would be helped by the simpliform tax procedure. These also are the people who showed the least tendency to base giving on tax considerations, and so would be least likely to be discouraged in their giving by the removal of tax benefits.

The Wall Street Journal has published an article on this study on June 11, 1975. Since these findings are so important to the Senate's consideration of how to reform our tax system, and since it also is very important that we protect the interests of private charitable organizations, Mr. President, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Simpliform Tax Bill

Do tax deductions spur donors to dig deeper for charitable gifts?

Not strikingly and certainly not in any fine-tooled way. With charitable giving at $26 billion a year, the opportunity to itemize and deduct flushes out perhaps $3 billion to $5 billion of those contributions. Givers are aware the deduction benefits them, but "even at high income levels the degree of tax sophistication is quite low." So says an extensive report on two national surveys by the University of Michigan's Survey Research Center for the Commission on Private Philanthropy and Public Needs (the Filer Commission).

People generally believe the deduction spurs donations, but only at the $100,000-plus bracket do more than 50% say they would give less if the deduction didn't exist. At all income levels, taxpayers who itemize donate much more than those who don't. Yet only one taxpayer in five knows even roughly how much in taxes each added dollar of deduction saves him. And only 12 times in thousands of interviews did people offer tax reasons for changing their giving.

The great bulk of deductible giving is in cash, though taxpayers could get an extra tax benefit by donating appreciated property. Only at incomes above $50,000 does more than 20% of giving take the form of property.

Who gives? At least 88% of all households gives something to charity.

So the Survey Research Center found. But more than half of all giving comes from households with $10,000-to-$30,000 incomes. The 5% of households with higher incomes gives 29%; the 49% with lower incomes, 16%. The table below gives average donations for 1973, though wide variations exist within each range. People under 35 years old give perhaps a third less than the averages indicate, while people over 55 give a third more. (The table separates donors who itemized from those who didn't. In upper brackets, only a handful didn't.)

Income	Itemized	Not itemized
$10,000 to $15,000	$407	$201
$15,000 to $20,000	600	329
$20,000 to $30,000	800	354
$30,000 to $50,000	1,564	
$50,000 to $100,000	5,679	
$100,000 to $200,000	17,106	

INDUSTRIAL PRODUCTION OFF AGAIN

Mr. HUMPHREY. Mr. President, industrial production declined once more in May, the Federal Reserve Board announced yesterday. This was the eighth successive monthly decline bringing output one-eighth below that of last September.

Yet once more, the admisistration attempts to make good news out of bad. They say that it was only a small decline of 0.3 percent, the same as from March to April. The plain fact is that it clearly points to continuing decline in our economy. Coming on top of the Commerce Department report that businessmen had revised downward their plans for investment in 1975—with most of the reduction centered in the second half of this year—there is little cause for rejoicing about the prospect for any strong recovery in the economy.

There was some good news in that durable consumer goods production rose with auto assemblies up 5 percent from April to May. But even here the outlook is not bright. As the Federal Reserve Board report points out, stocks of cars relative to sales at the present time point to probably more severe and prolonged cutbacks in auto output than is normal when producers get set for the model changeover later this year.

All this points up the need for more stimulative monetary and fiscal policies in the period ahead. I hope the President and the Chairman of the Federal Reserve Board will soon get the message that we cannot tolerate continuing high levels of unemployment in the 9 percent and over range.

NCCJ DISTINGUISHED SERVICE AWARD

Mr. JAVITS. Mr. President, recently Harold Bernstein, chairman of Northville Industries in Long Island, N.Y., received a distinguished service award from the National Conference of Christians and Jews—NCCJ—for his distinguished service in the field of human relations. I believe Mr. Bernstein's remarks upon receipt of this award show the depth of commitment to his community which expresses excellently the credo of the NCCJ. I ask unanimous consent that Mr. Bernstein's comments as they appear in the May 28 issue of the Long Island, N.Y., Business Review be printed in the Record.

There being no objection, the comments were ordered to be printed in the Record, as follows:

Comments by Harold Bernstein

On behalf of my father, my brother, Ray, & Sel, Elayne & our children, I want to express our deep appreciation for this honor. This is a treasured moment, of a prized evening in the lifetime of our family. We have involved ourselves in the community affairs of LI not because we sought honor or publicity; not because we were pressured by fund raisers or organization leaders; not because we considered it good public relations for our business; but because we considered it to be our obligation & a great privilege.

Today, unfortunately, when economic uncertainty prevails in this area as in most of the country & world, many people tend to look inward—to devote all their time & their effort to concerns for self, their resources & even their thoughts solely to their own family & their own business & financial security.

But I would urge them to reconsider. That is not the spirit that made this country number one, nor is it the spirit of the Natl Conference of Christians & Jews, nor is it the spirit of the Judaic-Christian heritage which underlies both this organization & this country.

To be sure, we should not try, as some well-intentioned people do, to minimize differences of custom, culture, color, ceremony or creed. On the contrary, we should rejoice in the breadth & depth of diversity that enlivens & enriches our country. But beneath these differences we all share the same basic values, the same basic origins and the same basic aspirations. Christian or Jew, rich or poor, black or white, the emigrant from Russia or the refuge from Vietnam, are all brothers. We are all fellow passengers on the Spaceship Earth. We all have an obligation to offer a loving heart & a helping hand to those among us who are victimized by prejudice, poverty & the other ills and errors of mankind.

Man, it has been said, is a wondrous animal—the only one who can laugh & cry; the only one who knows that his life on this planet is limited; the only one who can tell the difference between the way things are & the way things should be. Now that he can fly higher than the largest bird & swim deeper than the smallest fish, & move faster than the swiftest quadruped, he surely has the talent to use these limited years on earth to make things better than they are, to strive toward what they should be, to help more children laugh instead of cry, & in every other way to fulfill that ancient injunction, "to do justly, & to love mercy, & to walk humbly with thy God.

I believe that is why both you & I are here tonight.

SUPPORT FOR PORTUGAL

Mr. KENNEDY. Mr. President, last week, the European Economic Community announced a substantial package of economic assistance for Portugal. Although no precise figure was given, it is expected to be more than $120 million over the next 5 years. At the same time, the Commission of the Communities is moving to revise the free trade agreement with Portugal, to improve living conditions for Portuguese migrant workers in Community countries, and to permit easier access to European markets for Portuguese goods.

These are important steps in what must be for all of us the vital work of demonstrating to the people of Portugal that we support that nation's continuing experiment in democracy. When Portugal threw off its 48-year-old repressive regime last year, the new government set three goals: to end 500 years of colonialism; to achieve rapid economic development; and to restore democratic institutions.

The first of these goals is rapidly reaching fulfillment. But the second two are far more difficult—and are very much interdependent. For us in the Senate who long opposed the Salazar and Caetano regimes—and who welcomed the coup d'etat of April 25, 1974—there is a special lesson here: as we seek to promote Portuguese democratic institutions, we must also help that nation meet its staggering economic problems.

For that reason, last year I introduced legislation to demonstrate American support for Portuguese democracy and economy development. Twenty-five million dollars was appropriated by the Congress, $15 million for Portugal itself this fiscal year, and $10 million for the five African States beginning independence.

Now is a critical time for Portugal. Although elections for a constituent assembly in April produced an overwhelming majority for democratic forces, there are continuing challenges to Portuguese liberties and free institutions. Democratic elements in that country need our help. We as a nation can provide it in tangible ways, by seeing that the money appropriated by Congress is actually obligated before the end of this fiscal year. We can also help by continuing to provide generous support for Portugal in next year's budget.

I, therefore, urge the administration to make every effort to see that the money already appropriated is used effectively—and in time. I also believe that we should support the new efforts undertaken by the European Economic Community, and continue demonstrating our willingness to back up concern for the future of Portugal with concrete steps to help it regain its rightful place in the Western European economy and in the mainstream of liberal democratic countries.

ERASING THE GENERATION GAP IN OREGON

Mr. HATFIELD. Mr. President, there has been much attention given to the existence of a generation gap in the United States that is dividing our Nation into mutually suspicious—some even say hostile—age groups. Mr. Gary Sack-events at Milwaukie High School and of Milwaukie, Ore., recently conducted a special project in coordination with two senior citizens groups, the Montavilla Senior Adult Center and the Robinson Jewish Home. Mr. Sackley's social psychology class invited seven Portland-area senior citizens to attend a class session and discuss with students several issues of concern to all of them. The results of this two-way communication are heartening as both students and their older guests discovered that such communication erased the generation gap.

On June 3, 1975, the Portland Oregon Journal published an article on the events at Milwaukee High School and some letters to the editor from the students involved. Because the lessons they learned are ones of which we all should be reminded from time to time, Mr. President, I ask unanimous consent that these items from the Oregon Journal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Portland Oreg., Journal, June 3, 1975]

BRIDGE OVER GENERATION GAP

(By Walli Schneider)

As participants described it, the long hairs met the gray hairs recently at Milwaukie Senior High School—and the result was a sharing, not a shearing, experience.

Using seven recent stories involving elderly persons which he clipped from The Journal, Gary Sackley, Milwaukie High counselor and part-time psychology teacher, formulated a "textbook" of the pressing problems of senior citizens.

After distributing the "text" to 25 juniors and seniors in social psychology classes, Sackley said the response was "overwhelming." Kids wanted to rap with oldsters on a one-to-one basis; senior citizens wanted to return to the classroom to talk.

Arranged through Montavilla Senior Adult Center and Robison Jewish Home, just that sort of exchange occurred when seven senior citizens went to Milwaukie High.

Topics from The Journal which they covered range from language barriers and budgets to food stamps, hunger, social security, Skid Road and the Gray Panthers' "wrinkle power."

The result, says Sackley: "Neither side found a generation gap; all they wanted was to help one another."

The experience led to several letters written to The Journal, both from the participating senior citizens and Sackley's students. Excerpts from a cross-section of the letters are published below.

SEEN 'EM ALL

To The Editor: Before these elderly people came (to Milwaukie High), I was unaware of some of the things about them. I thought, kind of like, "If you've seen one, you've seen them all." But, when they came, I was totally amazed at their attitude.

I asked one lady if she minded revealing her age and she said, "I'm 81 years old and proud of it." It's made me very happy inside to see these people's outlook on life. I think they are being overlooked and something should be done about it.

I just hope I can live to say what that lady said. Old people have helped to develop and defend our country and they deserve to be recognized for it. I'll help to get them recognition if they need me.

DAVE BROWN, 17,
Milwaukie.

NO GAP

To the Editor: My impressions toward the elderly have changed this last year. . . . I have found the older generation to be really neat. . . . I have also learned that there is no generation gap; people just think there is.

BRUCE BERG, 17,
Milwaukie.

CARS, VISITS

To The Editor: When they (the elderly) explained their needs, several people in our class offered to use their own cars to help them get to the doctor and to senior citizens' clubs . . . One boy said that his Grandma lived in North Portland and he hadn't seen her for a whole year. The day after the old people came, he went and saw her!

KIM PELETT, 18,
Milwaukie.

WE NEED THEM

To The Editor: Old people of today . . . they're really great people. They were very scared of us at first, but they changed awfully fast. They need us and, believe it or not, we need them.

JACK SCHMITZ, 16,
Milwaukie.

COMMON PROBLEMS

To The Editor: When I first heard we were going to have a group of elderly people for a discussion on old age, I thought, "What if they don't want to talk to us because we're young?" . . . But I soon realized we all have something in common.

We were all people with problems. They have to worry about income, health and loneliness. My problems seemed meager compared to theirs. But they all seemed to have coped with their problems. I think we all could learn a lesson from them. My views of elderly people have changed from "a burden of society" to "people with a meaning in life."

MARK GOUGE,
Milwaukie.

TOGETHERNESS

To The Editor: I feel that once something like this (class) is set up, it would not be long before the elderly have more trust and faith in us and I feel that all of us teenagers would have more trust and faith in them and would listen more to what they have to say. Also, there would be more love and togetherness after awhile.

JACK FOROGOS, 18,
Milwaukie.

LACK OF CONCERN

To The Editor: The aged in our society are not being given enough concern . . . An increase in the food stamp allowance would be a good start. Also, there should be increases in social security paychecks and state and federal governments should give grants to nursing homes to improve the living conditions. . . .

RICK IVEN,
Milwaukie.

WHY U.S. BUDGET FIGURES MISS THE MARK

Mr. HUMPHREY. Mr. President, in his New York Times column of Sunday, June 15, Edwin Dale highlights some important, but often overlooked, facts about the U.S. budget. For all the long hours which are spent discussing budget policy, surprisingly little attention is given to the rough, and often misleading, nature of the spending and receipts estimates which form the basis of this discussion.

Mr. Dale points out a number of known inaccuracies and uncertainties in the latest budget estimates provided by the administration on May 30. Some of the uncertainties are the inevitable result of the technical difficulties of making accurate projections. Others, however, are the result of the administration's insistence on presenting the budget as it would like to see it, rather than as it is in fact likely to emerge from congressional consideration.

Among the specific budget distortions and uncertainties which Mr. Dale lists are:

$27 billion "in and out" for the President's energy program, which has no chance of being enacted by Congress.

The highly unrealistic assumption that Congress will concur in the Administration's proposed ceiling on Federal pay increases.

Large revisions in the estimated costs of unemployment compensation and food stamp programs.

Gigantic revisions in the receipt estimates for the current 1975 fiscal year—with no explanation of why these occurred or what they imply with respect to the accuracy of fiscal 1976 receipts.

Mr. Dale concludes as follows:

At the moment, no analyst in or out of the Government can be confident within $10 billion either way on spending or receipts—and therefore within $20 billion on the deficit.

And yet "fiscal policy" presupposes a budget plan to guide Federal spending and revenue policy in light of economic conditions. Nearly all the debate and discussion has been about the merits of the plan and hardly any about the near-absurdity of the estimates on which it is based.

I ask unanimous consent that Edwin Dale's article from the New York Times of Sunday, June 15, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 15, 1975]

WHY U.S. BUDGET FIGURES MISS THE MARK

(By Edwin L. Dale, Jr.)

WASHINGTON.—The United States, it can be said, does not have a fiscal policy but a fiscal result.

What this means is that at the end of each year there is an accurate recorded total of

Federal Government outlays and revenues, and (usually) a recorded deficit, but that the Government did not plan it that way, and could not.

That is because, in the great totals of spending and revenue, there is no "government." No man or group of men can decide upon them. The recent Congressional budget reform is unlikely to change that fact.

"The budget document of the President submitted early in the year has become all but meaningless in its aggregate numbers," a thoughtful private economist said the other day. "The budget continues to reflect Presidential priorities, but it is not the fiscal policy of a government in the economic sense."

An illustration of this problem came late last month in the President's mid-year budget review, which was prompted in part by the Congressional reform. With the due panoply of a press conference conducted by high officials such as James T. Lynn, Director of the Office of Management and Budget, the Administration gave out its official estimates of outlays and receipts for fiscal 1975 and 1976 in light of events since the budget was first presented at the beginning of February.

According to tradition, the estimates were given to the nearest tenth of a billion dollars, with an estimated spending total of $358.9-billion and a deficit of $59.9-billion for fiscal 1976. But what do these figures mean? A few points are worth noting:

The figures for spending and receipts included some $27-billion "in and out" for a complex Presidential energy program that has no chance of being enacted by Congress.

The outlays figures included the assumption of Congressional approval by affirmative legislative action of changes in existing Federal pay and benefit programs to save $8.5-billion. This will not happen.

The receipts estimate for the present fiscal year, 1975, for individual income taxes has been raised by $7.1-billion since early February on the basis of actual collections, with no explanation for the revision because there is none.

Payments under two new unemployment-compensation programs have been revised downward by more than $2 billion because people are not collecting the benefits.

Outlays for food stamps have been revised upward by more than $2 billion because, unlike the new unemployment-compensation programs, more people than anticipated are applying.

Despite the end of the agony in Indochina for the United States and the belief by members of Congress that they have cut the defense budget, in the current fiscal year "outlays for Department of Defense military and military assistance are $1.9 billion higher than in February as inflation and a drawdown in purchase backlogs have increased spending rates above what was originally anticipated."

One high Government official frankly called the whole budget re-estimating process "a sham." He did not blame anyone. However, he has been troubled for a long time about the puzzle of fiscal policy in the United States, viewed as economic policy. It does not exist in any remotely precise sense. And there seems no way to solve the problem.

One part of the problem is not peculiar to the United States, though it may be worse here than elsewhere. This is estimating the outlays under "open-ended benefit" programs—from black lung to food stamps, from Social Security disability claimants to "basic educational opportunity grants" for college students. The estimates are almost always wrong, though the errors are sometimes offsetting.

Another part is Congress, which has become unpredictable on spending and revenue matters. This could change with budget reform, but that remains to be tested.

At the moment, no analyst in or out of the Government can be confident within $10 billion either way on spending or receipts—and therefore within $20 billion on the deficit.

And yet "fiscal policy" presupposes a budget plan to guide Federal spending and revenue policy in light of economic conditions. Nearly all the debate and discussion has been about the merits of the plan and hardly any about the near-absurdity of the estimates on which it is based.

SCHOOL TEXTBOOKS—A PUBLISHER'S VIEW

Mr. JAVITS. Mr. President, since the enactment of the Elementary and Secondary Education Act in 1965, Congress has provided funds to State and local educational agencies for the purchase of school textbooks and school library resources. The past decade has proven the wisdom of this commitment of Federal funds to enable our schools to strengthen their textbook and library resources with books of their own choice, aided by Federal dollars but not controlled by Federal dictation of curriculums and texts.

As we enter the second decade of the Elementary and Secondary Education Act, a recent address by Alexander J. Burke, Jr., president of the McGraw-Hill Book Co., bears on this subject. Although presented, of course, from a publisher's viewpoint, it nevertheless encompasses the wide area of interest the Nation shares in this subject; and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SCHOOL PUBLISHING: CRITICAL ISSUES IN A CHANGING MARKETPLACE

(An address by Alexander J. Burke, Jr., President, McGraw-Hill Book Company, to the Association of American Publishers, Annual Meeting, The Greenbrier, April 28, 1975)

In my remarks today, I'd like to give you a view of some significant trends that are altering the structure of school publishing and then to comment on the new challenges that these changes have created both for school publishers and for our customers, the school systems of this country.

First, let's review some crucial facts about school publishing.

1. What is the economic structure of the educational publishing industry?

1973 ESTIMATED EL-HI INDUSTRY SALES

[In millions of dollars]

	Textbooks	Award other media	Tests	Tota
Elementary	344	112	NA	456
High school	204	75	NA	279
Total	548	187	29	764
Percentage of total	71.7	24.5	3.8	100

While the major portion of the industry's business is in textbooks today, the emergence of educational systems has tended to blend texts, audiovisuals and tests into one educational system, making instructional materials more expensive, more flexible, and more suited to prescriptions for individual students.

2. What is happening to the enrollment base of our customers?

The crunch of the sixties—a ten-year growth of 22% is declining by 11% throughout the decade of the seventies, allowing schools to concentrate on improving the quality of instruction rather than the size of the buildings.

3. What has happened to the average per capita sales of textbooks?

TEXTBOOKS—AVERAGE PER CAPITA SALES

Year	Elementary		High School	
	Dollars	Units	Dollars	Units
1967	6.94	5.07	10.89	4.35
1968	7.30	5.03	10.98	4.21
1969	7.26	4.77	11.15	4.23
1970	7.73	4.94	11.32	4.21
1971	8.25	4.99	11.51	4.14
1972	8.47	4.81	11.20	4.12
Average annual growth rates (percent): 1967–72	4.1	(1.1)	0.6	(1.1)

The average annual growth rates in dollars are increasing, but unit sales are declining—a trend that has continued to grow over the last few years.

4. What has happened to textbook sales as a percent of the GNP?

After the peak of the sixties, textbooks have leveled off at about four one hundredths of one percent of the GNP, but well above the previous historical rate.

5. What portion of textbook sales are derived from state or city adoptions on the basis of long-term price contracts?

About 50% of textbook income is from areas that require publishers to make long-term fixed price contracts. Most of the basic textbook sales in these areas are made under a price guarantee from three to six years in duration. While publishers' prices over the past five years have increased as an overall average by 25.8%, costs of paper, printing and binding rose by an average of 30%, salesmen's compensation by 28.2%, and senior editors' earnings by 23.2%. Because of fixed-price contracts, the ability of publishers to recover these costs has eroded considerably. These contracts and the legislation on which they are based, as I will recount later, were made during periods when inflation was at a rate of only two to three percent.

These selected facts present a picture of the el-hi marketplace where enrollment declines, funding pressures, inflationary cost increases, and restrictive adoption practices have created a new range of critical issues in elementary and secondary education. As a result, school publishing and our customers, the schools, face three kinds of challenges—a funding challenge to get the financial support for quality instruction, a research challenge to document the return for higher investments in instruction, and a political challenge to change legislation and adoption practices made for an earlier time and different needs. Let me assess for you how I see each of these challenges.

THE FUNDING CHALLENGE

In the decade of the seventies, enrollments are declining at an annual rate of 1.2% per year, unit sales are declining at a similar rate, and the rate of expenditures on instructional materials, as a percent of total school expenditures has declined from 4% in 1969 to 3.16% in 1974. Today we are spending in American education about $1100 per pupil in total educational expenditures. Of this total, only about $10 or less than 1% goes for textbooks, about 2% for all other instructional materials—the most important instruments of education after the teacher. A study done a few years ago in Texas demonstrated that 75% of the student's classroom time is spent working on his instructional materials and 90% of his homework time! If textbooks and instructional materials are important enough to command this much of the student's learning time, then schools are taking a perilous risk in backing up a $1100 investment with only $10 for tools as important as instructional materials.

Despite the contentions of Coleman and Jencks, many economists, such as Walter Heller, have contended that putting more money and resources into education raises its quality, and a higher quality of education produces both higher educational achievement and higher economic productivity. For example, the proportion of our population in poverty declined from 33% in 1947 to 11% in 1973. Surely, education has been a major factor in achieving that decline.

Education, however, remains one of the last of the labor intensive industries. Therefore, the need, many argue, is for better teachers. But we cannot, I submit, hope to get better teachers in quantity. In no area of human endeavor have we ever been able to upgrade the human race. We can get better results only by giving today's teachers better tools, and organizing their work properly. Peter Drucker expressed this point in a comparison to medicine: "The first teacher ever, that priest in preliterate Mesopotamia who sat down outside the temple with the kids and began to draw figures with a twig in the sand, would be perfectly at home in most classrooms in the world today. Of course, there is a blackboard, but otherwise there has been little change in tools and none in respect to methods. The one new teaching tool in the intervening 8,000 years has been the printed book. And that few teachers really know how to use—or else they would not continue to lecture on what is already in the book.

"The priest in ancient Mesopotamia was also the first doctor. If he returned today to a modern operating room in the hospital, he would not conclude that he would do as well. Yet today's doctors are no better men than the first doctors were. They certainly are no better than the 'father of medicine,' Hippocrates. They stand on his shoulders. They know more and, above all, they know better. They have a different methodology. They have different tools. As a result, they do entirely different things, and do them differently."

The funding challenge is crucial if we are to move education from a labor intensive to a more capital intensive technology. With better tools, and with individually developed diagnoses and prescriptions, the medical profession has eliminated some kinds of health problems and radically reduced others. The same can be done in education, but the costs may be equally high, for the human mind is as infinitely complex as the human body. More substantial funding is also crucial if we are to reduce the enormous inequalities and disparities in school support among and within the states. The share of federal support for education must move from its current level of less than 8% to a level of 25% or 30% and state support must reach the 50% level if we are to redress the imbalance between property taxes and other taxes for school support. Meeting these critical needs is no easy task and requires the kind of leadership and coalition of institutions and interests that characterized the Emergency Committee for Full Funding. Publishers must assume a prominent role in such a coalition and extend its impact to both Congress and State legislatures.

Over the past year, the School Division has met with many people in HEW and in Congress to support federal funding. We have been active in state legislatures, and state departments of education, supporting the need for higher levels of state funding and we have prepared a filmstrip and pamphlet presentation on the need for funds to support a richer instructional materials environment in the schools. A beginning has been made but only a large coalition of those concerned with education will be able to achieve the point of critical mass in the support of education.

THE RESEARCH CHALLENGE

If we as educational publishers are going to be able to produce better tools of learning, the first need is for an investment of at least 2% of school expenditures or $20 per pupil for textbooks, and a total of $50 per pupil for all instructional materials. But what evidence do we have that this increased investment on the taxpayer's part will have a commensurate return? The need for increased funding is tied closely to the need for a research base for instructional materials. Over the past few years, at least two states have passed laws requiring publishers to submit evidence that their materials are "learner verified." Many more states have pushed bills in committee. Behind the hasty passage of these laws lies some casual but massive assumptions:

1. That educational researchers know how to evaluate growth in processes as subtle as listening, oral language development, acquisition of values and mastery of inquiry methods.

2. That we know how to distinguish in the process of education between the role of the learner, the role of the teacher and the role of the instructional materials.

I note these reservations because premature legislative demands may lead to the submission of thin and inadequate evidence and lead thereby to the demise of an educational movement that we cannot afford to see expire in the dustbin of educational fads. Research on the impact that instructional materials have on learning is as important and as slow to develop without adequate funding as is cancer research.

To give some notion of what research on learning materials may be able to achieve, let me draw a parallel to advertising. In watching my own children perk up at the time when the television commercial comes on, I'm always fascinated by why they are more interested in the commercial than they are in the program, and when you look at the commercial, it's an interesting example of teaching. Let's look at it for a moment from the point of view of an account executive who is told, "I want you to teach a large number of people a simple concept, and to achieve a change in their behavior. You will never see any of the students and you have only thirty seconds to secure the change in behavior and, by the way, your job depends on it." In the process of fulfilling this demand, a commercial is created and if we abstract from its content for a moment, it has at least three of the key elements in good teaching: It has effective sequencing of its material; it has validation through repetition; it has a self-motivation of the learner through pleasure. It also has a budget that is $100,000 for production and about $50,000 for air time. In short, for thirty seconds of teaching, there is an investment backing it up of about $150,000, much of which goes into geographic test marketing and feedback. If we could have that kind of funding for even a small sample of instruction, we would be able to document better results.

At the present time, in education we are trying to find ways of achieving learning gains on a much thinner budget than detergents. And the process of doing this is not a one-time test of consumer reliability because the same notions of consumer reliability can't be applied to learning as are applied to a toaster or a bar of soap. But the future improvement of instruction lies in the establishment of a research loop in which together teachers, publishers and students can find out whether materials work, where they don't work and what needs to be done to improve them. Learner verification can provide teachers and publishers with data and information necessary to make the most effective use of materials, to answer such questions as under what conditions do materials best work; with what age learners; with what kinds of learners. The process implies that the student really becomes the primary source of data and the teacher the secondary source, enabling us to find out whether the materials are appropriate for the way in which each student learns and appropriate for the way in which each teacher teaches—learning style and teaching style are a very important factor in the success of instructional materials. The crucial decision in this process is that of selecting the most appropriate means of evaluating instruction. We don't know today and the American Education Research Association is not able to tell us how to evaluate some kinds of instruction. How do we evaluate progress in listening; how do we evaluate inquiry processes in science or social studies? We are just beginning to learn. I am fond of making an analogy with test publishing: When it was first asked that tests be normed and standardized, it took twenty to thirty years to arrive at the way in which this could be done effectively—and today's testing controversies are tributes to the fact that we are not yet at the goal. It takes a long time to learn how to evaluate instruction in many different areas, and right now we know more about doing this in some of the elementary areas of reading and mathematics skills than we do in the more affective areas of social studies and literature. Above all, evaluation is a continuous process. We begin the process before we publish instructional materials, and we continue it when the material is published and out in the classroom, trying to get different kinds of feedback in order to reshape revisions to children's needs. But there are a number of myths about learner verification that have grown up especially among legislators and these need to be dispelled lest we create credibility gaps. One is the myth that we know how to verify materials in all disciplines and at all levels. We don't, but over time we will learn how to do it, even if it takes ten years of research to get there. Another myth is that learner verification, when done, assures some kind of mystical guarantee of success in another kind of environment. And we've seen that that's not true. Differences in what school systems want and differences in the provisions for in-service training make it very difficult to predict with accuracy that what has had one kind of success in one school will have the same level of success in another.

There is also a myth that the quantity of data and the quality of the verification are related. There are a lot of programs that have a great deal of data, but if the data were poorly gathered, the situation is somewhat like the research that Jean Schall commented on in her book on reading—a lot of educational research done in the thirties was undone by new research in the forties. It's difficult to get fully comparable situations in school environments, and it takes a long time to build up reliability of data, but what goes into many instructional programs is a lifetime of experience of a group of authors who have been perfecting in the classroom their techniques of teaching reading or math or social studies—and that represents very solid verification of given approaches, although they still lack a data base we would all desire.

There is another myth of learner verification, namely, that it will not increase the cost of materials. The cost of tests, if we abstract from other factors, went up about three times just due to the costs of norming and standardizing tests; and instructional materials will rise very rapidly too, depending on the demands that are made for verification. But the investment in research is, despite these problems, an essential and urgent investment. The effect of misinterpretation of Jencks and Coleman has been disastrous to education. They have been interpreted as saying that the characteristics of the school's output are determined only by the input—a conviction that is deadly to the increase in funding for education. We have to find ways to proving the values of instruction. As the old Title I guideline said, whatever cannot be evaluated will not be funded.

We need to demonstrate to Congress, to state legislators, and others that we can get increased learning gains for increased investments, and we need to restore the conviction that schools do make a difference. In doing this, we are thus faced with a classic dilemma: which comes first—research or funding?—the chicken or the egg? Somehow we must find a way to research and document better than ever before the value of education and of instructional materials. For herein lies the proof that better materials and better education deserve better funding.

THE POLITICAL CHALLENGE

During the past year, the inexorable progress of inflation brought to the fore a number of critical concerns that school publishers have had about the restrictive effects of state and local adoption laws and procedures. About half of the el-hi marketplace—states and cities—impose burdensome restrictions through laws or procedures that go back in origin to the early part of the century.

The best way I can suggest, to give you the effect of these laws, is to make a Swiftian modest proposal that drugs and medicines, so important as tools of the medical profession, be submitted for sale under the same conditions as textbooks now are. First, the sale of new drugs or medicines will be subject to long-term, fixed-price contracts four to six years in duration, no matter what the research costs were to prepare them. Second, new drugs or medicines can only be submitted for sale once every four years or on the state or city adoption cycle, even if such mechanical restriction delays the spread of a vital new discovery. Moreover, bids on such medicines must be submitted one year before the contract is to begin, thus lengthening the term of price guarantee and closing out newer medicines for a longer period.

Third, pharmaceutical companies must operate depositories in each state to warehouse and ship throughout the state at a fixed commission rate of 8%, even though this duplicates existing facilities of the companies and adds to the price of all new medicines.

I will not go further with this analogy, but merely suggest that while, like all analogies, it may limp in places, it dramatizes the fact that few if any industries can live with such outdated restrictions and still serve their customers well.

With inflation now at a pace of 12% per annum, and with teachers' demands for more flexible materials, publishers and educators have had to reexamine and change old laws that never envisioned today's educational needs. This year, various members of the School Division have met with curriculum commissions, state textbook directors and state legislators to achieve some notable improvements in state and city adoption procedures. As a case in point, let me cite the changes in the California textbook law that have been developing over the past three years:

1. A new definition was established allowing the adoption of a broad range of systems of instructional materials, rather than textbooks only.

2. The period of adoption was shortened to a two-year cycle and provision made for allowing price increases after two years and with the State Board of Education's approval.

3. Guaranteed funding was established for the instructional materials fund so that monies were assured at the end of an adoption process, and monies not spent no longer reverted to the general fund but remained available to the schools.

4. A wider range of choices was made available to teachers and the length of time required for the adoption process was shortened so children could receive more up-to-date materials.

These are only a few of the significant changes that came about as a result of an extensive collaboration between teachers, legislators, publishers, and curriculum and administrative people from the Department of Education. The process, however, is long, expensive, and one that must continue as it has in California over a number of years, so that continual adjustments can be made to satisfy the needs of all concerned.

In other states, such as Florida, Arkansas, Oregon, Arizona and Utah, the term of adoption has been shortened or provision has been made to allow for the escalation of price at the end of two years. This becomes, however, an elaborate and time-consuming process, when provisions for change must be worked out by a legislative process in each of 21 states and 8 cities. Since these changes or proposed changes require new legislation, each state frequently wishes to add its own variations with regard to length of adoption term, size of list to be adopted, pricing provisions, restrictions on salesmen's presentations, exchange allowances, bonding, sampling, special labels, and endless paperwork. The costs to both the states and cities and to the publishers for many of these cumbersome practices is very high indeed.

Even such a simple matter as a common textbook label took three years and long negotiations to get approved in the majority of states. No single solution of these problems will be possible. But, we must, as an industry and as individual publishers, work with that multitude of interests—state department of education, state textbook directors, teachers, school districts, legislators—to find and implement as quickly as possible common solutions arrived at by a political process. The future success of instructional materials in our schools depends heavily on the creation of new laws, developed as a common enterprise by teachers, state textbook directors, publishers and legislators. And the leadership for this enterprise must come in large part from publishers who must satisfy the competing demands of many interested parties.

In dealing with political challenges, my account would hardly be complete if I did not mention another area of political challenges this year for textbooks: the West Virginia controversy. Textbooks have always been a target for public concern. But that concern is an inverted tribute to the way in which textbooks both mirror and create our values. The educational publisher has always tried to escape the dilemmas of the fail-safe curriculum, the vicious circle, noted 52 years ago by Donald Taft:

Textbook writers write what publishers will accept. Publishers accept what school boards will adopt. School boards adopt what public opinion demands. Public opinion is shaped by textbooks.

In West Virginia, a value conflict emerged in which a suburban, liberal ethic and a rural, conservative one collided. And the battleground was textbooks. For years, publishers, like many school superintendents, have been seeking more freedom of choice in the selection of materials. The need for wider adoption lists, freer choice of materials for teachers, greater rights of rejection by parents, all point in one direction—the need for greater flexibility of choice. Even where this wider flexibility is available as it was in Kanawha, the resolution has not been easy.

The problem of Kanawha pulls together my theme. Educational publishing is, above all, a private portion of a public enterprise. To secure the funds for this portion of the enterprise, to demonstrate the value of increased investments in instructional materials, to create modern legislation for instructional materials, to serve the needs of conflicting groups in our society, we have created and must continue to create new initiatives to arrive at common political solutions. The seeds have been sown, but they will require continual cultivation.

AMOS NEILL JOHNSON, FATHER OF FAMILY PRACTICE

Mr. KENNEDY. Mr. President, the current issue of the Tar Heel Practitioner contains a number of tributes to Dr. Amos N. Johnson, whose recent death has deprived the Nation of one of its outstanding men of medicine and one of its most eloquent and personable spokesmen for the cause of decent health care.

As one who worked closely with Dr. Johnson over a period of many years, I also feel his loss as a very personal one. He is well known to many of us as the Father of the Family Practice of Medicine. I am sure that all of us who knew him and worked with him will appreciate the tributes by his friends, and I ask unanimous consent that the tributes from the Tar Heel Practitioner may be printed in the Record.

There being no objection, the tributes were ordered to be printed in the Record, as follows:

[From the Tar Heel Practitioner, Issue of May-June 1975, Publication of the North Carolina Academy of Family Physicians]

President's Message

Feelings generated by the death of a friend and mentor transcend prosaic accolades and sincere eulogies.

We who try to fill the void left in our hearts and professional lives by the untimely passing of Dr. Amos Johnson are troubled by our sense of inadequacy yet we are determined to hold his memory precious and to perform our appointed task more diligently, for in so doing, we enhance and further the goal of medical excellence for which Dr. Johnson gave so many of the years of his life.

Let those of us who would honor him most be dynamically concerned that his work will not have been in vain.

C. O. Plyler, Jr., M.D.,
President, N.C.A.F.P.

Editorial by Clement Lucas

"But God's own descent
Into flesh was meant
As a demonstration
That the supreme merit
Lay in risking spirit
In substantiation
Spirit enters flesh
And for all it's worth
Charges into earth
In birth after birth
Ever fresh and fresh
We may take the view
That its derring-do
Thought of in the large
Is one mighty charge
On our human part
Of the soul's ethereal
Into the material"

I miss him. His friends miss him. His patients miss him. And most of all, rural America misses him. A truly unique man has been taken from us. I walked and talked with him in rural Sampson County, medical schools, the N.C. General Assembly, the U.S. Congress, and the U.S. Department of Health, Education, and Welfare. Never have I met a person like him. A gentle, humble, caring physician who could be as much at ease with a patient who arrived by mule and wagon as he was with the President of the United States. And a man who had one concern—to help improve health care for all Americans.

At times he was harsh with those he thought were wrong, but no more harsh than he was with himself as he rode through rural eastern North Carolina and repeatedly said "we must get better health care to our people."

He was a teacher and a scholar. As we made rounds in his office with his black physician's assistant of thirty years, I always learned something new and he always had suggestions for the medical schools to use in treatment of diseases.

He was a leader and a statesman. As a medical student, resident, and practicing physician, as I learned from him, I was awed by his foresight and diligence. He worked for medical student participation in curriculum development and health projects, family practice residency programs, the American Board of Family Practice, recertification, consumer involvement, child health screening, physicians' assistants, continuing education, and the list is much longer.

He was a philosopher and a writer. Many hours were spent quoting the Bible and Shakespeare. At the same time he wrote paper after paper for Ted Kennedy, Paul Rodgers, John Henley, and he authored the Family Practice Act of 1969 which passed the entire U.S. Congress with only one dissenting vote, primarily due to his lobbying efforts.

Never so astute a "medical politician" has there been. Senators loved him. Congressmen loved him. He was of a different breed—A white haired Southerner who practiced medicine and understood what "staff" was. And he loved it. Each week that passed, he would leave his busy office in Garland, to walk the marble halls of Washington to "confer" and "tell it like it is." Although he represented the Academy, frequently the AMA asked him to represent their organization also.

Amos Johnson was my friend, my father, my teacher, and my counselor. That I am in family practice is due entirely to his influence. We were both from small towns, eastern North Carolina, and both had a tremendous love for people and the land and the water. There is an emptiness in my heart, soul, and being that will never be filled. But I am fortunate; I can always cherish the knowledge that I knew him, and he was my friend.

And he has many friends: Nicholas Pisacano, Ted Kennedy, Leo Jenkins, L. H. Fountain, Richardson Preyer, and others. Their thoughts follow.

It is my pleasure to dedicate this issue of the Tar Heel Practitioner to Amos Neill Johnson, M.D. with the hope that all of us will dedicate ourselves to the ideals and goals he believed in and worked so timelessly for.

"He runs face forward. He is a pursuer.
He seeks a seeker who in his turn seeks
Another still, lost far into the distance.
Any who seek him seek in him, the seeker.
His life is a pursuit of a pursuit forever
It is the future that creates his present.
All is an interminable chain of longing"

So it is written.

AMOS NEILL JOHNSON, M.D.
June 5, 1908—April 23, 1975

Education:

Duke University, AB (President Student Body) 1929, University of North Carolina, 2 years medicine, University of Pennsylvania, M.D., 1933.

Married:

Mary Porter Allan, March 16, 1934, 2 children, 3 grandchildren.

Medical Activities:

N.C. Medical Society, President—1960–1961, Board of Medical Examiners, 1950–56, President 1955.

N.C. Chapter American Academy of Family Physicians, Charter Member, 1948, president, 1952–1953, Chairman Committee on Education, 1953–1960.

American Academy of Family Physicians, delegate from N.C., 1955–61, chairman, Commission on Education, 1961–62, chairman Scientific Assembly, 1960–61, chairman Board of Directors, 1963–64, president, 1965–66, AAFP Representative to U.S. Congress.

American Medical Association:

Delegate from N.C., 1962–1974, AMA Commissioner to Joint Commission on Accreditation of Hospitals, Ad Hoc Committee to study training for Family Practice.

Miscellaneous:

Governor's appointee for Health Planning, 1969, Governor's appointee to study the Public School System, 1964, Governor's appointee for Economic Development, 1967, Medical Advisor to State Board of Mental Health, Medical Advisor to DHEW: Cancer Control, USPH Service, Health Services, Medical Assistance Committee, Governor's appointee for Court Reforms, Governor's Appointee to Hospital Board of Controls, Member of Sampson County Board of Education, 1950–62.

Recent Activities:

President and Treasurer, American Board of Family Practice.

Executive Committee, American Board of Medical Specialties.

Board of Directors, Universal Education Corp.

UNC Board of Trustees since 1965 (presently assigned to Charlotte, served on Committee for Medical Affairs at UNC prior.)

IN MEMORIAM
"THE FATHER OF FAMILY PRACTICE"
AMOS NEILL JOHNSON
June 5, 1908—April 23, 1975

"Let there be no sad song for Amos—he danced every dance, walked every mile, fought all the way, and loved every minute of it."

"And if my nature wants the germ that grows
Towering to heaven like the mountain pine,
Or like the oak, sheltering the multitude—
I stand, not high it may be—but alone!"

On Wednesday, April 23, a giant oak fell in Eastern North Carolina. Amos Johnson joined the "choir invisible" and left a great void in the lives of us who were his intimate friends.

Amos was a dear friend whom I grew to love and respect no less than any man I ever met. His work for Family Practice and organized medicine in general needs no comment from me for it is known by all who have been involved in our profession. However, it is Amos the Man that I shall personally miss. Although he could at times be harsh in the face of what he thought was wrong, he was yet a kind and gentle soul. I grew to know him, his habits, his phrases and his expressions. For example, in the last few years of his life when we would be staying in a hotel for a medical meeting, he would often abruptly retire to his room right after dinner, sometimes even during dinner. I could detect in his face and knew when he was about to say "take me home," or one of his favorite expressions before withdrawing to his room for bed was, "I'm going to bed and make my peace with the Lord," and off he would go leaving us until breakfast the next morning.

Amos' presence at various meetings was unique. It was very evident when Amos was passively cogitating the proceedings, or in fact at times bored. He would pull out his pocket knife and trim his fingernails and occasionally he would sharpen his knife on a whetstone he carried in his pocket. Then he would raise a single finger, squint one eye, and come forth with a Johnson soliloquy in a manner so well known to all of us who sat at these meetings. How often did I mentally equate his little pocket knife with the symbolic Occam's razor.

Here was a man who could master four-letter words and clever little ditties, yet he had a keen sensitivity for beautiful poetry and prose, especially that found in the Bible. Here was a man who could imbibe several ounces of Scotch with dispatch, yet have a beautiful sensitivity for a flower.

Amos was a strong man. He was virtually a born leader. He had disdain for the academic jerry-builders whose capacity to be unstimulating amounts to genius, for Amos was quite the opposite; whatever he said, whether one agreed or not, one could never accuse him of not being stimulating or interesting. He caught attention when he spoke. His words reflected a seasoned man's clear thinking of loftiness of purpose. His phraseology was uniquely his own. We called them "Johnsonisms." For example, one time when I asked him how far a certain place was, and he wasn't sure, he simply said, "between here and yonder." This was a typical "Johnsonism."

I cannot enumerate the very many things I learned from Amos. He was my counselor and my friend. Between us there was that unique bond of love that occurs between two humans so rarely. He was my friend, and I shall never forget that sunshiny day in beautiful North Carolina, the land he loved so much, as we drove into the cemetery which was studded with tall Carolina pines throughout the area. His grave site, interestingly enough, was under a lone oak, and I wept for I knew Amos had made his "peace with the Lord," and that he is now among the ". . . immortal dead who live again in minds made better by their presence"—but I am not resigned.

NICHOLAS J PISACANO, M.D.,
Executive Directory Secretary, American Board of Family Practice, Lexington, Ky.

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Amos Johnson was my friend. He was also a gifted and trusted adviser on health policy matters for me and for the Senate Health Subcommittee. Amos was one of those unique individuals who could devote most of his life to the provision of high quality medical services while at the same time being able to understand and help shape national health policy.

Dr. Johnson was in the vanguard of those who early recognized the need to redress the growing imbalance in the training of super specialists in health care, at the expense of family practitioners. His efforts with me in this area date back at least to 1969, when he was instrumental in developing and stimulating the passage of the Family Practice of Medicine Act.

Later, this landmark bill was pocket vetoed by President Nixon in 1970, in an effort by the President to prevent Congress from exercising its right to override a normal veto. Dr. Johnson was one of the first to question the propriety of the pocket veto, and he was a strong supporter of the subsequent litigation I initiated to test it in the courts. Our position was ultimately vindicated by the Federal Court of Appeals in Washington. The pocket veto was held unconstitutional, and the Family Practice of Medicine Act was at last declared a valid law.

More recently, Dr. Johnson's advice was of enormous help and assistance to me in many other areas of health care, including mechanisms to assure continuing competence for physicians. Over the years, I valued his friendship, his wise counsel, and his unfailing good humor. He was an outstanding physician, truly dedicated to using his knowledge and talent to serving his patients and the public interest. Congress and the nation are in his debt, and we shall miss him.

Edward M. Kennedy,
United States Senate,
Washington, D.C.

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Dr. Amos Johnson was recognized all over the country as a giant in family medicine. Long before most health planners had begun to work for the development of family practice as a specialty, Dr. Johnson saw the need for this development and was working in North Carolina and at the national level to increase the numbers of persons trained in family practice and to enhance the standing and reputation of physicians in that field.

Dr. Johnson was president of the American Academy of Family Physicians. He was one of the prime movers in establishing the American Specialty Board for Family Practice and was one of a handful of persons responsible for introducing the requirement that every doctor in family practice should be recertified by that Board at six-year intervals. No other specialty board had such a requirement, and Dr. Johnson's perception of the need for this recertification is indicative of his far-sighted nature.

The people of North Carolina had a champion in Dr. Johnson. All of us, in this state and elsewhere, will be the benefactors of his vision.

William Friday,
President, University of North Carolina, Chapel Hill, N.C.

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With the passing of Amos Johnson, family physicians both in North Carolina and throughout the United States has lost its finest spokesman. For many long years Amos has been an active family physician and spokesman for the family doctors in North Carolina to the medical school, to the legislature, spokesman for the American Academy of Family Physicians, to the halls of Congress and HEW. In his many duties as President of the North Carolina Academy, North Carolina Medical Society, the American Academy of Family Physicians, American Board of Family Practice, and as the Washington representative for the American Academy, he probably more than any one person has influenced the revival of family medicine in the legislative trends. He will be greatly missed by all of us but never forgotten.

George T. Wolff, M.D.,
Director, Family Practice Center, Moses H. Cone Memorial Hospital, Greensboro, N.C.

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Yes, those of us who knew him, particularly those who knew him well, will miss so many things that he did as he cast a spell.

He probably worked harder than anyone we might know as he fronted for the family doctor who has such a hard row to hoe. From the small town of Garland, North Carolina, his booming voice has been heard in the Congressional Halls in Washington where he stood so broad and tall and spoke of the goals of the family physician and the many needs which we have. He pointed out to those who would listen that all things in medicine were not bad.

Yes, he was a great one and he was loved by us all.

Carl B. Hall, M.D.,
President-Elect, American Academy of Family Physicians.

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The dedication of an issue of the Tar Heel Practitioner as a memorial to Dr. Amos Johnson is a most fitting tribute to him and to the contributions he made to the cause of Family Practice in North Carolina and nationally. I deeply appreciate this opportunity to recognize publicly these contributions and to honor his memory for the future generations of family physicians who will reap the benefit of his devotion and hard work to reinstate Family Practice in our medical care system.

Amos Johnson was a rare individual, representing an unusual combination of talents and attributes—all of which he brought into successful focus as he struggled and fought for years to reverse the tide of medical specialization. It is due to his perseverance and leadership, his willingness to take on "the establishment," his state and national political savvy and ability to gain the respect and confidence of political and medical decision-makers, and last, but by no means least, his personal example as a skilled and caring family physician that Family Practice today stands on the threshold of regaining its rightful place in American medicine.

Almost eleven years ago, Amos demonstrated his readiness to fight for a cause that many of his colleagues in the hierarchy of the State Medical Society bitterly opposed. He publicly and vigorously supported the establishment of a medical school at East Carolina University. Amos saw the need for another medical school in North Carolina, a school that would emphasize Family Practice in its curriculum and in its philosophy of medical education. His outspoken support was characteristic of the man and what he believed in—for Family Practice, not against other disciplines or other medical schools. It is noteworthy that while doing all within his power to help East Carolina, he fought just as hard to get state funds for our two private medical schools and the funds needed to expand the School of Medicine at Chapel Hill.

With the successful achievement of his major goals during these past few years, a lesser man than Amos Johnson probably would have rested on his laurels. Not Amos! He continued his active rural practice as well as his efforts to enhance and to strengthen his beloved Family Practice. He maintained his significant contacts in the North Carolina General Assembly and in Congress and kept the concept of family medicine uppermost in the minds of our political leaders. Similar involvements continued with the state and national medical societies, especially those directly concerned with Family Practice.

Dr. Amos Johnson was truly a great man, a great physician, and a great leader. He will be sorely missed by all of us. We at East Carolina will do all within our power to insure that his dreams for this School of Medicine—the School that he helped to conceive and that he lived to see brought to fruition—are realized.

Leo W. Jenkins,
Chancellor, East Carolina University, Greenville, N.C. 27834.

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I was pleased to learn that the Tar Heel Practitioner is planning a memorial issue in honor of the late Dr. Amos Johnson, whose passing was mourned by so many and whose contribution to health care delivery and to Family Practice in our State and Nation was so great.

Dr. Amos Johnson was a dedicated, highly respected and responsible leader of the medical profession. His articulate voice was heard in the high counsels of our land concerning the health and well being of the American people.

He was a real leader—not afraid to speak out when the situation called for it, not afraid to press hard for those things which would be of benefit to medical science and to our people.

In so many ways, Dr. Johnson contributed so very much to the advancement of the quality of life for all Americans.

He will long be remembered.

L. H. Fountain,
Congress of the United States,
Washington, D.C.

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It is with great humility and deep sorrow that I take pen in hand to write this letter of tribute to Amos Johnson. In his passing the American Academy of Family Physicians, the American Board of Family Practice, organized medicine in all its aspects, and family physicians everywhere have lost a great leader.

Dr. Johnson with his skill guided the Academy in 1964, 65 and 66—years which were critical in the formulation and recognition of the new specialty of family practice. As a pioneer member of the Board of Family Practice and later its president, he contributed much to the dignity and maturation of that body as the guardian of the standards of excellence of the specialty. Even at the time of his death he was playing a leading role in the funding of graduate education programs through his activities as a Washington Consultant and Legislative Commission member of the Academy.

Surely this man's guiding hand and thoughtful counsel has been everywhere present in the major transition of our specialty during the past 20 years.

He will be truly missed as our leader, benefactor and friend.

Herbert A. Holden, M.D.,
President, American Academy of Family Physicians, Kansas City, Mo.

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It is impossible to think of Amos Johnson and not think of Family Practice . . . where it has been and where it is going. In him one can see clearly the transition from small town general practitioner to an established specialist in Family Practice with co-equal status with any of the other traditional medical specialists. Embodied in the heart and spirit of this unique man was all that was good of General Practice as a country doctor in solo practice combined with a vision of all that the Family Physician of tomorrow will become as he continues to gain stature as a true specialist in academic and professional circles.

The hallmark of his career is that he never rested on past accomplishments however signficant those accomplishments appeared to be. His guiding hand helped to formulate policies that made the Academy of General Practice a strong organization and made the American Academy of Family Physicians respected by the rest of the medical profession and the public alike. He was a guardian at the birth of the new specialty of Family Practice. His strong support along with many other capable national leaders helped Family Practice through its infancy stage and into a full-grown specialty. In order to strengthen the specialty he became closely identified with the American Board of Family Practice, whose criteria for excellence and insistence on quality of those certified in this specialty has assured its perpetuation.

A man of rare political awareness, Amos Johnson was a keen and astute politician. He was equally at home with leaders in the United States Congress or the Congress of Delegates of American Academy of Family Physicians. In either place, whether they agreed or disagreed with his views, the leaders listened to and respected his opinion. This indeed was his greatest strength. His political insight and judgment kept him in the center of what was happening in the Academy, the

American Board of Family Physicians, and the development of new trends in the delivery of health care in this country.

He was the perpetual friend of the medical student. It is probably fair to say that no one in the history of our profession continued for such a long time to enjoy popularity with student as did this man from Garland, North Carolina. He was rarely at a national meeting when there wasn't a student in his company. He was constantly sought after as a speaker at any medical student forum. He will remain a role model, par excellence, for students, residents, and practicing Family Physicians. We honor him most by continuing the work that he has given his life to . . . the establishment of a Family Practice as a completely equal discipline of medicine in its rightful place in the health care delivery system. We are grateful to you Amos, and we'll miss you tremendously.

James G. Jones, M.D.,
Director, Family Practice Programs, EAHEC, Greenville, N.C.

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There is no way to measure Amos Johnson's influence on family practice in America, for Amos was that unique stone thrown out upon the water, which casts ever-widening circles.

From his first affiliation with the North Carolina chapter through his presidency of the American Academy of General Practice, his terms as AMA delegate, the years served as a member of both the American Board of Family Practice and the Family Health Foundation of America, Amos was the spokesman for the family doctor.

When we add to this his influence with SAMA and his influence in the legislative halls of Washington, how can we begin to calculate—in terms of numbers produced or residencies established what this one man did?

It was enough to know that when a problem existed, there was a special man who answered the call for help in one of two ways: "My friend, I'll walk the halls for you," or "Let not your heart be troubled . . ."

American medicine will miss Amos Johnson,
family practice will miss Amos Johnson,
and I will miss Amos Johnson.

Julius Michaelson, M.D.,
President, Family Health Foundation of America, Past President, American Academy of General Practice, Foley, Ala.

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All of us here at Academy headquarters were most saddened by the news of Dr. Amos Johnson's death. I consider it a privilege to prepare a letter to be incorporated into your upcoming memorial issue to Dr. Johnson. I hope I can make it reflective of the loss we all feel deeply.

Amos Johnson truly was a giant of the American medical profession. He was a leader of that select band of Academy statesmen who conceived the specialty of family practice and fought for it through seemingly insuperable adversity to the reality of a certifying board, an academic base and the growing status it now enjoys. They were the pioneers who found "the gap in the mountains" and built a new health care vehicle. Their product yet may revolutionize health care in the United States, to the advantage of every citizen.

Dr. Johnson was a man of courage and a man of wisdom but, above all, he was a man of vision. He saw clearly what needed to be done to revitalize family health care long before most of his own colleagues. His courage was evidenced in the tenacious way he fought for his vision. His wisdom was displayed by his insistence on and personal involvement in undergirding the product of his vision and courage with a solid financial base provided by federal support.

He was wise, too, in that he knew how things worked. He was a consummate practical politician. His approach echoed the classic definition of politics: The art of getting things done.

Amos Johnson was energetic but he had the true Southerner's sense of time. He used it effectively and efficiently, never allowing it to use him or to upset his aim or the manner in which he conceptualized his target. I have heard him say more than once: "Don't hurry. It'll be there when we get there." Implied was the admonition, ". . . and we'll be in better shape to deal with it."

Dr. Johnson knew the great and the near-great on Capitol Hill. More important, they knew him. And they respected his knowledge of organized medicine, his concern for the health of Americans and his political savvy. In the final analysis, these credentials enabled him to move easily and surely in that most skeptical of all worlds, Washington, D.C.

Amos Johnson was unique. The likes of him will not pass our way again. Each of us who knew him will miss him in our own special way.

Roger Tuskin,
Executive Director, American Academy of Family Physicians, Kansas City, Mo.

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North Carolina has lost not only an outstanding physician, but in all respects a great citizen in the death of Dr. Amos Johnson.

While I was privileged to serve as Governor, Dr. Johnson was invaluable to me as an adviser on health affairs generally, and particularly family practice in the more rural sections of our State. His interests were wide and varied and he was an able advocate for any cause which contributed to the general welfare of the State. He will be sorely missed.

Dan K. Moore,
Supreme Court, State of North Carolina, Raleigh, N.C.

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AMOS JOHNSON—THE HAPPY WARRIOR

Amos was larger than life. It is hard to believe he is gone. His handsome dignified presence filled the room when he entered and for me he epitomised all I admire in Southern professional elegance. Whether on the podium at some vast national gathering or relaxing on the porch in the morning sun near his beloved lake, Amos could hold his audience enraptured as he aired his views on medicine, on politics and on the ways of life. Amos was a successful man, loved by his family, his patients and his friends; he dedicated his life to them in return. But, above all, Amos was always worth listening to. He presented his ideas in deceptively simple terms, were they his views on the treatment of patients or the handling of some complex medico-political problem. His homespun philosophies were wise and fair, the immensely valuable product of a razor-sharp intelligence. None of the countless hero country-doctors written about in the literature outshone Amos when it came, either to dedication and effort on behalf of his patients or fortitude and fierce integrity when it came to supporting what he believed to be true. That night, seven years ago, newly arrived and naive to the American scene, how fortunate it was for me at the Pines in Chapel Hill when we first met at a dinner meeting of the Academy leaders and Medical School administration to discuss the proposed new department of family medicine at U.N.C. Amos dominated the meeting and after appropriate catechism I won his approval and from there on out his help was unremitting, effective and enormously sustaining as we proceeded on the up-hill road of establishing family medicine in academe. Our happiest memories were in each other's homes—discussing new family medicine legislation over country breakfast in Garland after an early morning flight, his wife Monk heaping my plate with country ham, eggs and grits or at Sunday afternoon tea in Morgan Creek with my wife, Myffy, urging a not too resisting Amos to try her home-made cakes.

As the program developed, we spent frequent hour-long conferences on the phone and time and time again Amos's advice and intervention helped the program along. We were generously funded by the state and federal governments largely through legislation conceived and written by Amos, and finally we were accredited for residency training. No single person contributed more to the establishment of family medicine in North Carolina than did Amos and for this I and my colleagues and the patients we serve, are truly grateful.

When he knew my term of office as Chairman at Chapel Hill was nearing its end he accepted this with understanding and with continued support and until a few days before his utimely death we discussed the future confidently and happily. He had seen in his lifetime academic family medicine spreading like a prairie fire throughout the land—no longer was he a voice crying in the wilderness. The first of the new breed of family doctors were being produced by the new residency programs and were beginning to settle in practice where they were needed. Many future communities will have much to be thankful for to this great and wonderful man, Dr. Johnson of Garland, North Carolina.

If it were for family medicine no task was ever too great nor any journey unnecessary. He often dipped deeply into his own pocket when no budget was identifiable for some urgent expenditure to further or protect the cause of family medicine. In echoing the words of Wordsworth, it can be said he sought no personal reward, he found "... comfort in himself and in his cause; And while the mortal mist is gathering draws His breath in confidence of Heaven's applause; This is the happy warrier; ..." and so it was with Amos.

Robert Smith, M.D.,
Professor and Chairman, Department of Family Practice, University of North Carolina, Chapel Hill, N.C.

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I am pleased to be able to contribute to this issue of the Tar Heel Practitioner commemorating Dr. Amos Johnson. Many of us who were involved in the redirection and reorientation of the Student American Medical Association in the late 1960's towards concerns about patient care, geographic maldistribution of health manpower, physician overspecialization, and the relevance of health professions education for family or primary care practice drew much of our support and encouragement from Amos. His outspoken leadership in the development of the family medicine movement showed us how one man could still be influential in making basic changes in medical education and practice. His example encouraged many students and young physicians to work within the system rather than outside of it. Under his personal tutelage, many of us began to understand the legislative process at the Federal level and to acquire skills in making it work towards change in health care and health professions education. For me, I considered Amos primarily a teacher and a friend. He spent time with me and my family, always showing a sincere interest in immediate problems and future directions. My last contact with him was a day last December which he and I spent in the Senate and House Office Buildings, walking those halls that he knew so well and visiting twelve congressmen, not for any specific purpose but just for keeping up-to-date. He was a unique and gifted human being and touched the lives of many persons. It will not be the same without him.

David A. Kindig, M.D., Ph.D.,
Deputy Director, Bureau of Health, Manpower Department of HEW, Former President, Student American Medical Association, 1967–1968, Bethesda, Md.

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It is very hard to put into words the admiration and respect I had for the late Dr. Amos Johnson. I was out of the State when I heard the sad news.

Dr. Johnson and I spent many hours together talking about what we could do to aid the family practice specialty here in North Carolina. In fact, in 1969 it was through Dr. Johnson's encouragement that I introduced legislation that created the Department of Family Practice at the medical school at UNC-Chapel Hill.

He was a person who expressed his opinions openly without fear but with respect. His services will be greatly missed not only to his patients but to the medical profession and particularly to those who involve themselves in the family practice specialty. I commend the North Carolina Academy of Family Physicians in honoring Dr. Amos Johnson. He was a dear personal friend and I shall miss him greatly.

John T. Henley,
President Pro Tempore, Senate, N.C. General Assembly, Raleigh, N.C.

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Your letter of April 25 was received by me yesterday. I am privileged to submit the following in regards to Amos Johnson:

The untimely death of Dr. Amos Johnson came as a shock to all his friends and colleagues. As a leader in the Academy of Family Practice, North Carolina Medicine, and the American Medical Association, Dr. Johnson's passing leaves a real vacuum and a place most difficult to fill.

His leadership as a citizen and as an American—his impact and influence in the American Medical Association House of Delegates, its Council and Committee activities will be truly missed.

Malcolm C. Todd, M.D.,
President, American Medical Association, Long Beach, Calif.

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I was shocked and saddened to hear of your great loss. I have always regarded Amos as one of the pioneers in the health field. He had no peer in his efforts to bring quality health care to rural America. I shall miss his advice and counsel, and most of all, his friendship. Our thoughts and prayers are with you.

Paul G. Rogers,
U.S. Congress, Washington, D.C.

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There is no way that I can adequately express my own personal sorrow at the passing of Dr. Amos Johnson. He was a longtime friend with whom I have shared many happy occasions. He was a citizen who possessed the kind of dedication that inspired all who were privileged to be associated with him. And he brought to his profession the noble combination of competence, compassion, sacrifice, and love for his fellowman.

He was, in every way, one of Nature's Noblemen.

To say that I shall miss him—that I already miss him—is a woeful understatement But I am thankful that he graced my life by being my friend, and permitting me to be his. Truly, he left this world, and his great profession, far better than he found it.

I commend Tar Heel Practitioner for dedicating this month's pages to him as a memorial issue, and I appreciate the privilege of being allowed to supply this expression of love and affection for a very great American.

Jesse Helms,
U.S. Senate, Washington, D.C.

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All of us are profoundly saddened by the death of Dr. Amos Johnson.

His contribution to North Carolina is well-known, but perhaps North Carolinians do not fully appreciate the great impact he had on health care in this country at the national level. He was a regular witness before our Health Subcommittee in Washington and was always listened to with great respect. In addition, every member of the Subcommittee had a warm personal affection for him.

He did more than any one man to promote the necessity of Family Practice. The progress that has been made in this area throughout the country is due in large part to this one man's tireless efforts.

Dr. Amos Johnson will always be remembered as the father of Family Practice in this country. I can think of no finer memorial.

Richardson Preyer,
U.S. Congress, Washington, D.C.

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AMOS JOHNSON FUND ESTABLISHED

Chancellor Leo Jenkins and Mrs. Amos Johnson at a recent meeting in Greenville at East Carolina University announced the establishment of the "Amos Neill Johnson Memorial Fund for Family Practice."

The intent of this fund will be to help support the new department of Family Practice at the School of Medicine of East Carolina University. While this fund will provide general support, one of the goals will be to establish a Chair of Family Medicine.

All members of the American Academy of Family Physicians and the North Carolina Academy of Family Physicians will be asked to contribute to this fund and will receive appropriate recognition.

Contributions may be mailed to: The Amos Neill Johnson Memorial Fund, Division of Health Affairs, East Carolina University, Greenville, North Carolina 27834.

(All contributions will be tax exempt.)

I send my deepest sympathy. The nation is in debt to Amos for his many contributions to medical care to a depth only a few can understand. We are proud to have been associated with Amos.

Vernon E. Wilson, M.D.,
Vice Chancellor for Health Affairs, University of Tennessee, Nashville, Tenn.

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Doctor Amos Johnson's contribution to Family Practice is incalculable. Of course, it began and ended with his patients. But it was his interest in providing better medicine that led him to the presidency of both the North Carolina Medical Society and the American Academy of General Practice. And this concern for his patients and his profession was evident throughout his seven years of service in the AMA House of Delegates. I knew him there as a forceful leader whose efforts were always directly related to patient care. His devotion and his opinions have become a significant part of the record of organized medicine.

James H. Sammons, M.D.,
Executive Vice President, American Medical Association, Chicago, Ill.

THE 20TH ANNIVERSARY OF ROLL CALL

Mr. FANNIN. Mr. President, although the seniority system is not what it once was, most of us in the Congress continue to have a great deal of respect for long and loyal service on Capitol Hill.

The newspaper, Roll Call, is now marking its 20th anniversary, and it indeed has seniority over most of us in this Congress.

Roll Call has become an important communications link on Capitol Hill and it has served to build a feeling of "community" among those who work in the Congress.

I am pleased to join in extending congratulations to Roll Call on this, its 20th anniversary.

CORRUPTION IN THE GRAIN TRADE—VII

Mr. CLARK. Mr. President, reports of corruption practices in and around the grain trade literally are flooding the wires.

On June 14, the New York Times reported that one Government agent working for the Inspector General's Office in the Department of Agriculture was rebuffed when he tried to bring allegations of fraud to the attention of his superiors. In fact, the Times cites a memorandum by a superior official opposing any attempt by the Government agent to talk to a U.S. attorney looking into a later charge. What this agent found in 1972 is what we are confronting now—misgrading, grain company purchases of "sample-grade" grain, allegedly used for blending with higher quality grain, and falsifying of certification documents. Since 1964, the New York Times indicates that the grain division within USDA showed a list of 95 proposed cases for investigation. The first case goes back to July, 1964 and involves the certification of a ship carrying grain from the port of New Orleans. Federal inspection agents in the field are reported to have expressed a sense of frustration over the fact that a number of cases referred to the Justice Department were rejected for prosecution.

In a subsequent article, the New York Times disclosed that the Office of Inspector General in USDA did a lengthy report in 1972 indicating that the grain division was failing to do its job. The problems raised in the report included the failure to report contaminated grain to the Food and Drug Administration, the absence of a safety code for employees exposed to health hazards, and open-ended regulations concerning the blending of foreign materials and bad grain with high quality grain.

These problems largely have gone unattended. But even more disconcerting is the apparent effort on the part of Government officials to discourage any constructive initiative in this area. Furthermore, the Times indicated that new instructions to inspectors in the field were held up because of the objections of an organization which principally represents the large grain exporting corporations.

This is disturbing but, unfortunately, not surprising news. The Subcommittee on Multinational Corporations is undertaking an investigation of the grain trade and has received indications that the entire system is tilted in favor of the large companies. In addition, the Subcommittee on Foreign Agricultural Policy will open hearings on Thursday aimed at getting to the heart of the problems in the U.S. grain inspection system.

Two other articles recently published in the Des Moines Register raise further important questions which need answering. One discusses the multinational structure of the big grain traders, particularly the extent to which they are vertically integrated worldwide. Equally important is the use these multinationals make of their foreign subsidiaries for artificial transactions to circumvent our own export control laws. Another article discusses the technique that the large elevators use to blend foreign material with high grade grain. This degradation of quality may not even be illegal under present U.S. standards. But one thing is certain—such practices are extremely profitable.

Mr. President, I ask unanimous consent that these and other articles on the subjects I have discussed be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, June 13, 1975]

Oil Sludge, Fumes Found in Grain Ship

(By James Risser)

NEW ORLEANS, LA.—Petroleum fumes and sludge have been discovered in the hold of a tanker that already has been loaded with $1.5 million worth of wheat to be shipped to Egypt under the U.S. Food for Peace program.

Authorities have blocked further loading of the M-T Porto, which is docked at the Continental Grain Co. elevator here, while they try to pinpoint responsibility for the incident and determine whether the wheat has been contaminated beyond use.

The Egyptian government wants to mill the wheat into flour for human consumption, but inspectors of the U.S. Agriculture Department's Grain Division field office say tests on the wheat show it contains a strong petroleum odor.

THREATENS TO SUE

In the meantime, the various parties to the grain transaction are arguing about who is to blame. The ship captain, Nikolas Pagonis, is threatening to sue the U.S. government and others involved because, he says, the partly loaded ship is listing badly and may suffer damage to its boilers and other machinery.

Officials of the Agriculture Department's Foreign Agricultural Service (FAS), which operates the Food for Peace program, have been unable to resolve the dispute despite a series of meetings.

Records of the Grain Division field office here show that between May 16 and June 2, the Porto was refused a certificate of cleanliness at least seven separate times because of petroleum fumes.

The inspections were performed by employees of the New Orleans Board of Trade, who check grain ships for cleanliness and also inspect and grade export grain.

STRONG ODOR

Under federal law, such inspections are conducted by persons who must have a license from the Agriculture Department but who are employed by private agencies such as the Board of Trade here.

On May 26, grain division personnel who supervise the work of the licensed private inspectors went to the ship and found "a very bad petroleum odor—so strong that a person could be overcome by the fumes," said Harlan L. Ryan, grain division field office supervisor here.

Thus, the Porto was unable to begin loading the 225,000-bushel wheat shipment. However, on June 2, the Board of Trade inspectors concluded that the ship had been cleaned sufficiently and issued it a certificate stating that it was acceptable for loading with grain.

Loading began on June 3. On June 4, with 550,000 bushels of wheat aboard, a Board of Trade sampler discovered some "sour" wheat in the Continental elevator, according to grain division records.

HALTED LOADING

The inspector immediately ordered the loading stopped so that he could determine whether any of the sour grain had gotten aboard the ship. Apparently none had, but in clambering around on top of the grain already loaded, the inspector detected a strong petroleum odor.

Ryan and another grain division employee went on the ship with a Board of Trade inspector, took probe samples of the wheat and found it contained a petroleum smell. The Board of Trade inspector then refused to inspect and grade any more of the wheat to be loaded, on grounds the oil odor would impair the quality of the grain.

Ryan said the walls, beams and ledges in the top part of the ship's tanks are coated with oil sludge, apparently from a previous cargo.

WEATHER CONDITIONS

The oil probably was not visible to the inspector when the ship was empty, because the bottom part of the tanks had been cleared, and access to the top portion of the tanks was partly loaded so that the inspector could walk on top of the loaded grain and examine the top part of the hold, Ryan believes.

Weather conditions also play a part in the formation of the oil fumes, said Ryan. On cool days, the fumes may not be noticeable. But on a warm day, with the sun beating on the deck of the ship, any oil residue heats up and emits strong fumes, he said.

Captain Pagonis contends his ship was clean and that the problem is in the wheat itself. He has refused to sign papers accepting the wheat already loaded and will not move his ship from Continental's dock.

A Continental official in New York City said the wheat is of good quality, and said the company is beginning legal action against the ship captain.

CHARTED BY EGYPT

The *Porto*, a Greek flagship, was chartered by Egypt to transport the wheat.

Continental cannot get paid for the wheat until the captain accepts it. The company is scheduled to receive $2 million from the Agriculture Department for the entire 925,000-bushel shipment.

The Agriculture Department, which is selling the wheat to Egypt, is to be repaid by the Egyptians through a long-term loan agreement under Title I of the Food for Peace legislation.

Arthur Mead, assistant sales manager for FMS's Food for Peace office, said he has been in touch with representatives of the Egyptian government who are worried that the wheat may not be usable. "They're concerned and we're concerned," he said.

Both Continental and the Grain Division plan to run additional tests on the loaded wheat.

[From the Des Moines Register, June 15, 1975]

Big Grain Exporters Shrouded in Secrecy

(By George Anthan)

. . . Our reign, it's plain, is mainly in the grain." Cargill, Inc., advertisement.)

WASHINGTON, D.C.—A widely publicized announcement by the Nixon White House in 1971 that the U.S. had concluded a major feed grain sale to Russia was greeted with satisfaction by American farmers who had been selling corn for as little as 85 cents a bushel and were anxious for the business.

Later, it was revealed the international grain companies handling the sale had obtained significant quantities of the corn from Argentina, a competitor of the U.S. for export markets.

An Iowa congressman complained to then-President Nixon: "This is the sort of thing that drives farmers up the wall."

The incident still is recalled by some farm groups and is cited as one reason for growing restiveness over reliance by the U.S. on a few international trading companies to handle most aspects involving sale of grain—America's most important export commodity.

Many top government officials, while defending the present system, acknowledge there is no way to guarantee that the companies, some of which have strong foreign ties, act in the best interests of this country and its farmers.

The U.S. Department of Agriculture (USDA) has estimated that six international trading firms control some 90 per cent of the $11 billion-a-year U.S. grain trade.

Except for one company—Cook Industries, Inc., of Memphis, Tenn.—the major firms are privately owned and are required to file little or no information on thier financial and corporate affairs and activities with any U.S. government agency.

Thus, the trading of American grain, including many of the negotiations with foreign governments, is shrouded in commercial secrecy, with little overseeing by the U.S. government, except when tihs country offers credit terms or is shipping commodities under the Food for Peace Program. But even in these cases, the actual transactions in most cases are handled by private traders.

These grain companies—Cook, Continental Grain Co., Cargill, Inc., Louis Dreyfus Corp., Bunge Corp., and a few others—will undergo serious scrutiny during the next year by the Federal Trade Commission (FTC), the General Accounting Office (GAO), The Senate Foreign Relations Committee and the House Agriculture Committee.

SUPPORT PRESENT SYSTEM

While top officials at the USDA, including Agriculture Secretary Earl Butz, strongly support retention of the present system on relying on the private traders, pressure is building for establishment of a government agency to oversee their activities and to negotiate overseas grain sales.

"I hear rumbling out in the country," said Jerry Rees, executive vice-president of the National Association of Wheat Growers. "They think they've been taken in by the grain companies. It's starting to bubble up out there. I think we're going to go through a period of a real hard look at a state trading agency."

Government investigators are more concerned about the secrecy of the grain business.

One FTC official said: "Whether they're doing anything wrong or not, these companies are in such a vital area they should be exposed to the light of day. People should know who they are, how big they are, how they do business."

Dr. Ronald Knutson, director of the Farmers Co-operative Service at the USDA, said, "the grain business is one of the most secret kinds of operations there is. We just don't have a good picture of the whole thing."

A leading expert in the field, Dr. Paul Farris, chairman of the Department of Agricultural Economics at Purdue University, said, "We ought to have some way of assuring that American national interests are being served. We just don't have the answers."

Officials of the Louis Dreyfus Corp. were asked, for example, for some information as to the company's headquarters, its top officers, its affiliates and its transportation and storage facilities in the U.S.

Merton Sarnoff, the company's counsel, referring to a question on location of the company's U.S. headquarters, said, "I'm speaking from a New York number." He said, "It's not normally our policy to comment to the media about our business."

FEARS EMBARRASSMENT

Asked if Gerard L. Dreyfus was president of the firm, Sarnoff, said, "I will make an exception," and he confirmed that Dreyfus heads the company. Later, Sarnoff said, "that mention of Gerard is off the record. I should not mention that he's president. It might be embarrassing to me here."

Officials of several other companies were freer with basic information about their firms and they strongly defend the present system, saying a free market and competition among private traders leads to higher returns for American farmers, fair prices to domestic consumers and to needed export sales for the U.S.

But, an investigator for the GAO, which is probing the relationships between U.S.-based grain companies and their foreign affiliates, said this country "is in a sense a no-man's land for the grain trade. For all practical purposes, there are no regulations."

He noted that Canada, Australia, Argentina and the European Common Market countries have state grain trading agencies or exercise certain controls on the activities of private firms involved in exporting their grain.

"All of these countries start out with one basic purpose in their grain business—their national interest and those of their producers," said an FTC official.

GAO, FTC and congressional investigators will attempt to determine if the companies use their multinational operations, including foreign sources of supply, to influence U.S. grain prices. They also want to know if transactions between the parent companies and their subsidiaries can be used to conceal the actual destination of American grain.

Howard Hjort, a private agricultural economist here, said, "At different times, it may be a company's advantage to show a bigger inventory at a subsidiary than at the parent, or vice-versa. A year ago, as crops turned out looking worse, it looked for a while as if the government would take some kind of action to limit exports, which they did.

"Now, if you're an export firm with subsidiaries, and you believe the government will impose export restrictions by cutting back each contract, the obvious answer is to enter into contracts with your subsidiaries."

"PAPER DEALS"

Hjort continued, "let's say you have five million tons worth of contracts, three million with ultimate users of grain and two million with your subsidiaries." He said the contracts with the subsidiaries may in effect be "paper" *deals.* "*Then,* the government comes in and says you can only ship 60 per cent of what you have contracted," Hjort said. "Now, this firm still has three million tons it can ship to its legitimate customers. Also, the action has gotten them higher prices abroad, and it has driven down prices in the U.S."

Senator Dick Clark (Dem., Ia.) has taken the lead in Congress in moving to investigate scandals involving the inspection, weighing and shipping of American grain.

Clark and other members of Congress are pushing for legislation to reform the present system which has fostered bribery and lax administration of grain inspection programs.

Clark said the Senate Foreign Relations Committee's unit on multinational corporations then "will go beyond the corruption in the inspection system to cover the total operations of the multinational grain companies and in so doing examine the strengths and weaknesses of the present system."

This investigation, which is expected to result in hearings early next year, "will study the intricate operations of the grain companies worldwide, including their impact at home and their relevance to this country's foreign and domestic policies," according to Clark, who is a member of the unit and who probably will chair the hearings.

Prior to 1972, little attention was paid to the international grain trade. The U.S. had huge surpluses and low prices. Foreign sales were subsidized by the USDA to keep export prices low, a policy long advocated by the companies, whose profit margins are based on volume. The U.S. was largely a residual supplier, with customers turning to this country when their regular suppliers couldn't meet their needs. American farmers were paid by the government to limit their plantings.

SECRET SOVIET DEALING

But in the early summer of 1972, the Soviet Union realized its wheat crop would fall far short of its needs. Representatives of Exporthelb, its state trading agency, arrived quietly in the U.S. and began a series of secret negotiations with officials of the grain firms.

The companies, with no public notice, signed contracts with the Russians to deliver almost 600 million bushels of grain, at a relatively low price that was to be subsidized by U.S. taxpayers.

Grain farmers, not knowing of the sale and how it could affect prices, continued to market their corn and wheat at depressed rates, with some Kansas producers getting as little as $1.27 a bushel.

When it was over, the companies had sent most of the American grain surplus to the Soviet Union at a price of about $1.65 a bushel. Shortages sparked by the sale were to drive the price of wheat to more than $5 a bushel, soybeans to almost $13 a bushel and corn to more than $4 a bushel. This, in turn, fueled domestic inflation, causing retail food prices to jump.

USDA officials, including Butz, told Congress later that they didn't know about the Russian sale until two months after the deals were made. The GAO said the USDA had "bungled" the situation, and Senator Henry Jackson (Dem., Wash.), who led the major congressional investigation, said the Americans had been "hornswaggled by a bunch of sharp Communist traders."

Last fall, the Russians again secretly bought a significant quantity of U.S. grain and, again, USDA officials said the sales caught them by surprise.

"I've always had the feeling," said Hyde Murray, the respected minority counsel for the House Agriculture Committee, "that like war, which is too important to be left to generals, the grain trade is too important to be left to the grain companies.

GRAIN FIRM SCHIZOPHRENIA

"Their interests and ideas are not always in line with those of the United States. They're afflicted with the same kind of schizophrenia as the international oil companies."

Murray said the Agriculture Committee has been unable over the years to obtain information on the operation of the firms. He said, "We had the officers of one American subsidiary of a grain company testifying under oath one day in a hearing and they said they didn't know who owned them."

The USDA has estimated that Cargill and Continental each handle about 25 per cent of the U.S. grain export trade. "It's usually a horse race as to who's ahead, depending on which day it is," said a Continental official.

Bunge Corp. is believed to have about 12 per cent of the U.S. trade. Cook and Dreyfus each are believed to have about 11 per cent. Garnac, Archer-Daniels-Midland and Peavy Co. are believed to share another 10 per cent, with farmer-owned co-operatives having about 6 per cent of the market.

Congressional and USDA officials say a 1972 report by a public interest group, the Agribusiness Accountability Project, is one of the few comprehensive studies of the international grain firms.

Some grain company executives laugh openly when the study is referred to, saying it is biased against their firms. But several USDA officials and some private agricultural experts in Washington contend the project's report contains a wide range of information about the grain trade.

The report states that "in the grain trade, what began as vertical integration has begun to look like conglomeration. Grain trade corporations have moved into lumber, fast food restaurants, and banking and insurance."

A 1971 report by the Purdue Department of Agricultural Economics states that in 1968 the six major grain exporting companies "accounted for 44 per cent of the port grain elevators and 56 per cent of the storage capacity in major U.S. grain shipping ports in 1968. They operated 106 terminal elevators in the north central region . . . including 15 elevators located at Great Lakes ports. Their terminal elevators accounted for an estimated 30 per cent of terminal elevators in the region and 27 per cent of capacity."

The Purdue report stated, "Looking ahead, it appears that the feasibility of co-ordinated successive vertical functions in the handling and marketing of grain more closely under one management will increase."

It added, "The trend toward more closely integrated vertical systems, in turn, can be expected to raise new public policy questions with respect to efficiency and economic organization in grain marketing."

CARGILL

Cargill, one of the two largest grain companies, with headquarters in Minneapolis, Minn., has sales "in excess of $5 billion a year" according to a company spokesman, and has some 16,000 employes.

The company operates a domestic transportation fleet that includes 1,500 covered hopper cars, 1,000 tank cars, 350 barges and leases or controls two Great Lakes vessels and 12 ocean-going ships.

Its Tradax subsidiary, with headquarters in Geneva, Switzerland, has offices throughout the world, and its domestic subsidiaries include Aenco Inc., a solid waste treatment business; Camp Rock Industries, a feed lot operator; Cargill Investor Services, a commodity futures trading firm; C. Tennant Sons, a metal trading firm; North Star Steel; Shaver Poultry Co.; Sylvania Peanut Co.; Summitt National Life Insurance Co. and Cargill Grain, Canada. Cargill owns or operates a dozen export terminals at major ports.

The company has strong ties to the banking and financial community in Minneapolis, and its stock reportedly is controlled largely by members of the Cargill and MacMillan families. Cargill also conducts agricultural research at 29 facilities in the U.S. and abroad, allocating a "significant" share of its earnings to this purpose.

CONTINENTAL

Continental was founded in Europe by a Belgian entrepreneur, and is headed today by his great-great grandson, Michel Fribourg, whose family reportedly owns most of the stock.

Continental was moved to the U.S. in the 1920s, and currently has annual sales of more than $3 billion, according to company officials.

Business Week magazine states "There are at least 100 companies under the Fribourg corporate umbrella and ventures in many new markets are being added regularly. American housewives may buy Fribourg's

Oroweat Bread, his Polo Food frozen dinners and his Hilbun chickens, which are fattened with his Wayne Feed."

Continental's wholly-owned subsidiary, Allied Mills, Inc., is one of the nation's largest poultry producers and feed manufacturers.

Continental has nine export terminals at major ports, controls 95 million bushels of inland storage capacity and has a large fleet of rail cars for moving grain in the U.S. It is one of the world's biggest charterers of ocean-going vessels and its worldwide communications and business intelligence network, according to Business Week, is so good that Central Intelligence Agency officials "wine and dine the company's traders to pick their brains."

BUNGE, COOK

Bunge Corp. is a division of Bunge & Born, a Buenos Aires based conglomerate which has specialized in soybean products.

With sales in excess of $1 billion a year, the company has offices in 80 countries, has more than 20 river and five terminal elevators in the U.S. and operates barges, rail cars and ocean-going ships. Its First America Farms subsidiary in Florida is a major producer of soybeans.

Cook Industries, Inc. of Memphis, Tenn., has moved recently into the top ranks of grain trading firms, with sales increasing from $183 million in 1972 to $460 million in 1974. The company is controlled by Ned Cook, the president, and members of his family, but is a publicly-held corporation that has invested in real estate, construction, building products and insurance.

Its subsidiaries include Terminex International, Inc., a termite and pest control operation; E. L. Bruce Co., a building products firm; Cook Investment Properties, Inc., with real estate holdings; E. W. Cook & Associates, Inc., a private company for trading in commodity futures, and Cook, Treadwell & Harry, Inc., an insurance firm.

A stockholders suit has challenged the company's salary policies, under which Ned Cook was paid $483,000 last year and 34 officers and directors received a total of $4.3 million in salary and bonuses.

Cook does business abroad through a number of affiliates, has domestic and international shipping and storage facilities and maintains grain buying offices across the U.S.

DREYFUS, ADM

The agribusiness accountability project report lists Louis Dreyfus Corp. as a member of the French-based Louis Dreyfus Group, with holdings in important European banks and with control of a shipping fleet of more than one million tons under French and British flags. The report states also that Dreyfus owns, develops and manages property in the U.S., Canada and Europe.

One of the fastest growing of grain trading firms is Archer-Daniels-Midland (ADM) of Decatur, Ill. ADM had 1974 sales of some $1.5 billion, has 4,000 employees, operates 400 barges and has elevators throughout the Midwest and at major ports.

Dwayne Andreas, chairman of the board, holds about 2.1 million of its 16.5 million outstanding shares. Lowell Andreas, a director, holds about 650,000 shares and A. M. Andreas about 269,000 shares.

Among its affiliates and subsidiaries is Independent Bancorporation which operates the National City Bank of Minneapolis, ADM Soybean Processing Co., ADM Industrial Oils Corp., ADM Milling Co., Gooch Feed Mill Corp., Gooch Foods, Inc., Fleishmann Malting Co., Inc., ADNAC Inc., which operates a terminal elevator in Destrehan, La., ADM Ltd. (Canada), and American River Transportation Co. ADM foreign operations are conducted largely through Archer-Daniels-Midland International.

[From the Des Moines Register, June 15, 1975]

How Exporters Add Debris to Good Grain—Boost Profit by Exploiting Grading Law

(By James Risser)

New Orleans, La.—Grain elevators here and in other port cities employ "blenders" whose job is to make sure that shipments of U.S. export grains contain the maximum allowable amounts of "foreign materials"—even if it means deliberately adding debris to the grain.

A skillful blender can save his grain company many thousands of dollars a year by insuring that a shipload of "U.S. Number 3" corn, for example, contains at least 4 percent foreign material.

In that case, the foreign buyer receives a load containing 4 per cent of such things as broken corn, other cheaper grains, dust, or even dirt or trash.

The practice of deliberately blending or mixing foreign material into grain shipments is coming under scrutiny by farmer organizations and government officials, as increasing complaints are received from overseas customers that U.S. grain is dirtier and inferior to that from other nations.

WON'T PRESERVE SAMPLES

The situation is complicated in New Orleans—the largest U.S. grain port—by the refusal of some private inspection agencies to preserve the samples from which they inspect and grade each shipload of grain.

Their refusal makes it difficult for U.S. Agriculture Department personnel to oversee the work of the federal licensed but privately employed inspectors.

Grain division officials, suspicious that some shipments contain even more than the allowable amount of foreign material, have proposed a change in federal regulations to require the inspectors' samples to be kept for a specified period of time.

RELUCTANT TO TALK

Because of the still-developing scandal here involving bribery and other corruption in grain inspection, grain company officials are reluctant to talk about their operations, including the role of "blenders" or "mixers" at their elevators.

But they do not deny that part of the blender's job is to add foreign material, if the grain being loaded does not contain the maximum allowed for the particular grade being shipped.

"We all use mixers, and they try to get the grain down as close to the grade limits as possible," said the manager of one elevator here.

However, he and other grain trade officials defended the practice on the ground the buyer is still getting what he paid for. They also disputed contentions that the mixers intentionally add dirt or any harmful foreign material, saying that the added material usually consists of broken, damaged, inferior, or cheaper grains.

LOOPHOLE IN STANDARDS

But Agriculture Department officials here and in Washington told The Register there is nothing in federal grain standards to prohibit the grain elevator "blender" from adding foreign material, including dirt, to a shipment that otherwise would be cleaner than the minimum standards.

"It's part of his job to make sure the shipment has the maximum amount of foreign material." said one department official in Washington directly involved in grain inspection.

Representative Neal Smith (Dem., Ia.), noting that U.S. No. 2 corn—a common export grade—is permitted to contain 3 per cent foreign material, said "If the grain being loaded has only one per cent foreign material, they sweep up the floor and put that in to bring it up to 3 per cent.

"They actually add dirt, and that's what the purchaser sees at the other end," said Smith, who owns a farm at Altoona, Ia. "Then he thinks American grain is no good, and it hurts our sales."

If corn is selling for $3 a bushel, for example, the addition of 2 per cent extra foreign material can save the shipper six cents on every bushel because he is getting paid for corn that actually is waste, Smith said.

URGES LAW

Smith believes the deliberate addition of foreign material to grains should be prohibited by law.

An Agriculture Department official in New Orleans said that some grain exporting countries prohibit adding any material to grain at it goes from country elevator to port elevator to export vessel. And in Canada, for example, there is little chance of dirt or dust being added to grain because the elevators "are kept so clean you can eat off the floor," he said.

At U.S. port elevators, it is common practice, for quality control purposes, to remove foreign material from all incoming grain so that there is a maximum of 1 per cent foreign material remaining, the official said.

But when the grain is loaded out onto export ships, foreign material is added again, in varying amounts depending on the grade of the grain to be shipped, he said.

The most common foreign material added to corn shipments is lower grade or broken corn, the official said. Broken corn can be used by animal feeders, but is useless for certain processors who need only whole corn kernels, he said.

RICE HULLS

Soybean sellers, he said, will often throw some lower-priced corn in with the soybeans. They also have been known to buy rice hulls, which cost much less than soybeans, and mix them with the beans, he said.

"It has happened that they add dirt and dust, too," he said. "I don't think they should do it, but there's nothing legally to prohibit it. That's one way you get weevils in the grain, too."

Senator Dick Clark (Dem., Ia.), in a speech last week accusing grain elevator operators of collecting kickbacks for grain they "skim off" while loading export ships, said the operators also "mix or blend beyond what is acceptable under U.S. standards."

Even critics of the foreign-material standards acknowledge that the blenders serve a valuable function in making sure that the proper grade of grain is loaded onto a ship. The work involves loading grain of the proper weight and moisture, in addition to seeing that limits on foreign material, broken and damaged grain are not exceeded.

CAN UPGRADE LOADS

In some cases, a skillful blender can "upgrade" grain. For example, corn that grades poorly because of high moisture but that has very low amounts of damaged kernels, might be combined with other corn of low moisture but with many damaged kernels. The total effect of the blending then might be a load of corn that has a higher grade than either of the two original lots.

All the operations take place under the eye of inspectors from the private inspection agencies. More than a dozen of the inspectors here and in Houston, Tex., have been indicted on various corruption charges, and Congress is considering turning over all inspection to federal authorities. At present, federal grain division personnel can conduct only supervisory and appeal inspections, while all initial inspection work must be done by the private inspectors.

The inspection agencies here, as well as in Iowa and other inland points, often are run by persons in the grain and shipping trades, thus raising a question of conflicts-of interest in the inspection process.

At most ports, inspection agencies unquestioningly retain file samples of their inspector's tests so that grain division personnel can test them if complaints arise later. But in New Orleans, according to Harlan L. Ryan, grain division field office supervisor, some of the agencies have contended successfully that the regulations on retention of file samples are not legally binding.

Even if tightened regulations take effect later this year, as proposed, there are problems in insuring that the file samples accurately reflect the total shipment because the samples can be averted, said Ryan.

"The file sample is no better than the inspector," he said. "The honesty of the inspector is the whole thing."

Ryan, an Iowa native, came to the New Orleans office two years ago and has directed efforts to strengthen the inspection process here.

British buyers of U.S. corn have called recent U.S. corn shipments "rubbish, saying that the quality of the corn has "deteriorated to unbelievable depths."

This week, officials of the Federation of European Feed Compounders will outline their complaints about U.S. soybeans to Agriculture Department officials and members of Congress, in two days of meetings coordinated by the American Soybean Association, of Hudson, Ia.

[From the New York Times, June 15, 1975]

Agriculture Aides Halted Grain Investigation in '72

(By William Robbins)

Washington, June 14.—Three years ago officials of the Agriculture Department blocked efforts by an investigator of the department to press the kind of broad inquiry into alleged corruption in the grain trade now being pursued by the United States attorney's office in New Orleans and other ports.

It is not clear which officials made the decision, but it is known that the agent, Willard W. Griffin, was ordered to turn his attention to other matters and when he attempted to take his alleged evidence to the United States attorney in New Orleans he was rebuffed as a scandal monger.

FEW SUSPICIONS AROUSED

The agent worked for what is now the Office of Investigations in the Agriculture Department. The office is now aiding the Justice Department's investigation.

In New Orleans, the United States attorney's office is coordinating an inquiry by several agencies into the handling, grading and weighing of grain. It has returned 15 indictments thus far, and five others have been returned in an investigation in the Houston area.

Other reports of irregularities in the grain trade have led to more than 100 official investigations by the Agriculture Department's internal agents since 1964 but with few results and apparently without exciting suspicions at high official levels of any broad problems.

Meanwhile, numerous reports of irregularities have been handled administratively.

"That record is an indictment of the grain division—an indictment of management," Ervin L. Peterson, who is retiring as administrator of the Agricultural Marketing Service, said in an interview. Mr. Peterson's jurisdiction includes the division he was criticizing.

"But we're positioned now to begin to move," Mr. Peterson said after a recent reshuffling of grain officials and the addition of some aides.

Stacks of files at the grain division are filled with reports of irregularities ranging from petty thefts to suspected corruption of grain-elevator executives and suspicions of corporate involvement.

But until last year, when the New Orleans investigation began they produced little besides reports of inadequate evidence for legal action and warning letters to those investigated.

Mr. Griffin, who sought the investigation in 1972, is now retired. When reached by telephone recently, he declined to comment. He cited a legal barrier against his discussing cases he worked on as an agent of the Agriculture Department's Office of the Inspector General, the predecessor to the present office of Investigation and its companion Office of Audits.

But former associates have told of orders he received to drop his own grain inquiry and turn to other matters, after which he sought to turn over to the United States attorney's office in New Orleans the evidence he said he had gathered.

A SOURCE OF SATISFACTION

"It has to be some satisfaction to him now that that same U.S. attorney is turning up the kind of things he wanted to pursue," one associate said recently.

Mr. Griffin began his own investigation in 1971, according to Agriculture Department records, after finding, while pursuing a different matter, what he thought to be suspicious circumstances in the records of a grain company.

What he reported finding was that inspection certificates for grain loaded on a ship showed higher grades of grain than were indicated by records for the bins from which the same grain was taken. He is also reported to have told of the grain company purchases of "sample-grade" grain, the lowest and cheapest grade, allegedly for to blend with higher grades to increase bulk and weight.

A memorandum by a superior official, part of which was made available to The New York Times, expressed opposition to having Mr. Griffin talk to a United States attorney in a later case.

"The last time he visited the U.S. attorney's office, he tried to cause a scandal about grain blending and inspection in the New Orleans area," the memo said.

An associate said that the frustration of Mr. Griffin's efforts to pursue the grain case had led to his early retirement.

Asked for comment, a spokesman for the Agriculture Department said he found an official, whom he declined to name, who recalled the Griffin incident. The official asserted that Mr. Griffin "didn't have evidence that you could present to a court," the spokesman said.

Nathanial E. Kossack, who was the department's inspector general at the time, said in a telephone interview that he could not recall having heard of Mr. Griffin, but that Mr. Griffin could have appealed his rebuff directly to the inspector general.

Another former special agent thought differently.

"You go through channels," he said.

Several Federal officials have reported a sense of frustration among field office employes of the grain division when they report irregularities and fail to hear of investigative results.

However, one person making such a complaint seemed unaware of records showing that in many instances cases referred to the Justice Department had been rejected for prosecution.

A list sought from the grain division of cases referred for investigation show 95 proposals since mid-1964 but does not include a number of recent reports.

About one-third of them are cases centered on the Gulf area, where the current investigation is focused. It is being conducted by the United States attorney's offices, the Federal Bureau of Investigation, the Agriculture Department's Office of Investigation and the Internal Revenue Service.

The first case on the list, reported in July, 1964, is a New Orleans case related in nature to issues being investigated in the area now. It involved a ship loaded with wheat certified as No. 2 grade but that was reported to have arrived with wheat containing some grain sorghum, a grain generally used for livestock feed.

In 1973, a request was made for an investigation of a report by a Federal inspector on a field office staff that spot-checks the work of private inspectors. The Federal inspector reported that he had seen a ship approved for grain loading after a cursory inspection from the deck, although the holds were later found to contain water.

He also reported that he had seen another Federal inspector adjust his grain samples to conform with grades shown on shiploading logs.

In a telephone interview, Mr. Kossack, the former inspector general was asked about his view of the number of irregularities that had come to his agency for investigation.

"If you're asking whether I saw the problem of built-in conflicts of interest in the grain-inspection system, of course I did, and I wasn't alone," he said.

He said that if he had suspected the scope of alleged problems that are being investigated in New Orleans, "we would have been off and running" with a full-field inquiry.

The present director of the Office of Investigation, John V. Graziano, in the position for about a year, could not be reached for comment. However, he has been reported to be hopeful of building his agency into a more powerful force.

Mr. Peterson, the administrator of the Agricultural Marketing Service, said he had begun to sense problems in the grain division about six months after taking the position in June, 1972, and had asked for an audit of its work.

He said that had led him to try to tighten management, to provide young assistants for the division director, and finally to ask the director to step aside.

LOCAL COMMUNITIES RESPOND TO REDLINING

Mr. TOWER. Mr. President, much has been said about the need to halt neighborhood deterioration.

In fact, no reasonable person would oppose such an idea. Once blight sets in, it tends to spread, and a city suffers not only from its unsightliness and the social problems that inevitably breed there, but also from reduced tax revenues. Wherever it occurs, the evidence of deterioration is obvious:

Older homes are either abandoned or suffer from neglect;

The streets and city services show signs of decay; and

Family vitality and community spirit are absent.

Probably every city of significant size in the Nation faces this problem, and too often suggested solutions treat the symptoms rather than the underlying causes. One example of this may be found in S. 1281, which requires banks and other depository institutions to disclose the amount and location of their residential mortgage loans. At the hearings held by the Committee on Banking, Housing, and Urban Affairs on disinvestment and the so-called redlining issue, community action groups testified that they would use this information to force banks to lend more heavily in failing neighborhoods. Opponents of the legislation maintained that the raw data could be used improperly to stir up community animosities.

Although reinvestment is undoubtedly an important asset in rehabilitation, it treats only one facet of the problem. When properly channeled, community action will be an important component, but it should be an effort that fosters cooperation rather than hostility.

One example of what can be done has been illustrated by several undertakings in Dallas, Tex., which can be used as a blueprint for other cities. Actually, the Dallas undertaking was based on an earlier venture in Pittsburgh, Pa.

Pittsburgh's rehabilitation story began in 1968 when the citizens of the Central Northside and 23 local financial institutions, with additional support from the Sarah Mellon Scaife Foundation, formed Neighborhood Housing Services, Inc.—NHS. The institutions agreed not only to make loans in Central Northside but also to underwrite the administrative costs of the program under a formula which provided a modest operating budget of $22,000. The Scaife Foundation contributed $125,000 for a high-risk, revolving loan fund to serve residents who could not be considered bankable. NHS was also essentially benefitted in its effort to rehabilitate Central Northside by the passage in early 1968 of a code enforcement program which required systematic inspections and compliance with health and building codes.

The Pittsburgh NHS acted as a go-between for residents and bankers and elicited support from the city and the business community. Its approach worked so well that the idea was exported to seven different cities, including Dallas, Tex.

Projects for inner city salvation are currently operating in the Love Field-North Park area and in East Dallas. The importance of selecting the right neighborhoods for these programs is evident in the fact that the Love Field-North Park neighborhood was selected out of 17 different needy Dallas sectors for the following reasons:

It was a declining neighborhood;

It was fully integrated;

The housing was basically very good, though in need of repair; and

Owner occupation exceeded 50 percent.

The achievements in both Dallas neighborhoods are evident already, but as one city councilman stated, the plan to restore the failing parts of the inner city is so far only a concept.

He said:

> It will require a change of attitude—a change that will be a long tedious process, just like the evolutionary process that produced the conditions now causing the problem.

The programs in Dallas and other cities were closely watched by the Federal Home Loan Bank Board, which determined the components necessary to insure the effectiveness of any NHS-type program. They include the following:

A commitment from the local banking industry to make loans and to underwrite mortgages;

A high-risk, philanthropic loan source for borrowers who do not meet normal underwriting criteria; and

Cooperation from the city government to make the necessary public improvements, along with a group of local citizens willing to devote their efforts to their own community.

It goes without saying that any program must be tailored to meet the needs of a specific community, and any program must have realistic goals. The experiments in Dallas and other cities indicate that a program will have severe difficulties in a neighborhood characterized by low incomes, heavy absentee ownership, severe vandalism, abandonment, and demolition. An eligible neighborhood must also be small so that available resources and energies will not be diluted and dissipated to a point of ineffectiveness.

To be even more specific about prerequisites for success, a program must be sustained by a code inspection system. Citizen participation should also ideally include securing improved policy services and better schools and organizing businessmen's groups. The individuals administering the NHS-type program must run it in a professional manner in spite of what will probably be low remuneration for their services in order to insure that financial arrangements are not haphazard and that repair work is carried out properly. In general, in order to win and sustain the cooperation of the financial community, which should not be underestimated, a program must be fully supported by an efficient and enthusiastic staff and an equally dedicated community.

As a result of the success in Dallas and other participating cities, the Department of Housing and Urban Development and the Federal Home Loan Bank Board have joined together to form the urban reinvestment task force for neighborhood rehabilitation. The task force will be involved in developing other NHS-type programs and in seeking out other innovative approaches to neighborhood restoration, the latter to be grouped under the title of neighborhood preservation projects—NPP. In the first case, the task force will enter into a contract with a local entity to conduct a careful developmental program lasting 6 to 8 months. Upon completion of a successful developmental program, the task force will consider making a matching grant to the NHS project to stimulate the development of a high risk revolving loan fund, which is necessary in any NHS-type program. In the second case, the task force will make modest grants to assist any promising NPP and will attempt to disseminate effective ideas to other interested cities.

Case studies of cities undergoing planned neighborhood improvements are characterized by their complex attack of a complex problem. The entire responsibility does not rest with one group but is shared among several different entities. This effort avoids the antagonism which would occur if blame were placed on any one group and if that group alone were subsequently held responsible for correction.

The approach employed by Dallas and Pittsburgh may not be an attractive solution to those who would rather see someone else do all the work. Neighborhoods are, after all, abandoned by the people before they are abandoned by the financial institutions, and it is primarily their effort that will restore the pride and vigor characteristic of a healthy community.

Compare the efforts that have actually succeeded in restoring degenerating neighborhoods with the disclosure solution proposed in S. 1281. The intricacies of such efforts contrasted with the rather naive and simplistic approach raises serious questions about the potential effectiveness of disclosure, which is an attack on only one facet of the problem.

I might add that the thing that impresses me most about the success of the original NHS-type program is the fact that it was won without the benefit of Federal interference or assistance. Perhaps it is not necessary at all where *there* is sufficient concern and initiative in the community based on informed and intelligent understanding of why so many of our Nation's inner cities are deteriorating.

FACING THE FACTS ON FOOD

Mr. HUMPHREY. Mr. President, I wish to point out to my colleagues an informative article, "The Trouble with Triage," by Alan Berg in the June 15 edition of the New York Times.

The article deals with the triage theory—the idea that decisions should be made as to which countries can be given food assistance and which ones should be allowed to go their own way as best they can. This idea was practiced in dealing with medical cases during World War I.

The author clearly rejects any idea that the triage theory must be accepted. He points out that although we do have a serious food problem at this time, there are many avenues for increasing production. These opportunities include increasing the land under cultivation, expanding fertilizer supplies, and, of course, having better luck with the weather than has been the case during the last couple of years.

The author also suggests that simply refusing to help the most needy countries would not end the problem. In an increasingly interdependent world, these areas would likely become more unstable with growing chaos and unrest.

One important idea developed in the article is the notion that improved nutrition and development tie in carefully with population control. Some experts have emphasized population control to the exclusion of other considerations, and yet it appears that the best way to slow population increases is to link together a development program which includes improving health care, family planning and agricultural development. These are the main elements of the revised Foreign Aid program which I helped author in 1973.

The article concludes:

> Given the facts, adherence to the lifeboat or triage theories is an intellectual and moral cop-out. To the extent that there is to be

hunger and malnutrition, it will be a direct consequence of maldistribution of resources among and within nations. Enlightened policies and actions could prevent it, and we have no choice but to try. To do otherwise would reflect a fundamental and grievous change in the character of man.

Mr. President, I ask unanimous consent that this informative article, "The Trouble with Triage" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 15, 1975]

THE TROUBLE WITH TRIAGE

(By Alan Berg)

(NOTE.—Alan Berg, a food and nutrition expert on the staff of the World Bank, is author of "The Nutrition Factor: Its Role in National Development," and was director of the successful U.S. famine relief program in India in the mid-nineteen-sixties. This article reflects his own views.)

A recent issue of The Economist perhaps put the dilemma best with a headline: "Don't just sit there, build an ark."

It's been a long time coming. For at least a decade, there have been warning signals about the precarious nature of the world's food-population balance. But only recently has the public begun to take seriously the experts' predictions of inevitable mass starvation. Sober and respectable authorities—as quoted in an article that appeared earlier this year in this publication—have proposed grim solutions considered "unthinkable but no longer unthought."

There is the "lifeboat theory"—the idea that wealthy countries should help only the most promising of the poorer countries (in effect, admitting only a selected number to what is perceived as limited space on the lifeboat) since spreading precious resources too thin could jeopardize chances for survival of the strong as well as the weak. And there is the suggestion that the wealthy nations should make distinctions between poorer nations in the spirit of "triage"—the First World War medical practice of dividing the wounded into survival categories in order to concentrate medical resources on those who could truly benefit from them and to ignore those who would die even with treatment or survive even without it. Some proponents of these theories cite projections from the Club of Rome's statistical model "The Limits to Growth" to add a seal of technological legitimacy to their modern-day Malthusianism.

These apocalyptic concepts are provocative, and the threads of truth they contain do have frightening implications. Moreover, momentum for this current pessimism has been building, abetted by full-page advertisements in major newspapers, a national newsletter, articles in important national publications and a marked increase in the demand for triage speakers on campuses and television panels. The campaign has had its impact. Many leaders who have been in the forefront of efforts to help the needy are currently mired in an uncharacteristic mood of inertia. And the "lifeboat" and "triage" theories offer a rationale for their passivity.

Yet a close look reveals that these theories are not appropriate to today's realities and need not be for tomorrow's. In fact, reasonable and hard-headed assessments of available figures suggest that it is well within the power of humanity to produce enough food to prevent masses from starving. The fact that it is possible to refute the current lifeboat and triage theories, however, does not mean that there is no food crisis. For high food prices and inadequate distribution systems have affected the nutritional status of millions of children from low-income families, and unless dramatic policy actions are taken soon, this trend is likely to accelerate over the next decades—with omnibus consequences. That, in fact, is the reason the lifeboat and triage theories must be refuted now.

To examine the "world food crisis," we should start with the recent decline in world food supply. Production in 1972 was off 1.6 per cent—the first drop in 20 years. And that was the year the Soviet Union entered the world market for 28 million tons of wheat, the largest grain purchase in history. The 6 per cent pick-up in production the following year wasn't enough to rebuild depleted stocks, and then in 1974 the harvest again turned down by 3 per cent—this at a time when population was increasing by 70 million people a year.

In the midst of all this, governments of grain-rich countries continued their policies of paying billions to farmers to keep lands out of production, policies that had been instituted to reduce surpluses. As a result world stock levels fell to their lowest point in 20 years. Had the four largest wheat-producing countries—the U.S., Canada, Argentina and Australia—maintained their 1968 wheat acreages, their production in the following four years would have been 90 million tons greater than it was, several times more than the 17 million tons of imported grain required by the 32 countries listed by the U.N. as "most seriously affected." Moreover, as grain supplies decreased, demand for grain-fed beef in Europe, Japan and the Soviet Union soared; more than 200 million tons of grain in these countries is now fed to animals.

The result was that grain prices rose with unprecedented rapidity—corn and wheat prices more than doubled and rice prices tripled. The sudden rise in oil prices compounded the food problem. It reduced the import capacity of food-deficit countries and it elevated the energy costs of irrigation, running farm machinery and transporting food and agricultural equipment. Most important, it caused a fourfold increase in the price of petroleum-based fertilizer. The International Monetary Fund estimates that the low-income countries' import bill for food and fertilizer alone has gone up in two years from $6.4-billion to $15.6-billion.

Although the problem is undeniably serious, we should be aware that the areas of potential *starvation* are limited to parts of Africa and South Asia.

The most intense public attention has focused on Central West Africa, the Sahel, where six countries have suffered devastating drought for half a decade. The total population of these countries is less than 25 million, and approximately eight million were considered to be at risk last year (up to half a million may still be in danger). In Ethiopia, an additional two million people affected by drought were so hungry they were scratching for grass, though their hunger might have been alleviated had their Government chosen to distribute to its own people grain it was exporting. Neighboring drought-stricken Somalis numbering in the hundreds of thousands are still considered to be in dire condition. These 10 million Africans at risk would constitute one-sixth of the population of one medium-sized state of India, such as Bihar. The grief for a lost child is no less real in sparsely populated regions, but when lifeboat and triage theories are being promoted with the intention of influencing national and international policies, it is important to put the current starvation in quantitative perspective.

In India, a bad situation continues. The harvest is down 4 million tons from last year's, which was at least 2 million tons below required levels. But most of the country's shortfall has been replaced by a billion dollars' worth of cash purchases, mostly from the United States. (India is now the largest single U.S. commercial market for wheat). It now looks as if India will be able to squeeze by the year, although there clearly will be pockets of distress. Pakistan, short a million tons, also looks as if it will get by. But in Bangladesh, with a 2.3-million-ton shortfall, the population is vulnerable. A large commercial purchase arranged early last year fell through when Bangladesh was unable to put cash on the line. The flow of hungry migrants into Dacca has finally stimulated a number of countries to crash food-aid efforts. But for many it is already too late (estimates of the dead range upward from 60,000).

The crises that have developed in these areas, however, do not mean that starvation in global, nor are they necessarily a prelude to wider starvation. Starvation is not a threat to Latin America, where food production last year was 4 per cent more than the record levels of the previous year. In East Asia, food production was up 5 per cent, in East Africa, close to 6 per cent.

The propects for increasing food production to meet projected needs, furthermore, are far from grim. Discussions of lifeboats and triage give the impression of a steady downhill movement over the past 20 years. But in most disadvantaged countries, progress has been substantial. Between 1954 and 1973, food supply increased so much that even with 1.3 billion more mouths to feed, there was still 10 per cent more food per plate. In the six years before the recent drop, this growth in low-income countries was specially impressive; the rate of food-production increase in some years was as great and in some cases greater than in the richer countries.

For example, in spite of India's difficulties—and they are considerable—grain production there increased from 72 million tons in 1966 to 108.4 million tons five years later. Only three years ago, India had 9 million tons of surplus food and (in its assistance to Bangladesh) was the second largest food-aid donor in the world. Even today, after two bad years, the availability of food—although not as high as in the peak years—will be 100 calories higher per person than it was in the mid-nineteen-sixties. In percentage terms, India's need for outside food is marginal. The resources needed to eliminate the bad years are not unmanageable.

The increased production in low-income countries has been achieved with a relatively modest dispersion of new technologies that can easily triple and quadruple yields. India, for instance, has nearly as much good agricultural soil as the United States, but produces only half as much food. One reason is that only a small portion of drought-prone India's land is irrigated. If the groundwater under the Gangetic Plain, perhaps the greatest reservoir of untapped water in the world, were exploited, every irrigated acre could be planted in high-yielding seed varieties that could increase production by as much as 400 per cent. Experts contend that construction of massive barrages and dams in Bangladesh could channel flood waters to irrigate as much as 10 million acres, and that the building of small dams for irrigation could open up for cropping an additional million-and-one-half acres. In West Africa, the Senegal River is being harnessed to irrigate nearly a million acres and a current campaign now underway against river blindness—a disease that afflicts farmers who venture into certain areas—could open up nearly half again as much land for farming in that part of the world.

As to fertilizer, the outlook is bleak for the next year or two. But the end of the shortage is in sight. Worldwide expansion in fertilizer production is so great that the U.S. Department of Agriculture predicts surpluses by the end of the decade, even with a 60 per cent increase in usage. This is especially significant for the poorer countries because of the exceptional responsiveness to fertilizer of nutrient-depleted soils. In many farms in developing countries, 10 tons of nutrients would increase food production by 100 tons; in North America the increased production from the same amount of nutrients would be 24 tons.

Cultivable land may also be expanded, especially in Central Africa and South America. For example, less than 8 per cent of Brazil's land is cropped, and a doubling of current cultivated acreage there, even without new high-yielding seed varieties or other technological innovations, could produce an additional 45 million tons of food. Even heavily populated countries like Indonesia and the Philippines have good land for expanding production, provided people can be induced to move from the densely populated major islands to the thinly populated outer islands.

The opportunities offered by the new seed varieties are great. African and Asian countries produce one-fourth to one-fifth as much grain per acre as North America, and one-half the countries of the world produce one-fourth as much corn per acre as the United States or one-fifth as much as New Zealand. Rice is a particularly important crop because of its dominance in the part of the world where food and population pressures are greatest. And here, too, existing seeds and cultivation methods can multiply yields—a typical Japanese farmer produces five times as much rice on an acre as a typical farmer from Bangladesh—and new and better varieties appear to be on their way.

Finally, the food picture could improve quickly and dramatically if the unusually bad weather of the past two years should end, as it has, for example, in the Sahel, where, because of recent good rains, most families are returning to their lands. Indeed, because of a turn-around in the weather, record or near-record crops are predicted for a number of major producers, including the United States, the Soviet Union and China. International food prices have started to fall; in fact, crop prospects as of this writing suggest that within a matter of months a spate of "Whatever happened to the world food crisis?" editorials will appear, along with suspicion and skepticism about the "scare stories" of the past year.

In the light of all this, how should we respond to those advocating the lifeboat and triage theories? First, the situation today is not as bleak as they picture it; there are many empty seats in the lifeboat—especially if those of us taking up more than our share of space would move over a bit.

More important, the basic metaphor of squeezing the world into a single lifeboat is wrong. The aim should be to build more lifeboats, that is, increase food production in the needy countries. The view of helpless countries holding out begging bowls for a few kernels of grain is the last thing in the minds of both development agencies and low-income nations. (In many countries, there is nothing politically more difficult to handle and more damaging to the national psyche than food aid.) Based on today's technologies, the opportunities for major growth in food production clearly exist. And scientific breakthroughs are possible; some research projects are already approaching fruition, and others offer interesting promise.

In any event, if we take the lifeboat and triage theories to their conclusions, and deny aid to many hungry nations, what ultimately will happen to them? They will not just disappear. A conscious lifeboat policy will be accompanied by political and social disruption. It is more than a human eccentricity for man to want to stay alive. So a lifeboat-triage policy, instead of diminishing a crisis, may well be creating a larger one.

If we can demonstrate this clearly that the lifeboat and triage theories are flawed, however, we should not assume that there is nothing to worry about. For in terms of the nutritionally needy, the fact is that there is a world food crisis, bumper crops or no. It is a crisis that extends beyond the annual vagaries of the weather and even beyond the production tallies of agricultural-ministry yearbooks. For these people the food crisis is not so much a supply crisis as it is a price and distribution crisis, and it is developing in the larger shadow of the now-familiar population crisis.

Even before the recent price rise, experts believe, needy families spent up to 80 per cent of their incomes on food. That does not permit much flexibility; as food prices increase, people eat reduced and less varied diets. The resulting declining level of nutrition leaves children vulnerable to severe cases of otherwise minor childhood ailments, such as measles and chickenpox. It also leads to stunted mental and physical growth. These increases in illnesses and death will occur not only in the Sahels and the Bangladeshes, but throughout the developing world (including some food surplus countries), where even in normal pre-inflation years, nearly a billion people cannot afford the right kinds of foods. Furthermore, the assumption that food supplies will continue over the long term to meet demands even at low nutritional levels is based on the assumption that population growth can somehow be brought under control in low-income countries. Unless major inroads can be made on both sides of the food and population equation, successes in agriculture are largely a matter of buying time; clearly the food situation can be managed only if the growth rates in low-income countries (where 86 per cent of the annual increase takes place) come down.

These rather traditional foreign-aid challenges are the ones that ought to occupy our attention and our energies at the present time, for recent experience shows that much could be done to meet them, provided we are willing to make the necessary commitments. This is not an easy point to make, for the undertaking seems so very formidable. To some, in fact, the population problem alone is enough to warrant feelings of hopelessness. Since the major impact of population policies on social and economic development will not be evident for some years, national leaders generally preoccupied with more immediate needs (and political survival) seldom have the time for attention to population issues. Moreover, because it is difficult to demonstrate that population growth is a constraint to national development, officials may have reservations about the basic concept.

The uncertainties that pervade the population field have been compounded by the aggressive attitudes of richer countries that want poorer countries to adopt population programs. Friction has led to politicization of the issue—sometimes with racial overtones—that has hindered acceptance of population policies.

However, there are respectable reasons to think that resignation is not the only possible response. As a matter of simple philosophy, we have to remember that predictions for the future of man are highly dubious at best, no matter how good our current information. How many of the 1.5 billion people at the beginning of this century would have believed that the world in 1975 could absorb 4 billion? Nearly 200 years ago. Thomas Malthus warned that we were running out of land to produce food; 450 years ago, Botero wrote that man's productive powers were inferior to his reproductive powers; and 1750 years ago. Tertullian advised, "the remedy for nations is to let famine take its course." Too much optimism may be naive, but so is the assumption that humanity is static and incapable of responding to serious challenge. And there are concrete examples of responses that have succeeded. China, for example, is reported to have lowered its population growth to an estimated 1.7 per cent and it is still declining, and other countries like Taiwan, Korea and Singapore have all dropped well below 2 per cent. While fertility reduction depends on a variety of other economic and social developments, family planning programs do play an important role in reducing the time lag required to bring about a decline in births.

Evidence is beginning to accumulate, furthermore, that reducing population growth and improving nutrition are linked far more closely than once was thought. In many poor areas, the best way to lower birth rates is to provide a family's children with a decent chance for survival. If half their children die before reaching productive years, the parents will feel they have to conceive a great many children (common belief puts the figure at 8) to assure two surviving sons. So, ironically, the rate of population growth could be lowered partly by providing food to keep children alive and healthy.

This phenomenon is apparent in the South Indian state of Kerala, where the birth rate has dropped in 10 years from 37 per thousand to 27 per thousand (the Indian average in 20 years has dropped from 41 to 37.2). Although Keralans have the lowest income in India, they have the highest literacy rate; it is the only state in which the majority of women are educated, and there is a substantially higher awareness of the importance of nutrition; Keralans enjoy India's highest per capita consumption of nutritionally important foods (nearly twice as many vegetables as any other state, more than triple the fruit consumption of all but two states and more fish and egg consumption than any other state), the highest percentage of villages with protected water supplies, the lowest infant mortality rate in the country, the highest life expectancy (60 years) and a total death rate (9 per 1,000) lower than that of Germany or Great Britain.

Just how widely the Keralan experience might be duplicated is open to question, but it certainly is enough to justify continued efforts at linking nutritional improvement and population programs.

All of these interrelated matters—food production and distribution, nutrition, and population—must ultimately be dealt with by the poor nations themselves, and this may require a greater sense of commitment, a shifting of priorities, a redeployment of resources and basic structural alterations such as land and tenancy reform and income redistribution. In some instances, fundamental political reform may be a prerequisite. The effort will also require solid organizations, efficient administration and substantial financial resources. The countries in need are not long on any of these assets. In this regard, there remains much that the more privileged nations can do, in nondemeaning, nonpaternalistic ways, to help.

The wealthy countries could adopt national and international food and nutrition policies to assure price stability (clearly reliance on the market alone is an inadequate response to today's needs); they could increase levels of foreign economic development aid through national and international agencies, with emphasis on food production, nutrition and family planning; they could boost sagging agriculture production research, especially in the poor countries where the work is most needed and where only 11 percent of all agricultural research monies are now spent; they could increase food aid for development purposes—insuring that the food reaches the nutritionally needy and that it serves as an incentive, not a disincentive, to local agriculture; and they could make full productive use of their own agricultural lands. (Surpluses will occur, but the costs of maintaining reserve stocks are far lower than the costs of higher food prices because of shortages.)

In relative terms, the costs of such an effort would not be outrageous, but there must be a quantum jump in the dwindling resources that have been made available for aid. If we only keep pace with immediate needs, families will not have the kind of Keralan incentive to reduce births. To finance such an effort, some experts have suggested a voluntary reduction in meat consumption and cutbacks on use of fertilizer for ornamental purposes. But these proposals are probably unrealistic if the current crisis climate is waning. The effort could be financed more directly through redeployment of existing resources in both developing and developed nations. It would require the shift to nutrition and population programs of only a small fraction of the estimated $250-billion spent annually on armaments. Resorting to defense expenditures would be more than a budgetary convenience. The trend to malnutrition, if not headed off, could prove a greater threat to international security than traditional military dangers. And given modern armaments, the threat would not be restricted to food-short countries.

Granted, people and nations are becoming "aid weary." This is no doubt partly the result of the sheer size and repetition of the misery. There is a sense of futility—after years of help, we are still surfeited with the same pictures of starving babies. And some contend that it is inappropriate to send food abroad so long as people are hungry in one's own country. Neither of these concerns is justified. If it were not for aid, there would be many more starving babies. One need only remember how far some countries have come that a dozen years ago were tagged with "basket-case" and "money-down-a-rathole" labels. Korea, once considered economically "hopeless," is a case in point. Over the past decade, its G.N.P. has grown at a rate that has averaged more than 10 per cent a year in real terms (last year it was 16.5 per cent) and real per capita income has more than doubled. Aid has played a substantial role in this development.

As for the argument that we should concentrate on feeding the hungry at home, it is important to understand that in most affluent countries the domestic problem is largely one of figuring out how to distribute available food to those in need. Right now the magnitude of food sent overseas in aid programs is so small that it could be increased substantially without threatening domestic needs. In the case of the United States, the food stamp program alone amounted last year to $4.3-billion, five times the value of food aid sent to all other countries combined.

The traditional foreign-aid response to the current situation is far more familiar and far less exciting than policy planning for doomsday, but it is workable, relevant to genuine needs and could make a difference. And the question in its simplest form is whether we are willing to stand by and watch those nations afflicted with the curse of poverty grow desperate—because we permit our actions to be guided by a fashionable, though unwarranted, spirit of resignation.

And so we arrive at the real issue in foreign assistance, skittishly avoided for so long: After all the political and economic arguments, dealing with hunger and malnutrition is a moral issue—that demands a moral response. Why should it be so difficult to justify? We often hear that national policies should flow only from self-interest. We somehow have failed to recognize that "doing good for the sake of doing good" is self-interest. To most people, ethical concerns are of value. Compassion and human decency may not lend themselves neatly to cost-benefit analysis, but the desire for sound moral values, and the transfer of those values to future generations, is a legitimate rationale for Government action. Somehow, affluent societies must learn to accept this kind of self-interest as a basis for public policy.

Given the facts, adherence to the lifeboat or triage theories is an intellectual and moral cop-out. To the extent that there is to be hunger and malnutrition, it will be a direct consequence of maldistribution of resources among and within nations. Enlightened policies and actions could prevent it, and we have no choice but to try. To do otherwise would reflect a fundamental and grievous change in the character of man.

THE EVILS OF GOVERNMENT REGULATION

Mr. FANNIN. Mr. President, there is a growing awareness among the American people that Government regulation results in harmful economic and social costs. Stories have appeared in the media detailing how small businessmen and consumers have been hurt by arbitrary and capricious decisions made by an army of faceless bureaucrats.

Employees complain of the mounting costs of running their operations as a result of the patchwork of regulations and reams of paperwork from various agencies. They protest that normal business decisions cannot be made without first clearing them with Washington.

Conservative critics of regulation decry the loss of personal freedom at the hands of "big brother" bureaucrats. Liberals charge that the so-called independent agencies are neither independent nor agents of the public interest, but in fact serve the special interests of the industries they are supposed to regulate.

It is now generally acknowledged by all but the bureaucrats themselves that the Federal bureaucracy has grown too big and powerful. Everyone seems to agree that something must be done to cut Government down to size, to make the vast Federal machinery more responsive to public needs and concerns and to improve the administrative process.

For too long too many Americans looked to Washington for a quick remedy for the Nation's economic ills and their own special problems. Characteristically, Members of Congress would respond to constituent demands and the pressures of special interest groups by proposing to spend more tax money, pass more laws, and create more Government agencies. Such simple solutions have proved inadequate and ineffective. The difficult and complex problems of our economy require much more than politics as usual. Fortunately the electorate seems to appreciate this fact, too. To paraphrase Lincoln, you cannot fool all the people all the time.

I am pleased that the people are beginning to realize that another layer of bureaucracy, another set of rules and regulations, can only add to their problems. Politicians traditionally have regarded regulation as an inexpensive way of enforcing socially desirable policies on business and achieving national objectives without adding significantly to the cost of Government. Consumers, however, see that the costs of regulation show up in the higher prices they must pay for the goods and services they need. They now understand that regulation, in addition to imposing a hidden tax which they are forced to pay, contributes significantly to the high inflation rate and the shortages of essential products, such as natural gas.

As a consequence of this change in outlook, consumers are beginning to speak out on the issue of overregulation. As taxpayers they are urging their elected representatives to tighten the reins on spending for bureaucracy and the bureaucrats. They want the Congress to look into the operations of Federal agencies and the efficacy of economic regulations. Many are even urging a thorough revamping of the regulatory system, with a view to eliminating those agencies and a repeal of those laws no longer needed.

The people are way ahead of the Congress in pressing for regulatory reform. I can only hope that the Members will soon heed their message and take positive, sensible steps to correct a difficult, but not insoluble situation. It is the responsibility of the Congress, which created the agencies and delegated to them the authority to make decisions and promulgate rules affecting business, to conduct a full-scale inquiry into the agency system, determine what changes should be made and recommend the measures to be enacted to improve this system.

Mr. President, in recent weeks I have received numerous letters from constituents of mine concerned about the effects of Government overregulation. Many have written in support of the President's call for a White House conference on regulatory reform. I call the attention of my colleagues to letters I have received from Mr. John J. Brunner III, a salesman in Mesa, Mr. Chester J. Peterson, an attorney in Phoenix, and Mr. William J. McGuckin, a small businessman in Phoenix.

I quote Mr. McGuckin:

> Our country cannot forever carry the burgeoning regulatory burden being laid like a blanket over its economy by our nonelected bureaucracy, with the aid of Congress.

The views of Mr. McGuckin and the others are, I think, representative of the attitudes of average citizens on the subject of Government regulation. Opinion surveys have shown consistently that most Americans want less Government control and interference in their lives. At the same time the polls indicate that many people are becoming increasingly disenchanted with many of the institutions of Government. Congress, for instance, is currently held in very low esteem. In my opinion, if the Congress would undertake to reduce and delimit the functions and powers of the Federal bureaucracy and reform the regulatory process, we might soon find the people's trust and confidence in Government restored.

The overriding question that Congress will have to address itself to is the one posed by Mr. Brunner:

> Have we lost the power to control Government agencies?

Mr. President, I ask unanimous consent that the text of the letters from Mr. Brunner, Mr. Peterson, and Mr. McGuckin be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

MESA, ARIZ., *May 26, 1975.*

Hon. Senator PAUL J. FANNIN,
Dirksen Office Building, U.S. Senate,
Washington, D.C.

DEAR SENATOR FANNIN: Have we lost the power to control government agencies?

In these troubled times I am shocked at the outrageous waste of jobs perpetuated by federal agencies. Arbitrary and capricious decrees are so upsetting to our productivity that our economy is at stake.

Specifically I refer to agencies like the CAB, DOT, EPA, FAA, FCC, FDA, ICC, IRS, OSHA, SEC, etc. While we cluck our tongues at the CIA these massive bureaucracies are eatting us alive.

An example is the lack of castings due to the EPA and OSHA shutdown of small foundries. Another is the cost of agency required safety and emission control features on automobiles. Still to be discovered is the $5000 per truck cost of the new FMVSS 121 standards.

Sir, I urgently solicit your immediate support of a complete reappraisal of each agency. Outright abolition of some may well be justified. Uncontrolled these agencies are a threat to our basic freedom.

Those candidates with the most aggressive plans to clean up this mess will have my vote. I also pledge my personal efforts in their behalf.

I apologize for the length of this letter. I fear I am keeping you from getting started. What is your plan of action?

Sincerely,

JOHN J. BRUNNER III.

PHOENIX, ARIZ., *June 10, 1975.*

Hon. PAUL FANNIN,
U.S. Senate,
Washington, D.C.
Hon. JOHN J. RHODES,
House of Representatives,
Washington, D.C.
Hon. SAM STEIGER,
House of Representatives,
Washington, D.C.
Hon. BARRY GOLDWATER,
U.S. Senate,
Washington, D.C.
Hon. MORRIS UDALL,
House of Representatives,
Washington, D.C.
Hon. JOHN CONLAN,
House of Representatives,
Washington, D.C.

GENTLEMEN: The Kiplinger Letter of June 6, 1975 arrived on my desk this morning and expressed sentiments which are mine and which I feel should be yours. This letter referred to the White House meeting President Ford has planned on *"OVERregulation of business."*

The meeting is to be held late this month or next and is for the purpose of calling in government regulators, plus members of Congress, to consider how overregulation hurts business and consumers, and the fact that many of the government rules are often needless and not worth the trouble they cause.

In my studies of the Constitution and the concepts of the founders of our great nation, I have discovered that their intent was to protect business, consumers and the general public from regulation by the federal government, and that the federal government should only step in in those very limited areas which, for the national good, required some government regulation or assistance.

Since those early days the federal government has continually, and at an accelerating pace, been lopping off the freedoms of business, consumers and the general public by its many commissions, regulatory bodies and bureaucratic boards.

I wholeheartedly support this attempt to quash overregulation, not only of business, but of consumers and the general public. I urge you each to do everything in your power to support this program and to initiate additional programs to lessen federal government regulation of our businesses, consumers and members of the public so that we may return to the happy state which brought about the great progress in this great nation, that is, allowing the members of the public to use their own initiative, ingenuity and resourcefulness to dream dreams, make goals and carry out their visions in such a manner that not only our standard of living increases, but jobs are created, the economy stimulated and happiness is assured.

These virtures can never be accomplished by overregulation and pressures presently asserted and enforced upon the minds, bodies and properties of the citizens of our nation by the bureaucratic boards, commissions and committees which daily increase such overregulation and pressures to insure their own tenure by which they hope to be able to continually live off of the labors and productivity of those who still use their minds, initiatives and properties, developing products which add to, rather than take away from, the gross national product and standard of living in our great nation.

Very truly yours,

CHESTER J. PETERSON.

JUNE 10, 1975.

Mr. GERALD R. FORD,
President of the United States,
The White House,
Washington, D.C.

MR. PRESIDENT: The June 6, 1975, Kiplinger Letter tells of your planned White House meeting on overregulation of business. Wonderful news. May it be just the beginning of a rising swell of endeavor to de-regulate both business and the citizen at all levels of government.

Our country cannot forever carry the burgeoning regulatory burden being laid like a blanket over its economy by our non-elected bureaucracy, with the aid of Congress.

Among your top priorities in this matter, please consider a fast and drastic overhaul of OSHA. It is unjust, unreasonable, and largely unnecessary.

Your overregulation meeting will be of great interest and concern to hundreds of thousands of businessmen. They will all be wanting you to give it your best and for you to follow through until really meaningful action is taken.

Most respectfully yours,

WILLIAM J. MCGUCKIN.

SUGGESTIONS FOR CHANGING THE UNITED NATIONS

Mr. PELL. Mr. President, how often we hear suggestions for improvement of the United Nations structure and procedures of operation.

And, yes, how often we hear criticisms, but usually these criticisms are of a negative nature.

What is needed are constructive criticisms and suggestions for improvement.

I well remember at the San Francisco Conference that set up the United Nations how we were all resolved that the United Nations would be structured and set up in such a way that it would not repeat the mistakes of the former League of Nations.

I remember so well the bright hopes and high expectations we all had for it.

And, through the years, let us not forget the wars that it has prevented, the lives that it has saved, the education that it has disseminated, and the improvements in quality of people's lives for which the United Nations is responsible.

Certainly, there are areas where it has failed—principally, in my view, because we, the superpowers, have not been willing to turn over to it for arbitration the problems that we should have in the past years.

And, now we are properly concerned about doing this because of the large number of often-irresponsible nations that have joined the United Nations in recent years.

In any case, what is needed are positive suggestions. And, here a wonderful job has been done by a 25-member international study group whose rapporteur was Richard N. Gardner, a brilliant and able scholar who has served our country with distinction, both in his private capacity and as a Government official.

Their suggestions and recommendations are of a far-reaching and very positive nature and deserve to be studied by all my colleagues.

Personally, I think they are excellent and hope they will be followed.

I ask unanimous consent that the New York Times articles describing the study be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, May 21, 1975]

SWEEPING CHANGE IN U.N. IS URGED BY WORLD PANEL

(By Kathleen Teltsch)

UNITED NATIONS, N.Y., May 20.—A 25-member international panel has recommended sweeping changes in the structure of the United Nations to improve its handling of economic issues and increase cooperation between rich and poor countries.

Its recommendations marked the first such major attempt at fundamental change since the world organization was formed 30 years ago.

The panel's report, entitled "A New United Nations Structure for Global Economic Cooperation," was presented today to Secretary General Waldheim. He said that this was "a historic moment in the life of the United Nations."

A major innovation suggested by the panel, consisting of one expert from each of 25 countries, including the United States and the Soviet Union, was a revamping of the present decision-making process, which has led in the last year to confrontation and deadlocks between the rich and poor members in the General Assembly.

Instead of voting showdowns in the Assembly, where the developing third-world countries easily outnumber the industrial powers, the group recommended an intricate but still imprecise process of negotiating disputes to get agreements by consensus within the Economic and Social Council.

They ruled out any proposal that would require a revision of the United Nations Charter, clearly because they saw no prospects for agreement at this time, especially from the big powers.

The panel's report, a copy of which was obtained by The New York Times, is expected to be taken up at the special General

Assembly session beginning Sept. 1. But it appears to face an uncertain fate because its recommendations are not likely to satisfy either the minority of industrialized countries or the majority of developing countries that have demonstrated here that they can rush through resolutions supporting demands for a larger share of the world's resources.

One of the recommendations that are expected to stir controversy calls for revising the present voting system in the World Bank and International Monetary Fund to provide greater decision-making power for the developing countries. The existing weighted voting arrangement now gives the United States a veto over some decisions and heavy influence on lending policies.

The panel calls for the creation of a new post of Director General for Development and International Economic Cooperation that would be second in importance only to that of the Secretary General. It would go to a citizen of one of the developing countries when the Secretary General was elected from a devloped country.

The panel implied that the new Director General would outrank the heads of the 15 specialized agencies in the United Nations system, such as the Food and Agricultural Organization and the United Nations Educational, Scientific and Cultural Organization.

Criticizing the fragmentation of aid programs currently funneled through 23 separate funds, the report advocated that they be merged into a single United Nations Development Authority—dubbed by some panelists as the "fund of funds."

The amalgamation of contributions now going for population control, food assistance, environmental protection and other activities would give the proposed new authority a half-billion yearly to disperse to needy nations. The United Nations Children's Fund would remain separate.

The authority would be headed by an administrator who also would serve as one of two deputies to the new Director General and would be selected from an industrialized country.

It was expected that there would be a vigorous lobbying against the proposal for a new Director General and the Development Fund—this coming from the heads of United Nations agencies who would see their authority threatened.

ROLE OF EXISTING AGENCIES

Under the recommended changes, each agency would keep its autonomy but become less involved in running projects in the field and act rather as a standard-setter.

Some of the recommendations, such as the appointment of a new Director General, were proposed for action at the Assembly this year; others were not expected to be taken up for two to five years. Among these was a recommendation that an International Trade Organization be established.

All 25 panel members signed the report, but they *did so* as individuals, meaning that they did not signify their Government's approval. However, their conclusions could be expected to carry some weight, since 19 hold government positions.

The panel chairman was Alnoor-Kassum, a Tanzanian lawyer-economist. The Soviet member was A. A. Molchanov, head of the Soviet Foreign Ministry's Department of International Economic Organization.

The American member, Richard N. Gardner, Professor of Law and International Organization at Columbia University, served as rapporteur of the document, drafted over an eight-week period.

Copies have not reached delegations, but one panelist predicted it could run into strong opposition from the United States on several counts, but particularly because of the idea of having a third-world representative serving in the second highest post in the United Nations hierarchy—he would be selected by the Secretary General with the approval of the Assembly.

An American official said the United States intended to give the report its closest attention, but he declined to comment on the recommendations beyond saying "They pose some problems."

Other saw prospects that the third-world countries would balk over the emphasis on negotiating procedures, seeing a threat to curb their numerical voting strength, although the report stipulates that the Assembly could go on voting resolutions as long as it "takes account" of the private conciliation efforts being tried elsewhere.

The panel's work was authorized by a General Assembly resolution of January, 1975, requesting that it propose structural changes to make the United Nations system "fully capable of dealing with the problems of international cooperation."

The resolution called for a broad geographical representation on the panel, which was appointed by Secretary General Waldheim on the basis of nominations by governments. China was offered a seat on the panel but declined.

The panel sought through its recommendations to enhance the standing of the Economic and Social Council, which is listed in the Charter as one of the major organs of the world organization. However, it has not enjoyed high prestige. The most recent session was marked by high rates of absenteeism among the 54 members.

In its efforts to steer away from the voting contests that split the Assembly membership into seemingly irreconcilable camps, the panel recommended that the Council established small negotiating groups to deal in private with deadlocked key issues. One such might be the continuing dispute over compensation for nationalized foreign properties—an issue that brought on a major dispute at the late Assembly.

The small groups would include representatives of the countries most deeply involved and would be headed by a prominent individual who would devote full time to trying to bring about agreements, traveling as necessary between capitals and serving, as one official suggested, as "a Kissinger for economic, instead of political, disputes."

Each such negotiating effort would be limited to one or two years, but several could be tackled simultaneously.

The panel also advocated a major overhaul of the Economic and Social Council to abolish at least eight of its subsidiary commissions.

The commission on the status of women would be eliminated along with the commissions on population, social development and natural resources. The Human Rights Commission would remain.

The business, formerly handled by the others would be dealt with directly by the Council, thereby avoiding duplicating debates.

In support of such streamlining, the panel report said that the Council, as it currently operates, "lacks the necessary degree of authority," and has become bogged down by unmanageable documentation.

As part of the proposed structural change, the panel recommended that the Council be given a new role in organizing the economic matters dealt with by the Assembly.

They proposed that the Assembly's Economic Committee be renamed the Committee on Development and International Economic Cooperation, and that it take on all items currently discussed by the Social Committee that concern development. The Social Committee would be left mainly with human rights matters and humanitarian questions. Each has a membership of 138 countries.

In the field of trade, the experts proposed a gradual phasing out of the United Nations Conference on Trade and Development, which was organized in 1964 by the poorer countries because of dissatisfaction with Western domination of the existing machinery for dealing with trade issues.

In proposing the new post of director general for development, the panel recommended that the duties include direct charge of the existing Department of Economic and Social Affairs—the largest in the United Nations—and that the present post of Under Secretary General be abolished.

The proposed United Nations development authority, it was recommended, should be managed by a small operations board of 18 to 27 members who would be "equitably balanced" between countries which are net donors to United Nations and programs, and the net recipients of help.

No additional increases in personnel would be required to carry out the panel's decisions, the report said. However, its members advocated a major effort to improve staff personnel policies.

They urged competitive examinations for United Nations job candidates and the possible creation of a staff college for training officials from different agencies in the system. They also said that a unified system should be accepted for all employees in regard to recruitment and salaries.

They also favored employing more women in nonclerical positions and hiring younger applicants from all regions.

MEMBERS OF PANEL ON U.N.

Abdel-Hamid Abdel-Ghany of Egypt, a Foreign Ministry official.

Adebayo Odedeji of Nigeria, Federal Commissioner for Economic Development and Reconstruction.

Abdelaziz Bennani of Morocco, Ambassador to Poland.

Wilmot Blyden 3d of Sierra Leone, United Nations delegate.

Sergio Corrèa da Costa of Brazil, United Nations delegate.

Juan M. Figuerero of Argentina, Foreign Ministry official.

Richard N. Gardner of the United States, Professor of Law and International Organization, Columbia University.

Peter Hansen of Denmark, Senior Research Fellow, University of Aarhus.

Paul-Marc Henry of France, president of Development Center, Organization for Economic Cooperation and Development.

Axel Herbst of West Germany, delegate to the United Nations at Geneva.

Lal Jayawardena of Sri Lanka, official of the Ministry of Planning and Economic Affairs.

Al-Nooh Kassum of Tanzania, Minister of Finance and Administration to the East African Community.

N. Krishnan of India, Foreign Ministry official.

Peki Kana Kwala of Zaire, official of the Department of Economics.

Evan T. Luard of Britain, Member of Parliament.

Akhtar Mahmood of Pakistan, Government official.

José Carlos Mariátegui of Peru, Foreign Ministry official.

A. A. Malchanov of the Soviet Union, Foreign Ministry official.

Jan Meijer of the Netherlands, a special adviser to the Foreign Minister.

Donald O. Mills of Jamaica, United Nations delegate.

Saburo Okita of Japan, president of the Overseas Economic Cooperation Fund of Japan.

Manuel Pérez Guerrero of Venezuela, Minister of State for International Economic Affairs.

Majid Rahnema of Iran, senior adviser to the Imperial Organization of Social Services.

Ljubomir Sekulic of Yugoslavia, Foreign Ministry official.

Evzen Zapotocky of Czechoslovakia, dean of the Faculty of Commerce, University of Economics, Prague.

[From the New York Times, May 27, 1975]

SAVING THE U.N.

The self-destructive trend of voting futile, propagandistic resolutions in the United Nations General Assembly could be arrested by the reforms recommended a few days ago by an international study group. The 25-member panel has focused on restructuring the U.N.'s economic machinery to improve cooperation between rich and poor nations. But one of its principal proposals—negotiated solutions to disputes by small groups of responsible countries instead of the irresponsible voting of resolutions which cannot be implemented—should be applied to political as well as economic debates in the General Assembly.

Appointed by the Secretary General on the nomination of their governments, the members of the panel were drawn from all the regions of the world; 17 came from developing countries and eight from the industrial nations, including the United States, the Soviet Union, main Common Market countries and Japan. Their constructive proposals thus approximate a semi-official consensus of the world organizations.

Instead of confrontation, deadlock and the adoption of futile resolutions by the overwhelming majorities the developing countries are able to marshal, the panel suggests discussion in private by small negotiating groups set up by the Economic and Social Council. Each group, representing the countries most directly involved in the issues under consideration, would be headed by a prominent individual who would devote full time to the search for agreements.

Such a procedure, if tried and found successful in economic issues, could undoubtedly be applied to political questions as well.

The reason the General Assembly does not work now is that countries with 10 per cent of the world's population and 5 per cent of its output can muster a two-thirds majority in the General Assembly. Half that number can block a Soviet-American proposal—and have done so.

The disparity between nations with voting strength in the General Assembly and those with effective power in the real world has led to frustration on both sides. That situation is unlikely to be changed substantially by attempts of the oil-rich nations to use their new money power to take the leadership of the developing world. Apart from any other reform proposals it is clearly essential for the United States to regain its influence with the Third World by taking the lead in providing development aid, as urged by John Scali, the outgoing United States Ambassador to the United Nations.

New proposals to deal with raw materials as well as energy and with the over-all problems of development have been under discussion in Washington. Together with reform of the United Nations structure, such measures are crucial to efforts at halting the growing radicalization of the developing countries and moving from confrontation to negotiation, compromise and cooperation.

IS THERE A CAPITAL SHORTAGE

Mr. TOWER. Mr. President, as has been voted previously in this Chamber, according to the Organization for Economic Cooperation and Development, the United States ranked 18th in real economic growth among 20 advanced non-Communist economies over the decade from 1960 to 1970. This was a consequence of our relatively low level of capital investment. Today our industrial plant is 2 years older than that of Europe or Japan.

Increasing evidence indicates that the United States faces an impending worsening of its capital shortage. If we allow this to occur, the consequences will be unfortunate and wide ranging. High-level operation of our economy will continue to be accompanied by excessive numbers of production bottlenecks similar to those that distorted our economy in 1973 and 1974. In addition to denying needed intermediate products to many industries and denying goods and services to consumers, these bottlenecks will aggravate inflation by rekindling demand-pull price increases long before capacity output is reached for the economy as a whole. Even when our economy is operating at or near capacity, unemployment will remain high, for capital investment is a prerequisite to the creation of productive jobs. Today creation of a single job in American industry requires an average capital investment of between $20,000 and $30,000. Finally, unless we increase capital investment above the levels which currently appear likely to be forthcoming in the years immediately ahead, inadequate productive capacity of the American economy will condemn the citizens of this country to disappointing living standards.

Extensive capital investments will be needed in coming years to clean up our environment, to provide our economy with secure sources of energy, to provide adequate mass transit in our urban areas and to upgrade the working conditions of American workers. To meet these capital investment requirements along with those arising from the imperative to increase investment in productive plant and equipment, the supplies of savings available to the private sector of the economy must be increased above the levels which currently appear likely to be forthcoming in the years immediately ahead. This will require stringent limits on Government deficits, improved cash flows to our business enterprises, and a strengthening of our financial institutions and markets.

An excellent analysis of this subject area was presented by Henry C. Wallich, member, Board of Governors of the Federal Reserve System, at the International Monetary Conference in Amsterdam, the Netherlands, on Wednesday, June 11, 1975. While I believe Mr. Wallich's tax proposals need further examination, I heartily support the basic conclusions of his analysis and ask unanimous consent that Mr. Wallich's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

IS THERE A CAPITAL SHORTAGE?

(By Henry C. Wallich)

Concern about an impending capital shortage has become widespread. A variety of studies of investment requirements over the next five or ten years, of the adequacy of private and public savings and financial arrangements for converting these savings into investment have already been completed. The generality of this concern attests to the importance of the issue.

There are indeed reasons for posing these questions. The experience of the last few years has confronted us with the limits of our capacity to produce. That same experience has shown us that there are limits to our capacity to finance. Meanwhile new demands are being made on our economies. Important decisions may lie ahead—to increase our efforts to provide resources or to cut back our aspirations. Failure to make the right decisions may lead to economic imbalance, with the risk of more inflation, insufficient jobs, disappointing living standards.

In examining the requirements for new capital, it becomes immediately apparent that the answer differs among countries. The rate of investment and of savings, relative to GNP, varies widely. It runs from about 15 per cent in the United States to close to 40 per cent in Japan. Net savings differ even more dramatically, running from 5 per cent in the United States to 25 per cent in Japan. A flow of investment and saving that might be perfectly adequate in one particular country might bring the economy of another to a grinding halt. What matters is not the level of these flows, but their relationship to the structure of individual economies, to the levels maintained in the past, and to the requirements of a future that is bound to be, in large measure, a continuation of that past. For that reason, my comments are addressed principally to the United States. Some of the data appended, however, will also serve to provide a comparison of the U.S. with other countries. (Tables 1 and 2)

TESTS OF CAPITAL ADEQUACY

Capital inadequacy can show up in various forms. First, it may manifest itself in bottleneck situations, with some industries having adequate capacity for high-level operation of the economy and others not having enough capacity to supply the needs of consumers and of other industries when they all operate at a high level. Frequently this is a problem of bottlenecks for raw materials and industrial materials. But it also affects more highly finished goods. In the United States there probably is a good deal of this capital inadequacy, as the shortage experience of 1973 and 1974 indicates.

It should be borne in mind, however, that the pattern of demand may shift and that the past is no exact guide to the bottlenecks of the future. In a worldwide economy, moreover, insufficient supplies in one country can often be met from abroad, unless the unusual synchronization of cyclical peaks experienced in 1973–74 is repeated.

Second, an over-all shortage of capital with respect to the labor force is possible, even if capacity is fairly evenly distributed among industries. There would then not be enough jobs to provide full employment even when industry is operating close to capacity. This condition, too, I believe to prevail in the U.S. as a result of inadequate past investment.

Capital capacity, in other words, seems to fall short of labor force capacity. This is a serious condition which labor has as urgent an interest to remedy as has business. The peak of labor force growth, reaching 2.4 per cent during the five years 1970–1974, seems to be behind us, but projections for the remainder of the 70's and for the early 80's still show labor force growth in the range of 1.6–1.8 per cent per year.

When capital shortages of the two types described so far are not present, one really cannot speak of a shortage of capital. That would be true not only of the United States, but of any other economy. However, a society can be dissatisfied with its total supply of goods, or with the rate of growth of that supply. Social strains, or inflation, could be evidence of such a condition. Alternatively, a society may be willing to accept a low rate of growth but may find itself falling behind economically and politically. This condition could be remedied by a more ample supply of capital, if the nation so chose. There is some doubt, however, how much of an acceleration of growth can be accomplished by increasing the supply of capital when other factors of production increase at an unchanged rate.

Another test of capital adequacy is the rate of return on capital. In the U.S. this rate of return has declined severely when properly adjusted for inflation. This would suggest that the demand for capital is low. However, the rate of return measures the average productivity of capital, not its marginal productivity. It is quite possible that average productivity has been depressed by the many adverse factors that have impinged on business—international competition, strength of labor unions, inflation, widespread hostility to business, government regulation and taxation. Meanwhile, the return on capital at the margin, i.e., for new investment, may nevertheless have risen. This would seem to be indicated by the willingness of business to borrow at very high interest rates and sell new equity even on adverse terms.

THE DEMAND FOR CAPITAL

In the U.S. there is no shortage of capital in the short run. There is enough excess capacity materially to increase production. But absorption of this existing excess capacity, important as it is, constitutes a short-run problem. Concern over the adequacy of the stock of capital and its growth through investment pertains to the medium and longer run. In that perspective, it becomes necessary to take into account, in addition to the possible inadequacies already existing, the emerging new demands for capital. Some of the investments for which demand is rising are of a kind that will not add much if anything to output. At the same time, there may be other areas of investment where prospective demands promise to abate.

Areas in which demand for capital is clearly rising include: (a) environmental investment, which is largely unproductive; (b) health and safety investment, which contributes to productivity at best indirectly; (c) mass transit, which promises to contribute to over-all growth by reducing the need for less efficient modes of transportation; and (d) energy investment, which will in some regards be a drag on the economy because relatively expensive energy will be substituted for cheap imported oil.

On the side of diminishing demand one may count: (a) investment in housing, as population growth slows down and housing construction, owing to its very high cost, shifts increasingly from the customary single-family home to apartment house dwellings and mobile homes; (b) various forms of nonresidential construction such as schools, where a rapidly declining birth rate is reducing requirements; and (c) inventory investment, the need for which, one may hope, will be held down as better control methods are developed and as inflation abates.

The great bulk of investment in the American economy is private investment, and the largest part of this is investment made by business firms. Gross private domestic investment has been fairly stable historically in the neighborhood of 15 per cent of GNP, and a slight rise in the early 1970's. Within this total, business fixed investment has averaged close to 10 per cent of GNP, with a rising tendency over the last 10 years. This rising tendency becomes even clearer when the data are stated in constant instead of current dollars. Most of the areas of rising investment demand—environmental, health and safety, energy—are also in the business sector. Only inventory offers an opportunity here for an easing of demand.

Thus, it is business investment that must be our principal concern. Among the various studies of capital requirements there is a remarkable degree of agreement that nonresidential investment, as a fraction of GNP, will have to average 11½ per cent contrasted with an historic 10½ per cent. It is principally to take care of this increase that the necessary savings and financing techniques must be found. Taken by itself, this is not a very large amount. The demand side of the saving-investment process seems to generate no insuperable problems. This, however, is not so on the supply side.

THE SUPPLY OF SAVINGS

It is on the supply side of the saving-investment process that adverse changes have occurred and where remedies need to be applied. Historically, savings rates in the United States, over the past 20 years, have fluctuated within a narrow band for both households and businesses. Personal savings have ranged from 3.4 to 5.7 per cent of GNP, business savings, including depreciation, between 10 and 12 per cent. Typically, there has been some compensatory movement, so that the sum has ranged around 15–16 per cent of GNP.

Consumer savings have been remarkably insensitive to inflation. Apparently, the frequently predicted tendency of inflation to diminish saving incentives has been approximately compensated by a desire of households to maintain some prudent relationships between wealth and income. In fact, the savings/GNP ratio has been near the top of its 20-year range for the past three years. There is little reason to expect it to rise further.

Business saving has suffered severely from inflation. Inventory profits have been very high but these profits are of questionable value to their owners. They generate no cash flow, are not available for investment or dividends, and they do generate a tax liability. Likewise, an adjustment must be made for depreciation that is based on original instead of replacement cost. When these two adjustment factors are deducted from corporate profits, a case can be made that domestic nonfinancial corporations did not earn their dividends in 1974. In other words, this dominant component of the American corporate universe, excluding only financial corporations and foreign subsidiaries, can be said to have had negative net savings.

Some qualifications are required in making this case. Inventory profits, after all, are not altogether valueless. Moreover, corporations also have some benefits from accelerated depreciation methods. Finally, since interest is wholly tax deductible, corporations have the advantage that the tax on the inflation premium is paid by the bondholder, not the corporation.

Inflation is not the only cause of declining business saving. The decline in the rate of return, which was mentioned earlier, can hardly be attributed to inflation alone. Hence there can be no assurance that an ending of, or, much less desirably, an adjustment to continued inflation would restore profits to their historic proportion of GNP. Yet a return to this historic proportion is one of the essential conditions of an adequate flow of savings. The other, and indeed crucial condition, is a better saving performance on the part of government.

Historically, government has sometimes been a net supplier of savings, through debt repayment, and sometimes a net user. The saving or dissaving of the Federal government and of State and local governments sometimes have moved in opposite directions, partly compensating each other's effect on the total savings flow. During the last few years, both the Federal and State and local governments have been net borrowers.

In periods of recession, the danger that government borrowing may crowd out a substantial volume of private sector borrowing is small. The danger mounts, however, as recovery proceeds. Once full employment is reached, obviously any resources that government draws on to itself must lead to a reduction of resources available to the private sector, other things equal.

The stance of government at full employment, whether a net supplier or demander of savings, can be estimated on the basis of the high employment surplus or deficit. Since the early 70's, this computational variable has fluctuated around an average of approximately zero. At the present time, it shows a moderate deficit. The projection shown in the Fiscal 1976 Federal budget shows it rising rapidly to a level of $61 billion by 1980.

If this projection had probability, the outlook for an adequate flow of savings would be very good. The projection, however, is the result of its assumptions. Continued moderate inflation is expected to push taxpayers into higher tax brackets, and this substantial rise in the effective tax burden is not expected to be counteracted fully by tax cuts. Likewise, the projection assumes only moderate expenditure increases and few new spending initiatives.

History provides ample reason to question both assumptions. The effects of inflation on tax brackets have already been compensated repeatedly by tax cuts, principally in 1969 and 1975. A slowdown of government expenditures is more desirable than probable. Meanwhile, the trend of State and local affairs, where there is less fiscal flexibility, suggests that deficits in that sector will continue. A Federal surplus of some magnitude would therefore be required merely in order to get the public sector as a whole into a zero deficit position. A substantially larger surplus would be required to offset the shortfall of savings below expected investment in the private sector, once the economy returns to high employment.

CONSTRAINTS IN FINANCIAL MARKETS

The uncertainty about the future overall flow of savings noted in the previous section is compounded by constraints that may appear in the financial markets. For many years now, the capital structure of corporations has moved in the direction of a higher share of debt relative to equity. This appeared to be the way to maximize profits at a time when credit was readily available and borrowers' ratings went unchallenged.

The events of the last few years have changed that picture. Borrowing became less easy, and credit ratings were tested. In good part the consequence was not a shift toward more equity financing but toward more debt in short-term form as longer term financing became less easy. (Table 3) Now the need for a stronger equity component in corporate capital structures has become pressing. Yet internal generation of equity has become more difficult while external financing is suffering from the relatively low level of stock market prices.

Another change may affect the role of banks in the financial picture, which had expanded in recent years. Banks have become increasingly cautious, partly as a result of past over-expansion and mounting risk, partly because of a generally declining capital position. Thus the role of banks in the financing of investment may be more limited.

The stock market, too, has become a less productive source of funds, owing to diminishing buyer interest. Individuals have been net sellers of equities for many years. Of late, the interest of institutional investors also has shifted in some degree away from equities and toward bonds.

Another financial constraint is the level of the money supply. A rapid expansion of the money supply would run the risk of engendering inflationary expectations that by themselves might raise interest rates and choke off financing. A more moderate growth of the money supply, on the other hand, consistent with a gradual return to price stability, limits the banks' ability to contribute to the flow of financing.

REVIEW OF STUDIES OF CAPITAL REQUIREMENTS AND AVAILABILITY OF SAVINGS

Studies of capital adequacy, as noted earlier, abound. A few of them are compared in an attached table. Their selection implies no intention to downgrade others that are not mentioned. Those chosen predominantly arrive at the conclusion that there will be no shortfall of savings. That selection was made because this paper questions the conclusion.

After removing the multi-billion-dollar tags from the estimates by expressing all amounts as per cent of GNP, it appears that the investment requirements projected in the different studies are not very far apart, ranging from 15.5 per cent to 16.4 per cent of GNP. It is in the projection of savings that larger differences show up, the range being from 14.2 to 16.4 per cent of GNP.

There is surprisingly little difference among projections of business saving. The principal uncertainty, inevitably, attaches to projections of government savings. By a slight majority, the projections incline toward a very small government surplus, combining Federal and State and local budgets. If the expectation of a State and local deficit is correct, this implies a more sizable Federal surplus.

The most extensive examination of investment requirements and savings flows is that by Duesenberry and Bosworth, about to be published by The Brookings Institution and summarized by Professor Duesenberry in his testimony before the Ways and Means Committee of the House of Representatives in January 1975. This study concludes that we can avoid a capital shortage, "but just barely." The basis for this conclusion is a substantial Federal surplus of 1.3 per cent, equal in the terminal year 1980 to $31.7 billion. For the private sector alone a deficiency of savings of one per cent of GNP, or $23.7 billion is arrived at. The Duesenberry-Bosworth study goes farthest in making the point that is common to all studies: avoidance of a capital shortage depends crucially on getting the Federal budget under control.

TAX REMEDIES

Several studies of capital requirements feature proposals for tax reform designed to increase the flow of savings. Typically they involve measures that would affect the distribution of income as well as reduce the Treasury's revenue. In the second regard, at least, such proposals may be counterproductive by increasing the Treasury's borrowing needs. A more moderate but perhaps less controversial device may be mentioned here. It focuses upon improving the capital structure of corporations.

Even if an improvement in budgetary posture makes over-all capital flows adequate, problems of corporate debt capacity and equity financing remain. The debt problem is in good part the result of the fact that interest is tax deductible while corporate profits retained or paid out in dividends are taxed to the corporation. A tax structure that would place the same burden on all three forms of disposing of net operating income—interest, retentions, and dividends—would avoid this bias and would facilitate and encourage equity financing. The tax rate could be so set as to produce the same revenue as the present tax structure, if a reduction of the tax burden of corporations should prove economically or politically impractical.

Such a tax structure could not be introduced overnight, because it would drastically change the relative position of corporations with high and low indebtedness. But it could be applied to corporate debt and equity created in the future, if the necessary safeguards against loopholes can be built in. Alternatively, the revised tax structure could be phased in gradually, giving firms an opportunity to modify their capital structure over time. The result, I believe, would be easier financing and stronger credit.

CAPITAL IMPORTS AND EXPORTS

There can be no doubt that there is at least a possibility of a serious capital shortage in the United States. Whether it will materialize depends very largely upon whether Congress can avoid deficits in the Federal budget and even achieve a surplus. Resolving the capital shortagt problem by means of better budget policy would be by far the preferred solution. Should this solution not materialize, the United States will have to ask itself to what extent, if at all, it can still perform as a capital exporter. The United States ceased to be a net capital exporter when the current account went into deficit in the late 60's. The high cost of oil imports probably has had the effect of preventing the U.S. from becoming once more a capital exporter, although it should be noted that the U.S. current account deficit is small relative to what might be considered to be the appropriate share of the U.S. in the aggregate deficit imposed upon the oil-importing countries by the oil-exporting countries. As the oil problem comes into balance, the U.S. will have to ask itself very seriously whether it would be advantageous to remain a capital importer.

SUMMARY AND CONCLUSIONS

(1) There is a distinct possibility that a capital shortage may appear in the United States, once the economy moves back to a high level of economic activity.

(2) Higher demands for capital are ahead, mainly as a result of prospective increases in environmental, energy, health and safety, and mass transit investment. These increases probably will be compensated only in part by relatively modest declines in the share of housing and perhaps of inventory accumulation in total investment.

(3) The principal threat of a shortage of investment funds arises, not from increases in demand, but from uncertainty about the adequacy of savings. One source of uncertainty is the decline in corporate profits that becomes apparent once realistic accounting methods are employed. Another is the apparent trend of the Federal as well as of State and local budgets toward larger deficits.

(4) Studies that conclude that there will be no capital shortage appear to rely heavily on the assumption that the Federal budget will be in surplus and will be supplying capital to the private sector. Continuation of the Federal financing patterns of recent years would do little to make this hope come true.

(5) In addition to the possibility of an over-all capital shortage, business may experience constraints in its financing because of the existing heavy burden of debt, especially short-term. In order to strengthen the equity base and facilitate financing, it is suggested that the method of taxing corporations be shifted gradually, without loss of revenue, in the direction of taxing income used to pay interest while reducing the present tax on the portions of income used to pay dividends and retained in the business.

TABLE 1a.—GROSS SAVING, 1970-72, ANNUAL AVERAGE

	Percent of GNP	
	Japan	United States
Households:[1]		
Net saving	13.5	5.3
Depreciation	3.3	3.2
Corporations:		
Net savings[2]	5.8	1.5
Depreciation	8.6	5.8
Total private:		
Net saving[2]	19.3	6.8
Depreciation	11.9	8.9
Government:[3]		
Net saving	7.3	−1.0
Depreciation	1.0	----
Statistical discrepancy	−1.2	−.4
Total gross saving	38.2	14.3
Total net saving	25.4	5.4

[1] Includes households, private unincorporated business, and private nonprofit institutions.

[2] Includes inventory valuation adjustment.

[3] Government and government enterprise.

Source: Henry C. and Mable I. Wallich, "Money and Banking in Japan," in "Asia's New Giant: How the Japanese Economy Works," Brookings Institution, forthcoming, 1975.

TABLE 1b.—HOUSEHOLD SAVINGS AS PERCENT OF DISPOSABLE INCOME 1960, 1970-7, FOR SELECTED INDUSTRIAL COUNTRIES

	1960	1965	1970	1971	1972
Japan	[1] 19.2	17.5	20.7	20.2	21.0
Germany	15.0	15.9	16.7	15.0	15.1
France	9.7	11.1	12.7	12.3	12.1
United States	4.9	6.0	9.0	9.0	7.2
United Kingdom	4.7	6.1	5.2	4.9	5.0

[1] 1961.

Note: Definitions differ from those underlying national statistics; ratios, therefore, also will not be the same as derived from national sources. Disposable income includes households and private nonprofit institutions serving households.

TABLE 2.—SAVINGS AND SAVINGS RATES IN SELECTED INDUSTRIAL COUNTRIES

	Savings as percent of GDP				
	Corporate	Government	Household	Total[1]	GDP[2]
Germany:					
1961	6.0	7.8	5.5	19.3	333.4
1965	4.5	5.0	7.7	17.3	462.0
1969	3.4	6.1	7.9	17.3	605.7
1970	3.7	5.8	8.4	18.0	687.0
1971	2.4	5.5	8.3	16.2	762.5
1972	1.9	4.6	9.1	15.5	834.6
1973	1.2	6.1	8.4	15.7	930.6
France:					
1961	3.3	4.0	6.4	13.7	328.2
1965	2.9	4.8	7.6	15.3	489.0
1969	4.6	4.9	6.8	16.3	722.8
1970	3.7	4.9	8.3	16.9	808.2
1971	3.9	4.5	8.2	16.6	898.9
1972	3.8	4.4	8.1	16.3	1,001.9
1973	3.7	4.3	8.6	16.7	1,146.2
United Kingdom:					
1961	4.4	.9	4.3	9.6	27.14
1965	4.9	2.3	4.2	11.4	35.35
1969	1.9	6.5	3.1	11.5	45.74
1970	.1	7.8	3.4	11.1	49.96
1971	----	----	3.2	11.9	55.65
1972	1.2	----	3.4	7.4	61.18
1973	NA	NA	NA	NA	NA
United States:					
1961	2.5	.9	4.0	7.6	525.7
1965	3.6	2.1	4.1	9.8	692.1
1969	2.0	1.9	4.6	8.5	927.9
1970	1.2	−.6	6.2	6.9	983.2
1971	1.7	−1.2	6.3	6.8	1,059.7
1972	2.2	−.1	5.1	7.2	1,161.9
1973	2.2	.6	6.2	9.1	1,297.5

[1] Savings excluding depreciation by OECD definitions.

[2] In billions of local currency.

Source: OECD, National Accounts, 1961-72; 1962-73, vol. 1.

TABLE 3.—AGGREGATE CAPITAL STRUCTURE OF NONFINANCIAL CORPORATIONS, 1965–74

[Billions of dollars]

Year	(1) Short-term debt	(2) Long-term debt	Equity	(1)/(2)	((1)+(2))/(3)
1965	172	176	404	0.975	0.864
1966	189	194	437	0.978	0.878
1967	198	215	471	0.921	0.879
1968	228	238	506	0.956	0.921
1969	259	261	551	0.991	0.944
1970	269	290	594	0.927	0.942
1971	278	321	645	0.865	0.932
1972	302	356	706	0.847	0.934
1973	349	394	765	0.887	0.971
1974	404	438	876	0.922	0.963

Source: Flow of Funds Section, Board of Governors of the Federal Reserve System, 1974.

TABLE 4.—COMPARISON OF STUDIES OF CAPITAL REQUIREMENTS

[Percent]

	NYSE	Duesenberry	Friedman	DRI	N.P.A
GNP growth	8.6	8.7	10.1	8.5	10.1
Inflation rate	5.0	3.0	6.2	4.3	6.0
Real GNP growt	3.4	5.5	3.7	4.0	3.9
Unemployment rate	NA	5.0	5.5	5.0	5.5
Long-term interest rate	NA	7.5	NA	8.0	NA
As percent of GNP:					
Gross pvt. dom. inv	16.4	15.8	15.8	15.5	16.4
Nonresidential	12.1	11.6	11.5	11.4	12.3
Inventory	.4	.9	.8	.6	.6
Residential	3.9	3.3	3.5	3.5	3.5
Total savings	14.2	15.8	15.8	15.5	16.4
Business	10.5	10.2	10.8	10.7	11.7
Personal	3.9	4.7	4.9	4.6	4.9
Government:					
Federal	−.2	1.3	−.1	.4	.1
State		−.3			
Other [1]	NA	−.1	.2	−.2	−.3
Investment gap	[2] 2.2	0	0	0	0

[1] Statistical discrepancy less net foreign investment.

[2] Represents average annual gap of over $50 billion for the 12-yr projection 1974–75.

[3] Refers to 1980, the end of projection period.

BRIBES AND ARMS SALES

Mr. **KENNEDY.** Mr. President, for some time now, a number of Senators have expressed growing concern for the deadly risky business of our mushrooming arms sales around the world—most strikingly in large quantities to countries of the Persian Gulf. This policy raises serious questions, both for the short and longer terms; and I am, therefore, pleased that the Foreign Relations Committee will be holding hearings this week on the whole issue.

In testimony before Senator CHURCH's Subcommittee on Multinational Corporations last week, the chairman of the Board of the Northrop Corporation admitted that the corporation had spent millions of dollars in the last several years to promote the sale of its military equipment in Europe and the Middle East—including the payment of nearly a half million dollars to two Saudi Arabian generals.

Practices such as this are not only reprehensible in themselves, but they also betray a serious lack of understanding of the special responsibilities incurred by any company engaged in the production and sale of lethal goods. As the Washington Post noted:

> Bribery is bad enough. But there is something particularly reprehensible about bribery to grease the sale of weapons of war.

Mr. President, I ask unanimous consent that the editorial from the Washington Post of June 13, 1975, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRIBES AND ARMS SALES

The Church committee on multinational corporations is producing shocking evidence of bribery, concealment and deception in the sale of American military hardware to foreign governments. The chairman of Northrop, for instance, has conceded paying its Saudi Arabian agent $450,000 to bribe two Saudi generals who stood between the aerospace firm and a huge aircraft contract. While pursuing a European plane deal (which it lost), Northrop apparently funneled secret funds to a former French air force chief of staff, later a parliamentarian, and to other highly placed Europeans, some evidently officials of their own governments. In another case, Northrop admits, it and its partners in a communications consortium in Iran placed $2 million in a Swiss bank account "to obtain needed information, advice and assistance." The money which lubricated this network of fixers and spies seems to have come through the same dummy corporation from which Northrop gave an illegal contribution to the Nixon re-election campaign in 1972. It was through an investigation of that contribution that the connection with foreign military sales was made.

Northrop's defense, offered Monday by chairman Richard Millar, was pathetic, though revealing. Where the corporation had done anything wrong, he said, it did so reluctantly, sometimes unknowingly, and always because that was the way business had to be done. Mr. Millar seemed quite unprepared to concede that by American standards Northrop had done anything dirty or illegal. He did apologize abjectly—but only to Saudi Arabia. The prospect of losing Saudi business obviously troubled him much more than any consideration of how Northrop might have offended American sensibilities or fallen short of accepted American standards of behavior at home or abroad.

What are the American requirements? The burden of regulation of corporate activity overseas must necessarily fall upon the host government. But the American government should not by a wink or a nod become a party to foreign criminal practice and it has an even larger interest when foreign governments are involved. Sen. Percy's suggestion of a requirement for public disclosure of all contributions made by U.S. multinational corporations, and for public identification of all dummy corporations created by multinationals for special financial or tax purposes, would seem to be the bare minimum. There is also a strong case to be made for barring commissions based on the size of American military sales abroad, since this system gives the foreign agents who collect commissions a strong incentive to intensify the arms race.

More basically, there must be a way to ensure that the U.S. government applies substantial political criteria to arms sales to oil-rich countries and that it does not give its corporations reason to believe that anything they do for their own profit is perfectly acceptable to official Washington. As Sen. Church correctly pointed out, this will require hard negotiation with our European allies who are our chief arms competitors. Bribery is bad enough. But there is something particularly reprehensible about bribery to grease the sale of weapons of war.

TAXPAYER ASSISTANCE OFFICE

Mr. **ROTH.** Mr. President, last week I introduced a bill to establish a taxpayer assistance office within the Internal Revenue Service and to reform the IRS audit procedures. This taxpayer assistance office would serve as an ombudsman for taxpayer complaints and provide additional assistance to taxpayers. I introduced this legislation after becoming convinced by numerous complaints from my constituents that the Internal Revenue Service has not been responsive to the needs of the American taxpayers.

On the same day that I introduced my bill, the General Accounting Office released a report criticizing the effectiveness of the existing IRS taxpayer service program. The report found that there was a need for improved monitoring of the quality of service provided by IRS personnel to the more than 25 million taxpayers seeking help on tax questions over the telephone. In a series of test calls by GAO auditors, 20 percent of the tax questions were answered incorrectly, 36 percent of the test calls received busy signals, and 13.5 percent of the test calls were "lost" after they were placed on hold.

I believe that this report verifies the need for increased taxpayer assistance programs within the IRS. I would also like to submit in the RECORD an excellent article on the need for an IRS complaint service by Ms. Louise Brown, a member of the Public Citizen Tax Reform Research Group and the IRS Commissioner's Advisory Group. In addition, I would like to submit in the RECORD a letter to the editor of the Washington Post written by M. Stanton Hunter, an IRS lawyer for 23 years, expanding on Ms. Brown's recommendations, and an editorial from the Wilmington Evening Journal endorsing my proposal.

I ask unanimous consent that the material referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Post, Apr. 17, 1975]

COMPLAINING TO THE IRS

By Louise Brown

The farming community of Albion, Pa. (pop. 1,768) is dotted with small firms which manufacture heavy-duty trailers, boat oars, foundry and other products. In 1972, the IRS seized the bank account of an Albion businessman, although his $284 tax bill had been paid and the check had cleared the local bank a week earlier. IRS employees, he said, had "walked right into the bank" and seized his account and he did not know it until he later wrote a check and it bounced. Although the IRS eventually returned the money it had taken, the action had jeopardized the man's credit and his reputation.

Every year, taxpayers flood the offices of public interest groups, tax protest organizations and members of Congress with complaints about the way the Internal Revenue Service treats them. They say the agency is unfair and not responsive to their grievances. Their protests point up the fact that the IRS, which expects to collect $117.7 billion from 83 million individuals who filed their tax returns this week, has no effective system for handling complaints. Further, the IRS does not know how many complaints taxpayers make each year, or whether the disputes are resolved fairly.

The IRS needs a dependable and responsive way to answer public grievances. It is a vast, complex and intimidating organization with 1,044 permanent offices and 71,000 employees. It has many functions, including keeping records, providing tax return assistance, issuing rulings and technical advice, examining returns, conducting administrative appeals and making forcible tax collections, if necessary.

Most taxpayers with complaints simply do not know their way around the system, and, even if they did, there is no guarantee that anyone would listen with compassion to their woes. Generally, disagreements with the IRS must be settled with the employees who are parties to the disputes (auditors, collectors, or appeals conferees) or their supervisors. Taxpayers who are harassed by IRS employees could report such incidents to the offices of one of the seven IRS regional inspectors, who check up on employees suspected of illegal, improper or corrupt activities. But taxpayers will look in vain for an IRS publication telling them to take complaints there. The regional inspectors' offices mainly serve internal security purposes.

Grievances sent to the IRS's national office in Washington might get swift treatment if they involve congressmen or other prominent persons, according to experts who have studied the system. However, most complaints, including those made by congressmen on behalf of their constituents, are referred back to IRS district offices, according to the agency's administrative procedure manual. There, a protest may land on the desk of the person responsible for the complaint in the first place. The IRS manual points out that "taxpayers with valid complaints have reason to question the service's integrity," if this happens. Since the IRS's national office keeps no records of this, no one knows how often it does.

Common grievances, like unexplained bills or delayed refunds, are usually handled by IRS's 2,300 taxpayer service representatives. They are GS-5, 6, and 7 clerical workers who provide tax return advice, straighten out billing errors, answer the mail and perform other duties. They can freeze IRS computers and initiate payment tracers if taxpayers are dunned for bills they have already paid, provided such accounts are not already in the hands of collection officers. However, critics say that taxpayer service representatives sometimes fail to act, and, since most complaints are not logged, the IRS cannot prove that the critics are wrong.

Concerned about IRS practices, Sen. Joseph Montoya (D.-N.M.) held appropriations subcommittee hearings on taxpayer service and compliance activities in 1973 and again in 1974. The hearings brought together distinguished tax specialists who testified that many taxpayer complaints are indeed justified.

One expert testified that taxpayers are sometimes subjected to rude and even threatening action by over-zealous IRS audit employees. (The IRS audits more than 2 million returns each year.) Rudolph J. Passero, of the National Society of Public Accountants, told the Senate subcommittee in 1973 how one IRS agent, frustrated because he could not find any errors in the return, said to a taxpayer, "I know there is something here. Now, how much do you want to pay to settle the case?" Passero reported the agent to his IRS superiors.

Although audits trigger many taxpayer complaints, the angriest criticism of the IRS stems from the agency's collection activities, judging from letters sent to the Tax Reform Research Group. The law allows the IRS to seize wages, salaries, bank accounts and almost all of a taxpayer's property if he falls behind in his taxes.

In Fiscal Year 1972, the IRS took the wages or property of 937,744 taxpayers, according to IRS statistics. It made seven seizures each minute of every working day. Although billings rose from 7 million in calendar year 1972 to 8 million in calendar year 1974, seizures dropped to 604,717. Collection Division Staff Adviser Stanley Skriloff said that reasons for the drop include a more cautious use of seizure as an enforcement weapon.

As taxpayers have become increasingly vocal about their grievances, the IRS has taken other steps to help them. It is upgrading qualifications and supervision of taxpayer service representatives, and it has published information on taxpayers' rights in appeals and collections. But this is not enough to guarantee taxpayers fair treatment. Every district should have specialists authorized to stop compliance actions pending investigation and to report improper or illegal activities to the Inspection Division. The complaints service should be well published, highly visible and easily accessible. Taxpayers should be required to put their complaints in writing, and the complaint specialists should be required to log each complaint and make sure the taxpayer receives a satisfactory response. The complaints should be forwarded to specialists in the national office for analysis. Such analysis would spotlight weaknesses in IRS procedures, improper practices in some IRS offices, and those parts of the tax law which cause the most mistakes to be made.

This system would place the handling of taxpayer grievances where it belongs, in the Internal Revenue Service, and take it out of the offices of congressmen and others who are ill-equipped to shoulder the IRS's responsibilities.

[From the Washington Post]

RECOMMENDATIONS ON IRS COMPLAINTS

The Post is to be commended for its April 17 publication of "Complaining to the IRS", authored by Louise Brown. Ms. Brown has performed a significant public service in calling attention to the IRS neglect of a duty to those taxpayers believing themselves aggrieved by IRS actions.

She quite correctly observes that the IRS "has no effective system for handling complaints"; she also is quite correct in pointing out that "The IRS needs a dependable and responsive way to answer public grievances". Having just retired after more than 23 years as an IRS lawyer, I well know how indifferent the Service had been to the many taxpayers who believe themselves to have been ill treated by IRS functionaries.

Because of Civil Service Commission requirements the IRS has a rather comprehensive system for handling grievances raised by its own employees, although the system's promise often exceeds its fulfillment. But little attention has been paid to taxpayer grievances, simply because no outside authority has compelled it to do so. And such compulsion can come only from the Congress.

Ms. Brown has well stated that problem of IRS unresponsiveness, but I believe that her proposed solution is inadequate. Taxpayer complaints lodged in the field offices and there investigated must surely suffer from the fragmentation of responsibility which is sometimes the root cause of taxpayer problems. My own recommendations would be that:

1. An ombudsman be established in the Washington headquarters office, with significant authority and staff to ensure agency responsiveness to taxpayer complaints. This official should report directly to the Commissioner, and not be subordinate to any Assistant Commissioner or Regional Commissioner.

2. The Joint Committee on Internal Revenue Taxation maintain continuous oversight over the IRS ombudsman program, reporting to the Congress on the conduct of the program and making recommendations for such legislation as may appear necessary.

3. Each member of the Congress refer to the Joint Committee staff those taxpayer complaints directed to them. However, the Member should thereafter not be in any way involved in the grievance, the disposition of the grievance being the responsibility of the IRS and the Joint Committee.

The Service has done a superb job in keeping the agency and its people honest and efficient. It ought have no real difficulty in directing some of its attention to a forgotten duty of every public servant—to serve the public.

M. STANTON HUNTER.

BETHESDA.

[From the Wilmington Evening Journal, June 16, 1975]

DO WE NEED MORE BUREAUCRATS?

Benjamin Franklin assured M. Leroy almost 200 years ago, "nothing is certain but death and taxes." Sen. William V. Roth Jr., D-Del., would do nothing to change that, but he would like to make the federal bureaucracy that is responsible for the certainty of taxes a bit less arbitrary in its operations.

Sen. Roth has proposed a citizens' ombudsman for the Internal Revenue Service. He has done so because the experience of his own office in seeking to direct a complaint to IRS was referred to the division responsible for internal investigations of alleged illegal conduct. It is the senator's contention that the average taxpaying American citizen can have complaints about conduct far short of illegal that still deserves to be taken seriously by the IRS.

The bill proposed by Delaware's senior senator would require the IRS to inform a taxpayer why it is conducting an audit of his return, advise him of his rights during and after the audit and reduce the secrecy that shields IRS' auditing procedures.

Apologists for the IRS can point out, quite justifiably, that the agency has machinery to deal with the taxpayer who is dissatisfied with the verdict of his auditor. It offers millions of taxpayers annual help on their returns, not only in terms of advising them but also helping in the actual preparation of their returns.

Nevertheless, the senator is right in his observation that "the IRS is the only direct contact most citizens have with the federal government." That contact should be one of mutual respect if not of mutual delight. Insofar as there is justification for his constituents' complaints that they frequently can find no one at IRS to help them, Sen. Roth's proposal is both appropriate and welcome—except, perhaps, to the IRS.

THE 20TH ANNIVERSARY OF ROLL CALL

Mr. HOLLINGS. Mr. President, I am sure the fact has not been lost on Sidney Yudain that perhaps the only thing the Senate will agree on unanimously in this session is a message of congratulations to Roll Call on the occasion of its 20th birthday.

But certainly that spirit of unanimity is called for today, for no other member of the fourth estate has done so much to foster a spirit of togetherness, of common mission, and of bipartisanship as has Roll Call, which passed that 20th milestone on Monday of this week.

To say that Roll Call is the newspaper of the U.S. Congress may seem simplistic and trite, but there really is no better way to describe its influence and its impact on Capitol Hill. It has been quite a success story. Sidney Yudain started the newspaper almost from scratch from a belief that the world's greatest deliberative body desperately needed its own "family" publication. Since its first edition of June 6, 1955, Roll Call has enjoyed a unique affinity with the Congress. Several Members were among its first contributors and reporters. Today, all 435 Members of the House read Roll Call, as well as all 100 Members of the Senate. Additionally, more than 3,000 staff subscribe. Every President since Eisenhower has ordered in the neighborhood of 175 copies of the newspaper delivered each week to the White House. State legislators, television and newspaper political commentators, and business and corporate leaders across the United States also subscribe.

Its success, in my opinion, can be linked directly to its formula of supplying hard political news from an "inside" viewpoint rarely enjoyed by other publications and then blending that with delightful satire, topical humor, and real insights into the personalities involved in the great decisions we are involved in here.

At a time when the great journalistic debate in the country seems to revolve about the premise that "to be fair is to be ineffective," we can all appreciate the kind of fairness embodied in Roll Call. It has met the challenge of taking a stand without losing sight of objectivity, no small achievement in a city where strong opinions and partisan interests are an expected and normal form of behavior.

I congratulate Roll Call on its 20th birthday and for its service to the Congress and the country and wish it continued growth and even greater service in the future.

OKLAHOMA GAS, THE LOVABLE UTILITY

Mr. BARTLETT. Mr. President, the Sunday New York Times had an excellent article concerning the record of Oklahoma Gas & Electric Co. Under the leadership of Mr. Don Kennedy, O.G. & E. has shown how a private enterprise corporation operating in an intrastate market of free, uncontrolled prices of gas at the wellhead can serve not only its own shareholders, but the people of the community.

This article should be of interest to all my colleagues.

I ask unanimous consent that it be printed in full in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Oklahoma Gas, the Lovable Utility

(By Reginald Stuart)

Oklahoma City.—By almost any standard of measurement in the utilities business, the Oklahoma Gas and Electric Company stands apart.

There are rate-rise requests pending for electric power in any number of states, many of which are under protest from angry customers. Here, a rate-rise request has not been filed since 1954 and customer complaints about power prices are rare. Shareholders and investment advisors, who until recently were bearish on many utility stocks, have always flashed the green light regarding Oklahoma Gas.

And if it were not for the presence of the headquarters here of the Kerr-McGee Corporation, the nation's largest nuclear-fuel enrichment company, nuclear power would not even be mentioned. Oklahoma Gas prefers natural gas, its sole source at present, and coal.

The largest privately owned electric power company in the state, Oklahoma Gas has some 500,000 customers in a service territory covering a third of Oklahoma and a small portion of Arkansas.

"Being in good shape worries us because the only way we can go is down," said a smiling Donald S. Kennedy, who has been chairman of Oklahoma Gas for 25 years. But when asked if he could foresee any big problems in the future, he said: " I don't know, we ought to have some."

The ability of Oklahoma Gas to sustain the trauma—quadrupled fuel costs and spiraling operating costs other than fuel, leading to soaring rate rises—that engulfed the industry last year is not a result of some overnight magic, although a great deal of its ability to be a leader in the field is due to its advantageous location in the heartland of fuels for generating electric power.

The rest of the success is due to long-term strong backing from the state regulatory agency, the Oklahoma Corporation Commission, and to a management team the investment community views as top-notch.

The utility's growth, primarily a result of mergers with companies in neighboring communities, has been characterized by shifts in fuels from manufactured gas to gas and coal and in 1950 to natural gas exclusively. The use of natural gas as the fuel for power generation, because here it is cheaper to buy and generate power with, continues today but will be significantly altered by 1980.

From a customer's perspective, Oklahoma Gas has some of the nation's lowest electric-power rates. In April, a customer who used 500 kilowatt hours of power paid $14.40, up $1.10 from a year earlier, wholly due to fuel-cost adjustments.

From an investor's viewpoint, Oklahoma Gas is a choice stock. Unlike most electric utility stocks, it is selling above its book value. The shares closed last week at $21.50, compared with a $14 book value. Dividends recently raised to an annual rate of $1.40, have been increased in 27 of the last 28 years. Also, the company is very conservative in its accounting practices.

Last year Oklahoma Gas earned $37.2-million on revenues of $226.9-million, a 2.6 per cent increase over 1973 net but consistent with the company's growth pattern over the years. Total kilowatt-hour sales last year rose 4.6 per cent from 1973, when sales were 6.9 per cent higher than 1972.

However, company officials say the slower increase last year was not due to conservation efforts, which occurred in other regions, but to cooler temperatures in the summer months, when customer demand is usually at its peak.

An essential factor in the company's success is that the so-called energy crisis, inflation and recession-related problems, particularly unemployment, have not affected Oklahoma so much as other parts of the nation. The oil industry is still booming, as is the search for natural gas.

And while joblessness nationally exceeds 9 per cent, here it is around 6 per cent. The livestock business is also doing relatively well, as is the agricultural-products field.

"I don't know if there really was a crisis as far as we're concerned," Mr. Kennedy said. "We've just been going along." The 73-year-old executive, whose down-to-earth manner is reminiscent of the late Will Rogers, started at the company 52 years ago as an accountant in charge of the ice sales after graduating from the University of Arizona with a degree in economics and accounting.

Oklahoma Gas officially began business in 1902 with a customer load that included 89 streets lamps, 120 commercial arc lamps, 7,000 incandescent lamps in homes and 200 horsepower of electric motors.

Office buildings and factories were metered, according to company accounts, but all residences were on a monthly flat rate. An electric rate of about 20 cents per kilowatt hour for residences was estimated (about seven times as much as a kilowatt hour costs Oklahoma Gas customers today).

"I guess the reason we got into natural gas is because in the early days there was no market for it," Mr. Kennedy recalled, "I owned some interest in a few oil wells and one day asked the producer what was becoming of the gas, why wasn't I getting any money from that. And he said because they were just letting it go up in the air."

That discovery prompted the company to harness natural-gas supplies with speed and resulted in its contracting some very low prices and reserves. The move was followed by the Public Service Company of Oklahoma, the other big electric utility in the state, and Texas Utilities, a holding company.

Prior to 1960, Oklahoma Gas purchased most of its gas from the Oklahoma Natural Gas Company. Subsequently, it began purchasing its requirements from various producers at the wellhead. A former employee set up a transmission company to supply the gas Oklahoma Gas purchased with its pipeline dedicated to Oklahoma Gas.

Oklahoma Gas has some 860 producer contracts in effect now and has a guaranteed uninterruptible supply of natural gas sufficient to meet its needs for at least 10 years. And the price it is paying for natural gas, while rising, is much cheaper than what it would have been paying had it not bought its supplies at the wellhead.

Beyond 1985 presents some new questions for management but some old answers.

"In the early nineteen-seventies we decided gas was going to be harder to get and that we could prolong our natural gas use by using coal," Mr. Kennedy said. "Coal is going to be our major fuel. It isn't now, but we're working on it."

While coal is unfamiliar to some at the company, especially younger fuel-management specialists, it is not new to Mr. Kennedy, who was around when coal made up more than 10 per cent of the company's fuel supply in the nineteen-forties. And while many of his colleagues are saying proudly that they have one, two or three nuclear plants on line, Mr. Kennedy says he has four coal-fired plants on line.

The company has contracted with the Atlantic Richfield Company, one of the major oil companies, to supply 100 per cent of its requirements for two of its proposed plants and given it an option to supply 100 per cent at two others. The low-sulphur, medium-heat-content coal will be shipped 1,100 miles by train from coal fields in Gillette, Wyo. It poses new problems for the company, Mr. Kennedy acknowledged, but he added that he would rather have coal than nuclear power.

With obviously strong economic reservations about nuclear power, the company is entering the Western coal scene while it is still relatively inexpensive (even considering transportation costs) in anticipation that coal will eventually be cheaper than natural gas. This move could again put Oklahoma Gas ahead of the pack in the essential area of acquiring fuel at a reasonable price.

"I was supposed to have graduated in economics and, while I don't have any prejudice about it, I just tell the people at Kerr-McGee it's a little bit premature for us," Mr. Kennedy said. "At first the availability factor was not very good; now it's better. But a new plant, we want it to be 100 per cent available. I think we'll wait to see if they can work up some more economical methods."

A DAY FOR THE GREEDY

Mr. MONDALE. Mr. President, last Thursday an editorial appeared in the St. Paul Pioneer Press regarding the defeat of the override attempt on the strip mining bill. It is appropriately entitled, "A Day for the Greedy."

As one Member who has consistently supported legislation to provide more effective control over the devastation that can result from unrestrained strip mining of coal. I was deeply disappointed by both the original veto and the narrow defeat of the effort to override the veto last week in the House of Representatives.

In my judgment there is no question but that we must now begin again to develop not a weaker bill, but a stronger coalition in the Congress, one that can prevent a small but determined minority from forever blocking overwhelmingly popular measures of this kind.

Mr. President, I ask unanimous consent that the full text of the Pioneer Press editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Day for the Greedy

Tuesday was a great day for the greedy in America. Democratic "leadership" in the awesome veto-proof Congress collapsed again and President Ford's veto of the strip mining control bill was sustained.

The failure to override had been anticipated, but it was a blow nonetheless. White House and "energy establishment" spokesmen had lobbied mightily to chip away at the size of the congressional majority favoring strip mining control. Backers of the bill never succeeded in countering the "jobs and inflation" attack against it.

It takes a two-thirds vote of each house to override a presidential veto. The Democrats have two-thirds of the seats in the House of Representatives, but could not hold that force together in this critical test. It was nothing new. The vote was 278 to override the veto and 143 to sustain it—three votes less than the required two-thirds. Fifty-six Republicans joined 222 Democrats in voting to override the veto, while 57 Democrats slid over to join 86 Republicans in voting to sustain.

We berate Congress here, although it was the President who stopped the bill, because our hope was with the Congress. Congress has twice passed needed bills to prevent total rape of coal lands and twice the bills have been vetoed. This most recent bill was a modest one that would have set minimum federal standards to protect the land against strip mining ravages. Environmentalists were not satisfied with it, but the coal producers hated it. President Ford carried the ball for the energy industry.

"If the White House had laid off, the bill would be on the way to enactment now," said Rep. Morris Udall, D-Ariz. Udall blamed the final vote on misleading figures about effects on coal production and employment that were widely published in the weeks between veto and Tuesday's vote. "This thing isn't dead," Udall said after the vote. "The fight has to go on. A large majority of Congress and of the American people still want this bill."

Udall is probably right in his assessment of the wishes of the American people. Who wants Appalachia spread to the Dakotas, Wyoming, Colorado? But as for the fight continuing, we're afraid Udall is wrong. If this "veto-proof" Congress cannot pull itself together enough to get an immensely popular environmental bill past an unelected President bent on keeping the energy industry happy, the future for America the Beautiful looks grim indeed.

THE IMPORTANCE OF GOOD HOUSING

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate an excellent article by Mr. Roger Skophammer of the editorial staff of the Minneapolis Tribune.

This editorial correctly notes that housing is the No. 1 priority in Minneapolis, Minn. It also very appropriately reminds us that good housing holds neighborhoods together and good neighborhoods hold the city together.

I believe it would be well for those in the administration that are responsible for the administration of housing programs to read this editorial very carefully. It should be noted that the city of Minneapolis has developed its own local housing program, utilizing local funds, emphasizing rehabilitation of older housing units, and constantly promoting individual homeownership. The city of Minneapolis has an urban homesteading program. Under this program the city acquires old houses and resells them for $1 on the condition that the buyers fix them up. This is a new effort, but it is beginning to take hold.

There are many other housing endeavors under way in the State of Minnesota and in the Minneapolis-St. Paul area. What is needed now is a national housing policy that will promote housing rehabilitation, housing construction, and homeownership as well as an adequate supply of rental units for people of low and middle income. I ask unanimous consent that this excellent article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Housing: Holding the City Together

(By Roger Skophammer)

Housing is the "No. 1 priority" in Minneapolis, Mayor Hofstede and city aldermen frequently proclaim. Notice that it is "priority," not "problem," because in large part city officials are trying to prevent a problem rather than solve one.

The city does not have the miles of rundown houses and acres of blighted neighborhoods that have plagued other large American cities. But city leaders believe that Minneapolis could go downhill quickly if housing were not maintained.

Only about 12 percent of the city's dwelling structures have been built since 1960, compared with about 85 percent in the suburbs. Many houses that aren't already deteriorating are on the verge of doing so. The city's planning department says that of 173,000 dwelling units in the city, 39,000 need some rehabilitative work. The Housing and Redevelopment Authority calls that a significant number, and one that will increase unless corrective action is taken.

There is another kind of problem: Most people can't afford to build or buy new houses. The average cost of a new house is now $45,000. This means, according to one city study, that a family would have to earn $22,000 a year to afford principal and interest payments on a new house. But only 4.1 percent of families in Minneapolis have incomes over $25,000, and only 16.5 percent make between $15,000 and $25,000. So the average buyer can afford only an older house, or to stay in an apartment.

In the past, the federal government worried about such things. The government helped people get cheap housing after World War II, and there have been various numbered and acronymed urban-renewal, public housing and other programs. Most of these have ended or are being phased out. As Richard Brustad, executive director of the HRA, points out, "Now we have to figure out ways of our own. The responsibility of developing and executing programs has fallen on local people."

But, as a city statement prepared for a legislative proposal pointed out, "Home building, purchase of a home and refinancing a home for . . . rehabilitation are severely limited today because of the tight money market, high interest rates and the hesitation of lending firms to make mortgages in certain parts of the city. Yet the city must continue its building of new homes . . . as well as encourage individual home ownership and constant rehabilitation of homes."

City government, in other words, has to take the initiative if, in the words of City Council President Louis DeMars, it is going "to stay ahead of the problem." DeMars said he feels that the city has "a pretty good grasp of the situation" through its present programs, even though some problems, such as what to do about absentee landlords who neglected their property, have yet to be dealt with. These are the major existing city programs:

Local loans. The city has $10 million in bonding authority to provide low-interest loans and grants for home rehabilitation. So far 469 projects are under way, and the city's monthly loan total is triple that of the federal loans of a decade ago.

New housing (formerly spot renewal). The city buys old houses, tears them down and resells the property at written-down costs for new construction. So far 112 properties have been purchased, 58 resold and 44 houses started.

Home ownership. The plan is carried out with the Greater Minneapolis Metropolitan Housing Corp. Houses are purchased, rehabilitated and resold at market rates, usually about $20,000, to young, small families—"the people who a few years ago were buying in Apple Valley," says Brustad. So far work has started or been completed on 166 houses.

Urban homesteading. The city acquires old houses and resells them for $1 on the condition that the buyers fix them up. Work is under way on only four houses, but Hofstede says, "I think we could make it work here."

Federal programs have basically been trimmed to two. The Section 8 program has replaced several other federal plans. The government pays the difference between market rates for rent and what it determines the renter can afford to pay. The program is new, and its impact on the Minneapolis housing situation is still uncertain.

The other major federal program is Community Development block grants, using revenue-sharing funds. Minneapolis will put three fourths of its $16.7-million grant this year into housing programs. The largest projects are in Willard-Homewood, with $3.7 million and Model City, with $3.5 million for rehabilitation of single and multiple dwellings.

In the last legislative session, the city also was given the power to issue $20 million in general-obligation bonds and an unlimited amount in revenue bonds to make low-cost loans for construction, rehabilitation and purchase of houses and multi-family dwellings.

These programs do not represent all the local efforts, which include federal and state funds as well as private and community efforts. But they are the keystone on which the city is building its housing program.

Although some of the programs have income-eligibility provisions city leaders don't look upon them as welfarism for the needy, nor just a means of keeping property on tax rolls and keeping taxpayers from moving away. Hofstede says, "Our ultimate object is to create stable neighborhoods, not simply to repair structures." If neighborhoods crumble and people move out there will be less interest in maintaining the amenities of city living and that in turn will discourage others from choosing to live in the city. On the other hand, improvement can be self-perpetuating, too. Good neighborhoods keep and attract residents, and they will be interested in maintaining the good things in city life.

So that's why housing is called the "No. 1 priority." Good housing holds neighborhoods together, and good neighborhoods hold the city together.

THE RETIREMENT OF NICK ZAPPLE

Mr. HOLLINGS. Mr. President, I call to the attention of the Senate today the fact that one of its most dedicated and knowledgeable employees is retiring after 32 years service in the Government.

Nick Zapple has been the professional staff member responsible for broadcasting the telecommunications for the Communications Subcommittee of the Commerce Committee of the Senate for the last 25 of those 32 years. As a member of that subcommittee, I have enjoyed his close friendship and high standards of performance for some time.

Nick presided over a sweeping revolution in the broadcast industry during his tenure on the subcommittee. And there was a similar change in the rules and regulations which govern that industry today. It has been to the real advantage of this subcommittee, and through it the Commerce Committee and the entire Senate, that Nick Zapple was always abreast of broadcast and telecommunications developments and the laws that were needed to manage those developments.

At no time during my service on the subcommittee have I ever asked Nick for information that I did not find him ready with an accurate answer. He is an expert in his field, and his expertise has been of real assistance in our work. We are all going to miss him when he retires.

I know I am joined by all of my colleagues in the Senate when I wish Nick Zapple and his wife well in the years ahead. And I can only hope that we will be able, in some form, to tap his vast reservoir of knowledge and enthusiasm in the future.

EAVESDROPPERS BEHIND THE DOCTOR'S DOOR

Mr. RIBICOFF. Mr. President, since the time of Hippocrates, physicians have

sworn to treat their patients' secrets as "holy"; the confidential nature of the relationship between doctor and patient has been a hallmark of the practice of medicine. In a highly significant article which appeared in the Washington Post's Outlook section on June 1, Natalie Davis Spingarn describes the gradual erosion in this confidential relationship, and the set of baffling late 20th century circumstances which have helped bring it about. This fine writer also calls our attention to the delicate balances between the patient's right to privacy and society's need to know, which must be struck to achieve reform.

The article is based on "Confidentiality: A Report on the Conference on Health Care Records," prepared by Natalie Davis Spingarn, to be published shortly by the American Psychiatric Association. Representatives of some 50 organizations from the law, the various specialities of medicine, the insurance industry, the computer sciences, and Government and private service organizations, participated in the conference. They included our deeply respected former colleague, Sam Ervin, who wrote the preface to Mrs. Spingarn's book.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EAVESDROPPERS BEHIND THE DOCTOR'S DOOR

(By Natalie Davis Spingarn)

Whatsoever I shall see or hear in the course of my profession in my intercourse with men, if it be what should not be noised abroad, I will never divulge, holding such things to be holy secrets.—From the Oath of Hippocrates.

Hippocrates, hear these tales of the 1970s:

A surgeon, hospitalized for a mild heart attack, returns home to find his auto liability insurance has been cancelled. He phones his broker, discovers that he has mysteriously been found to be less of an "approved risk" than he was before. No one has tried to examine him to see if there has been any change in his capability as a driver. Evidently, his health and auto insurance companies had traded information.

A talented young woman hunts a job after her college graduation. After many painful rejections, she discovers that potential employers are put off by an entry in her university file made by her sixth grade teacher: "Melinda's mother is emotionally unstable." The teacher, neither a psychiatrist nor a psychologist, had met the mother only casually, yet the entry followed Melinda for years without anyone's questioning its propriety, realiability or relevance.

A file clerk is being considered for a promotion. She does not get the job and hears from her fellow workers it is because she has been seeing a psychiatrist (they heard it from friends in the personnel office who process insurance forms). When she asks the boss if this is true, he says it is—and reports her psychiatrist has diagnosed her as schizoprenic.

Credit bureau investigators visit the neighbors of an accountant who has had a cancer operation and has filed a claim to cover his hospitalization and surgery costs. They want to know if the neighbors feel the operation has affected the accountant's work potential.

No doubt about it, Hippocrates' "holy secrets," traditionally guarded by doctor and patient, are now often noised about and with some peculiar results. The medical examination room is getting crowded. You think you are talking to your doctor, but insurance companies, lawyers, future educators or employers, researchers—even credit bureaus—may be listening in.

There are doctors who would risk going to jail rather than reveal their patients' secrets, even to the courts. But some doctors gossip—they say such and such a patient cannot handle money or was married too many times; they take their telephone calls in front of family and friends; they entertain at parties with juicy case histories, only loosely masked. If either curious spouse or hungry lawyer stands among the listeners, the results may be disastrous.

A New York psychiatrist recently wrote a book about the seven-year treatment of an unnamed patient, her husband and their son. The patient sought to enjoin distribution of the book as an invasion of privacy. Indeed, it did reveal the most intimate details of the lives, secret thoughts and fantasies of the patient and her family. (The masking was so loose that they could easily be recognized by the most casual acquaintance—the patient was also a psychotherapist, the musically gifted son had written three operas, and so forth. Hardly a family to be lost in a crowd.) The author contended the book was of significant scientific merit. The "agonized decision" of the mental health professional organizations has been to support the patients. Recently the Supreme Court refused to review the case before trial, with the result that the book will not be distributed pending trial in the lower courts.

How did it happen? How has this extraordinary departure from the letter and spirit of the Hippocratic Oath come about? Why has a gradual erosion in physician-patient confidentially occurred throughout our society?

Not too many years back, medical record keeping was a comparatively simple business, like much else of the business of living.

The family doctor knew his patients, often long and well. He filed facts about their health in the safe crevices of his mind or on 3x5 cards—from birth through childhood sickness and accidents to chronic disease and terminal illness.

Now there are more, and more different kinds, of us—patients and practitioners alike. We move more, travel more and take advantage of the training and skills of more specialists. Our doctors and their numerous assistants must record and file our health histories so they can communicate with each other, and treat successfully.

Our doctors must know. The problem is that others must know, too—sometimes. Those responsible for contagious disease control must know when an epidemic of smallpox or measles breaks out. Criminal justice officials must be able to check a mental patient's history. Carriers must assure their customers that aircraft pilots or bus operators are in top condition. Insurers must verify claims to prevent abuse and spiraling premium costs. Medical researchers can unravel nature's secrets only by studying individual histories. (A recent example: two-generation research which established the connection between stilbesterol treatment of pregnant women and clear cell vaginal cancer in their daughters years later).

Two powerful trends, one technological and one social, have made it easy for health records—once secure in the privacy of the doctor's office or hospital records room and available only to medical personnel—to be abstracted again and again and forwarded, often with our "consent," to the invisible and unknown inquirers.

One is the great surge in computer technology, and with it, the increased feeding of personal health information into machines which can handle many millions of instructions a second and store vast quantities of material.

There are, as Harvard Prof. Arthur R. Miller has noted, dangers here: As information accumulates, the contents of the individual dossier tend to appear more and more impressive despite the dubious accuracy of the data. The fat file bespeaks reliability, as does the myth of computer infallibility. And the centralization of information from widely divergent sources creates serious risks of using facts out of context. Whose business is it, after all, that a patient once consulted an internist about impotence or a heart condition?

The other main trend which tends to increase access to our health records is the growth of "third party" involvement in health matters. With the majority of Americans covered to some extent by health—or at least by hospital—insurance, more and more people not responsible for our health care are asking questions about it—and processing the answers. Americans visit the doctor 1.3 billion times a year and complete at least 28 million hospital stays. Most of us do not contemplate, indeed do not know, that those receiving the records of visits to doctor and hospital may feed them, warts and all, into the memories of their computers and, through network arrangements, into those of a growing number of data centers throughout the country.

The Medical Information Bureau (MIB) for instance, a computerized center for medical data set up by the insurance industry, is available to hundreds of commercial companies. The Multistate Information System (MIS), containing complete mental health histories, links psychiatric hospitals, clinics and outpatient health centers in the New England area.

In the public sector, Medicare, Medicaid and other public health programmers already are keeping millions of health records. Now the new PSROs (Professional Standards Review Organizations) will add their demands to those of government insurers and cost justifiers. They will need vast amounts of personal information to profile practitioners and in other ways to see to it that medical services rendered by the Medicare, Medicaid and maternal and child health programs are necessary and of high quality.

A discomforting specter has turned up to haunt us, nine years short of 1984: We are all hooked up to the Big Computer. Facts about your heart condition, my ulcer, the neighboring child's mental retardation, recorded when we visit doctors and clinics or stay in the hospital, are transferred automatically in to the data system of a national health insurance program tied to the computers of other social benefit programs—perhaps even to those of the Internal Revenue Service. No overall, enforceable confidentiality rules or guidelines control the system—who feeds what information, who has access to that information and for what purposes. Our health secrets are instantly retrievable, in this country and in others, for the rest of our lives and beyond. Tap into the system in Oregon, find out about the heartbeat, the cancer, the psychological dreams and fantasies of the patient in the District of Columbia.

That is the specter.

Oddly enough, the event that caused the medical establishment finally to face up to the specter had nothing to do with computers which, after all, work according to human demand and reflect a man-made culture. It was the snoops who broke into psychiatrist Dr. Lewis Fielding's California office looking for Daniel Ellsberg's records who shook the elders from their lethargy. The Nixon political operatives testifying before the Senate Watergate Committee finished the job. They did not seem to realize they had done anything wrong. "You mean to say, Mr. Ehrlichman, that you don't know psychiatrists are physicians?" asked Sen. Sam Ervin, eyeing the witness sternly under the television klieg lights.

Evidently not. Stung by such a cavalier attitude, and fearful of the extent to which it might reflect a general erosion in physician-patient confidentiality, the American Psychiatric Association, representing some 22,000 practicing psychiatrists, began a series of meetings with a wide range of other medical, legal and consumer groups. These culminated last fall in a Confidentiality Conference held, ironically, at Key Biscayne, Fla. Some 50 organizations sent representatives. They ranged from the American Medical Association and American College of Surgeons to the National Congress of Parents and Teachers, the Mental Health Law Project and the American Civil Liberties Union.

The Key Biscayne conference did not attempt fully to answer the complex questions raised at its meetings. Rather, its sessions outlined the magnitude of the problems and the chief areas of concern and voted to establish a commission to address them in depth.

Plans call for the commission to get under way this year. Some may feel its job will be an easy one: just curb requests for health information, tell doctors and hospitals to stop giving out medical facts indiscriminately to non-medical snoops.

But exquisitely delicate balance must be struck between the patient's right to privacy and the society's need to know. These include:

The balance between the minimum required to keep meaningful records and the maximum needed to protect confidentiality.

How to define the health record? How to ascertain what should go in, what should remain, what should stay out? How to determine to what extent the scrivener's hand should be stayed, in view of the risks involved, so that some information at least is lost to society's memory or retained only in a limited way?

It stands to reason you do not have to worry about what does not go into the record in the first place. Obviously, some information is needed to write an adequate medical record. Equally obviously, other information—anecdotal gossip, for example—is not.

In between lies a gray area—information which might or might not be needed for the sake of the patient's health, now or in the future. Take children's records. Doctors are usually trained to track a child's health over the years, collecting "longitudinal data" with an eye to preventing future illnesses. This practice usually generates extensive records full of tentative judgments and guesswork—social, environmental and biological. Such data about the health of a 2-year-old could stay in his record 70 years!

Does all of it need to be there? Doubting it, some children's advocates hold that children's medical records—especially those of the deprived children who frequent courts and social welfare agencies—are often abused. Parole officers, welfare and other officials can frequently get hold of them at the spin of a telephone dial; they travel, unprotected, from agency to agency and many see them along the way, all in the name of "the best interests of the child."

The job of defining the health record is hard enough when you are dealing with files kept by doctors or hospitals for independent adults voluntarily seeking treatment; it is still harder when you consider records for children or dependent people of all ages kept by schools, colleges, prisons or military organizations. For such institutions, voluntary and involuntary, health care is of only secondary interests.

Some have suggested dual record keeping as a possible solution: the same doctor, the same patient, but different sets of records for different uses. This mind-boggling and perhaps impractical suggestion takes various forms, but all involve some sort of divorce between material which is confidential and that which is not—one antiseptic enough to be abstracted for third-party payers, researchers, judicial bodies and all the rest, the other for the doctor and his colleagues.

Cop-out? Critics say so, arguing that, especially in psychiatry, they need adequate, abstractable records to justify diagnosis and treatment. If the revealing little ways in which people deal with each other go into some sort of secondary "eyes only" record, doctors and hospitals may be left out on a limb. (A mental hospital which neglects officially to record why a patient was permitted to go out for the day, for instance, might wish it had done so when he is killed in an auto accident and the hospital is sued for damages.) And outsiders may find a way to get confidential notes anyway.

What's more, in a time when more and more medical personnel are involved in treatment, more communication is needed, *not* less. The words "seen by psychotherapist, July 11," or "acute cholecystitis-cholecystectomy 1974" no longer suffice when a whole team of professionals and paraprofessionals must follow complex instructions. Dual record keeping might result in all sorts of foul-ups.

The balance between destroying health records or expunging them for the sake of personal privacy and keeping them for research contributing to science and to history.

What should stay in the health record? Should information be allowed to petrify, unchallenged, over the years? If it is not reexamined periodically, or its archaic nature brought to the attention of file users, warn the civil libertarians, there are human dangers. They cite cases like that of a schoolboy, sick with an infection, who fainted in class and was treated in the infirmary. Returning later, he glimpsed the note "Epilepsy?" in his medical file. Too terrified to discuss the matter, he carried with him for years the notion that he is an epileptic.

A number of worried physicians and parents would be ready to experiment with a new formula. Dual records would be kept for children—the doctor's working notes, containing hunches and unconfirmed diagnoses, and a permanent record belonging to the child-consumer and kept by him. The working record would be reviewed each time the patient saw the doctor; ultimately each piece of information would be either expunged or inserted into the permanent record. School health records, subject to more squirreling than almost any others, would be sealed for a period after graduation, and then destroyed.

On the other side of this particular confidentiality seesaw sit the medical historians, their eyes on a future when facts not now considered meaningful may become all-important. Boston University Medical School's Dr. Otto Marx, an historian and court psychiatrist, argues that too many records have already been lost.

As a result, Dr. Marx says, epidemiological research and genetic studies are difficult or impossible to carry out and we know practically nothing about the past incidence of mental illness. He urges that wherever possible we save records, while preserving confidentiality in tight compartments, to enable medicine to move into the next technological era without the loss of vital material.

Most people, Dr. Marx adds, have little concern about the publicity they may spark after their deaths. But—tip the seesaw back again—their families may be disturbed.

Scottie Fitzgerald Smith, the only child of novelist F. Scott Fitzgerald and his wife

Zelda, was so upset by the psychiatric material in a biography of her mother that she could not finish reading the "Zelda" manuscript. The book documented her late mother's illness with reports on her stay at several well-known mental hospitals and clinics here and abroad. Who could have imagined that a person's intimate dreams and feelings, blurted out in moments of extreme stress to reputable doctors at outstanding institutions as part of one-to-one therapy, would be revealed to a researcher by these same doctors and institutions some 40 years later?

The balance between sharing health records for the public good and limiting access for the sake of personal privacy.

Who can see health records? For what purpose? How much of a health record should be shown to an outsider and how much kept confidential? The professionals in medical recording are the first to say they need some sort of across-the-board regulations to help answer such questions.

All too often, they report, just put on a white coat and you have it made. There is a genial looseness about many hospital and clinic record rooms, which results in file drawers left open or file folders scattered on empty desks during lunch breaks. Security experts counter that they can design "hardware" and "software" to make any personalized data system 95 per cent secure. They can, they say, limit such a system to a small group of people whose access is authorized only after careful examination of their right to know—keeping "protector" files which record the identity of inquirers, coding sensitive material including vulnerable psychiatric material, even requiring finger or voice prints to get into secure areas. But such things are very expensive.

It is a matter of matching the security to the need. Someone is going to have to make some hard value judgments as to what is needed—and if the medical professions and other such groups do not make them, the government will probably step in to do it for them.

Congress has already shown its concern with health records confidentiality. The peer review legislation mandates the development of coding procedures which will "provide maximum confidentiality as to patient identity". And it has teeth: a $1,000 fine and/or six months' imprisonment for inappropriate disclosure of information. The Department of Health, Education and Welfare's strong draft confidentiality policy regulations, to be published soon, could have a ripple effect. It is significant that each of the major National Health Insurance proposals includes some form of peer review.

The most intriguing solutions proposed for health confidentiality problems center around the doctrine of "informed consent." This doctrine, once simply the patient's consent to a medical procedure, has come to mean also his consent to sharing that medical information with others. And this has come to include his right to see his own record to assure its accuracy and protect himself against mislabeling and misdiagnosis.

Think back on the last time you signed a health insurance claim form. Unless you are an extraordinary consumer—a veritable Ralph Nader—your consent was anything but "informed." It was probably given in a routine matter; you did not consider the possible consequences of words like these (most often in tiny type in an unobtrusive place on the page): "I hereby authorize the undersigned physician to release any information acquired in the course of my examination or treatment." Or, worse still, "To all physicians, hospitals, clinics, dispensaries, sanitariums, pharmacists, prepayment organizations, employers, unions and insurance companies: You are authorized to permit insurance company X or its representatives to obtain a copy of your records pertaining to the examination, treatment, history, prescriptions and benefit payments . . ."

Many argue that the breadth of the "blanket" consent form in common use today makes it hard for doctors and institutions to deny information to third party payors—has not the patient given them permission to tell all? Narrowing the form so that patients can consent only to the disclosure of certain pertinent parts of their records is a needed reform. So is coding to mask especially sensitive diagnoses and conditions. Insurors and doctors could then refer to "Number 7", for example, instead of to the lurid symptoms of a psychiatric illness.

Benjamin Lipson, an executive with a Boston life insurance company, reports the results of a survey which confirm a general suspicion: In the vulnerable field of psychiatry, some doctors do not answer insurance company requests for patient information fully and promptly, and many who do are very careful as to what facts they supply and in what terms they supply them. (An Illinois psychiatrist even admitted distorting diagnosis for insurance purposes.)

The reasons for such medical evasiveness show up clearly in the Lipson survey. More than three-quarters of the nearly 900 psychiatrists surveyed fear a breach of confidentiality in responding to insurance companies; half are certain the companies do not preserve confidentiality. Although they feel, ironically, that patients under psychiatric care are sometimes better risks than those who are not, almost all the respondents also tend to feel that phychiatric information in the wrong hands might prejudice these same patients' jobs.

Such fears are compounded in the complex legal area, where psychiatrists must often make difficult decisions about the disclosure of confidences—with and without patient consent. The American Psychiatric Association has officially stated that its members have the "right to dissent within the framework of the law," and Dr. Maurice Grossman, the APA's expert on third party confidentiality matters, has advised them not to be intimidated by legal subpoenas. Some lawyers here advocate an approach used in Sweden, where a psychiatrist treating a patient is not called upon to evaluate or testify in court about the case. Instead another professional carries out these tasks.

The newest aspect of the "informed consent" question involves the concept of permitting a patient to see his own health record so he can check its accuracy and correct errors. (This principle is now embodied for other fields in federal legislation such as the 1974 Privacy Act and the Buckley amendment on school records, though the latter has caused considerable difficulties for teachers and administrators.) Many doctors fear the principle, most patients are unaware of the issue, but the idea is gaining ground. Should such a right be absolute or qualified? Should any patient be able to see his record, whether he is in a mental hospital or a surgical bed, whether or not a doctor judges him incompetent or simply unready to deal with the full details of an illness?

Such questions create polarization. At one end of the spectrum, a civil liberarian contends that "informed consent" would be meaningless if the patient did not have the right to see his record and that any doctor who attempts to deny that right should be compelled to obtain a court order supporting that decision. At the other, a psychiatrist who runs a private hospital says that, if he cannot be trusted to judge his patients' competence to deal with their records, he will go out of business.

Between the two poles are many who would limit the patient's right to see his record in some way. They would defer to the doctor's judgment in certain cases—when, for example, a patient is suffering from terminal cancer and cannot accept the truth. Or they would refer a doctor-patient disagreement to a second physician of the patient's own choosing or to some other "independent" judge.

Baffling problems remain. How can society strictly limit access to health records and, at the same time, firmly establish the patient's right to review them? How can names and other "identifiers" be stripped from records, thereby ensuring both privacy and the future research value of the medical information—and then reinserted so patients and their lawyers can review and challenge the record? Will both patient and doctor become so involved with the "informed consent" question that medical record-keeping changes for the worse—fit for patients' eyes perhaps but so bland as to be of little value to medical professionals?

Sometimes apathy triumphs over the right to know. One mental hospital recently offered patients the chance to see their records—and very few took advantage of the opportunity.

But it is clear that, whatever individual patients may do, our computerized society hungers for personal information and that the varied demands for medical records will continue to grow. The issue can be met only by the development of clear rules balancing the needs of patient, practitioner, research, commerce and society itself. The task is complex, even infuriating, but not impossible of solution.

MAJOR SYSTEM ACQUISITION, NEW FIGHTER AIRCRAFT, AND PUBLIC PERCEPTIONS

Mr. CHILES. Mr. President, we, in Congress, very often can fall into the habit of thinking that the American public does not understand, and has no sensitivity to the decisions and choices which we regard as complicated and troublesome.

Recently, my Government Operations Subcommittee on Federal Spending Practices began hearings as another step in our 2-year effort to reform acquisition programs which are conducted by the Federal Government.

We began those hearings with a case investigation of the recent decision by the Department of Defense to procure two separate F–16 and F–18 fighter aircraft where derivatives of a single plane might have proved as effective while saving taxpayers billions of dollars.

Since these hearings have begun, I have received a tremendous volume of mail from across the country with both questions and suggestions concerning the fighter decisions and our reform package which includes strengthened congressional visibility and more effective competition.

Frankly, I have been surprised at the depth of understanding which is exhibited in much of this mail, and I ask unanimous consent to submit one particularly well written letter from Robert Wittmeyer, of Orlando, Fla., in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CHILES. Mr. Wittmeyer, who has

no vested interest in either aircraft, makes the point that:

> The answer stares us in the face. Let the Navy pick first! Require the Air Force to accept a modified version of the Navy choice. It is much simpler and cheaper to redesign a heavy structure to obtain a lighter structure.

This is precisely what I argued to Secretary Schlesinger in January when the Air Force moved to select its aircraft without waiting for a Navy decision. I said then that we were almost guaranteeing the procurement of separate aircraft for each service. And, in fact, this is what has happened.

I ask my colleagues to also note Mr. Wittmeyer's four recommendations for the development of future aircraft. His suggestions closely parallel the recommendations of the Procurement Commission on which I served.

Letters, such as this one, are a reminder to us all that the American public has a good understanding of the decisions which we struggle with daily, and will hold us fully responsible if we simply muddle through rather than show some decisive leadership.

Exhibit 1

Orlando, Fla., *May 27, 1975.*

Hon. Lawton Chiles,
U.S. Senator, Florida,
Washington, D.C.

Dear Senator Chiles: I have noted with interest your recent activities vis-a-vis the F-18 aircraft controversy. It appears that you are falling into the same hole as most Congressmen do when the Defense budget is questioned; that is, calling in the various so-called experts for their testimony. These are the Admirals, the Generals, the DOD personnel, and the congressmen from some Defense contactor's state—all who have an interest in spending the most money in the most inefficient ways. When will the Congress do some independent thinking?

The present issue, of course, is the Navy's decision to develop a completely new lightweight fighter (the F-18) rather than accept a version of the Air Force's F-16. The Navy is correct, although their methods of notifying and educating Congress are very poor—especially in the light of specific direction given by Congress. In getting to the bottom of this mess, we must first understand the requirements and responsibilities of the Navy and the Air Force with respect to Air Power. Let's take the Navy first.

The Navy is charged mainly to have in readiness a carrier force capable of establishing air superiority any place in the world accessible by sea. That means as many fighter aircraft as possible packed onto an aircraft carrier, which of course, are capable of landings and take-offs from the carrier. We must expect then, for the Navy to select and recommend to Congress, the absolute best aircraft available. Also, these Navy aircraft are somewhat peculiar when compared to land-based aircraft. The structure must be extra strong to support the catapult launch and tail-hook stops. Also, the wings must fold to permit storage on the carrier. These items lead to a heavier aircraft, which in turn leads to increased engine power. Add to that the requirement for marinization of all components.

The Air Force, insofar as its fighter program is concerned, has essentially the same requirements as the Navy—except for the carrier aircraft. This means that the Air Force will select and recommend the best available fighter for their mission, which should be somewhat cheaper than the equivalent Navy fighter due to lighter weight.

The problem, as you well know, is to provide both services with adequate (which means superior to the enemy) aircraft for the least cost. When the Air Force is permitted to make first choice, the Navy is put into a bind. The Navy version must be almost completely re-designed for structural reasons. Then, since the Air Force engine will be marginal for the weight of their aircraft, (this is almost always the case) that engine will be absolutely inadequate for the heavier Navy version—requiring development of a new engine. Thus, the taxpayer gets stuck for essentially two aircraft development programs.

The answer stares us in the face. Let the Navy pick first! Require the Air Force to accept a modified version of the Navy choice. It is much simpler and cheaper to re-design a heavy structure to attain a lighter structure. Also, with a lighter airframe, the Air Force version would have excess engine power for sure. Obviously, there are certain avionics and armament requirements peculiar to each service so that the original designer must account for them. With both services making purchases, the production contracts can be awarded to two contractors which would provide competition and the individual attention to final details required by each service. The same goes for the engine production.

Let's take some examples to prove the argument.

(1.) F-4 Phantom II—Have you ever heard the Air Force complain about this Navy-designed fighter? It has been the backbone of our air power for many years.

(2.) F-15 Eagle/F-14 Tomcat—Wasteful. There isn't a nickel's worth of difference except in the avionics and armament; but the taxpayers paid for two complete developments.

(3.) F-III (TFX)—A real farce of a program. It was controlled by the Air Force which apparently paid little attention to Navy requirements. The high risk (at the time) of the swing-wing resulted in a high weight which didn't bother the land-based Air Force, but prohibited the use of the plane on the Navy carriers.

(4.) F-16/F-17/F-18—The start of another wasteful effort. If it isn't too late, the F-16 contract should be cancelled and the Navy should go ahead with the F-18. When the F-18 is developed, the Air Force contractor could make necessary revisions before beginning production on their version. This would be cheaper, provided the F-16 contract cancellation damages were not prohibitive.

To summarize my arguments, I wish to propose the following procedure for development of future aircraft when both the Navy and the Air Force have similar requirements.

(a) Navy+Air Force combine requirements to one aircraft with the Air Force being required to yield more than the Navy on conflicting requirements.

(b) Navy holds competition for industry without Air Force participation.

(c) Navy oversees development of aircraft with Air Force participation. But Air Force is not permitted to interact with contractor, only with Navy.

(d) After aircraft is developed, Navy awards production contract for their version. Air Force awards contract to a second source for minimal airframe modification and production.

The above scenario applies only to airframe and engine. Each service would have to develop avionics and armament concurrently with original Navy aircraft development contract. Although there is certainly room for cooperation in these areas also. Keep it in mind, however, that the above scenario will not work if Congress is not willing to take punitive action against any Admiral, General, DOD civilian, Congressman, or President who attempts to scuttle the program. Without such dedication by the Congress, all of your hearings are so much claptrap.

I feel that the American people, including all segments, have forgotten the spirit of compromise which produced our Constitution. We seem to approach everyone on an adversary basis. While this attitude enriches the legal profession, it also prevents efficient spending of tax dollars and solutions to our most pressing problems of unemployment and energy shortage.

I appreciate whatever time you have given this letter. Please don't bother to send me one of those form letters acknowledging receipt, etc. It will save $0.10 of our tax money. Just get to the crux of our problems without so much moaning and groaning and politics.

Respectfully yours,

Robert E. Wittmeyer.

P.S. I am an aeronautical engineer working at Martin-Marietta Corporation. I spent two years in the Army in 1966–68 and do not have any special interest in Navy or Air Force except that I desire wise spending of the tax dollar.

CHILD AND FAMILY SERVICES HEARINGS

Mr. MONDALE. Mr. President, today, joint hearings on the Child and Family Services Acts, S. 626 and H.R. 2966, were held by the Senate Subcommittee on Children and Youth, the House Select Subcommittee on Education, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor.

We were fortunate to have a highly impressive and respected group of witnesses at this hearing including: Congresswoman Bella Abzug; Frieda Mitchell, chairperson, United Communities for Child Development, Inc.; Hannah Atkins accompanied by Evelyn Moore from the Black Child Development Institute; Carlyle Cox, director, Community Development, Gainsville, Ga.; James Kagen, director, New Jersey's Division of Youth and Family Services; John Himelrick, Interagency Council for Child Development Services, West Virginia; and David Flagherty, Department of Human Resources, North Carolina.

Because of the large number of requests for copies of these statements our subcommittees have received already, I ask unanimous consent that a copy of each statement appear at the end of my remarks.

I urge my colleagues and members of the public to carefully review the testimony we received.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Testimony of the Honorable Bella S. Abzug Before the House Select Subcommittee on Education, the Senate Subcommittee on Children and Youth, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor on the Child and Family Services Act of 1975, *June 16, 1975*

Senator Mondale, Congressman Brademas, I would like to thank you for the opportunity to appear today to testify on legislation that I believe is crucial for children and families in this country. The Child and Family Services Act of 1975 is designed to help children receive the services they need to meet their full potential, while at the same time providing services to the *families* of these children, so that families are supported rather than fragmented.

I would like to take this opportunity to extend to the distinguished Senator from Minnesota and to the distinguished Representative from Indiana my thanks for their leadership in this area during the past several years. Comprehensive child care legislation has been a high priority for me ever since I entered the Congress. Unfortunately, during these four years we have witnessed the failure of attempts to see that such legislation becomes a reality. I hope that 1975 will be different.

I do not need to describe the pressing need for this type of legislation, for this has been well documented by many witnesses at earlier hearings. Instead, I would like to address my remarks to specific features of the proposals which are now before you.

First, and perhaps most important, is the level of funding provided in this legislation. The Brademas/Mondale proposal would provide a total of $1.85 billion for planning, technical assistance, and programs over a three-year period. I am sure that no one would say that this sum is adequate to meet the needs of our children and families. In fact, similar legislation passed by the Congress in 1971 as Title V of the Economic Opportunity Amendments of 1971, and subsequently vetoed by Mr. Nixon, would have provided a total of $2 billion over two years.

Surely, the need for child and family services has not *decreased* over the past four years! On the contrary, the need has become more pressing. The recession gripping our country has made it increasingly difficult for families to provide essential services for their children, such as basic nutrition and health services. Furthermore, the recession has accentuated more than ever the need for second incomes in many families, necessitating child care services for even more children. It is critical that Congress fund this important program now, before the lack of it forces families into further fragmentation and disintegration.

The appropriation levels contained in my Comprehensive Child Development Bill, H.R. 155, while hardly enough for services to all families and children, would come closer to making a discernable impact in programs and services than would the levels contained in the Mondale/Brademas Bill. I have proposed $2 billion for fiscal year 1976, $3 billion for fiscal year 1977, and $4 billion for fiscal year 1978. These are not unrealistic figures.

A second, and closely related issue, is the time limit on the release of monies for funding of program operation. The Child and Family Services Act of 1975 would not provide funding for programs until fiscal year 1977. My bill would authorize program funds a year earlier, in fiscal year 1976.

I cannot stress enough the immediate need for funds for ongoing projects. Child care is not a new concept in American life. There is no dearth of expertise in this area, and for years, child development programs have been developed and implemented all over the country. Program monies are necessary right now to continue and expand current programs. There have sprung up, all over the country, a number of local child care support organizations, which are attempting right now to meet unmet needs by providing information and referral for families needing child care and related services and by assisting groups in the creation of new kinds of child care programs in the absence of government support. These local groups, which developed because of the lack of adequate child care services, refer families to all manner of child care, be it publicly-funded or not. These child care support groups, generally without federal or local assistance, are enabling families to use the available fragmented pieces of the child care system in their localities in ways that are systematic and supportive of the families needs. Child care support groups such as these exist in almost every state; recently 13 groups from nine states have formed an informal network to share ideas and promote this heretofore unrecognized child care function. They are swamped with requests for help. They exist in rural, suburban, and urban areas, and are testimony to the fact that in *all* parts of the country child care needs are going unmet. Their existence is also testimony that there is much more to a comprehensive child care and family support system than most legislation or federal agencies now recognize. This legislation would provide support to the wide range of child care and family support programs that are necessary to do the job. I have one criticism of this aspect of the bill, however; Section 102 of the bill which describes the programs it would fund tends to separate services for children from services for families. It would be a serious error if the structure of the regulations and the implementation of this legislation were to follow the structure of this section of the bill.

I am, of course, in favor of providing funds for planning, technical assistance, and training—in fact, my own bill, makes provision for such activities. What I do object to is deferring the flow of funds to programs for still another year. Where agencies and organizations are capable of providing high quality programs immediately, funds should be made available. For example, well-developed models for ongoing child care programs exist already in New York City, Chicago, Massachusetts, and California. Technical assistance and planning are already in place. These areas among others need money for programs. In those parts of the country where monies *are* needed for planning, technical assistance and training, such funds should of course be available. On the other hand, we should not penalize those areas of the country with a long history of commitment to child care and highly developed programs. As we plan the use of the planning, technical assistance, and training phase, it is important that government agencies and teacher training institutions be urged to discover the healthy, creative, and neighborly devises and solutions that families, parent groups and community groups all over the country have found to try to help families meet their child care needs. With sensitive government support both the formal and informal arrangements that families make to provide care for their children can be supported, expanded, and improved. Rigid and inflexible government regulation can overlook the ways people are already helping themselves and replace these with cold, professional institutions.

Another provision of this legislation which merits close examination is that which would allow funding for profit-making child care organizations. I am opposed to any such scheme. The studies conducted both by the National Council of Jewish Women and by the Child Welfare League have concluded that proprietary day care centers are more concerned with the maximizing profits than they are with the maximizing child welfare. Illustrative of the problems created by proprietary child care centers is the unfortunate trend toward the development of "chains" of day care centers during the past few years. The managers of these centers, under the control of large corporate enterprises, maximize profits by paying low wages to staff, establishing undesirably low staff/child ratios, omitting necessary auxiliary services, and using standardized teaching equipment that fails to reflect the special needs of the children in the centers. Federal monies must not be used to subsidize such questionable, low quality care. Rather, federal monies should be used to reinforce the efforts of public and private non-profit organizations to provide high-quality care for all children who need it. Purely custodial care, however inexpensive, is not an acceptable alternative for our child care needs.

However, I do recognize that many, many children are being cared for in family day care, family day care group houses, and day care centers that do have quality programs and are not traditional "nonprofit" programs. These programs are not profit making in the sense that the managers of a child care corporation seeks to expand shareholders' profits. These are quality neighborhood proprietary programs run by seriously underpaid community residents (mostly women, for whom this is a second income) who are deeply concerned about the welfare of children and of their neighbors. Legislation that would deny them, or the children and families that they service, the extra assistance that they need and deserve would ignore the reality that these are the kinds of arrangements on which most American families rely.

I would like to endorse the emphasis in the Child and Family Services Act on the voluntary nature of participation in the programs to be funded under the legislation. Most important, however, is the emphasis on the family which is evident throughout the bill. Children cannot be isolated from the problems faced by their families; thus, comprehensive child care is most effective when it is organized to meet a wide range of family needs. Child care should support, not fragment, families in the child rearing process. And it must view parents as preeminent in the child-rearing process.

I would also like to comment on the proposal to make local educational agencies the presumed prime sponsor for all child care programs. To *automatically* make such agencies prime sponsors for comprehensive child development programs would be clearly unwise. Indeed, it contradicts the clearly stated objectives of the bill to provide comprehensive child care and family support programs. Child care programs which meet this definition are not schools, and schools (or even day care centers alone) can not meet most family's needs for child care, or for the support they need and deserve in raising healthy children who can develop to their full potential.

I am not opposed to allowing local educational agencies to qualify for prime sponsorships in cases in which such a designation would serve a special purpose or be particularly appropriate. However, our public schools have historically had as their primary focus the education of the child. They are not organized nor do they function to add the important additional support and services to families provided in the Child and Family Services Act, and many others which are in existence in child care operations all over the country. I am therefore opposed to any legislation which gives the educational agencies the presumed prime sponsorship for implementing these crucial programs.

Statement of Frieda R. Mitchell, Chairperson of United Communities for Child Development, Inc., Frogmore, S.C.

Chairman Mondale, Chairman Brademas, and members of the House and Senate Committees: My name is Frieda Mitchell. I am the Chairperson of United Communities for Child Development, Incorporated (UCCD), a federation of non-profit community child care programs in South Carolina. I am also an elected member of the Beaufort County Board of Education. Most of all, I am a parent and a grandparent.

I appreciate your invitation to testify today, to tell you about the things we are struggling to do for our children in South Carolina, and to commend you for your continued leadership on this issue here in Washington. We support your proposal to expand child care through a flexible delivery system, to give parents a central role, to broaden eligibility, and to encourage higher quality in programs.

UCCD was formed in 1971 because one of the greatest unmet needs in our part of the state was child care for low income working parents. Residents of some communities were trying to operate child care centers, but the need for assistance was great. Parents, day care operators, potential operators, Head Start sponsors, and interested persons came together and agreed that what was needed was a coordinated effort, through an umbrella organization, to promote and assist community-based, community-operated child care centers.

That organization was chartered on September 1, 1971, as United Communities for Child Development, Incorporated. Our membership has expanded since that date to twenty-four operating child care centers in eight counties, serving over 1500 children. We are providing technical assistance to groups in eight additional communities that are in the process of providing community-based child care. All of our members are private, non-profit organizations. Their governing boards include parents as actively serving members.

UCCD provides technical assistance to member centers—to help with licensing and organizing, to provide board and staff training, and to assist in obtaining necessary financing. In addition, by speaking with one voice, we have been able to play an increasing role in the development of child care policies in the state. For example, UCCD is represented on the state licensing task force. We participated in the state's symposium on child development of its Title XX plan.

The communities and programs in UCCD are basically rural, poor, and black. Our purpose is not to make a profit, not to create a lot of jobs with big salaries, not to increase anyone's political power. Our only purpose is to provide quality child care programs for our children; to help them grow and learn and discover their own value and potential; and to get them ready for further learning and development. We happen to think that parents should make the decisions about their children, and that without parents, nothing anyone does for very young children will have much lasting impact.

The struggle to develop good programs for our children has not been easy. Money is still the biggest problem. We have scraped together whatever we could find—proceeds from chicken dinners, donations from United Way, personal contributions, help from churches, clubs, foundations, fees from parents and the Food and Nutrition Program from the U.S. Department of Agriculture.

Now, finally, we have a contract with the State Department of Social Services for Title IV–A funds to purchase service for eligible children in five centers. We have a single contract with a central administrative staff and health, social services, and education components. State and federal funds pay the per child cost for AFDC children. Other families in the centers are responsible to pay the full cost themselves.

UCCD is a pioneer effort. It shows that it is possible to work through the kind of government prime sponsor your bill talks about and still retain a program that allows maximum parent and community involvement. We meet the federal Interagency Day Care Requirements. But within those standards, we have the freedom to create our own program to meet the particular needs of the children and the communities we serve.

We support your proposed legislation, because it will allow the expansion of this kind of flexible child care system, and it will extend services to more children, families, and communities that desperately need them.

In your letter inviting me to testify, you asked for my ideas on how to develop a delivery system that will "insure parental involvement, local diversity to met local needs, and appropriate state involvement to assure coordination and maximum use of available resources."

I am submitting to the committees, with my statement, some specific detailed recommendations about the delivery system. I would like to emphasize some of the most critical points here:

(1) *Parent Involvement*—This is probably more important to success of child care programs than any other single thing. But we need to understand what we are talking about when we say parent involvement. When I talk about parent involvement, I do not mean asking mothers to make cookies for the PTA meeting where there is a speaker no one can understand. *Read* parent involvement means parents making the decision about budgets, location of facilities, grant applications, and who is going to direct the program.

I am tired of hearing the excuse that parents do not want to be involved, that they do not have time, or they do not care. It's just not true. Getting parent participation isn't easy. But it is possible, if one is willing to try—if meetings are scheduled at times convenient to parents (instead of the staff); if transportation is provided and expenses are covered; if there is training and staff support. Most important, it takes a change of attitude on the part of teachers and administrators. For once, parents have to know that they are important, essential, and wanted. It worked in Head Start. It's working in our programs. And, it can work across the nation.

(2) *Local Decision-Making*—Child care needs are different from one place to another. The federal government cannot decide what is best for children and families in every situation. What works for us in Frogmore may not work the same way in Charleston, much less in Minneapolis, South Bend, or Vermont. Whatever delivery system you finally develop, it must allow for local, community decisions about the kind of program that will best meet their children's needs.

(3) *Prime Sponsors*—We recognize the need for involvement of both state and local government. We do not want another program that ignores government altogether. We do not feel it is possible to do everything this bill wants to do without getting the governors and mayors involved. However, we do not want just revenue sharing for child care. If state and local governments are going to participate, then they must meet firm federal requirements—including the requirement for decision-making child and family services councils composed of parents (as clear working majority), community people, and representatives of all of the public agencies providing services to children.

We think the best system would be one that makes the state council the planning, policy-making, and monitoring agency, and gives the local council the grant-making authority. That way, coordination and long-term planning can be combined with local decision-making.

Let me emphasize our concern about the possibility of regional prime sponsors within the state. We have watched the move toward substate regional planning in our state, as well as throughout the South. Those regional planning bodies are hardware people—concerned with physical and economic development, not human programs. They are not elected officials, and they are not publicly accountable. If this legislation allows for sub-state regional planning and grant-making authority, it has to guarantee the creation of a child and family services council, independent of these regional planning bodies, to carry out the purposes of this law. Although the boundaries for the two might be the same, the regional planning body must not dictate the function or composition of the child and family services council.

(4) *Funding Program Operations*—We support the approach which this bill takes, to separate the grant-making authority (the prime sponsor) from the program operation. That is the best way to get decisions which reflect the interest of children rather than the special interests of agencies.

We know that programs like ours can provide the types of services your bill envisions, and we are willing to go through the struggle necessary to get funding from governmental prime sponsors. We are doing that now. However, a statement in the bill that non-profit agencies may participate in the program, even a statement giving preference to such agencies, will not be enough to assure that they actually get into the program. The bill must deal with the very real funding problems which create obstacles for all programs—public and non-profit alike.

For example, there must be some guarantee of future funding for programs that comply with the law and standards. It is almost impossible to design a good program for children and attract high quality people for staffing when we have to live with the realization that every year may be the last.

Similarly, this legislation should get away from the type of service where a program gets reimbursed on a monthly basis for the number of eligible children it served in that month. Those payments lag months behind at times, and in the meantime, programs have to go on without operating money. This legislation should guarantee a regular money flow, through contracts based on annual budgets. This is the way most HEW programs are run—Head Start, Title I, special education programs—and that is the way this one should operate. Title IV–A and Title XX purchase services on a "slot" basis because the program is basically one to provide an individual service to an individual family who meets certain very specific requirements. You are trying to do something different in this bill, to develop a delivery system with stable programs. That means long-term contracts.

We agree that there should be a non-federal match. This is too big a job for the federal government to do by itself. We will never get sufficient resuorces for all of our children unless state and local governments contribute as well. However, it is absolutely essential that you include some limited waiver of the non-federal share in cases of special need—where people and communities are so poor that they cannot get the matching money. Without such a waiver, all you will do is prevent getting services to the families and children who need them the most. Last year, these Committees said that Head Start must provide such a waiver of the non-federal share if the per capita income in the county is less than $3,000. We urge a similar provision in this law.

(5) *Eligibility*—Those of us who have been struggling to make poverty programs work know that eligibility has to be broader if a program is going to be successful. This is one of our greatest problems now. Poor working families who are not on welfare cannot get into our programs unless they can pay the full cost—and they just cannot afford to do that. In our centers that are utilizing federal and state funds, a non-welfare family has to pay the same fee as the Department of Social Services pays for an eligible child.

That means that, in order to include more of the children who need the service, we cannot provide everything we would like, because even if the Department of Social Services would pay the higher fee, parents of the other children in the program could not.

Congress needs to come up with a realistic eligibility figure that enables us to provide the best program we can for all of the children who need it. We support your efforts to establish the BLS lower living standard as the bottom level for free services, with subsidies for people above that line.

(6) *Standards*—Finally, I want to say a word about standards. It has been suggested by some that programs like ours want lower standards in order to keep our costs down. That is not true! We want standards which will assure quality, developmental programs for our children; and we want them enforced. UCCD was part of a nation-wide community assessment of proposed licensing codes, and we participated in the efforts to prevent the revision of the federal standards several years ago. We were not the ones arguing for reducing the number of staff in programs. We were not the ones arguing against educational components. We were not the ones asking for the elimination of parent participation.

This legislation must have firm standards, and it must provide a mechanism for programs like ours to be involved in the development of those standards. There must be money to the prime sponsor to enforce the standards, and there must be money available for the one-time assistance to programs to help meet them.

Let me end by saying that I do not think there is any single, more important piece of legislation this Congress is considering—in terms of our future. Our children are the best hope we have. They deserve a chance. A chance for decent child care now. And a chance for the future. Those of us who work with programs like UCCD want to give our children that chance ourselves. If you take our youngest children away from us, we have nothing left.

Testimony by Evelyn K. Moore and Hannah D. Atkins on the Child and Family Services Act (H.R. 2966, S. 626) to the Joint Hearings of the House Select Subcommittee on Education, the Senate Subcommitte on Children and Youth, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor, June 16, 1975.

My name is Evelyn K. Moore. I am the Executive Director of the Black Child Development Institute. I am happy to respond to your invitation to testify here today. Accompanying me is the Honorable Hannah D. Atkins a member of the Board of the Black Child Development Institute and a state representative from Oklahoma.

The Black Child Development Institute is a non-profit membership organization. We are active in twenty-seven states across the country—working with community grassroots groups in helping them to:

(1) Improve the quality of their child development and child welfare programs through workshops and direct technical assistance,

(2) Monitor national, state and local legislation and regulations and train local monitors of public policy at state and local levels,

(3) Communicate and share their problems and solution with each other.

Our organized members represent a cross-section of citizenry who recognize the special needs of Black children. These include parents, teachers, lawyers, doctors, psychologists, psychiatrists, social workers, and sociologists. The Black Child Development Institute plays an advocacy role on behalf of Black children and their families. We view our mission as the strgenthening of Black family life within the context of community development, and we recognize the important role of publicly-funded child development programs.

THE NEEDS

We can certainly testify to the tremendous need in the Black community for such programs. The needs are the same as those in the white community, but are greater because of the disproportionate number of Black families who suffer from poverty and because of the racial discrimination which victimizes black families in all areas of life. What are the need statistics regarding the status of our 1.466 million Black pre-school children ages 3 to 5?

We know that there are at least 19 deaths in the first year of life per 1,000 live births of white children, compared to 35 deaths per 1,000 live births for Black children. Many of our Black children do not live to become eligible for early education programs;

We know that for every 100,000 live births 19.5 white mothers die. Over three times the number of poor and non-white mothers die from pregnancy complications than white mothers. Many of our mothers do not live to see their children become pre-schoolers;

We know that one-half of all Black mothers are in the labor force at any given time as compared to less than ⅓ of white mothers. Many of our mothers must work in order to meet basic family needs such as food, clothing and shelter;

We know that at the current level, approximately 379,000 children are served by Headstart. Of the 379,000 children 56,000 children are in full day year round programs. Only about half of these children are Black. Many of our children must be placed in less than adequate day care settings out of necessity.

We are pleased that in the drafting of this legislation the overriding purpose reflects your belief in strengthening the American family. We are supportive of the basic premises contained in the proposal:

(1) That this nation go on record as being firmly committed to providing comprehensive child development services to children;

(2) That parents be given a decision-making role in programs that affect their children's lives;

(3) That day care be broadened to include a range of children in need, and that it no longer be viewed as a welfare program;

(4) That the 1968 Federal Interagency Guidelines continue to be used as a guide for high quality standards with the reinstatement of the educational component;

(5) That emphasis and value be placed on the cultural aspects of family life;

(6) That there be a commitment to train persons to work effectively with young children; and

(7) That there be a socio-economic mix of children in day care programs.

DELIVERY SYSTEM

While the majority of us can agree with the programmatic principles contained in the bill, one of the most difficult areas for agreement is the design of the delivery system for the proposed program. The recent combination of proposals related to the reorganization of federal departments, DHEW studies of program consolidations and integration, the presence of the "new Federalism", the revenue sharing philosophy, and continued consumer pressure for greater involvement in shaping programs, have caused delivery systems design to be one of the most celebrated of public policy issues.

Quite apart from the present political atmosphere, the design of delivery systems for federal programs is a most critical phase of program policy making because of the effect of the delivery design in interpreting the legislative intent and implementing the substantive integrity of a particular program. Beyond the obvious programmatic considerations, the selection of one or another delivery strategy is crucial in determining the political fate—passage intact, passage with major modifications, or rejection by Congress and the President—of proposed programs. Differences in political perspective tend to become more manifest and clear cut at delivery system points than at the initial and more conceptual levels of program content determination. Few legislators will disagree with the need for comprehensive child care legislation, yet many will disagree with the delivery design of such initiatives.

In recognition of this unusually sensitive situation, we as child advocates anticipated the attention which will be given to the design of the delivery system for any comprehensive child development legislation. At our last national annual meeting we invited state legislators, representatives from national parent organizations, teachers and administrators of large day care/child development programs, to a seminar which focused on recommendations for the delivery of services to Black children and their families.

The recommendations which emerged from the meeting urged the prime sponsorship of child development programs by states and municipalities. The groups agreed that the legislation should allow capable non-profit groups to apply for prime sponsorship when states or local governments are not adequately responsive to child care needs.

I am pleased to introduce to you Representative Hannah D. Atkins from Oklahoma who led a workshop at this important meeting. Mrs. Atkins is representative of the increasing number of black mayors and black legislators who can bring an increased responsiveness on the part of states to the needs of black children. She will share with you the recommendations that came out of the deliberations of our constituency. This portion of our testimony will be specifically aimed at discussing the role of the state.

The Honorable Hannah D. Atkins: I propose three fundamental principles which should undergird a delivery system that designates a state or city as prime sponsor. These principles are essential safeguards if States are to be prime sponsors.

FIRST PRINCIPLE

The delivery system should satisfactorily serve the substantive integrity of the proposed program.

We would propose, in addition to the annual evaluation requested by the Secretary, that the bill contain more specific language for planning and administration to insure high standards. There are four elements that must be included:

1. The administrative body for day/care and child development should be an Office of Children or Child Development, responsible to the Governor or the Mayor;

2. This agency should establish guidelines for monitoring and evaluation based on the minimal standards established; see that there is wide dissemination of information on every level of operation; insure that the staff reflects the ethnic population of the area served and that the needs of the ethnic and multilingual community are met, and give special attention to the income and employment level of the area served;

3. Minimal standards for health, education, social services, personnel, fiscal policies and audit requirements should be developed at this level with parent participation;

4. It would also be the responsibility of this agency to develop criteria for appropriating and allocating funds based on established criteria and to establish a range for administrative costs.

In summary we strongly urge you to include language in the legislation which not only sets high standards, but enforces them through a specific process that is legislated. General language or the comprehensiveness of the program is not enough. Carefully thought-out procedures for monitoring programs and providing technical assistance are essential for the preservation of substantive integrity. Specifically we urge the inclusion of language that set forth guidelines for program review, program evaluation and program technical assistance.

SECOND PRINCIPLE

The delivery system should be operationally and functionally sound, and provide adequate provisions for due process to be observed.

It is the belief of our constituents that states have special authorities that do make them more functionally sound in the administration of child development programs. These include:

1. Authority to tax;

2. Authority to use existing administrative machinery;

3. Authority to establish a special-purpose state agency specifically for the purpose of developing and coordinating children's programs;

4. Authority to establish checks and balances for consumer protection. We suggest that the proposed legislation require any plan for day care/child development to be aired at public hearings across the state, county, or city before submission to HEW. Moreover, 65% of the Prime Sponsor Council or Board should be parents; the Council should be racially and ethnically representative of the population served; and should have representatives from business, professional groups, government and child serving agencies. This should be spelled out in the Act.

In reference to setting adequate provisions for due process, we believe due process ought to be at the three levels of each component of the delivery system: prime sponsorship; administration; and program operations.

Following the specific recommendations regarding an appeals/process:

1. There should be an appeals procedure directly to HEW;

2. There should be an appeals and grievance procedure for both local programs and consumers;

3. There should be an appeals procedure for rejected applicants.

THIRD PRINCIPLE

The delivery design should not be compromised by special interest groups.

In line with this principle, we believe that, although no special effort ought to be made to exclude public schools as prime sponsors, no special/language giving them priority should be contained in the legislation.

Although we say we have created a school system that equalizes opportunity for all children, we find that twelve years of public schooling actually increases the gap between rich and poor students. Our children are not learning to read, write and compute—three skills that are essential for survival in America's technological society. We know that:

The Black high school drop-out rate was twice the national average in 1973;

A disproportionate number of Black children are labeled and tracked into rooms for children with learning disabilities, special needs, and with those who are mentally retarded;

Black children are responded to in most public school situations from a deficit model, and a perspective which regards them as deviant and representative of a social pathology.

Before we allow the public schools to become the primary institution in the lives of our children under five, the schools need to set their own house in order, and fulfill their own promise of equal opportunity for the children they have now.

In relation to other special interest groups, the legislation should not permit profit-making corporations to receive public monies for child development programs. In an effort to protect the quality "mom and pop" centers, we would urge that the legislation permit these centers time to convert to non-profit status.

The interest group primarily concerned, the parents, should be protected and defined clearly in the legislation. Consumer and grass-root operators should not be sacrificed in recalcitrant states. For example, in the State of Mississippi there has been made a continuing effort to wrest programs out of the hands of consumers and to restrict parent and community decision-making.

In order to protect parents and communities from state power, it is essential that child and family service councils, as well as local program councils be required to have adequate parent representation, parent representation at all board levels. Thus we recommend that:

(1) Each council should have a policy board with 65% parent representation in the membership.

Some national organizations have suggested in their testimony a restriction and/or limitation of parent participation on policy councils. We are opposed to lessening the percentage called for in the legislation. In fact, as you note, we request a higher percentage, so that parents can make substantial input on decisions on a sustained basis. A large number of parents will prevent professionals from dominating board decisions, and will enable parents to participate actively on various board committees without becoming overburdened.

(2) There should be mandatory training requirements for staff and board.

This requirement is an effort to insure that board and staff operate effectively. Training will help them plan by objectives, assist in resolving conflict situations in a positive way, and, most importantly, help them learn to differentiate roles—i.e., policy-making vs. program operations.

CONCLUSION

This statement, although endorsing state control, should be considered in its totality. That is, all the suggestions made are required if state control is to be effective and beneficial to Black families.

In view of the poor track record of certain states, particularly those in the Southeast, we propose that the legislation include a bypass provision for those states which are unable or unwilling to meet the requirements for state control.

In relation to the overall delivery design for comprehensive child development, the issues of designation of service areas and determination of due process procedures will be particularly important for constituency involvement. Without question there must be explicit definition of local service areas; prime sponsorship and appeals processes. In part these constituency concerns are components of the capacity building function between Federal and State governments.

Our statement has highlighted some of the major political and program considerations which must be weighed in the course of designing and supporting a comprehensive child development delivery strategy. The following are key functional considerations:

1. Transferring operational program resources and responsibilities from the Federal government to State and local levels;

2. Strengthening State and local capacities to effectively cope with new and expanded program responsibilities;

3. Specifying consumer and constituency involvement in program policy and due process intervention points in the delivery design of programs.

In our role as advocates for Black children we are aware that historically, advances made on behalf of Black people have benefitted the population as a whole. We believe that to be true within the context of this legislation. While our recommendations are from a Black perspective we believe that they will be valuable to all children impacted by this legislation. We appreciate this opportunity to be invited to testify on this most important legislation and are prepared to offer our assistance in making publicly funded child development programs a reality.

STATEMENT OF MR. CARLYLE COX

I am Carlyle Cox, the Community Development Director from Gainesville, Georgia. Gainesville is a small community of about 16,000 population in a metro area of about 50,000 in Hall county.

The city of Gainesville presently has twenty (20) licensed child development centers serving 1627 children and youth. Five of these centers are public child care facilities, serving 727 young people, and are funded through Head Start, Appalachia and Title 4A funds with the matching share coming from local cash and in kind. This is approximately a $1 million program. These centers are operated by different agencies: the Community Action Agency as well as the local Board of Education through subcontracts.

The second group of centers, and the largest group, is private day care centers. We have ten (10) private day care or child development centers which serve 772 children and youth.

The third category is quasi-public centers operated by church and civic groups. There are two such centers serving 128 children. These are basically supported by private charitable funds with the children paying a very small fee to attend.

Ideally, what we would like to see in our community is a program that provides enough day care slots to meet the entire needs of the community. At the present time, almost all of our various programs, both public and private, meet only the needs of certain young people and children based on either governmental requirements for eligibility, or private requirements of the program operators. So what we have is a very disjointed, uncoordinated system that is not really meeting much of the local need.

Even if there were additional monies available under present program sources, the community's broader needs would still not be met as each of the existing programs is designed in such a way as to serve only specific areas or sets of persons, such as low-income families or those participating in CETA or some other operation. Consequently, funding additional slots would still leave out many people who need the service but do not fit into specific categories.

Our city and county are very interested in the proposed legislation that would set up prime sponsors on a local basis because this would begin to offer us the opportunity for coordination and decision-making as to how we could best utilize the various resources in the community. It would also offer us a central base of operation to begin to link programs together.

In the city of Gainesville one of the programs that we feel that has been most successful has been the program funded under Title 4A Child Development Program in which the city through its department of Community Development is the prime contractor. This agency then subcontracts with the local Board of Education. Because the city agency is not actually doing the work, we have the ability to do the evaluation, the monitoring and the administrative oversight to insure that all of the services that are needed by the children in the program can be properly met. We don't charge any administrative costs; this is carried on just as an additional service by our regular staff. So that the total amount of 4A money that comes into our city is used for direct services. We can do that because of the way our city government is set up.

We also utilize, through the state and other means, professionals who look at our program to see how it can be improved, and whether or not we are achieving the objectives that we set out to achieve. I can't emphasize too much how important I feel a local management and evaluation effort can be in giving direction and scope to a program. If the agency operating child care services is doing the grant writing, the administration, as well as the operation, they tend to become so close to the program that the agency begins to look at their own interests as the highest priority for evaluating the program expenditures, rather than the specific objectives the money is designed to meet.

Without going deeply into this, I feel that the role of a prime sponsor in this legislation is very important and that many communities, such as ours, even though they are small, have the capacity and have the ability to not only plan, administer, and manage the program, but also to monitor the program and keep adjusting it to meet changing needs of the particular locality. This is missed in a large state-wide effort because the state cannot design tailor made programs for each community.

We feel that the proposed legislation that would provide for local communities, local governments such as ours, to be the prime sponsor puts another tool in our hands to more effectively serve the total community. We see this as the beginning of how we meet the needs of children and families in a more precise, more realistic way than just by adding a new program.

Another area I would like to address is the broadness of this legislation as far as who can be served. The proposed legislation is a broad-based child and family services program that would try to look at the needs not only of the child itself, but the child in its relationship to the total family and what other needs might be. It is not only for the low and moderate income families, but also for middle income families that have needs in child care. A lot of middle and lower-middle income families cannot afford private costs, and, at present, many of these children wind up being put in some kind of a situation that is not advantageous to their development.

Under this legislation we could begin to integrate many different income levels because we could provide the opportunity on a fee paying basis to have people from upper and middle income families, as well as moderate and lower income families in the same center together.

At present younger children from different income levels do not have any interaction until they hit school and then there is a great difference between them which often is not overcome as they move into the school system. And the same thing continues in after-school programs. We have the same kind of division. I think until we start dealing with the total community situation in child and youth care, we're really missing the point. We're only piecemealing the whole thing rather than dealing with the problems that exist in a community.

Gainesville also strongly supports the comprehensive list of eligible activities which can be provided in this legislation. As the committee members well know, there is a constant tension between the desire to provide as many slots to serve as many children as possible and the desire to operate truely comprehensive programs. I think, again, that the prime sponsorship is a key to meeting both program objectives. The key in Gainesville has been to coordinate, through our Human Services Department, as many existing service resources as possible to provide heatlh, counselling, supportive services, and so forth to children and their families at no cost to the child care operation.

In other words, when we ask the county Health Department to screen and immunize children in our child care centers, we negotiate an arrangement where that service is provided for out of the regular operating budget of the county Health Department. Naturally the Health Department has money problems too, and they wanted to get some sort of payment out of child development program money for this service. But because we were a local government with strong interconnections with the county government and could prevail upon the county commissioners to see a broader perspective, we were able to put the needs of the Health Department and the needs of the child development services in proper perspective.

I believe that this kind of responsibility to maximize integration of existing services without carving out too much from the child development service budget is a responsibility of prime sponsors which should be stressed. However, given the realities of life, I think you have to make all necessary services eligible for funding out of the basic legislation.

I would like now to comment on the way that certain structural provisions of H.R. 2966 and S. 696 may affect smaller communities and particularly non-metropolitan communities.

The first problem I see is the wide discretion given to the Secretary of HEW in determining appropriate prime sponsors. I understand the intent of the Act is to, in a sense, make eligible as prime sponsors all units of local government which have the capability, experience, and demonstrated commitment to perform that function. I also understand the problems associated with trying to legislate a population cut-off for local government prime sponsorship.

I generally support the approach you have taken. However, I am afraid that, given the philosophical and bureaucratic bias of HEW, the regulations that are likely to be drafted to implement the legislation would severely restrict the ability of any but the largest local government to assume prime sponsorship. Further, you would almost certainly wind up with "metropolitan rings" of suburban jurisdictions, for which no logical sub-state district would now exist in State planning arrangements. Finally, you would almost certainly wind up with non-metropolitan balances, similar to the CETA legislation, which would fall under State prime sponsorship arrangements. I am not sure that sufficient reflection has been given to the kinds of administrative restrictions which the legislation, as drafted, makes possible. At a minimum, I would suggest some strong language which directs the Secretary to:

(1) "invite" all local general purpose governments or combinations thereof which wish to act as prime sponsor to apply for the designation and to give evidence of their capacity, past history, and general commitment to performing the responsibilty of prime sponsorship under this Act, and

(2) that the Secretary can only refuse such requests for prime sponsorship designation by demonstrating alternative arrangements provide superior ability to serve the needs of affected children.

Such language would permit a city like Gainesville, with a strong record in the day care field, to apply and be given consideration for prime sponsorship.

A second, and related, problem has to do with the delineated responsibilities for the Child and Family Services Councils. Frankly, I have strong reservations about the extent to which the legislation specifies structural roles for both the Child and Family Services Councils and for the Parents Policy Committees. I have no quarrel with the basic intent of such committees. As I understand them, the Child and Family Services Councils are to provide an areawide or jurisdiction-wide forum for bringing together representatives of the professional and client components of the child development services. Every locality undoubtedly ought to have such an arrangement in order to get community consensus of what kinds of problems exist and what program approaches are appropriate, and to insure that the best professional and community input is made to program design and management decisions. Similarly, the idea of parent involvement in the day to day operations of any given child development program is a goal which should be sought after. Although I have no problem requiring such input in locally designed and operated programs, I do have problems with legislative specifications about compositions, roles, and responsibilities of such groups nationwide.

I believe that the Congressional intent can be spelled out in general language and the responsibility placed on the Department of HEW to insure that local arrangements meet the Congressional intent for community and professional input into the program design and conduct. However, the wall-to-wall committee structure outlined in this legislation will create new narrow-purpose boards and will introduce federal rigidities into local programs which will hamper local adaptive transformations of existing service arrangements. It will also separate policymaking in child development from many other related community functions which are necessary for the overall objectives of the child development process to succeed. Finally, the mandating of many important administrative functions to the Child and Family Services Committees, instead of the prime sponsors, is a poor way to get at insuring consultation and high performance standards on the part of program designers and implementers.

Finally, I would like to note that the House bill contains three provisions missing in the Senate bill which I think are laudable and should be included in some final version of the legislation. Provisions for training opportunities for professionals and paraprofessionals are most important. While I understand and support the need for greater professional training emphasis in the area of child development, I am even more concerned that prime sponsors be required to oversee strong requirements on program operators for paraprofessional training and advancement. I think that it is historically true under Head Start and other first generation child development efforts that paraprofessionals drawn from the community have been the best and most lasting bridge between the families in the community and the overall child development effort. The continued role of paraprofessionals should not be lost in the efforts to standardize and expand the profession of early childhood development.

The second area to which the House bill addresses itself, and which I think is important, is the need for support for construction of facilities where existing public and private facilities are inadequate.

A final provision that I think most important which at present is only provided for in the House version is that one of the criteria for selection of a prime sponsor is its ability to serve the needs of the affected children. I believe that without such provision, the pressures to direct money to institutions which have excess capacity or strongest financial problems, will be enormous.

Testimony of James Kagen

I am particularly pleased that the Congress is considering this long needed legislation—The Child and Family Services Act of 1975. The State of New Jersey looks forward to new federal funding commitments, the recognition of the breadth of needs for children and their families, the emphasis on program coordination and the creation of new national program standards. The time is long over due for the Congress to again consider the creation of a broad system of child day care centers so that our children will be guaranteed adequate medical treatment, nutrition and care.

For these reasons I strongly endorse the basic intent of H.R. 2966, The Child and Family Services Act as well as its companion bill, S. 626. It is the type of legislation, that will provide states and localities the resources and flexibility to expand vital child and family services. I am convinced that it is in the best interest of all concerned to make sure the Child and Family Services Act is free of any hinderance to excellent services to children and superior administration of these services. There are several critical organizational and financial issues which must be adequately dealt with if all hinderances are to be overcome. The most important of these are the inadequate levels of funding and the overlooked role of state coordination and planning of day care services in light of its present role in the new Title XX of the Social Security Act. It is in this light that I make the following comments.

THE NEED FOR EXPANDED SERVICES IN NEW JERSEY

The New Jersey State Department of Institutions and Agencies shares with the Congress an urgent desire to expand and upgrade services to children and families. In FY 1975 through close cooperation with local governments and community organizations we will have expanded our day care operating budget to $37.0 million, an increase of $13 million over FY 1974 providing 33,396 child day care slots. By FY 1976, this capacity is expected to grow to 35,199 child slots, costing $39.0 million. Our service program directed at the enormous incidence of child abuse and neglect will, during the coming fiscal year build upon thhe comprehensive model of specialized family treatment implemented this year in Union County for statewide application. This year we have developed a computerized tracking sub-system for identifying children in need of early periodic screening diagnosis and treatment and in fiscal 1976 this will be one of our highest priorities. In fiscal 1975 we implemented a new law designed to divert non-delinquent juvenile offenders from the traditional corrections system. In fiscal 1976 our main thrust will be to create additional residential facilities for seriously disturbed and incorrigible children and to create day treatment programs for children who need treatment but institutionalization is inappropriate. Yet these substantial new programs will not be nearly enough to meet even the most basic needs of thousands of families and children in New Jersey. New federal initiatives will be required if we are to continue serving more working families, preschool children, and troubled families.

The growth of child development in New Jersey is illustrated by the increase in child care centers. In 1966, there were 375 licensed child care facilities. At present, there are over 1,000 centers serving nearly 65,000 children on a pre-school and after-school basis. These centers are the result of dedicated work by local groups and individuals, together with an increased acceptance of the state's responsibility for providing adequate child care services. We have benefited from a groundswell of local dollars into quality child development programs. Yet the combined efforts of public and private agencies have not been enough to meet even the most urgent demands for child care. In fact, since New Jersey has reached its Social Service Ceiling under Title XX, there will be almost no further expansion of day care without more federal dollars.

Day care is needed and is important to the people of New Jersey. Our Division of Youth and Family Services recently conducted a study of day care families to determine the status of adult members of these families. The major findings of the study include:

Of the 587 families sampled, 68.2% had all adult family members either working, or in education or training for employment (a few were either handicapped or incapacitated).

Of the remaining 31.8% in the total sample, a majority had a problem situation in the home such as alcoholism, mental retardation, child abuse and neglect, epilepsy, mental illness, physical illness or major family conflict.

Of the 326 single parent families (55.5% of the total), only 20.2% were headed by an adult who was not working, in education or training, handicapped or incapacitated; a majority of these had a problem situation.

Of the 204 two-parent families (34.8% of the total), only 38.7% had any adult who was not working, in education or training, handicapped or incapacitated; a majority of these had major personal or family problems.

The above figures alone demonstrate the importance of the program and justify the expansion and consolidation of services to children and the family.

The need for more child care programs, for all of our effort, is still largely unmet. A recently completed day care needs assessment, based on an analysis of census based indices, indicated an unmet need in New Jersey for full or part time care of 891,175 children below the age of 14 who are recipients of AFDC or have working mothers. Existing resources meet only one-eighth of the need. Community surveys also document the unmet need for services. Two surveys covering nine municipalities indicated a need for 17,123 child care slots, with this need growing by some 25 percent over the next five years.

New Jersey must have additional federal assistance so that our State can continue to provide more and better developmental child care services. The Child and Family Services Act provides a sound framework for the expansion of resources directed toward child development. Unfortunately, the amount of money authorized leaves large gaps in building a comprehensive child care system.

CHILD ABUSE AND NEGLECT

Quality child care is only one aspect of a comprehensive system of services to families and children. We estimate that this year in New Jersey, 220 children will die, over 25,000 children will be either physically abused or severely neglected, and an additional 32,585 children will be deprived of parental care because of illness, death, desertion, retardation and family breakdown. We are all too familiar with the horrors of battered children, and have learned that only an integrated system of social services available to both children and families can prevent this type of abuse. Child care programs must go beyond the limited custodial orientation and deal with the questions raised by the work being done on child neglect and abuse.

The use of parent-child development programs located in day care centers would be an important tool in attacking the problem of child abuse and neglect. Institutional or foster placement of abused children could be reduced in favor of day treatment if the availability of quality day care centers were expanded. It is estimated that under optional treatment strategies, which include parent education, medical screening and related social services, 90 percent of abused children would not require out of home placement.

THE ECONOMIC IMPLICATION OF CHILD CARE

Besides filling the needs of children and their families, day care programs contribute to the economic health of our state and nation. While I do not believe we need to justify social, humanitarian programs by reference to concomitant by-products, the service provided through child care programs does have important economic consequences. In New Jersey we have found that day care:

Frees Participant Families to Seek Other Employment. By providing quality day care for children during working hours, a total of at least 12,680 mothers in both the supervised community day care programs and Department operated programs are enabled to find employment. At an average annual salary of $5,200 per year, a total of $65.9 million in income for previously unemployed or under-employed families is generated. In addition, associated social and economic benefits are derived including increased family stability, payment of taxes and multiplier effect of wages being spent in New Jersey.

Provides Jobs for at Least 5,540 Women or Other Parenting Persons. The purpose of creating a quality system of day care is not and should not, be to create employment. However, significant numbers of jobs are created by the expansion of day care centers, family day care and even day care in the child's own home. The jobs created include teachers, teacher's aides, trainees, and technicians. Family and in-home child care require para-professional child care takers as well. The Department has estimated that by providing day care services to 33.396 children in FY'76, a total of approximately 5,540 jobs will be supported through federal, state and local funds. The taxable income generated is estimated to be about $22.8 million.

Reduces the Cost of the State of its Public Assistance Program. Of the total of 26,717 families receiving day care services, approximately 15,783 are currently receiving public assistance. Of the total of 18,220 job opportunities made possible by the program, some 10,764 AFDC families will be employed. As the result $19.4 million less in welfare payments will be required. Since the federal government contributes 5% of the AFDC program cost, approximately $9.7 million in net federal funds are saved.

In creating a total of 18,220 job opportunities, generating an aggregate taxable income of $88.7 million to previously unemployed or under-employed families, and yielding a net State and federal saving the program of day care services represents a most economical and desirable program of public employment and quality child care services.

GENERAL COMMENTS

Important positive aspects of the bills

I find merit in many aspects of the new federal role as stated in the Child and Family Services Act. I am particularly pleased with many things about this bill:

1. The recognition in Sec. 102 of the Act of the importance of a wide range of supportive services such as medical care, nutrition programs, diagnostic screening, parent education, special services for handicapped children indicates a much needed comprehensive approach to services for children.

2. The emphasis on fostering local planning and program operation is in line with our agency's present goals for social services. Local planning if developed in the context of overall state and national planning will be supportive of the needed development of local initiatives and commitments.

The central interest of the bill in consolidating federal programs in this area is in itself reason enough to give our support.

3. Section 105 of the bill also affirms the commitment to the protection of the rights and responsibilities of parents in the provision of day care and family services. The required involvement of parents at all levels of the program operation will encourage the maintenance of quality efforts, especially in the area of day care. It cannot be said that the result of this legislation will in any way lead to the destruction of the American family. Rather, this legislation provides needed support to the fractured relationships that have been an expanding part of our modern industrial society.

4. We, in New Jersey, are in the process of developing vigorous new licensing standards for child related programs. The creation in Title II of the Child and Family Services Act of new national program standards together with the authorization of funding for training, licensing and facilities construction will help us greatly in implementing our standards. The problem arises however that the standards as outlined in this Act are not the same as those in Title XX. I feel that the two should be made consistent and coherent.

5. As New Jersey's capability to meet the increasing demand for services is outpaced by the economic recession I support the intent of the legislation to encourage the use of both public and private in-kind contributions for Federal Financial Participation.

Because of the generally positive intent of the Child and Family Services Act and for the several reasons which I have noted I endorse this legislation. However, I do have important differences with specific aspects of the bill which I would like to share with you in hope that some modifications in the provisions will be seriously considered by this Committee.

Need for greater State involvement and Federal financial resources

A truly effective child and family services program indeed must include the active involvement of parents and professionals, public and private non-profit agencies, and all levels of government. An effective law must work towards the rationalization of the many disparate and overlapping programs of child care and services. The Women's Bureau of the U.S. Department of Labor has listed at least 60 federal programs which contribute just to the funding of early childhood and day care efforts throughout the nation. This Committee, above all, should consider the means by which a firm system of administrative planning and oversight for all services to children and families can be implemented.

I am concerned that, for all of its laudable movement towards consolidation of programmatic conflicts at the national level, this piece of legislation has neglected to provide for greater coordination at the state level. New Jersey will expend $26 million of Title XX funds for child care in FY '76. As previously mentioned we have increased our State effort in this area significantly. We have developed new day care standards. We have initiated a planning process so that day care service funds are distributed equitably to those areas, communities, towns and cities who are in greatest need. We provide technical support to local programs. I feel strongly that the state must be given a greater role in the distribution of the new funds authorized by the Child and Family Services Act.

To do otherwise would create two large and administratively separate programs of day care delivery. How could we effectively implement our plans for the use of Title XX funds when we would have little or no participation in the distribution of Child and Family Services monies? How could we develop cooperative and supportive systems of broad state programs in health, nutrition and education if the state agency which oversees day care programs is relegated to the level of a local prime sponsor for the purposes of this Bill? These are serious issues with which the Committee must deal if we are all seeking the best possible method of child services delivery.

It is important that we do more to coordinate services at the national, state and local levels. We cannot look with pride on the quality of day care provided to our children. Not too long ago a nationwide study by the National Council of Jewish Women found that only 10.9% of the Head Start centers, 8.3% of the public day care programs, 3.8% of the private non-profit day care centers and 1% of the profit making centers were ranked as superior in quality of programs. On the other hand, 56.5% of the Head Start programs were rated as fair to poor, as were 60.5% of the public centers, 57.4% of the private non-profit centers and an even worse 84.5% of the proprietary centers. Clearly we owe more than this to the children of our nation.

Better technical and supportive services must be provided to day care centers, better educational training must be found for day care personnel, better planning of programs and facilities is needed, and greater coordination of all the related supportive and administrative services must be accomplished if we are to improve our nations dismal record in this area.

It is my firm opinion that this cannot be accomplished without a strong state involvement.

If this legislation is to have a significant and continued impact on day care needs the authorization levels simply must be raised to more realistic levels. Our Division of Youth and Family Services estimates that New Jersey would be entitled to about $14 million in FY '76 under the authorization levels defined in the Child and Family Services Act. This increase in funds would help us. But $14 million is not nearly enough. Even though it would increase the total funds used for day care in New Jersey by about 38%, if distributed evenly to those needing day care services, it would come to about $16 per child per year.

The amount of funding available to day care must be expanded significantly.

SPECIFIC COMMENTS

Points in Need of Further Consideration on H.R. 2966 and S. 625

I believe the following aspects of the Child and Family Services Act are seriously deficient and require further consideration:

1. I would like to reiterate that under existing federal programs, especially Title XX of the Social Security Act, state government plays an integral role in coordinating service delivery, identifying service needs and goals, and enforcing program standards. The Act, as presently constructed, would sharply curtail that role, requiring an additional set of administrative procedures for local sponsors. I feel that this is unwise. To prevent duplication and gaps in services and to encourage overall statewide coordination I recommend that states be granted broad authority to plan and coordinate child and family services. To do otherwise would not be congruent with the intent of the legislation, which is to increase the quality and accountability of day care programs at all levels. It is in this area that I feel the present legislation needs important modification.

2. Section 506 discusses the relationship of the Act with Title IV–A of the Social Security Act, soon to become Title XX, but does not clearly establish the inter-relationship of the two for programs. For example, Section 506(b) of the Act states that child care services furnished through Title IV–A and IV–B of the Social Security Act ". . . shall be day care services made available under Title I of this . . . (The Child and Family Services) Act." It is unclear whether the intent of this language is to specify:

a. That uniform program standards will be applied to day care services under both Federal programs; or

b. That federal financial participation for day care services, currently available under Titles XX and IV–B will be restricted to the Child and Family Services Act. In that event the financing of existing programs, which by far exhaust the resources of the proposed act, will be in jeopardy. A clear specification of the relationship of these two laws is needed.

3. A special aspect of the problems noted above concerns the eligibility criteria defined by the bill. While I feel that a goal of universal day care must be pursued, I do not anticipate adequate funding to make this a reality. If this goal cannot be reached I would hope that we will accept a second goal, and that is to provide these services to those who need it most, who would benefit from it the most. The Title XX approach, which links eligibility levels to median family income appears to be the most reasonable solution to a fair means test. Eligibility should be determined by a sliding scale rather than absolute cutoffs.

There have been many proposed eligibility criteria offered in past legislation. These range from universal eligibility to those standards found in Title XX or Head Start.

In Title XX families eligible for free services are either those which fall below 100% of the national median income (for family of four $12,051) or 80% of the state median income (for family of four in New Jersey $12,179), whichever is lower. The secretary of HEW can set fees below the 80% state median. States can also provide services to families below 115% established (for a family of four $17,415) of the State median income but only if a sliding fee scale is developed.

Head Start requires ninety percent of the children in each center to come from families whose income is below the federal poverty guidelines established by OEO. The poverty guideline in 1974 for a family of four after taxes was $4,370. The remaining 10% children can come from families with higher incomes. A sliding fee scale was developed but has not been enforced for the 10% above the poverty line.

Clearly this Committee must attempt to make child care eligibility requirements both fair and consistent among the many programs in order that incongruent income tests be minimized. This is not the case with the legislation under consideration. The Child and Family Services Act, and the Title XX of the Social Security Act have different financial eligibility requirements. If H.R. 2966/S. 626 is enacted, a family might have to provide financial eligibility two times to two different agencies to receive the needed range of services. For example, under the BLS eligibility standard a family of four with an income below $8,118 would be eligible while under the proposed Title XX standard a family of four with an income below $12,051 without a fee, or $17,874 with a fee would be eligible. This is no way to promote coordination or administrative simplicity.

4. Recognizing the great need we have in New Jersey for children's and family services I again question the adequacy of the funding authorizations. New Jersey will receive about $14 million in federal funds in 1976 under the Act. While these funds would provide substantial new resources, we estimate that they would meet less than 5% of New Jersey's potential child care need. These funds would only meet about three quarters of the identified need for nine of New Jersey's municipalities which were recently sur-

veyed. New Jersey has 567 municipalities. The inadequacy of this funding is obvious.

In addition to the above comments there are also other aspects of the legislation which are unclear to me, which I feel require further analysis or revision, or possibly deletion. I list these less important issues for consideration by the Committee.

1. Sec. 3(a) provides $150 million in the first year and $200 million in the second year to be set aside for training, technical assistance and planning. I would suggest that some states have progressed more than others in the development of day care services and that these states be allowed the option of using these moneys as presently stated in the bill, or using the money for program operation.

2. Section 4 of the Act provides that funds be appropriated annually with appropriations being made the fiscal year preceeding the fiscal year for which the funds will be available for obligation. We believe it would be useful to consider advance funding for two or three years with close annual review of those funds. This would facilitate advance planning by prime sponsors.

3. While we applaud the range of services eligible for funding, we believe that a number of important services have not been enumerated in the present legislation. We believe child advocacy, comprehensive emergency services such as drop-in day care and emergency shelter care, and transportation programs should be eligible for funding under the Act. I suggest that "protective services" be added to the list of services provided under Section 102(b) of this Act.

4. H.R. 2966/S. 626 in its findings and purpose asserts the importance of providing services to families at all income levels. To implement this goal we believe H.R. 2966 should provide, as its companion S. 626 does, for a sliding fee scale for those families who do not qualify under the financial eligibility criteria.

5. Section 103 of H.R. 2966/S. 626 discusses the formula for allocation of funds. We are concerned that adequate data does not exist to generate reliable estimates given the variables in the allocation formula.

6. H.R. 2966 Sec. 103(a)(2) identifies section 3c in discussing formulas for state allocation but there is no section 3c in the legislation.

7. Section 103A of the Act calls for periodic reapportionment of funds if states do not use their yearly allotment. It is not clear if the reapportionment of funds alters the permanent allotment to a state or simply reallocates funds for a single year.

8. Section 111(b) commits the Federal financial participation to 100%, 90%, 80% for the first three years of operation and 80% FFP thereafter. I believe that local matching funds could be more easily found and more communities involved in the transfer of services to this program if the matching ratios were 90–90–90. The continuing end of the year crisis found in most local day care programs would be avoided. This would provide the basis for better local and state planning and program development.

9. New Jersey has in the past experienced difficulty under Title IV–A regulations in securing permission to use public in-kind contributions as a part of the local match. We read Section 111(c) of the Act to allow the use of public and private in-kind contributions, but believe a clarifying statement asserting this principle is needed in the legislation.

Is there any limitation on in-kind costs other than fees for services? Does it refer to value of buildings or salaries? What kind of cost accounting system is foreseen? I do not want to belabor the point, but you are all well aware of the problem of defining what are in fact in-kind contributions. We would allow for the widest possible definition of this term.

10. I believe reports cited in Sections 203 and 205B of the Act should be available to the public.

11. Under Title V, Section 501(7) it is unclear whether "programs", as defined, could also be funded in clinics. Again the legislation should specifically allow for the widest possible definition of "child care facilities."

STATEMENT BY JOHN B. HIMELRICK, SR.

Senator Mondale, Senator Nelson, Congressman Brademas and members of the subcommittees. I am deeply appreciative of the opportunity to appear before you and comment on what I consider to be a piece of legislation of great significance to our nation. I am John Himelrick, and I serve as the Director of the West Virginia Interagency Council for Child Development Services in the Office of the Governor. I am also the President of the National Association of State Directors of Child Development.

The credibility of my remarks today stems largely from my experiences in implementing a comprehensive child development program in West Virginia under the Interagency Council and from my association and work with other state directors of child development in the National State Director's Association.

At the outset I would like to express my thanks to each of you who have been a part of the continuing effort over the past five years or so to develop and pass national legislation in the area of child and family services. Your perseverance in the face of inertia, vested interests and outright opposition has been nothing short of heroic. You have not only my thanks but the appreciation and support of thousands who share your concern for children.

It is my purpose to offer some suggestions for your consideration which generally reflect the view of those who are charged with the responsibility of developing and implementing statewide delivery systems for comprehensive services for children and families.

More specifically, I would like to outline what I believe to be the essential elements of an ideal delivery system, examine the existing conditions which seem to inhibit the attainment of such an ideal delivery system, and then propose for your consideration what we believe offers the best solution to overcoming these inhibiting factors.

I suppose few would disagree with the statement that quality is an essential element in any service which is provided by tax dollars. While we may differ in our individual notions about what is or is not quality—we all want it.

Because we are face to face with the knowledge that our resources are limited, we must demand a delivery system that is characterized by efficiency, one that eliminates costly overlapping and duplication of services.

An ideal delivery system should also be capable of providing a broad range of services which address themselves to all the needs of children and families. In other words, it should be comprehensive. It is not enough to educate children if they are left hungry and unhealthy or to feed their bodies but neglect their minds.

In the same way, we cannot forever continue to meet the needs of some of our children while others go unattended because of higher incomes, remote geographic locations or other factors unrelated to their needs. An essential element then is universality of services.

Flexibility of services and the systems through which those services are delivered is demanded if we believe what we have been saying about the uniqueness of every child and parent. If indeed they are unique, they cannot all be served in the same way and with the same services.

The final essential element I want to mention is continuity of services. When services are provided for short periods of time only to be withdrawn because no permanent funding basis is established, people are adversely affected. It is grossly unfair to parents and children to heighten their expectations, provide services to them for a period of time and then allow those services to lapse because no continuing plans have been made for their maintenance. Discontent, cynicism and mistrust of government is often the result, to say nothing of the actual disruption to family life styles and the developmental processes of children.

I have suggested that a delivery system for services to children and families should possess the essential elements of quality, efficiency, comprehensiveness, universality, flexibility and continuity. I am sure that you will agree.

But these conditions do not exist in our current delivery systems. To the contrary, our systems are all too often poor in quality and inefficient. We are not meeting all the needs of all of our children in anything like a consistent and dependable way.

What then are the conditions which seem to inhibit us from meeting the needs of children and families?

The deterrent to better services most frequently mentioned is money, and there is no doubt that a greater share of the vast resources of our nation need to be channeled into services for young children. However, if by some stroke of magic we were suddenly given all the money we think we need, our problems would not disappear. Most of the deterrents we now have would still be with us, and many of the needs of children and their families would remain unmet.

I need not lecture you on the fragmentation of services among the countless federal, state and local agencies and other service organizations, both public and private. The task of penetrating this maze and obtaining a single desired service is difficult for an informed and experienced professional. It is next to impossible for the average family with a child with multiple needs; and, in far too many cases, the poor and uninformed simply never obtain the services available.

Suffice it to say that services are almost hopelessly fragmented among a multitude of bodies, and ways must be found to gather such services from where they exist and focus them upon the needs of the individual child or family.

Another characteristic of many of the delivery systems currently being operated or proposed is that they are designed to deliver singular rather than multiple services. Delivery systems set up within single state or local agencies or by narrow-purpose public and private groups, by and large deliver only those services in which the personnel in that particular agency or group have specialized training or services which fit the comparatively narrow purpose of the group. Ways must be found to develop delivery systems which are designed to provide a broad or comprehensive set of services to meet the multiple needs of young children and their families.

A third glaring weakness of our present efforts can be seen in the fact that services are spotty rather than universal. This is occasioned in part, but only in part, by a lack of funds. Other factors contribute to this problem.

Geographic areas or localities with the greatest concentration of resources tend to provide more services for their children while other remote or impoverished localities are neglected. Categorical programs limit services to certain economic, ethnic or special category groups to the exclusion of others with equally pressing needs. Many needs of children and families are not related to economics, geography or ethnic background.

Finally, our delivery systems often fail because they lack stability and continuity.

The best delivery system one can conceive is of no value tomorrow if the basis on which it is built disappears today. Delivery systems which depend for their existence on funding which is temporary, short term or unstable cannot assure continuing services.

The same can be said for delivery systems which are set up without benefit of supporting legislation or other appropriate sanction to undergird them and provide stability and continuity.

This brings me to what we believe offers the best solution for overcoming what I have called "inhibiting factors to an ideal delivery system."

I believe there is undisputable evidence to suggest that during the past few years, and in particular during the past five, significant strides have been made by states in improving their ability to effectively deliver services to young children and their families.

During this period eighteen states have established some form of state office for children with statewide planning, development and coordination responsibilities. Some twenty other states are moving, with varying degrees of success, in this direction. Legislation has been passed in a number of states creating offices of child development as statutory bodies, and legislation is pending in a number of other states.

A number of forces have been at work in this movement, and I will mention a few to support my thesis. The Education Commission of the States Early Childhood Task Force has made an outstanding contribution in its emphasis on assisting the states in their efforts to plan, develop and coordinate children and family services. The Task Force has provided valuable leadership, support and technical assistance to states in their efforts to establish offices for children. The Appalachian Regional Commission has, through leadership and funding efforts, enabled the thirteen member states which comprise it to establish comprehensive child development programs under the umbrella of state interagency coordinating bodies. The increase in quality comprehensive services is well documented elsewhere.

I would like nothing more than to tell you about what the ARC has meant to early education and child development in West Virginia, but time will not allow. Suffice it to say that each of the thirteen Appalachian states has significantly improved its capacity to deliver services to children and families in the past five years.

In addition to national or regional groups providing stimulus, a number of states have been moving on their own in this direction as well. The Office of Child Development has recently awarded grants to twelve or fifteen states for the express purpose of encouraging state efforts to increase their capacity to plan, develop and coordinate state programs for children and families. I would also point out that OCD, sensing this movement in states, has underway at the present time a study to determine more precisely just how far states have advanced in their capacity to operate programs for children and families from the state level. This study by Kirschner Associates should provide OCD with some very useful data on exactly where each state stands in terms of its service delivery capacity.

Put very simply, I am suggesting to you that since the original child development bill was vetoed in 1971, a large number of states have developed rather sophisticated delivery systems for children's services.

If, indeed, my thesis is true, it would be a mistake to pass legislation which fails to recognize this increased capacity at the state level. Bypassing the states and ignoring the systems they now have for planning, developing and operating programs for children and families in a coordinated, efficient and effective way is, in my opinion, a mistake.

Other federal programs, Title XX of the Social Security Act and the National Health Planning and Resources Development Act, to name just two, recognize the need for statewide structures to maximize planning and coordination functions. It would appear to be a step backward if the Child and Family Services Act were to be enacted in a form which would bypass the states.

I would conclude this statement with three suggestions.

First, the inhibitors to ideal delivery systems—fragmented, narrow, spotty and undependable services—can best be overcome by a statewide delivery system, undergirded by legislation which can provide coordinated, comprehensive, continuing services to all children and their families who need them.

Secondly, I believe it is possible for the Secretary to identify those states which now have such a capacity. It would certainly be easier to do this than to make a judgment between two competing local prime sponsors.

And finally, I feel that the appropriate sections of the Child and Family Services Act should be rewritten to assure that the increasing capacity of the states to design effective delivery systems be recognized and utilized.

Those states that now have fully developed delivery systems should be immediately recognized as prime sponsors and charged with the task of implementing the Child and Family Services Act upon passage.

Such states can provide the overall planning and coordination necessary to deliver duplication of services among state agencies, provide comprehensive services aimed at the total needs of children, plan for the needs of all rather than some children, and through increased state participation develop stability and dependability in providing services.

At the same time, the essential features which this bill contains—local options, parental involvement, strengthening the role of the family, and a broad range of services—all these can be preserved and encouraged.

No program option, no private or public group or agency is automatically excluded when states are designated as prime sponsors. If, however, local groups are designated as prime sponsors, the all-important element of statewide planning and coordination is sorely crippled, if not totally destroyed. I do not believe we can afford to lose that highly desirable capacity.

In those states where there is an emerging delivery system, the bill should provide for technical assistance and support to improve or complete the system.

Only in those states where a delivery system does not exist and there is no attempt on the part of the state to develop one, should the move be to local prime sponsors.

In closing, I would again thank you for the efforts you have put into this legislation and complement you on its quality. And again, I would respectfully urge you to take a new look at the role of the state as prime sponsor in its implementation.

REMARKS BY THE HONORABLE ARCH MOORE, JR., GOVERNOR, WEST VIRGINIA

For the past six and one-half years, I have served as Governor of West Virginia. During that period a significant part of my time has been spent in developing early childhood programs. The results have been most gratifying. We now have a statewide kindergarten program which provides a preschool experience for every five-year-old child in the state whose parents choose to avail themselves of it. In addition to the kindergarten program, I have established, by executive order, The Governor's Interagency Council for Child Development Service.

The purpose of the Interagency Council, simply stated, is to bring order out of the chaos which existed in the area of children's services. This chaos was the result of the fragmentation of children's services among several state agencies. Quite frankly, it is my impression that this condtion is widespread across the 50 states. We have made progress in bringing about a degree of coordination of children's services in West Virginia. A number of states have patterned their efforts after our Interagency model.

The experiences which children have during their earliest years have a profound effect upon their development in later life. The questions of what specific kinds of treatment, in what degrees, at exactly what ages, will produce precisely what results in young children are best left to the professionals.

The track record of the experts is, however, less than commendable in terms of agreeing among themselves on these finer points. That is not all bad, I suppose. It has certainly provided us with a host of alternative programs.

The needs of children during these early years are not being adequately met. We need to allocate more of our resources and efforts to these years. One simply cannot ignore the fact that the friendly smiles of far too many of our children are marred by unsightly and unhealthy cavities. Neither can we deny the fact that we have far too many abused children, slow learners and socially maladjusted teenagers, all the products of neglected early years.

It is my firm belief that there exists within the individual state agencies which make up state governments, a pool of highly trained and dedicated people. Those people can provide the leadership and expertise necessary to design delivery systems capable of providing the essential services our young children need. The personnel who make up the local units of these state governments, coupled with the thousands of nongovernmental agencies, organizations, practitioners and concerned citizens, are both willing and able to provide the services which children need.

We have the financial resources to meet the needs of young children. No one is more aware of the problem of finding dollars to provide services than a chief executive. I am convinced that by wise and prudent management and with careful planning, the task is not beyond us.

If I am correct that what happens to children during the earliest years of their lives is important, that we have the ability and financial resources to provide essential services to young children, yet their needs are not being adequately met, the logical question arises—why is this true?

The urge to provide a simplistic answer to this question seems to have overpowered a vast number of the advocates of children's needs. A virtual flood of solutions is being offered on every hand. Some would have us believe that all we have to do is educate parents properly and our child care problems will be solved. Others suggest that assigning the exclusive responsibility for all children's services to a single agency, such as education, is the simple solution to the problem. Still others would have us believe that the answer lies in the kind of program we provide for children. Thus, we have the tug of war between the advocates of "structured" vs. "non-structured" programs, "traditional" vs. "innovative" approaches and "cognitive" vs. "developmental" methods of working with children.

Others appear to have tunnel vision when it comes to viewing the broad range of children's needs. Thus, we have a powerful lobby in this country that appears to see day care as the solution to all the problems of children. Others see earlier academic training as the solution.

We find ourselves in West Virginia waging a constant battle with educators to keep them from turning kindergarten experiences into "watered down" first grades, and I know that other states are having similar problems. Still others appear to concern themselves almost exclusively with the social development of the child and seem content to ignore his physical and intellectual needs.

I am suggesting to you that the children's services scene is confused. It is confused for a number of reasons.

It is confused in part because the needs are great, the resources scattered and the cries for help are urgent.

It is confused because practitioners tend to oversell their products as panaceas rather than good practices for certain children.

It is confused because of the vastness of its goal—the goal of meeting the needs of all young children and their families. No enterprise of this magnitude can be engineered and executed from the national level through hundreds of categorical programs and thousands of direct and totally uncoordinated grants.

It is confused because a battle is brewing for the control of children's services. In my view it is unrealistic to believe that those who are seeking control will not throw some dust into the air to further confuse the picture.

Finally, it is confused because the practitioners have failed to define their terms and clearly delineate the issues. The opening volleys have already been fired in the coming struggle for exclusive control of "children's services." But what does "children's services" mean? All too often those who are making the loudest noises about the control of childrens services are neither prepared nor equipped to deliver the broad range of services that children need.

No single state agency or private concern is capable of meeting the medical, social, educational and developmental needs of all children and their families. No single state agency has the equipment, facilities or properly trained personnel to provide for the multiple needs of expectant mothers, newborn infants, toddlers, nursery school and kindergarten age children. Yet all of these are young children, and all need children's services.

The social service agencies in the 50 states of this union are equipped, by virture of highly trained personnel and decades of experience, to provide the social services that children and families need. But they employ few highly qualified teachers! The education agencies in those same 50 states have a corner on good teachers. But they employ few social workers! The same is true in every agency. Each is equipped to provide certain kinds of services to children. They need to be about that task.

Traditionally in children's services each agency or organization has been "doing its own thing." The ingredient which has been missing is the role of the state.

The capability for providing the broad range of services needed by young children is scattered throughout several agencies and private groups. However, I find no logical reason why those agencies and groups should operate in isolation from one another. They have done so in the past, and the results have been a nightmare of fragmented services, overlapping programs and wide gaps in the provision of essential services.

In the past few years there has been a significant movement among the states to remedy this deplorable situation. No less than 18 states have established some kind of statewide coordinating mechanism for children's services, and a number of other states are moving in that direction.

No single organizational pattern for these offices has emerged as predominant. However, there is considerable similarity in the function they are set up to perform. By and large their primary purpose is to coordinate the planning and delivery of services to children.

The necessity for state level action is best seen when one reflects back over the history of voluntary efforts among state agencies in joint planning and coordinated delivery of services. State agencies are staffed by professionals who are trained in specific disciplines and experienced in the art of agency survival. Coordination is often a threatening term. Apart from legislative or executive action, significant coordination is not likely to occur.

I have taken such executive action in West Virginia in the establishment, by executive order, of the Interagency Council for Child Development Services. The chief officers of the four major state agencies that provide services to young children and their families, as well as the heads of three additional support agencies, sit on the Interagency Council which I chair. A statewide plan for providing comprehensive services to children from 0 to 6 years of age and their families has been developed. The responsibility for statewide planning and coordination of all children's services rests with the Interagency Council. We have made significant progress in capturing federal dollars for children's services that would not otherwise have been available to us.

Through the Interagency Council approach, we have maintained the autonomy of each agency. At the same time we have brought about coordinated planning for new programs and joint participation of agencies in programs for children with multiple needs. Such needs, of course, are best met through the joint application of skills and services existing in several different agencies.

Regional boards that duplicate the State Interagency Council in membership administer programs at the local level, thus assuring coordinated service delivery at the client level.

I submit that every state must give attention to the problem of fragmented children's services. They will not be brought together into a comprehensive, coordinated whole by federal action. The task is too enormous, the needs too diverse and the historical independence of the states in determining their own policies and programs too strong.

Significant coordination will not occur on a voluntary basis. The "turf battles" have been going on too long and are too bitter to be overcome without strong urging from the state.

The obvious choice to bring order out of chaos is strong state leadership in the role of coordinating children's services.

Testimony of Mr. David T. Flaherty

Mr. Chairmen and distinguished members of the Committees, I am David T. Flaherty, Secretary of the Department of Human Resources for the state of North Carolina. At your kind invitation, I am here today representing the Southeast Institute for Human Resource Development, Inc., in my role as President of that organization, to testify on the Child and Family Services Act of 1975.

The Southeast Institute for Human Resource Development is a non-profit corporation with representation from the states of Georgia, Florida, North Carolina, South Carolina, Mississippi, Tennessee, Kentucky, and Alabama. The purpose of the Institute is to improve the overall planning and management of Human Resources through the provision of a forum for the mutual exchange of information, joint resolution of common problems, and the identification and resolution of other issues and/or problems impacting upon human resource management and delivery. The Board of Directors for the Institute is composed of the heads of the Departments of Human Resources and comparable human resource agencies of the states in this region. Before delving into the issues involved in the bill, I would like to provide some background information on the development of these recently organized state human resource agencies.

The proliferation of federal grant-in-aid programs during the decade of the 60's was an unplanned, unorganized effort resulting in a fragmented, often competitive approach between Federal Agencies, state and local governments and the private sector in meeting the human services needs of our citizens. This situation presented tremendous administrative and programmatic problems to state and local levels and led eventually to new federal initiatives in the late 1960's aimed at bringing some coherence, coordination and control into being. The new federalism is the latest effort, within an intergovernmental relations context, to foster some order among the myriad of Federally assisted programs. The General Revenue Sharing concept recognizes that state and local governments need flexibility in the allocation and utilization of funds to meet local needs rather than new programs embodied in an expanded grant-in-aid system. More importantly, the trend towards transfer of more of the policy and management responsibility to state and local governments is a key element in this new approach.

With the increase in governmental spending (Federal, State and Local) in human resource efforts and with the accompanying delegation of greater responsibility for program delivery to state and local levels has come the need for more comprehensive management of resources and administrative machinery. Some progress has been made at the federal level with programs such as General Revenue Sharing and Title XX of the Social Security Act. The proposed Allied Services Act is another desirable initiative aimed at removing federal constraints from program administration to assist state and local governments in developing the requisite capacities for managing increased human service responsibility. At the state level the response to this need for better management has appeared in the form of state agencies such as Departments of Human Resources, state-wide policy and planning councils and others. Regardless of the structure, however, the goals of these state agencies and activities are the same: improved management, more effective services and increased self-sufficiency for program recipients.

Four states within the Southeast, Georgia, Kentucky, Florida and North Carolina, have legislatively established Departments of Human Resources. One, South Carolina, has state-wide policy and planning councils for health and social services. The remaining states, Mississippi, Tennessee and Alabama, are investigating possibilities of new approaches to better Human Resource Management.

The facts show that a Human Resource system concept has been employed and is working. Obviously there are weaknesses, particularly within the complex environment in which we are working. However, statistics are beginning to show that problems of duplication, overlap and delay (to name a few) are declining, and that improvements in service delivery are evident as a result of states' efforts to consolidate, integrate, and coordinate a variety of human services. In light of the foregoing, we believe that any new federal legislation should recognize the increased capacities of state governments to provide state-wide planning and management of human resources programs.

The Southeastern Institute recognizes and strongly supports the need for and encourages the development of a comprehensive child and family services program such as that proposed in S. 626 and H.R. 2966. Our main reservation with the bills, however, is that the concept of implementation bypasses the existing service delivery mechanism within each state. A comprehensive child and family services program should fully utilize and strengthen the existing delivery mechanism of Title IV–B and the new Title XX of the Social Security Act. The Governor of each state should have the option of designating the same agency for administration of a child and family services program that administers Titles IV–B and XX. The Title IV–B and XX agencies are already delivering, directly or through contractual agreements, services authorized by H.R. 2966 and S. 626. Utilization of a prime sponsor mechanism would be more costly, less equitable and would hinder recent attempts by states in our region to provide comprehensive and effective human service delivery. Governors should be given the authority to designate the administration of funds and programs under this Act to that State Department or Agency already administering the state's other children's services programs. The actual delivery of services at the local level should be possible through a vast array of agencies, whether public, private non-profit, or for profit.

We believe that a prime sponsor delivery system at this stage in the development of a comprehensive human service delivery system could produce more problems than it is designed to alleviate.

Effective allocation of resources at the state and district/local level to meet individual community needs would be more complex, the chance of duplication of effort or inequitable availability of services would increase. The need, however, to be more perceptive of and responsive to local needs is recognized. This is being increasingly met, particularly as we move to implement Title XX in all states.

The designated state agency should develop a state plan based upon the planning process required by Title XX. The Title XX planning process requires that steps be taken to assure that needs of all residents in all geographic areas in the state are taken into account in the development of the plan.

The utilization of this process would insure appropriate coordination throughout the state among these two programs in resource allocation and program design. The state plan should be approved by a statewide Child and Family Services Advisory Council composed of representatives from district/regional Child and Family Services Councils and other agencies which provide services to children. These councils should also monitor and evaluate programs and monitor the development of standards and standards enforcement.

To give you more insight into how we have already attempted to design a comprehensive delivery system to meet diverse local needs and how parental involvement can be obtained by utilizing the existing structure, I would like to highlight some of the efforts of the states in our region.

The Florida Department of Health and Rehabilitation Service was created in 1968 and administers public assistance, social service, health, mental health, retardation, youth institutions and vocational rehabilitation programs. All programs in Florida are fully administered through an 11 district system, 5 of the districts having subdistricts. This decentralized organization insures that the administration of programs is responsive to local needs and provides the necessary diversity for local needs in the administration of a child and family services program. Utilization of the regional structure will assure parental involvement through the establishment of child and family advisory councils for each respective district. Fifty per cent of the council members would be the parents of the children served under the Act with the remainder appointed by the district director. One-third of the total council would be economically disadvantaged. This council would be responsible for reviewing and monitoring the portions of the child and family services state plan which pertains to the district and forwarding the review to the state-wide child and family services advisory council. This existing district structure could provide the essential ingredients for an effective delivery system in Florida.

The Georgia Department of Human Resources was created in 1972 and administers public assistance, social services, health, mental health, mental retardation, and vocational rehabilitation programs. The Georgia Department of Human Resources utilizes a substate structure consisting of 10 regions. These human service regions perform basically a coordinative role to maximize available resources and reduce duplication. As in Florida, the district structure would facilitate the child and family services councils with parental involvement.

The Kentucky Department of Human Resources was created in 1972 and administers public assistance, social service, mental health, mental retardation, youth institutions and employment security programs. Kentucky utilizes the existing Area Development Districts (ADD's) for planning for these programs and also operates districts which are congruent with the ADD's for needs assessment, planning and evaluation. Here again, this represents a state effort to become more responsive to local needs. This district structure could very well be an appropriate structure for the establishment of district child and family services councils.

The North Carolina Department of Human Resources (DHR) became operational in 1972 and administers public assistance; social services; health; mental health, including mental retardation; vocational rehabilitation; specialty and orthopedic hospitals; schools for the deaf and blind; aging; developmental disabilities; and child advocacy and child development programs. North Carolina utilizes the 100 county, 17 Planning Regions (Councils of Government, etc.) and 4 Departmental Regions structure in the planning process, i.e., needs assessment, priority and objective setting, and definition of resource requirements. Citizen and private agency input into the planning process is through public hearings at the county and DHR Regional level and through the direct participation of related private and public councils, agencies and other organizations. Of particular significance is the creation and involvement of child advocacy systems (councils) across the state. These systems relate indirectly to county and regional programs and directly to the Office for Children at the Departmental level. These councils could become the child and family services councils.

Mississippi has established child development councils in the Appalachian Region of the state in accordance with the Appalachian Development Act. These programs have proven so successful that Mississippi now plans to use a portion of the Title XX funds to fund child development councils and districts to totally cover the state.

Alabama, at present, has 12 Area Development Districts—all of which plan and consolidate human service programs at the district level. It is entirely feasible in Alabama to implement a Child and Family Development program with local responsiveness and parental involvement.

South Carolina is planning to establish 10 human service committees in conjunction with its already established district Councils of Governments to aid in the implementation of its Title XX programs. A Child and Family Development program could utilize this developing structure.

Tennessee took the initiative by enacting a State Child Development Act of 1974. This Act establishes a comprehensive state structure for the operation of a Child Development program. The establishment of local and district child development councils are mandated and a child development coordinating council has been established. The coordinating council at the state level is composed of the Heads of State Agencies which administer programs serving children. The local and district councils will assess needs, set priorities, advise health planning efforts, screen child development projects, and advise the State Council.

The question is often raised as to what assurance the states can give that federal standards will be maintained if the state is responsibile for the program. I believe that accountability can be better maintained when local, regional, and state level organizations operating under the cognizance of elected officials are responsible for those standards than when there is a direct federal-to-local relationship. An example is that the Head Start programs are directly funded by the federal government with no state responsibility for standards in our state, many of these programs were unable to meet minimum state licensing requirements let alone the Federal Inter-Agency Day Care Requirements. I also believe, that the programs which are directly monitored by the state maintain consistently higher standards than those which are monitored directly from the federal level. There is a direct management responsibility of the state to enforce standards if accountability is tied to funding at all levels of government.

Parent and citizen involvement can be greatly improved by state level administration of the Child and Family Services Act. A state level Child and Family Services Council composed of parents, state agency personnel, and elected officials can have a far ranging effect on all family and children's services programs within a state. Numerous councils under several prime sponsors, however, would dilute the statewide effectiveness of the program because it would result in a state level council for some localities and independent local councils for others. A pyramiding structure of local, regional, and state councils can enable a state to determine broad policy guidelines plus providing for direct citizen input into the process of identifying local and regional needs and meeting them equitably at the appropriate level.

The Child and Family Services Act of 1975 is a great opportunity to improve and expand needed services. Our main request of you is to recognize what already exists and is being developed in the states to deliver and coordinate services and to monitor standards. What is missing in the states is not the mechanism to provide services; rather, it is adequate funding with the inherent flexibility to respond appropriately to the many unmet needs of people. Let us use the mandate and resource potential of this Act to provide services through existing channels. This will be much more efficient and effective than setting up hundreds of new administrative structures which will compete against instead of complement existing programs.

In addition to our concern of bypassing existing mechanisms within the states, other matters warrant your consideration. These are highlighted below:

1. The Southeast Institute for Human Resource Development recognizes and supports the need for additional legislation to provide a nationwide comprehensive program for child and family development.

2. Any legislation authorizing a child and family development program should vest authority and responsibility for its planning development and implementation with the respective state governments. It should provide for a maximum of planning and coordination with complementary and similar programs at the state level and provide for a maximum of local control through an existing substate administrative structure to

fully achieve service integration. This could be achieved by the Governor designating a state advisory council for planning, a single state agency with access to or with an appropriate substate administrative structure for administration and the establishment of local councils with parental membership.

3. A state plan process which provides for a maximum of coordination with all agencies providing similar and complementing services.

4. A child services and family development program should provide for the availability of funds for program operation for the first year if sufficient ground work has occurred.

5. A child and family development program should provide a comprehensive array of services including legal services, child advocacy and transportation not now included in S. 626 and H. R. 2966. Eligibility guidelines should be congruent where possible with existing eligibility criteria such as the income level used for Title XX of the Social Security Act.

On behalf of the Southeastern Institute for Human Resource Development, and for myself, I extend to you our appreciation for the opportunity to be heard on a subject of such significance. Thank you.

THE WYMAN-DURKIN CONTEST

Mr. BIDEN. Mr. President, I voted not to support Senator WEICKER's resolution yesterday because of its timing.

The customary count on Election Day last November led to a declaration that Mr. Wyman had won by 355 votes. Mr. Durkin, his Democratic opponent, appealed and a recount by the Office of the New Hampshire State Secretary of State, a Republican incidentally, and that recount reported Mr. Durkin had won by 10 votes. Mr. Wyman, a former member of the U.S. House of Representatives, asked for a second recount—this time by the State Ballot Law Committee, which reported Mr. Wyman had won by 2 votes.

Mr. Durkin then came here to the Senate and asked us to settle the matter.

Last January 28, the Senate voted not to seat Mr. Wyman without prejudice pending disposition of the dispute as to whether he or Mr. Durkin actually won the election held last November. The Senate subsequently voted down Senator WEICKER's amendment to declare vacant the Senate seat for the State of New Hampshire subject to a special election. In the third vote of that date on the matter, the Senate voted to refer the dispute to its Rules Committee.

We now have had placed before us the result of the labors of the conscientious Rules Committee, whose membership consists of five Democrats and three Republicans. Statistically speaking, the committee held 698 rollcalls. Of these, the committee dead-locked by a vote of 4 to 4 on 35 rollcalls. These deadlocked rollcalls consist of 27 disputed ballots and 8 disputed procedural issues.

It is logic, whether it be that of a lawyer or a layman, for the Senate to "hear out", so to speak, the Rules Committee on these 35 disputed issues before it votes, as Senator WEICKER's resolution would have us do, to declare the seat vacant. After all, this is not the first dispute brought before the full membership of the Senate. During its existence, the Senate has had brought before it a total of 164 cases involving elections, expulsion and censure cases, according to a compilation of the Rules Committee. This New Hampshire case is the 165th. The Senate should explore the deadlocked issues and attempt to come to an agreement, as befitting its responsibilities under section 5 of article I, of the U.S. Constitution which states that "Each house shall be the judge of the elections, returns and qualifications of its own members." We should try to resolve the deadlocked issues in a fair and non-partisan manner. Certainly, this is my pledge to myself.

However, I want to make it clear that as we progress, it may become clear that the matters upon which tie-votes of the Rules Committee were recorded cannot be untied literally or that, in some way or other, it is clear that it is impossible to determine, based on matters formally before us, who actually won the election last November—then, the fairest route for us Senators to take would quite likely be to return the disputed election to New Hampshire for a special election. Under such circumstances, I can envision my supporting such a motion as Senator WEICKER now presses upon us—then, but not now.

PROPOSED BAN ON LEAD SHOT

Mr. HRUSKA. Mr. President, I recently had the privilege of joining the Senator from Idaho (Mr. McCLURE) in sponsoring S. 144, a bill to prohibit the U.S. Fish and Wildlife Service from imposing a ban on the use of lead shot for hunting any time prior to January 1, 1980.

This bill is in response to the Fish and Wildlife Service proposal to ban the use of lead shot for waterfowl hunting totally in the entire Eastern half of the Nation. That ban would apply to all of the States that make up the Atlantic and Mississippi Waterfowl Flyways—whether or not any problem exists. And many States in those flyways have no problem of waterfowl poisoning through ingestion of lead pellets.

Under the proposal, a partial "hot spot" ban would be applied in the western half of the Nation, comprising the Central and Pacific Flyways. My home State of Nebraska is in the Central Flyway. The Nebraska Game and Parks Commission, the agency with responsibility for the supervision of hunting in my State, has indicated to me there is no significant problem with lead shot poisoning in my State.

The proposal from the Fish and Wildlife Service is in the form of an environmental impact statement. The intent of the statement indicates that lead shot eventually should be banned in most areas because of its harmful effect on the environment and wildlife. It is proposed that the ban on lead shot shall apply in States in the Atlantic Flyway beginning with the 1976 hunting season and in the Mississippi Flyway commencing with the 1977 hunting season. The ban for the Central and Pacific Flyways would begin for the 1978 hunting season.

In the Central and Pacific Flyways the regulation could be limited to certain areas designated by the Fish and Wildlife Service and the State as a trouble spot.

Mr. President, I doubt very much if there is a need for a wide-sweeping ban such as that proposed by the Fish and Wildlife Service. Therefore, I believe S. 144, which would postpone this ban until 1980, is very necessary at this time.

I have communicated with Willard Barbee, the fine director of the Nebraska Game and Parks Commission, about this bill. He is in favor of it. He feels there is no immediate danger in Nebraska due to lead shot. Most hunting is done over free-flowing water or water with sandy bottom and the lead either flows downstream and disperses or sinks in the sand and the ducks cannot ingest it. He says there are isolated spots in the State where there is a problem, but he would rather the State have the authority to ban lead shot in these areas rather than the Fish and Wildlife Service.

The delay in this prohibition of lead shot would provide ample time for a comprehensive study to be undertaken to discover the effect of lead shot on the environment. If it is determined that lead shot indeed will cause problems in certain areas of the country, there will be enough time for the ammunition industry to develop a suitable alternative to lead shot. It is my understanding that no comparable shot currently has been developed The hunter needs time to adjust, as well.

Mr. President, I firmly believe S. 144 is in the best interests of good wildlife management in our country.

CRIME IN THE UNITED STATES

Mr. BENTSEN. Mr. President, I am pleased to learn that the President is preparing to announce new proposals to deal with the escalating rate of crime in our country. The need for immediate action is acute, as borne out by recent statistics released by the FBI and samplings of public opinion on the issue of crime:

Crime in the United States, as measured by the crime index offenses, increased 17 percent during calendar year 1974 over 1973;

Violent crimes, as a group, increased 11 percent;

Forcible rape and aggravated assault each rose 9 percent;

Larceny-theft rose 20 percent, burglary 17 percent;

Crime was up 13 percent in urban areas, and 20 percent in suburban areas, and 21 in rural areas.

A recent Harris survey indicates a 70 percent majority of Americans feel that crime in their home area has increased in the past year; 55 percent of all adults surveyed say they feel "more uneasy personally on the streets than a year ago." And a 67 percent majority feels that "our system of law enforcement does not discourage people from committing crimes;"

Economic impact studies put the total crime bill for calendar year 1974 at $90 billion, with organized crime and "white collar" criminals accounting for most of the huge and ever-soaring costs;

Estimates also indicate that 40 percent of all violent crimes are committed by youth under the age of 18;

Police estimate that 25 percent of today's offenses are committed by recidivists;

In the District of Columbia, 60 percent of those persons charged with major violent crimes are either acquitted at trial or released before trial with all charges against them dropped; and

Through the grand jury stage, about half of those arrested are released with all charges dropped, the picture is very similar nationwide.

The trends are unmistakable, more crimes are being committed, a smaller percentage of criminals are being apprehended, and there is a disappointing rate of conviction and sentencing for those crimes which are solved. The erosion of public confidence in the criminal justice system in many large urban areas threatens the very fabric of our civilization. Certainly the most elementary service a citizen should expect from his Government is that he can walk the streets of his own neighborhood in safety; yet that is not the case today in too many areas of our Nation.

I should make one point clear, however, the rhetoric of law and order is no answer to the problems of rising crime. Those politicians who view crime as a political issue to be exploited rather than as a complex social problem to be solved, do this country no service.

I believe that an attack on crime requires not only stiffer penalties and more adequate prisons, but it requires as well a reaffirmation of our constitutional commitment that every citizen accused will have a fair and speedy trial with confidence the result of that trial will be just. To achieve these results, I believe certain improvements can be made that will have immediate results.

First, those who repeatedly violate the law by criminal acts must be dealt with severely. I would propose that Federal law be amended to provide mandatory sentences for repeat offenders and that the severity of those sentences increase with each offense. As a rule, I do not favor removing from a judge's discretion the sentencing of defendants, but the problem of recidivism requires that drastic steps be taken to insure that those who choose crime as a career will feel the full brunt of criminal sanctions.

As a result toward reducing crime, I feel that Federal law should be amended to provide criminal penalties for the possession of a handgun by anyone who has been convicted of committing an offense that involved the use of a handgun. I consider this a form of crime control not gun control and I believe it should be part of a larger reform providing harsher penalties for all those who use guns in the commission of crimes. Since 1968, for example, armed robbery has increased by 60 percent in this country and special surveys indicate that some 63 percent of those robberies were committed with a firearm.

Obviously, the centerpiece of any crime fighting program must be deterrence of the use of guns in violent crimes. The surest means of deterrence I can imagine is the imposition of stiff, mandatory sentences for the criminals involved. In addition to providing tougher penalties for those who commit crimes, I believe we must also make some provision for those who are the innocent victims of crimes.

The perpetrators of white collar crime and organized crime must be vigorously pursued. Measures must be taken to affirm the foremost principle that all men and women will be treated equally by the law. If the courts will consider the need to promote respect for the law and the need to deter criminal conduct, I think stiffer sentences will result for the perpetrators of "white collar" crime and "organized crime."

While additional laws can be helpful in this crime fighting effort, I believe more is required. The most crucial test we face is not the drafting of more legal sanctions that lie dormant in some bound volume. The test for our criminal justice system is whether or not the words we enact, can be transformed into effective enforcement that commands the respect of and cooperation of a strong majority in our society. Such improved enforcement of the laws will require better trained and equipped police, more judges and attorneys working in a system that best utilizes their time, and a detention and rehabilitation system that better meets those two goals of our correctional system.

While these are all State functions the Federal Government can and has played a role. The Law Enforcement Assistance Administration currently funnels some $770 million to State and local law enforcement agencies for their use.

I am concerned that too much of that money has gone for hardware and "Dick Tracy" style gadgetry while too little emphasis has been placed on other aspects of effective police enforcement, such as community relations programs and better police training, which impact on important issues such as the citizen cooperation officers will receive while pursuing criminals and the skills they will possess in doing so. I feel that Federal funds should be reallocated, within present spending levels, so that other links in the criminal justice system can be strengthened along with police enforcement. It does little good for a criminal to be quickly apprehended with the latest equipment when the jail he is to be kept in is too crowded to hold him for a trial that will be delayed for months due to an equally crowded court docket. I believe that more innovative approaches can be taken toward the problem of streamlining pretrial procedures and maximizing the benefits gained from the time spent by our hard-pressed judges and prosecutors.

I believe that rules of procedure and evidence must be reexamined with the objective of eliminating those procedural requirements that exacerbate the administration of justice and cause too many trials to turn on some procedural quirk rather than on the substance of the charges involved. Such broad areas as the exclusion of evidence and the use of plea bargaining in criminal cases should be given thoughtful examination in an effort to expedite the administration of justice within the structure of our constitutional guarantees. I intend to propose certain specific changes in these areas and, once again, I hope that the President's proposed crime fighting package will not neglect these important issues.

In too many areas, then, Mr. President, our criminal justice system is failing its most essential purposes. We, in the Congress, must renew our commitment to providing the necessary laws and resources that will revitalize our effort to control crime. I believe that a program can be shaped which will respect both the integrity and spirit of the Constitution while at the same time expediting the control of criminal activity. That will continue to be my goal and commitment and I for one welcome the President's assistance in that effort.

THE MALPRACTICE ISSUE

Mr. INOUYE. Mr. President, as Senators know, the medical malpractice insurance problem has become increasingly pressing over the past few weeks. It has precipitated physician strikes in the several States in which the insurance problem is most acute, and threatens the same in the numerous States which are only now beginning to encounter the first symptoms of the insurance crisis.

Few of the parties who testified in April during the malpractice hearings of the Senate Health Subcommittee, Committee on Labor and Public Welfare, advocated Federal intervention, and yet some congressional action may become more desirable and necessary in the months ahead if the resulting crisis in availability of health care grows or continues unabated. It therefore behooves us to remain attentive to the continuing problem and to the views of all groups affected by it.

Today, I wish to submit for the Record a statement issued last month by the AFL–CIO Executive Council addressing the malpractice issue. This statement was presented for inclusion in the malpractice hearings record, but because the views of labor have been underrepresented in the course of the national debate on malpractice, and because the AFL–CIO has long been progressively involved on a national scale with questions of health care in this country, I wish to bring their policy statement to the attention of my colleagues. I believe these remarks—which point out the relevance of national health insurance to the malpractice problem—will serve as a good reminder of the consumer needs which must be met by any long-term solution to our present difficulties.

I ask unanimous consent that the AFL–CIO statement be printed in full in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by the AFL–CIO Executive Council on Medical Malpractice Insurance

Patients, health and welfare plans, doctors, hospitals and insurance companies face a crisis because of the skyrocketing costs of medical malpractice insurance.

In the last year doctors have experienced premium increases for malpractice insurance amounting to as high as 600 percent. Hospitals have reported premium increases of as much as 1,000 percent. Malpractice insurance premiums have risen from $61 million in 1960 to an estimated $1 billion in 1975. Yet, only 16 to 17 percent of this billion dollars is actually paid to the medically injured patients or their survivors. The rest goes for court costs, legal fees and administrative costs associated with selling malpractice insurance.

Doctors, hospitals and other providers do not pay these high costs out of their own pockets. They pass them on to the consumer and these costs are added on to already excessively high doctor fees and hospital charges. Collectively bargained health benefit plans, Medicare and Medicaid all pay for medical malpractice insurance costs. In one way or another, workers and their families pay the cost of malpractice insurance premiums. Recently, because of rapidly escalating costs, many insurance companies have stated that they can no longer offer malpractice insurance coverage at all.

The billion dollars in malpractice insurance premiums is really only a small part of the total additional cost of medical care that consumers have to pay. Fear of malpractice suits causes doctors to practice defensive medicine, that is, to provide extra services not required for adequate medical case. This involves a cost of from $6 to $8 billion over and above the premium payments to insurance companies.

The causes of the skyrocketing escalation of direct and indirect cost for medical malpractice insurance include:

Deterioration of the doctor-patient relationship;

Million dollar plus settlement;

The contingency fee system of payments to trial lawyers; and

The high cost of litigation under tort law.

The law of torts is an inefficient and costly method of resolving medical malpractice claims and highly inequitable. It is true that a few patients have been awarded a million dollars or more in damages, but the great majority of patients suffering medical injury receive no compensation at all. Moreover, patients who do eventually win their claims may have to wait as long as 10 years to receive an award for medical injury.

Most of the problems associated with medical malpractice insurance would be more equitably and economically resolved if America had a more adequate social insurance program. A comprehensive national health insurance program, such as Health Security, would pay for almost all personal health care costs of persons that resulted from medical injuries regardless of cause. Adequate income maintenance programs for temporary and permanent disability could largely take care of loss of wages caused by medical injury.

In advance of enactment of national health insurance, a number of bills have been introduced in Congress and the state legislatures to resolve the immediate medical malpractice issue. Some only propose to study the problem. Others, including most state legislative proposals, would only provide a costly program of reinsurance to enable the malpractice insurance companies to stay in business. They would do nothing about the expensive and inequitable tort law system of adjudicating malpractice claims nor would they discourage costly defensive medicine resulting from the threat of such claims.

The problem of medical malpractice insurance has traditionally been handled at the state level, but the states have not been effective. The time is long overdue for the Federal government to take a more active role.

Two bills introduced in the Congress are particularly worthy of consideration. S. 482, introduced by Senators Kennedy (D-Mass.) and Inouye (D-Hawaii), provides for a Federal-state program with Federal standards. Under this bill, arbitration of malpractice claims would be authorized under state law. Only injuries resulting from medical malpractice would be insured. Medical injuries resulting from treatment that did not involve actual malpractice would not be compensable.

S. 215, which has also been introduced by Senators Kennedy and Inouye, establishes a Federal program of no-fault insurance for medical injuries resulting primarily from the medical services rather than the injury or disease. This is less restrictive than S. 482 which covers only actual malpractice.

Both of these bills would allow claimants to appeal to the courts under tort law if they are dissatisfied with the award.

What is needed is Federal legislation providing for a single program including both arbitration and no-fault insurance. Under such a system, an impartial arbitration panel would make a determination as to whether medical treatment contributed to an unfavorable outcome. If the unfavorable outcome occurred in spite of the fact that the treatment conformed to acceptable standards of care, there would be no award. If, however, the panel determined that the medical treatment contributed to the unfavorable outcome, a no-fault award would be made. The award should cover all necessary and reasonable expenses for medical treatment and rehabilitation; obtaining homemaker and other services needed to replace those ordinarily provided by the injured family member; and loss of current and future earnings.

Physicians would continue to pay premiums for malpractice insurance to obtain the no-fault coverage and recourse to impartial arbitration. Physicians should be required to comply with state license requirements that meet minimum standards established by the Secretary of Health, Education and Welfare. In order that patients can get the benefits of new medical knowledge, states should require doctors to take periodic reexaminations in order to be relicensed. In addition, physicians should also be required to accept review of their services by a Professional Standards Review Organization (as is already required under Medicare and Medicaid), to meet Federal standards for continuing education and to obtain concurring opinions from specialists prior to surgery.

A system combining arbitration and no-fault insurance would cost much less than the present malpractice insurance coverage that relies on tort law. It would serve the entire nation, not simply by relieving the anxiety of physicians, hospitals and insurance companies, but also by improving quality and reducing the cost of medical care.

PRIVATE CHARITIES

Mr. HATFIELD. Mr. President, the Lilly Endowment has recently published a pamphlet entitled "Philanthropy and the Private Sector in American Life," presenting a position in support of American private charitable organizations. The author, Landrum R. Bolling, who is executive vice president of Lilly Endowment, Inc., sets forth some concerns which should be examined by all of us who are involved with developing laws and regulations which affect private organizations.

After citing a few of the many examples from America's history of effective social service by the private sector, Dr. Bolling asks that the efforts of private charities be encouraged even as the demands of our complex society seem to require our presently expanded scope of Government activity. He feels that this needs to be done in order to encourage responsive and creative social services at a personal level. He feels this is the best way the needs of each individual can be met while encouraging Americans to look upon service to their fellow men as a personal, rather than a governmental responsibility.

For these reasons, Mr. Bolling asks that the special financial status of foundations and other private charities be maintained, especially those tax laws that encourage contributions to these organizations. While I am very concerned about the reform and simplification of our personal income tax laws, I believe this can be achieved without jeopardizing private education and the many other causes assisted by foundations such as the Lilly Endowment.

Dr. Bolling's thoughtful appeal bears examination by every Member of this body. For this reason, Mr. President, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Private Charities

Those institutions, activities, and programs in American society that function outside the structures of government are tremendously important—but taken for granted, and not easy as a class to describe. Most commonly we refer to them as "The Private Sector." That phrase says both too much and too little. On the one hand, every person, business, church, and club can be included in the "private sector"; but so loose a label becomes meaningless. On the other hand, there is a tendency by some to use the term narrowly, and in at least slightly disparaging tones, to characterize the selfish and the privileged. In perverse oversimplification, things called "public" are good, things called "private" are bad, or so they are sometimes made to seem.

Despite the semantic risks, "The Private Sector" is a good working concept. It is also a powerful reality and a continuingly important part of the promise of the free, open and humane society toward which we strive. Its proper role, responsibilities, potentialities, administration, and oversight require sustained study at many levels. The general public and the government decision-makers—all of us—need to understand what we have at stake in the healthy functioning of the Private Sector, both in its profit-making and non-profit divisions.

In providing public services the non-profit sector is of crucial importance. Independent and church-related colleges and universities, despite the demise of a few, continue to educate large numbers of our young people, particularly at the undergraduate level. Private hospitals remain a significant element in our overall health delivery system. The out-of-school programs for physical fitness, wholesome recreation, and character development are largely in the hands of the privately financed "Y's," Boy Scouts, Girl Scouts, Boys' Clubs and Girls' Clubs, and similar private organizations. Notwithstanding the great expansion of government programs of poor relief, a wide range of private agencies still minister to millions of the needy and the handicapped. In the arts of our nation would be culturally impoverished to an unimaginable degree should we lose all the private museums, art galleries, and symphony orchestras. Without the help of the non-profit sector most of these invaluable additions would be lost to our society.

Any listing of the components of the Private Sector can give but a sketchy idea of the diversity and massive scale of activities carried on under nongovernmental auspices in America. And this says virtually nothing about the churches and synagogues and the vast complex of people-serving programs they finance and operate.

One of the great central facts about American society is that from our earliest beginnings we have attended to a large number of public needs through volunteer efforts and non-governmental organizations. The nature of our development as a nation more or less dictated that course. The early settlers came to a vast wilderness and scattered across the land in isolated farms and widely separated villages. They and the successive tides of immigrants who followed were from every race and culture. They represented many faiths, and there was no established church to weld them together—and no central government of any unifying authority. Originally, the ultimate governing power was far away across the sea, communication with it was tenuous, and suspicion toward its local representatives was widespread and understandable. The real problems of daily life had to be dealt with by individual initiative and neighborly cooperation.

The building of roads, the establishing of churches and schools, the caring for the sick and the needy, the fighting of fires, and even the protecting of persons and property against attack—these public services were often provided by volunteer, local endeavor.

The growth of American cities in the Nineteenth Century and the early Twentieth Century did not bring an end to the need for and the desire to create voluntary associations to serve social and cultural functions. The continuing waves of new arrivals in this country carried along or created a great variety of ethnic organizations related to their economic, artistic, religious, educational, and general welfare interests. The movement of Black people up from slavery and poverty has been in large measure the result of their own self-help efforts through numerous local and national volunteer organizations. Without the work of those organizations progress toward justice and humane solutions would have been far slower, and violent eruptions would almost surely have torn the nation apart.

The truth is that America, on the surface, would seem to be a kind of impossible dream, in a certain sense a kind of sociological monstrosity that cannot possibly work. Here we are, a nation made up of every race, color, religion, ethnic strain, and cultural tradition, trying to operate on the basis of openness, freedom, equality, and democratic processes, with a maximum of individual liberty and social flexibility. That we have serious problems is no surprise. Every nation has serious problems. Ours, by rights, should have overwhelmed us long ago—or we should have turned to some master race authoritarianism to try to solve or control those problems. Even in the absence of a dictatorship, it is a wonder that we have not already succumbed to the promises of centralized, statist direction. Yet somehow we have sensed—without understanding it very well—that the survival of this incredibly pluralistic society is tied to the broad use of volunteer institutions, activities, and programs to deal with a great variety of our needs and interests.

Somehow, even without any clear philosophical definition of what we were doing, we in America have evolved a system of interlocking public/private partnerships for accomplishing a vast range of the necessary tasks of our society. It is, in many ways, a haphazard system. On occasion, and with some problems, it doesn't work very well. Yet, all in all, it seems to work better than any other that has been tried out elsewhere and fits our peculiar American circumstances with a special appropriateness we do not always appreciate.

During the past century, the world has been convulsed by technological, social, and political changes of unprecedented scope and intensity. To try to cope with those changes there have risen at times powerful centralized dictatorships, from the Far Right to the Far Left. (Some of these have, fortunately, already collapsed.) Moreover, in all societies we have seen an enormous expansion in the powers, functions, and personnel of central governments. Huge bureaucracies determine, regulate, or influence much of the day-to-day lives of most people. In urbanized, industrialized societies this appears to be inevitable and irreversible. But that does not mean that limits cannot be set on bureaucratic powers or that alternatives should not be sought to centralized direction and control.

The special strength and virtue in our American system of public/private partnerships, at least for us with our incredibly heterogeneous population, is that they have enabled us to maintain numerous alternatives for satisfying our diverse interests and meeting many of our essential needs. For meaningful alternatives to exist, the Private Sector must be kept healthy, vigorous, and socially responsible. That means human leadership and it means money. The Private Sector will not continue to draw first-rate leadership unless the institutions and programs that operate on an independent, non-governmental basis appear to have a real future; and their future is, of course, tied to financial support.

The spirit of philanthropy starts in the human heart. There must be some sense of concern for the general good, for helping people in need, for enriching the quality of life in order for charitable organizations to be established and to be sustained. Yet, in modern times, more than good individual impulses are required. What government does or does not do can affect mightily the course of private giving. Over the years federal and state tax laws have been fashioned in such ways as to provide various incentives for giving to educational, religious and charitable purposes. Those inducements, in the form of tax deductions and, in a few cases, tax credits, have significantly stimulated private giving, particularly among the more affluent members of society. Changes in the tax laws and down-swings in the economy can, of course, drastically alter the pattern and volume of private giving. Much of individual and corporate charity can suddenly dry up.

If individuals do not feel they have surplus funds, most of them will not or can not give any away. If business firms do not make profits, they are unlikely to give their legally allowed tax-deductible contributions to charity. If new foundations are not being continuously created and if established foundations increasingly go out of business, or must drastically reduce the volume of their grants—then an important source of strength for private charity and, indeed, for our whole pluralistic society will be seriously weakened, if not destroyed. Foundations as long-lived funding institutions, whose sole function is to support charitable endeavors, have a vital role to play in the total field of philanthropy, in maintaining the whole system of public/private partnerships.

Foundations, as institutions dedicated to the use of private funds for the support of public educational, religious, scientific, charitable, and cultural purposes simply could not exist in a totalitarian dictatorship of the Right or in a totalitarian dictatorship of the Left. Nor could they be created and sustained in a society devoid of individual impulses to generosity and public service. Nor will they long survive if our governmental policies come to be shaped by the judgment that governmental agencies, spending tax moneys, could and should provide all the charitable, educational, and cultural services hitherto supplied or supported by private philanthropy.

The case for foundations is ultimately much the same as the case for private philanthropy, and is based upon these concepts.

One, the importance of encouraging voluntarism in the satisfying of social needs, of maintaining the human, empathetic feeling of personal responsibility in the face of social needs. Governments should not be expected to finance and manage all of our educational, cultural, and charitable services.

Two, the wisdom of decentralization, down to the local level, of some significant portion of the tasks of providing many of these public services. Our nation is too vast, too complex to run everything on the basis of central government directives.

Three, the value of providing diversity, flexibility, and room for experimentation in our approaches to serving public needs. In many cases private organizations are more creative and more efficient than comparable agencies of government in providing similar services. There is good sense in having some alternatives to many government services, even where government services may be the norm, as a yardstick of performance effectiveness.

Of the many justifications for private philanthropy, the oldest is the ancient teaching of all the great religions of the world about the obligation of man to give of his resources and his time to aid the widows, the orphans, the sick, the poor, the oppressed. But even to secular minds in a secular age it is clear that we become a poorer, less humane, less responsible, less efficient, more bureaucratic and more callously indifferent society if we stifle private initiative and responsibility for private giving in favor of a government monopoly in the handling of all social needs. It is obviously not a case of either/or; it is a case of both together. We have to have government programs for social and cultural services, but we also need private philanthropy, including the foundations.

All of this being understood, we need a comprehensive, coherent, and consistent public policy to encourage private philanthropy. With proper safeguards to prevent selfish abuses, we still need public opinion support and public policy encouragement to individuals and organizations to act upon their best charitable impulses—for the good of all.

A DISASTER WARNING SYSTEM

Mr. HUDDLESTON. Mr. President, perhaps nothing strikes horror and fear in the hearts and minds of people more than natural disasters over which we have no control, and which often occur without warning. Anyone who has witnessed, experienced, read about, or even seen on television the death and destruction caused by hurricanes, tornadoes, floods, and other disasters knows full well the human misery and destruction that can result.

My own awareness of the human tragedy involved was heightened last April 1974 when a series of killer tornadoes swept the State of Kentucky, leaving a trail of death and devastation. Seventy-one persons were killed; 1,377 were injured; damage was estimated at $110 million; between 1,800 and 2,000 farms were damaged; and losses were sustained by 6,625 families.

Mr. President, there is no way to describe the death and destruction that affected my State. I toured some of the areas and it was literally unbelievable.

One tornado literally wiped out most of Brandenburg and killed 31 of its citizens. It looked like someone had dropped a nuclear bomb on the town.

That disaster not only heightened my awareness of the human tragedy, it also started me on a search for what could be done to help. After receiving a letter from Mrs. William B. Schmidt of Elizabethtown, Ky., I specifically became interested in the Government's national radio weather warning system.

After all, the most that we can do in the event of such natural disasters is to provide our citizens with the quickest and most accurate warning system available. We cannot stop the tornadoes and hurricanes, and in many cases the floods, but we can and must warn the people of the impending danger. Government could make no more noble and worthwhile effort.

We already have an outstanding weather warning system, but, as the disaster in Kentucky and others throughout the country constantly remind us, much more needs to be done. The National Oceanic and Atmospheric Administration and the National Weather Service have some highly sophisticated and ambitious projects underway regarding better detection and prediction of weather conditions through the use of computers and satellites.

But the more I have looked into the question, the more I am drawn to the conclusion that the most immediate need is for immediate warning in the event of a disaster. And my research indicates without a doubt that the quickest and most inexpensive way to provide this warning is through NOAA's VHF-FM radio weather warning system.

This system can provide almost instantaneous transmission of warning messages to local government offices, schools, hospitals, shopping centers, and homes. Commercial radio manufacturers are also installing weather warning capability in their products. In the event of a disaster, this system gives an immediate tone alert followed by a recorded message giving appropriate details.

Even the person who is sound asleep in his home could be saved in the event of a tornado, flood, hurricane, or other violent weather if his home were equipped with this relatively inexpensive warning system.

In order for the system to be implemented, transmitters must be installed throughout the country. We have 77 such transmitters now and eventually the system will include some 350 transmitters that will cover over 90 percent of our population.

My concern, however, is that NOAA and the Government are not moving fast enough to install the system. NOAA's budget request for fiscal year 1976 includes $3.5 million for the radio weather warning system with the installation of an additional 46 transmitter sites.

My staff and members of the staff of the Public Works Committee and the Appropriations Committee have had extensive meetings and done a great deal of work on faster implementation.

At my request, the General Accounting Office—which is doing a study on all disaster warning systems—is also investigating the question of the speed with which NOAA is moving on the radio warning system, which is literally a matter of life and death for hundreds of potential victims throughout the country.

The initial conclusions of my inquiry are that the figure of 46 new sites has no logical relationship either to the total budget request or to the availability of the technological capability and equipment for installation of the new sites.

Under current NOAA plans, the full system of some 350 transmitters will not be completely installed for another 4 or 5 years. To my way of thinking, that is outrageous. How many deaths and how much destruction will occur during that time when in my opinion, we could have the system completed in between 2 and 2½ years.

My study of the matter indicates at least 100 new transmitter sites could be ordered, installed, and operational by the end of fiscal year 1976 under the existing budget request. That is more than twice the number which NOAA said could be installed.

And while I believe the rate of implementation can be accomplished within the existing budget request, I have requested that NOAA provide me with information on how much additional funding would be required to fully implement the system within 24 to 30 months. At the most, this could involve $1 to $2 million, a small amount indeed when you consider the number of lives that could be saved and property damage avoided if the system can be installed faster.

There are many, many issues involved in this disagreement with NOAA's approach to this matter, including: Leasing arrangements, timing of purchases of the so-called "golden boxes," the method of contracting, and even the priority of the site locations.

I will not go into further details about these specific issues, but suffice it to say that I am afraid NOAA is allowing undue delay in a matter far too important to allow such action.

I fail to detect a sense of urgency in this matter by NOAA despite the recommendation of its own natural disaster survey report:

> Expand NOAA weather radio as quickly as possible.

Mr. President, I know that many Members of this body and of the House of Representatives are vitally interested in the quickest possible expansion of the radio weather disaster warning system. I am convinced that NOAA up to this point is not gearing up to move as fast as possible, and I enlist the support of my colleagues in speeding up implementation of this system.

FORCED ANNEXATION INTO SOVIET UNION

Mr. HRUSKA. Mr. President, once again the free world is observing the anniversary of those tragic days in June 1940, when the brave people of Estonia, Latvia, and Lithuania were forceably annexed into the Soviet Union.

The Baltic States had seized their independence during the disintegration of the czarist Russian empire. Lithuania was the first to declare its independence on February 16, 1918. It was soon followed by Estonia and Latvia. The new Communist czars, who now controlled Russia, reacted by ordering the Red Army to crush the hopes of these people. The Red Army, however, failed and in 1920 the Soviet Union entered into peace treaties with Estonia, Latvia, and Lithuania. In so doing, it recognized their independence and sovereignty, "voluntarily and forever" renouncing all rights over them.

During the brief interlude between the world wars, the Baltic States prospered. They joined the League of Nations and became full-fledged members of the international community of nations. Then in 1939, the infamous Molotov-Ribbentrop agreements were reached whereby the Soviet Union, in return for part of Poland, gave Hitler a free hand, thus enabling him to start World War II.

With Poland now divided between Hitler's Germany and Stalin's Russia, the Baltic States were isolated. In late 1939 their Foreign Ministers were summoned to Moscow where they were forced to sign mutual assistance pacts. These pacts contained the Russian "guarantee" that there would be no interference in their internal affairs. Then, on June 14, 1940, on the absurd pretext that these three small, isolated countries had entered into a military alliance against the Soviet Union, Stalin presented Lithuania with an ultimatum which was immediately followed by an invasion. Ultimatums were then given to Estonia and Latvia and by June 17, 1940, they, too, had come under the control of the Red Army.

The tragic events which followed are well known to many Members of this body. The Soviet Union incorporated these states into their growing empire of enslaved people. Mass deportations from the Baltic States to Siberia were initiated. Thousands were murdered, the land was depopulated. The German invasion of the Soviet Union in June 1941 brought a temporary halt to Soviet plans but in 1944, when the Red Army had reoccupied these lands, the deportations continued. By 1959, it was estimated that the population of the Baltic States was one-sixth below the prewar level. The Russian population in these lands, however, had increased dramatically as the Soviet leaders pursued a policy of colonization.

Despite the passage of time, the people of Estonia, Latvia, and Lithuania never accepted their fate. Over the past 35 years, they have resisted their Soviet master both passively and sometimes violently. As recently as 1972 the Soviet Union had to bring in armed forces to suppress the people of Lithuania. Despite the events in Berlin, Hungary, Poland, Czechoslovakia, Lithuania, and elsewhere, the *Communist leadership* in Moscow has yet to learn that so long as man retains his human spirit, his ability to think, to feel, to hope, the quest for freedom will never die. The day will come when the Soviet Army will no longer be able to crush the hopes of these brave people and of the other peoples of Eastern Europe. The winds of change that now are blowing throughout the world one day will be felt even within the walls of the Kremlin. On that happy day, the people of the Baltic States will regain their freedom.

In the meanwhile, it is essential that the United States continue its long standing policy of nonrecognition of the Soviet Union's forcible annexation of the Baltic States into its empire. To do otherwise would be to betray the hopes of these people and the very ideals upon which our Nation was founded. As we begin the celebration of the 200th anniversary of the founding of our great Republic, let us remember all the people for whom the word "freedom" burns as fiercely in their hearts and souls as it did in that of our Founding Fathers.

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, I am bringing up the issue of the Genocide Treaty once again. There is no question in my mind that if we do not take immediate action concerning the treaty, no less than 26 years after our delegates signed it, our influence as a world leader will be jeopardized.

At this time, there are 87 nations which have signed the treaty, including our major NATO and SEATO allies.

Our problem is a basic one. The arguments against the Genocide Treaty focus on technical and minor points of legal minutiae. We have forgotten the much larger and more important principles.

A U.N. resolution declared genocide to be "the denial of the right of existence of entire human groups." No right or freedom is more fundamental to any man of any nation than the right to live!

The State Department's foreign policy objective is "the promotion of peace and freedom" whereas without the Genocide Treaty human rights are threatened.

Over the years the United States has been the only hope of freedom for millions. Let us do something now, while we still can, to reassert our moral leadership throughout the world.

ROLL CALL PROMOTES A SENSE OF COMMUNITY ON CAPITOL HILL

Mr. RANDOLPH. Mr. President, each day the inhabitants of Capitol Hill are inundated with a paper blizzard of books, newspapers, reports, newsletters, memoranda and messages. We race to keep pace.

But however hectic our reading schedules, there are two publications for which time is reserved. One, of course, is the Congressional Record. It is a chronicle of major importance to each of us.

The other publication is Roll Call, an independent weekly which covers the human side of Capitol Hill activities. Today marks Roll Call's 20th anniversary. The mark of excellence is to have others try to emulate your performance, but Roll Call has survived many competitors and is the only successful such publication in the history of Congress.

Over the past two decades, Roll Call has maintained a firm nonpartisan stance, high standards and the respect of the Members of this body. Roll Call not only tells its readers what they need to know about Congress in sprightly, well-written style, but it presents the human side of our colleagues and coworkers. Perhaps more important, its coverage of Hill activities has served to promote a sense of community among the 15,000 employees who work here.

I salute Roll Call on another anniversary, and I congratulate Editor Sid Yudain for his continuing political acumen, journalistic integrity, sense of humor, and community service. The dedicated efforts of Mr. Yudain and his staff have made our congressional lives the better.

JETFOIL TRANSPORTATION

Mr. INOUYE. Mr. President, I would like to share with my colleagues an article which appeared in the New York Times on June 16th, "Jetfoils Give Hawaiians First Boat Link Since '49." In this day of declining public transportation opportunities it is indeed welcome news when new and exciting transportation modes are introduced.

The jetfoils capable of cruising speeds of 50 miles per hour will provide the Hawaiian Islands with an efficient, reasonably priced alternative transportation system to supplement the existing inter-island commercial air services. I look forward to seeing this jetfoil network expand to satisfy fully the island's growing demand for high-speed surface transportation. Hawaii should prove an ideal testing operation ground for this type of vehicle, which should be in widespread use throughout the United States in the years to come.

I ask unanimous consent that the New York Times article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Jetfoils Give Hawaiians First Boat Link Since '49

Honolulu, June 15.—A contemporary version of the ancient Polynesian twin-hulled canoe operated by Pacific Sea Transportation, Ltd., began hydrofoil service to the islands of Oahu, Maui and Kauai today with 50-mile-an-hour "jetfoils."

It was the first time in nearly a quarter century that inter-island surface passenger transportation had been available to some 850,000 residents of Hawaii.

The old Inter-Island Steam Navigation Company suspended passenger service on its twice-weekly runs between the islands in 1949, and the only commercial passenger service available since that time has been through the two major certified air carriers, Hawaiian and Aloha Airlines, or by air taxi or charter flights.

Fares on the new jetfoils are slightly lower than those charged by the commercial air carriers. The hydrofoil trip will cost $20 between Honolulu and Nawiliwili, on Kauai, and Maalaea, on Maui, and $25 to Kona, Hawaii.

The comparable air fare is $21.38 to Kauai and Maui and $25.38 to Kona.

Pacific Sea Transportation will have only one jetfoil in service during the intial period of operation.

SCHEDULED FOR DELIVERY

But two other Boeing-929 jetfoils are scheduled for delivery in July and August.

The first of the jetfoils, named the Kamehameha after the King who united the Hawaiian islands nearly 200 years ago, will provide one round trip daily between Honolulu and Maui or Kauai during the inaugural period. After delivery of the two additional jetfoils, named the Kuhio and the Kalakaua, after a 19th-century Hawaiian prince and a monarch, the line will serve the islands of Oahu, Kauai, Maui, and Hawaii with a choice of 12 daily departures.

The plans to re-establish surface transportation in the islands have not been without problems.

The Boeing Aerospace Company was scheduled to deliver the jetfoils last year but encountered delays due to "a slower rate of construction originally anticipated by Boeing planners," according to the company.

PASSENGERS SECURE

The Kalakaua was used for seven months of extensive sea trials before being drydocked to make her ready for commercial use. Tests were conducted in the Puget Sound, where the builders could determine the safety of the high-speed craft.

The 90-foot, 112-ton craft, which can carry up to 190 passengers is equipped with stainless steel foils with struts that are retractable so that the vessel can dock in shallow water.

In tests conducted in Washington state, the designers learned that even if the craft struck unyielding objects while cruising at 50 miles an hour, passengers would not be thrown from their seats.

The struts would collapse and the jetfoil would settle to the surface with no more impact on passengers than that caused when an aircraft descending for landing reverses engines, the jetfoil operators say.

Hawaii's inter-island waters are considered to be among the roughest in the world.

One of the main reasons the old inter-island ships went to the scrapyard is because they were too slow and too uncomfortable.

Even the ungainly DC–3's that replaced them in the late nineteen-forties were far superior in comfort and speed. And the airlines obligingly carried the fighting cocks, the suckling pigs and the baskets of flowers of the passengers just as willingly as the steamers had.

The new hydrofoils, which Boeing hopes will be the first in a worldwide fleet of commercial passenger boats, ride above most waves, although there is an undulation with heavy swells. But there is none of the pitching that made the old inter-island ships so uncomfortable.

BALTIC STATES FREEDOM DAY

Mr. WILLIAMS. Mr. President, the month of June holds great significance for the people of the Baltic States and their countrymen throughout the world. It was in June of 1940 that the Soviet Union forced the freely chosen governments of Estonia, Latvia, and Lithuania to submit to Soviet occupation, thus ending a period of peace, prosperity, and freedom for which these little countries had waited centuries. Over the next month the Soviets ruthlessly seized full control of the Baltic governments. They held Parliamentary elections in which only the Communist Party participated, with only Soviet-approved candidates allowed on the ballot. Then they called these Communist Parliaments into session to approve resolutions calling for the incorporation of Estonia, Latvia, and Lithuania into Soviet Union.

In June 1941, the Soviets sought to consolidate their power by instituting massive deportations to labor camps in Siberia. Beginning on the night of June 13, 1941, tens of thousands of Estonians, Latvians, and Lithuanians, were torn from their homes, herded together in cattle cars, and shipped to the Soviet Far East. Thousands died. These deportations were a central feature of a deliberate attempt to destroy the Baltic States and the national consciousness of these Baltic peoples.

The brief occupation of the Baltic area by the Nazis later that year brought a renewal of the terror which had come to characterize the people's daily lives. With Soviet reoccupation of the Baltic countries in 1944, Communist tyranny resumed, and the deportations began again. By 1959, the populations of the Baltic States had declined to one-sixth of their pre-war levels.

The end of Baltic freedom in the 1940's was especially bitter after they had fought so hard for freedom for centuries. The Baltic States had existed as free and separate communities for hundreds of years, until the oppression of foreign domination settled on them during the Middle Ages. Not until 1918, in the social upheaval that accompanied the end of World War I, did they finally gain their full independence. From then, until 1940, Estonia, Latvia, and Lithuania enjoyed an economic, spiritual, and literary rebirth. They joined the League of Nations and became respected members of the world community. But this brief moment of freedom ended with the invasion of Soviet troops across their frontiers.

On each June 15, people of Estonian, Lithuanian, and Latvian descent all over the free world commemorate the sad events of June 1940 and 1941. In joint meetings and religious services for the deportation victims, they express publicly what their oppressed countrymen can only feel in their hearts. They renew their dedication to a free Estonia, a free Latvia, and a free Lithuania, and pledge to continue their struggle toward that goal.

The United States has continued to stand by these people. In 1922, we extended full diplomatic recognition to the governments of these States, and we continue to recognize their sovereignty. The United States has never recognized the illegitimate Soviet takeover of these Nations.

Americans of Estonian, Latvian, and Lithuanian descent have made truly rich contributions to American society. As they gather to commemorate their aspirations for independence, we pay tribute to the courage that they have shown. We also join in looking forward to the day when peace and liberty for the peoples of the Baltic area are no longer memories nor hopes, but realities.

SUPREME COURT PROTECTS PRESS LIBERTY

Mr. PROXMIRE. Mr. President, the Supreme Court has again rallied to back the Constitution's guarantee of a free press.

It has done so in a case that has the unpredictable nature of reality written all over it. Fiction would not have combined an 1878 Virginia law that was amended before the case hit the highest court; a 24-year-old editor who now works in a factory; an underground newspaper that is no longer published; an advertisement and not a news story, and the controversial issue about where to obtain an abortion.

I do not mean to compare this case to an obviously more celebrated one, but there is an ironic twist to this as there was to the opinion that the National Recovery Act was unconstitutional because of a complaint by a kosher chicken processor from Brooklyn.

A reassuring, steadying comfort in our system is that the principle of law can be derived from ordinary circumstances.

After all, the young editor, Jeff Bigelow, was fined only $150. He was not thrown in a dungeon by an emperor who did not want to read that he wore no clothes. And Bigelow did not spin out fancy rhetoric to hail his and the press' victory. He was almost blase in commenting on his vindication: "I pretty much expected it."

Yet, when the Supreme Court ruled Monday in Bigelow versus Virginia, it held that the Commonwealth violated the first amendment when it tried to punish the editor for publishing the ad for legal abortions in New York. It was a 7-to-2 decision.

In writing for the majority, Mr. Justice Harry A. Blackmun asserted that this was "a first amendment case, not an abortion case."

And that is why I am interested in it.

It is also a case that involves an idea—an idea that I do not favor particularly.

It is a case that displays the tolerance of ideas that the authors of our Constitution knew a pioneering government had to espouse if the oppression of the Old World was to be abandoned.

Bigelow against Virginia is an important case, too, because of the fact it involves advertising. The landmark Sullivan case on libel involved an advertisement in the New York Times.

Mr. Justice Blackmun noted that advertising normally related to commercial activity. Yet, he said:

> Advertising is not thereby stripped of all First Amendment protection. The relationship of speech to the marketplace of products or services does not make it valueless in the marketplace of ideas.

So, here we have a case combining the elements of a small, unorthodox newspaper, carrying an ad that deals with a subject that is abhorrent to many, and yet the Supreme Court upholds the editor's constitutional rights. And there is no ruling of mootness because the paper is out of existence or because the State law used against the editor has been amended.

That gives me hope that the Supreme Court will yet get a first amendment case combining elements that affect every one of us in the United States.

Still unclear are the free press credentials of radio and television with their 200-million-plus listeners and viewers and their $6.6 billion of annual advertising revenue.

The very size of the broadcasting industry is frightful to many in this country. Some students maintain that the potential power of broadcasting is the underlying basis of such decisions against electronic journalism as the Red Lion Broadcasting Co. case even though scarcity of electromagnet spectrum space was cited for limiting constitutional guarantees for broadcasting.

But it was the potential of the press of persuading thoughtful readers that was the reason for giving the press protection from Government capable of usurping power. A democratic government is dependent upon an informed electorate. And if the Government can control the content of the press, it can control the people who vote.

Still the fairness doctrine and the equal time rule of the Communications Act give the Federal Communications Commission control over broadcasting content.

With the popularity of radio and television, these controls have a greater potential for mischief than any controls of any State over any small newspaper.

It is interesting that the Justices who dissented in Bigelow are the same Justices who dissented in the 1973 abortion opinions, also written by Blackmun. The dissenters did not view this case as one involving press freedom.

That then, is the problem, when it comes to clarifying first amendment rights of broadcasters. Experts in communications law agree that a clean-cut first amendment broadcasting case has never reached the Supreme Court. There have always been other issues the court could rule on without getting to the ultimate question.

There is no need for the Congress to wait for such a case—a case in which I believe the Court would have to find in favor of broadcasting and against the Government.

If the most powerful means the people have for informing themselves remains under governmental control then, it is obvious, that the first amendment guarantee of press liberty will remain unfulfilled.

The fairness doctrine is a tool for deciding whether the public interest in discussion of an important issue is better served by the presentation of additional viewpoints, usually any other single additional viewpoint. But the first amendment was intented to keep Government out of such decisions. For the reasoning behind the first amendment was that there could be no free and open discussion of public issues if the Government were to insinuate itself into those discussions.

Therefore, if radio and television have potentially great power to persuade it is as vital to keep Government out of controlling the content of broadcasting as it is to keep the Government out of controlling the content of newspapers.

The basic theory of the first amendment is that—as Oliver Wendell Holmes puts it—

> The ultimate good desired is better reached by free trade in ideas—that the best test of truth is the power of thought to get itself accepted in the competition of the market, and that truth is the only ground upon which (people's) wishes safely can be carried out.

Mr. President, that is why I have introduced S. 2, the First Amendment Clarification Act of 1975: to get the Government out of the business of controlling broadcast content.

NINE JOINT ECONOMIC COMMITTEE MEMBERS URGE PRESIDENT TO SIGN EMERGENCY HOUSING BILL

Mr. HUMPHREY. Mr. President, yesterday President Ford reportedly expressed his intention to veto the recently passed Emergency Housing Act of 1975. In response to this position, nine members of the Joint Economic Committee have sent a letter to President Ford urging him to reconsider his decision, if he has, in fact, decided to veto this crucial measure.

The President's apparent intent to veto is symbolic of a serious lack of concern about the depression in the homebuilding industry. The administration ignores the fact that one out of every five construction workers is now out of work. It ignores the fact that housing starts are at a level which is less than half of our national housing goals as established in the Housing Act of 1968. It ignores the fact that countless construction companies are going bankrupt and that all others have enormous idle resources. And, finally, it ignores the fact that skyrocketing housing costs have created a situation in which millions of American families are no longer able to afford home purchase.

I suppose that the President's intention to veto is motivated by what he perceives to be a strong and vigorous recovery in the housing industry. I do want to say that we are all encouraged by the increase in housing starts and building permits that occurred in May. However, I also want to add that we cannot be satisfied with levels of housing production that are less than one-half of our national goals. A small upturn from the housing depression is an encouraging sign—a small step in the right direction—but it is certainly not a justification for inaction and negligence.

Mr. President, I suggest that all of my colleagues join the members of the Joint Economic Committee in urging the President to sign the Emergency Housing Act of 1975. I ask unanimous consent to have printed in the RECORD the full text of the letter sent to the President by the members of the Joint Economic Committee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JOINT ECONOMIC COMMITTEE,
Washington, D.C., June 18, 1975.

The PRESIDENT,
The White House,

DEAR MR. PRESIDENT: We are deeply disturbed by press reports that you intend to veto the Emergency Housing Act of 1975. We hope these reports are wrong, but if they are not, we strongly urge you to reconsider your decision.

The housing industry continues to be caught in the grips of a severe depression.

Unemployment in the construction industry was 21.8 percent in May and has been above 10 percent since last June. Of course, the national figures mask much more serious problems in many parts of the nation. Construction unemployment is 40 percent in Phoenix, 49 percent in Miami, 30 percent in Los Angeles, 32 percent in Newark and 37 percent in St. Paul.

Housing starts, despite a slight improvement in May, are still running at 48 percent of the level of housing starts in May 1973 and 76 percent of the depressed level in May 1974.

Today, millions of American families find it simply impossible to own their own houses. A recent Joint Economic Committee study concluded that only 20 percent of our nation's families could afford to buy the median-priced existing home, and a mere 15 percent could afford to buy the median-priced new home.

These statistics clearly show that demand for housing will have to be strengthened before a real housing recovery is possible.

It is our firm conviction that the Emergency Housing Act of 1975 will help to strengthen demand.

The Emergency Housing Act of 1975 will create 800,000 jobs, stimulate 400,000 new housing starts, and prevent 100,000 unemployed homeowners from losing their most valuable possession.

Mr. President, having studied our nation's economic problems and its prospects for recovery very closely, as members of the Joint Economic Committee, we again urge you to sign the Emergency Housing Act of 1975.

We are convinced that it can be a crucial spur to economic recovery and not result in higher rates of inflation.

Respectfully,

Hubert H. Humphrey, Chairman; Lloyd M. Bentsen, Jr., Edward M. Kennedy, Jacob K. Javits, Wright Patman, Henry S. Reuss, William S. Moorhead, Gillis W. Long, Margaret M. Heckler.

FEDERAL PAPERWORK BURDEN

Mr. BENTSEN. Mr. President, in the previous Congress I introduced legislation, which was subsequently enacted into law, to establish a Commission on Federal Paperwork. The purpose was to develop the means for alleviating the tremendous Federal paperwork burden with which we are all familiar. I am pleased that the President has finally, 6 months after enactment of this legislation, appointed the members of the Commission.

The impact of excessive Federal Government reporting requirements on our economy is intolerable, costing the American public $36 billion per year. This figure includes $18 billion a year spent by small businessmen for accounting fees; it is estimated that the average businessman spends 2½ weeks each year just filling out Federal forms.

As a result, many small businesses are forced either to go out of business or merge into large corporations. These giant firms can hire the accountants, lawyers, and communications experts they need to deal with the Government, then pass the cost along to us, the consumers. The remaining $18 billion is the staggering sum spent by the Federal Government merely processing the paperwork.

With the massive bureaucracy cranking out redtape requirements so numerous, lengthy, and complicated as to make compliance costly and time-consuming, it is time to simplify.

It is my hope that the Commission will move ahead promptly and will not delay, as the administration has done, in implementing the will of Congress and attacking headon the enormous paperwork burdening our economy and our Government.

THE NEW HAMPSHIRE SENATORIAL ELECTION

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that an editorial which appeared in last night's Washington Star be printed in the RECORD. It puts in proper perspective the issue of the day—the New Hampshire senatorial election.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET VOTERS FILL THE VACANT SEAT

For once, the quick and easy way also is the smart and honorable way out of a messy dilemma on Capitol Hill. The Senate can avoid a great deal of unnecessary grief if it will only give up on trying to seat a new senator from New Hampshire, and send that conflict back to the state for a final decision by the voters. It will have an opportunity to vote today on a resolution to do just that, sponsored by Senator Weicker of Connecticut.

If this chance is missed, a disagreeable scenario will have been set in motion which could waste many weeks of the Senate's valuable time and bring a scornful public gaze upon that body. In fact, the Senate should have returned this quandary to the New Hampshire voters back in January, considering that just two votes separated Republican Louis Wyman, the reputed winner, from Democrat John Durkin.

At least that was the last official accounting from the state level, but the Senate Rules Committee since then has sat in lengthy judgment on conflicting claims of the two candidates and recounted some of the ballots at issue. Now it's hung up, with tie votes in committee, on eight procedural issues and the validity of 27 ballots, and is asking the full Senate to break these ties before the committee resumes its deliberations. Hence an exhausting spectacle is easy to visualize. Just decided these 35 separate questions could very well occupy the Senate until the Fourth of July recess, or longer, and then the matter may still be far from settled.

But most importantly, if these matters—some of them quite subjective—are decided largely by party-line votes, then the Senate faces the charge of Democratic partisanship in putting Wyman on the skids. This allegation already is directed at the Rules Committee by Wyman people who think the proceedings have been tilted toward Durkin. In debate last week, Rules Chairman Howard Cannon reminded his colleagues that the Senate "as the final judge or arbiter of elections, returns and qualifications of its members, is not bound by the statutes and case laws of any state," though his committee has given "full weight" to New Hampshire law in trying to determine what is foremost, "the intent of the voter."

Well, this is much like trying to do surgery on a gnat. It should be apparent by now that the fogginess of some questions with which the committee is grappling, and the minuscule margin of the election, make any precise judgment by the Senate impossible. All those tie votes attest to the difficulty—the divergent views that can be held even of marked ballots, not to speak of election properties up in the precincts. Obviously, this closest Senate election in history is too close to count with absolute accuracy here in Washington. And this country can ill afford the added public cynicism that could accrue from a feeling that the Democratic Senate majority had grabbed another seat, out of a confused situation, simply because it had the muscle to do so.

But there need be no acrid cloud over the outcome of this affair. The New Hampshire legislature has acted to make a new election possible, and the Senate can, by the sensible device of declaring the seat vacant, allow that state remedy to take effect. Thereby the Senate would be upholding—yea, celebrating—the democratic principle of representation, and protecting its own reputation as well.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

EDUCATION FOR ALL HANDICAPPED CHILDREN ACT

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will proceed to the consideration of S. 6 which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 6) to provide financial assistance to the States for improved educational services for handicapped children.

The Senate proceeded to consider the bill which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert as follows:

That this Act may be cited as the "Education for all Handicapped Children Act".

SEC. 2. (a) Section 614(a) of the Education Amendments of 1974 is amended by adding after "fiscal year 1975" the following: "and fiscal year 1976".

(b) Section 614(b) of such Act is amended by adding after "fiscal year 1975" the following: "and fiscal year 1976".

(c) Section 614(c) of such Act is amended by adding after "fiscal year 1975" the following: "and fiscal year 1976".

(d)(1) Section 611(c)(2) of the Education of the Handicapped Act as in effect for fiscal years 1975 and 1976 is amended by striking out "the fiscal year ending June 30, 1975" and inserting in lieu thereof "fiscal years 1975 and 1976".

(2) Section 611(d) of the Education of the Handicapped Act as in effect for fiscal years 1975 and 1976 is amended by striking out "the fiscal year ending June 30, 1975" and by inserting in lieu thereof "fiscal years 1975 and 1976".

(3) Section 612(a) of the Education of the Handicapped Act as in effect for fiscal years 1975 and 1976 is amended by adding at the end thereof the following new sentence: "Sums appropriated for thhe fiscal year ending June 30, 1976, shall be made available to States and allocated to each State on the basis of unsatisfied entitlements under section 611, in an amount equal to the amount it received from the appropriation for this part for the fiscal year 1975.".

SEC. 3. (a)(1) Section 601 of the Education of the Handicapped Act and all references thereto are redesignated as section 600.

(2) Part A of such Act is amended by adding after section 600 (as redesignated by this section) the following new section:

"STATEMENT OF PURPOSE

"SEC. 601. (a) The Congress finds that—

"(1) there are more than eight million handicapped children in the United States today;

"(2) the special educational needs of such children are being fully met in only a few school systems;

"(3) more than half of the handicapped children in the United States do not receive appropriate educational services which would enable them to have full equality of opportunity;

"(4) one million of the handicapped children in the United States are excluded entirely from the public school system and will not go through the educational process with their peers;

"(5) there are many handicapped children throughout the United States participating in regular school programs whose handicaps prevent them from having a successful educational experience because their handicaps are undetected;

"(6) because of the lack of adequate services within the public school system, families are often forced to find services outside the public school system, often at great distance from their residence and at their own expense;

"(7) developments in the training of teachers and in diagnostic and instructional procedures and methods have advanced to the point that, given appropriate funding, State and local educational agencies can and will provide effective special educational programs and related services to meet the needs of handicapped children;

"(8) State and local educational agencies have a responsibility to provide education for all handicapped children, but present financial resources are inadequate to meet the special educational needs of handicapped children; and

"(9) it is in the national interest that the Federal Government assist State and local efforts to provide programs to meet the educational needs of handicapped children in order to assure equal protection of the law.

"(b) It is the purpose of this title to insure that all handicapped children have available to them within the time period specified in section 614 of this Act a free appropriate public education, to insure that the rights of handicapped children and their parents or guardians are protected, to relieve the fiscal burden placed upon the States and localities when they provide for the education of all handicapped children, and to assess and assure the effectiveness of efforts to educate handicapped children.".

(b) Section 602 of such Act is amended to read as follows:

"DEFINITIONS

"SEC. 602. As used in this title—

"(1) 'handicapped children' means mentally retarded, hard-of-hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, or other health-impaired children, or children with specific learning disabilities who by reason thereof require special education and related services;

"(2) 'Advisory Committee' means the National Advisory Committee on Handicapped Children;

"(3) 'construction', except where otherwise specified, means (A) erection of new or expansion of existing structures, and the acquisition and installation of equipment therefor; or (B) acquisition of existing structures not owned by any agency or institution making application for assistance under this title; or (C) remodeling or alteration (including the acquisition, installation, modernization, or replacement of equipment) of existing structures; or (D) acquisition of land in connection with the activities in clauses (A), (B), and (C); or (E) a combination of any two or more of the foregoing;

"(4) 'children with specific learning disabilities' means those children who have a disorder in one or more of the basic psychological processes involved in understanding or using language, spoken or written, including such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, and developmental aphasia, but excluding children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental, cultural, or economic handicaps;

"(5) 'Commissioner' means the Commissioner of Education;

"(6) 'elementary school' means a day or residential school which provides elementary education, as determined under State law;

"(7) 'equipment' includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provisions of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, telecommunications, sensory, and other technological aids and devices, and books, periodicals, documents, and other related materials;

"(8) 'free appropriate public education' means special education and related services which shall be provided at public expense, under public supervision and direction and without charge, and meeting the standards of the State educational agency, which shall include an appropriate preschool, elementary, or secondary school education in the applicable State and which is provided in conformance with an individualized planning conference required by this Act;

"(9) 'individualized planning conference' means a meeting or meetings for the purpose of developing a written statement for each handicapped child, developed by a representative of the local educational agency who shall be qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of handicapped children, the teacher, the parent or guardians of the child and the child when appropriate, which statement shall include (A) a statement of the child's present levels of educational performance, (B) statements of the short-term instructional objectives to be achieved, (C) a statement of the specific educational services to be provided to such child, and the extent of integration into the regular classroom, and (D) the projected date for initiation and anticipated duration of such services;

"(10) 'institution of higher education' means an educational institution in any State which—

"(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

"(B) is legally authorized within such State to provide a program of education beyond high school;

"(C) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable *for full credit toward* such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

"(D) is a public or other nonprofit institution; and

"(E) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited except that in the case of an institution offering a two-year program in engineering mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope and quality which must be met in order to qualify such institutions to participate under this Act and shall also determine whether particular institutions meet such standards; and for the purposes of this paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered;

"(11) 'local educational agency' means a public board of education or other public authority legally consituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, and such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school;

"(12) 'nonprofit' as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;

"(13) 'related services' means transportation and developmental, corrective, and other supportive services (including, but not limited to, speech pathology and audiology, psychological services, counseling services, physical and occupational therapy, and recreation) as required to assist a handicapped child to benefit from special education, and includes the early identification and assessment of handicapping conditions in children and provision of services to such children;

"(14) 'research and related purposes' means research, research training (including the payment of stipends and allowances), surveys, or demonstrations in the field of education of handicapped children, or the dissemination of information derived therefrom, including (but without limitation) experimental schools;

"(15) 'secondary school' means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12;

"(16) 'Secretary' means the Secretary of Health, Education, and Welfare;

"(17) 'special education' means specially designed instruction (including physical education) at no cost to parents or guardians to meet the unique needs of a handicapped child;

"(18) 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

"(19) 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or if there is no such officer or agency, an officer or agency designated by the Governor or by State law."

SEC. 4. Part B of the Education of the Handicapped Act is amended to read as follows:

"PART B—ASSISTANCE TO STATES FOR THE EDUCATION OF ALL HANDICAPPED CHILDREN

"DURATION OF ASSISTANCE

"SEC. 611. During the period beginning July 1, 1976, and ending September 30, 1979, the Commissioner shall, in accordance with provisions of this part, make payments to State educational agencies for grants made on the basis of entitlements created under this part for the purpose of assisting such States in providing full educational opportunity to all handicapped children. Such payments may be used for the early identification and assessment of handicapping conditions in children under three years of age.

"STATE ENTITLEMENTS FOR EDUCATION OF HANDICAPPED CHILDREN

"SEC. 612. (a) The Commissioner shall, in accordance with the provisions of this part, make payments to States for the purposes set forth in section 611.

"(b) (1) Subject to the provisions of paragraph (2) of this subsection and section 613, the maximum amount of the grant to which a State shall be entitled under this part shall be equal to—

"(A) the number of handicapped children aged three to twenty-one, inclusive, in that State, who are receiving special education and related services for the most recent fiscal year for which satisfactory data are available;

multiplied by—

"(B) $300.

"(2) Notwithstanding any other provisions of this subsection no State may count for the purpose of clause (A) of paragraph (1) of this subsection more than 10 per centum of the children aged three to twenty-one, inclusive, in that State for that year.

"(3) For the purpose of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(c) (1) The jurisdictions to which this subsection applies are Guam, American Samoa, the Virgin Island, and the Trust Territory of the Pacific Islands.

"(2) Each jurisdiction to which this subsection applies shall be entilted to a grant for the purposes set forth in section 611 in an amount equal to an amount determined by the Commissioner in accordance with criteria established by regulations, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed an amount equal to 1 per centum of the aggregate of the amounts to which all States are entitled under subsection (b) of this section for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such 1 per centum limitation, the entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such 1 per centum limitation.

"(d) The Commissioner is authorized to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts to which States are entitled under subsection (b) of this section for that fiscal year.

"ALLOCATIONS OF APPROPRIATIONS

"SEC. 613. (a) Sums appropriated for each fiscal year shall be made available to States and allocated to each State, on the basis of unsatisfied entitlements under section 612, in an amount equal to the amount it received from the appropriation for this part for the fiscal year preceding the fiscal year for which the determination is made.

"(b) Any sums appropriated to carry out this part for any fiscal year which remain after allocations under subsection (a) of this section shall be made to States in accordance with entitlements created under section 612 (to the extent that such entitlements are unsatisfied) ratably reduced.

"(c) In the event that funds become available for making payments under this part for any fiscal year after allocations have been made under subsections (a) and (b) for that year, the amounts reduced under subsection (b) shall be increased on the same basis as they were reduced.

"ELIGIBILITY

"SEC. 614. In order to qualify for assistance under this part in any fiscal year, a State shall demonstrate to the Commissioner that the following conditions are met:

"(1) The State has in effect a policy that assures all handicapped children the right to a free appropriate public education.

"(2) The State has developed a plan pursuant to section 613(b) of this Act in effect prior to the enactment of the Education for All Handicapped Children Act which will be submitted not later than August 21, 1975, and will be amended so as to comply with the provisions of this paragraph. Each such amended plan shall set forth in detail the policies and procedures which the State will undertake or has undertaken in order to assure that—

"(A) there is established (i) a goal of providing full educational opportunity to all handicapped children, (ii) a detailed timetable for accomplishing such a goal, and (iii) a description of the kind and number of facilities, personnel, and services necessary throughout the State to meet such a goal.

"(B) a free appropriate public education will be available for all handicapped children between the ages of three and eighteen within the State not later than September 1, 1978, and for all handicapped children between the ages of three and twenty-one within the State not later than September 1, 1980, except that, with respect to handicapped children aged three to five and aged eighteen to twenty-one, inclusive, the requirements of this clause shall not be applied in any State if the application of such requirements would be inconsistent with State law or practice, or the order of any court, respecting public education within such age groups in the State;

"(C) all children residing in the State who are handicapped regardless of the severity of their handicap and who are in need of special education and related services are identified, located, and evaluated, including a practical method of determining which children are currently receiving needed special education and related services and which children are not currently receiving needed special education and related services;

"(D) policies and procedures are established in accordance with detailed criteria prescribed by the Commissioner to protect the confidentiality of such data and information by the State; and

"(E) the amendment to the plan submitted by the State required by this section shall be available to parents and other members of the general public at least thirty days prior to the date of submission of the amendment to the Commissioner.

"(3) The State has established priorities for providing a free appropriate public education to all handicapped children which priorities shall meet the timetables set forth in paragraph (2)(B) of this section, first with respect to handicapped children who are not receiving an education, and second with respect to handicapped children with the most severe handicaps who are receiving an inadequate education, and has made adequate progress in meeting the timetables set forth in paragraph (2)(B) of this section.

“(4) Each local educational agency in the State will maintain records of the individualized planning conference for each handicapped child, including the written statement developed pursuant to such conference, and such conference shall be held at least three times each year to develop, review, and, when appropriate and with the agreement of the parents or guardian of the handicapped child, revise such statement.

“(5) The State has established procedures to insure that handicapped children and their parents or guardians are guaranteed procedural safeguards in decisions regarding identification, evaluation, and educational placement of handicapped children including, but not limited to (A)(i) prior notice to parents or guardian of the child when the local or State educational agency proposes to initiate or change the educational placement of the child, (ii) an opportunity for the parents or guardian to obtain an impartial due process hearing (not to be conducted by an employee of the State or local educational agency directly involved in the education or care of the child), examine all relevant records with respect to the classification or educational placement of the child, and obtain an independent educational evaluation of the child, (iii) procedures to protect the rights of the child when the parents or guardian are not known, unavailable, or the child is a ward of the State including the assignment of an individual (not to be an employee of the State or local educational agency directly involved in the education or care of the child) to act as a surrogate for the parents or guardian, and (iv) provision to insure that the decisions rendered in the impartial due process hearing required by this paragraph shall be binding on all parties subject only to appropriate administrative or judicial appeal; (B) procedures to insure that, to the maximum extent appropriate, handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular educational environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily; and (C) procedures to insure that testing and evaluation materials and procedures utilized for the purposes of evaluation and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory. Such materials or procedures shall be provided and administered so as not to be racially or culturally discriminatory. Such materials or procedures shall be provided and administered in the child's primary home language or mode of communication, and no single procedure shall be the sole criterion for determining an appropriate educational program for a child.

“(6) The State educational agency shall be responsible for insuring that the requirements of this part are carried out and that all educational programs for handicapped chidren within the State, including all such programs administered by any other State or local agency, will be under the general supervision of the persons responsible for educational programs for handicapped children in the State educational agency and shall meet education standards of the State educational agency.

“(7) The State shall assure that (A) in carrying out the requirements of this section procedures are established for consultation with individuals involved in or concerned with the education of handicapped children including handicapped individuals and parents or guardians of handicapped children, (B) there are public hearings, adequate notice of such hearings, and an opportunity for comment available to the general public prior to adoption of the policies, programs, and procedures required pursuant to the provisions of this section and section 615 of this Act, and (C) there is opportunity for comment by the general public on any rules or regulations proposed for issuance by the State pursuant to this Act.

“(8) The State has established an entity for the purpose of insuring compliance with the provisions of this part, at least half of the members of which shall be handicapped individuals or parents or guardians of handicapped children and all of whom shall be qualified by training or experience to carry out the purposes of this paragraph, which entity shall (A) conduct periodic evaluations in all areas of the State in order to determine whether the State educational agency and all local educational agencies within the State are in full compliance with the provisions of this Act to insure that all handicapped children within the State are in fact receiving the services required by this Act; (B) be empowered to receive complaints (including complaints that a child has been erroneously classified as eligible to be counted under section 612 of this Act) from individuals with respect to alleged violations of the provisions of this Act and shall provide notice and an opportunity for a hearing with respect thereto; (C) make determinations with respect to such alleged violations and, upon a finding that a violation has occurred, notify the State and appropriate local educational agencies of such finding and take appropriate steps to assure that such violations are corrected; and (D) upon a determination that, after a reasonable period of time, adequate steps have not been undertaken to correct such violations, so inform the Commissioner who shall take appropriate action pursuant to section 616 of this Act.

“APPLICATION

“Sec. 615. (a) Any State meeting the eligibility requirements set forth in section 614 and desiring to participate in the program under this part shall submit to the Commissioner an annual application at such time, in such manner, and containing or accompanied by such information, as he deems necessary. Each such application shall—

“(1) set forth a description of programs and procedures for the expenditure of funds paid to the State agency in the fiscal year for which such application is made, in conformance with the requirements of section 614 (2) and (3) of this part;

“(2) set forth a description of programs and procedures by which funds received by the State or any of its political subdivisions under other Federal programs (including, but not limited to, part A of title I of the Elementary and Secondary Education Act; title III and title IV of the Elementary and Secondary Education Act, or its successor authority; and the Vocational Educational Act of 1963) which expressly provide, or set aside, financial assistance for the education of handicapped children, and funds received by the State or any of its political subdivisions under the Rehabilitation Act of 1973 which are utilized for the education of handicapped children, will be utilized by the State or any of its political subdivisions only in a manner consistent with the provisions of this Act, except that nothing herein shall be construed to limit the specific requirements of the laws governing such Federal programs;

“(3) consistent with the purposes of this Act, set forth a description of programs and procedures for the development and implementation of a comprehensive system of personnel development which shall include the inservice training of general and special educational instructional and support personnel, detailed procedures to assure that all personnel necessary to carry out the purposes of this part are appropriately and adequately prepared and trained, and that effective procedures for acquiring and disseminating to teachers and administrators of programs for handicapped children, significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices and materials developed through such projects;

“(4) set forth policies and procedures to assure (A) that to the extent consistent with the number and location of handicapped children in the State who are enrolled in nonpublic elementary and secondary schools, provision is made for the participation of such children in the program assisted or carried out under this part by providing for such children special education and related services; and

“(B) that handicapped children in private schools and facilities will be provided special education (in conformance with an individualized planning conference as required by this Act) and related services at no cost to their parents, if such children are placed in or referred to such schools or facilities by the State or appropriate local educational agency as the means of carrying out the requirements of this title or other applicable law requiring the provision of special education and related services to all handicapped children within such State and that in all such instances the State educational agency shall assure that such schools and facilities meet standards that apply to State and local educational agencies and that children so served have all the rights they would have if served by such agencies;

“(5) set forth policies and procedures which assure (A) that of the funds distributed under this part, 40 per centum of such funds shall be distributed to local educational agencies in the State in direct proportion to the number of handicapped children who are in need of a free appropriate public education within the area served by each such local educational agency and 60 per centum of such funds shall be distributed in a manner which is consistent with the requirements of section 614(3), and (B) that the State shall seek to recover any funds distributed to a local educational agency for services to any child who is determined by the entity required pursuant to section 614 (8) to be erroneously classified as eligible to be counted under section 612 of this Act;

“(6) provide satisfactory assurance that the control of funds provided under this part, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property;

“(7) provide for (A) making such reports in such form and containing such information as the Commissioner may require to carry out his functions under this part, and (B) keeping such records and affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this Act;

“(8) provide satisfactory assurance that Federal funds made available under this part will be so used as to supplement and increase the level of State and local funds expended for the education of handicapped children and in no case supplant such State and local funds; except that, where the State provides clear and convincing evidence that all handicapped children have available to them a free appropriate public education, the Commissioner may waive in part the requirement of this clause if he concurs with the evidence provided by the State;

"(9) provide, consistent with procedures prescribed pursuant to section 617(a)(2), satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this Act to the State, including any such funds paid by the State to local educational agencies; and

"(10) provide for procedures for evaluation at least annually of the effectiveness of programs in meeting the educational needs of handicapped children (including evaluation of individualized planning conferences), in accordance with such criteria that the Commissioner shall prescribe pursuant to section 618.

"(b) The Commissioner shall approve any State annual application and any modification thereof which—

"(1) is submitted by a State eligible in accordance with section 614 of this Act, and

"(2) meets the requirements of subsection (a) of this section.

The Commissioner shall disapprove any application which does not meet the requirements of the preceding sentence, but shall not finally disapprove a State application except after reasonable notice and opportunity for a hearing to the State.

"WITHHOLDING AND JUDICIAL REVIEW

"Sec. 616. (a)(1) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to any State educational agency, finds that there has been a failure to comply substantially with any provision of section 614 or 615, the Commissioner shall notify the agency that payments will not be made to the State under this part (or, in his discretion, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions or omissions caused or are involved in such failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no payments shall be made to the State under this part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

"(2) Whenever an entity established pursuant to section 614(8) in any State finds that there has been substantial failure to carry out the requirements of any provision of this Act, it shall notify the State educational agency, the appropriate local educational agencies, the chief executive officer of the State and the Commissioner who may provide notice, conduct a hearing and, if he finds a failure described in paragraph (1), withhold payments pursuant to this subsection.

"(b)(1) If any State is dissatisfied with the Commissioner's final action with respect to its application submitted under section 615, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"ADMINISTRATION

"Sec. 617. (a)(1) In carrying out his duties under this part, the Commissioner shall—

"(A) cooperate with, and render all technical assistance necessary, directly or by grant or contract, to the States in matters relating to the education of handicapped children and the execution of the provisions of this part;

"(B) provide such short-term training programs and institutes as are necessary;

"(C) disseminate information, and otherwise promote the education of all handicapped children within the States; and

"(D) insure that each State shall within one year of the effective date of the Education for All Handicapped Children Act provide certification of the actual number of handicapped children receiving special education and related services in such State.

"(2) As soon as practicable after the enactment of this Act, the Commissioner shall, by regulation, prescribe a uniform financial report to be utilized by State agencies in submitting an application for assistance under this part in order to assure equity among the States.

"(b) In carrying out the provisions of this part the Commissioner shall issue, amend, and revoke such rules and regulations as may be necessary. No other less formal method of implementing such provisions is authorized.

"(c) The Commissioner shall take appropriate action to assure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by him and by State and local educational agencies pursuant to the provisions of this Act.

"(d) The Secretary shall establish a task force composed of representatives of the Office of Education, the Bureau of Education for the Handicapped, the National Institute of Education, the Rehabilitation Services Administration, the Office of Child Development, the Office for Handicapped Individuals, the Office of the Assistant Secretary for Health, and the Office of Civil Rights, which shall develop guidelines to assure that all programs administered by the Department of Health, Education, and Welfare which provide assistance for the education of handicapped children will be administered in a manner consistent with the provisions of this Act. The Secretary shall be responsible for enforcing such guidelines and for assuring maximum cooperation in the implementation of such guidelines by the agencies referred to herein.

"(e) There are authorized to be included for each fiscal year in the appropriation for the Department of Health, Education, and Welfare such sums, not in excess of one-quarter of 1 per centum of the amounts appropriated pursuant to section 612, or $1,000,000, whichever is greater, as are necessary to administer the provisions of this part.

"EVALUATION

"Sec. 618. (a) The Commissioner shall measure and evaluate the impact of the program authorized under this part and the effectiveness of State efforts to assure the free appropriate public education of all handicapped children.

"(b) In carrying out his responsibilities under this part, the Commissioner shall conduct, directly or by grant or contract, such studies, investigations, and evaluations as are necessary to assure effective implementation of this part and (1) shall provide for the collection and annual reporting of programmatic information concerning programs and projects carried out with financial assistance under this part and other Federal programs supporting the education of handicapped children, and such information from State and local educational agencies and other appropriate sources necessary for the implementation of this part, including such information as (A) the numbers of handicapped children participating in programs supported under this part, (B) the types of handicaps and the numbers of children with such handicaps participating in such programs, (C) the numbers of children needing such services, (D) the amount of Federal, State, and local expenditures specifically used to provide such special education programs; and (2) provide for the evaluation of such programs through (A) the development of effective methods and procedures for evaluation, (B) the testing and validating of such evaluation methods and procedures and (C) conducting actual evaluation studies designed to test the effectiveness of activities supported by financial assistance under this Act.

"(c)(1) Not later than one hundred and twenty days after the close of each fiscal year, the Commissioner shall submit to the appropriate communities of Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include (A) a full and detailed analysis and assessment of the progress being made toward the provision of a free appropriate public education to all handicapped children, (B) an evaluation of the effectiveness of the procedures undertaken by States to assure that handicapped children receive special education and related services in the least restrictive environment commensurate with their needs, along with any recommendations for change in the provisions of this part or other Federal law providing assistance for the education of handicapped children, (C) an evaluation of the effectiveness of the procedures undertaken by States to prevent erroneous classification of children as eligible to be counted under section 612 of this Act, including actions undertaken by the Commissioner to carry out provisions of this Act relating to such erroneous classification.

"(2) The Commissioner is authorized and directed to develop, prepare and submit to the appropriate committees of Congress by June 30, 1977, a comprehensive study of objective criteria and evaluation procedures to determine the effectiveness of special education and related services provided to handicapped children. Such criteria and procedures shall be designed in order that they may be utilized in conjunction with individualized data available through the individualized planning conferences required pursuant to section 614 of this part. In conducting such study, the Commission is authorized to make grants and contracts to public and private individuals and organizations to assist in developing objective criteria and evaluation procedures, except that such grant or contract shall not be entered into with any individuals or organizations who have any financial or other direct interest in any programs or services being evaluated pursuant to this paragraph.

"(3) The Commissioner shall, directly or by grant or contract develop, prepare, and submit to the appropriate committee of Congress by December 1, 1977, a statistically valid survey of the effectiveness of the individualized planning conferences.

"(d) The Commissioner is authorized to hire qualified personnel necessary to conduct data collection and evaluation activities required by subsections (b) and (c) of this section and to carry out his duties under section 617(a)(1) of this Act without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates except that no more than twenty such personnel shall be employed at any time.

"(e) There are authorized to be appropriated for carrying out the responsibilities of this section $2,500,000 for fiscal year 1976, $3,500,000 for fiscal year 1977, $5,000,000 for fiscal year 1978, and $7,500,000 for fiscal year 1979.

"PAYMENTS

"SEC. 619. (a) The Commissioner shall, subject to the provisions of section 614 relating to eligibility, pay to each State the amount which that State is entitled to receive under this part.

"(b)(1) The Commissioner is authorized to pay to each State amounts equal to the amounts expended for administration and planning under this part which may include regional, interstate and intrastate technical assistance, and dissemination of necessary materials.

"(2) The total of such payments in any fiscal year shall not exceed—

"(A) 5 per centum of the total of the amounts of the grants paid under this Act for that year to the State educational agency, or $200,000, whichever is greater; and

"(B) in the cases of Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands, 5 per centum of the total of the amounts of the grants paid under this Act for that year in such jurisdictions, or $60,000, whichever is greater.

"(3) There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this subsection.

"(c) Payments under this Act may be made in advance or by way of reimbursement and in such installments as the Commissioner may determine necessary."

MISCELLANEOUS PROVISIONS

SEC. 5. Part A of the Education of the Handicapped Act is further amended by inserting after section 605 thereof the following new sections:

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"SEC. 606. As a condition of providing financial assistance under this Act, the Secretary shall insure that each recipient of such assistance shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under, and on the same terms and conditions as set forth in, the applicable provisions of the Rehabilitation Act of 1973 (87 Stat. 355), as amended, relating to employment of handicapped individuals by State rehabilitation agencies and rehabilitation facilities and under Federal contracts and subcontracts.

"GRANTS FOR THE REMOVAL OF ARCHITECTURAL BARRIERS

"SEC. 607. (a) Upon application by any State or local educational agency the Commissioner is authorized to make grants to pay part or all of the cost of altering existing buildings and equipment in the same manner and to the same extent as authorized by an Act approved August 12, 1968 (Public Law 90-480), relating to architectural barriers.

"(b) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated such sums as may be necessary.".

SEC. 6. The amendments made by sections 3 and 4 of this Act shall take effect on and after July 1, 1976, except that (1) clauses (A), (C), (D), and (E) of paragraph (2) of section 614 of the Education of the Handicapped Act, as amended by this Act, shall take effect on and after August 21, 1975, (2) subsection (a)(1)(D) and subsections (d) and (e) of section 617 of the Education of the Handicapped Act, as amended by this Act, and subsection (a) and subsection (c)(2) of section 618 of the Education of the Handicapped Act, as amended by this Act, shall be effective upon the date of enactment of this Act, and (3) the Commissioner may prior to such date issue such regulations and make such determinations to carry out the amendments made by sections 3 and 4 of this Act as he determines necessary.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask unanimous consent that Michael Burns of the staff of the Committee of Labor and Public Welfare may be accorded the privileges of the floor during the consideration and disposition of S. 6.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Labor and Public Welfare be accorded the privilege of the floor during the consideration and disposition of S. 6: Pat Forsythe, Nik Edes, Lisa Walker, Jack Andrews, Judy Heumann, and Ann Hocutt.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RANDOLPH. I ask unanimous consent that the following staff members may be on the Senate floor during the consideration of S. 6: Betty Griffin, Traer Sunley, Steve Wexler, Mike Francis, Clare Comiskey, Renee Bergman, Ellen Hoffman, John Hunicutt, Betty Boynton, Carey Peck, and Adele Mann.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, there is pending before the Senate important legislation introduced by the able chairman of the Committee on Labor and Public Welfare, the Senator from New Jersey (Mr. WILLIAMS). I am gratified to have the opportunity while serving as chairman of the Subcommittee on the Handicapped, to work closely with the Senator from Vermont (Mr. STAFFORD), the ranking minority member of the subcommittee, and to join with Senator WILLIAMS and others in the presentation of the reasons why we feel that it is important for this measure, S. 6, to become law.

This comprehensive legislation addresses itself to the needs of a neglected minority of our school aged population handicapped children. Recent statistics indicate that there are approximately 8 million handicapped children in our country. Only 3.9 million of these children are receiving an appropriate education, and 1.75 million handicapped children are not receiving an education at all. This waste of human potential is indeed sad, and all of us should remember that delay in taking action to meet the needs of handicapped children has far reaching implications for the futures of these children and their families.

Since 1967, the Education of the Handicapped Act has stimulated local and State programs for handicapped children so that there has been an increase of 1.5 million children enrolled in educational programs.

I know that in my own State of West Virginia, the enrollment of handicapped children in educational programs has grown from 15,161 children in 1972 to 31,595 children in 1974. Increased awareness of the educational needs of handicapped children and the implications of landmark court decisions have pointed to the need for an expanded Federal role if substantial progress is to be made in meeting the goal of providing full educational opportunities to all handicapped children. Provisions enacted in the Elementary and Secondary Education Act Amendments of 1974—Public Law 93-380—represented a major step forward in meeting the goal of full educational opportunities for all handicapped children. This legislation requires that a State set forth policies and procedures that insure: First, the identification, location, and evaluation of all handicapped children in the State; second, the protection of the confidentiality of such data and information; and, third, the establishment of a goal of providing full educational opportunities for all handicapped children.

We can look back over the past few years and see that progress has been made in meeting our responsibility to these handicapped children; however, we should not complacently assume that enough has been done for these children to assure their right to a free appropriate public education. Achieving a goal of full educational opportunities for handicapped children calls for a cooperative effort by all levels of government—Federal, State, and local.

Today, we have before us a bill, Senate bill 6, which will establish in law a comprehensive mechanism which will insure that those provisions enacted in law during the 93d Congress are expanded and will result in maximum benefits to handicapped children and their families.

During the hearings on S. 6, S. 1256, and S. 1264, State representatives stressed that a strong supportive Federal role was necessary if States were to meet their responsibilities to handicapped children; Senate bill 6 establishes that strong supportive Federal role. Also, this bill, by offering not only increased Federal fiscal aid, but also guidance and assistance in meeting other requirements of the legislation, will assure a new era in Federal, State, and local cooperation as we work toward our common goal.

I will briefly summarize the major provisions of the measure. Senate bill 6 extends the entitlement formula for payments to the States for fiscal year 1975 under the Education of the Handicapped Act for 1 additional fiscal year, establishes a new entitlement formula for payments to States for fiscal year 1977 through 1979, establishes eligibility and application requirements, places responsibility for implementation of this act upon the State education agency, requires that the State have a mechanism to assure compliance with the provisions of Senate bill 6, amends due process procedures in existing law, establishes provisions relating to administration and evaluation responsibilities of the Commissioner of Education, and adds two new sections to the Education of the Handicapped Act relating to the employment and advancement in employment of qualified handicapped individuals and to grants for the removal of architectural barriers.

Most important, Senate bill 6 guides the States in meeting their obligations to provide a full educational opportunity for handicapped children. The legislation requires that the States, in their State plans, set forth policies and procedures which will assure that: First, all handicapped children living in a State who are in need of special education are identified, located, and evaluated; second, a goal is established to provide full educational opportunities to all handicapped children; third, priorities for services are established first with respect to handicapped children not receiving an education and second with respect to severely handicapped children receiving an inadequate education; fourth, procedures are established to safeguard the rights of handicapped children and their parents in decisions relating to identification, evaluation, and educational placement; fifth, a free appropriate public education be available for all handicapped children between the ages of 3 and 18 within a State not later than September 1, 1978; and for all handicapped children between the ages of 3 and 21 not later than September 1, 1980. The bill further provides that with respect to handicapped children between the ages of 3 to 5 and 18 to 21 this requirement shall not apply in a State if the application of this requirement would be inconsistent with State law or practice, or the order of any court, respecting public education within such age groups within the State.

A feature of the measure that will promote the educational development of handicapped children is the individualized planning conference. It has long been recognized by educators that individualized attention to a child brings rich rewards to the child, his teachers, and family. Handicapped children have been a neglected minority in our school system; individualized planning conferences are a way of targeting the resources of our school systems on handicapped children. These conferences are to be held at least three times a year and will represent a cooperative effort on the part of the school, the parents, and the child himself, when appropriate, to meet the unique educational needs of the child. Frequent monitoring of a handicapped child's progress throughout the school year is a vital component of the individualized planning conference. Preliminary evidence on annual planning conferences indicates that the usefulness of the individualized planning conference would be nullified if held only on an annual basis.

Another provision of the measure that will significantly affect the educational progress of handicapped children is that relating to inservice training of general and special educational personnel. During the hearings on Senate bills 6, 1256, and 1264, Miss Kate Long, writer and former county special education supervisor in West Virginia, pointed out that the "shortage of trained personnel is critical." She further commented that 6 hours of emergency training do not prepare regular education teachers to deal with handicapped children.

Senate bill 6 addresses itself to this shortage of qualified personnel by providing that the States develop and implement a comprehensive system of personnel development which includes inservice training of general and special educational instructional and support personnel. Continuous training is vitally necessary, particularly if children are to be mainstreamed into the classroom. Teachers must receive training that not only provides technical assistance necessary to teach handicapped children, but also deals with the potential problem of "attitudinal barriers."

Mr. President, with almost 4 million children needing our help, it is imperative that action be taken. Senate bill 6 offers an equal educational opportunity to our 8 million handicapped children. I urge all of my colleagues to ask themselves whether the needs of our handicapped children should remain unmet any longer.

At this time, perhaps it might be best to yield the floor and let the Senator from Vermont (Mr. STAFFORD) speak.

Mr. STAFFORD. Mr. President, the Senate is now considering a bill which I believe to be a landmark in educational services for our Nation's handicapped children.

Bringing this bill to this point has not been an easy task. At the outset, I commend the chairman of the Committee on Labor and Public Welfare (Mr. WILLIAMS) and the chairman of the Subcommittee on the Handicapped (Mr. RANDOLPH) for their tenacity in working to bring to the Senate today a bill which represents the best aspects of S. 6 as introduced.

I might say it is always a pleasure to work with the distinguished chairman of the Subcommittee on Handicapped. I have enjoyed it thoroughly since I have been in the Senate. I think he has been a dynamic and real leader in looking after the handicapped of this Nation, and it has been a great pleasure to have served under the leadership of the Senator from New Jersey (Mr. WILLIAMS) as well.

If enacted into law, this bill will finally begin to bring to all the handicapped children of our Nation what has always been their right—a free appropriate public education.

There are many provisions of this bill, Mr. President, and I will not take the Senate's time to try to restate them now. I am sure my colleagues on the committee will have comments on many of them. Other Members of the Senate may also. However, there are a few which I feel a need to highlight and discuss.

First, an extremely important aspect is the requirement that each handicapped child will have individual planning conferences. The participants will include the parents, the teacher, and a qualified supervisor or provider of special education services. This provision is extremely important if the child's progress is to be adequately monitored and if appropriate steps are to be taken to assure that the problems with the educational process that the child is having are met in a timely and consistent way. An additional benefit that will result from these conferences is one that is too often overlooked. Not only will the child be better served, and the parents better informed of the limitations their child has due to a particular handicap, but the teacher will learn from this experience as well.

As we look more and more toward children with handicaps being educated with their "normal" peers, we must realize, and try to alleviate, the burden put upon the teacher who must cope with that child and all the others in the class as well. The teacher needs reinforcement and a better understanding of the child's abilities and disabilities.

It is hoped that participation in these conferences will have a positive effect on the attitude of the teacher toward the child, and an understanding of the child's problems in relating to his or her peers because of a handicapping condition.

Second, Mr. President, the Congress last year in Public Law 93-380, which revised and extended part B of the Education of the Handicapped Act, a priority was set for service for those children who were receiving no services. This full services goal has not yet been met.

We can all agree that all handicapped children should be receiving an education. We can all agree that that education should be equivalent, at least, to the one those children who are not handicapped receive. The fact is, our agreeing on it does not make it the case. There are millions of children with handicapping conditions who are receiving no services at all. And since we must have a place to start, it is appropriate that we give priority to those who are receiving no services at all first, and then try to reach those with the most severe handicaps who have traditionally received only minimal attention second. This is what this bill sets as its priorities.

Third, Mr. President, the bill provides that the Commissioner of Education may make grants to State or local educational agencies for the removal of architectural barriers so that children with handicapping conditions may attend the same schools which children without such handicaps may attend. It is my hope that States and localities will apply for such grants and that the Congress will appropriate the funds necessary to make such grants.

Mr. President, the record of leadership in this area of the distinguished Senator from West Virginia (Mr. Randolph) is well known and admired by all of us who work with him on the committee.

For far too long handicapped children have been denied access to the regular school system because of an inability to climb the steps to the schoolhouse door, and not for any other reason. This has led to segregated classes for those children with physical handicaps. This is an isolation that is in many cases unnecessary. It is an isolation for the handicapped child and for the "normal" child as well. The sooner we are able to bring the two together, the more likely that the attitudes of each toward one another will change for the better.

I firmly believe that if we are to teach all of our children to love and understand each other, we must give them every opportunity to see what "different" children are like.

If we allow and, indeed, encourage handicapped children and nonhandicapped children to be educated together as early as possible, their attitudes toward each other in later life will not be such obstacles to overcome. A child who goes to school everyday with another child who is confined to a wheelchair will understand far better in later life the limitations and abilities of such an individual when he or she is asked to work with, or is in a position to hire, such an individual.

Mr. President, I would like to take special note of the action taken by the full committee to limit service, or make it permissive for States to serve, children in the age group 3 to 5 years old. When the bill was reported from the Subcommittee on the Handicapped, it made the service to these children part of the priorities of the act. As a result of the action taken in full committee, this no longer was true. Rather than repeat my objections to this action again, I ask unanimous consent that the Additional Views which were stated on behalf of myself, Senators Javits, Kennedy, Schweiker, and Hathaway as part of the report to accompany S. 6 be printed in the Record at this point:

There being no objection, the material was ordered to be printed in the Record, as follows:

Additional Views of Senators Stafford, Javits, Kennedy, Schweiker, and Hathaway

This Committee has a longstanding commitment to the welfare of preschool children. That commitment has been backed in other legislation developed by the Committee and we do not feel that it should be diluted in such an important area as the education of handicapped children. If it is the Congress' intent that all children should receive an appropriate education it seems clear that such a commitment must include the requirement that services be provided at the most appropriate time—when the child is at the earlier stages of development and will thus benefit most; *not* when it happens to be convenient.

This Act deals with a *special* group of children who need special educational services. It provides assistance for these services at Federal expense. To delay the delivery of those services because of restrictions of State law or practice is neither reasonable nor wise.

We, therefore, disagree with the action taken during full Committee consideration of this bill, which dropped the mandate for 3 to 5 year olds, and restate our firm belief in the principle of requiring special education services for those children with handicapping conditions who are younger than mandated school age.

During consideration of S. 6, testimony from parents, teachers, and experts in special education specifically emphasized the need for the earliest possible identification, evaluation, and service to children prior to their entry into the normal educational process.

The Committee heard testimony which indicated strongly that special educational services provided to handicapped children before "normal" school age were often the most beneficial, since much more could be done at an earlier age to ameliorate, alter, or develop skills to compensate for, certain handicapping conditions. The earlier such conditions can be diagnosed, in the long run, the less costly the special educational services the child will need during his or her school years.

We are cognizant of the concerns of the States regarding their financial capacity to provide full educational services to this group of children. Nevertheless, we feel that it is imperative to point out that the benefits of early identification and education, both in terms of prevention of future human tragedy, and in the long-term cost effectiveness of tax dollars, are so great as to justify continued emphasis upon preschool education for handicapped children.

According to information the Committee has received, 35 states have laws which provide services to children with handicaps at an age less than six years old. There are 15 states and the District of Columbia then where services are not required for at least some group of handicapped children below school age, but even some of these states have laws which permit such services to such handicapped children.

The bill as reported to the full Committee from the Subcommittee on the Handicapped provided for such services to the age group 3 to 5 years of age. As reported to the full Committee, S. 6 reflected the commitment to service for preschool children that was adopted in P.L. 93–380 last year. This position was consistent with present law.

Therefore, we do not agree with the full Committee action which makes such services permissive for those states who are not providing services or whose laws prohibit or do not authorize the provision of such services. We think that the action taken by the Committee unwisely moves the Congress away from the policy in present law which emphasizes the earliest possible service to handicapped children.

Robert T. Stafford.
Edward M. Kennedy.
William D. Hathaway.
Richard Schweiker.
J. K. Javits.

Mr. STAFFORD. Mr. President, once again, I express my appreciation both to the chairman of the full committee, Mr. Williams, and the chairman of the Subcommittee on the Handicapped, Mr. Randolph, and their staffs, for the enormous service they have performed for handicapped children everywhere by reporting this comprehensive bill. I hope that we can reach speedy agreement with the other body so that we may continue to move forward in the education of all our Nation's children.

Mr. RANDOLPH. Mr. President, I would appreciate the Senator yielding to me in order that I may ask a question.

Mr. STAFFORD. I am delighted to yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, the Senator from Vermont explained one feature of this bill, and I will try to emphasize his point. We will promote the educational development of handicapped children through the process of individualized planning conferences.

What the Senator has stated is very important. Educators generally have begun to realize that some personal attention must be given to a child. I am sure that the child is the better for it. Individual attention is one of the benefits of a good education in institutions of learning for all the people of the United States, not only the handicapped.

Throughout this country, our schools, colleges, and universities long have stressed the need for individual attention to students. It is the heart of our educational process and it has stood the test of time.

Perhaps this is not the occasion to mention it, but I do so. I look back upon my school days, and I say to the Senator from Vermont that I recall those teachers who not only were informed, but also were inspiring. They were those men and women who gave of their time a little after the class actually had closed. They gave one the opportunity to come and talk with them. They were there to counsel the students. In a sense, that can be carried over into the specific that the Senator mentioned here—the individual attention to children.

The individual planning conference is a cooperative effort. It is an effort that must include the teacher, the representative of the local educational agency, the parents, and, when appropriate, the boy or girl who is handicapped. When we do this, we have the opportunity to keep in touch with that child. We monitor the child's progress, as one might say, and that frequent monitoring is a vital component of this training planning conference process. It helps the child, it helps the parents or guardian, and it helps the teachers.

For these reasons, I comment on what the Senator has said.

I have done more than ask a question. I regret that. But I wanted only to reemphasize what the Senator from Vermont has underscored so well.

Mr. STAFFORD. Mr. President, I appreciate what the distinguished chairman of the subcommittee has said. I heartily agree with his observations about the importance of frequent conferences among the parents, the child, and the teachers.

Mr. President, I yield the floor.

Mr. WILLIAMS. Mr. President, I am extremely pleased to join the Senator from West Virginia (Mr. Randolph) and the Senator from Vermont (Mr. Stafford) in bringing S. 6, the Education for All Handicapped Children Act, before the Senate.

This bill has been cosponsored also by Mr. Magnuson, Mr. Bentsen, Mr. Brooke, Mr. Cannon, Mr. Chiles, Mr. Philip A.

HART, Mr. HOLLINGS, Mr. HUMPHREY, Mr JAVITS, Mr. KENNEDY, Mr. MCGEE, Mr. MCINTYRE, Mr. MONDALE, Mr. MOSS, Mr. PASTORE, Mr. PELL, Mr. SCHWEIKER, Mr. STEVENS, Mr. TAFT, Mr. MCGOVERN, Mr. PERCY, Mr. CRANSTON, Mr. CLARK, Mr. CULVER, Mr. BIDEN, Mr. HATHAWAY, Mr. METCALF, and Mr. STONE.

With passage of this bill we will have made important progress toward the development of major comprehensive legislation which will assure the education of all handicapped children. I am pleased to commend this landmark bill to my colleagues, who have, over the years, shown the same concern as we have dealt with this whole subject matter in prior legislation.

Mr. President, we are at a unique point in history in the education for handicapped children. Over the last few years, under the pressure of State mandatory laws and court action in 27 States, attitudes toward educational services for all handicapped children have drastically changed. Last year, we in Congress took cognizance of the need to assist in this effort by strengthening State planning for special educational services by requiring certain procedural protections for handicapped children and their parents, and by expanding financial assistance to States for these educational services. Yet, progress toward the goal of assuring all handicapped children an appropriate education has come too slowly.

In 1970, the U.S. Office of Education declared a goal of providing full educational opportunity to all handicapped children by 1980. Today, 5 years later, we have increased the number of children served from 38 percent to slightly over 50 percent. That growth has meant that more handicapped children are being helped today than ever before. But this does not mean that all handicapped children have the educational services they need. It also does not mean that the struggle is over for thousands of parents who want to assure that their children will be treated as any other children in the educational system.

It is time that Congress took strong and forceful action. It is time for Congress to assure equal protection of the laws and to provide to all handicapped children their right to education. I believe that the legislation that the committee has developed provides a flexible and reasonable approach for the Federal Government to follow. Last month, under provisions adopted by the 93d Congress, 46 States submitted information to the Office of Education indicating that they will provide full educational services to all handicapped children, aged birth to 21, by 1980. Thirty-one of these State have indicated that they will meet this goal substantially earlier than 1980. This commitment by the Senate and the additional assistance and direction offered by S. 6 will make this goal a reality.

The legislation which the committee brings to the floor today establishes a comprehensive service delivery and funding mechanism. More importantly, S. 6 establishes a timetable for delivery for educational services to all handicapped children and establishes priorities to assure that this timetable will be met. It thus makes a clear and long overdue Federal commitment to the education of all handicapped children.

Mr. President, Congress' important legislative accomplishments on behalf of handicapped children would not have been enacted but for the efforts of some of the most earnest and dedicated people here, members of the Senate Committee on Labor and Public Welfare, and also the staff, which serves with such great distinction. I wish to express my full appreciation and gratitude to members of the committee for all the work and time that they have devoted to this legislation. It has been considerable.

Since the time this bill was originally introduced, more than 10 days of hearings have been held, both in Washington and in other parts of the country. Certainly, the hard work of the chairman of the Subcommittee on the Handicapped, the Senator from West Virginia (Mr. RANDOLPH) was, as always, superb.

Chairman RANDOLPH has been a steadfast leader in this legislation, as is true with other legislation affecting handicapped persons, and I express my heartfelt thanks to him for his strong support. The ranking minority member from Vermont (Mr. STAFFORD) has also devoted substantial amounts of time to assure that we could expeditiously move this legislation. Without his hard work and his strong concern in this area, I am sure that many of Congress important legislative accomplishments on behalf of handicapped persons would not have been enacted. The same is true of the ranking minority member of the full committee, the Senator from New York (Mr. JAVITS), who has been so helpful and always there at critical times.

Other members of the committee have also been extremely helpful, including the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. MONDALE), the Senator from California (Mr. CRANSTON), the Senator from Maine (Mr. HATHAWAY), the Senator from Maryland (Mr. BEALL), and the Senator from Pennsylvania (Mr. SCHWEIKER).

Mr. President, I believe that the following members of the staff must be recognized for their work and the long hours they have labored over the last few weeks: Pat Forsythe, Anne Hocutt, Betty Griffin, Mike Burns, Jacl: Andrews, Betty Boynton, Traer Sunley, Jan Verrey, Clare Comiskey, Bob Humphreys, Pam Ebert, Rene Bergman, and those members of my staff, who are included in this group for their dedication and concern: Lisa Walker, Judy Heumann, Nik Edes, Joycene Cole and Jackie De Mesme.

When we put these statements in, we normally do it at the conclusion of the bill, but I have the feeling, Mr. President, that the time for successful passage of this comprehensive expression of concern for handicapped children has arrived. I know we are on a short schedule today. I am looking forward to the amendments that will be offered. I know that this strong bill will be strengthened by them.

Twenty-one years ago, in 1954, the Supreme Court of the United States fully opened the door for all children to be guaranteed equal educational opportunity. The Court stated:

> In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity . . . is a right which must be made available to all on equal terms. (*Brown* v. *Board of Education*, 347 U.S. 438, 493, 1954).

More recently the Federal cases of Pennsylvania Association for Retarded Children against Pennsylvania, and Mills against Board of Education of the District of Columbia have been decided. These Court rulings guarantee the right to free publicly supported education for handicapped children and have resulted in similar court action in 27 States throughout the Nation.

The Court in Mills stated categorically that—

> The District of Columbia shall provide to each child of school age a free and suitable publicly supported education regardless of the degree of the child's mental, physical or emotional disability or impairment. Furthermore, defendants shall not exclude any child resident in the District of Columbia from such publicly supported education on the basis of a claim of insufficient resources.

Last year the Congress took significant action in the Education Amendments of 1974 and incorporated many of the major principles of the right to education cases. That act added important new provisions to the Education of the Handicapped Act which require the States to: First, establish a goal of providing full educational opportunities to all handicapped children; second, provide procedures for insuring that handicapped children and their parents or guardians are guaranteed procedural safeguards in decisions regarding identification, evaluation, and educational placement of handicapped children; third, establish procedures to insure that to the maximum extent appropriate handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped; and, fourth, establish procedures to insure that testing and evaluation materials and procedures utilized for the purposes of classification and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory.

Furthermore, action in the States has resulted in numerous laws being changed or written to cover the special needs of handicapped children over the last few years. Most of these laws have mandatory dates for service. Many of these deadlines have already passed; some of the deadlines will have to be met in the near future. Table 1 sets forth applicable State law for the education of handicapped children, and I ask unanimous consent tha Table 1 be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—STATE STATUTORY RESPONSIBILITIES FOR THE EDUCATION OF HANDICAPPED CHILDREN * * *

State	Type of mandation	Date of passage	Compliance date	Ages of eligibility	Categories of children not included in mandate
Alabama	Full planning and programing	1971	1977	6 to 21	Profoundly retarded.
Alaska	Full program	1974		From age 3	
Arizona	Selective planning and programing	1973	Sept. 1, 1976	5 to 21	Emotionally handicapped.
Arkansas	Full planning and programing,[1] selective	1973	1979–80	6 to 21	
California				6 to 18[2]	"Educationally handicapped" (emotionally disturbed, learning disabled).
Colorado	Full planning and programing	1973	July 1, 1975	5 to 21	
Connecticut	do	1966		4 to 21[3]	
Delaware	Full program "wherever possible"			4 to 21	Severely mentally or physically handicapped.
District of Columbia	No statute: Court order: Full program	1972	1972	From age 6	
Florida	Full program		1973[4]	3–no maximum (13 years guaranteed).	
Georgia	Full planning and programing	1968	1975–76	3 to 20	Profoundly retarded.
Hawaii	Full program	1949		5 to 20	
Idaho	do.[5]	[4] 1972		Birth to 21	
Illinois	do	1965	July 1, 1969	3 to 21[6]	
Indiana	Full planning and programing	1969	1973	6 to 18[20]	
Iowa	Full program "If reasonably possible"	1974		Birth–21	
Kansas	Full planning and programing	1974	1979[7]	Birth–21	
Kentucky	Full planning and programing	1970	1974	([8])	
					Other than trainable mentally retarded.
Louisiana	Court order-Orleans Parish only: Selective for mentally retarded. Otherwise, mandatory.	1972	1972	3 to 21[9]	Other than mentally retarded.
Maine	Full planning and programing	1973	1975[10]	5 to 20	
Maryland	do	1973	1979[11]	([12])	
Massachusetts	do	1972	Sept. 1, 1974	3 to 21	
Michigan	do	1971	1973–74	Birth–25	
Minnesota	Full program		July 2, 1972[13]	4–21, except mentally retarded: 5–21 and emotionally disturbed: 6–21.	
Mississippi	Permissive			Birth–21	
Missouri	Full planning and programing	1973		5 to 21	
Montana	Full program[14]	1974	July 1, 1979	6 to 21	
Nebraska	Full planning and programing	1973	Oct. 1, 1976[15]	5 to 18	
Nevada	Full program	1973		5 to 18[16]	
New Hampshire	do			Birth to 21	
New Jersey	do	[17] 1954		5 to 20	
New Mexico	Full planning and programing	1972	1976–77	6 to 21[18]	
New York	Full program	1973	1973	5 to 21	
				5 to 21	Profoundly, retarded.
North Carolina	Full planning	1974	([19])	Birth–21	
North Dakota	Full planning and programing	1973	July 1, 1980[21]	5 to 21[22]	
Ohio	Permissive				Other than crippled or educable mentally retarded.
		1972	1973	Birth–21	Trainable or profoundly mentally retarded.
Oklahoma	Full program	1971	Sept. 1, 1970	4 to 21[23]	
Oregon	do	1973		EMR: 6 to 21. Others: Birth to 21	
Pennsylvania	Court order: Selective (mentally retarded only).	1971–72	September 1972	6 to 21[24]	Other than mentally retarded.
	Full planning and programing	1956	1956	6 to 21	
Rhode Island	Full program		1964[25]	3 to 21[26]	
South Carolina	Full planning and programing	1972	1977	6 to 21[30]	
South Dakota	Full program	1972		Birth to 21	
Tennessee	Full planning and programing	1972	1974–75	4 to 21	
Texas	Full program[27]	1969	1976–77[27]	3 to 21	
Utah	do	1969		5–21	
Vermont	Full program[28]	1972		Birth to 21	
Virginia	Full planning	1972	([29])	2 to 21	
Washington	do	1971		6 to 21[33]	
West Virginia	do	1974	1974	5 to 23[34]	
Wisconsin	Full planning and programing	1973	August 1974	3 to 21	
Wyoming	Full program	1969		6 to 21	

[1] Current statute is conditional: 5 or more similarly handicapped children in district. However, a 1973 Attorney General's opinion stated that the law mandating full planning and programing was effective July, 1973. If the State activates a kindergarten program for 5-year-old children, ages of eligibility will be 5 to 21.

[2] Permissive for children 3–21, except mentally retarded: 5 yrs. 8 mos. –21.

[3] 3 to 21 for hearing impaired. Lower figure applies to age of child as of January 1 of the school year.

[4] 1973 law did not include profoundly retarded; however, a 1974 amendment brought these children under the provisions of the mandatory law. Compliance date for full services to these is mandated for 1977–78.

[5] Earlier (1963) law was mandatory for all handicapped children except trainable mentally retarded.

[6] 5 to 21 for speech defective.

[7] "Developmentally Disabled" means retardation, cerebral palsy or epilepsy. For other disabilities, the State board is to determine ages of eligibility as part of the State plan. Compliance 1, 1974 for DD programs.

[8] Permissive: 3–6.

[9] Residents over age 21 who were not provided educational services as children must also be given education and training opportunities.

[10] In cases of significant hardship the Commissioner of Education may waive enforcement until 1977.

[11] Court order sets deadline in September 1975.

[12] Services must begin as soon as the child can benefit from them, whether or not he is of school age but at least birth–21.

[13] Date on which trainable mentally retarded were included under the previously existing mandatory law.

[14] Statute now in effect is selective and conditional: at least 10 educable mentally retarded, 7 trainable mentally retarded, or 10 physically handicapped in school district. Full mandation becomee effective July 1, 1979.

[15] Acoustically handicapped: October 1, 1974.

[16] Aurally handicapped and visually handicapped: birth to 18.

[17] Date of original mandatory law, which has since been amended to include all children.

[18] Child must be 6 years old by January 1 of school year.

[19] Implementotion date to be specified in preliminary state plan to be submitted to 1975 general assembly.

[21] All children must be served as soon as they are identified as handicapped.

[23] 2 to 21 for blind, partially blind, deaf, hard of hearing.

[24] When programs are provided for pre-school age children, they must also be provided for mentally handicapped children of the same age.

[25] For mentally retarded or multiply handicapped. Others, as defined in regulations. Compliance date established by regulations.

[26] 4 to 21 for hearing handicapped.

[27] The Texas Educational Agency is operating under the assumption that the law is mandatory, and has requested an opinion from the state Attorney General on this question. Compliance date is as established by State policy if the law does not specify a compliance date.

[28] Within the limits of available funds and personnel.

[29] September 1, 1976 established by regulations.

[30] Permissive: 3–5 and 19–21.

[31] Permissive: Below 5 years old.

[32] Deaf children to be served at age 4.

[33] Permissive: Below 6 years old.

[34] Permissive: 3–4.

***Compiled by the Committee on Labor and Public Welfare from "Digest of State and Federal Laws: Education of Handicapped Children", 3rd edition, The Council for Exceptional Children.

NOTES

Definition of the kinds of mandatory legislation used by states:

Full Program Mandate: Such laws require that programs must be provided where children meet the criteria defining the exceptionality.

Planning and programing mandate: This form includes required planning prior to required programing.

Planning mandate: This kind of law mandates only a requirement for planning.

Conditional mandate: This kind of law requires that certain conditions must be met in or by the local education district before mandation takes effect (this usually means that a certain number of children with like handicaps must reside in a district before the district is obliged to provide for them).

Mandate by petition: This kind of law places the burden of responsibility for program development on the community in terms of parents and interested agencies who may petition school districts to provide programs.

Selective mandate: In this case, not all disabilities are treated equally. Education is provided (mandated) for some, but not all categories of disabilities.

Mr. WILLIAMS. While much progress has been made in the last few years, we can take no solace in that progress until all handicapped children are, in fact, receiving an education. The most recent statistics provided by the Bureau of Education for the Handicapped estimate that of the 8.7 million handicapped children between the ages of birth and 21, only 3.9 million of these children are receiving an appropriate education, 1.75 million handicapped children do not receive any educational services, and 2.5 million handicapped children are not receiving an appropriate education. Table 2 and table 3 provide data on children served and unserved nationally by disability and age and contain recent State by State information on this point, and I ask unanimous consent that table 2 and 3 be printed in the Record at this point.

There being no objection, the tables were ordered to be printed in the Record, as follows:

TABLE II.—ESTIMATED NUMBER OF HANDICAPPED CHILDREN SERVED AND UNSERVED BY TYPE OF HANDICAP, 1974-75

	1974-75 served (projected)	1974-75 unserved	Total handicapped children, served and unserved	Served (percent)	Unserved (percent)
Total, age 0 to 19	3,947,000	3,939,000	7,886,000	50	50
Total age 6 to 19	3,687,000	3,062,000	6,699,000	55	45
Total, age 0 to 5	260,000	927,000	1,187,000	22	78
Speech impaired	1,850,000	443,000	2,293,000	81	19
Mentally retarded	1,250,000	257,000	1,507,000	83	17
Learning disabilities	235,000	1,731,000	1,966,000	12	88
Emotionally disturbed	230,000	1,080,000	1,310,000	18	82
Orthopedically and other health impaired	235,000	93,000	328,000	72	28
Deaf	35,000	14,000	49,000	71	29
Hard of hearing	60,000	268,000	328,000	18	82
Visually handicapped	39,000	27,000	66,000	59	41
Deaf-blind and other multi-handicapped	13,000	27,000	40,000	33	67

Note: The term "orthopedically impaired" is used in place of "crippled" to conform with legislative change made by S.6.

Source: Bureau of Education for the Handicapped, U.S. Office of Education.

Table 3

Status of State Education Programs for Handicapped Children

(Compiled by the Council for Exceptional Children)

ALABAMA

At present, there are in Alabama, a great many handicapped children who are not receiving an appropriate public education. Data collection for the 1971-72 school year by the Alabama State Department of Education indicates that out of a total of 111,149 handicapped children, only 22,384, about a fifth, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972-73 school year predicted that while an additional 6,000 handicapped would be served there would still be over 80,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Alabama mandating that all eligible handicapped children be provided with an appropriate education by 1977.

ALASKA

At present, there are in Alaska a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971-72 school year by the Alaska Department of Education indicates that out of a total of 5,050 handicapped children, only 1,875, less than 40 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972-73 school year predicted that while an additional 125 handicapped children would be served there would still be over 1,700 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Alaska mandating that all eligible handicapped children be provided with an appropriate education.

ARIZONA

At present, there are in Arizona a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971-72 school year by the Arizona Department of Education indicated that 27,381 handicapped children, out of a total of 40,059, close to 70 percent were not receiving a public education designed to meet their needs. Projections done by the Department for the 1972-73 school year predicted that while an additional 4,000 handicapped would be served there would still be over 23,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Arizona mandating that all eligible handicapped children be provided with an appropriate education by 1976. Despite the large number of children still needing service, state appropriations for the education of the handicapped increased only $2.5 million from 1971-72 to $5.6 million for the 1973-74 school year.

ARKANSAS

At present, there are in Arkansas a great many handicapped children who are not receiving an appropriate education. Data collected from the Arkansas State Department of Education indicates that, as of the past school year, only 22.8 percent of the handicapped school age population were being served. 53,118 additional handicapped children need the opportunity to receive a meaningful public education. As indicated in its annual report to the Governor, the State Department of Education estimates that 3,700 additional teaching units costing approximately $10,000 per unit are required to meet this need. Although, it is anticipated that some additional funds may be forthcoming from the state, it will represent a relatively small contribution to the overall necessity for 37 million additional dollars. In considering this situation, it must be emphasized that law is presently in force in Arkansas mandating that all eligible handicapped children be provided with an appropriate education by the 1979-80 school year.

CALIFORNIA

At present, there are in California a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971-72 school year by the California Department of Education indicates that out of a total of 1,141,080 handicapped children, only 321,760 children, significantly less than half, were receiving an education designed to meet their needs. Projections done by the Department for the 1972-73 school year predicted that the total number of handicapped children to be served would be little different from the 1971-72 level of service. In considering this situation, it must be emphasized that law is presently in force in California mandating that all eligible handicapped children be provided with an appropriate education. The educational dilemma facing California's handicapped children and their families had been considered sufficiently serious to lead to the filing of at least four right to education lawsuits.

COLORADO

At present, there are in Colorado a great many handicapped children who are not receiving an appropriate public education. Statistics gathered by the Colorado Department of Education for the school year 1972-73 showed that of the 91,060 handicapped children in the state only 34,388, or slightly more than one-third, were receiving needed special educational services. In considering this situation, it must be emphasized that with the passage of H.B. 1164 by the legislature, Colorado has mandated that appropriate public education services must be provided to all eligible handicapped children by September, 1976. The educational dilemma facing Colorado's handicapped children and their families has been considered sufficiently serious to lead to the firing of a pending class action right to education lawsuit in the Federal District Court in Denver, *Colorado Association for Retarded Children* v. *Colorado* (Civil No. C-4620 D. Colo., Filed Dec. 22, 1972).

CONNECTICUT

At present, there are in Connecticut a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971-72 school year by the Connecticut State Department of Education indicates that out of a total of 89,866 handicapped children, only 35,544, less than 40 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972-73 school year predicted that while an additional 4,000 handicapped would be served, there would still be over 50,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Connecticut mandating that all eligible handicapped children be provided with an appropriate education.

DELAWARE

At present, there are in Delaware a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971-72 school year by the Delaware Department of Public Instruction indicates that out of a total of 15,722 handicapped children, only 8,351 slightly over half, were receiving a public education designed to meet their needs. While projections done by the Department for the 1972-73 school year predicted an additional 2,000 children would be served, there would still be over 5,000 handicapped children waiting for their opportunity to receive a meaningful public education. The educational dilemma facing these children has been so severe that in 1971, Catholic Social Services, Inc. of Delaware filed an administrative action against the State Board of Education to obtain an education for three handicapped children excluded from school (filed August 24, 1971). Since that time discussion has been occurring throughout the state about the possibility of filing a class action right to education lawsuit against the state.

FLORIDA

At present, there are in Florida, a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971-72 school year by the Florida State Department of Education indicates that over 34,000 out of a total of 139,908 handicapped children were not receiving an education designed to meet their needs. Projections done by the State Department of Education for the 1972-73 school year indicated little change from the 1971-72 school year. In considering this situation, it must be emphasized that law is presently in force mandating that all handicapped children be provided with a public education. Of importance also is that in the just concluded session of the legislature, this mandate was extended to include profoundly retarded children.

GEORGIA

At present, there are in Georgia a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Georgia Department of Education indicates that out of a total of 127,864 handicapped children, only 65,061, about half, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 11,000 handicapped would be served there would still be over 50,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Georgia mandating that all eligible handicapped children be provided with an education.

HAWAII

At present, there are in Hawaii a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Hawaii Department of Education indicates that only 9,106 handicapped children, out of a total of 19,590 children, less than half, were receiving an education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number of handicapped children to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that law is presently in force in Hawaii mandating that all eligible handicapped children be provided with an appropriate education. The educational dilemma facing Hawaii's handicapped children has been considered sufficiently serious to lead to the filing of a class action right to education lawsuit in Hawaii (*Kekahana* v. *Burns*, Civil No. 72–3799, D. Hawaii).

IDAHO

At present, there are in Idaho a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Idaho State Department of Education indicates that out of a total of 36,561 handicapped children, only 8,395 about a fifth, were receiving a public education designed to meet their needs. While projections done by the Department for the 1972–73 school year predicted that an additional 1700 children would be served, there still would be over 25,000 handicapped children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Idaho mandating that all handicapped children be provided with a public education.

ILLINOIS

At present, there are in Illinois a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Office of the Superintendent of Public Instruction indicates that 74,504 handicapped children, out of a total of 183,381 children, about 40 percent were not receiving a public education designed to meet their needs. In considering this situation, it must be emphasized that law is presently in force in Illinois mandating that all eligible handicapped children be provided with an appropriate education. Despite the large number of children still needing service, state appropriations for the education of the handicapped increased only $16.4 million from 1971–72 to $73.3 million for the 1973–74 school year.

INDIANA

At present, there are in Indiana a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Department of Public Instruction indicates that 58,492 handicapped children, out of a total of 145,091 children, were not receiving needed special education services. Projections done by the Department for the 1972–73 school year predicted that the total number of children to be served would be little different from the 1971–72 school year. In considering this situation, it must be emphasized that state law presently in force in Indiana mandates that an appropriate public education must be provided to all eligible handicapped children.

IOWA

At present, there are in Iowa a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Iowa Department of Public Instruction indicates that out of a total of 94,731 handicapped children, only 36,521, less than 40 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 7,000 handicapped would be served, there would still be over 50,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Iowa mandating that all eligible handicapped children be provided with an appropriate education. Despite the large number of children still needing service, state appropriations for the education of the handicapped increased only $3.7 million from 1971–72 to $7.2 million for the 1973–74 school year.

KANSAS

At present, there are in Kansas a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Kansas State Department of Education indicates that 26,853 handicapped children, out of a total of 54,566 children, about half were not receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 2,000 handicapped would be served, there would still be close to 25,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Kansas mandating that all eligible handicapped children be provided with an appropriate education by 1979. Despite the large number of children still needing service, state appropriations for the education of the handicapped increased only $2.4 million from 1971–72 to $6.1 million for the 1973–74 school year.

KENTUCKY

At present, there are in Kentucky a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the State Department of Education indicates that only 24,336 children out of a total of 78,386 handicapped children, less than a third, were receiving an education to meet their needs. Projections done by the Department for the 1972–73 school year suggest that close to 40,000 handicapped children, about half, would receive specially designed services. In considering this situation, it must be emphasized that law is presently in force in Kentucky which requires that all handicapped children be educated by September, 1974. The educational dilemma facing Kentucky's handicapped children and their families has been considered sufficiently serious to lead to the filing of a pending class action right to education lawsuit in the federal district court in Frankfort, *Kentucky Association for Retarded Children, et al.* v. *Kentucky State Board of Education* (Civil Action No. 435, E. D. Ky., filed Sept. 6, 1973).

LOUISIANA

At present, there are in Louisiana a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Louisiana State Department of Education indicates that out of a total of 122,344 handicapped children, only 45,056, less than 40 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 5,500 handicapped would be served, there would still be over 70,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Louisiana mandating that all eligible handicapped children be provided with an appropriate education. You will be interested to know that the educational dilemma facing Orleans Parish mentally retarded children and their families was considered sufficiently serious to lead to the filing of a successful class action right to education lawsuit, *Lebanks* v. *Spears*, (60 F.R.D. 155, E.D. La. 1973) on behalf of all the Parish's mentally retarded children. Despite the large number of children still needing service, state appropriations for the education of handicapped increased only $8 million from 1971–72 to $20 million for the 1973–74 school year.

MAINE

At present, there are in Maine a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Maine Department of Education and Cultural Services indicates that only 6,758 handicapped children, out of a total of 30,743 children, less than a fourth, were receiving an education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the 1971–72 level of service would be extended to only an additional 3,000 children still leaving about 20,000 handicapped children waiting for their opportunity to obtain a public school education. In considering this situation, it must be emphasized that law is presently in force in Maine mandating that appropriate educational services be provided to every eligible handicapped child. You should also know that the amount of state appropriations available for the education of the handicapped for the 1973–74 school year was $1.5 million, an increase of only $200,000 since the 1972–73 school year.

MARYLAND

At present, there are in Maryland a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Maryland Department of Education indicates that 57,380 handicapped children, out of a total of 123,639 children, close to half, were not receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number to be served would be little different than the 1971–72 school year level of service. In considering this situation, it must be emphasized that Maryland presently has law in force mandating that all eligible handicapped children must be provided with an appropriate public education by 1979. That date, however, has been set aside as a result of a decision in a class action right to education lawsuit, *Maryland Association for Retarded Children* v. *State of Maryland* (Equity No. 100/182/77676, Circuit Ct. Baltimore City, Maryland, May 3, 1974), in which the court proclaimed that all children have the right to an education which must be provided by September, 1975.

MASSACHUSETTS

At present, there are in Massachusetts, a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Department of Education indicates that 45,152 children out of a total of 108,612 handicapped, less than half, were receiving an education to meet their needs. Projections done by the Department for the 1972–73 school year suggested little change from the 1971–72 school year. In considering this situation, it must be emphasized that with the passage of Chapter 766, partially motivated by a class action right to education lawsuit, the Massachusetts legislature mandated that all handicapped children be educated by September, 1974. While state appropriations to implement the act have been increased to approximately $60 million, it has been estimated that an additional $40 to $50 million is still needed to achieve full compliance.

MICHIGAN

At present, there are in Michigan a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Michigan Department of Education indicates that 123,279 handicapped children, out of a total of 288,297 children, did not receive a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number of handicapped children that would receive services would be little different from the 1971–72 level of service. In considering this situation it must be emphasized that with the passage by the Michigan legislature of Public Act 198 in 1971, the state mandated that appropriate public education services must be provided to all handicapped children by September, 1973. The importance of this Act was emphasized by Judge Charles Joiner of the Eastern District of Michigan Federal District Court when he ruled in *Harrison* v. *State of Michigan* (350 F. Supp. 846, E.D. Mich. 1972) that "this law is a whole new attack on the problem of special education. For the first time, the legislature has directed in unequivocal terms the state and other educational districts to face up to the problem of providing educational programs and services designed to develop the maximum potential of every handicapped person."

MINNESOTA

At present, there are in Minnesota a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Minnesota Department of Education indicates that 52,242 handicapped children, out of a total of 122,665 children, were not receiving an education to meet their needs. More recent data, reported by the Department in March, 1974 for the 1973–74 school year, indicated that although substantial progress has been made, there are still over 17,000 children waiting for their opportunity to receive special education. In considering this situation, it is important to note that Minnesota law requires that these children be educated.

MISSISSIPPI

At present, there are in Mississippi a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Mississippi Department of Education indicates that out of a total of 116,066 handicapped children, only 16,587, less than 15 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that only about an additional 4,500 handicapped children would be served, leaving the vast majority of these children still waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Mississippi mandating that all eligible handicapped children be provided with an appropriate education. Despite the large number of children still needing service, state appropriations for the education of the handicapped totaled $7.1 million for 1973–74, an increase of only $1.7 million from 1972–73.

MISSOURI

At present, there are in Missouri a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Missouri Department of Elementary and Secondary Education indicates that only 65,110 handicapped children, out of a total of 221,578 children, less than a third, are receiving an education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that with the passage of H.R. 474, the Missouri legislature placed in force a mandate that all eligible handicapped children must be provided with an appropriate public education. The statute also provides that this level of service must be provided by September, 1974. Despite the large number of children still needing service, state appropriations for the education of handicapped children increased only $4.5 million from 1971–72 to $18.5 million for the 1973–74 school year. The educational dilemma facing Missouri's handicapped children has been considered sufficiently serious to lead to the filing of a class action right to education lawsuit, *Radley* v. *Missouri* (Civil No. 73C556 (3), E.D. Mo., November 1, 1973). The suit was dismissed in February, 1974 with the court holding that the presence of the statute rendered the issues moot in that the court could not improve on the implementation schedule or approach to the problem mandated by H.B. 474.

MONTANA

At present, there are in Montana a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Montana Office of Public Instruction indicates that out of a total of 23,480 handicapped children, only 5,358, less than a quarter, were receiving a public education designed to meet their needs. Projections done by the Office of Public Instruction for the 1972–73 school year predicted that only about an additional 3,000 would be served, still leaving 15,000 handicapped children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Montana mandating that all eligible handicapped children be provided with an appropriate education by 1979. Despite the large number of children still needing service, state appropriations for the education of the handicapped totaled $10.5 million for 1973–74, an increase of only $3.3 million from 1972–73.

NEBRASKA

At present, there are in Nebraska a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Nebraska Department of Education indicates that out of a total of 93,568 handicapped children, only 23,734, about a fourth, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 5,000 handicapped children would be served, there would still be about 65,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Nebraska mandating that all eligible handicapped children be provided with an appropriate education by 1976. Despite the large number of children still needing service, state appropriations for the education of the handicapped totaled $4.7 million for 1973–74, an increase of only $[illegible].1 million from 1971–72.

NEVADA

At present, there are in Nevada a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Nevada Department of Education indicates that out of a total of 13,640 handicapped children, only 6,300, about half, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number of handicapped children to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that law is presently in force in Navada mandating that all eligible handicapped children be provided with an appropriate education. The educational dilemma facing Nevada's handicapped children and their families has been considered sufficiently serious to lead to the filing of a pending class action right to education lawsuit, *Brandt* v. *Nevada* (Civil No. R–2779, D. Nev., Filed Dec. 22, 1972), on behalf of all of Nevada's handicapped children.

NEW HAMPSHIRE

At present, there are in New Hampshire a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the New Hampshire State Department of Education indicates that out of a total of 19,374 handicapped children, only 6,070, about 31 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 4,300 handicapped children would be served, there would still be about 9,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in New Hampshire mandating that all eligible handicapped children be provided with an appropriate education.

NEW JERSEY

At present, there are in New Jersey a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the New Jersey Department of Education indicates that 131,866 children, out of a total of 231,055 handicapped children, more than half, were not receiving an education to meet their needs. Projections done by the Department for the 1972–73 school year indicated that although another 50,000 children were expected to be served, there still remained about 80,000 handicapped children for whom special programs were not planned to be available. In considering this situation, it must be emphasized that law is presently in force in New Jersey mandating that all eligible handicapped children be provided with an appropriate public education.

NEW MEXICO

At present, there are in New Mexico a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the New Mexico Department of Education indicates that out of a total of 53,126 handicapped children, only 8,655, approximately 16 percent, were receiving a public education designed to meet there needs. Projections done by the Department for the 1972–73 school year predicted that only about an additional 1,500 children would be served, leaving over 40,000 handicapped children still waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in New Mexico mandating that all eligible handicapped children be provided with an appropriate education by 1977. Despite the large number of children still needing service, state appropriations for the education of the handicapped totaled $8 million for 1973–74, an incerase of only $3.5 million from 1971–72.

NEW YORK

At present, there are in New York a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Department of Education indicates that 151,592 handicapped children, out of a total of 372,811 children, were not receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that only about an additional 15,000 handicapped children would receive service leaving about 135,000 handicapped children still waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in New York mandating that all eligible handicapped children be provided with an appropriate public education. The intent and responsibility of the state has been reinforced by New York Education Commissioner Nyquist when he ordered New York City in *Reid* v. *Board of Education of the City of New York* (No. 8742, Commissioner of Education of New York, Nov. 26, 1973), a class action right to education suit, to provide publicly supported, suitable education programs for all handicapped children. The New York City public schools estimate that it will immediately cost them $60 million to implement the decision.

NORTH CAROLINA

At present, there are in North Carolina a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the North Carolina Department of Education indicates that out of a total of 172,580 handicapped children, only 73,739, less than half, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 10,000 handicapped would be served, there would still be about 90,000 children still waiting for their opportunity to receive a meaningful public education. In considering this situation. it must be emphasized that law is presently in force in North Carolina mandating that all eligible handicapped children be provided with an appropriate education. Specifically, the legislature in its last session adopted law that declared "that the policy of the state is to ensure every child a fair and full opportunity to reach his full potential. . . ." (CH 1293, 1973). The educational dilemma facing North Carolina's handicapped children and their families has been considered sufficiently serious to lead to the filing of a pending class action right to education lawsuit. *North Carolina Association for Retarded Children* v. *North Carolina* (Civil No. 3050, E.D.N.C. filed May 18, 1973), on behalf of all North Carolina's mentally retarded children. You should also know that the amount of state appropriations available for the education of the handicapped for the 1973–74 school year was $39 million, an increase of only $9 million since the 1971–72 school year.

NORTH DAKOTA

At present, there are in North Dakota a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the North Dakota Department of Public Instruction indicates that out of a total of 47,215 handicapped children, only 8,947, less than a fifth, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number of handicapped children to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that law is presently in force in North Dakota mandating that all eligible handicapped children be provided with an appropriate education by 1980. The educational dilemma facing North Dakota's handicapped children and their families has been considered sufficiently serious to lead to the filing of a pending class action right-to-education lawsuit, *North Dakota Association for Retarded Children* v. *Peterson* (Civil No. 1196, D.N.D., Filed Nov. 28, 1972), on behalf of all North Dakota's handicapped children. You should also know that in another recently concluded individual action the North Dakota Supreme Court held that the plaintiff physically handicapped child "is entitled to an equal educational opportunity under the constitution of North Dakota, and that depriving her of that opportuntly would be an unconstitutional denial of equal protection under the Federal and State constitutions and of the Due Process and Privileges and Immunities Clauses of the North Dakota Constitution," (*in the interest of G.H., a child* v. *G.H., B.H., F.H., Williston School District, et al.* (Civil No. 8930, N.D.S.C., April 30, 1974). Despite the large number of children still needing service, state appropriations for the education of the handicapped totaled $3 million for 1973–75 biennium, an increase of only $1.6 million from 1971–73 biennium.

OHIO

At present, there are in Ohio a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Ohio Department of Education indicates that out of a total of 335,898 handicapped children, slightly over half, 175,300 children were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that only an additional 16,000 handicapped children would be provided with a special education, leaving approximately 144,000 children waiting for their opportunity. It is clear that even though state appropriations have increased from $65.5 million in 1971–72 to $90.4 million for 1973–74, an increase of 38 percent, 45 percent of the handicapped children still remain unserved. The educational dilemma facing Ohio's handicapped children has been considered sufficiently serious to lead to the recent filing of a pending class action right-to-education lawsuit, *The Cuyahoga County Association for Retarded Children and Adults, et al.* v. *Martin Essex, et al.* (Civil Action No. C74–587 N.D. Ohio, filed June 28, 1974).

OKLAHOMA

At present, there are in Oklahoma a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Oklahoma State Department of Education indicates that out of a total of 144,586 handicapped children, only 23,746, about 16 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 10,000 handicapped children would be served, there would still be over 110,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Oklahoma mandating that all eligible handicapped children be provided with an appropriate education.

OREGON

At present, there are in Oregon a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Oregon Board of Education indicates that 26,274 handicapped children, out of a total of 48,044 children, were not receiving a public education designed to meet their needs. Projections done by the Board for the 1972–73 school year predicted that while an additional 3,500 handicapped children would be served there would still be over 18,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Oregon mandating that all eligible handicapped children be provided with an appropriate education.

PENNSYLVANIA

At present, there are in Pennsylvania a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Pennsylvania Department of Education indicates that 108,619 handicapped children out of a total of 265,449 children were not receiving a public education designed to meet their needs. Statistics produced by the Department based on December, 1972 enrollments were that despite service expansion to an additional 60,000 children since the 1971–72 school year, there still remain close to 50,000 handicapped children who are waiting for their opportunity to receive a public education. In considering this situation, it must be emphasized that law is presently in force in Pennsylvania mandating that appropriate education services be provided to every eligible handicapped child. This mandate was specifically reinforced for all mentally retarded children by the landmark right-to-education order achieved in the class action *PARC* v. *Commonwealth of Pennsylvania* (334 F. Supp. 1257, E.D. Pennsylvania 1971 and 343 F. Supp. E.D. Pennsylvania 1972) lawsuit.

RHODE ISLAND

At present, there are in Rhode Island a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Rhode Island Department of Education indicates that only 13,475 handicapped children, out of a total of 39,475 children, about a third, were receiving an education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that only about 6,000 additional handicapped children would receive the educational services they need, leaving about 20,000 handicapped children still waiting for their opportunity to receive a public education. In considering this situation, it must be emphasized that law is presently in force in Rhode Island mandating that appropriate educational services be provided to every eligible handicapped child. The educational dilemma facing Rhode Island's handicapped children and their families has been considered sufficiently serious to lead to the filing of a pending class action right to education lawsuit, *Rhode Island Society for Autistic Children* v. *Reisman*, (C.A. No. 5081, D.R.I., Filed Dec., 1972) on behalf of all Rhode Island's handicapped children by the Rhode Island Society for Autistic Children.

SOUTH CAROLINA

At present, there are in South Carolina a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the South Carolina State Department of Education indicates that out of a total of 106,505 handicapped children, only 38,275, about 36 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that while an additional 15,275 handicapped children would be served there would still be over 50,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in South Carolina mandating that all eligible handicapped children be provided with an appropriate education by 1977. Despite the large number of children still needing service, state appropriations for the education of the handicapped totaled $16.5 million for 1973–74, an increase of only $6.5 million from 1971–72.

SOUTH DAKOTA

At present, there are in South Dakota, a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the South Dakota Department of Public Instruction indicates that out of a total of 17,795 handicapped children, only 4,414, about one-fourth, were receiving public education designed to meet their needs. While projections done by the Department for the 1972–73 school year predicted that an additional 7,500 children would be served there would still be over 5,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in South Dakota mandating that all handicapped children be provided with a public education.

TENNESSEE

At present, there are in Tennessee a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Tennessee State Department of Education indicates that out of a total of 131,903 handicapped children, only 49,173, less than 40 percent, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number of handicapped children to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that law is presently in force in Tennessee mandating that all eligible handicapped children be provided with an appropriate education as of September, 1974. The educational dilemma facing Tennessee's handicapped children and their families has been considered sufficiently serious to lead to the filing of a class action right to education lawsuit, *Rainey* v. *Tennessee Department of Education* (No. A-3100 Chancery Court of Davidson County, Tenn., Filed Nov. 6, 1973), on behalf of all of Tennessee's handicapped children. The suit was concluded in July, 1974 with a consent order that again requires that all eligible handicapped children be provided with an appropriate education.

TEXAS

At present, there are in Texas a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Texas Education Agency indicates that out of a total of 777,731 handicapped children, only 175,662, less than a fourth, were receiving a public education designed to meet their needs. Projections done by the Agency for the 1972–73 school year predicted that while an additional 21,000 handicapped would be served there would still be over 580,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Texas mandating that all eligible handicapped children be provided with an appropriate education.

UTAH

At present, there are in Utah a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Utah State Department of Public Instruction indicated that 17,100 handicapped children, out of a total of 44,179 children, were not receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number of handicapped children to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that law is presently in force in Utah mandating that all eligible handicapped children be provided with an appropriate education.

VERMONT

At present, there are in Vermont a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Vermont Department of Education indicates that only 4,612 handicapped children, out of a total of 20,631 children, less than a fourth, were receiving an education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that law is presently in force in Vermont mandating that appropriate educational services be provided to every eligible handicapped child.

VIRGINIA

At present, there are in Virginia a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Virginia State Department of Education indicates that out of a total of 146,748 handicapped children, only 44,768, about 30 percent, were receiving a public education designed to meet their needs. Projections done by the Department of the 1972–73 school year predicted that while an additional 3,000 handicapped would be served, there would still be about 98,000 children waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Virginia mandating that all eligible handicapped children be provided with an appropriate education. A target date for compliance by 1976–77 has been established by the Department through regulations. Despite the large number of children still needing service, state appropriations for the education of the handicapped increased by $4 million from 1971–72 to $12.6 million for the 1973–74 school year.

WASHINGTON

At present, there are in Washington many handicapped children who are not receiving an appropriate public education. Data collected by the Department of Public Instruction indicates that 10,702 handicapped children, which includes the learning disabled category of exceptionality, are presently unserved and for whom the Department desires to serve with an appropriate education during the 1975–77 biennium. There are, in addition, another 12,000 unserved learning disabled handicapped children for whom the state plans to provide programs after the 1975–77 biennium. In order to provide children the services required and planned for the 1975–77 biennium, an additional 36 million dollars is needed, excluding any inflationary factors. While the state has continued to expand services, additional funds are not expected to surpass 16 million dollars and may, in fact, fall short of expectations. Therefore, funding will fall at least 20 million dollars short of the level required to implement the state's plan. In considering this situation it must be emphasized that law is presently in force in the state of Washington which mandates that all handicapped children be provided with an appropriate education.

WEST VIRGINIA

At present, there are in West Virginia a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the West Virginia Department of Education indicates that only 15,161 handicapped children, out of a total of 80,561 children, less than a fifth, were receiving an education designed to meet their needs, Projections done by the Department for the 1972–73 school year predicted that the total number to be served would be little different from the 1971–72 level of service. In considering this situation, it must be emphasized that with the passage by the state legislature of H.B. 1271, West Virginia has mandated that appropriate public education must be provided to all eligible handicapped children, The legislature also by this Act ordered compliance with the mandate in September of this school year.

WISCONSIN

At present, there are in Wisconsin, a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Department of Public Instruction indicates that only 66,230 children out of a total of 155,813 handicapped children, considerably less than half, were receiving an education to meet their needs. Statistics for the 1972–73 school year show that the total number to be served is 55 percent, little different from the 1971–72 level of service. In considering this situation, it must be emphasized that with the passage by the legislature of Chapter 89, Wisconsin has mandated that appropriate public education must be provided to all eligible handicapped children. This mandate requiring that these services must be made available beginning with the 1974–75 school year was reinforced and cited in a District Court decision in *Panitch* v. *Wisconsin* (No. 72–C–461 D. Wis.), a class action right to education lawsuit.

WYOMING

At present, there are in Wyoming a great many handicapped children who are not receiving an appropriate public education. Data collected for the 1971–72 school year by the Wyoming State Department of Education indicates that out of a total of 18,475 handicapped children, only 5,665, less than a third, were receiving a public education designed to meet their needs. Projections done by the Department for the 1972–73 school year predicted that the total number of handicapped children to be served would be little different from the 1971–72 level of services and that over 12,000 handicapped children would still be waiting for their opportunity to receive a meaningful public education. In considering this situation, it must be emphasized that law is presently in force in Wyoming mandating that all eligible handicapped children be provided with an appropriate education.

Mr. WILLIAMS. These figures have far reaching implications. Failure to provide appropriate educational services for all handicapped children results in public agencies and taxpayers spending billions of dollars over the lifetime of these individuals to maintain them as dependents in minimally acceptable lifestyles. Yet, providing appropriate educational services now means that many of these individuals will be able to become a contributing part of our society, and they will not have to depend on subsistence payments from public funds. The time, I hope, has come when we look no longer upon persons with disabilities as charitable objects, unable to make significant contributions. Action on this legislation will establish a public policy which will break the chain of ignorance once and for all.

S. 6 has been designed to provide greater assistance to States to assist in educating all handicapped children. However, its primary intent is to bolster the rights of handicapped children and their parents to assure that the right to education is firmly established. The provisions of the bill set up a series of orderly mechanisms for accomplishing this vital objective.

S. 6 extends the existing entitlement formula for payments to States under the Education of the Handicapped Act for one additional fiscal year through fiscal year 1976, and thereafter it establishes a new entitlement formula for payments to States for fiscal years 1977 through 1979. This new formula provides that a State is entitled to $300 for each handicapped child, aged 3 to 21, who is receiving special education and related services in the State.

However, each State in any fiscal year will be assured at least a minimum base payment equal to the amount it received in the prior fiscal year. As a limitation to assure that States do not arbitrarily designate children as being handicapped in order to become eligible for more Federal funds, no State may count more handicapped children than a number equal to 10 percent of the total population of children in the State aged 3 to 21. And to assure the accuracy of this data, the Commissioner of Education is directed to obtain a certification of the actual number of handicapped children receiving an education within the State.

The bill also replaces present State plan provisions with requirements for eligibility and an annual application.

These eligibility and application provisions are designed to follow through on the planning requirements of the education amendments of 1974, thus assuring actual delivery of services to handicapped children. Thus these provisions reinforce the right to education for handicapped children by establishing a date by which handicapped children and their parents will be assured that they in fact will be able to receive special education and related services and by setting up a process by which State and local educational agencies may be held accountable for providing educational services for all handicapped children.

In this regard, a State, in order to be eligible for funding, must have a "right to education" policy for all handicapped children. Further, they are required to make available a free appropriate public education to all handicapped children aged 3 to 18 by September 1, 1978, and to all handicapped children aged 3 to 21 by September 1, 1980. In order to assure that this goal is accomplished, the State must establish priorities assuring that these timetables are met first with respect to handicapped children not receiving an education and second with respect to handicapped children with the most severe handicaps who are receiving an inadequate education.

In 1970, the U.S. Office of Education declared a goal of providing full educational opportunity to all handicapped children by 1980. At the present time, according to their statistics, we are reaching only 50 percent of this population. The increased percentage of children served has grown very slowly, despite court decisions and State mandatory laws. Last month, under provisions adopted by the Congress last year, 46 States submitted information to the Office of Education indicating that they would provide full educational services to all handicapped children, aged birth to 21 by 1980. And 31 of these States indicated that they would meet this goal substantially earlier than 1980.

The timetables and priorities for service in the committee bill have been adopted to assure that the States will in fact meet this goal. While the committee has adopted a flexible timetable, it believes that the Congress has a responsibility under the Constitution to assure equal protection of the laws and to see that all persons are assured equal opportunity. For handicapped children this means, at the very least, that they must be educated. The Congress has committed itself through provisions adopted last year to provide substantially greater funding to assist States in providing educational services for handicapped children. These funds must be focused in such a way that we are assured that handicapped children are provided their right to education.

With respect to handicapped children aged 3 to 5 and aged 18 to 21 inclusive, the committee bill provides that the requirements of the timetable shall not be applied in any State if the application of such requirement would be inconsistent with State law or practice or the order of any court, respecting public education within such age groups in the State. The committee has adopted this exception for the preschool and postschool age grouping for those States where such a requirement is inconsistent with their own State laws. As the additional views of committee members in the committee report state, there was disagreement within the committee over the adoption of such an exception. I personally agree with those members that preschool education is very important—for handicapped children preschool is perhaps the most important educational experience of their lives. Nonetheless, the committee has adopted this exemption for States which will apply in the following specific circumstances:

Where State law does not authorize or expressly prohibits expenditure of public funds to provide such an education,

Where a State does not in fact provide for a public education to handicapped children in such age groups,

Where a State's education program for handicapped children is governed by a court order, the terms of which are inconsistent with this requirement.

However, the exception does not apply:

Where the State assures or provides an education to nonhandicapped children in these age groups,

Where a State does now in fact provide or assure an education to handicapped children within these age groups.

In order to involve the parent and the child—when appropriate—in the educational process so that they may fully participate in making decisions regarding their child's education, S. 6 provides for an individualized planning conference, to be held at least three times a year, involving the parents or guardian, a person representing the local educational agency qualified to provide special education, the child's teacher and the child, when appropriate. These persons will meet jointly to develop and review a written statement describing the educational services to be provided for the particular child and, when appropriate, the statement will be revised with the agreement of the parents.

This conference is intended also to serve as a method of providing additional parent counseling and training so that the parent may bolster the educational process at home. This involvement is particularly important in order to assure that the educational services are meeting the child's needs and so that both parent and child may be part of the process from which they are so often far removed. The conference is not a contractual relationship, but rather a cooperative effort. It serves to fully extend the procedural protections and parent involvement which was initiated last year in the Education Amendments of 1974.

In order to assure an improved process for accountability within the States the committee bill rests final responsibility within the State educational agency for assuring that all handicapped children within the State receive a free appropriate public education. The State educational agency is further responsible for assuring that funds for the education of handicapped children under other Federal laws will be utilized in a way which is consistent with the priorities under this act, but which shall not limit the requirements of other Federal laws.

To further assure accountability, S. 6 requires that the State establish, or has established an entity for insuring compliance with the provisions of the act. This entity will conduct periodic evaluations within the State to determine whether State and local educational agencies are in compliance. It will be empowered to receive complaints from individuals with respect to alleged violations of the act and to conduct hearings with regard to such complaints. And finally, it will make determinations as to whether such a violation has occurred. If the entity determines that such a violation has occurred, it is required to notify the State educational agency and appropriate local educational agencies and to take steps to assure that the violations are corrected. If after a reasonable period of time adequate steps are not taken to correct these violations, the entity is to notify the Commissioner of Education who shall take appropriate action under his authority to withhold funds.

The committee has included this requirement in order to provide an additional mechanism for overseeing implementation of the provisions of the act. Rather than establish a new Federal mechanism, the committee has established a flexible State mechanism which is in line with State responsibilities for implementation of this program. It is our belief that the combination of flexibility and State responsibility contained within this provision will both assist States in carrying out their responsibilities and protect the basic rights of handicapped children.

With regard to the membership on this body, the committee bill requires that half of the members must be handicapped individuals or parents or guardians of handicapped children and that all members must be qualified by training or experience to carry out the duties assigned. The committee stresses that parents and other advocates for handicapped children have the experience to be members of this entity and that it does not intend that professionals—educators, legal, administrative or other—are to be the only members of the entity.

The bill provides that an annual application be submitted which describes the policies and procedures for expenditure of funds under the act—including the expenditure of funds under other Federal programs which provide assistance for the education of handicapped children—and for inservice training of personnel. With regard to inservice training the committee has provided that funds may be used from the State administrative set-aside or, if such training is in line with the requirement for priorities and timetables under the bill, from nonadministrative funds.

This provision specifies how the funds under part B shall be distributed within the State; 40 percent shall be distributed to local educational agencies within the State in direct proportion to the number of handicapped children who are in need of—receiving and requiring, but not receiving—a free appropriate public education. The remaining 60 percent of such funds shall be distributed in a manner which is consistent with priorities for providing a free appropriate public education, first with respect to handicapped children who are not receiving an education and, second, with respect to handicapped children with the most severe handicaps who are receiving an inadequate education.

S. 6 also includes provisions designed to strengthen the administration and evaluation process provided by the Office of Education. It requires the Commissioner to assure certification of the actual number of handicapped children receiving an education in each State and to carry out evaluations of the effectiveness of programs funded under the act.

Finally, the committee bill provides that all recipients of funds under the Education of the Handicapped Act shall take affirmative action to employ and advance in employment qualified handicapped individuals and to make grants to State and local educational agencies for the removal of architectural barriers.

Mr. President, Senators Stafford, Javits, Schweiker, Kennedy, and Hathaway have filed additional views concerning services to preschool handicapped children. S. 6 originally required that educational services be provided for all handicapped children ages 3 through 21. Action taken by the Committee on Labor and Public Welfare added an exception with respect to handicapped children aged 3 to 5 and aged 18 to 21, inclusive. The committee bill therefore does not require these children to be served according to the timetable if the application of such requirement would be inconsistent with State law or practice or the order of any court, respecting public education within such age groups in the State.

I supported a motion to maintain the timetables for all handicapped children ages 3 to 21. I am a firm believer in providing services at the earliest possible age for those children who will clearly benefit from this intervention. The Bureau of Education for the handicapped has documented that, especially with respect to children who are most severely handicapped—that is, persons who are deaf, blind, deaf-blind, severely or profoundly mentally retarded, severely physically handicapped—the earlier educational services are provided the greater the results. Testimony on this point was presented by a coalition of persons who themselves are disabled. They further supported the strong need to maintain the provision to require that services be provided to handicapped children ages 3 through 21. There are at least 35 States which presently provide services to handicapped children under 6 years of age. It is my hope that those not providing services to preschool youngsters will carefully review the excellent results of preschool programs in many States, and that they will begin to develop such programs.

Mr. RANDOLPH. Mr. President, I wish to supplement what the chairman of the Committee on Labor and Public Welfare has said in reference to the continuing, constructive work of some staff members within the structure of the committee and of the subcommittee, and also, the members of the committee through their own individual staffs.

This work is very detailed work. It was sometimes a very difficult assignment. But we are fortunate, Mr. President, in having staff persons who are knowledgeable, who are cooperative and have but the one mission: That is, to help handicapped persons through the work of the Subcommittee on the Handicapped and help, through the committee as a whole, the public welfare.

I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may yield to the Senator from Washington for the business he has on this bill and then resume the floor when he was finished.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. I call up an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 33, after line 24, insert the following:

(e) For the purpose of the amendments made by this section the term "fiscal year 1976" includes the period from July 1, 1976 through September 30, 1976.

On page 43, line 15, strike out "July 1" and insert in lieu thereof "October 1".

On page 67, line 24, strike out "July 1" and insert in lieu thereof "October 1".

On page 68, line 9, after the word "date" insert a comma and the following: "but not later than July 1, 1976,".

Mr. MAGNUSON. Mr. President, I ask the Senator from West Virginia if the amendment I have suggested may be included in the bill. I think that has been discussed with the staffs. There is a time element involved.

Mr. RANDOLPH. Mr. President, I say to the Senator that both the majority and minority members of the subcommittee and the committee realize the validity of his position as expressed by the pending amendment. Because of the correspondence that I have had from Senator Magnuson, I am aware of the interest in his own State of Washington concerning the necessity for the time change from July 1 to October 1.

Mr. MAGNUSON. I thank the Senator.

Mr. President, I ask unanimous consent to have printed in the Record my letter to the distinguished chairman (Mr. Randolph) on this matter, which explains it.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., June 12, 1975.

Hon. Jennings Randolph,
Chairman, Subcommittee on the Handicapped, U.S. Senate, Washington, D.C.

Dear Jennings: In reference to S-6, the Education for All Handicapped Children Act, my staff have been discussing with Pat Forsythe and members of your Subcommittee staff some questions that were raised by Dr. Frank Brouillet, the superintendent of Public Instruction in my state.

I believe that most of those questions have been resolved, except one that relates to the effective date of the Act and the issuance of necessary rules and regulations. As we often find in such programs, those in the field are most anxious to have not only input into the rulemaking process, but ample time for implementation. It is my understanding that a change in effective date of the Act to mesh with the new Fiscal Year which will be established next year (October 1, 1976) will facilitate this need for advance planning.

The assistance of your staff people in consulting with me and working with our educational officials out home is most appreciated, and I want to express my thanks.

With kindest regards, I remain

Sincerely,

Warren G. Magnuson.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I urge my colleagues to support S. 6, the Education for All Handicapped Children Act. This measure will provide assistance to the States which will further enable our Nation's handicapped citizens to share more fully the benefits and responsibilities of our society.

Education historically has been one of the building blocks upon which this Nation's strength is based Unfortunately, all too often, our handicapped citizens have been denied the opportunity to receive an adequate education. The Bureau of Education for the Handicapped estimates that in 1974–75 only 50 percent of the Nation's handicapped children received proper education services. Statistics for the 1972–73 school year show that in New York State, only 60 percent of all handicapped children were served in special education programs.

The committee report on S. 6 points out:

> The long range implications of these statistics are that public agencies and taxpayers will spend billions of dollars over the lifetimes of these individuals to maintain such persons as dependents and in a minimally acceptable lifestyle. With proper education services, many would be able to become productive citizens, contributing to society instead of being forced to remain burdens. Others, through such services, would increase their independence, thus reducing their dependence on society.

S. 6 effectively addresses these issues. First, it extends and strengthens Federal financial assistance to the States for the education of handicapped children. Second, it provides the necessary priorities and time-frames to encourage the States to provide appropriate public education to handicapped children.

Mr. President, while the responsibility for the education of children has historically rested with the States, it is also the responsibility of the Federal Government to assist the States when they are unable to provide necessary educational services. Education for children is clearly an area which deserves continued and expanded Federal assistance. Congress recently provided such additional assistance by strengthening Part B of the Education of the Handicapped Act in a provision of Public Law 93–380 known as the Mathias amendment.

The Mathias amendment authorizes $666 million to be distributed to the States for the education of handicapped children; $100 million for fiscal 1975 was appropriated. S. 6 extends the Mathias provisions for 1 more year, then alters the grant formula to reflect the number of handicapped children served, rather than the total number of school-age children in a State.

Additional requirements mandated by S. 6 include:

First. A requirement that each State establish a compliance entity to review and evaluate the provision of educational services to handicapped children. Where the entity determines there is a failure to comply, it is directed to seek corrective action through the appropriate State and local educational agencies. If adequate corrective action is not taken, the entity is directed to report the situation to the Commissioner of Education for his review.

Second. A requirement that an "individualized planning conference" be held to develop, with the teacher, parent, and a representative of the local educational agency, a statement of the services appropriate for the child. Such a meeting must be held at least two more times each year to review and, if necessary, revise the statement.

Mr. President, there are two further issues which I feel are vital, yet perhaps are somewhat misunderstood. First is the importance of preschool education and services for handicapped children, and second is the manner in which such services may be provided.

Senators Stafford, Schweiker, Kennedy, Hathaway, and myself noted in additional views to the report filed on S. 6, that handicapped children, while entitled to the same opportunity to an education as all other children, are nevertheless, a unique group. We further state:

> We are cognizant of the concern of the States regarding their financial capacity to provide full educational services to this group of children. Nevertheless, we feel that it is imperative to point out that the benefits of early identification and education, both in terms of prevention of further human tragedy, and in the long-term cost effectiveness of tax dollars, are so great as to justify continued emphasis upon preschool education for handicapped children.

In order to address this concern—a concern I am sure many others share—Senators Kennedy, Stafford, Mondale, Schweiker, Hathaway, and myself are cosponsoring an amendment which will authorize additional financial assistance for States which provide services to handicapped children age 3 to 5. I urge that this amendment be adopted by the Senate. It represents a wise balance between the immediate budgetary constraints under which State educational systems operate, and the long-term benefits to be gained by the earliest possible service to these handicapped children.

It is anticipated that in most instances, educational services to children age 3 to 5 will be provided by the State or local educational agencies. However, S. 6 permits the use of day-care centers or other similar programs to provide such preschool services when such arrangements will more effectively meet the needs of preschool children.

There has been expressed some concern that the proposed regulations for the implementation of title XX of the Social Security Act—social service program for individuals and families—will render centers providing education services for an LEA ineligible to receive title XX funding.

It is my understanding that such a center would become ineligible only with respect to title XX money for services that duplicate those provided handicapped children pursuant to the requirements of S. 6. Thus, a center providing educational services to preschool children under S. 6 would retain its eligibility for funding of other services provided pursuant to title XX.

Mr. President, as ranking minority member, I would like to express my appreciation to Senator Harrison A. Williams, the chairman of the Labor and Public Welfare Committee, Senator Jennings Randolph, the chairman of the Handicapped Subcommittee, and Senator Robert T. Stafford, the ranking minority member of that subcommittee, for their tireless efforts on behalf of handicapped children. S. 6 reflects a firmly held conviction that Government must be sensitive and responsive to the needs of our handicapped citizens. I commend this measure to my colleagues and urge its favorable consideration.

Mr. President, I join with Senator Williams in the general approval of the bill.

We will have some amendments. There will be an amendment by Senator Dole, which I was going to offer myself, but I am delighted to yield to him, dealing with the State compliance entity, the extent of its authority, and a reduction of the hearing requirements which may be imposed upon that entity.

As previously noted, there will also be an amendment by Senator Kennedy, of Massachusetts, for a number of us, including myself, relating to the substance of the bill which, I think, we will find satisfactory.

There will be one by Senator Stone which, I am sure, will be discussed here, dealing with the passthrough language of the bill. There may be others.

The important thing, first, is to commend the Senator from West Virginia (Mr. Randolph) and the Senator from Vermont (Mr. Stafford) who is, as I am on the full committee, the ranking member of the Subcommittee on the Handicapped. I also commend the staffs, and the other members who have been referred to by Senator Williams. I wish to add one member, the Senator from Maryland (Mr. Mathias), who was essentially for a continuance of the present measure but deferred to the expertise of my colleagues, especially Senators Stafford and Randolph, and to the feeling of the committee. He is not pressing that matter now, in a very statesmanlike way. I wish to pay my tribute to him.

Now, the important thing which I hope the Senate will have in mind as it deals with this bill is that right now we have about 7 million handicapped children and young people in the country, and only an estimated 3 million of these are being served by any special education program.

Even in my own State of New York, which is in many ways far ahead—because of its established traditions in this and other fields and because it is a State which has more resources than many other States—only 60 percent of all handicapped children are estimated to have been served in special education programs.

This is a grave deficiency for our country. It has been recognized by this bill, and a real effort is being made to come abreast of that situation.

We are dealing here, I might add also, with substantive resources to the country. We often make forensic references to the fact that the greatest resource we have is our youth. Well, the handicapped youth, so numerous in the country—7 million—have minds and ambitions, too. One of them became President of the United States and remained President for an unprecedented four terms. There have been other highly significant examples, although we do not need any better example than that of F. D. R., Sr., as to overcoming a handicap.

That is what this is all about. So I do not think the fact that there is a $2.1 billion authorized price tag on this bill should deter us because we are dealing with an indispensable, our greatest, resource—greater than coal, oil, iron ore, corn, or soybeans and wheat—our children.

Yet when it comes to doing something about it we back away. Though the price tag may look high, I hope the Senate will keep that in mind as it acts on this bill.

There is on everybody's desk, distributed by the Republican leadership—as is quite proper, because it is our duty to advance the views of the Executive—a memorandum which comes from the Office of the Secretary of HEW in opposition to certain aspects of this bill.

As I am the ranking member on the Republican side, Mr. President, and I am very much for this bill and identified with it, I would like to briefly answer that memorandum. I think it is only fitting and proper that I should do so.

It is pointed out that this program has grown from 1964, when we were spending only $20 million a year for the blind and the deaf, to a level of more than $338 million in fiscal 1976. Mr. President, all that does is to show that we were asleep for years, and that that was an unmet need which deserves to be met; and that however remotely we are meeting it we are still doing a lot better than we did before.

In addition, that $338 million figure vitiates the very next argument which is that the authorization figure of $2.1 billion is too high. Well, that $2.1 billion is arrived at, Mr. President, by multiplying a bare minimum cost of the special education for a handicapped child, which is estimated across-the-board on the average at $300 a year, by the 7 million handicapped children who need such services. That is our job in authorization. We may not reach it for fiscal or other reasons, but that is the true and honest aspiration which we have a right to say should be authorized; hopefully, we can afford that or somewhere within the ball park of that.

Again, I point out, Mr. President, that we have only appropriated $100 million under the present law, part B of the Education of the Handicapped Act, which authorizes $666 million yearly.

Mr. President, this shows our lack of the right priorities and our deficiencies. If our deficiencies financially compel us to reduce the appropriations figure per annum from the authorized $700 million to somewhere between $100 million and $700 million, it should properly be for reasons quite different from the need, which is what we recognized in the authorization.

Objection is taken to the fact that the bill requires that every State agree to provide "free appropriate public education" to all handicapped children aged 3 to 21 by September 1, 1980, notwithstanding the fact that 37 of the 50 States have compulsory attendance laws which extend to a maximum of 16 years of age.

But, Mr. President, again we are recognizing the universe of need. In the case of the handicapped, it is the considered and professional judgment of the committee that children between the ages of 3 and 21 should be covered.

In addition, we have lots of time until 1980, Mr. President, if that is found to be an unfeasible or inadvisable standard, to change it. It is no grave burden on anybody to tell a State what it ought to assure and plan for in the interim. So I do not consider that objection to well taken.

Then objection is taken to the dynamics by which the local educational agencies handle a three-times-a-year planning conference for each handicapped child, and a written record. I do not think there can be any objection against maintaining a written record. We do that for every student anyhow.

As to the three-times-a-year conference, I believe we ought to think about that. That is a lot. It is 21 million conferences, as they say in this memorandum. If there is any amendment addressing this issue, we will deal with it, and if there is not, we will probably deal with it anyhow in the House-Senate conference.

As to the general requirements of the State entity, the amendment which Senator DOLE will introduce, in which I very much wish to join, will deal with that situation, so I hope it should obviate reasonable objection to that proposition.

Mr. President, that answers the primary points raised by this memorandum. I do not see anything in the memorandum which should inhibit the passage by the Senate of this bill today. So I commend this measure to my colleagues and urge upon them its favorable consideration.

May I say before I yield the floor that as the ranking Member, I am greatly indebted to Senator STAFFORD for picking up, as he has in this case, his full share of the burden of responsibility in respect to this bill, as the subcommittee's ranking member.

Mr. STAFFORD. Mr. President, I express my appreciation to the distinguished senior Senator from New York for his very gracious words as well as his lucid description of parts of the bill and the responses to administration positions and the amendments which may be offered.

At this point, Mr. President, I am prepared to offer an amendment to the bill. I have an amendment at the desk which I ask be called up for immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STAFFORD. Mr. President, I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 57, line 6, strike out "617" and insert in lieu thereof "618".

On page 57, line 17, strike out "618" and insert in lieu thereof "619".

On page 60, between lines 4 and 5, insert the following new section:

" 'INCENTIVE GRANTS

" 'SEC. 617. (a) The Commissioner shall make a grant to any State which—

" '(1) has met the eligibility requirements of section 614,

" '(2) has an application approved under section 615, and

" '(3) provides educational and related services to handicapped children aged three to five, inclusive, who are counted for the purposes of section 612(b) (1) (A).

The amount of the grant for each fiscal year to which a State is entitled under this section shall be $300 for each such child in that State.

" '(b) Each State which—

" '(1) has met the eligibility requirements of section 614,

" '(2) has an application approved under section 615, and

" '(3) desires to receive a grant under this section shall make an application to the Commissioner at such time, in such manner, and containing or accompanied by such information, as the Commissioner may reasonably require.

" '(c) The Commissioner shall pay to each State having an application approved under subsection (b) of this section the amount to which the State is entitled under this section, which amount shall be used for the purpose of providing the services specified in clause (3) of subsection (a) of this section.

" '(d) In addition to the sums necessary to pay the entitlements under section 612, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.' "

On page 60, line 6, strike out "617" and insert in lieu thereof "618".

On page 62, line 10, strike out "618" and insert in lieu thereof "619".

On page 65, line 20, strike out "619" and insert in lieu thereof "620".

Mr. STAFFORD. Mr. President, this amendment which I offer on behalf of Senator KENNEDY, Senator MONDALE, Senator JAVITS, Senator CRANSTON, Senator SCHWEIKER, Senator HATHAWAY, as well as myself, has been taken up with the managers of the bill. I believe the amendment is acceptable to them.

As I stated earlier, Mr. President, in remarks on the entire bill, I feel very strongly about the early identification and service to handicapped children, especially those children between the ages of 3 and 5.

The incentive grants which are the subject of the amendment which I have offered for the other Senators and myself would supply incentive grants to those States in the amount of $300 per child which are currently providing educational services to children in the 3 to 6 age group. We hope that the fact that such grants are available will be an incentive to other States which are now not serving children in this age group to undertake to serve them in the future.

It is for that purpose, Mr. President, that I have offered the amendment for myself and the Senators named.

As I said, Mr. President, it has been discussed with the managers of the bill and I am hopeful that they will accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont.

Mr. RANDOLPH. Mr. President, the Senator from Vermont has discussed this amendment with Senator Williams and with others on our subcommittee and committee, and we are very agreeable to meeting the request of the Senator from Vermont and the Senator from Massachusetts (Mr. Kennedy) in this instance. We accept the amendment.

Mr. JAVITS. Mr. President, I am a cosponsor of the amendment and I am very grateful to Senator Randolph for accepting it. It is certainly acceptable to me on this side, and I would like to have in the Record an estimate which Senator Stafford has of the money cost if every State took advantage of it. I would ask to have that in the Record.

Mr. STAFFORD. Mr. President, in response to the inquiry of my distinguished colleague from New York, the best estimate that we have, assuming all of the States now not supplying services to children in the 3 to 5 age bracket should undertake to do so, the cost annually would run, we estimate, something around $200 million a year.

Mr. JAVITS. Mr. President, the amendment is entirely satisfactory.

Mr. BELLMON. Will the Senator yield?

Mr. STAFFORD. Certainly.

Mr. BELLMON. Mr. President, I would like to ask some questions about the future implications of the bill, perhaps not related just to this amendment, would it be in order to reach these questions now?

Mr. STAFFORD. Mr. President, might I suggest to the distinguished Senator from Oklahoma that we act on the amendment first and that then he may direct his inquiries to the managers of the bill on the cost of the entire program if this amendment is adopted.

Mr. RANDOLPH. The Senator is speaking of the amendment he just indicated?

Mr. STAFFORD. Yes.

Mr. RANDOLPH. Mr. President, the committee adopted an amendment which had the effect of allowing the States to serve handicapped children aged 3 to 5 if it would be consistent with State law or practice or the order of a court; it would not force the States to serve these preschool children.

As I have indicated, I am glad to accept the amendment and we can carry it to conference, so I have no objection.

Mr. STAFFORD. Mr. President, I appreciate what the distinguished Senator said, and I am prepared to move the amendment at this time.

Mr. WILLIAMS. Mr. President, the amendment offered by the Senator from Vermont would create incentive payments which would be made to States for extending educational services to handicapped children aged 3 to 5, inclusive. I believe that this is a very important amendment which will encourage States to begin providing services to such children where they are not already doing so.

Mr. KENNEDY. Mr. President, I am pleased to join with Senator Stafford in offering an amendment to S. 6, the Education of All Handicapped Children Act, which provides bonuses to those States serving handicapped children aged 3 to 5 years old.

The bonus of $300 per child is in addition to the allocation of $300 for each child aged 3 to 5 served by a State under section 612 of S. 6, giving each State serving children within that age group $600 per child. The amendment does not, however, broaden the 10 percent limit placed on the number of children to be counted for entitlement. The bonus would apply to all children in that age group being served by the State in public and private schools and could include such organizations as Head Start and day care centers.

The intent of this amendment is to encourage those States serving children aged 3 to 5 to continue their programs and to serve as an incentive to other States to begin programs for the early ages. This amendment carries out the original purpose of S. 6 mandating services to children ages 3 to 5. Because S. 6 no longer includes that mandate, I hope that through this amendment emphasis can once again be placed on services to the very young.

Diagnosis, testing, evaluation, and the proper educational methods must be provided at an early age in order to prevent mislabeling and the placement of handicapped children in curriculums which hinder rather than assist their development. If we do not detect the child's needs during the early years, by the time the youngster is a teenager, it could very well be too late to begin the long and difficult training process that may be required. Children who do not receive the training and educational opportunities necessary for their full development as human beings often lead unhappy lives working in jobs far below their capabilities.

From a personal experience, I can tell you what can happen when a child is mislabeled and the problem left uncorrected for years.

Last year, a 15-year-old girl came to my office to do volunteer work, and we were told she was mentally retarded. From her work in the office, she realized how important it was for her to learn to read. She went for a diagnostic test at a reading clinic and it was determined that she was not mentally retarded at all. She spent all those years in special schools, which did little to explore her capabilities and when she came to us, she could not recite the alphabet. Her case is tragic. By the time she finishes her grammar school and high school education, she will be at an age when most of us have jobs and families. But at least now she has a chance unlike too many others. I am proud to say that she is a member of my staff, working very hard, and doing well in her reading classes.

This is the kind of situation we must prevent. It is unfair for our special children because we have the technology and ability to see that children are not mislabeled, incorrectly diagnosed, and deprived of the training they need.

The Education of All Handicapped Children Act is the Federal Government's assurance of assistance to States to carry out meaningful educational programs for handicapped children. And this amendment assures special assistance for the early ages where I believe the priority for educational services to handicapped children should be placed.

If we do not help children while they are young, they may be beyond our help as they grow older.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont.

The amendment was agreed to.

AMENDMENT NO. 580

Mr. STONE. Mr. President, I call up my amendment to S. 6.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. STONE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 55, line 19, insert "(i)" after the comma.

On page 55, line 24, after the word "agency" insert a comma and the following: "except that no funds shall be distributed under this clause to any local educational agency in that State if such agency will receive less than $7,500 in any fiscal year, and funds not distributed as a result of this exception shall be distributed pursuant to clause (ii) of this subparagraph,".

On page 55, line 24, after the word "and:" insert "(ii)".

Mr. STONE. Mr. President, before proceeding, I ask unanimous consent that the Senator from Florida (Mr. Stone) be shown as a cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE. Mr. President, this amendment simply deletes the required distribution to jurisdictions whose allocation initially would not come up to $7,500 and instead transfers their right to receive distribution money to the larger portion of the fund, the 60-percent portion, so that in combination with other small jurisdictions, for example, small counties, they could enjoy a meaningful substantial program as opposed to an allocation so small that no program would be feasible or practical.

Mr. President, S. 6 correctly provides that Federal funds for assisting in the education of the Nation's handicapped children be expended in fulfillment of two established priorities. First to be served would be those children presently not receiving educational services. The second priority is assisting those children with the most severe handicapping or multihandicapping conditions, who are receiving an inadequate education.

To fulfill these two priorities realistically, the committee has provided that 40 percent of all Federal funds for the education of the handicapped be allocated to the local education agencies, LEA, based upon the number of handicapped children in each LEA. It also provides that 60 percent of the funds be expended by the State in a manner consistent with the priorities stated above.

Mr. President, this is a laudable approach, but I believe that this provision will be too inflexible to deal with the differences in sizes of LEA's across the Nation. The costs of educating a handicapped child are extreme. If a State has several small school districts, it is possible that the 40 percent amount could be spread excessively thin. Requiring that an LEA with a small school population receive funds under the 40-percent provision would foster wastefulness. My amendment would eliminate such a possibility. LEA's which would receive less than $7,500 under the 40-percent provision would not receive such funds if this amendment is adopted. The allotment they would have received will become a part of the State's portion of funds to further assist the State in its targeting efforts.

I believe that this amendment will prevent the distribution of miniscule amounts of money to small school districts, thereby insuring more adequate and beneficial service to the handicapped child.

I have discussed this amendment thoroughly with the members of the Subcommittee on the Handicapped, particularly Senators RANDOLPH, WILLIAMS, EAGLETON, JAVITS, and STAFFORD. It was agreed that this approach dealing with the fund distribution is the most effective and will most fairly achieve the ultimate goal, that is, adequately educating the handicapped child.

Mr. President, I wonder if the distinguished senior Senator from West Virginia will take the floor and yield for several brief questions in order to clarify the import of this amendment.

Mr. RANDOLPH. Yes, I gladly yield to my colleague from Florida.

Mr. STONE. I thank the Senator.

There is a question which has been raised by some of my constituents concerning the individualized planning conferences.

Was it the committee's intent that these planning conferences be held three times a year and attended by a small group of persons for the purpose of developing a plan for each child, or was the intent to hold a large meeting three times a year to draw plans for many children?

Mr. RANDOLPH. In answer to my colleague, it was the intent, and I believe I can speak for the subcommittee and the committee in this matter, that these meetings to which the Senator makes reference be small meetings; that is, confined to those persons who have, naturally, an intense interest in a particular child, i.e., the parent or parents of the child, and in some cases, the guardian of the child. Certainly, the teacher involved or even more than one teacher would be included. In addition, there should be a representative of the local educational agency who is qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of handicapped children.

These are the persons that we thought might well be included. That is why we have called them "individualized planning conferences." We believe that they are worthwhile, and we discussed this very much as we drafted the legislation.

We thought they should be held three times a year because we have the belief that a lesser number of such conferences would not be productive.

If the child is not progressing as he or she should, it would be best to identify the problem as quickly as possible. Then we would have the opportunity of correcting the difficulty before a long period of time goes by. Sometimes we bring into focus the needs of a child simply by discussion of his problems.

We believe, as I said in my opening statement, that frequent monitoring of the child's educational development is certainly valid.

Mr. STONE. I thank the distinguished senior Senator from West Virginia. I yield back the remainder of my time.

Mr. RANDOLPH. Mr. President, we are grateful to the Senator from Florida for his particular interest in this item in the pending legislation.

Mr. WILLIAMS. I believe that the amendment offered by the Senator from Florida is a meritorious one and should be accepted. S. 6 currently provides that with respect to distribution of funds within a State, 40 percent of such funds shall be distributed to local educational agencies in direct proportion to the number of handicapped children in need of special education and related services and 60 percent of such funds shall be distributed by the State educational agency in a way which is consistent with meeting the priorities and timetables of the act.

The Senator's amendment would provide that of the 40 percent funds, no funds shall be paid if the payment to a local educational agency is less than $7,500 and that such funds would be retained by the State educational agency and distributed in a way which is consistent with meeting the priorities and timetables of the act. This amendment will assure that funds will be passed through to local educational agencies in amounts which will be large enough to be of real assistance. Otherwise, funds would be spread too thin to have a real impact. I believe that this is an important addition to the committee bill and believe that we should accept it.

Mr. STONE. I thank the Senator.

The PRESIDING OFFICER (Mr. FORD). The question is on the amendment.

The amendment was agreed to.

Mr. BELLMON. Mr. President, I would like to propound a question to the sponsor of the bill relating to funding. The question comes because of the concern of the Budget Committee as to future funding implications, not only of this legislation but other bills that will be coming before Congress.

Will the sponsor of the bill give his best projections as to what the future funding implications of this legislation are likely to be in the next 5-year period?

Mr. WILLIAMS. Let us take the next year first. It is my understanding that the Budget Committee has provided for $500 million for this program for fiscal 1976. On the computation of a 5-year program, we can refer to page 39 of the report. If the Senator from Oklahoma could refer to that page, based on full funding and the entitlement of $300 per student, the figures are there listed.

I suppose the next question probably will be on the projection that there will not be full funding and how will this entitlement program operate and how will the funds be distributed. This would be a ratable reduction if the appropriations are less than the full entitlement figure. It would be a ratable reduction, as we see in other entitlement programs such as title 1 of the Elementary and Secondary Education Act.

Mr. BELLMON. Mr. President, if I follow the distinguished Senator from New Jersey properly, on page 39 of the report there is a table showing that for fiscal year 1976 the cost will be roughly $669.5 million, rising to $2,243,000,000 in 1979. Is that correct?

Mr. WILLIAMS. That is the full funding figure with all projections showing, $300 per handicapped child. At that point we are reaching every child.

Mr. BELLMON. Does this include the $200 million cost of the amendment that was recently agreed to?

Mr. WILLIAMS. The amendment that was offered by Senator STAFFORD for himself and many others?

Mr. BELLMON. Yes.

Mr. WILLIAMS. Senator KENNEDY was one of the other leading sponsors.

That figure is not reflected in the table on page 39. The answer is, "No."

Mr. STAFFORD. If the Senator will yield, in the colloquy I had earlier with the distinguished Senator from New York, the indication was that the amendment offered by this Senator with Senator KENNEDY and others, if all of the States took advantage of it, might cost about $200 million a year.

Mr. BELLMON. Would it tend to grow as the cost of the program would grow?

Mr. STAFFORD. Our projection was that it would not.

Mr. BELLMON. The $200 million would be a level figure?

Mr. STAFFORD. It would be a level figure.

Mr. BELLMON. Mr. President, I ask unanimous consent that the table on page 39 of the report showing the costs be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COST ESTIMATES PURSUANT TO SECTION 252 OF THE LEGISLATIVE REORGANIZATION ACT OF 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510, 91st Congress), the Committee estimates that if all funds authorized were appropriated during fiscal year 1976 and the succeeding four fiscal years, the five year costs occasioned by S. 6, as reported, would be as follows:

EDUCATION FOR ALL HANDICAPPED CHILDREN ACT (AS REPORTED)

[In millions of dollars]

	Fiscal years—				
	1976	1977	1978	1979	1980
State entitlements for education of handicapped children	$666	[1] $1,172	[1] $1,810	[1] $2,129	-----
Payments to States for administration and planning	(2)	[3] 53.4	90.5	[3] 106	-----
Administration	[4] 1	[4] 1	[4] 1	[4] 1	-----
Evaluation	2.5	3.5	5	7.5	-----
Grants for removal of architectural barriers	(5)	(5)	(5)	(5)	-----
Total	669.5	1,229.9	1,906.5	2,243.5	-----

[1] The formula is based on an entitlement of $300 per each handicapped child who is receiving an education. The figures for each fiscal year assume full funding of full amount ($300) per each child served. The committee has estimated the number of children served for fiscal year 1977 on the basis of the most recent available data (for school year 1974–75). In the succeeding fiscal years, the committee has estimated the number of children to be served by assuming an equal increment of number of children served based on the timetable contained in the legislation. Each figure for each fiscal year assumes that all funds thus authorized will be appropriated.

[2] States may use 5 percent or $200,000 (or 5 percent for territories) whichever is greater, for administration and planning from the amounts the State receives under payments to States.

[3] S.6 authorizes such sums, up to 5 percent or $200,000 (or 5 percent or $60,000 for territories) for payments to States for administration and planning.

[4] Such sums, not in excess of one-quarter of 1 percent of the amounts appropriated for payments to States, or $1 million, whichever is greater.

[5] Such sums.

Note: Grand total, $6,117.

Mr. BELLMON. I have one further question. I believe the word "entitlement" needs a little further explanation. Would the author of the bill be able to tell us what the committee has in mind when they use the word "entitlement?"

Mr. WILLIAMS. The way we have structured this, it provides for a dollar amount per child who meets the definition of handicapped and sets a maximum payment that may be made for each State based on this formula. Again, it is the method of describing distribution as is done in other legislation, and particularly in other education legislation. It recognizes, of course, that if there is not full funding equal to the authorized entitlement, there is a ratable reduction within the appropriations.

Mr. JAVITS. Will the Senator yield to me on that?

Mr. WILLIAMS. I yield.

Mr. JAVITS. There is one word to be added. Senator Williams is absolutely right, but the reason that the word entitlement crept into the education laws was due to the impoundment by the Executive to which the Congress so violently objected. It seemed to us—and we were, as a matter of fact, successful for a while—that under the cases, the decided cases, when you use that rubric, the likelihood was that the courts would rule with you against Executive impoundment.

Since then, of course, we have dealt with that whole subject in the budget law, et cetera. So really, you could say, it is an archaic term. But for the purposes of the Senator's questions, one could say that it does not really change anything under the present state of the law, and it was only used in order to enable us to jump over the impoundment hurdle at the time we faced it.

Mr. BELLMON. May I say in response to the statement of the Senator from New York that the word entitlement, then, does not, in effect, entitle the potential recipients of these grants to payments without further action by the Congress?

Mr. JAVITS. That is correct. In other words, they cannot start suit. It was our way of getting over the impoundment question.

Mr. RANDOLPH. I cannot add more except to say to the Senator from New York that he is correct. There was a "freezing" of funds which affected handicapped persons who needed assistance.

Mr. JAVITS. Exactly.

Mr. RANDOLPH. We are attempting to protect that group in the passage of this legislation.

Mr. JAVITS. But what Senator Bellmon is concerned about is automatic. Unlike veterans' benefits or the like, it is not called for by the word "entitlement."

Mr. BELLMON. So before these funds are available the matter still has to go to the Committee on Appropriations for an appropriation and there is no legal right.

Mr. JAVITS. That is exactly right. You are dealing with the universe here of $700 million a year. On the original bill, there was a ceiling of $666 million. We have appropriated $100 million. We hope to materially improve that. The administration is talking about 338. In any case, there will be a ratable distribution based upon the formula in the measure, which is handicapped children.

Mr. BELLMON. I thank the Senator.

Mr. RANDOLPH. Mr. President, I commend the able Senator from Oklahoma for discussing this matter with us, because I think it is good for the public to read a debate of this kind, and, speaking in terms of costs, as the Senator has indicated, that they have matters of this type clarified.

This has been well done in the discussion that the Senator from Oklahoma has had with the Senator from New Jersey (Mr. Williams), the Senator from Vermont (Mr. Stafford), and the Senator from New York (Mr. Javits). I commend him for doing this, as he has often done, not only on this bill but on other measures that have been pending before the Senate.

Mr. STAFFORD. Mr. President, since there have been some colloquies on the cost of my amendment which the Senate recently adopted, perhaps I should add to the $200 million figure we earlier discussed, that if the money were only to go to those States which are now serving children in that age group, and not to all the States which serve such children, the cost would be $66 million instead of $200 million. That would be a level funding item also.

Mr. DOLE. Mr. President, I send, for myself and the Senator from New York (Mr. Javits), an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. Dole) proposes an amendment as follows:

On page 52, line 6, strike out the word "shall".

On page 52, line 7—

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Dole's amendment is as follows:

On page 52, line 6, strike out the word "shall".

On page 52, line 7, insert "shall" after "A)".

On page 52, line 7, strike out "all areas of".

On page 52, line 9, strike out "all".

On page 52, line 12, insert "shall" after "(B)".

On page 52 at the end of line 12 insert a comma and the following: "and take appropriate action (including attempts to conciliate) with respect to,".

On page 52, line 16, beginning with the word "and" strike out through the word "thereto;" on line 17.

On page 52, line 17, insert after "(C)" the following: "shall, when appropriate,".

On page 52, line 18, insert after "determinations" a comma and the following: "after providing notice and an opportunity for a hearing,".

On page 52, line 22, insert after "(D)" the word "shall".

Mr. DOLE. Mr. President, first, in a general way, I certainly commend those responsible for this legislation. This Senator has had a long-time interest in handicapped children and adults, and can certainly find a great many positive features in this bill.

As the Senator from New York (Mr. Javits) indicated earlier, there is on each Senator's desk a copy of a letter from Secretary Weinberger to the minority leader, in which the Secretary indicates the administration's reasons for opposing the passage of S. 6. After reading the correspondence, I must say that I am seriously concerned about the issues the Secretary raises. Although I do intend to vote for passage of S. 6, I think we ought to be aware of the significant departure from existing practice which we will be taking if we enact this measure.

First, this measure will greatly change the Federal role in the education of handicapped children in this Nation. Historically, the States have had the primary responsibility for the education of children at the elementary and secondary level. S. 6 proposes a new departure, however, for it would make the Federal treasury the primary source of funds for the education of handicapped children.

Second, this measure would place upon State and local educational agencies a major new administrative burden in the form of its requirements individualized planning conferences be held at least 3 times a year for every handicapped child in the State. I shall have an amendment a little later which will address that specific area. Local educational agencies would have to maintain an individual written record of each of these conferences. That means 24 million conferences and 24 million pieces of paper a year. Someone will have to pay for that, of course, and that someone will be you and me, the taxpayers. There may be no great advantage to the requirement. I can see the necessity for individualized conferences, and in some instances, perhaps, there ought to be 10 a year or more. In the cases of other handicapped children as defined by this act, perhaps 1 a year would be sufficient.

It will, also, unfortunately, be the intended beneficiaries of this measure, for funds which ought to go for direct services to handicapped children will be diverted to pay for administrative expenses.

Finally, S. 6 creates a new compliance entity and empowers it to exercise functions which now rightfully belong to State and local educational agencies and school boards. This new body is authorized to conduct compliance reviews of State and local educational agencies, receive complaints, make findings of fact, assure correction of violations by State and local educational agencies, and inform the U.S. Commissioner of Education if corrective actions are not taken. I believe we ought to seriously consider whether we want to create this quasi-judicial citizens' group in order to insure rights which may already be adequately protected by existing administrative and judicial procedures.

As I have indicated, Mr. President, S. 6 as reported and in its present form creates a "compliance entity" and delegates to it much authority which currently belongs to State and local educational agencies and school boards.

This new body would be authorized to, first, conduct compliance reviews of State and local educational agencies; second, receive complaints and hold hearings; third, make findings based on these hearings; fourth, assure correction of violations by SEA's and LEA's; and fifth, inform the U.S. Commissioner of Education if corrective actions were not taken. I question the reason to create this quasi-judicial citizens' group in order to insure rights which should already be adequately protected by existing administrative and judicial procedures.

In cooperation with the staff, the Senator from West Virginia, the Senator from New York, and the Senator from Vermont, the amendment which I have offered has been drafted and, in our view, would provide more flexibility. This amendment would change the responsibilities of the compliance entity presently provided for in the bill to give the entity more flexibility in carrying out its responsibilities.

Mr. President, while I agree with the objectives that are intended to be accomplished by the compliance entity, I have been advised by professional educators in my State of Kansas that this compliance entity would not be practical and would essentially be unworkable.

While there are a number of objections to the compliance entity provision, the major concerns center around the cost of the entity, the difficulty in accomplishing the stated goals of the entity, and finally the complicating effect the entity would have on the State and local administration of the education of handicapped children. The bill presently states that as its first responsibility the entity

> Shall (A) conduct periodic evaluations in all areas of the State in order to determine whether the state educational agency and all local educational agencies within the State are in full compliance.

To be specific and more concise at the same time, we have removed the term "all," so the entity would not have to have a separate investigation and otherwise check every local educational agency. We have also removed the words "all areas of" to leave the periodic evaluations of the States so that we would not be placing an impossible burden on those who have the responsibility for this provision.

I think that, in itself, is an acceptable change. The remainder of the amendment is an effort, as I say, to give flexibility, to provide more responsiveness to the entity, and not make it mandatory to become deeply involved in every case.

As I understand the requirement, and it is stated in full on page 52, it states that the compliance entity, at least half of which must be composed of handicapped individuals or parents or guardians of handicapped children, would evaluate all the local educational agencies—LEA's—in its State. I have been advised that there are as many as 500 local educational agencies in some States such as California and Pennsylvania. It would appear that the difficulties of an entity composed of members with other occupations and other responsibilities of evaluating all LEA's in the State would be staggering and, in a practical sense, impossible.

In addition to the number of LEA's to be evaluated, the geographical problem could be a possible obstacle to carrying out this requirement. For instance, in a State like Alaska or Texas, how would the compliance entity and all its members be able to visit all areas of the State to evaluate implementation of the act? And where would the funds come from to provide transportation for the members of the entity to all areas of the State?

Even in a State the size of Kansas, it would seem to me that this problem could be a serious one.

QUASI-JUDICIAL POWERS

The compliance entity provision of S. 6 also states that the entity,

> Shall . . . be empowered to receive complaints . . . from individuals with respect to alleged violations of the provisions of this act and shall provide notice and an opportunity for a hearing with respect thereto.

This responsibility, as I understand, would require the entity to receive complaints and conduct hearings on them in a manner similar to court proceedings.

We soften that some by leaving the word "shall" but adding the words "when appropriate, after providing notice and an opportunity for hearing,".

Again we provide more flexibility by removing some of the burdensome language.

We also indicate that the entity still shall be empowered to receive and take appropriate action, including attempts to conciliate the respective complaint.

I do not really believe we have done violence to the purpose of the compliance entity.

It is the opinion of the Senator from Kansas that we have made it more flexible and more responsive to the needs of those who should be helped by the legislation.

It is my understanding that some organizations for education of the handicapped expect there to be hundreds and even thousands of complaints about the failure of State and local educational agencies to implement this bill as intended. Therefore, the compliance entity would likely be presented with a great number of complaints which would require a great deal of time and expense to conduct hearings and consider these complaints.

As we were indicating, based on the number of handicapped children stated in this bill, if only 1 percent of the parents or guardians of handicapped children should make complaints, that would be somewhere in excess of 80,000 complaints presented to compliance entities across the country. Such a volume of complaints, although only a small portion of what might be possible would clearly be a severe administrative burden on a compliance entity, the members of which may or may not be qualified to handle. Further, since the provision states that "complaints from individuals" must be received, this would allow any individual, not simply a parent or guardian, to complain to the entity.

Further, the entity, as stated in the bill,

> Shall . . . make determinations with respect to such alleged violations and, after a finding that a violation has occurred, notify the state and appropriate local educational agencies of such finding and take appropriate steps to assure that such violations are corrected.

It is my understanding that this requirement would, in effect, give the entity the role of a court in reviewing an appeal or complaint.

Since, in Public Law 93-380 last year a provision was put into law that every parent is entitled to a hearing on any complaint they may have about the education of their handicapped child, it would appear to me that the appeal requirement of the compliance entity would be redundant with existing law. For that reason, I question the wisdom of requiring the entity to make determinations and to hold hearings as the bill presently would do.

Mr. President, I have no quarrel with the intended objective of this provision, as I understand, to give parents and guardians a place to go if they can get no satisfaction in the normal "due process" channels. It is not difficult to understand that parents of handicapped children may become frustrated by the normal administrative procedures or by the formal and expensive requirements of going to court. However, I believe that this entity should be so devised as to avoid getting the panel bogged down in lengthy and formal judicial type proceedings. It would be my feeling that the compliance entity might provide a more beneficial input by making generic recommendations to LEA's and to State educational agencies without trying to respond in detail to hundreds or even thousands of specific complaints.

My amendment would allow the entity more flexibility in doing this. The entity could still receive complaints and hear the concerns and problems expressed by individual parents and guardians. The council would have more flexibility to work for an improvement in the implementation of the education of handicapped children without becoming embroiled in individual cases that can be more appropriately handled through the State administrative appeal procedure which is guaranteed by law or through the court system.

Concern has been expressed by some advocates of better education of the handicapped children that setting up a separate appeal and compliance entity, as the bill would do presently, is contrary to the concept of getting handicapped children into the mainstream of society. In fact, the present form of the compliance entity would set up a special segregated organization that would further separate and distinguish handicapped children from other children in our society. It is my hope that changing the compliance entity requirements will reduce some of that concern.

Mr. President, I would hope that the sponsors of this legislation would consider this amendment carefully to see if it might be acceptable to them.

Mr. President, unless there are questions, I am willing to take action on the amendment.

Mr. RANDOLPH. Mr. President, will our colleague yield?

Mr. DOLE. I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President we can well understand, if we read the bill as it was brought into the Chamber, on this particular part of the measure, it would look to be an excessive meeting process. Is that correct, I ask the Senator from Kansas?

Mr. DOLE. Yes, that is correct I say to the Senator.

Mr. RANDOLPH. It looks overloaded, does it not?

Mr. DOLE. So it seems to me.

Mr. RANDOLPH. Repetitious even perhaps.

Mr. DOLE. A little burdensome to those who have the responsibility as members of the compliance entity.

Mr. RANDOLPH. Yes. Mr. President, this matter has come to me, not only as chairman of the Subcommittee on the Handicapped, but in a personal way through our superintendent of schools, in West Virginia, Dr. Dan Taylor. He has indicated the concern that this might become too heavy a load. Therefore, I am inclined to agree. I think there is a reasonableness in the arrangement of the amendment which is offered. Without objection, I think that we would be prepared to accept the amendment.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. RANDOLPH. I do yield.

Mr. JAVITS. I am a party to it. I think it is a highly desirable amendment. I am very grateful to the Senator for its acceptance.

Mr. RANDOLPH. I appreciate the remarks of the Senator from New York.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 592

Mr. DOLE. Mr. President, I call up my amendment No. 592.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an amendment No. 592.

The amendment is as follows:

On page 49, strike out lines 7 through 13 and redesignate paragraphs (5) through (8) as (4) through (7).

Beginning on page 64, line 13 strike out everything from "Such criteria" through "part." in line 17.

Beginning on page 64, line 25 strike out everything through page 65, line 4.

Mr. DOLE. Mr. President, the Senator from Kansas was not in the Chamber earlier when the Senator from Washington (Mr. MAGNUSON), as I understood it, offered an amendment to delay this provision until October 1, 1976.

Mr. RANDOLPH. October 1 instead of July 1.

Mr. DOLE. October 1 of 1976, right?

Mr. RANDOLPH. That is correct.

Mr. DOLE. It was the intent of the Senator from Kansas to offer an amendment which would either delete the planning conference or at least to make it discretionary, because it just seems to me, as I have indicated earlier, if we are going to hold at least 3 times a year an individualized planning conference for everyone who is handicapped, according to the definitions of this act, that is going to be about 24 million conferences and 24 million pieces of paper. That could be an administrative nightmare.

Now the Senator from Kansas understands the problem of the handicapped to some degree. There may be some who need 10 conferences or more per year; there may be some who need one. It would seem to the Senator from Kansas that one thing that we could do between now and October 1976 would be to conduct a pilot program, that has been suggested, in the States of Texas, Florida, and Wisconsin, where they have ongoing programs or at least could have a pilot program to see if a nationwide program were appropriate.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. DOLE. Yes.

Mr. RANDOLPH. What is being done in the State of Kansas on this matter?

Mr. DOLE. We allow the State agency to have as many conferences as they want. I do not believe we require any certain number of conferences. As this Senator understands, the purpose is to sit down with parent or guardian and if appropriate, the handicapped individual and establish a clear and meaningful plan.

Mr. RANDOLPH. The only reason I come back to Kansas is because that is the State represented by the Senator and sometimes if we look at our own situation we assess it in view of the national needs. As I understand, these conferences for handicapped persons are held about once a month at the medical center.

Mr. DOLE. But I do not think the number of meetings—whether it be an individual conference once a month or once a year—is set by law or otherwise made inflexible.

Mr. RANDOLPH. There is a file on every handicapped child, starting with an evaluation following right through diagnosis and service. I think this is correct.

Mr. DOLE. This may be technically correct but as fas as the conferences, I do not think we have been discussing this but have been discussing whether the number of conferences should be set in law by the Federal Government.

Mr. RANDOLPH. What is being done in some Kansas programs is what we want to do in other States.

Mr. DOLE. Right.

Mr. RANDOLPH. The Senator can understand that. I would hope in this instance that the Senator would not press for this amendment, but let it be a part of the discussion here today. We shall give very careful study to this in the future.

Mr. DOLE. The Senator from Kansas does not quarrel with the conference. This Senator does not quarrel with whether it is 3 or 6 or 9 or 12, but again it is a Federal dictation to a State agency that they must comply; they must have at least three individual conferences. And later on in the bill there are other sections where the States must have statistically valid data based on these individual conferences.

Mr. RANDOLPH. I add further to the Senator, this is only if they desire to participate.

Mr. DOLE. If they do not want to participate in the program, they would not be so constrained.

Mr. RANDOLPH. That is correct.

Mr. DOLE. But the Senator from Kansas is trying to figure out some way that, before we launch into this massive effort, we have some history. And since the Senator from Washington has delayed the effective date until October 1976, it would seem to me that we should make some legislative history that HEW should conduct a pilot program in at least three States, and maybe Kansas would be a good State.

Mr. RANDOLPH. That is presently being done by DHEW. There are projects in Florida and in Texas. Let us remember that we have adequate time until October 1, 1976 to see the results of these studies, which I feel will prove that this provision will be beneficial.

Mr. JAVITS. Exactly. Mr. President, if the Senator will yield, I commend that, too. I was going to modify an amendment to make it annual so that we do not start out quite so tough.

Also Senator RANDOLPH has now defined in the Stone amendment the matter of the conference and that, therefore, somewhat relieves the strains. Somewhere between one and three we ought to be able to let the matter move from here and strike a fair balance. My suggestion, because I know how strongly

Senator RANDOLPH feels about it, to Senator DOLE would be to make it twice. In other words, instead of three times, make it twice, with the understanding that the pilot work is being done and that seasonably, before the operative date, we will review the figure of two. Then at least you have a mandate which is one-third less, and we have committed ourselves to reducing even further depending upon the actual work of the HEW. I think that is probably the best way.

Mr. RANDOLPH. Will the Senator from Kansas permit me to comment on the words of the Senator from New York.

Mr. DOLE. Yes.

I yield.

Mr. RANDOLPH. I would rather not have it twice, for the reason that the Senate works with——

Mr. DOLE. The House has one conference in their bill.

Mr. JAVITS. I will agree. I will be a conferee, Senator RANDOLPH will be a conferee, and Senator STAFFORD will be a conferee. I think the Senator should leave it to us, with the legislative record, and he has our feet to the fire. He has agreed to listen to the House and give attention to the findings where the words are being experimented with.

Mr. DOLE. I have no quarrel with that. If all these studies should prove that there is really no benefit from the individualized conferences, whether they are 2 or 10 or whatever number.

Mr. RANDOLPH. I would be ready to amend it.

Mr. DOLE. That is what I am seeking.

Mr. JAVITS. I make the same commitment.

Mr. DOLE. The Senator does not wish to impose any burden on educators, or parents, or handicapped children that does not benefit the handicapped.

Mr. RANDOLPH. No Member of the Senate is more concerned about the handicapped than is the Senator from Kansas. He has been a leader in this field. All of us working on these matters want to do one job, and that is to benefit the handicapped—in this particular instance, the education of the handicapped.

Mr. DOLE. That satisfies me. My concern is that we make every resource, or as much as possible, available to the direct activities and the direct programs that are going to benefit the handicapped.

Mr. WILLIAMS. Mr. President, if the Senator will yield, I think that one of the greatest benefits that can come to the handicapped child is to have the parents brought into this conference, because the education of the child continues after the school doors close and that child is at home. This is part of the educational process. That is one of the reasons why we have developed the idea of the mandatory conference, to make sure that the parent is part of the education of the child. We have to have more than one, it seems to me. That is almost a "get acquainted" meeting, and a followup meeting is essential. I support the three meetings that Senator RANDOLPH put into this bill, and I hope we can keep it at that, at this point.

Mr. JAVITS. Mr. President, if the Senator will yield, as the ranking member, I pledge to Senator DOLE to pay the most serious attention to the findings of the work which will be done in the interim until the new operative date. As will Senator RANDOLPH, I will be perfectly willing to advocate even its entire omission, if we are convinced that it is a drag instead of an aid to everything that is being done.

Mr. WILLIAMS. It is an absolute promise to do that, because the ends are what we are interested in here. We want to see the best possible approach to education. We will be watching very closely during this period to see how it develops, particularly in the area that the Senator from Kansas has brought forth.

Mr. DOLE. I appreciate the assurances from the Senators from New York, West Virginia, and New Jersey. Their concern for the handicapped is genuine, as is that of the Senator from Kansas. But hopefully we do not want to burden some State agency with a requirement that may prove to be counterproductive. Based on the assurances, the Senator from Kansas will withdraw the amendment.

Mr. STAFFORD. Mr. President, while assurances are being given, I would like to join my three colleagues in offering the same assurance on that.

Mr. DOLE. I appreciate that. It means a great deal to the Senator from Kansas.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 593

Mr. DOLE. Mr. President, I call up amendment No. 593.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an amendment numbered 593.

The amendment is as follows:

Beginning on page 60, line 23, strike out everything through page 61, line 2, and renumber accordingly.

Mr. DOLE. Mr. President, as reported, S. 6 requires that the U.S. Commissioner of Education prescribe, by regulation, a uniform financial report to be utilized by State educational agencies in submitting an application under S. 6.

HEW reports that a uniform financial report presupposes uniform accounting procedures by States. This, however, is far from the case. As a matter of fact, H.R. 7217, the companion measure to S. 6 in the other body, requires that the Commissioner develop just such a uniform accounting procedure.

In his recent statement to the House Committee on Education and Labor in H.R. 7217, Commissioner Bell noted that the Office of Education estimates that the development and adoption of such a uniform system would cost several billion dollars.

My amendment would strike the requirement for the development and use of uniform financial reports.

Mr. President, it is my understanding, based on previous studies, that in the State of New York alone, this would cost about a billion dollars. I have one question, and perhaps this amendment can be disposed of in about 30 seconds.

My question to the chairman is this: Is it true that the provision in the bill is not intended to require uniform cost-accounting for any State? Can the Senator from West Virginia or the Senator from New York answer?

Mr. RANDOLPH. I regret that my attention was diverted.

Mr. WILLIAMS. There is no intention here to have uniform cost-accounting throughout the States. Was that the question?

Mr. DOLE. That was the question.

Mr. WILLIAMS. No intention at all.

Mr. JAVITS. That is my understanding.

Mr. WILLIAMS. I thought we had clarified that in committee through an amendment from the Senator from Maryland (Mr. BEALL); but if we have not clarified it, it can be made clear now.

Mr. JAVITS. There is no intention to have a uniform cost accounting system. It is simply a question of the individual and particular financial report being filed under this law, which we wish to have of a uniform character for all the States.

Mr. DOLE. I appreciate those remarks.

Mr. President, based on those remarks, the Senator from Kansas withdraws the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. RANDOLPH. Mr. President, I ask for the yeas and nays on passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 594

Mr. DOLE. Mr. President, I call up amendment No. 594.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an amendment numbered 594.

The amendment is as follows:

Beginning on page 61, line 12, strike out everything through page 62, line 2, and redesignate subsection (e) on page 62, line 3, as subsection (d).

Mr. DOLE. Mr. President, the Senator from Kansas feels this amendment is not a major one but wants to bring it up, and discuss it, and perhaps have the brief views of those who might wish to comment on it.

As reported, S. 6 requires that the Secretary of HEW establish a task force composed of representatives of the Office of Education, the Bureau of Education for the Handicapped, the National Institute of Education, the Rehabilitation Services Administration, the Office of Child Development, the Office of Handicapped Individuals, the Office of the Assistant Secretary for Health, and the Office of Civil Rights.

The Senator from Kansas agrees that the Secretary of HEW ought to coordinate programs for handicapped children to the extent necessary and feasible. But what we are doing, and what we often do in Congress, is to create another organizational unit by statute, which imposes a certain duty and robs any Administrator, any Secretary, of a certain degree of flexibility. Requiring coordination in this manner, it seems to the Senator from Kansas, may detract from the program, may, in effect, deprive those who are defined as handicapped of some benefits. It just adds another layer of bureaucracy. It seems to me that if we have confidence in the Secretary of HEW, he will obtain whatever counsel he may desire, from whatever source he may wish to use.

So I suggest that we strike this provision from S. 6. However, as indicated earlier, if there are any comments. I will be glad to have them.

Mr. WILLIAMS. The Senator is addressing the question to either of us, I gather.

Mr. DOLE. That is right.

Mr. WILLIAMS. On the task force and the duration of its being?

Mr. DOLE. Yes.

Mr. WILLIAMS. This is for a purpose, and when that purpose is met, that will be the end of the mission of the task force. The task force is intended to develop guidelines for HEW programs providing assistance for the education of handicapped children, and when those guidelines are developed, and transmitted to the Secretary, the task force has no other responsibilities.

Mr. DOLE. But no period is delineated in the statute—1 year or 2 years.

Mr. WILLIAMS. We cannot judge. That is their job—to do their job and be out of business.

Mr. DOLE. Would the Senator say, then, that the Secretary of HEW would make that determination, or would the task force make the determination?

Mr. RANDOLPH. When the guidelines would be completed. Does that answer the question?

Mr. WILLIAMS. Under the direction of the Secretary.

Mr. RANDOLPH. Under the direction of the Secretary.

Mr. DOLE. When the guidelines are submitted to the Secretary and accepted, that would be the end of the task force?

Mr. RANDOLPH. Yes.

Mr. WILLIAMS. Yes.

Mr. RANDOLPH. That is my understanding.

Mr. DOLE. The task force would not become a watchdog?

Mr. WILLIAMS. No.

Mr. RANDOLPH. That is right.

Mr. WILLIAMS. The answer is clearly "No."

Mr. JAVITS. I say "No," also.

Mr. President, will the Senator yield so that I may ask a question of the Senator from West Virginia?

Mr. DOLE. I yield.

Mr. JAVITS. I ask this question because it is something that disturbs me as I read this. I invite the Senator's attention to line 24.

Mr. RANDOLPH. Line 24 on what page?

Mr. JAVITS. Page 61. It reads as follows:

> The Secretary shall be responsible for enforcing such guidelines and for assuring maximum cooperation in the implementation of such guidelines by the agencies referred to herein.

Might we not be better off to say "The Secretary shall be responsible for", strike out the word "enforcement" and just say, "shall be responsible for such guidelines"? Otherwise, he might be surrendering his powers to the task force, which I do not think any of us intends.

My suggestion to Senator Dole, if it is agreeable to my colleagues, is to modify the amendment to strike the word "enforcing" on line 24. That will do everything he wants to.

Mr. DOLE. I have no objection.

Mr. RANDOLPH. We are agreeable to that change, which I think is one that will help us.

Mr. DOLE. The Senator from Kansas so modifies his amendment.

The PRESIDING OFFICER. Could the Senator send the modification to the desk?

Mr. JAVITS. Yes; I shall do that.

The modification is as follows:

> On page 61, line 24, strike the word "enforcing".

Mr. DOLE. The Senator from Kansas, based on the modification sent to the desk, is ready to act on the amendment as modified.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

The amendment, as modified, was agreed to.

Mr. WILLIAMS. I have a technical amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment as follows:

> On page 66, strike out line 21.

Mr. WILLIAMS. This is strictly a heading that should not be included on that line. The amendment strikes it out.

The PRESIDING OFFICER. Is there discussion on the amendment? The Chair hears none.

The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now occurs on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ALLEN. Mr. President, since it seems we are going to run over into the period set aside for debate on my amendment, I ask unanimous consent that when the Senate Resolution 166 is laid before the Senate, we have a live quorum and, on the establishment of the quorum, that the hour and a half set aside for debate will be allowed, notwithstanding the order that the vote come at 2:30 p.m.

Mr. JAVITS. Mr. President, as I understand the request—has it been cleared on this side, I ask the Senator from Alabama?

Mr. ALLEN. I am not clear.

Mr. JAVITS. As I understand, the Senator wants a live quorum before the vote at 2:30?

Mr. ALLEN. Yes, and that the hour and a half allotted for debate be given, notwithstanding the proposed vote timed for 2:30.

The PRESIDING OFFICER. Is there objection?

The Chair hears none. It is so ordered.

Mr. CRANSTON. Mr. President, I rise today in support of passage by the Senate of S. 6, the Education for All Handicapped Children Act, which I am cosponsoring.

Before addressing the merits of this legislation, Mr. President, I would like to applaud the sustained efforts of the author of the bill, the esteemed chairman of the Labor and Public Welfare Committee (Mr. WILLIAMS), in fighting for legislation designed to make it possible for all handicapped children to receive a free appropriate public education.

S. 6 was first introduced by Senator WILLIAMS over 3 years ago. The Labor and Public Welfare Committee has held numerous hearings both in Washington and across the country on the proposed provisions of the bill and has incorporated many of the suggestions for improvements made by witnesses before the committee. The result is a bill that expresses broad consensus among constituents and groups representing the special concerns and needs of handicapped children.

I would like to congratulate the chairman, Mr. RANDOLPH, and ranking minority member, Mr. STAFFORD, of the Subcommittee on the Handicapped for their valiant efforts and incisive contributions. They, the other members of the subcommittee, and the full committee membership have sought to achieve the best possible and most workable legislation respectful of individual differences. The cooperation of all members of the committee and the fine work of the staff have made it possible for us to report the committee bill in time for its consideration before the expiration on June 30, 1975, of the existing authorities for financing education for handicapped children under part B of the Education for the Handicapped Act.

Mr. President, the right to a free appropriate public education has long been the right of certain children between the ages of 5 and 17; but the right has not been extended universally in our country. Some 7.8 million children who fall within this age group are largely excluded from the educational opportunities that we give to our other children. They are children with physically and emotionally handicapping conditions.

Traditionally, the responsibility for educating our young children has been left to the States to be carried out by whatever program and means are deemed most appropriate. However, most States—and here I would like to point out that California is a considered exception—have not provided a free appropriate public education for handicapped children. This has led to the enactment of Federal laws to provide financial assistance to the States for establishing programs and projects for the education and training of handicapped children.

The first Federal law providing for such assistance was enacted in 1966, as Public Law 89-750, which added a new title VI to the Elementary and Secondary Education Act, named Education of Handicapped Children. The 1970 amendments to the Elementary and Secondary Education Act, Public Law 93-230, repealed the existing title VI, and created a new title VI as the Education of the Handicapped Act. Last summer when the Education Amendments of 1974 (P.L. 93-380) were before the Senate a new formula for part B, known as the Mathias amendment, was adopted and retained in modified form by the conference. The Mathias amendment provided for a 1-year, much needed expansion of aid to the States for education of handicapped children. The formula, however, is only effective for fiscal year 1975. Both the Senate and House enacted this provision as an emergency measure to meet temporarily the need for revenues resulting from court orders to various States to provide education services to handicapped children, until S. 6, much broader and more comprehensive legislation providing financial assistance to the States for improved education services for handicapped children, could be fully considered.

Mr. President, that very full consideration has taken place and the Senate is now prepared to vote on passage of S. 6.

There are many fine provisions in S. 6, as reported, that will promote quality educational opportunities for handicapped children.

The committee bill extends the entitlement formula on the Mathias amendment for one additional year at the same level operating for fiscal year 1975. This entitlement formula provides, when fully funded, for each State to receive an amount equal to $8.75 times the number of children in the State between the ages of 3 and 21.

Effective October 1, 1976, S. 6 would provide for a replacement of the Mathias entitlement formula with an entitlement formula that specifically ties each State's allotment to the number of handicapped children being provided with educational and related services, multiplied by $300, with an assurance that no State will receive less than the amount it received in the prior fiscal year. This formula does two things: It provides an incentive to the States to assume immediate responsibility for serving handicapped children—the bill sets as a goal that all handicapped children be served by the year 1980 and it recognizes that educational and related services for handicapped children entail costs in excess of those required for providing educational services to nonhandicapped children and that the Federal Government is willing to provide assistance to meet those costs.

The formula also provides for a ratable reduction in the case that the Congress does not appropriate sufficient moneys to fully fund the entitlement. In light of the present constraints on Federal fiscal policy, the outlay of several billion dollars at this time for full funding of the entitlement would be exceedingly difficult. In any event, the funding level for fiscal year 1977 and beyond will be fully subject to the controls of the new congressional budget process, overseen by the Budget Committees, to set priorities to rationalize the distribution of Federal funds.

The ratable reduction provision does not, however, imply that the Congress intends less than full compliance with the purposes of the bill and its priorities: First, that a free appropriate public education will be available for all handicapped children between the ages of 3 and 18 within the State not later than September 1, 1978; and second, for all handicapped children between the ages of 3 and 21 within the State not later than September 1, 1980. These provisions, however, are not applicable for children ages 3 to 5 and 18 to 21 where their application would be inconsistent with State law or practice or the order of any court. The priorities in the committee bill are congruent with a series of court cases that have been handed down during the past several years establishing in law the right to education for all handicapped children, based on the Constitution.

I supported the State-law qualifier clause with respect to meeting the universal service priorities of the bill for handicapped children between the ages of 3 and 5, and 18 and 21, because I believe that the Federal Government should not intrude on the educational policy domain that has been traditionally reserved to the States. I do support, however, very strongly the view that it is more beneficial to reach children with handicapping conditions before they enter school, when much can be done to ameliorate and alter such conditions. Consequently, I cosponsored Senator Stafford's amendment, agreed to today on the floor, to increase the emphasis on serving children 3 to 5, by providing that the Commissioner can make incentive grants to States where children between 3 and 5 are being served to facilitate services to these children. This provision will further encourage States to make services available to them.

The committee bill directs the State Educational Agency to distribute 40 percent of its entitlement to local education agencies, based on the number of handicapped children who are in need of services, and 60 percent based on the priorities I have outlined, first, with respect to handicapped children who are not receiving an education, and second, with respect to handicapped children with the most severe handicaps who are receiving an inadequate education. This formula for the distribution of funds provides the guarantee of direct financial assistance to local education agencies, while at the same time giving the State Education Agency flexibility to distribute funds where the need is greatest. Senator Stone's amendment, as adopted on the floor today, modifies the distribution formula to the local education agencies so that no local education agency will receive any direct distribution if it would receive less than $7,500 in any fiscal year. This amendment further enhances the State Education Agency's authority to make possible the best distribution of funds to areas where handicapped children are not being served, or who are being served inadequately.

S. 6 as reported also would add a new provision that establishes procedures to insure that handicapped children and their parents or guardians are given an opportunity to participate in the planning and development of the educational program, including the assessment of the handicapped child's present educational performance, the specification of instructional objectives, and identification of the specific educational services to be provided.

Mr. President, there are many other significant provisions in S. 6. I am particularly pleased with the specific guarantees of due process of law provided for handicapped children and their parents in all matters relevant to identification, evaluation, and placement, and the prohibition against the classification of children in a manner which promotes racial or cultural discrimination.

Additional features found in the provisions of S. 6 as reported include the following requirements:

The State must provide assurance that Federal funds under that act will not supplant State and local funds presently being expended for the education of handicapped children.

Each State agency and other recipients of assistance under the act must take affirmative action to employ and advance in employment qualified handicapped individuals who are covered under the applicable provisions of the Rehabiliation Act of 1973.

The Commissioner is authorized to make grants to State and local educational agencies for the purpose of removing architectural barriers to assure a free appropriate public education for handicapped children in the least restrictive environment.

Mr. President, handicapped children and parents alike have awaited this bill a very long time. Its enactment will signify a new beginning and the broadening of equal opportunity for all our children. I foresee, in implementation, a wide-ranging impact that will bring about greater understanding and acceptance of persons with handicapping conditions, a society enriched by the maximum participation of all its members, and the diminishment of the heartbreak and suffering that accompany isolation and ostracism when an individual is excluded from full membership in society.

I urge my colleagues to support the bill and hope that the House will proceed rapidly to consider and act upon this vital legislation so we can enact it into law.

Mr. MONDALE. Mr. President, I am pleased to give my full support to S. 6, the Education for All Handicapped Children Act, which has been developed in the Labor and Public Welfare Committee over a period of 3 years.

Senators Williams and Randolph, who respectively chair the full committee and the Subcommittee on the Handicapped, are to be commended for the leadership and wisdom they have exercised in developing this bill and bringing it to the floor. It is clearly landmark legislation which holds the promise of new opportunity for the 7 million handicapped children in this country.

Experts from across the country were extensively consullted on S. 6. Many of them had an opportunity to testify in regional hearings, such as the one I chaired in St. Paul, Minn., on October 19, 1973. At that hearing, State Senator Jerome Hughes, who chairs the Senate's Education Committee, summed up well the implications of S. 6:

> We can easily see that for every child we serve educationally we have developed a more self-sufficient individual who will need fewer state services . . . we have helped an individual become a part of our community.

I am proud of the existing programs in my home State. Minnesota in 1973–74 served over 73,000 handicapped youngsters—over 80 percent of those needing special education in the State. This is well above the percentage found in many other States.

But there is still a lot of work to be done. We must make every effort to identify special needs at an early age. We must extend our education programs to those living in nonmetropolitan and rural areas for whom it is currently difficult to obtain those services. We must relieve the emotional and financial burdens placed on families with handicapped youngsters.

This bill represents a major step toward the identification and education of all handicapped youngsters in the near future. In the past, many children have been simply placed in institutions or segregated in schools and classes with little emphasis on adequate education and training. Under S. 6, an "individual planning conference" will provide a tailored program for each handicapped youngster to meet his special educational needs.

In the past, many children have been left to sit at home, providing little opportunity for adequate training and development. Under S. 6, priority is given to provision of a free appropriate public education to children not currently receiving any, as well as those currently receiving inadequate assistance.

In the long run our whole society will benefit by timely, effective identification and treatment of the needs of those individuals and their families.

I would like to address myself to a particular aspect of the bill which has been of concern to Minnesota State officials who will administer the program. That is the development of program evaluation efforts as authorized in section 618 of this bill.

The provisions of this section are vitally important to the administration—and success—of this education service. This section requires the Commissioner of Education to measure the impact of programs and projects designed to meet the goals specified under this act. The Commissioner is also required to develop evaluation procedures to assess the effectiveness of the special education and related services to meet the educational needs of those handicapped youngsters.

The importance of these assessments is obvious. I would like to stress in addition, that such an effort should involve State and local education agencies in every phase of the development of such evaluation procedures, plans, and models.

We must assure that the evaluation procedures from agencies bring about an assessment of these proposed services for the handicapped. And the value of having from the outset information which comes directly from the agencies involved in providing these services is clear to us all.

I hope, then, that a maximum effort will be made by the Commissioner to work closely with the States to develop a system of program evaluations, and to provide technical assistance to the States to develop and improve their own evaluation capabilities. I would like to see, therefore, that any additional personnel and funds authorized by this section be used to encourage an exchange of information. I hope that this exchange would help to determine which sort of program evaluation procedures would most effectively insure that we provide education for all handicapped children in our Nation.

Mr. SCHWEIKER. Mr. President, I am pleased to support S. 6, the Education for All Handicapped Children Act. This measure is a result of many court decisions, including the historic right to education consent agreement between the Pennsylvania Association for Retarded Citizens and the Commonwealth of Pennsylvania, which was signed in 1971, and established for the first time in the Nation the right of mentally retarded persons to a free public education. The purpose of the pending bill is to insure that all handicapped children have available to them a free appropriate public education, to insure that the rights of handicapped children and their parents or guardians are protected, to relieve the fiscal burden placed upon the States and localities when they provide for the education of all handicapped children, and to assess the effectiveness of efforts to educate handicapped children. I am firmly committed to this goal.

The most recent statistics provided by the Bureau of Education for the Handicapped estimate that of the more than 8 million children—between birth and 21 years of age—with handicapping conditions requiring special education and related services, only 3.9 million such children are receiving an appropriate education. A total of 1.75 million handicapped children are receiving no educational services at all, and 2.5 million handicapped children are receiving an inappropriate education.

Parents of handicapped children all too frequently are not able to advocate the rights of their children because they have been erroneously led to believe that their children will not be able to lead meaningful lives. However, over the past few years, parents of handicapped children have begun to recognize that their children are being denied services which are guaranteed under the Constitution. It should not, however, be necessary for parents throughout the country to continue utilizing the courts to assure themselves a remedy. The Congress must take a more active role under its responsibility for equal protection of the laws to guarantee that handicapped children are provided equal educational opportunity. It can no longer be the policy of the Government to merely establish an unenforceable goal requiring all children to be in school. S. 6 takes positive necessary steps to insure that the rights of children and their families are protected.

However, Mr. President, I am concerned that the committee dropped the mandate in the original version of the legislation for providing educational services for 3- to 5-year-olds, because I feel services should be provided at the most appropriate time, that is, when the child is at the earlier stages of development and will thus benefit most from these services. This act deals with a special group of children who need special educational services. It provides assistance for these children at Federal expense. To delay the delivery of those services because of restrictions of State law or practice is neither reasonable nor wise. During consideration of S. 6, testimony from parents, teachers, and experts in special education specifically emphasized the need for the earliest possible identification, evaluation, and service to children prior to their entry into the normal educational process. The committee heard testimony which indicated strongly that special educational services provided to handicapped children before "normal" school age were often the most beneficial, since much more could be done at an earlier age to ameliorate, alter, or develop skills to compensate for, certain handicapping conditions. The earlier such conditions can be diagnosed, in the long run, the less costly the special educational services the child will need during his or her school years. Therefore, Mr. President, additional views on this issue were submitted to the committee's report on the bill by my colleagues, Mr. Stafford, Mr. Javits, Mr. Kennedy, Mr. Hathaway, and myself.

In conclusion, Mr. President, I support this increase in our Nation's commitment to the education of our handicapped children, and urge speedy passage of this important legislation.

Mr. HUMPHREY. Mr. President, today the Senate has before it one of the most significant pieces of social legislation *which will be considered by the* Congress this year. S. 6—the Education for All Handicapped Children Act, of which I am cosponsor—represents a major mliestone in this Nation's commitment to its handicapped children.

There are approximately 8 million handicapped children between the ages of 3 and 21 in this country. Over a million of these children receive no educational opportunities whatsoever. Almost 3 million handicapped children, while in school, receive none of the special services that they require in order to make education a meaningful experience. In recent years, the courts and the Congress have tried to correct this violation of these children's rights to an equal and free education.

I believe a profound injustice has been suffered by these handicapped children of school age who are excluded from public schools.

We know that States and local school districts require significant financial assistance in order to provide special educational services for handicapped children, and it is incumbent upon Congress to enact legislation to fulfill this requirement.

While we know that such financial assistance is necessary, our experience also tells us that it is necessary to apply firm pressure which will insure the implementation of State and local plans for such services. The fact is that inadequate efforts by the States on behalf of handicapped children have been met with indifference by the executive branch of the Government, which has sharply reduced appropriations requests for grants to the States under the Education of the Handicapped Act.

Such inaction on the part of the Executive has created a situation where too often, parents confront long waiting lists in seeking counseling services for their handicapped children; too often, handicapped children are denied access to public schools, whether because of the lack of adequate professionally trained staff or because these children are simply viewed as an extra burden; and too often, the children are left with no alternative to being sent to an institution or to being shut up in their homes, because of the limited availability and higher cost of private schooling.

Although Minnesota is one of the more progressive States, it has fallen below its intended goals. Sufficient funds have not been made available to serve all of the handicapped children we originally planned to serve. As of March of last year, the State was serving 78,000 children between the ages of 4 and 21. But we were still not serving 17,505 handicapped children, who were going without an educational program.

One of the major goals for our program in the State was providing educational opportunities for our mentally retarded children outside of the State institutions, and in special education programs in the local school districts. This program has met considerable success, but they need the funds in order to do better.

Mr. President, I would like to share with my colleagues what I consider to be several of the most important features of this legislation.

The bill provides for a 3-year authorization to make payments to State educational agencies for grants made on an entitlement basis. Such payments may be used for the early identification and assessment of handicapping conditions in children under 3 years of age. It also extends the entitlement formula for payments to States under the Education of the Handicapped Act for 1 additional year.

This bill also includes a number of new definitions which are designed to assist State and local administering agencies in determining eligibility of those to be served under the provision of this law.

States are required to prepare and submit to the Commissioner of Education a comprehensive planning document, establishing a goal of full educational opportunity for each handicapped child within the State and requiring a detailed timetable for accomplishing this goal.

It establishes a priority in the use of Federal funds under that program for children not presently receiving an education program.

The entitlement program will be based upon the number of children in average daily attendance and thus vastly increase the funding available to the States.

It will also mandate provisions of full due process guarantees to all handicapped children and their parents.

I would like to take this opportunity to compliment the Senator from West Virginia and the members of the Handicapped Subcommittee of the Senate Labor and Public Welfare Committee, for their persistence and hard work in getting this bill to us today. The bill was introduced at the beginning of the 93d Congress, and throughout that Congress the Committee on Labor and Public Welfare through its Subcommittee on the Handicapped conducted extensive hearings both in Washington and throughout the United States. As originally introduced, this bill followed on the record of a series of landmark court cases establishing in law the right to education for all handicapped children. Since those initial decrees in 1971 and 1972, the progress toward establishing the right and the remedy for handicapped children has continued, leaving clear today that this right is no longer questioned.

This committee and its able chairman can take much of the credit for the great strides this Nation has taken in restoring these basic rights to our handicapped Americans.

Mr. President, I urge my colleagues to vote for the passage of this bill as we can delay no longer in providing sufficient funds to States in order to address the needs of our handicapped children. We must pass this legislation now.

Mr. BEALL. Mr. President, as one who is vitally concerned with our Nation's educational programs, I would like to express my support of S. 6, the Education for All Handicapped Children Act. The importance of educational opportunity cannot be understated, for it is education that serves to open the doors to the power of knowledge, and which provides a better understanding of society itself. With this understanding, our young Americans can more fully participate in our society.

There is no reason why educational opportunity should not be extended to all our children. As a matter of fact, by depriving an individual of such opportunity, society itself suffers. In the case of the handicapped child, our failure to stimulate his or her potential can only lead to despair and dependence on the part of the handicapped individual, and this dependence will inevitably be funded by the American public. More important than this cost, however, is the resulting loss of the benefits that society might reap from the contributions these individuals could make. There are approximately 8 million handicapped children in the Nation today, and within the past few years, all branches and levels of government, and the American public itself, have made great strides to diminish this loss. This can best be done by establishing education as a right for all children, regardless of any handicap they may experience.

I am proud to say that my own State of Maryland has made considerable progress in providing this equal educational opportunity to all children. As a response to this issue, the State acted in 1973 to broaden the scope and increase the public school responsibility for providing education and services to handicapped children. In addition, private citizens acted to ensure this opportunity later that year in a civil action suit in the U.S. District Court. The court decreed that—

> It is the established policy of the State of Maryland to provide a free education to *all* persons between the ages of five and twenty years, and includes children with handicaps. . . .

The Department of Education has accepted the task willingly, and is moving rapidly to meet its responsibility to all children.

It is impossible, however, for the States and local educational agencies to serve all those children needing special education without Federal financial assistance. Maryland is currently serving 76,723 handicapped children with approriate special education services. That still leaves approximately 40 percent who are not being served appropriately, or at all. At this time of fiscal difficulty on all levels of government, it is mandatory that the Federal commitment for education of the handicapped be increased. For example, in the State of Maryland's program for the education of the handicapped, the Federal share is less than 7 percent.

When the Education Amendments of 1974 were considered by the Senate, Senator MATHIAS introduced an amendment, cosponsored by me, to the Education of the Handicapped Act to alter the grant formula provided in part B of that law. It is important to note that the Mathias formula, which I strongly supported, is responsible for breaking the impasse and getting action for handicapped children. Total appropriation for this grant formula last year was $100 million, although the authorization level was approximately $666 million. Although these funds have greatly improved the States' service for handicapped children, it is not realistic for us to expect the fullest educational opportunity for handicapped children when we have not hurdled the barrier of insufficient resources.

As you know, I also serve as a member of the Senate Budget Committee, and it was as a member of this committee that I moved to increase funding priorities for educational programs, including $400 million for the handicapped. Although this year our recommendations in the functional categories are not binding, this nevertheless represents a feeling on the part of this committee with regard to the priority of funding for handicapped programs.

With these thoughts in mind, and as a

member of both the Subcommittee on the Handicapped and the ranking minority member of the Subcommittee on Education, on the Labor and Public Welfare Committee, I wish to express again my support of S. 6, to provide education for handicapped children. At the same time, I feel compelled to express my concern about S. 6 and its early enactment.

There are various provisions of this bill that could conceivably lead to long delays in the House, the conference, and which could even lead to a Presidential veto; provisions that may cause administrative difficultiees and, of course, the high cost of the bill itself. S. 6 is a new comprehensive approach to providing Federal assistance to the States in serving the handicapped, and I applaud a comprehensive approach. It is, however, a new program, and as such, may be susceptible to a veto by the President. This cannot be ignored.

It was this concern, along with the knowledge that the present formula system expires June 30, 1975, which led me to insist in committee that, along with reporting S. 6 to the Senate, we also report S. 1256 to the floor. This bill, of which I am a cosponsor, provides for a 1-year extension of the Mathias formula. If S. 6 meets delays or a veto and the opportunity for more adequate funding appears to be threatened, I will not hesitate to call up S. 1256, which I feel can quickly pass through both Houses and could be enacted into law. The important thing to remember is the target date of June 30, 1975. I will be watching this matter closely, and will not allow any delay in the House or any other snafu to prevent getting more money to the handicapped children for education this year. The time constraints are great, but so is my desire to see increased appropriations for the education for the handicapped.

I am hopeful, however, that this action will not be necessary and S. 6 will be enacted into law. I would like to commend my colleagues on the Handicapped Subcommittee for their hard work and concerted efforts in providing for the educational services for the handicapped and I hope that our efforts will bring forth the kind of program assistance that the Federal Government must provide to insure free and equal educational opportunities for the handicapped.

Mr. BAKER. Mr. President, I am fully sympathetic with the goals of S. 6 and with the desirability of increasing the Federal effort to assist in educating handicapped children. It is my feeling, however, that S. 6, which contains authorizations in excess of $6 billion over a 4-year period, holds out the hope of a level of Federal support which is much greater than we are able to provide during this time of fiscal constraints. My own State of Tennessee has recently adopted a State program of education for handicapped children, and I strongly support a continuation of Federal funds which will assist the State in carrying out this program. I believe, however, that we must be realistic in setting our future spending goals, and I feel that enactment of S. 6 with an authorization of $6 billion would be a step backward in our efforts to hold down Federal spending. For this reason, I intend to vote against the measure.

The PRESIDING OFFICER. The question is, shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Massachusetts (Mr. Kennedy) and the Senator from Missouri (Mr. Symington) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Maryland (Mr. Beall), and the Senator from Tennesee (Mr. Brock) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. Helms) is absent attending the funeral of a friend.

I further announce that, if present and voting, the Senator from Maryland (Mr. Beall) would vote "yea."

The result was announced—yeas 83, nays 10, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—83

Abourezk
Allen
Bayh
Bentsen
Biden
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—10

Bartlett
Bellmon
Curtis
Fannin
Griffin
Hansen
Hruska
McClure
Scott, William L.
Tower

NOT VOTING—6

Baker
Beall
Brock
Helms
Kennedy
Symington

So the bill (S. 6), as amended, was passed as follows:

S. 6

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education for all Handicapped Children Act".

Sec. 2. (a) Section 614(a) of the Education Amendments of 1974 is amended by adding after "fiscal year 1975" the following: "and fiscal year 1976".

(b) Section 614(b) of such Act is amended by adding after "fiscal year 1975" the following: "and fiscal year 1976".

(c) Section 614(c) of such Act is amended by adding after "fiscal year 1975" the following: "and fiscal year 1976".

(d)(1) Section 611(c)(2) of the Education of the Handicapped Act as in effect for fiscal years 1975 and 1976 is amended by striking out "the fiscal year ending June 30, 1975" and inserting in lieu thereof "fiscal years 1975 and 1976".

(2) Section 611(d) of the Education of the Handicapped Act as in effect for fiscal years 1975 and 1976 is amended by striking out "the fiscal year ending June 30, 1975" and by inserting in lieu thereof "fiscal years 1975 and 1976".

(3) Section 612(a) of the Education of the Handicapped Act as in effect for fiscal years 1975 and 1976 is amended by adding at the end thereof the following new sentence: "Sums appropriated for the fiscal year ending June 30, 1976, shall be made available to States and allocated to each State on the basis of unsatisfied entitlements under section 611, in an amount equal to the amount it received from sums appropriated for this part for the fiscal year 1975.".

(e) For the purpose of the amendments made by this section the term "fiscal year 1976" includes the period from July 1, 1976 through September 30, 1976.

Sec. 3. (a)(1) Section 601 of the Education of the Handicapped Act and all references thereto are redesignated as section 600.

(2) Part A of such Act is amended by adding after section 600 (as redesignated by this section) the following new section:

"STATEMENT OF PURPOSE

"Sec. 601. (a) The Congress finds that—

"(1) there are more than eight million handicapped children in the United States today;

"(2) the special educational needs of such children are being fully met in only a few school systems;

"(3) more than half of the handicapped children in the United States do not receive appropriate educational services which would enable them to have full equality of opportunity;

"(4) one million of the handicapped children in the United States are excluded entirely from the public school system and will not go through the educational process with their peers;

"(5) there are many handicapped children throughout the United States participating in regular school programs whose handicaps prevent them from having a successful educational experience because their handicaps are undetected;

"(6) because of the lack of adequate services within the public school system, families are often forced to find services outside the public school system, often at great distance from their residence and at their own expense;

"(7) developments in the training of teachers and in diagnostic and instructional procedures and methods have advanced to the point that, given appropriate funding, State and local educational agencies can and will provide effective special educational programs and related services to meet the needs of handicapped children;

"(8) State and local educational agencies have a responsibility to provide education for all handicapped children, but present financial resources are inadequate to meet the special educational needs of handicapped children; and

"(9) it is in the national interest that the Federal Government assist State and local efforts to provide programs to meet the educational needs of handicapped children in order to assure equal protection of the law.

"(b) It is the purpose of this title to insure that all handicapped children have available to them with the time period specified in section 614 of this Act a free appropriate public education, to insure that the rights of handicapped children and their parent or guardian are protected, to relieve the fiscal burden placed upon the States and localities when they provide for the education of all handicapped children, and to assess and assure the effectiveness of efforts to educate handicapped children.".

(b) Section 602 of such Act is amended to read as follows:

"DEFINITIONS

"SEC. 602. As used in this title—

"(1) 'handicapped children' means mentally retarded, hard-of-hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, or other health-impaired children, or children with specific learning disabilities who by reason thereof require special education and related services;

"(2) 'Advisory Committee' means the National Advisory Committee on Handicapped Children;

"(3) 'construction', except where otherwise specified, means (A) erection of new or expansion of existing structures, and the acquisition and installation of equipment therefor; or (B) acquisition of existing structures not owned by any agency or institution making application for assistance under this title; or (C) remodeling or alteration (including the acquisition, installation, modernization, or replacement of equipment) of existing structures; or (D) acquisition of land in connection with the activities in clauses (A), (B), and (C); or (E) a combination of any two or more of the foregoing;

"(4) 'children with specific learning disabilities' means those children who have a disorder in one or more of the basic psychological processes involved in understanding of language, spoken or written, including such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, and developmental aphasia, but excluding children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental, cultural, or economic handicaps;

"(5) 'Commissioner' means the Commissioner of Education;

"(6) 'elementary school' means a day or residential school which provides elementary education, as determined under State law;

"(7) 'equipment' includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, telecommunications, sensory, and other technological aids and devices, and books, periodicals, documents, and other related materials;

"(8) 'free appropriate public education' means special education and related services which shall be provided at public expense, under public supervision and direction and without charge, and meeting the standards of the State educational agency, which shall include an appropriate preschool, elementary, or secondary school education in the applicable State and which is provided in conformance with an individualized planning conference required by this Act;

"(9) 'individualized planning conference' means a meeting or meetings for the purpose of developing a written statement for each handicapped child, developed by a representative of the local educational agency who shall be qualified to provide, or supervise the provision of, specifically designed instruction to meet the unique needs of handicapped children, the teacher, the parents or guardians of the child and the child when appropriate, which statement shall include (A) a statement of the child's present levels of educational performance, (B) statements of the short-term instructional objectives to be achieved, (C) a statement of the specific educational services to be provided to such child, and the extent of integration into the regular classroom, and (D) the projected date for initiation and anticipated duration of such services;

"(10) 'institution of higher education' means an educational institution in any State which—

"(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

"(B) is legally authorized within such State to provide a program of education beyond high school;

"(C) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

"(D) is a public or other nonprofit institution; and

"(E) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited except that in the case of an institution offering a two-year program in engineering mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope and quality which must be met in order to qualify such institutions to participate under this Act and shall also determine whether particular institutions meet such standards; and for the purposes of this paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered;

"(1) 'local educational agency' means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, and such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school;

"(12) 'nonprofit' as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;

"(13) 'related services' means transportation and development, corrective, and other supportive services (including, but not limited to, speech pathology and audiology, psychological services, counseling services, physical and occupational therapy, and recreation) as required to assist a handicapped child to benefit from special education, and includes the early identification and assessment of handicapping conditions in children and provisions of services to such children;

"(14) 'research and related purposes' means research, research training (including the payment of stipends and allowances), surveys, or demonstrations in the field of education of handicapped children, or the dissemination of information derived therefrom, including (but without limitation) experimental schools;

"(15) 'secondary school' means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12;

"(16) 'Secretary' means the Secretary of Health, Education, and Welfare;

"(17) 'special education' means specially designed instruction (including physical education) at no cost to parents or guardians to meet the unique needs of a handicapped child;

"(18) 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

"(19) 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

SEC. 4. Part B of the Education of the Handicapped Act is amended to read as follows:

"PART B—ASSISTANCE TO STATES FOR THE EDUCATION OF ALL HANDICAPPED CHILDREN

"DURATION OF ASSISTANCE

"SEC. 611. During the period beginning October 1, 1976, and ending September 30, 1979, the Commissioner shall, in accordance with provisions of this part, make payments to State educational agencies for grants made on the basis of entitlements created under this part for the purpose of assisting such States in providing full educational opportunity to all handicapped children. Such payments may be used for the early identification and assessment of handicapping conditions in children under three years of age.

"STATE ENTITLEMENTS FOR EDCUATION OF HANDICAPPED CHILDREN

"SEC. 612. (a) The Commissioner shall, in accordance with the provisions of this part, make payments to States for the purposes set forth in section 611.

"(b) (1) Subject to the provisions of paragraph (2) of this subsection and section 613, the maximum amount of the grant to which a State shall be entitled under this part shall be equal to—

"(A) the number of handicapped children aged three to twenty-one, inclusive, in that State, who are receiving special education and related services for the most recent fiscal year for which satisfactory data are available;

multiplied by—

"(B) $300.

"(2) Notwithstanding any other provision of this subsection no State may count for the purpose of clause (A) of paragraph (1) of this subsection more than 10 per centum of the children aged three to twenty-one, inclusive, in that State for that year.

"(3) For the purpose of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(c) (1) The jurisdictions to which this subsection applies are Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) Each jurisdiction to which this subsection applies shall be entitled to a grant for the purposes set forth in section 611 in an amount equal to an amount determined by the Commissioner in accordance with criteria established by regulations, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed an amount equal to 1 per centum of the aggregate of the amounts to which all States are entitled under subsection (b) of this section for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such 1 per centum limitation, the entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such 1 per centum limitation.

"(d) The Commissioner is authorized to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts to which States are entitled under subsection (b) of this section for that fiscal year.

"ALLOCATIONS OF APPROPRIATIONS

"SEC. 613. (a) Sums appropriated for each fiscal year shall be made available to States and allocated to each State, on the basis of unsatisfied entitlements under section 612, in an amount equal to the amount it received from the appropriation for this part for the fiscal year preceding the fiscal year for which the determination is made.

"(b) Any sums appropriated to carry out this part for any fiscal year which remain after allocations under subsection (a) of this section shall be made to States in accordance with entitlements created under section 612 (to the extent that such entitlements are unsatisfied) ratably reduced.

"(c) In the event that funds become available for making payments under this part for any fiscal year after allocations have been made under subsections (a) and (b) for that year, the amounts reduced under subsection (b) shall be increased on the same basis as they were reduced.

"ELIGIBILITY

"SEC. 614. In order to qualify for assistance under this part in any fiscal year, a State shall demonstrate to the Commissioner that the following conditions are met:

"(1) The State has in effect a policy that assures all handicapped children the right to a free appropriate public education.

"(2) The State has developed a plan pursuant to section 613(b) of this Act in effect prior to the enactment of the Education for All Handicapped Children Act which will be submitted not later than August 21, 1975, and will be amended so as to comply with the provisions of this paragraph. Each such amended plan shall set forth in detail the policies and procedures which the State will undertake or has undertaken in order to assure that—

"(A) there is established (i) a goal of providing full educational opportunity to all handicapped children, (ii) a detailed timetable for accomplishing such a goal, and (iii) a description of the kind and number of facilities, personnel, and services necessary throughout the State to meet such a goal;

"(B) a free appropriate public education will be available for all handicapped children between the ages of three and eighteen within the State not later than September 1, 1978, and for all handicapped children between the ages of three and twenty-one within the State not later than September 1, 1980, except that, with respect to handicapped children aged three to five and aged eighteen to twenty-one, inclusive, the requirements of this clause shall not be applied in any State if the application of such requirements would be inconsistent with State law or practice, or the order of any court, respecting public education within such age groups in the State;

"(C) all children residing in the State who are handicapped regardless of the severity of their handicap and who are in need of special education and related services are identified, located, and evaluated, including a practical method of determining which children are currently receiving needed special education and related services and which children are not currently receiving needed special education and related services;

"(D) policies and procedures are established in accordance with detailed criteria prescribed by the Commissioner to protect the confidentiality of such data and information by the State; and

"(E) the amendment to the plan submitted by the State required by this section shall be available to parents and other members of the general public at least thirty days prior to the date of submission of the amendment to the Commissioner.

"(3) The State has established priorities for providing a free appropriate public education to all handicapped children which priorities shall meet the timetables set forth in paragraph (2)(B) of this section, first with respect to handicapped children who are not receiving an education, and second with respect to handicapped children with the most severe handicaps who are receiving an inadequate education, and has made adequate progress in meeting the timetables set forth in paragraph (2)(B) of this section.

"(4) Each local educational agency in the State will maintain records of the individualized planning conference for each handicapped child, including the written statement developed pursuant to such conference, and such conference shall be held at least three times each year to develop, review, and, when appropriate and with the agreement of the parentc or guardian of the handicapped child, revise such statement.

"(5) The State has established procedures to insure that handicapped children and their parents or guardians are guaranteed procedural safeguards in decisions regarding identification, evaluation, and educational placement of handicapped children including, but not limited to (A)(i) prior notice to parents or guardian of the child when the local or State educational agency proposes to intiate or change the educational placement of the child, (ii) an opportunity for the parents or guardian to obtain an impartial due process hearing (not to be conducted by an employee of the State or local educational agency directly involved in the education or care of the child), examine all relevant records with respect to the classification or educational placement of the child, and obtain an independent educational evaluation of the child, (iii) procedures to protect the rights of the child when the parents or guardian are not known, unavailable, or the child is a ward of the State including the assignment of an individual (not to be an employee of the State or local educational agency directly involved in the education or care of the child) to act as a surrogate for the parents or guardian, and (iv) provision to insure that the decisions rendered in the impartial due process hearing required by this paragraph shall be binding on all parties subject only to appropriate administrative or judicial appeal; (B) procedures to insure that, to the maximum extent appropriate, handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular educational environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily; and (C) procedures to insure that testing and evaluation materials and procedures utilized for the purposes of evaluation and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory. Such materials or procedures shall be provided and administered in the child's primary home language or mode of communication, and no single procedure shall be the sole criterion for determining an appropriate educational program for a child.

"(6) The State educational agency shall be responsible for insuring that the requirements of this part are carried out and that all educational programs for handicapped children within the State, including all such programs administered by any other State or local agency, will be under the general supervision of the persons responsible for educational programs for handicapped children in the State educational agency and shall meet education standards of the State educational agency.

"(7) The State shall assure that (A) in carrying out the requirements of this section procedures are established for consultation with individuals involved in or concerned with the education of handicapped children including handicapped individuals and parents or guardians of handicapped children, (B) there are public hearings, adequate notice of such hearings, and an opportunity for comment available to the general public prior to adoption of the policies, programs, and procedures required pursuant to the provisions of this section and section 615 of this Act, and (C) there is opportunity for comment by the general public on any rules or regulations proposed for issuance by the State pursuant to this Act.

"(8) The State has established an entity for the purpose of insuring compliance with the provisions of this part, at least half of the members of which shall be handicapped individuals or parents or guardians of handicapped children and all of whom shall be qualified by training or experience to carry out the purposes of this paragraph, which entity (A) shall conduct periodic evaluations in the State in order to determine whether the State educational agency and local educational agencies within the State are in full compliance with the provisions of this Act to insure that all handicapped children within the State are in fact receiving the *services* required by this Act; (B) shall be empowered to receive, and take appropriate action (including attempts to conciliate) with respect to, complaints (including complaints that a child has been erroneously classified as eligible to be counted under section 612 of this Act) from individuals with respect to alleged violations of the provisions of this Act; (C) shall, when appropriate, make determinations, after providing notice and an opportunity for a hearing, with respect to such alleged violations and, upon a finding that a violation has occurred, notify the State and appropriate local educational agencies of such finding and take appropriate steps to assure that such violations are corrected; and (D) shall upon a determination that, after a reasonable period of time, adequate steps have not been undertaken to correct such violations, so inform the Commissioner who shall take appropriate action pursuant to section 616 of this Act.

"APPLICATION

"SEC. 615. (a) Any State meeting the eligibility requirements set forth in section 614 and desiring to participate in the program under this part shall submit to the Commissioner an annual application at such time, in such manner, and containing or accompanied by such information, as he deems necessary. Each such application shall—

"(1) set forth a description of programs and procedures for the expenditure of funds paid to the State agency in the fiscal year for which such application is made, in conformance with the requirements of section 614 (2) and (3) of this part;

"(2) set forth a description of programs and procedures by which funds received by the State or any of its political subdivisions under Federal programs (including, but not limited to, part A of title I of the Elementary and Secondary Education Act; title III and title IV of the Elementary and Secondary Education Act, or its successor authority; and the Vocational Education Act of 1963) which expressly provide, or set aside, financial assistance for the education of handicapped children, and funds received by the State or any of its political subdivisions under the Rehabilitation Act of 1973 which are utilized for the education of handicapped children, will be utilized by the State or any of its political subdivisions only in a manner consistent with the provisions of this Act, except that nothing herein shall be construed to limit the specific requirements of the laws governing such Federal programs;

"(3) consistent with the purposes of this Act, set forth a description of programs and procedures for the development and implementation of a comprehensive system of personnel development which shall include the inservice training of general and special educational instructional and support personnel, detailed procedures to assure that all personnel necessary to carry out the purposes of this part are appropriately and adequately prepared and trained, and that effective procedures for acquiring and disseminating to teachers and administrators of programs for handicapped children, significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices and materials developed through such projects;

"(4) set forth policies and procedures to assure (A) that to the extent consistent with the number and location of handicapped children in the State who are enrolled in nonpublic elementary and secondary schools, provision is made for the participation of such children in the program assisted or carried out under this part by providing for such children special education and related services, and (B) that handicapped children in private schools and facilities will be provided special education (in conformance with an individualized planning conference as required by this Act) and related services at no cost to their parents, if such children are placed in or referred to such schools or facilities by the State or appropriate local educational agency as the means of carrying out the requirements of this title or other applicable law requiring the provision of special education and related services to all handicapped children within such State and that in all such instances the State educational agency shall assure that such schools and facilities meet standards that apply to State and local educational agencies and that children so served have all the rights they would have if served by such agencies;

"(5) set forth policies and procedures which assure (A) that of the funds distributed under this part, (i) 40 per centum of such funds shall be distributed to local educational agencies in the State in direct proportion to the number of handicapped children who are in need of a free appropriate public education within the area served by each such local educational agency, except that no funds shall be distributed under this clause to any local educational agency in that State if such agency will receive less than $7,500 in any fiscal year, and funds not distributed as a result of this exception shall be distributed pursuant to clause (ii) of this subparagraph, and (ii) 60 per centum of such funds shall be distributed in a manner which is consistent with the requirements of section 614(3), and (B) that the State shall seek to recover any funds distributed to a local educational agency for services to any child who is determined by the entity required pursuant to section 614(8) to be erroneously classified as eligible to be counted under section 612 of this Act;

"(6) provide satisfactory assurance that the control of funds provided under this part, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property;

"(7) provide for (A) making such reports in such form and containing such information as the Commissioner may require to carry out his functions under this part, and (B) keeping such records and affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this Act;

"(8) provide satisfactory assurance that Federal funds made available under this part will be so used as to supplement and increase the level of State and local funds expended for the education of handicapped children and in no case supplant such State and local funds; except that, where the State provides clear and convincing evidence that all handicapped children have available to them a free appropriate public education, the Commissioner may waive in part the requirement of this clause if he concurs with the evidence provided by the State;

"(9) provide, consistent with procedures prescribed pursuant to section 618 (a)(2), satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this Act to the State including any such funds paid by the State to local educational agencies; and

"(10) provide for procedures for evaluation at least annually of the effectiveness of programs in meeting the educational needs of handicapped children (including evaluation of individualized planning conferences), in accordance with such criteria that the Commissioner shall prescribe pursuant to section 619.

"(b) The Commissioner shall approve any State annual application and any modification thereof which—

"(1) is submitted by a State eligible in accordance with section 614 of this Act, and

"(2) meets the requirements of subsection (a) of this section.

The Commissioner shall disapprove any application which does not meet the requirements of the preceding sentence, but shall not finally disapprove a State application except after reasonable notice and opportunity for a hearing to the State.

"WITHHOLDING AND JUDICIAL REVIEW

"SEC. 616. (a)(1) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to any State educational agency, finds that there has been a failure to comply substantially with any provision of section 614 or 615, the Commissioner shall notify the agency that payments will not be made to the State under this part (or, in his discretion, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions or omissions caused or are involved in such failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no payments shall be made to the State under this part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

"(2) Whenever an entity established pursuant to section 614(8) in any State finds that there has been substantial failure to carry out the requirements of any provision of this Act, it shall notify the State educational agency, the appropriate local educational agencies, the chief executive officer of the State and the Commissioner who may provide notice, conduct a hearing and, if he finds a failure described in paragraph (1), withhold payments pursuant to this subsection.

"(b)(1) If any State is dissatisfied with the Commissioner's final action with respect to its application submitted under section 615, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"INCENTIVE GRANTS

"SEC. 617. (a) The Commissioner shall make a grant to any State which—

"(1) has met the eligibility requirements of section 614,

"(2) has an application approved under section 615, and

"(3) provides educational and related services to handicapped children aged three to five, inclusive, who are counted for the purposes of section 612(b)(1)(A).

The amount of the grant for each fiscal year to which a State is entitled under this section shall be $300 for each such child in that State.

"(b) Each State which—

"(1) has met the eligibility requirements of section 614,

"(2) has an application approved under section 615, and

"(3) desires to receive a grant under this section,

shall make an application to the Commissioner at such time, in such manner, and containing or accompanied by such information, as the Commissioner may reasonably require.

"(c) The Commissioner shall pay to each State having an application approved under subsection (b) of this section the amount to which the State is entitled under this section, which amount shall be used for the purpose of providing the services specified in clause (3) of subsection (a) of this section.

"(d) In addition to the sums necessary to pay the entitlements under section 612, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"ADMINISTRATION

"Sec. 618. (a) (1) In carrying out his duties under this part, the Commissioner shall—

"(A) cooperate with, and render all technical assistance necessary, directly or by grant or contract, to the States in matters relating to the education of handicapped children and the execution of the provisions of this part;

"(B) provide such short-term training programs and institutes as are necessary;

"(C) disseminate information, and otherwise promote the education of all handicapped children within the States; and

"(D) insure that each State shall within one year of the effective date of the Education for All Handicapped Children Act provide certification of the actual number of handicapped children receiving special education and related services in such State.

"(2) As soon as practicable after the enactment of this Act, the Commissioner shall, by regulation, prescribe a uniform financial report to be utilized by State agencies in submitting an application for assistance under this part in order to assure equity among the States.

"(b) In carrying out the provisions of this part the Commissioner shall issue, amend, and revoke such rules and regulations as may be necessary. No other less formal method of implementing such provisions is authorized.

"(c) The Commissioner shall take appropriate action to assure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by him and by State and local educational agencies pursuant to the provisions of this Act.

"(d) The Secretary shall establish a task force composed of representatives of the Office of Education, the Bureau of Education for the Handicapped, the National Institute of Education, the Rehabilitation Services Administration, the Office of Child Development, the Office for Handicapped Individuals, the Office of the Assistant Secretary for Health, and the Office of Civil Rights, which shall develop guidelines to assure that all programs administered by the Department of Health, Education, and Welfare which provide assistance for the education of handicapped children will be administered in a manner consistent with the provisions of this Act. The Secretary shall be responsible for such guidelines and for assuring maximum cooperation in the implementation of such guidelines by the agencies referred to herein.

"(6) There are authorized to be included for each fiscal year in the appropriation for the Department of Health, Education, and Welfare such sums, not in excess of one-quarter of 1 per centum of the amounts appropriated pursuant to section 612, or $1,000,000, whichever is greater, as are necessary to administer the provisions of this part.

"EVALUATION

"Sec. 619. (a) The Commissioner shall measure and evaluate the impact of the program authorized under this part and the effectiveness of State efforts to assure the free appropriate public education of all handicapped children.

"(b) In carrying out his responsibilities under this part, the Commissioner shall conduct, directly or by grant or contract, such studies, investigations, and evaluations as are necessary to assure effective implementation of this part and (1) shall provide for the collection and annual reporting of programmatic information concerning programs and projects carried out with financial assistance under this part and other Federal programs supporting the education of handicapped children, and such information from State and local educational agencies and other appropriate sources necessary for the implementation of this part, including such information as (A) the numbers of handicapped children participating in programs supported under this part, (B) the types of handicaps and the numbers of children with such handicaps participating in such programs, (C) the numbers of children needing such services, (D) the amount of Federal, State, and local expenditures specifically used to provide such special education programs; and (2) provide for the evaluation of such programs through (A) the development of effective methods and procedures for evaluation, (B) the testing and validating of such evaluation methods and procedures, and (C) conducting actual evaluation stuides designed to test the effectiveness of activities supported by financial assistance under this Act.

"(c) (1) Not later than one hundred and twenty days after the close of each fiscal year, the Commissioner shall submit to the appropriate committees of Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include (A) a full and detailed analysis and assessment of the progress being made toward the provision of a free appropriate public education to all handicapped children, (B) an evaluation of the effectiveness of the procedures undertaken by States to assure that handicapped children receive special education and related services in the least restrictive environment commensurate with their needs, along with any recommendations for change in the provisions of this part or other Federal law providing assistance for the education of handicapped children, (C) an evaluation of the effectiveness of the procedures undertaken by States to prevent erroneous classification of children as eligible to be counted under section 612 of this Act, including actions undertaken by the Commissioner to carry out provisions of this Act relating to such erroneous classification.

"(2) The Commissioner is authorized and directed to develop, prepare and submit to the appropriate committees of Congress by June 30, 1977, a comprehensive study of objective criteria and evaluation procedures to determine the effectiveness of special education and related services provided to handicapped children. Such criteria and procedures shall be designed in order that they may be utilized in conjunction with individualized data available through the individualized planning conferences required pursuant to section 614 of this part. In conducting such study, the Commission is authorized to make grants and contracts to public and private individuals and organizations to assist in developing objective criteria and evaluation procedures, except that such grant or contract shall not be entered into with any individuals or organizations who have any financial or other direct interest in any programs or services being evaluated pursuant to this paragraph.

"(3) The Commissioner shall, directly or by grant or contract develop, prepare, and submit to the appropriate committees of Congress by December 1, 1977, a statistically valid survey of the effectiveness of the individualized planning conferences.

"(d) The Commissioner is authorized to hire qualified personnel necessary to conduct data collection and evaluation activities required by subsections (b) and (c) of this section and to carry out his duties under section 618(a) (1) of this Act without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates except that no more than twenty such personnel shall be employed at any time.

"(e) There are authorized to be appropriated for carrying out the responsibilities of this section $2,500,000 for fiscal year 1976, $3,500,000 for fiscal year 1977, $5,000,000 for fiscal year 1978, and $7,500,000 for fiscal year 1979.

"PAYMENTS

"Sec. 620. (a) The Commissioner shall, subject to the provisions of section 614 relating to eligibility, pay to each State the amount which that State is entitled to receive under this part.

"(b) (1) The Commissioner is authorized to pay to each State amounts equal to the amounts expended for administration and planning under this part which may include regional, interstate and intrastate technical assistance, and dissemination of necessary materials.

"(2) The total of such payments in any fiscal year shall not exceed—

"(A) 5 per centum of the total of the amounts of the grants paid under this Act for that year to the State educational agency, or $200,000, whichever is greater; and

"(B) in the cases of Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands 5 per centum of the total of the amounts of the grants paid under this Act for that year in such jurisdictions, or $60,000, whichever is greater.

"(3) There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this subsection.

"(c) Payments under this Act may be made in advance or by way of reimbursement and in such installments as the Commissioner may determine necessary."

Sec. 5. Part A of the Education of the Handicapped Act is further amended by inserting after section 605 thereof the following new sections:

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"Sec. 606. As a condition of providing financial assistance under this Act, the Secretary shall insure that each recipient of such assistance shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under, and on the same terms and conditions as set forth in, the applicable provisions of the Rehabilitation Act of 1973 (87 Stat. 355), as amended, relating to employment of handicapped individuals by State rehabilitation agencies and rehabilitation facilities and under Federal contracts and subcontracts.

"GRANTS FOR THE REMOVAL OF ARCHITECTURAL BARRIERS

"Sec. 607. (a) Upon application by any State or local educational agency the Commissioner is authorized to make grants to pay part or all of the cost of altering existing buildings and equipment in the same manner and to the same extent as authorized by an Act approved August 12, 1968 (Public Law 90-480), relating to architectural barriers.

"(b) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated such sums as may be necessary.".

Sec. 6. The amendments made by sections 3 and 4 of this Act shall take effect on and after October 1, 1976, except that (1) clauses (A), (C), (D), and (E) of paragraph (2) of section 614 of the Education of the Handicapped Act, as amended by this Act, shall take effect on and after August 21, 1975, (2) subsection (a)(1)(D) and subsections (d) and (e) of section 618 of the Education of the Handicapped Act, as amended by this Act, and subsection (a) and subsection (c) (2) of section 619 of the Education of the Handicapped Act, as amended by this Act, shall be effective upon the date of enactment of this Act, and (3) the Commissioner may prior to such date, but not later than July 1, 1976, issue such regulations and make such determinations to carry out the amendments made by sections 3 and 4 of this Act as he determines necessary.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read:

A bill to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purposes.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The PRESIDING OFFICER. Under the previous order, the hour of 1 o'clock having arrived, the Senate will now resume consideration of Senate Resolution 166, which the clerk will state.

The assistant legislative clerk read as follows:

A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

AMENDMENT NO. 595

The PRESIDING OFFICER. The pending question is on the amendment by the Senator from Alabama (Mr. ALLEN), amendment No. 595, with the vote thereon or the motion to table to occur after 1½ hours of debate.

The Senator from Alabama.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. The Senate will please come to order. The Senator from Alabama will suspend.

The Senator from Alabama.

Mr. ALLEN. Mr. President, I ask unanimous consent to modify my substitute by putting it in the form of an amendment to the resolution.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I may not object later today, but at this time I must say to my friend from Alabama that I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. GRIFFIN. Mr. President, reserving the right to object, I want to express the hope that we will be able to vote on the Allen amendment without further amendment at the appointed time of 2:30. The expectation yesterday was that that would be the case.

There are some rumors floating around that an amendment, which is not just a minor amendment, might suddenly be thrust upon us—that some "around-the-end" kind of tactics might be employed to cut off further amendments to the resolution.

I hope that is not the case because if such tactics are used, it might be rather difficult to get any further time agreements around here.

Mr. ROBERT C. BYRD. Mr. President, as my good friend from Michigan knows, it is within the right of every Senator to offer an amendment to the Allen amendment when the time expires. No Senator can be shut out of exercising his right along that line.

Mr. GRIFFIN. Well, we will just see what happens. I do not know whether I am anticipating something that is not necessary to anticipate. I hope not.

Mr. ALLEN. I thank the distinguished Senator from Michigan for his comments and the distinguished Senator from West Virginia for his reservation of his right to object.

Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Chair reminds the Senator that he had an order for a live quorum.

Mr. ALLEN. Mr. President, I asked unanimous consent that I might ask for a live quorum, but I believe we have a sufficient number and I do not plan to do that. I would be glad to do it, if that were what the Chair wishes.

The PRESIDING OFFICER. Without objection, the order is vitiated.

Mr. ALLEN. I thank the Chair.

Mr. President, I might state to the distinguished Senator from Michigan, I believe we will get a vote first on the provisions in the present amendment, which might come as a perfecting amendment to the Rules Committee resolution. I believe the first vote is going to be on the substance of this amendment, I will state to the distinguished Senator from Michigan.

Mr. GRIFFIN. Will the Senator yield for a further observation?

Mr. ALLEN. I am delighted to yield to the Senator.

Mr. GRIFFIN. It is and was the expectation of everyone around here, I think, on yesterday that after we voted on the Allen amendment, up or down, of course if it were adopted as a substitute for the resolution then that would be the end of it, but that if it were not adopted, then the resolution would continue to be before us subject to further amendment, and there are other amendments to be offered to it.

Now, I do not know. Maybe the leadership on this side was a little bit too trusting and naive because we thought that was what was going to happen.

We should have probably said in agreeing to the unanimous consent that we would vote on the Allen amendment without any further amendment, because otherwise we have no other idea what further amendments might be offered without any debate before 2:30.

Now, I do not know. Of course, if it were a matter of changing the date in the Allen amendment, that would be understandable, everybody would understand that, but there was some talk we may get a different kind of amendment which would preclude any further amendment.

Mr. ALLEN. I will state to the distinguished Senator from Michigan that same situation obtained on yesterday with respect to the Weicker amendment. This same substitute the Senator speaks of possibly being offered by someone as a substitute to the substitute of the Senator from Alabama, that could have been offered on yesterday to the substitute of the distinguished Senator from Connecticut (Mr. WEICKER).

So nothing has changed, actually, from the situation as obtained on yesterday.

The same situation is not novel and, of course, we must recognize the right of amendments to come in. That is certainly understandable. But the Senator from Alabama does plan to offer a perfecting amendment to the Rules Committee resolution which he feels would be voted on first, even though another substitute is offered by someone to the substitute now before the Senate.

We will get a vote, I believe, on the substance of my amendment as the first vote.

Mr. GRIFFIN. Then would the Senator from Alabama withdraw his pending substitute if he offers it as a perfecting amendment?

Mr. ALLEN. I am not going to make that request.

Mr. HATFIELD. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. HATFIELD. I would like to make an observation. Yesterday we had a great deal of discussion on the point as to the Senate getting about the business of resolving some of the conflicts that were presented in this resolution; namely, the 28 ballot ties and the 8 substantive issue ties. I would only hope we would not get embroiled here today in a parliamentary procedure which prohibits the Senate from addressing itself to these issues one by one rather than finding ourselves locked into parliamentary discussions, debates, and procedures, which end up having an indirect reaction on this whole question, or at least some of the parts of the question. I know the Senator from Alabama is not intending that that be the situation or result in the situation. I only want to make this observation: again I want to emphasize the minority whip's comment, that it would be an act of less than good faith if we found ourselves wrangling here today in not being able to vote up or down on the basic substantive issues but, rather, circumventing that and indirectly attacking the question through parliamentary embroilment and parliamentary confusion.

Mr. ALLEN. I appreciate the remarks of the distinguished Senator from Oregon. The Senator from Alabama is not going to knock the right of parliamentary procedure and maneuver. He feels that that is a perfectly proper procedure.

Mr. WEICKER. Will the Senator yield?

Mr. ALLEN. I yield.

Mr. WEICKER. I would like to say two things and ask a question of the distinguished Senator from Nevada. I do not know how I will vote on the amendment of the distinguished Senator from Alabama. I am giving it a lot of thought.

When I left here last night I was under the distinct impression that his amendment would be voted on at 2:30

today. I know that the distinguished Senator from Alabama seriously considered whether he should not have offered his amendment to my motion. I thank him for allowing mine to go through "clean." I would hope the same thing would happen to the amendment of the Senator from Alabama. As the Senator knows, I have some reservations. But as to the fairness and equity of the situation, I believe he expected the vote to take place at 2:30 today and so did I, as did everyone in the Chamber.

If I may direct a question to the distinguished Senator from Nevada, there may be a lot of speculation but why not go right to the horse's mouth as to whether or not the distinguished Senator from Nevada, as the chairman of the Rules Committee, can possibly shed some additional light on what is going to happen here. Maybe we can save ourselves a lot of time.

Mr. CANNON. Mr. President, I have about 1 hour and 15 minutes of time that I expect to use. At that time I will certainly state to the Senate and the Senator what I intend to do. It seems to me that someone here is protesting a little too much.

Mr. WEICKER. No. I am simply asking.

Mr. CANNON. I want to hear the Senator's presentation. I certainly am not going to try to foreclose or agree that I will not try to foreclose the rights of any Senators in connection with this matter.

Mr. WEICKER. I am not going to persist. I thought we might save a lot of time and a lot of suspicions if we found out what it is that is going to take place. Apparently some of these rumors have some basis in fact.

Mr. ALLEN. I might say that I believe this whole question is a moot question because even if, as the Senator from Michigan thinks might occur, a substitute is offered that is adopted to my substitute, thereby supplanting my substitute as the pending business, that will not prevent the perfecting amendments from being offered later, I will say to the distinguished Senator from Michigan. These amendments could be offered, in the opinion of the Senator from Alabama, as perfecting amendments. All that would be before the Senate then would be a pending substitute for the committee's resolution. That would be amendable, in the opinion of the Senator from Alabama, on a perfecting amendment basis. So he will have an opportunity to offer his amendments and they will be debatable.

Mr. ROBERT C. BYRD. Will the distinguished Senator yield for 1 minute? I would hope the distinguished Senator from Nevada will yield 1 minute to me.

Mr. CANNON. I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, there is not a question of fairness here——

Mr. ALLEN. The Senator from Alabama has not alleged any unfairness.

Mr. ROBERT C. BYRD. No, the Senator from Alabama has not. There is no question of fairness. Any Senator can come in with an amendment after all time has expired, an amendment to the pending substitute. That is within the rights of any Senator.

Mr. ALLEN. The Senator from Alabama is not making a point of that.

Mr. ROBERT C. BYRD. I am not addressing myself to the Senator. I am addressing myself to the distinguished Senator from Michigan and the distinguished Senator from Connecticut. There is no question of fairness here.

When the time runs out, unless there had been a provision in the unanimous-consent order yesterday excluding amendments, any Senator has a right to offer an amendment to the pending substitute. As the Senator from Alabama has correctly stated, he can, and I assume he will if he does not get consent to withdraw his substitute, offer a perfecting amendment to Senate Resolution 166.

Mr. ALLEN. He has that amendment already prepared.

Mr. ROBERT C. BYRD. He can add that on at the end and get a vote on the same substance that he has in the substitute.

Mr. ALLEN. That is correct.

Mr. ROBERT C. BYRD. So he will get a vote on that one one way or the other. I hope Senators will disabuse themselves of the idea that for any Senator now to come in with an amendment to the substitute would be an act of bad faith and would not be in accordance with either the rules or equity or morality in connection with the legislative process.

Mr. ALLEN. The Senator from Alabama makes no charges or allegation of sharp practice. He certainly recognizes the right to offer any substitute to a substitute offered by the Senator from Alabama. That would wipe out the substitute of the Senator from Alabama, but it would still be something that had not yet been adopted. It would still be pending and the perfecting amendments in any number could be offered prior to a vote.

Mr. GRIFFIN. Will the Senator yield to me?

Mr. ALLEN. Yes.

Mr. GRIFFIN. Perhaps we can get this cleared up. First, the proposal of the Senator from Alabama is a substitute for the resolution, Senate Resolution 166.

I would like to direct a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. Will the Senator yield for that purpose?

Mr. ALLEN. I yield.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. GRIFFIN. If an amendment to the Allen substitute were tacked on, an amendment which took the form of the Resolution 166, itself—rather a strange, out of the ordinary kind of procedure—would the substitute as amended thereafter be subject to further amendment?

Mr. ALLEN. The substitute would not be open for amendment but the original resolution would be.

The PRESIDING OFFICER. The Chair is advised that if that amendment were added to the Allen substitute, that language itself could not be amended.

Mr. GRIFFIN. Could not be further amended. That is my understanding. Perhaps we should have been able to anticipate such a maneuver, but I must confess we did not when we agreed to the time limitation on yesterday. We thought we were agreeing to a time limitation on the Allen substitute.

If good faith and fairness are not appropriate words to use, let us use other words, but appeal to the majority not to take that route, which would operate as a parliamentary trick of sorts to cut off further amendments. There are further amendments, amendments of substance, which Senators wish to offer and which deserve to be debated. Of course, the majority has the votes and the time limit has been locked in. But I will say that for such a procedure to be employed would create a bad atmosphere in terms of future debate on this resolution. I am afraid it would be very hard thereafter to obtain further time agreements without checking the fine tuning very carefully.

Mr. ALLEN. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER (Mr. HASKELL). The Senator from Alabama will state it.

Mr. ALLEN. Even though the substitute for the Allen substitute is adopted and, therefore, is no longer amendable, is it not correct that the Rules Committee resolution would be amendable after the vote at 2:30 in any number of amendments, and without limitation of debate?

The PRESIDING OFFICER. The Chair is advised that the Senator from Alabama is correct.

The Chair is further advised that the question as stated by the Senator from Alabama was not the hypothetical question stated by the Senator from Michigan.

Mr. ALLEN. I know that. The Senator from Alabama made a parliamentary inquiry of his own. I thank the Chair.

In other words, even though the Allen substitute is wiped out by the substitute offered on the floor and voted on at or near 2:30, at a subsequent time the Rules Committee resolution could be amended from the floor?

The PRESIDING OFFICER. The Senator is correct.

Mr. ALLEN. What was the Chair's response?

The PRESIDING OFFICER. The Senator is correct.

Mr. ALLEN. I thank the Chair.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. ALLEN. Yes. Mr. President, I ask unanimous consent that the time consumed on parliamentary inquires not be charged against the small amount of time allotted to the Senator from Alabama.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Mr. President, we are to vote at a fixed time. I would be happy to have half the time charged to me.

Mr. ALLEN. The fixed time was done away with, I believe, and an hour and a half was agreed to.

The PRESIDING OFFICER. The vote will now occur at 2:35 p.m.

Mr. CANNON. I take it there were 5 minutes used up in parliamentary inquiries, then.

Mr. ALLEN. No, we were 5 minutes late getting started.

Mr. CANNON. I see. I am willing to share the time with the Senator, then, whatever the time situation is.

The PRESIDING OFFICER. To further clarify the matter, in response to the parliamentary inquiry, the time will be equally divided between the two parties.

Mr. ALLEN. I yield to the Senator from Pennsylvania.

Mr. HUGH SCOTT. I thank the Senator from Alabama.

Mr. President, I wish to observe that if we are getting into questions of time limitations hereafter, it may be desirable for some protection to be afforded to both sides, so that they might exclude amendments to amendments, or amendments in the nature of a substitute, and motions to table. It may be that we will not be able to get time limitation agreements unless we get them, as the Senator from Michigan says, on a very finetuned basis, because certainly we are not planning any surprises over here, and we do not want to be caught by surprises.

The Senator from Alabama has proposed an amendment on his own initiative, which we are listening to and making up our minds on, and we would like to vote on that issue. If we are to be deprived of it in this way, we will get it in another way, as the Senator from Alabama has brought out, and we will keep on getting it in various forms. But each time this is tried in the future, I think the Senate may be assured that we will be very much more careful about entering into time limitation agreements, simply because it is essential to protect the rights of all parties.

I thank the distinguished Senator.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me on my time as chairman?

Mr. HUGH SCOTT. I yield.

Mr. ROBERT C. BYRD. Mr. President, "the wicked flee when no man pursueth."

Has an amendment to the Senator's substitute been offered?

The PRESIDING OFFICER. No such amendment has been offered, and it would not be in order until the time on this amendment has expired.

Mr. ROBERT C. BYRD. I thought not. It is a puzzle to me why we have suddenly become concerned lest an amendment be offered when all time has expired.

I am speaking of a time limitation agreement. I wonder if we could get one.

Mr. President, I ask unanimous consent that all time on the pending resolution (S. Res. 166) be limited to 30 hours, to begin running tomorrow at the hour of 1 p.m., that the time be equally divided between and controlled by the chairman of the committee, Mr. CANNON, and the Senator from Oregon (Mr. HATFIELD); and that a vote on the pending resolution occur at the expiration of that 30 hours.

The PRESIDING OFFICER. Is there objection?

Mr. HUGH SCOTT. Mr. President, reserving the right to object, as the distinguished Senator from West Virginia has noted, "the wicked flee when no man pursueth," and I would add, to complete the quotation, "but the righteous are bold as a lion."

I would say that our trepidation is in the subjunctive. We do not have to be hit in the face with a move if we can feel a nudge from a 2-by-4 in the rear. Either way there is impetus, and either way there is concern.

I think we ought to defer this business of a time limitation agreement until we see how these amendments come out. I would hope that the Senator would not press his request at this time.

The amendment itself is in the nature of a time limitation agreement, and I do not think we ought to try to frustrate this particular search for a time limitation agreement by an arbitrary agreement on top of an agreement.

The Senator from West Virginia is proposing 30 hours. The Senator from Alabama is proposing a matter of days. Therefore, we are forced to contemplate the difference between the clock and the calendar, and I am not sure we are ready to make that decision. So I would have to object.

Mr. ROBERT C. BYRD. Mr. President, I realize that the purpose of the Senator's substitute is to expedite action on this whole matter, but I am afraid that the adoption of the substitute proposed by the Senator from Alabama would be counterproductive. I am afraid that it would, indeed, encourage a filibuster.

What the Senator is trying to do is move this matter along, and that is what I am trying to do. I would like very much to move it along faster than the date which is in the substitute would provide for. So, rather than August 1, I ask unanimous consent that there be a time limitation on this resolution as follows:

That there be a time for further debate limited to 10 hours, to be equally divided between Mr. CANNON and Mr. HATFIELD; that there be a time limitation on each of the 35 issues of 30 minutes, to be equally divided in accordance with the usual form; that a vote occur on the adoption of the resolution no later than 6 p.m. next Thursday week; and that the agreement be in the usual form.

Mr. GRIFFIN. Mr. President, reserving the right to object, the distinguished minority leader has made the point very well and very eloquently. I just say it in a different way. We are going to vote at 2:30 on a substitute offered by the Senator from Alabama. I think the distinguished majority whip is proceeding on an assumption that his substitute will be rejected. It may not be rejected; it may be adopted. If it is adopted as a substitute for the resolution, it seems to me we should at least wait until that vote is over before we proceed to try to decide where to go from there.

Mr. ROBERT C. BYRD. Will my friend yield at this point?

Mr. GRIFFIN. Yes.

Mr. ROBERT C. BYRD. He says I am proceeding on an assumption that the substitute will be adopted.

Mr. GRIFFIN. Rejected, I think.

Mr. ROBERT C. BYRD. Will be rejected. The Senator from Michigan now seems to be proceeding on the assumption that no amendment would be offered to that substitute which would improve it and possibly gain votes for it.

Mr. GRIFFIN. I say to the distinguished majority whip it may make a great deal of difference whether amendments are offered and what kind of amendments are offered.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I say that in terms of getting the sort of time agreement that the majority whip is suggesting.

Mr. ROBERT C. BYRD. I would think that if we hear the debate on the substitute and we are edified as to what the substitute would do and as to the advantages and disadvantages of enactment of the substitute, amendments to that substitute might occur to some of those of us listening.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Could first I get approval of my consent request?

Mr. GRIFFIN. For the time being, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, yes, I yield.

Mr. ALLEN. The Senator made a request for a time limit on the resolution, and the point was made that had to assume that the substitute introduced by the Senator from Alabama would not carry. I disagree.

Mr. ROBERT C. BYRD. That was a substitute.

Mr. ALLEN. I know that.

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. I say to the Senator that I disagree with that assumption, because that request for a time limit would be very much in order and even more in order if this resolution should pass.

Mr. ROBERT C. BYRD. Yes. It would be, and the leadership is indebted to the Senator from Alabama for his effort here to move this matter along.

Mr. ALLEN. Possibly that is true.

Mr. ROBERT C. BYRD. The leadership wants to move it along even faster.

Mr. ALLEN. I hope the Senator then will support the substitute if he feels under a debt of gratitude.

Mr. ROBERT C. BYRD. Would the Senator help me and Mr. MANSFIELD to get a unanimous-consent agreement that we would vote on the resolution no later than, let us say, July 15.

Mr. ALLEN. I would help to this extent: I would not interpose an objection to the Senator's request.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. CURTIS. Mr. President, reserving the right to object.

Mr. HATFIELD. Will the Senator yield for a parliamentary inquiry?

Mr. ALLEN. Yes, but somewhere along the line the Senator would like to make a few remarks on the substitute.

The PRESIDING OFFICER. The Senator from West Virginia has the time.

Mr. ROBERT C. BYRD. Mr. President, my two requests have been objected to.

I would make one final effort toward getting a consent agreement, and I do this in good faith, to use a term that is rather prevalent around here today.

I ask unanimous consent that all debates on the pending resolution be limited to 10 hours and that that control be allotted to Mr. CANNON and Mr. HATFIELD and that they may be authorized to yield time therefrom on any amendment, debattable, motion or appeal, that time on any one of the issues involved in the resolution be limited to not exceed 1 hour hour, to be equally divided and controlled in accordance with the usual form and that a final vote occur on the adoption of the resolution on no later than 6 o'clock on Tuesday, July 8 and that the agreement be in the usual form.

Mr. CURTIS. Mr. President, reserving the right to object, I would like to state that I have been in the Chamber here most of the time while this matter has been under discussion. Looking at vacant seats does not bother me but I——

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I have made my request.

Mr. CURTIS. I reserve the right to object.

The PRESIDING OFFICER. Time has to be yielded. We are under a time limitation.

Mr. ALLEN. I yield 2 minutes to the distinguished Senator.

Mr. CURTIS. I thank my distinguished friend.

Take, for instance, that first issue found on line 7, page 1, running to the bottom of the page. I think it would take more than an hour to explain the issue involved there to those of us who heard most of this debate.

This is a very serious matter. It is not New Hampshire that is involved. It is every State in the Union. It is whether or not they are going to be deprived of the right to be represented in this body by two Senators.

I shall object to any unanimous-consent request at this time until we proceed to take up some of these in good faith and have them fully explained, and I object.

Mr. HATFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, may I say under the agreement the distinguished Senator from Nevada and equally distinguished Senator from Oregon would have time from which they could allot to any Senator on any amendment if more than 1 hour were needed.

I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, may I ask the distinguished majority whip what time he intends to come in tomorrow. I understand he has made a request.

Mr. ROBERT C. BYRD. 10 o'clock in the morning.

Mr. MANSFIELD. The distinguished Senator from West Virginia has also filed a request that the Senate meet this Saturday.

Mr. ROBERT C. BYRD. I have.

Mr. MANSFIELD. For the information of the Senate, I think it is about time we got away from the 1 o'clock deadline to begin discussions on the pending business. I think that from now on we ought to come in early, stay late, meet on Saturdays, if need be, not have any committee meetings, and apply ourselves exclusively to the business at hand. I would hope that the Senate as a whole would take that to heart and be prepared to act accordingly, because it is up to us not to delay, not to postpone, not to dillydally, but to reach a decision on the issues, and to reach a final vote on the resolution. That is our responsibility, and we cannot avoid it. Whether we vote today, next week, or next month, or 2 months from now, you have to face up to it sometime, you have to cast your vote on this resolution. You have to make a decision.

Mr. WEICKER. Mr. President, will the distinguished majority leader yield?

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. I yield 2 minutes to the distinguished Senator from Oregon and 2 minutes to the distinguished Senator from Pennsylvania.

Mr. HATFIELD. Mr. President, I make a parliamentary inquiry, because the distinguished majority leader just commented about the issue as the Senator from Nebraska just commented specifically about issue 1 in the committee resolution. My inquiry is this: If the Allen amendment as now worded at the end had a time agreement, does the Allen amendment provide for the Senate to consider at this time the issues 1 through 8 of the committee resolution and the ballots numbered 1 through 27 as separate issues, or does it, in effect, have the result of sending the matter back to the committee, because it removes these issues, if adopted under its present wording, even with a time agreement as requested by the Senate majority whip?

The PRESIDING OFFICER. The Chair is advised that the Allen amendment pending is in the nature of a substitute and deletes all committee language from the resolution.

Mr. HATFIELD. Is that it?

The PRESIDING OFFICER. It merely states that unless the matter is decided by August 1 the seat is vacant.

Mr. HATFIELD. I would like to observe that it would be very difficult for me to agree to a time on the resolution that has the effect of removing from the Senate's consideration, if the Allen amendment were adopted as now stated, the several issues with which the committee has wrestled with over 200 hours and brought to the Senate for consideration, because of tie votes.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. ALLEN. I might state, in answer to this inquiry, that prior to the vote on the Allen amendment, it is my purpose to offer a perfecting amendment to the resolution putting in the very same words here as an amendment as an addition to the committee resolution, which would then leave this matter entirely before the Senate, with an August 1 deadline, so it would not go back to the committee.

Mr. HATFIELD. If the Senator will yield, were the Senate in a position of adopting a resolution as now worded and rejecting the perfecting amendment offered by the Senator from Alabama, it would have exactly the results as we have just described in our inquiry to the Chair, would it not?

Mr. ALLEN. That is correct.

Mr. HATFIELD. Yes.

Mr. ALLEN. But before the vote, as stated earlier, I am going to offer a perfecting amendment with the same language that would leave the resolution before the Senate.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. HATFIELD. If the distinguished Senator will yield just 30 second more, let me just again repeat my observation.

We are being asked to agree to a unanimous-consent agreement on time limitation on the resolution as now worded. That should be pointed out as an additional evidence that we are not really asked to take up the issues at this point until there is a perfecting amendment to the Allen amendment. That is why I think it proper to object at this time to any unanimous-consent request.

Mr. ALLEN. Mr. President, I yield 2 minutes to the distinguished Senator from Pennsylvania.

Mr. HUGH SCOTT. I thank the distinguished Senator from Alabama.

Mr. President, I do not think Senators are confused here, but the people might well not understand what is going on unless we differentiate between the request of the distinguished Senator from West Virginia and the situation before us.

As I see it, in the situation before us, the perfecting amendment, when adopted, keeps the resolution in effect, as I understand it; but it says to the Senate, "You have until the first of August to decide this."

Mr. ALLEN. That is correct.

Mr. HUGH SCOTT. "And if you don't decide it, the seat is declared vacant."

If the distinguished Senator from West Virginia wants to expedite the proceedings, let him join me—if the Senator from Alabama will consent—in changing the amendment to read "July 15." Then we would be saving 15 days. We would be out of here that much sooner. I think we would have no trouble agreeing on that kind of time limitation. But simply to argue that we are *being denied* a time limitation escapes the fact that, in the long run, we are going to be here indefinitely before we can get the Senate to agree on the time limitation individual Senators want on both sides. It also does not meet the concerns which we have as to a full exploration of the issue.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLEN. I yield 1 additional minute to the Senator.

Mr. HUGH SCOTT. I have another concern, and that is that the Senate should be free for a part of every day to consider the privileged motions; conference reports; emergency legislation, such as the aid to handicapped, which we had today, and other matters which the Senate must somehow continue to grind out, to keep up with the extraordinary expedition being demonstrated by the other body.

I am sure that we want to do those duties. That is why we have gone on what amounts to a two-track system.

We can hear pleas all we want for time limits and for expedition. I agree. Let us have a time limitation; and on the 15th of July either we will have agreed on something or the seat will be vacant, and the people of New Hampshire, who have been clamoring for this opportunity, in both political parties, will be given an opportunity to express their own judgment.

I thank the Senator from Alabama.

Mr. ALLEN. Mr. President, how much time remains to the Senator from Alabama?

The **PRESIDING OFFICER.** Twenty-three minutes.

Mr. ALLEN. I yield 1 minute to the distinguished Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Alabama.

Mr. President, I concur in the remarks of the distinguished Senator from Montana, the majority leader, that we should keep our attention to this matter and resolve it one way or the other.

Along that line, I wonder whether the distinguished Senator from Montana would agree that the 4th of July recess can be abandoned until this matter is resolved. If that is what is necessary, then the Senate should not go out on the recess.

Mr. MANSFIELD. I would be glad to give that matter consideration.

Mr. WEICKER. I hope we will do that; because it is my intention, if we start these sessions in the morning, to object to any committees meeting. It is my feeling that it is the business before the Senate. I agree with the distinguished majority leader that it should be attended to. If that means the recess goes, the recess goes.

Mr. MANSFIELD. Would that be the wish of the Republicans?

Mr. WEICKER. I would hope so. I hope there will be discussion along this line, so that there is no accusation of delay on the part of the Senate in resolving this matter.

Mr. MANSFIELD. We will give it consideration.

Mr. HUGH SCOTT. I make no commitment on behalf of the Republicans or the Democrats. At the proper time, I will make a commitment on my behalf.

Mr. MANSFIELD. Mr. President, will the Senator yield me 5 minutes?

Mr. CANNON. Senator ALLEN has the floor. If he will yield, I will be glad to yield 5 minutes of my time to the Senator from Montana.

Mr. ALLEN. I yield.

Mr. MANSFIELD. Mr. President, this debate and these colloquies have been most interesting and most revealing. We have said a lot, done nothing, and indicated that we are not concerned about bringing this most important matter to a head at the earliest reasonable time possible.

The amendment by the distinguished Senator from Alabama (Mr. ALLEN), at first blush, has a most compelling appeal. In it lies a ready answer—an easy way out—a method by which we might avoid our constitutional responsibility. That it would also invite dilatory tactics, filibusters and what-not is also quite evident. So easy would it be to prevent final disposition of the New Hampshire election dispute prior to August 1. Set a deadline. Fail to make that deadline. Avoid the mandate of the Constitution. This is the real meaning of the Allen amendment. It coincides with the wish of those who contend the Senate should not make a judgment, should not determine the will of the electorate in New Hampshire last November 5. How easy it would be for every Member to avoid such a decision! Discard, they say, the thorough scrutiny undertaken so assiduously these past 5 months. Throw out the work of the Committee on Rules and Administration which was solemnly delegated to them by us last January. Frankly, I would doubt that any Member of the U.S. Senate relishes exercising this responsibility. Who would not prefer to avoid confronting the difficult and tedious tasks, particularly as they relate to discerning the validity of ballots and the will of the voter? It would indeed be easy for us all to send this back to New Hampshire; and perhaps I would join the effort were it not for one technicality—a technicality which in my judgment absolutely bars the Senate from taking that action. It is the solemn words of Jefferson and others who have burdened us with an explicit responsibility that simply cannot be avoided. It is a responsibility that must be assumed and discharged. To endorse the Allen amendment is to guarantee the waste of 6 weeks of the Senate's time with dilatory tactics. To endorse the Allen amendment is to prevent the resolution of this issue in the manner prescribed by the Constitution. To approve the Allen amendment is to obtain by indirection the results that the Senate overwhelmingly refused yesterday to endorse directly. It is time, I think, after such an expression of will on yesterday, that the Senate face up to its responsibilities, however difficult they may be, and get on with the business of determining this contest, and on, too, with the remaining public business which is so much a part of the agenda for this Nation.

Yesterday's vote signalled an approval of the constitutional process. It demonstrated that a substantial majority heeded the words expressed so clearly in article I, section V:

> Each House shall be the judge of the elections, returns, and qualifications of its own Members.

The language is mandatory. I urge the Senate not to now reject the Constitution. The process is well underway. Before us is the Rules Committee recommendation and the matters on which the Committee could not reach agreement. That is as it should be. It is up to the Senate to make those decisions. The issue before us is not how Mr. Wyman or Mr. Durkin is to be judged. It is not how a Republican or a Democrat should be weighed and measured. The issue lies in the will of the New Hampshire electorate as it was expressed in the election last November. It is up to us to discern that will and to do so fairly, impartially, and to the best of our ability. Only in that way can we truly "be the judge of the elections, returns, and qualifications" of our Members.

Mr. ALLEN. Mr. President, I yield 2 minutes to the distinguished Senator from Nebraska (Mr. CURTIS).

Mr. CURTIS. I thank my distinguished friend from Alabama.

Mr. President, we have heard over and over again that the issue here is one of adherence to the Constitution. That is not correctly stated. If the Senate should come to the decision that the returns as certified to the Senate are inconclusive to determine who is the winner, the arrival at that decision is meeting our responsibilities under the Constitution. If we face this issue, come to a decision, and that decision happens to be one in which we say that it is inconclusive who won, we are exercising our responsibility by sending it back to New Hampshire.

It is not true that we are violating the Constitution if we send this back to the final authority, the voters of the State of New Hampshire. As a matter of fact, the 17th amendment fixes in the people, and the people only, to choose their Senators. Again, I repeat that arriving at a decision that, on the basis of what is submitted to us, the determination of who is the winner is inconclusive and that it ought to go back for a new election, is meeting our responsibility under the Constitution. To argue otherwise is a phony argument, it is a deceptive argument, it is a place to hide.

I thank the Senator for yielding.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. The Senator has been most gracious.

Mr. ALLEN. I yield to the Senator such time as he wants, on the chairman's time.

Mr. ROBERT C. BYRD. Mr. President, I think there is a desire on both sides of the aisle to expedite this matter before the Senate. I, therefore, ask unanimous consent that at 10:30 a.m. tomorrow, the Senate resume its consideration of the New Hampshire election dispute.

The **PRESIDING OFFICER.** Is there objection?

Mr. HUGH SCOTT. Mr. President, I think we should wait until we have more Senators on the floor. I suggest the absence of a quorum.

The **PRESIDING OFFICER.** On whose time?

Mr. HUGH SCOTT. On the time, if I may, with his agreement, of the Senator from Alabama for a few minutes.

Mr. ROBERT C. BYRD. Mr. President, I withdraw my request at this time, but later, I shall ask unanimous consent that, instead of going on to this business at 1 o'clock tomorrow and 1 o'clock Friday and Saturday, the Senate resume consideration of the pending matter at 10 o'clock daily, each day for the remainder of the week.

Mr. HUGH SCOTT. Reserving the right to object—will the Senator from Alabama yield 1 minute?

The **PRESIDING OFFICER.** Who yields time?

Mr. ALLEN. I yield 1 minute to the Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, we should make it clear that this is not accomplishing anything, because the moment we agree to such a thing, we shall be asked to make exceptions all day long, every day of the week, to insert something else. Everybody will be here to discuss New Hampshire and we will be discussing another matter and another matter. I think we should meet at an agreed time and everybody can mobilize his forces and be prepared to debate. If we are going to be put under pressure and we propose a 10:30 meeting, the next day, it will be 9:30 and the next day 9 o'clock, the next day 8 o'clock, until we have a 6 o'clock meeting, and we are going to have endless sessions. Therefore, I serve notice that I shall object to such a request.

Mr. ROBERT C. BYRD. Mr. President, I shall make such a request later in the day and perhaps by that time, the Senator from Pennsylvania will not want to object.

The PRESIDING OFFICER. The Senator from Alabama has 18 minutes remaining.

Mr. ALLEN. Mr. President, I yield myself 10 minutes.

This is the first time I have discussed this matter on the floor of the Senate since January. In the deliberations on the floor in January and in the Committee on Rules, I have been guided by two principles: One, that that candidate who had the certificate of election from his State was entitled to be seated provisionally until such time as the Senate could determine the outcome of the election. Mr. President, I submit that that would have been the better course for the Senate to pursue, because, all this time, New Hampshire would have been represented by a Senator who had the certificate of election and who was seated provisionally by the Senate.

I have operated, too, under a belief and opinion that it is the duty of the U.S. Senate to judge the elections, the returns, and the qualifications of its Members. To that end, I have, on three occasions, voted to retain this matter before the Senate: on the original Weicker motion; in the Committee on Rules; and then on the amendment on yesterday.

Mr. President, whereas I feel that it is the duty of the Senate to judge, I do not believe that it is proper for the Senate to hold this matter overly long within its breast without acting, because justice delayed is justice denied. The purpose of this amendment, which would spur the Senate into action if it is adopted—and we see the effect of the amendment already. For the first time, the Senate is realizing that it has to get moving. I am talking about the Senate as a body and not the Committee on Rules. It is realizing for the first time that it has to get moving.

For the first time, we hear the majority leader say we are going to have to start having Saturday sessions. For the first time, we hear the majority leader say we have to come in early and stay late. So if this amendment is voted down, it will have already accomplished something. It will have accomplished making the Senate realize that it has a responsibility to give New Hampshire its second Senator, to which it is entitled under the Constitution.

Mr. President, we speak of the duty of the Senate to judge. The people of New Hampshire are sovereign. This is a power and a jurisdiction that the Senate has that it must use reasonably and logically. Is it reasonable and is it logical that we keep this matter before the Senate for the entire 6-year term?

That supposition seems to be rampant here, in the Chamber. I think it is the duty of the Senate to act expeditiously.

The majority leader has spoken of the great work of the Committee on Rules. I recognize that fact and I applaud the chairman of the Committee on Rules for his dedication, his diligence, and his hard work, and the fact that this matter has had close scrutiny in the committee.

I commend each one of the members of the Rules Committee for his dedicated service in trying to reach a solution of this matter and giving both sides an opportunity to be heard—and they did have the opportunity to debate each issue as it came up before the committee.

What does the amendment do? The amendment recognizes the Senate's duty and responsibility to act, to judge this election. It does not throw the work of the Rules Committee. Far from it. It embraces that work. It approves of that work. It says that the Rules Committee, having worked for 5 months on this matter, and the matter now being before the Senate, the Senate ought to be able to complete action on the matter in 6 weeks' time.

Mr. President, I believe the people of this Nation are getting out of patience with the U.S. Senate for holding this matter in its breast for this length of time.

The distinguished majority leader says that to adopt the Allen amendment is not to discharge our constitutional responsibility. Well, I say that is incorrect, with all due respect to the distinguished majority leader. It seeks to expedite the Senate in the discharge of its constitutional responsibility.

It is not the Senate's responsibility to sit on this matter. Is not 6 more weeks enough for the Senate to sit on this matter? I believe it is and, Mr. President, the effect of the amendment—and I recognize that another substitute is going to be offered, but what of it, that is perfectly all right; that is within the rules, and I anticipated that, and I certainly charge no one with bad faith. I do not blame those who are going to offer it, if it is offered, for offering it. That is part of the game.

But this amendment would say to the Senate, "Yes, you have got the constitutional responsibility to act in this matter. You have got the right, you have got the responsibility, you have got the duty to judge this election. Let us use all of this work of the Rules Committees; let us use all of the evidence as used by the Rules Committee. Let us decide this matter. Let us decide it in 6 weeks' time. Let us resolve that we are going to finish it."

Mr. President, I daresay if this amendment is adopted you are going to see the Senate start moving around here. You are going to see some early morning sessions, you are going to see some night sessions, and that is as it should be. We should not dillydally with this matter anymore.

Mr. President, if we set a time during which we are going to act, if we set a deadline of August first, and move toward it, we can dispose of this matter.

Mr. President, I do not feel the matter of a tie vote as being the only circumstance under which the Senate might reach the conclusion that it cannot decide with any degree of certainty, with any degree of definiteness as to the outcome of that election. If the committee and the Senate reach that conclusion that it cannot be determined with any degree or certainty or definiteness, it would be in order for the matter to be referred back.

But that is not the point the Senator from Alabama makes by this amendment. The point is get to work, get to work on this matter; finish it by August first, and if we cannot discharge our constitutional responsibility in 6 weeks, added to 5 months we have already worked on this matter, then let us admit we have judged that we are incapable of acting within a reasonable time, and this matter is going to be returned to the sovereign people of New Hampshire.

As I have voted on three occasions to retain this matter before the Senate, I have had to resist appeals from within myself to send this matter back to New Hampshire and let the sovereign people of New Hampshire decide this matter.

But I have adopted the principle that the Senate can and should act. If it is incapable of acting, it is illogical, it is unreasonable, for the Senate to continue sitting on this election contest.

Mr. President, I offer this amendment in all sincerity as a possible solution of the dilemma in which we find ourselves as a solution that will enable the Senate to know when it is going to dispose of this matter and work toward that goal.

They say, "Well, it might encourage a filibuster." Well, you do not need encouragement to have a filibuster. They spring up without any encouragement at all. But if a filibuster is going to be engaged in—and I give assurance the Senator from Alabama is not going to engage in any extended discussion—these few minutes I have discussed this matter at this time are the first minutes I have used in discussing this matter on the floor since January—but I believe we will have a deadline there of August 1 which gives the Senate 6 weeks to act, and we are going to see the Senate on the move if this deadline is passed. We already see evidence of it now. As I stated, with threats of the announcements of the Saturday sessions and the long hours, you are going to see a whole lot more activity with regard to this matter if this measure does pass.

I might state that prior to a vote, in order to keep this resolution before the

Senate, I am going to offer as a perfecting amendment to Resolution 166, whether another substitute is offered or not, a perfecting amendment that would add this amendment not as a substitute, wiping out the resolution of the Rules Committee, but a perfecting amendment adding in exactly the same words this provision if the matter is not decided——

The PRESIDING OFFICER (Mr. THURMOND). The additional time of the Senator from Alabama has expired.

Mr. ALLEN. Sir?

The PRESIDING OFFICER. The additional time of the Senator from Alabama has expired.

Mr. ALLEN. I yield myself 1 more minute.

It will provide that the Senate continue with its deliberations on this matter. The seat is vacated as of August 1 unless prior to that time Mr. Durkin or Mr. Wyman is seated by the Senate. That would do away with the vacating of the seat.

One further thought, Mr. President, and I express this opinion, that if this amendment is adopted I would hope that the duly constituted authorities in New Hampshire would amend the law providing for a special election between the parties who were in the last election and open it up to all the duly qualified citizens of New Hampshire.

I reserve the remainder of my time, Mr. President.

The PRESIDING OFFICER (Mr. HASKELL). Who yields time?

Mr. CANNON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 21 minutes.

Mr. CANNON. Mr. President, I yield myself 10 minutes, or as much time as I need.

Mr. President, I regret that some of our colleagues are not here that raised so many red herrings a little earlier, because I would like to have had them listen to the response on this matter and I would like to have had them hear the arguments of the Senator from Alabama in support of his resolution.

I think there is a great deal of merit to the amendment that he has offered and I may say that I stated yesterday that I would be willing to accept the amendment if we could get a unanimous-consent agreement on the issues remaining in Senate Resolution 166.

I renew that statement today and say that nothing would give me greater pleasure than to have an August 1 cutoff date for the termination of this matter and if the Senate had not acted under a reasonable time limit on matters in Senate Resolution 166 and could not make a determination, then I would be perfectly willing to carry out the Senator's suggestion.

But I may say that, of course, there is a technical defect in the Senator's resolution, or his amendment, and he has indicated that he does intend to correct that so that the provisions of Senate Resolution 166 would be restated back in as a part of his motion, rather than have his motion made with nothing left of the original resolution.

I would want to point out, and again I say that I am sorry that only one of our distinguished colleagues on the minority who raised this question this morning is here to go into it, but I would simply point out that the distinguished majority leaders who raised the red herrings this morning did give me some ideas. I have checked as a result of their fears—which I might add are quite unfounded—and have ascertained that it would be possible for me to offer an amendment by a strike-and-insert provision and offer Senate Resolution 166 back as an entire resolution and have that voted on as one vote, Mr. President.

We have heard a lot in this body about the fact that we have a majority and we are using the authority of the majority improperly.

I just want to restate, Mr. President, that under the status of that amendment, with the time limit we have on it, it would be possible for me to offer a strike and insert an amendment and offer all of Senate Resolution 166 back and get a vote on that, one vote on the entire 35 issues that are posed in Senate Resolution 166.

Mr. WEICKER. Will the Senator yield?

Mr. CANNON. So I would say to my distinguished colleagues that if we were of a mind to use bare muscle, that certainly would be possible. I have no intention of doing it, and I am sure that no other Member of the Democratic side would have any such intention, because we have acted in good faith throughout this matter and we have reported to the Senate issues on which we could not agree and we want the Senate to act on those issues. As the Senator from Alabama stated, we want them to act expeditiously.

We should not keep this matter before us overly long and we should not keep this matter, as the Senator from Alabama stated, before the Senate for a 6-year term, even though we had some very unfortunate precedents in the Wilson case that was before the Senate for 3 years, 6½ months; the Chavez case, which was before the Senate 2 years and 4 months; the Kilgore case, which was before the Senate 3 years and 8 months.

I think it is time we bring this matter to a close, but I think we have had ample evidence this morning that there are going to be some dilatory tactics undertaken simply by refusal to agree to time limits on the proposals of this resolution if the Allen amendment were to pass, and that is the situation we are in.

We would have said if we do not dispose of it by August 1, then it goes back to New Hampshire, but we saw a determined minority, very well disciplined, yesterday, every member of the minority voted together to send it back to New Hampshire before we have carried out our constitutional responsibility, every member of the minority voted together, very well disciplined.

I agree with the Senator from Alabama that six more weeks is enough to sit on this matter. I would say to my distinguished majority leader and my distinguished majority whip, as far as I am concerned, I am willing to agree on any kind of a time limit on this resolution on every one of the 35 issues that would bring it—plus any amendments that may be offered—before this body in a reasonable period of time before August 1, so that the amendment of the Senator from Alabama could have meaning. I would be willing to agree to a time limit that we could conclude it by July 8. I would be willing to agree that we could conclude it by July 15. I would be willing to agree that we could conclude it by July 22. I would be willing to agree that we could conclude it next week before we take the proposed July 4 recess.

I may say to my distinguished colleague from Connecticut that I would be preferably agreeable to staying here and working over the July 4 recess to try to get this matter resolved.

So, Mr. President, I say let us put this in proper perspective now and let us find out.

At the proper time, I am going to move to table the Allen amendment. The reason I am going to do it is because of the clear invitation for delaying tactics that would exist here. We have seen it already on the part of the minority when they are not even willing to talk about time limitations, and they are raising possible issues, there may not be a perfecting amendment raised, the perfecting amendment that the Senator from Alabama has stated which would put all of Senate Resolution 166 back in before the Senate on this.

Mr. WEICKER. Will the Senator yield?

Mr. CANNON. Yes.

Mr. WEICKER. Just for this point.

Mr. CANNON. Yes.

Mr. WEICKER. The term "dilatory tactics" is used.

This could have been out of the Senate yesterday. Yesterday this could have been out of the Senate. Believe me, and I hate to disagree because I seldom do with the distinguished majority leader, we would not have eroded the constitutional authority, nor would we have denied the Constitution's provisions.

There is nothing in the Constitution that says when we make this judgment on qualifications that it has to go to the Rules Committee or it has to go to the Senate floor. It just says that we have to make the decision, the judgment.

That could have consisted of sending it back to New Hampshire, but we did not choose to do that. So the dilatory tactics are, rather, on the other side.

It is indeed the distinguished majority leader and the distinguished Senator from Nevada that care to have this matter in front of the Senate for the next several weeks, rather than having it back in New Hampshire.

Mr. MANSFIELD. Will the Senator yield?

Mr. CANNON. Yes.

Mr. MANSFIELD. I think the Senator from Connecticut is most unfair.

I would point out, the Senate rendered a judgment yesterday as to whether or not it should be returned to New Hampshire and the vote against doing so was decisive.

I doubt that anything has occurred since yesterday that would justify very much change in the vote as strongly expressed yesterday.

So I join the distinguished chairman of the committee in urging the Senate to get on with this most important business, not to delay it, not to postpone it, but to face up to it and do it as expeditiously and as quickly as possible.

Mr. WEICKER. I only say in rejoinder here that the distinguished Senator from Nevada made the suggestion that he had the power to go ahead and bring this whole matter to a head in a vote right now.

Mr. MANSFIELD. But he said he would not exercise it.

Mr. WEICKER. But to even contemplate that. I will say why he would not do it. All Members would have to vote against this; they would not have decided each fact of the issue.

Mr. MANSFIELD. He was not contemplating it; he was laying it out. We have been accused of having muscle on this side. The hell, muscle. You and I ought to keep this fair.

Mr. WEICKER. I would invite such muscle. The decision could be, really, without examining the facts of each individual count in that resolution.

Mr. MANSFIELD. It would not even be contemplated.

Mr. WEICKER. It was contemplated.

Mr. MANSFIELD. And the Senator knows it.

Mr. WEICKER. It was contemplated.

Mr. MANSFIELD. No, it was not.

Mr. WEICKER. Stated right——

Mr. MANSFIELD. It was laid out as to what could be done and then stated by the Senator from Nevada it would not be done and he would never allow it to be done.

Mr. WEICKER. The issue was first raised by the minority this morning by at least half a dozen members who point out such action could be taken and they did not contemplate this yesterday, else they would not have agreed to the time limit today, and I do not think they would have. I think had they realized it could be done, that they would not have agreed to it.

I would like to see the Senator from Nevada propose such a motion, and he would lose.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. CANNON. I yield myself 2 more minutes.

The Senator has the right to make that motion himself if he so desires, if he wants that motion made. I have no intention of making it, as I said. I simply point out that it would be permissible, and I did that in response to the suggestions by the minority here this morning that something like that was going to occur—something like that was going to occur. That suggestion was made by at least four Members and I think possibly six Members of the minority this morning.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 1 minute of the 2 minutes yielded and he has 9 minutes additionally.

Mr. CANNON. Mr. President, I reserve the remainder of my time. I am sure the Senator from Alabama has some additional comment he would like to present.

Mr. ALLEN. Mr. President, I yield myself 4 minutes.

Of course, the Senator from Alabama has said nothing about the offering of substitutes for his substitute. He welcomes such action if anyone wants to file any amendment or substitute under the rules. Obviously, that right is available. We recognize that whenever we put in a substitute, a substitute could be filed.

There is one little bit of clarification I would like to make.

I might digress a moment to say that the procedure followed there in the Rules Committee was agreed to by every single member of the committee. It was unanimous. There was never any complaint about the manner and method in which the proceedings were carried on. They were carried on in a manner satisfactory to every member of the committee and to the parties on both sides.

The distinguished Senator from Nevada, in speaking about what is possible under the rules, said that he could file another substitute now to replace the substitute offered by me and get one vote on it. That is true, but that would still leave each one of these questions in the resolution up for discussion. It would not eliminate that point. It would just pass the resolution and would still be up for discussion on a division basis if adopted that way.

As I stated, if the chairman does not cut me off by a motion to table my substitute, I do plan to file a perfecting amendment that would embrace all of the committee resolution and just put in the August 1 deadline.

Mr. President, I feel that August 1 is long enough for the Senate to continue to deliberate on this matter. I hope that these terrible examples of up to 3 years that the Senate has used in deciding contests would certainly not be followed in this case. I think that is all the more reason why we need a deadline.

They have mentioned periods of up to 3 years that contests have been before the Senate. Using that not as a threat but as an example of the possible, we do not want that to occur. I do not think we want to be burdened down with this contest for some 3 years and 3 months, which was the case in one of the Senate contests.

This substitute does allow the Senate to discharge its constitutional responsibility. Far from providing that the Senate shall not discharge its responsibility, it says that it shall discharge its responsibility with dispatch. If we cannot closeout this matter by August 1, there is no telling when we will close it. The time of this Senate is going to be occupied almost exclusively with the New Hampshire contest.

Under this substitute, if it is adopted, we are going to see some action here in the Senate. We are going to see long hours. We are going to see 6 days a week sessions. I reserve the remainder of my time.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Nevada has 10 minutes.

Mr. CANNON. Mr. President, again I say to my distinguished colleague that I certainly hope the target date he is suggesting can be met. My fear is, of course, that absent any unanimous-consent agreement, that it would be possible and quite probable that we would find ourselves where we had not completed voting on the 35 issues by the 1st day of August and, therefore, under the proposal of the Senator from Alabama we would then automatically have to place it into effect.

I may say to my distinguished colleague from Alabama that if the motion to table his amendment should carry and the leadership is able to get the unanimous-consent agreement, a time limit, on the various proposals, once that time limit is obtained and it is certain that we would have had the opportunity to act on each one of the 35 issues plus such other ones as may be raised by August 1, I would even join him in a new suggestion and a new proposal to the Senate such as he is suggesting here if I were absolutely certain that we would be able to bring the matter to a debate conclusion and bring it to a vote on each of these 35 issues that have been reported to the Senate.

Mr. ALLEN. Will the Senator yield?

Mr. CANNON. I yield.

Mr. ALLEN. The Senator stated that he plans to make a motion to table, which is, of course, within the Senator's rights. I am wondering, of course, about the question of who got recognition. I am wondering, too, if the distinguished chairman would agree that I might offer a perfecting amendment and let the tabling motion go as to that. Otherwise, I would have to wait until after action on this.

Mr. CANNON. I would most certainly yield to the Senator at such time and ask unanimous consent that it be in order for him to offer his perfecting amendment.

The PRESIDING OFFICER. Is there any objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I would like to inquire of the distinguished Senator from Alabama if the perfecting amendment which he is offering were adopted, would the resolution then be subject to further amendment?

Mr. ALLEN. Yes, it would be subject to further amendment. The entire Senate Resolution 166, every single word of it, would be before the Senate. All the perfecting amendment would do would be to say that the seat is vacated effective August 1 unless the Senate fills it prior to that time. It would be subject to amendment.

Mr. GRIFFIN. May I get confirmation from the Chair that that would be the parliamentary situation? If not, we could straighten it out by asking unanimous consent that that would be the case.

The PRESIDING OFFICER. Will the Senator restate his parliamentary inquiry?

Mr. GRIFFIN. The Senator from Alabama has a perfecting amendment at the desk. It will be offered after the vote on the motion to table. The question is, if the perfecting amendment were adopted, are further amendments to the resolution in order?

The PRESIDING OFFICER. The answer is "Yes."

Mr. GRIFFIN. I thank the Senator from Alabama.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

Mr. CANNON. My request was a unanimous consent request that the Senator be permitted to offer his perfecting amendment at the present time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Alabama.

Mr. ALLEN. Mr. President, I call up my perfecting amendment which is at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amend Senate Resolution 166 by adding at the end of the following new paragraph:

That the office of United States Senator from the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant as of August 1, 1975, unless the Senate shall have, prior to such latter date seated either Mr. Durkin or Mr. Wyman.

The PRESIDING OFFICER. The Senator from Nevada has 4 minutes remaining.

Mr. ALLEN. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Nevada has the remaining time.

Mr. McCLURE. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. CANNON. I yield.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. McCLURE. I understood that the perfecting amendment offered by the Senator from Alabama was to leave in effect all of the provisions of the current resolution. My understanding of the form of the perfecting amendment is that it now, instead of being a substitute for the pending resolution, is an addition at the end of the pending resolution.

Mr. ALLEN. That is exactly correct.

Mr. McCLURE. Is it not, then, not a perfecting amendment but a substitute for the amendment which the Senator from Alabama had initially offered?

Mr. ALLEN. No. That would still be pending, even if this perfecting amendment is adopted. The other amendment would still be pending, but I would join in a motion that it be laid on the table.

The PRESIDING OFFICER. The proposal is now pending in both forms, as an addition to the original resolution and as a substitute for the original resolution.

Mr. ROBERT C. BYRD. Mr. President, I would hope that the distinguished chairman of the committee will not move to lay on the table the Allen perfecting amendment, for this reason: If that is done, and that motion to table is sustained, the substitute amendment by Mr. ALLEN which provides for the same thing would still be pending, and the Senate would have to act on the same question twice.

So I would hope we just have an up-or-down vote on the perfecting amendment, and then, if that fails, if the distinguished chairman is so disposed, unless the Senator from Alabama withdraws his substitute amendment, the Senator from Nevada would then, I think, be well advised to move to table the substitute.

Mr. ALLEN. Mr. President, I might state that if the perfecting amendment is not adopted, I would ask unanimous consent to withdraw the substitute, which carries exactly the same language, but is a substitute for the resolution instead of an amendment, which is now the pending question.

Mr. ROBERT C. BYRD. Yes. So, in order to avoid two votes, I would suggest simply an up-or-down vote on the Senator's amendment.

I would also state, Mr. President, that it is my hope that the Senate will reject the perfecting amendment that has been offered by the Senator from Alabama, because even though the distinguished Senator is acting in good faith, I am sure, in an effort to expedite the action on this resolution and on the election dispute in its totality, the adoption of the Senator's amendment would have just the opposite effect, because it would be an incentive for extended debate on the matter by any Senator or group of Senators, in the hope that come August 1, 1975, the Senate would not have resolved the matter and it would be remanded to the electorate of New Hampshire for a new election.

That issue was disposed of yesterday, at least for the time being, by a vote of 55 against and 43 for; but any one or any group of Senators who voted "yea" on yesterday and lost on that issue could, simply by debating the matter until August 1, accomplish what the amendment by Mr. WEICKER sought to accomplish yesterday, but which failed on a vote of 55 to 43.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The Senator does not have any remaining time. The Senator from Nevada has 1 minute.

Mr. CANNON. I yield 1 minute to the Senator from Louisiana.

Mr. LONG. Mr. President, I would be willing to agree that on July 31 the Chair submit three questions to the Senate:

First, Shall Mr. Wyman be seated?

Second, Shall Mr. Durkin be seated?

Third, Shall we send the matter back to New Hampshire?

And just call the roll. I would be willing to do that.

Mr. ALLEN. The Senator from Louisiana might offer an amendment to that effect.

The PRESIDING OFFICER. All time has expired.

Mr. ALLEN. Mr. President, I ask unanimous consent, in order to simplify the issue, to withdraw the substitute amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, if the Allen proposal is agreed to by the Senate, an open invitation to conduct a filibuster until August 1, 1975, will exist. At a time when the Senate must come to grips with problems of unemployment and energy and a sick economy we cannot afford to tie our hands for more than a month of useless debate. The Senate should act with dispatch on the resolution reported by the Rules Committee. It has a high duty and high responsibility to consider completely and with good pace the matters referred to us after 5 months of committee work. This will not be accomplished if Senator Allen's proposal prevails. Obviously we will not treat the committee resolution with undue haste but on the other hand to open the door to dilatory tactics will be a grave error.

We should proceed with a consideration of the issues of the New Hampshire election in an open-minded fair way and indeed let us now get to the issues at hand.

Because of all of these reasons I oppose the amendment.

Mr. BAYH. Mr. President, the Senate is being asked to vote on a measure today which would send the New Hampshire senatorial election back to New Hampshire if the Senate fails to resolve the dispute by August 1.

On its face this may seem like a reasonable proposition. New Hampshire has been without one of its Senators for over 5 months now. It is indeed unfortunate that the Senate has not been able to resolve this dispute before this time. While the Allen motion on the surface may seem reasonable, closer examination discloses its many pitfalls.

The distinguished chairman of the Rules Committee (Mr. CANNON) was unable to reach a time agreement with the minority leader, limiting the total amount of time to be spent on this debate. Without a time limitation on the debate, the election dispute is open to any number of delaying motions and dilatory tactics. By the use of such dilatory tactics, it would be possible to easily pass the August 1 deadline without having resolved the single most important issue at hand—the winner of the November 5, 1974, election.

I sympathize with those voters of New Hampshire who feel they have not had proper representation in this body during the 5 months New Hampshire has had only one Senator. While I sincerely regret the amount of time it has taken for the Senate to reach the point it has today, I think it is important to point out that from the historical perspective, this is not a precedent. On three other occasions, the Senate has refused to seat candidates whose election had been challenged, and in each instance the seat remained vacant for a longer period. In one of these instances, the disputed election for the Pennsylvania Senate seat in 1926, the seat remained vacant for 2 years and 9 months.

While I think that we would all agree

that expediency is a very important factor to consider in this election contest, I would hope the Senate would not adopt an amendment which would result in the Senate's abrogating its constitutional responsibility to resolve contested elections. The Senate has resisted the urge to place expediency over principle in past election disputes, three of which left a vacant Senate seat for a much longer period than is currently the case today. I hope the Senate will continue this past tradition of responsibility, and reject the Allen amendment.

Mr. ALLEN. Mr. President, will the Chair please state the question?

The PRESIDING OFFICER (Mr. THURMOND). The question is on agreeing to the perfecting amendment of the Senator from Alabama. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 40, nays 59, as follows:

[Rollcall Vote No. 228 Leg.]

YEAS—40

Allen
Baker
Bartlett
Beall
Bellmon
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Curtis
Dole
Domenici
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Hatfield
Helms
Hruska
Javits
Laxalt
Mathias
McClellan
McClure
Nunn
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevens
Taft
Thurmond
Tower
Young

NAYS—59

Abourezk
Bayh
Bentsen
Biden
Brock
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Eagleton
Eastland
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Weicker
Williams

So, Mr. ALLEN's perfecting amendment was rejected.

Mr. WEICKER addressed the Chair.

The VICE PRESIDENT. The Senator from Connecticut is recognized.

Mr. McCLELLAN. Mr. President, will the Senator yield to me for a brief announcement?

Mr. WEICKER. I will yield in a moment.

Mr. President, I demand a division of each of the two sections and each of the subsections therein, to the extent that it is susceptible to such division.

The VICE PRESIDENT. The division having been demanded and the measure being susceptible to division, the separate votes are ordered on each section.

The question is now on lines 1 through 6, on page 1.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CANNON. Mr. President, do I correctly understand that part 1 would begin on line 1 through line 6 on page 1 and that each of the 8 parts in section 1 of the resolution would be acted upon separately; that on page 3, section 2 of the resolution, lines 14 through 21 would be considered as a part; that numbers 1 through 27 of section 2, beginning on line 23 on page 3 and ending on line 6 on page 5, each would be considered a separate part?

The VICE PRESIDENT. The interpretation of the Chair is that in view of the way the measure is written, there would have to be 27 separate votes on section 2, as requested by the Senator from Connecticut.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

ANNOUNCEMENT OF MEETING OF THE COMMITTEE ON APPROPRIATIONS

Mr. McCLELLAN. Mr. President, I announce that the Committee on Appropriations is scheduled to meet immediately, for the purpose of considering the continuing resolution. I ask all Members to join us.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Does the Senator from Connecticut yield?

Mr. WEICKER. I yield.

The VICE PRESIDENT. The Senator from Alabama will state the parliamentary inquiry.

Mr. ALLEN. The Chair has stated that there will be 27 separate votes with respect to the resolution. After all those votes have been taken, those portions of the resolution that receive an affirmative vote would be considered as having been agreed to, but still there would be separate votes on the merits of each question presented by the resolution, would there not?

The VICE PRESIDENT. That is correct.

Mr. ALLEN. So that there would be 27 votes plus 27 votes, actually.

The VICE PRESIDENT. That is correct.

Mr. ALLEN. I thank the Chair.

The VICE PRESIDENT. The Senator from Connecticut has the floor.

Mr. WEICKER. Mr. President, I yield the floor.

Mr. CANNON. Mr. President, do I correctly understand that the resolving part of the resolution is to be acted upon, lines 1 through 6?

The VICE PRESIDENT. That is the part before the Senate now.

Mr. CANNON. Mr. President, I do not know that there is any further point in debating that issue. I think we have already settled that basic issue. It reads:

> *Resolved,* That the Senate shall vote separately on each of the following issues with respect to which tie votes were cast by the members of the Committee on Rules and Administration in its consideration of the contested election for a seat in the United States Senate from the State of New Hampshire:

That is precisely the end result that would be obtained by the Senator's demand for a division.

I do not know whether anyone wants a rollcall vote on this issue. I am willing to take a voice vote.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that Sheila Crowley, a member of my staff, have the privilege of the floor during the pendency of this debate and votes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that Carey Parker, a member of Senator KENNEDY's staff, have the privilege of the floor during this debate.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that Paul Goulding, a member of my staff, may have the privilege of the floor during the course of this debate.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARTLETT). Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATFIELD. If the Senate should agree at this time to lines 1 through 6, the "resolved" clause of the resolution from the Committee on Rules, once the Senate agrees to the wording as now stated, does that preclude the offering of any amendments to that resolved section?

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD. Mr. President, a second inquiry: if I understand the ruling of the Chair, this is the moment at which any amendment that is desired or is intended to be offered to the "resolved" section of the resolution should be offered——

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD [continuing]. In order to expedite getting to the issues and voting on the issues severally and separately as 35 issues in two sections?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUGH SCOTT. If the Senator will yield, I understand that the Senator from Michigan may wish to be heard in connection with an amendment to the first section. I do not think he wants to be precluded. This would be the time to do it, as I understand. If we accept the first section, no amendments can be offered to it. I do not know whether the Senator from Michigan wishes to be heard at this time or not. If so, I yield the floor.

Mr. GRIFFIN. Mr. President, I send an amendment to this section to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 1, line 1, after the word "Senate", insert the following: "applying the law of the State of New Hampshire with respect to ballots described in Sec. 2".

Mr. GRIFFIN. Mr. President, there has already been some discussion of this question in a general way, and there was a good deal of discussion in the Committee on Rules as to whether or not the Committee on Rules before and the Senate now should apply New Hampshire law in determining questions as to the awarding of ballots. In most of the 27 cases that will be presented involving ballots, it will not be so much a question of did Mr. Wyman get the vote or did Mr. Durkin get the vote; it will be a question of deciding between no vote and a vote for Mr. Durkin or a vote for Mr. Wyman, as the case might be.

The voters who went to the polls on election day, November 5, 1974, went to the polls with presumptive knowledge of New Hampshire law, and they were provided with instructions at the polling place concerning New Hampshire law and its application. We have found, in the Committee on Rules, that some of the members have taken the view that we are not bound by New Hampshire law, that even though New Hampshire law was applied by the local election officials and by the secretary of state in his recount, and by the ballot law commission in its review, and that the Senate can disregard New Hampshire law in making its decisions concerning the award of ballots.

One of the most important points, it seems to me, is this: If the Senate is going to disregard New Hampshire law, which perhaps it can do under the Constitution, and it is going to change the rules, then it ought at least to recount all the ballots and not end up with a situation where the Senate only reviews 3,500 ballots, applying one rule, and allows 180-some thousand votes to have been counted on a different basis. For the life of me, I do not understand the logic of anyone who could contend that we would be determining the will of the people of New Hampshire if we allow two standards to be applied.

This amendment is very simple. It does bring to issue this question, and it is an important question, because, in his opening statement, the chairman of the Committee on Rules indicated that the Senate is not bound by New Hampshire law. It seems to this Senator that we ought to adopt as a policy that we would apply New Hampshire law.

As I said in my argument yesterday in urging support for the Weicker approach, each of us, in our respective elections in our own States, is certainly bound by the laws of our States. I cannot imagine any Senator getting up and arguing that the laws of his State would not apply in his election. So this amendment seeks to apply that very sensible principle to the decisions that the Senate will make with respect to the ballots that will later be presented and that are described in section 2 of the resolution.

It is a very simple amendment. I hope it can be adopted overwhelmingly. I think that there should not be much objection to it.

Mr. WEICKER. Mr. President, I wish to ask a question of the distinguished Senator from New Hampshire. I notice the distinguished Senator from New Hampshire at the rear of the Chamber.

The PRESIDING OFFICER. Will the Senator from New Hampshire yield for a question of the distinguished Senator from Connecticut?

Mr. McINTYRE. I am happy to yield for a question.

Mr. WEICKER. On this matter, since we are dealing with something that belongs to the constituency of the distinguished Senator from New Hampshire, does the Senator from New Hampshire feel kindly disposed toward the amendment of the distinguished Senator from Michigan, which says, in effect, that these matters should be decided under the laws of New Hampshire? I should like to get his opinion. It is his State. I should like to know what his opinions are.

Mr. McINTYRE. My opinion would be that, wherever possible, we should follow the laws of the State of New Hampshire. But I am not a member of the Committee on Rules. The other day, the chairman of the Committee on Rules explained some of the moves and some of the decisions made. He marked up a ballot on which he showed a straight ticket for the Democrats, a straight ticket for the Republicans and then said, if we accept the fact that under New Hampshire law, this would be void, other ballots were marked for Durkin, for Wyman, and they did, in the Rules Committee, count them.

What the Senator is referring to is the "skip-Louie" and "skip-John" ballots. Do not try to tell this Senator what the law of New Hampshire is.

Mr. WEICKER. The amendment before the Chamber right now is an amendment of the distinguished Senator from Michigan, which states that our decisions will be made applying New Hampshire law. I really have not referred to anything specific at all. I merely inquired, since this is the home State of the distinguished Senator, whether he feels kindly disposed toward the amendment of the Senator from Michigan, which comes in the "resolved" clause and applies to everything thereafter—everything—that the law of New Hampshire should be applied.

Mr. McINTYRE. I would agree to that. I would agree to that insofar as I am concerned, but I do not want to prejudice anything that the Rules Committee did and agreed to by a majority vote.

Mr. WEICKER. I understand. I thank the distinguished Senator from New Hampshire.

Mr. CANNON. Mr. President, I must oppose this amendment. This is quite an interesting little gimmick here because we have spent a lot of time in the Rules Committee going along to try to determine the intent of the voter, and we have said repeatedly time and time again that we did not follow the New Hampshire black letter law because the court decisions say that you should look at the entire ballot and try to determine the intent of the voter. Now, that is what we have done, and we have done it in a number of instances.

The first ballot that comes up would be a question under New Hampshire law as to what is intended under New Hampshire law, because under ballot No. 22 the New Hampshire law is quite unclear as to what happened.

It has a third column—will somebody get the ballot out—which can be used for a write-in, and in the particular situation under the New Hampshire law only says that a person may write in a candidate of his choice in the column over at the right prepared for that purpose, but does not say on the corresponding line, it does not say on the corresponding office, nor does it require that a person's name be lined up.

In ballot No. 22, the very first one up, we had a situation where a Mr. DeSchuytner was a well-known write-in candidate for sheriff.

The voter in that particular instance went down, voted for a number of other people, did not vote in the sheriff's race, neither one, and went out on the third column on the right and wrote in Victor De Schuytner's name. Well, he happened to write it in opposite the name of the candidate for Senate, opposite—he had voted for Mr. Durkin with an X, and he wrote in Mr. De Schuytner's name.

Now the committee tied as to whether that should be a ballot vote for Mr. Durkin or whether it should be no vote.

New Hampshire law is silent on that. New Hampshire law does not say on the corresponding line or opposite the office nor do the instructions to voters say that.

There are many, many instances of this type, Mr. President, and I explained some of them the other day. I went through the so-called big X, and the so-called little X, and the so-called X's outside the circles and the checks outside the circles. The committee attempted to determine the intent of the voters, to not disenfranchise the voters, and that is what we did.

If this amendment were to be passed, we would then have an endless wrangle as to what is meant by New Hampshire law, what does New Hampshire law really mean.

The contention on the part of many people has been so far that the big X should not be counted. We counted the big X, and that is the situation where a person did not vote for anyone else on the ballot except he drew a great big X across all the names in one party column or in the other party column, and we had the little X's where we had an X over part and another X over the bottom part, and we had another X down at the bottom. New Hampshire law says the X shall be in the circle at the top. So we would not be following New Hampshire law in those cases.

I may say that if this amendment were adopted and carried out strictly we would have to go back and go through all of these ballots again because we would have to disregard the intent of the voter, following the black letter New Hampshire law.

So, Mr. President, I must say I have to oppose the amendment.

Mr. HUGH SCOTT. Mr. President, all that this amendment expects is that every Senator confronted with an election contest in his State, every Governor of that State, would have a just reason to believe that the law of his State would apply in determining the rights of the citizens of that State to choose their own Senator and in determining which Senator is chosen.

Now, the law of the State of New Hampshire was disregarded in the first instance here because a certificate of election came down signed by the Governor. It was reaffirmed by the Governor and his council and the legislature.

The law of New Hampshire is so clear in certain instances that I am not surprised that there are some who did not want to apply it.

But when the committee went outside of the law of New Hampshire, and usually by a divided vote, not necessarily tie, but a divided vote, it did so because of its anxiety to help Mr. Durkin because the law of New Hampshire does permit so-called bull's-eye voting, voting for the straight ticket. It makes that vote superior to any markings cast on the ballot otherwise unless there are erasures or they are crossed out, showing a clear intention of the voter not to vote for somebody.

The law of New Hampshire was applied where marks appeared outside of the circle at the top of the straight ballot circle, but obviously in that area. But then the law of New Hampshire may not have been followed when—it probably was followed when a single X appeared covering virtually all of the candidates on the ticket. But then it became more difficult to determine whether the law was being followed or not when we got into a series of two or three X's in that column, and then we got into an area where it is very questionable whether the vote should have been counted for Mr. Durkin where the X appears not opposite any names, not at the top near the bull's-eye but in the very bottom in the blank space of the ballot.

What the distinguished Senator from Nevada is arguing is that because they were able to prevail in a situation which gave Mr. Durkin an advantage in a number of ballots by counting ballots with two X's or three X's broadly drawn in one of the columns or drawn at the bottom, that that means they went outside of the limits of the law of New Hampshire.

But actually that is not the issue which could decide this case. The big issue here is the "skip-Louie" votes so-called, and there was no pretense made of following the law of New Hampshire. There were occasional arguments relying on one line and one case about following the intent of the voter, but there was no effort to follow what was the legally expressed intent of the voter.

That court did not hold that a voter's intent governs under all circumstances, not at all. As I said the other day, it did not hold a voter could vote for seven other people as well as himself no matter whether that was his intent or not. The intent of the voter has to be within the parameters of the law. Therefore, it has to be the legally expressed intent of the voter, and that legally expressed intent of of the voter was not served by ignoring the law of New Hampshire which declares, where you cast a vote in the straight party circle it does not matter whether you fill in the little squares for individual candidates or not.

In fact, the argument was made on behalf of Mr. Durkin that even this only applied where one vacancy appeared, the vacancy opposite Mr. Wyman's name. That was elaborated to attempt to include two vacancies, and then Mr. Durkin admitted if there were more than two vacancies his case fell in his lap, those were his exact words.

Having made that concession, he brought a lawyer down who was not paid to make concessions, so the lawyer rejected the client's argument and argued, with some success, that it did not matter if there were three or four vacancies, you could still determine the intent of the voter. Some Senators on the committee were eager to follow the ruling notwithstanding what they had heard from Mr. Durkin's own testimony on an earlier occasion.

So what concerns me here is that not only has the will of New Hampshire been flouted, not only have the enfranchised voters been disregarded, but the law of the State, its constitution, its statutes, its court decisions, are being disregarded as far as the argument of the distinguished Senator from Nevada goes.

He says we do not have to follow it. He says we do not have to follow it because there is a precedent in the Senate of Steck against Brookhart.

Anyone, as a student of Steck against Brookhart, knows that statement was made by one of the Senators on the floor, but one of the most respected members of the body rejected it, refused to support the contention on the ground that it was a highly immoral argument and he would not and could not follow it.

In that case, one man won by 175,000 votes, but he was unpopular with some members of his own party, and the other party, my party, sensing that coalition here could deprive the people of their vote, proceeded to count him out after he was ahead by 175,000, and that stands as a very black mark on the Senate.

That was a deliberate steal, it was a count-out participated in by a dissident group of Republicans and by the Democrats who were anxious to seat Mr. Steck rather than Mr. Brookhart.

As I recall it, Senator Brookhart went back to the voters of Iowa at the first opportunity and was elected and died not very long thereafter. So the people of Iowa had their chance to get back at a Senate ruthlessly bent on mischief and confirmed their support of Mr. Brookhart, no matter what the Republicans and Democrats down here thought of it.

So it is not a very good citation.

When one lifts 175,000 votes from somebody, I would not be the one to use that as precedent, but it was used.

What is wrong with using the laws of New Hampshire, what is wrong with going back and looking at it again?

We have got about half a dozen votes which would be affected—we know which ones—affected by the little X in a single column, or in somes cases a couple of X's.

We know we can go back and get them. We can do it in a morning's transaction, and then we would go back and we would look at the "skip-Louie" ballots, so-called.

Those ballots were cast for Mr. Wyman. They were counted for Mr. Wyman by the secretary of state. They were counted for Mr. Wyman by the ballot law commission. But those 12 ballots represented an irresistible temptation to some to find a plausible way of denying the election to Mr. Wyman.

So, what was done? A very plausible counsel for Mr. Wyman, certainly one of the ablest I ever saw, he was in many respects like the legendary Mr. Tutt of the old Saturday Evening Post articles, he was that good, and approvingly cheered on by some of the committee, he argued that these ballots should not be cast for Mr. Wyman.

Four members of the committee voted that these ballots were no vote, contrary to the law of New Hampshire, saying at certain points that it was contrary to the law of New Hampshire, saying at other points that it was in accordance with the law of New Hampshire, because they said the intent of the voter governed.

They had a talisman, they had a shining little idol, which they consistently called the intent of the voter, but the idol had no head, because for it to be a complete token, a complete talisman, it had to have something added, namely, legally. The legally expressed intent of the voter.

So they decided against what the laws said were the legally expressed intent of the voter and argued it was the intent of the voter under New Hampshire law, at the same time arguing that New Hampshire law did not govern, did not control, and they can go outside of New Hampshire law.

That was the dilemma we were faced with, that was the situation, and that was what was occurring.

These 12 votes do not belong to Mr. Durkin, nobody says they do, because there was no mark in Mr. Durkin's box. These votes do belong to Mr. Wyman, because there was a solid ballot mark for him.

To bring about a tie deprives Mr. Wyman of these 12 ballots, but Mr. Wyman is deprived, too, of his right to have spokesmen here recorded in his favor, because by interpreting the intent of a tie vote as being a no vote, the chairman, in effect, just disenfranchises eight members of the Rules Committee because the vote was 4 to 4, but that the vote of 4 to 4 is a no vote, therefore, 4 plus 4 equals 0, as I pointed out here before.

By what legerdemain does the chairman justify, or the committee justify, or could the Senate justify, an argument that 4 plus 4 equals 0? Or that a 4-to-4 tie means that those who voted there should be an invalid ballot prevail in an equal division over those who voted for a valid ballot?

This is the world turned upside down because if we were in the Senate, a tie vote of 44-to-44 would cause the reversion to the last decision or the status of the legislation prior to the tie vote, it would not change the legislation, it would not change the earlier judgment on the legislation as it had been structured up to that time.

If there were a 4-to-4 decision of the Supreme Court, the judgment of the lower court would prevail and it would not be determined otherwise.

So here we have an argument which ignores the court's rules, it ignores the Senate's rules, it ignores the rules of New Hampshire, it ignores the lawfully adjudicated decisions of the highest forum of New Hampshire, the ballot law commission, from which there is no appeal. It ignores all of these things simply because of the desire to seat one person who was not elected in New Hampshire, who was not certified by the ballot law commission.

I feel very strongly that the Griffin amendment should be supported, should be supported because this is a place of law. Around this Hall are the lawgivers of the world. These are the men who, many of whom, are celebrated for that particular quality within them, that they were lawgivers.

Yet, we are "law-takers-away," we are law deprivers, we are law ignorers. Therefore, I think the laws of New Hampshire, a sovereign State, should apply.

I yield the floor to the Senator from Michigan.

Mr. GRIFFIN. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be 1 hour on the pending amendment, the time to be equally divided between the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN), and the distinguished manager of the bill, the Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER (Mr. DOMENICI). Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I do not want to get into the kind of box we got into yesterday with locking ourselves in with no opportunity to consider amendments that could be offered, especially when we do not know what amendments might be offered.

The concern that I had did not materialize with respect to the earlier situation, for which I am thankful. I wonder if we could have a vote on this amendment in 1 hour.

Mr. MANSFIELD. No, I do not think we could avoid tabling. I do not know whether there is going to be a tabling motion or not. I have an idea there will be, but this would be taking away a right of a Senator which I think should be preserved to all Senators, regardless.

The PRESIDING OFFICER (Mr. HELMS). Does the Chair infer that the Senator is suggesting that no other amendment would be in order?

Mr. GRIFFIN. That is correct.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, I want the record to show that it was the distinguished assistant Republican leader who made the suggestion in the first place and it was the majority leader who tried to cooperate with him to expedite the consideration of the pending business. So we will let the record speak for itself.

Mr. GRIFFIN. I thank the majority leader. I agree with him. I think an hour would be enough, especially for an amendment as simple and straightforward as this one, where we are only seeking to establish as a matter of policy that in deciding these ballots we would not decide them according to the laws of Michigan or the laws of Nevada or the laws of Pennsylvania; that we would decide them according to the laws of New Hampshire, where the election was held.

Mr. CANNON. Will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. CANNON. I would like to interrogate the Senator a little about what he actually intends when he says the laws of New Hampshire. Is he referring to strictly the New Hampshire so-called black letter law or does he include in that the decisions of the New Hampshire Supreme Court as they have been interpreted? Is that included?

Mr. GRIFFIN. I am sure that the Senator from Nevada, being the very excellent lawyer that he is, would agree with me that the laws of any State consist not only of the statutes that are on the books that have been enacted by the legislature, but also the decisions of the courts of the State. If there is any question about that, I would like to make it clear that we are talking about the laws of New Hampshire, we are talking about the common laws established by the courts, we are talking about the decisions of the courts, and we are talking about the statutes on the books.

Mr. CANNON. Would the Senator also agree that in some instances the law of New Hampshire is silent with respect to some of the issues raised that are before us now? I am referring particularly, for example, to the so-called write-in votes where the statutory law does not say that it should be on the same line as the candidate nor opposite the name of the office. Would the Senator agree with that?

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am willing to respond in this way: I think it might be more appropriate to say, as is true in many situations, that there can be argument about what the law of New Hampshire is with respect to a particular situation. That is what makes lawsuits.

Mr. CANNON. That is what I am trying to get to. I would hope that perhaps I can end up agreeing with the Senator, but I just do not want to have any misunderstandings now that we might find out later.

Mr. GRIFFIN. If the Senator from Nevada has in mind that the laws of New Hampshire includes the court decisions, I certainly agree with him. That was my intention at the outset.

Mr. CANNON. And the Senator would agree that certain of New Hampshire cases have said that the purpose is to try to determine the intent of the voter? Would the Senator agree with that?

Mr. GRIFFIN. Yes. That language can be found in some of the decisions, that is correct. But I would say it is within certain parameters and limitations.

Mr. CANNON. I understand that.

Mr. GRIFFIN. The intent of the voter if it has been legally expressed.

Mr. CANNON. And this would include also the decisions which have said, and I will read from one of them,

> The Legislature may enact the method by which a man shall vote but cannot direct how the ballot he casts shall be counted.

That is from the Murchie case at page 105.

Mr. McCLURE. Will the Senator from Michigan yield?

Mr. GRIFFIN. I think if the Senator from Nevada now is going to seek to analyze all of the various cases, of course, I am willing to engage in that, but it will be quite a long time.

Mr. CANNON. I do not intend that.

Mr. GRIFFIN. I have other passages that I can read back to him.

Mr. CANNON. There are one or two points that I wanted to make. I just wanted to make it absolutely clear what we are agreeing to if we agree to the Senator's amendment.

Mr. GRIFFIN. We are agreeing, if the amendment is adopted, that we will seek to apply the laws of New Hampshire. There is no disagreement as to what constitutes the body of law of New Hampshire. What disturbed me in the committee and also earlier when the chairman made his opening statement, is that he said that the Senate is not required to follow New Hampshire law.

Maybe constitutionally we can get away with it, but I do not think that should be the policy of the Senate. I think the policy of the Senate should be to try to apply New Hampshire law.

Mr. CANNON. I said here the other day that we did not follow the black letter law. I specifically related it to the question of the cross and the circle when I said we accepted crosses outside the circle and we accepted checkmarks outside the circle. We accepted the big cross. We accepted the cross at the bottom. We accepted the two little crosses, so to speak, rather than the big X or two little X's. I want to make it clear that we did go outside of the black letter law.

Mr. GRIFFIN. I do not know what the Senator means by black letter law. That is not a term I am particularly familiar with.

Mr. CANNON. I think I got that out of our hearings. It was presented to us in that form on several occasions.

Mr. GRIFFIN. What my amendment really addresses is this statement which the chairman made in his opening statement, reading from page 18620 of the Record.

> The United States Senate, as the final judge or arbiter of elections, returns, and qualifications of its Members, is not bound by the statutes and case law of a State . . .

That disturbs me because the secretary of state, the Ballot Law Commission of New Hampshire, and the courts of New Hampshire were bound by New Hampshire law when they made their decisions. Now we are coming along and saying we are going to apply a different rule.

I yield to the Senator from Idaho who has been trying to get the floor.

Mr. McCLURE. I thank the Senator for yielding. There are a couple of points that I believe need clarifying at this juncture.

First of all, I think this is a very fundamental question for the Senate to be involved in deciding at this time, before we go further into the discussion of the merits of the individual issues which are going to be discussed. That is the reason that I objected a moment ago to the unanimous-consent request which would limit time for debate. It has been my experience that that sometimes prevents us from having the opportunity to fully discuss the issue.

I think this issue must be fully discussed before we move forward.

It seems to me that there could only be one of two motives for refusing to agree to the amendment of the Senator from Michigan. I know we never want to look at what may have impelled an individual Member of the Senate to take a particular position on a vote, and I do not say it in that context at all.

It seems to me the only reason for objecting to the adoption of the amendment of the Senator from Michigan must be one of these two things: Because it would keep the Senate from counting the votes in a way which would guarantee Mr. Durkin's victory and, if that is not the reason the amendment would be rejected, if that is not the reason we want to ignore New Hampshire law, then the only remaining reason must be because it is too difficult to determine what the New Hampshire law is and too difficult to apply that law to the individual questions which will be submitted to us.

I can conceive of no other reason why we would ignore the law of the State that is involved in the election that we are discussing now.

I wanted to go one step beyond that and discuss what the distinguished Senator from Nevada said a moment ago with respect to the question of the first ballot which he referred to. I would say that the courts of New Hampshire have already decided that issue. They have decided it in the case which the Senator from Nevada relies upon, the 1911 case of Murchie, in which they refused to try to determine the intent of the voter as being something different from the office which was opposite the name which they had written in and they refused to count the ballot.

That is not the question of establishing new law or making up our own mind what the law ought to be. It is a question of establishing the law as construed by the courts of New Hampshire.

If I understand the term "black letter law" as it has been used here, it must mean the letter of the statute without construction by the courts of New Hampshire.

There is no court in the world that would make that kind of application, so far as I know. They always look at the court construction of a statute to determine what that statute means, as I think we must. If we are not attempting to set aside New Hampshire law so we can count the ballots in a way favorable to a preconceived motion of the outcome of the election, then we certainly ought to be in a position of being willing to do the difficult task of determining how New Hampshire law, as construed by the courts of New Hampshire, applies to a given fact situation, or a given ballot, or a given proposition which is contained within the committee resolution.

So it seems to me very clear that the Senate must at this time adopt the amendment of the Senator from Michigan, and say we will apply the laws of the State of New Hampshire to each of the decisions which we are making here; and I think that, then, will get us down to the argument about what the law is in New Hampshire, not what we think it ought to be in New Hampshire. I think that is the only appropriate posture for the Senate to take on each of the individual questions that comes up.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. McCLURE. I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I was hoping that the Senator from California would be listening. I know he is in the Chamber and in a minute I would like an exchange with him on a contest I have with reference to the proposal of the Senator from Michigan. I have heard the arguments made pro and against his proposal, and I would like to raise another issue with reference to his proposal.

It appears to me that if the Senate does not adopt Senator Griffin's proposal, we are making a basic decision that we do not want to give due process of law to candidate Wyman.

Let me try to explain what I mean. Everyone has said that the courts in that State have been bound by the law. There is some statutory law. The commissions that regulate elections have been bound by that law. But everyone forgot about someone else bound by that law, and that is the candidate.

The candidate rightfully interpreted the law of his State with reference to "skip-Wyman" ballots. That was their law on the serious issue of intent. He followed it, and now he comes before the U.S. Senate and he gets two things. He gets the Senate saying, "Well, for years they have followed it, and you rightfully followed it and did not challenge any 'skip-Durkin' ballots, and that is just too bad."

But as if that was not enough, he gets the second one, and they permit the other fellow to bring in the "skip-Wyman" ballots and interpret the law differently than it was interpreted at the time of the election and by the various State commissions and courts of that State in previous decisions.

Now we are getting very close to denying this man basic fair play. That is due process, we might say; it is procedural, but it ends up substantive in this case, because if we change how we will determine the intent on the straight ballot with a skip, then fair play demands we treat him the same way.

It seems to me we have one of two alternatives. We either adopt the Senator from Michigan's approach, and at least apply it to the straight ballot votes—the Senator from Nevada may know more about some of the other little checkmarks and the write-in candidates, but I am talking about the "skip-Wyman" ones. As I say, there are only two things we can do: adopt unequivocally the proposal of the Senator from Michigan, or unequivocally say procedurally we are going to let Mr. Wyman, who merely acted in accordance with their law in not challenging the "skip-Durkins"—we are going to have to find him a procedure to get basic due process, and go see how many "skip-Durkin" ballots there are.

The reason for that is that that was the law. We got one man running to be bound by it all the way through. It hit him, then, under the guise that we can determine intent, and that may be the rule, but it certainly ought to be at least that we can determine the intent unless it is unequivocally determined in the State, and it appears that on the "skip" ballots it is determined in the State.

If we do not want to follow the State law there, we are deciding to change it here as we exercise that prerogative to determine intent.

How in the world can that be due process and fair play, unless we turn it around here in the Senate and say, "You are wrong if you follow the law on vote 13, though the law was there, or at least when it comes down to voting on these procedures. Tell the Rules Committee to find a process whereby they can find out about the "skip-Durkin" ballots, and let the chips fall where they may. That seems to me to be basic fair play, and to do otherwise borders on a substantial denial of due process. I do not see how we can have a distinction between the two on those. The only answer one can give is that these are all grown, big boys, and somebody challenged 13 "skip-Wymans" and somebody did not challenge the "skip-Durkins." But Mr. Wyman was following the law of his State, the law on intent, and so he did not do that. We are going to say out of one side of our mouths that we had to follow the law of the State on intent. One man did it and relied procedurally upon it to his detriment here, and then we end up counting those ballots that should not even be in question under the rulings of that State, or we can throw them out for both.

So it appears to me that we must adopt the Senator from Michigan's proposal, even if that involves ultimately, on the "skip-Wyman" ballots, that we adopt the proposal of the Senator from Michigan or open the other ballots. Because the statutory law of that State, and the interpretation thereof since 1919, the fact that we choose not to follow that law is not the fault of the candidate and is not the fault of their court. We have decided, under our constitutional power, to change it; and if we are going to change it here and in the Rules Committee, it appears to me that basic fair play and due process demand that Mr. Wyman be given the opportunity to follow the same rules with reference to intent as are being applied by us, or he is being prejudiced by having applied the law of his State to these particular ballots.

It may be a tough issue to understand, but it appears to me that that is due process, and we are close to denying him that if we do not do what the Senator from Michigan has suggested, or go back and find out how many "skip-Durkin" ballots there are and apply the same intent rule to those. I do not even think we are right in applying it, because it is already determined what their law on intent is. But if we are going to do it, we had certainly better not prejudice the candidate by following the law, and then changing it later and saying, "It is too late for you to go back and get a count on those you did not challenge because you will follow the law in not challenging."

That may not be a typical application of due process, but basically due process is denying someone a right in a manner that is patently unfair. And this particular approach is patently unfair on the "skip-Wyman" ballots. There can be no doubt in anyone's mind that to change the rules in the Rules Committee and on the floor of the Senate as to how we are going to measure intent is patently unfair unless we back up and apply the same rule all the time, unless we are willing, on an issue of this import, to say, "Some people made some legal decisions back there, and some were smarter than others. The ones who were smarter were the ones who did not want to follow the basic law of New Hampshire and challenged the basic law of New Hampshire," and say to Wyman, "We are sorry you are penalized for following the intent rule of your State."

I think that is the issue, and there is no use talking about the silent law, black letter law, or law that is not written.

It is pretty clear what the Senator from Michigan is saying. He is saying on the "skip-Wyman" ballots let us follow the intention as indicated by the State of New Hampshire for years and not substitute in some instances what we like the intention to be and in other instances not. That is just how serious violating established procedural rules is when it comes down to an issue of this type. That is what we are doing if we do not adopt his proposal.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. CHILES. Mr. President, I wonder if the Senator from Nevada will yield me some time.

Mr. CANNON. Yes, I yield to the Senator from Florida.

Mr. CHILES. I do not see the mover of the amendment in the Chamber. I wanted to ask him a question of clarification.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. STEVENS. I am informed the Senator from Michigan was called to the telephone and is on the long distance telephone at this time. We will notify him of the request of the Senator from Florida to ask questions. He will be here in a few minutes.

Mr. CHILES. Perhaps the Senator from Alaska can clear up the dilemma of the Senator from Florida. My concern or question is: in putting this language in here in the amendment, are we talking about the law of New Hampshire as of November 5, 1974? I kind of agree that we should follow the law of New Hampshire.

The Senator is here now. The Senator from Florida would like to know what the intent is and if it is the intent can we clear it up a little bit.

In the amendment when we are saying we are going to follow the law of New Hampshire, are we talking about the law of New Hampshire as of November 5, 1974?

Mr. GRIFFIN. I would say "yes" to the Senator from Florida.

Mr. CHILES. I wonder if the Senator would confirm his amendment to that? My concern would be: the legislature of New Hampshire passed laws after that and courts made decisions after that. If we say we are following the law of New Hampshire our contest seems to be trying to determine what happened on November 5. I would like to see that clarified, if we are not saying we are going to bind ourselves to follow the law of New Hampshire after that time in this decision.

Mr. GRIFFIN. I would hope that the Senator from Florida would be willing to settle for the legislative history that we are making right now because certainly that is clear, and we are seeking to determine in this proceeding what the voters did on November 5. If he really demands it, I suppose we could also write it in there.

Mr. CHILES. If the Senator believes it is clear and the intent is clear all right.

Mr. GRIFFIN. Yes. I would say without question or equivocation that we are talking about what the law was on November 5 in New Hampshire when those ballots were cast.

Mr. CHILES. I thank the Senator.

Mr. GRIFFIN. I thank the Senator from Florida.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Nevada yield time?

Mr. GRIFFIN. Since the time is not controlled, the Senator from Virginia will be recognized in his own right.

Mr. CANNON. I yield.

Mr. HARRY F. BYRD, JR. Mr. President, I agree with the thrust of the amendment offered by the Senator from Michigan.

It is the intention of the Senator from Virginia to comply with the thrust of the amendment if the Senator from Virginia can determine clearly just what is the law of New Hampshire as the various points come before the Senate.

I am doubtful, however, as to whether the Griffin amendment should be written into the resolution before the Senate. I think the chairman of the committee makes an excellent point that it is going to be very difficult, certainly for us who are nonlawyers, to determine precisely what is the law of New Hampshire on the various points which will be raised.

Now, the Senator from Virginia, I suspect, is going to find it difficult to arrive at a fair and just decision on the at least 35 different votes with which the Senate will be faced.

For that reason, I have spent probably more time in the Chamber of the Senate, except for the distinguished chairman of the committee, the distinguished ranking Republican, and maybe two or three other Senators, than almost anyone else in the Senate.

I feel a keen obligation to Mr. Durkin, I feel a keen obligation to Mr. Wyman, and I feel a keen obligation to the people of New Hampshire to try to reach a fair and appropriate decision on this very important matter before the Senate.

When it comes to the amendment now pending, while I agree with the thrust of it, and will try to comply with the intent of it, I am doubtful that I should vote to incorporate it in this resolution because I do not know just what will be the various votes that we will be faced with, what evidence will be presented, and what problems will be connected with each of these votes.

We have the law of New Hampshire, which I think, where it is clear, should be followed. But as I understand it from listening to the debates for almost 2 weeks now for about 3 hours a day each of these days, I am not certain just what is the law of New Hampshire on certain key points.

So, in an effort to reserve reasonable

judgment—and each of us must make a judgment on these complex cases that will be submitted to the Senate—I think that I shall vote in the negative on the Griffin amendment, as it now stands, although I shall make an effort to comply with the thrust and the intent of the Griffin amendment.

Mr. CURTIS. Mr. President, I am very much interested in what my distinguished friend from Virginia has said.

I believe that the effect of the Griffin amendment is this: That as we sit, trying to arrive at a decision, we have the choice of applying, in a given instance, what we believe the New Hampshire law to be or substituting therefor what we think the law ought to be, or substituting therefor a theory that somehow the Federal Government has a superior right to impose the law retroactively. I think it is very important that we adopt the amendment of the distinguished Senator from Michigan.

How are we going to determine the intent of a voter? That voter lived in New Hampshire. That voter throughout his life had acquainted himself with the voting requirements of the State of New Hampshire.

As a matter of law, he is presumed to know the law. When he went to the polls, he was not charged with trying to express himself in a manner that would meet the approval of the U.S. Senate or in a manner that somebody else thought the law ought to be. He expressed his intent under the authority and direction of the law of New Hampshire. We cannot undertake to ascertain the intent of the voter in any given instance without first doing our best—and each individual Senator will have to do that—to ascertain what the law of New Hampshire is and then using that as our yardstick.

I think it would be most dangerous for us to assume here under some theory of Federal Government superiority that the Senate should arrogate unto itself to say what the law is. Rather, we should pledge our allegiance to the law of New Hampshire and, as individual judges and jurors, be guided by what the New Hampshire law is in any given instance. If, as individual Senators, there are situations in which we cannot tell, we cannot tell.

A vote for the Griffin amendment is a vote for the principle that New Hampshire voters rightfully expressed themselves under New Hampshire law. Are we going to embark upon a principle that in every State that holds an election from now on, the voters are not to vote according to their own State law? Are we going to adopt a position that will say to all the States that have elections coming up, "We will count the ballots not according to your law but the way we decide, according to the power that we arrogate to ourselves do determine what the law is or what it ought to be?"

There is an important issue of States' rights here. If we are not to decide this case according to New Hampshire law, of what validity are the election laws of all the other States? If we take a position that we are not duty bound to do our best to ascertain what the New Hampshire law is in this case, we are sending word to every other State: "Your State election laws and procedures are of no consequence. The Senate of the United States can overrule them." I hope the Senate will not assert such power.

As the people on election day marched to the polls, whether they pulled a lever on a machine or took a pencil and cast a ballot, they wanted their votes to count. So they adhered to the rules of New Hampshire, not some rules imposed at a future date by the Senate of the United States. We have every right not only to assume but also to be guided by the principle that every voter intended to exercise his franchise according to New Hampshire law and that he knew what the New Hampshire law was.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. CURTIS. I am happy to yield.

Mr. STEVENS. Mr. President. I have listened to the remarks of the Senator from Virginia and I was looking through this report and I am disturbed by the concept, unless we do put in the amendment of the Senator from Michigan because of my own experience in Alaska.

As I stated previously, we repealed a law of this type that New Hampshire has which allows this bull's eye, to put an X in the circle for the straight party ticket.

As I look through some of these ballots that have been considered, here is one, for example, where a big X was put all the way through it. There is another one which just has a checkmark at the top, not in the circle. There are others with two X's put through. There is one with an X put in and a big circle placed around the X. In my State, they would not count them at all.

If we are going to use commonsense, so far as I am concerned, I would have disqualified those ballots under commonsense. The way I have been trained—I have been an election judge, and I have been involved in contested elections in my State—those are invalid ballots, to me.

If someone wants to tell me that New Hampshire law says that you are supposed to put an X in the circle to vote a straight party ticket but if you put a circle somewhere else on the ballot, you clearly indicate your intention, and that that is the New Hampshire law, I will be glad to follow that.

I say, with due respect to my good friend the Senator from Virginia, that I do not understand how we can use commonsense—senatorial commonsense, if you will, if there is such a thing—in terms of judging these ballots without reference to something. It is the intent of a voter with reference to something, and I think that is the point the Senator from Nebraska is making. It has to be the intent of the voter, consistent with law.

Mr. CURTIS. That is correct.

The voters who cast the ballots in this contested election were not trying to conform to Alaska law. They were not trying to conform to the law of Missouri or Nebraska or any place else.

I am sure that it happened in hundreds of cases that when individuals were going to go to vote, they asked for advice. They asked for advice from local officials. They asked for advice from members of their own families. Some of them asked for advice from lawyers. Some of them asked for advice from party workers. And what were they told? They were told what the law of New Hampshire was.

The only way we can determine, in honesty and fairness, what is the intent of any voter is to do our best to try to ascertain what the New Hampshire law is in such a situation.

I do not believe that it is the intent of the Griffin amendment that we all agree on what the New Hampshire law is in every instance, because that is what creates lawsuits—people disagree. But we should agree unanimously on the principle that the New Hampshire law is ruling here, if we can ascertain what it is. If we say that the New Hampshire law is not valid and ruling, we have cast a vote against the election laws and procedures of every State in the Union. We have then taken the position that if voters go to the polls in Arkansas or in Kansas or in Ohio or any other State, they need not be concerned about what the rules are. All they need to be concerned about is what the United States Senate might say the rules are, several months after the people cast their votes. That is the issue.

Furthermore, there is a very basic States' rights issue here.

If an election is held in a sovereign State, should the votes be counted according to the laws of that State? The acceptance of that principle does not carry with it any implication that we all agree on what the law is. But we merely agree on the principle that in determining the answer, we should apply to the best of our ability the law of New Hampshire and not assume under an all-too-often-used doctrine that the Government in Washington is supreme in everything and that we can ascertain the law. States are sovereign. The National Government does not have any residuary powers. It is a Government of delegated powers, and the States have never delegated to the Federal Government the right over the conduct of elections.

They have never abandoned the role that they have carried on for all these years of setting up a procedure for the choosing of election officials, of what the ballots should be. The States decide whether they have voting machines. The States decide how one shall cast his vote; if one wants to vote a straight ticket, the State of Nebraska happens to have no provision for a straight ticket. The voter has to make a choice in each place. Consequently, a ballot with the same marks on it, coming from my State, should have a different interpretation than one coming from a State where the laws are different.

Mr. President, we cannot accurately and honestly determine election returns on any basis other than the law of the State where the election was held. This is so elementary, we should not have to argue it. It obtains in all deals: A contract, a written instrument, almost any kind is interpreted according to the State law where it is executed.

Mr. GOLDWATER. Will the Senator yield?

Mr. CURTIS. I am happy to yield.

Mr. GOLDWATER. The Senator was mentioning the fact that States have different ballots. In my State, as in his State, a voter cannot vote a straight ticket. I remind my good friend that there are also many different kinds of voting machines. There is the electronic type that my State now uses. There is the mechanical type used in some other States. I think the Senator has made some very good points here in trying to point out to this body the impossibility of the Senate trying to make a determination in this particular case.

Mr. CURTIS. I thank my distinguished friend. Let us think of an actual case. Someone is going to vote and he turns to his friend or his experienced civic leader or lawyer or anybody. He says, "I wish to vote thus and so; how do I do it?" They were informed how to do it according to New Hampshire law. So, if we do not follow through with that, we repudiate the right of every State in the Union to provide for its own election.

Mr. President, I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, I call up an amendment to the Griffin amendment and ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 1, line 1, of the amendment of Mr. Griffin insert after the words "New Hampshire" the following: "including statutory law, common law, and New Hampshire case law, as of December 27, 1974".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation of 1 hour on the amendment to the amendment and that the vote occur then, and that there be a time limitation on the amendment itself of 1 hour, to be equally divided in accordance with the usual form.

Mr. GOLDWATER. I object, Mr. President.

The PRESIDING OFFICER. The objection is heard.

Mr. ROBERT C. BYRD. Mr. President, who objected? I did not see any Senator stand to address the Chair.

Mr. GOLDWATER. I am standing over here.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. STEVENS. Mr. President, while the Senator from Michigan is looking at the amendment, may I ask my good friend from West Virginia if I heard the date correctly, December 17, 1974?

Mr. ROBERT C. BYRD. Yes; that is the date on which the petition was filed by Mr. Durkin.

Mr. STEVENS. It is in reference to Mr. Durkin?

Mr. ROBERT C. BYRD. That is the date on which the petition of protest was filed by Mr. Durkin to the Senate.

Mr. STEVENS. To the Senator's knowledge, was there any case law or any statute that was passed between the determination that was made by the Secretary of State and that date of protest?

Mr. ROBERT C. BYRD. The amendment would encompass all statutory and case law within the State of New Hampshire at the time that Mr. Durkin filed his petition of protest to the Senate.

Mr. STEVENS. What I am trying to ascertain is, there are four dates involved. There is the election date itself; the day that the first level determination—the secretary of state's—was made; then there was the ballot law commission's determination; then there is the certification by the Governor, after which, as I understand it, Mr. Durkin made his protest.

It seems to me, and I think the Senator from Florida has made the same comment, that the determination should be made as to the law as it existed on the date that the electors cast their ballots and not on any subsequent date.

Mr. CURTIS. The Senator is right.

Mr. STEVENS. And all of the tribunals, including the Senate Committee on Rules, should be attempting to determine what the law was on the date the electors went to the ballot box and marked the ballots. If the law has been changed subsequent to that time in a manner that might invalidate what their intent was at that time, I think that would disenfranchise the electors. That is why I am questioning the date the Senator from West Virginia has placed in this amendment.

If that amendment were the date of the election, I should be most happy to support the Senator from West Virginia in that amendment. But tying it, as he does, to the protest by Mr. Durkin—the Senator from West Virginia, as I understand it, has tied it to the date of the protest of Mr. Durkin, instead of the date that the electors stated their intent. I think that might bring the rulings or other matters into the determination that should not be before the Senate.

(At this point Mr. Brooke assumed the chair.)

Mr. ROBERT C. BYRD. Mr. President, I certainly can appreciate the position of the distinguished Senator from Alaska. I do not quarrel with it except to say that the date of December 27 was the date when the jurisdiction of the Senate vested and I thought that the amendment should be tied to that date.

Mr. STEVENS. I thank the Senator from West Virginia.

Mr. GRIFFIN. Mr. President, I ask that the clerk read the amendment as it would read if it were amended by the amendment of the Senator from West Virginia.

The PRESIDING OFFICER (Mr. Brooke). The amendment will be stated.

The legislative clerk read as follows:

> On page 1, line 1 of the resolution, after the word "Senate" insert the following: "applying the law of the State of New Hampshire, including statutory law, common law, and New Hampshire case law, as of December 27, 1974, with respect to ballots described in section 2.".

Mr. GRIFFIN. Mr. President, I so modify my amendment. I ask for the yeas and nays on my amendment as modified.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GRIFFIN. Yes

Mr. MANSFIELD. Will it be possible now to get a time agreement?

Mr. GRIFFIN. It is agreeable to this Senator. I do not know whether any of the other Senators who had objection have any objection.

Mr. GOLDWATER. Time limit on what?

Mr. GRIFFIN. I say to the Senator from Arizona that there is an amendment pending providing that the law of New Hampshire must be applied with respect to the ballots in section 2 of the resolution, and there has been a clarifying amendment by Mr. Byrd which has been incorporated, making it clear that New Hampshire law includes the statutes and the case law of New Hampshire, which, of course, was the intention anyway. I believe that the issue is clear and has been argued, but any other Senator who wishes to speak to it, of course, is free to do so.

Mr. MANSFIELD. What was the Senator's request? Has he made it?

Mr. ROBERT C. BYRD. Why not just vote.

Mr. GRIFFIN. I am willing to vote if there are no Senators wishing to seek the floor.

Have we gotten the yeas and nays?

The PRESIDING OFFICER. Yes; the yeas and nays have been ordered.

Mr. STEVENS. Mr. President, could I continue my inquiry again? I understand the Senator from Michigan has modified his amendment in accordance with the request of the Senator from West Virginia.

Mr. GRIFFIN. Yes.

Mr STEVENS May I ask was there developed any case law or a statute change between the date of the election and the date which appears in this amendment now?

Mr. GRIFFIN. I can respond by saying there was a decision of the Supreme Court of New Hampshire on January 6, 1975. But if there is any case law—there was a decision on December 20.

Mr. STEVENS. If there was no change between the date of the election and the date that is in the amendment obviously I have no objection. But if the law was changed between the date of the election and the date of this protest, then I cannot support the amendment, and I would like to know if anyone knows——

Mr. GRIFFIN. Perhaps the Senator from West Virginia will respond. I am not aware of any particular case law that is significant. It probably would be well to call it to the attention of the Senate if there is. I have no objection to including it.

It seems to me that the November 5 date would have been more appropriate, but I am not prepared to make a big argument about the date.

Mr. STEVENS. Is the Senator from Michigan of the opinion that we are applying the law as it existed on the date of the election if we use this date?

Mr. GRIFFIN. Yes; that was my intention, and it has been modified to the extent of changing it to December 27, which was the date that the petition was filed.

If the Senator from West Virginia has any particular purpose in mind other than the fact that was the date of the petition, I do not know what it would be.

Mr. ROBERT C. BYRD. That seemed to me to be the logical date.

Mr. GRIFFIN. All right.

Mr. STEVENS. Again we have had a dialog, the Senator from West Virginia and I, and I understand his response for that being a logical date, but I do not know from the law of New Hampshire whether it changed between election day and the date that the Senator from West Virginia has put on. For that reason I shall not support the amendment.

Several Senators. Vote! Vote!

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. Does the Senator withdraw his first amendment?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The amendment is withdrawn.

The clerk will report.

The legislative clerk read as follows:

> On page 1, line 1, insert the following: after the date 1974 strike the rest of the amendment.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, the purpose of this amendment is to make the New Hampshire law, including statutory law and case law, applicable to all of the issues in Senate Resolution 166 and not just to the issues in section 2 of that resolution.

Mr. GRIFFIN. Mr. President, now I think we see the reason why the date was December 27, perhaps, because if this amendment were adopted, the statute enacted by the State Legislature of New Hampshire providing for a new election in the event the seat is declared vacant, we would not consider that.

My amendment said that New Hampshire law should apply to the consideration of the ballots provided in section 2.

Some of the other questions in the resolution set forth in section 1 obviously do not involve the interpretation of New Hampshire law, although some of them do, and this amendment could logically be applied with respect to some of those issues also.

But now the point of the Senator from Alaska becomes very relevant. If there is an intent here on the part of the Senator from West Virginia—and I hope that would not be the case—that he is going to have a cutoff date which would mean that the Senate is supposed to ignore in its deliberations the fact that the State of New Hampshire has subsequent to December 27 specifically provided for a runoff election in the event the seat is declared vacant——

Mr. LONG. Mr. President, will the Senator yield?

Mr. GRIFFIN. Yes.

Mr. LONG. It seems to me it would not make the least bit of difference because if we ever get around to voting on this thing, we are going to do one of three things: We are going to vote to seat Mr. Wyman, or we are going to vote to seat Mr. Durkin, or we are going to send the thing back and ask New Hampshire to hold an election. So I do not see any other possibilities.

It seems to me that, frankly, the question on whether to seat one man or the other should be based on what the law of New Hampshire was, so I agree with the Senator to that extent, and I do not have any doubt at all that in voting on whether to seat Mr. Wyman or voting to seat Mr. Durkin everybody here is going to be cognizant of the fact that if we do not vote to seat either one of them, we are going to have to vote to send it back. So we have those three possibilities. I do not care whether the amendment says so or not, there is no Senator here who can fail to recognize the fact that if a majority does not think we ought to seat either one of them, it would have to go back to New Hampshire for an election.

Mr. GRIFFIN. I wonder if I might ask the Senator from West Virginia—and I would be willing to accept his modification of a proposed amendment providing we strike out the date because, it seems to me, we want to apply the law of New Hampshire to the resolution, to the extent that it is applicable, without regard to any particular date.

Mr. ROBERT C. BYRD. Mr. President, the amendment would only apply to the issues contained in the resolution. But it would not confine those issues to the issues in section 2. It would cover all of the issues in the resolution.

Now in the event the Senate should decide to declare the seat vacant and send it back to New Hampshire, then the situation would be governed by the present law of New Hampshire which provides for a special election in the event a vacancy is declared. So the amendment, my amendment, if it is carried, would not impinge upon the rights of the people of New Hampshire to hold a new election under present statutory law in New Hampshire in the event the Senate should finally declare a vacancy in that seat.

Mr. STEVENS. Will the Senator from West Virginia again allow me to ask him a question?

Mr. ROBERT C. BYRD. Yes.

Mr. STEVENS. With regard to section (5), page 2, which says:

> Is it the sense of the Senate that, with respect to all ballots on which the committee vote is tied, the ruling of the highest authority of the State of New Hampshire shall remain in effect?

It is my understanding all those rulings were made before the date on which the Senator from West Virginia has put into his amendment, but what is the impact of the Senator's amendment on that section?

It appears to me that, if we are going to follow the case law and statutory law, we have in effect decided section 5.

I again believe that the date ought to be the date of the election because I do not understand what came into the New Hampshire law between the date of the election and the date of the protest filed by Mr. Durkin unless it is, in fact, the rulings of the Ballot Commission, and I do not know whether, under New Hampshire law, those have the force and effect of law or not.

I know they have the effect of determining the outcome according to the certificate that was issued by the Governor and leading to the request for the withdrawal of the certificate that was issued to Mr. Durkin.

What effect this has on the total decision of the Senate on that particular item number (5) I think is important because, again, if I understand section (5) on page 2, if we decide that in the affirmative, then we will not in fact be voting on the separate ballots in section 2.

Mr. GRIFFIN. I wonder if the Senator from West Virginia would consider allowing the amendment to be adopted as it is with respect to section 2, which is the way it was offered, and the way it was modified, and then after that is done, of course, the Senator from West Virginia in another amendment could address himself to the application of New Hampshire law with respect to section 1, because it is not quite the same. It is clear in section 2 we are talking about the calling and awarding of the ballots. In section 1 there are a variety of questions, some of which lend themselves to the application of the New Hampshire law and some of which do not.

Mr. ROBERT C. BYRD. Would the Senator grant me unanimous consent that following the vote on the amendment, which was accepted by the distinguished Senator as a modification of his own amendment, could we get unanimous consent——

Mr. GRIFFIN. That the Senator from West Virginia be recognized for the purposes of offering?

Mr. ROBERT C. BYRD. Could we get unanimous consent that following that vote, a vote would then recur on the amendment that I have just offered?

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I would think that, of course, there might be some further clarification of such an amendment in terms of its applications to various issues and I think it would be well if the Senator were to be recognized so that he could offer his amendment, but then I do not particularly think that I should cut off debate at this point.

We could at least accomplish some business by voting on the amendment with respect to section 2, which is what this Senator had suggested.

Mr. ROBERT C. BYRD. Would the distinguished Senator consent to a time limitation on this amendment following the vote on his amendment, as modified?

Mr. GRIFFIN. Yes, I would, and it would be subject to amendment, the Senator from Virginia's amendment, but with a time limit.

It would have a short period of time for any amendment thereto, if there were any. I do not know of any, but just as the Senator here is seeking to amend my amendment, there may be amendments to his.

Mr. ROBERT C. BYRD. At the present time, my amendment is not open to amendment.

Mr. GRIFFIN. That is right.

Mr. LONG. Mr. President, might I suggest that he not insist on a further amendment because if he wants further amendment, there are all kinds of ways, he can find a way to get a further vote on the matter.

I would just like to see us make an inch of progress, if we do not make any other.

Mr. GRIFFIN. We would be making an inch of progress if we could get to the vote on the amendment the Senator from Michigan offered.

Mr. LONG. Whether the Senator has a pending amendment and he would like a vote on the Senator's. I think I will vote for his amendment, if he would like to have a vote on it; I would like to vote for his, too.

But my thought is, why do we not go ahead and have—as it stands now, his amendment would not be subject to amendment. If we get consent to vote on the Senator's, we get that much settled, and then vote on his which is not subject to amendment.

I do not see the Senator is giving anything at this point, and if he is not satisfied with the overall results, he does not need the Parliamentarian, he knows how to go about amending the final results by offering a substitute for the language before it and include that language.

The Senator knows how to do that. He does not need the Parliamentarian to know this, he knows how.

Why not vote on some of these things?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I take the floor to make an inquiry of the Senator from West Virginia, who has offered an amendment.

My original amendment, of course, applied to the ballots described in section 2. That situation is pretty clear. It is a matter of how are we going to interpret the ballots as they were marked by the voters. I think it is generally agreed that in so doing the New Hampshire law would apply.

The difficulty that we are having, I believe, with the proposal of the Senator from West Virginia that it apply also to the various issues in section 1 is that it is very difficult there to figure out or to anticipate what the impact of that will be.

Let me call attention to the fact that the Rules Committee in proceeding to consider this matter adopted a resolution which was the work of Senator Allen and Senator Hatfield, which appears on page 2 of both reports, which indicated that the committee would proceed to a recount of approximately 3,500 ballots before the ballot law commission in relation to the final result certified by the ballot law commission, and a consideration by the committee of all the protests made by either party at any stage of the proceedings.

I will just ask the Senator from West Virginia very directly, is it his intent by this amendment to set up some legal argument that protests, for example, that would have been considered under that resolution would be waived or would somehow not be recognized, and questions that otherwise would be recognized would somehow be wiped out? This is what we are concerned about. We do not know what the intent is.

Mr. ROBERT C. BYRD. The intent is to make the amendment of Mr. Griffin, as modified, applicable to the whole resolution rather than to confine it to the issues in section 2. New Hampshire law, including statutory and case law, would be applicable across the board to each of the issues in the resolution.

Mr. GRIFFIN. I do not think the Senator from West Virginia quite answered the question insofar as section 2 of that committee resolution. There the committee determined that there would be a consideration by the committee of all the protests made by either party at any stage of the proceedings.

We recognize, of course, that in some instances protests were filed, for example, to skip a type ballot. A question came up really after the recount had been concluded.

No one at any stage ever assumed that the committee would buy the novel argument of Mr. Durkin and his counsel that we should disregard the straight party votes, 12 of them, for Mr. Wyman. But the committee is in the position here—or at least there was a tie vote on it.

What I am trying to find out is whether or not the purpose of the Senator from West Virginia is to lay the ground work for some argument that somehow those questions are not going to be considered. They are matters that are raised here in the resolution; the committee has put them to the Senate.

Mr. ROBERT C. BYRD. Mr. President, it is not the intent of the Senator from West Virginia to lay the ground work for anything other than to apply the statutory law and the case law of the State of New Hampshire to each of the issues that are contained in this resolution, rather than confining the statutory and case law of New Hampshire only to the issues contained in section 2.

When the Committee on Rules and Administration considered all of these issues, each of us in his own mind attempted to apply the statutory law and the case law, which says that basic to all the law is the intent of the voters of New Hampshire. All I am trying to do here is to put the Senate precisely on the same level as that on which the committee stood when it acted on each of these issues.

The Senator from Michigan has attempted to apply the New Hampshire law to the issues contained in section 2. I have attempted to define what we mean by the New Hampshire law, and the distinguished Senator from Michigan has accepted that definition in his modification.

Now I am attempting to apply that modified interpretation to all of the issues in the entire resolution, and not confine it just to section 2. If we did that, the Senate would be acting on a different level from that on which the committee acted. When the committee acted, we took into consideration the statutory law, we took into consideration the case law, and we took into consideration the basic constitutional law of this country. These are the things that the Senate would be utilizing as tools in reading the decisions on the issues in the whole of the resolution, and not just in section 2.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield to the Senator on my time.

Mr. ROBERT C. BYRD. Yes.

Mr. BROCK. If we accept the Senator's modification of the amendment of the Senator from Michigan, would the Senator then argue that this new language would moot sections 6 and 7, for example, in the resolution, on the basis of that vote?

Mr. ROBERT C. BYRD. What is the Senator's question?

Mr. BROCK. I say, if we accepted this amendment, under the verbiage of the amendment, would it then be possible for the Senator to argue that that amendment had made moot the questions raised under subsection 6 and subsection 7?

Mr. ROBERT C. BYRD. Not in my judgment, it would not make moot those issues.

Mr. BROCK. So the intent of the Senator is not to affect the procedures of the resolution in any way, nor would he think that this could be argued as the case on the Senate floor?

Mr. ROBERT C. BYRD. I personally would not be convinced by any argument that the adoption of the Senator's amendment as amended by my amendment, if the Senate adopts that amendment, would moot those issues.

Mr. HUGH SCOTT. Mr. President, will the Senator yield further?

Mr. ROBERT C. BYRD. Yes.

Mr. HUGH SCOTT. The Senator from Michigan had raised the consideration of the resolution of the committee of February 19 of this year, in two parts, whereby the scope of the investigation was extended by the terms of the resolution. Would the Senator feel that his amendment in any way would be operative so as to permit one to argue that the action of the committee had been repealed, or that his amendment would be in derogation of the resolution of the committee, as noted on page 2 of the committee report, I believe, in both cases? I have page 2 of the Wyman position in front of me.

Mr. ROBERT C. BYRD. My tentative response is no, but I would like to have the Senator read from the pages the verbiage to which he is referring.

Mr. HUGH SCOTT. I am referring to the resolution of Mr. Allen as modified by the amendment of Mr. Hatfield, which reads:

> To extend the scope of its investigation to:
>
> (1) A recount of the approximately 3,500 ballots before the Ballot Law Commission in relation to the final results certified by the Ballot Law Commission,
>
> (2) A consideration by the Committee of all of the protests made by either party at any stage of the proceedings contemplating that the Committee will take the appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested.

Having in mind that the courts of New Hampshire held that certain matters were not justiciable by them since they were for the U.S. Senate to decide, we should not be in a position of being bound by New Hampshire statute and case law—we should be in a position to be bound by them, but that binding effect should also, as I see it, take into consideration the fact that certain matters which they would not act upon were, by their express judgment, referred to the U.S. Senate, and they could not act for that reason.

Therefore, I would not want it argued now that since the courts would not act on certain protests, the protests are invalid, when in fact the protests are before the Senate in full force and effect for the purpose of arguing them.

Mr. ROBERT C. BYRD. Mr. President, in the opinion of this Senator, the amendment of Mr. GRIFFIN as modified and as amended by my amendment, if amended, will not affect the issues that are set forth in the resolution (S. Res. 166). Each issue will remain for the Senate to decide.

The only thing we are doing here is identifying what Mr. GRIFFIN means when he, in his original amendment, refers to the New Hampshire law. We are interpreting what he means. It is not only statutory law, but it is case law also. And we are applying it to the entire resolution, and not just to the issues in section 2.

It would still be for the Senate to determine, in regard to each issue set forth in that resolution, what the Senate's judgment and will are.

Mr. BROCK. Will the Senator yield further?

Mr. ROBERT C. BYRD. In other words, in my opinion this amendment would not make moot any issue that is set forth in the entire resolution. Each issue would remain before the Senate for its decision, as they appear in the positions of the two reports.

Mr. BROCK. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. BROCK. I think the Senator has just answered my question, but just to be specific, it then would be the position of the Senator that no one could logically take this new language and argue, for example, that a Wyman protest was withdrawn or not filed early enough, or he waited until he got to the Senate; this would not change the effect of those arguments at all? This language, as modified by the Senator from West Virginia, would not affect that argument in any sense of the word.

Mr. ROBERT C. BYRD. Let me say this in closing. I believe that the Senator from Michigan can answer this question. It is his amendment.

Mr. BROCK. But the Senator was willing to modify.

Mr. ROBERT C. BYRD. May I further respond?

Mr. BROCK. Yes.

Mr. ROBERT C. BYRD. I had no intention of offering any amendment. But the distinguished Senator from Michigan offered an amendment to provide that the issues set forth in section 2 of the resolution would be governed by New Hampshire law. Only then did I feel that a clarification was necessary. What do we mean by New Hampshire law? There was an attempt to establish legislative history as to what was meant. Rather than to lean on legislative history only, and the distinguished Senator from Virginia raised the question on this point, I offered the amendment which was subsequently accepted by Mr. GRIFFIN, as a modification to his amendment, which clarified New Hampshire law as meaning both statutory and case law and, of course, the constitutional law.

Then the second part of my amendment, which is now pending, would apply that law to each issue that is set forth in each of the committee reports and in the entirety of the resolution. Why confine the New Hampshire statutory and case law, and constitutional law only to the issues contained in section 2? Why not apply it to all of the issues?

I must say that I do not see how the application of this amendment would render moot any of the issues set forth in the resolution, because each of the issues is going to be decided by the Senate, as each issue would have been decided by the Senate without the amendment, and each issue will be decided, as it would have been decided, on the basis of the statutory law of New Hampshire, the case law of New Hampshire and the fundamental organic law of the United States.

Mr. GRIFFIN. I wonder if I could have the Senator from West Virginia consider this matter: We have substantive law of New Hampshire and we have procedural law of New Hampshire. When we were talking about applying the law of New Hampshire in the interpretation of the ballots, of course, there was no question there that we were talking about substantive law, how the ballots in New Hampshire are interpreted as a matter of substantive law.

What I guess we are wondering is the broadening of this to the issues in section 1 which raises the question as to whether or not there is a purpose or an intent to technically apply procedural requirements as a means of disqualifying certain protests, in which case I think that we would be unduly legalistic in reversing the position of the committee, where we were seeking to address ourselves to who won the election, in terms of the expression of the people of New Hampshire.

I do not think that we want to consider this on the basis that a procedural requirement has somehow disqualified this protest or that protest. It seems to me we made the decision in the committee that we should consider all protests and to be very lenient in terms of procedural requirements, and I am not sure what the intent and the meaning of the amendment of the Senator from West Virginia is in that regard. That is really what we are trying to find out. I do not know if that is the purpose of the Senator from West Virginia somehow to apply a very mechanistic and legalistic procedural limitation that may affect one or the other of the contestants but should not affect the people of New Hampshire. What we want to do is find out who got elected in New Hampshire.

Mr. ROBERT C. BYRD. Each Senator is going to reach a judgment, based on his own subjective reasoning in connection with every issue here. No matter what amendment we may apply at this point, that is what we did in the committee deliberations. Each Senator sought, to the best of his ability, to determine what the basic intent of the voters of New Hampshire was on November 5, last year.

He was guided at that point by the statutory law. He was guided by the common law, procedural and substantive. He was guided by the Constitution of the United States, and he was guided by case law. Each Senator, in reaching a judgment on each issue in this resolution, will reach his decision in the same way. He will be guided in those several areas by the guidelines that are laid out in those several areas.

This amendment does not change that situation. If I understand the Senator correctly, I do not seek to do by this amendment anything that would interfere with the proper exercise of every Senator's private judgment as he attempts to reach a fair and objective decision on each issue as it comes before the Senate. This amendment does not change the issues. The issues are set forth in each of the reports. They are set forth in the resolution. All I am trying to do is apply to each issue the law of New Hampshire statutory, case, common, and constitutional just as the Senator was trying to apply it, or else he would not have accepted my amendment.

Mr. HUGH SCOTT. Mr. President, will the Senator yield for a little clarification there?

Mr. ROBERT C. BYRD. Yes.

Mr. HUGH SCOTT. Let us take one example on page 2 of the resolution. I read it:

> (2) Is it the sense of the Senate that the committee should conduct a recount of the following precincts because of alleged inaccuracies in the tally sheets of the Secretary of State of New Hampshire: Merrimack, Meredith, and Lancaster?

Now, there I understand the secretary of state refused to count a second time on the grounds that he had already counted those ballots.

The ballot law commission refused to conduct a new tally on the ground that they did not have jurisdiction and I believe on the grounds this was a matter for the U.S. Senate.

We would not be precluded by any argument that because one position did not prevail in New Hampshire we are bound by the New Hampshire law. Is not that the case? We are not bound by the law there. We are the final reviewing body as I understood the argument.

Mr. ROBERT C. BYRD. Yes; this was one of the tie votes.

Mr. HUGH SCOTT. Yes.

Mr. ROBERT. C. BYRD. New Hampshire law I do not believe provides for a tie vote.

Mr. HUGH SCOTT. I would have to look that up, I suppose. But the point is we can still argue that this is before us.

Mr. ROBERT C. BYRD. Yes.

Mr. HUGH SCOTT. Even though the New Hampshire commission decided they had no jurisdiction.

Mr. ROBERT C. BYRD. I think, may I say to the distinguished minority leader, that the same arguments that can be made pro and con with respect to issue number 2 on page 2 without this amendment can be made with the amendment.

Mr. HUGH SCOTT. Could I ask the distinguished Senator if he would agree to change the date of his modifying amendment to January 6, 1975, for this reason: It would then include the New Hampshire Supreme Court case of Wyman against Durkin, which recognizes there the plenary power of the Senate to review its election. But it includes in the discussion some of the protests of Mr. Wyman, which were raised in the New Hampshire proceedings and which the court stated were beyond the jurisdiction of the New Hampshire court.

Could the Senator from West Virginia consider changing the date for that reason? I assure the Senator that I have no covert motivation whatever in suggesting that—simply to include the last known decision, which is found on page 249 of the hearings.

The PRESIDING OFFICER (Mr. Stone). The Chair observes that the date in question now is part of the Griffin amendment. It is not part of the amendment of the Senator from West Virginia. It would take unanimous consent.

Mr. HUGH SCOTT. I leave that up to the Senator from Michigan.

My suggestion was that the Senator modify the amendment to change the date to January 6, 1975, so as to include the New Hampshire Supreme Court case of Wyman against Durkin, which does appear in the hearings and which, as I understand it, recognizes the plenary power of the Senate to review these elections.

Mr. GRIFFIN. I have no objection, if the Senator from West Virginia has none.

Mr. HUGH SCOTT. The Senator from Michigan would have to make the unanimous-consent request. It brings in the last case.

Mr. GRIFFIN. I so request.

Mr. ROBERT C. BYRD. Does the Senator so request?

Mr. GRIFFIN. Yes.

Mr. ROBERT C. BYRD. I have no objection.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. CANNON. In line with Senator Scott's inquiry. I want to make it abundantly clear, if it is a fact, that the adoption of the amendment would not preclude an argument from being made on so-called section 2 that this matter had been considered; that Mr. Brown, before the ballot law commission, said that he was satisfied and he waived any further protest to these precincts.

Mr. ROBERT C. BYRD. Exactly. As I said, the same arguments pro and con can be made to each issue following the adoption of the amendment. The adoption of the amendment still would be a matter for the Senate to decide.

Mr. WEICKER. Mr. President, I should like to direct a question or two to the distinguished Senator from West Virginia.

In the document entitled "Report of the Committee on Rules and Administration"—I have the Durkin position, although I imagine this might well be included in the Wyman position, also—in the introduction, on page 2, it is stated:

> The Committee, after various attempts to reach a modus operandi to resolve the contest, voted unanimously on February 19, 1975, by 8 to 0, to adopt the following motion by Mr. Allen, as modified by Mr. Hatfield's amendment, to extend the scope of its investigation to:
>
> (1) A recount of the approximately 3,500 ballots before the Ballot Law Commission in relation to the final results certified by the Ballot Law Commission.
>
> (2) A consideration by the Committee of all of the protests made by either party at any stage of the proceedings contemplating that the Committee will take the appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested.

My specific question to the distinguished Senator from West Virginia is to have him define for me, in relation to the amendment that he has here, the term "at any stage of the proceedings." In other words, would that include protests that were raised before the committee but were not necessarily raised in New Hampshire?

Mr. ROBERT C. BYRD. This amendment has no effect whatsoever on any of the issues here.

Mr. WEICKER. I understand that. What I am asking is this: Would the combination amendment of the Senator from Michigan and the Senator from West Virginia, as to protest, be more restrictive than that which the committee agreed to itself, which was that they would receive protests at any stage of the proceedings? Does the word "proceedings" just encompass what happened in New Hampshire or just before the committee?

Mr. ROBERT C. BYRD. The Senator is asking me to interpret a phrase here which will not be affected one way or the other by the adoption of this amendment. If the amendment never had been offered, he could still ask the same question as to what my interpretation of that phrase is.

I do not mean to just slough off the Senator's question, but I have answered the question as best I can with regard to the impact of my amendment on any of the issues set forth here.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. CANNON. I can add a comment that might be helpful.

Senator Byrd raised that question in the committee, and this was my response, after we had discussed it at some length:

> The Chairman. I may say for Senator Byrd, who was not here when we had this discussion about this language, that we made it clear in the record that this meant that the committee would consider each protest and make the determination then as to what action, if any, should be taken with relation to that protest.
>
> This would not be a commitment on the part of the committee to adopt the procedure outlined in each protest advanced.

That was the clarification that was made to it.

Mr. WEICKER. What is the page?

Mr. CANNON. That is page 282.

Mr. WEICKER. Where on page 282?

Mr. CANNON. About two-thirds of the way down the page.

Mr. WEICKER. I am just trying to pinpoint what is being done here. I have not made up my mind about how I am going to vote on the Griffin amendment or the Griffin amendment as amended.

Would it include, for example, a protest raised now by either of the parties? Would that be fair subject matter for our consideration?

Mr. CANNON. That would be something——

Mr. WEICKER. Is this considered part of the proceedings? In other words, I am trying to define the word "proceedings."

Mr. CANNON. I think the contemplation of the committee was that the proceedings were the proceedings before the committee up to and including the committee proceedings. But I would certainly say that if some protest were raised here, the Senate, itself, would have to decide whether it were to consider that protest and, if it considered it, whether it were just going to consider the validity of it, or whether it were going to actually do what was suggested in the protest, because there is a distinction.

Mr. WEICKER. I believe the distinguished Senator from Nevada has answered my question. Certainly, it would include those protests raised before the committee.

Mr. CANNON. Certainly. It would include those protests. It would not necessarily say that we are going to carry out what was suggested in the protest.

Mr. WEICKER. I understand that.

Mr. CANNON. That is the point I was making as a result of our discussion.

Mr. WEICKER. But we would consider that a timely protest, whether or not we agree with the view taken in the protest.

I think this is an important point to establish, Mr. President, because as we are now treading new ground, it is important that all of us understand what is referred to when we use these words of art, such as the term "proceedings." It is my understanding that "proceedings" in this instance includes not just that which occurred in New Hampshire but at least that which occurred in front of the committee. There is a gray area as to whether it includes what we are doing right now.

I am satisfied. Under the circumstances, I have no difficulty supporting the amendment, as modified, of the Senator from Michigan. I believe it brings about a clear application of the law, and all of us are in favor of that.

Mr. GRIFFIN. Mr. President, as I understand the amendment of the Senator from West Virginia, it proposes to strike out the reference to the word "ballots" as described in section 2. I ask whether it would be in order for the Senator from Michigan to offer an amendment as to proposed words to be inserted in lieu of the words that would be stricken.

The PRESIDING OFFICER (Mr. Chiles). The Senator's amendment as proposed would be in order.

Mr. GRIFFIN. I send to the desk an amendment which I think will make clear what we have been seeking to provide here in our discussion, and I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> In lieu of the words proposed to be stricken, insert: "without prejudice to consideration of all the protests made by either party at any stage of the proceedings."

Mr. GRIFFIN. Mr. President, the language that I have used here is taken verbatim from subsection 2 of the Allen-Hatfield resolution, to make it clear that we are not seeking, in some way that we may not intend, to cut off or in any way prejudice the arguments that were made or otherwise would be made available, and that were made before the Committee on Rules concerning the protest on both sides. I think that most Senators believe in fairness and justice. If we are going to review the protests made by one side in this contest, we ought to consider the protests made by the other side. I think what we are trying to do here is make sure that in some technical way, we are not taking an action that would in some way cut off the rights of one party or the other.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO FILE REPORT ON H.R. 6900

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be authorized to file its report on H.R. 6900 until midnight tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE SENATE TO MEET AT 10 A.M. TUESDAY THROUGH FRIDAY NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday, Tuesday, Wednesday, and Thursday of next week, it stand in recess until the hour of 10 a.m. on Tuesday, Wednesday, Thursday, and Friday, respectively.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. ROBERT C. BYRD. Mr. President, I wish to address a question to the distinguished Senator from Michigan.

With respect to the language which the distinguished Senator has now presented to the Senate, is it his intent by the adoption of that language to modify New Hampshire law in any respect?

Mr. GRIFFIN. No; it would not modify New Hampshire law.

Mr. ROBERT C. BYRD. Very well, then, Mr. President, that language is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. WEICKER. Mr. President, I would have to come back with a question again. I want to stick to the point that I thought we had covered well with the distinguished chairman.

The committee, by its own action, modified New Hampshire law when they would listen to any protest. The committee, when it agreed to hear all protests before the committee, obviously was taking an action of its own, and I want to ask whether in any way the distinguished Senator from West Virginia intends to modify the intent as set forth on the record in the colloquy between the distinguished Senator from Nevada and myself.

Mr. ROBERT C. BYRD. Mr. President, I thought we had gone over that.

Mr. WEICKER. Very well, I was completely satisfied. What I am saying to the distinguished Senator from West Virginia is it was established that protests at any stage of the proceedings did include the proceedings before the committee.

Mr. ROBERT C. BYRD. Yes; correct.

Mr. WEICKER. I just want to make sure that is not being altered by an affirmative response to the Senator's question.

Mr. ROBERT C. BYRD. Well, I would suggest the Senator ask the Senator from Michigan that question. It is his amendment, it is his language. I am only asking if his language is such that it is the intent of his language to modify the New Hampshire law in any respect, and he has answered "no."

Mr. WEICKER. But what I am stating or what I am saying here is that obviously the committee itself, when it agreed to hear protests before it, was going a step further than that which had already occurred in New Hampshire. I just want to make sure that that impression which I received in the dialog, and was totally satisfied with, is what is guiding us here now; in other words, that protests raised before the committee——

Mr. ROBERT C. BYRD. That situation would not change at all as far as I can interpret New Hampshire law.

Mr. WEICKER. I am completely satisfied.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan to his amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan as amended and modified.

Mr. ROBERT C. BYRD. Mr. President, I would ask the clerk to read the amendment as amended and modified.

The PRESIDING OFFICER. The Chair will take a minute as we get copies. We have sent out to get copies, thinking the Members might well want them.

Mr. ROBERT C. BYRD. Very well.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorow there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each for the purpose only of the introduction of statements, memorials, petitions, bills, and resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

REQUEST FOR ORDER FOR THE RESUMPTION OF CONSIDERATION OF SENATE RESOLUTION 166 ON TOMORROW WITH NO ROLLCALL VOTES PRIOR TO 1 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow the Senate resume consideration of Senate Resolution 166, with the understanding that there be no rollcall votes prior to the hour of 1 p.m.

Mr. YOUNG. Mr. President, will the Senator yield? Would that preclude taking up a continuing resolution?

Mr. ROBERT C. BYRD. Is that resolution ready to be taken up?

Mr. YOUNG. It has been filed. I do not know whether it is ready or not.

Mr. ROBERT C. BYRD. Well, I would condition it on there being agreement on both sides tomorrow for the taking up of that resolution immediately following morning business.

Mr. GRIFFIN. Reserving the right to object, and I think I am reflecting the views of some others as well as myself, there has been a strong feeling that other business of the Senate should not be transacted while this New Hampshire election contest, which is in the nature of a judicial proceeding, is being considered on the floor, and other Senators who are not here right now have instructed me to object to committee meetings taking place while we are handling this New Hampshire matter.

That is one of the reasons why we have talked about going on the New Hampshire election contest at 1 o'clock every day. I think that could be moved up to 12 o'clock probably without interfering with committee action, but I think it will be difficult for the leadership on either side to get unanimous consent for committees to sit if we go on this New Hampshire election before noon.

Mr. ROBERT C. BYRD. Well, I would agree that it would be difficult to get permission for committees to sit when the New Hampshire election dispute is before the Senate regardless of what time it may come before the Senate.

The distinguished majority leader indicated earlier today that we ought to begin a program whereby the Senate would take up the New Hampshire election dispute early every day, say around 10 o'clock, and go all day on that subject. He also indicated that committees should not meet. So I would take it that there would be objection on both sides to committees meeting.

It is just an effort to move the Senate along on this matter, and rather than wait until 1 o'clock every day to resume consideration, begin consideration early and go until a reasonably late hour, with the understanding there will be no rollcall votes any earlier than they would have occurred otherwise.

Mr. GRIFFIN. I do not want to give the impression that because there will be no rollcall votes—I know the Senator from West Virginia does not intend to have them and, therefore, it would not be necessary for Senators to be here. Insofar as these committee sessions on tomorrow there will be objection if we agree to go on this business prior to 12 o'clock.

Mr. ROBERT C. BYRD. May I ask the distinguished Senator from North Dakota if he feels that as far as his side of the aisle is concerned the Senator will be ready—and he may not know what the distinguished chairman's wishes are in this regard, Mr. McClellan—if the Senator will be ready to take up the continuing resolution in the morning?

Mr. YOUNG. I cannot speak for the chairman.

Mr. ROBERT C. BYRD. Very well.

The PRESIDING OFFICER. Is the Senator making a unanimous-consent request?

Mr. ROBERT C. BYRD. Why do we not leave it this way: that if there is no objection—if Mr. McClellan wishes to take up a continuing resolution the first thing tomorrow, and Mr. Young has indicated that may very well be a likelihood, that we would proceed on that basis for now. We would not lock in for tomorrow at least the resumption of consideration of this business before 1 o'clock. But we could decide that tomorrow.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan, as modified and amended by the Senator from Michigan, which the clerk will state.

The assistant legislative clerk read as follows:

> On page 1, line 1, after the word "Senate" insert the following:
>
> "applying the law of the State of New Hampshire including statutory law, common law, and New Hampshire case law, as of January 6, 1975, without prejudice to consideration of all the protests made by either party at any stage of the proceedings."

The PRESIDING OFFICER. Is there further discussion?

All those in favor of the adoption——

Mr. ROBERT C. BYRD. Mr. President, there is a rollcall vote.

The PRESIDING OFFICER. The yeas and nays have been ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Massachusetts (Mr. Kennedy), the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. McGovern), the Senator fom Alabama (M. Sparkman), and the Senator from Missouri (Mr. Symington) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. Schweiker) is necessarily absent.

The result was announced—yeas 92, nays 1, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—92

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevenson
Stone
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—1

Stevens

NOT VOTING—6

Kennedy
McClellan
McGovern
Schweiker
Sparkman
Symington

So Mr. Griffin's amendment, as modified and amended, was agreed to.

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until tomorrow at 10:30 a.m.

The PRESIDING OFFICER (Mr. Culver). Without objection, it is so ordered.

ORDER OF BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, it is quite likely that after routine morning business has been conducted tomorrow morning, the Senate will take up the Continuing Resolution which was reported out of the Appropriations Committee today, and there may be another measure, an education measure to be taken up, in which event the Senate would not continue consideration of Senate Resolution 166 until the disposition of that measure or those measures, or until 1 p.m., whichever is the earlier.

On the other hand, if the Senator from Arkansas (Mr. McClellan) and the Senator from North Dakota (Mr. Young) should not be ready to proceed with the continuing resolution—and I believe that they will be, from the reports that I have received—it is entirely possible that the Senate would have to go back on the New Hampshire election dispute.

Mr. President, it is difficult for me to hear myself at this point, and I would rather not have to go to the Congressional Record to find out what I am saying. I hope we can have order in the Senate.

The PRESIDING OFFICER. The Senate will be in order. The Senator from West Virginia may proceed.

Mr. ROBERT C. BYRD. I thank the Chair, and I thank all Senators.

Mr. President, what I am attempting to say is that the leadership is endeavoring as best it can to live up to the information that has been disseminated among Senators to the effect that tomorrow and Friday the Senate would resume consideration of the New Hampshire election dispute at 1 o'clock daily, thus allowing committees to meet during the morning. The leadership will, as best it can, live up to that information that has been made available to Senators, but I believe the distinguished majority leader would want me to say that in the event that the Senate cannot keep busy on other matters, beginning even with tomorrow, rather than merely spin its wheels the Senate may have to go to the New Hampshire dispute earlier than 1 p.m. each day.

It is thought, however, that on tomorrow the continuing resolution, which was reported by the Appropriations Committee today, will be ready to be taken up by 10:45 or 11 a.m., thus allowing the Senate a couple of hours before going on with the New Hampshire dispute.

If the Senate does not make progress on the New Hampshire election dispute tomorrow and Friday, it will be necessary for the Senate to come in on Saturday; and in any event it is the intention of the leadership daily next week to take up the New Hampshire dispute as early at 10 a.m., so that all committees may be advised accordingly and will not be making plans for any meetings during any day next week following the hour of 10 a.m.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider certain nominations that have been reported today from the Committee on Agriculture and Forestry. The nominations are at the desk. It is my understanding that the chairman of the committee, Mr. TALMADGE, has no objection to the Senate's consideration of these nominations now.

The PRESIDING OFFICER. Without objection, it is so ordered. The first nomination will be stated.

DEPARTMENT OF AGRICULTURE

The assistant legislative clerk read the nomination of James D. Keast, of Missouri, to be General Counsel of the Department of Agriculture.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

COMMODITIES FUTURES TRADING COMMISSION

The assistant legislative clerk read the nomination of Robert L. Martin, of Illinois, to be a Commissioner of the Commodities Futures Trading Commission.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10:30 a.m. tomorrow, following a recess. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, with the introduction of bills and resolutions, memorials, petitions, and statements into the RECORD being permitted during that period.

Upon the conclusion of routine morning business tomorrow, the Senate will likely take up the continuing resolution which was reported by the Committee on Appropriations today.

There may be other legislation cleared for action by that time, which could be taken up prior to the resumption of consideration of Senate Resolution 166 at 1 p.m.

In the event other measures are not available to be taken up tomorrow at the conclusion of routine morning business, it may be necessary to take up Senate Resolution 166 earlier than the hour of 1 p.m.

Rollcall votes are expected on tomorrow.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 6:17 p.m., the Senate recessed until Thursday, June 19, 1975, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 18, 1975:

FEDERAL COMMUNICATIONS COMMISSION

Abbott Washburn, of the District of Columbia, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1975 (reappointment).

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. George H. McKee, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Kenneth W. Schultz, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. William W. Snavely, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. John B. Hudson, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Joseph R. DeLuca, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. Samuel C. Phillips [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. George J. Eades, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. John W. Vogt, Jr., [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066 to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. James V. Hartinger, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Richard F. Shaefer, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Gordon Sumner, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Ralph Longwell Foster, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant general

Maj. Gen. William Bennison Fulton, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Orwin Clark Talbott, [redacted], Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant general

Maj. Gen. Frank Ambler Camm, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Harris Whitton Hollis, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Elmer Hugo Almquist, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibilty designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant general

Maj. Gen. Kenneth Banks Cooper, [redacted] U.S. Army.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 18, 1975:

DEPARTMENT OF AGRICULTURE

James D. Keast, of Missouri, to be General Counsel of the Department of Agriculture.

COMMODITY FUTURES TRADING COMMISSION

Robert L. Martin, of Illinois, to be a Commissioner of the Commodity Futures Trading Commission for a term of 1 year.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, June 18, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

This is the day which the Lord hath made; let us rejoice and be glad in it.—Psalms 118: 24.

O God of love and truth, who gives us the breath of life and who seeks to lead us on our pilgrim way, we come to Thee for wisdom and strength in the midst of the demanding duties of a difficult day.

"Breathe on us, breath of God,
Fill us with life anew,
That we may love what Thou dost love,
And do what Thou wouldst do."

With steadfast purpose help us to walk the way of righteous endeavor, honest dealing, and unselfish service.

May this be the spirit in which we work this day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On June 10, 1975:

H.R. 4109. An act to amend the Grand Canyon National Park Enlargement Act (88 Stat. 2089).

On June 12, 1975:

H.R. 5899. An act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

On June 13, 1975:

H.R. 5158. An act to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands.

On June 16, 1975:

H.J. Res. 492. Joint resolution making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5217. An act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4723) entitled "An act authorizing appropriations to the National Science Foundation for fiscal year 1976," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. PELL, Mr. EAGLETON, Mr. CRANSTON, Mr. MONDALE, Mr. LAXALT, Mr. STAFFORD, and Mr. SCHWEIKER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1716. An act to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes.

The message also announced that the Vice President, pursuant to Public Law 91–452, appointed Mr. TAFT as a member, on the part of the Senate, of the Commission on the Review of the National Policy Toward Gambling.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. YOUNG of Georgia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

IN COMMENDATION OF THE DEMOCRATIC MEMBERS AND THE HOUSE LEADERSHIP

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I cannot help but observe that I have been a Democrat in spirit since I was a 12-year-old boy helping to carry on the 1929 Presidential campaign for Al Smith by distributing campaign buttons on the streets of my native town of Rock Springs, Wyo.

I served as a member of the party in the Young Democrats, then as a precinct committeeman and a county chairman of Sweetwater County, Wyo., and later as State chairman of Wyoming. I completed my service to the party as a Democratic national committeeman where I served for 4 years. In all of this time, I have never been more proud to be a Democrat than I was upon leaving the caucus of the Democratic Members of this body which has just concluded.

Instead of knifing each other in our anxiety to fix blame for failures to override Ford vetoes, we discussed with calm and with reason the regard we have for the problems we face and the contribution we Democrats have made and are now making toward their solution.

So I take the well to congratulate you, Mr. Speaker, and the majority leader, TIP O'NEILL, on the excellent leadership you have given to the majority of this Congress. Further, I commend all Members and our caucus chief, PHIL BURTON, for approaching the problems as we did this morning.

This morning we were as a symphony. While we had bass sections, of course, and strings and woodwinds, we nevertheless had no discord. We were harmonious, more so than in a long, long time.

Mr. Speaker, I commend the leadership for this and I want to thank you for what you have given to this country with your leadership in both the 93d Congress and this, the 94th. History will yet rate these terms among the finest in our 200-year history.

APPOINTMENT OF CONFEREES ON H.R. 4005, TO AMEND THE DEVELOPMENTAL DISABILITIES SERVICES AND FACILITIES CONSTRUCTION ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4005) to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, PREYER, SYMINGTON, SCHEUER, WAXMAN, CARTER, BROYHILL, and HASTINGS.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO MEET AT 2 P.M. TODAY WHILE HOUSE IS IN SESSION

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be allowed to meet and to sit at 2 o'clock this afternoon while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

NINTH ANNUAL REPORT OF NATIONAL ADVISORY COUNCIL ON EXTENSION AND CONTINUING EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-189)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed:

To the Congress of the United States:

I herewith transmit the Ninth Annual Report of the National Advisory Council on Extension and Continuing Education. The Council is authorized by P.L. 89-329.

The Council this year recommends a number of legislative changes in Title I and Title IV of the Higher Education Act. I know that the Congress will want to discuss these recommendations further with the Department of Health, Education, and Welfare and the Commissioner of Education who would have responsibility for implementing any changes in the statute.

This report provides a perspective and recommendations which are, of course, limited to the particular field of Title I of the Higher Education Act and the subject of continuing education. They do not reflect the Administration's policies which must be formed in the context of a comprehensive review of the total Federal role in education and other competing fields.

I appreciate the Council's concern with its special responsibility in helping to relate better the world of education to the world of work. I shall await with interest the Council's further thoughts in that regard.

GERALD R. FORD.

THE WHITE HOUSE, *June 18, 1975.*

REQUEST TO CONSIDER H.R. 7950, TO AMEND FEDERAL ELECTION CAMPAIGN ACT OF 1971 TO EXTEND AUTHORIZATION OF APPROPRIATIONS FOR FEDERAL ELECTION COMMISSION FOR FISCAL YEARS 1976 AND 1977

Mr. DENT. Mr. Speaker, by direction of the Committee on House Administration, I call up the bill (H.R. 7950) to amend the Federal Election Campaign Act of 1971 to extend the authorization of appropriations for the Federal Election Commission for fiscal years 1976 and 1977, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ARMSTRONG. Mr. Speaker, reserving the right to object, I wonder whether the gentleman could explain to us, if this unanimous-consent request were to be granted, what procedures we would follow in consideration of the bill? This is, I believe, quite an extraordinary procedure; and I doubt the Members are familiar with such procedures.

Mr. Speaker, could the gentleman explain that to us?

Mr. DENT. If I understand it correctly, if the unanimous-consent request is granted we will immediately proceed to the consideration of the legislation.

Mr. ARMSTRONG. Mr. Speaker, further reserving the right to object, when the gentleman from Pennsylvania said we would proceed to consider the legislation, what does that mean? Does that mean we would proceed under a rule, or we would proceed under the 5-minute rule of the House? How much time would be allocated to the bill? Would amendments be in order? How would the time be controlled? Could the gentleman from Pennsylvania brief us on those questions?

Mr. DENT. If the gentleman will yield further, I may be in error, but the gentleman would have an opportunity under the 5-minute rule to present his views and amendments.

Mr. ARMSTRONG. Mr. Speaker, further reserving the right to object, I thank the gentleman from Pennsylvania for that explanation, but I wonder if the gentleman could inform us if there is a committee report on this bill?

Mr. DENT. The committee report has been filed.

Mr. ARMSTRONG. Can the gentleman tell us if the committee report is available in the Chamber at this time?

Mr. DENT. I do not know whether they have had the opportunity to get it printed. As the gentleman knows, at the insistence and great concern of the Commission, which has been operating since the latter part of April, we have rushed this through after getting a consensus of the committee, and with almost unanimous consent, with but one dissenting vote, we decided we would ask this time for consideration of this today.

The report is available, and I will be glad to send a copy of it over to the gentleman from Colorado.

Mr. ARMSTRONG. Mr. Speaker, I appreciate the gentleman's explanation. Under the circumstances, however, can the gentleman from Pennsylvania explain why this extraordinary procedure is justified, and why there is some reason why this bill should not be considered under a rule, or submitted under the regular procedure which would permit full debate, full discussion, and the offering of evidence and, for that matter, sufficient notice to the Members. None of us had any way to know this matter was coming before the House unless they were in the Chamber at this instant.

Mr. DENT. Mr. Speaker, if the gentleman will yield further, I must say that this is not an unusual method of operating in the House of Representatives. It is used rather frequently. There are some that believe the Commission itself has been hamstrung, and apparently the Congress is bearing the brunt of the public criticism that we are deliberately doing this.

I think if the gentleman will allow an explanation of the bill, we may be able to convince the gentleman that this is a proper procedure at this time. The Commission will run out of money within a very short period, on June 30, 1975, and may not be able to continue their work. They are now before the Supreme Court, and the Supreme Court did hand down a decision yesterday which will put a terrific burden on the Commission, and perhaps the amount of money we are making for them at this point may not be sufficient in the near future, and they may have to come in in another 4 or 5 months with an amendment to the bill so far as the amount of money is concerned.

Mr. ARMSTRONG. Mr. Speaker, I have no desire to try the patience of the Chair, but I have no reason to deny the gentleman from Pennsylvania the right to explain the matter so long as I may continue to reserve my right to object, and if that is the case I would be happy to let the gentleman from Pennsylvania proceed.

The SPEAKER. The gentleman from Colorado can continue to keep alive his reservation of objection by asking for an explanation under his reservation of objection.

Mr. ARMSTRONG. Mr. Speaker, I am sorry, but I could not hear the Speaker's statement.

The SPEAKER. The gentleman from Colorado has the right under his reservation of objection to yield to the gentleman from Pennsylvania for an explanation of the bill under his reservation of objection.

And then, after that, if he is not satisfied, he has the right to object.

Mr. ARMSTRONG. I thank the Speaker.

With that explanation, I will be glad to yield to the gentleman from Pennsylvania for his explanation, still reserving my right to object.

Mr. DENT. Mr. Speaker, I thank the gentleman for yielding to me.

This is an authorization. It authorizes the appropriation of $7,788,000 for the Federal Election Commission for 18 months.

The Commission came before the committee with the request for an amount of $15 million for the 18 months. The committee met on various occasions, and we reviewed every bit of information we could gather. We learned and received from them a list of the jobs they intended to fill. At the same time we took and analyzed the costs of the previous year by the former administration of the act of 1972. The Clerk of the House spent $574,000; the Secretary of the Senate spent $491,000; the Comptroller General spent $2,135,000; and the GAO spent $507,521. The 1974 total was $3,708,000.

The committee took the $3,708,000 and added 12 percent for the cost-of-living-index increases that had been granted during that period, and other adjustments.

For fiscal year 1976, the 3-month period from July 1, 1976, through September 30, brought us up to $1,300,000. The reason we had to go to the September date was because under the new law the old fiscal year will end September 30, 1976, so they could not be left with a 3-month period without having funds.

Then we decided that we should go to the first of the year, making a total of 18 months, because there is an election in November 1976. We did not want to be accused of hamstringing the Commission during the election period. It would make it necessary to go through hearings again and come before the House.

We find that by taking a 15-month period, taking one-fourth or a 3-month additional funding for them, we come up with another $1,300,000 of a total of $7,788,000. We also have gone further, and what we have said is that in 6 months to 9 months the Commission will have to report to this subcommittee all of the activities that they have engaged in and how they have managed the funds that we have given them, because it is a new area. It has unknown quantities in it. No one has ever had this type of function put into their lap to administer before, and we as a committee have no past experience for that Commission in deciding just what the funds are to be allocated.

The committee felt, and, in fact, all but one committee member so voted, that what we had done was probably the only way that we could determine as an equitable amount. Some of the Commissioners did not like it because they thought that they should have $10 million for 12 months, and if we were adding 6 months, they should have $5 million more. We think they can get by with $7,788,000. We think they have enough money to operate.

But I also believe—and I believe my ranking member agrees with me—that in all fairness if they prove that they cannot get along, they can come before the committee again and, if necessary, come to the House.

Mr. ARMSTRONG. Mr. Speaker, I appreciate the gentleman's explanation. Further reserving the right to object, I wonder if my friend, the gentleman from California (Mr. WIGGINS), the ranking Republican member of the committee, wishes to amplify that discussion

Mr. WIGGINS. Mr. Speaker, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from California.

Mr. WIGGINS. I thank the gentleman for yielding.

Mr. Speaker, I hope that my friend, the gentleman from Colorado, will not object to this unanimous-consent request. Congress some time ago adopted legislation characterized as campaign reform, and as a part of that legislation created a Federal Election Commission. It conferred upon that Commission certain duties. The purpose of this legislation is to authorize funds so that the Commission may undertake and carry out the duties required of it by the Congress. In the normal course, the Commission members were confirmed by this House and by the Senate, and they thereupon set about proposing a budget necessary to conduct their activities.

The Subcommittee on Elections studied the budget recommendations by the Commission and frankly just about cut them in half. The reason that we were so careful to not overfund this Commission was that it was brand new. It was undertaking new functions. We were skeptical that the members of the Commission may have projected expenses excessively. We severely reduced the request and have here a total recommended authorization of $7.78 million for a period of 18 months to carry on the statutory mandate of this Congress.

The reason there is some urgency in the consideration of this measure is that the Commission is required to undertake these duties promptly. They are without funds. The year to be funded commences in about 2 weeks. The House if it adopts the recommendation of the subcommittee will be in substantial disagreement with the Senate. The Senate has authorized, I believe, $15 million whereas this legislation recommends to the Members the sum of $7.78 million. It is obvious, therefore, that it will be necessary to have a conference with the Senate and final action must be taken within 2 weeks.

It is obvious to me, therefore, that there is urgency to consider this legislation right now and I hope under those circumstances which are extraordinary my friend will not object to the unanimous-consent request.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman yielding.

I wonder if my colleague, the gentleman from Pennsylvania, could tell us how many staff people does the Commission anticipate hiring under this $7 million?

Mr. DENT. If the gentleman will yield, the list they provided to the committee when they asked for $10 million indicated 161 people, but if they could squeeze 151 people into the 50-percent budget they are getting, that is all right with me.

Mr. ROUSSELOT. Is the gentleman or anyone on the committee satisfied that this Commission is not asking for too much staffing or that the Commission will not come back in 2 or 3 months and say we are over our heads and we need 200 or 300 more people?

Mr. DENT. I can only say this subcommittee is pretty much determined they shall live within the guidelines we have given them and I am sure my ranking minority member is not about to give up 1 inch when we go to the Senate where they have provided $15 million.

Mr. ROUSSELOT. I am sure the gentleman will attempt to make that stand, but when we get into conference I wonder how determined our House Members will be to make sure that they will not yield to that degree just mentioned?

Mr. DENT. If the gentleman will not tell the Senate, I will tell the gentleman that in every conference I have gone into with the other body I have maintained a 97-percent House position.

Mr. ROUSSELOT. In other words the gentleman intends to stand for the House position?

Mr. DENT. I do.

Mr. ROUSSELOT. I thank the gentleman.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, the Senate has already prepared a measure authorizing $15 million over the same term. It seems to me the most prudent course this House can follow is to pass our bill immediately so we can get into conference with the Senate.

Somehow this Commission is going to have to be funded. If we do not get into conference we are likely to find the Senate authorization tacked on some other bill perhaps as a nongermane amendment and we may find ourselves voting for it, at a higher figure than if we would pass this measure today.

In the first year of its operation, if the Commission is obliged to go on under a continuing resolution it will not have enough money to carry out its function.

It is now having some difficulty recruiting personnel. It needs to have those personnel in place because of the new duties laid on them, and particularly the new duties no one has carried out in the past.

So I would say to the gentleman the most prudent and the most frugal course the House can follow at the moment is to support the gentleman from Pennsylvania. We can rely, I believe, on the fact that the gentleman will try to hold down the authorization to the lowest practical level.

So I would urge the House to follow the gentleman from Pennsylvania and pass this bill very promptly.

I thank the gentleman for yielding.

Mr. ARMSTRONG. Mr. Speaker, I very much appreciate the explanation of the gentleman from Minnesota and the assurance he has offered and the explanation of the gentleman from Pennsylvania and the gentleman from California; however, in view of the fact that there is no committee report, that the House in passing the initial legislation last year acted with great haste in the passing of a bill of doubtful constitutionality, because there are other Members not on the floor who wish to participate in this discussion and because I myself wish to offer amendments which I have not had the opportunity to prepare, and finally, because if this matter is deemed sufficiently urgent by the leadership we can have this before the House later today or tomorrow, I must respectfully object to the unanimous-consent request.

The SPEAKER. Objection is heard.

CALL OF THE HOUSE

Mr. RUSSO. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 312]

Ambro
Badillo
Bowen
Brown, Mich.
Burke, Calif.
Burke, Fla.
Burton, Phillip
Casey
Chappell
Chisholm
Conyers
Diggs
Dingell
Drinan
Eckhardt
Esch
Evans, Colo.
Flynt
Harsha
Hébert
Horton
Jones, Ala.
Karth
Kastenmeier
Macdonald
Mills
Mitchell, Md.
Mollohan
Nolan
Oberstar
O'Neill
Pike
Price
Roncalio
Shuster
Solarz
Steelman
Stuckey
Symington
Traxler
Udall
Wilson, C. H.
Wylie
Young, Alaska

The SPEAKER. On this rollcall 389 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FEDERAL RULES OF CRIMINAL PROCEDURE AMENDMENTS ACT

Mr. HUNGATE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6799, with Mr. Van Deerlin in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Before the Committee rose on Monday, June 16, 1975, there was an agreement that the bill would be considered as read and open to amendment at any point.

The Clerk will now report the remaining committee amendment appearing on page 6 of the reported bill.

COMMITTEE AMENDMENT

The Clerk read as follows:

Committee amendment: On page 6, beginning in line 8, strike out "or another" and all that follows down through "plea agreement" in line 10.

Mr. HUNGATE. Mr. Chairman, I rise in opposition to the committee amendment.

Let me outline briefly to the Members the situation in this bill as sent over by the court and as handled by the committee with respect to the situation popularly known as plea-bargaining.

As the bill is written and as we know it, no judge has to accept plea negotiations or plea-bargaining; he may resist them. If he does agree to accept plea-bargaining, then he must follow certain guidelines, as we term them, in the interest of the public and in the interest of the defendant.

In the form the court sent the rules to us, that would provide that when a plea negotiation was struck, the court could impose the sentence recommended or it could impose a lesser sentence on the defendant, but it could not impose a greater sentence without permitting the defendant an opportunity to withdraw his plea and stand trial.

Mr. Chairman, in the full committee an amendment was adopted—I think the vote was either 18 to 16 or 16 to 14, a close vote—that would provide that when a plea negotiation is made, the trial judge cannot impose a lesser sentence than that recommended. As I understand it, he would still, if he wished to give a more serious sentence, have the defendant withdraw the plea and have a trial.

I opposed this committee amendment, Mr. Chairman, because it seems to me that some discretion should remain in the judge in these situations, that sentencing is peculiarly and particularly a judicial function; and I would think that a judge, of whatever political persuasion, would wish to have the discretion to enter the sentence recommended, but only do that if he thought a lesser sentence should be justified in the case, acting on the benefit of a presentence report which would frequently not be available and not have been available at this time to the prosecution.

Mr. Chairman, I think we should permit him that discretion.

Mr. WIGGINS. Mr. Chairman, I rise in support of the committee amendment.

Mr. Chairman and Members, this is an important amendment.

I would like to explain the circumstances under which the language in rule 11(e)(3) will come into play. Mr. Chairman, rule 11(e) deals with the problem of plea bargaining. A plea bargain is the result of discussions had between defendant's counsel and counsel for the Government.

Normally, the subject matter of those discussions is whether or not specific counts in the indictment will be dismissed in exchange for a guilty plea as to one or more counts. Very often those discussions will include the possibility of filing of new counts of lesser severity; and most importantly, the discussions will include the sentence which the Government will either recommend or will not oppose for the guilty plea on the remaining counts.

Under the language of the committee bill, as amended by the committee, if the parties strike an agreement, each, perhaps, giving up something, that agreement is presented to the court for its approval. The court, under the committee bill, can accept the agreement or it can reject the agreement.

The language which the gentleman from Missouri (Mr. Hungate) would like to have reinserted in the bill would give the court an additional option; namely, that it could accept the agreement of the parties, it could reject the agreement of the parties, or it could unilaterally modify that agreement by granting a more favorable sentence than that which had been bargained for between the parties.

I urge, Mr. Chairman, that we reject the proposal of the gentleman from Missouri. What the proposal of the gentleman from Missouri would do would be to permit the court unilaterally to modify pro tanto the agreement of the parties.

In fairness, if the court is going to change the agreement, it ought to permit each of the parties to renegotiate the agreement. That is not the effect of the amendment of the gentleman from Missouri. It is to impose unilaterally new conditions on the parties. That is unfair.

Mr. Chairman, I do hope and urge that all of the Members will, in this instance, support the committee language and reject the opposition of the gentleman from Missouri.

Ms. HOLTZMAN. Mr. Chairman, I move to strike out the last word, and I rise in opposition to the committee amendment.

Mr. Chairman, I want to remind the committee that this amendment is really not a desirable one, because at the time the judge is confronted with this plea agreement, he has not had before him the presentencing report, and that is as it should be. The presentence report has, obviously, important information on the basis of which a judge decides on a sentence. Yet if this amendment stands the judge will be forced in essence to impose a sentence without having the benefit of the presentence report.

I would say that sentencing is clearly a judicial function. It should be imposed on the basis of the best information the judge has available. I think the committee amendment is a mistake. I would hope that the committee amendment is defeated.

Mr. WIGGINS. Mr. Chairman, would the gentlewoman yield?

Ms. HOLTZMAN. I would be happy to yield to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, I thank the gentlewoman for yielding to me.

I just want to clarify the parliamentary situation because it may be unclear to some of the Members as to what the effect an "aye" or a "no" vote will be. An "aye" vote will be to sustain the committee language as amended. That is the vote I urge. A "no" vote will be to reject the committee amendment, and that is the vote that the gentleman from Missouri (Mr. Hungate) urges.

Ms. HOLTZMAN. The gentleman from California is correct, a "no" vote will restore sound judicial discretion to the sentencing procedure.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. Hungate) there were—ayes 26, noes 16.

So the committee amendment was agreed to.

Mr. WIGGINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask the attention of the subcommittee chairman, the gentleman from Missouri (Mr. Hungate). I would say to the gentleman from Missouri that there might be some tension between the power of dismissal under rule 11(e) and the power of the court under rule 48. I wonder if the gentleman would respond to this question:

What is the effect of the committee language in rule 11 with regard to the power of the court under rule 48?

Mr. HUNGATE. Mr. Chairman, in response to the inquiry of the gentleman from California (Mr. Wiggins), rule 11 (e) is not intended to resolve whether and to what extent, if any, a judge can refuse to reduce or dismiss a charge.

The provisions of rule 11 do not add to or diminish the power of the court under rule 48.

In *United States* v. *Ammidown*, 497 F. 2d 615 (D.C. Cir. 1973), the United States Court of Appeals for the District of Columbia Circuit held that a judge has the authority to reduce or dismiss a charge. However, the judge can exercise this authority only in a "blatant and extreme" case when there has been an abuse of prosecutorial discretion. The Fifth Circuit Court of Appeals is presently considering this matter in *United States* v. *Hill et al.* (Nos. 74-3738, 74-3941), and the Supreme Court may ultimately have to resolve it.

Mr. WIGGINS. I thank the gentleman for his very fine comment.

Mr. Chairman, I yield back the remainder of my time.

AMENDMENTS OFFERED BY MR. HUNGATE

Mr. HUNGATE. Mr. Chairman, I offer technical amendments, published in the June 9, 1975, Record at page 17938.

The Clerk read as follows:

Amendments offered by Mr. Hungate:

Page 7, line 2, insert "or nolo contendere" immediately after "guilty".

Page 17, line 25, strike out "witnesses" and insert "witness" in lieu thereof.

Page 16, line 21, insert "or defense" immediately after "government".

The CHAIRMAN. Does the gentleman from Missouri ask unanimous consent that the technical amendments be considered en bloc?

Mr. HUNGATE. Mr. Chairman, I ask unanimous consent that the technical amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HUNGATE. Mr. Chairman, the purpose of these technical amendments is to correct some clerical and typographical errors in the reported bill. They are necessary for accuracy in the bill. They are not substantive, and I understand they are concurred in by the minority.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Missouri (Mr. Hungate).

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Chairman, I offer two amendments, both of which have been printed in the Record. They are amendments to Rules 4 and 9.

The Clerk read as follows:

Amendments offered by Mr. Wiggins: On page 2, strike out line 9 and all that follows to and including line 19 and insert in lieu thereof:

(1) Rule 4(a) and 4(b) are amended to read as follows:

"(a) Issuance.—If it appears from the complaint, or from an affidavit or affidavits filed with the complaint, that there is probable cause to believe that an offense has been committed and that the defendant has committed it, a warrant for the arrest of the defendant shall issue to any officer authorized by law to execute it. Upon the request of the attorney for the government a summons instead of a warrant shall issue. More than one warrant or summons may issue on the same complaint. If a defendant fails to appear in response to the summons, a warrant shall issue."

And on page 2, strike out lines 23 and 24.

On page 3, strike out line 23 and all that follows to and including line 14 on page 4 and insert in lieu thereof:

"(a) Issuance.—Upon the request of the attorney for the government the court shall issue a warrant for each defendant named in the information, if it is supported by oath, or in the indictment. The clerk shall issue a summons instead of a warrant upon the request of the attorney for the government or by direction of the court. Upon like request or direction he shall issue more than one warrant or summons for the same defendant. He shall deliver the warrant or summons to the marshal or other person authorized by law to execute or serve it. If a defendant fails to appear in response to the summons, a warrant shall issue."

Mr. WIGGINS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WIGGINS. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WIGGINS. Mr. Chairman, these two amendments raise the issue which has been subject to some debate as to whether or not upon a showing of probable cause sufficient to justify the issuance of a warrant, the preferred procedure shall be to issue a summons instead. The language of rule 4 changes existing procedure. Under existing procedure, upon the presentation of an affidavit showing probable cause, the magistrate shall issue a warrant for arrest. However, the U.S. attorney may request, under conditions and circumstances which he deems appropriate, that a summons be issued instead. The committee changed that existing rule and reversed the procedure so that the customary method of bringing a defendant into the criminal justice system shall be by summons rather than a warrant.

Rule 9 involves the same issues but merely deals with the question of whether a warrant shall issue following an indictment or information, or whether a summons shall issue following an indictment or information. However we decided this issue, Mr. Chairman, our decision ought to be the same for both rules 4 and 9. Why, then, is it important to the cause of the speedy, fair administration of justice that the committee language to rules 4 and 9 be rejected?

Let me tell the Members the reason. If a person is suspected of committing an offense and if he were guilty in his own mind of that offense and the U.S. attorney caused to be sent to him a summons urging him to come to the court at a certain time and place so that he could be prosecuted for that offense, what would the person most probably do? Some would respond to that summons to appear, but I suggest the reality is that many, many people would not.

The consequence of adopting the committee language is to increase the enormous existing problem of fugitives from justice. Recognize therefore that if we approve the committee language and reject my amendment, we must accept the inevitable additional burden to the prosecutors and to the court and that many, many offenders will never be brought into the system.

Can they not be apprehended as fugitives? I think not. The present fugitive statute is a bail-jumping statute. A defendant who has never been brought into the system for booking and for admission to bail is not a fugitive under that bail-jumping statute. If the person involved in the offense avoids apprehension for such a long time that his case grows stale, that man by his own act will have thwarted justice. My amendment will avoid that problem.

There are other reasons. We all know that the police at the time they execute a lawful warrant for an arrest may conduct a limited search of the defendant and the premises in the immediate proximity of the defendant. That lawful and constitutional search is often productive of very significant evidence. If we abandon this approach of permitting the arrest of the defendant we are losing the benefit of evidence which might have been collected in due course. Surely if the defendant is alerted by a summons any evidence in his possession is going to be promptly and successfully disposed of.

A third argument is that since the court has the power either to authorize a summons under the proposed procedure, or for good cause an arrest warrant, there will be many cases in which the request of the prosecutor will be denied and that a summons will issue rather than a warrant. It will not be long I think before some prosecutors become frustrated with the actions of the magistrates and the investigating police officers serving under those prosecutors are in all probability going to start to make their arrests without a warrant, which remains lawful and unaffected by the rule. As a matter of policy we should not adopt a rule which encourages warrantless arrests, and I think that is the consequence of the language adopted by the committee which I urge that we reject.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Wiggins was allowed to proceed for 3 additional minutes.)

Mr. WIGGINS. Mr. Chairman, the argument has been made that it is unseemly for the court to have the power to authorize a warrant for arrest without having the power to have a say in how that judicial process is to be executed. This argument was first raised so far as I know by Judge Frankel and he is the father of the change proposed by the Supreme Court and in principle adopted by the Judiciary Committee.

Mr. Chairman, the responsibility of the court is to determine whether grounds exist for the process to issue. It is the responsibility of the prosecutor to apprehend the defendant. That is a police function. The prosecutor should have the flexibility to say that this defendant should be apprehended by a warrant for arrest rather than by a summons. It does not do violence to the role of the judiciary to recognize that this is uniquely a prosecutorial function.

This amendment is an important one. It has a significant impact upon the administration of justice. My amendment is supported by the Department of Justice. I offered the amendment in committee and it was defeated by one vote only.

So I wish us to approach this subject recognizing that it is controversial and honorable men and women on both sides of the aisle have differing views on it.

Mr. Chairman, I urge the adoption of both my amendments to rules 4 and 9.

Ms. HOLTZMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment strikes at the heart of what the Criminal Justice Subcommittee has been trying to do with respect to the proposed rules of criminal procedure. We are endeavoring to improve the administration of justice.

The amendment of the gentleman from California would require that we revert to a system in which arrest of the accused is the normal course of procedure.

The subcommittee decided—in accordance with the view of the Judicial Conference—that instead of having an arrest warrant issue automatically when the prosecutor requests it, the magistrate or judge should exercise discretion. That is really the issue here—whether we will entrust our judicial officers with discretion to order an arrest or issue a summons instead.

The proponents of the amendment would have you believe that a summons in a criminal case is a ludicrous idea. That is not true. A summons can be issued under the present rules. The point, however, that I want to emphasize, is that at present the summons can be issued only at the prosecutor's request. The prosecutor may get an arrest warrant at any time, and for whatever reason he chooses. A judge or magistrate must sign the arrest warrant even in cases in which it is not justified.

Should a judge be required automatically to sign a request for an arrest warrant, even though the circumstances do not require it? I think that is inappropriate and wrong.

We have judicial officers who are capable of making important decisions. They have been put there to make those decisions. These officers make decisions about bail. They make decisions about sentencing. They are capable of dealing with serious questions.

The prosecution, therefore, and the people are not harmed by the provision in the committee bill which allows a judge or magistrate to make a decision on the facts presented to him. We ought to acknowledge that our judges are capable of making such decisions as to whether or not a warrant is necessary.

The prosecutor by showing good cause can obtain an arrest warrant. The requirement of good cause is not a substantial limitation on the prosecutor's power. If the offense is serious, if the defendant has a history of being a fugitive or of violence or the like, an arrest warrant may issue. But on the other hand, in the circumstance where a prosecutor wants some publicity in connection with an arrest, and seeks the warrant for no other reason, he should not be allowed to make an arrest. Without this rule, however, the judge in such a case has no ability to refuse to grant that arrest warrant.

We are talking about preserving the seemliness of the judicial system. We have to recognize that judges make other important decisions. They can certainly make decisions with respect to the need for an arrest.

On this question, I would direct my colleagues to a statement that was submitted to the subcommittee by Frank Remington of the judicial conference, Judge Webster of the eighth circuit, and Judge Lumbard of the second circuit, a former prosecutor and a tough-minded judge. They said this:

> With respect to the first objection, it must be kept in mind that a warrant may issue, either initially or after issuance of a summons, upon a showing of a valid reason for issuing a warrant. The risk that the defendant would not appear in response to a summons, which is sometimes evident from the seriousness of the offense alleged in the complaint and is sometimes evident from special circumstances of the individual case, is certainly a "valid reason" for taking custody. Thus, the amendment would permit the issuance of a warrant when there is some basis for the belief that the defendant might otherwise become a fugitive, but at the same time would guard against the routine resort to an arrest warrant rather than a summons without consideration of whether that risk or some other reason justified taking custody of the defendant.

Mr. Chairman, I would urge that this amendment be defeated and that we preserve the seemliness of the judicial process; that we issue summonses when they are appropriate and that we arrest people when that is appropriate; that we allow those decisions not to be made ex parte by a prosecutor, but by the judge or magistrate who has to sign the order.

Mr. FISH. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I thank the gentlewoman for yielding to me. As I understand the purpose of this amendment, it is to let the prosecutor decide when a warrant should be issued and when a summons should be issued.

Ms. HOLTZMAN. That is correct.

Mr. FISH. And a prosecutor, of course, is not a detached and neutral official. He is distinctly involved in the case and concerned with its outcome.

Ms. HOLTZMAN. That is correct.

The CHAIRMAN. The time of the gentlewoman from New York has expired.

(By unanimous consent Ms. Holtzman was allowed to proceed for 2 additional minutes.)

Mr. FISH. Mr. Chairman, will the gentlewoman yield further?

Ms. HOLTZMAN. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. Wiggins) and in support of H.R. 6799.

The purpose of Mr. Wiggins' amendment is to let the prosecutor decide when a warrant should be issued and when a summons should be issued. The prosecutor, of course, is not a detached, neutral official. He is directly involved in the case and concerned with its outcome.

H.R. 6799 adopts the basic change proposed by the Supreme Court. It makes a judicial officer, rather than the prosecutor, responsible for deciding when to issue a warrant and when to issue a summons. If the prosecutor presents good cause, the judicial officer will issue a warrant; otherwise, he will issue a summons. A judicial officer is a detached, neutral offiical; he is not directly involved in the case and has no stake in its outcome.

This principle—that a judicial officer should decide—has been widely recommended and endorsed. The committee received endorsements of it from numerous groups and individuals, including the American Bar Association's Criminal Justice Section, the National Legal Aid and Defender Association, the Standing Committee on Criminal Law and Procedure of the State Bar of California, the Connecticut Bar Association, the Delaware Bar Association, the National Association of Criminal Defense Lawyers, and many Federal judges from all parts of the country.

The proponents of the amendment allege that many undesirable consequences will come to pass if the provision in H.R. 6799 is enacted. I agree with the committee's report on the bill when it points out that the premise underlying most of these criticism "is the notion that only the prosecutor can be trusted to act responsibility in deciding whether a summons or warrant shall issue." Like the committee, I reject this motion.

Mr. Chairman, I urge my colleagues to defeat the amendment and support H.R. 6799.

Mr. HYDE. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, very briefly, I think we have to take a practical look at what is attempted here. There has been absolutely no—and I repeat—no showing of any abuses of the present rules of criminal procedure in this regard.

When we seek to change things, there ought to be a reason for doing so. One would think that the crime rate was going down and not that it was going up. We ought to take a close look at these proposed changes. The gentlewoman from New York suggests that a prosecutor salivating after publicity might abuse the warrant process. I just say, where? Where has that happened and when has it happened?

If a defendant is going to get publicity upon his arrest, that same publicity will attach when he shows up in court in response to a summons.

But, the real vice of the proposed changes and the strength of the Wiggins amendment is the difficulty in determining what is good cause for the prosecutor to get a warrant rather than a summons which is merely mailed to somebody? He has got to go to a magistrate and show good cause. Good cause could just be the serious nature of the crime. What if an individual who has no previous criminal record is about to be arrested on a very serious narcotics charge or a serious embezzlement charge, a serious charge of any nature?

The very nature of the charge may dictate to that person that he quickly become a fugitive from justice. I might point out that there is a 20-percent rate of fugitives from justice in the District of Columbia. It may be impossible for the prosecutor to make a showing of good cause, but the prosecutor knows that on this type of charge, with this type of situation, he had better arrest the person rather than send him a notice through the mail that, "You should come in because you are going to be indicted for murder or bank robbery or transporting a ton of heroin across our border."

So, the difficulty of showing good cause to a magistrate and the establishment of precedents on that sort of thing will just tie the hands of the prosecutors. I submit that I do not know what the Connecticut Bar Association feels, but the Department of Justice under Mr. Levi supports the Wiggins amendment, as do I.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. The article by Judge Frankel, which was the impetus for the change in the rules, contains such an example, and I would refer the gentleman to the Columbia Law Review of 1971 for that example.

Mr. HYDE. If I may, and since I still have the time, one or two isolated examples of abuse do not provide sufficient rationale to hamstring prosecutors in the 50 States of this country, in my judgment.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield further on that point?

Mr. HYDE. Yes, I yield to the gentlewoman.

Ms. HOLTZMAN. I think the prosecutors in this country are certainly capable of presenting good cause when good cause exists. I do not denigrate their merits. But I want the decision as to whether "good cause" really exists to be made by a neutral person, by a judge, by a magistrate, who makes similar types of decisions in other cases.

Mr. HYDE. The difficulty is: What is good cause? And it will vary from magistrate to magistrate.

Mr. DRINAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the rule that is being challenged today was not invented by the House Committee on the Judiciary. It was proposed by the U.S. Supreme Court. It is, if you will, the Nixon court that has provided or initiated the rule. This rule simply states that it is a very serious and far-reaching decision to take a citizen into custody. The basic elements of decency would suggest that it should not be the prosecutor, who has an interest in the matter, that makes this decision, but an impartial tribunal. There is nothing radical about this particular proposal. It would not lead to more fugitives, and that can be documented with statistics. The practical fact is that we want to do away with needless and humiliating arrests of people at their work or in their homes.

Mr. Chairman, contrary to what has been intimated before, there is testimony about humiliating arrests. There is, for example, the case of a mother of two preschool children who was arrested and forced to leave these children unattended for several hours. She was later released on bail and all of the charges against her were dismissed.

All that is being required under the rule initiated by the U.S. Supreme Court and ratified by the House Committee on the Judiciary, is this: A citizen should not be arrested unless the prosecutor can present good cause for the arrest to a judicial officer at an ex parte proceeding.

There will be no warning to the person who may be accused of crime because this is an ex parte proceeding. If a prosecutor cannot give good evidence to a judicial officer why an individual should be arrested, should be permitted to proceed to an arrest on evidence which a judge or a judicial officer would not in fact approve? It seems to me that a basic rule of decency requires that a neutral official in our system is the only appropriate person to decide whether a citizen shall be arrested.

The overwhelming majority of law enforcement officials in this country are in favor of the bill as it has come forth from the House Committee on the Judiciary. The only evidence cited by those on the other side is the Department of Justice.

Proponents of the amendment have also suggested that the fugitivity rate would increase.

Actually, the fugitivity rate in the District of Columbia is not 20 percent. It is 3 percent. I have statistics before me that come from the District of Columbia Bail Agency, which is the official unit established by Congress to assist the courts of the District of Columbia in making determinations in respect to bail. These statistics, do not suggest or demonstrate that there is a high fugitivity rate.

There is no evidence for the proposition or contention that the fugitivity rate will increase.

Mr. Chairman, I urge the Members of the House to vote "no" on the Wiggins amendments.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. If I have time remaining, I will yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I will ask the gentleman this: Has the gentleman seen a copy of the letter to Judge Harold Greene from Earl Silbert, the U.S. district attorney for the District of Columbia, in which he said that under the study of May 1, 1974, 358 of 2,007 defendants in pending felony cases in superior court were fugitives? That is 18 percent.

Has the gentleman seen that information?

Mr. DRINAN. Mr. Chairman, the information I have indicates that, relating to the category that the gentleman mentioned, the rate of those who failed to appear was 11.2 percent.

Mr. HYDE. That would be 11.2 percent and not 3 percent. But in the serious felony cases I submit it was 18 percent, and I will be happy to show this information to the gentleman.

Mr. DRINAN. Mr. Chairman, is the gentleman suggesting that the rule that is in contention is the proximate cause of the fugitivity rate he is citing?

Mr. HYDE. No. I simply say there is a fugitivity rate problem, and this proposed change will only enhance it.

Mr. DRINAN. Mr. Chairman, unless the gentleman suggests that is the proximate cause, I submit it is irrelevant.

Mr. DANIELSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments offered by my colleague, the gentleman from California (Mr. WIGGINS).

I think that we must come to face

with an actuality here. I know that we all would like to assume that all of those who run afoul of the law are simply misguided citizens who really meant to do well, but somehow or other accidentally got in trouble, and if we send them an invitation, a summons, to appear in court to answer these criminal charges, they will well and truly appear and present themselves and cause no trouble whatsoever.

I submit that if that were true, we could certainly cut our budget on criminal law enforcement. We would not have to maintain jails, we would probably not have to maintain much of a police force, and the whole world would suddenly turn to sunshine and flowers.

But we do not live in that kind of a world; we live in a real world.

I do not know how much criminal law experience some of the Members have had, but I put in 8 years on the prosecution side and I put in 20 years on the defense side. I have seen this from both sides of the table.

It has been said that we should not go backward.

We do not have to go backward; let us just keep it as it is. Our present system provides that when the U.S. attorney seeks to have someone arrested, he has the option of either asking that a summons or a warrant be issued for the arrest or he can simply notify the defendant, the proposed defendant's counsel or the defendant himself, personally, to come in and surrender, and usually he does. That is the prosecutor's discretionary function. That function properly belongs to the prosecuting attorney.

Every day we read in the paper of someone being accused of crime and appearing after being notified to appear and to present himself. When that has happened, someone had to use his discretion. That was the prosecuting attorney.

It is the prosecuting attorney who also knows the nature of the offense being charged. He has had an opportunity to study the evidence which has been brought against the person. He has a realistic basis upon which to base the decision on whether or not a warrant should issue, and it is his function to have a warrant issued in a proper case.

Mr. Chairman, it has been said we should leave this to a neutral body. I would like to point out that the proper function of the judiciary is to try cases, to determine the truth, to determine the facts, to assess guilt, and, if guilt is found, to assess a punishment. The function of the prosecuting attorney is to aid in the enforcement of criminal law by bringing those who are thought to have violated law to the bar of justice.

That is not a judicial function and rightfully it should not be.

Let us think of what would happen when we send out this invitation, this summons to appear, and a man does not appear. He has never been arrested. Therefore, he has never been booked. There is no photograph, and there are no fingerprints. He cannot be classified as a fugitive because he is not fleeing from arrest.

This is one of the reasons that we might find some fugitive statistics that are a bit out of conformity with the facts of life.

Mr. Chairman, I would like to point out finally that the present practice followed by our prosecuting attorneys, one that has been followed for as long as I can remember, is to use discretion in having an arrest warrant issued where it is necessary, and by simply inviting the accused person to appear and surrender, if that is the appropriate procedure.

It has been said that there is no need for this amendment, that most of these offenses are simply little administrative and nonviolent offenses. Some of them probably are, such as income tax evasion and the like. However, what are we going to do about bank robbers? What are we going to do about the narcotics dealers, the importers of narcotics, the firearms violators, those who are charged with unlawful flight to avoid prosecution for practically any offense under the laws of our various States? How about the racketeering statutes, the interstate transportation of stolen property, the National Motor Vehicle Theft Act, and counterfeiting? What are we going to do about those cases? Send out a written invitation to appear? Or will we do it in a realistic manner and have them arrested and booked and then make bail?

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield ?

Mr. DANIELSON. Yes; I yield to the gentlewoman from New York.

Ms. HOLTZMAN. The gentleman makes a very interesting statement, but is it not a fact that under the present rules and under the proposed amendment, a summons could still be issued in the situations that the gentleman just named, if the prosecutor wanted to do it?

Mr. DANIELSON. Yes, a summons can be issued, but the discretion lies with the person who has to stand up and answer for it, the U.S. attorney.

The CHAIRMAN. The time of the gentleman from California (Mr. DANIELSON) has expired.

(By unanimous consent, Mr. DANIELSON was allowed to proceed for 2 additional minutes.)

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. Yes; I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank the gentleman.

I rise in opposition to the amendment.

I served as president of our legal aid society in my county and in the State corrections association for many years.

I think that the procedure suggested by the Supreme Court is most desirable. We have had reluctance by people to seek arrest records, such as businessmen not wanting to ask for them, because they have felt that sometimes the arrest warrants were lightly given.

I think that we must have the independent person in the person of the judge deciding whether or not the situation is so grave as to require an arrest warrant.

Mr. DANIELSON. Mr. Chairman, I thank the gentlewoman from New Jersey for her contribution. I only point out that I do not believe the courts should be involved in that part of the law enforcement function. They should try cases.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. Yes, I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I was pleased that he yielded to the gentlewoman from New Jersey first because I strongly support the amendment. I agree with everything in it.

I would like to point out that one of the problems that we have in the area of criminal justice and the administration of our judicial system is that these people who, having committed a crime and having been released on bail, go on their merry way committing more crimes.

Mr. Chairman, we are really going to add them to the list at an early date if we do not approve this amendment.

Mr. RUSSO. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I am in general agreement with the committee's action with regard to the proposed amendments to the Federal Rules of Criminal Procedure.

However, I must register my disagreement with the committee action on rules 4 and 9.

Let me premise my comments by setting forth some of the principles on which they are based.

The criminal trial, in my estimation, is an adversary proceeding, and we should never lose sight of that fact. The Federal Rules of Criminal Procedure should not tilt the scales of justice in favor of the prosecutor or in favor of the defendant.

The defendant has rights that must be zealously protected. However, society's rights are also at issue here.

We, the Congress, must remember that society looks to the Government as the protector of its rights.

Society is not asking too much from us when it requests more stringent laws. They deserve more protection from the criminals, not less. Above all, it must be remembered that the ultimate goal of our criminal justice system is the protection of society from those who would flout its standards of acceptable behavior.

Rules 4 and 9 address the circumstances under which a magistrate or a Federal judge would issue either an arrest warrant or a summons. Under the present rule 4, if the magistrate or Federal judge determines from the affidavits and/or testimony that probable cause exists, he issues an arrest warrant, unless the prosecutor requests a summons. The same procedure occurs under rule 9 also, with the exception only a Federal judge may issue a warrant at this point.

The current rules contain a presumption in favor of a warrant. Under the proposed revision the presumption switches, and a summons would issue in the normal case, and an arrest warrant would issue only when good cause is shown. Magistrates, and judges, would decide what constitutes good cause. Protracted litigation on the precise meaning of good cause will arise, because lawyers will argue about anything if they are given the opportunity. I believe if this change becomes law we will have made a great mistake.

During the Criminal Justice Subcommittee hearings, we were told that prosecutors have exercised their utmost discretion in the area of arrest warrants and summonses. Why change a rule that has worked well? I might agree that a change would be in order if the U.S. attorneys had abused their discretion and had indiscriminately requested warrants when a summons would have proven sufficient. However, that is not the case.

Mr. John Keeney, then acting Assistant Attorney General for the Criminal Division, testified before the subcommittee and stated that the—

> General practice under rule (4) has been to utilize summonses . . . when the prospects seem substantial that the summons will be heeded and the person will appear.

He made a similar statement about the procedures under rule 9.

But if we were to effect the proposed changes, what might result? It is true that fewer people would be needlessly called away from their work in the middle of the day, or interrupted at an inconvenient hour while at home. But I think the detrimental effects of these changes will outweigh the salutary effects of the bill.

I foresee four major problems arising if changes are made in rules 4 and 9. These problems will be: First, more fugitives because the accused will flee when he receives the advance warning of a summons. And that has been discussed by the previous speakers.

Second, substantial delays in the administration of justice will occur while the police search for the fugitives.

Third, the loss of contraband and evidence, because the criminal knows he is under suspicion.

And fourth, an increase in the number of warrantless arrests by police officers to prevent all of the above.

I believe these adverse reasons easily override the inconvenience a few people experience when an arrest warrant issues instead of a summons. We should protect the people from criminals first and then worry whether we have inconvenienced the suspect, not the other way around.

Mr. Chairman, we have heard comments by people who are opposed to this amendment. The one thing that was quite evident from all of the hearings before our subcommittee is that the prosecutor was not abusing his power. There have been comments made that would intimate the U.S. attorney did abuse or has abused this power. I think the U.S. attorney's office has done a great deal in this country in trying to do something about the crime rate.

Let us look at the present crime rate; it is escalating. Everybody is worrying about the economy and everybody is worrying about the recession we are in. One of these days we had better all wake up and find out what is happening on the streets of our great country, or else what we will see in the future is that all of the criminals in the country will organize, and they will come to Congress, and lobby, and make us pass the laws they want us to pass. It would seem we are headed in that direction.

I hope we pass this amendment.

Mr. STEIGER of Arizona. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, normally I would not presume to intrude as a noncommittee-member in a very specific committee problem, but I think both the House and the Committee might benefit from a layman's view on this matter, particularly in light of the fact that while the House I know will not be prejudiced by the known views of both the proponents and opponents of this amendment, it is possible that the public might not have this same tolerance, and the fact that up to the moment the opponents of this measure have been those whose views of tolerance were determined by many of us to be excessive at best, should not prejudice this House in favor automatically of this amendment. But clearly the problem in this amendment is the language, at least in my view, "show good cause." This body over the last two decades has constructed the most elaborate legal defenses against the conviction of the innocent accused that have been known in the history of jurisprudence. The basis of most of that elaborate defense has been the assumption that the enforcement arm is somehow unfair.

What we have done here with the inclusion of the vagary "show good cause" is to give another great opportunity for a defense attorney to file a basis for appeal on the fact that good cause was, in fact, not demonstrated; good cause was fallacious.

The thing that ought to concern most of us is that in the name of imagery the House is going to be prepared to modify a fairly routine system that has been the testimony we have received here not been abused at all, and we are assuming automatically that somehow judges will be more objective than will prosecutors. The best evidence I can give this House that that is simply not the case is the District of Columbia's experience with the bail bond system. In my memory here, there were five methods of obtaining bail at the Federal level that were instituted recently so as to insure the greatest equity for the accused. The District of Columbia as a matter of practice has chosen the least onerous, that of the individual's own recognizance simply as a matter of, I guess, concern that the judicial arm will be accused of unfairly patronizing the enforcement arm.

We are saying the same thing here, and we must take into consideration the history, the failure of the bail bond option program in the District when we consider this matter in which we are placing the judgment responsibility on the court who is ill prepared to make that judgment, as was pointed out by the gentleman from California, since he is not involved in the arrest and enforcement situation at all, and should not be. We are saying if one is going to be a fair judge, he is not going to issue a warrant, he is going to issue a summons because absent good cause he cannot issue a warrant, and good cause is an ill-defined term that is only in the eyes of the beholder.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield on that point?

Mr. STEIGER of Arizona. I yield to the gentleman from Missouri.

Mr. HUNGATE. I thank the gentleman for yielding.

The original rule sent over to the committee had the term "valid reason," and subsequently it was decided that that has many of the flaws to which the gentleman seems to address himself. We are in agreement on that. While the words "good cause" may not be clear as we can have; among lawyers, it was thought it has sort of a constant meaning, and it was thought that to define "good cause" it further would limit the power of the judicial officer. This was at least an attempt by the committee to leave pretty broad power in the judicial officer.

Mr. STEIGER of Arizona. I thank the gentleman. But again I point out that that very problem, confronted with a qualitative situation, in what has heretofore not been a necessity to consider in this whole judicial process, when we include arbitrarily another qualitative hurdle to be overcome by the prosecutor, I do not think the gentleman understands, with the mood of the American people. The American people do not want, and apparently do not need, by the testimony we have heard here, another hurdle to enforcement.

We are offering in this bill, unamended, a hurdle to confront that is a monument to imagery and not to the facts. We are assuming that prosecutors are all animals who want to embarrass. We are assuming that somehow the accused needs more defense than he has now. That, I will tell the Members, is not the view of the public and not the view of this Member of Congress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. I think there is substantial, if not overwhelming, popular support these days for the passage of legislation that will require the imposition of mandatory sentences for certain crimes.

But I suggest to my colleagues that what is proposed, the change proposed by the committee bill is the antithesis of that position on mandatory sentences. In short, the track record of jurists in exercising their discretionary function has not been outstanding and surely that discretionary authority should not be expanded. Except for a brief time when I served as a city attorney I have always served on the other side of the coin insofar as criminal procedure is concerned, most of the time as a court-appointed attorney. I liked trial work and I did not get it enough in private practice so I took all the court appointments I could get. I think I have tried all the kinds of criminal cases there are as a defender. In addition to that I have also served as a U.S. commissioner, the "magistrate" referred to in this bill. And although I think I would always exercise the discretion appropriately and not in a biased or a prejudiced way, I know of several of my magistrate colleagues whom I would hate to see have the discretion that would be conferred by the committee bill.

I quite concur with those who have spoken before me that basically the prosecutor's function in the representation of society is to put forth the best criminal case within the ethics of that profession that he can and it is the magistrate's function, the judge's function, to determine wherein the rights between individuals and society lie under the law.

I would suggest to those that have contended that there have been abuses, that there is presently a remedy for any such abuse as has been suggested. From the time the process issues from a judicial officer, he in effect has superintending control of the handling of that process and I suggest that he has authority to take such action as he deems advisable to admonish or punish those who would engage in an abuse of that process.

No, I think there is no justification, none whatsoever for the change that is proposed, and it is a substantial change that is proposed by the committee bill, totally reversing the present presumption, and I think we can call it a presumption since probable cause must be established, to one where in effect the burden of proof lies with the prosecutor for the issuance of a warrant rather than a summons. This would be wrong, and I trust my colleagues will not at this time with the problems we are having with crime, with the problems we are having with the exercise of the discretionary function by the judiciary, I trust my colleagues will not contribute to that problem by accepting the committee bill language rather than that of the Wiggins amendment. I support the amendment.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, first I commend the gentleman in the well for the statement he has made. I would like to associate myself with his remarks and say further that such an amendment to this legislation is sorely needed.

Its need was pointed out when the matter was before the Rules Committee and certainly it seems to that this House must favor this amendment of this proposed rule will become operative. With the proposed rule will become operative. With the crime rate going up in this country we ought to be making it more difficult for a criminal to go free. Without this amendment, the new rule would make it easier for him to go free.

A couple of weeks ago this House passed legislation changing the parole procedure and putting the burden on the Parole Commission of proving that a criminal should not be paroled. Today, the criminal must prove he qualifies for parole.

I do not think the American people approve of the direction this Congress is going in treating criminals. I think we should take steps to keep criminals off the streets.

I want to say, I commend the gentleman and support his amendment.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Chairman, in reference to the question of mandatory sentence, I think the gentleman would be pleased, as I was not, that he would be pleased by the committee amendment that the gentleman from California (Mr. WIGGINS) offered and which is in the bill, that there is a mandatory sentence once the bargain is struck that cannot be reduced.

I just wanted to be sure the gentleman understood that.

Mr. BROWN of Michigan. Mr. Chairman, I appreciate the gentleman's contribution.

All I can say is that I wish the committee had been consistent in its position with respect to the issue of the discretionary function of jurists. Had the committee been so philosophically disposed, the present Wiggins amendment would have been adopted by the committee thus obviating the necessity of our present debate.

Mr. HUNGATE. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment.

Ms. HOLTZMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. HUNGATE. Mr. Chairman, I want to speak particularly to those on both sides of the aisle, particularly my conservative friends over here. I see them here, and I do not mind telling anyone that the man I miss the most in this Congress is David Dennis, who, in my judgment, is one of the finest lawyers we have ever had. I want to tell the Members that this issue is not a liberal or a conservative issue. They say, "Why should we change? Why should we change? What about the crime rate running rampant? It is becoming contagious."

It is like the fellow who was asked, "What are you doing to stop contagion?"

He says, "We are taking steps. We bought a sanitary cup and we all use it."

That is the sort of remedies that are being offered here, that we follow the lowest common denominator to deal with the usual case. I think that we must direct our attention toward more than that.

The U.S. attorneys, I suppose, work under the Attorney General, and nothing I say is critical of Attorney General Levi. I think he is a fine and able man.

I would say to my friends on this side of the aisle that I think he is the best Attorney General since Ramsay Clark, and he may be making those decisions. I say to my conservative friends that I wish they would listen to me when I say that this man may be making the decisions, and I say to my friends on my own side of the aisle that this is the best Attorney General since John Mitchell, and he could be making those decisions.

The office of Attorney General is a great position, but men occupy this position of power. We would not think of letting the defendant make the decision, but we are going to go over on the other side of this adversary lawsuit and let the other fellow make the decision. I urge the Members to think before they do this.

Why changes? Well, the judges of the district courts of the southern district of California suggested support of this change. The Federal judges of Louisiana, New York suggest this change. I seem to recall the name of Chief Judge Clement Haynesworth—I never heard of him being anything other than something of a conservative judge, but he supports this position. The New Jersey Federal judges, the Pennsylvania Federal judges—it seems to me a number of people with good qualifications think this would be a wise thing to do.

We ask if there have ever been cases where this has happened. Of course, in the hearings, and it has already been alluded to in debate.

This matter with the two preschool children at home, where the children were left with no one to watch them, later on that case was even dismissed. These things do happen, friends. Think about it. It could be us. It could be somebody else, too. The Department of Justice, they worry about it. Sometimes they say it is too weak. We have been through that. Other times they say it is too harsh. We have had a report this week, the Rockefeller report. It says here that in 1964 the CIA pointed out to the Department of Justice in many cases the prosecutor would require public disclosure of sensitive agency operations and procedures.

The Department of Justice went on, and I quote:

> In so doing this, the Department of Justice expedited its statutory duties and placed on the Director of the Central Intelligence Agency the responsibility of investigating criminal conduct in making prosecutorial decisions.

Read the report. It is on page 75.

Finally, I would like to say, friends, what are we supposed to be doing here? Representing the Department of Justice, which is a great department, and is well represented in our Government, and which is interested in this?

Henry Peterson, who helped write these rules, was a Member of this body for several years. It seems to me that they ask again, "What are we going to do about the bank robber and the guy who breaks in, and the narcotics dealer?" I will tell you about that. What about the presumption of innocence? I read about that once. Maybe I took it too seriously. But merely the fact that a prosecutor files an information under the system we thought we grew up under, there was no finality. They do not become bank robbers until the jury says they are bank robbers.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Hungate was allowed to proceed for 1 additional minute.)

Mr. HUNGATE. My friends, I would like to urge you to consider the proposition that the Government of the United States exists to protect its people, and not itself.

Mr. RUSSO. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from Illinois.

Mr. RUSSO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the chairman of the subcommittee for the excellent job he did in the subcommittee. I also want to point out to the body here that out of seven members of the subcommittee who heard all its testimony, five members of that subcommittee voted for the Wiggins amendment. That ought to tell you something, that there is something about the amendment and about the testimony that we heard that made us all vote for the Wiggins amendment.

Let us talk about the summons procedure. We talked about one of the things that will give rise. Under the present rule, the Attorney General has the power——

Mr. HUNGATE. If the gentleman will permit me, did the gentleman from Arkansas (Mr. Thornton) and the gentlewoman from New York (Ms. Holtzman) vote for this amendment?

Mr. RUSSO. In the full committee, the gentleman will find.

Mr. HUNGATE. I will not contradict the gentleman, but I am dubitante. Go ahead.

Mr. RUSSO. One of the other problems is that presently, as the system is set up, when a summons is issued, one of the problem we have now is that the summons would be issued in the initial stage, and if the Attorney General does not have that opportunity there may not be a way of having this man booked. And what do we do? You have to go out and get an arrest warrant to bring him in.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Danielson of California, and by unanimous consent, Mr. Hungate was allowed to proceed for 2 additional minutes.)

Mr. DANIELSON. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I will yield to the gentleman.

Mr. DANIELSON. Mr. Chairman, I want to commend the distinguished gentleman for his very eloquent presentation.

Mr. HUNGATE. Will the gentleman yield for just a moment? I have never had more compliments and less votes in my life. But go ahead.

Mr. DANIELSON. Mr. Chairman, I think the gentleman better let them soak in for a minute, because they are very good.

Directing our attention to the tale of the lady with two preschool children, that is a tragic situation. But is it not true that a man named Vesco recently learned he might be prosecuted in connection with Watergate, and he hid away in some hideaway, and has not come back since, although he has been invited several times?

Then there was an organization called Equitable Funding, and when the word got out there might be a prosecution, the top man went to Brazil. Is that true?

Mr. HUNGATE. The gentleman correctly states the procedure under the existing law which he supports. That is what happened under the present law, I submit to the gentleman, and we seek to change that.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I will ask the chairman of the subcommittee this: Is it not true that under the present law a summons can be issued? Is that not correct?

Mr. HUNGATE. That is how these fellows disappeared. The gentlewoman is correct.

Ms. HOLTZMAN. Also, if someone wants to be a fugitive under the present law and the person is out on bail, that person can be a fugitive if he wants to; is that not correct?

Mr. HUNGATE. The gentlewoman is correct.

Ms. HOLTZMAN. Is it not true that the purpose of the committee bill is to restore some discretion to the magistrate when he is confronted with a request for a warrant? Is that not the purpose of this rule?

Mr. HUNGATE. The gentlewoman is correct.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Chairman, I rise in support of H.R. 6799 and wish to take this opportunity to congratulate the chairman of the subcommittee, Mr. Hungate, and the members of the subcommittee for performing a thankless, tedious, and time-consuming job. Yet, the job they performed forms the very foundation of safeguards our system of laws affords a defendant faced with criminal prosecution.

The glamor of public life is in dealing with the big issues which capture the headlines and are designed to save the world. In reality, however, the less dramatic procedural or administrative rules and guidelines that we lay down for ourselves dictate the course and substance of life.

The Federal criminal rules of procedure which are dealt with in H.R. 6799 effectively determine whether an individual, trapped in the coils of the law, is to be treated fairly, or, on the other hand, denied personal freedom. And that, as we well know, is the difference between a democratic society operating under the rules of law and totalitarianism.

In essence, then, Mr. Hungate and his fellow subcommittee members have been involved in the fundamental task of guarding the rights of the individual while preserving the rights of the community, as represented through elective government.

They deserve great praise because they have performed admirably in devising a set of rules which protects both sets of rights as fairly and in as balanced a manner as possible.

In rule after rule, the subcommittee has managed to expand the protection to be afforded the individual without, in my opinion, jeopardizing the ability of the prosecutor to bring the guilty to justice. In the case of arrest procedure, guilty pleas, pretrial motions, alibi and insanity defenses, discovery rights of a defendant, admissions during psychiatric examinations, rights at time of trial and sentencing, and in a number of other areas, I believe the amendments to the rules herein developed offer the opportunity to improve the judicial machinery while expanding protections afforded a person charged with a crime.

I recognize that there may be a few areas, such as in cases of potential ex parte proceedings, right to access to a government agent's oral statements, or disclosure of witnesses' supporting alibis, in which the proposed rules might give an unfair advantage to the prosecution. If that is the case, then I feel confident careful debate will enable us to resolve the differences.

Again, Mr. Chairman, I commend the chairman and members of the subcommittee for performing an extremely arduous task in a most commendable manner.

Mr. HUNGATE. Mr. Chairman, I appreciate the gentleman's mentioning my name. The possibilities of the law face every man and every woman. I think there were four Congressmen in the last Congress who were indicted. At the same percentage, I think that would be 1 million Americans every year indicted.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California (Mr. Wiggins).

The question was taken; and on a division (demanded by Mr. Hungate) there were—ayes 39, noes 29.

RECORDED VOTE

Mr. HUNGATE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 216, noes 201, not voting 16, as follows:

[Roll No. 313]

AYES—216

Abdnor
Adams
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bedell
Bell
Bevill
Biaggi
Biester
Bowen
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey

Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Conable
Conlan
Conte
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Delaney
Derwinski
Devine
Dickinson
Dingell
Downing
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Findley
Florio
Flowers
Foley
Ford, Mich.
Forsythe
Fountain
Frenzel
Frey
Fulton
Fuqua
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hall
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Hightower
Hillis
Holt
Horton
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krebs
Krueger
Lagomarsino
Landrum
Latta
Lloyd, Calif.
Lloyd, Tenn.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McKinney
Madden
Madigan
Mann
Martin
Mathis
Michel
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Mottl
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Nichols
Nolan
O'Brien
Passman
Patten, N.J.
Patterson, Calif.
Pettis
Peyser
Pike
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Rogers
Rose
Roush
Rousselot
Ruppe
Russo
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Traxler
Treen
Van Deerlin
Vander Jagt
Vander Veen
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wright
Wydler
Yatron
Young, Fla.
Zablocki
Zeferetti

NOES—201

Abzug
Addabbo
Alexander
Ambro
Andrews, N.C.
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bennett
Bergland
Bingham
Blanchard
Blouin
Boggs
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Collins, Ill.
Collins, Tex.
Conyers
Corman
Cornell
Cotter
Daniels, N.J.
Davis
de la Garza
Dellums
Dent
Derrick
Downey
Drinan
Duncan, Oreg.
Early
Edgar
Edwards, Calif.
Eilberg
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Green
Gude
Haley
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Helstoski
Henderson
Hicks
Hinshaw
Holland
Holtzman
Howard
Howe
Hungate
Jacobs
Jenrette
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Keys
Koch
LaFalce
Leggett
Lehman
Lent
Levitas
Litton
Long, La.
Long, Md.
Lujan
McFall
McHugh
McKay
Macdonald
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nix
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman, Tex.
Pattison, N.Y.
Pepper
Perkins
Pickle
Preyer
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rodino
Roe
Roncalio
Rooney
Rosenthal
Rostenkowski
Roybal
Runnels
Ryan
St Germain
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Stark
Stephens
Stokes
Studds
Sullivan
Symington
Thompson
Thornton
Tsongas
Udall
Ullman
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Yates
Young, Ga.
Young, Tex.

NOT VOTING—16

Boland
Burke, Fla.
Diggs
Eckhardt
Evans, Colo.
Flynt
Jones, Ala.
Milford
Mollohan
Neal
Price
Steelman
Stratton
Teague
Wylie
Young, Alaska

So the amendments were agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Price for, with Mr. Diggs against.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HYDE: On page 13, strike out line 18 and all that follows down through the end of line 9 on page 14, and insert in lieu thereof the following:

"(21) Rule 16(a)(1)(E) is amended by striking it out."

Mr. HYDE. Mr. Chairman, one of the most important and one of the most radical changes in the Federal rules of criminal procedure concerns this brand new requirement that upon demand by the defendant and no later than 3 days before trial the prosecutor must reveal the names and addresses of all witnesses he intends to call at the trial. This new and radical change in the Federal rules of criminal procedure has never been the case except in capital cases and it is opposed by the overwhelming majority of district attorneys around the country.

My proposal would delete this change and return the practice to the present procedure.

For every change there ought to be a good reason. There was no evidence adduced at any of our hearings that there was any abuse or any real reason why this change should be made and there is a plethora of reasons why this change should be resisted.

As a practical matter 90 percent of defendants plead guilty in Federal criminal cases and in most of these cases the prosecutor voluntarily reveals the names of witnesses to induce a guilty plea. In addition it is established law that any witnesses known to the prosecution that are favorable to the defendant must be revealed to the defendant and it is done. So it is this narrow 10 percent of the cases we are dealing with involving serious crimes, narcotics cases, organized crime, where informants are used whose names and addresses must be protected or they will be threatened, intimidated, coerced, and attacked and beaten or killed.

These are not idle comments. We have seen a great many instances in all jurisdictions of the country. As a matter of fact the Department of Justice submitted a 76-page report detailing 713 specific recent instances of murder, bombings, bribery attempts, subornation of perjury, plus disappearance of witnesses or their subsequent refusal to testify.

It is tough enough to get people brave enough to get involved and to come forward and to be willing to testify in serious cases. This new requirement that denies to the prosecutor the power to give a witness assurance that his or her identity will not be revealed until trial is a major new obstacle to effective law enforcement.

The arguments that will be heard for the new rule simply are these. The prosecutor can get a protective order from the judge. The fallacy with that argument is that this denies the prosecutor the opportunity to tell a witness, once he has found one brave enough to come forward: "Do not worry, your name will not be revealed before trial." Now he has to say: "Well, it will be up to the judge." This sort of thing has got to inhibit very seriously the cooperation of witnesses.

Another problem is that the prosecutor will have to make a showing why such a protective order should be issued. That may be very difficult to make such a showing as to why the identity of a witness must be protected, but that is what the law is going to impose.

Another argument that will be heard is that the prosecutor can place a witness in protective custody. That does not protect the family of the witness or his job and it cannot be used to deny pretrial access to the witness by the defense.

It will be said that 22 States have laws which require disclosure of witnesses. The answer to that is these States do not operate under the Federal Bail Reform Act of 1966 which gives everyone, even the most vicious accused in Federal court a statutory right to be released on bail pending trial.

The Department of Justice does not publicize its serious problems in this area because it would have a chilling effect on prospective witnesses and we have all heard that phrase "chilling effect." If we cannot guarantee anonymity to witnesses before trial the prosecuting attorney is going to get frostbite trying to get witnesses to come forward.

The Department of Justice paid $11 million last year alone to protect witnesses. There is a climate of fear surrounding the prosecutors' witnesses in criminal trials.

The **CHAIRMAN.** The time of the gentleman from Illinois has expired.

(At the request of Mr. DICKINSON, and by unanimous consent, Mr. HYDE was allowed to proceed for an additional 2 minutes.)

Mr. HYDE. As I said, Mr. Chairman, there is an atmosphere of fear that surrounds the prosecution witnesses in serious criminal cases. The fear of reprisal is a reality, and it is compelling.

I do not have to remind this House that a major issue in every one of our campaigns last year ought to have been, and I am sure it was, the serious crime in the streets. There was a 17-percent increase in serious crime in the United States last year. What are we going to do about it?

Let us not go back to our districts and tell the citizens that we have made it more difficult for prosecutors to prosecute serious crime.

Mr. Chairman, I have telegrams in my hand from U.S. attorneys across the country supporting my amendment, which strikes this new provision and restores the now existing practice of permitting the prosecutor to protect the identities of citizens until they testify in these serious cases.

So I respectfully submit that this amendment is one of the most important that we can support this session in the ongoing battle against serious crime.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I can easily envision and we have seen instances where witnesses who are unknown surface prior to the trial, maybe one day or the day of the trial.

What would this amendment do as far as precluding the use of those witnesses and how this would be handled if the amendment is adopted? I am talking about a surprise witness or a witness that the prosecution did not know the name of and had been seeking out or a witness who came to the knowledge of the prosecution the day of the trial or a day prior to the trial.

Mr. HYDE. It would depend how the trial judge felt. The prosecution would have to go before the judge and say, "We just located this witness. The trial is scheduled this morning."

The judge might grant a continuance; but I submit that 3 days before trial is meaningless. No docket is scheduled that way. Continuances are routinely granted of 1 month to 2 months. Three days would be extended almost routinely to many, many days or weeks, during which an opportunity would be afforded a defendant so inclined to get to the Government witness or his family.

Mr. DICKINSON. Mr. Chairman, I think the gentleman's amendment has merit and I support it.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not a member of this committee. I must say, the gentleman's impassioned speech caught my attention; but when he started waving those telegrams from U.S. district attorneys, that really caught my attention, because if there was ever a bigger bunch of headline hunters or politically motivated people around the country than the U.S. district attorneys, I have not heard about them in my career in politics.

I drive back from Ohio every other Sunday and I hear on the radio one U.S. district attorney for a half hour at a time telling about who he has indicted that week and what the case is against the indicted and trying it on the air before they go to court.

Now, sure, the gentleman can get pretty passionate, I will say to my friend from Illinois, about the narcotics traffickers and so on; but that is not what these fellows are trying to make their reputation on. What they love to do is try to indict an elected official or somebody who is news, because most of these U.S. district attorneys want to run for something. That is the surest way to get headlines.

I do not see anything wrong when somebody is being brought into court that they have a list of the witnesses who are going to appear against them. What is wrong with that?

The gentleman makes a big deal about informers, paid informers.

I want to tell the Members something: if I were on a jury and they put a paid informer on the witness stand, they would sure have one vote for acquittal right then and there, because the guy who will testify for money will testify to anything. He does not care what it is. He will testify to whatever the prosecutor pays him to testify to.

I think we have come to a place in this country where we have to balance the scales a little bit. I want dope pushers in jail, sure, and so does everybody else, but we cannot really, in order to get a few dope pushers under the gun, make it unfair for the average citizen who may be indicted for something he never even dreamed of doing. If I am going to have any paid informers testify against me, I want to know who they are.

I do not want to rub them out, I just want to find out a little something about them. I do not think the gentleman needs to get too uptight about paid informers being rubbed out. They are usually in the rubout league themselves. I think it is more likely the other party. I am more in fear of getting rubbed out than I am of having one of them rubbed out.

Do the Members know that they used to call themselves "muscle men" in Ohio? They have a new title now. They call themselves consultants. And, they exist. We all know they exist, but let us not go overboard about a few consultants to the detriment of the other 211 million people in the country.

I just think the amendment ought to be voted down. I think the committee has done a good, fair job, and I think we ought to follow the committee on this.

Mr. WIGGINS. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, it is always a challenge to follow my good friend from Ohio, since he is a most persuasive man in the well, but let us not overlook the seriousness of the problem to which this amendment is addressed.

Mr. Chairman, in a perfect world the free exchange of information between plaintiff and defendant in a civil case, and between government and defendant in a criminal case, is a desirable goal. It would be promotive of the truth, I think, and that is the objective of a criminal trial. But, we do not live in a perfect world. The world of criminal courts, the world of those frequently accused of crime, is a vicious world. The record is beyond question that hundreds of witnesses are subjected to threats, to physical abuse, to harm and, occasionally, to assassinations. It is a reality, and the rhetoric in this House will not make that reality go away.

Now, given that fact of life, is it wise to compel the Government to disclose the names of its witnesses in advance to the defendant: As a matter of practice, in very many districts and in very many cases, the U.S. attorney freely shares that information because he is trying to induce the defendant's counsel to plead his client guilty by demonstrating the strength of the case against him. But, in some classes of cases, a U.S. attorney would not, as an act of responsibility, for one moment consider disclosing the names of witnesses to defense counsel. Defense counsel has an obligation to share that information with his client, and once that information is shared, human life may well be in jeopardy.

That is the problem, the real problem to which the amendment of the gentleman from Illinois is addressed. I would suggest, on balance, given this laudable pursuit of justice and truth on the one hand and the reality of the jungle on the other, that we would do well to adopt the amendment of the gentleman from Illinois.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, the gentleman would not try to persuade me, would he, although he is very persuasive and a very good lawyer, but he would not try to persuade me that there are going to be very many lives in jeopardy if the witness list was divulged 3 days before trial? They are going to be named when the trial does start. Is the gentleman standing there trying to make me believe that there are going to be a lot of people assassinated during that 3-day period?

Mr. WIGGINS. I say to the gentleman from Ohio that I am going to undertake that heavy burden. I do not have personal knowledge of witness intimidation and, accordingly, I have to convey to the gentleman the information communicated to me by others who are personally acquainted with the facts. And the U.S. attorneys around this country documented hundreds of cases in which the lives of witnesses were jeopardized as a result of advance disclosure.

Mr. HAYS of Ohio. If the gentleman will yield further, then those U.S. district attorneys are not doing their jobs, because they have all of the resources in the world to protect the witnesses for that 3-day period we are talking about. And I just think they have overpleaded their case or overdramatized their case, because they do not really want to do it the fair, American-style way.

Mr. WIGGINS. I have to disagree with the gentleman's conclusion. I realize certain U.S. attorneys conduct themselves in a way that is notorious and does them no credit. But I am not prepared to indict them as a class and assert that they are not acting responsibly.

I want to assure the gentleman from Ohio and the rest of my friends that we had a thick file of case histories of witnesses who were threatened as a result of disclosure. Let us not treat this matter lightly.

I do urge the Members to support the pending amendment.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to address some questions to the gentleman from California (Mr. WIGGINS), if I may.

The gentleman from California, of course, recognizes that there is a constitutional requirement that every defendant be confronted with the witnesses against him. Does the gentleman agree?

Mr. WIGGINS. Oh, of course.

Mr. SEIBERLING. And, as a practical matter, that means not later than the trial the defendant is going to have to know who the witnesses are?

Mr. WIGGINS. Agreed.

Mr. SEIBERLING. And I assume the gentleman knows that the ingenuity of defense lawyers is such that if they want to stall off the trial for a couple of days in order to check out the identity and background of the witnesses, that there are usually ways that they can do that?

Mr. WIGGINS. I will have to agree that the ingenuity of defense counsel is great. But under existing procedure, required under the rules, the disclosure of the identity of a prosecution witness is not required other than in capital cases until that witness is called.

Mr. SEIBERLING. But once the witness is called, then his identity is known and it is just as easy to assassinate him, if that is going to happen, at that point, or after that point, as it would be 3 days earlier; is that not true?

Mr. WIGGINS. I would have to agree the possibility of assassination and harm exists. But the gentleman understands the testimony is in at that point, and the motive to prevent that testimony from coming in no longer exists.

Mr. SEIBERLING. There are ways of taking testimony before trial, if there is any concern on the part of the prosecution that a witness may possibly be intimidated or subject to assassination.

But here is the point: Of course, every prosecutor wants to have this delayed until the very last minute, just as in the old days there was a sporting theory of justice that each side in a civil suit was given the opportunity to withhold his evidence until the actual trial. But we made a decision a long time ago that the interest of justice required full disclosure by both parties of all relevant information. If that is true in a civil trial, how much more important is it in a criminal trial where the burden of proof is on the Government? I do not see how one can make the logical argument that 3 days before trial somehow the prosecution is going to have their hands tied if it reveals a list of witnesses, but when it comes to the trial it is no problem.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I think the gentleman has raised a very important point.

I think it is useful to point out that under rule 15 in the committee bill, the Government at the time it releases the names of its witnesses can take their depositions, so it can preserve their testimony.

I agree with the gentleman that the specter of horrors, raised by the other side, is an exaggeration.

Mr. SEIBERLING. Mr. Chairman, the gentlewoman is absolutely right.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, I have had some experience as a prosecutor, and I can tell the Members what bothers a prosecutor the most in this situation is this: that 3 days before the trail we publish the names of our witnesses, and some time between then and the trial date our witness gets a message that his life is in danger. Then when we call him as a witness at the trial, he is no longer ready, willing, and able to testify.

That is what the real problem is in what we are doing here. I suggest this is a real problem. It has happened, it will happen again, and it will happen much more frequently if we require the prosecution to reveal every witness' name 3 days before the trial. If we do that, I suggest we will find we will lose an awful lot. of witnesses.

Mr. SEIBERLING. Mr. Chairman, all I can say to that is that if the prosecutor in that particular situation feels that is the case, then there are ways he can take that witness into protective custody, or seek a protective order from the judge preserving the secrecy of the witness, or taking the witness' deposition to preserve his testimony or various other existing procedures to prevent that witness from being seduced or molested.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the chairman of the subcommittee.

Mr. HUNGATE. Mr. Chairman, in answer to the argument just made by the gentleman, I wish to point out the States that now require the prosecutor to give the defendant a list of prosecution witnesses prior to going to trial are as follows:

Alaska, Arizona, Arkansas, California, Colorado, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, Oklahoma, Oregon, Tennessee, and Utah.

Of course, we know what shape those States are in.

For those of us who have been prosecutors, if the experience of others is like mine, we know the State prosecutor winds up with the tough ones. The cases that are all wrapped up with ribbon on them usually wind up in the Federal courts.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I wonder if we could have the gentleman from Missouri (Mr. HUNGATE) go through the list of all those States again and tell us which ones operate under the Federal Bail Reform Act of 1966, which mandates a statutory right to be out on bail, no matter how vicious they are.

Mr. SEIBERLING. Mr. Chairman, I do not see that that has any relevance.

Mr. HUNGATE. Mr. Chairman, if the gentleman from Ohio will yield, I would be glad to discuss that.

We have people on bail who kill other people. What do we want bail for? If we want to bring this down to the lowest common denominator, I believe we can do it.

Maybe we should not have bail. I can give the Members some horrible examples of what has happened when somebody was out on bail; I can give examples of cases where someone could not get bail. This is a case of coming to the conclusion that all lions are dangerous, all lions are animals, and, therefore, all animals must be dangerous.

It is just that kind of logic we have been through all day here.

Mr. Chairman, I urge that the Members defeat this amendment.

Mr. RUSSO. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I also oppose the committee's action regarding the provisions of rule 16(a) (1) (E), and I support the amendment offered by the gentleman from Illinois (Mr. HYDE).

Allowing the defendant to "discover" the names and addresses of all the prosecution's witnesses 3 days in advance of the trial in every instance could easily lead to disastrous results. Witnesses will be terrified to come forth and testify in organized crime cases for fear of reprisals, both physical and mental. I do not blame them for being scared.

In my experience as a State prosecutor in Illinois, I frequently interviewed witnesses in criminal trials. If the Members could have seen the fear in those people's eyes, they would think twice before changing rule 16. Those witnesses were scared—not of me, the Government's attorney, but of possible recriminations by the accused.

I always praise anyone who voluntarily comes forth to speak against the criminal elements of society. Correspondingly, I will always fight to protect their safety from defendants so that they will testify for the State.

I think we should view this change from the eyes of witnesses. Many times these witnesses agree to testify only if the Government promises to keep their identity a secret. Without that promise, many people would not help us put the criminals where they belong, in jail.

We always hear about the rights of the defendant. Witnesses have a right to safety and protection from being shot, molested, intimidated, or injured. Let us not again go overboard in our protection of a criminal to the detriment of the remainder of society.

Mr. Chairman, I believe that ordinary citizens feel their representatives are systematically undermining their rights through the legislation process. After viewing the action of this Chamber recently, I might be forced to agree with them.

Stop and think before a vote is taken on this matter. Protect the innocent, not only the accused and convicted.

Justice Department figures show that last year alone there were 713 instances of witness harassment or intimidation. Most importantly these incidents occurred under a rule where the Government was not compelled to divulge witnesses' names and addresses in advance of trial. We know that figure will increase if we change the present rule.

Proponents of the change argue that there are adequate safeguards within the new rule to protect the witnesses. I vehemently disagree. I do not believe that limiting the defendant's access to the prosecution's witnesses or witness list to 3 days before trial and the availability of a protective order to conceal the witnesses' identities are adequate safeguards.

The 3-day limit is inadequate for three reasons. First, 3 days is ample time to kill or intimidate any witness. Once a defendant learns a potential witness' name and address, he possesses a valuable tool. By furnishing that information to the accused, the prosecutor, society's lawyer in this case, has placed his witness in terrible jeopardy of physical or mental harm. It requires only a few minutes to "persuade" someone that he did not see an event as he once thought he had viewed it.

Second, many districts do not set specific trial dates, but merely place a group of cases on the trial calendar. Even where trial dates are set, we all know it is a rare instance that the trial will begin on that day. Thus, the 3-day limit could conceivably become a 3-month, or more, timespan.

Third, judges may use their discretionary powers to extend the 3 days so that the defendant can have a longer time to prepare his case. Judges preside over their courts as lords once did over their fiefdoms. Only rarely will a higher order, the courts of appeals, reverse a discretionary decision by a trial judge. These factors make the 3-day rule a nullity. Any delays add up to trouble for the witness.

But what about the protective orders to conceal the identity of witnesses? There is no assurance that a judge will issue an order in every instance in which the U.S. attorney requests one. How many witnesses will take the chance that the judge will issue one in their case? I suspect far too few. We should encourage witnesses to come forward and testify. This measure will certainly discourage those who might have testified but for this proposed change in rule 16. We need these people to convict criminals. Let us provide more safeguards, not fewer, for these good people.

Mr. Chairman, I think if we examine the current practice of the U.S. attorney's office, a change in the rule may not prove necessary. According to Mr. John Keeney, in approximately 80 to 90 percent of the cases prosecuted, the prosecutors open their files to defendants for discovery. It is only in those instances where the U.S. attorney feels that his witnesses will be placed in jeopardy does he maintain a closed file. As a former State's attorney, I feel we should leave that judgment to the man most familiar with the facts of the case, the prosecutor. An abstract, hard-and-fast rule for all cases is an impossibility. This change is not the answer to the problem, but may be the creation of many new problems.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. Russo) has expired.

(By unanimous consent, Mr. Russo was allowed to proceed for 1 additional minute.)

Mr. RUSSO. Also, I do not believe, as the proponents do, that allowing the defendant's discovery will result in more guilty pleas. Instead, I think, it will result in the defendant tailoring his defenses or trial tactics to fit the Government's case. A criminal trial should not be a game of dodge-ball, but the fair administration of justice.

A criminal trial is an adversary proceeding, and to answer the gentleman from Ohio, full discovery under the civil rules should not dictate full discovery under the criminal rules. The criminal rules do not deal with dollar damages. They deal with injuries to society.

The prosecutor should not be placed at a disadvantage at every step of the proceedings. The prosecutor has a job that he must do well, and that is to protect society, the innocent people, from the criminals. The Congress should not place stumbling blocks in front of justice, but facilitate the functioning of the adversary process for all the participants, defendants, prosecutors, and witnesses.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. Russo) has expired.

(On request of Mr. Seiberling and by unanimous consent, Mr. Russo was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. Yes, I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, the gentleman's argument, in effect, is an argument for suspending the Bill of Rights.

The gentleman talked about the importance of defending the innocent. The law presumes every man to be innocent until proven guilty. Furthermore, the purpose of the protections written into the Bill of Rights, of which the confrontation of witnesses is part, is one of the most important aspects in protecting innocent persons from being wrongfully accused by the authorities.

The ability to get the names of witnesses is a meaningful necessity if we are really going to make that right to be confronted with the witnesses effective, because if they are surprised by this at the last minute they do not have as a practical matter the full benefit of that constitutional right.

Mr. RUSSO. Mr. Chairman, if I may answer the gentleman from Ohio on that point, I am for the Bill of Rights.

Mr. SEIBERLING. It did not sound like that.

Mr. RUSSO. But I think the Bill of Rights includes not only the rights of the defendants, but the rights of society, and it is about time that the people in this country wake up to the fact that people in society need to be protected.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Hays of Ohio, and by unanimous consent, Mr. Russo was allowed to proceed for 1 additional minute.)

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I would like to say to the gentleman that I have just come back from the Soviet Union, where I saw a system of justice where the defendant has no rights, and the government is always right.

I want to say further to the gentleman from Illinois that the most precious heritage we have in this country is the presumption of innocence, the Bill of Rights and the restraints we have placed on governmental power.

I think that, in essence, the arguments behind Mr. Hyde's amendment are that defendants are guilty and that we cannot risk a fair trial.

I would suggest to the gentleman that if he would take a trip to the Soviet Union where they also assume immediately that defendants are guilty, he would see the importance of insuring a fair trial.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Hays of Ohio, and by unanimous consent, Mr. Russo was allowed to proceed for one additional minute.)

Mr. HAYS of Ohio. Mr. Chairman, if the gentleman will yield, the gentleman from Illinois makes a very cogent and persuasive statement, and I am sure that a good many of the things the gentleman from Illinois says I subscribe to. I am not a lawyer, so I am at a disadvantage with the gentleman, but as I understand it the judge himself can decide in the ultimate whether a name will be disclosed, and whether the witness shall have the protection of not being disclosed; is that correct?

Mr. RUSSO. That is correct.

Mr. HAYS of Ohio. Then it seems to me as a citizen that I would rather have the judge who is sitting up there presumably, hopefully and believably impartial, making that decision, than I would the U.S. district attorney, who has a stake in how many convictions he gets, and who, therefore, would not have any real reason to be impartial.

What is wrong with the judge making that decision?

Mr. RUSSO. Mr. Chairman, if I may answer the gentleman from Ohio, it is obvious that the gentleman from Ohio has some prejudice against the U.S. attorney, and so does the gentlewoman from New York (Ms. HOLTZMAN) but I am interested in protecting the rights of the people of this country.

I do not want to go to Russia. I could care less about what happens in Russia.

All I can say is that if we continue on liberalizing all of the criminal laws, or if we want to turn the jury boxes over to the criminals, and let them be their own witnesses and let them prosecute themselves, then we might as well do so, because they are doing a hell of a good job at that right now.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by Mr. HYDE and in support of H.R. 6799.

Mr. HYDE's amendment is directed at rule 16 which regulates pretrial discovery. This is a stage of the proceedings when a party may learn something about the other party's case. Mr. HYDE's amendment is directed at a particular part of this pretrial discovery, namely Government witness lists.

The basic thrust of rule 16 as proposed by the Supreme Court and as contained in H.R. 6799, is to promote greater pretrial discovery. This will result in a fairer and more efficient administration of criminal justice "by aiding in informed plea negotiations, by minimizing the undesirable effect of surprise at trial, and by otherwise contributing to an accurate determination of the issue of guilt or innocence." So stated the prepared statement of Advisory Committee on Criminal Rules, in the 94th Congress Hearings at 215.

Under present law, in capital cases, the prosecutor must, at least 3 days prior to trial, give the defendant a list of the Government's witnesses. The defendant is never required to turn over a list of his witnesses.

The Supreme Court proposed that the prosecutor, in all cases, capital or noncapital, had to give the defendant a witness list upon request of the defendant. The defendant likewise had to give the prosecutor a list of his witnesses upon request of the prosecutor.

This provision was criticized by both prosecutors and defenders. The prosecutors raised a question of policy—are the benefits of pretrial disclosure of Government witnesses outweighed by the risk of harm to those witnesses? The defenders raised constitutional questions—does the self-incrimination clause of the Constitution preclude the rule from giving the prosecutor an independent right of discovery?

The Criminal Justice Subcommittee wrestled with these problems and fashioned a workable rule in H.R. 6799 that meets the legitimate policy concerns advanced by prosecutors and will avoid the constitutional problems of the rule as proposed by the Supreme Court. Mr. HYDE's amendment will undo that work and, in effect, return the law to its present state. I oppose this amendment.

H.R. 6799 provides for a defendant-activated rule. If the defendant wants to learn who the Government witnesses are, he may ask for a witness list. The prosecutor must provide that list 3 days before trial. However, the prosecutor's compliance with the defendant's request gives the prosecutor the right to ask for a list of defense witnesses. Rule 16(d)(1) empowers the court to make such protective or modifying orders as may be appropriate.

The legitimate concern raised by the Justice Department involves witness safety. H.R. 6799 provides the prosecutor with an ample tool to protect a witness whenever such protection is necessary. Rule 16(d)(1) permits the prosecutor to get an order permitting him to conceal the identity of a witness if there is a risk of danger to the witness. Furthermore, the prosecutor may make this showing in a secret, ex parte proceeding, thereby insuring that the defendant cannot learn of the witness' identity before trial.

The general principle behind drafting rules of this kind ought to be that the general rule should provide for the usual instance. Exceptional instances, if they are significant enough, should be dealt with but should not be a basis for doing away with the general rule.

What is the usual situation in criminal cases—are Government witnesses routinely intimidated and harmed? Is intimidation the normal situation? The evidence before the committee led it to conclude "that in the usual case there is no serious risk of danger to prosecution witnesses from pretrial disclosure of their identities. In exceptional instances, there may be a risk of danger." (Rept. 94-247, at 14.)

Rule 16 in H.R. 6799, therefore, provides that disclosure of the witness list is the general rule. However, the rule also provides in those exceptional instances where there is a risk of danger to a witness, a way for the prosecutor to protect that witness. The evidence before the committee was that this sort of approach had worked satisfactorily in a Federal district where it has been in use for several years. The Federal public defender and the U.S. attorney for that district have both reported that there have been no undesirable consequences.

Mr. Chairman, because of the importance of pretrial discovery and because it provides a fair and workable rule that meets the needs of prosecutors and defenders and that avoids severe constitutional problems, I support the rule 16 (a)(1)(E) provision of H.R. 6799. I therefore urge my colleagues to vote against this amendment.

Mr. DRINAN. Mr. Chairman, I move to strike the last word.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentleman for yielding.

Mr. Chairman, I would like to rise in opposition to this amendment. I, too, was a State's attorney in the criminal division. I see nothing wrong with providing both sides the opportunity to have the facts, because what we are after is justice and truth, and if someone in truth committed an offense, if it is before 12 people on a jury, or if it is before a judge, one person, that person can make a finding of guilt.

All that the committee's bill, as I understand it, does is extend the provisions that we have in capital cases to other cases. If I understand a capital case, it means somebody's life is on the line. I really believe if somebody were going to intimidate or assassinate a witness, it would probably happen in a case where one's life was on the line, because certainly when one's life is on the line in a capital case, one really does not have too much to lose.

So if we find that the 3-day rule is applicable presently in capital cases, where I would think if one was thinking about assassinating a witness that might be the time that one might well do it, that it would not be untoward to extend it to other areas of the law. And if there are provisions for the protection of the witness, and under the arguments made by my good friend, the gentleman from Illinois (Mr. RUSSO), he is saying many abuses, that again would indicate that the U.S. Attorney has not been doing his job.

But the U.S. Attorney also has leverage on a witness. He can say: "We will not prosecute you for what you did yesterday if you will become a witness and help us convict this person today." We do not necessarily feel it is important for that witness of his to necessarily be telling the truth. So I would think if in a capital case we can give 3-day disclosure in a case where there would be a greater threat to a witness to keep him from testifying, certainly we can say we could provide it in other cases.

Mr. DRINAN. I thank the gentleman from California for his remarks.

Those who advocate this particular amendment would also have opposed section 3432 of title 18 of the United States Code which, as the gentleman from California states, requires the Government and the defense to turn over a witness list in capital cases at least 3 entire days before the commencement of trial. That particular provision has brought about informed disposition of cases without trial, minimized the undesirable effect of surprise and has helped assure that the determination of guilt or innocence is accurately determined.

As the gentleman from California has stated, if that rule has worked in capital cases, it should be extended from capital to non-capital cases where the possibility of witnesses being harmed is infinitely less. I think the proposal should be defeated.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, the gentleman from California is a former State attorney and I am a former prosecuting attorney and I think we would agree it is as simple as this, that in the absence of this amendment there is provision for disclosure, and with the amendment there is more disclosure. More disclosure means more justice, does it not?

Mr. JOHN L. BURTON. Mr. Chairman, if the gentleman would yield, I think it is always better to convict a person on more information than less information.

Mr. DRINAN. The effect and the thrust of the amendment would be to thwart justice. The gentleman's amendment should be defeated.

Mr. KELLY. Mr. Chairman, I move to strike the last word and I rise in favor of the amendment.

It would be a good shot to just put an end to this nonsense about protecting witnesses. I think all of us are familiar enough with our history to know we have not been completely successful in protecting the President of the United States and certainly no such facilities are available for the protection of witnesses, so this just simply does not make any kind of sense at all. Show me a State that is in a position to protect a witness 24 hours a day for the rest of his life and you will have shown me a miracle, because that situation just does not exist.

There is one thing that should be made clear here. There is no effort by this amendment to change the law. The law has been the way this amendment sugguests it should be for 200 years. The suggestion in the amendment is to leave the law the way it is. For the last 20 or 30 years we have been trying to do everything we can to make the individual supreme in our courts.

We have reaped some benefits from it. The cost of law enforcement in this country in the last 10 years has increased more than 300 percent. Violent crime is up 174 percent in the last 10 years. Armed robberies alone are up 229 percent.

We have got to remember that the purpose of our justice system is not to protect the individual. That is not the purpose of the system. The purpose of the system is to provide a system of justice for our society and the defendant is only one member of that society.

We have got to recognize and remember that if the general public is not satisfied with the effectiveness of our system of justice, then we have no effective system of justice.

The American public right now believes that the time has come when we have got to start protecting society. We can no longer sustain this unending rise of increasing cost of fighting crime and the unending rise of crime, so that the streets are not safe even in this very city.

We talk about protecting witnesses. We are not able to make the people in this very city safe on these streets, with the tremendous assets this Government has.

So what we have got to do is be concerned with protecting society. We have gone certainly a great distance to protect the individual. This amendment suggests that we simply do not change the law, that we have made enough other changes in other ways, so that the individual in an American court is the best protected defendant in the entire world in any system of justice.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. KELLY. I yield to the distinguished gentleman from California.

Mr. WIGGINS. Mr. Chairman, I think it behooves us all to pay careful attention to the comments of the gentleman in the well. I first met the gentleman about 3 years ago when I served as a member of the Crime Committee and he appeared as a witness before the Crime Committee in the capacity introduced by Chairman PEPPER as one of the most distinguished judges in the State of Florida.

The gentleman from Florida (Mr. KELLY) has had extensive experience on the bench and his comments now are worthy of careful attention by the Members.

Mr. MYERS of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KELLY. I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Chairman, the gentleman has had experience as a judge?

Mr. KELLY. Yes.

Mr. MYERS of Pennsylvania. The gentleman from Ohio (Mr. HAYS) has said he would rather put his faith in a judge's decision, rather than a prosecutor's decision.

Can the gentleman tell me where we usually get our judges, from what background?

Mr. KELLY. Lawyers.

Mr. MYERS of Pennsylvania. Do we not also get our prosecutors from the same background?

Mr. KELLY. Same background.

Mr. MYERS of Pennsylvania. In the gentleman's own experience, does the gentleman notice some magical transformation is made when a person becomes a judge, that the same person is a more basic human being?

Mr. KELLY. No; I have always been a very fair person. [Laughter.]

Mr. MYERS of Pennsylvania. I thank the gentleman.

Mr. DANIELSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. DANIELSON. Mr. Chairman, I rise in support of the amendment.

I will not take 5 minutes. I think almost everything that could be said has been said in connection with this amendment.

In fact, I wish to associate myself with the remarks of the gentleman from Illinois (Mr. RUSSO) who summed up the entire picture about as well as anyone can.

I want to point out this: not only is our crime situation worsening in the United States, a matter of common knowledge that everyone should notice; but what is the common thread that runs through it all? People do not want to get involved. How often have we read a newspaper story about a crime taking place, that people do not want to get involved, they refuse to give their names and addresses as witnesses, they hide, they run away, they disappear, so that they do not have to become involved. It results in a tough row to hoe for those who are charged with the administration of justice.

The bill as it presently reads requires that the prosecution must divulge the name and the address of its witnesses three days prior to trial.

If there is anybody who is reluctant to become involved, can the Members imagine how his reluctance is compounded when he knows that his name and address is going to be divulged to the world, to the defendant and the world, 3 days before trial? There is no way on Earth that a conscientious citizen might be a little bit timid, a little bit reluctant to become thrust into the forefront, is going to want to be identified as a witness and then have his name and address given to the entire world 3 days before trial. He will immediately become subject to intimidation of every sort, and even if he is not intimidated, he will be subject to notoriety, undesirable and unfavorable publicity, and his natural instinct is to be not identified as a witness, to stay away and he thereby complicates the administration of the law.

We talk about capital offenses such as were discussed by my distinguished chairman, the gentleman from Missouri. Let me talk about a couple other kinds of offenses which I submit have a greater inherent probability of intimidation than even capital offenses. How would the Members like to be the publicized witnesses to a loan shark operation? Do they think the loan shark might leave them and their families alone? How about racketeering? How about trafficking in narcotics and dangerous drugs and other contraband?

No, I submit that when we publish the names and addresses of witnesses 3 days before trial, we are subjecting them to the utmost possibility of intimidation, harassment and even violence. We should not expose witnesses to those dangers. We should not tie the hands of our prosecutors to this extent.

In closing, I would like to make one other comment. It has been said that we should regard our accused as innocent until proven guilty. Of course we should. But, we are not talking about the accused. We are talking about witnesses who are not accused and are really just the coincidental and perhaps unwilling witnesses to the crime.

We must remember that if we are going to maintain and sustain that presumption of innocence until proven guilty, we must at the same time give our prosecuting attorneys a fair opportunity to prove that guilt beyond a reasonable doubt.

Ms. HOLTZMAN. Mr. Chairman, I move to strike the last word and rise in opposition to the amendment.

Mr. Chairman, let me just respond to some points raised by the gentleman from California, because he makes some very important points. First, with regard to the reluctance of any witness, it is quite clear that the Government has subpena power and has the grand jury before which it can compel persons to appear and give testimony. The question of the reluctance of a witness really is beside the point when the

Government can subpena him before the grand jury.

This point leads to another point the gentleman from Ohio (Mr. HAYS) raised: The question of fairness.

The Government, before it comes to trial, has had the benefit of a grand jury proceeding—at least in felony cases.

The Government also has the availability of the FBI to do an investigation. Before the trial starts, the Government knows the facts of the case, who was involved, et cetera. By the time the Government gets to trial, it knows a great deal.

The defendant, on the other hand, does not have the grand jury, does not have equivalent investigative resources, and does not know who the witnesses are. So the Government comes to trial unquestionably much better prepared than the defendant does.

By giving the defendant the opportunity to learn the names of the witnesses against him 3 days before trial, we are giving him a better chance to prepare his defense.

What we are talking about here is a question of fairness and changing the sporting theory of justice when loss of liberty is at stake.

I think everybody in this Chamber has a concern about protecting the safety of witnesses. I will not yield to anybody in my concern for that. Right now, under the committee bill, witnesses can be protected in two respects. As we pointed out before, the Government has the right to perpetuate their testimony by deposition. Second, the Government can obtain a protective order. I do not think anybody in this Chamber would be willing to say that if the Government cannot show grounds for the issuance of a protective order, the Government has a right to conceal witnesses.

With respect to the safety of these witnesses, we have had experience with a similar 3-day disclosure rule in capital cases. It is curious that the proponents of this amendment cite statistics on everything except those cases. Can the proponents of this amendment cite any instances under the capital case rule (where witnesses were required to be disclosed 3 days before trial) of assassination, or intimidation of witnesses? I think that would be constructive and helpful in this respect.

I would urge that the Members look very carefully at the proposed amendment. The proposed rule gives the defendant a modest opportunity to present his defense as well as possible.

Mr. SEIBERLING. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. Yes, I will yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentlewoman for yielding.

Mr. Chairman, I happened to have been fortunate enough to tune in last night on educational television, and I saw a very, very excellently done 1-hour documentary on our system of justice and how we have to try to improve it. And the distinguished chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO), was the principal moderator on this program. The prosecutorial types talk about all of the chambers of horrors, of witnesses who have been intimidated, et cetera. There were some very good chamber of horrors of people who were entirely innocent of crimes but because they were unable to have an adequate defense presented and have adequate legal help and adequate facts brought before them, because they happened to be poor or ignorant, some of them went to jail for as long as 12 years, or they went to the insane asylums without any psychological doctor's examination, simply because they did not have accorded to them the rights that are supposedly guaranteed in the Constitution. Those rights do not exist in the abstract. They exist in practical terms.

I think the gentlewoman has made a very valuable contribution.

Ms. HOLTZMAN. I would like to respond to the gentleman from Ohio.

This is, as I said before, only a very modest change in the rules, and it is an improvement in the adversary system of justice. The prosecutors have the facts; they have reports of FBI investigations; they have subpena powers and the Grand Jury. Now, we are allowing the defendant a mere 3 days before the trial to secure the names of the witnesses against him.

The CHAIRMAN. The time of the gentlewoman has expired.

(On request of Mr. RUSSO and by unanimous consent, Ms. HOLTZMAN was allowed to proceed for 2 additional minutes.)

Mr. RUSSO. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I will be glad to yield to my friend from Illinois.

Mr. RUSSO. I thank the gentlewoman for yielding.

Under the proposed rules, rule 15 is new to the Federal Rules of Criminal Procedure; is that not correct?

Ms. HOLTZMAN. Only in part.

Mr. RUSSO. In part. And the fact that they allow the Government to take the deposition prior to trial would indicate, to me, that by liberalizing the discovery procedures under rule 16 that they realize the potential danger to a witness and they, therefore, have provided for rule 15, just in case you give the name and the person gets intimidated.

Ms. HOLTZMAN. If the gentleman will permit me to respond, I do not think anybody can be oblivious to the possibility that in some cases there might be danger. That is precisely the reason we have limited this disclosure rule to 3 days before trial and that is precisely the reason we allowed the provision for taking depositions, as well.

Mr. HYDE. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Illinois.

Mr. HYDE. I am just amazed about how far we have gotten from the issue here. There has been discussion about people getting put in the insane asylum. I do not know about the constitutional rights in that situation, but what I am talking about is what happened in the Kitty Genovese case, when she was stabbed and 39 people turned and walked away when she was dying. We are talking about people getting involved. We are in a do not get involved society.

Ms. HOLTZMAN. If I may respond to the gentleman, the Government has the right to compel any witness to come before the grand jury; it has subpena power.

Mr. HYDE. And that witness will say, "I do not remember, because I am scared."

Ms. HOLTZMAN. If a person falsely testifies he does not remember, that is grounds for perjury, as the gentleman knows.

Mr. HYDE. It sure is.

Mr. HOLLAND. Mr. Chairman, I move to strike the requisite number of words.

(Mr. HOLLAND asked and was given permission to revise and extend his remarks.)

Mr. Chairman, I am not a member of this Committee on the Judiciary, and I suppose the Members know that I do not make any speeches in this House of Representatives. I guess that is a hangover from the days when I was a practicing attorney in South Carolina. The fact is that probably the size of my speeches was directly related to the size of my fees.

I would like to touch on this proposition we have discussed. I have been in courtrooms, I suggest, from the rhetoric I have heard in this Chamber, much more recently than any of the Members either on the Committee on the Judiciary or on this side of the aisle. I have appeared as a court-appointed defense attorney, most of the time working for little or no fee.

Mr. Chairman, from this rhetoric we have heard here, we might think that, with Gideon against Wainwright, which was decided in 1963, down through the Escobedo case and then the Miranda case, that the Supreme Court is coddling criminals and destroying society. I do not agree.

We talk about high crime statistics. I suggest to the Members that because of the increase in the quality of law enforcement, because of those decisions I just talked about, crime detection and police efficiency have improved.

The problem I see as of recently—just 3 months ago, mostly as a court-appointed attorney in criminal cases—is that we have overlooked what I am sure the Supreme Court was thinking about when it proposed this rule change, and that is the plight of the defendant in the ordinary case—the defendant who has no money for a lawyer and who, quite often, in my part of the country, is black; who is without defense and without support; who seeks a lawyer. And that lawyer has a double duty: to preserve the defendant's rights as an individual and to protect this system against destruction. Those are the two duties of a defense attorney.

I have been confronted with the whole Southeastern Division of the FBI, I have been confronted with the whole office staff of the District Attorney, and I have been confronted with judges who are inclined to be hard on defendants. I have been representing an indigent defendant and have been confronted with all those. We are now asking for a list of witnesses

3 days in advance of trial. Now, if someone would give me one of these "fat cat" defendants, that would be different. We are talking here in the extreme, and most of this rhetoric has been in the extreme. Kitty Genovese was one of those cases in the extreme.

Mr. Chairman, I want to get to the ordinary case. It is the ordinary cases we should be talking about. This 3 days' notice as to the identity and address of a witness is mighty precious little to give to a defense attorney who has nothing to gain and who is quite often, by the revelation of his identity, facing a condition of jeopardy in the courtroom and out.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. HOLLAND. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I submit to the gentleman that in the ordinary case the names of the witnesses are readily turned over because the prosecutor is not interested in a 10-day trial; he is interested in getting a guilty plea, and he has no qualms about saying, "We have four witnesses who are going to put your man at the scene of the crime," et cetera.

It is this small 10 percent of the cases where serious crime is involved and where intimidation is likely that gives the prosecution some concern.

Mr. HOLLAND. Mr. Chairman, I would take exception with the gentleman.

I submit to the gentleman that the prosecutor in my experience, which is obviously more recent, does not voluntarily turn over anything under today's system.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOLLAND. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I just want to compliment the gentleman for making his courageous, forthright statement. I think the gentleman has put his finger right on the problem as it exists.

That is what this is all about, and that is why the Supreme Court, which is not noted for being a runaway institution, has recommended this very change. This change comes from this present Supreme Court which is supposed to be a conservative court.

Mr. HUNGATE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would advise the Members that I do not plan to be long, but I have a few remarks I would like to make.

The witness relocation program has been referred to here, and $11 billion a year has been spent by the Justice Department on the protection of witnesses. I will quote from an article which appeared on Thursday, June 5, 1975, in the St. Louis Post-Dispatch:

> Federal prosecutors say that the program, which reportedly has a perfect batting average so far for protecting witnesses from retaliation, has been a key element in the Government's effort to crack down on organized crime.

So they are to be commended on the protection they have accorded witnesses.

The gentleman from South Carolina (Mr. HOLLAND) referred to the ordinary case, which is what I would hope we would consider. I would hope we would not always be looking for the "white mule" case.

The statistics we were furnished show that 41,526 criminal cases were disposed of by the Justice Department in 1974, and of these only 7,600 went to trial, and from this we get the figure down to 700-some where we are talking about some of these witness intimidation problems.

I surmise, from the newspaper article, that they are handling those problems well. Do not overlook the protective features contained in rule 16.

Rule 16(d) provides that a party can get a protective order. The prosecutor can ask the court for permission not to disclose the identity of the witness because the witness would be in danger if his identity were revealed.

Moreover, one can do this ex parte, privately, without the defendant or the defense lawyer being present. Actual danger to prospective witnesses would be the basis for such an order.

In our hearings also, we find that Mr. Lewis of the John Marshall Law School, which I think is in Chicago, referred to the counterpart rule of the State of Illinois to rule 16. He said that they are doing it in his own State of Illinois.

In referring to Supreme Court rules 412 and 413, it was mentioned that these rules contemplate a reciprocal obligation of both the defense and the State, and mention was made that throughout more than 3 years of experience with this procedure there was little trouble with it.

I suggest that this is the proper rule. We are trying to do justice here. If we are guilty of providing concern for the individual in the courts, I hope that is right. As we try to do justice, we try to have information on both sides so that both sides may be informed, have a fair trial, and not just be surprised.

We all know that justice is blind. I contend that under the present situation it is supposed to be deaf and dumb and wear a wooden leg.

Let us give the defendant an opportunity to know what he is charged with.

Mr. Chairman, let me conclude as a lawyer—and we are all lawyers on this—by citing this statement:

> The lawyer knows that his system of procedure is man-made and not exclusively oriented to the discovery of absolute truth. It is subject to limiting rules directed to higher values and larger purposes than a system which might guarantee the conviction of every transgressor. Just as we reject, for example, torture and other techniques which are inhumane, we also reject certain modes of investigation, which although not inhumane are incompatible with values of a free people. The Constitution forbids various investigatory mechanisms which would be highly efficient, the general warrant being only one of these. Moreover, a man-made system inevitably finite and fallible must provide safeguards to accord this fallibility proper recognition. Since some error is inevitable, the common law adversary system deliberately chooses to err on the side of risking acquittal of some who are guilty in order to make near certain that no one innocent person will suffer conviction.

That "radical" statement, by the way, is from the standards of the American Bar Association.

Mr. MYERS of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if the chairman of the committee would care to respond, he gave some figures to us rather rapidly, and some of them may have gotten past us. I think he said that we had some 7,600 cases brought to trial. Is that the number he stated?

Mr. HUNGATE. If the gentleman will yield, the figures are on page 220 of the committee hearings, and they reflect that in 1974 there were 41,526 criminal cases disposed of. There were 7,600 cases tried.

Mr. MYERS of Pennsylvania. I think the gentleman from Missouri ran through another very important figure, which went by us rather rapidly. I doubt that very many of us could get that one either.

I believe the gentleman stated that there were only 700 cases of intimidation of witnesses in these 7,600 cases; is that correct?

Mr. HUNGATE. If my recollection is correct, I think the gentleman from Illinois (Mr. RUSSO) had suggested that figure; and I was not contesting it at that moment.

Mr. MYERS of Pennsylvania. I would just like to bring those figures into perspective. That is 10 percent, a rather high rate?

Mr. HUNGATE. Ten percent?

Mr. MYERS of Pennsylvania. Ten percent of the 7,600 cases gives us about 760 cases; is that not right?

Mr. HUNGATE. That is 10 percent of 7,600, but not 10 percent of 41,000 odd, yes, sir.

Mr. MYERS of Pennsylvania. Did the gentleman say that there were 7,600 cases brought to trial?

Mr. HUNGATE. That is the figure.

Mr. MYERS of Pennsylvania. Did the gentleman say that there were 700 cases of witness intimidation out of those 7,600 cases?

Mr. HUNGATE. I was quoting the gentleman from Illinois (Mr. RUSSO). I do not contest the figures, but those were not my figures. I could not say yes or no.

Mr. MYERS of Pennsylvania. Would the committee have any idea of the number of cases?

Mr. HUNGATE. I think the committee, so far as I can see, would go along with that.

I read from the St. Louis Post Dispatch that the Federal prosecutors have a perfect batting average so far.

Mr. MYERS of Pennsylvania. The only thing I would like to say is that if we can use the two figures the gentleman has mentioned it looks like we have a 10-percent rate. I would say that I would have a great deal of concern if we must tell 1 out of 10 witnesses that they had that type of possibility of intimidation against them. I think we ought to recognize that.

Mr. HAYS of Ohio. Mr. Chairman, if the gentleman will yield, I would point out to the gentleman in speaking of the 7,600 cases that are brought to trial that there are probably more than one witness per case, so that you cannot say that in those 7,600 cases you have 10 percent of witnesses intimidated, because there are probably five, six, or seven witnesses per case.

Mr. MYERS of Pennsylvania. I thank the gentleman from Ohio for his arithmetic expertise. I would also like to say, then, if we could change this about the witnesses then we would not have to worry about 1 out of 10 being intimidated, but we can say that 1 out of 10 cases have a witness intimidated. I think it is important that we clarify this.

Mr. HUNGATE. If the gentleman will yield, the point I think is that there were 41,000 cases disposed of, and yet we have a very small percentage, relatively speaking, that goes to trial. I do not question the gentleman's figures.

Mr. MYERS of Pennsylvania. The gentleman then would recognize that certainly the case has been presented here that many cases have been disposed of without the presence of witnesses, or having to have a witness lay his life on the line, so to speak. But, I think once you speak of those cases going to trial, and you realize that 10 percent of those witnesses are intimidated, then that is rather a high rate. If I were to be a witness I would not like to know that. So, once again, I would like to suggest that since there is a potential of a higher rate of intimidation created, as I think this amendment may possibly do, that should be changed.

Mr. HUNGATE. I appreciate the gentleman's position, and simply disagree with the gentleman.

Mr. WIGGINS. If the gentleman would yield, I am not surprised that the St. Louis newspaper would be dismayed at the 16 cases cited in the report arising in the eastern district of Missouri but, speaking to Ohio, in the southern district of Ohio, let me read you one sentence:

> In one of our most recent criminal trials, one of the prime witnesses had a fire bomb thrown on his front porch. In still another case, a witness had her legs broken. In another case, a government informant who had testified in a trial and who was very fearful was found dead one week later in Florida.

That is in the State of Ohio.

If any of the Members would care to look at this document, it is at our desk, because it reflects the situation in this country.

Mr. MYERS of Pennsylvania. I thank the gentleman, and the gentleman is correct.

I also wish to point out the fact that witnesses are people, too, and we have to protect their rights.

Mr. CONYERS. Mr. Chairman, if the gentleman will yield, this discussion now has turned to the fact that intimidation will only occur or may occur in cases that may go to trial, but the intimidation also can occur at the grand jury level, the questioning level, the FBI investigation level, and at many, many other levels other than the few hundred cases we are talking about, the relatively small percentage that does end up in the trial section.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Hyde).

The question was taken; and the Chairman announced that he was in doubt.

RECORDED VOTE

Mr. HYDE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 199, noes 216, not voting 18, as follows:

[Roll No. 314]

AYES—199

Abdnor
Adams
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Bevill
Biaggi
Blanchard
Bowen
Breckinridge
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Delaney
Dent
Derwinski
Devine
Dickinson
Downing
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Esch
Eshleman
Evins, Tenn.
Findley
Florio
Forsythe
Fountain
Frenzel
Frey
Ginn
Goldwater
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Hall
Hammerschmidt
Hannaford
Hansen
Harsha
Hastings
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Hightower
Hillis
Horton
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jarman
Johnson, Pa.
Kasten
Kelly
Kemp
Ketchum
Kindness
Krebs
Lagomarsino
Landrum
Latta
Lloyd, Calif.
Lloyd, Tenn.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McKinney
Madden
Madigan
Mahon
Mann
Martin
Matsunaga
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Neal
Nichols
Nolan
O'Brien
Passman
Patten, N.J.
Pettis
Peyser
Poage
Pressler
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson
Roe
Rose
Roush
Rousselot
Ruppe
Russo
Ryan
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steiger, Wis.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Treen
Vander Jagt
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOES—216

Abzug
Addabbo
Alexander
Ambro
Annunzio
Ashley
Aspin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Biester
Bingham
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Brinkley
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chappell
Chisholm
Clay
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Davis
de la Garza
Dellums
Derrick
Dingell
Dodd
Downey
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Evans, Ind.
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Green
Haley
Hamilton
Hanley
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hefner
Helstoski
Henderson
Hicks
Hinshaw
Holland
Holt
Holtzman
Howard
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krueger
LaFalce
Leggett
Lehman
Lent
Levitas
Litton
Long, La.
Long, Md.
Lujan
McFall
McHugh
McKay
Macdonald
Maguire
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nedzi
Nix
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pickle
Pike
Preyer
Pritchard
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Risenhoover
Rodino
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roybal
Runnels
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stokes
Studds
Sullivan
Symington
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Young, Ga.

NOT VOTING—18

Burke, Fla.
Diggs
Evans, Colo.
Flynt
Jones, Ala.
Mathis
Mazzoli
Mollohan
Price
Simon
Sisk
Steelman
Steiger, Ariz.
Stratton
Teague
Udall
Wylie
Young, Alaska

So the amendment was rejected.

The Clerk announced the following pair:

Mr. Sisk for, with Mr. Price against.

The result of the vote was announced as above recorded.

Mr. HUNGATE. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Missouri (Mr. Hungate).

The question was taken; and on a division (demanded by Mr. Bauman) there were—ayes 87; noes 29.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. McFall) having assumed the Chair, Mr. Van Deerlin, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules, had come to no resolution thereon.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. Ullman).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6860, with Mr. Natcher in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, there was pending the amendment of the gentleman from Michigan (Mr. Dingell) to title IV of the bill.

Without objection, the Clerk will again report the amendment offered by the gentleman from Michigan (Mr. Dingell).

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. Dingell: On page 102 between lines 13 and 14, insert the following:

"(f) No Federal employee performing any function or duty under this Title shall have a direct or indirect financial interest in any firm or business engaged in the exploration, production, processing, refining, transportation by pipeline, or distribution (other than at the retail level) of energy fuels. Whoever knowingly violates the provisions of the above sentence shall, upon conviction, be punished by a fine of not more than $2,500, or by imprisonment for not more than one year, or both. The Secretary of the Treasury shall (1) within sixty days after enactment of this Act publish regulations, in accordance with 5 U.S.C. 553, to establish the methods by which the provisions for the filing by such employees and the review of statements and supplements thereto concerning their financial interests which may be affected by this section, and (2) report to the Congress on March 1 of each calendar year on the actions taken and not taken during the preceding calendar year under this section."

The CHAIRMAN. The Chair recognizes the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, we discussed this amendment yesterday. I rise to try to get some understanding on time.

Let me announce that, while we will not be able to finish the bill tonight, it is my hope that we can carry on until between 6:30 and 7:00, and get as far on title V as we possibly can, and then finish up tomorrow noon.

Mr. Chairman, I ask unanimous consent that we vote on this amendment and conclude debate in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for 1½ minutes.

The Chair recognizes the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Chairman, I do not see the maker of the amendment present on the floor, and I did wish to inquire of him about it. It looks to me like the amendment would apply to everything done under title IV, which would include work by different agencies of Government, other than simply the Energy Research Board that is created in that title.

Mr. Chairman, it would seem to me that the amendment will add sweeping new applications to our conflict-of-interest statute. I think most of us know we have conflict-of-interest statutes, and we have departmental regulations, which, in my judgment, give adequate protection.

I think the gentleman who has propounded the amendment has gotten involved in a situation which results in a good deal stricter regulation than we want. Any employee involved under title IV who might inherit one share of stock in an oil or an energy company would immediately be in violation of the law and subject to a $2,500 fine. I think what we would do is find ourselves unable to employ good employees and, perhaps, force out of Government service people who are now very capable employees.

I understand the intention of the amendment, but I think it is far too sweeping in its application and will indeed be counterproductive for the purposes of the title.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Conable).

Mr. CONABLE. Mr. Chairman, I would like to echo some of the remarks made by the gentleman from Minnesota (Mr. Frenzel). I would also like to add that there is in this amendment no definition of what is an energy-related industry.

Most industries use very substantial amounts of energy and are related to energy in many ways.

It seems to me that our existing conflict-of-interest statutes and rules are adequate to take care of this situation, and that this particular amendment carries the ownership of financial interests as a disqualifying activity to a ridiculous extreme.

Mr. Chairman, I urge the defeat of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. Waggonner).

Mr. WAGGONNER. Mr. Chairman, the provisions of the proposed legislation which create the Energy Conservation and Conversion Trust Fund Review Board are basically intended to be good, but there is one extremely bad provision with regard to the creation of this review board itself. That is that provision having to do with limitations or conflicts of interest on the part of the members of the review board itself.

I submit to the Members that we have adequate machinery within the framework of conflict of interest already existing, and we should not require this provision with regard to members of the review board itself.

The provisions as they relate to the review board are, by and large, too limiting, and they are intended to insure that no one will be a member of that review board who has any knowledge of the industry itself. This proposed amendment is further restrictive in that the amendment will further assure that no employee of the review board can have any basic knowledge of the industry itself, and I think it would be counterproductive.

Mr. Chairman, this absolutely should not be added as an amendment to this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Schneebeli).

Mr. SCHNEEBELI. Mr. Chairman, I raise the same points of objection that I did yesterday. The amendment is too limited, and it is much too vague. It prohibits any employee from being employed by the trust fund who has a direct or indirect financial interest in any energy or energy-related industry.

That means that if a clerk who works for this board owns stock in a mutual fund which owns a stock in a coal company, he would be disqualified for service and subject to a $2,500 fine. It goes to a rather ridiculous proportion. My example might even be ridiculous, but it would apply to a person of this type.

Mr. Chairman, I do not think the author of the amendment intended such far-reaching effect, and for the reasons I discussed yesterday, I oppose this amendment.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. Ullman), to close debate.

Mr. ULLMAN. Mr. Chairman, whereas I think we could make a good argument for including employees of the trust fund review board, I think it could also be argued that this amendment may be a little broader than that. Therefore, I was hoping there might be a perfecting amendment offered.

However, it is my interpretation that this amendment applies only to the review board employees and not to employees of agencies other than the review board. That would be the official committee interpretation of this amendment. But as I said before, I had hoped that there would be a technical or a clarifying amendment to this amendment.

The gentleman from Michigan (Mr. Dingell) is in a committee meeting and could not be here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The amendment was rejected.

Mr. HECHLER of West Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to call attention to the language on page 102 of the bill, on lines 11 through 13, which authorizes appropriations for the Trust Fund Review Board. Generally it has been considered that a program contained in legislation is an authorization for the purpose of appropriation without additional language. That is why I would like to direct a question to the chairman of the Committee on Ways and Means as to the necessity for this language and its application. Does this set a precedent for the Committee on Ways and Means to authorize for purposes beyond the purposes ordinarily considered within its general jurisdiction?

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I gladly yield to the gentleman from Oregon, the chairman of the committee.

Mr. ULLMAN. To answer the gentleman, it certainly is not the intention. This review board comes directly under the jurisdiction of the Committee on Ways and Means because it is established to supervise and review programs of a trust fund established by the committee.

Certainly there is no intention here for the Committee on Ways and Means to assert any jurisdiction beyond establishing this kind of review board that is specifically under our jurisdiction.

Mr. HECHLER of West Virginia. I thank the gentleman from Oregon.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I advise the gentleman from Minnesota that I am not offering an amendment. I merely wanted to engage in a clarifying colloquy on the purposes of this language on page 102, which the chairman has advised me does not go beyond the immediate purposes of the legislation.

Mr. FRENZEL. If the gentleman from West Virginia will yield, I am wondering whether the gentleman is discussing lines 11 through 13 on page 102.

Mr. HECHLER of West Virginia. I am.

Mr. FRENZEL. Were those lines not stricken in the amendment of the gentleman from West Virginia (Mr. HECHLER) of yesterday?

Mr. HECHLER of West Virginia. No, no. Those lines were not stricken in my amendment of yesterday. My amendment yesterday simply required annual authorizations and appropriations. I did have an additional amendment at the desk which I do not intend to present today, as a result of the colloquy that I just had with the able chairman of the Committee on Ways and Means.

Mr. FRENZEL. I thank the gentleman. I was looking in the CONGRESSIONAL RECORD, and the gentleman's amendment of yesterday merely inserted "after line 10," but did not strike lines 7 through 13; is that correct?

Mr. HECHLER of West Virginia. My amendment of yesterday read:

> Amounts required for this Title (other than Sec. 411) shall be established by actual authorization and appropriation acts.

It was placed on page 102 after line 10, at section 414.

Mr. FRENZEL. I thank the gentleman.

Mr. HECHLER of West Virginia. I thank the gentleman from Minnesota, and I thank the chairman of the Committee on Ways and Means.

Mr. GOLDWATER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, title IV creates an Energy Conservation and Conversion Trust Fund with certain rules and regulations, and the creation of this trust fund raises some questions which I would like to address to the chairman of the committee for clarification.

Section 412 contains a detailed listing of the various expenditures which may be made from the trust fund. No mention is made of nuclear energy research and development.

My question is, Is nuclear energy research and development covered? If so, what are the provisions, if any?

Mr. ULLMAN. If the gentleman will yield, the gentleman is correct. Nuclear energy research and development expenditures are covered under the trust fund.

Mr. GOLDWATER. Therefore, the trust fund money could be used for nuclear research and development?

Mr. ULLMAN. That is right.

Mr. GOLDWATER. The second question—and I have about five—is this: The total ERDA budget for 1976 is approximately $5 billion, including military applications.

On what basis was the $5 billion per year limitation of funds placed in this trust fund, and how was it determined?

Mr. ULLMAN. If the gentleman will yield, there had been criticism of trust funds because they build up too great a reserve and hold the money out of the economy, and because the amount of money they have available for expenditure can increase to levels beyond that which can be wisely spent.

The purpose here is to put some limitations on trust fund annual expenditures and allay the fears of those who feel that this is going to be a vast, new fund dedicating too much of the budget to certain areas. Therefore, we felt that the $5 billion limitation was an appropriate limitation.

Now, the funding limitations we put on it seemed to be completely reasonable because trust fund revenues begin at about $2 billion and build up to just under $5 billion a year by 1980. So we think that $5 billion a year is a reasonable limitation.

Mr. GOLDWATER. There is nothing behind it, it is strictly arbitrary?

Mr. ULLMAN. It is a reasonable amount given the size of trust fund revenues and the scope of possible areas for trust fund expenditures.

Mr. GOLDWATER. The third question I have is this: Section 412 indicates that the fund could support energy resource development programs on Government land, expressly including offshore properties. Other than the authorization and appropriation procedures, what statutory restrictions, if any, would prevent the Government from using the fund to develop the offshore property directly, rather than by leasing as is now the custom?

Mr. ULLMAN. In the first place, no program is authorized here at all. In order to get any money expended from the trust fund, there will be required specific authorizations by a legislative committee approved and passed by the Congress. So what we have here are parameters, or basic guidelines that must be followed by any authorizing committee, because this bill does not authorize anything.

Mr. GOLDWATER. Although offshore development would be included it would not be allowed unless authorized expressly by the Congress?

Mr. ULLMAN. It would require a specific authorization by the Congress.

Mr. GOLDWATER. Mr. Chairman, the fourth concern that I have is this:

The Energy Conservation and Conversion Trust Fund Review Board is required by section 412 to prepare criteria, evaluate potential programs, and submit a report to Congress with recommendations. Annual reports thereafter with recommendations are required by section 413.

How will the board's actions relate to, first, the national energy R. & D. plan; second, the ERDA program planning; and third, Office of Technology Assessment reviews; and fourth, committee actions?

The point I make: Is not the board duplicative of these other groups, and potentially the source of controversy as a result?

Mr. ULLMAN. If the gentleman will yield further.

Mr. GOLDWATER. I yield further to the gentleman.

Mr. ULLMAN. The question the gentleman from California raises is an important one. The primary function of the board is to review the overall funding and to recommend some guidelines to the Congress as to how to divide up trust fund moneys between the different areas of possible expenditure so that the Congress can give some legislative effect to the programs.

The various boards that the gentleman from California has mentioned are a very important part of the total energy package. I would assume that the review board would be working very closely in conjunction with the national energy R. & D. plan, ERDA, and the Office of Technological Assessment Reviews, and congressional committees and come to its decisions through a generally coordinated effort.

Mr. GOLDWATER. I thank the gentleman from Oregon.

I hope that will be the case, because it appears to be duplicative, and here we are staffing up another group to review energy programs which is already being done by the aforementioned organizations that have already been created.

The next question I have——

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. GOLDWATER was allowed to proceed for 2 additional minutes.)

Mr. GOLDWATER. Mr. Chairman, the last question I have is: Since the trust fund covers potential programs in many areas such as mass transit, not just strictly energy R. & D., might not its existence with a $5 billion limitation result in an overall reduction in funding for energy R. & D., since it tends to create the impression of sufficient funds?

Mr. ULLMAN. If the gentleman from California will yield further, no, there is absolutely no limitation here upon general funding, but it is in no way intended to take the place of generally appropriated funds, so in no way would it be a limitation.

Mr. GOLDWATER. I thank the chairman of the committee for the clarification of the situation and function of the trust fund.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. Are there additional amendments to title IV? If not, the Clerk will read.

The Clerk read as follows:

TITLE V—ENCOURAGING BUSINESS CONVERSION FOR GREATER ENERGY SAVING

Part I—Business Use of Petroleum and Petroleum Products

Sec. 511. Excise Tax on Business Use of Petroleum Products

(a) In General.—Schedule D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"Chapter 45—Tax on Business Use of Petroleum and Petroleum Products

"Sec. 4991. Imposition of tax.
"Sec. 4992. Definitions and special rules.

"Sec. 4991. Imposition of Tax.

"(a) In General.—There is hereby imposed a tax on each taxable use of a taxable petroleum or petroleum product.

"(b) Amount of Tax.—The amount of the tax imposed by subsection (a) shall be—

"(1) For natural gas.—In the case of natural gas—

"If the taxable use occurs during calendar year	The tax per 1,000 cubic feet is:
1977	4 cents.
1978	8 cents.
1979	12 cents.
1980 or thereafter	18 cents.

"(2) For crude oil and other petroleum products.—In the case of crude oil and other petroleum products—

"If the taxable use occurs during calendar year	The tax per barrel is:
1977	17 cents.
1978	33 cents.
1979	50 cents.
1980	67 cents.
1981	83 cents.
1982 or thereafter	$1.

"(c) Liability for Tax.—The tax imposed by this section shall be paid by the user.

"Sec. 4992. Definitions and Special Rules.

"(a) Taxable Use.—

"(1) In general.—For purposes of this chapter, the term 'taxable use' means any use as a fuel in a trade or business other than a use described in paragraph (2).

"(2) Certain uses excepted.—For purposes of this chapter, the term 'taxable use' does not include any use as a fuel—

"(A) in a vehicle, vessel, or aircraft,

"(B) in an apartment, hotel, motel, or other residential facility,

"(C) for the extraction of a mineral to the extent such extraction constitutes mining within the meaning of section 613(c),

"(D) on a farm for farming purposes (determined in a manner similar to that provided by section 6420(c)),

"(E) in a facility (used in a trade or business described in section 46(c)(3)(B)(i)) for the generation of electrical power if—

"(i) such facility is acquired by the user before January 1, 1976,

"(ii) the physical construction, reconstruction, or erection of such facility by the user is begun before January 1, 1976, or

"(iii) such facility is constructed, reconstructed, or erected for the user, or acquired by the user, pursuant to a contract which is on December 31, 1975, and at all times thereafter, binding on the user, and

"(F) by an organization described in section 501(c)(3) which is exempt from tax under section 501(a) other than in an unrelated trade or business (as defined in section 513).

Subparagraph (E) shall not apply to any use after December 31, 1981.

"(b) Taxable Petroleum or Petroleum Product.—For purposes of this chapter, the term 'taxable petroleum or petroleum product' means any petroleum or petroleum product other than gasoline (as defined in section 4082(b)).

"(c) Petroleum and Petroleum Products.—For purposes of this chapter, the term 'petroleum or petroleum product' includes natural gas."

(b) Clerical Amendment.—The table of chapter for subtitle D is amended by adding at the end thereof the following:

"Chapter 45. Tax on business use of petroleum and petroleum products."

(c) Report by the Administrator of the Federal Energy Administration.—

(1) In general.—The Administrator of the Federal Energy Administration (hereinafter in this subsection referred to as the "Administrator") shall conduct a study of the uses of petroleum or petroluem products (including natural gas) to identify—

(A) the industries or industrial processes where there is no economically feasible alternative to the use of petroleum or petroleum products,

(B) the areas of the country where conversion to the use of fuels other than petroleum or petroleum products is not feasible because of Federal, State, or local laws relating to pollution, and

(C) all other factors bearing on uses which should be exempted from the application of section 4991 of the Internal Revenue Code of 1954.

(2) Report.—Not later than June 1, 1976, the Administrator shall submit to Congress a report of his findings under the study conducted under paragraph (1) together with such recomendations as he may deem advisable.

(d) Effective Date.—The amendments made by subsections (a) and (b) shall apply to petroleum and petroleum products (as defined in section 4992(c) of the Internal Revenue Code of 1954) used after December 31, 1976.

PART II—AMORTIZATION FOR CERTAIN ENERGY-RELATED PROPERTY

Sec. 521. Amortization of Qualified Energy Use Property

Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"Sec. 189. Amortization of Qualified Energy Property.

"(a) Allowance of Deduction.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of any quaified energy use property (as defined in subsection (b)), based on a period of 60 months.

"(b) Qualified Energy Use Property.—For purposes of this section—

"(1) Qualified energy use property.—The term 'qualified energy use property' means—

"(A) qualified waste equipment,

"(B) qualified shale oil conversion equipment,

"(C) qualified coal processing equipment, or

"(D) a qualified coal pipeline.

"(2) Qualified waste equipment.—The term 'qualified waste equipment' means any machinery or equipment (of a character subject to the allowance for depreciation)—

"(A) necessary to permit the use of waste as a fuel in a facility burning a combination of waste and oil as its principal fuel (including unloading equipment, feeding systems, and refuse-firing ports for waste fuels),

"(B) used to process waste in a fuel, or

"(C) used to sort and prepare solid waste for recycling or used for recycling solid waste.

"(3) Qualified shale oil conversion equipment.—The term 'qualified shale oil conversion equipment' means any machinery or equipment (of a character subject to the allowance for depreciation) necessary—

"(A) to reach the oil shale,

"(B) to extract the oil shale, or

"(C) to convert the oil shale into oil or gas.

"(4) Qualified coal processing equipment.—The term 'qualified coal processing equipment' means any machinery or equipment (of a character subject to the allowance for depreciation) for processing coal into a liquid or gaseous state.

"(5) Qualified coal pipeline.—The term 'qualified coal pipeline' means a coal slurry pipeline or any other pipeline (of a character subject to the allowance for depreciation) for the transportation of coal from the mine or other gathering point.

"(6) Coal includes lignite.—The term 'coal' includes lignite.

"(c) Amount of Deduction.—The amortization deduction for any qualified energy use property shall be an amount, with respect to each month of the 60-month period within the taxable year, equal to the adjusted basis of the qualified energy use property at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any qualified energy use property for any month shall be in lieu of the depreciation deduction with respect to such property for such month provided by section 167. The 60-month period shall begin, as to any qualified energy use property, at the election of the taxpayer, with the month following the month in which such property was placed in service or with the succeeding taxable year.

"(d) Special Rules for Adjusted Basis.—

"(1) For purposes of this section, the adjusted basis of any qualified energy use property with respect to which an election has been made under subsection (e) shall not be increased for amounts chargeable to capital account for additions or improvements after the amortization period has begun.

"(2) The depreciation deduction provided by section 167 shall, notwithstanding subsection (c), be allowed with respect to the portion of the adjusted basis which is not taken into account in applying this section.

"(e) Election of Amortization.—The election of the taxpayer to take the amortization deduction, and the election to begin the 60-month period with the month following the month in which the qualified energy use property is placed in service or with the taxable year succeeding the taxable year in which such property is placed in service, shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time as the Secretary or his delegate may by regulations prescribe, a statement of such election.

"(f) Termination of Election.—

"(1) By the Taxpayer.—A taxpayer which has elected under subsection (e) to take the amortization deduction with respect to any qualified energy use property may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such property.

"(2) Constructive termination.—If at any time during the amortization period any qualified energy use property ceases to meet the requirements of subsection (b) or becomes property with respect to which an amortization deduction under this section is not allowable by reason of subsection (g), the taxpayer shall be deemed to have terminated under paragraph (1) his election under this section. Such termination shall be effective beginning with the month in which such cessation occurs or in which a lease exists which causes disallowance under subsection (g).

"(g) Noncorporate Lessors.—No amortization deduction shall be allowed under this section with respect to any property of which a person which is not a corporation is the lessor. In the case of property of which a partnership is the lessor, the amortization deduction otherwise allowable under this section with respect to such property to any partner which is a corporation shall be allowed notwithstanding the preceding sentence and subsection (f) (2). For purposes of this subsection, an electing small business corporation (as defined in section 1371) shall be treated as a person which is not a corporation.

"(h) Life Tenant and Remainderman.—In the case of any qualified energy use property held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.

"(i) Application of Section.—

"(1) In general.—Except as provided in paragraph (2), the amortization deduction provided by this section shall apply to that portion of the basis which is attributable to construction, reconstruction, or erection after March 17, 1975, with respect to property which is placed in service after such date and before January 1, 1981.

"(2) Pre-1981 portion.—In the case of property constructed, reconstructed, or erected by the taxpayer, or for the taxpayer pursuant to a contract which is binding on the taxpayer on January 1, 1981, and at all times thereafter, which is placed in service on or after January 1, 1981, the amortization deduction provided by this section shall apply to that portion of the basis which is attributable to construction, reconstruction, or erection before January 1, 1981.

"(j) Cross Reference.—

"For treatment of certain grain derived from the disposition of property the adjusted basis of which is determined with regard to this section, see section 1245."

Sec. 522. Amortization of Qualified Railroad Equipment.

Part VI of subchapter B of chapter 1 (relating to itemized deductions of individuals and corporations) is amended by adding at the end thereof the following new section:

"Sec. 190. Amortization of Qualified Railroad Equipment.

"(a) Allowance of Deduction.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of any qualified railroad equipment (as defined in subsection (b)), based on a period of 60 months.

"(b) Qualified Railroad Equipment Defined.—

"(1) In general.—For purposes of this section, the term 'qualified railroad equipment' means equipment described in paragraph (2) of this subsection used by a common carrier engaged in the furnishing or sale of transportation by railroad and subject to the jurisdiction of the Interstate Commerce Commission if—

"(A) such equipment is—

"(i) used by a domestic common carrier by railroad, or

"(ii) owned and used by a car line company or a switching or terminal company at least 95 percent of whose stock is owned by one or more domestic common carriers by railroad, and

"(B) the original use of such equipment commences with the taxpayer after December 31, 1974.

"(2) Equipment.—The equipment referred to in paragraph (1) of this subsection is tangible property which is of a character subject to the allowance for depreciation provided in section 167 (not including a building or its structural components) if such property—

"(A) is used as an integral part of—

"(i) a communications, signal, or traffic control system;

"(ii) a rolling stock classification yard; or

"(iii) a facility for loading and unloading trailers and containers on and from railroad flatcars; or

"(B) is an improvement or betterment in track account.

"(c) Amount of Deduction.—The amortization deduction for any qualified railroad equipment shall be an amount, with respect to each month of the 60-month period within the taxable year, equal to the adjusted basis of the qualified railroad equipment at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any qualified railroad equipment for any month shall be in lieu of the depreciation deduction with respect to such equipment for such month provided by section 167. The 60-month period shall begin, as to any qualified railroad equipment, at the election of the taxpayer, with the month following the month in which such equipment was placed in service or with the succeeding taxable year.

"(d) Special Rules.—

"(1) Adjusted basis.—

"(A) For purposes of this section, the adjusted basis of any qualified railroad equipment with respect to which an election has been made under subsection (e) shall not be increased for amounts chargeable to capital account for additions or improvements after the amortization period has begun.

"(B) Costs incurred in connection with a used unit of railroad equipment which are properly chargeable to a capital account shall be treated as a separate unit of railroad equipment for purposes of this section.

"(C) The depreciation deduction provided by section 167 shall, notwithstanding subsection (c), be allowed with respect to the portion of the adjusted basis which is not taken into account in applying this section.

"(2) Method of accounting for date placed in service.—For purposes of subsections (a) and (e) in the case of qualified railroad equipment placed in service after December 31, 1974, and before January 1, 1980, the taxpayer may elect to begin the 60-month period with the date when such equipment is treated as having been placed in service under a method of accounting for acquisitions and retirements of property which—

"(A) prescribes a date when property is placed in service, and

"(B) is consistently followed by the taxpayer.

"(e) Election of Amortization.—The election of the taxpayer to take the amortization deduction, and the election to begin the 60-month period with the month following the month in which the qualified railroad equipment is placed in service or with the taxable year succeeding the taxable year in which such equipment is placed in service, shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time as the Secretary or his delegate may by regulations prescribe, a statement of such election.

"(f) Termination of Election.—

"(1) By the taxpayer.—A taxpayer which has elected under subsection (e) to take the amortization deduction with respect to any qualified railroad equipment may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such equipment.

"(2) Constructive termination.—If at any time during the amortization period any qualified railroad equipment ceases to meet the requirements of subsection (d) (1) or becomes property with respect to which an amortization deduction under this section is not allowable by reason of subsection (g), the taxpayer shall be deemed to have terminated under paragraph (1) his election under this section. Such termination shall be effective beginning with the month in which such cessation occurs or in which the lease exists which causes disallowance.

"(g) Noncorporate Lessors.—No amortization deduction shall be allowed under this section with respect to any property of which a person which is not a corporation is the lessor. In the case of property of which a partnership is the lessor, the amortization deduction otherwise allowable under this section with respect to such property to any partner which is a corporation shall be allowed notwithstanding the preceding sentence and subsection (f) (2). For purposes of this subsection, an electing small business corporation (as defined in section 1371) shall be treated as a person which is not a corporation.

"(h) Life Tenant and Remainderman.—In the case of any qualified railroad equipment held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the equipment and shall be allowable to the life tenant.

"(i) Application of Section.—This section shall apply to qualified railroad equipment placed in service after December 31, 1974, and before January 1, 1980.

"(j) Cross Reference.—

"For treatment of certain gain derived from the disposition of property the adjusted basis of which is determined with regard to this section, see section 1245."

Sec. 523. Amendments Relating to Amortization of Certain Railroad Rolling Stock.

(a) Extension of Period During Which Railroad Rolling Stock May Qualify for 5-Year Amortization.—Section 184(e) (relating to amortization of railroad rolling stock) is amended—

(1) by striking out "1976" in paragraph (1) and inserting in lieu thereof "1980", and

(2) by striking out "January 1, 1976" in paragraph (7) and inserting in lieu thereof "January 1, 1980".

(b) Certain Coal Cars and Railroad Ferry Vessels.—Subsection (d) of section 184 (defining qualified railroad rolling stock) is amended to read as follows:

"(d) Qualified Railroad Rolling Stock.—Except as provided in subsection (e) (4), the term 'qualified railroad rolling stock' means, for purposes of this section—

"(1) rolling stock of the type used by a common carrier engaged in the furnishing or sale of transportation by railroad and subject to the jurisdiction of the Interstate Commerce Commission if—

"(A) such rolling stock is—

"(i) used by a domestic common carrier by railroad on a full-time basis, or on a part-time basis if its only additional use is an incidental use by a Canadian or Mexican common carrier by railroad on a per diem basis, or

"(ii) owned and used by a switching or terminal company all of whose stock is owned by one or more domestic common carriers by railroad, and

"(B) the original use of such rolling stock commences with the taxpayer after December 31, 1968;

"(2) any railroad rolling stock not described in paragraph (1)—

"(A) which is a car used by the taxpayer predominantly in the hauling within the United States of coal which is used (other than for resale) by the taxpayer in his trade or business, and

"(B) the original use of which commences with the taxpayer after May 7, 1975; and

"(3) any vessel—

"(A) which is used predominantly by the taxpayer in hauling railroad rolling stock between terminals located within the United States, and

"(B) the original use of which commences with the taxpayer after May 7, 1975."

(c) Denial of Amortization to Noncorporate Lessors.—

(1) In general.—Section 184 is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Noncorporate Lessors.—No amortization deduction shall be allowed under this section with respect to any property of which a person which is not a corporation is the lessor. In the case of property of which a partnership is the lessor, the amortization deduction otherwise allowable under this section with respect to such property to any partner which is a corporation shall be allowed notwithstanding the preceding sentence and subsection (e) (6). For purposes of this subsection, an electing small business corporation (as defined in section 1371) shall be treated as a person which is not a corporation."

(2) Constructive termination.—Paragraph (6) of section 184(e) is amended by striking out "subsection (d) (1)" and inserting in lieu thereof "subsection (d) or becomes property with respect to which an amortization deduction under this section is not allowable by reason for subsection (g)".

(d) Effective Date.—The amendments made by this section shall apply to property place in service by the taxpayer after May 7, 1975.

Sec. 524. Technical and Conforming Amendment.

(a) Coordination With Investment Credit.—

(1) In general.—Paragraph (8) of section 48(a) (defining section 38 property) is amended by striking out "184,".

(2) Useful life.—The second sentence of section 46(c) (2) (defining applicable percentage for purposes of determining qualified investment) is amended by striking out the period at the end thereof and inserting in lieu thereof "(or, if the taxpayer has elected an amortization deduction with respect to the property, the amortization period)."

(3) Effective date.—The amendments made by this subsection shall apply to property placed in service after March 17, 1975.

(b) Conforming Amendments.—

(1) Section 642(f) (relating to amortization deduction for estates and trusts) is amended by striking out "and 188' and inserting in lieu thereof "188, 189, and 190".

(2) Section 1082(a) (2) (B) (relating to baisis in certain exchanges) is amended by striking out "or 188" and inserting in lieu thereof "188, 189, or 190".

(3) Section 1245(a) (relating to gain from dispositions of certain depreciable property) is amended by striking out "or 188" each place it appears in paragraph (2) and inserting in lieu thereof "188, or 189".

(c) Clerical Amendments.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following:

"Sec. 189. Amortization of qualified energy use property.

"Sec. 190. Amortization of qualified railroad equipment."

Part III—Tax Credit Changes Relating to Energy Conservation

Sec. 531. Changes in Investment Credit Relating to Insulation, Solar Energy, and Air Conditioning.

(a) Insulation and Solar Energy.—Section 48 (relating to definitions and special rules for purposes of the investment credit) is amended by redesignating subsection (k) as subsection (l) and by adding after subsection (j) the following new subsection:

"(k) Temporary Rules for Insulation and Solar Energy.—

"(1) Treatment of section 38 property.—Any—

"(A) insulation installed (other than pursuant to a reconstruction of the building) after March 17, 1975, and before January 1, 1978, in a structure which was in existence on March 17, 1975, and was used on such date in a trade or business (or held for the production of income) or

"(B) solar energy equipment installed after March 17, 1975, and before January 1, 1981, shall be treated as section 38 property.

"(2) Lodging rule not to apply.—For purposes of this subsection, paragraph (3) of subsection (a) (relating to property used for lodging) shall not apply.

"(3) Definitions.—For purposes of this subsection—

"(A) Insulation.—The term 'insulation' has the meaning given to such term by section 44C(c) (2).

"(B) Solar energy equipment.—The term 'solar energy equipment' has the meaning given to such term by section 44D(c) (4).

"(4) Termination.—This subsection shall not apply to—

"(A) amounts paid or incurred with respect to insulation after December 31, 1977, or

"(B) amounts paid or incurred with respect to solar energy equipment after December 31, 1980."

(b) Air Conditioning, Space Heaters, Etc.—Subparagraph (A) of section 48(a) (1) (defining section 38 property) is amended to read as follows:

"(A) tangible personal property (other than an air conditioning or heating unit), or".

(c) Effective Dates.—

(1) The amendments made by subsection (a) shall apply to amounts paid or incurred after March 17, 1975.

(2) The amendment made by subsection (b) shall apply to property placed in service after the date of the enactment of this Act.

Sec. 532. Generating Facilities Powered by Petroleum and Petroleum Products.

(a) In General.—Paragraph (1) of section 48(a) (defining section 38 property) is amended by adding at the end thereof the following new sentence: "Such term does not include any electrical generating property fueled by petroleum or petroleum products (including natural gas)."

(b) Effective Date.—

(1) In general.—The amendment made by subsection (a) shall apply to property which is placed in service after April 17, 1975.

(2) Binding contracts.—The amendment made by subsection (a) shall not apply to property which is constructed, reconstructed, erected, or acquired pursuant to a contract which was, on April 17, 1975, and at all times thereafter, binding on the taxpayer.

(3) Plant facility rule.—

(A) General rule.—If—

(i) pursuant to a plan of the taxpayer in existence on April 17, 1975 (which plan was not substantially modified at any time after such date and before the taxpayer placed the plant facility in service), the taxpayer has constructed, reconstructed, or erected a plant facility, and either

(ii) the construction, reconstruction, or erection of such plant facility was commenced by the taxpayer before April 18, 1975, or

(iii) more than 50 percent of the aggregate adjusted basis of all the property of a character subject to the allowance for depreciation making up such plant facility is attributable to either property the construction, reconstruction, or erection of which was begun by the taxpayer before April 18, 1975, or property the acquisition of which by the taxpayer occurred before such date.

then the amendment made by subsection (a) shall not apply to all property comprising such plant facility. For purposes of clause (iii) of the preceding sentence, the rules of paragraphs (2) and (4) shall be applied.

(B) Plant facility defined.—For purposes of this paragraph, the term "plant facility" means a facility which does not include any building (or of which buildings constitute an insignificant portion) and which is—

(i) a self-contained, single operating unit or processing operation,

(ii) located on a single site, and

(iii) identified, on April 17, 1975, in the purchasing and internal financial plans of the taxpayer as a single unitary project.

(C) Commencement of construction.—For purposes of subparagraph (A) (ii), the construction, reconstruction, or erection of a plant facility shall not be considered to have commenced until construction, reconstruction, or erection has commenced at the site of such plant facility. The preceding sentence shall not apply if the site of such plant facility is not located on land.

(4) Machinery or equipment rule.—The amendment made by subsection (a) shall not apply to any piece of machinery or equipment—

(A) more than 50 percent of the parts and components of which (determined on the basis of cost) were held by the taxpayer on April 17, 1975, or are acquired by the taxpayer pursuant to a binding contract which was in effect on such date (and all time thereafter), for inclusion or use in such piece of machinery or equipment, and

(B) the cost of the parts and components of which is not an insignificant portion of the total cost.

(c) Qualified Progress Expenditures.—Nothing in the amendment made by subsection (a) shall be construed to deny any investment credit for qualified progress expenditures described in section 46(d) of the Internal Revenue Code of 1954 for any taxable year beginning before April 17, 1975.

Sec. 533. Recycling Tax Credit.

(a) Allowance of Credit.—Paragraph (1) of section 46(a) (relating to amount of credit) (as amended by section 301(a) of the Tax Reduction Act of 1975) is amended by adding at the end thereof the following new subparagraph:

"(E) Amount for qualified recycling purchase.—The amount of the credit allowed by section 38 for the taxable year shall be the sum of—

"(i) the amount determined under the preceding provisions of this paragraph, plus

"(ii) an amount equal to the percent set forth in subparagraph (A) of the qualified recycling purchase (as defined in subsection (g)).

For purposes of clause (ii), paragraph (2) (C) shall be applied by substituting '100 percent' for '50 percent'."

(b) Qualified Recycling Purchase Defined.—Section 46 is amended by adding at the end thereof the following new subsection:

"(g) Qualified Recycling Purchase.—

"(1) In general.—For purposes of this subpart, the term 'qualified recycling purchase' means, with respect to any taxable year, the applicable percentage of the amount paid or incurred by the taxpayer to purchase any class of postconsumer solid waste materials (as defined in section 48(1)) which were recycled within the United States by the taxpayer during the taxable year. In the case of any taxpayer, such term does not include amounts paid or incurred during the taxable year for any class of postconsumer solid waste materials if a substantial portion of the materials resulting from the recycling by the taxpayer during such year of such class is exported from the United States.

"(2) Applicable percentage.—For purposes of paragraph (1), the applicable percentage shall be 100 percent reduced by the price adjustment percent determined under paragraph (3) for the calendar quarter in which the amount was paid or incurred.

"(3) Price adjustment percent.—For purposes of paragraph (2), the price adjustment percent for any calendar quarter for any class of postconsumer solid waste materials shall be the percent, if any, by which—

"(A) the price index (prepared by the Department of Labor) for such class for the computation quarter, exceeds

"(B) 200 percent of the average of the price indexes for such class for the base period, increased to reflect the increase (if any) in the Consumer Price Index prepared by the Department of Labor for the computation quarter over the average of such indexes for the base period.

The price adjustment percent for each calendar quarter for each class of postconsumer solid waste materials shall be determined by the Secretary or his delegate and published in the Federal Register.

"(4) Definitions for purposes of paragraph (3).—For purposes of paragraph (3)—

"(A) Base period.—The term 'base period' means the calendar years 1971 through 1973.

"(B) Computation quarter.—The term 'computation quarter' means, with respect to any calendar quarter, the most recent preceding calendar quarter for which the price index for the class of postconsumer solid waste materials is available.

"(5) Recycle defined.—For purposes of this subsection, the term 'recycle' means to subject to a treatment which alters the composition or physical properties of a material. Such term does not include a process consisting merely of sorting, shredding, stripping, compressing, and packing for storage and shipment.

"(6) Purchase.—For purposes of this subsection, the term 'purchase' has the meaning assigned to such term by section 179(d)(2)."

(b) Post-Consumer Solid Waste Materials Defined.—Section 48 (relating to definitions and special rules for purposes of the investment credit) is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

"(l) Special Rules Relating To Recycling.—

"(1) Post-consumer solid waste materials defined.—For purposes of this subpart, the term 'post-consumer solid waste materials' means glass, paper, textiles, nonferrous metals (other than precious metals and other than copper base scrap), or ferrous metals which have been used by an ultimate consumer and which have no significant value or utility except as waste material. For purposes of the preceding sentence, the use of any material in the further manufacture of a significantly different article by a person shall be treated as a use by an ultimate consumer, but only if such person cannot reuse the waste material in such further manufacture and only if neither such person nor any related person is engaged in the manufacture of such material or in the processing of such waste material. The term 'post-consumer solid waste materials' does not include any material which becomes a component part of property which is section 38 property in the hands of the taxpayer who recycles such material.

"(2) Limitation to 15 percent of qualified investment in recycling equipment.—The aggregate amount of the credit allowed under section 38 by reason of section 46(a)(1)(E)(ii) for any taxable year shall not exceed—

"(A) 15 percent of the aggregate qualified investment (determined under subsections (c) and (d) of section 46) in machinery or equipment for recycling post-consumer solid waste materials properly attributable to periods after the date of the enactment of this paragraph and before the close of such taxable year, reduced by

"(B) the aggregate amount of the credit allowed under section 38 by reason of section 46(a)(1)(E)(ii) for prior taxable years.

For purposes of subparagraph (A), qualified investment shall be taken into account only if it is attributable to periods before January 1, 1984. To the extent that any amount is not allowable for any taxable year solely by reason of the first sentence of this paragraph, such amount shall be treated as arising in the next succeeding taxable year.

"(3) Subchapter s corporations; estates and trusts.—For the purposes of this subpart, rules similar to the rules set forth in subsections (e) and (f) shall apply with respect to qualified recycling purchases."

(c) Clerical, Etc., Amendments.—

(1) The heading for section 38 is amended to read as follows:

"Sec. 38. Investment in certain depreciable property and purchases of certain recyclable waste."

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by striking out the item relating to section 38 and inserting in lieu thereof the following:

"Sec. 38. Investment in certain depreciable property and purchases of certain recyclable waste."

(3) The heading of subpart B of part IV of subchapter A of chapter 1 is amended to read as follows:

"Subpart B—Rules for Computing Credit for Investment in Certain Depreciable Property and Purchases of Certain Recyclable Waste".

(4) The table of subparts for such part IV is amended by striking out the item relating to subpart B and inserting in lieu thereof the following:

"Subpart B. Rules for computing credit for investment in certain depreciable property and purchases of certain recyclable waste."

(d) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to amounts paid or incurred after December 31, 1975, in taxable years ending after December 31, 1975.

(2) Termination of provisions.—The amendments made by this section shall not apply to amounts paid or incurred after December 31, 1980, by the taxpayer to purchase solid waste materials, and no credit shall be allowable under section 38 by reason of section 46(a)(1)(E)(ii) for any taxable year ending after December 31, 1983.

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

AMENDMENT OFFERED BY MR. GUDE

Mr. GUDE. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. Gude: Page 107, line 21, strike out "or".

Page 107, line 22, strike out the period and insert in lieu thereof ", and".

Page 107, immediately after line 22, insert the following:

"(E) qualified solar energy equipment."

Page 109, immediately after line 3, insert the following:

"(6) Qualified solar energy equipment.—The term 'qualified solar energy equipment' means solar energy equipment, as defined in section 44D(c)(2)."

Page 122, strike out line 11 and insert in lieu thereof the following: "striking out '184,', and by inserting at the end thereof the following new sentence: 'Qualified solar energy equipment with respect to which an election under section 189 applies shall not be treated as section 38 property.'"

Mr. GUDE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GUDE. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GUDE. Mr. Chairman, I have frequently in the past introduced "sunshine" amendments to bring into the light various negotiations and practices of Federal officials. Today, I am offering another kind of "sunshine" amendment—one designed to add to the solar energy incentives already contained in this bill.

Earlier this spring I introduced with 25 cosponsors, H.R. 6584, which provided for the option of either an investment tax credit or a 5-year amortization plan for the installation of solar energy equipment in commercial or industrial structures. H.R. 6860 is broader than my approach in that it applies the credit incentive to installation in any structure, commercial or residential, but it is also narrower in that it provides only the investment tax credit option and not the 5-year amortization option. My amendment seeks to add the amortization alternative to that of the tax credit, permitting an investor to use one or the other, but not both.

I offer this amendment because of my belief in the importance of solar energy—our only inexhaustible and environmentally clean energy source—and the need to provide demand incentives for it. This bill takes some important steps in that direction through its income tax credit for solar installations in homes and its investment tax credit allowance. I shall certainly support the former and efforts to expand it, though I also intend to continue pressing for my own solar equipment loan program bill as I feel it, overall, provides a broader and more effective incentive. At the same time, I offer this amendment to section 521 to provide a broader range of incentives to install solar energy equipment.

It is quite likely that, given the widespread variation in business practices and individual business situations, a 5-year amortization would be more desirable in particular circumstances than the investment tax credit. Since the technology is so new, we can only seek to anticipate these different situations that might develop. In general, I estimate that one's choice of option would depend, in part, on the useful life of the equipment being purchased. Longer useful lives will lead, of course, to the tax credit preference. The Internal Revenue Service has not yet developed class lives for solar equipment but a phase 0 study done by Westinghouse uses a likely useful life of 15 years—based on a similar life for conventional heating and air conditioning systems, and solar energy equipment manufacturers are currently estimating useful lives of 20 to 30 years.

As a result, I feel it is appropriate, in the interest of expanding solar installations, to offer both options and let business decide for themselves which is more advantageous. In this regard the Library of Congress has made an analysis of the effects of my amendment as to the investment tax credit:

> Two sets of calculations were made, comparing the advantages of your 5 year depreciation schedule with 1) use of a 150% accelerated depreciation schedule plus the investment tax credit and 2) use of a 200% (double declining balance) depreciation plan plus the investment tax credit. These are the basic amortization rules available to businesses under tax laws, with eligibility for the more profitable 200% write-off dependent on the type of investment made. Under either schedule, a firm may switch from the accelerated schedule to straight-line depreciation at any point; standard accounting formulae were used to determine the optimum "switch" year for your twenty-year example and we assumed the firm would take advantage of this option at that time.
>
> For a *$1000* investment with a useful life of twenty years and no salvage or resale value, purchased by a firm regarding a ten percent discount as appropriate:
>
> (1) The present value of the *Difference* between five year amortization and 200% accelerated depreciation with switching to straight-line after the eleventh year would be $116 after tax;
>
> (2) The present value of the *Difference* between five year amortization and 150% accelerated depreciation with switching to straight-line after the seventh year would be $141 after tax.
>
> From each of these figures we deduct $100 for the investment tax credit, leaving a net advantage of $16 in the first case and $41 in the second. There is thus a positive additional incentive provided by the five year depreciation plan, even as calculated under what must be regarded as conservative assumptions. The ten percent discount rate, for example, could well be thought low by many businesses with more attractive investment opportunities and a higher discount rate would enlarge the advantages of five year amortization. In addition, we assumed that the investing firm could and did make use of the full tax-breaks permissible under law.

Thus it is clear that with a fairly long useful life, not an unreasonable assumption, the 5-year amortization provides a greater incentive. I am further informed by the Library of Congress that this amendment is unlikely to significantly change the revenue estimates for this section of the bill. Since the amendment provides for either the 5-year amortization or the tax credit, it does not offer a double incentive to any single taxpayer, and if anything, the 5-year amortization would result in a smaller revenue loss than the tax credit if it were taken in lieu of the latter.

Thus the amendment I propose will, if anything, cost less than the bill as it now reads, but it will provide an important alternative incentive for the installation of solar equipment. Mr. Chairman, I urge the amendment's adoption.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. GUDE. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

As I understand it, the gentleman's amendment would apply the 5-year amortization provision to solar energy investments; is that right?

Mr. GUDE. It would have to be one or the other. They could not take the investment tax credit and the amortization.

Mr. ULLMAN. It would be an alternative to the investment tax credit?

Mr. GUDE. That is right.

Mr. ULLMAN. If the gentleman will yield further, Mr. Chairman, after analyzing the matter, I would have no objection to the amendment.

Mr. SCHNEEBELI. Mr. Chairman, I support the amendments of the gentleman from Maryland.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Maryland (Mr. Gude).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. GREEN

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Green: Page 128, after line 17, insert the following:
>
> "(5) Certain lease-back transactions, etc. Where a person who is a party to a binding contract described in paragraph (2) transfers rights in such contract (or in the property to which such contract relates) to another person but a party to such contract retains a right to use the property under a lease with such other person, then to the extent of the transferred rights such other person shall, for purposes of paragraph (2), succeed to the position of the transferor with respect to such binding contract and such property. The preceding sentence shall apply, in any case in which the lessor does not make an election under section 48(d) of the Internal Revenue Code of 1954, only if a party to such contract retains a right to use the property under the long-term lease."

Mr. GREEN [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Chairman, the purpose of this amendment is fairness. This bill would take away the tax investment credit that utilities would otherwise get for the construction of a power-producing plant if that new plant is going to utilize oil in the process. That makes sense and I support what the committee did.

The committee did allow, however, those utilities that already had consummated a binding contract prior to April 17, 1975 to continue to be entitled to the tax investment credit they had anticipated under the law. What this amendment does is allow what we normally permit in a situation like this, and that is allow the utilities in this instance, the one with the entitlement to the tax investment credit, to finance with a bank by in effect putting the name of the party in the contract. The bank, the financer comes in and assumes the position of the utility and the utility must lease back that plant. In effect it provides an alternate source of financing for companies with binding contracts. This amendment would not apply to any company that did not have a binding contract prior to April 17, 1975.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Oregon (Mr. Ullman).

Mr. ULLMAN. We did analyze this with the staff. At the time we wrote the legislation the staff had not realized and we had not realized there were any lease-back arrangements in place with respect to electrical generating facilities. The gentleman evidently knows of some such lease-back arrangements and is attempting to provide equity for them along with the other contractual obligations. I think it is a technical correction and we have no objection.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Pennsylvania (Mr. Schneebeli).

Mr. SCHNEEBELI. Mr. Chairman, I have discussed this with the gentleman in the well. It has been analyzed by our staff. We are in entire accord. It is a justifiable and very worthwhile amendment. I compliment the gentleman. We accept the amendment.

Mr. CORMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, what is the cutoff date?

Mr. GREEN. The cutoff date in this amendment is April 17, 1975 the same date as in the bill. Anyone who did not have a binding contract before April 21, 1975, any utility cannot get the 10-percent tax investment credit for the construction of a power facility that would use oil. I make no attempt to change that date. I do not think it should be changed. What the committee did was right. This is in a sense a correction of a technical oversight on the part of the committee.

Mr. CORMAN. If that is the case I will not oppose it. If it is a change of the cutoff date of April 17, 1975, I would oppose it, but if it is not a change I will not oppose it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. GREEN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KETCHUM

Mr. KETCHUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KETCHUM: Section 4992(a)(2) is amended as follows: On page 105, after line 9, insert the following new section (g):

(g) where there is no technologically feasible alternative to the use of petroleum, or petroleum products determined by a study under paragraph (c)(1)(A).

Section 4992(c)(1)(A) is amended as follows: On page 104, line 7, after the word "economically," insert the words "or technologically."

Mr. KETCHUM. Mr. Chairman, during the course of the debate on the excise tax provisions of title V, there was a discussion that ensued relative to those industries which have no alternative other than the use of oil or gas. There were several industries mentioned during the course of the debate. One of them happened to be the glass industry which must have natural gas to operate. I am told that the ceramic industry must have natural gas to operate, but I do not really know if there are a series of other industries. Therefore, I have offered this amendment which would cover any of those industries with which I am not familiar, but perhaps some of the body are.

It simply extends the exemption to those industries which have no alternative but to use natural gas or oil. It is simply that, and nothing more.

Mr. ULLMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to try and get an agreement on time. I hope we can dispose of this amendment in 10 minutes.

Mr. Chairman, I ask unanimous consent that all debate on this amendment conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the request was made will be recognized for 1½ minutes each.

The Chair now recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I wonder if the maker of the amendment would help to clarify for me what it is we are trying to do. If I understand correctly, the gentleman's amendment says that FEA has to come back to the Congress by June 1, 1976, to identify the industries or industrial processes where there is no technologically feasible alternative to the use of oil or gas.

When they do, what happens? Are they exempt? Do they have to pay the tax? Does the Congress have to pass something that says we agree with FEA or disagree with FEA? What happens?

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am happy to yield.

Mr. KETCHUM. They would become exempt from the excise tax provisions of title V.

Mr. STEIGER of Wisconsin. Mr. Chairman, that being the case, it seems to me we as a body are granting something to the Federal Energy Administration that I am not at all sure we should. I know what the gentleman is trying to do and, frankly, I am sympathetic with what he is trying to do; but I am not at all prepared to say that by adopting the amendment we should go and grant an automatic exemption based on a finding by an administrative agency over which we fundamentally have no control.

The CHAIRMAN. The Chair now recognizes the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California and to cite as a further case in support of his amendment that some firms engaged in the manufacturing of fertilizer are required to use natural gas because of the properties of that particular material.

It is also true in the textile industry, those industries engaged in dying and finishing fabrics must use either propane or a petroleum derivative or natural gas, because of the cleanliness of those two fuels.

The same is true in the use of propane for fork lift trucks, which is required by the Occupational Safety and Health Administration, although that was taken care of in earlier discussion.

Mr. Chairman, I support the amendment of the gentleman from California.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, without attempting to be redundant in any way, the reason that we use the FEA or that I have selected the FEA for its effort is that, as I indicated in the well, I do not know what other industries must use oil or gas.

During the course of the time I have been sitting here, I have heard of two or three more, but I believe it would be incumbent upon that particular agency, since this is the area in which it deals, to come back to us and tell us that this industry or that industry has no feasible alternative, and therefore should not be subject to the excise tax.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. ULLMAN) to close debate.

Mr. ULLMAN. Mr. Chairman, I think the gentleman from Wisconsin (Mr. STEIGER) put his finger on the issue. The committee worked out a program whereby all of these exemptions can be recommended to the Congress at a specific date, and then we can act upon them. But, to do what the gentleman would want to do in this amendment would merely provide the FEA go out and make whatever exemptions that agency wants to.

It seems to me it certainly is important for the Congress to maintain its own legislative responsibility for deciding what industries should be exempted from the tax. The amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. KETCHUM).

The amendment was rejected.

AMENDMENT OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACOBS: Page 123, strike out line 15 and all that follows down through line 7 on page 125 and insert in lieu thereof the following:

SEC. 531. CHANGES IN INVESTMENT CREDIT RELATING TO SOLAR ENERGY AND AIR-CONDITIONING.

(a) SOLAR ENERGY.—Section 48 (relating to definitions and special rules for purposes of the investment credit) is amended by redesignating subsection (k) as subsection (1) and by adding after subsection (j) the following new subsection:

"(k) TEMPORARY RULES FOR SOLAR ENERGY.—

"(1) TREATMENT OF SECTION 38 PROPERTY.—Any solar energy equipment installed after March 17, 1975, and before January 1, 1981, shall be treated as section 38 property.

"(2) LODGING RULE NOT TO APPLY.—For purposes of this subsection, paragraph (3) of subsection (a) (relating to property used for lodging) shall not apply.

"(3) SOLAR ENERGY EQUIPMENT.—For purposes of this subsection, the term 'solar energy equipment' has the meaning given to such term by section 44C(c)(2).

"(4) TERMINATION.—This subsection shall not apply to amounts paid or incurred with respect to solar energy equipment after December 31, 1980."

Mr. JACOBS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the record.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Mr. Chairman, the amendment simply strikes out the investment tax credit for retrofitting business installations with insulation. It is a companion amendment to the one that was offered a few days ago in the same situation with private homes.

I simply say to the committee that we are talking about some $70 million that would be given by the taxpayers of the United States to business people to insulate their existing business facilities. I think that it is an insult to the business people of this country to suggest that they do not have enough sense to insulate their facilities for the money they will save on fuel oil or gas.

Therefore, Mr. Chairman, I think it is a conspicuous back-alley spending from the Treasury. I think it is wholly unnecessary. I think it is just plain, old-fashioned, not commonsense to take money from one taxpayer and give it to another when that other is bound to a course of conduct which that taking and that giving was designed to achieve in the first place.

Mr. ULLMAN. Mr. Chairman, I rise to come to some agreement on time.

Mr. Chairman, I ask unanimous consent that debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Chairman, we have kept in this bill, in another title, a home insulation credit. We do this on the sound basis that we are conserving energy, and our experts tell us that this is a major way to conserve energy. It is one of the important aspects of the bill. The provision that the gentleman would strike is the counterpart—insofar as commercial and industrial application is concerned.

We have a 10-percent investment credit for the application of insulation, on exactly the same basis, that it saves energy. We think this is an important part of the bill and I ask the committee to vote down the amendment.

Mr. JACOBS. Mr. Chairman, will my chairman yield

Mr. ULLMAN. I will be very happy to yield to my distinguished colleague on the committee. I think the gentleman offered this amendment in the committee and we knew of his concern.

Mr. JACOBS. Exactly. But, just for the purpose of the record, if this credit is deleted, Mr. Chairman, I think it should be understood that an ordinary tax deduction would still be available for the insulation of these facilities.

Mr. ULLMAN. These expenditures would be capitalized and then recovered through depreciation. But in any event we think that this is an energy saving provision and very important as a counterpart to the home insulation provision in the other title of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. JACOBS).

The question was taken; and the Chairman being in doubt, the committee divided, and there were—ayes 8; noes 26.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. DEVINE

Mr. DEVINE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEVINE: Page 124, strike out lines 23, 24, and 25, and insert:

"(B) SOLAR ENERGY EQUIPMENT.—The term 'solar energy equipment' means equipment—

"(i) which, when installed in or on a building, uses solar energy to heat or cool such building or provide hot water for use within such building and meets such criteria as the Secretary or his delegate shall by regulations prescribe;

"(ii) the original use of which commences with the taxpayer; and

"(iii) which has a useful life of at least 3 fixed years.

The Secretary or his delegate shall initially prescribe regulations under clause (i) not later than 2 years after the date of the enactment of this section.

Mr. DEVINE. Mr. Chairman, I am offering this amendment on behalf of my colleague, the gentleman from Ohio (Mr. WYLIE) who is unable to be here today because his wife underwent some surgery. I might point out that she came through quite well.

Mr. Chairman, this amendment, as I understand, has been cleared with the chairman of the committee (Mr. ULLMAN) and with the ranking minority member. It has to do with the amendment adopted that Mr. WYLIE offered last week having to do with a tax credit for solar exploration and use of solar energy in residence.

The specific purpose of this amendment, Mr. Chairman, is:

In defining solar equipment which qualifies for the investment tax credit provided by this section, a reference is made to the definition provided in section 44D, another section in the bill dealing with solar energy.

Mr. Chairman, this will also serve as a measuring stick by which financial institutions unfamiliar with solar energy can determine credit worthiness.

Specifically, this reference requires in part that equipment qualifying for the tax credit, and I quote, "meets the definitive performance criteria prescribed by the Secretary of Housing and Urban Development under the Solar Heating and Cooling Act of 1974."

However, that legislation only required HUD to develop such criteria for residential dwellings. Thus, these criteria, which were adequate in section 44D which applies only to residences, are completely inadequate in section 531 which applies to "buildings used in a trade, business, or held for the production of income." In simpler words, in commercial buildings.

I have here a letter from the General Counsel of HUD. Let me read a short part of it:

> The Secretary is only required to prescribe performance criteria for solar heating and combined solar heating and cooling components and systems to be used in residential buildings. This requirement would not extend to commercial buildings.

Clearly, the committee bill bases eligibility for this investment tax credit on standards that are not established under the law. My amendment would simply remedy this situation, establish the needed standards, providing needed security to the consumer and the Federal Treasury. I ask for your support of the amendment.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I will be happy to yield to the gentleman.

Mr. ULLMAN. Mr. Chairman, this, as I understand it, is somewhat related to the Wylie amendment that we voted on in the other title of the bill. We did not take this provision up at that time since it relates to title V. But it clearly is a needed amendment. The Secretary of the Treasury is to set up standards as to qualifications for solar energy equipment rather than the Secretary of HUD since the latter has no authority to set standards under existing law for such property used by businesses. I have no objection to the amendment.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, we on our side also agree to accept the amendment.

Mr. DEVINE. Mr. Chairman, I thank the gentleman from Pennsylvania, and I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. DEVINE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment, which is labeled as amendment No. 2.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: On page 107, line 19, after the word "equipment" insert a period.

On page 107, line 20 strike all through the period on line 22.

On page 108, line 11, strike all through the period on page 109, line 5.

Mr. HECHLER of West Virginia. Mr. Chairman, this amendment strikes the fast tax writeoff and 60 months' depreciation for coal processing equipment, coal slurry pipelines, and shale oil conversion equipment. It preserves the fast tax writeoff for qualified waste equipment, as provided in the committee bill.

Every Member of Congress has received letters from constituents who are outraged by the rising electric costs, and these increase costs are due primarily to the incredible rise in the price of coal. Coal prices rose nearly 100 percent between October 1973 and October 1974 according to the Federal Power Commission. These price rises have led to record-breaking profits for coal companies.

For example, in the third quarter of 1974 the Nation's No. 2 coal producer, Consolidation Coal Co., registered a profit increase of—and I wish the Members would please listen to this—7,850 percent over third quarter 1973 profits. Island Creek, the No. 3 coal-producing company, racked up profit increases of 3,690 percent in the same period. For the full calendar year 1974, Pittston, the leading independent coal producer, reported earnings of $107 million, a profit increase of 602 percent over 1973.

Mr. Chairman, it seems to me, since this bill before us would in section 521 grant additional tax breaks in the form of speeded-up depreciation to coal companies for expenditures relating to gasification and liquefaction and to coal pipelines and shale oil conversion, I fail to understand how anyone can justify additional tax breaks to an industry which is already enjoying a major boom at the expense of the consumer.

There are many, many other tax breaks available to coal companies. For example, we already have the 10 percent coal depletion allowance.

One of my very good friends has needled me and asked me why I have never said anything against the coal depletion allowance. Well, I do not mind the coal depletion allowance, but if we are going to pile on more and more tax breaks and tax subsidies to benefit the coal industry I think it is outrageous.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to my friend, the gentleman from California.

PARLIAMENTARY INQUIRY

Mr. CORMAN. Mr. Chairman, I have a parliamentary inquiry.

The gentleman from West Virginia (Mr. Hechler) indicated that he was leaving in the bill the investment credit and some other provisions which we may want to look at later and delete. I am in support of the gentleman's amendment, but I want to make sure this would not hamper our opportunity to subsequently vote against some of the other investment credit provisions.

Mr. HECHLER of West Virginia. Is that a parliamentary inquiry or a question?

Mr. CORMAN. Mr. Chairman, it is a parliamentary inquiry.

The CHAIRMAN. Will the gentleman from California (Mr. Corman) restate his parliamentary inquiry?

Mr. CORMAN. Mr. Chairman, we are about to vote on the gentleman's amendment—and I hope it carries—to take away investment credit in relation to certain coal activities. The gentleman from West Virginia indicated he was leaving in place the special incentives for reclamation and some other activities such as recycling.

By adopting this amendment we would not cut off our opportunity to delete those other items subsequently, would we?

The CHAIRMAN. The Chair at this point would tentatively have to agree with the gentleman from California (Mr. Corman). However, the Chair would like to examine any additional amendments that are offered. At this point the Chair would be inclined to agree with the gentleman.

Mr. CORMAN. Mr. Chariman, I commend the gentleman for his amendment. I intend to support it.

I know that sometimes we get into a position where we adopt an amendment and cannot go back and have some other provisions adopted. I assume that this is merely to delete, and that subsequent motions to delete other things will also be in order. Is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. HECHLER of West Virginia. Mr. Chairman, I appreciate the support of the gentleman from California (Mr. Corman).

The coal industry already has, as I pointed out, a 10-percent coal depletion allowance. There is a development expense deduction available to coal companies which permits a writeoff in the cost of preparing a site for strip mining or digging shafts for deep mining.

An exploration deduction can also be taken, which permits an immediate writeoff of the expense of coal exploration, of determining the existence, location, quality, and extent of coal deposits.

In addition, there is a high level of funding through the ERDA budget for research and development for fossil fuels. Companies interested in building pilot plants can qualify for 67 percent Federal funding, and 50 percent Federal funds for demonstration plants. Certainly this type of funding is sufficient additional incentive for companies to go into these technologies. To offer an added tax break on the remaining portion of the financing is ridiculous.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. Hechler) has expired.

(By unanimous consent, Mr. Hechler was allowed to proceed for 2 additional minutes).

Mr. PEPPER. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. HECHLER of West Virginia. I yield for a parliamentary inquiry.

PARLIAMENTARY INQUIRY

Mr. PEPPER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PEPPER. Mr. Chairman, I just want to be sure, if possible, that an amendment which I propose to offer and is already filed at the desk and has been printed in the Record, which would allow those engaged in the production of coal the same amortization over a 5-year period for equipment used in bringing coal to the surface or equipment bought to produce more coal at a given mine than theretofore produced, would be precluded if the amendment of the able gentleman from West Virginia were adopted.

Mr. Chairman, would I be precluded, at a later time, from offering my amendment for the amortization?

The CHAIRMAN. The Chair advises the gentleman from Florida (Mr. Pepper) that he would not be precluded.

Mr. PEPPER. I thank the Chairman.

Mr. HECHLER of West Virginia. To continue, Mr. Chairman, finally, coal royalties may be treated as capital gains.

With all these vast tax breaks that the coal companies have, the huge profits are producing what we call in my part of the country "coallionaires" all over the area. We have the situation, Mr. Chairman, in Pikeville, Ky., alone where there are 52 millionaires who have been created this year as a result of the tremendous increase in the profits of the coal industry and the tax breaks which the coal industry gets. I come from one of the largest coal-producing districts in this country. I wish I could report to you that these profits are going to all the people.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. Yes, I yield to the gentleman from Ohio.

Mr. VANIK. Does the gentleman have the figures on coal production? Have these incentives increased substantially the amount of coal production?

Mr. HECHLER of West Virginia. It seems to me that these incentives and the attendant profits resulted in increased strip mining, but they have not resulted in any increase in deep mining throughout this country. In fact, the total production of coal has not substantially increased.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words.

I would like to get an agreement on time. I wonder whether we can agree to 15 minutes.

Mr. Chairman, I ask unanimous consent that all debate on this amendment cease in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. RONCALIO. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. ULLMAN. Mr. Chairman, if that is not enough time, we could make it 20 minutes. Would that be all right, reserving 5 minutes for the gentleman?

Mr. Chairman, I ask unanimous consent that we limit debate to 20 minutes on this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The Members who were standing at the time of the limitation of debate will be recognized for approximately 1¼ minutes each.

(By unanimous consent, Mr. STEIGER of Wisconsin yielded his time to Mr. Frenzel.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Corman).

Mr. CORMAN. Mr. Chairman, I wonder if I might inquire of the committee chairman the specific investments that this particular amendment covers?

Mr. ULLMAN. Will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Oregon.

Mr. ULLMAN. I think the gentleman from California is under a misapprehension from listening to the gentleman from West Virginia, but this provision applies only to coal gasification and liquefaction, to coal slurry pipelines, and oil shale development. It does not apply to all the things the gentleman referred to. And the coal millionaires are not involved in any way. This provides an incentive to develop new element of coal technology and does not to the entire coal industry.

Mr. HECHLER of West Virginia. Mr. Chairman, if the gentleman will yield, I pointed out the coal millionaires to indicate that the coal industry already has the other tax breaks, and why we must not pile an additional tax break on top of those. So I did not indicate in any way that it related to this.

(By unanimous consent, Mr. Frenzel yielded his time to Mr. Dent).

(By unanimous consent, Mr. Pepper yielded his time to Mr. Dent.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Dent).

Mr. DENT. Mr. Chairman, the gentleman who presented the amendment was not working in the coal fields prior to the time when all of the inducements they have had to give to the coal industry to try to keep it alive were put on the books although they were given inducements to try to carry on, and the blood transfusions, as one might call them, were given to the coal industry, it still was on its deathbed time after time in the last 50 years.

But the gentleman was not in the coal industry in those days.

The gentleman's State depends on coal. Much of my State does too. Now, all of a sudden we find ourselves with a condemnation of the coal industry, an industry that has had a harder time than any other single industry in the United States.

Many men have worked in the coal mines for a dollar a day. It is only recently that they were able to get anywhere near the necessary wages they need, such as are paid to other crafts in the United States.

Sure, there were the early coal barons, not in the gentleman's memory, but in mine. But there was not anything that anybody could do about that because there were no unions to defend the coal mine workers. But that has been eliminated as best we could. We now have black lung compensation, with no thanks to the gentleman from West Virginia. We have regulations on mine safety, with no thanks to the gentleman from West Virginia. If the gentleman wants to put this amendment in so that the gentleman's State does not benefit from the gasification of coal, the one and only single energy source that we know that we can depend on to energize this Nation's industry, heat its homes and carry on the commerce of this Nation, that is all right for him but not for the coal industry, the coal workers, the coal communities and above all the American people and our Nation. Somehow or other he has run on the basis of anticoal operators, antianything that they want, and it is his State that benefits from this very section of the bill that will be destroyed if his amendment prevails.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Wyoming.

Mr. RONCALIO. I appreciate the gentleman's yielding.

The State that will get the impact will be Wyoming, not West Virginia. The gasification plants, the coal liquefaction pipelines, are not planned for West Virginia. They are planned for Wyoming, with 2 in Montana and 11 of these plants in my State. It is relevant to what the gentleman proposes.

Mr. DENT. I thank the gentleman. The State will not have the gasification plants, perhaps, but they will have the coal, because there will be certain types of gas that will be needed for by-products of coal to be made from that very fine coal in West Virginia. That is not the point. The point is this. We are searching all over, anywhere that we can in any base that we can to meet this very serious crisis, which I say is as bad as a military war for this Nation. We have to resolve this energy crisis. We are at the mercy of the OPEC nations if we do not do something about it.

To try to take away the one real good feature of this bill, the one feature that should compel every Member of Congress to vote for this bill setting aside what they do not like in the bill. The impetus it will give to gasification and liquefaction of coal is inherent in this feature. We have energy needs that cannot be met from any other source. We have gas that can be produced both for pipeline gas and industrial gas. We can produce oil of the most refined type or industrial oil out of coal, and it is being produced in many places in the world.

We produce from coal the most expensive waxes used in industry. We can produce 112 by-products that bring back $18 for every dollar's worth of coal that is put in through the by-product refinery plants. Coal is such a marvelous mineral. It has been overlooked in our economic planning for too long, to the detriment of our people and danger to our people.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Wyoming briefly.

Mr. RONCALIO. I appreciate the gentleman's yielding.

If the gentleman gets so much out of 1 ton of coal and can make so many dollars, why does he need a fast tax writeoff?

Mr. DENT. I do not know what the gentleman is interested in. I have not been able to analyze his position. I thought that he would welcome coal production in his State, but if he does not, he can fight that battle somewhere else and not on my time.

The situation is this: We are faced with an amendment that wipes out the one most outstanding feature in this energy bill, and that feature is inducement for the production of energy from coal. Let me give the Members some facts. The one gas-producing plant that is now ready and able to be put into production cost $300 million. The $300 million can be handled by amortization and produce gas as cheaply as any oil available today anywhere. However, when we put on the interest rate, it runs it up to $900 million for that plant, and for every dollar of money put into the plant for production, $2 is added on for lenders of the money.

The gentleman from Wyoming can get after that, if he wants to do something and help us get out of this dangerous and precarious economic situation we find ourselves in.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman from Wyoming (Mr. RONCALIO).

(By unanimous consent, Messrs. GREEN and VANIK yielded their time to Mr. RONCALIO).

Mr. RONCALIO. Mr. Chairman, I think it is a Catch-22 tragedy that one can wait for 3 weeks to discuss an amendment of such momentous interest and importance to the people of Wyoming and come up with 1¾ minutes in which to discuss it. That is a commentary on the law-making concepts of a free democracy, and it is one about which we should do something. We took 2 hours for the President of Germany yesterday. We took 10-day recesses. We have all sorts of ceremonies.

Mr. Chairman, I rise in support of this amendment offered by Mr. HECHLER of West Virginia.

I am tired of hearing how important it is that we have become slaves to the OPEC countries and we must give our coal resources and industry people complete dominion; and then we fail to override a simple veto of a strip-mining bill. Here we are talking about a vast fortune to be made in every acre, of billions of dollars to be made in the coal business, and do we want to give a fast tax writeoff to the very people whose profits have gone up by 1,000 percent per year for the last 3 years.

This bill affects coal slurry pipelines. I want the Members to understand that in my State three of these coal slurry pipelines are planned and one of them would drill through the Madison Formation and take 23,000 acre-feet of water every year and send the lubricated powdered coal down to Arkansas and then the coal slurry pipeline people would sell that which they got free to the people in Arkansas at a profit and they would say we may take floodwater from the Arkansas River but we will take additional water from the Columbia for a second and a third and a fourth slurry line, but we will not dedicate 1 foot of it to the first line. Then they would say they propose a gasification line in northeastern Wyoming, the Madison Limestone Formation, and then they would take more of our water. What is to be left for the people to drink? What is to be left for the cows to drink? What is to be left for the people in the West if this keeps up?

All we say is, I am not opposed to their coal slurry line taking care of some of this surface water, or what is wrong with having them use glycerine or compressed air to run this line?

Now we would come along and we would allow this company not only to take our water without charge and make massive profits but also we would allow them to take a tax write-off and push it off onto the poor people. It would make my friend from West Virginia enraged? It would make a monstrosity, a scandal out of the coal business in Wyoming if we let this stand. Have a conscience and accept this amendment lest we become flagrant in what we are doing for the fast-dollar people in the coal business.

Mr. Chairman, I support this amendment offered by my good friend, the gentleman from West Virginia, which would eliminate an allowance, or deduction, with respect to the amortization of any qualified energy use property as defined in subsection b, one of which is a qualified coal pipeline, or coal slurry pipeline.

I think it is vitally important that we put into perspective, for our colleagues who may not be completely familiar with the issue of coal slurry pipelines, exactly what is involved.

Legislation is now pending in the House Interior Committee to grant rights-of-way across the Federal domain to these pipelines. Such a line is proposed from my State of Wyoming to Arkansas, and as my colleagues on the Interior Committee can attest to, I oppose the scheme until and unless its proponents dedicate surface water to its requirements. The question is not the line itself, which does have environmental advantages in transporting coal, but rather is the fact that the Wyoming to Arkansas line will extract some 20,000 acre-feet of water per year, for the next 40 to 45 years, from an underground aquifer in northeastern Wyoming, the Madison Limestone formation.

I oppose the Wyoming to Arkansas pipeline and the extraction of this water due to the scarcity of water in the arid West and the real need to know more about this Madison Formation. At the present, little is known regarding the present stored water capacity or the recharge capacity of this source.

With water availability being one of the major constraints on development of Wyoming and the West's energy resources, from where much of our future coal will be taken, it is inappropriate to move ahead with such a pipeline until those questions regarding water are answered. It would only be a further concession at this time to the pipeline companies to grant a tax allowance when it is yet to be determined if the effects of such a pipeline are truly in the best interest of the people and land of a given State.

I say a further concession, Mr. Chairman, in that the pipeline company in Wyoming drags its feet on investigating the alternatives of using surplus surface water to lubricate their lines. They frown on recycling water that could be desparately needed to reclaim strip-mined land in Wyoming. They are proposing to sell the water at the terminus of the pipeline to the power generating companies for their cooling processes, would not be paying any taxes on the coal they transport or the water they take. Now we propose giving them a tax break on the line itself. This makes the pipeline business a rather scandalous tax avoiding racket, frankly speaking.

In Wyoming the slurry people have not backed down one bit on the objections that Gov. Ed Herscher and I and others in the State have raised. In the best interest of my State of Wyoming, Mr. Chairman, I strongly oppose giving them an added tax dodge for a project with so many questions left unanswered. I, therefore, urge my colleagues to vote in favor of the amendment offered by Mr. Hechler.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Chairman, in response to the gentleman from Pennsylvania (Mr. Dent) I would like to say that as chairman of the Subcommittee on Energy Research, Development, and Demonstration (Fossil Fuels) of the Committee on Science and Technology, we are bringing to the floor a bill providing authorization of over $400 million for coal liquefaction and gasification, and other fossil fuels research and development. That is the way to do it, when Congress can have full oversight over how this money is to be expended. It should not be done through backdoor legislation by the taxing process. When it once gets into the tax code we will never be able to get it out, and never be able to check up on it. So I suggest that this is not the proper place to increase the take of our millionaires in the coal industry, and the proper place to spur coal gasification and liquefaction and other fossil fuels development is through the authorizing and appropriation process.

To put in this tax subsidy undermines the whole process of our authorizing and appropriating committees. We have too many tax benefits already for the coal industry. Why add one additional tax break to the coal industry through this type of tax subsidy?

In the interest of fairness and equity, and to protect congressional oversight, I urge support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. Gibbons).

Mr. GIBBONS. Mr. Chairman, I rise to ask: Do we really need to do this for the coal industry? I do not think we do. I think everyone in this room realizes a fast writeoff is a tax break, a fast writeoff is a benefit to the particular industry.

I ask: What is wrong with the market system? The coal industry is doing very well. The coal price is intimately tied to the price of oil and the price of oil is going up and continuing to go up. The price of coal is continuing to go up.

I think all we do when we add these incentives through the tax code is distort the allocation of our capital through our market system and we create more confusion for ourselves.

The facts and figures show that the coal industry is doing very well. They do not need any additional incentive to do the kind of work that needs to be done. The marketplace is enough incentive for them. The price of coal has risen fourfold as the price of oil has risen fourfold.

We are making a mockery out of our tax law. For every incentive of tax break we give, someone else has to make up this tax reduction.

Yesterday the House of Representatives turned down an $85 billion increase in the national debt and this new tax break is just going to add to our problems.

The CHAIRMAN. The Chair now recognizes the gentleman from Louisiana (Mr. Waggonner).

Mr. WAGGONNER. Mr. Chairman, we have heard the emotional appeals. The gentleman from Florida (Mr. Gibbons) did not make one. The gentleman from Florida (Mr. Gibbons) based his arguments on the merits of utilizing the tax structure to further existing economic goals in this country, and that should be the basis of the determination.

I do not have time to yield to the gentleman from Wyoming. The gentleman from Wyoming (Mr. Roncalio) yielded back time.

Mr. Chairman, the question is, whether we use the tax structure to accomplish economic goals in this country, we always have and we always should. Capital formation is the crying need of the economy in this country.

The gentleman from Pennsylvania (Mr. Dent) has told us the truth, that in the next decade we can have nothing as an alternative source of fuel in any quantity except coal and we have to make provisions to mine that coal and to market coal.

We need these tax incentives for the coal industry to be able to get equipment to mine coal. We need the pipelines along with this same consideration for the railroads to help transport it to the places that are going to use it.

Now, that is the crux of the argument. Because of the problems of capital formation, the coal mining people do not have the capital they need to open mines, to buy equipment to mine the coal that we must have in this country. A sound national energy policy demands this consideration of the coal industry.

Mr. Chairman, I submit that we ought to vote this amendment down. We must replace natural gas and fuel oil in the generating facility boilers as fast as we can as well as everywhere we can.

The CHAIRMAN. The Chair now recognizes the gentleman from Pennsylvania (Mr. Schneebeli).

Mr. SCHNEEBELI. Mr. Chairman, I oppose this amendment.

In our drive to achieve Project Independence and to relieve ourselves from the uncertainty of imported petroleum, we have two main alternative supplies of fuel. One is coal and the other is shale oil. Both of these would be denied the 5-year amortizations under the bill.

This fast amortization is not unique. We have 5-year amortizations in the tax laws at the present time for pollution control equipment, for railroad equipment and for coal mine safety equipment. This should also be extended to the alternative supply area which should make up our energy deficit which has been created by the difficulty we have with imported oil. We should make these two industries eligible for this 5-year amortization.

Mr. Chairman, I hope we vote down the amendment.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. Ullman), to close debate.

Mr. ULLMAN. Mr. Chairman, if we are going to have an energy solution in this country, coal and oil shale has to be a main ingredient. We have the advantage of the world's greatest supply of coal. We have an abundance of shale oil.

One of the biggest problems in getting coal out is getting it to the railroad, and the coal slurry pipeline can be a most effective way to do it.

Mr. Chairman, we looked at this carefully. It does not apply across the board. Much as we need it, we ought to be increasing our coal production by 10 percent a year. All we are doing is providing an incentive to the critical area of coal gasification and liquefaction, oil shale development, and coal slurry pipeline, which will just be given 5-year amortization for investments made through 1980.

I ask the House to oppose the amendment and support the committee in this very vital area.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. Hechler).

The amendment was rejected.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to address a question to the chairman of the committee. I represent a great agricultural area. We have thousands of irrigation wells—and a great availability of gas. The Federal Power Commission has been holding field hearings—one such hearing has been held in my own district—to determine whether or not the priority for the use of natural gas for irrigation wells for farming purposes should be No. 2 priority or No. 3. It is now No. 2.

Our concern is that natural gas for irrigation purposes may be reduced to an industrial No. 3 priority.

As I understand it, the bill could have the effect of reducing the priority for natural gas for irrigation wells to the industrial No. 3 priority. In the event of curtailment, this could have a disastrous effect upon the area which I represent, and, indeed, on many areas of the Southwest and the Midwest. Such an event would tend to almost destroy the economy of much of the area I represent. I could not possibly support a bill which would have such an effect.

Mr. Chairman, in testimony before the Federal Power Commission during a hearing to determine the effects of possible natural gas curtailment for irrigation purposes, Dr. Herbert W. Grubb, a former professor of agricultural economics and presently working for the Governor of the State of Texas, cited the following facts in connection with this issue.

He stated that in the High Plains region of west Texas approximately 65 percent of the region's 68,000 irrigation wells—or 44,200 wells—use internal combustion engines fueled with natural gas. Additionally, it must be pointed out that this represents approximately 90 to 95 percent of the water pumped for irrigation of crops in the region, as the other 19,787 wells are shallow and pump only small amounts of water.

The High Plains area of Texas is an enormously rich agricultural region, consisting of 56 counties in a State which ranks third in the Nation in terms of the value of agricultural production. In 1967, this area had cash receipts from farm marketings of $900 million; in 1972, cash receipts to farmers were $1.2 billion; and in 1973, the region's farms marketed $2.4 billion in agricultural commodities. During 1973, the High Plains produced 37 percent of the cash value of farm receipts in Texas. This same year, approximately 67 percent of the cotton, 53 percent of the grain sorghum, and 72 percent of the wheat in Texas was produced in the area. Furthermore, approximately 60 percent of the cotton produced in the High Plains, 49 percent of the wheat, and 86 percent of the grain sorghum was grown on irrigated acreage dependent largely on natural gas to pump the water for the fields.

All of these statistics are simply pointed out to show the great productivity of this region, and its great dependence on irrigation, and consequently, natural gas which powers the engines to pump the wells.

I just want the Chairman's assurance that the intent of this measure is otherwise, because if we once enact it into law, amending, changing, modifying it, would be almost impossible.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I want to give the gentleman every assurance that there was no such provision in this bill at all. What we have is a tax on business use of oil and gas and a full gamut of possible exemptions to the tax. We were not in a position to analyze the possible exemptions selectively, so all we did was provide a procedure whereby the FEA must report to the Congress by June 1 of next year and give us the whole gamut of exemptions that they believe are proper—and there are going to be a lot of them.

Then, we can enact them into the law next year. The tax does not go into effect until 1977. As far as I am concerned, the use the gentleman refers to is one that may well require an exemption from the tax bill.

Mr. MAHON. If the gentleman will permit, this bill itself, as I understand it, would mean that if we have allocation of natural gas, the allocation of gas for irrigation wells would be at the industrial level, which is a lower level, and we would have to enact legislation in order to change it. The chances of changing it might be very remote.

Mr. ULLMAN. I do not know where the gentleman gets that information. Any change in the allocation of natural gas is simply not in the bill. We do not do what the gentleman suggests. We do not change the priorities.

The only provision we have is that we are saying that in the use of gas, there are going to have to be a lot of exemptions to the excise tax, and we are providing a method whereby, as of June of 1976, we will consider those exemptions.

Mr. MAHON. What concerns me is not so much the tax, but if we have allocation and if our priority is reduced, then these wells could be sitting there idle, when a farmer may be in the midst of his planting or his cultivation. It could be disastrous.

Mr. ULLMAN. We do not have jurisdiction over allocations in any manner or form. There is no allocation of priorities in this bill. I assure the gentleman that what we are doing does not affect allocation priorities.

Mr. MAHON. Will the gentleman himself and members of his staff go into this matter more thoroughly, because I am disturbed about it and want to be sure that there is not the problem involved which I have presented.

Mr. ULLMAN. I am in full agreement with the gentleman. We certainly would not want to do what the gentleman suggests, and the bill does not do it. We will give him a full report.

Mr. MAHON. I thank the distinguished chairman of the committee.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, this is precisely why I introduced the amendment I did just a few moments ago on the floor. The fact of the matter is that all these various industries are going to be looked at and brought to the Congress, every single one, by the FEA or whoever does the study recommendation, and they will be approved by the committee. We could have done it a lot easier if the committee had accepted my amendment.

AMENDMENT OFFERED BY MR. GOLDWATER

Mr. GOLDWATER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOLDWATER: Page 125, lines 17 and 18, delete lines 17 and 18; and insert:

"(2) The amendment made by subsection (b) shall apply to property purchased after July 1, 1976."

Mr. GOLDWATER. Mr. Chairman, title V, part III, attempts to eliminate the investment tax credit for the insulation of air conditioning and space heaters by businesses. My amendment puts off for 1 year this exemption.

Mr. Chairman, the after market, or the retrofit market, of air conditioners and heaters is pretty big business in this country. The provision in the bill, in essence, eliminates any further tax credit on the installation of these so-called after market air conditioners and heaters.

Mr. Chairman, I applaud the efforts of the committee on what they are trying to do: in essence, to get people to move in and install energy efficient-type equipment, especially insulation, and to move into solar heating and cooling.

This is commendable, and I think a direction in which we need to move, but I think we also have to be realistic in the timetables that we set.

This particular provision in the bill, which eliminates the businessman, especially the small businessman, from having the benefit of a tax credit on an air conditioner or heater that he feels is needed for human comfort of his employees, would certainly provide a hardship on the small businessman. But likewise, it would disrupt, perhaps, the good-faith purchases and commitments that have already been made.

It appears to me that we have to be realistic in our approach. Yes; we want people to install energy-absorbing insulation in their businesses and in their homes. We want them to install solar heating and cooling devices. But we have to recognize that today there are many commitments that have been made to manufacturers, to marketers, and to retailers.

There are currently under construction literally thousands of buildings which would not meet this energy efficient program or requirement that we are mandating by this bill. To exempt this after market precisely when this bill goes into effect, in my estimation, I would suggest, is premature. It does not deal with reality.

If we are going to encourage people, we should not at the same time discourage them, given our current economic situation. We have a number of small businesses, manufacturers, wholesalers, and retailers who are already financially committed to purchase after-market heating and cooling equipment, and the effect of the current provision could be severely injurious and punitive to them rather than encouraging.

Mr. Chairman, this amendment would give them a 1-year extension, after which they would not receive the investment tax credit. I would suggest again that we be reasonable in our approach, and that we look at reality.

Let us give these manufacturers and distributors—many of them small businessmen who would be hurt—a fair notice so that they will have a reasonable opportunity to adjust and retool under the new policies which we are establishing here.

Mr. Chairman, I am hopeful that the members of this committee will look upon this suggestion as a reasonable one, and I am hopeful that they will support it.

Mr. GIBBONS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Forty-five Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I wonder if we can get a time limit on this amendment?

Mr. Chairman, I ask unanimous consent that we vote on this amendment in 5 minutes.

The CHAIRMAN. Is the gentleman from Oregon requesting a vote on the amendment in 5 minutes in addition to the 5 minutes allotted to the gentleman from Minnesota (Mr. Frenzel)?

Mr. FRENZEL. Mr. Chairman, may I withdraw my request to speak against the amendment?

I ask unanimous consent to withdraw my request.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Chairman, there is not much conservation left in this bill, but if we vote for the Goldwater amendment we will take out one more tiny little bit of useful energy policy. The bill provides that the investment tax credit for certain kinds of window air-conditioning units and unit heaters in commercial establishments will not be effective after the date in the bill. The gentleman from California (Mr. Goldwater) seeks to extend that time for over a year, which will cause a continuing incentive for the purchase of air-conditioners and heaters, which will only consume more energy. I understand the need for the gentleman from California to offer the amendment, but I think it runs counter to the purposes of the bill, and counter to a good national energy policy.

I hope the amendment is defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. Ullman).

Mr. ULLMAN. Mr. Chairman, I think that we can in no way justify continuing an investment tax credit for window air-conditioners and heating units used by businesses. It seems to me that the industries that the gentleman is talking about have until the time of the enactment of this bill to take advantage of the investment credit. It seems to me that is ample time. There is no way we can justify the extension of this investment credit. Therefore, Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Goldwater).

The amendment was rejected.

AMENDMENT OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Foley: Page 102, lines 18–19, strike out "(used in a trade or business described in section 46(c)(3)(B)(i))".

Mr. FOLEY. Mr. Chairman, the purpose of this amendment is simply to equalize the condition that would exist if industrial and commercial establishments generate their own electrical energy rather than purchase it from a private utility. Section 511 of title V of this act amends the code to provide exemption from the excise tax on petroleum and petroleum products for six classes of uses. One of those uses is utilities that utilize petroleum and petroleum products for the purpose of generating electricity for resale. There are some major industrial, as well as smaller industrial, complexes that generate their own electrical energy within their own plant system, and to deny them the opportunity to have a similar exemption from the excise tax which this amendment desires to do would be to put them into an unfavorable competitive situation with relation to industries that buy their electric generation energy from private utilities.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Georgia.

Mr. LANDRUM. I thank the gentleman for yielding.

What the gentleman from Washington has just stated with regard to this bill without the amendment which he proposes is true for the textile industry, especially true for many of the small textiles in this Nation, and especially so for those new textile developments that are built to use manmade fibers rather than cotton. So I commend the gentleman for his astuteness in bringing the amendment to the floor and support him wholeheartedly.

Mr. FOLEY. I thank the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. I thank the gentleman for yielding.

Mr. Chairman, we have inspected this amendment on our side. It makes a lot of sense. It should have been in the bill in the first place. It is a rational thing to do, and it is proper, and we support the amendment.

Mr. FOLEY. I appreciate the distinguished gentleman's support.

Mr. Chairman, very simply, all this amendment does is treat industries that generate their own electric power as having the same exemption as utilities that develop power for resale. It simply equalizes the conditions for industries that buy electric-generated power and industries that develop energy in their own plants. I hope the amendment will be adopted.

Mr. LONG of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Louisiana.

Mr. LONG of Louisiana. I thank the gentleman for yielding.

Mr. Chairman, I also congratulate the gentleman for bringing this up. It appears to me that it is perfectly in order, and I rise in support of the amendment. It seems to me that they are entitled to the same treatment as the electric industry.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

Mr. Chairman, I take it that there is an inadvertent error. The gentleman in his amendment has indicated that it should be inserted at page 102. My staff tells me that should be inserted at page 104.

Mr. FOLEY. Mr. Chairman, I ask unanimous consent to modify my amendment as follows:

In lieu of 102 insert 104.

The CHAIRMAN. Is there objection to the request of the gentlman from Washington?

There was no objection.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

Let me say to the gentleman the staff has studied the amendment. I have carefully considered it, and I have no objection to the amendment. It seems to me we should treat electrical power generated by the taxpayer in the same manner for this tax as electric power purchased by the taxpayer and generated by someone else.

Mr. FOLEY. I appreciate the statement of the Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. Foley) as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. DERRICK

Mr. DERRICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Derrick: Page 105, line 5, strike out "and"

Page 105, line 9, strike out "section 513" and insert in lieu thereof "section 513), and".

Page 105, immediately after line 9, insert the following:

"(G) in the preparation process and drying, bleaching, dyeing and printing and finishing processes for textiles, including carpets, and apparel products."

Mr. DERRICK. Mr. Chairman, it is my understanding that title V of this energy bill is for conservation purposes. The purpose of the excise taxes imposed by section 5 is to encourage industries to convert to other forms of fuel other than oil and natural gas.

This particular part of the textile industry that I address my amendment to is a part that is confined to the use of natural gas or the clean fuels for refinishing processes. Therefore it is impossible for them to convert to coal or to other dirtier forms of fuel. So what this amounts to is that we are imposing upon the textile industry a tax that they cannot avoid and this must of necessity be passed on to every man, woman and child in the United States as an additional cost for textile goods.

I think this is a very worthwhile exclusion from this bill. It will mean that the textile industry will not be placed in an unfair competitive position with the foreign textiles that we have been suffering from for so many years.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, do I understand that in the textile industry there is no way for them to convert to another energy source at all?

Mr. DERRICK. In the drying, bleaching, dyeing, printing, and finishing processes for textiles, that is my understanding.

Mr. ULLMAN. This does not include fuel for ordinary heating or any other similar purpose? This is a special industrial process that applies to textiles for what?

Mr. DERRICK. For drying, bleaching, dyeing, printing, and finishing processes. Yes, they have no alternative. This is the only way they can go, so it amounts to a tax that is being imposed on this particular industry.

Mr. ULLMAN. While I am sure this would be qualified for an exemption when exemptions are considered next year, I had hoped that would be put over until the FEA report is received and the Congress has time to consider that report, but other than that I would have no objection to it.

Mr. DERRICK. I thank the Chairman.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, I would say to the gentleman and to the chairman of the Ways and Means Committee that this is extremely essential to the textile industry and especially the carpet division of the textile industry which would find itself completely unable to manufacture some of the qualities it manufactures today if it did not have this exemption.

Mr. FOUNTAIN. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Mr. Chairman, I would like to associate myself with the gentleman from South Carolina and the gentleman from Georgia and say in particular we have been told by the Federal Power Commission that in the coming winter we are going to have a 60-percent shortage of natural gas which is necessary for the purposes already described, for the finishing process, where only natural gas can be used.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, because of the unique features of the textile industry, the amendment offered by the gentleman from South Carolina has great merit and we support it.

Mr. JENRETTE. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from South Carolina.

Mr. JENRETTE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from South Carolina (Mr. DERRICK).

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, at some risk, because for better or worse I have been accused of having my own kind of parochialism, as it relates to certain kinds of industries and products that have an impact on the State of Wisconsin, I would want the Committee to refer to page 61 of the committee report. In the report, we will find that the tax imposed by the provision to which the amendment of the gentleman from South Carolina goes, does not apply until after December 31, 1976.

Furthermore, we will find in the report that not later than June 1, 1976, the Administrator of the Federal Energy Administration is to present to Congress a report describing the findings and recommendations from his study to identify—

(1) the industries or industrial processes for which there is no economically feasible alternative to the use of petroleum or petroleum products,

(2) areas where conversion to other fuels is not feasible because of Federal, State, or local laws on pollution, and

(3) other uses which he believes should be exempted from this tax for other reasons.

Mr. Chairman, I raise this and read this section simply because it does seem to me that the Committee on Ways and Means was cognizant of the fact that the textile industry had problems, the glass industry had problems and the fertilizer industry might have problems. There are a number of industries, any one of which conceivably might not be able to make the switch and, thus, bear an unfair and unwarranted share of the new tax which goes into effect in January 1977.

These two dates were used to take cognizance of the very point that the gentleman from South Carolina is trying to make in his amendment.

My only concern is that I think we can carry this process of creating exceptions to the point that if we are not careful we will have done in the very point the Committee on Ways and Means tried to bring out.

Mr. MANN. Mr. Chairman, I will not stand here and tell this body I am entirely pleased with the bill before us. I am not. After months of hearings by the learned members of the Ways and Means Committee and 7 days of consideration by this House, I am afraid that H.R. 6860 contains little of substance with which to effectively combat the energy problem that is upon us.

Yet, the bill does include one provision that will significantly and negatively impact on the unemployment that we are supposedly trying to avoid in H.R. 6860. I refer to the graduated excise tax on industrial use of natural gas and oil as fuels.

Now, the bill recognizes that some industries are so heavily reliant on oil and/or natural gas that this new tax would be virtually unbearable. For instance, it exempts agriculture "because of the importance of agricultural products to the Nation's well being," to quote the committee report. It exempts utilities in certain cases because of the difficulty in obtaining alternate sources of fuel and in meeting environmental standards.

I submit to this House, Mr. Chairman, that the textile/apparel industry, one of the largest in my State and of vital economic importance to the entire Southeast should be exempt for the same reasons, along the lines suggested in the Derrick amendment.

When we have a recession, clothing is one of the first things that people do not buy, and the textile industry was suffering the effects of this recession before many of us knew it was upon us. In fact, in 1974, the textile industry in the Southeast laid off nearly 75,000 workers as earnings declined: 15,100 in my own State of South Carolina; 28,400 in North Carolina; 18,200 in Georgia; 4,400 in Virginia; 4,300 in Alabama; 4,200 in Tennessee; and 800 in Mississippi.

In the same way that textiles signal the beginning of a recession, however, the industry also hails the economy's improvement—when people have a little money in their pockets again, they start to stock up on the clothing they did without during the economic crisis. I am pleased to report that industry experts are now predicting that the industry is bottoming out, and will perhaps begin to pull out of its slump later this year.

But, not if Congress imposes a new tax on an industry which is for all practical purposes incapable of converting its natural gas and oil operations to other fuels.

The textile industry is already in a loss position with thousands of jobs down the drain. To penalize the industry and its employees through an excise tax, to penalize an industry which traditionally leads us out of an economic slump, is just not reasonable. For the good of the country, its economy and its workers, I urge my colleagues to accept Mr. DERRICK's well-reasoned amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina (Mr. DERRICK).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WHITE

Mr. WHITE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITE: Page 107, line 21, strike out "or".

Page 107, line 22, strike out the period and insert in lieu thereof a comma.

Page 107, immediately after line 22, insert the following:

"(E) qualified coal-mining equipment,

"(F) a qualified geothermal facility,

"(G) qualified solar energy equipment,

"(H) a qualified electrical generating facility,

"(I) a facility for the refining or processing of crude oil,

"(J) a facility for the processing of natural gas, or

"(K) a facility for the mining or processing of nuclear minerals."

Page 109, insert immediately after line 3 the following:

"(6) QUALIFIED COAL MINING EQUIPMENT.—The term 'qualified coal mining equipment' means any machinery or equipment (of a character subject to the allowance for depreciation) necessary—

"(A) to reach the coal,

"(B) to extract the coal,

"(C) to bring the coal to the mouth of the mine (or its equivalent), or

"(D) to restore the overburden or other to restore the property to a long-term stable condition.

"(7) QUALIFIED GEOTHERMAL FACILITY.—The term 'qualified geothermal facility' means any facility (which is of a character subject to the allowance of depreciation) for converting geothermal energy into electrical energy.

"(8) QUALIFIED SOLAR ENERGY EQUIPMENT.—The term 'qualified solar energy equipment' means any solar energy equipment as defined in section 44D(c)(2) (which is of a character subject to the allowance for depreciation).

"(9) QUALIFIED ELECTRICAL GENERATING FACILITIES.—The term 'qualified electrical generating facilities' means any facility for the generation of electricity which is of a character subject to the allowance for depreciation—

"(A) which generates such electricity from geothermal or nuclear energy, or

"(B) which generates electricity by any means other than using petroleum or petroleum products (including natural gas) as a fuel, and which the Federal Energy Administrator has certified as being a replacement for electrical generating capacity which was in existence on March 17, 1975, and which as of that date used petroleum or petroleum products (including natural gas) as its petroleum fuel."

Page 109, line 4, strike out "(6)" and insert "(10)".

Mr. WHITE. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WHITE. Mr. Chairman, my amendment would provide for additional properties that qualify for the 5-year amortization program under title 5 of the bill. Such properties to be added are: coal mining equipment, geothermal facilities, solar energy equipment, electrical generating facilities, facilities for refining or processing of crude oil, facilities for the processing of natural gas, or a facility for the mining or processing of nuclear minerals.

The amortization provisions in part II of title 5 presently provide for the 5-year amortization writeoffs for facilities to change coal to gas or liquid, to change waste into fuel, and to convert shale into oil. These provisions, as described by its subtitle, are intended to be a business incentive for energy conservation and conversion. I commend the committee for its foresight in seeing the amortization feature as an effective catalyst for investment in energy conservation.

But, we must go further in this energy tax bill. Amortization for the production of energy as well as for energy conservation will be necessary before we can realize energy independence in the next 10 years.

The investment incentive of a 5-year amortization should not stop with coal and shale oil conversions. We in Congress have enacted significant legislation to develop other sources of energy—namely, solar energy and geothermal energy. In addition, nuclear power is likely to be the foremost form of primary energy for the production of electricity. All of these energy forms should be included in the amortization provisions of the bill.

In addition, we should speed up the production of coal, oil and gas. I have included facilities for these energy forms in my amendment. As we embark on an ambitious program to become self-sufficient, we must remember that even with shifts to coal and other energy sources, oil and gas will remain an extremely significant part of the energy spectrum.

Oil was the largest source of primary energy in 1970, and will continue to be in 1985 because it is so versatile. Among the sources of primary energy (primary energy: oil, natural gas, coal, water power, and nuclear) oil is the only one that is used in all five of the major energy markets—major energy markets: industrial, electric utility, transportation, residential, and commercial. The Nation's needs for both oil and natural gas in the 1970–85 period will be very much greater than in the preceding 15 years. If these needs are to be met from domestic sources (without any proportional increase in the dependence on foreign supplies), the petroleum industry would have to carry on a drilling effort more than twice as great as in the last decade. According to a report compiled by Chase Manhattan, the probable cost of such efforts, including related activities, would be at least $140 billion.

The need for capital funds is by no means limited to the amount of money that would have to be devoted to the search for oil and natural gas and the development and conversion to other energy sources. As the Nation's requirements meet its predicted levels, we will see the need for greater investments in energy facilities for refinement and processing, transportation and equipment. The oil and gas industry alone, according to the Chase Manhattan report, would have to invest about $85 billion in order to produce adequate new sources of petroleum within the next 10 years.

My amendment would cover a fuller energy spectrum in the amortization program. The cost of energy independence will undoubtedly be expensive. Estimates have run as high as over one-half a trillion dollars. But, this way we would have that money circulated at home and stimulate the job market.

As presently structured, the bill attempts to strongly encourage energy conversion and conservation efforts by offering depreciation and other tax advantages. Upon reflection, it must occur to all of us that it is inimical to our overall goal not to allow this same encouragement to maintain traditional production while we are struggling through the rocky corridors of conservation and conversion.

There is universal agreement that oil and gas will remain the primary energy sources of this country for at least another decade. Ten years admittedly is not a major consideration in terms of our overall history, but I submit that it is an eternity in terms of tenure for a continuing energy crisis. I would remind all of my colleagues that this Congress has already eliminated the traditional depletion allowance for the oil and gas industry which for many, many years allowed this country to enjoy its full energy needs at prices envied by the rest of the world. Now we are saying let us encourage energy conservation and conversion by offering attractive depreciation allowances. I agree with this philosophy generally. But I feel it is unreal to deny these same advantages to an industry which we expect to sustain us over the next 10 years while such conversions and conservation efforts evolve into reality.

I earnestly solicit your support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that we conclude debate on this amendment in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for 1 minute.

The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, the immediate objective of any defensible energy program should be the production of more oil and gas. They are the minerals which offer us the only realistic possibility of meeting the energy crisis in the short run.

The amendment of the gentleman from Texas (Mr. WHITE) does precisely that. It will encourage greater energy exploration in the fields of oil, coal, and gas; and it will accelerate the production of more fuel for this country. It would also stimulate development in the future of our solar and geothermal resources.

Mr. Chairman, I want to heartily endorse the amendment which has been proposed, and I urge that the House adopt the amendment which has been submitted by the gentleman from Texas (Mr. WHITE).

We need more oil and gas. To obtain these energy essentials is going to require huge sums of capital. To accumulate that capital we must have incentives that encourage investment in oil and gas—investments from the single share stockholder as well as the big banker.

This amendment would accomplish that immediately in the fields of coal, oil, and gas, and would also provide in the future for the development of our long-range energy resources. I urge its adoption.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I rise in reluctant opposition to the amendment. Again it is well motivated, and everyone knows there is a capital formulation problem in the energy industry. Nevertheless, the amendment offered by the gentleman from Texas would probably treble the tax credits that are now in the bill. In many cases it would be offering tax credits where they would not produce necessarily any additional energy, where the investment would be made in any case. It seems to me the amendment is too broad. It is something that should be further considered by the committee. I urge that we reject the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, if I could have the attention of the gentleman from Texas (Mr. WHITE) I would like to ask the gentleman if he will ask for unanimous consent to strike section (I), "A facility for the refining or processing of crude oil," and section (J), "A facility for the production of natural gas," so his provision would not be so broad. Would the gentleman accept that if I offered a unanimous-consent request? I do not want to affect the amendment.

Mr. WHITE. Mr. Chairman, if the gentleman will yield, I will defer to the chairman of the committee for an answer.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the chairman of the committee.

Mr. ULLMAN. Mr. Chairman, we look at these matters in the committee. So far as (F) and (G) are concerned, I have no problem. With respect to (K), I do not know how extensive that would be. When we get into (H), "Qualified electrical generating equipment," we specifically disapproved this proposal in committee. And then you get into oil and gas.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, the preliminary estimate is that, even though in the first couple of years a potential revenue gain is estimated, revenue loss comes to something like $263 million when you get to 1980.

The chairman of the committee is correct. We specifically rejected at least a part of the White amendment in committee.

Mr. Chairman, I would think that this committee ought not to undertake what is in effect a piecemeal effort to deal with what all of us recognize is a very real problem. That is the reason why I for one was pleased by the announcement of the committee that capital formation is to be part of the agenda for the first phase of tax reform, which we go into starting next week and will consider in July and September.

It does not make any sense to me to pick up certain kinds of processing and energy-related concerns in our efforts to deal with this issue. I think we ought to put them in an overall package.

Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, I would just like to have us take a look at what we are doing right now.

First of all, this committee has defeated every effort to tighten up on any of the tax incentives or what some of us consider loopholes. We have defeated every one of those. But we have passed, except for one very minor item, every one calling for the expansion of incentives or the creation of new loopholes.

The only good thing left in this bill is import quotas.

If this bill gets so loaded down with bad tax law, some of us will not be able to vote for it on final passage. If we are going to give away all the money the chairman of the Committee on Appropriations says we ought to collect so he can spend it, we are in dire straits.

This one little piddly amendment involves over a quarter of a billion dollars. Pretty soon we are going to get to the point where we are going to have to vote against this bill, simply because it is such abominable tax law.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I could not agree with my colleague, the gentleman from California (Mr. CORMAN), any more. Many of us already think this is abominable tax law, so I am glad he has brought out that point.

Let me say that the reason I am for this amendment is that it gives us incentives to produce energy. That is what we are supposed to do on energy legislation. What is wrong with that?

We constantly pass legislation to tax and tax, and we get everybody in the position where they do not want to produce the things we want them to produce.

Mr. Chairman, this amendment gives them some incentive to produce energy. I say that we ought to agree to the amendment, and I am for it.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, I oppose this amendment

The committee announced yesterday that it is going to address itself to the subject of capital formation. This is one of the areas where we address ourselves to the subject of capital formation. I think it has not been considered by the committee in depth before this.

Earlier this week, as the Members will recall, we discussed the matter of a debt ceiling and deficits. This amendment will just increase our deficits even further. I think we wrestled with that problem with considerable anguish, and I for one do not want to increase the deficits. That is what would happen as a result of these particular items (I) and (J), which are totally unnecessary for the production of energy, because the creation of facilities will be made without this tax encouragement.

Mr. Chairman, I am opposed to this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. WHITE).

Mr. WHITE. Mr. Chairman, in an energy-short Nation, at a time when we are striving to encourage investment and encourage the finding of new sources, this is one direct and needed way to develop energy sources which we are going to need in order to become independent from foreign sources.

This will allow, hopefully, many areas of energy to be developed, and it will encourage people to invest more money for equipment at a time when we have removed many of the other incentives that have been enjoyed over the past years.

Mr. Chairman, we must provide that incentive or we will not get the oil we need to make us independent.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), to close debate.

Mr. ULLMAN. Mr. Chairman, the gentleman from Texas (Mr. WHITE) would attempt to put a number of new items under a 5-year amortization. I must strongly oppose the amendment.

There are some items in the gentleman's amendment that I think we might take a look at in the future, but the committee did examine very carefully most of these matters and decided not to include them in the bill. The cost in 1980 would be some $263 million annually.

Mr. Chairman, we think that is not justified in this bill, and, therefore, we oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WHITE).

The amendment was rejected.

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: On page 108, in line 4, after the word "burning" insert the following: "only waste or".

Mr. ASHLEY. Mr. Chairman, my amendment would clarify the language of H.R. 6860 as it relates to the 5-year amortization of qualified waste equipment on pages 107 and 108 of the bill, and cover an obvious oversight in this section of the bill.

As the legislation was finally reported from the committee, the definition of what equipment and machinery would be eligible as "qualified waste equipment" included equipment that was "necessary to permit the use of waste as fuel in a facility burning a combination of waste and oil as its principal fuel."

As drafted, the language in the bill would not allow the amortization allowance for a more efficient facility for the burning of waste only. Such systems are available. They have been proven around the world in more than 80 applications, and such a system is now under construction in Saugus, Mass.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. Yes, I yield to the gentleman from Oregon.

Mr. ULLMAN. Do I understand that the gentleman's amendment applies on page 107 where we have provided "Qualified Energy Use Property" for purposes of this section, and then we define "Qualified Waste Equipment," where the term "qualified waste" means equipment and so on? In subparagraph (A) of that definition it says: "necessary to permit the use of waste as a fuel in a facility burning a combination of waste and oil . . ."

What the gentleman would do would be to change that provision to include facilities that burn waste only, so that the provision applies to equipment necessary to permit the use of waste as a fuel in a facility burning only waste or a combination of waste and oil?

Mr. ASHLEY. Yes, that is correct.

Mr. ULLMAN. That amendment certainly is in full accord with the purposes of the committee.

Mr. Chairman, I commend the gentleman. It is a good amendment, and the committee will support it.

Mr. ASHLEY. I thank the chairman.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate the gentleman's yielding.

Am I correct in understanding that the gentleman has two amendments and has just offered one?

Mr. ASHLEY. Yes, that is right.

Mr. STEIGER of Wisconsin. This is the one that deals with the use of the word "only"?

Mr. ASHLEY. Yes.

Mr. STEIGER of Wisconsin. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHLEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY. On page 108, strike line 23 and insert the following "a liquid, gaseous or clean solid state."

Mr. ASHLEY. Mr. Chairman, this amendment is aimed at essentially the same purpose, namely, to bring the bill into conformity with the report.

The bill provides, as we know, a 5-year amortization deduction for certain qualified energy use property. One of the four kinds of this property is "qualified coal processing equipment," which is described as follows:

> The term "qualified coal processing equipment" means any machinery or equipment (of a character subject to the allowance for depreciation) for processing coal into a liquid or gaseous state.

The problem with this language is that it omits solid state products. That omission, it seems clear to me, was an oversight, since the committee report, on page 64, describes the "solvent refined coal" process as one kind of process qualifying as coal processing equipment.

Since this process produces a product that is a clean solid and not a liquid or gas, the language of the bill should be amended, I believe, as I have proposed.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I would be happy to yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, the purpose of the amendment offered by the gentleman from Ohio (Mr. ASHLEY) is to include qualified coal processing equipment specifically for the purpose of addressing a liquefaction process. The gentleman from Ohio would include, in addition to liquid or gaseous, the words, "or clean solid state." The problem that we have is not with the intent of the gentleman from Ohio, because what the gentleman is referring to is a solid state as part of a liquid process—in other words, it is transforming the coal to a state that will become liquid at a lower temperature than normal for coal.

Mr. ASHLEY. That is correct.

If I may, Mr. Chairman, the solvent refined coal process has generally been referred to as a "liquification." It is basically the addition of hydrogen to the carbon molecule which, if carried out to a sufficient degree, will result in a liquid—at room temperature—product. Some solvent refined coal plants presently under design will stop short, however, of a full liquification. As currently designed, these plants will produce a "near liquid," in other words, a product that is solid at room temperature, but which will melt or turn into a liquid at approximately 350° to 450° F. The melting point of coal itself in its original state is about 2,500 ° F.

The reason these plants are designed so as to produce a room temperature solid is that the solid form has many advantages in further uses such as shipping ease in existing coal cars, handling in existing coal-burning power stations, and so forth. In the liquification process, of course, the coal has been desulfurized and deashed while being processed into a near liquid state.

That is what is involved here. And the language of the report does refer to this type of process.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. Of course, I yield to the gentleman from Oregon.

Mr. ULLMAN. Although the committee did not specifically refer to this issue, it would appear to me that this process of transforming coal into a state that, while solid at normal temperatures, yet is liquid at the temperature at which the industrial process is performed, should be classified as liquefaction. However, I would hope that the gentleman from Ohio would withdraw his amendment, because there would clearly be some misunderstanding if we were to include all coal of the "clean solid state" as proposed.

Mr. ASHLEY. Mr. Chairman, I ask unanimous consent that I may withdraw my amendment, as requested by the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN).

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Are there further amendments to title V?

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman. I wonder if I could direct a question to the Chairman of the committee, the gentleman from Oregon (Mr. ULLMAN). If there are no further amendments, is it the intention of the gentleman from Oregon to move that the Committee rise now, or is it the intention of the gentleman to bring this to a vote?

Mr. ULLMAN. Mr. Chairman, if the gentleman would yield, I would hope that as many amendments as can be offered will be offered this afternoon, and if the gentleman from Wisconsin has an amendment I wish that the gentleman would so offer it.

Mr. STEIGER of Wisconsin. Mr. Chairman, I do not have an amendment. However, I do not want to let this time go by without discussing the motion to recommit. I am dead serious. I do not know what the gentleman has in mind. I would be really grateful if the gentleman would be willing to deal with that.

Mr. ULLMAN. There are some additional amendments, I would say to the gentleman from Wisconsin, that will be offered. It will be the intention of the Chairman of the Committee to move that the Committee rise at a point when we do not have sponsors on the floor in There are only, I think, a few amendments, and then we would hopefully conclude at an early hour tomorrow. There are only, I think a few amendments that might be offered tomorrow.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate very much the clarification of the gentleman from Oregon. Thus, I shall not take the time of the Committee tonight to discuss the motion that will be offered tomorrow, hopefully by the gentleman from New York. Failing that, I am prepared to offer it.

Mr. ULLMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, had come to no resolution thereon.

RURAL DEVELOPMENT: BROKEN PROMISES

(Mr. ROSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSE. Mr. Speaker, the Subcommittee on Family Farms and Rural Development of the Committee on Agriculture has just finished two exhaustive days of oversight into the administration of—and expenditures under—the Rural Development Act of 1972.

As chairman of this subcommittee, I was astounded and saddened to learn that the Department of Agriculture has used precious little of the authority given it under this legislation to improve the quality of life in rural America.

For the past 2 days, we have made a section-by-section analysis of the statute and asked Department officials for detailed responses on how they have implemented the specific mandates of the act. Time after time we were told that some particular authority had not been implemented because some other agency within USDA or some other department or agency of the Government was providing similar service.

After numerous such responses, I observed that if the officials of the Rural Development Service had been around two centuries ago when the Bill of Rights was being considered, they might have said it was a good idea. But why bother, since we already have the Ten Commandments?

Mr. Speaker, the Rural Development Act—duly enacted by the Congress and signed into law by the President—says that the Secretary of Agriculture "shall assume responsibility for coordinating a nationwide rural development program." The act further directs him to "utilize to the maximum extent practicable" each of the offices within his Department "to enhance rural development."

This has not been done.

Specifically, the assistance to the small cities and towns of this country envisioned in this law has not been carried out.

Expanded grant and loan programs for water and sewer construction in rural America have not been implemented.

The mandate of Congress for adequate rural housing through rent supplements and other programs has been ignored.

Title IV of the act providing a program of rural community fire protection has been totally neglected. The President even attempted to rescind the funds forced on the Department by the Appropriations Committee. Only after Congress rejected this effort did the money begin flowing to State forestry officials.

Minimal funding of title V, which provides research and education moneys, produced some spectacular success stories of dying towns given new life through self-help motivation. Yet, the administration does not recommend that these efforts be continued, but argues instead that the agricultural research stations or the extension service could do the job as well.

Hardly a protest was made when the Office of Management and Budget arbitrarily eliminated "rural development" as a functional category within the Federal budget—yet the Secretary is charged with providing "leadership and coordination within the executive branch" by this law.

It is one thing, Mr. Speaker, to fight the good fight and lose. But not to fight at all is to betray the hopes and dreams of those millions of citizens who still have faith in rural America.

The facts presented at these hearings show that every time rural development comes up for funding, the administration has consistently refused to request that funding. In addition, the administration has shown a continuing disregard for the intent of the act by transferring funds, ignoring mandates of the various titles of the act, and switching funding sources.

When the Congress passed the Rural Development Act, the directive to the Department of Agriculture was that this legislation was the vehicle to channel the tax dollars of rural America back to their communities.

From what we have seen during these hearings, the Department is laughing in the faces of rural America—laughter that I and other members of the subcommittee strongly resent.

In the past, as OMB has gone, so have gone the Members of Congress who were thoroughly intimidated by the awesome power of the Budget and the arm-twisting tactics of the executive branch.

But now, Mr. Speaker, there is new blood here—a new Congress, with a new Agriculture Committee and a new Budget Committee.

I told the Assistant Secretary of Agriculture for Rural Development, Mr. William W. Erwin, and a dozen of his associates responsible for administering this act, that our subcommittee was prepared to give them a little transfusion of courage so that they can fight for full funding for rural America.

Mr. Speaker, the New York Times this week headlined the results of new projections by the Census Bureau indicating the rural areas of the country are growing faster than urban areas.

People are moving out of urban areas at a greater rate than others are moving in. This trend is without precedent. Since 1790, our young agrarian Nation has moved toward an urban society.

An old farmer in my district had a very profound comment about all the city folks moving into the rural areas: "Whatever it is they're trying to get away from, they're bringing it with them."

These problems—health, housing, pollution of water and air, transportation—are the problems caused by people. And these are the very problems the Rural Development Act is designed to confront.

The promise of a better life is still vivid for most of rural America. The Congress has given the Department of Agriculture the mandate and authority to make that promise come true. They must act to see that it does.

DANGERS OF UNCONTROLLED BUREAUCRACY

(Mr. SCHEUER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SCHEUER. Mr. Speaker, an incident occurred yesterday at Chicago's O'Hare International Airport which illustrates the dangers of uncontrolled bureaucracy, and the absurd consequences of bureaucrats thoughtlessly running through their routine procedures with no sense of proportion or good judgment.

Thomas Smith, a citizen of the Republic of Ireland, applied for and received a visa to visit his brother Frank, a contractor living in Chicago. Frank provided Tom with the plane fare for his visit and planned also to provide for Tom's expenses during his visit to the United States. Not surprisingly, therefore, when Tom arrived at the Chicago airport, he was not carrying much cash with him because he expected that Frank would be there to meet him. Unfortunately for the two Smith brothers, Tom was not on the flight which Frank came to O'Hare to meet. Tom arrived several hours earlier than Frank expected and, in the crowds and commotion of O'Hare International Airport, the two brothers never did find each other. While Frank was looking for Tom, and Tom was trying to find Frank, the Immigration and Naturalization Service had already corralled Tom. Within only a few hours of Tom's arrival in "the land of the free," officials of the U.S. Government sent Tom Smith packing, back on a plane to Ireland.

When American immigration officials examined Tom's papers, they decided that Tom did not deserve to visit the United States because he only had $15 in his pocket, even though he had qualified for the visitor's visa given him in Ireland. Instead of allowing Tom a few more minutes for his brother to find him, arrogant and insensitive immigration officials detained him and induced him to sign a withdrawal form, rescinding his application to enter the United States.

Mr. Speaker, if this had happened to you, you would have fought successfully to escape the bureaucratic tangle in which you had unwittingly become enmeshed. But Tom Smith, a workingman from Dublin, was not about to take on the U.S. Government within minutes after completing a long transatlantic flight and suffering from the jetlag that usually afflicts each of us. So he was packed off unceremoniously.

Immigration officials now dismiss this travesty as an "unfortunate inconvenience" and they thoughtfully offer Tom the opportunity to apply for another visa and try it all over again. Well, Mr. Speaker, this would not wash. It simply would not do. Through no fault of his own—and only as a result of bureaucracy gone berserk—Tom Smith was ejected from the United States. Of course, it was all done according to the fine print, we are assured. But nowhere is it written that Federal regulations are to be applied—robot-like—without any regard to decency or common horsesense, and that inexorable bureaucratic routine must not be interrupted under any circumstances in the interests of simple justice, or tempered in the interests of simple humanity. Is there a single national interest that was served by this man's peremptory and mindless explusion from the soil of America? I think not.

Therefore, Mr. Speaker, I am introducing today a bill to compensate Tom Smith in some small measure for the injustice done him. Tom should have the chance to visit his brother, and he should not be made to pay for a second plane ticket. The very least we can do is to give Tom the means to come here again, and in this way, apologize for the stupidity he has endured on our Government's account.

ROLL CALL: A CAPITOL INSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Michel) is recognized for 60 minutes.

Mr. MICHEL. Mr. Speaker, those of us who spend our days working in the Congress of the United States find that a great many pressures tend to divide us one from the other. We are Republicans or Democrats, conservatives or liberals, for the bill of the moment or against the bill of the moment, in favor of the administration policy on the "Whatsit Program," or opposed to the administration policy on the "Whatsit Program." We respond to our individual constituencies, which differ greatly one from the other. We differ in our backgrounds, our outlooks, our sense of priorities, and our politics.

But through it all, we are, in a very real sense, a community. Senators, Congressmen, staffers, great and small, interns, pages, policepersons, elevator operators, custodians, and hangers-on—we are the people of that microcosm of America known as the U.S. Congress.

And since we are a community, I think it is particularly appropriate for us to pause today and honor one of the institutions of Capitol Hill, our community newspaper, Roll Call.

Amid all the things that divide us, Roll Call is a unifying force. We look forward each week to reading its particular brand of creative and informative journalism—chuckling at a Mark Russell barb, raising an eyebrow at the announcement of a key staff switch, nodding agreement with a sympathetic article on a retiring Member, noting with interest an insightful discussion of operations and policies.

Roll Call is about us, and it is us. We are grateful for it.

I think that 20 years ago this week, when Sid Yudain saw the first issue of Roll Call come off the presses, he knew it would be like this. He knew there was a need, and the success of his enterprise is testimony to the fact that he knew how to fill it.

Five years ago, on the occasion of the 15th anniversary of the newspaper, he wrote:

> Roll Call's success is due to a unique formula of hard political news, blended with satire, topical humor, and light insights into big problems and important persons. Roll Call is the hometown newspaper of Congress, the most important community in the world. It tells its readers which of them are retiring, which are seeking other office, who is in the hospital, who has had a baby, who is getting married. It kids them and praises them and criticizes them from an inside post. It is a part of them.

Indeed it is. We read it; we like it; we trust it.

And so we came together today to congratulate Sid Yudain, editor and publisher of Roll Call throughout its 20 years, and his staff for the outstanding contribution they make to our congressional community, and to wish them all the success in the world as they begin the second 20 years of Roll Call.

Mr. RHODES. Mr. Speaker, this week marks the 20th anniversary of Roll Call, our own Capitol Hill newspaper. I have been in the Congress during the time this informative little paper has been turned out.

Roll Call has consistently been newsy, and has dealt in depth with the functions of the Congress, and the doings of the people who work here. The paper has served to instill a sense of community in our busy Capitol scene.

I join my colleagues in the House in congratulating publisher Sid Yudain for two decades of dedicated newspapering, and for turning out one of the most respected, and most quoted weekly newspapers in America. May I wish Sid, and Roll Call, many more years of reporting life on the Hill.

Mr. de la GARZA. Mr. Speaker, in my office, and I suspect in most other offices around here, there comes a pause in the day's occupation when the latest issue of the newspaper of Capitol Hill issues from the press.

Roll Call perhaps does not have the largest circulation of any newspaper in the world, but I venture to say that it may well be the most thoroughly read paper published today. I read it. Members of my staff read it. I take it home to my wife and she reads it. My children read it—even our dog "Charlie Brown" reads it!

For 20 years Sid Yudain has been working, and with notable success, to produce a publication that uniquely belongs to Capitol Hill. I join my colleagues in congratulating him on his continuing achievement and in wishing for him and Roll Call many more years of sprightly coverage of personalities and events that are of deep interest to all of us here.

Mrs. MINK. Mr. Speaker, there are a number of periodic publications circulated on Capitol Hill which have proved to be invaluable to those of us who attempt to keep current with activities of the Congress. Among them is Roll Call, the newspaper of Capitol Hill. I am pleased to join my colleagues in congratulating the publishers of this weekly and those who labor so dilligently to fill the gaps in our knowledge of matters of importance to the Congress.

Typical of the enterprise of the reporting staff is the front page article in the June 19, 1975, issue of the paper by George M. Lies and Lois Romano which I reviewed with great interest as a member of a particular minority of this body. The article outlines the findings of a study which purports to confirm the often-circulated story that there is discrimination against women in the matter of equal pay for equal work in the hiring of staff. I congratulate Mr. Lies and Ms. Romano for giving this matter such prominent coverage, and hope that the findings of the study to which they refer will act as a catalyst for changes in the system where necessary.

It is all very well for us to have available for the Members the daily publication of the Congressional Record and the weekly reports from Congressional Quarterly. I think that most of my colleagues will agree that anyone who wants to know what is really happening on Capitol Hill has to read Roll Call as well. I wish them well for another successful and productive 20 years.

Mr. WINN. Mr. Speaker, in honor of the 20th anniversary of Roll Call, I asked my staffers, all of whom are avid readers of the publication, to submit their tributes in rhyme. I think you can see from the following limericks, that the opinions vary somewhat:

Ode to Roll Call, I

There once was a paper, Roll Call
Which brought humor and news to all.
Now, twenty years later
Its value is greater
And worthy of praise from this hall.

Ode to Roll Call, II

There was a young fellow named Sid
Who started Roll Call as a kid.
And twenty years later
It was all the greater
And due all the praise I can give.

Ode to Roll Call, III

Filled with gossip for page after page,
Its importance one scarcely can gage.
It is read with great glee,
But its best use, you see,
Is for lining your parakeet's cage.

Mr. Speaker, judging by the reaction of my staffers who eagerly await the Thursday afternoon mail delivery for their copies, I would venture to guess that Roll Call is the one most thoroughly read publication on the Hill, surpasssing such giants as the Congressional Record, the Washington Post, and the Wall Street Journal.

I say this, because I believe Roll Call fulfills a great need on Capitol Hill. Like its counterparts in cities and towns throughout the Nation, Roll Call is truly a community newspaper. It provides the type of information people enjoy reading, and in doing so, it serves to unite the diverse interests of the thousands of employees on Capitol Hill.

Mr. Speaker, I salute Roll Call, and would like to take this opportunity to extend to Sid Yudain and his staff my very best wishes for another 20 successful years.

Mr. FLOOD. Mr. Speaker, at the ripe old age of 20, Roll Call looms as one of the giants of publishing in the National Capital region.

Its circulation is not in the hundreds of thousands, but its influence is legendary. I dare say that in comparison to other newspapers in this Nation, Roll Call has the most prestigious, influential readership of any publication in this country. The men who make the laws and the judiciary who deal with them are but a small part of those influential Americans who read this powerful weekly newspaper.

Since 1955, Sid Yudain and his capable staff have offered Capitol Hill the finest, incisive news review of the activities of the Congress and its employees. Whether you are looking for an apartment on the Hill, or if your interest lies in the makeup of a caucus, Roll Call is the key to the information which is being sought.

As a veteran of service on this Hill, it is a source of consolation that Roll Call has lived and prospered for two decades. Sid Yudain is deserving of any congratulation and good wishes which will be extended today, and on this great occasion, to Sid and Roll Call, may I say "ad multos annos."

Mr. ADDABBO. Mr. Speaker, this week marks the 20th anniversary of Roll Call, the newspaper which has won the respect and readership of thousands who work on or are interested in activities on Capitol Hill. I congratulate Roll Call for its continuing nonpartisan coverage of Hill activities and I want to commend the editor-publisher of Roll Call, Mr. Sidney Yudain for his outstanding leadership in maintaining the high quality of his publication.

Sid Yudain has been a familiar face on Capitol Hill for many years and his fair and straightforward news coverage combined with a sense of humor and wit have made Roll Call the popular newspaper which it is today.

I wish Sid and Roll Call continued success and a very pleasant 20th anniversary.

Mr. POAGE. Mr. Speaker, I am happy to join with many other Members of this body in extending hearty congratulations to Roll Call and its publisher, Sid Yudain, on the 20th anniversary of the newspaper's founding.

Roll Call has rendered a unique and valuable service to the Capitol Hill community in keeping us abreast of activities which interest us all and which sometimes are not recorded in the larger media.

I know that Roll Call will continue its excellent coverage of the Congress and its staff. We look forward to enjoying this outstanding weekly publication for many years to come.

Mr. MITCHELL of New York. Mr. Speaker, I am pleased to join in this special tribute to Roll Call, Capitol Hill's own newspaper, upon the occasion of its 20th anniversary.

As a newcomer to Washington in late 1972, I quickly learned that Roll Call was a valuable resource for information for and about the Congress, its activities and the people who make it tick. I have been a faithful reader since.

Roll Call has a well-earned reputation for being both timely and accurate. In addition to providing us with good, hard news about the business of the Congress, this articulate voice of Capitol Hill humanizes those engaged in that business by bringing to us information that helps us better know those with whom we come in daily contact as together we seek to best represent the interests of the people we are privileged to represent and the Nation we are honored to serve.

Roll Call has a productive history, proud present and promising future. Congratulations are well deserved by Sid Yudain and his capable staff.

Mr. MORGAN. Mr. Speaker, when that lively infant, Roll Call, was born among us 20 years ago few Members of Congress could have guessed what we were in for.

Roll Call over the past two decades has put its spotlight on the facts on matters of widespread interest in the Congress. It has brought us inside glimpses of what goes on behind the scenes. It has given us closeups of the people who are Capitol Hill. It has spiced our activities with humor.

Roll Call has been nonpartisan, irreverent, and fun to read.

So I say happy birthday to Sid Yudain and his staff, and best wishes for many more birthdays to come.

Mr. HANLEY. Mr. Speaker, I am pleased to join with my colleagues in wishing Roll Call a happy 20th birthday. I offer Sid Yudain my congratulations and best wishes on this happy occasion.

Roll Call serves an important and vital purpose for the congressional community, and I hope that we will have the opportunity for many years to come to be informed and entertained by Roll Call. Sid has done and is doing a great job. He is a great guy, and I wish him the best of everything.

Mr. SIKES. Mr. Speaker, 20 years ago this month, Roll Call appeared on the scene. It was and remains the only newspaper for the 535 Members of the U.S. Congress and for the large and growing community of men and women who toil with them in the legislative vineyards.

I call the Hill a community because that is what all of us who work here are: A community, a small town of a few thousand drawn together by what the experts call our occupational orientation.

Every small town needs its newspaper, and in the way it serves us, Roll Call is a direct parallel to the small circulation weekly that is still so essential to American journalism. It accomplishes with skill and finesse all the functions of a community newspaper.

Roll Call informs. It is the self-described newspaper of Capitol Hill, and as such, serves the invaluable purpose of keeping us all aware of just what goes on here. It covers the whole spectrum of activity including legislation, congressional organization, staff news, social life on the Hill, and election prospects.

Roll Call entertains. Mark Russell is an unfailing source of good laughs. Lois Romano's "Around the Hill" is helpful in keeping tabs on friends and acquaintances, and Sid Yudain's own contribution, "Sid Bits," gives extra depth and dimension to the coverage.

Perhaps most important, Roll Call serves all these vital functions with undisguised zest and enjoyment. Sid Yudain and his young reporters have become living landmarks on the Hill. They can be seen at almost any time of the day or night along the Capitol's corridors in search of a good story.

And so the little giant of Capitol Hill is 20 years old, and although the law specifies 21 years as the age of majority, I think that as a long-time personal friend of Sid, I can stretch the definition a little and declare Roll Call legally of age. My warmest regards to Sid Yudain and his capable staff on this occasion.

Mr. HÉBERT. Mr. Speaker, I want to congratulate my good friend Sid Yudain and the entire Roll Call staff on the celebration of the 20th birthday of "the newspaper of Capitol Hill."

I was serving in Congress when Roll Call had its humble beginnings, and being a former newspaperman, I followed Sid's venture with interest. His capable guidance and efforts has made Roll Call an institution on Capitol Hill.

It does an excellent job of reporting hard news and items of interest to the world's most unique community. And its dash of humor is certainly needed these days.

Roll Call has made its mark on the Hill, and I extend a sincere happy birthday. I hope it continues to be a part of us for many more years.

In this world of sensitive politics, Roll Call is one of the few things Members of Congress can agree upon. We all feel it does a great job and provides a needed service for us.

Mr. BOB WILSON. Mr. Speaker, I would like to take this opportunity to congratulate Roll Call on its 20 years of successful publication. Having been on the Hill for over 20 years, I have watched Roll Call grow into the outstanding newspaper that it is.

Roll Call gives those of us working in the Capitol the kind of information that helps us keep in touch with our counterparts in other offices. There is a saying in the Navy that the first 20 years are the hardest. If this is the case, then for Roll Call it is clear sailing from here.

Mr. DERWINSKI. Mr. Speaker, I always have been inclined to take a somewhat jaundiced view of self-righteous newspaper mastheads. Happily, I have found an exception. Roll Call, as its masthead proclaims, is, indeed, "the newspaper of Capitol Hill." That is why I am pleased to join in a tribute to Roll Call on the occasion of its 20th anniversary. To put it simply, I have grown accustomed to its face and to its pace.

Sidney Yudain, Roll Call's editor and publisher, can be proud of his editorial product. In concentrating on Congress with its many different political, economic, and religious viewpoints, Roll Call has put a premium on objectivity and nonpartisanship. When it takes a critical stance, it has the facts. Roll Call is equally quick to praise, but again only when the facts justify such comment. It is difficult to raise a protest against that type of treatment.

As a regular, long-time Roll Call reader, I have always found its columns entertaining, informative, and lively. Roll Call has consistently exhibited a knack for cutting through the flow of manufactured news to put the issues and personalities involved into proper perspective.

Over the years, I have been impressed by Roll Call's straightforward accounts on the various congressional campaigns. Roll Call makes it easy to identify all of the players and the issues, and, more often than not, is on target in predicting winners.

Anyone familiar with Capitol Hill also knows that Roll Call provides Members with the capacity to be aware of the needs, routines, and capabilities of congressional employees. Roll Call keeps us conscious of our responsibilities as employers as well as lawmakers.

For 20 years, Roll Call has been the reliable chronicler of congressional developments. As it starts its third decade of publication, I am convinced its performance always will keep pace with the objective in the masthead. I think that has been the secret of Roll Call's success. It does what it says it will do.

In addition to the accolades being paid Sid as editor and publisher of Roll Call, I wish to also call attention to Sidney Yudain, a truly unique individual.

During his more than 20 years in Washington, Sid has been a very interested and actively involved personage in the Capitol Hill community. His knowledge of the Hill is renowned and his likable personality can be detected in the paper he publishes. He is an outstanding dedicated citizen, a highly respected family man, and champion of the legislative branch of our Government. My congratulations and best wishes to the man and his paper.

Mr. ROSTENKOWSKI. Mr. Speaker, today is the 20th anniversary of the founding of Roll Call as the first weekly newspaper on and exclusively about Capitol Hill. I would like to wish Roll Call a happy birthday with the anticipation of many more to come.

Sid Yudain, the founder and editor of Roll Call is as familiar a personality on the Hill as many of us here in the well today. He is to be congratulated on the high standards he has set and maintained over these last 20 years.

Roll Call has been a cohesive force in helping to create the environment of kinship that exists among congressional offices. I wish Roll Call a happy anniversary and continued success.

Mr. WAMPLER. Mr. Speaker, Roll Call has been an institution on Capitol Hill for 20 years—long enough to make it difficult to recall what the Hill was like without this friendly, personal, newsy little publication.

As with all of us, it was a good bit smaller when it was young, but its quality must have been evident from the beginning or it would not have survived over so many years as perhaps the most popular reading material on the Hill.

In many ways, Capitol Hill is like a small town, made up of groups of people who know the members of their own group well, who know the members of some other groups slightly, and who do not know the rest of the inhabitants at all. Like a small community newspaper, Roll Call is a cohesive force that keeps us in touch with our friends' activities and also gives us news of the many other groups about which we would otherwise know nothing.

To me the most outstanding quality of Roll Call is that in this era of "permissive" newspapers it still sticks to "all the news that's fit to print." It steers clear of innuendo, slanted reporting, controversial subjects, and anything else that would hurt people or their feelings. It is as fair and nonpartisan as anything I can think of in this intensely political atmosphere in which we live and work. Such high standards are indeed rare in the publishing world today.

I want to heartily congratulate Roll Call and its editor-publisher, Sid Yudain, on the 20th anniversary of the founding of this newspaper, and especially on the fact that it reaches this anniversary in a healthy and thriving condition. May it continue to flourish and celebrate many more anniversaries.

Mr. HORTON. Mr. Speaker, I wish to add my personal thanks to all those who have worked the past 20 years to publish Roll Call, the newspaper of Capitol Hill.

Roll Call has consistently represented journalism at its best. Through extensive and impartial coverage of congressional news, it has provided an invaluable service to its readers.

Special recognition should go to Roll Call's editor and publisher, Sidney Yudain, for his singular contribution to life on Capitol Hill. I extend to him, and to his fine staff of journalists, my sincere congratulations on their 20th anniversary.

Mr. ROBINSON. Mr. Speaker, it is a pleasure to join in recognizing the 20th anniversary of Roll Call, which might be termed the "almost official" newspaper of Capitol Hill.

Not being a 10th-termer, I cannot claim to have followed Sidney Yudain's project from its inception. I took its weekly appearance for granted, and, being of the minority, I was particularly pleased to note that the paper seemed to live up to its pledge of being nonpartisan in reporting, praising, or spoofing what goes on in and around the Capitol.

Mr. Yudain not only has allotted space to enlightening writings by Members and staff of the Congress, but also to considerable harmless nonsense serving as an excuse for someone around here to see his or her byline in print.

In the area of hard news, Roll Call has scored a number of "beats" on the Washington daily newspapers, but, more importantly, I think, Roll Call helps us to realize that we can and should approach our work seriously without taking ourselves too seriously.

Mr. CLEVELAND. Mr. Speaker, I could say many complimentary things about Roll Call on the occasion of its 20th anniversary but my most sincere praise must, of necessity, be based on the uniquely responsible manner in which Roll Call has served my State of New Hampshire and the entire Nation by giving such prominent and incisive coverage to the contested Wyman-Durkin Senate election race. In my opinion, Roll Call has, more than any other publication outside of New Hampshire, attempted to keep the Members of the Congress and our State legislatures aware of what has been happening in the perspective of the many considerations which are involved. In so doing it has upheld the fundamental traditions of the fourth estate and, I hope, helped lead the Senate to a decision which will, in turn, be in accordance with its basic traditions of integrity and justice.

Mr. FUQUA. Mr. Speaker, Roll Call fills a need on Capitol Hill.

Our newspapers in our districts and here in Washington give us stories of international, national, and local events, but only Roll Call is concerned with the very personal side of the Congress.

Many times, the Members' staffs of Congress learn of the passing of the spouse of a former Member or such happy events as a marriage or a birth. The "big" stories about Capitol Hill may not be of prime interest in some other section of the country, or really even to Washington, but they are of tremendous interest to our community on the Hill.

And when you mention a community, an institution such as Roll Call helps make it a community. All of us are generally so busy with our various responsibilities that we do not have the time or the opportunity to learn of large and small events about our friends and acquaintances here.

That is the purpose of a local newspaper, and that is the purpose of our local newspaper.

There have been many times when I have been most interested in a story about a State society function, an anniversary, or just a human interest story.

Just a week or so ago I was delighted to learn that a friend and former colleague is expecting to become a father. That is what Roll Call has meant to our office and I commend Sidney Yudain for his efforts in giving us such a fine publication.

Someone mentioned to me that 20 years is one-tenth of the time of our Republic. I think it is not just the length of time, but the quality of the efforts of Mr. Yudain and his staff that deserve the recognition which we express today.

As one Member of Congress, I appreciate that contribution. I appreciate those efforts and extend my warmest personal congratulations, and those of my staff, on this singular occasion.

Mr. ROYBAL. Mr. Speaker, it is a rare pleasure and privilege to rise in honor of an event as significant as the 20th anniversary of Congress' own newspaper—Roll Call.

I have served in Congress since 1963. When I first came to Washington, I was offered many helpful hints on how to be a better legislator—seek out the advice of senior colleagues, hire a qualified and experienced staff, read the Congressional Record. And, there was a good deal of validity to each of these suggestions.

But there is one way to a better understanding of Congress that I picked up on my own—and that is to be sure to read Roll Call, Congress' own newspaper.

Under the skillful leadership of its editor, Sidney Yudain, Roll Call covers Congress and Capitol Hill as does no other publication. Other newspapers record congressional events in a more cursory manner. Elsewhere issues are described in general terms, or by quoting a few Members, or by reporting votes. But we who sit in Congress know about how a bill really becomes a law. We recognize that Congress is made up of individuals, not just of pages in the Congressional Record.

That, I think, is where Roll Call excels. It covers in an extraordinary fashion the components of Congress—the behind-the-scenes activities that we in the House and Senate know are important parts of our legislative process. We in the House and Senate recognize that our national legislature is a legislature of people, and Roll Call does a most admirable job in covering Congress by covering the people within.

When it comes to covering internal

congressional operations—and I am not speaking of Roll Call's social column but its news articles—when it comes to covering changes in Congress as an institution, Roll Call is quite simply without parallel.

A good deal of the credit for both the quality and popularity of Roll Call goes, as I mentioned before, to its editor, Mr. Yudain. His insight into congressional happenings is undoubtedly responsible for the esteem in which Roll Call is held by Congresspeople—and I mean by that word not just Members but staff and all others associated with Congress—by Congresspeople of all persuasions and ideologies.

A last word, if I might, about Roll Call's social function. Those of us who work on Capitol Hill know that in many ways the Hill is a community unto itself. And like any other community, people move around and sometimes lose touch with one another. Members, for one reason or another, sometimes leave Congress. Staff members similarly change positions and move from one office to another, on, or perhaps off, Capitol Hill.

Roll Call, in its own inimitable way, manages to keep track of many of these people. I enjoy reading about a former colleague of mine who has gone on to distinguish himself in another area. And I know my staff is constantly commenting about mention in Roll Call of people who previously worked in an office adjoining ours, or perhaps in another California office, and with whom our office has lost touch. Just as small communities throughout our Nation have a newspaper to cover local events, so do we on the Hill have Roll Call.

I know as one legislator, I never miss a Roll Call. And, once again, I congratulate Sid Yudain and the entire Roll Call staff, past and present, on the occasion of their 20th anniversary.

Mr. RAILSBACK. Mr. Speaker, every industry in America has a vital trade paper that serves its needs. Show business people turn unfailingly to Variety to catch the news, trends, and personalities of their business. Everyone in the apparel industry reads Women's Wear Daily to find out what fabric will be in or what skirt length will be out next season. Even aficionados of the track stop by the newsstand every morning to pick up a copy of the Daily Telegraph so they can begin figuring the handicaps on the day's races.

With similar avidity, Members of Congress and their staffs read our own trade paper, Roll Call. Roll Call has always billed itself as the newspaper of Capitol Hill, and this is exactly what it is: It informs and entertains us, and even nudges us from time to time. I personally find it most enjoyable to learn what my own staff has really been up to and also find it most interesting to skim Roll Call's election predictions.

Roll Call is the brainchild of Sid Yudain. Sid founded Roll Call 20 years ago, in 1955, and, as editor-publisher, has gathered a very talented and dedicated news staff.

And so, on the occasion of this 20th anniversary, let me extend my warmest personal congratulations to everyone at Roll Call. You are indispensable to the Hill—you are serving as Rona Barret, Joe Alsop, Jack Anderson, and Art Buchwald all rolled into one. Capitol Hill would certainly be a duller place were you not here.

Mr. CARTER. Mr. Speaker, it gives me great pleasure to congratulate Mr. Sidney Yudain, editor and publisher of Roll Call, on a successful first 20 years of serving the community of Capitol Hill.

As the "only newspaper written for, by, and about the U.S. Congress," Roll Call has performed an important service. Roll Call articles and features on Members and their staffs, as well as its incisive news articles, make for enjoyable and instructive reading.

I join with my colleagues in extending best wishes on the occasion of this anniversary and want to offer my most sincere wish to Mr. Yudain for many more successful years of publishing Roll Call.

Mr. SCHNEEBELI. Mr. Speaker, on behalf of myself, my staff, my family, and numerous friends, I am pleased to join in congratulating Roll Call on its 20th anniversary.

My staff and I have subscribed to it for years, and Mrs. Schneebeli and I have found it to be an appreciated gift for friends, providing out-of-towners with an insider's view of the news and gossip of Capitol Hill.

We wish Sid Yudain and the entire Roll Call staff well as they mark this milestone, and look forward to their continued success.

Mr. MONTGOMERY. Mr. Speaker, I would like to commend Congressman MICHEL and the other Members who have taken the initiative to sponsor this special order today in order that we might pay tribute to a truly outstanding weekly newspaper—Roll Call.

Known as the voice of Capitol Hill, Roll Call has kept the congressional family informed for 20 years. With its straightforward news reporting, searching editorials, and witty and urbane columns, the newspaper has become a way of life for all of us. The first thing I do every Thursday upon returning to my office from the House floor is to read my copy of Roll Call to learn the latest. And truly Roll Call is the latest on the inner workings of Capitol Hill.

I commend my good friend Sid Yudain for his newspaper and thank him for the enlightment he has brought to me and thousands of others over the years. Happy birthday Roll Call and best wishes for many more years to come.

Mr. QUILLEN. Mr. Speaker, I would like to join my colleagues today in paying tribute to the 20th anniversary of the founding of Roll Call, a publication which has truly become a distinctive Capitol Hill institution.

The credit for the establishment of Roll Call goes to none other than its outstanding editor and publisher, Sidney Yudain. His expertise of the political system has given him foresight in writing many interesting articles about the inner workings of the Congress, as well as providing other "Sid Bits" of knowledge.

Roll Call is indeed "the newspaper of Capitol Hill," and the only one written for, by, and about the U.S. Congress.

I want to take this opportunity to extend my heartiest congratulations and best wishes to Sidney Yudain for a job well done—I know under his leadership Roll Call will continue to entertain and inform Members of Congress and their staffs for many more years to come.

Mr. BROWN of Ohio. Mr. Speaker, it is a pleasure to join with my colleagues in recognizing the 20th anniversary of a proud tradition on Capitol Hill, the Roll Call newspaper.

As a newspaperman myself, it is with great satisfaction that I see the efforts of others to exercise the responsibilities and duties of the Government's watchdog. Freedom of the press is one of our most cherished principles. Those who enjoy that freedom with due heed to the responsibility to be fair and accurate deserve our sincere thanks.

My congratulations to Editor-Publisher Sidney Yudain for continuing distinction in the challenging world of journalism.

Mr. SHRIVER. Mr. Speaker, it is a pleasure to join in this salute to Roll Call, the weekly newspaper of our Capitol Hill community. I congratulate Sid Yudain, editor and publisher, of this newspaper which has covered Congress with understanding, depth, and good humor for 20 years. It has indeed become an institution on Capitol Hill which is widely read by Members and staff each week.

Mr. YOUNG of Florida. Mr. Speaker, it is a pleasure to join my colleagues in this special order to commemorate the 20th anniversary of the founding of Roll Call newspaper, and to congratulate its editor-publisher Sid Yudain.

Roll Call has become a unique institution, chronicling on a weekly basis the inside events of Capitol Hill and the fads and foibles of its inhabitants. Every Thursday, Roll Call gives us the inside scoop on the Hill and entertains us with lively commentary on events and personalities.

I join my colleagues in wishing Sid Yudain another 20 years of Roll Call and pleasure to its readers.

Mr. MATSUNAGA. Mr. Speaker, this week marks the 20th anniversary of a unique publication—Roll Call, The Newspaper of Capitol Hill. During its 20 years on "the Hill," Roll Call has specialized in providing information, analysis, and entertainment for those of us who labor in both the House and the Senate. As a longtime reader of Roll Call, and a regular subscriber, I am happy to join in this tribute to Capitol Hill's own newspaper. I wish for Editor Sid Yudain and his capable staff many more years of success and service to the people on "the Hill."

Mr. REUSS. Mr. Speaker, I join in congratulating Roll Call on its 20th birthday. Roll Call and I began our Capitol Hill careers the same year, so I take special pleasure in this occasion. Lively, and amusing, Roll Call covers news which is off the regular beat of the big metropolitan dailies, but is very eagerly read in the Capitol Hill community. We need diversity in our news media, and Roll Call is helping to provide it. I wish it a happy 20th birthday, and many more to come.

Mr. WYDLER. Mr. Speaker, today is the 20th anniversary of Roll Call. My congratulations go to this first-class publication, which is the unofficial but very important publication of the Congress. I hope it enjoys many more years of well earned success.

Mr. CHARLES H. WILSON of California. Mr. Speaker, during my 12 years in the House of Representatives, I have been by turns enlightened and amused by the Capitol Hill coverage of our own Roll Call newspaper which celebrates its 20th anniversary this week. Roll Call, the hometown newspaper of Congress, is enjoyed by all Hillites as the only publication which gives them valuable news about the day-to-day workings of Congress.

In 1955, Sidney Yudain, Roll Call's feisty and farsighted editor/publisher, was startled to learn that, while Members of Congress could count on the daily press to keep them informed of legislative activities, they had very little information about each other. But Sid Yudain's background uniquely qualified him to fill this need. For, as the youngest of five brothers in a family whose members all editorialized in a series of local newspapers, he learned early that he must publish to get his viewpoint across. He continued this avocation in the Army and in subsequent stints on community newspapers and radio stations where his wry wit and sharp observations gained him a wide audience.

Roll Call was indeed an idea whose time had come. Its first printing of 10,000 copies was rushed to Capitol Hill via a Capitol Police cruiser from Georgetown. And its first correspondents were all Members of Congress until 1958 when full-time staffers were brought on board. And, in its 20-year history, this fine newspaper has utilized very distinguished feature writers, including Presidents Eisenhower, Kennedy, and Johnson.

A nonpartisan weekly with hard-hitting editorials, Roll Call's coverage of Hill activities unites both sides of the political aisle. Telling readers who is retiring, ailing, getting married, seeking other office, Roll Call also provides incisive analyses of issues, fascinating features on behind-the-scenes legislative horse-trading, and lively guides to area entertainment. Readers can also chuckle every week as Mark Russell, that "Top Banana of Politics," regales with his front page witticisms.

For Roll Call has a marvelous sense of fun—no doubt inspired by Sid Yudain's zany sense of humor and genuine love for Capitol Hill. He is dedicated to uniting the diverse congressional community through such popular events as the annual congressional ball game. And in the political ball game, he is no rookie, either, for Roll Call's October projections of elections has proven over 95 percent accurate.

At age 20, Roll Call is still in the flush of youth; and, judging by its performance to date, our newspaper can look forward to a ripe and lusty old age.

Mr. DEL CLAWSON. Mr. Speaker, Roll Call and Sid Yudain are synonymous in their use around Capitol Hill. It is impossible to mention one without immediately thinking of the other. This familiarity reveals the very personal and affectionate manner in which Sid and his publication have been accepted by Members of Congress and their staffs, as well as the hundreds of administration and committee officials and staff personnel. Party lines have been effectively bridged, and the weekly issue of Roll Call is no respecter of persons, adding flavor to its popular appeal.

My first real personal contact with Sid Yudain was an evening event in 1963 when we attempted to, in a musical way—using that term loosely and advisedly—entertain the audience at one of the secretaries' annual parties in the Longworth Cafeteria. We enjoyed ourselves so much in the performance that, regardless of audience reaction and in complete oblivion to any outside acceptance or rejection, the duo has continued through the years without abatement. Not even a drop of the hat is necessary to obtain a response from Yudain and CLAWSON, saxophones and whatever. Yes, Sid has more than one talent; even his recent addition to the Yudain family attests to that fact. That proud father image emerges frequently in these latter days. Sid enjoys and contributes to a good party any time on Capitol Hill, and is well known for his own exceptional hospitality.

It is a personal privilege and pleasure to join in this special tribute to Roll Call and its publisher, Sidney Yudain, on the occasion of the forthcoming 20th anniversary. Happy birthday, Sid, for making Roll Call as near to an inhouse organ as any publication will ever be for the Congress of the United States. The tidbits of gossip, the unparalleled Washington humor, the more serious side of the news contained in Roll Call make this Thursday tabloid a very welcome addition to our reading diet. Just time for one chorus of the "Anniversary Waltz" before you begin the next 20 years. Glad that you finally obtained a new horn.

Mr. JOHNSON of California. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to a fine Capitol Hill institution—one that has served this Congress and the Nation with distinction for two decades.

Roll Call is a true hometown newspaper and to our community, which is Congress and those working with the Congress, it serves much of the same mission as do the weekly hometown newspapers throughout the Nation. They are the chronicle and the conscience of our own towns. Roll Call is no less for Capitol Hill.

Under the skilled and dedicated guidance of Editor Sid Yudain and his fine wife and outstanding staff, Roll Call provides outstanding coverage of all activities of Capitol Hill. Not only do they discuss behind-the-scenes actions and current issues, but they offer much in the way of humor and personal news, never for a moment forgetting it is the individual who makes this Congress work.

It is with pride, therefore, that I extend to "the hometown newspaper of Congress" my heartiest congratulations and best wishes on its 20th anniversary and may I wish Sid and his colleagues continued success for decades to come.

Mr. STAGGERS. Mr. Speaker, it is pure pleasure to join with my colleagues in paying tribute to the official voice of Capitol Hill, the newspaper well named Roll Call, and to its guiding spirit, the incomparable Sidney Yudain.

The Hill is an incredibly diverse and self-serving colony of transplants. Yet, under the skilled orchestration of master musician Yudain, its denizens become an idyllic symphony of harmony and contentment. Young and old, male and female, find the Hill enormously attractive. News coming out of the closely crowded halls of legislature is free of bias and acrimony. It provokes no violence. It starts no riots. To the contrary, it promotes friendly and highly efficient cooperation in numberless matters of interest and benefit to Members of the Congress and to their thousands of employees.

It is a temptation to suggest that the public press might well take lessons from Roll Call. In spite of its loud protestations of public leadership, the press remains incorrigibly adversary. Nothing of the sort besmears the pages of Roll Call. Its editor dreams only of spreading pleasure and enlightenment far and wide. It is genius combined with character. For it we honor the individual who has brought us to this happy moment. Twenty successful years lie behind his efforts. May the good years before him stretch out indefinitely into the future.

Mr. CEDERBERG. Mr. Speaker, I join with my distinguished colleagues in saluting the Roll Call newspaper, on this, the 20th anniversary of its publication.

Roll Call, with its informative commentary, its candid views and profiles on people who make up the Capitol Hill scene, and its humor—which has sustained us during many a long session, helping us to laugh at ourselves on occasion—this tabloid has, indeed, become an institution here on Capitol Hill.

Roll Call has successfuly continued to present fresh and viable dialogue, insight, and entertainment for two decades, and I think that all involved with Roll Call can be proud of the contribution this newspaper makes to helping Members and staffers be better informed.

Mr. McHUGH. Mr. Speaker, I would like to direct the attention of my colleagues to an extremely noteworthy occasion being commemorated this week on Capitol Hill. Twenty years ago, the Capitol community's newspaper, Roll Call, was founded under the leadership of Sidney Yudain.

During its two decades of publication, Roll Call has developed a reputation for its perceptive and intelligent portrayal of life within the Capitol community. Leaving reportage of the day-to-day deliberations of Congress to journalists of a different stripe, Mr. Yudain and the Roll Call staff have sought to foster a greater unity of interest out of the many divergent lifestyles found on Capitol Hill.

Sidney Yudain's efforts as publisher

and editor have done much to ease newcomers into the bustling pace of life on the Hill. Speaking as a first-term Member of Congress, I would like to commend Mr. Yudain for the professional standard of Roll Call and say that I look forward to reading as many future issues as my constituents allow me to. And as one whose staff includes many fresh faces on the Hill, as well as many capable veterans, I would like to express my appreciation to Roll Call for making the transition to life in Washington so much easier.

GENERAL LEAVE

Mr. EMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of today's special order by the gentleman from Illinois (Mr. Michel).

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

ARMED SERVICES APPROPRIATIONS DEBATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Koch) is recognized for 60 minutes.

Mr. KOCH. Mr. Speaker, the debate on the armed services authorizing legislation will be repeated when the armed services appropriations bill comes to the floor. I believe that the Members ought to have as many facts as possible bearing upon the armed services appropriations so that we will be prepared to debate the scope of that bill, now authorized at $26.5 billion, intelligently. In pursuit of that objective I had prepared for me a number of questions for response by those familiar with the various weapons systems and operations of the military.

I believe that the questions inquiring about the various weapons systems and the responses, labeled as position paper 1 and position paper 2, will be helpful to our colleagues in the formulation of their own opinions on the matter.

I point out, to avoid confusion on the part of the reader that the position papers were developed separately, and in both papers, there are often several questions incorporated in one response.

The questions and responses follow:

Questions and Responses

Question 1: What operational superiority would the Trident submarine, equipped with Trident II missiles, have over a Poseidon submarine equipped with Trident I missiles?

POSITION PAPER NO. 1

Answer to Question 1:

A. Present SSBNs were all deployed in the seven-year period between 1960 and 1967. Some are 15 years old today, and will be in their third decade of operation when the Trident submarines come into inventory in the late '70s and early '80s. (The first submarines represented an accelerated effort to attain a sea-based deterrent. Smaller attack submarines under construction were literally cut in half to allow insertion of a missile compartment to provide for the earliest introduction. Subsequent classes improved in quieting, depth capability, and habitability, but the basic ship technology was not otherwise changed significantly.)

While the Polaris/Poseidon program has been successful, the oldest submarines now show the effects of age. Though it is possible these SSBNs will provide safe and economic operation for up to 25 years—and maintenance efforts are geared to provide as long a life as possible—such duration is not guaranteed, particularly in light of the increased tempo of operations resulting from the rotation of two crews to keep the submarine in continuous operation. Moreover, it should be kept in mind that the ships were designed with a projected ship life of 20 years.

In addition, the Polaris/Poseidon submarines themselves represent twenty year old technology, and there are limits in the quieting, sonar growth, and missile modernization that can be backfitted into them. The Trident submarine will incorporate a new quieter reactor and propulsion plant design that will provide improvements not possible in today's SSBN's. Not only does the basic design of the submarine incorporate the philosophy of extremely quiet operation, it provides the space necessary to accommodate future quieting techniques.

To enhance its survivability, sonar technology developed for the most recent generation of highly capable attack submarines will be incorporated into the new Trident submarine. That capability cannot be backfitted into present day units because of size and the large electrical power requirements it imposes. This improved capability will permit Trident to detect and evade enemies at increased ranges, well before it becomes detectable by the enemy.

With increased detection ranges provided by the sonar, and increased speed available as a result of the increased power available in the new propulsion plant, Trident will be provided with increased flexibility in avoiding threats. Moreover, the increased quietness will permit the submarine to patrol, transit and evade enemy search forces at higher speeds than today's units (because at a given speed the Tridents will radiate less noise, hence be less susceptible of detection, than the Polaris/Poseidon boats).

With the Trident I missile—capable of about 4,000 nautical miles—the submarine will have a much larger patrol area when compared to our current system. This, too, will enhance survivability of the FBM force. Additionally, the longer range will ease communications problems, by allowing SSBNs to operate at greater distance from enemy jammers and anti-C^3 threats. (Deployment of the Trident missile will ease another possible operational problem. In the event of a conventional conflict, both sides would wish to maintain the safety of their SSBNs and avoid accidental attack. The increased range of the Trident missile will allow greater flexibility in removing SSBNs from conflict areas, while still allowing them to remain within range of their assigned targets.)

In summary, the Trident submarine's quieter operation, ability to operate at higher speeds while avoiding detection, and improved self-defensive capabilities will provide for the continued effectiveness of our sea-based deterrent in a period of increasing Soviet anti-submarine capabilities. At the same time, the Trident system's longer range missile will expand operating areas many-fold thereby seriously complicating the Soviet's problem in detecting and attacking U.S. submarines. The latter improvement can be incorporated into our existing Poseidon submarines, enhancing their survivability over the remainder of their useful lives. The survivability improvements characteristic of the Trident submarine, however, cannot for the most part be backfitted into the older submarines; and even if they could, we would still face the problem of replacing aging hulls in an orderly way.

Question 2: Is the current or foreseeable state of Soviet antisubmarine warfare such that it would be possible to locate and destroy all of our Poseidon submarines at the precise time at which a first strike were launched against us?

POSITION PAPER NO. 1

Answer to question 2:

The Soviets are making a concerted effort to improve their ASW capability. They have devoted the preponderant portion of their recent general purpose ship construction funding to ships that have an ASW capability. Additionally, the Soviets operate the world's largest and most modern oceanographic and hydrographic fleet. While it is not clear what the detailed efforts of their oceanographic research include, observations of Soviet activities indicate a large-scale effort in ASW-related basic and applied research.

Though these developments clearly point to a significant improvement in Soviet ASW capabilities, they do not suggest a major breakthrough in the ASW field in the near term. This observation must be caveated by the statement that our knowledge of Soviet R&D is limited, and they are pursuing some developments which we do not fully understand.

Even if such a breakthrough should occur, however, and the world's oceans were to become transparent, the vast areas included within current SSBN patrol areas—which will be significantly expanded by the introduction of the Trident missile—virtually preclude locating, trailing and destroying these units in the coordinated fashion that the question suggests.

This is not a sensible argument, however, against providing for the orderly replacement of our aging SSBN force, and ensuring that the replacement submarines provide the maximum survivability features of which American technology is capable, since those submarines will continue to represent a substantial portion of the U.S. retaliatory capability for the next three decades—during which we can be assured the Soviets will improve their ASW capabilities in ways which today cannot be precisely foreseen.

POSITION PAPER NO. 2

Answers to questions 1 and 2: The Position Paper 1 answer makes it ever more important to separate consideration of the Trident missile from the Trident submarine. The increase in range of strategic attack afforded by the Trident I missile is clearly a key improvement in the ability of our submarine launched strategic force to remain a sure and effective deterrent.

However, the P.P. No. 1 response to question two notes that:

"Even if (a Soviet) breakthrough should occur, however, and the world's oceans were to become transparent, the vast areas—which will be significantly expanded by the introduction of the TRIDENT missile—virtually preclude locating, trailing and destroying these units in the coordinated fashion that the question suggests."

In view of the definitive nature of the advantage afforded by the 4,000 mile range of the Trident I missile, one might well question the need for further improvements in submarine defensibility.

The first position paper would appear to make two arguments in support of this new generation of submarines: the age of the current fleet and the improved defensive systems of which the Trident submarine is capable.

Even at current prices, a new Poseidon submarine, which could accommodate a Trident I, 4,000 mile range missile, would cost only about one-third as much as a Trident submarine. Unless the defensive improvements made possible by such a new submarine generation can be seen as essential, the case for spending close to $10 billion more than we need to replace Poseidon boats with Trident ships would appear to be thin.

Yet, there is no real possibility, as the First Position Paper notes, that Soviet ASW warfare would pose a threat to a Poseidon submarine with a Trident I missile. Greater speed, silence, and other defensive advantages are just not needed in the face of so overwhelming an advantage as the ability to fire missiles from underwater almost anywhere in the northern hemisphere.

Moreover, the introduction of MIRV warheads on Poseidon submarines has substantially lessened the need for a foolproof defense. In the pre-MIRV era, each submarine could deliver a few dozen warheads, now each Poseidon can deliver at least 160 warheads. Thus, any 3 submarines can inflict unacceptable damage on the Soviet Union.

Position Paper 1's answer to question number two would seem to indicate that the possibility of so major a breakthrough in Soviet technology as to permit destruction of so many submarines within minutes after a Soviet attack on the United States is so remote as to make Trident unnecessary.

The P.P. 1 view that "orderly replacement" of the current SSBN force is needed ignores the possibility of replacement with Poseidon boats. The absence of "the maximum survivability features of which American technology is capable" from Poseidon submarines ignores the fact that such features are redundant given the cruising range of the Poseidon boat with Trident missiles.

That is the key to the Trident debate—are we to build that of which "American technology is capable" regardless of cost, or that which we truly need?

Question 3: If we assume that it is impossible to destroy our SLBM deterrent simultaneously with a nuclear first strike, what additional advantage does the maintenance of a manned bomber capability bestow upon us?

POSITION PAPER NO. 1

Answer to question 3: The manned bomber force possesses flexibility not possible with missiles. Bombers can take off on warning of an attack without being irretrievably committed to a retaliatory strike. This could provide the President with increased decision time in a crisis where the Soviets' actions or intentions were not clearly understood.

The principal argument for the bomber, however, rests on the concept of the "triad": the notion that assuring our retaliatory capability is so important that we should hedge against unforeseen Soviet technological breakthroughs by maintaining three qualitatively different types of retaliatory forces—land-based missiles, sea-based missiles, and bombers. Since our knowledge of Soviet R&D is imperfect, it is sometimes difficult for us to anticipate the areas in which the Soviets will achieve breakthroughs in sufficient time to adjust our own capabilities in response to such breakthroughs. Viewed in this light, the bomber represents insurance against the uncertainties of future Soviet technological developments.

Question 4: Would the B–1 be invulnerable to attack by large numbers of current and anticipated surface-to-air missiles? Could you describe a possible scenario for a B–1 seeking targets of opportunity?

Question 5: How much more vulnerable to Soviet surface-to-air missiles would be the modernized B–52 than would be the B–1 bomber supposing that a large number of missiles were fired at each plane?

POSITION PAPER NO. 1

Answers to questions 4 and 5:

A. The B–1 would not be invulnerable to attack by large numbers of Soviet surface-to-air missiles. However, the B–1 does enjoy some improvement over the existing B–52s. The B–1's capability to avoid the Soviet missile threat does not lie primarily in its ability to escape the missile itself but in its ability to penetrate Soviet defenses at high speeds and at low altitudes, minimizing the opportunity for the Soviets to detect, acquire with the missile radars, and launch a missile while the B–1 is within the range of the Soviet missiles. Once the missiles are launched, jamming and violent maneuvers become the principal means of defense by the B–1.

In this regard, the vulnerabilities of the B–1 and B–52, once missiles have been launched, do not differ significantly. The lower radar cross section and higher speed does give the B–1 a slight edge in an attack by a large number of Soviet missiles.

The B–1 is not designed primarily against targets of opportunity, but that is a capability which should not be overlooked. Targets of opportunity may become particularly important after an initial nuclear exchange. Sorties flown primarily to assess the damage from an earlier attack may find some important targets intact. These targets then may become targets of opportunity to the B–1.

Overall, the assessment of the ability of the manned bomber to penetrate or the determination of its vulnerability is most difficult. This makes the cruise missile concept an attractive option. The cruise missile also flies at low altitude, and has an even smaller radar cross section than the bomber. The air launched version of the cruise missile would permit either the B–1 or B–52 to launch a relatively survivable weapon outside the range of Soviet air defense missiles, while still retaining most of the advantages (recall, targets of opportunity, etc.) that accrue from the use of manned bombers. Should it be found that penetration is required, a coordinated cruise missile attack and simultaneous penetration by the manned bomber would increase the chances of the bombers' avoiding the Soviet SAM missile threat.

POSITION PAPER NO. 2

Answers to Questions 3, 4, and 5:

The first P.P. answers quite honestly reflect the only marginal improvements offered by the B–1 over the B–52. The comment that "the vulnerabilities of the B–1 and B–52, once missiles have been launched, do not differ significantly" and the hope that the B–1 can penetrate missile defenses through flight at lower altitudes convey the clear impression that, while the B–1 is better, it is not as definitive a weapon as are nuclear strategic submarines, for example. Indeed, P.P. 1 notes that "The B–1 would not be invulnerable to attack by large numbers of Soviet surface-to-air missiles."

However, as the P.P. 1 reply to questions 4 and 5 indicates, it is the possibility of the development of effective air launched cruise missiles which would make possible standoff bombing which offer the best possibility for the maintenance of a manned bomber force. ALCMs are truly not highly vulnerable to enemy defenses and make possible bombardment of Soviet targets without ever necessitating the violation of Soviet airspace by manned bombers.

In view of the substantial improvement ALCMs could represent and the only moderate improvement represented by the B–1, it would seem that so major an investment in a new manned bomber would be nonproductive.

As the first paper notes, ALCMs could be easily launched from B–52s.

The view expressed in answer to question 3, the need for a flexible retaliatory capacity, would appear not to take account of the fact that exactly such capacity is assured by submarine launched missiles which may be fired any time after Soviet attack.

We must bear in mind that while an American missile will reach its Soviet target in less than thirty minutes after launch, it will take a manned bomber 8 hours to do so. The utility of so slow and vulnerable a method of response would seem to be limited. The fact that the Soviets, even without MIRVed missiles, have seen fit to develop only 160 intercontinental bombers, compared to 498 American planes amplifies that view. It would appear to be wiser to focus upon the ALCM rather than the construction of a new airplane system.

Question 6: Why is it necessary to spend about $245 million on ABM research this fiscal year in view of our treaty commitments not to install more than 100 ABM launchers at one ICBM field?

POSITION PAPER NO. 1

Answer to question 6: The Soviets have always maintained an active interest in ABM developments and concurrently have made many improvements in their surface to air (SAM) systems that form an important part of their air defense system. Therefore if we wish to remain competitive in the strategic world of the future, it is essential that we have a sound understanding of emerging technologies in both the ABM and air defense fields. The ABM research program provides essentially that: a means of keeping the United States abreast of developing technologies, new defensive techniques and other new technological concepts in both ABM and air defense. This is particularly important in the event the Soviets should perceive they have acquired a significant lead or advantage in ABM defenses, and for that reason elect to abrogate the ABM treaty. Such situation could be highly destabilizing and, at best, would require a major effort on the part of the U.S. to improve its limited ABM defensive posture. Such developments take time and, without prior research, the U.S. would be at a significant disadvantage for years.

POSITION PAPER NO. 2

Answer to question 6: $245 million would appear to be a great deal to spend to "keep abreast of developing technologies" in the ABM sphere. $140 million of this sum is for our current ABM installation in North Dakota. In view of the invulnerability, certainly in the near future, of our sea launched missiles, it is hard to sanction so major an expenditure for the defense of a missile capacity largely redundant of our sea launched capability.

Soviet missiles are currently far too inaccurate and our silo hardness too great for these missiles to be in great danger. The data furnished in answer to question 11 indicates CEP of one mile on Soviet ICBMs and SLBMs and American silo hardness on Minuteman III missiles three times greater than Soviet hardness. While Soviet CEP will improve, it would seem unnecessary to spend so much to effect a short term improvement in ABMs in North Dakota in view of the limited Soviet ability to pose a threat.

To develop a new generation of ABMs—for which $105 million is proposed is grossly destabilizing. We are literally moving full tilt to develop a system we are committed not to deploy. That commitment is not delimited by time, but rather is intended in the Strategic Arms Limitation Treaty to be a permanent prohibition.

It is based not upon a tit-for-tat with the Soviets, but on a deeply held view that the development of ABM raises.

Question 7: What need have we to either improve the *survivability of* land-based ICBMs or develop an entirely new generation of ICBM in view of the invulnerability of our SLBM capacity?

POSITION PAPER NO. 1

Answer to question 7: First of all, U.S. strategic deterrent capabilities are constructed on the base well diversified strategic offensive forces. This diversification serves as a hedge against foreseeable threats and provides the President a reasonable range of strategic options.

Secondly, our national philosophy does not advocate preemption and therefore, it is highly probable that any strategic nuclear exchange would be initiated by the Soviets. The Soviets have several options in initiating a strategic nuclear attack (e.g., SLBM attacks to neutralize alert bomber force, ICBM attack on U.S. ICBM complexes, or a combination of the foregoing). However, regardless of the combinations of available options, the diversified strategic offensive capability embodied in the U.S. "TRIAD" ensures that at least one of the land based systems, in addition to the U.S. SLBMs, will survive—for a Soviet attack against one weapon system provides timely warning to the other, even if a coordinated attack is launched. Therefore, the maintenance of diversified systems increases the risks Soviet decision makers must take in launching a nuclear attack against U.S. land-based strategic forces.

With regard to improving the survivability of land-based ICBMs, such developments complicate the development of Soviet programs designed to destroy land-based ICBMs in an initial attack. As the silo hardness increases, the Soviets must significantly improve the accuracy or increase the yield of their weapons. Such improvements divert resources from other Soviet programs and contribute as well to reducing the strategic benefit derived from the missile throw-weight advantage that the Soviets enjoy.

Question 8: What is the circular error of probability of U.S. and Soviet ICBMs and SLBMs? [Answer below]

Question 9: How many nuclear warheads can U.S. and Soviet ICBMs, SLBMs and intercontinental bombers deliver? How many U.S. and Soviet ICBMs and SLBMs are MIRVed at the present time? [Answer below]

Question 11: What is the pounds-per-square-inch hardening of U.S. and Soviet ICBMs?

POSITION PAPER NO. 1

Answers to Questions 8, 9, 11:

A. Table I depicts current unclassified weapon systems characteristics, including warhead number circular error probable, and hardness data.

It is difficult to state exactly how many warheads each side can deliver. Factors such as weapon system reliability, enemy defenses, etc., must be considered and—at best—are difficult to estimate. However, current projections[1] estimate 5,818 targetable strategic warheads for the U.S. in 1975 and 2,253 for the Soviet Union. Under the Vladivostok guidelines, the total numbers of warhead for both sides could become nearly equal, with the Soviets retaining the advantage in total missile throw-weight.

TABLE I

Weapon type	System name	Number deployed	Number warheads	Warhead yield	Warhead type	CEP (nm)	Silo hardness (psi)	Sources
United States								
ICBM	Titan II	54	1	5-10 MT		.5	300	[1] 1, 2
ICBM	Minuteman II	450	[2] 1	1-2 MT		.3	300	[3] 1, 2
ICBM	Minuteman III.	550	3	160-200 KT.	MIRV	.2	1,000	[4] 1, 2
SLBM	Polaris A3	160	3	200KT	MRV	.5		1
SLBM	Poseidon	496	10-14	50KT	MIRV	.25		1, 2, 3
SLBM	Trident	0				.25		1, 2, 3
Aircraft	B-52 bombs	500	4	1.1MT				1, 4, 6
	SRAM		20	200KT				[5] 4
Aircraft	B-1 SRAM	0	25	200KT				4, 6
Soviet Union:								
ICBM	SS-7/8	209	1	5MT		1.5	[6] 100	1
ICBM	SS-9	288	1	20MT		1	[6] 300	1, 2
			1	25MT		1		1, 2
			3	5MT	MRV	1		2
ICBM	SS-11/13	970	1	1MT		1	[6] 100	1
			3	KT range	MRV	1		2
ICBM	SS-16	0	?	?		?	(7)	3, 5
ICBM	SS-17	0	4	?	MIRV	.27-.42	[6] 450	3, 5
ICBM	SS-19	0	6	400KT	MIRV	.27-.42	[6] 450	3, 5
ICBM	SS-18	0	1	50MT		.27-.42	[6] 450	3, 5
			6	5MT	MIRV	.27-.42		3
			8	MT range	MIRV	.27-.42		3
SLBM	SS-N-6	528	1	1MT		1		1
SLBM	SS-N-8	80	1	1MT		1		1
Aircraft	Bison/Bear	140	?	?		?		6

[1] Titan is being phased out (2).

[2] ISS says Minuteman II also has a 4 MRV warhead (2).

[3] Minuteman II silos are being upgraded to 1,000 psi hardness by 1979 (2).

[4] 400KT warhead being planned (3).

[5] B-52G/H carry SRAM; 1,046 are to be procured by mid-1975. Actual payload depends upon range (4).

[6] Silos built prior to 1969-70 are 100 psi; there are 1,100 of those. 400 300 psi silos have been built. 100 450 psi silos of new construction have been built, probably for the SS-17/19. It is assumed that by 1978 all silos will be 450 psi.

[7] Landmobile.

Sources:
1. "The Calculus of Nuclear Counterforce," Kosta Tsipis, "Technology Review," October/November 1974, pp. 34-47.
2. "The Military Balance 1974-1975, op. cit."
3. "Aviation Week and Space Technology," Feb. 25, 1974; July 1, 1974; Nov. 25, 1974.
4. "Jane's All the World's Aircraft, 1973-4."
5. "International Defense Review," July 1974, p. 573; AWSST, Nov. 11, 1974, p. 19.
6. "A-Arms Accord Puts Limit at Below 2,500 Vehicles," Bernard Gwertzman, New York Times, Nov. 25, 1974.

POSITION PAPER NO. 2

Answers to Questions 7, 8, 9, 11:

A. The data furnished in answer to these questions again underlines the high accuracy of American missile systems. Our circular error probability (the radius within which half our missiles will fall) is .2 miles for Minuteman III and .25 miles for Trident and Poseidon SLBMs. Thus, half our missiles will literally land within 5 blocks of their targets.

In strategic warfare, accuracy is far more important than is yield. If accuracy is the same, ten times greater yield will allow five times greater lethality. But if yield is the same, ten times greater accuracy will allow one hundred times greater lethality.

In analyzing ABRES and counterforce proposals to spend $142.2 million improving accuracy and developing MARV systems, we must ask what target it is that we cannot now hit with current CEPs? Other than an enemy missile site, the answer, we think, is none. To develop greater accuracies with so extensive a current technical capacity must lead the Soviets to ask why?

The issue of survivability is possibly at stake.

Question 10: Secretary McNamara once talked about 400 well placed strategic nuclear warheads possessing the capability to destroy immediately about one-third the Soviet population and two-thirds Soviet industrial capacity. Is this estimate still meaningful?

POSITION PAPER NO. 1

Answer to Question 10:

A. Conditions have changed since the statement was made. The Soviets have, in the intervening years, expanded their industrial base and dispersed their new industrial plants significantly for strategic reasons. Moreover—unlike us—they have put a great deal of emphasis on the resources into Civil Defense, and have vastly improved the survivability of their populace. For this reason, 400 weapons today would have significantly less impact on the viability of Soviet society than a decade ago.

Since McNamara's statement two additional developments have occurred. First, we have reduced the megatonnage of most of our strategic warheads. This in turn reduces population fatalities and collateral urban-industrial damage associated with their use. We have also adopted a new targeting doctrine, which calls for emphasis on Soviet military capabilities, making the reduction of Soviet warmaking capability the criterion of attack rather than indiscriminate population and city destruction. This is a more difficult task, requiring both greater discrimination in attack, and more but smaller and more accurate warheads.

Finally, it should be kept in mind that McNamara was talking about *delivered* warheads—i.e., surviving weapons which penetrate Soviet defenses—not total U.S. inventory requirements.

POSITION PAPER NO. 2

Answer to Question 10:

A. Even if Secretary McNamara's estimates are too low, it should be noted that we now have the ability to throw more than 9,500 strategic warheads at the Soviets, about 5,400 from SLBMs, 2,150 from ICBMs, and 2,000 from manned bombers. Whether only 400 are needed, as McNamara said or slightly more are necessary, this must place in perspective the need to expand our submarine capability by building 24 missile Tridents as opposed to 16 missile Poseidons or to assure that our manned bomber capacity is kept sound.

Question 12: What additional survivability and operational capacity would the XM-1 tank have that the M-60 series tanks do not have against precision-guided anti-tank weapons? Does the development of a higher unit cost tank limit us from constructing the necessary numbers of such tanks to replace likely high losses from PGMs?

POSITION PAPER NO. 1

Answer to Question 12:

A. Lessons learned from the Arab-Israeli War tend to confirm that today's tanks are not so vulnerable to the precision-guided anti-tank weapons as was originally perceived. Analysis of the latest combat actions between such systems suggests that the best anti-tank weapon is still probably another tank. However, as was also demonstrated by the Arab-Israeli War, the threat from current anti-tank weapons is indeed real, and is likely to increase in the future. We really need more experience before drawing definitive conclusions about the current state of the offense-defense balance in tank warfare.

The XM-1 new main battle tank program is being developed in consideration of the foregoing. The major advance in this new tank is an improved type of armor which should increase the tank's survivability against modern anti-tank weapons. The tank will also have a lower silhouette, making it more difficult to target, as well as other features designed to improve its offensive effectiveness and enhance survivability.

The higher unit cost of the new main battle tank may in fact preclude the acquisition of the number of tanks which the U.S. requires; but the anticipated increase in survivability may reduce anticipated losses, and therefore lower the numbers required for combat replacements.

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[1] "The Status of SALT: A Perspective," Lawrence D. Weiler, Arms Control Today, 24 January 1975.

POSITION PAPER NO. 2

Answer to Question 12:

A. The lesson of the Arab-Israeli War is quite the opposite of that asserted by P.P.I. While it is true that the first stages of the war were characterized by tank battles, the second half of the war provided a grim demonstration of the impact of anti-tank weapons other than the tank. Israel and the Arabs combined lost a tank every fifteen minutes for the entire period of the war.

Furthermore, anti-tank rockets of the Dragon and Tow variety are about to be, in turn, superseded by the laser guided artillery shell with an accuracy of between one and three feet over a distance of up to three miles.

To enter such a period of warfare with a tank of high unit cost may be one of the most serious military mistakes of which this nation is capable.

The first paper asserts,

"The higher unit cost of the new main battle tank may in fact preclude the acquisition of the number of tanks which the U.S. requires; but the anticipated increase in survivability may reduce anticipated losses, and therefore lower the numbers required for combat replacements."

Such a philosophy is dangerous for a nation with 2500 main battle tanks facing a Soviet adversary with 7500 and entering an era of high tank vulnerability. We may well ask whether the Defense Department would feel confident of its XM-1's ability to withstand attack by large numbers of its laser guided shells.

To pin our hopes in invulnerability is folly. We must do just the opposite—build systems we can afford to replace.

In an era in which a $10,000 shell or missile can destroy a $500,000 tank, if not on the first try then on the eighth or ninth, it is no time to raise the unit cost of the tank, especially when such increase buys only such marginal improvements in survivability against distance PGMs as are afforded by lower profiles.

This very difference of opinion reflects a basic philosophical gap. Are we to build more or better? Shall we laden each weapon with the most up-to-date technology, making it more and more costly, but still far from invulnerable, or shall we focus on low unit costs so that we can afford to lose equipment and live again to fight another day?

Question 13: Are the F-14 and the F-15 likely to escape a large ground-to-air missile attack? Are they significantly more likely to do so than the F-4, NACF, and the YF-16?

POSITION PAPER NO. 1

Answer to Question 13:

Any aircraft remains vulnerable to large ground-to-air missile attacks. However, both the F-14 and F-15 were designed primarily to gain control of the skies over the area of combat. Since our military strategy is basically defensive, the major mission of these aircraft would be defending friendly territory free from the threat of surface-to-air missiles.

The F-14 is oriented toward fleet air defense against enemy aircraft and therefore would ordinarily be operating in an environment free from the threat of surface-to-air missiles. However, it is recognized that this may not always be the case and the improvements built into this aircraft including warning and defensive measures against attack by surface-to-air missiles.

Similarly, the F-15 is designed to provide U.S. air superiority over the combat zone. It, too, is oriented mainly against the air threat and is likely to be engaging the enemy aircraft in an area relatively free from surface-to-air missiles, given the difficulties of enemy missiles to distinguish friend from foe. However, it too may find itself operating in a surface-to-air missile environment it has been provided with improved missile warning and defensive equipments.

While neither the F-14 and F-15 are invulnerable to large ground-to-air missile attacks, they are likely to retain the edge in survivability in such an environment over the F-4, NACF, and the YF-16; in addition, the F-14 and F-15 will continue to be markedly superior to the other aircraft in their ability to maintain air superiority over their respective mission areas.

Question 14: How effective is the F-14 likely to be in protecting the fleet from attack by Soviet cruise missiles?

POSITION PAPER NO. 1

Answer to Question 14: The F-14 is making a major contribution to the defense of the fleet from the cruise missile threat. The PHOENIX missile that is used with the F-14, and its associated fire control system, represent major technological achievements that greatly enhance the effectiveness of this aircraft against cruise missiles (which are basically unmanned, usually sub-sonic, aircraft). Some commentators have termed the F-14's contribution an order-of-magnitude improvement in the Navy's ability to cope with the cruise missile. Whether it warrants that accolade or not, the fact remains that the F-14's ability to detect, track and attack multiple targets simultaneously, at extended distances from the task force, gives the Navy a capability against both manned aircraft and cruise missiles much greater than it possessed in the past. This capability does not apply, of course, in situations where our naval forces are outside the protective umbrella of an aircraft carrier. Our diminishing number of carriers argues for ensuring that our major surface combatants have adequate offensive and defensive power to counter the cruise missile threat. (This aspect of the problem is discussed in the response to question 21, below.)

POSITION PAPER NO. 2

Answer to Questions 13 and 14:

The P.P. 1 response was surprising in that it seemed to concede substantial vulnerability on the part of the F-14 and F-15 to enemy ground-to-air missiles. It noted that all such planes could do was to "retain the edge in survivability" over the Phantom, NACF, and YF-16. But the F-14 will cost four times the Phantom and the F-15 three times as much. To sanction such expenditure, one would have hoped for more than a mere "edge."

To premise the discussion of F-14 and F-15's merits on the grounds that our best plane can operate in environments in which the enemy will not deploy his best weapon begs the question. The very concept of a high-low mix is that the high end of the mix ventures where the low cannot survive. To confine the F-14 and F-15 to largely defensive roles over territory where SAMs are unlikely to operate would seem to indicate that we are building planes that cannot survive, but that we cannot afford to lose.

But neither is such a restriction on their role accurate. The F-14 is intended for Marine support, hardly a defensive mission and the F-15 is often to be called upon for flight over enemy territory. Even over friendly territory, the first answer to question 13 seems to limit unnecessarily the likely future range of SAM missiles.

But both the answers to 13 and to 14 miss the point of cost. We can afford to lose $5 million planes four times as often as $20 million planes. In an era of SAMs, we may have to. When the defense has such an advantage, it is not the time to reduce the number and replaceability of our aircraft through increases in unit cost.

One billion dollars in 1943 bought some 24,000 airplanes. Today, it buys about 55 F-14s. Even discounting inflation (which would reduce the 24,000 planes to about 8,000) our increasing vulnerability to defense weapons is obvious. The plain fact is that those F-14s are as vulnerable to destruction as were any equivalent number of World War II aircraft. The weapons have changed, but the defense has more than kept pace.

That is not to say that any F-14 or F-15 is not likely to overcome any single SAM or kill any one cruise missile. But you can shoot a lot of SAMs or cruise missiles at a $20 million airplane or a $250 million ship before you become non-cost effective. Few experts would assert that either plane could handle an attack by a number of enemy SAMs costing a combined total of even half their target airplane.

In addition, there are serious operational problems with the F-14. So severe are the engineering defects that all 100 deployed had to be recently grounded. It is altogether likely that, in the F-14, we have bought a bad plane as well as a wasteful one.

Question 15: Assuming a decision to buy about 650 A-10s will be made by the end of this year, how soon will they become operational and replace the A-7E?

POSITION PAPER NO. 1

Answer to Question 15:

A contract for the first 22 production aircraft was awarded in December 1974 but no decision on full scale production will be made until the six full-scale development aircraft have been thoroughly flight tested—expected to be completed by the end of this year. Assuming that a decision on full-scale production can be made by the end of this year, we can expect the first operational squadron to enter the inventory beginning in FY 1977 with the A-7E being phased out by the end of FY 1978. The bulk of the A-7 inventory available after that time will be retained in the Air National Guard.

POSITION PAPER NO. 2

Answer to Question 15:

The decision to phase out the A-7E by the end of FY 1978 contrasts sharply with the DOD request for $187 million to produce more A-7Es. Why should we upgrade the A-7 further when the A-10 will enter our inventory by 1977?

Question 16: What priority is being placed on research and development of remotely piloted vehicles?

POSITION PAPER NO. 1

Answer to Question 16:

It is difficult to establish a relative order of priority to the current efforts in the research and development of remotely piloted vehicles (RPVs). What is not so difficult, however, is to establish that this particular field is continuing to gain additional interest and attention. Many of the features that were developed during the pursuit of our missile and precision guidance munitions program make the RPVs a more attractive option. RPVs are being closely examined for the missions of reconnaissance, surveillance, target and bomb damage assessment (DBA), communications relay, contact prosecution, electronic warfare, defense suppression, weather reconnaissance, target designation, decoys, etc. RPVs are recognized to have nearly unlimited utility and unique advantages such as lack of crew risk, low political risks, the ability to penetrate heavy threat areas, lack of escort requirements, cost effectiveness, long endurance, and their general expendability make them particularly attractive. The attached listing of U.S. RPVs and target drones is indicative of the ongoing efforts to develop an operationally capable combat system.

U.S. REMOTELY PILOTED VEHICLES AND TARGET DRONES

Prime contractor	Designation	Mission	Agency	Over-all length, less booster (feet)	Over-all span, wings or fins (feet)	Body diameter (feet)	Launch weight, less booster (pounds)	Powerplant—Number of engine; manufacturer; engine designation	Guidance		Performance		Remarks
									Manufacturer	Type	Speed, miles per hour, or machine number	Endurance, min. or range, n.m.	
Astro Flight Inc., Venice, Calif.	7212	Reconnaissance.	USAF/ARPA	2.3	8.0	0.5	23.5	3 Astros 25 Electric.	S. & O	Radio command.	75	80 min., 50 n.m.	Flying wing; flight test completed.
Beech Aircraft Corp., Wichita, Kans.	AQM-37A	Target	Navy/Army/USAF.	12.6	3.3	1.1	570	1 AMF LR-64 liquid propellant rocket.	Beech	Programed	M0.7-M3.	100 n.m.	Low/high altitued target. Recoverable and uncoverable.
	MQM-61A Cardinal.	do	Army	15.1	12.1	1.5	664	1 McCulloch TC-6150-J-2, turbo supercharged.	do	Radio command.	300	60 min	Recoverable.
	HAST	do	Army/Navy/USAF.	16.7	3.3	1.1	1,145	1 UTC 13-in. hybrid rocket motor.	do	Programed/ground command.	M4 at 100,-000 ft.	5 min. at M3.	High altitude supersonic target, under flight test; recovery option; maneuverable to 5 g's.
	VSTT model 1089.	Target/RPV	Army/USAF	16.6	9.8	1.3	960	Teledyne CAE 372-2 turbojet.	do	Radio command/programed.	575	60 min	Recoverable; 5 G maneuvers.
Bendix Aerospace-Electronics Group, Southfield, Mich.	LAST	Target	Army/Navy	21.0	9.2	2.4	3,500	1 Bendix ramjet.	Bendix	Radio command/radar altimeter.	M2.2		For test and evaluation of Aegis and other air defense systems.
Boeing Co., Seattle, Wash.	YQM-94A	Surveillance, TOA platform, Comm. Atmos. sampling.	USAF	41.0	90.0	3.7	14,400	1 GE J97 (prototype).	Sperry Flight Systems.	Redundant analog.	--------	--------	All fiberglass body, conventional takeoff landing. Widetrack gear.
Canadair, Ltd., Montreal, Quebec.	AN/USD-501 (CL-89).	Survey and Target acquisition.	--------	8.5	3.1	1.1	238	1 Williams Research WR-2-6 turbojet plus solid rocket booster.	Canadair	Programed	460	11.5 min.	Reusable. Hawker Siddeley infrared line scan and Zeiss camera.
Celesco Industries Inc., Coda Mesa, Calif.	Gunrunner	Target	USMC	16.5	3.5	1.6	235	1 5-in. HVAR (high velocity aerial rocket) motor.	--------	Ballistic		1.5	Surface-launched serial target system for Redeye missile and guns.
Developmental Sciences Inc., Industry, Calif.	Sky Eye	Surveillance		6.0	11.5	1	50-120	1 101M McCulloch 12.5 hp.	DSI	Radio command.	120	0-360	Pusher, swept wing, carries payloads to 70 lb.
	Remotely piloted yawed wing.	Research	NASA	13.7	22.5	2	800-1,100	1 McCulloch 90 hp.	DSI	do	180	50 mi	Research RPV for exploring yawed wing aerodynamics.
	Remotely piloted mini blimp (RPMB).	Surveillance monitoring, measurement	--------	55.0	16.0	13.5	340	1 Kohler 35 hp.	DSI	do	65	24 hr	High endurance airborne platform with many applications.
	Electric Mini-RPV	Surveillance, Kamikase.	USAF	4.5	9.0	0.5 ×1	45-60	1 Western Gear 1.25 hp.	DSI	do	50	0 to 120 min.	Design, fabricate and test electrical propulsion.
Eglen Hovercraft, Inc., Terre Haute, Ind.	Falcon	Research-testbed, surveillance.	--------	6.0	8.0	.75	28	Pusher type, Homelite 4.5 hp.	Pro-Line	do	80-100	2 hr	Off-the-shelf flying-testbed for development of RPV systems.
	Janus	Reconnaissance.	--------	6.0	10.0	.75	39	Homelite 4.5 hp.	LAC	do	80-100	3 hr	Under subcontract to Northrop.
E-Systems, Inc., Greensville, Tex.	L-450F	Surveillance/Comm.	--------	29.0	57.0	--------	4,600	1 P. & W. PT6A-34.	--------	Programed/radio.	105-170	6,000+ 24 hr.	Ceiling is 45,000 ft. to 52,000 ft.
Melpar Division, Falls Church, Va.	Mini-RPV		Army/USAF	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
	E-45	Recce/strike	do	8.0	8-10.0	0.67	35-50	2-hp. O. & R. engine.	Melpar	Autopilot, real-time update	--------	--------	--------
	E-100	Recce		9.0	10-12.0	1	100-120	10-hp. Ross engine.	do	Autopilot	60	5	Research and development.
Fairchild Space & Electronics Co., Germantown, Md.	Dragon Fly	Surveillance	DOD	12.7	14.7	2.0	205	1 McCulloch MC 101.	Kraft	Radio command.	80	250	--------
	Black Fly	Electronic warfare.	USAF	12.7	14.7	2.0	260	do	Babcock	do	71	460	--------
	Look Out		Navy	12.7	14.7	2.0	195	do	Kraft	do	83	60	Ship launch and recovery.
	Mini Pop	Decoy	do	7.0	6.0	0.5	50	1 Atlantic Research spr.	Fairchild	Programed	--------	--------	--------
	RPAODS	Surveillance/design.	Army	12.7	14.7	2.0	230	1 McCulloch MC 101-AA.	Vega	Radio command.	--------	--------	--------
Lear Siegler, Inc., Astronics Division, Santa Monica, Calif.	XQM-103	RPV R. & D	USAF	28.5	14.5	3.1	2,500	1 CAE J69-T-29A.	LSI	do	600 kt	692 n.m.	Converted AQM-34L.

U.S. REMOTELY PILOTED VEHICLES AND TARGET DRONES—Continued

Prime contractor	Designation	Mission	Agency	Overall length, less booster (feet)	Overall span, wings or fins (feet)	Body diameter (feet)	Launch weight, less booster (pounds)	Powerplant—Number of engine; manufacturer; engine designation	Guidance		Performance		Remarks
									Manufacturer	Type	Speed, miles per hour, or machine number	Endurance, min. or range, n.m.	
Lockheed Missiles & Space, Sunnyvale, Calif.	Aequare	Strike support.	USAF/ARPA	9.0	8.0	1	150	1 12.5 h.p. McCulloch.	Lockheed.	do.	115	120	Feasibility RPV for long-range reconnaissance and laser target designation.
	RPV STD	Battlefield support.	Army	6.0	11.9	1	120	do.	LAC	do.	120	3 hr	Total system demonstrator. Target acquisition and laser designation. Developmental Sciences, subcontractor.
	RTV-2	Research test vehicle.		13.5	14.8	1.25	360	1-Marine Corp rotary engine RC-B-45 hp.	LAC	do.	130	2 hr	Twin boom pusher with tricycle gear.
McDonnell Douglas Astronautics Co., Huntington Beach, Calif.	Mark 2	Reece/targeting.	USAF/ARPA	7.0	10.0	0-void 1×2	125	Ross	MDAC	Radio command.	100 kt	3 hr	Configuration optimized for minimum observables.
	Acquiline	Reece		5.0	9.0	1	.0	1-Lycoming	Deveko	Omega	65 mph	300n.m.	Long range.
Northrop Corp., Los Angeles, Calif.	KD2R-5	Target	Foreign	12.6	11.5		340	1 Northrop 0-100-3.	Northrop	Radio control	272	205	Over 65,000 produced.
	MQM-74A Chukar.	do.	Navy	11.8	5.6	1.2	322	1 WR 24-6	do.	do.	506	385	Recoverable gunnery/missile target drone.
	MQM-74C Chukar-2.	do.	do.	12.6	5.6	1.2	365	1 WR 24-7	do.	do.	575	640	Do.
	VSTT	do.	Army	12.6	5.7	1.2	384	1 Williams Research WR 24-17.	do.	Radio command.	615	2 hr. plus.	Do.
	Electric mini-RPV.	Surveillance, attack.	USAF/ARPA										Investigate electric power mini-RPV,s.
Numax, Hauppauge, N.Y.	AEM-12F	Various	USAF	13.4	3.7	1.4	1,680	Bullpup	Numax	Programed			Extended range, expenable delivery vehicle.
Philco-Ford Corp., Aeronutronic Division, Newport Beach, Calif.	Praeire 1	Reconnaissance and targeting.	ARPA/USAF	7.5	13.0	.8	75	1 K. & B., SR-245.	Philco-Ford.	Manual	75 maximum 50 cruise.		Man-portable mini-RPV for real-time reconnaissance and laser target designation.
	Praeire 2	do.	do.	9.5	12.0	1.0	75	1 Kolbo Korp distributed by Sakert Riggs, D-238.	Vega	Manual with auto plotting.	85 maximum.		Configuration optimized for minimum observables.
	Calere	Night recce. and targeting.	do.	7.5	13.0	.8	85	1 K. & B. SR-245.	Philco-Ford.	Manual	75 maximum.		Thermal imager utilized for full night capability.
	Autolander	Demo	USN/NSWC	10.3	12.0	1.0	87	1-Kolbo-Korp	Kraft/conic.	do.	85 maximum.		
Rockwell International Missile Systems Division, Columbus, Ohio.	MQM-42A roadrunner	Target	Army	24.9	5.9	1.0	770	1 Marquardt rj. plus spr. booster.	Rockwell	Command programed.	M1.5	35-40	Low altitude supersonic target for training.
Sperry Flight Systems, Phoenix, Ariz.	PQM-102A	do.	USAF	63.2	38.2	6.5	28,000	1 J57-P-23	Vega	Radar command.	1.2	120n.m.	Converted F-102AI fully de-man rated.
Teledyne Brown Engineering, Huntsville, Ala.	BATS improved	do.	Army	17.0	2.6	1.25	128	2-5 2.75in spr.			M.83	4	Speed and range depend on number of rocket motors used.
	BATS	do.		12.6	2.4	1.25	110	2-7 2.75-in spr.			M.9	5	
Teledyne Ryan Aeronautical, San Diego, Calif.	BQM-34A	do.	Navy/USAF	22.9	12.9	3.1	2,500	1 CAE J69-T29.	Various	Radio command.	690	692n.m.	Ryan No. 124.
	MQM-34D	do.	Army	22.9	12.9	3.1	2,500	do.	do.	do.	690	692n.m.	Do.
	BQM-34E/F	do.	Navy/USAF	28.3	9.1	2.0	2,350	1 CAE J69-T-406.	do.	do.	1.8	774n.m.	Ryan No. 166I
	AQM-34G	Electronic warfare	USAF/TAC	26.0	14.5	3.1	3,684	1 CAE J69-T29.	TRA	Program and command.			Ryan No. 147NA. Combat Angel chaff dispenser.
	AQM-34H	do.	USAF/TAC	26.0	14.5	3.1	3,749	do.	TRA	do.			Ryan No. 147NC. Medium altitude Combat Angel chaff dispenser.
	AQM-34J	Reconnaissance training	USAF/TAC/SAC	26.0	14.5	3.1	2,865	do.	TRA	do.			Ryan No. 147NC (M-1). Low altitude reconnaissance.
	AQM-34P	Reconnaissance	USAF/SAC	30.0	32.0	3.3	3,792	1 CAE J100-CA-100.	TRA	do.			Ryan No. 147T. High altitude. Photo reconnaissance. In storage.
	AQM-34Q	do.	USAF/SAC	30.0	32.0	3.3	3,870	do.	TRA	do.			Ryan No. 147TE. High altitude. Combat Dawn comint.
	AQM-34R	do.	USAF/SAC	30.0	32.0	3.3	6,200	do.	TRA	do.			Ryan No. 147TF. Improved high alt. Combat Dawn comint.
	AQM-34L	do.	USAF/SAC	30.0	13.0	3.1	3,065	1 CAE J69-T41A.	TRA	Command Navy and program.			Ryan No. 147SC. Low altitude photo reconnaissance.

Prime contractor	Designation	Mission	Agency	Overall length, less booster (feet)	Overall span, wings or fins (feet)	Body diameter (feet)	Launch weight, less booster (pounds)	Powerplant—Number of engine; manufacturer; engine designation	Guidance		Performance		Remarks
									Manufacturer	Type	Speed, miles per hour, or machine number	Endurance, min. or range, n.m.	
	AQM-34L(TV).	do	USAF/SAC	31.0	13.0	1.3	3,150	do	TRA	do			Low altitude real-time TV reconnaissance.
	AQM-34M	do	USAF/SAC	30.0	14.5	3.1	3,113	do	TRA	do			Ryan No. 147SD. Low altitude photo reconnaissance.
	AQM-34M(L)	do	USAF/SAC	30.0	14.5	3.1	3,113	do	TRA	do			Ryan No. 147SD. Low altitude photo reconnaissance with Loran.
	AQM-34N	do	USAF/SAC	30.0	32.0	3.1	3,820	do	TRA	Radio command.			Ryan No. 147H. High altitude recon.
	AQM-34K	do	USAF/SAC	29.0	14.5	3.1	3,367	do	TRA	Program and command.			Ryan No. 147SRE. Night photo reconnaissance. In storage.
	AQM-34V	Electronic warfare.	USAF	26.0	14.5	3.1	4,500	do	TRA	do			Improved AQM-34H/J.
	AQM-91A	Reconnaissance.	USAF/SAC	34.0	48.0	3.2	5,245	1 GE J97-GE-3.	TRA	Program Nav and command.			Ryan No. 154. High altitude mainly photo reconnaissance penetrator. In storage.
		Reconnaissance.	Israel	31.0	14.5	3.1	3,250	1 CAE J69-T41A.	TRA	Program and command.			Ryan No. 124I.
	YQM-98A	Reconnaissance, comm.	USAF	37.0	81.2	2.7	14,300	1 Garrett ATF-3.	TRA	Radio command.			Ryan No. 235. Compass Cope prototype.
	BGM-34A	Weapons delivery.	USAF	23.6	14.5	3.1	2,800	1 CAE J69-T29.	Sperry Univac.	do			Ryan No. 234. Daytime weapons delivery.
	BGM-34B	do	USAF	26.0	14.5	3.1	3,230	1 CAE J69-T41A.	do	do			Ryan No. 234. Day/night strike and laser target designation.
	BGM-34C	Multi-mission	USAF	28.5	14.5	3.1	4,679	1 CAE J69-T41A.	TRA/Univac. LSI.	Program and command.			Electronic warfare, reconnaissance, strike.
	Mini RPV	Acquisition, recce, strike.	USN/USAF	5.0	7.5	Delta	120-140		TRA	do	120	5 hr	Rail launch and net recovery/or conventional landing gear.

* Rotor diameters.

Note: ARPA—Advanced Research Project Agency.

POSITION PAPER NO. 2

Answer to Question 16:

A. The heartening assertion that Remotely Piloted Vehicles (RPVs) have "nearly unlimited utility and unique advantages" makes one wonder why more is not being spent on this important airplane. When one thinks that the entire prisoner of war issue in the recent Vietnam conflict need not have arisen if we had RPVs, the potential is quite important. We had hoped that the first position paper would have included a dollar figure on the amount spent for RPV development and a target date for production of RPVs to carry out close air support and air superiority functions. In an era of SAMs, it is hard to think of a more important weapon system.

Question 17: What command, control communications and management advantages has AWACS over heavy helicopters equipped with similar equipment?

POSITION PAPER NO. 1

Answer to Question 17:

A. The principal advantage of the AWACS lies in its physical dimensions which permit the installation of larger quantity of equipment and personnel than is possible in the largest of today's helicopters. Moreover, the AWACS has more electrical power available for electronics than is possible in a helicopter. And the range, speed, endurance, altitude, and crew capacity provides the AWACS a significant advantage in employment flexibility over the helicopter. This, in turn, provides for an increased capability in nearly all elements of the AWACS mission.

Question 18: How vulnerable is AWACS likely to be against enemy aircraft and ground-to-air missiles?

POSITION PAPER NO. 1

Answer to Question 18:

A. AWACS is as vulnerable to attack by aircraft and ground-to-air missiles as any other large military aircraft. However, the role envisioned for this system places it in an area where it would retain a relative degree of safety from these threats because of distance, and the intervening screen of friendly fighter aircraft. Employed under these circumstances, and in areas where U.S. and allied forces have established air superiority, the AWACS concept makes some sense. In areas where such superiority is lacking, or may be challenged by enemy forces, military judgment might oppose placing such a high cost asset as AWACS in jeopardy by exposing it to hostile attack. The AWACS itself has no integral capability for self-defense.

POSITION PAPER NO. 2

Answers to Questions 17 and 18:

Much has been said about the rapid shifts in missions for which AWACS is targeted. However, the exchange in Question 18 explores a relatively unprobed but key point in AWACS' effectiveness—its vulnerability.

As P.P.I. notes, AWACS is highly vulnerable to enemy attack and has no "built-in" capacity for self-defense. The hopeful assertion that such capacity would be not needed as AWACS would operate over friendly territory and behind a "screen of friendly fighter aircraft" does not deal with the issue of how such remoteness from enemy defensive systems is to be maintained. In a tactical war in Europe, Paris must be deemed part of any tactical front in Germany. If so important a goal as the disruption of Western communications and command apparatus could be achieved by penetration of Western airspace by Soviet fighters, who is to say that AWACS would not be destroyed?

Apart from the problems with losing so expensive a plane, would not the impact on our tactical command be severe if so central a link as AWACS were destroyed? Is it wise to plan a tactical operation around so fragile a piece of equipment as a converted Boeing 707?

Question 19: What kind of conflict is likely to require our combined use of the C-5, C-141, and the 747s and DC10s in the Civil Reserve Air Fleet?

POSITION PAPER

Answer to Question 19:

A. In the event of a NATO/Warsaw Pact crisis, the geographical asymmetries between the U.S. and the Soviet Union give the advantage in reinforcement of Central Europe to the Soviets. For that reason, the U.S. has a requirement for the capability to reinforce NATO rapidly in a crisis. Whether this capability could be brought effectively to bear would be dependent, of course, on adequate strategic warning of impending Soviet attack, and the existence of reception fields on the European side firmly under NATO control. Once a conflict has begun the viability of the airlift concept is open to legitimate question.

POSITION PAPER NO. 2

Answer to question 19:

A. With all four systems, we are so overloaded with logistical capacity as to raise the question of our need for so ample a capability. Only in a prolonged, several year war in Europe would we need so major an inventory of logistical aircraft. The supply needs of Israel or of Europe during a limited war are easily satisfied with a far smaller fleet. Implicit in the First Paper's need for so large an armada is the assumption that a four or five year tactical war in Europe is likely or possible. Yet, such a conflict would turn nuclear if long prolonged according to most observers. One must question the need for so much logistical support in any case but an extended conventional war in Europe.

Question 21: In view of the effectiveness of Soviet cruise missiles, what is the justification for the policy of concentrating firepower in such large vessels as the DD–963 destroyers and the CGN.

POSITION PAPER NO. 1

Answer to Question 21:

A. The Navy's so-called "high-low mix" recognizes that it is prudent to split investment between a small number of highly capable units, possessing the ability to operate in high threat environments and much larger numbers of less expensive units, possessing less extensive capabilities but fully competent to carry out a multitude of military tasks in many important areas of the world. The DD–963 destroyers and CGN represent the high end of the surface combatant mix, while the PF represents the low end. The former are capable of operating in high threat areas of important strategic interest to the U.S., such as the Eastern Mediterranean. The latter would be used in areas farther removed from the most dense Soviet air, surface and submarine threat; and might be employed, for example, in assuring our use of key Atlantic or Indian Ocean sea routes.

There are other considerations that bear on the problem as well. First, it should be noted that the effectiveness of Soviet cruise missiles is one of the strongest arguments for deploying the advanced, highly capable systems which will be integral to the CGN. Unless we are to abandon high-threat areas to Soviet domination, we must possess the capability to operate in those area naval forces which can contend with the threat while accomplishing their military mission.

A second consideration relates to our dwindling number of carrier task forces. By next year our carrier levels will have been reduced from a post-War War II high of 24 to a low of 12.

As the number of carrier task forces declines—with no reduction of national commitments or the need for naval forces in crisis management—we must look to other platforms to provide a reasonable base of military capability. Our major combatants can still be in only one place at one time; and the diminution of carrier levels has placed new demands on our large surface combatants to take some of the load in areas—like the Indian Ocean—where U.S. interest can be demonstrated periodically by a unit possessing less versatile capabilities than a carrier.

Finally, it should be kept in mind that the traditional competition between the offense and the defense goes on. Implicit in the question posed is the suggestion that large surface combatants are irremediably vulnerable to damage by Soviet cruise missiles. The fact is that those missiles must be launched from Soviet platforms—air, surface and sub-surface—which are themselves vulnerable to attack by our own systems. If the platform is destroyed, the missile is rendered useless. The best system for destroying a broad range of enemy platforms is the aircraft carrier, with its long reach and capabilities to operate against all forms of Soviet platforms. The next best platforms are our "high mix" surface combatants; and we are working to give them even greater capabilities against both launch platforms and the Soviet missiles themselves. Examples of such capabilities currently in development include the AEGIS anti-air system, the close-in weapons system (CIWS), and the high energy laser (HEL) (the relationship between offensive and defensive weapons is a dynamic one; and we should avoid the tendency to make key decisions relating to platforms that will be with us for 20–30 years on the basis of the current balance of offensive and defensive technology).

In sum, the Soviet cruise missile is a serious problem which was for too long neglected. We have been moving effectively to cope with it for several years now, and look to our highly capable surface combatants as one of the most promising means of defeating the threat.

POSITION PAPER NO. 2

Answer to Question 12:

The first paper's response to this question poses a key question for debate: Is it necessary to have an expensive ship to function effectively in high risk areas?

Its assumption that only high unit cost platforms can be effective in high threat areas is, in our view, outdated. The Israeli destroyer, the 2500 pound Eliat, was destroyed by a cruise missile fired from an 80 pound Soviet made Egyptian craft.

As p.p. 1 suggests, the best way to defend against cruise missiles is to destroy their platform. But the best method of destroying enemy platforms is also the cruise missile. In future naval engagements, the issue is likely to turn on which side can maintain the largest number of cruise missile platforms afloat. It is not the size of the platform, or its range of weapons that counts, it is whether or not there are enough.

By moving toward higher and higher cost ships, we give the Soviets a major advantage afforded by their more plentiful, lower cost boats. While our fleet has a displacement tonnage equal to twice the Soviet fleet, it consists of several hundred fewer ships.

The assertion that the DD–963 and the CGN represent "the high end of the surface combatant mix, while the PF represents the low end" is ironic in view of the recent escalation of patrol frigate unit costs to $120 million, more than the DD–963.

But such escalation in cost goes far to explain the causes of our essential naval weakness. We load all our vessels with the maximum technology of which we are capable, as it becomes available. High-low cost mixes become high-higher cost mixes and we lose the ability to buy the quantity we need. Meanwhile, defensive systems become cheaper and simpler. It becomes possible to destroy a $250 million nuclear frigate with perhaps a dozen $100,000 cruise missiles.

And we lose the ability to destroy these cruise missiles with certainty by destroying these platforms since the platforms from which our destructive weapons can be launched are too few in number to escape major cruise attacks.

It is precisely the patrol frigate which should enter high threat environments, and a patrol frigate costing less than does our current model.

Question 22: What is the diplomatic or military necessity for the presence of an Indian Ocean carrier?

POSITION PAPER NO. 1

Answer to Question 22:

A. This is a question more properly answered by the Secretary of State or the President, who—in collaboration with the National Security Council—make the final decisions on deployment of naval forces.

The rationale for our current policy of periodic naval deployments in the Indian Ocean, as elaborated in public statements, rests on the recognition that the oil producing areas of the Persian Gulf—and the sea routes that transport their product to the industrailized world—have grown markedlv in strategic importance in recent years.

Our periodic naval presence in the Indian Ocean region is designed to demonstrate the interest and concern of the U.S. Government for events in the area. It additionally demonstrates the capability of the United States to deploy its military power into the area in defense of its own interests; and it is presumed that this exerts at least a modicum of deterrence against the irresponsible infringement of U.S. interests.

Finally, the relevance which our capability to operate in the Indian Ocean has to events in the Middle East more generally should not be overlooked. The Mideast remains a potential source of serious conflict, hence the focal point of intensive U.S. diplomatic activity. Our naval forces in the eastern Mediterranean traditionally have offered a significant source of support to our efforts to manage Mideast crises in a way which avoids injury to our own or our friends' vital interests. The capability of those forces to accomplish their military mission has increasing been challenged by Soviet naval forces—which in the last Arab-Israeli war outnumbered our own forces in the Mediterranean by a ratio of 3 to 2. Our ability to reinforce the forces which can be brought to bear in the Mideast by deploying Pacific Fleet units to the northern Indian Ocean was exercised during the 1973 Arab-Israeli war and its aftermath, and surely entered into the calculations of those concerned with the general military balance in the region.

Question 23: What additional capability does the S–3 and P–3 provide than ASW helicopters?

POSITION PAPER NO. 1

Answer to Question 23: The S–3 P–3 aircraft have much longer range than ASW helicopters, hence can cover areas not accessible to the helicopter. In addition, their larger size allows them to carry a wider range of detection systems, and a heavier payload of weapons. The three aircraft systems operate in a complementary, rather than competitive, way.

The P–3 aircraft is the long range, long endurance, high payload system that provides wide area patrol within the range of land based airfields. However, many of the open ocean areas of the world are beyond the effective massion range of landbased patrol aircraft and must be controlled by carrier based ASW aircraft.

The S–3 is the Navy's newest, most capable ASW carrier based aircraft. It provides ASW coverage in the open-ocean area beyond the range of land-based aircraft. In addition, the S–3 provides local area ASW coverage around and in advance of the carrier task group with which it operates. Its higher speed, longer range, endurance, payload, and highly sophisticated ASW systems provide it with substantially greater capability than the ASW helicopter.

The ASW helicopter, operating from the carrier or from surface combatants, complements the efforts of the P–3 and S–3. It provides a quick reaction capability in the immediate area of the task force to localize and attack contacts located by the fixed wing aircraft, thereby permitting these aircraft to maintain an unbroken, wide-area search pattern. Its capability to hover and employ a dipping sonar make it uniquely suitable for localization operation beyond the range of the surface escorts.

In summary, the ASW helicopter is complementary to the S–3 and P–3 and often serves as the localization system for contacts generated by them. Its range limitations do not permit it to conduct the wide area search characteristic fixed wing aircraft, however. The P–3 and S–3 aircraft detection systems are superior to the ASW helicopter and their range, speed, endurance, and payload greatly exceed that of the ASW helicopter.

POSITION PAPER NO. 2

Answer to question 23:

A. In ASW warfare, it is quantity which is the key variable. With the task of locating a small number of submarines over an entire expanse of ocean, the capacity to concentrate search and aggregate firepower must be seen as key.

It costs about forty times as much to buy an ASW helicopter as to purchase an S-3 or P-3 aircraft. We already have sizable fleets of each plane. With 138 C-3s and 36 squadrons of P-3s, the 56 planes for purchase in 1976 to complete the force goals seem of limited utility indeed.

The first answer notes that the ASW helicopter complements the efforts of the P-3 and S-3 by providing a "quick reaction capability in the immediate area of the task force to localize and attack contacts located by the fixed wing aircraft, thereby permitting these aircraft to maintain an unbroken, wide-area search pattern."

This answer forces one to question the viability of the assumption earlier in the answer of the need for the greater range of the S-3 and P-3. Of what utility is a single plane over a single submarine, far from a base or ship which would permit use of ASW helicopters in destroying the submarine?

Clearly, S-3s and P-3s are needed. But we are seeing a distortion of the high-low mix in so strong an emphasis on S-3s and P-3s as is contained in the $693 million budget request by DOD for these planes.

Question 24: What is the size of the U.S. and Soviet Naval "projection" forces, i.e., marines and amphibious assault vessels?

POSITION PAPER NO. 1

Answer to question 24:

A. The Soviet naval infantry (marines) is estimated at somewhere between 10-20,000 men. In addition, some Soviet army divisions have collateral missions in an amphibious role. Naval vessels with primarily amphibious capabilities number slightly more than 200, of which about half are amphibious ships, and half are landing vessels of various sizes and capabilities. In addition, a number of Soviet merchant vessels have been designed to give them collateral capabilities as amphibious transports and could be used to augment naval vessels in contingencies.

The U.S. Marine Corps, including aviation units, numbers about 196,000 men; while the U.S. Navy's amphibious force numbers slightly over 60 ships. Those ships, however, represent an assault lift capability substantially greater than that possessed by the larger number of Soviet vessels, though, as noted, addition of merchant auxiliaries would enhance Soviet capabilities.

Finally, it should be kept in mind that the U.S. Marine Corps figure includes the three air wings which operate with the three Marine divisions. The Soviets' naval infantry does not have integral aviation units. Air support would be provided by land-based units of Soviet Naval Aviation, and by the tactical air armies which support other types of Soviet ground force operations.

On balance, the U.S. clearly possesses a superior amphibious assault capability at present. Soviet capability is improving, however; and is already capable of posing a formidable threat to areas where amphibious operations could be supported by Soviet land-based air, such as the Turkish Straits, Northern Norway, the Eastern Mediterranean littoral, and (as the Backfire attack aircraft comes into inventory) Iceland. Soviet capability therefore, though less than our own, is seen as adequate to the strategic objectives which the Soviets probably set for it in a major conflict.

Question 28: I appreciate the legal position of the three Marine divisions and air wings, but can you describe posssible uses for 550 Marine combat aircraft considering that in the early stages of an amphibious landing all air support must come from carrier-based Navy aircraft?

POSITION PAPER NO. 1

Answer to question 28:

A. Some of the carrier-based aircraft to which the question refers would be Marine aircraft—part of the 550 maintained in the active USMC inventory. That is not the main justification for the Marine air wings, however. Their principal mission is to provide tactical air support for the Marine ground forces, once ashore. In a conflict, Navy aircraft would assist in softening up the assault area for the initial Marine landing, and would remain in the area to supplement the shore-based Marine aircraft until local air superiority was assured—provided they were not required for higher priority tasks elsewhere. After that time, the Marine aircraft would carry the burden of maintaining air superiority and of providing close support for ground operations. It is an uneconomical use of the mobility inherent in carriers to tie them up for extended periods providing the type of support which aircraft can, with equal efficiency, provide from fixed bases ashore.

Looking at the question in a more general perspective, our ground forces (both Army and Marine) require tactical air support whenever engaged in combat. Naval aviation can supplement Air Force and Marine Corps tactical air resources during periods of particularly intense activity; but they should not be relied on as a substitute for aircraft operating from bases ashore. Carrier aviation's mobility is most effectively exploited when it can be shifted rapidly to the areas of highest demand, or to areas not accessible from land bases. Freed from the close air support role, it can be usefully employed, e.g., in interdicting enemy lines of communication, or attacking more remote targets on which his combat support relies. Beyond that, we look to carriers and their mix of ASW and fighter/attack aircraft to be active in defeating Soviet offensive forces at sea and assuring our key maritime routes against the Soviet Navy's air, surface, and sub-surface forces.

The fundamental question is not whether Marine air assets are redundant, but whether our total national tactical air assets are adequate to all the tasks which would be imposed on them in war. Viewed in this perspective, we continue to have a deficit of TACAIR capabilities when measured against requirements.

Question 25: What network of bases in foreign nations are available to the U.S. and Soviet navies?

POSITION PAPER NO. 1

Answer to question 25:

A. As the scope of Soviet naval operations has expanded, the Soviets have found it useful to establish arrangements overseas for the support of those operations. They presently enjoy the use of naval facilities in Cuba, Guinea (West Africa), Egypt, Syria, Somalia, and the People's Democratic Republic of South Yemen. In addition they are assisting in the construction of naval faciilties in Iraq, and there has been speculation that those faciilties, when completed, will be used by Soviet naval forces as well. In the past the Iraquis have allowed the Soviets to maintain a naval tender at the Persian Gulf port of Basra.

In addition, the Russians recently concluded arrangements with the Yugoslavs permitting the repair of Soviet naval vessels, in limited numbers, in Yugoslav shipyards. The Soviets continue to enjoy the use of a variety of facilities in Warsaw Pact countries, though these generally are so close to existing Soviet base complexes that they add relatively little to the Soviet Navy's strategic flexibility.

Supplementing the arrangements described above, the USSR has negotiated a series of agreements with foreign governments relating to the bunkering of Soviet naval and merchant vessels, the repair of naval auxiliaries and support ships, and the provision of other logistics support on a commercial basis. Such arrangements presently exist with Mauritius, Singapore and the Philippines; and the Russians are actively negotiating them elsewhere. Arrangements for the overseas provision of fuel to Soviet merchant tankers are particularly important in expanding Soviet naval flexibility, for the Russians routinely employ vessels of their state-controlled Merchant Marine for underway replenishment of deployed naval forces.

The U.S. Navy employs its own underway replenishment forces and tenders to provide the primary logistics support to its deployed forces. As a matter of principle, the Navy prefers to avoid dependence on overseas bases; but it does not hesitate to use such facilities, when available, if so doing will permit accomplishment of support missions more cheaply or efficiently. The Navy does not allow its operational flexibility to become impaired by dependence on such facilities, however. In accordance with that philosophy, the Navy currently maintains support facilities in Japan and the Philippines for the Seventh Fleet; in Italy for the Sixth Fleet; and, on a much more modest scale, at Diego Garcia for forces periodically deployed into the Indian Ocean. (The Navy has proposed improving the Diego Garcia capabilities in order to allow periodic Indian Ocean deployments to be supported more cheaply, and with less degradation of the readiness of deployed naval forces elsewhere.) Guam, Spain and the U.K. provide advanced base support to the Navy's Fleet Ballistic Missile force; and the Navy maintains communications facilities overseas. Navy ASW aircraft operate from fields in several allied countries; and the Navy continues to use Guantanamo, Cuba as a training site for Atlantic Fleet units.

Question 26: What is the size of the Soviet naval support forces—ships whose mission is to replenish, maintain, and support combatant vessels?

POSITION PAPER NO. 1

Answer to question 26:

A. The Soviet Navy currently has about 360 ships categorized as naval auxiliaries, and whose primary mission is to replenish, maintain and support combatant vessels.

That number is substantially larger than the 119 support ships in the U.S. Navy; but many of the Soviet vessels are smaller and less capable than their U.S. counterparts, hence it would be incorrect to conclude that the Soviet capability for afloat support exceeds our own.

In presenting a balanced view of Soviet capabilities, however, it should be kept in mind that the Soviet Navy traditionally has drawn on Soviet merchant vessels for a significant portion of its logistics support. Soviet merchant ships are manned by naval reserve officers, and when operating in a naval support role are under the control of the Ministry of Defense. The merchant marine offers a source of rapidly expanding Soviet naval support capabilities in contingencies, as the Soviet demonstrated during the 1973 Arab-Israeli war. The Soviets evidently prefer to rely on naval-manned support vessels, however, as evidenced by their continuing efforts to expand the capabilities of their naval support force.

POSITION PAPER NO. 2

Answers to questions 25 and 26:

A. The first response overstates the case concerning Soviet access to bases. Soviet access to middle east bases is severely limited and permits nowhere near the range of replenishment afforded by American bases.

The key point is that the superior American ability to sustain ships through both bases and, more importantly, through ship, sea-based, resupply and repair make American ships less vulnerable due to their limited quantity than would otherwise seem to be the case. This point is made insufficiently when the relative strengths of our navies are discussed. American ships can remain abroad longer, be repaired without returning to base easier, and be supported better by foreign sea bases than can the Soviet Navy.

The difficulties the Soviets always face in gaining access to the Mediterranean augment this American advantage.

Question 27: What do we believe are the principal missions of the Soviet Navy?

POSITION PAPER NO. 1

Answer to question 27:

A. The principal wartime missions of the Soviet Navy are (in probable order of priority):

(a) Strategic strikes against the United States from Soviet SSBNs.

(b) Offensive strikes against U.S. naval forces by the Soviet Navy's air, surface, and submarine forces (with priority given to U.S. SSBNs and aircraft carriers).

(c) Severing of key U.S. and NATO sea lines of communication, in order to isolate this country and its allies from sources of essential raw materials, energy supplies; and, in the case of NATO, from U.S. reinforcement and resupply.

(d) Cooperation with other Soviet armed forces in defeating U.S./NATO attacks on Soviet territory.

Soviet strategic doctrine currently emphasizes the growing importance of maritime theaters in global conflict, pointing out that any war with the U.S. or NATO will necessarily be worldwide in scope, and that events at sea will have a major impact on the conduct of land campaigns in decisive areas (such as Western Europe). In the wake of the 1973 Arab-Israeli war and its associated oil embargo, Soviet strategists have stressed the vulnerability of advanced industrial societies—Western Europe in particular—to the interdiction of essential energy supplies; and have highlighted this as an area for special emphasis in Soviet strategic planning.

The principal peacetime missions of the Soviet Navy are:

(a) Deterrence of U.S. actions deemed inimical to important Soviet interests. The deployment of 90-odd Soviet ships to the Mediterranean during the 1973 Arab-Israeli war exemplified this sort of employment.

(b) Related to the foregoing, there are indications of growing Soviet readiness to use their naval forces actively to accomplish important politico-military objectives in crises. We know, for example, that Soviet naval infantry was embarked in amphibious landing ships deployed to the eastern Mediterranean in October 1973. Given the widely publicized Soviet threats to intervene in that conflict, the naval infantry force, together with the Soviet airborne forces maintained in a high state of readiness, comprised a credible Soviet interventionary force.

(c) In addition, Soviet naval deployments worldwide have the general mission which the Russians subsume under the rubric "protection of state interests." This is analogous to what we call the "peacetime presence" mission, and has as its objective supporting both general foreign policy objectives and specific diplomatic initiatives by demonstrating interest, resolve, and the possession of a military capability which can be brought to bear in areas where important interests of the possessor may be at stake. The Soviets clearly have learned the utility of naval forces in expanding their political influence in the world and are using them effectively in areas such as the Indian Ocean, to achieve objectives which they could not attain through diplomatic means alone.

POSITION PAPER NO. 2

Answer to question 27:

No comment.

Question 29: Why do the Air Force, Navy and Marine tactical air forces have separate research and development activities, production bases, training establishments, and test facilities?

POSITION PAPER

Answer to question 29:

A. Generally speaking, the reasons for the separate development of weapons systems among the military are basically the same as reasons for the different services—separate and distinct missions. However, the endeavors of the separate services are not as disconnected as the question implies. Technologies and weapons systems are freely exchanged and in many cases, joint or coordinated efforts on systems components are pursued.

There is little, if any, separation in the basic R&D, production bases, basic training and testing between the Navy and Marine Corps. The Navy and Marine Corps develop and operate similar aircraft and send their pilots through the same flight training. Moreover, Marine aviation squadrons attain carrier qualification, maintain squadrons on aircraft carriers, and have a wartime mission to conduct operations from attack carriers. However, a major portion of training subsequent to basic training emphasizes the separate missions of the Navy/Marine Corps air arm—with Marine Corps providing greater emphasis on close air support and Navy on fleet air defense, etc.

With regard to the similarities of the Air Force and the Navy, a quick glance at their aircraft inventory, past and present, reflects a great deal of commonality. Some specific examples include the F-4, A-7, A-3 (RB-66), A-1, EF-10 and even the Hercules GV-1. These reflect the best of competitive development programs—an essential ingredient in getting the best performance at the least cost. However, the different aircraft in each service's inventory reflects the differences of the service mission. For example, the F-15 Air Superiority Fighter is designed to do just as its name implies—gain air superiority over the combat zone. It is primarily concerned with the threat posed by enemy aircraft and it is so armed. It does not have to contend with the cruise missile threat.

The F-14, on the other hand, emphasizes the capabilities of the AN-AW6-9/PHOENIX missile system which permits it to detect, track and launch missions at multiple targets simultaneously—an essential ingredient in providing defense against both cruise missiles and enemy aircraft.

With regard to attack aircraft, the Air Force is primarily concerned with attacking fixed land targets and providing close air support to the Army. Navy aircraft, while concerned with similar targets, must also have the capability to attack highly maneuverable and heavily defended enemy warships.

The design characteristics of Air Force and Navy aircraft vary widely. For example, the Air Force aircraft need not be structurally as strong as a Navy aircraft because they do not have to withstand the shock of a carrier landing. They need not have the added complexity of foldable wings and, because of the increased length of runway available to Air Force aircraft, do not need the engine power of Navy aircraft. Similarly, the Air Force pilot need not have as extensive training to land on a long fixed runway as a Navy/Marine pilot who must land on a rolling and pitching aircraft carrier deck.

There are other differences which dictate the separate pursuit of tactical aircraft and weapons systems suitable to the distinct needs of the services. While these goals are separately pursued, this is not done in isolation, and the fruits of development are shared by all.

POSITION PAPER NO. 2

Answer to question 29:

A. The related issues raised in question 29 are also of importance. The fact is that we suffer enormous duplication in the maintenance of separate research and development, production, training, and testing for the Air Force, Navy, and Marine air wings.

The assertion that there is a "great deal of commonality" in weapon systems avoids the fact that this commonality is fast leaving us. The F-4, for example, which served all three air wings is now being replaced by the F-14 and F-15 as well as the YF-16 and the NACF, each designed for its own force.

The comment concerning the Marine air wings seem somewhat wide of the mark. The obvious commonality in air needs between the Army and the Marines raise the key question of whether the mission of air support for the Marines should not be shifted to the Air Force.

Tradition and inter-service rivalry become less important when the price of maintaining them is the development of duplicative and costly overlapping facilities. As the costs of our weapon systems mount, so does the cost of maintaining two or more.

POSITION PAPER NO. 2

Answers to questions 24 and 28:

These questions, and the P.P. 1 replies, highlight serious issues concerning the size of the Marine Corps.

The U.S. Marine Corps exceeds in men and aircraft the air forces of Britain, France, Italy, or any other Western European nation.

As the first answer indicates, we possess an amphibious force ten times the Soviet force.

In fact, the Marine Corps is designed to fight a World War II situation in which landings on several beaches at once are needed and massive amphibious assaults the order of the day. Once again, we may be arming for a war that will never come. Any conventional war is likely to be short, concentrated, or to turn nuclear in short order. To prepare for a war in which multiple amphibious landings are projected across a wide front is to enter the next war prepared to win the last.

FOURTH ANNUAL CONGRESSIONAL SENIOR INTERN PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Biester) is recognized for 60 minutes.

Mr. BIESTER. Mr. Speaker, it is with a great deal of pleasure that I request this time to share, along with a number of other House Members, some observations on the recently completed fourth annual congressional senior intern program.

As my colleagues may recall, this is an ad hoc program in which participating Members sponsor one or more elderly constituents for a 1- to 2-week internship in their Washington offices. The senior interns divide their time between activities in their respective Members' offices and group briefings on senior citizen concerns presented by various experts in the field.

This year 15 Members of the House and 1 Senator joined in this program affording 30 men and women the opportunity to observe firsthand how their Government operates, with a special emphasis on policies directed toward the older Americans. Members participating were: the gentleman from Indiana (Mr. Evans); the gentleman from New York (Mr. Fish); the gentleman from Indiana (Mr. Hillis); the gentleman from South Carolina (Mr. Mann); the gentleman from Pennsylvania (Mr. Myers); the gentleman from Ohio (Mr. Regula); the gentleman from New York (Mr. Richmond); the gentleman from Oklahoma (Mr. Risenhoover); the gentleman from Indiana (Mr. Roush); the gentleman from Pennsylvania (Mr. Schulze); the gentleman from Indiana (Mr. Sharp); the gentleman from Illinois (Mr. Simon), the gentleman from California (Mr. Sisk); the gentleman from New York (Mr. Wydler); and a former colleague, now the senior Senator from Delaware (Mr. Roth).

Meeting as a group twice a day, the senior interns heard representatives from congressional committees, Federal agencies, and private organizations discuss various subjects of a particular interest to the elderly. These sessions focused on: Transportation and housing programs geared to the senior citizen; medicare and national health insurance; nutrition, taxation and consumer problems; nursing homes and long-term care; and public and private volunteer efforts to involve the older American in community affairs. The interns also had a briefing on the legislative process as well as current legislative initiatives, such as the Older Americans Act amendments. A daylong field trip to the Social Security headquarters in Baltimore was on the schedule as was a tour of the Australian Embassy and a discussion of the role of the elderly in that nation's society. An unexpected opportunity presented itself when the interns were invited to participate in the welcoming ceremonies on the White House grounds in honor of the Shah of Iran.

Arrangements were made to house the senior interns in the same downtown hotel convenient to transportation and restaurants and where they would be able to spend time together in the evenings and on the weekend. Each Member provided a stipend for his intern or interns out of his staff allowance in order to help cover living expenses while in Washington.

Laura and Bill Yeager and Albert Carbone, all of Feasterville, Pa., were my senior interns this year. Recommended to me by a panel of senior citizen group leaders in my district, the Yeagers and Mr. Carbone shared with me their views—and those of other older residents—on a wide range of subjects and priority issues which confront the elderly. We had several occasions to exchange ideas and thoughts, and these opportunities were immensely valuable to me and, I hope, to them as well.

If any of the traditional stereotypes of older people were still lingering when this group of senior interns arrived in the city, they certainly should have been put to rest. These were active, involved and knowledgeable people, and they possessed a keen interest in absorbing as much information and facts as they could.

The interns came from rural areas, the suburbs, small and large cities. Nine States and all regions of the country were represented.

The interns' backgrounds and life experiences were varied and they represented an interesting and rather diverse cross section of the older population of the Nation. Quite understandably, I think, the different viewpoints and opinions held by the interns on a wide range of senior citizen concerns found expression in the group sessions. The interns did not always agree with one another on the existence of problems or what their solutions might be. They sometimes took exception to the ideas and programs they were briefed on, and were not hesitant to vocalize their disappointment with the way in which certain Federal efforts were being implemented. As a result, some of the sessions were quite lively and provided interesting exchanges.

These are the kind of people who will not be content to keep their intern experience to themselves. Rather, they will be sharing it with their friends and neighbors back home so that their exposure to new ideas here in Washington can have a much wider circulation and impact.

This program began out of an interest on my part in improving lines of communication with the older residents of my district. In 1972 I invited my first two senior interns to Washington, and in the following year two other House Members and one Senator joined with me in the project. By 1974 a total of 8 offices were involved, and this year the number was up to 16. It is most encouraging to observe the interest and enthusiasm the program has generated over the years among participating offices and among the various groups and Federal agencies which have been drawn into an active role in the program.

In the current Congress, as well as in the 92d and 93d, resolutions have been introduced in the House to make the senior intern program an integral part of House activities—much the same as the college intern and Lyndon Baines Johnson intern programs are—available to all House Members. The legislation presently has the support of over 90 Members, and we hope that the participants in the ad hoc program can, by communicating their thoughts on the internship idea, demonstrate that it is a valuable undertaking well worth adoption by the full House.

At this time I would like to yield to Mr. Hillis, who has helped coordinate this program with me over the past 3 years, for his comments along with those of our other colleagues who were a part of this year's program.

Mr. **HILLIS.** Mr. Speaker, this past May I participated in a unique program for the third year. It is known as a senior citizen internship. Young college and high school interns are a common sight throughout the year but it is, indeed, rare when a Congressman has an individual over 65 joining his staff.

The program has proved to be of special benefit to me. For the past 3 years I have been able to keep abreast with the activities of senior citizens in my district. Working together we have a better understanding of the problems and special needs of the elderly.

This year, Mr. Fred M. Fraser, of Rochester, Ind., spent 2 weeks in my Washington office as a member of my staff. He observed the Congress at work and had a firsthand look at what the Government is doing in the area of the aging. His report to me covers the program in detail. At this point, I would like to insert the report into the Record:

1975 Report

(Submitted by Fred M. Fraser)

This report pertains to a two week Senior Citizen Intern Program conducted May 5, 1975 through May 13, 1975 at the office of Congressman Elwood H. Hillis of the 5th Indiana District at Washington, D.C.

There were thirty Senior Citizens from nine states that took part in this program. All of them were active in the problems of the aging in their own communities. It was a great experience for me in meeting these folks and listening to some forty speakers in the seminars that we attended.

I certainly want to thank Congressman Hillis for the invitation to be the representative from his district, and for the trip to and from Washington in his plane. We arrived at the National Airport about 6:30 Sunday evening, May 4 and was met by his Executive Assistant Donna K. Norton, who was in charge of the Senior Intern Program. She took me to the Park Central Hotel where arrangements had been made for all of the group to stay.

The next morning I arrived at Congressman Hillis' office at 9:30 where I met his ten staff members and was assigned a desk. During the next ten days I got a glimpse of the tremendous amount of activity that is carried out by a congressman and his staff. Large amounts of mail comes in every day on which decisions must be made and answered. There are telephone calls from constituents protesting certain actions or that want help on various problems. I was impressed by the youthfulness of his staff. They all seemed devoted, hard working and faithful to their tasks.

During my stay in Washington I also attended some committee hearings. One on H B R 1862 on conveying coal in slurry form through a large pipe from the western states to the eastern states. Another hearing that was interesting was on H R 6860—Energy Conservation and Conversion Act of 1975. This was Congressman Al Ullman's committee and the purpose of the bill was to reduce the dependency of the United States on foreign oil. I also sat in the hearing on the Indiana Dunes.

On Thursday, May 8 we had a bus trip to Baltimore where we toured the main offices of the Social Security Administration. Here they keep accounts on 280 million Americans. Since Social Security started in 1936 it has become the largest business in America. Nine out of every ten jobs are covered. At the present time 31 million people are getting benefits or one out of every seven citizens.

Wednesday, May 14 our group visited the Australian Embassy at 1601 Massachusetts Avenue N.W. Here we were told how the elderly in another society was taken care of with priority given more to the needy than being made available to everyone.

On Thursday, May 15, we toured the White House and this was the day President Ford welcomed the Shah of Iran. Our Senior Intern group was privileged to witness the whole affair . . . the twenty-one gun salute, the inspection of the Home Guard, the welcoming speech by the President and His Imperial Majesty's reply.

These Senior Citizens Intern programs help give a different perspective of what government is doing and planning for the aged. Like all government projects it is a tremendous undertaking and will require large amounts of funding. There seems to be some over-lapping of these various agencies. As the various speakers explained the different phases of activity, one wondered if they couldn't all be put in one package under one department.

Larry Lane, legislative representative of the American Association of Retired People explained that this organization was the largest of the older American organizations and that they have a very good legislative staff to look after the interests of older people at the capital.

Many of the speakers brought out the need to change the image of Senior Citizens. The fact that President Ford proclaimed the month of May as Senior Citizens Month is a tribute to the nation's elderly.

Over the years the old image of the elderly was a picture of lonely, dejected and isolated old men and women. They were thought of as being senile, bent over, crippled, cantankerous, often blind, deaf and toothless. Many were neglected, depressed, diseased, riddled, disabled and unable to get around. They were full of fear, futility and frustration. Nothing to do, no one to care for anymore and having a low status in society . . . just a disadvantaged individual living a dismal life and dreading the future.

If this was the true picture of old age few, if any of us, would want to go through it. Fortunately this is not the true picture. It is true that age brings inevitable changes, problems and special needs, but it is not the grim finale that is pictured above.

Now there is good news for the elderly. There is a New Image. The future looks brighter for the old folks than at any time in history. Perhaps the "Older American Act" passed by Congress in July, 1965, was the beginning of serious interest in the welfare of the older people of this nation. This act provided for federal grants for state and community programs for older Americans under Title III funding.

This movement is gaining momentum with the Federal, State, County, and Local governments all working together. The churches have also taken an active part in this field of endeavor.

Older Americans are beginning to be recognized as a national resource. Their wisdom, experience and skills are increasingly being appreciated. Their energies and free time are being used for the country's advantage as well as their own. The Older Americans of today have better health, better education and more zest for life than their grandfathers ever dreamed of. They also have a greater opportunity to contribute to society.

They are volunteering their services to provide significant help to people in the total community. Their later years are becoming more active, more secure, dignified and satisfying. Their involvement in service enhances their own sense of worth as persons. Every effort should be made to make old age more enjoyable so that the young will look forward to retirement with pleasure and anticipation rather than with fear and dread. All should have the freedom, independence and free exercise of individual initiative in planning and managing their own lives.

The State of Indiana is perhaps the most outstanding state in the U.S.A. for what it is doing with and for the elderly. Congressman Elwood "Bud" Hillis, John Brademas, Governor Otis R. Bowen and Maurice E. Endwright, executive director of the Indiana Commission on Aging and Aged, all have outstanding records. Others who are working far beyond the call of duty are Sid Levin, Terre Haute; Dr. F. Benjamin Davis, Indianapolis; Mr. and Mrs. Kermit Burrows, Peru; Mavis Jump, Field Representative, Muncie; C. W. Hemmer, Richmond; Maurice G. Morey, South Bend; Dr. E. W. Kochenderfer and Mildred Harrison of Rochester, Indiana.

There are many State and Federal Agencies that are working toward improving the well being of the 23 million Americans now 60 plus years old. Four thousand Americans turn 65 every day; with a net increase of 350,000 a year. With declining birth rates the older population will continue to grow.

NEEDS AND PROBLEMS OF THE AGED

Inflation has damaging effect on those who must survive on fixed incomes. Increases in retirement benefits tied to changes in the cost of living are essential. The Comprehensive Employment and Training Act of 1973 "CETA" authorizes prime sponsors like state, county, and local elected officials to implement programs for middle aged and older workers and demand funds for that purpose.

Housing. There is a continuing need for a substantial increase in suitable housing for older people. For those paying rent the situation is even more critical.

Health Care Costs are increasing faster than the economy as a whole. Older persons have more disability, see physicians 50 percent more often and have twice as many hospital stays that last twice as long. Their health care costs are an overwhelming burden.

Medicare and Medicaid programs need improvement and expansion to meet the critical health needs of older persons. Extended hospital care and nursing home facilities, out of the hospital, drugs and medicines as well as dental care, eye and hearing care and aids, need to be made a part of the national policy.

Proper Nutrition helps the well being of all Americans. The elderly poor have not been able to adjust to arising food prices. Instead they are forced to "pay more to eat less". The Food Stamp Program and the Nutrition Program authorized under Title VII of the Old American Act has helped.

Social Services. The primary purpose is to reduce dependency and promote the opportunity for independent living and self support. At the present time 10 out of every 100 people in the United States are over 60 years old. In Indiana 14 out of every 100 or 700,000 are 60 plus. Fulton County, Indiana with a population of 17,000 has 3000 elderly or around 19 percent which is the highest in the state. People are retiring earlier and living longer so they will have a much longer retirement life. Today's teenagers will probably enjoy 25 to 35 years of retirement.

Transportation. Improved transportation for the elderly may become more necessary, because soaring gasoline costs has placed another strain on the elderly's already flattened pocket books. Older people also have a harder time passing driver license tests. Since they still must shop and get to the doctor the problems becomes greater.

Senior Citizen Centers. These centers act as a two-way bridge, not only providing the elderly with such services as nutrition, counseling, education and recreation, but also assisting them to maintain active engaged roles in the community.

Education and Training. This is needed to help foster a new attitude by all age groups, to have fulfillment of basic human physical, social, and psychological needs. Everyone needs a maximum opportunity to pursue his or her individual aspirations to the fullest.

Research. There is much research work now being done on the aging in the areas of emotional depression and other social dimensions. The useful work life of older Americans is being prolonged by such studies.

Many elderly are lonely, many prisoners in their own homes. Inactivity is one of the main factors in growing old. Over half of the people with signs of senility are in this stage because of emotional depression from living alone without family or friends. One third of all suicides in the United States are over the age of sixty-five.

The elderly need opportunities to participate with others in neighborhood social, church and community affairs. Senior citizens centers where older people can pass the time pleasantly, having a more satisfying and fulfilling life may be the answer to their social needs. Many elderly are already sharing their time, talents and energy serving others. These opportunities for volunteer work exist in every community.

RSVP. Some programs reimburse volunteers for transportation, and other out-of-the-pocket expenses. Federally aided programs, for which only older people are eligible, include the Retired Senior Volunteer Program (RSVP) and the Service Corp of Retired Executives (SCORE). Both of these are administered by ACTION, 806 Connecticut Avenue N.W., Washington, D.C. 20525. Many programs welcome volunteers of all ages, including the elderly. Among them are VISTA, Volunteers In Service To America; Cooperative Volunteers; Foster Grandparent Program and Peace Corps. There are many opportunities in local programs of schools, courts, hospitals, United Way agencies and Red Cross chapters. There is also the Green Thumb project which pays for part-time work in beautification, conservation and community improvement projects in rural areas.

Senior citizens have the power to exercise a great deal of influence in improving matters for themselves and their fellow citizens. They can help to find the way to a better tomorrow. As we approach our Third Century as a nation let's all try and raise the quality of life for all Americans toward a Brighter Future.

Mr. MYERS of Pennsylvania. Mr. Speaker, I would like to commend my colleagues, Mr. BIESTER of Pennsylvania and Mr. HILLIS of Indiana, for their leadership in sponsoring the senior intern program in which I participated.

Mr. Maurice Slavonsky of New Castle, Pa., who is active in senior citizen affairs in my congressional district, served as a senior intern in my office this year.

I believe this program is an excellent way to improve communication between senior citizens, their organizations, and their Federal representatives. Mr. Slavonsky's comments and my observations reinforce this belief. Mr. Slavonsky had the benefit of direct access to Federal officials through various briefings, and my staff and I were able to gain a better perspective of the legislative process through the eyes of our senior citizens—new insights into meeting the needs of the elderly through effective legislation and Federal programs.

It is my hope that the senior intern program will be continued in the future and that the number of participating Members will continue to increase each year. I also urge the formal institutionalization of such a program in future Congresses. It provides the active citizen participation in Government that we in the legislative branch should encourage.

Mr. ROUSH. Mr. Speaker, this year, for the first time, I participated in the senior interm program, which Congressman HILLIS and Congressman BIESTER have coordinated. I am very glad I did so; so are the two interns who came from my district.

My interns were from my hometown of Huntington, Ind. They were Mr. and Mrs. Marion Witmer. Mrs. Witmer happens to be my Sunday school teacher and I have known them for a long time.

Mr. Witmer spent much of the 2 weeks working in my office in several projects, especially one on the "911" emergency telephone number, a particular interest of mine. He also attended some of the lectures. Mrs. Witmer attended them all and took a great many notes of what was said. I have told them that they are now authorities on not only the Congress, but the executive branch as well.

They expect to be making speeches around the Fourth Congressional District of Indiana, on request.

Besides the operation of the Congress, congressional offices and special agencies of Government dealing with the problems of senior citizens, they are also now thoroughly familiar with legislation affecting retired persons.

They enjoyed the 2-week session. They learned a great deal from it and very importantly, they are ready and willing to communicate what they learned to others. From my point of view this senior intern program is extremely worthwhile, not just for the interns, but those whom they reach back home.

Mr. REGULA. Mr. Speaker, I would like to take this opportunity to comment on this year's senior intern program. This program has assisted in establishing a system of communication which is vitally needed here in Congress. The internship program provides senior citizens an opportunity to witness and participate in discussion groups within the Congress as well as the executive agencies. The interns are able to present views of the local senior groups they represent while at the same time they are provided with a concrete perspective of actions taken here at the Federal level which directly affect the elderly.

Indeed, there were a multitude of opportunities this year for the interns I sponsored, Mr. and Mrs. Cyril Kidgell, of Hartville, Ohio. The Kidgells were able to attend a variety of meetings with organizations which deal with the specific needs of older Americans, as well as visit several embassies to learn of programs of seniors throughout the world. An additional sidelight for the Kidgells was a visit to the White House where they witnessed a ceremony welcoming the Shah of Iran to the United States.

However, the true merit of this program for me derives from the input I received from the Kidgells on essential matters which affect seniors within my congressional district. This input has assisted me in becoming more acutely aware of the needs of these individuals and as a consequence has resulted in actions on my part to provide fulfillment of these needs through specific legislation as well as the establishment of a senior citizen liaison program within my district office to constantly keep me in touch with this vital segment of my constituency.

This program has ultimately facilitated efforts on my part to more effectively represent the people of my district. I urge all of my colleagues to join with me next year in sponsoring interns for this beneficial program.

Mr. SHARP. Mr. Speaker, I was pleased to be able to participate in the congressional senior intern program this year. The program was a new project for Indiana's 10th District and opened a fresh line of communication for us.

Mrs. Carrie Dixon of Richmond, Ind., a leader in senior affairs in her hometown, and Mrs. Eugenia Bailey, of New Castle, Ind., also very active in the development of senior citizen programs, served as representatives of my senior citizen constituency. For 2 weeks they exchanged ideas with fellow interns from across the country. Their active schedule involved indepth briefings on Federal programs designed to assist the elderly and helping staff members in my Washington office perform our regular work.

Mrs. Dixon and Mrs. Bailey, upon completion of the intern program, researched and evaluated the most pressing needs of our district's senior citizens. They made the following suggestions:

> Mrs. Bailey. Thank you very much for the privilege of being a part of the Congressional Intern program, 1975. It has been one of the highlights of my life. Our evaluation of the program is that it is very worthwhile and will be helpful to the senior citizens in our District.
>
> Many things were brought out in discussion in the sessions which we will take home . . . we wish to bring to your attention the fact that there are many older people who would enjoy living out their lives in their own homes, rather than being moved. Many of these homes badly need repair . . . These people are on fixed incomes and are not able to pay even low interest on a loan—If a federal grant could be given for this purpose it would be very helpful . . .
>
> We are quite impressed with ACTION, especially the "Foster Grandparent" and "Senior Companions" programs. We believe these will be of particular interest to our District.
>
> Mrs. Dixon. It has been my pleasure to be invited by you to participate in the Senior Intern Program to represent my 10th Congressional District. I feel it has opened the way for elderly citizens all over the country and I am happy that our Congressmen can evaluate some of our needs through the program.
>
> My personal evaluation is that some provisions need to be made for the elderly to remain in their own homes by way of federal grants to help with necessary repairs. I know there are federal loans available, but if you are on a very limited income, you cannot pinch hard enough to pay the money back.

Mrs. Dixon also found the two ACTION programs of particular value. I plan to contact many of the persons active in senior citizens projects in our district with information on both mentioned programs, as the two women have recommended.

I have corresponded several times with Mrs. Dixon and Mrs. Bailey since their return to Indiana. They are taking their work seriously, spending evenings speaking to interested groups about their Washington experience.

During the briefings, the interns frequently expressed concern about the way Americans "table" their senior citizens and "put them out to pasture." We simply cannot ignore this segment of our population. We must continue to let each part of society play its role in making America as good a place to live as possible for our children and our children's children.

In closing I want to say that I personally find considerable value in a program, such as the senior citizen itern program, designed to open communication between American citizens and their Government. Through direct contact with involved people in my district, I can learn exactly what programs are not working, what types of programs need to be initiated, and what types of programs can be further developed. This particular project deserves commendation because it opens a channel of communication with persons who have unique knowledge and experience not available elsewhere.

Mr. MANN. Mr. Speaker, the senior citizen intern program was inaugurated in my Fourth Congressional District of South Carolina this year, with Mrs. Floyd Janzen ably representing the elder members of my constituency. The observations of Mrs. Janzen with respect to the activities of this program have convinced me of its effectiveness as a forum for communication between the senior citizens of this country and their elected representatives.

The primary objective of the intern program is to acquaint the senior citizen with the legislative process and its special application to his needs. However, the actual functioning of this program offers a dialog which permits a clearer understanding by Washington of the needs of this group and a greater appreciation by these constituents of the operation of their Government. Communication and understanding of this sort can only enhance the development and implementation of programs which are effective in responding to the requirements of this segment of our population.

I would like to add to my own comments concerning this program those of Mrs. Janzen, which reflect both an enthusiastic endorsement of this program and a new awareness of a government which has such a pervasive influence upon the lives of these citizens:

> Thank you so much for those two wonderful weeks in Washington. Its always a privilege to even be in that beautiful city, and to be roaming around the House Office Buildings and the Capitol as an actual working part of the scheme of things was totally unexpected. It was great to see the real live members of Congress in their natural habitat and to be there with a purpose of my own.
>
> I will admit that the presentations we heard as Senior Interns were couched in such vague and general terms that I am not as yet able to know or to be in complete agreement with everything they seemed to be saying, but the films on Transportation and on RSVP were direct and forceful and told their stories well. Still, there appeared to me to be a superfluity of agencies dealing with the problems of the aged—the Senate Committee on Aging, the House Committee on Aging, AOA, Social Security, Medicaid, Welfare, etc.—or is there a plan of organization, one clear line of authority, that I don't know about?
>
> Further, it is hard for me to believe that 70% of all Senior Citizens live on less than $2,000.00 a year. That statement should be backed up with some kind of proof, films or graphs. I came to Washington with the philosophy that every Senior Citizen had had 60 years to work hard and save his money. But the facts and figures and the low incomes of those who can be paid for work in RSVP show me that there is another side to the story.
>
> The two clerks sound asleep on their desks in the Social Security Office make it clear that there is some dead wood in the Bureaucracy. However, I know that it is possible to do a good job for the government. We're a big country and we need a lot of government, but aren't we smart enough to streamline it and make it work well?

The experiences of Mrs. Janzen and the other participants in the senior intern program are indicative of the awareness and fulfillment that can be derived from opening our daily activities to observation and input from those we serve. Congressman Biester is to be commended for the initiation of this fine program and for his excellent direction of its operation. I am pleased to have had the opportunity to participate in this activity and to gain from the closer association with the senior citizens of my district which it affords.

Mr. RICHMOND. Mr. Speaker, during the month of May, this past spring, Ms. Rose Bloomfield, a senior citizen of Brooklyn, N.Y., participated in the senior intern program in my office for a period of 10 days. This opportunity was a most unusual and beneficial experience for Ms. Bloomfield as well as for me and my staff.

Not only was Rose Bloomfield a great asset in aiding my full-time staff, but she made all of us even more aware of the productive civic role which senior citizens could and should play in our political process. Her approch to the work was insightful, competent, and full of vigor. Indeed, perhaps we all have a little bit to learn from the wisdom that comes with age.

Rose Bloomfield's internship provided her with quite a few new insights as well. Many senior citizens, as we all know, hold the belief—and until recently a largely justified one—that in terms of congressional priorities, the needs of senior citizens are unimportant. Thus, perhaps most significantly, a senior internship gives the intern a firsthand opportunity to see exactly what legislation concerning the status of senior citizens is being drafted, considered, as well as passed. I think the abundance and nature of the legislation aimed at the elderly came as definite surprise to Rose Bloomfield. I believe she left this office with a much more favorable impression of congressional attempts to assist the aged. Perhaps what she discovered during her internship in my office will spur her to play a more active role in her local community and to inform others in her age group that senior citizens are not the "forgotten citizens," and that they can and will receive congressional support if they make their needs known to Members of Congress. If the senior intern program does help to ameliorate the suspicion of the aged toward our political process then it is highly worthwhile for that reason alone.

In addition to the work done in the office, Rose Bloomfield also went on an embassy tour, on a private tour of the White House, heard guest speakers, and was addressed by various senior citizen organizations. Consequently, not only does a senior intern get a better understanding of the legislative branch of Government, but becomes exposed to various other facets of the political process as well.

Although the duration of Rose Bloomfield's internship was quite short, those 10 days were full and active ones. Most importantly, however, the long-term benefits and rewards of the senior internship, both in terms of gained knowledge and expanded beliefs and attitudes far outweigh the actual duration of the internship.

Mr. EVANS of Indiana. Mr. Speaker, during the first week in May, I was privileged to have in my office three very fine senior citizens from the Sixth District of Indiana: Mrs. Dora Nelson, Mrs. Nina K. Barron, and Mr. Sam Mercer.

They were participants in the congressional senior intern program, organized by Congressman Pete Biester and my good friend, Congressman Bud Hillis. I understand that 16 Members of Congress participated in the program this year.

The senior intern program serves a worthwhile purpose. It gives the participants an opportunity to observe how Congress works, and to meet those people whose decisions affect them and the quality of their lives. And it gives the Members and their staffs a fuller understanding of the interests and needs of this particular age group.

Mr. Speaker, I would like to insert in the Record letters I have received from my senior interns describing their Washington stay:

Dear Congressman Evans: This was my first visit to Washington, D.C. and I am still on "Cloud Nine".

I feel it was an honor and privilege to be selected as a Senior Intern in your Washington office and to participate in the Senior Intern program from the Mars-Hill Drexel Garden Center in Indianapolis.

Before I went to Washington, I felt that only people who were "cranks" wrote letters to Washington. Subconsciously, I felt that those receiving the letters didn't pay any attention to them. Now, my mind is completely changed since I've been there.

I also thought that the Washington people wouldn't be average people—that you'd have to be "special" to work there. But I found they were very warm and human with more than average understanding of situations. I never realized that a Congressman put in the hours that you do. I thought that all a Congressman had to do was to go to Washington and vote. He does much more.

The first day began by getting acquainted and learning the procedures used in your office—the duties and the staff—and also meeting with other Senior Interns from all over the United States.

Each morning while we were in the office, we observed the mail being opened. I was surprised to learn you read each letter sent and to find out how promptly the mail is answered.

A tour of the capital was a highlight. In the House of Representatives, the tallying of votes was demonstrated. Much to my amazement, this was done electronically. We also visited the Senate while a session was in progress.

We attended meetings each day, in which the problems of the elderly and the handicapped were discussed such as Urban Mass Transportation, Housing and Nutrition. Keeping the elderly in their own homes was a highlight.

The group was taken to the Social Security Building in Baltimore, Maryland for a tour. 35,000 people are involved. It looked like many acres of ground and buildings housed in this one area. All equipment is rented.

My impression when I returned home was to urge others to know their Congressman and let him know their needs.

Serving as a Senior Intern in your office was both educational and enjoyable. Thanks again for your participation in the Intern program.

Dora Nelson.

Indianapolis, Ind.,
June 5, 1975.

Congressman Dave Evans,
Washington, D.C.

Dear Dave: I take this opportunity to thank you for selecting me as one of your Senior Interns during the week of May 4, 1975. Appreciated also is the recommendation for the select by the United Southside Community organization and Fountain Square Senior Citizens Center of Indianapolis.

I feel a greater insight and appreciation for the great and difficult task a U.S. Representative has in serving well his constituency. I was able to see samplings of the great number of letters coming to your office and how well you and your staff expedite replies to the multiplicity of problems brought to your attention. One of my treasured memories is of the work and association with your office staff who were at all times gracious, considerate and most cooperative.

The Congressional Senior Intern Program for 1975 was a fine one. We were able to learn of the legislative process on the very floor where the action takes place. We made the usual Capital tour which is always inspiring. We then heard talks by National leaders of Senior Citizens organizations on matters crucial to the interests of the elderly. We were given an overview of legislation by members of both majority and minority committee staffs as it affected the aging and heard from the Administration on Aging. A bus took us to Baltimore where we were given a tour of the Social Security Administration office.

We were given a thorough explanation of the provisions of the Older Americans Act along with amendments which are incorporated in H.R. 3922, passed by the House and awaiting Senate action. Transportation for the elderly and the handicapped under the Urban Mass Transportation Administration was explained as to provisions for needed services which local agencies can apply for. Another subject of importance was housing as it relates to Senior Citizens and what the government is attempting in order to alleviate conditions.

I came away from Washington with renewed faith that Members of the House are very much concerned with the plight of Senior Citizens who have a real need for help in the area of health, housing, transportation, income maintenance and for a quality of life on a part with other citizens without the fear and dread of institutionalization.

The fact that you supported the House in passing the amended Older Americans Act attests to the deep concern manifested by you and your colleagues toward the handicapped and the elderly. Thank you and the Congress for making possible a most pleasant and profitable observation of democracy in action—serving the American constituency.

Best wishes,

Sam Mercer.

Indianapolis, Ind.

Dear Congressman Evans: It was an honor and a pleasure to be invited to participate in the Senior Intern Program in May.

The tour of the House of Representatives and Senate was informative and educational. I attended daily sessions of the various administrative Committees on Aging, both morning and afternoon with time off for lunch in the Longworth Cafeteria.

I learned of Social Security, taxes, housing, health, education, labor, public welfare, ways and means, nursing homes and many others, such as the Council on Aging.

I was very impressed with the Social Security Administration in Baltimore, Maryland and the large number of employees who work daily to send out the social security mail.

The Congressmen are trying to pass legislation to improve the social security program for all.

Senior Citizens can help on the local level by attending meetings, being active in the programs of the Congressman, and trusting in their efforts to help others. We should let the Congressmen know in writing what we need. They are in favor of changes, but must have the support of the people, voters young and old, to fight for the rights of all.

Today's chuckle: Youth looks forward. Old Age looks backward. Middle Age looks worried.

I thank you.

Sincerely,

NINA K. BARRON.

A well-developed sense of cynicism has become fashionable nowadays. I believe that the senior intern program helps to negate some of that, and bring together people, both Members of Congress and senior citizens, to work toward common goals.

Mr. WYDLER. Mr. Speaker, I have participated in the senior citizen intern program for the second straight year, and am glad I did.

My two interns, Mrs. Rosemary Koster, of Long Beach, N.Y., and Mr. Stephen T. Mongeluzzi, of Elmont, N.Y., were excellent sources of direct information to me on the problems of senior citizens in our fabulous Fifth Congressional District. They have also accepted positions on my Congressional Advisory Commission, to act as experts on the problems of the aging. They will speak to and inform people back home about what is going on in the Congress.

Mr. Mongeluzzi and Mrs. Koster have submitted reports to me covering their activities here in Washington, and I am including their reports herewith, for the information of all senior citizens in the Fifth Congressional District:

REPORT OF STEPHEN T. MONGELUZZI

This report pertains to the Senior Citizen Intern Program from May 5 to May 16, 1975 in Washington, D.C. It is my opinion that this tremendous task to obtain all the objectives in these bills will require lots of time and an exorbitant amount of money.

NATIONAL HEALTH INSURANCE

This country needs National Health Insurance. We urge Congress to move ahead as rapidly as possible to enact a National Health System that assures all Americans equal access to comprehensive and coordinated health services of high quality at economical costs. National Health Insurance should eliminate private carriers.

SOCIAL SECURITY

I firmly believe in the soundness of the Social Security system. Social Security is and will continue to be good for all the people under this system. So long as protection for those now working is kept up to date there is no way for the Social Security contributor to get better protection for the same money.

TAXATION

One of the long-term problems is the property tax and the effect it has on older persons who have saved all their working lives to own their own homes, only to have that ownership threatened by unfair state and local property tax rates. Perhaps a reduction in all utility bills should be looked into, such as, a 10% discount or to eliminate the sales tax.

I am also in favor of H.R. 1181, a bill introduced by Congressman John W. Wyder, to allow a credit against Federal income taxes or a payment from the United States Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65.

This report covers some of my opinions and thoughts and I believe that Federal funds do not reach a local level. I am referring to transportation services where necessary to facilitate access to social services. Services designed to encourage and assist older persons to use the facilities and services available to them.

Many Senior Citizens should apply for this intern program during the coming years. One will gain an insight of how things are done. The Senior Citizen Intern Program should be here to stay.

REPORT OF ROSEMARY KOSTER

As a participant in the Senior Citizens Intern Program, May 5 through May 16, 1975, I was impressed with the vast, complex system of legislation, which was confusing and overwhelming to me at first. However, I now feel that I have a better understanding of the everyday function of the legislative branch of our Federal Government with regard to Senior Citizens Affairs. In spite of the enormity of the problems of Senior Citizens, the services rendered are invaluable in my opinion. They are continually being studied, tested, modified and liberalized with the aim of improving the lives of older people. Beginning with President Franklin D. Roosevelt's Message to Congress in 1934, which led to the Social Security Act, the program has grown to include many services which were explained to us and discussed during the meetings we attended.

SOCIAL SECURITY

I am in agreement with those who say that the image of Senior Citizens must be one of "dignity rather than degradation," and I believe the Social Security Program has contributed immeasurably to improving that image. Continuation of the Program is essential. The present benefits must be kept intact, as we Senior Citizens do not want to lose anything already gained for the elderly now or in the future. We are glad to know that the House of Representatives has already passed H.R. 3922, and we hope that the Senate will soon pass S. 1425 to extend the Older Americans Act. The programs are working, perhaps not perfectly in every instance, but we feel many of the solutions can be found on the state and local levels through the proper area agencies.

We are aware that President Ford is against new spending, but we know the services to Senior Citizens are vital and must take priority. Must we who have lived through the "Deep Depression of the 30's," worked hard all our lives, established and contributed to the Social Security System, now allow recession and inflation to wipe out these gains? We have been told there is a serious financial problem with Social Security. We question, "What is going wrong? How much money is being wasted by proliferation of agencies and boards? How much are the aged really getting of what is rightfully ours?" We oppose blanket Federal grants given under the guise of assistance which do nothing for the elderly. There is overlapping, duplication and money not wisely spent. Everything should be scrutinized.

Hopefully the employed American will be willing and able to finance Social Security even if a higher percentage of his wages must be contributed and the wage base raised. In addition we are aware that the financial problems of the elderly and their solution depend largely upon the general state of the economy. Many of the Seniors who are barely able now to buy the necessities of life cannot survive a period of higher and higher inflation. Commonsense curbs on inflation should be a goal of every segment of our society, including Senior Citizens, but we must not be discriminated against. A review of mandatory retirement should be made. The older person who wants to work is punished under the present law.

In my opinion, there should be no mandatory retirement age. According to the consensus revealed by the Harris Poll on attitudes on aging conducted in 1975, "Nobody should be forced to retire because of age if he or she wants to continue working, and is still able to do a good job." Why must a person wait until age 72 to earn an unlimited amount under Social Security? Perhaps the eligibility age should be raised to 68 years or partial retirement may be the answer for those who no longer wish to work. Possibly the employee should pay on whole earnings. We believe these questions can and must be answered by Congress.

TRANSPORTATION

A second major concern of the elderly is transportation. It is being solved much too slowly in spite of the work of the Urban Mass Transportation Administration (UMTA). Years of planning and experimentation are ahead before the older Americans will have sufficient, low-cost means of traveling from their homes to centers, to markets, to doctors, dentists, etc. Although we Senior Interns saw beautiful slides of many different types of buses and vans with special devices to ease the travel of Senior Citizens, relatively few are actually in operation. Although funds are available through UMTA, many transit systems and companies are reluctant to become involved in this program. Here is an example of Congress providing the legislation for services which are not implemented locally. Communication in this instance seems to be weak or lacking among the three levels of government. Programs intended to serve the elderly citizens are therefore failing to do so. It is the obligation of Seniors to work with leaders in our local areas to bring these exciting, new ideas to the attention of local councils and agencies, as application for funds to the Federal Government must be made through UMTA. There is no other way to get the money, which may take months or even years. Immediate action is needed.

HOUSING

In the area of housing we hear good and bad news. The 1974 Act sets up goals which are being met in some parts of the country only. Once again the responsibility for planning and implementation depends mainly upon the local authorities. Federal control is minimized. Independent living is a goal through the Rental Assistance Program with priorities for the elderly, and the Direct Loan Program. In certain cases loans are available for home improvement. Elderly home owners should be encouraged to keep their homes. At present 23% of Senior Citizens all over the United States are homeowners and should not be forced to sell their homes or to live in sub-standard conditions because of inability to pay for maintenance. There are too many older Americans living under deplorable conditions in slums and blighted areas. Every effort must be made to correct these ills wherever they occur. While I do not think HUD should have control over local housing, I do think evaluation of programs and results of the money spent should be made. There should be constant vigilance by the Federal Government to assure monies are properly spent on the local level. Otherwise the stated goals of "decent housing for the elderly in a suitable environment" will not be achieved.

MEDICARE AND NATIONAL HEALTH INSURANCE

No major changes in Medicare Legislation appear to be likely in the near future, although calculation of Part B Premium action is pending. The $6.70 per month premium will continue unless Congress votes against it. Seniors are alarmed at the rapid rise in physicians' fees. Hospital prices also are rising to catastrophic heights, which can impoverish people on fixed incomes, as many Seniors are. Medical care which is uncontrolled is getting out of hand. I believe Congress should take a very close look at and consider control of doctors' fees. Many middle class people are neglecting their health because they cannot pay the exorbitant rates. Even private medical and health insurance plans do not always cover expenses, and peoples' life savings are frequently lost because of prolonged illnesses, forcing them down to the poverty level of society. Continuation and expansion of Medicare are essential if the elderly middle class are to receive the services required.

Because of conditions which I have just described I am strongly in favor of National Health Insurance, which apparently is successful in England and Sweden. The system, if devised by Congress must be fair to doctors as well as to patients. In this connection the immediate concern of malpractice should be reviewed. As a Senior Citizen I was pleased to learn that bills for Health Insurance for the unemployed, migrant workers, family health centers and catastrophic situations are being considered in Congress at present, indicating a need for a more general form of Health Insurance than is now available. I anticipate a continuation of interest in Congress in this problem. It was surprising to me to learn that National Health Insurance has been under consideration in the United States since 1912. At that time the American Medical Association favored it, while at present in general A.M.A. is against it. Finally, thought should be given to a program of preventive medicine. Keeping people well should be less costly and certainly more beneficial than caring for the sick.

TAX POLICIES

The 94th Congress is involved in general tax reform including bills now pending with respect to assistance for the elderly on property taxes. There could also be a deduction or credit for Senior Citizens against income tax rebates, etc. Most of the taxes are related to financing of Social Security, Medicare and Medicaid. In order to continue these programs the taxpayer must pay. Many people resent the higher taxes. Plans are being designed to assist, such as tax-sheltered annuities, savings through banks and savings and loan companies, etc. We Senior Interns were informed, "No one can assess the mood of the 94th Congress. There are many new members. It is hard to predict what Congress will do, as it is an unusual Congress. The public must see it against a backdrop of the economy. It will mirror the wishes of local constituents, which differ widely throughout the country. Much legislation will be taken up in committee hearings this spring."

ACTION

ACTION is a small, young agency doing big things. It is administered by the Older Americans Volunteer Programs and includes 1. RSVP, Retired Senior Volunteer Program; 2. Foster Grandparents, which is the oldest of the volunteer programs; 3. Senior Companions and 4. Senior Corps of Retired Executives. No changes in the services are expected, but the amount of money to be appropriated for 1976 is not yet known. ACTION is one of the most inspirational of all the Federal programs for the elderly, as the Senior Citizens are so deeply involved in it. As one R.S.V.P. participant said, "I have a reason for getting up in the morning, taking a bath and combing my hair." Senior Citizens are serving successfully with dignity in helping infants, delinquent youths, the retarded and physically handicapped among others. The program surely will flourish with the necessary funding from the Federal, State and local governments.

CONSUMER PROBLEMS

Senior Citizens suffer the consumer abuses inflicted upon all citizens, but they are intensified for seniors. However, help can be obtained through the County Consumer Agency and the State Attorney General's Office. One of the best ways to combat consumer problems is by organizing a local Senior Citizens Consumer Group. Assistance can be obtained from many sources, including Health, Education and Welfare, A.A.R.P., the Gray Panthers, the Federal Trade Commission and the Food and Drug Administration.

NURSING HOMES AND LONG-TERM CARE

The goal of H.E.W. regarding nursing homes is one which is heartily supported by Senior Citizens, namely "to be sure the residents get the care to which they are entitled." Federal funds must cease to support unsatisfactory conditions. Quality care is not a luxury; it is a requirement. Dr. Fleming hopes for an ombudsman program in 1975 which will make the patients' Bill of Rights work. In this we concur. We support inspection of nursing homes by individuals and members of local agencies followed by reporting of any irregularities. Fortunately alternatives to nursing homes are being debated in Congress. Home Health Care and Senior Day Care Centers are being seriously considered by Congress this year. H.R. 2268 and S. 440 are being studied. Careful policing under the 1972 mandate of Congress should be enforced by terminating monies to nursing homes which are not meeting the standards. Community presence is really the enforcer of good care. Senior Citizen groups should visit nursing home facilities frequently, and bring in recreational activities. Congress also must address itself to this problem.

In conclusion I wish to express my appreciation to Congressman John W. Wydler for affording me the opportunity of engaging in the Senior Citizen Intern Program, which I consider to be invaluable. I look forward to its continuation and expansion in order for benefits to Senior Citizens legislated by Congress to be implemented on the local level.

Mr. SCHULZE. Mr. Speaker, as a freshman Member of Congress, I had the opportunity to initiate in the Fifth Congressional District of Pennsylvania the congressional senior intern program in May of this year. The stated purpose of the program was to allow two constituents aged 60 or older from our respective congressional districts to come to Washington and observe firsthand how the Federal Government operates, especially in the area of aging.

Mr. Speaker, at the outset, let me emphasize that this learning process works two ways. I believe—and I speak for my staff as well as for myself—that this brief exposure to our two senior interns was as enlightening to us as were the briefings and tours received by our interns. They helped to sharpen our awareness to the needs and expectations of our district's older residents. In addition, I like to think that all of us—the interns, the staff, and myself—not only came away with a better understanding of each other's problems, but that we also made new friends.

The senior citizens of the Fifth Congressional District of Pennsylvania had excellent representation in the senior intern program. In selecting the two participants from our district, we had the cooperation of senior citizen group leaders from Chester, Delaware, and Montgomery Counties. It was only fitting that the elderly residents of the Fifth District were allowed to select those who were going to speak for them here in Washington. In selecting Mr. Lester Turner and Mr. Glenn E. Jackson, the senior community made wise choices.

Mr. Turner was aware of the problems of the aging through his participation on the Legislative Committee of the American Association of Retired Persons, Chapter 713. His experience of 12 years as a Phoenixville Councilman had prepared him well to represent his community.

Mr. Jackson also brought a wealth of experience and understanding to the program. As an active leader of the West Chester AARP, and staff member of the retired senior volunteer program from his area, his contribution to the program was outstanding.

In addition to "observing firsthand how the Federal Government operates" in the field of aging, Messrs. Turner and Jackson agreed to give us their insights and recommendations concerning the senior intern program, as well as suggestions relative to Government involvement in programs for the elderly. These gentlemen are currently working on their reports.

In the words of Mr. Jackson:

> Whoever heard of a Congressman paying the expenses of constituents to come to Washington to tell him what was wrong—what was right—what was missing. Such a phenomenon has no name! It's a two-way street.

I could not agree more. Their candid assessment of the program and the needs of the elderly community will be of invaluable assistance to me in working to meet these needs.

Although I have received only preliminary reports from our two interns, the positive impressions of the program centered around the tours, the briefings, and the exposure to a congressional office afforded our interns. In addition, "The participation of the interns with their questions and comments given freely at every session" was applauded.

The major criticism of the program was that, during the briefing sessions, "there were all too frequent speeches from the floor boasting on some local achievement." It was further observed that:

> There was not a single session in which there was not a lot of speech-making instead of questions in what was supposed to be the "Question Period."

The solution recommended was that these speeches "must be stopped if we are going to make proper progress on the major concerns as to what legislation, what techniques, what kind of organization, is indicated for our universal desire to" advance the cause of senior citizens.

Although, as I have said, I have only received preliminary reports from Mr. Turner and Mr. Jackson, I have received an interesting legislative suggestion.

Mr. Jackson has recommended legislation which would simplify the tax returns of persons over 65 years of age by allowing them the option of filling out the Form 1040, or signing a simple form enabling them to pay a tax equal to the average paid in the 5 years following their 65th birthday.

Needless to say, I look forward to receiving the in-depth reports currently being prepared. The observations I have already cited, however, are an indication of the enthusiasm and perception of our two interns.

Let me take this opportunity to make my deep thanks to Mr. Turner and Mr. Jackson—and to all of the elderly residents of the Fifth Congressional District of Pennsylvania they represented—a part of the official public record. I know that we have established an invaluable and open line of communication between the senior community and my office through their efforts.

Mr. **SISK**. Mr. Speaker, participating in the senior intern program was indeed a rewarding experience for me and my staff. The 2-week program afforded us the opportunity to get to know two very special people, Mr. John Masten and Mrs. Daisy Shirk, who impressed us all with their insight on the problems and needs of young and old alike and their concern for how Government responds to these needs. The program provided a forum for extensive discussion of national issues which particularly affect older citizens. As an active community leader, Mr. Masten has always been a valuable spokesman for the senior citizens of the Fresno area, and through his internship here, I feel that we have developed even better communication with each other.

I would like to commend Congressman EDWARD BIESTER for the fine job he and his staff did in organizing and coordinating this very worthwhile program which I hope will expand even more next year. I plan to continue my participation, as I feel that we in the Congress must be attentive to the welfare of older Americans, and the senior intern program represents an effort to better inform ourselves on issues affecting and involving senior citizens.

Mr. Masten's internship report follows:

THE CONCERN OF THE FEDERAL GOVERNMENT FOR OLDER AMERICANS

. . . as seen by "Senior Interns" of the House of Representatives invited by Congressmen to study relationships between Congress, the Executive Branch and concern of the people in the Congressman's District. . . .

Each Congressman had the privilege of inviting one person from his district to get acquainted with and to observe the actual working of the Congress to pass the laws and hand them to the Executive Branch to carry out.

The Senior Intern Program is a new one, passed by the House. This is its second year in operation, and it will be continued if it proves worthwhile to the delegates and to the House. Each delegate received his instructions from his Congressman. Most of the intern sessions were held in the House Office Buildings: the Rayburn Building; the Longworth Building; and the Cannon Building. One day was reserved for a trip to Baltimore, Maryland, to inspect and learn about the Social Security Headquarters; another, to the Australian Embassy.

The Federal agencies working in the interest of senior citizens, as well as for the general public, first outlined the work of their particular agency and then continued their discussions guided by the questions asked by the delegates.

Our program is attached to indicate the areas covered; another sheet indicates directives to those in charge from the House of Representatives.

Congressmen themselves were unable to be at the daily sessions due to the pressure of their committee work and congressional sessions. Congressmen are busy people. However, the services of their office staff were greatly appreciated. Congressman Sisk's office staff was made available in every possible way to see that all necessary information was provided for our convenience and for our understanding of the inner workings of Congress and the various government agencies formed to help fulfill the will of the people.

Officials of specific departments working for and with older Americans or for the people as a whole were the speakers. Also on the panels with them were representatives from non-government, volunteer, or special interest groups organized to help promote a better life for the elderly.

While this program has been in operation a very short time, it seemed that all of the delegates felt that the programs were well conducted and well organized.

We interns concluded that here was the center of our government. We felt that it was being run for us and not just something to push us around. We felt that we back home could be more help and keep in closer touch with our congressmen.

JOHN MASTEN,
Delegate, Congressional Senior Intern Program, 15th District.
B. F. SISK, *Congressman.*

GENERAL LEAVE

Mr. EMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Pennsylvania (Mr. BIESTER).

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

ROLLCALL OF HEROES 1974–75

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 15 minutes.

Mr. GOLDWATER. Mr. Speaker, we have recently observed National Police Memorial Week. Each year, I have had the honor and sadness of reading the Rollcall of Heroes, the names of those police officers who have died in the line of duty during the previous year.

There may not be booming artillery or fighter planes to threaten our police officers, but this does not make the war they fight each and every day any less deadly. Every police officer lives with the threat of death at every turn; this past year death become the final fact for 134 gallant police officers.

Each year, the toll climbs higher, while our citizens complain of rising crime and lack of community safety. Many solutions have been offered, but I would like to add this thought for the consideration of my colleagues and fellow Americans:

No matter how many laws the Congress passes to curb crime, the crime rate will continue to climb unless people themselves start teaching their children to respect law and order. Our police officers are only able to achieve success in keeping the streets safe when they have the complete support of the community. Laws are of little use if people fail to report crimes, if they fail to appear as witnesses, or when they simply look the other way when a neighbor is being victimized by a criminal.

Too often, the criminal is portrayed in our society as a misguided, unfortunate soul, who should be pitied rather than prosecuted. This is nonsense. A free society has a right to protect itself from those who would use that freedom to destroy it. In my opinion, it is time for judges and parole boards to realize this fact and stop allowing criminals, especially repeated offenders, back on the streets.

Then, and only then, will we have both a reduction in crime against our citizens, and a reduction of the slaughter of those who seek only to protect us from society's deviates who kill, maim, steal, and cheat us all of our lives and property.

The following is the list of all law enforcement officers who sacrificed their lives during the period of May 18, 1974, through April 17, 1975.

May God bless them all.

The list follows:

LAW ENFORCEMENT OFFICERS KILLED IN THE LINE OF DUTY SINCE MAY 15, 1974

DEPARTMENT OR AGENCY, STATE, DATE, RANK, AND DECEASED OFFICER

1974

Miami, Dade County: Florida; May 18; Patrolman; Harrison Crenshaw.

State Police: New York; May 20; Investigator; Leslie S. Grosso.

Dade County Public Safety: Florida; May 21; Patrolman; Simmons Arrington.

Boston Police Department: Massachusetts; May 24; Patrolman; Name withheld.

Wayne Police Department: Michigan; May 25; Patrolman; Leonard Anderson.

Detroit Police Department: Michigan; May 25; Patrolman; Brent L. Stephens.

State Police: Michigan; May 27; Trooper; Darryl Rantanen.

Highway Patrol: South Carolina; May 31; Patrolman; Ben Wesley Strickland.

Aiken County: Police; South Carolina; June 2; Patrolman; Name withheld.

Omaha Police Department: Nebraska; June 6; Patrolman; Paul A. Nields.

Chicago Police Department: Illinois; June 16; Patrolman; Robert Strugala.

Puerto Rico Police: Puerto Rico; June 16; Patrolman; Hector Maldonado.

Puerto Rico Police: Puerto Rico; June 19; Patrolman; Atilano Garcia Mendez.

New York City Police: New York; June 20; Lieutenant; Harry Schmiemann.

Polk County Sheriff: Georgia; June 23; Name withheld.

Hernando Police Department: Mississippi; June 28; Patrolman; Rory Welch Key.

Orange Police Department: Texas; June 28; Captain; Danny Lee Gray.

State Police: New York; June 30; Trooper; Ray C. Dodge.

Pittsburgh Police Department: Pennsylvania; June 30; Patrolman; Patrick J. Wallace, Jr.

Warren County Sheriff: Mississippi; July 6; Deputy; Name withheld.

El Monte Police Department; California; July 9; Patrolman; Manual A. Arceo.

Milwaukee Police Department: Wisconsin; July 10; Patrolman; Robert D. Riley.

Milwaukee Police Department: Wisconsin; July 10; Patrolman; Thomas Matulis.

Texas City Police Department: Texas; July 13; Patrolman; W. C. Simmons.

Riverside County Sheriff: California; July 13; Deputy; Edward Schrader.

Atlanta Police Department: Georgia; July 15; Patrolman; Gregory Ray White.

Cincinnati Police Department: Ohio; July 17; Patrolman; David L. Cole.

Fort Lauderdale Police: Florida; July 21; Patrolman; D. Walter Ilyankoff.

Puerto Rico Police: Puerto Rico; July 22; Investigator; Fidel Angel Rijos G.

Dewar Henryetta Police: Oklahoma; July 26; Auxiliary Police; Walter T. Hembree.

Dewar Henryetta Police: Oklahoma; July 25; Deputy; Burton Brewer.

Dewar Henryetta Police: Oklahoma; July 25; Marshal; Thomas Adkins.

Columbia Police: South Carolina; July 25; Lieutenant; Philip G. Schalterer.

Baltimore Police: Maryland; August 1; Sergeant; Frank W. Grunder, Jr.

Dearborn Police: Michigan; August 2; Lieutenant; Luis A. Hinkle.

Sacramento Police: California; August 3; Detective; Doyle "Pete" Popovich.

Danielsville Police: Georgia; August 5; Deputy; Elmer Willis.

Chicago Police: Illinois; August 5; Sergeant; Otha M. Lemons.

Portland Police: Oregon; August 9; Patrolman; Dennis A. Darden.

Del Ray Beach: Florida; August 10; Patrolman; John Daniel Kennedy.

Baltimore Police: Maryland; August 15; Patrolman; Milton Spell.

New York Police: New York; August 19; Patrolman; Thomas J. Pegues.

Crawfordsville Police: Indiana; August 27; Lieutenant; Russell Max Baldwin.

Union City Police: California; August 29; Chief; William M. Cann.

St. Anne Police: Illinois; August 30; Chief; Rudolph Dandurand.

Puerto Rico Police: Puerto Rico; September 12; Patrolman; Anibal Loporina Soto.

Department of Public Safety: Texas; September 14; Patrolman; Hollie Lamar Tull.

Philadelphia Park Police: Pennsylvania; September 15; Park Policeman; James A. McKale.

Washington, D.C. Police: District of Columbia; September 20; Policewoman; Gail A. Cobb.

New York Police (Yonkers): New York; September 22; Patrolman; Harold L. Woods.

Mesquite Police: Texas; September 23; Officer; Travis E. Williams.

Camden County Sheriff: Georgia; September 30; Deputy; Dennis Herring.

State Police: North Carolina; September 30; Trooper; Jack O. Templeton.

Horry County: South Carolina; October 3; Wild Life Agent; Charles L. McNeill.

State Police (Buncombe): North Carolina; October 5; Trooper; William D. Arledge.

Ashville Police: North Carolina; October 5; Sergeant; Laurence Canipe.

Gary Police: Indiana; October 5; Patrolman; James Boyce, Jr.

Highway Patrol: California; October 21; Officer; David Arthur Jack.

Dept. Public Safety: Texas; October 23; Officer; Patrick A. Randel.

Tucson Police: Arizona; October 28; Officer; Name withheld.

State Police: New York; October 24; Trooper; Emerson J. Dillon, Jr.

Sedgewick City Sheriff: Kansas; October 31; Deputy; Roy Vance Johnson.

College Park Police: Georgia; November 7; Officer; Eugene W. Barge.

Union City Police: New Jersey; November 4; Detective; Nicholas Miguel Girado.

Chester Police: Pennsylvania; November 8; Policeman; Michael Carter.

South Bend Police: Indiana; November 14; Corporal; Thomas J. De Rue.

Charleston Police: South Carolina; November 15; Officer; William Thomas Cribb.

Lincoln Police: Alabama; November 16; Patrolman; Otis Lee Robinson.

Lincoln Police: Alabama; November 16; Patrolman; Allen Lee Harmon.

State Police: Washington; November 17; Trooper; Thomas L. Hendrickson.

State Police: New York; November 20; Investigator; Thomas J. O'Hea.

Yuba County Sheriff: California; November 21; Deputy; Donald L. Brown.

State Police: Florida; November 21; Trooper; Charles E. Campbell.

Baltimore Police: Maryland; November 30; Officer; Martin J. Greiner.

Chesapeake City Police: Virginia; November 30; Patrolman; Ray Pierce Gallimore.

Alice City Police: Texas; December 1; Patrolman; Matt Murphy.

State Police: Michigan; December 5; Trooper; Larry L. Forreider.

New Orleans Port Police: Louisiana; December 6: Officer: John L. Jordan.

Cincinnati Police: Ohio; December 7; Sargeant; Charles F. Handorf.

Union County Sheriff: Georgia; December 8; Sheriff; Jay Chastain.

Highway Patrol: Utah; December 8; Trooper; William J. Antoniewicz.

Indianapolis Police: Indiana; December 12; Patrolman; Ronald H. Manley.

Grand Rapids Police: Michigan; December 12; Patrolman; Herman R. Gloe.

Detroit Police: Michigan; December 20; Patrolman; Robert J. Hogue.

Waveland Police: Mississippi; December 21; Officer; Joe Louis Jushaway.

Chicago Police: Illinois; December 23; Patrolman; Harl J. Meister.

New York Police: New York; December 28; Officer; Kenneth Mahon.

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Los Angeles County Sheriff: California; January 1; Deputy; Darden Hollis.

Kansis City Police: Missouri; January 2; Officer; Russel D. Mestdagh.

New York Police: New York; January 3; Officer; Michael McConnon.

Atlanta Police: Georgia; January 7; Detective; Samuel Milton Guy.

St. Johns City Sheriff: Florida; January 12; Deputy; Ronald A. Parker.

New York Subway Police: New York; January 20; Policeman; Joseph R. Garcia.

Denver Police: Colorado; January 23; Patrolman; William E. Smith.

Summit Police: Wisconsin; January 26; Patrolman; Robert Atkins.

Oconomonoc Police: Wisconsin; January 26; Patrolman; Wayne Olson.

Crawford City Sheriff: Georgia; January 25; Chief Deputy; Allen Kay O'Neal.

Houston Police: Texas; January 30; Patrolman; Johnny T. Bamsch.

Greenville Police: South Carolina; January 31; Lieutenant; Frank Looper.

Lewisberg Police: Tennessee; February 1; Officer; Billy W. Blackwell.

Westwood Police: Massachusetts; February 11; Patrolman; William E. Sheehan.

Elko Police: Nevada; February 17; Patrolman; Clyde A. Walters.

Silex Police: Missouri; February 20; Marshall; William Kitson.

Monroe County Sheriff: West Virginia; February 21; Deputy; Jesse L. Blevens.

Attalla Police: Alabama; February 22; Officer; Irwin C. L. Starling.

Newark Police: New Jersey; February 23; Officer; Richard Burns.

Clarendon Police: Arkansas; February 27; Trooper; William Ron Brooks III.

New Orleans Police: Louisiana; February 28; Officer; Joseph Tardiff.

Gulfport Police: Mississippi; March 3; R.R. Agent; James Maurice Bostick.

Shrewsbury Police: Massachusetts; March 5; Officer; James Lonchiadis.

Sangamon City Sheriff: Illinois; March 8; Deputy; William D. Simmons.

Detroit Police: Michigan; March 15; Officer; James Watts.

Montgomery Police: Alabama; March 15; Patrolman; George W. McGaughey.

Bolivar Police: Tennessee; March 17; Patrolman; Hugh E. Eubanks.

Puerto Rico Police: Puerto Rico; March 23; Sergeant; Rafael Rivera Rivera.

Glenolden Police: Pennsylvania; March 25; Chief; Robert Sparks.

Mount Holly Police: New Jersey; March 28; Patrolman; William Wurst.

Hainesport Police: New Jersey; March 28; Patrolman; Donald Alshire.

Ute Mountain Police: Colorado; April 1; Patrolman; Name Withheld.

Saratoga Police: Florida; April 5; Patrolman; Warren Jones.

Sunflower City Police: Mississippi; April 2; Marshal; Carter Lee Curry.

Philadelphia Police: Pennsylvania; April 10; Patrolman; Alan H. Lewin.

Blue River Lake City: Oregon; April 12; Detective; Name Withheld.

Bensalem Twp Police: Pennsylvania; April 15; Patrolman; James K. Armstrong.

Hempstead Waller City: Texas; April 17; Deputy; Albert E. Cooke.

HUMAN RIGHTS IN SOUTH KOREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Fraser) is recognized for 15 minutes.

Mr. FRASER. Mr. Speaker, I would like to insert in the Record the recent testimony given before the International Relations Subcommittee on International Organizations by Leonard C. Meeker, former legal adviser of the Department of State. Mr. Meeker's recommendations for U.S. policy toward South Korea deserve careful attention.

He recommends a four-power conference—United States, China, Japan, and the Soviet Union—to guarantee the security of both North and South Korea. Such a guarantee would be followed by gradual withdrawal of U.S. troops from South Korea.

He recommends that the United States—

> Counsel and advise the South Korean Government in the most persuasive terms to adopt and carry out a policy of according basic rights to the people of South Korea. We should state that all future American aid to and support for South Korea would be related directly to progress in establishing human rights and democratic practices in the country.

He also recommends withholding nuclear fuel from South Korea until certain safeguards are met.

The testimony follows:

Statement of Leonard C. Meeker Before the International Organizations Subcommittee of the House of Representatives Committee on International Relations, June 12, 1975

Mr. Chairman: I appreciate this opportunity of appearing before the Committee today to express some thoughts on the current scene in Korea. My interest in the Asian area and in international affairs is longstanding. During World War II, I served with the U.S. Army for two years in China. Thereafter I served in the Department of State for over 20 years, devoting a good deal of that time to United Nations affairs. From 1965 to 1969 I was Legal Adviser of the Department, and from 1969 to 1973 I was U.S. Ambassador to Romania. I am now practicing public-interest law as a member of the Center for Law and Social Policy in Washington.

I should like to suggest today some actions the United States could take in relation to Korea that would be constructive. The word "constructive", of course, implies a point of view, and I should begin by defining what mine is in this case. It derives from history and from the development of U.S. policy toward Korea.

I

Korea had been occupied and administered by Japan since before World War I. The principal Allied Powers of World War II made it one of their declared war aims to detach and liberate Korea; the country was to resume its role as an independent nation.

When the Japanese military surrender was carried out in 1945, Soviet troops occupied Korea north of the 38th Parallel, and American troops occupied the balance of the country. A Soviet-American agreement to arrange for the re-unification of North and South was not implemented. The United States carried the question to the United Nations General Assembly, which appointed a commission to oversee free elections. Elections were held only in the South, and a government was formed there. It had not long been in office before North Korea invaded the South in a forcible attempt to reunify the country under Northern Communist rule.

Sixteen countries led by the United States joined in a collective defense of South Korea under the banner of the United Nations. North Korea received military aid from the Soviet Union, and later, after the MacArthur advance to the Yalu River, Chinese "volunteers" entered the War on the North Korean side. After months of fighting with grievous human losses, and after two years of patient negotiations, an Armistice was concluded, and the effort of reconstruction began in the South. The prospect of peaceful re-unification of the country seemed very far away.

When the Korean War began, the South was ruled by a heavy-handed government under President Sigman Rhee. When the War was over, the same apparatus controlled the country. In the years that ensued, a striking economic recovery was launched with American aid, and after two decades South Korea had an impressive record of material success and prosperity.

The political side of Korean life, however, was not encouraging. There had occurred, to be sure, a loosening of the old Rhee regime, and it was succeeded for a few years by comparatively democratic governments. But these came to be supplanted by a new and even more authoritarian military dictatorship of an army officer, and he remains in power today.

This Committee has received extensive information on the conduct and practices of the Park administration, so it is needless to review the current state of affairs in South Korea. Suffice it to say that American and United Nations hopes for the emergence of a progressive and decently ruled society in South Korea—following a massive provision of Western military help and then economic assistance—have been bitterly disappointed. The people of South Korea are far from enjoying the basic rights we hoped our exertions would make possible for them.

II

It is quite true that the regime in North Korea remains Communist and totalitarian and that its words and actions toward the South are unfriendly and sometimes bellicose and menacing. These harsh facts are invoked by the Park Administration and by some in the United States Government as the necessity that justifies and requires Draconian measures to protect the security of the South.

One may agree that prudence calls for an alert military defense in the face of border incursions, the dispatch of terrorist agents, and tunnelling under the Demilitarized Zone. But what we see in South Korea is not prudent defense. It is the operation of a police state which brands any non-conformist or dissent as treason. Harsh and oppressive penalities are visited upon Koreans for simple disagreement with the regime. The death penalty has been executed in numerous cases in summary fashion. One has to wonder at this state of affairs as the outcome of nearly 30 years of free-world support and intervention avowedly on behalf of freedom and liberty.

The United States is deeply and intimately involved in the Park regime's rule of South Korea. We have supplied its weapons; we have provided massive economic and budgetary assistance; we have some 40,000 U.S. troops deployed in South Korea's defense; and we have been lending the regime our energetic political support. We may justify these as defensive measures to help protect South Korean security, and as aid to the economy which will benefit South Koreans generally. Both justifications may be genuine. It is also an inescapable truth that the totality of our actions in South Korea reinforces the Park regime generally, including its policies of repression. United States actions are not neutral in relation to the internal political situation. They are shoring up brutal dictatorship.

The United States is not thereby strengthening sceurity in the country. Opposition and resistance to South Korea's government continue despite the regime's extraordinary efforts to stamp them out. The Park regime's oppressive policies and actions alienate popular support, instigate active opposition, and erode stability in the country. If opposition should develop into resistance and civil war, South Korea could become another Viet Nam. The situation could invite intervention from North Korea. In recent weeks the North Korean Communist Party and Government chief has published full-page advertisements in the American press which give a picture of North Korean policy and intentions. The Kim Il Sung statements speak of repression and violations of human rights in South Korea. One of them declares:

"Our Party and the Government of the Republic will always do all they can to give active assistance to the South Korean people's just struggle. . . ."

There are further reasons, to my mind not less cogent, that counsel against continuing U.S. involvement in South Korea supporting a totalitarian regime. To do this is inconsistent with our national traditions and purposes. It further impairs the once impressive reputation we enjoyed in the world for generosity and a concern for justice in all countries. To the extent that the United States supports and is identified with military dictators, the country's ability to conduct an effective foreign policy in contemporary conditions is harmed and diminished.

Special dangers exist for the United States in Korea as a result of the present political and military situation. In the wake of the Korean War, John Foster Dulles negotiated a mutual defense treaty with South Korea. This pact engages the United States to "act to meet the common danger in accordance with its constitutional processes" in the event of an armed attack on South Korea. This is not a commitment to automatic military response by United States forces. Moreover, Mr. Dulles pointed out in his message of transmittal accompanying the treaty that the United States commitment would not cover armed attack by South Korea against the North.

But the fatcs on the ground are that American troops are positioned up against the Demilitarized Zone, integrated with those of South Korea. Thus, as matters now stand, our forces could at once be implicated in fact in hostilities resulting from a North Korean attack or from military adventures that might be undertaken by the South; this latter possibility cannot be excluded in view of the known porclivity of dictators who are in trouble at home to try to save themselves through plunging into military action abroad.

If the U.S. forces in South Korea became involved in hostilities by reason of being on the firing line, we would face the prospect of a sudden decision by the Executive for extended military action against North Korea, in the absence of meaningful consideration by the Congress. Thus without a deliberated decision on our part to go to war in Korea, the United States could again, as in Viet Nam, be engaged directly in an Asian land war, with the adversary supplied and assisted by Russia and China. Both of the latter have treaties with North Korea. If those two great powers were to become directly involved, it is not possible to gauge the enormity of the consequences.

III

I come now to the hard question. If these are our analysis and views, what can we do practically to act upon them, and to work for a happier and much healthier situation in South Korea, in which the people of the country can come into the enjoyment of basic rights? I believe that a series of measures is available, and that we should pursue them together. They include measures designed to enhance international security arrangements in the area, and measures designed to bring respect for human rights and democratic practices into operation in South Korea.

Since the 1975 denouement in Indochina, there has been understandable concern—in South Korea and in the United States—that North Korea might now make another attempt to unify the Korean peninsula by force. It is time to forestall through appropriate international action this possibility, and also the possibility of outbreak of war through some incident at or near the demarcation line in Korea which might not have been initiated through an attack by North Korea.

I propose as a first step that the United States consult with Japan, the People's Republic of China, and the Soviet Union regarding the situation in Korea. We should suggest that these four powers agree:

(1) Armed force should not be used by either North or South Korea against the other;

(2) Each of the four powers should use its influence and persuasive capacity to induce the adoption of a complete no-force policy by both Koreas;

(3) The four powers should consult regarding limits on their provision of armaments to the two Koreas; with a view to producing an equilibrium in which, over time, there could be disarmament on both sides;

(4) No foreign forces should be stationed in Korea, and those now there should be phased out;

(5) Each of the four powers should use its influence, persuasive capacity, and good offices to bring about peace and friendly relations between North and South Korea, with the door being kept open to re-unification or federation when such a result could be achieved through peaceful means and with the free consent of the people of both North and South Korea.

The United States should also propose that the four powers report their consultations to the United Nations Security Council, with the suggestion that the Council endorse the points agreed among them. We would further propose the admission of both North and South Korea to United Nations membership. We should also urge the appropriate United Nations bodies—the Commission on Human Rights and the General Assembly—to direct attention and debate to conditions in both North and South Korea.

Simultaneously with our consultations with Japan, China, and the USSR, the United States should commence discussions with the South Korean Government. We should explain the new international security arrangements for which we hope to secure the support and agreement of the other countries in Northeast Asia. We should state that upon acceptance of those arrangements we intend to reduce progressively and then to withdraw American forces now present in South Korea. We should reiterate that the 1953 treaty does not obligate the United States in the event of military actions initiated by the South. We should make clear that in a situation covered by the treaty a U.S. response of military action is not automatic, and that Congress would have to be consulted and would have to approve measures to be taken by the United States.

We should counsel and advise the South Korean Government in the most persuasive terms to adopt and carry out a policy of according basic rights to the people of South Korea. We should state that all future American aid to and support for South Korea would be related directly to progress in establishing human rights and democratic practices in the country.

A particular measure bearing on security that the United States should adopt is the withholding of provision of fuel for nuclear power plants in South Korea until another and very important condition is satisfied as well. We should license the export of such fuel only when thoroughly satisfactory arrangements are made to safeguard use of the fuel and to re-process it in properly controlled re-processing plants outside the Korean peninsula. The practical dangers of diversion to weapons development are too great to take chances with, especially in this geographic area of great sensitivity.

South Korea should cease to be a dark and forbidding prison. Instead it should become a showcase of progress and freedom in its internal political and social arrangements, in the same way that it has become an economic success story. Instead of promoting civil strife and a re-run of the tragic history of Viet Nam, South Korea ought to be building a country and society that would be as successful and magnetic in relation to the north as West Germany has been in relation to East Germany.

It is not possible to be assured in advance that the course of action suggested above will succeed. However, it combines elements that, taken together, offer fair promise. If new international security arrangements are agreed, and if we pursue the suggested discussions with South Korea, there should be created a situation favoring the establishment of basic rights and a responsive government in that country. We should expect the fact of our discussions and the approximate content of them to become publicly known. Rather than operate to the detriment of our program, public knowledge of it should have an affirmative effect in bringing about its acceptance and in creating a better understanding of United States policy around the world.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Wolff) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, yesterday I was unavoidably detained in committee and did not have the opportunity to vote on roll No. 309, the motion to instruct the conferees on the National Science Foundation authorization, to insist on the House-passed provisions for congressional review of proposed NSF grants.

During hearings before the International Organizations Subcommittee on the Philippines, I was requested by my colleague from Minnesota (Mr. Fraser) to assume the Chair when the bells rang for roll No. 309. Unfortunately, there was insufficient time for the gentleman from Minnesota to return from the floor to relieve me so that I was unable to cast my vote.

CONGRESSMAN DRINAN DISCUSSES THE FILE MAINTAINED ON HIM BY THE FEDERAL BUREAU OF INVESTIGATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. Drinan) is recognized for 60 minutes.

Mr. DRINAN. Mr. Speaker, the FBI has enunciated all types of contradictory and misleading statements in the recent past concerning the question of whether or not the FBI maintains files on Members of Congress. After persistent efforts by me beginning on February 25, 1975, I finally received on May 23, 1975, a copy of 81 pages maintained by the FBI on my activities.

I have many complaints about the FBI. The first is the failure of the FBI to comply with the basic requirements of the Freedom of Information Act. On February 26, 1975, Clarence M. Kelley, the Director of the FBI, wrote to me that my request of the previous day for all the information in my file would be handled "as expeditiously as possible."

Despite this promise, I heard nothing from the FBI until I wrote to Mr. Kelley once again on April 30, 1975. In my letter I reminded Mr. Kelley of the fact that the Freedom of Information Act gives a Federal agency 10 working days in which to comply with a request. If there is serious inconvenience involved, the 10 days may be stretched to a maximum of 20 working days. As a result, in my letter of April 30, I insisted that Mr. Kelley have the information to me no later than May 6, 1976. On May 6, Mr. Kelley responded with apologies, but failed to furnish any date on which the file would be forwarded to me.

On May 7, I wrote to Mr. Kelley stating that there is "no authorization on the part of the FBI or any other Federal agency to postpone the implementation of the rights of any citizen under the Freedom of Information Act * * *." I gave to the FBI another period of grace until May 19. I stated to Mr. Kelley that if I did not have my file on May 19, I would state publicly that the FBI is in violation of the letter and spirit of the Freedom of Information Act.

On May 15 an official of the FBI phoned me with a request that I defer the date of May 19 as a final deadline that I would tolerate for the delivery by the FBI of the information which I had requested on February 25. I stated categorically to the official of the FBI who phoned me that I would not tolerate any delay beyond May 19.

This individual from the FBI tried to assert to me that somehow the FBI was seeking to make my second or third letter the time from which the statutory period of 10 days specified in the Freedom of Information Act would run.

On May 16, I wrote for the third time to Mr. Kelley indicating my outrage at the way in which the FBI was lawlessly defying the provisions of the Freedom of Information Act.

May 19 came and went with the result that I published in the Congressional Record on May 20 on pages 15481 to 15482 a statement with documentary proof that the FBI was acting in a lawless manner in the way in which it was implementing the Freedom of Information Act.

A FILE THAT HAS NO JURISDICTION FOR EXISTENCE

On May 23, I received a letter from Mr. Kelley in which he stated that—

> You have not been the subject of an FBI investigation.

Nonetheless, Mr. Kelley informed me that my file contained 81 pages of material in four different categories.

Mr. Kelley also indicated that six documents were being withheld. I have filed an appeal with respect to these six documents.

The complete letter of Mr. Kelley follows:

Washington, D.C.,
May 23, 1975.

Hon. Robert F. Drinan,
House of Representatives,
Washington, D.C.

Dear Congressman Drinan: This is in reference to your Freedom of Information Act (FOIA) request, and my letter to you dated May 12th which advised we would complete processing within ten to fifteen days.

I am enclosing with this letter, in compliance with your FOIA request, copies of material contained in our central files concerning you. It is noted you have not been the subject of an FBI investigation, and our records contain one file only that is captioned with your name. Copies of data contained in this file are numbered one in the enclosures. The deletions made on pages two and three of this first numbered enclosure are based on the fact that release of the identifying data would constitute a clearly unwarranted invasion of that individual's personal privacy [Title 5, United States Code (USC), Section 552 (b)(6)]. One document in this file, consisting of two pages, is being withheld in its entirety, based on Title 5, USC, Section 552(b)(5), since it is an intra-agency memorandum which would not be available by law to a party other than an agency in litigation with the agency. This file also contains copies of our recent exchange of correspondence relative to your FOIA request, but this matter, although subject to disclosure, is not being included since you are aware of the contents of this data.

The enclosures marked as number two represent correspondence with and concerning you which is contained in files relating to the subject matter of the inquiry. Deletions were made in accordance with Title 5, USC, Section 552(b)(6), as cited above. The document in this grouping which is captioned "Lawyers Constitutional Defense Committee Incorporated" was furnished by letter to former FBI Director J. Edgar Hoover dated June 23, 1964, by a representtaive of the organization, and no reference to you is made in the cover letter.

The enclosures marked number three consist of copies of various newspaper clippings in which your name appeared and was referenced in our files.

The balance of the material, enclosed herewith, represents those references to your name which appear in files bearing the caption of different subject matters. In some instances the subject which appears in the caption was itself the object of FBI investigation, while in many other instances the subject matter related to our investigative interest and responsibilities, but does not suggest an investigation was conducted concerning the particular captioned matter.

A total of six documents in this letter category are being withheld in their entirety. One document is an intra-agency memorandum which meets the criteria for exemption under Title 5, USC, Section 552(b)(5), described above. A second document is not being released, since to do so, would disclose the identity of a confidential souce, based on exemption (b)(7)(D) of Title 5, USC, Section 552. The third and fourth documents involve investigations concerning other individuals and refer to you only by your name and telephone number. It is considered that to disclose the identity of the subjects of those investigations to a third party would constittue an unwarranted invasion of personal privacy as provided in Title 5, USC, Section 552(b)(7)(C). The fifth and sixth documents are exempt from disclosure in accordance with the provisions of Title 5, USC, Section 552(b)(1). This subsection relates to matters which are classified and warrant continued classification.

The documents being released contain the extent of information relating to you in the particular documents furnished, and it is considered this disclosure is fully responsive insofar as your request for information regarding you is concerned. Other portions of a particular document not furnished, do not relate to you or your activities and are not considered within the scope of your request. It is on this basis that you will find names of individuals, in some instances appearing in public source material, have been deleted from the document furnished. Other deletions made from the material being furnished to you are based on exemption provisions found in Title 5, USC, Section 552(b)(2), (b)(5), (b)(6), and (b)(7)(C), (D), and (E).

Eighty-one pages of material have been reproduced and are being forwarded to you with this letter. Current regulations provide for copying fees at the rate of 10 cents a page or $8.10. A check or money order in that amount payable to the Federal Bureau of Investigation, should be directed to the FBI.

You have thirty days from receipt of this letter to appeal to the Attorney General from any denial contained herein. Appeals should be directed in writing to the Attorney General (Attention: Freedom of Information Appeals Unit), Washington, D.C. 20530. The envelope and the letter should be clearly marked "Freedom of Information Appeal" or "Information Appeal." Following the Attorney General's decision, judicial review is available in the district of your residence or principal place of business, or in the District of Columbia, where the records are situated.

Sincerely yours,

CLARENCE M. KELLEY,
Director.

Mr. Speaker, the FBI file has no order or logic to the sequence in which it places the various items which it contains. My file opens with an undated UPI dispatch indicating that I had expressed the view on the CBS Morning News that John Mitchell was "the most dangerous Attorney General that we have ever had." This first clipping from the year 1971 noted that I had stated that Mitchell's claim that he had inherent power to wiretap posed a much more serious question to the Nation than the issue of whether or not FBI Director J. Edgar Hoover should be replaced.

The second item in my file is an exchange between some unknown individual and J. Edgar Hoover. I attach herewith the letter of February 16, 1971, with the enclosed clipping, along with the response of Mr. Hoover of February 25, 1971:

FEBRUARY 16, 1971.

Mr. J. EDGAR HOOVER,
Director Federal Bureau of Investigation,
Washington, D.C.

DEAR SIR: The enclosed clipping was disturbing news to me. When I learned that Father Drinan was a candidate for Congress, I felt apprehensive, but this latest development is even worse. I had doubted Father Drinan's authenticity as a Catholic priest, because I had read of certain views he expressed that seemed to be un-American, as well as un-orthodox, from a religious standpoint.

If he is someone who has been "planted" in the Church, he could do great harm as a member of the Internal Security Committee. How quickly he advanced to that post!

Thank you for your untiring devotion in preserving our freedom. May God bless you and reward you abundantly.

Sincerely and respectfully,

FATHER DRINAN GIVEN COMMITTEE POST

WASHINGTON, D.C.—Rep. Robert F. Drinan (D-Mass.), a longtime and severe critic of the House Un-American Activities Committee (now Internal Security) has been appointed to that Congressional committee.

Father Drinan, a Jesuit and first Roman Catholic priest to serve as a voting member of the House, has been a member of a group urging abolition of the Internal Security Committee.

Recently, he introduced a bill to abolish it and transfer its function to the House Judiciary Committee.

FEBRUARY 25, 1971.

MY DEAR ———: Your letter, with enclosure, was received on February 22nd and I certainly appreciate the interest which prompted you to write and bring this information to my attention.

Your kind sentiments and support are most encouraging and mean a great deal to me.

Sincerely yours,

J. EDGAR HOOVER.

Mr. Speaker, the inanity of keeping such correspondence in the central files of the FBI needs no elaboration.

One of the most chilling memos in the FBI file came from an FBI official on the date of November 4, 1970, the day after I was first elected to the Congress. The entire memo is reprinted herewith:

U.S. GOVERNMENT MEMORANDUM

Date: November 4, 1970.

Subject: Robert F. Drinan, Congressman-Elect (D–Mass.)

Background: On 11/3/70, Democrat Robert F. Drinan, was elected to the 3rd District seat formerly held by Democrat Phillip H. Philbin, whom he defeated in the primary. Drinan, born 11/15/20 in Boston, is a Catholic priest and the Dean of the Boston College Law School.

Information in bufiles: Bufiles reflect that the Reverend Drinan has been active in civil rights matters. He was a founding member of the Lawyers Constitutional Defense Committee, Inc., a non-profit organization formed to provide legal counsel for persons in connection with civil rights matters.

Reverend Drinan has been an active member of the National Lawyers Guild and has served as its vice-president. He was the featured speaker at the National Lawyers Guild convention banquet in San Francisco on 11/13/65, and emphasized the independence of the Bar. Drinan said he is proud to be a member of the National Lawyers Guild and always carries applications for the Guild with him. Drinan said the Guild had been a shining light defending immigration cases and HCUA cases without recompense. He also said he objected to unwarranted criticism of the Supreme Court.

In November 1960, we conducted a name check concerning Reverend Robert F. Drinan at the request of the Office of Naval Intelligence, who was advised that our files contained nothing pertinent to their inquiries.

Mr. Speaker, when the press asked FBI spokesmen for some explanation of this particular memo, Mr. Thomas Coll of the FBI stated that prior to the brief tenure of L. Patrick Gray III, as the Acting Director of the FBI, it was standard practice for the FBI to collect information on Members of Congress. Mr. Gray discontinued this practice.

Mr. Coll made the absurd contention that the memo noted above was simply for the purpose of relaying information to the FBI's congressional liaison officer. Mr. Coll is quoted in a June 12, 1975, news story to the effect that the more that the FBI's congressional liaison officer "knows about a guy, the easier it is to establish rapport and a working relationship."

In 4½ years as a Member of Congress I have never met or heard from any FBI liaison officer with the Congress.

I think that it is outrageous that the FBI, charged with law enforcement, should take note of the election of a Member of Congress, search the FBI files for any information on this newly elected Congressman, and send such information to the highest ranking officer in the FBI.

The Director of the FBI clearly directed his subordinates to extend surveillance to the civil rights movement. It is astonishing that the FBI apparently opened its file on me with a clipping from the Boston Globe in 1958 with respect to my participation in a civil rights conference sponsored by Gov. Foster Furculo. It is significant and sickening to note in the FBI file clippings and memos from FBI agents about my participation as one of the founding members of the Lawyers Constitutional Defense Committee—LCDC—an adjunct of the American Civil Liberties Union. LCDC arranged to send hundreds of lawyers to Southern cities during the traumas of 1963 and 1964 in order that persons in the freedom movement would have adequate legal representation.

It is disheartening to find a memo from the Bureau Chief in Memphis, Tenn., under date of June 18, 1964, revealing with some apprehension that more than 60 attorneys were coming into Southern States to represent persons involved in civil rights litigation.

It is disconcerting to say the least to find a memo from the FBI agent in charge of Boston to the Director of the FBI on June 13, 1963, noting in some detail my activities as the chairman of the Massachusetts Advisory Committee to the U.S. Commission on Civil Rights. What distorted conception of the role of the FBI possessed the minds of the top officials of that organization that they spent hours and days doing surveillance on law-abiding citizens involved in the civil rights movement rather than upon gangsters and hoodlums involved in organized crime?

Another obsession of the FBI appears to be the National Lawyers Guild. This organization was never on the Attorney General's list, but the FBI had a "source" present and reporting whenever I spoke to a chapter of the National Lawyers Guild. I feel indignation and outrage that the FBI should spend very substantial sums of money to have a source report on the addresses which I gave to chapters of the National Lawyers Guild in New York, Detroit, and San Francisco. By what weird reasoning did the FBI conclude that clippings about the meetings of the National Lawyers Guild held in hotels or at law schools should be placed in the central files of the FBI?

It is curious and pathetic that the FBI should note frequently in its file my recommendations made over a number of years before and after I came to Congress that the House Un-American Activities Committee should be phased out. It is clear from the context in which the FBI reports this matter that they were opposed to this recommendation.

It is extraordinarily distressing to find page after page of official stationary of the Federal Bureau of Investigation devoted to reports by its agents and sources on the totally innocent activities and events of the National Lawyers Guild.

THE FBI AND ANTIWAR ACTIVITIES

If civil rights activities bothered Mr. Hoover and his associates, they were apparently even more upset by the antiwar movement. One of the sources of the FBI wrote a memo about an address which I gave on February 5, 1968, at the New York Avenue Presbyterian Church in Washington, D.C. This memo, with very substantial deletions, came to me 7 years after it was placed in the file maintained on me, and, I must assume, not a few of the 1,350 individuals who, according to the FBI memo, were at the New York Avenue Presbyterian Church on February 5, 1968.

But the FBI's surveillance on antiwar activities was at least amateurish and unprofessional. There is no notation of the three occasions on which I spoke in Paris with representatives of North Vietnam. Nor is there any reference to a book entitled "Vietnam and Armageddon" which I published in 1970.

COLOSSAL WASTE OF MONEY

Mr. Speaker, the other items which somehow found their way into my FBI file demonstrate the colossal waste of the taxpayers' money in which the FBI has indulged for many years. My file includes a newspaper article from the Philadelphia Evening Bulletin of July 17, 1971, about Catholic priests in politics. The same file contains a statement in which I, as the dean of Boston College Law School, joined with the deans of laws schools at Yale, Vanderbilt, and Notre Dame, in a statement in which we asserted that it was unfair to attack Mr. Justice Abe Fortes on the basis of his vote in two Supreme Court cases related to obscenity and decided without any written opinion.

The FBI file also has a curious item from the Miami News of December 20, 1971, in which I am quoted stating that the Presidential pardon of James Hoffa was indefensible, particularly when Father Daniel Berrigan was still in jail.

Other outrageous entries in my file include a form letter of January 1969, from the Civil Liberties Legal Defense Fund, Inc., of Cambridge, Mass., of which I was one of the directors. Another item refers to an organization entitled "Medical Aid for Indochina, Inc.", based in Boston and formed with myself as a director to give medical assistance to the people of Southeast Asia.

Perhaps the most ludicrous thing in the entire FBI file was an excerpt dated November 6, 1971, from the weekly newspaper, the Irish Echo. An editorial reprinted from this journal notes that 58 Members of the House of Representatives had cosponsored the Ribicoff-Carey resolution calling for the removal of British troops from Northern Ireland, the end of internment without trial there, the implementation of civil liberties, and the taking of steps toward the reunification of Ireland. Incredible as it sounds, some bureaucrat at the FBI blotted out all of the names of the 57 other Members of the House who along with myself joined in this resolution. I assume that the other 57 Members of the House must also have their own files with a clipping there from the Irish Echo.

Mr. Speaker, the absurdity, the stupidity, and yet the insidiousness of the FBI in maintaining files on 6½ million Americans needs no explanation. What is needed is action.

I set out my complaints about my file in a letter to the Attorney General, Mr. Edward H. Levi, on May 27, 1975. In that letter I state that I expect to take every action available to me to cut off Federal funding for the maintenance of any files on American citizens who are not accused or suspected of crime or wrongdoing.

Although Mr. Levi's letter is not responsive to many of the questions which I raised, he does state that he is seeking a remedy to eliminate "the burdensome cost of keeping a lot of innocuous, irrelevant paper."

My. letter and the Attorney General's reply follow:

WASHINGTON, D.C.,
May 27, 1975.

EDWARD H. LEVI,
Attorney General,
U.S. Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I write in order to bring to your attention my conclusions with respect to the manner in which the FBI has maintained a file on me and on countless other Americans.

After asking for my file in late February, I finally received it on May 23, 1975. Obviously the FBI is in violation of the ten day period allowed under the Freedom of Information Act.

I attach herewith the three-page letter of Mr. Kelley.

It is difficult to know which of the 81 pages in the material forwarded to me by the FBI is the most objectionable. Obviously the entire procedure is foolish, wasteful and absurd. Obviously millions of dollars are spent to catalogue and cross-file newspaper clippings and other items of information, none of which has any relevance whatsoever to the statutory function of the FBI.

I write to you because I expect to take every measure available to me as a member of Congress to cut out all funding for any further activities by the FBI of the type revealed to me on May 23, 1975. Obviously it would be enormously helpful if you as Attorney General, having total responsibility for the conduct of the FBI, would order all investigations not connected with law enforcement or the detection of crime to cease. Such a directive would be particularly applicable to all activities by the FBI which seek to single out political opinions which may be at variance with that followed by the particular administration in power.

It seems that the FBI opened a file on me when I was a young Dean of Boston College Law School in the year 1958. Incredible as it seems, an employee of the FBI sent a clipping from the Boston Globe of June 4, 1958 to the central files of the FBI. The item quoted my keynote address at the Governors' Conference on Civil Rights. Attached also was a picture of Governor Foster Furcolo at the conference.

On June 13, 1963 the Special Agent in charge of the Boston office of the FBI sent a memo to the Director of the FBI about a hearing conducted by me in my capacity as Chairman of the Massachusetts Advisory Committee to the U.S. Commission on Civil Rights. Some lines of the memo are deleted, but it is indeed astonishing that the FBI would spend a good deal of time and energy reporting why the Advisory Committee permitted certain individuals to make complaints against agencies for violations of civil rights in closed sessions.

The FBI has demonstrated an intense interest in the formation by the ACLU of a group called Lawyers Constitutional Defense Committee (LCDC). I was one of the founding members of this organization which sent dozens of lawyers into Southern communities where they sought to vindicate the Constitutional rights of minorities. A memo on the date of June 18, 1964 from the Memphis, Tennessee office of the FBI to the central file of the Washington office of the FBI contains a long account of the work of LCDC. Other items in the information furnished to me indicate that the FBI kept a close watch over the activities of the distinguished attorneys who volunteered their time over a period of weeks to travel to Mississippi, Alabama, Georgia, Louisiana and Florida to assist the people of those communities to obtain their rights.

It is also very clear from the material furnished to me that the FBI kept a close watch over the National Lawyers Guild. An address which I gave to that group in 1965 in San Francisco was spied upon apparently by a "source" who sent a detailed account of my address to the central file of the FBI. Clippings from San Francisco papers were included.

The peace movement obviously inspired fear in the FBI. The central file contains an extensive account of a sermon or address which I gave to a distinguished group of clergymen and laymen in the New York Avenue Presbyterian Church in Washington, D.C. on February 5, 1968.

Notations about the National Lawyers Guild in 1968, 1969 and 1970—all totally deleted—mention my name. To furnish me with page after page of totally blank material except for my name can hardly be said to fulfill the purposes of the Freedom of Information Act.

Perhaps the most insidious page of all of the 81 furnished to me is a memo written by an unknown person presumably to the Director of the FBI on the day after I was elected to Congress, November 4, 1970. I attach herewith a copy of that document for you.

I think that it is self-evident that the FBI has gone far beyond any mandate which it may have by law when it writes a memo about a newly elected member of Congress insinuating that his work in civil rights and in an organization which had never at any time been on the Attorney General's list makes him worthy of a memo to the central files of the FBI! The implications are chilling beyond description.

It is also distressing to note that the FBI continues to retain clippings and other information about members of Congress. The file contains an item from the New York Times of April 2, 1974 about my activities on the House Internal Security Committee.

The file also contains an item from the Philadelphia Evening Bulletin of July 17, 1971 where I am interviewed in an AP story about clergymen in politics.

For some reason the FBI's central files retained a clipping from the Miami News of December 29, 1971 quoting me as stating that "the pardon of James Hoffa by President Nixon was indefensible and scandalous—particularly when Father Daniel Berrigan is retained in jail". Frankly, I think that's a very good quotation which I had actually forgotten. But its relevance to the FBI file escapes me.

I think that the Cambridge-based group entitled "Civil Liberties Legal Defense Fund, Inc." has a right to resent a letter of theirs being contained in the FBI files—presumably because I am one of the directors of this organization.

I think also that the founders of the organization entitled "Medical Aid for Indochina, Inc." have also a right to resent the fact that an anonymous "source" furnished to the FBI the list of sponsors of medical aid for Indochina—of which I am one. This organization has sent hundreds of thousands of dollars in medical supplies to the people of Indochina. I have been trying to assist this group to re-obtain a tax-exempt status from the Internal Revenue Service. I am sure that some persons will feel that the existence of an FBI file may have been communicated to the IRS.

I could go on, Mr. Attorney General, and describe some of the other inane, absurd and totally foolish inclusions in the 81 pages furnished to me after I requested and demanded that the FBI respect my rights under the Freedom of Information Act.

Obviously the reputation of the FBI will be diminished when people comprehend the enormous amount of money which the FBI has wasted in collecting useless information about some six and a half million American citizens who have never even been suspected, much less accused of being involved in any crime.

Neither you nor I desire to have the FBI diminished in stature or efficiency. At the same time there is an overwhelming obligation upon all of us to correct a situation which can only intimidate Americans, have a chilling effect upon political dissent and bring all of our political institutions into disrepute.

I therefore ask you to exercise the greatest possible leadership within the immediate future to terminate all needless investigations on the part of the FBI that are not related to the precise work which they have by statute and by mandate from the Attorney General.

One clear, comprehensive directive from you as Attorney General can terminate all of the unauthorized reporting indulged in by the FBI with regard to unpopular political viewpoints. Absent very firm leadership from the Attorney General, the Congress will continue to prevent the FBI from continuing the foolish and fruitless things which it has done in so many instances. The Congress may eventually succeed to some extent, but in the process the fear and disrespect which millions of Americans now have for the FBI will grow deeper and wider. I ask you to prevent such an eventuality by issuing a clear, concise and comprehensive directive to the FBI delineating its exclusive mandate to investigate only in so far as such investigation is necessary for the discovery and prosecution of crime.

I thank you for your consideration of this matter.

Cordially yours,

ROBERT F. DRINAN,
Member of Congress.

WASHINGTON, D.C.,
June 11, 1975.

Hon. ROBERT F. DRINAN,
Member of Congress,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DRINAN: As you recall, in my testimony before the House Subcommittee of which you are a member, I said that I thought a way could be found to keep some of this material out of FBI files and to destroy some of the material that is already in the files.

A committee of Department of Justice attorneys is now at work—they meet several times a week—putting together proposals for an Attorney General's directive on FBI file-keeping. The problem, as you know, has many facets. The burdensome cost of keeping a lot of innocuous, irrelevant paper is only one of them. However, the committee's work is proceeding well, and I hope that we can soon resolve the questions you have raised.

Sincerely,

EDWARD H. LEVI,
Attorney General.

Mr. Speaker, in order to curb and eliminate completely the useless collection of data by the FBI on individuals and organizations unrelated to the basic purposes of the Federal Bureau of Investigation, I shall be proposing an amendment to the bill containing the appropriations for the FBI. This amendment will be designed to prohibit any and all use of the appropriated money for the collection or maintenance of data not relevant to the purposes for which the FBI was established. This amendment has been worded with precise care so that no legal or statutory duty of the Department of Justice or the FBI will be impeded in any way.

The amendment, which will be offered to the State, Justice, Commerce, and Judiciary appropriations bill, reads as follows:

No part of any amount appropriated by this Act shall be used by the Department of Justice (including the Federal Bureau of Investigation) to disseminate other than under the provisions of section 552 or 552a of title 5, or to acquire, collect, classify, or preserve, any information concerning the activities or beliefs of any person who is not an officer or employee of the Department of Justice, except to the extent such information is acquired in the course of the detection and prosecution of offenses against the United States, or, if such an investigation is required or authorized by law, is acquired in the course of a bona fide investigation of a person being considered for Federal appointive office or employment.

No part of any amount appropriated by this Act shall be used by the Department of Justice (including the Federal Bureau of Investigation) to dissemintae other than under the provisions of section 552 or 552a of title 5, or to acquire, collect, classify, or preserve, any information concerning the activities or beliefs of any person who is not an officer or employee of the Department of Justice, except to the extent such information is acquired in the course of the detection and prosecution of offenses against the United States, or, if such an investigation is required or authorized by law, is acquired in the course of a bona fide investigation of a person being considered for Federal appointive office or employment.

Mr. Speaker, if this amendment is adopted by the Congress, a foolish and insidious practice of the FBI will be terminated.

IS SOUTH AFRICA CHANGING?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

Mr. DIGGS. Mr. Speaker, the Christian Institute of South Africa was recently deprived of important sources of funding when the Government invoked a repressive and vague law passed in March 1975 to declare it an "affected" organization.

The Christian Institute is, as its name implies, a Christian organization which has worked hard to keep open communications among the populations of South Africa. The institute is seeking to help move South African society towards justice, with stability. It is the major civil rights organization in South Africa seeking to expand its endeavors at the very moment when the Government claims that South Africa wants to end apartheid—a system which the United Nations has declared a "crime against humanity."

Yet, this same South African Government has now taken drastic action against the one organization best able to facilitate peaceful change in the country. This is a tantamount in our country to a Government attempt to abolish by decree the NAACP. Some of my colleagues may recall the reaction in this country when one of our States invented an arbitrary law designed to wipe out that State's chapter of the NAACP some years ago. Our Federal Government, our people, would not tolerate such an action, and the State law was struck down by the U.S. Supreme Court in short order.

Mr. Speaker, some of my colleagues met with Dr. Bayers Naudé, the dedicated and gentle director of the Christian Institute, when he was in the United States last fall to receive the Reinhold Niebuhr Foundation award at the University of Chicago. It is hard for us to understand why he and the officers of the Christian Institute were deprived of their passports shortly after his return from this trip. It is hard for us to imagine why he and officers of the institute have been the subject of threats, intimidation, and criminal charges by the South African Government. It is hard for us to imagine that there be any substance to the latest allegations against the internationally respected Christian Institute brought by the South African Government.

I can only conclude that, whatever cosmetic changes may be taking place in South Africa, the basic status of the black majority, other nonwhites, and progressive whites is the same. While the South African Government spends tens of thousands of dollars to deceive the American public with full page advertisements about life in that God-forsaken society, it remains unwilling to allocate appropriate resources for the well-being of all its citizens. Nonwhites in South Africa continue to live in controlled, restricted circumstances. They may not vote. They are allowed minimal participation in the wealth of the country which is the ancestral homeland for most of them.

I would urge my colleagues to consider the reality of repression and injustice in South Africa as they receive people like Connie Mulder, the South African Minister of Information, and architect of the deceitful propaganda campaign his country is mounting right here in America, in Europe, and elsewhere. While some of my fellow Americans greet him warmly on his current trip, Connie Mulder's government is again placing restrictions on my passage through South Africa which will prevent me and those in my party from leaving the airport or from receiving any visitors—including the press—except from the U.S. mission, during 2 days of layovers required for my forthcoming official congressional study mission to Africa. I might add that those in my party also restricted are a U.S. career foreign service officer and a member of the staff of the House International Relations Committee, neither of whom have been inside South Africa.

Mr. Speaker, I invite my colleagues to read an article on the subject of the declaring of the Christian Institute an "affected" organization, which I submit for the Record. The article is from the New York Times of June 6. Then, you can answer the following questions posed in South Africa's U.S. advertising campaign: Should NATO have a base at Simonstown? Should the next Olympic competition be in South Africa? Should UNESCO have its headquarters at Johannesburg? Mr. Speaker, I ask, is South Africa changing?

Misstep by Mr. Vorster

For months, South Africa's Prime Minister John Vorster has worked assiduously to improve his country's international standing by removing some of the trappings of racial apartheid and to build détente with black African governments by helping to advance a solution in Rhodesia. But by one incredibly shortsighted act, his Government has now forfeited much of the credit it had earned with the world community.

Using one of its many draconian "security" laws, the Government has declared the Christian Institute of South Africa an "affected" organization, cutting off its financial support from abroad and threatening thereby to cripple its programs of research and community development. The parliamentary commission report, on which the Government based its action, was a ludicrous compound of guilt by innuendo and guilt by association.

Despite the institute's steadfast rejection of violence, the commission accused it of supporting violent and radical change and termed its activities a danger to the state. It was taxed with promoting the African aims of the World Council of Churches. And it was said to draw its ideological concepts from Karl Marx, Herbert Marcuse and Stokeley Carmichael—preposterous charges against the institute's gentle director, Dr. Beyers Naudé.

What is true is that Dr. Naudé and his colleagues have fought the vicissitudes of apartheid with courage and tenacity, warning that the violence they deplore will become reality one day if peaceful progress towards racial justice is blocked. Prime Minister Vorster would do well to heed the warning of Dutch Reformed Church leaders that the commission report is a "disaster for South Africa and its détente policy."

EXPANSION OF SPEECH AND HEARING BENEFITS FOR ELDERLY AND DISABLED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Abzug) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, the Congress has made great strides in providing health care services to the majority of Americans who are in need of such treatment. However, despite our vigorous efforts in this area, the many citizens of our Nation who suffer from speech and hearing disabilities are unable to receive the services they need for treatment and recovery. Essentially, the precise legislative drafting and departmental reaction are responsible for the minimal supplementation of such services. Today, I am introducing three bills which would amend the Social Security Act to rectify this problem, and to allow individuals with speech and hearing disabilities to receive the services they need for treatment and recovery.

The first bill is designed to clarify the meaning of "outpatient physical services" in section 1861(p) of the act. The Social Security Administration has expressed concern about allowing reimbursement of speech pathology services provided to medicare beneficiaries in outpatient clinical settings, unless such settings also offer physical therapy services. As a result of this position, the door to needed services for a great many medicare beneficiaries has been barred. The purpose of my amendment is to make clear that speech pathology services should be covered by medicare when rendered in the same types of outpatient settings as those services provided at physical therapy centers.

The second bill I propose amends title XVIII of the act and seeks to reorganize and clarify the present medicare coverage of speech pathology and audiology services. The rendering of these services is currently plagued by convoluted administrative procedures and unnecessary paperwork which often delays or precludes the reimbursement to the provider of the speech pathology treatment. As a result of these administrative procedures, speech pathology providers are becoming increasingly reluctant to treat medicare patients. It is the patient who in turn suffers most, for he is not able to receive the necessary treatment for his problem.

I am proposing to end this waste of medical resources by requiring that the speech pathology provider is promptly reimbursed and that the administrative costs are kept to an absolute minimum. Through such a procedure, we will be able to realize a net savings in administrative cost which can be allocated toward upgrading health care services.

The third bill seeks to amend title XVIII of the Social Security Act to provide for comprehensive coverage of hearing health care services. This coverage would include partial payment for hearing amplification services as well. The incidence of significant hearing loss among Americans 65 years of age and older is a continuing problem which remains ignored by the medicare program. The legislation I am introducing today will provide hearing health care to those participating in the program.

Basically, this legislation will remove the present restriction in section 1862(a)(7) of the Social Security Act prohibiting medicare from covering the examinations and acquisition of hearing amplification devices after proper authorization by a physican or audiologist. We have ignored the hearing impaired elder American for too long. This bill will help us redress this problem.

GARRISON DIVERSION UNIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Moorhead) is recognized for 20 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I will make public tomorrow four internal memorandums from the Department of the Interior which are extremely disturbing and which, among other things, document what appear to be a concerted effort by the Department of the Interior and its Bureau of Reclamation to withhold relevant information about the Garrison Division project from State Department negotiators, Congress, an international United States-Canadian body, the Canadian Government, and members of the public on both sides of the border. The need for these items to be measured and page lengths, with appropriate costs, determined by the GPO, precludes their being included in the Record today.

The memorandums draw into serious question the Bureau of Reclamation's testimony before the House Appropriations Public Works Subcommittee last month and document an effort by the Department to influence and restrict the International Joint Commission's study of the impact of the Garrison project on Canada.

Mr. Speaker, these four memorandums—one of which was previously released by the Audubon Society—were sent to me yesterday at my request by the Commissioner of the Bureau of Reclamation, along with a five-page statement of explanation. The documents were requested as part of an ongoing investigation of the Garrison project by the staff of the Conservation, Energy, and Natural Resources Subcommittee of the House Committee on Government Operations. The existence of these memoranda became known when the Audubon Society released the April 25 memorandum written by the Commissioner to the Deputy Under Secretary of the Interior, which referred to the other three memorandums.

The April 25 memorandum discusses the need for a full feasibility study of six alternatives to the present Garrison diversion unit plan in light of Canadian objections. In the memorandum, the Commissioner of the Bureau of Reclamation concurs with the suggestion of the Assistant Secretary that—

> The studies be "informal" and not made available to "local interests nor to the Canadians."

The other three internal documents referred to in that memorandum, dated January 14, March 11, and April 15, respectively, were formally requested in order to complete the record and to provide the Bureau of Reclamation an opportunity to explain themselves. It is my understanding that repeated requests have been made to the Commissioner's office for copies of these documents by various conservation groups and members of the public and that these requests have been denied. This is in violation of the spirit of the Freedom of Information Act and is repugnant to the principles of open government.

These three memoranda raise a number of very serious questions about the role of the Bureau of Reclamation in the United States-Canadian negotiations on the Garrison project. They also undermine the ability of the IJC to reach an objective decision and the U.S. commitment to Canada to honor its pledges under the Boundary Waters Treaty.

Mr. Speaker, I would like to take just a moment to briefly explain the significance of these memoranda. The January 14 memorandum from the Assistant Secretary of the Interior to the Under Secretary contains a discussion of an in-house study of the costs and benefits of several proposed alternatives to the Garrison project. This memorandum was written 2 days before a high-level meeting between United States and Canadian officials, which was called to discuss the effects of the Garrison diversion unit on Canada, to consider possible solutions to the problem, and to attempt to resolve outstanding policy issues. The last paragraph of the memorandum indicates in no uncertain terms that information relating to the alternatives and the cost-benefit ratio of each were to be withheld from the State Department, ostensibly because of the January 16 meeting with the Canadians. That paragraph reads as follows:

> We do not plan to make this information available to the State Department until we have a better indication of Canada's position on Garrison.

This indicates that the State Department went into a meeting with Canadian officials to discuss possible alternatives to the project without benefit to the knowledge of the details concerning six possible alternatives which were under consideration at that time by the Bureau of Reclamation.

At the January 16 meeting, the two sides were unable to agree and it was decided to refer the Garrison problem to the International Joint Commission for possible mediation. Both parties agreed to this course of action, presumably because of the International Joint Commission's past reputation in objectively mediating these types of disputes.

Yet, in the March 11 memorandum from the Assistant Secretary to the Under Secretary of Interior we find a discussion of the Assistant Secretary's "reservations" about IJC referral and an expression of concern about the Bureau's ability to "influence" the IJC study and to prevent the IJC from having a "lead role". The Assistant Secretary implies that Commissioner Stamm's leadership in the engineering group of IJC would permit the Bureau of Reclamation to "influence the Garrison study". The memorandum goes on to discuss how the IJC study can be restricted by negotiating the "appropriate question" to be referred to the IJC. And finally, the memorandum states that the study of alternatives should proceed and that this "should be an informal effort and should not be made available to the local interests nor to the Canadians."

Finally, Mr. Speaker, these memoranda indicate that Commissioner Stamm was less than candid in his testimony before the House Appropriations Committee about the Garrison project.

On March 17, Commissioner Stamm testified before the House Appropriations Public Works Subcommittee. In that statement, he incorrecly stated the Canadian position and implied that alternatives were under discussions with the Canadians. He said, and I quote:

> As to the issue with Canada, we have had several meetings with the Canadians, both here with the State Department present and in St. Paul. I think we are making significant progress, because there are alternatives The issue with Canada relates only to the return flows from the Souris Loup division. The quality of the return flows as a whole will be deteriorated but the maximum salts at any given time will be diminished significantly.
>
> The low flow periods will be diminished. We think there are advantages to Canada in terms of increased total water supply and other opportunities that can be worked out. And we have the alternatives under discussion.

The fact of the matter is that the Canadians have objected to the entire project as presently planned, and alternatives were not under discussion with the Canadians at the time of the Commissioner's testimony because it had already been agreed to refer the matter to the IJC because progress was not being made in negotiations, as Mr. Stamm asserted. Furthermore, the alternatives being considered within the Department of the Interior were not made available to the State Department or the Canadians for discussion. I fear that Mr. Stamm seriously misled the Appropriations Committee into believing that conciliation with the Canadians was imminent. There is no evidence to indicate a breakthrough in negotiations until the IJC completes its action in 1976.

Mr. Speaker, there are a number of other important issues raised by the memoranda that I will not discuss here. I would simply urge my colleagues to read these memoranda, when they appear tomorrow and Commissioner Stamm's testimony on Garrison before the Appropriations Committee and draw their own conclusions.

Mr. Speaker, the Garrison diversion unit has developed into one of the most controversial reclamation projects in the history of the Nation. Since it was first authorized by Congress, it has more than doubled in cost. There are many serious domestic environmental, social, and economic problems with the project; as a result, most of the major environmental and conservation organizations as well as farm and agricultural groups are opposed to continued construction of any portion of Garrison.

The Canadian Government has registered its strong objection to the project as presently planned on grounds that it violates the 1909 Boundary Waters Treaty between the United States and Canada. Article 4 of this treaty contains an agreement that neither nation will pollute waters crossing the boundary to the injury of health and property of the other. Canada has refused to accept any alternative proposals and the issue has been referred to the International Joint Commission for study and recommendations.

In view of the national and international controversy surrounding this project, the withholding of key information on a systematic basis by an agency of the United States from the very people and agencies which must decide the matter should be neither condoned or accepted.

Mr. Speaker, my position on the Garrison Diversion Unit is a matter of public record. I have written to the Secretary of State in my capacity as chairman of the Conservation, Energy, and Natural Resources Subcommittee asking him to take the lead in establishing a construction moratorium on the project until the Canadian objections have been satisfactorily resolved. At the same time, I wrote to my distinguished colleague from Tennessee (Mr. EVINS), who chairs the House Appropriations Public Works Subcommittee, urging that fiscal year 1976 appropriations for the project be withheld until the international issues surrounding the project have been cleared up. Both of these actions were based on information obtained in an ongoing investigation of Garrison being conducted by the General Accounting Office and the subcommittee staff.

Mr. Speaker, as long as Canada objects to the Garrison project as presently planned, the Congress and the public cannot be assured that the appropriations which continue to be expended on the project by the Department of the Interior will serve the purpose intended. I do not believe that either the Bureau of Reclamation or the Department of State can assure Congress at this time that those portions of the Garrison project currently being constructed will not be altered or perhaps even abandoned as a result of any newly negotiated alternative project proposals that might be forthcoming from the IJC.

I intend to make copies of these documents available to the House Appropriations Committee, the State Department, and various interested conservation groups in addition to having them published in tomorrow's RECORD—June 19.

FURTHER ACTION NEEDED ON DEBT CEILING INCREASE

(Mr. RHODES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. RHODES. Mr. Speaker, this week the House failed to pass a resolution that would have increased the ceiling on the national debt.

Nobody likes the idea of a large debt. I certainly do not. But we live with reality and we all must know that when Congress spends more in a given fiscal year than our available revenues, we must do either one of two things: We must either raise the needed revenue through taxes; or we must borrow the money. One thing is beyond dispute: If Congress spends more than is in the budget—Congress has a responsibility to come up with the money.

That is why the failure of this House to raise the debt ceiling—to accommodate the authorization and appropriations measures that have already been passed—is really a joke. The debt will be paid. It must be paid—and another resolution will be brought to the floor.

But I think that something must be said about those Members who voted not to raise the debt ceiling and who have a record of having voted for just about every spending measure in excess of the budget. This was the height of hypocrisy. They have ordered up more Federal spending but turned their backs when it came time to pay the tab.

This was a political ploy that some Members intend to use in their districts as "evidence" that they are against big spending.

It is my hope that the people of American take a close look at the record next fall. I hope that they realize that those Members who have consistently voted to hold down big spending had every right to vote against raising the debt ceiling. And I hope they realize that those Members who talk out of both sides of their mouth—and want to have both ways—do not deserve to represent them in Congress.

REPORT OF STANDARDS ADVISORY COMMITTEE ON COKE OVEN EMISSIONS

(Mr. GAYDOS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GAYDOS. Mr. Speaker, new recommendations which would improve the working conditions of the Nation's coke plant workers are awaiting action in the Labor Department. I vigorously urge that these new, progressive standards be adopted for the benefit of coke plant workers, their families and the steel industry in general.

The Standards Advisory Committee to the Occupational Health and Safety Administration—OSHA—has recently submitted proposals to curb coke oven emissions which are known to contain a cancer-producing agent. Other recommendations include: the initiation of air quality standards, provisions of relieving disabled workers from coke oven areas without the loss of pay or seniority; mandatory engineering controls and work practices as well as access to employee medical records.

The United Steelworkers of America, which represents the majority of America's coke plant workers, has felt that these measures are sorely needed and long overdue. Since 1971, USWA President I. W. Abel has pressed the Labor Department for more responsible occupational health standards. Many of the final recommendations reflect the efforts of the USWA and its advisory committee representatives—District 15 Director Joseph Odorcich and Safety Representative Daniel Hannan.

The following report of the Standards Advisory Committee on coke oven emissions was submitted to the Assistant Secretary of Labor on May 24, 1975. I believe that passage of these provisions would affirm our sincere concern for the protection of coke workers.

In further explanation of this matter, I am enclosing the full report of the Standards Advisory Committee's proposals into the RECORD:

REPORT OF THE STANDARDS ADVISORY COMMITTEE ON COKE OVEN EMISSIONS, AS SUBMITTED TO THE ASSISTANT SECRETARY OF LABOR ON MAY 24, 1975

This report will take the form of the outline presented below. It has not always been written to coincide with the language in current usage in standards. However, it does provide the Department of Labor with the Committee's recommendations on fundamental issues and may provide a basis for major portions of the proposed standard.

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I. BACKGROUND

It has long been recognized that some agent or agents produced during the combustion or destructive distillation of coal is carcinogenic for man and over the past two hundred years it has been demonstrated that a variety of industrial populations exposed to emissions from these processes have a special liability for cancer of the skin, lung, and urinary organs. (1)

The history of these "coal tar" cancers begins with the observation on scrotal cancers in London chimney sweeps by Percivall Pott in 1775.(2) He noted that this disease was peculiar to persons employed as chimney sweeps and originated from what was described in the trade as a sootwart. For almost a hundred years, Pott's observations were looked upon as a medical curiosity and no attempt was made to further relate cancer experience to occupational exposures.

In 1873, Volkmann reported three cases of scrotal cancer in men handling tar and paraffin recovered through the carbonization of lignite, a "young coal," which "agreed to the last detail with the so-called chimney sweep cancer of the British." (3) Other reports of unusual skin cancer experience among coal carbinization workers and handlers of various byproducts soon appeared. (4, 5, 6) Experimental studies on cancer induction further demonstrated the carcinogenicity of materials produced during the destructive distillation of coal, and eventually led to the isolation of the first pure chemical carcinogen. In 1915, Yamagiwa and Ichikawa showed that coal tar was carcinogenic for the skin of the rabbit(7) and in 1922, almost 150 years after Pott's observation, Passey induced cancer with an ether extract of chimney soot. (8) Following many years of research on the constituents of the coal tar distillates, benzo-(a) pyrene, a potent carcinogen was isolated. (9)

As early as 1892, it was suggested that exposure to coal tar products might be responsible for cancer of internal organs, (4) and many investigators during the early part of the 20th century speculated that the increasing rate of lung cancer might be attributed to the increased use of tar and tar products.(10, 11) However, prior to 1936, the evidence linking lung cancer to coal tar exposure was limited to single case reports and the observation by Kennaway that a high proportion of noncutaneous cancers in chimney sweeps were situated in the respiratory tract and the alimentary canal above the stomach.(12)

The first report of unusual lung cancer experience for men engaged in coal carbonization concerned Japanese producer gas workers. (13) Of malignant neoplasms observed in men working at these gas generators, 80 percent were lung cancers (12 out of 15 cases). In 1936, lung cancer was a relatively rare disease in Japan and accounted for only 3.1 per cent of all malignant neoplasms. (14) The extremely high lung cancer rate for gas generator workers was even more striking in contrast with the experience of other employees at the same steel plant. Not a single lung cancer was noted among the 46 malignant neoplasms observed for other employees.

In the same year that the Japanese reported on lung cancer in gas generator workers, Kennaway and Kennaway noted an excess for British gas producermen. (15) Furthermore, their survey of death certificates for England and Wales, 1921 to 1932, showed that other coal carbonization and by-product workers had experienced higher than expected lung cancer mortality. In this and a subsequent report for 1921 to 1938, the Kennaways reported excess lung cancer mortality for gas producermen, chimney sweeps and several categories of gas works employees. (16) The excess indicated for "gas stokers and coke oven chargers" was approximately three-fold.

Doll, in a study of gas works pensioners (gas retort workers) in 1952, observed an 81 percent excess of lung cancer deaths in comparison with the general population. (17) More recently, he has confirmed a high risk for British gas workers and has noted differential rates by type of retort and by level of exposure. (18)

Most recently Lloyd (1) and Redmond (19) have shown that men employed at coke-ovens are at excess risk of lung cancer. They note that men employed five or more years at the top of these ovens have experienced ten times the lung cancer mortality rate of other steelworkers.

Thus, it is seen that population-based studies of all three classes of coal carbonization workers have confirmed the excess of lung cancer in workers exposed to effluents from coke ovens and gas retorts.

During the deliberations of this Committee, attention has been called to apparent differences in the reported cancer incidence of persons exposed to coke over emissions and related materials such as coal tars. For example, Reid and Buck concluded from a mortality study of British coke plant workers that "mortality in the coking industry from cancer in general, and cancer of the lung in particular, is not as excessive as had been feared. and may in fact be negligible." (20) Christian, on the other hand, reported a 24-fold excess of lung cancer for men working in coke at a large public utility. (21) Review of these studies shows that the apparent discrepancies between these findings may be explained in large part by differences in the definition of the study populations and the comparison groups, and by the fact that the extremely high risk is limited to a small proportion of the coke oven population.

The first American cases of skin cancer associated with exposure to coal tar products were carbon workers reported by Lueke in 1907. (22) In the same year, the British included "scrotal epithelioma occurring in chimney sweeps and epitheliomatous cancer or ulceration of the skin occurring in the handling or use of pitch, tar, and tarry compounds," in the Workmen's Compensation Schedule, and these diseases later became notifiable under the Factories Act. The extent of the skin cancer problem among coal tar workers and the variation in incidence within occupations are reported in a comprehensive review by Henry. (23) This author noted 84 cases of epitheliomatous ulceration or cancer of the skin (40 scrotal) for British coke oven workers for the period 1920 to 1943, and 11 fatal scrotal cancers among men with prior coke oven employment. In contrast, of 15 skin cancer deaths reported in a recent survey of United States steelworkers none had been employed at the coke ovens. (24) Because of the relatively low incidence rate of this disease and the high survival rate for skin cancer, it is impossible to determine whether the lower rate of skin cancer deaths among American coke oven workers is a reflection of differential response, sampling variation or other factors such as differences in medical care.

Workers exposed to emissions from coke ovens and gas retorts also show an excess of mortality from urinary system cancers. In their review of bladder cancer deaths for 1921 to 1928, Henry et. al. reported a greater than expected mortality for nine occupational groups exposed to coal gas, tar and pitch.(25) Furthermore, of the 15 occupational groups exhibiting an excess of 50 per cent or more, five were among the "coal tar" occupations. Their finding of a higher rate for gas retort workers has since been verified by Doll et. al.(18) Bruusgaard,(26) and Battye. (27) also have reported an excess of bladder cancers in retort house workers.

Too little data has been accumulated to detail the extent to the urinary cancer excess according to specific anatomic site and by type of exposure. The bladder cancer findings of Henry et. al. (25) suggest a greater level of risk or byproducts workers than for men engaged in the carbonizing process. Unfortunately, this group cannot be separated to obtain an estimate for the coke oven workers. No excess of bladder cancer deaths has been observed to date among the United States coke plant workers. On the other hand, Redmond(19) has noted a seven-fold risk of kidney cancer mortality for these workers.

In summary, the evidence accumulated over the last two hundred years implicates an agent or agents in coke oven or other emissions produced during combustion or destructive distillation of coal as the cause of liver, lung and urinary system cancers.

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[Motion to include I. Background in report:

[Motion: Lloyd, Second: Odorcich, Vote: 7–0–2; Abstain: Halen, Munson]

II. PERTINENT LEGISLATIVE ACTION

The first legislative recognition of occupational cancer was in England when the incorporation of "epithelioma occurring in chimney sweeps and epitheliomatous cancer or ulceration of the skin occurring in the handling or use of pitch, tar, and tarry compounds" as compensable disease conditions was covered under the Workmen's Compensation Schedule of 1907. In 1920 this disease was added to the list of notifiable disease in the Factories Act. (Henry S.A., Cancer of the Scrotum in Relation to Occupation, London, Oxford, Univ. Press, 1946).

In the early 1960's, J. W. Lloyd, as graduate student at the University of Pittsburgh participated in a study of steelworker mortality conducted by the United States Public Health Service in collaboration with the three major steel companies in Alleghany County, Pennsylvania. (U. S. Steel, Jones and Laughlin, and Allegheny-Ludlum). Included in the results of this study was the finding of a striking excess of lung cancer among Allegheny County coke oven workers (Lloyd papers—Committee documents 13, 14, 33). These results prompted legislative action in the United States.

In 1961 the State of Pennsylvania established TLV's in places of employment, and in 1967 CTPV (benzene soluble) at 0.2 mg/m^3.

In 1965, the Threshold Limits Committee of the American Conference of Governmental Industrial Hygienists listed a tentative TLV for coal tar pitch volatiles (benzene soluble fraction: anthracene, benzo(a)pyrene phenanthrene, acridine, chrysene, pyrene) of 0.2 mg/m^3. The documentation was accepted and Coal Tar Pitch Volatiles was placed on the Tentative list in 1965 and adopted in 1967.

The 1968 "Threshold Limit Values of Airborne Contaminants", including the TLV for coal tar pitch volatiles was promulgated by the Secretary under the Walsh-Healy Public Contracts Act on January 17, 1969 (34 FR 788–796) and was therefore in effect on the effective date of the Occupational Safety and Health Act of 1970. This list has been republished in the Federal Register several times during the past 3 years with corrections and additional interpretive instructions. On June 27, 1974, Volume 39, No. 125, Section 1910.93b of the Federal Register titled, "Coal tar pitch volatiles; interpretation of term." "As used in 1910.93 (Table G–1), Coal tar pitch volatiles include the fused polycyclic hydrocarbons which volatilize from the distillation residues of coal, petroleum, wood and other organic matter."

In response to petitions by the American Iron and Steel Institute, June 8, 1971, and the United Steelworkers, July 12, 1971, Assistant Secretary Guenther issued an interpretation on the procedures for compliance with the standard (36 FR 18129, September 9, 1971).

On November 14, 1974 the Occupational Safety and Health Review Commission ruled on the application of the Guenther memorandum in the cases of *Secretary of Labor v. Koppers Company* OSHRC Docket No. 3449 and *Secretary of Labor v. United States Steel Corporation*, OSHRC Docket Nos. 2975 and 4349. With the Labor and Management members of the Commission agreeing, the Commission ruled: "We conclude that the standard [0.2 milligrams/m^3 CPTV requiring engineering controls] was not amended nor was it administratively interpreted so as to change its requirements".

The ruling of the Review Commission is

being challenged by the United States Steel Corporation in the Federal courts.

[Motion to include II. Pertinent Legislative Action report:

[Motion: Wodka, Second; Knauber, Vote: 6–2–1, Opposed: Smith, Halen,

[Abstain: Munson

[Reason for vote noted:

[Halen: doesn't think document adds to quality of recommendations; incomplete.]

III. PROPOSED STANDARD

A. *Scope and Application.* This standard covers the control of employee exposure to the emissions generated during the destructive distillation of coal for the production of coke.

[Motion: Lloyd, Second: Wodka, Vote 7–2; Opposed: Smith, Munson]

B. *Definitions*

1. Authorized person—Any person specifically authorized by the employer whose duties require him to enter a regulated area or any person entering such an area as a designated representative of employees for the purpose of exercising an opportunity to observe monitoring and measuring procedures.

[Motion: Wodka; Second: Odorcich; Vote: 6–0–3; Abstain: Halen, Munson, Smith]

2. Charging—The procedure by which coal is introduced into the coke oven.

[Motion: Smith, Second: Lloyd, Vote: 8–0–1, Abstain; Munson.]

3. Coke Oven—A retort in which coke is produced by the destructive distillation of coal.

[Motion: Wodka, Second: Smith, Vote 9–0.]

4. Coke Oven Battery—A structure consisting of a number of slot type coke ovens, usualy twenty or more in number, and supported on each end by a retaining wall, usually called a pinion wall.

[Motion: Smith, Second: Hannan, Vote: 8–0–1, Abstain: Munson]

5. Coke oven emissions—The gases, vapors and particulates that are released into the work environment as a result of the destructive distillation of coal in coke ovens for the production of coke.

[Motion: Smith, Second: Wodka, Vote: 9–0]

6. Coke oven worker—Any employee working within the regulated area.

[Motion: Lloyd; Second: Hannan, Vote: 6–3; Opposed: Munson, Smith, Halen]

7. Green push—A coke oven charge which has not adequately carbonized during the coking cycle, and when pushed contains combustible elements which catch fire on contact with air, causing smoke plumes above the push.

[Motion: Hannan, Second: Odorcich, Vote: 7–0–2, Abstain: Halen, Munson.]

8. Luted—The application of a slurry to the crack between two surfaces for the purposes of stopping or preventing the escape of coke oven emissions.

[Motion: Hannan, Second: Odorcich, Vote: 8–0–1, Abstain: Munson.]

9. Major overhaul or rebuilding—The removal of a battery of ovens from service, simultaneously or in sections, followed by the domolition of all or part of each oven down to the bench level of the battery or below and reconstruction of same by replacement of defective brickwork, tie rods, structural steel members, door jambs and other battery components and equipment.

[Motion: Hanan, Second: Odorcich, Vote: 6–0–3, Abstain: Munson, Smith, Halen]

10. Shift—A scheduled period of work or duty for an employee or a group of employees.

[Motion: Smith, Second: Lloyd, Vote: 8–0–1, Abstain: Munson]

11. Sticker—A charge of coke which cannot be removed from the oven by the usual pushing procedure.

[Motion: Hannan, Second: Lloyd, Vote: 8–0–1, Abstain: Munson]

12. Visible emissions—Coke oven emissions which are observable by a person with normal eyesight at a distance of 10 or more feet from the site of the emissions.

[Motion: Hannan, Second: Odorcich, Vote: 7–0–2, Abstain: Smith, Munson]

13. Regulated Area

a. The standard requires that regulated areas shall be established and that access shall be limited to authorized persons. One purpose of establishing regulated areas is to limit the exposures above the permissible exposure limit to as few people as possible.

b. The regulated area shall include:

(1) all areas integral to the coke oven operations such as the following, but not necessarily limited to, topside and its machinery, pushside and its machinery, coke side and its machinery, and the wharf;

(2) Any coke plant work area where the permissible exposure limit is exceeded.

[Motion to adopt III B 9a & b:

[Motion: Lloyd; Second: Wodka; Vote: 6–3; Opposed: Halen, Munson, Smith

[Reason for vote noted:

[Smith—because performance standard would extend regulated area to point where this section loses significance.

[Halen—Support in principle, but does not support concept of regulated area.]

c. A daily roster shall be made of authorized persons who enter a regulated area and such records shall be maintained for at least 40 years.

[Motion to adopt III B 9c:]

[Motion: Wodka; Second: Hannan; Vote; 5–3–1, Opposed: Smith, Halen, Munson; Abstain: Knauber]

C. Permissible exposure limit

1. Rationale for the Indicator Substance.

It has been established that a primary health hazard associated with working on coke ovens is an increased risk of developing cancer. Current epidemiological studies indicate that the lung is the target organ most frequently affected, however cancer may develop at other sites also, e.g. kidney (1–2). It is significant that similar processing of coal in other countries (carbonization and handling of by-products) has resulted in an increased risk of cancer of several organ sites (3–4).

Chemical analyses of coke oven emissions, coal tar, and flue gas reveal the presence of many polynuclear aromatic hydrocarbons, including heterocyclic analogs (5–7). Several of these compounds (e.g. benzo(a)pyrene, benzo(b)fluoranthene, benz(a)anthracene) are carcinogenic in a variety of experimental animals (8–12). It is known that at least one other class of compounds which contain carcinogenic compounds is present in coke-oven emissions and coal tar (aromatic amines, e.g., B-naphthylamine) (13).

Experimental data suggest that cocarcinogenic agents may play a critical role in the development of lung cancer. In addition, epidemiological evidence indicates that certain environmental cofactors may potentiate the risk of developing lung cancer (16–17). Experimental data and epidemiological evidence provide important clues as to the specific roles of the multiple chemical agents and physical stresses present in the complex environment of coke ovens which result in the development of cancer.

It should be emphasized that emissions from coke ovens contain several known carcinogens which have been demonstrated to induce tumors in several species of animals in multiple organs. Using currently available estimates of potency (18–19), benzo(a)-pyrene appears to be either the most potent or as potent as any of the compounds contained in the emissions. A number of bioassays have provided evidence that the carcinogenic potency of a complex mixture such as coal tar may be accounted for to a great extent by its content of B(a)P (20–22). The risk of developing lung cancer in environments containing benzo(a)pyrene may vary from 2-fold to 7-fold (2,23).

The scientific evidence then is compatible with using benzo(a)pyrene as an indicator compound.

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2. Rationale for Level of Contaminant

Since coke oven emissions are carcinogenic and there is no scientific data to demonstrate that there is a safe level of exposure to carcinogens, the basis of this standard must be "no exposure." It is true, however, that in the ambient environment there are certain compounds arising from various combustion processes which are the same as those arising from coking operations. Among these is the carcinogenic compound, benzo (a)pyrene. It is recognized that the background level of benzo(a)pyrene varies in the urban air ranging from 0.00002 to 0.051 micrograms per cubic meter of air in heavily industrialized urban areas (high volume sampler). In the winter the levels are higher. (Air sample network data.)

The basis of this standard is no permissible exposure over background levels as measured in representative urban environments removed from the influence of coke oven emissions. The standard sets a maximum limit for employee exposure of 0.2 micrograms of benzo(a)pyrene [B(a)P] per cubic meter of air averaged over an eight-hour period. This limit sets a level above which no employee exposure is permitted. This limit is based on an evaluation of the best available scientific evidence and on a judgment that the health and safety of employees must be protected to the fullest possible extent.

It is urged that this standard be reviewed in 5 years for indicator compound and level.

3. Estimation of Background

Table I summarizes data on the levels of benzo(a)pyrene occurring in urban and occupational environments. The current Occupational Safety and Health Administration (OSHA) standard (1) of 0.2 milligrams per cubic meter CTPV has been converted to micrograms per cubic meter (200 micrograms per cubic meter). Based on the National Institute for Occupational Safety and Health (NIOSH) data (2), the concentration of B(a) P varies from 1.6 to 2.0 micrograms per cubic meter at the present standard of 200 micrograms per cubic meter CTPV. This information has been included for comparative purposes.

In urban air there is a wide range of concentrations for B(a)P which may be related to several factors (3). It should be noted that the Environmental Protection Agency (EPA) data for cities in the air sampling network is based on high volume sampling and accordingly is about ten times lower than the values obtained using a portable pump "personal-type" sampler (4–5). The actual factor is 11.7:1 as calculated from White et. al data, Table 18 of item 157 submitted to the Department of Labor Advisory Committee on Coke Oven Emissions. Therefore, the values for B(a)P using the high volume sampler (EPA) have been corrected to correspond to values expected from a portable pump "personal-type" sampler.

Based upon the levels of benzo(a)pyrene in industrial areas and in cities in the vicinity of coke ovens, the background level may be considered to be 0.2 micrograms per cubic meter. There are a few cities where the background level, particularly in the winter, may be higher.

Estimating background References

1. Occupational Safety and Health Standards. Federal Register 39 (125): 23540–3, 1974.

2. Schulte, K. A., Larsen, D. J. Hornung, R. D., and Crable, J. V.: Report on Analytical Methods Used in a Coke Oven Effluent Study, DHEW Publication No. (NIOSH) 74–105, National Institute for Occupational Safety and Health, Cincinnati, Ohio, 1974, 308 pp.

3. Particulate Polycyclic Organic matter, National Academy of Sciences, Washington, D.C., 1972, 361 pp.

4. Commins, B. T., and Lawther, P. J.: Volatility of 3, 4-Benzpyrene in Relation to the Collection of Smoke Samples. Brit. J. Cancer 12: 351–54, 1958.

5. White, L. D.: The Collection, Separation, Identification and Quantitation of Selected Metals and Polynuclear Aromatic Hydrocarbons in Coal Tar and Coke Oven Emissions, Doctoral Dissertation, University of Cincinnati, 1975.

[Vote on III C Permissible Exposure Limit:

[Motion: Wodka; Second: Hannan

[Vote: 6–3; Opposed: Smith, Halen, Munson

[Reason; for vote noted: Smith: Reason for voting no is stated in Committee document 185A, included in appendix under IV C.]

D. *Monitoring*—Monitoring is necessary to establish current employee exposure levels, to document employee exposure, to evaluate control technology, and to identify the areas in which personal protection is necessary, to determine the type of respiratory protection required. All required sampling shall be done under production, meteorological, and other conditions which are representative of the operations of the coke oven facility.

1. Initial determination. Under the provisions of this standard, the employer is required to make all determinations. An initial determination of employee exposure to benzo(a) pyrene shall be made within one year of the promulgation of this standard. Each coke oven job classification at each work location (e.g., battery) shall be evaluated for benzo(a) pyrene exposure by a personal-type breathing zone sampler of a respirable mass type such as a Dorr-Oliver cyclone, 37 mm filter and battery powered pump with pulsation damper covering the full shift or a series of samples covering at least 90 percent of the shift. A minimum of at least three eight-hour working periods for each job classification shall be evaluated. Samples shall be evaluated for each larry car operator and lidman on each additional shift in addition to the above required samples. Sampling shall include one determination for each shift, including weekend shifts. All employee exposures at coke ovens constructed after the promulgation of this standard shall be evaluated in the same manner as above within 90 days of production of coke. At least ten percent of all samples collected for benzo(a) pyrene analysis, selected in approximately equal numbers from the top and side of each facility (e.g., battery) shall be analyzed for polynuclear aromatic hydrocarbons including benzo(a)pyrene, ben(a)anthracene, chrysene benzo(b)fluoranthene, benzo(c)phenanthrene, benz(c)acridine, dibenz(a,h)acridine, benz(a)carbazole, dibenz(c,g)carbazole and benzanthrone by methods with a sensitivity of at least 50 nanograms. The analysis of polynuclear aromatic hydrocarbons shall be performed within one year of the promulgation of this standard.

2. Periodic determinations

a. Respirable particulates—Each employee working in a regulated area more than 80 hours per year shall be monitored at least semi-annually for exposure to respirable particulates and all determinations shall commence within 90 days of the promulgation of this standard.

The employee's exposure to respirable particulates shall be evaluated by a personal-type breathing zone, eight-hour time-weighted-average measurement. Each new coke oven employee shall be monitored for his or her exposure within two months of the commencement of employment. (It may be noted that a respirable particulate concentration of 0.3 milligrams per cubic meter of air is equivalent to the permissible concentration of benzo(a)pyrene.)

A written record of all determinations shall be made. The record must include all measurements of exposure, production rate, meteorological conditions, and the date, name and social security number of the employee. Determinations made after there is a change in production, process or control measures, or whenever the employer has any other reason to suspect that a change in exposure conditions has occurred shall be appropriately notated in the employee's record.

b. Polynuclear aromatic hydrocarbons—In addition, for each coke oven classification at each facility, at least one sample shall be collected and analyzed for benzo(a)pyrene concentration during each 12 month period following the first year after promulgation of this standard. A minimum of at least three shifts for each job classification shall be evaluated. Samples shall be evaluated for each larry car operator and lidman on each additional shift in addition to the above required samples. At least 10 percent of these samples shall be analyzed for the above mentioned polynuclear aromatic hydrocarbons. The procurement and analysis of the samples shall be in the same manner specified in the initial determination. A sample shall be collected and analyzed for benzo(a)pyrene concentration within 30 days if there is a change in process or control measures.

3. Employee Access to Monitoring Records.

Employees or their representatives shall be provided with an opportunity to observe monitoring required under this section and any other OSHA standards and any other monitoring performed by the employer, and shall be immediately notified of the results thereof, and shall be notified of the corrective action being taken if the results are in excess of applicable standards. Employees or their representatives, and former employees, and designated physicians of employees and former employees, shall have access to such records of exposure.

4. Accuracy of Method.

The method of monitoring and measurement shall have an accuracy (with a confidence level of 95 percent) of not less than plus or minus 25 percent for concentrations of benzo(a) pyrene greater than or equal to 0.05 micrograms per cubic meter.

[Vote on III D 1, 2 and 4:

[Motion: Wodka, Second: Hannan, Vote: 6–2–1, Opposed: Smith,

[Reason for vote noted:

[Smith—Objection to using benzo(a)pyrene as a monitoring parameter for standard.

[Prefers Particulate Polycyclic Organic Matter, CTPV. Cannot agree to sampling on different shifts or turns during periodic sampling because unwarranted increase in sampling load.

[Does not agree to sampling for 10 compounds.

[Munson—Opposes proposed 0.2 micrograms/m^3; no feasible methods proposed to achieve this standard; 0.3 milligram/m^3 respirable particulate introduces a second standard.

[Vote on amendment inserting "within 30 days" in III D 2:

[Motion: Vodka, Second: Lloyd, Vote: 6–3, Opposed: Smith, Munson,

[Reason for vote noted:

[Smith—opposes performance standard; as written is not practical

[Vote on III D 3: Motion: Wodka, Second: Lloyd, Vote: 6–2–1, Opposed: Smith, Munson, Abstain: Halen; Hannan voted Odorcich proxy

[Reason for vote noted:

[Halen—in favor of employees being informed but thinks tricky wording broadens exposure beyond this standard.]

E. *Methods of Compliance*

A direct relationship has been found to exist between emissions and exposure to emissions on the one hand and engineering controls and work practices on the other. Accordingly, the Engineering Controls set forth in paragraph 1 of this section and the Work Practices set forth in paragraph 2 of this section shall be required. A failure to meet any requirements of paragraph 1 or 2 shall constitute a violation of the standard.

[Motion: Hannan, Second: Odorcich, Vote: 7–2 Opposed: Munson, Smith]

1. Engineering Controls.

a. The fundamental principles of eliminating employee exposure to charging and coking emissions are:

(1) To maintain a uniform collector main pressure at all times.

(2) To maintain an open gas channel to the collector main at all times.

(3) To provide adequate suction in the gas channel during charging so as to maintain negative pressure within the oven at any point of opening.

(4) To maintain complete closure of coke oven at all points not under negative pressure.

The engineering controls listed below are designed to accomplish these objectives, and others, in the elimination of worker exposure to coke oven emissions.

[Motion: Hannan, Second: Odorcich, Vote: 7–2, Opposed: Munson, Smith]

b. Existing Coke Batteries

Coke oven operators shall be required to install (where not already in operation), operate and maintain in good working order at each coke oven battery in existence as of the time of promulgation of this standard all of the following equipment and facilities (or substitute equipment and facilities at least as effective in controlling emissions and employee exposure to emissions):

[Motion: Hannah, Second: Odorcich, Vote: 7–2, Opposed: Munson, Smith]

(1) Charging Emission Controls

(a) Double Drafting. Because effective control of charging requires drafting from two or more points in each oven, the required equipment and facilities shall consist of one of the following:

Double collector mains, or, a jumper pipe system to another oven, either fixed or movable.

[Motion: Hannan, Second: Lloyd, Vote: 6–2–1, Opposed: Munson, Smitth, Abstain: Halen

[Reasons for vote noted:

[Halen—Disagrees with encompassing other existing devices apparently equally effective in language already passed. Ties down to double drafting.]

(b) Increased Ejector Capacity. Because the oven must be maintained under slightly negative pressure during charging, the required equipment shall consist of steam jets of sufficient diameter and pressure to move the gases evolved during charging into the collector main or mains. The steam generation and piping system shall be of sufficient capacity to provide optimum pressure and volume for emission-free stage charging of each oven.

[Motion: Hannan, Second: Odorcich, Vote: 7–2; Opposed: Munson, Smith

(c) Leveler Bar Air Seals. Because air infiltration through the chuck door during charging interferes with the maintenance of negative pressure in the oven, the required equipment shall consist of air seals around the leveler bar on pusher machines to minimize such air infiltration.

[Motion: Hannan, Second: Lloyd, Vote: 7–2, Opposed: Munson, Smith

(d) Alignment of Charging Hole Frames. Charging hole frames shall be properly aligned to match the charging sleeves on the larry car.

[Motion: Hannan, Second: Lloyd, Vote: 7–2, Opposed: Munson, Smith

(e) Larry Car Drop Sleeves. Individually operated drop sleeves.

[Motion: Hannan, Second: Lloyd, Vote 7–2, Opposed: Munson, Smith]

(f) Offtake Cleaners. Mechanized gooseneck and standpipe cleaners.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1, Opposed: Munson, Smith, Abstain: Halen]

(g) Roof carbon removal. Decarbonizing air compressor system and a carbon cutter on each pushing ram.

[Motion. Hannan, Second: Lloyd, Vote: 6–2–1 Opposed: Munson, Smith; Abstain: Halen]

(h) Volumetric Controls. Volumetric controls on each larry car hopper to properly predetermine the amount of coal charged through each charging hole, for successful stage charging.

[Motion: Hannan, Second: Lloyd, Vote: 6–2–1; Opposed: Smith, Munson, Abstain: Halen

[Reason for vote noted:

[Smith: Voted against all items under paragraph Charging Emission Controls because they would be mandated in the Standard, not because he does not think engineering controls are necessary.

[Halen: Support for above items is not inconsistent with vote against performance standard.]

(2) Coking Emission Controls

(a) Gas Collector Main Pressure Control. Because a uniform collector main pressure is essential to emission control, the required equipment shall consist of a pressure control system on each battery.

[Motion: Hannan, Second: Lloyd: Vote: 6–2–1; Opposed: Smith, Munson; Abstain: Halen

[Reason recorded for vote;

[Halen: Ought to be criteria for measuring good versus bad system.]

(b) Coke Oven Door Facilities. Because an adequate inventory of properly aligned spare doors must be available to each battery, the required facilities shall include door repair shops capable of prompt and efficient repair and seals.

[Motion: Hannan, Second: Lloyd, Vote: 7–2; Opposed: Smith, Munson]

(c) Oven Door and Chuck Door Gaskets. Because coking emissions from oven doors and chuck doors can be completely prevented by gaskets, the required equipment shall consist of a gasket on each chuck door or each coke oven door which has leaked emissions during a previous coking cycle, until or unless such chuck door or door is replaced with a new or repaired chuck door or door fitted so as to prevent visible emissions.

[Hannan, Second: Wodka, Vote: 6–3; Opposed: Smith, Munson, Halen]

(d) Lids and Offtake Caps. To minimize emissions from charging holes and standpipe caps, the required facilities will be such as provided seating surfaces which will effect a metal-to-metal seal between charging hole castings and lids, and standpipes and standpipe caps.

[Motion: Hannan, Second: Odorcich, Vote; 6–2–1; Opposed: Smith, Munson, Abstain: Halen]

(b) Coke Oven Door Facilities. Because an adequate inventory of properly aligned spare doors must be available to each battery, the required facilities shall include door repair shops capable of prompt and efficient repair and seals.

[Motion: Hannan, Second: Lloyd, Vote: 7–2; Opposed: Smith, Munson]

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[Motion: Hannan, Second: Wodka, Vote: 6–3; Opposed: Smith, Munson, Halen]

(d) Lids and Offtake Caps. To minimize emissions from charging holes and standpipe caps, the required facilities will be such as to provide seating surfaces which will effect a metal-to-metal seal between charging hole castings and lids, and standpipes and standpipe caps.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1; Opposed: Smith, Munson, Abstain: Halen]

(e) Door Cleaning Equipment. High Pressure water systems or other appropriate equipment shall be available at appropriate locations for use in cleaning oven doors and jambs as needed.

[Motion: Hannan, Second: Odorcich, Vote: 6–3; Opposed: Smith, Munson, Halen]

(3) Additional Protective Equipment

(a) Filtered air with temperature controls shall be supplied to the following locations:

((1)) The cabs of each larry car, quencher car, and pusher machine.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1; Opposed: Smith, Munson

[Abstain: Halen]

((2)) Standby pulpits on the top of each battery.

((3)) Standby pulpits for wharfmen.

[Motion on ((2)) and ((3))]

[Motion: Hannan, Second: Odorcich, Vote; 6–2–1; Opposed: Smith, Munson; Abstain: Halen

[Reason for vote noted;

[Munson: Feasibility of installating uncertain, work procedures may interfere with effective use.]

((4)) Screening station operators' pulpits.

((5)) Lunchrooms at locations readily accessible to all coke oven workers.

[Motion on ((4)) and ((5)).

[Motion: Hannan, Second: Odorcich, Vote: 6–3; Opposed: Smith, Munson, Halen

[Reason for vote noted:

[Halen: If items separated would abstain ((4)) and support ((5)).]

(b) Heat shields in front of door machine pulpits.

[Motion: Hannan, Second: Wodka, Vote: 6–1–1 Opposed: Munson; Abstain: Knauber, Absent for vote: Smith

(c) Hoppers shall be provided on pusher and door machines so that coal and coke spillage from ovens can be shoveled into such hoppers rather than into heated ovens.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1; Opposed: Munson, Smith, Abstain: Halen

[Reason for vote noted:

[Halen: Does not understand it. Questions whether workable.]

(4) All of the foregoing equipment and facilities shall be installed and in good working order as soon as possible but in no event more than 180 days from the effective date of this standard.

[Motion: Hannan, Second: Odorcich, Vote: 7–2, Opposed: Smith, Munson

[Reason for vote noted:

[Smith: Mandated in standard. 180 days not adequate time.

[Halen: Yes vote related to items voted in favor of in engineering controls.]

(5) The foregoing list of required equipment and facilities shall be reviewed by the Secretary at least annually for possible revision based upon advances in technology.

[Motion: Hannah, Second: Odorcich, Vote: 6-2-1, Opposed: Smith, Munson; Abstain: Halen

[Reason for vote noted:

[Halen: Prefers "coke oven operations should be under continuous review" to the foregoing". Everyone, not just Secretary, should review.

[Smith: Annually too frequent. Tied to rest of standard.]

(c) New and Rehabilitated Coke Batteries. Coke batteries which are to be completed after the promulgation of this standard and existing coke batteries which are rehabilitated after the promulgation of this standard must contain the best available equipment and facilities which are effective in eliminating emissions and exposure to emissions. For purposes of this Section, a rehabilitated battery is one which undergoes a major overhaul or rebuilding. In no event shall such equipment and facilities be less than the equivalent of those required of existing coke batteries under Section E 1 b. In addition, the required facilities for new and rehabilitated coke batteries shall include the following:

(1) Either double collector mains or a completely enclosed charging system.

(2) Automatic door and door jamb cleaning equipment on pusher machines and door machines.

(3) Goosenecks designed to accommodate automatic cleaning equipment.

(4) Remote controlled dampering-off systems.

(5) Filtered air with temperature controls supplied to enclosed cabs on door machines.

(6) Automatic lid lifters

[Vote on III E 1 C:

[Motion: Hannan, Second: Odorcich, Vote: '6–3; Opposed; Smith, Munson, Halen

[Reason for vote noted:

[Smith: Because "rehabilitated" was included.]

2. Work Practices. The following work practices and procedures are mandatory in coke oven operations:

a. Where closed charging systems are used, charging shall be accomplished in such a manner that no emissions will result during charging. Any defects in the charging system which allow emissions shall be corrected before the oven is charged again. Where applicable the work practices specified hereafter for open charging systems shall be followed.

[Motion: Hannan, Second: Odorcich, Vote: 6–3; Opposed; Smith, Halen, Munson]

b. Where open charging systems are used, the following work practices are required:

(1) Work practices and procedures prior to charging.

(a) Goosenecks and Standpipes. Prior to every charge of an oven, goosenecks and standpipes shall be inspected for cracks, warpage, misalignment and other defects. Any such defects which may lead to emissions shall be repaired prior to charging the oven. Prior to charging, any tar or carbon build-up shall be removed from goosenecks and standpipes to insure free flow of all gas. The operator of each battery shall specify the minimum necessary diameter opening in goosenecks and standpipes in written work procedures. Thereafter, an oven shall not be charged if such openings do not exist.

[Motion: Hannan, Second: Lloyd, Vote: 6–2–1; Opposed: Munson, Smith; Abstain: Halen]

(b) Oven Carbon. No oven shall be charged unless sufficient space exists at the top of the oven to provide an adequate gas channel for all gas to escape from the oven into the standpipes.

[Motion: Hannan, Second: Odorcich, Vote: 8–1; Opposed: Munson

[Reason Noted for Vote:

[Smith: Very important work practice.]

(c) Liquor Sprays. Liquor sprays on goosenecks shall be inspected and cleaned daily (or more often if necessary) to insure adequate flushing liquor flow at all times.

[Motion: Hannan, Second: Lloyd, Vote: 6–3; Opposed: Munson, Smith, Halen]

(d) Steamheader Pressure. Prior to every charge, the aspiration system must be inspected and corrected where necessary to insure optimum pressure. Steam nozzles shall be cleaned regularly in accordance with a routine specified by the coke oven operator.

[Motion: Hannan, Second: Lloyd, Vote: 7–2; Opposed: Munson, Smith]

(e) Standpipe Caps. Prior to every charge, standpipe caps shall be inspected for cracks or warpage which may lead to emissions. Any such cracks or warpage shall be repaired before the oven is charged. Standpipe caps shall also be inspected prior to every charge to determine that they will close and seal tightly without the intervention of any tar or carbon build-up. In the event of such tar or carbon build-up it shall be cleaned away before the oven is charged.

If, notwithstanding the foregoing, the standpipe cap does not close and seal tightly, the oven shall not be charged until the defect has been corrected and the standpipe cap closes and seals tightly. Luting material shall be applied to the standpipe caps where necessary.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1; Opposed: Munson, Smith, Abstain: Halen

(f) Coal Composition. The type of coal mixture, moisture and powder grind shall be selected to maximize reduction in emissions consistent with the efficient operation of the coke plant and availability of coal.

[Motion: Hannan, Second: Odorcich, Vote: 6–3; Opposed: Smith, Munson, Halen

[Reason for vote noted:

[Halen: Does not think is enforceable; too many variables.]

(g) Charging Holes. Where the coal is fed into the oven through charging holes, the charging holes shall be inspected prior to charging to insure that carbon build-up is not present under the casting or on the roof of the oven which might impede the flow of coal into the oven. Any such carbon build-up shall be removed prior to charging the oven. Prior to charging, charging hole lids shall be inspected and corrected, if necessary, to insure that they are free of cracks or other defects. Lids must achieve a complete metal-to-metal fit with the oven.

[Motion: Hannan, Second: Lloyd, Vote: 7–2; Opposed: Munson, Smith]

(h) Larry Car Hoppers. Where coal is fed into the oven through charging holes on the top of the battery, the larry car hoppers shall be filled with coal at the coal bunkers to the predetermined level as established for each individual hopper so that the oven shall be properly filled with coal when it is charged, and adequate space for gas passage exists at top of oven.

[Motion: Hannan, Second: Odorcich, Vote: 7–2; Opposed: Munson, Smith]

(i) Larry Car Alignment. Before coal is charged from a larry car into an oven, the larry car shall be so aligned that the drop sleeves fit tightly over the charging holes thus preventing spillage of coal when the oven is charged or the introduction of unnecessary air into the oven during charging. If the larry car cannot be so aligned, the oven shall not be charged until corrections are made in the larry car drop sleeves or the charging hole placement.

[Motion: Hannan, Second: Lloyd, Vote: 7–2; Opposed: Munson, Smith]

(j) Leveler Bar Air Seal. Prior to charging, the leveler bar air seal shall be inspected and, if necessary, repaired prior to charging so that it will not lead to an emission.

[Motion: Hannan, Second: Lloyd, Vote: 6–2–1; Opposed: Munson, Smith, Abstain: Halen]

(k) Brickwork. Any crack or other defect of brickwork in the top of a coke oven which permits visible emissions shall be patched or repaired so as to prevent any recurrence of such emission before such coke oven is charged for its next coking cycle.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1; Opposed: Munson, Smith, Abstain: Halen]

(l) Damper and Collector Main. Any defect of a damper or collector main which permits a visible emission during charging, coking or pushing of a coke oven shall be corrected by patching, repair or replacement as necessary to prevent any further emission before such coke oven is charged for its next coking cycle.

[Motion: Hannan, Second: Odorcich, Vote: 6–3; Opposed: Munson, Smith Halen]

(2) Work practices and procedures during charging.

(a) All charging of ovens shall be performed in accordance with a specific procedure developed for the particular battery to be charged, which takes into consideration the volume of the ovens; the number of charging holes; coal moisture, blend, and grind; required gas flow; and the dimensions of unrestricted tunnel head necessary between the top of coal charge and the oven roof during the charging cycle. The procedure shall consist of all the necessary actions, performed in the proper sequence, to regularly produce charges which are free of visible emissions. The procedure shall include, but not be limited to, the following requirements, performed in the indicated sequence, unless the operator demonstrates that a procedure which deviates from these requirements is equally effective in reducing emissions.

((1)) After the drop sleeves are lowered over charging holes, steam is turned on and dampers are opened to place the oven "on the main."

((2)) After the pusherman signals that he is in position to level, coal is charged through outermost charging holes only. The height of resulting coal piles in the ovens shall be limited as necessary to leave an open tunnel from the center of the oven to standpipes, of sufficient size to permit free gas flow in the volume necessary to prevent visible emissions, before and during leveling operations.

((3)) After the outermost hoppers are discharged the drop sleeves shall be individually raised and the charging holes relidded or the shear gates between the hoppers and the drop sleeves shall be closed to prevent drafting of the emissions through the coal hopper. At no time shall two or more drop sleeves be raised for relidding simultaneously.

((4)) If four hoppers are used, the third hopper is discharged after completing item ((3)), to create a third coal pile of limited height which will still leave an adequate gas channel in the top of the oven. The third charging hole shall be closed in a manner as described in item ((3)) before discharging the final hopper.

((5)) The last hopper is discharged until coal stops running, with the coal pile extended up into the drop sleeve or hopper. At this time the pusherman is signalled to open the chuck door and begin leveling.

((6)) After receiving a signal that the coal has stopped running from the final hopper the pusherman opens the chuck door and places the leveler bar air seal against the chuck door jamb.

((7)) After the leveling operation is complete the last charging hole is immediately closed in the manner described in ((3)) above.

(b) All equipment necessary for the performance of the specific charging procedure developed in accordance with (a) above shall be maintained in good working order.

[Vote on E 2 b (2)

[Motion: Hannan, Second: Odorcich, Vote: 7–2; Opposed: Smith, Munson

[Reason for vote noted:

[Smith: Agree principle, disagree with mandating in standard.]

(c) The aspiration system shall be turned off only after all charging lids have been completely sealed.

[Motion: Hannan, Second: Odorcich, Vote: 7–2, Opposed: Munson, Smith

[Reason for vote noted:

[Smith: Objection because being mandated in a standard when already have a performance standard.]

(d) If any time after the charging of the ovens the charging holes leak, they shall be luted until all emissions cease.

[Motion: Hannan, Second: Lloyd, Vote: 7–2; Opposed: Munson, Smith]

(e) The top of the battery, the bench area and the area underneath the coal bunker shall be maintained in a neat, orderly condition free of coal and debris.

[Motion: Hannan, Second: Lloyd, Vote: 7–2; Opposed: Munson, Smith]

c. Proper heating practices:

(1) The coal charge shall be uniformly heated for a sufficient period to insure proper coking and to prevent stickers and green pushes. For each battery, procedures shall be established for measuring, adjusting and maintaining of heating flue temperatures to achieve this objective.

[Motion: Hannan, Second: Lloyd, Vote: 5–2–2; Opposed: Smith, Munson, Abstain: Halen, Bingham

[Reason for vote noted:

[Bingham: Agree with philosophy, bothered by language.]

(2) Any defect in the heating system associated with the coke oven which causes failure of the oven to thoroughly coke a charge of coal, and results in combustion of a portion of such uncoked coal during a pushing operation shall be corrected by repair or replacement of the defective heating equipment before such coke oven is charged for its next coking cycle.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1; Opposed: Smith, Munson, Abstain: Halen

(3) Procedures shall be established for checking the oven back pressure controls to maintain uniform pressure conditions in the collecting main.

[Motion: Hannan, Second: Odorcich, Vote: 7–2; Opposed: Smith, Munson

d. Pushing of coke

(1) For each coke battery, procedures shall be established for dampering off the ovens at the end of the coking cycle and removal of the charging lids to minimize emissions.

[Motion: Hannan, Second: Odorcich, Vote: 7–2; Opposed: Smith, Munson

(2) Coke shall not be pushed until it is thoroughly "coked out".

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1; Opposed: Smith, Munson, Abstain: Halen

[Reason for vote noted:

[Halen: In favor, but questions ability of technology and intelligence to achieve result.]

(3) Coke and coal spillage on benches shall not be shoveled into a heated oven.

[Motion: Hannan, Second: Lloyd, Vote: 6–2–1; Opposed: Munson, Smith, Abstain: Halen]

It is recognized that leaking coke oven doors constitute a substantial source of emissions. Accordingly, these requirements with respect to coke oven doors are listed separately:

(1) Non-luted oven doors, door jambs and chuck doors shall be designed, maintained and cleaned so as to provide a continuous metal-to-metal fit of the sealing edges to the jambs, or the sealing edges of doors and chuck doors shall be covered with gasket material to accomplish such continuous metal-to-metal fit.

(2) All coke oven doors, chuck doors and jambs shall be cleaned thoroughly immediately before or after every push.

(3) Oven doors which leak during any part of two successive coking cycles shall be replaced with spare over doors which are new or have been properly repaired by qualified maintenance personnel, before the oven is recharged.

(4) Doors which have been luted must be reluted immediately when leaking to stop such leakage and replaced where necessary after the oven is pushed.

(5) When a replacement door is to be placed on an oven, it shall be heated in such a way as to conform to the thermal warpage of the door jambs before being placed on the oven; it shall then be adjusted both immediately before and after the first charge.

[Vote on E 2 e:

[Motion: Hannan, Second: Lloyd, Vote: 6–3; Opposed: Munson, Smith, Halen.

[Odorcich voted Wodka proxy.]

f. Coke battery maintenance——

Proper maintenance procedures are necessary to control emissions. Accordingly, each coke oven operator shall establish and carry out written maintenance procedures and schedules to:

(1) Preserve alignments of charging hole castings and larry car drop sleeves,

(2) Preserve alignments of off-take equipment,

(3) Prevent miscellaneous fugitive topside emissions,

(4) Provide an effective oven patching program,

(5) Maintain and repair coke oven doors, door jambs, and seals,

(6) Maintain battery machinery in good working order.

Such written procedures and schedules shall be posted in conspicuous places throughout the coke plant. Each coke plant operator shall be required to develop a complete and accurate recordkeeping program to verify adherence to the maintenance schedules. The records shall be retained for at least five years and shall be made available for inspection and copying by representatives of the Assistant Secretary of Labor for OSHA, the Director of NIOSH and the employee representative.

[Vote on E 2 of:

[Motion: Hannan, Second: Lloyd, Vote: 6–3; Opposed: Smith, Odorcich, Halen.

[Odorcich voting Wodka proxy.]

3. Manpower.

The coke oven operator shall provide an adequate number of employees to properly operate and effectively maintain each coke oven facility.

[Motion: Hannan, Second: Lloyd, Vote: 6–3, Opposed: Munson, Halen, Smith]

4. Control of Visible Emissions.

Where visible emissions occur, the coke oven operator shall take immediate steps to locate the source of such emissions, and take any necessary corrective action to eliminate such emissions.

[Motion: Hannan, Second: Wodka, Vote: 6–2–1; Opposed: Smith, Munson, Abstain: Halen, Smith voted Munson proxy.

[Reason for vote noted:

[Halen: Support in principle but question enforceability.]

5. Effective date.

The work practices specified in Section E 2 above shall be effective upon the effective date of this standard unless a work practice depends upon an engineering control in which case the work practice shall go into effect when the engineering control is required to go into effect.

[Motion: Hannan, Second: Odorcich, Vote: 6–2–1, Opposed: Munson, Smith Abstain: Halen.

[Reason for voted:

[*Smith*: 180 days not adequate time to put into effect all operating practices.]

F. *Abatement Procedure.*

1. Purpose. The purpose of the Coke Oven Abatement Procedure is to provide for the most effective regulation under the standard of the conditions and practices concerning worker exposure to coke oven emissions and to assure the most immediate installation of the best available technology to achieve compliance with the performance standard.

2. If an employer has instituted all the engineering controls and work practices required by the standard and he fails to meet the performance standard, he shall apply for an abatement order.

3. Each employer application will specifically document that the employer has instituted all engineering controls and work practices required by the standard. Required documentation will include a description of the battery's operation, engineering plans and studies, a review of the available technology considered to meet the performance standard, monitoring data, and other relevant information regarding worker exposure, work practices and other industrial hygiene programs. The Secretary may schedule a preapproval inspection and require the submission of additional data. The Secretary shall then review the evidence and issue a proposed statement abatement order. Interested parties including the authorized employee representative or employer shall be provided notice and they may request a hearing on the proposed order. This entire procedure will culminate in a final abatement order to be issued no later than four months after the filing of the employer's application.

4. The abatement order will specify the terms and conditions for operation of the coke oven battery including supplementary engineering controls, installation and implementation schedules, supplementary work practices and any other methods necessary to meet the performance standard.

5. Each abatement order must be renewed every two years for the purpose of reviewing the best available technology applicable to the battery if the performance standard has not been met.

6. Monitoring and medical surveillance data and assessment of engineering technologies shall be considered in the issuance of any renewal.

7. All submissions to the Secretary under this system by the employer shall also be served on the authorized employee representative and made available for public inspection and copying.

[Vote on III. F:

[Motion; Wodka, Second: Lloyd, Vote: 7–2, Opposed: Smith, Munson (Munson proxy voted by Smith)

[Reason for vote noted:

[Lloyd: Agreed with Smith counterproposal but preferred this.

[Halen: Support in principle, reservations about legality.]

G. *Informing Employee*

1. Education. The health hazards of the work exposures exist by the very nature of the coke plant operations. The release of dusts, fumes, mists, and gases as well as coal tar volatiles, together with exposure to heat and noise, comes from the various processes

of the coke plant operations. The chemical and physical exposures are inherent in the physical operation of coke plants. Compliance with the Federal occupational Safety and Health Act requires that the workers be informed of the hazards of their work environment and the most effective means to limit exposure and to protect themselves from material or functional impairment to their health. The responsibility of properly informing the workers of the health effects, including cancer risks, rests with the medical department of the company.

a. Information on health hazards, the symptoms and illnesses and diseases, immediate and delayed, resulting from exposure to the chemical and physical agents in coke plant operations, shall be presented to the employee by the medical department in a thorough and comprehensive manner within 30 days of the employee's hire and regularly every six months. Such health protection orientation sessions shall be a continuous and regular program of the medical department and proper safeguards utilized to ensure that every employe has been informed and repeatedly informed throughout the year. The carcinogenic hazards of coke oven emissions shall be presented to the worker and be explained, emphasizing lung, skin, kidney, and pancreas cancer, and other cancers and adverse health effects as may be determined by subsequent research. Health effects from carbon monoxide, noise, and coal dust, shall be included. Health professionals shall participate in the preparation and/or presentation of information and training which may be presented in conjunction with other health and safety programs.

b. The health effects and protection sessions shall include a report on the engineering and operating practices being employed to control the in-plant emissions, and the safety practices of the coke plant operations. The employee representative may attend these health protection sessions.

c. Each employee shall be properly trained in the work practices associated with any job to which he or she may be assigned before such assignment, either permanent or temporary. At specified intervals, but not less often than semi-annually, the coke oven operator shall provide a careful review of the work practices associated with a given job or sequence of jobs, with affected employees.

[Vote on III G 1;

[Motion: Hannan; Second: Odorcich, Vote: 6–2–1; Opposed: Munson, Smith; Abstain: Halen]

d. This program shall be implemented within 30 days of the effective date of this standard.

[Motion: Wodka, Second: Hannan, Vote: 7–2; Opposed: Munson, Smith

[Reason for vote noted;

[Smith—Time period too short for completion; prefers "initiated" to "implemented".]

G. *Informing Employee*

2. Signs

a. Due to the carcinogenic hazard associated with coke oven emissions, it is considered important that employees and other persons be warned about the danger of exposure. Signs shall be posted at entrances to regulated areas to inform employees of the carcinogenic hazards of coke oven emissions and to alert everyone to the fact that only persons authorized by the employer should enter the area.

b. Entrances to regulated areas shall be posted with signs bearing the legend: "Cancer Hazard; Authorized Personnel Only; No Smoking Except in Designated Areas."

c. For those areas where the monitoring programs determine that any exposure exceeds the permissible limit, entrances to these regulated areas shall be posted with signs bearing the legend: "Cancer Hazard; Authorized Personnel Only; Respirator Required; No Smoking."

d. No statement shall appear on or near any required signs which contradicts or detracts from the effect of the required warning, information, or instruction.

e. The signs shall be cleaned regularly so that the message is clearly visible.

[Vote on III G 2

[Motion: Odorcich, Second: Lloyd, Vote: 7–2; Opposed: Halen, Munson.]

H. *Medical Surveillance*

1. The physical examination program shall be oriented to prevention of disease and early case finding. Employee education about early symptoms and signs of disease processes requiring attention in the interval between required examination will be a part of this program.

[Motion: Knauber; Second: Lloyd, Vote 9–0.]

2. All employees shall be advised in writing of their individual findings. Results of examination shall be made available to the medical representatives of the Secretary of Health, Education and Welfare, and the Secretary of Labor. Physicians designated and authorized by any employee or former employee shall have access to the employee's medical records for examination and copying.

[Original motion (Motion: Smith, Second: Lloyd) adopted unanimously; when amended to add "for examination and copying" (Motion, Woodka, Second: Lloyd), Vote: 8–0–1; Abstain: Halen.

[Reason for vote noted: Halen: additional language weakened proposal because of possible misinterpretation, e.g., representative would have to come and actually copy.]

3. Scope of Examination

A program for preplacement and annual physical examination of coke oven employees shall be provided by coke oven operators. All physical examinations shall be performed by, or under the direct supervision of, a licensed physician and shall be provided during the employee's normal working hours without cost to the employee.

Employees refusing to be examined under this program shall confirm their refusal by signature.

All preplacement and annual physical examinations of coke oven workers shall include the following procedures:

a. A complete medical history, including a standard respiratory questionnaire.

b. A complete physical examination (with special attention to malignant and nonmalignant skin, respiratory system and urinary system diseases).

c. Laboratory, X-ray and special procedures as follows:

(1) A 14 x 17 posterior anterior chest X-ray and UICC classification.

(2) Pulmonary function tests including FVC and FEV 1.0 determinations as a minimum and recording of the equipment used.

(3) Urinalysis for sugar, albumin, and hematuria.

[Motion: Smith, Second: Lloyd, Vote: 9–0 Includes amendment by Lloyd/Smith to amend b., Vote 9–0

[Includes amendment adding first paragraph and clarifying language by Wodka/Lloyd, Vote 9–0

[Includes amendment in 3: "and shall be provided during the employee's normal working hours without" . . .

[Motion: Hannan, Second: Lloyd, Abstain: Smith, Halen, Munson, Vote: 6–0–3.]

d. Urine cytology—at preplacement and for present employees, within one year of the effective date of the standard, and thereafter following five years of service or 40 years of age, whichever comes first.

[Motion: Wodka, Second: Lloyd, Vote: 6–2–1; Abstain: Munson, Smith, Halen, Odorcich proxy voted by Hannan.

[Reason for vote noted:

[Smith and Halen: Against urine cytology as requirement; support elimination of effective date time gap.]

4. Applicability

Physical examinations shall be performed at the time of entry into coke oven employment except for temporary placement not accumulating more than 90 days in a 12-month period.

[Motion: Lloyd; Second: Wodka, Vote: 6–2–1; Opposed: Munson, Smith, Abstain; Knauber

[Reason for vote noted:

[Halen: will be difficult to maintain records but must provide for maintenance workers.]

5. Special Examinations

The following special examinations shall be carried out every six months for workers over age 50 who have been employed for 20 or more years at the coke ovens:

a. A 14" x 17" posterior anterior chest X-ray and UICC classification

b. sputum cytology

c. urinary cytology

[Motion: Lloyd, Second: Odorcich, Vote: 5–3–1; Opposed: Smith, Munson, Halen; Abstain: Knauber, Wodka proxy voted by Hannan.

[Reason for vote noted:

[Knauber: Believes in more frequent tests for this group, not certain which tests are appropriate.

[Halen: Fear of excess false negatives.]

6. Miscellaneous Provisions Dealing With Medical Surveillance

a. Upon completion of the required medical examination, each employer shall make a determination, on the basis of its physician's written opinion, whether the employee's health or functional capacity would be materially impaired by continued exposure to coke oven emissions.

b. The written opinion required by paragraph H 6 a shall include a summary of all relevant test data relied on by the physician and specific reasons supporting the determination. A copy of the written opinion shall be supplied to the employee and any physician designated by the employee.

c. If the employer's determination is that the employee's health or functional capacity will be materially impaired by continued exposure to coke oven emissions, such employee shall be removed from possible exposure to coke oven emissions. The employer's action in effecting such a removal shall not result in loss of earnings or seniority status to the affected employee.

d. Upon receipt of the company physician's written opinion, an employee may challenge the employer's determination by submitting to the employer a written opinion from his or her designated physician which controverts that of the company physician. In that event, the employee's designated physician and the employer's physician shall select a third impartial physician who shall review the entire file before rendering an opinion as to whether the employee's health or functional capacity would be materially impaired by continued exposure to coke oven emissions. That opinion shall be binding on both parties. If as a result of the decision of the third impartial physician, the employee is removed from his or her job; the employee shall not suffer any loss of earnings or seniority status.

e. In the event that the employer determines, on the basis of the physician's written opinion, that an employee's health or functional capacity would not be materially impaired by continued exposure to coke oven emissions, the employee may challenge that determination in the same manner as provided in paragraph H 6 d above. In the event that the decision of the third impartial physician is that the employee should be removed from his or her job that decision likewise shall not result in any loss of earnings or seniority status for such employee.

[Motion: Odorcich, Second: Hannan, Vote: 6–2–1; Opposed: Smith, Munson, Abstain: Halen

[Reason for vote noted:

[Halen: Would like to give thought to third physician provision.]

7. Effective dates

The medical surveillance program in this section shall be made effective and fully implemented and accomplished within one year of the effective date of this standard.

[Motion: Halen, Second: Smith, Vote: 7-1-1; Opposed: Wodka, Abstain: Hannan

[Reason for vote noted:

[Wodka—Disservice to employee; tests can be completed sooner; resources available; prolonging the inevitable.

[Smith—Vote does not endorse Section H5.

[Includes amendment "in this section" Motion: Wodka, Second: Lloyd, Vote: 8-0-1; Abstain: Smith]

I. *Respirators*

1. Respirators may not be used in lieu of compliance with the Engineering Controls and Work Practices required by Section E.

2. All employees working in an area where the performance standard is not being met shall be furnished with respirators of the type defined in paragraph 3 of this section. Each employee shall have a choice as to which of the respirators described in paragraph 3 of this section such employees wishes to wear. The Secretary, in an Abatement Order pursuant to section F., may waive this respirator requirement if, in the Secretary's judgment the protection afforded by respirators is outweighed by other adverse effects of respirators on the health and safety of coke oven workers.

3. For purposes of paragraph 2 of this section, respirator shall mean either an air-purifying respirator equipped with high efficiency particulate filters (99.97 percent efficient for 0.3 micron particles according to the manufacturer's specification) or a powered air-purifying respirator equipped with high efficiency particulate filters (99.97 percent efficient for 0.3 micron particle according to the manufacturer's specifications).

4. If a non-powered air-purifying device is selected by the worker, an annual quantitative fit test for that device shall be performed on each wearer and qualitative fit tests shall be performed daily prior to initial entrance into an area where respirators are required. Any device which is selected shall not show a leakage of more than one percent in a quantitative fit test for that wearer.

5. The employer shall institute a respiratory protection program in accordance with the requirements of § 1910.134.

6. The employer shall maintain an accurate written record of all respirator usage which includes the following information for each affected worker:

a. Name and social security number

b. Specific type of respirator used

c. All environmental monitoring data required under this section

d. Date and results of fitting tests

e. A complete record of maintenance inspections for each respirator, including dates and results.

Copies of all records shall be made available to the Secretary or employee representative upon request.

[Vote on I. Respirators:

[Motion: Hannan, Second: Odorcich: Vote: 6-3, Opposed: Munson, Smith

[Reason for vote noted:

[Halen: Over the years, development of approval system (BOM, MESA, NIOSH) important in maintaining quality, deviation from those schedules and dependence manufacturers' information is hazardous course to pursue.

[Smith: respirator section does not include approval by agencies, and—does not think paragraphs 3 and 4 are workable.]

J. *Recordkeeping*

1. The medical records shall include and record for each employee at the time of each examination, test, or visit to the medical facilities; the full name of the employee, the employee identification number, the job title and designation of the specific work area, process, and department, that the employee was engaged in at that time, as well as the description of the illness, injury, or medical complaint, and the treatment provided. Following any such examinations or treatments the employee shall be advised of the medical results and interpretations.

2. The medical records of all medical and laboratory findings, and results of medical examinations and tests for each employee shall be complete and accurate, and maintained chronologically to permit ready identification and accessibility.

3. The medical records of the employees shall be kept for at least 50 years, or for the duration of employment plus 20 years, whichever is longer. Proper safeguards shall be taken to ensure their retention and subsequent availability, accuracy, and completeness.

4. Detailed chronological records of the medical and laboratory procedures and tests used shall be maintained indefinitely citing all the changes made in specific laboratory procedures or measurements at different points in time pertaining to medical examinations, respiratory tests, X-rays, analysis of blood and urine, and all other procedures, standards, and guidelines used in the interpretation of the medical results.

5. All measurements, evaluations and reports of the work environment performed by the employer or required by this and other OSHA occupational health standards collected on an employee shall be transmitted completely, as recorded, to the medical department and shall be placed in the individual medical records of that employee within one month of sample analysis.

6. Employee's individual records, including complete medical and monitoring data, shall be available in their entirety, to representatives of OSHA and NIOSH.

7. These same records, with names and any other personal identification omitted, shall be available to the employee's authorized representative.

[Vote on J 1-7:

[Motion: Odorcich, Second: Hannan, Vote: 6-3; Opposed: Smith, Munson, Halen

[Reason for vote noted:

[Halen: Lacks sufficient specificity for issue.]

8. When summaries of reports are made of the medical and occupational environmental measurement data of coke oven operations, these results, including supporting data but excluding individually identified medical records, shall be made available for inspection to representatives of OSHA, NIOSH, and to the employee representative.

[Motion: Hannan, Second: Odorcich, Vote: 7-0-2; Abstain: Munson, Halen, Wodka proxy voted by Hannan]

9. The following medical components of information that pertain to the employee shall also be included in the individual medical folder of each employee for medical evaluation and analysis:

a. Hospital admission sickness results (as authorized by the employee and as provided by Blue Cross and other related organizations).

b. Sickness insurance records as recorded in sickness claims.

c. Disability applications (including retirement).

d. In-plant first aid medical and surgical records.

e. Compensation—illness and injury data.

f. Death data—date, cause of death, and place of death, and death certificate when available.

[Motion: Wodka, Second: Hannan, Vote: 7-2, Opposed: Munson, Smith]

10. Training Records

A copy of this standard shall be made available to all employees regularly assigned to coke ovens. Matters relating to the employee training program shall be furnished to the Secretary and/or the employee's representative upon request. The employer shall keep records on all employee training required by this section. The records shall include:

a. Date of training

b. Identification of employee

c. Type of training presented

d. Identification of materials distributed to the employee. Copies of such materials must be available.

These records shall be maintained for two years.

[Motion: Lloyd, Second: Knauber, Vote: 9-0.]

K. *Bleeder Stack Operations*

The use of bleeder stacks (stacks which emit raw coke oven gas into the atmosphere) is necessary from time to time in order to prevent a serious heightening of the risk of explosion on or around the coke oven battery. Bleeder stacks on each battery shall be of sufficient height to prevent the bleeding of coke oven gas into the work environment. Self-ignition systems shall be installed on bleeder stacks. Such systems shall be utilized to prevent the discharge of raw gas into the atmosphere. When bleeder stacks are being utilized, the top of such coke oven batteries shall be cleared of all employees except those employees who are essential to the preservation of the coke oven battery.

[Motion: Hannan, Second: Odorcich, Vote: 7-2, Opposed: Munson, Smith

[Reason for vote noted: Halen—Contingent on proper handling.]

L. *Personal Protection*

1. Clothing

a. The employer shall provide, pay for, and replace as necessary appropriate clean protective equipment such as, but not limited to:

(1) rain-proof and flame and heat resistant full body covering and all clothes underneath

(2) smocks or aprons

(3) face shields or vented goggles including those appropriate for protecting against heat and for protecting against high intensity light when directly viewing incandescent coke

(4) fire resistant gloves

(5) safety shoes insulated from hot surfaces

(6) protective helmets

Such protective clothing and equipment shall prevent contamination of employee's street clothing and shall prevent skin contact. Such protective clothing and equipment shall be reasonably comfortable and compatible when worn together and shall not unreasonably restricted movement, limit vision, or in any way jeopardize the worker's safety.

b. Clean and dry protective equipment shall be provided at least daily to each affected employee.

c. The employer shall ensure that all protective equipment is removed only in change rooms as prescribed in paragraph L 3c of this section and shall ensure that used protective equipment is removed from the facility only in accordance with paragraph L2 of this section.

d. Where required by this section, the employer shall provide and ensure that the employee wears eye and face protection in accordance with § 1910.133.

2. Cleaning

a. The employer shall clean, maintain, and dispose of protective equipment used in coke oven operations.

b. The employer shall ensure that employees remove contaminated protective equipment only in change rooms as required in paragraph L3c of this section.

c. The employer shall ensure that no employee removes contaminated protective equipment from the change room except for those employees authorized to do so for the purpose of cleaning, laundering, maintenance and disposal.

d. Contaminated protective equipment shall be placed in impermeable closed containers.

e. Containers of contaminated protective equipment which are to be removed from change rooms or from the workplace for laundering or disposal, or for any other reason, shall bear labels reading: "Caution—Contaminated With Coke Oven Emissions—Cancer Hazard."

[Motion amending e with label language: Motion: Wodka, Second: Lloyd, Vote: 6–3, Opposed: Munson, Smith, Halen]

f. Dust removal may not be done by blowing or shaking of clothing.

g. The employer shall inform any person who launders or cleans coke oven protective equipment of the potentially harmful effects of exposure to coke oven emissions.

3. Hygiene Facilities and Practices

a. The presence or consumption of food or beverages, the presence or use of smoking or non-food chewing products, and the presence or application of cosmetics are prohibited in areas where airborne concentrations of coke oven emissions are in excess of the permissible limit and in areas where skin contact with coke oven emission may occur.

b. Employees shall be required to wash hands, forearms, face, and neck before leaving work areas specified in paragraph L3a of this standard, for the purpose of drinking, eating, or smoking, and at the end of each work shift.

c. Where employees wear protective clothing and equipment, clean change rooms shall be provided, in accordance with § 1910.141(e).

d. Where toilets are in regulated areas, such toilets shall be in a separate room.

e. Where employees are required by this section to wash, washing facilities shall be provided, in accordance with § 1910.141(d) (1) and (2) (ii) through (vii).

f. Workers exposed above the permissible limit, without regard to the use of respirators, shall be required to shower prior to changing into street clothes.

g. Where employees are required by this section to shower, shower facilities shall be provided in accordance with § 1910.141(d) (3).

Physically separate lunchroom facilities reasonably convenient to the coke oven battery shall be provided with a temperature controlled filtered air supply.

[Voted on Section L:

[Motion: Wodka, Second: Lloyd, Vote 6–3, Opposed: Munson, Smith, Halen

[Reason for vote noted:

[Halen: No justification for 75 percent of Section L as we know health effects today.]

M. *Effective Date*

This standard shall become effective 30 days from the date of promulgation.

[Motion: Wodka, Second: Lloyd, Vote 6–2–1, Opposed: Halen, Smith, Abstain: Munson

[Reason for vote noted:

[Smith: Feels administrative decision best carried out by the Secretary under the Act.]

IV. APPENDIX

A. *Resolutions introduced by members that bear on the standards setting process*

1. Passed: In order to enhance and direct the effort and deliberations of this committee, we recognize that the evidence accumulated to date on excess cancer mortality of workmen employed at carbonization of bituminous coal and the demonstration of tumors in experimental animals with coal tar extracts show that an agent or agents in coke oven emissions are causative and/or major contributory factors in the injunction of cancer.

[Motion: Lloyd, Second: Knauber, Vote: 9–0.]

2. Passed: This Committee concludes that coke oven emissions contain an agent or agents that induce cancer in man.

[Motion: Wodka, Second, Hannan, Vote: 6–3, Opposed: Munson, Halen, Smith]

3. Passed: So that the deliberations of this Committee may proceed productively, we resolve that the standard shall consist of three aspects: a performance number; measures including engineering controls, work practices and administrative procedures; and a procedure for abating the emissions.

[Motion: Odorcich, Second: Hannan, Vote: 8–1; Opposed: Halen]

4. Passed: This Committee recommends that the Secretary of Labor commence standards-setting procedures to cover employees of other industries who may also receive exposure to coal tar pitch volatiles. We further recommend that the Secretary apply as practicable the medical surveillance; recordkeeping, monitoring, and performance standard provisions of this standard to these other industries. We further realize that other workers in and around coke ovens, especially in by-products departments, are in need of standards more comprehensive than the current OSHA threshold limit values. We therefore recommend expeditious action by the Secretary.

[Motion: Hannan, Second: Odorcich, Vote: 6-1-2; Opposed: Halen, Abstain: Smith, Munson

[Reason for vote noted:

[Halen: willing to accept last third of resolution; first part creates by law a disease which doesn't exist.]

5. Defeated: Failure to file an application or to comply with the terms and conditions of the abatement order will result in a citation for a willful violation to abate with a penalty of $10,000. Each day such failure continues after the period permitted for its correction shall be deemed a separate violation with a fine of $1,000 per day.

[Motion: Wodka, Second: Hannan, Vote: 3–5–1, Opposed: Halen, Knauber, Smith, Lloyd, Munson; Abstain: Bingham

[Reasons for vote noted:

[Bingham: Agree principle; not willing to pass resolution directing how Secretary should treat violations.

[Lloyd: Agree with philosophy; not clear if appropriate recommendation; concern with legality.]

6. Passed: We recognize that:

a. The coke oven environment is a "carcinogen-rich environment" and that coke oven workers are exposed to widely ranging concentrations of coke oven emissions.

b. Little is known about the effectiveness of respirator filters and sorbents in removing the cancer-producing substances (for example, B(a)P in coke oven emissions).

c. Respirators, by their very nature, present other health and safety problems for the coke oven worker, including:

(1) Limitation of vision

(2) Interference with speech

(3) Rubbing, blistering and irritation of face

(4) Interference with movement

(5) Resistance to breathing, adding to the physical stress of working in a hot environment and under adverse conditions.

d. Until the coke oven standards are complied with, coke oven workers must be provided the best available interim protection.

e. No unnecessary exposure to a cancer-producing substance should occur. Therefore, the maximum degree of respiratory protection should be afforded coke oven workers, both in terms of the types of carcinogens which are excluded by the respirator and the protection factor it offers.

Be it resolved that the Secretary of Labor request that NIOSH immediately undertake a comprehensive and accelerated study to determine the effectiveness of various types of respirators in protecting coke oven workers against coke oven emissions. This evaluation shall include, but shall not be limited to:

(1) Supplied air or self-contained air supplied respirators;

(2) Powered air-purifying respirators;

(3) Laboratory and field evaluation of promising designs or configurations;

(4) Practices for an effective respiratory protection program for coke oven workers;

(5) Criteria for testing and certifying coke oven respirators.

The Secretary shall also request that NIOSH submit its evaluations and recommendations for interim use of respirators to the Secretary.

[Motion: Hannan, Second: Odorcich, Vote: 6–1–2; Opposed: Smith, Abstain: Munson, Halen].

7. Passed: Based on the evidence presented to this Committee, it is recommended that the Secretary shall take appropriate action to effect a moratorium of the initiation of construction of sheds for control of coke side emissions until such time that it is clearly demonstrated that their use does not adversely affect the quality of the employee's work environment with respect to the performance standard adopted by this Committee.

[Motion: Smith; Second: Munson, Vote: 7–1–1; Opposed: Hannan, Abstain: Odorcich,

[Reason for vote noted:

Odorcich: Thinks evidence inconclusive.]

8. Passed: On all new coke batteries, equipment or as effective procedures shall be installed to control pushing emissions on the coke side.

[Motion: Wodka, Second: Hannan, Vote: 7–1–1, Opposed: Munson, Abstain: Halen

[Reason for vote noted:

[Smith: This is function of air pollution control; his opinion that significance of pushing emissions with respect to employee exposures are minor compared to other emissions.]

B. *Documents directly related to supporting recommendations for a standard*

1. Abatement System Rationale (Committee document 214)

2. Benzo(a)pyrene levels in cities (Committee document 181E)

3. Benzo(a)pyrene methods available (Committee document 181D)

4. Explanation of Items/Engineering Controls and Work Practices (Committee document 220)

5. "Charging Emission Control by Use of Stage Charging", Munson, Lewis, Weber and Brayton, (Committee Document 199)

6. "Long Term Mortality of Steelworkers, V and VI," Journal of Occupational Medicine 1971, (Committee Document 13 and 14)

[Motion to include 6 items in IV B:

Motion: Hannan, Second: Wodka, Vote: 8–0; Absent: Halen.]

C. Summaries of Individual Comments

1. Comments presented by W. M. Smith on the rationale of adopting benzo(a)-pyrene as a performance standard (Committee document 185A).

2. We endorse the eighth resolution as a resolution, but we believe that it properly belongs in the standard as a requirement: Dr. Bingham and Dr. Lloyd.

D. Index of Documents

[Motion to include index with preamble: Motion: Lloyd, Second: Hannan, Vote: 7–1, Opposed: Wodka, Absent: Halen

[Reason for vote noted: Wodka: Did not want inclusion to be construed as approval of all documents listed in index.]

REVISED SUBSTITUTE AMENDMENT FOR H.R. 49

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, I want to take just a moment to advise the House that pursuant to rule XXIII, clause 6, I have submitted for printing in the Record, the revised substitute language for H.R. 49 approved by the Interior and Insular Affairs Committee. While I will reserve my explanation of this language until we debate the merits of this legislation, I did want to place the exact language before the Members of the House for their information.

When H.R. 49 is debated, this new committee language will be offered at the appropriate time as a substitute for the committee language printed in the text of the bill.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Koch, for 60 minutes, today, and to include extraneous matter.

Mr. Patman, for 45 minutes at the end of the session today and tomorrow, after other special orders, and to revise and extend and include extraneous matter.

The following Members (at the request of Mr. Emery) to revise and extend their remarks and include extraneous material:

Mr. Cohen, for 15 minutes, today.

Mr. Biester, for 60 minutes, today.

Mr. Goldwater, for 15 minutes, today.

Mr. Miller of Ohio, for 15 minutes, today.

Mr. Myers of Pennsylvania, for 1 minute, today.

Mr. Michel, for 15 minutes, today.

(The following Members (at the request of Mr. Simon) to revise and extend their remarks and include extraneous material:)

Mr. Fraser, for 15 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Drinan, for 60 minutes, today.

Mr. Krueger, for 5 minutes, today.

Mr. Diggs, for 10 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mrs. Collins of Illinois, for 5 minutes, today.

Mr. Moorhead of Pennsylvania, for 20 minutes, today.

Mr. Dent, for 30 minutes, June 19, 1975.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Koch and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $2,502.

Mr. Gaydos and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $3,127.50.

Mr. Mann, to extend his remarks in the Record today just prior to the vote on the Derrick amendment.

(The following Members (at the request of Mr. Emery) and to include extraneous material:)

Mr. Horton.

Mr. McCloskey in two instances.

Mr. Ketchum in three instances.

Mr. Grassley in two instances.

Mr. Steiger of Arizona.

Mr. Goldwater.

Mr. Goodling in five instances.

Mr. Rousselot.

Mr. Mitchell of New York.

Mr. Thone in two instances.

Mr. Ashbrook in three instances.

Mr. Gilman.

Mr. Armstrong in four instances.

(The following Members (at the request of Mr. Simon) and to include extraneous matter:)

Mr. McDonald of Georgia in four instances.

Mr. Zeferetti in two instances.

Mr. Hall in six instances.

Mr. Mikva.

Mr. Rosenthal.

Ms. Abzug.

Mr. McCormack in two instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. James V. Stanton.

Mr. Ginn.

Mr. Moorhead of Pennsylvania.

Mr. Mineta.

Mr. Harris.

Mr. Rangel in two instances.

Mr. Weaver.

Mr. John L. Burton.

Mr. Santini.

Mr. Macdonald of Massachusetts.

Mr. Stark.

Mr. Carney in three instances.

Mr. Fisher.

Mr. Hanley in two instances.

Mr. Dominick V. Daniels.

Mr. Solarz.

Mr. Miller of California.

Mr. Traxler.

Mr. Long of Maryland.

Mr. Chappell in two instances.

Mr. Flood.

Mr. Helstoski.

Mr. Drinan.

Mr. Conyers.

Mr. Mann.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled Joint Resolution of the Senate of the following title:

S.J. Res. 94. A joint resolution to extend by ninety days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 4221. An act relating to the operation of certain education laws.

ADJOURNMENT

Mr. SIMON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 22 minutes p.m.) the House adjourned until tomorrow, Thursday, June 19, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1240. A letter from the Administrator of General Services, transmitting a draft of proposed legislation to establish a fund for activating authorized agencies, and for other purposes; to the Committee on Government Operations.

1241. A letter from the Administrator of General Services, transmitting a prospectus proposing the construction of a courthouse annex and a motorpool and vehicle maintenance facility at Miami, Fla.; to the Committee on Public Works and Transportation.

1242. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to authorize international agreements with respect to social security benefits; to the Committee on Ways and Means.

1243. A letter from the Assistant Secretary of Treasury (Enforcement, Operations, and Tariff Affairs), transmitting a determination waiving the imposition of countervailing duties on imports of dairy products from member states of the European Economic Community for a temporary period not to extend beyond January 3, 1979, pursuant to section 303(e) of the Tariff Act of 1930, as amended (88 Stat. 2051); to the Committee on Ways and Means.

1244. A letter from the Chairman, Nuclear Regulatory Commission, transmitting proposed amendments to H.R. 7001, a bill to authorize appropriations to the Nuclear Regulatory Commission; to the Joint Committee on Atomic Energy.

Received from the Comptroller General

1245. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during May 1975, pursuant to section 234 of Public Law 91–510; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. EVINS of Tennessee: Committee on Small Business. Report on the impact of foreign competition on U.S. small business in customs brokerage, ocean and air freight forwarding (Rept. No. 94–307). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS of Ohio: Committee on House Administration. H.R. 7950. A bill to amend the Federal Election Campaign Act of 1971 to extend the authorization of appropriations for the Federal Election Commission for fiscal years 1976 and 1977, and for other purposes (Rept. No. 94–308). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 554. Resolution providing for the consideration of H.R. 3474. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes (Rept. No. 94–309). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on

Rules. House Resolution 555. Resolution providing for the consideration of House Concurrent Resolution 292. Concurrent resolution to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America (Rept. No. 94–310). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself, Ms. Chisholm, Mr. Richmond, Mr. Scheuer, Mr. Solarz, and Mr. Stark):

H.R. 7995. A bill to exonerate and to provide for a general and unconditional amnesty for certain persons who have violated or are alleged to have violated laws in the course of protest against the involvement of the United States in Indochina, and for other purposes; to the Committee on the Judiciary.

By Ms. ABZUG:

H.R. 7996. A bill to amend title XVIII of the Social Security Act to provide for coverage of comprehensive hearing health care services, including provision for hearing amplification devices financed in part by the Federal Government; to the Committee on Ways and Means.

H.R. 7997. A bill to amend title XVIII of the Social Security Act so as to clarify the meaning of the term "outpatient physical therapy services" insofar as such term includes speech pathology services provided by certain persons; to the Committee on Ways and Means.

H.R. 7998. A bill to amend title XVIII of the Social Security Act to provide for comprehensive and quality health care for persons with communicative disorders under the health insurance program (medicare) including preventive, diagnostic, treatment, and rehabilitative functions; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. BIAGGI (for himself, Mr. Ambro, and Mr. Hyde):

H.R. 7999. A bill to amend the Immigration and Nationality Act to provide penalties for certain persons who employ, or who refer for employment aliens who are in the United States illegally, and for other purposes; to the Committee on the Judiciary.

By Mr. BOWEN:

H.R. 8000. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Massachusetts:

H.R. 8001. A bill to provide for the issuance of a special postage stamp in commemoration of the bicentennial anniversary of the Battle of Dorchester Heights; to the Committee on Post Office and Civil Service.

By Mr. JOHN L. BURTON (for himself, Mr. Miller of California, Mr. Risenhoover, Mr. Leggett, Mr. Edwards of California, Mr. Van Deerlin, Mr. Rees, Mr. McCloskey, Mr. Anderson of California, and Mr. Stark):

H.R. 8002. A bill to designate certain lands in the Point Reyes National Seashore, Calif., as wilderness; to designate Point Reyes National Seashore as a natural area of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOHN L. BURTON (for himself, Mr. Haley, Mr. Taylor of North Carolina, Mr. Johnson of California, Mr. Udall, Mr. Phillip Burton, Mr. Kastenmeier, Mrs. Mink, Mr. Meeds, Mr. Kazen, Mr. Vigorito, Mr. Melcher, Mr. Roncalio, Mr. Bingham, Mr. Seiberling, Mr. Runnels, Mr. Won Pat, Mr. de Lugo, Mr. Eckhardt, Mr. Byron, Mr. Benitez, Mr. Howe, Mr. Weaver, Mr. Carr, and Mr. Don H. Clausen):

H.R. 8003. A bill to designate certain lands in the Point Reyes National Seashore, Calif., as wilderness; to designate Point Reyes National Seashore as a natural area of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOHN L. BURTON:

H.R. 8004. A bill to amend title 39, United States Code, to extend from 28 days to 42 days the period immediately preceding an election during which mass mailing of franked mail by a Member or Member-elect of the Congress is prohibited; to the Committee on Post Office and Civil Service.

By Mr. DENT:

H.R. 8005. A bill to authorize the issuance of gold commemorative coins bearing the seal or symbol of the American Revolution Bicentennial Administration; to the Committee on Banking, Currency and Housing.

By Mr. HENDERSON (for himself and Mr. Derwinski):

H.R. 8006. A bill to clarify the status of nonappropriated fund personnel at the U.S. Merchant Marine Academy; to the Committee on Post Office and Civil Service.

By Mr. HENDERSON (for himself and Mr. Derwinski) (by request):

H.R. 8007. A bill to amend section 142 of title 13, United States Code, entitled "Census"; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of Colorado:

H.R. 8008. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for certain income of condominium housing associations, homeowner associations, and cooperative housing corporations; to the Committee on Ways and Means.

By Mr. KETCHUM:

H.R. 8009. A bill to amend the Elementary and Secondary Education Act of 1965 to authorize applications for assistance under that act for bilingual education programs to be developed in consultation with both parents of English-speaking children and parents of children of limited English-speaking ability; to the Committee on Education and Labor.

By Mr. LAGOMARSINO:

H.R. 8010. A bill to provide that the U.S. Postal Service may not require the installation of mailboxes at the curb line of residential property in certain localities; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN:

H.R. 8011. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for the prevention of crimes against the elderly; to the Committee on the Judiciary.

H.R. 8012. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself and Mr. Mosher):

H.R. 8013. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. MACDONALD of Massachusetts:

H.R. 8014. A bill to amend the Communications Act of 1934 in order to reorganize the Federal Communications Commission and revise its procedures so as to permit the Commission to more effectively perform its duties; to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL of New York:

H.R. 8015. A bill to amend the Copyright Act of 1909, and for other purposes; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 8016. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. NIX:

H.R. 8017. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. SISK:

H.R. 8018. A bill to amend title II of the Social Security Act to provide that when an adverse decision is made on a claim for benefits thereunder, the claimant shall have the right to reconsideration, including an informal conference and a statement of the case, prior to hearing; to impose time limits and make other improvements in the procedures for determining such claims; and to regularize the appointment of administrative law judges hearing such claims; to the Committee on Ways and Means.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 8019. A bill to amend the Social Security Act to eliminate trust fund financing for State capital expenditure review activities and expand the scope of mandatory outpatient services under State medical assistance programs; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. WALSH (for himself, Mr. Coughlin, and Mr. Wolff):

H.R. 8020. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for volunteer services performed in Veterans' Administration hospitals; to the Committee on Ways and Means.

By Mr. CONABLE (for himself, Mr. Corman, Mr. Burke of Massachusetts, Mr. Clancy, Mr. Cotter, Mr. Fisher, Mr. Frenzel, Mr. Fulton, Mr. Gibbons, Mr. Green, Mr. Jacobs, Mr. Karth, Mr. Ketchum, Mrs. Keys, Mr. Martin, Mr. Mikva, Mr. Pickle, Mr. Pike, Mr. Rostenkowski, Mr. Schneebeli, Mr. Steiger of Wisconsin, Mr. Vander Jagt, and Mr. Vander Veen):

H.R. 8021. A bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 8022. A bill to amend the Internal Revenue Code of 1954 to allow taxpayers to designate that $1 of their income tax be used to carry out the food for peace program; to the Committee on Ways and Means.

By Mr. GUDE (for himself and Mr. Stokes):

H.R. 8023. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits or any exclusion of any type of provider of health services; to the Committee on Post Office and Civil Service.

By Mr. ST GERMAIN:

H.R. 8024. A bill to extend the authority for the flexible regulation of interest rates on deposits and share accounts in depository institutions, to impose a moratorium on the usage by financial institutions of electronic methods of funds transfers, and to improve public understanding of the role of depository institutions in home financing; to the Committee on Banking, Currency and Housing.

By Mr. QUIE (for himself, Mr. Perkins, Mr. Brademas, Mr. Burgener, Mr. John L. Burton, Mr. Conyers, Mr. Edgar, Mr. Ford of Tennessee, Mr. Frenzel, Mr. Harrington, Mr. Hawkins, Mr. Karth, Mr. McCloskey, Mr. Meeds, Mr. Passman, Mr. Pritchard, Mr. Riegle, Mrs. Schroeder, Mr. Simon, Mr. Stark, Mr. Symington, Mr. Waggonner, Mr. Charles H. Wilson of California, Mr. Winn, and Mr. Wirth):

H.J. Res. 516. Joint resolution to extend support under the joint resolution providing for Allen J. Ellender fellowships to disadvantaged secondary school students, and for other purposes; to the Committee on Education and Labor.

By Mr. WINN:

H.J. Res. 517. Joint resolution authorizing and requesting the President to issue a proclamation designating the 7 calendar days commencing on April 30 of each year as National Beta Sigma Phi Week; to the Committee on Post Office and Civil Service.

By Mr. BOLAND:

H. Con. Res. 313. Concurrent resolution to establish a Joint Committee on Information and Intelligence; to the Committee on Rules.

By Mrs. COLLINS of Illinois:

H. Con. Res. 314. Concurrent resolution expressing the sense of Congress with respect to recognition by the European Security Conference of the illegal annexation by the Soviet Union of Estonia, Latvia, and Lithuania; to the Committee on International Relations.

By Mr. DELANEY (for himself and Mr. Dodd):

H. Con. Res. 315. Concurrent resolution requesting release of two Ukrainian intellectuals; to the Committee on International Relations.

By Mr. MILLER of California (for himself, Mr. Bell, Mr. Goldwater, Mr. Hinshaw, Mr. Stark, Mr. Van Deerlin, Mr. Waxman, Mr. Charles Wilson, and Mr. Bob Wilson):

H. Con. Res. 316. Concurrent resolution expressing the sense of the Congress that further Federal offshore oil leases off the California coast be postponed; to the Committee on Interior and Insular Affairs.

By Mr. ROSENTHAL:

H. Res. 552. Resolution requesting the President to provide to the House of Representatives certain information relating to the sale of Hawk and Redeye missiles to Jordan; to the Committee on International Relations.

By Mr. RUSSO:

H. Res. 553. Resolution expressing the sense of the House of Representatives that the ban on military assistance to Turkey should not be lifted until such time as Turkish forces are withdrawn from Cyprus and there is a negotiated settlement in Cyprus; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII,

191. The **SPEAKER** presented a memorial of the Legislature of the Territory of Guam, relative to Federal land taking on Guam; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SARASIN:

H.R. 8025. A bill for the relief of Juan Enrique Fortun Chavez; to the Committee on the Judiciary.

By Mr. SCHEUER:

H.R. 8026. A bill for the relief of Thomas Smith; to the Committee on the Judiciary.

By Mr. WHITEHURST:

H.R. 8027. A bill for the relief of Comdr. Stanley W. Birch, Jr.; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 49

By Mr. MELCHER:

(Substitute Amendment to be offered after amendments offered by the Armed Services Committee are disposed of.)

Substitute for Interior Committee amendment: Delete all after the enacting clause, and substitute in lieu thereof the following:

"That in order to develop petroleum reserves of the United States which need to be regulated in a manner to meet the total energy needs of the Nation, including but not limited to national defense, the Secretary of the Interior, with the approval of the President, is authorized to establish national petroleum reserves of any reserved or unreserved public lands of the United States (except lands in the National Park System, the National Wildlife Refuge System, the Wild and Scenic Rivers System, the National Wilderness Preservation System, areas now under review for inclusion in the Wilderness System in accordance with provisions of the Wilderness Act of 1964, and lands in Alaska other than those in Naval Petroleum Reserve Numbered 4).

"Sec. 2. No national petroleum reserve that includes all or part of an existing naval petroleum reserve shall be established without prior consultation with the Secretary of Defense, and when so established, the portion of such naval reserve included shall be deemed to be excluded from the naval petroleum reserve:

"Upon the inclusion in a national petroleum reserve of any land which is in a naval petroleum reserve on the date of enactment of this Act, any equipment, facilities, or other property of the Department of the Navy used in operations on the land so included and any records, maps, exhibits, or other informational data held by the Secretary of the Navy in connection with the land so included shall be transferred from the Secretary of the Navy to the Secretary of the Interior who shall thereafter be authorized to use them to carry out the purposes of this Act.

"The Secretary of the Interior shall assume the responsibilities and functions of the Secretary of the Navy under any contract which now exists with respect to activities on a naval petroleum reserve to which the United States is a party.

"Sec. 3. (a) The oil and gas in the national petroleum reserves in the contiguous forty-eight States established pursuant to section 2 may be developed under terms and conditions prescribed by the Secretary of the Interior and approved by the President. The Secretary of the Interior shall explore, develop or produce the oil and gas or shall use competitive bidding procedures with prior public notice of not less than thirty days of the terms and conditions for any contract, or operating agreement for development and production of oil and gas from a national petroleum reserve. If the Secretary does not explore, develop and produce oil and gas from the areas known as Naval Petroleum Reserves Numbered 1, 2, and 3 these reserves shall only be explored, developed and produced by competitive bid contracts providing for the payment by the United States of a monetary sum rather than a share of production: *Provided,* That he shall not enter into any such contract with an owner of any part of Naval Petroleum Reserve Numbered 1, and he shall not authorize any production within Naval Petroleum Reserve Numbered 1 unless he has reached an agreement with the current owner of part of the Reserve to continue operations under a unit plan contract which protects the public interest. Such terms and conditions and also plans for the development of each area of the national petroleum reserves shall be published in the Federal Register, but shall not become effective until ninety days after final notice has been published and submitted to the Congress (not counting days on which either the House of Representatives or the Senate is not in session for three consecutive days or more) and then only if neither the House of Representatives nor the Senate adopts a resolution of disapproval. Each proposed plan of development and each amendment thereof shall explain in detail the method of development and production proposed and shall provide for disposal and transportation of the oil consistent with the public interest. Each proposed plan of development shall provide that the terms of every sale or exchange of oil and gas from a national petroleum reserve shall be so structured as to give a full and equal opportunity for the acquisition of, or exchange for, the oil and gas by all interested companies, including major and independent oil producers and refiners alike and shall be so structured as to include blocks small enough to permit small companies to offer viable bids on the oil tendered. Each proposed plan of development shall also explain the relative need for developing the oil and gas resources in order to meet the total energy needs of the Nation, compared with the need for prohibiting such development in order to further some other public interest. All geological and geophysical information collected and developed pursuant to the development and implementation of the plan shall be made available to the public within a period of three years after its collection. Privileged or proprietary information will not be released without consent.

"(b) (1) At each stage in the formulation and promulgation of any terms and conditions, plans of development or amendment thereto, and rules and regulations, and at each stage in the entering and making of contracts and operating arrangements, under this Act, the Secretary of the Interior shall consult with and give due consideration to the views and advice of the Attorney General of the United States.

"(2) All plans submitted to the Congress by the Secretary of the Interior under this Act shall contain a *report* by the Attorney General of the United States on the anticipated effects upon competition of such plans.

"(3) No contract or operating arrangement may be made or issued under this Act until at least 30 days after the Secretary of the Interior notifies the Attorney General of the proposed contract or operating arrangement. Such notification shall contain such information as the Attorney General may require in order to advise the Secretary of the Interior as to whether such contract or operating arrangement would create or maintain a situation inconsistent with the antitrust laws. If the Attorney General advises the Secretary of the Interior that a contract or operating arrangement would create or maintain such a situation, the Secretary of the Interior may not make or issue that contract or operating arrangement unless he thereafter conducts a public hearing on the record in accordance with the Administrative Procedure Act and finds therein that such contract or operating arrangement is necessary to effectuate the purposes of this Act, that it is consistent with the public interest, and that there are no reasonable alternatives consistent with this Act, the antitrust laws, and the public interest.

"(4) Nothing in this Act shall be deemed to convey to any person, association, corporation, joint venture, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

"(5) As used in this section, the term 'antitrust laws' means—

"(A) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

"(B) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1959 (15 U.S.C. 12 et seq.), as amended;

"(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

"(D) section 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; or

"(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

"(c) Any oil or gas produced from such petroleum reserves, except such oil or gas which is either exchanged in similar quantities for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or which is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign state and reenters the United States, shall be subject to all of the limitations and licensing requirements of the Export Administration Act of 1969 (Act of December 30, 1969; 83 Stat. 841) and, in addition, before any oil or gas subject to this section may be exported under the limitations and licensing requirement and penalty and enforcement provisions of the Export Administration Act of 1969, the President must make and publish an express finding that such exports will not diminish the total quality or quantity of oil and gas available to the United States and are in the national interest and are in accord with the Export Administration Act of 1969.

"(d) Pursuant to any program hereafter authorized by the Congress, the President may, in his discretion, direct that not more than 25 percentum of the oil produced from such national petroleum reserves shall be placed in strategic storage facilities or exchanged for oil and gas products of equal value which shall be placed in such strategic storage facilities.

"(e) The Secretary of the Interior is authorized to enter into contracts for the sale or exchange of oil and gas which is produced from the national petroleum reserves and which is owned by the United States. Such contracts shall be issued by competitive bidding, shall be for periods of not more than one year, and shall be in amounts which will permit the attainment of the objectives for disposal and transportation set forth in subparagraph (a) of this section. Each bid offering shall be structured to include blocks small enough to permit small refiners to offer viable bids on the oil tendered. The United States shall not enter into any contract for the sale of oil and gas produced from the area known as Naval Petroleum Reserve Numbered 1 which shall result in any person, association, or corporation obtaining directly or indirectly, control over more than 20 percent of the oil and gas owned by the United States produced from that Reserve during any single year, except that such control may exceed 20 percent in order to insure maximum income to the United States. All proceeds from any such contract for the sale of oil and gas produced from areas designated as Naval Petroleum Reserves if they are included in National Petroleum Reserves shall be deposited in the Treasury of the United States.

"(f) The Secretary of the Interior with the approval of the President, is hereby authorized and directed to explore for oil and gas on the area designated as Naval Petroleum Reserve Numbered 4 if it is included in a National Petroleum Reserve and he shall report annually to Congress on his plan for exploration of such reserve: *Provided*, That no development leading to production shall be undertaken unless authorized by Congress. He is authorized and directed to undertake a study of the feasibility of delivery systems with respect to oil and gas which may be produced from such reserve.

"(g) Any pipeline which carries oil or gas produced from the national petroleum reserves shall be operated and maintained as a common carrier and shall accept, convey, and transport without discrimination and at reasonable rates oil and gas produced from national petroleum reserves. The Secretary of the Interior shall provide in every contract for the sale or exchange of oil or gas produced from such reserves that the contracting party, if owner or operator of a controlling interest in any pipeline or any company operating the pipeline which carries oil or gas produced from the national petroleum reserves, shall at reasonable rates and without discrimination accept and convey the oil and gas which is produced from the reserves of the Government or of any citizen or company not the owner of any pipeline subject to the provisions of this section. The Secretary of the Interior shall have the power to make rules and regulations for the purpose of carrying out the provisions of this section and shall have the authority to declare forfeit any contract, operating agreement, right-of-way, permit or easement held by any person or entity violating such rules or regulations. This section shall apply to any natural gas common carrier pipeline operated by any person subject to regulation under the Natural Gas Act or which is regulated by any public utility subject to regulation by a State or municipal regulatory agency having jurisdiction to regulate the rates and charges for the sale of natural gas to consumers within the State or municipality.

"(h) With respect to pipelines and related input and terminal facilities in the vicinity of any national petroleum reserve the Secretary of the Interior is authorized to obtain by purchase, including condemnation, such property interests as he may determine to be necessary to effectuate the transportation by purchasers of oil and gas from any national petroleum reserve to refinery points or points of interconnection with common carrier pipelines. The Secretary is further authorized to construct such pipelines and related input and terminal facilities as he determines to be necessary in order to effectuate disposals of oil and gas from national petroleum reserves in accordance with the objectives set forth in subparagraph (a) above.

"SEC. 4. (a) There is hereby established in the Department of the Interior an Office of National Petroleum Reserves which shall have as its head a Director who shall be appointed by the President, by and with the advice and consent of the Senate. In carrying out the provisions of this Act, the Secretary shall delegate all functions and duties authorized by this Act to the Director. In addition to the Director, there shall be such other employees, as may be necessary, who shall be appointed by the Secretary subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter 3 of chapter 53 of such title relating to classification and general schedule pay rates.

"(b) No person appointed to the Office of National Petroleum Reserves shall, during his term in office, be engaged in any business, nor have any financial interest in any business entity, which is engaged in the exploration, development, production, transportation or sale of oil or gas. Before accepting employment with the Office of National Petroleum Reserves, each employee must agree, for a period of two years after termination of employment, not to accept employment with, or receive any benefit, financial or otherwise, from any business entity which is engaged in the exploration, development, production, transportation or sale of oil or gas."

H.R. 3474

By Ms. ABZUG:

On page 19, line 24, strike out "$123,180,000" and insert in lieu thereof "$154,180,000, of which not less than $84,700,000 shall be for end-use conservation programs."

On page 20, lines 1 and 2, strike out "$3,002,033,000" and insert in lieu thereof "$2,422,093,000."

On page 33, line 10, strike out "$29,033,000" and insert in lieu thereof "$38,033,000, of which not less than $22,100,000 shall be for end-use conservation programs."

On page 33, line 12, strike out "$890,201,000" and insert in lieu thereof "$666,276,000."

By Mr. COUGHLIN:

Page 20, lines 1 and 2, strike out "$3,002,033,000" and insert in lieu thereof "$2,907,933,000".

On page 28, line 21, immediately after "authorized" insert "for the period consisting of the fiscal year ending June 30, 1976 and the interim period following that fiscal year and ending September 30, 1976".

On page 30, strike out the ending quotation mark in line 23 and immediately after line 23 insert the following:

"(d) No funds authorized to be appropriated under this Act shall be expended for on-site construction of the Clinch River Breeder Reactor demonstration plant, or expended or committed in any contract for procurement of any plant component, related items, or of long lead items for such plant.

"(e) The Office of Technology Assessment is requested, subject to the approval of the Technology Assessment Board, to assess and make to the Congress, not later than one year after the date of the enactment of this subsection, a report on the Liquid Metal Fast Breeder Reactor, including, among such other matter as the Office of Technology Assessment finds relevant, the following: national electrical energy demand projections; the availability of uranium and the factors which affect uranium supply; the utilization of foreign technology in the efforts to extend uranium resources and in the development of the Liquid Metal Fast Breeder Reactor; the optimal mix of nuclear reactors to extend uranium supplies; the advantages and disadvantages of each type of breeder reactor; the costs and benefits of the Liquid Metal Fast Breeder Reactor program; the environmental impact of the Liquid Metal Fast Breeder Reactor program; the safety implications of the design of the Clinch River Breeder Reactor demonstration plant; and the costs, benefits and feasibility of alternative energy resources. There are authorized to be appropriated such sums as may be necessary to carry out this subsection."

By Mr. DINGELL:

On page 38, line 4, strike all through the period in line 12 and renumber the succeeding sections.

On page 38, line 22, strike the period and insert a colon and the following: "*Provided,* That such moneys shall first be authorized for such expenses in annual authorization Acts."

On page 44, between lines 4 and 5 insert the following:

"Sec. 310. No federal employee performing any function or duty under this Act or any other law administered by the Energy Research and Development Administration and referred to in this Act shall have a financial interest in any firm or business actively engaged in nuclear and nonnuclear energy research and development activities. Whoever knowingly violates the provisions of the above sentence shall, upon conviction, be punished by a fine of not more than $2,500, or by imprisonment for not more than one year, or both. The Administrator shall (1) within sixty days after enactment of this Act publish regulations, in accordance with 5 U.S.C. 553, to establish the methods by which the provisions for the filing by such employees and the review of statements and supplements thereto concerning their financial interests which may be affected by this section, and (2) report to the Congress on March 1 of each calendar year on the actions taken and not taken during the preceding calendar year under this section."

On page 42, between lines 19 and 20, insert the words, "Part C—Other General Provisions" and on page 43 strike line 15.

EXTENSIONS OF REMARKS

HOUSE JOINT RESOLUTION 512

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. STARK. Mr. Speaker, last Friday I introduced a joint resolution—House Joint Resolution 512—expressing the disapproval of Congress to the proposed sale to Iran of three diesel-powered submarines.

While I realize that under present law there is no requirement that Congress act on such proposals, nonetheless we have the authority to block them if we wish. Although the Sea Power Subcommittee of the House Armed Services Committee has apparently approved the transaction—in executive session—the House can easily demonstrate its opinion and overrule the subcommittee. Indeed, the subcommittee, or the full committee, might wish to change its mind.

This proposed transaction is just one of many arms sales which have been proposed. It is a drop in the bucket for Iran, which is the largest importer of military materiel in the world. Last year alone Iran bought some $4 billion worth in arms from the United States—it was by far our largest customer. In fact, it still is—in the first 3 months of this year Iran bought almost $2 billion worth in arms. We have supplied Iran with combat aircraft, helicopters, main tanks, light tanks, torpedoes, and even destroyers. It is no secret that Iran is building up its navy not only to attain control of the Persian Gulf, but also to acquire capability in the Indian Ocean. The United States seems to be acquiescing in this arrangement, without the specific consent of the Congress.

Almost weekly the Congress is notified, in accordance with section 36(b) of the Foreign Military Sales Act of 1974, of proposed arms sales to foreign nations. Most of these are sales to Iran. Although we have a 20-day procedure for disapproval of such sales, there is no preferential procedure for a disapproval resolution to come to the floor, nor is there opportunity for a broad policy review of the transactions. Strong legislation has been introduced to overcome these deficiencies in the Foreign Assistance Act, and I commend both Mr. Drinan of Massachusetts and Mr. Rosenthal of New York—along with Senator Gaylord Nelson—for their efforts in this regard. In addition, I commend Mr. Hamilton of Indiana for holding oversight hearings in his Subcommittee on Investigations of the International Relations Committee in an attempt to review U.S. policy in the Persian Gulf.

The problem is already massive, however, and it appears that unless we act on each proposed sale, one at a time, our policy will have been made by default. It is for this reason that I have introduced my resolution of disapproval of the proposed submarine sales to Iran.

Since the Shah wishes it so, our Government has refused to make public the cost of the subs to Iran. We are told only that they are being sold as scrap—at minimal value—because their age exceeds 20 years. We are not told what their fair market value is, nor are we informed why our goal has decided not to overhaul them, as the Iranians plan to do, to make them efficient and useful to our own Navy. Could the sale of these subs lead eventually to a request by the Navy for procurement authorization and construction of several new subs? This, also, is not discussed.

In addition, we are not told precisely how the Iranians intend to overhaul the vessels, or for what specific reason they are being sold. Will they be used to patrol the Persian Gulf? Will they be used in the Indian Ocean? What will be the ramifications of this sale on our relations with India and other nations who resent further involvement in the Indian Ocean? Have we even considered these questions? Should not the Congress consider them prior to making a policy statement on them by default?

There are many reasons which I have personally to oppose this sale and others like it, not the least of which is my concern over the nature of the Government in Iran, which incarcerates its dissidents and employs torture to threaten them.

From a more strategic point of view, however, I simply cannot believe, as the administration argues, that increasing arms in the Persian Gulf will stabilize the balance of power. It seems to me, on the contrary, that increasing arms in an unstable area of the world will trigger old rivalries and a higher level of military capability, elevating the balance of power into a balance of terror. In addition, arms transfers to third countries could easily show up in, and have an effect on, a new Arab-Israel war.

I believe we should be attempting not to escalate, but rather to reduce, arms sales, on a multilateral basis. Such action would also allay the fears of those who believe that if we do not provide arms to Iran or others, somebody else will.

Finally, we must determine whether indeed we buy influence with a purchasing country if we sell them arms. This is one area that Congress should look into in depth—although on the surface there is certainly ample evidence, based on experiences in Turkey and Cyprus and in India and Pakistan, that military sales do not buy political alliances.

My bill alone will not answer these questions. It is directed only to one specific transaction between our Government and Iran. Other legislation, which I have referred to earlier, would give Congress more authority in this area, and hearings such as Mr. Hamilton's will be useful too.

I am hopeful that the Armed Services Committee will consider the submarine sale and others which come before it in an attempt to have some say in what could be the major foreign policy question before the Nation in the future.

COMMENTS ON PETROLEUM FINANCING

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. KETCHUM. Mr. Speaker, time and again this House has acted contrary to the best interests of American energy independence. The sheer delay in making decisions on new energy taxes has caused great uncertainty in the petroleum industry, and had a most harmful impact on securing loans for this highly capital-intensive industry. The sad result of this policy, or lack of policy, will be less oil drilled. Recently, Mr. Evans of the Security Pacific National Bank wrote an excellent article on this subject for publication in the Oil Daily. I insert it in the Record, hoping that my colleagues will heed its warnings:

Comments on Petroleum Financing

(By Barry L. Evans)

Los Angeles, May 30, 1975.—The petroleum industry in the United States is faced with the need to make extremely large capital expenditures if Americans are to minimize their dependence on foreign oil sources. All methods of generating capital will have to be utilized. This will include equity and debenture issues, retained earnings and borrowings. Unfortunately, the climate for petroleum financing today—and for the past 18 months—has been characterized by both uncertainty and disappointment.

The uncertainty exists on an economic level. That is, not knowing the economic climate in which the petroleum industry and its supporting financial institutions must operate. This situation exists both in the United States and worldwide. Project financing and production loans are based on future cash flow streams. Forecasts of future net revenue are based on volumes, prices and costs. Engineering forecasts can give reasonable estimates of the volumes, and costs can be predicted to a fair degree based on estimated inflation rates.

However, the big unknowns today are political; namely, the future prices of crude oil, natural gas and refined products. The present two-tier crude oil pricing system, threats of price roll-backs and "windfall" profits taxes without a plowback provision, have forced lending institutions to take a conservative posture in their lending.

As an example, a lease may be producing $11.50/barrel oil, but most banks will only use $7.00 to $8.00/barrel in evaluating the property for a production loan. Consequently, the banks are not able to provide the maximum amount of working capital to oil companies. As an example, in a recent loan request, an independent's oil reserves would support a $5 million loan at the current exempt price of $10.50/barrel. However, using a $7.50/barrel price, the reserves would support only a $3 million loan. The uncertainty in future prices is especially detrimental to the independent producer who relies heavily on reserves for his loan collateral.

The "old oil" price of approximately $5.30/barrel is not conducive to the initiation of secondary, and especially the more costly tertiary recovery projects. Experts estimate that the application of tertiary recovery processes (which would probably be economic at the prices paid for foreign oil) could double U.S. oil reserves.

There is always a certain degree of economic uncertainty; for example, sales volume, inflation, and recession. Businessmen are willing to invest capital based on judgments regarding these economic factors; but today, the uncertainties arise primarily from political situations that have been imposed by governments. Predictions in this area are shakey at best. Due to this inability to make sound plans, a number of oil companies have developed a "wait and see" attitude. This position is understandable but unfortunately delays our country's efforts to become less dependent upon foreign energy sources.

A general disappointment is felt by most financial institutions today because there appears to be so little understanding regarding the basic laws of supply and demand by a large number of our elected representatives. "Cheap energy" may have political appeal, but it is no longer possible. The only real alternatives are: (1) an adequate supply of higher priced energy, or (2) a rapid decline in existing supplies with little or no replenishment.

Increasing domestic oil and gas supplies requires investments that will be made only if reasonable incentives—commensurate with the risks—are present. Removal of statutory depletion for most of the petroleum industry has had an immediate negative effect. Cutbacks in exploration and development expenditures will probably exceed $1 billion in the United States this year, resulting in 3500 fewer wells drilled. It is disappointing also to see how soon we have forgotten our vulnerability to another Arab embargo and how dependent the United States is on foreign crude. This is reflected in continued resistance to offshore drilling in the country and siting of nuclear power plants.

From an uncertain and disappointing situation, we must be hopeful. It is hoped that there will be a growing recognition that the free market—not a planned economy—is the best way of developing America's energy resources.

President Ford's energy plan, which includes allowing oil and gas prices to seek their competitive levels, is based on this principle. The industry has demonstrated time and again that it will respond to the challenge, if the incentives are present and the guidelines are clear. The rapid acceleration of exploratory and development drilling since the large increases in crude oil and certain gas prices illustrates this fact. In 1974, capital expenditures in the United States by the petroleum industry were approximately twice as much as the profits generated in this country. This amply demonstrates that the petroleum industry will make the investments and take the risks if economic conditions are reasonably attractive.

RED EMBASSY TAPS U.S. TELEPHONES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. McDONALD of Georgia. Mr. Speaker, this morning the St. Louis Post-Dispatch broke a front-page story indicating a probable breach of U.S. security of shocking dimensions by the Soviet Embassy here in Washington.

The probability exists that the Soviets are monitoring long-distance telephone calls transmitted by microwave relays. While sensitive lines from top security agencies are reportedly protected by scrambler systems, the majority of telephone lines here in the Capitol, our home phones, and the general lines of Government agencies are not.

The Congress should demand to know to what extent the Soviets have penetrated our Government's business. What percentage of the calls from the Pentagon or the State Department is Moscow monitoring? Are the FBI lines safe? And what can be done to protect the privacy of our phones here in the Congress?

The Post-Dispatch story by Washington correspondent James Deakin is attached:

Red Embassy Said To Monitor U.S. Calls

(By James Deakin)

Washington, June 18.—Russian technicians, using space satellites or antennas on top of the Russian Embassy in Washington, are believed to be monitoring thousands of long-distance telephone calls in the United States each year.

U.S. intelligence agencies are believed to be doing the same thing in the Soviet Union, especially in military communications. But the ability of the United States to listen in on Soviet telephone traffic may be limited by the fact that the Soviet telephone system is less sophisticated than the U.S. system.

In addition, a former Department of State intelligence official charges that a U.S. intelligence agency, the National Security Agency, is monitoring the overseas telephone calls and cables of many U.S. citizens, with the co-operation of the International Telephone & Telegraph Corp. and possibly other private communications companies.

These and other aspects of U.S.-Soviet telephone surveillance were described to the Post-Dispatch this week, after the Rockefeller Commission had lifted the lid slightly on the secret world of electronic espionage, in its report on the Central Intelligence Agency.

The Senate committee investigating the CIA plans to look into the reports of Russia's monitoring of U.S. telephone calls to determine whether it is a threat to U.S. internal or external security, committee sources said.

The committee, headed by Senator Frank Church (Dem.), Idaho, plans to question officials of the CIA and the Federal Bureau of Investigation about the Soviet monitoring, the Soviets (SIC) said. This would represent a broadening of the committee's investigation, which has focused on CIA activities.

In its report on the CIA, the commission headed by Vice President Nelson A. Rockefeller stated that "Communist countries . . . appear to have developed electronic collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world . . ."

The commission said it believed that "those countries can monitor and record thousands of private telephone conversations".

"Americans have a right to be uneasy, if not seriously disturbed at the real possibility that their personal and business activities which they discuss freely over the telephone could be recorded and analyzed by agents of foreign powers," the commission said.

"This raises the real spector that selected American users of telephone are potentially subject to blackmail that can seriously affect their actions or even lead in some cases to retirement as espionage agents," the report stated.

Government sources said these statements in the report had been written by Rockefeller himself and referred to monitoring of long-distance telephone calls transmitted within the United States by so-called microwave relays.

Although the report referred to "Communist countries," in the plural, government sources made it clear that Russia was believed to be the only Communist country with the ability to monitor such calls within the United States.

"Only a highly industrialized, computerized nation can do this," the sources said. They drew attention to what they said was a "concerted effort" by Russia to purchase U.S. computer products "and an equal concerted effort by the U.S. to prevent" such purchases.

"The world of computers has made it possible to separate out individual (telephone) conversations and even identify voices," the sources said.

As described by Government officials, the monitoring of long-distance calls consists of picking up the calls as they are transmitted between microwave stations. In the United States, these stations are about 30 miles apart.

About 70 percent of the long-distance calls in the United States are transmitted by micro-wave relays, a spokesman for the American Telephone and Telegraph Co. said. The remainder are transmitted by underground cables or old-fashioned telephone wires on poles.

To pick up calls between microwave stations, the intercepting antenna must be in the "line of sight" between the stations, Government sources said. Microwave signals can be transmitted only when there are no obstructions in the way.

Government sources said Russian computers then would separate the bundles of calls in each microwave relay.

"Why do you think the Russians are so anxious to build their new embassy on the Mount Alto site?" a Government source said. "It is a much higher elevation than the site of the present embassy and would give them a much better line of sight for intercepting microwave relays."

The Soviet government has been negotiating for several years to build a new embassy on the site of the old Mount Alto Veterans' Hospital on Wisconsin Avenue. This is one of the highest elevations in the District of Columbia.

The roof of the present Russian Embassy, on Sixteenth Street, is festooned with aerials. This has led U.S. intelligence agencies to conclude that the embassy has the ability to monitor many types of communications within the United States, John D. Marks, a former State Department intelligence officer, told the Post-Dispatch.

Marks, however, believes that a dish antenna on the roof of the Soviet Embassy would have only a limited capacity to intercept micro-wave relay long-distance calls and that Russia is more likely to be using one or more fixed-spaced satellites to do most of its monitoring.

"If you just visualize the line of sight from one microwave tower to another, at some point it goes into outer space," Marks said. "You just put your satellite there, in a fixed position, and pick up the relays."

Because most local telephone calls within a city or a metropolitan area are transmitted by underground cables or telephone wires on poles, it is believed that most of the Russian monitoring involves long-distance calls.

The Russian civilian telephone system does not use microwave relays to the extent that the U.S. system does. Goverment sources said. As a result, they said, U.S. intelligence agencies may not be able to intercept Russian long-distance calls to the same extent.

"I can give you a categorical assurance that we are reading Soviet microwave communications, expecially military communications," Marks said. "But we are not necessarily doing this from the U.S. Embassy in Moscow.

Marks, coauthor of the book "The CIA and the Cult of Intelligence," said it had been a case of "The pot calling the kettle black" for the Rockefeller Commission to draw attention to the Soviet capacity to intercept long-distance calls.

Not only is the United States doing the same thing with Russian microwave relays, but "I have personal knowledge from my own State Department carreer that the National Security Agency has been monitoring overseas telephone calls and cable by American citizens," Marks said.

Marks, who is now associated with the Center for National Security Studies, alleged that ITT and possibly other private communications companies had co-operated with the National Security Agency and the CIA in the surveillance of cables and other overseas communications by U.S. citizens.

The National Security Agency, a component of the U.S. intelligence community, has the assignment of intercepting and decoding electronic communications between foreign countries.

ITT denied any knowledge of the monitoring activities described by Marks.

In a statement, the company said:

"There is monitoring of calls for the purpose of testing lines, to ensure quality control. We have no knowledge of what Marks is talking about."

An ITT spokesman said the company was "virtually out of the international telephone business." He said the company's main function was "the transmitting of printed material—telegrams and Telex messages."

Marks drew attention to a paragraph in the Rockefeller Commission report that said the CIA had "received materials from an international communications activity of another agency of the Government," as part of "Operation Chaos."

Operation Chaos was a secret CIA investigative and surveillance program that tried unsuccessfully to prove that antiwar and civil rights groups in the United States were being directed and financed by foreign elements.

The Rockefeller commission was sharply critical of Operation Chaos, which it said had been undertaken and carried on as a result of intense pressure from former Presidents Lyndon B. Johnson and Richard M. Nixon.

The Rockefeller report said the CIA as part of Operation Chaos, had "furnished a watch list of names to the other agency and received a total of approximately 100 pages of materials . . ."

Marks identified the other agency as the National Security Agency. The material apparently consisted of transcripts of overseas telephone calls, cables and other communications by U.S. citizens.

"The materials concerned for the most part antiwar activities, travel to international peace conferences and movements of members of various dissident groups," the Rockefeller report said.

Although the report said that the furnishing of material to the CIA stopped when Operation Chaos was ended in March 1974, Marks pointed out that this report did not say that the surveillance of overseas communications by the National Security Agency had stopped.

Government sources told the Post-Dispatch that Rockefeller had particularly wanted the section dealing with Soviet monitoring of long-distance calls in the U.S. included in the report, apparently as a justification for similar CIA activities.

"There was some intense feeling within the commission that it (the material on Russian monitoring) had no place in the report, because it was felt that the commission's mandate was to look into the CIA and not into the KGB (the Soviet intelligence agency)," the sources said.

They said Rockefeller's view had prevailed, although the section was abortioned because of opposition from other members or staff of the commission.

The section was then "whittled down some more by national security officials who didn't want the Soviet Union to know how much we knew about its activities," the sources said.

They described the figures on the amount of Soviet monitoring as "impressive." However, the sources indicated some skepticism about the Rockefeller report's assertion that the Soviet monitoring of long-distance calls could lead to blackmail or recruitment of Americans as Soviet espionage agents.

The Government sources told the Post-Dispatch that they thought this was "a little dramatic, a little James Bondish."

They said the information on Soviet surveillance of long-distance calls had not been given to the Rockefeller Commission by the CIA but by other government agencies. They refused to identify the agencies.

THE MOST DEFENSE FOR THE DOLLAR

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. THONE. Mr. Speaker, the Defense authorization bill, now in joint Senate-House conference committee, recognizes America's biggest defense bargain: Our Guard and Reserve forces.

It is strange and beyond understanding that the administration does not fully realize that the most defense per dollar is obtained from those funds invested in the Guard. Both for fiscal 1975 and for fiscal 1976, the White House attempted to reduce Guard manning levels.

The administration proposal would have reduced the Army Guard strength floor to 379,848 and that of the Air Guard to 89,118. The mandated force structure of the Air Guard would have been reduced to 81 flying units.

The reductions have been rejected in both the House and Senate bills on Defense authorization. The bills adopted by both bodies require a floor of 400,000 for the Army Guard, 94,879 for the Air Guard and 91 Air Guard flying units.

It is for the good of the Nation that we maintain this strength. The Guard has never been stronger both in the Nation and in my home State of Nebraska.

The Guard provides 16 percent of the Nation's total organized military manpower for only 2.6 percent of the overall defense budget.

As of January 31 1975, in Nebraska, the Air National Guard was manned at 103.4 percent of authorized strength and the Army National Guard was at 99.1 percent.

America's Guard forces not only help to make would-be aggressor nations think again but also serve their Nation in peacetime troubles. Invaluable is the only way to describe Guard service in Nebraska and throughout the United States in time of tornado, blizzard, floods, and storms. The lives saved by Guard personnel—the property protected by Guard personnel—the aid to citizens recovering from disasters—are a large return on America's investment in its Guard.

Mr. Chairman, I hope we in Congress will make it abundantly clear to the administration—once and for all—that we regard our investment in the Army National Guard and the Air National Guard as the one that provides the most defense for the dollar.

IOWA MAN SAVES HEAT

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. GRASSLEY. Mr. Speaker, while Congress debates, argues, and squabbles over the energy bill, an innovative Iowa man has acted on saving wasted heat at his supermarket in Rockwell, Iowa.

Dugan's Supermaket has perfected a system to heat the store using the waste heat from the compressors in the store's refrigeration units augmented by resistance type electric heating for extreme conditions.

Basically the system works like this:

First, the heat from the compressors is discharged into an air handling unit containing a fan.

Second, this fan is controlled by a thermostat in the sales area. A second stage thermostat in the store activates the auxiliary heating units if the prime source of heat is not sufficient.

Third, the air is delivered to the sales area by a system of duct work.

Fourth, during periods requiring no heat a thermostat in the air handling unit activates a power louver and fan to discharge the excess heat to the outside.

Fifth, air conditioning can be provided through the same system of duct work by the addition of an outside compressor unit and the installation of evaporator coils in the air handling unit.

The building is 60 feet by 105 feet by 9 feet and 3 inches high to the ceiling and is well insulated. There are seven refrigeration units with a combined capacity of approximately 30 tons. While there is no actual information on the amount of heat produced—it was estimated that the building requiring 180,000 Btu's of heat to keep it comfortable.

This system went into effect at Dugan's last November and the operating experience since that time has been excellent. Obviously this system works only in buildings where there is a continuous source of wasted heat. I do think, however, that great ingenuity and foresight was shown in putting to use the waste heat that is a byproduct of another necessary service. This will save money not only for Dugan's Supermarket but will save all of us the critically needed usable energy.

Is it not time Congress took some initiative like the Dugan Supermarket has and start to work toward solving our energy problem?

THE PRAGUE SPRING REMEMBERED

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ZEFERETTI. Mr. Speaker, over 7 years have passed since the faint breath of freedom and independence in Czechoslovakia was ruthlessly suppressed by Soviet forces. Unfortunately, the world forgot all too quickly the sight of the Soviet and Warsaw Pact tanks rolling through the streets of Prague, just as they had done a decade earlier in Budapest. Shortly after that brief yet valiant attempt to restore democratic rule to Czechoslovakia the world's attention was redirected to the tragic American military debacle in Southeast Asia and the growing hostilities in the Middle East.

Although Czechoslovakia's short-lived democratic experiment was not permitted to survive, people continue to speak out against governmental injustices and in favor of the ability to control their own lives and destiny. Even though the Soviet Union and its puppet regime in Prague were able to halt the movement for the reform of Czech society, they were unable to remove the deep-seated desire for independence. As is frequently the case, however, those with the courage to take the lead in working for reforms or in making their voices heard are purged in various forms by the central government. It was reported, for example, that two-thirds of the Czech journalists were fired in a 4-year period and jails continue to be filled with political prisoners.

While we may be preoccupied with more volatile trouble spots in the world, we must not forget those who continue to desire to exist unfettered by foreign control, such as the Czech people. Last month a very well-written and most perceptive article on the current state of affairs in Czechoslovakia appeared in the New Republic. This article reveals the true nature of the Husak regime and describes the stifling atmosphere which it has imposed on the Czechs. I believe this article warrants full and careful consideration and I insert it herewith for inclusion in the RECORD:

PRAGUE WINTER

Even as our détente with the Soviet bloc seems to be the only quiet front in the relations of nations, voices from what Neville Chamberlain called the "far away country of which we know nothing" reached the West to remind us that what followed the "Prague Spring" of 1968 is a long, sad winter. Two remarkable documents from leaders of Czechoslovakia's brief experiment in democracy testify to the fact that, although the repression in that country may be less visible than in Brazil or Chile, not all Czechs have resigned themselves to the "socialism that came in from the cold."

The first is the memoirs of Joseph Smrkovsky who had been president of the Parliament until 1969 and for six years openly opposed the regime imposed by the Red army. Before he died last year he dictated the only firsthand account of Soviet efforts to destroy the Czech leadership—an effort, impeded somewhat as it turned out, by early difficulties the Russians had in gathering even a handful of collaborators to form a so-called "worker and peasant" government.

The second document is Alexander Dubceks only public statement since his removal as first party secretary, also six years ago. Dubcek has now assumed the role of public critic hitherto assumed by Smrkovsky. His statement is significant not only because the accusations it makes against the current Prague regime are telling, but because it reflects the resilience of "socialism with a human face." He does not recant or beg for an improvement of his personal position; his decision to speak out is an indication of the failure of the Prague government to break him morally. Nor has the government succeeded in erasing him from the people's memory: he is still prevented from working in a factory because of anxieties about what worker contact with him might mean.

Dubcek argues that the Warsaw Pact invasion was able to prevent the reform of Czech society but not eradicate the roots of the crisis. The government's response to his criticisms reflects persistent official fear of the 1968 vision: Dubcek was asked to "pack his bags and go to one of these bourgeois states the freedom of which he glorifies." The current Husak government has, in fact, been unable to find means of coping with the society's accumulated problems other than to mix repression with a freer flow of previously unavailable consumer products. Having lost the right to free political expression, the Czech citizen is supposed to satisfy himself with his newly gained access to imported goods.

In cultural matters the "normalization" produced what the French Communist poet Louis Aragon called "the Biafra of the spirit." More than 300 authors were put on the "index." Those banned included Ludvik Vaculik, whose manifesto of 2000 words was seen as the precipitating cause of the 1968 invasion; Graham Greene, Gunter Grass, Albert Einstein. At the same time a literary hack, Alexej Pludek, received the Czech national book award for his anti-Semitic novel, *Vabank*. In it the inevitable "positive" hero of socialist realist fiction returns from an engineering project in Syria to find Prague has become, in 1967, the center of Zionist intrigue aimed at "the seizure of the governments of the main countries in the world in five years." The revisionist mood is the Zionists' first achievement.

Between 1969 and 1972 two-thirds of Czech journalists were fired. In the universities "the moral and political profile" of parents (*i.e.*, their zeal in welcoming the "brotherly help" of August 1968) became the chief criterion for student admissions. Many university professors, if allowed to work at all, were forced to become construction workers or cab drivers, giving Czechoslovakia the highest percentage of hardhats with PhDs. One observer suggests that this is what the Husak government means by raising the cultural level of the working class!

The jails are still filled with political prisoners of every dissident stripe, none more severely punished than heretical Communists; and the party continues to console itself with "landslide victories" of 99.9 percent of the votes. Under the banner of a "return to Leninism," the Communist party was purged of a half million members. Other social institutions and especially the trade unions were comparably treated, leaving the political system isolated from society. Having imposed silence the bureaucracy rules a country in which no malfunction in the system, no injustice, no grievance can be heard until pressure builds to the point of explosion.

Seven years after the Russian tanks rolled into Budapest, Hungary's puppet premier Janos Kadar, announcing that "he who is not against us is with us," proclaimed a partial amnesty and embarked on a series of mild liberal reforms. Today, almost seven years after the hopes of the Prague Spring were crushed, the Soviet-sponsored government of Comrade Husak has not yet established a new consensus and the Czech's "Kadar" certainly does not seem ready for a thaw.

UNITED STATES-JORDAN HAWK MISSILE SALE: RESOLUTION OF INQUIRY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ROSENTHAL. Mr. Speaker, I am today introducing a Resolution of Inquiry requiring the President to supply information to Congress regarding the proposed sale to Jordan of the Improved Hawk Missile System announced on May 5.

The sale to Jordan of this advanced ground-to-air missile system threatens to upset the delicate balance of military power in the Middle East. It has already contributed to the conclusion of an agreement between Jordan and Syria for a joint military command. Such an agreement was impossible as long as Jordan preceived itself as lacking an effective air cover.

Coming in the midst of a so-called reassessment of American policy in the Middle East, the announcement of the sale demonstrates the utter incoherence and inconsistency of our arms sale program in general and with regard to the Middle East, in particular, and encourages Arab resistance to any total peace agreement. The sale is further evidence of the mindless proliferation of American arms sales around the globe which presents the ghoulish spectacle of Americans selling death and destruction at a price of over $7 billion annually to over 70 foreign countries. Almost 1 month after the announcement of the sale, Congress has not yet been given the details of the sale in arguable violation of the spirit if not the letter of the 1974 Foreign Military Sales Act Amendments.

The Hawk missile is a highly sophisticated weapon on par with the vaunted Soviet SA-6. It is the basic air defense missile system used by the U.S. Army and Marines, and by seven NATO countries. It can be speedily set up and fired from mobile carriers. The solid-propellant rocket, employing semiactive radar homing, is exceptionally effective at low altitudes, as well as at maximum tactical heights, to a range of 22 miles.

Jordan's acquisition of this modern antiaircraft missile system represents a qualitative change in the Middle East balance of power. Jordan refused to open up a third front along the Jordan River during the 1973 Yom Kippur War against Israel precisely because it lacked air cover. King Hussein was violently criticized thereafter in the Arab world for his refusal to widen the "Eastern Front."

Syria learned a painful lesson from its one-prong attack through the Golan Heights in 1973. Syria is believed to be planning in any future war a multifront attack through Lebanon's Arqoub region and through the Yarmuk-Jordan Valley with Jordan's Arab Legion. This Syrian military option requires Jordan's involvement. Syria's President Assad employed both threats and blandishments to assuage Hussein's fears and enlist his participation. Jordan's lack of an air defense system was the primary obstacle. The acquisition of the Hawk removed this impediment. On June 12, Syria and Jordan announced that they would form a joint military and air command. Jordan has signified that it would enter any new Middle East war. Many analysts believe that none of this would be possible without Jordan's acquisition of the Hawk.

There are other potentially serious military consequences of the Hawk sale. The range of the Hawk permits the missile to be used to harass peaceful Israeli commercial and military air traffic. Moreover, mounted on mobile carriers, the Hawk can provide an effective umbrella in support of advancing, offensively deployed armed forces. Of equal importance, King Hussein has survived at least eight assassination attempts. His regime enjoys questionable political stability. A future leader of Jordan may be less able or willing than Hussein to refrain from using the Hawk system against Israel.

In addition to destabilizing the military balance, the sale of the Hawk may have a tragic effect on the political situation. It is a matter of debate whether this sale was the fulfillment of a prior commitment or a new agreement reached during King Hussein's recent visit to the United States. But coming as it does at a time when deliveries of the Lance missile to Israel have been suspended and talks between American and Israeli officials over the purchase of the F-15 fighter have been placed in abeyance, the sale of the Hawk system can only be interpreted by the Arab States as additional evidence of a shift in American policy deriving from the current reassessment. This encourages the Arab intransigence which was responsible for the breakdown of the second-stage talks between Egypt and Israel.

The Hawk sale symbolizes the chaotic and potentially disastrous nature of American arms sales. America has become the premier "merchant of death." In the year ended last June, American arms sales abroad more than doubled to $8.5 billion. Annual sales at today's inflated prices can grow quickly to $10 to $12 billion, thus consolidating guns as a principal American export second only to butter, that is, agricultural products.

Some 70 countries have benefited from American largesse. Many of these countries are bitter rivals and the vision of wars fought entirely with American weapons is becoming increasingly real. Turkey and Greece, India and Pakistan, Israel and Jordan—each knows the horror of facing an enemy using the same American weapons it itself relies on. The next such conflict could break out in the Persian Gulf where the United States sold over $5 billion in arms last year.

It is fatuous to argue that if the United States did not supply the needs of these countries, some rival would. There is little evidence that Jordan considered approaching any country other than the United States for its ground-to-air missile system. The closest American competitor in weapons vending, the Soviet Union, makes half as many sales as the United States.

As British weapons merchant Basil Zaharoff and other death peddlers of earlier eras well knew, each arms sale creates an ever-spiraling demand for additional arms sales. Fear begets fear and national budgets straining to find room for vitally needed social expenditures are consumed in the purchase of greater quantities of idle gunpowder and steel. The hands of those trained to use the weapons, that is, the military, is strengthened. Eventually military policy becomes identical to national policy. Any threat to national interests engenders the only possible response, resort to arms. With certain qualifications, this process describes the origin of the First World War and many conflicts since then. A critical ingredient of this deadly recipe is access to weapons. This is the ingredient the United States, and to a much lesser extent the Soviet Union, France, and the United Kingdom, provide.

The ability of the administration effectively to conclude the sale of the Hawk without congressional consultation points up another grave problem in the process of American arms sales. Popular scrutiny is almost completely lacking. The profit interests of the biggest multinational corporations may be served in secret at the expense of our real national policy and world peace.

The Hawk missile system is manufactured by Raytheon Co. Raytheon's principal Mideast marketing agent and a major figure behind the sale of the system to Jordan is Adnan Khashoggi. According to the Washington Post of June 7, 1975, Khashoggi is closely connected to the ruling family of Saudi Arabia and is the man who funnelled almost one-half million dollars in bribes to Saudia Arabian officials in the service of another major client, Northrop Corp. The Senate is probing a $45 million "commission" paid by Northrop to Khashoggi for a new $750 million sale of about 60 F-5E's to the Saudis.

Another reportedly key figure in Raytheon's sales team in the Middle East and Washington is Kermit Roosevelt. Grandson of President Theodore Roosevelt and former CIA and State Department official, Roosevelt also participated closely in Northrop's discredited dealings in Saudi Arabia. Roosevelt is a director of the Near East Foundation, a major Arabist organization.

Congress has a right and duty to know the exact role these men and others connected with Raytheon played in the Hawk missile sale. The record must disclose the nature of the dealings of Raytheon and its employees with the executive branch and Jordan. American foreign policy in the Middle East has too great an impact on world peace to be influenced by the greed-motivated pressures of arms merchants and their shadowy agents.

Last year, Congress enacted into law a requirement that it be notified of any proposed military sale in excess of $25 million. Congress then has a period of 20 calendar days in which to veto the sale by concurrent resolutions disapproving the sale. In theory, this provision opens each major sale to congressional review. In practice, little has been accomplished. First, the review is piecemeal; it gives Congress no ready capacity to assess the whole program, to see each sale in the perspective of total proposed sales to each country and each region. Second, the notification need come only at such time as a letter of offer is prepared. Typically the preparation of such letter is one of the last steps in the sale process, taking place only when the precise terms of the sale and the financing have been finalized. By such time, much effort has been expended by the United States and the proposed recipient in bargaining and planning; certain expectations have been engendered in the recipient State. Congress is understandably reluctant to upset the process at this late stage. Third, only Representatives and committee staff members are given access to the information about the proposed sale. Personal staff members, even those with clearance for top-secret documents, are unable to view the classified data. Finally, much of the information necessary to formulate a reasoned opinion as to the sale, for example, the financing terms, is typically not made available.

The history of the operation of the review process bears out the above criticisms. The Defense Department, pursuant to the terms of the Foreign Military Sales Act, has notified Congress of 26 proposed sales. None of them has been challenged. With respect to the Hawk sale, most of the terms have been finalized. Almost 1½ months ago, the fact of the proposed sale was announced. Clearly, Jordan has relied upon the sale in concluding the agreement with Syria for a joint military command. Yet, Congress has received no notification of the sale and, according to conversations my staff has had with officials of the State Department, no date for submission to Congress has been set.

All of the above abuses cry out for full disclosure and correction. Vital answers are needed. My resolution of inquiry solicits many of these answers with respect to the Hawk missile sale and with respect to a related sale to Jordan of the shoulder-fired Redeye antiaircraft missile. I have also introduced legislation addressing problems in the American arms sale program generally. Such legislation mandates advance congressional approval of U.S. arms sales by country and by major weapons systems and major defense services. These are the minimum steps which must be taken.

The text of the resolution of inquiry follows:

H. RES. 552

Resolution requesting the President to provide to the House of Representatives certain information relating to the sale of "Hawk" and "Redeye" Missiles to Jordan

Resolved, That the President is requested to provide, not later than 10 days after the adoption of this resolution, to the House of Representatives, the following information:

(1) How and when the sale to Jordan of the "Hawk" missile system was initiated, including the date, nature and substance of the first approach of the Government of Jordan to any agency of the United States.

(2) What military equipment, if any, in addition to the "Hawk" missile system was sought by Jordan at or about the time of this approach.

(3) Whether and when the request was referred to the office of the Assistant Secretary of Defense for International Security Affairs, and any recorded conclusions made by that office with respect to the significance, potential impact and purpose of the proposed sale.

(4) Whether and when the request was referred to the Bureau of Politico-Military Affairs of the Department of State, and any recorded conclusions made by the Bureau with respect to the potential impact of the requested sale upon United States foreign policy in general, and with respect to the Middle East, in particular, including the potential impact of the requested sale on the balance of power in the Middle East, relations with Israel, the defense of Israel and Israeli-administered territory, relations between Jordan and the other Arab states, relations between Jordan and the Soviet Union, relations between Jordan and the Palestinians, the political stability of Jordan, including the maintenance in power of the Hussein regime, and the economic conditions in Jordan.

(5) Whether and when the request was referred to the Systems Project Manager of a military service, and any recorded conclusions of that Manager with respect to the sale, including conclusions as to price, delivery date, and private industry production needs, together with any record of the factors and considerations that Manager brought to bear in making those conclusions.

(6) Whether and when a Price and Advisability Statement was prepared by the Systems Project Manager with respect to the requested sale, and the contents of that Statement.

(7) Whether the Statement referred to in paragraph (6) was presented to the Government of Jordan, and any reactions of that Government to the Statement.

(8) The identity of any other person or persons in the executive branch, including the President, the Secretaries of State and Defense, and any member or members of the Interagency Security Assistance Program Review Committee, who evaluated the request, when each such evaluation was made, and any recorded conclusions of each evaluating person as to the potential impact of the requested sale on the balance of power in the Middle East, relations with Israel, the defense of Israel and Israeli-administered territory, relations between Jordan and the Arab states, relations between Jordan and the Soviet Union, relations between Jordan and the Palestinians, the political stability of Jordan, including the maintenance in power of the Hussein regime, and the economic conditions in Jordan.

(9) The contents of any Letter of Offer prepared with respect to the requested sale, and whether such a Letter of Offer was presented to the Government of Jordan, together with any reactions of that Government to any such Letter so presented.

(10) The details of any financing arrangements made by Jordan for such sale, including sources of funds, cash and credit terms, and any other explicit or implicit conditions of financing.

(11) At what point, if any, the sale is to be referred to the Congress pursuant to the provisions of the Foreign Military Sales Act, as amended.

(12) The detailed substance of the communication (and its date) of the favorable disposition of the Government of the United States toward the requested sale, and whether any conditions were placed by the United States on the making public of the fact or substance of such communication.

(13) The date and substance of the first announcement by the United States Government of the sale, and the recorded conclusions, if any, of the executive branch as to the effect of such announcement on United States relations with Israel, and Jordanian relations with the United States, the Soviet Union, other Arab States and the Palestinians.

(14) A description of the function, purpose, mode of operation, and offensive and defensive capabilities of each of the principal components of the "Hawk" Missile System.

(15) The identities of those nations to which the United States has furnished, or to which the United States has made a commitment to furnish, directly or indirectly, each of the components referred to in paragraph (14).

(16) The relevant portions of all agreements, documents, letters, memoranda and/or other written material in the possession of the executive branch which relate to all precautions being taken to ensure that access to the "Hawk" missile system, and to technical information about its components, whether sold or given to Jordan, does not extend, directly or indirectly, beyond Jordanian personnel.

(17) The relevant portions of all agreements, documents, letters, memoranda and/or other written material in the possession of the executive branch which relate to all precautions being taken to ensure that neither the "Hawk" missile system nor any of its components falls under the command, directly or indirectly, in whole or in part, of other than Jordanian personnel, including any steps which are being or which shall be taken to prevent the conclusion of agreements for joint military command between Jordan and any other country.

(18) The relevant portions of all agreements documents, letters, memoranda and/or other written material in the possession of the executive branch which relate to all contacts, in person or otherwise, between personnel of the executive branch, including employees of the State and Defense Department, and any representatives of private industry with respect, directly or indirectly, to the "Hawk" missile sale. "Representatives of private industry" includes, but not limited to, all Raytheon Company employees and agents, all employees and agents of manufacturers of components of the "Hawk" missile system, and all employees and agents of any finance institutions (including finance institutions controlled or affiliated with any foreign government).

(19) The relevant portions of all agreements, documents, letters, memoranda and/or other written material in the possession of the executive branch which relate to all sales commissions or fees related, in whole or in part, to the "Hawk" missile system sale, payable by any entity involved in the sale to any person.

(20) With respect to the "Redeye" antiaircraft missile system, all of the information sought by this resolution with respect to the "Hawk" missile system.

OVERSIGHT ACTIVITIES COMMITTEE ON SCIENCE AND TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. TEAGUE. Mr. Speaker, on Thursday, June 12, 1975, I initiated publication of a series of summaries of oversight activities scheduled for the 94th Congress, outlining the plan of the Committee on Science and Technology for discharging its responsibilities under the provisions of rule X of the Rules of the House of Representatives.

This is the fifth in the series on this subject and involves planned activities in the area of the environment and the atmosphere. In general terms, activities included under this category involve legislation and other matters relating to environmental research and development—including, but not limited to, EPA's research and development programs in air and water quality and solid waste disposal—the National Weather Service; the National Environmental Satellite Service; and the research and development activities of the National Oceanic and Atmospheric Administration—jointly with the Merchant Marine and Fisheries Committee.

A summary of scheduled oversight activities in this area follows:

THE ENVIRONMENT AND THE ATMOSPHERE OVERSIGHT PLAN

SUMMARY

(1) Subject: Federal Environmental R. & D. Posture. Purpose: To review the nature and scope of Federal environmental R. & D. activities with emphasis on the adequacy of coordination among the 13 agencies engaged in environmental R. & D. Hearings: 6 days; April 22, 23, 24, 29, 30, and May 1 (Completed).

(2) Subject: Sulfate emissions and standards. Purpose: To review in detail the nature and scope of EPA's research program on the problems associated with sulfate emission, with particular reference to automobile catalytic converter. Hearings: 3 days; July 8, 9, and 10.

(3) Subject: NOAA organization and programs. Purpose: To make a general review of the organization and management of the National Oceanic and Atmospheric Administration and the details of its programs, including research on marine ecosystems, severe local storms, climate, upper atmosphere and space, weather modification, and atmospheric and oceanic modelling. Subcommittee visits to NOAA installations will be sched-

uled. Hearings: 6 days; July 15, 16, 17, 22, 23, and 24.

(4) Subject: Ocean Dumping. Purpose: To review the state of knowledge of the ecological effects of ocean dumping, and to inquire into the adequacy of research on this subject. Hearings: 3 days; first half, September.

(5) Subject: Health effects of low-level pollution. Purpose: To review the state of knowledge of the health effects on humans and animals of low-level more-or-less constant exposure to various pollutants introduced into the ecosystem by man; to inquire into the nature and scope of research on this subject, and the adequacy of monitoring techniques. Hearings: 4 days; second half, September.

(6) Subject: Organization and management of EPA's Office of Research and Development. Purpose: To assess the effectiveness of the new organizational structure of EPA's Office of Research and Development which has recently been reorganized in response to criticism during the past year. Hearings: 3 days; first half, October.

(7) Subject: Ecological Research. Purpose: To assess the adequacy of EPA's ecological research program under the terms of the National Environmental Policy Act of 1969, e.g., acid rain, insecticide and herbicide run-off. Hearings: 3 days; second half, October.

BILLS REFERRED

H.R. 7108. A bill to authorize appropriations for environmental research, development, and demonstration. Hearings: March 4, 5, 6, 13, 19, April 15, and May 15 (completed).

H.R. 3118. A bill to amend the Clean Air Act so as to assure that aerosol spray containers discharging chlorofluoromethane compounds in the ambient air will not impair the environmental ozone layer, to prevent any increased skin cancer risk, and otherwise to protect the public health and environment. (H.R. 4327, 4328, 5706 are identical bills) (Related bills also considered: H.R. 3916, 4652, 6097, and 6099), Hearings: May 20, 21, and 22 (Completed).

H.R. 35. A bill to amend the National Environmental Policy Act of 1969 in order to encourage the establishment of, and to assist, State and regional environmental research centers. Hearings: 4 days; September or October.

H.R. 1027. A bill to authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes; hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior. (H.R. 3859, 5449, and 6126 are similar bills). Hearings: 3 days; October or November.

H.R. 6011. A bill to provide for the recycling of used oil, and for other purposes. (H.R. 6377 is identical and H.R. 6012 is similar). Hearings: 3 days; October or November.

SPARROWS ARE FALLING IN THE NATIONAL SCIENCE FOUNDATION

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. LEGGETT. Mr. Speaker, the motion of the gentleman from Maryland is obviously born of the frustration of attempting to understand precisely where all the sparrows are falling in the Federal bureaucracy. While I can appreciate the frustration the gentleman feels, I believe that his motion is badly misguided as an attempt to set things right.

I, too, have felt frustration, sitting as a member of an Oversight Committee, in seeing things happen that I wish were being done differently; however, I would caution the gentleman that if we get ourselves entangled in trying to watch for sparrows falling in the National Science Foundation, we are going to be run down by elephants from elsewhere. The reason that we have an administration to begin with is to administer programs. If the Congress starts to undertake this function, what will be the point of having an administration at all? Incidentally, I wonder if the gentleman can tell us how many additional staff members his proposal would require, and how much it will cost to hire them? I also wonder if the gentleman can tell us how much additional delay will be necessary by the addition of this new bureaucratic step in the NSF grant procedure?

I would also caution Members that just because we may not understand the language of the scientific community, we should not assume that it is speaking gibberish. Dr. W. D. McElroy, chancellor of the University of California at San Diego, has informed me that, for example, the "celebrated Polish bisexual frog grant—could easily be related to fundamental genetic or population problems." Dr. McElroy also mentions that his own research as a biochemist involved the use of fireflies. While this no doubt could be made to sound very silly, his research has had major ramifications for such important areas as muscle and cell kinetics, cardiac dysfunctions, and bacterial aspects of sewage systems.

I believe that the National Science Foundation has done a creditable job in the dispersal of grant funds for basic research, and I believe that this motion would be detrimental to that work. For that reason, I urge Members to vote against the motion to instruct.

DIALOG ON CHANGE: A RESPONSE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. RANGEL. Mr. Speaker, our colleague, Paul Simon, raised some very thought-provoking questions in the first installment of his dialog on change. I have had an opportunity to reflect on these and would like to comment briefly on two of them.

A. IMPROVING THE MEMBERS' EFFICIENCY

I would agree with our colleagues who say that the trial recess system, which the leadership devised at the beginning of this Congress, is a healthy reform. Too often many of us, for whatever reason, do not get home to the district as often as we should. Really, when one thinks about the model elected Federal official which our Founding Fathers envisioned, the Representative was one who articulated the needs of his constituencies as a result of constant communication with his district. If we are only home on weekends this severely impairs our ability to get a complete view of what the folks back home are thinking about the issues. We cannot effectively legislate without receiving the input of those for whom we are legislating. I personally applaud the innovative recess approach as a means of making time spent both here in Washington and the district much more productive.

B. IMPROVING OUR JUDICIAL SYSTEM

One way in which the adjudicatory process could be speeded up would be by mandating that the trial process be a 24-hour occurrence. I find it quite antithetical to the concept of justice when at 5 p.m. the courts and judges close down for the day. What is the problem with having shifts so that courtrooms do not go vacant while the accused sits for days waiting to have his fate determined? Whether it be a guilty or innocent verdict, justice demands that there be a quick resolution to the issue. If we accept the theory that justice is indeed blind, we must make this change.

DR. CARL E. BOZZO, D.D.S.

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. MINETA. Mr. Speaker, I would like to call to the attention of this distinguished body, an individual who lives and works in my congressional district, and whose business, civic, and community achievements deserve special recognition.

Dr. Carl E. Bozzo, D.D.S., after leaving the Navy moved to the town of Gilroy in southern Santa Clara County in 1958. He made it his home and opened a dental practice which was immediately successful, and has remained so ever since. Dr. Bozzo's lucrative practice has enabled him to play a significant part in the progressive controlled growth of South Santa Clara County through a number of land development ventures.

He has been instrumental in bringing to South Santa Clara County an attractive, richly landscaped garden apartment community. This complex features heated swimming pools and a professionally supervised day-care center. Dr. Bozzo has also been involved in projects to establish a professional center, a townhouse complex, vineyards, farms, and a proposed theme-oriented entertainment complex.

Dr. Bozzo has been extremely active in civic and community affairs as well. He is a part director of Hope for the Retarded, a cofounder of the Santa Clara County Association for the Retarded, a part chairman of the Heart Fund Drive, on the board of directors of the San Jose Symphony, and the American Cancer Society, and a charter member and a cofounder of the Gilroy Jaycees. In 1974 Dr. Bozzo was named Citizen of the Decade by the Gilroy Chamber of Commerce.

Therefore, on the occasion of an awards banquet given in his honor by the Construction Council of Northern

California and the Home Builders Institute of America on June 30, 1975. I urge you to join me in commending Dr. Carl Bozzo, who has done much to improve the overall quality of life for the people who live in southern Santa Clara County which is in the congressional district that I have the honor of representing.

UNITED STATES MUST MAINTAIN NAVAL SUPERIORITY

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. CHAPPELL. Mr. Speaker, the vital importance of a strong and viable national defense must be recognized as the greatest deterrent to war and essential if the world is to remain at peace. I, therefore, appeal to my colleagues to profoundly consider the dangerous implications of resigning this Nation to a national defense policy which guarantees our Navy's inferiority vis-a-vis the Soviets.

The United States emerged from World War II with the largest and most capable naval force the world has ever known and with undisputed supremacy across the oceans and seas of the world. At that time the British maintained the only other major oceangoing navy, and even this was of only moderate size compared with U.S. forces. The naval monopoly which the United States enjoyed, together with the historic concept of "freedom of the seas," enabled the United States to successfully adopt a "forward defense strategy" that complemented the economic bonds and other forms of interdependence which are fundamentally predicated on free use of the high seas.

In the past 25 years, the Soviet Navy has evolved from a force built and employed primarily to defend the Soviet littoral to a force clearly optimized to counter U.S. naval capabilities and our use of the seas. Since sea denial forces may be concentrated and employed selectively, the mission of denial is easier than that of control. This growing Soviet sea denial capability has tended to erode confidence in U.S. ability to deter aggression or influence events in distant corners of the world.

The Soviet Union is essentially a land power. She is not greatly dependent upon the use of the seas to maintain her economic or political integrity with her European allies. The Soviet's significant commitment of resources to increased naval capability cannot be explained solely in terms of a sea denial objective. This increased military capability has allowed the Soviet Union increasingly to become involved in international affairs and in attempts to exert greater influence in the international forum.

Conversely, the United States is—and always has been—critically dependent on unimpeded access to the oceans of the world. More than 70 percent of the U.S. trade is with overseas nations while almost all Soviet trade is with satellite or Western European nations. While all of the major allies of the Soviet Union are contiguous most of our important allies are overseas and the U.S. military support that really counts for these allies is that which can be projected across the oceans. The Western Alliance is an oceanic alliance, and without the freedom to fully utilize the sea the alliance is not viable.

The United States and many members of the Western Alliance are seapowers by necessity; they are dependent on the sea and must possess naval strength to protect their vital interests. Having few interests of her own on the oceans of the World, the Soviet Union has built a Navy tailored to counter Western naval strength and to take advantage of the oceanic dependence of the West. U.S.-U.S.S.R. asymmetries with regard to alliance structure, dependence on maritime communications, history and geography, and naval missions dictate that we maintain a first-rate Navy. A strong Navy with the ability to concentrate naval forces goes a long way toward countering Soviet influence where our interests and objectives overlap. But if our Navy is clearly inferior to theirs, the Soviets can be expected forcefully and frequently to challenge our ability to utilize the seas in support of our national policy.

Today our Navy is charged with protecting national interests in both the Atlantic and the Pacific with combat forces comparable in numbers to our 1939 Navy. Our 1975 Navy is immensely more powerful in absolute terms, and its individual unit capabilities for protection of the sea lanes are almost beyond comparison with the 1939 Navy. But the opposition's capability has grown, too, and our forward deployment requirements in two oceans far exceed those of the old Asiatic Fleet.

The size of our naval force has been reduced from 976 ships in 1968 to its current level of about 500 ships. The present state of our reduced Navy is good; if our new construction programs are realized—and they must be if we are to remain a first-rate naval power—it will be even better.

A credible capability to utilize and protect sea lines of communications is fundamental to our national strategy and economic well-being. This capability is also essential to the credibility of our staying power during crisis situations. This fact has not been lost on our potential adversaries. To the degree that our sea lines can be interdicted, then to that same degree the cohesion of our alliances will be eroded. It is, therefore, vital that the United States maintain an ability to use the seas as necessary—in peace, in crisis, and in war. This task cannot be accomplished by a second-class seapower. The Soviets have succeeded in building an impressive maritime force capable of challenging our use of the seas. Although the free world has lost its monopoly at sea, it cannot afford to lose its superiority. To do so would invite disaster.

CONGRESS AND THE FUTURE

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. FISHER. Mr. Speaker, recently I had the opportunity to address the Second General Assembly of the World Future Society during its meeting in Washington, D.C. Our colleague, Representative CHARLIE ROSE, also addressed the assembly and his remarks were so well received that I wanted to bring them to the attention of all the Members of the House:

CONGRESS AND THE FUTURE

(Remarks by Representative CHARLIE ROSE, Democrat of North Carolina, Second General Assembly, World Future Society, Washington Hilton Hotel, June 5, 1975)

One of the cornerstones of American thought has been our sense of a place in history—a feeling that where we are going depends to a great extent on where we've been. During the next few months, as interest picks up on things Bicentennial, I am sure this feeling will increase.

Of course, sometimes our history is pure myth and sometimes the darker side of our heritage tends to be glossed over. But the words inscribed at the National Archives are very true: "What is past is prologue".

As members of the World Future Society, you recognize this. You employ this principle as you build econometric models. With every analytic forecast you take into account what has gone on before. You realize the tremendous challenge of bringing about a change in people's lifestyles, whether this means revising our habits of single-rider automobile commuting or changing our diets to reduce the consumption of cholesterol-rich foodstuffs.

Those of us in political life are acutely aware of this since we suffer the trauma of passing laws to change the nation's lifestyle. Witness the current hesitancy toward increasing the gasoline tax or the decades of delay on guaranteeing civil rights for all Americans.

When I first ran for Congress, I spent a lot of time learning the history of the six counties that make up the 7th Congressional District of North Carolina. I had a television program and one of its features was spotlighting the historic churches of the area and the contributions those congregations had made to building the small towns and communities in the southeastern corner of the State. My message was clear: "Before we can ask people to let us lead them into the future, they must be sure we know where they've been."

That struck a responsive chord with a lot of people. They clearly want their leaders to be informed individuals. Having the right information at the right time is critical in the decision-making process.

But that information must be analyzed in perspective, including the perspective of history. And that information must be interpreted in the light of its probable impact on the future.

On a greater scale, I think our very survival rests on our ability to know and to relate information and on our openness in giving all people who can help us a chance to contribute to finding solutions to those problems dogging the path to the future.

Earlier this year, I was named Chairman of a new Ad Hoc Computer Subcommittee that is charged with overseeing the computer operations and with looking to the future information needs of the House of Representatives. The major thing we have discovered is that Congress is ill-equipped to deal with the complexities of 20th Century crises. Much-needed procedural reforms have let some sunshine into the chamber, but we still have a long way to go in the rather elementary area of information retrieval.

As we began looking into new ways to attack old problems, one of the most fascinating new information systems we encountered was the Search Service of the System Development Corporation. Here was a company that had acquired some 20 data bases—in energy, chemistry, agriculture, education, engineering, business and other subjects—and had made the information available through simple on-line searching. This, and a similar service developed by Lockheed, are clearly systems that would benefit Members of Congress.

Ironically, I first saw the SDC Search System demonstrated at the American Petroleum Institute.

This should not be too surprising, however, for the oil companies are light years ahead of the Congress in their ability to research and retrieve information in the energy field. In like manner—when their interests are at stake—the multinational corporations, the financial institutions and the other giants of business and industry most often know the answers before Congress has had a chance to formulate the questions.

Yet the people look to Congress for solutions, including preventive remedies. They want answers available before the crisis occurs.

But instant answers are not always available, and Members of the Congress—like the constituencies they represent—are slow to adopt new techniques and new systems. Our major task is one of education.

At one of our first meetings, the Computer Subcommittee approved, for the use of the Joint Committee on Internal Revenue Taxation, the leasing of an econometric model designed by Chase Econometrics. After a thorough briefing on the values of econometrics in forecasting economic trends, we approved the contract as a tool which would assist the committees of Congress which deal with legislation affecting the economy. Our action also marked an increase in co-operation among the various parts of the Legislative Branch, for the Library of Congress had acquired a model from Data Resources, Inc., and the Senate, the model developed by the Wharton School. All Congressional committees would have access to all three models, giving us the advantage of comparative data in economic forecasting.

You can imagine my chagrin a few days later when I picked up the Washington Post and found a Page One story quoting Chase Econometrics to the effect that the pending Emergency Farm Bill, if passed, would cost the American consumer four billion dollars a year.

As a Member of the Agriculture Committee that had been wrestling with this complex legislation for more than two months, I was astounded at the Chase conclusions. Since the bill was scheduled for floor action in less than 48 hours, I was concerned that many of my colleagues might be misled by the story. I lodged a protest with Chase and had my staff and an agricultural economist from the Library of Congress attempt to find out how such conclusions had been reached.

They discovered that the agricultural model was the only one in the field; that it was also the newest model Chase had built. The results had been announced by a press release a week earlier, but the information had not been conveyed to the Congress.

Among the assumptions Chase had made was that passage of the bill would lead to speculation. I felt otherwise: Farmers who had sold wheat to speculators who in turn reaped enormous profits in their deal with the Russians are more cautious now. The farmers were burned once; they are not likely to repeat that mistake. Meanwhile, the speculators are now finding foreign orders being cancelled, and they too are approaching food marketing with a wary eye.

Chase economists also assumed the legislation would provoke huge increases in farm prices, even though the support prices proposed in the bill were below the existing market prices of most commodities. And their assumptions were based on projections for a single marketing quarter.

The easy response for me as a Member of the Agriculture Committee would have been to denounce not only Chase's results, but the concept of a little black box predicting what would happen on the nation's farms during the next couple of years. I felt some obligation, however, to inform my colleagues that tools like econometric models are available and that Congress ought to take full advantage of such modern technology as we attempt to get all of the facts and come to a conclusion.

The trouble, of course, was that the econometric study in question was incomplete. After my protests and others, Chase admitted as much and withdrew its conclusions, conceding that the bill would have no impact on the cost of wheat, feed grains or soybeans. They promised further study.

I couldn't resist a little demagoguery, noting for instance that Chase Manhattan Bank—the parent company of Chase Econometrics—is not noted for its concerns for the consumer, and that the Washington Post had placed a week-old press release on its front page, while printing Chase's retraction inside.

Of course, conspiratorial minds had a field day with this incident. One wag even surmised that Agriculture Secretary Earl Butz, who was adamantly opposed to the bill, could have called up Vice President Rockefeller to enlist the aid of his brother at Chase Manhattan in rigging a model to produce the desired results.

All of us in politics know that public opinion polls can be rigged; why not a model? Well, you see where fantasy can lead when you start dealing with futures technology.

Seriously, however, Chase Econometrics, DRI, Wharton and the others who are engaged in the exciting work of econometrics are among those we are counting on to help us assess the futures impact of our legislation. But major ethical questions are raised by this small episode.

Econometrics and most other forms of futures research are very expensive propositions. Someone has to pay the freight. Most of the clients of the companies engaged in this research are the big corporations, the multi-nationals, and—in the case of agricultural models—agribusiness, not the small farmer this bill was designed to help.

My question is this: When data is released on the eve of a vote, does the public have a right to know who Chase's agricultural clients are and what assumptions were made in building the model?

As a lawyer, I know that you are supposed to emphasize the evidence that helps your client. But in a courtroom situation, the public at least knows who the client is.

These are questions for the World Future Society to grapple with, and I hope your profession can come up with some answers. Otherwise the whole process may be denounced by those who fear the dangers of misuse will forever outweigh the importance of technological futures applications in the legislative process.

The chief hope that a society and a profession like yours offers us is a better chance to choose helpful solutions to the crises we face. Our problems are gigantic. There is a world food shortage, with implications for political instability across the world. The many faces of pollution create problems of making urban life livable for humanity. We are being forced to make choices not only in land use, but in how we use our oceans and our skies.

Almost every major issue we face today has two things in common. They are global in scope, and choosing the proper solution requires a massing and sifting of knowledge.

Once again, as it has happened so many times in the past, our only hope against destitution, deprivation—even extinction—is the human mind. The marshalling of that mind toward the future is the role and the duty of all of us, particularly you people here. But like other groups in our society, you are ignoring a considerable portion of the potential.

I am talking about the 53 percent of the population that is not very well represented here today. I am talking about women.

When human brainpower is all we have to pit against almost overwhelming odds, I think we would be wise to put some effort into using all the minds available—male, female, majority and minority.

It is not right that these global problems should be met only by a single minority—the white male. The solutions to be proposed will affect everyone, and we need input from everyone to know truly what the effects will be and what the real range of our actions may be. We should not expect the energy and imagination of one segment of our population to suffice when every ounce of effort is needed to devise solutions that will work.

Let me concentrate for a moment on including that majority group of our population—women. It is not enough to say, "Okay, y'all come on in." With that chance, a lot of women are moving into professional fields. But that is not really enough, for basic to a full role for women in the workforce is the realization that while procreation takes the action of two persons, only one of us winds up carrying and delivering the baby.

If we are to use our full human potential, we must be flexible enough to see this female brainpower entering the market place in varying ways. We need good maternity leave programs. We need well-staffed day care centers. We need more part-time professional positions so that parents who care to may be home when school is out. We need policies for people who want to leave the work force for four or five years before coming back in. We need more flexible transfer policies where both husband and wife work.

In short, we need to forget the notion that if "they" come in, then "they" are going to have to play by our rules. We are not doing women a favor by "letting" them work. They are doing mankind a favor by adding their brainpower to the search for solutions to the problems that affect us all.

We've learned a lot of lessons in our experience with *problem-solving*. Unfortunately, we frequently have acquired added worries through our efforts.

All of us have been rather astounded to look back at 1950 and marvel at how far we have come. It has been a giddy ride—technological advances that have carried man to the moon and raised the American living to unforeseen heights. But there has been a lot of excess baggage on the trip—ecological and economic disasters that we may spend the next quarter-century digging out of.

Now, as we look toward the year 2000, you futurists are saying in a loud, clear voice: "You ain't seen nothing yet."

Alvin Toffler and his Ad Hoc Committee on Anticipatory Democracy have commended the House of Representatives for its wisdom in adopting H. Res. 988, which mandates every House committee on a continuing basis to "undertake futures research and forecasting."

To fulfill this obligation, we are going to need a lot of help, particularly from members of this society. I can assure you that your thoughts and opinions will receive a full hearing.

And I pledge to you that I will do all I can to make sure that the information we obtain will be applied wisely by the men and women who have been handed the power to decide.

RESULTS OF OPINION SURVEY OF THE 19TH OHIO CONGRESSIONAL DISTRICT

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. CARNEY. Mr. Speaker, during the first week of May, my newsletter questionnaire was mailed to approximately 155,000 residences in the 19th Ohio Congressional District. The results of that questionnaire have now been compiled.

A majority of the people who answered the questionnaire think that Congress' three highest priorities should be to reduce Federal spending, reform the Federal income tax, and control crime.

In addition, a large majority of my constituents feel that the Federal Government should establish some form of national health insurance program, require no-fault insurance for motor vehicles, and create an independent consumer protection agency.

On the question of South Vietnamese refugees, 3 out of 4 respondents were opposed to admitting large numbers of refugees into the United States.

To deal with our country's energy problem, most people agreed on the need for expanded mass transportation, recycling of scarce natural resources, and greater use of nuclear power.

The opinions expressed by my constituents will help me to make my decisions of these important issues. I am placing the results of my questionnaire in the RECORD for the information and consideration of my colleagues:

RESULTS OF APRIL 1975 OPINION SURVEY OF THE 19TH OHIO CONGRESSIONAL DISTRICT

1. Do you think the Federal Government should require no-fault insurance for motor vehicles?

[Percent]

(A) Yes	64
(B) No	36

2. Which statement best describes your views on national health insurance?

(A) Create a national health insurance program covering the entire range of health care services	41
(B) Create a national health insurance program covering only catastrophic (major) illness	23
(C) Provide Federal income tax credits to cover the premium cost of qualified private health insurance policies	20
(D) No national health insurance of any kind	16

3. Do you favor the creation of an independent consumer protection agency to act as spokesman for the consumer before other Federal agencies and the courts?

(A) Yes	70
(B) No	30

4. The Ford Administration has requested $94 billion for defense in fiscal year 1976—a $9 billion increase over fiscal year 1975. What is your opinion of military spending?

(A) It should be increased	17
(B) It is about right	17
(C) It should remain at last year's level	25
(D) It should be cut substantially	41

5. Which of the following actions do you think should be taken to improve the energy situation?

(A) Ration gasoline	6
(B) A gasoline tax with rebates to low and middle-income people	9
(C) A tax on high consumption cars	7
(D) mandatory recycling of newspapers, bottles, etc	17
(E) Increased aid to mass transit	11
(F) Restrict imports of foreign oil	8
(G) Delay clean air standards for automobiles	11
(H) Accelerate nuclear power plant licensing and site selection	12
(I) Allow free market forces to operate	9
(J) Nationalize the oil industry	9

6. Do you feel that large numbers of South Vietnamese refugees should be allowed to enter the United States?

(A) Yes	24
(B) No	76

7. What do you think Congress' three highest priorities should be?

Aid senior citizens	10
Control crime	15
Combat drug abuse	4
Control prices	11
Stimulate housing	2
Assist unemployed workers	8
Improve mass transit	3
Reform the Federal income tax	15
Create a national health insurance program	7
Reduce Federal spending	17
Control pollution	3
Increase support for education	5

BISHOP, CALIF., UNION HIGH SCHOOL BAND EUROPE BOUND

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. KETCHUM. Mr. Speaker, I am pleased to commend the efforts of an industrious group of young people within my district, and I ask that my colleagues join with me.

The Bishop, Calif., High School Band, unanimously designated as "official ambassadors of the city of Bishop" by the Bishop City Council, will be traveling to Europe this summer. The band will study music during their trip abroad, and will participate in music sessions with bands from other countries.

Over a period of 2 years, band members have worked diligently to raise $30,000 for their trip expenses. Many fund raising projects, plus donations from various organizations, helped the band members to realize their goal.

Their band instructor takes great pride in these youngsters, and that admiration is shared not only by myself, but by all the citizens of Bishop.

I am honored to speak on behalf of the Bishop Union High School Band today, just as I am honored to have these young people within my congressional district. Truly, they will represent us in their travels in the finest sense of the word "ambassador."

CONGRESSMAN JOHN L. BURTON INTRODUCES BILL TO PROTECT THE POINT REYES NATIONAL SEASHORE

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. JOHN L. BURTON. Mr. Speaker, the Point Reyes National Seashore is one of only two remaining sizable areas of our Pacific coast where the natural beauty of the ocean shore is not encroached upon by main paved highway and other permanent works of man. Authorized by Congress in 1962 as part of the National Park System, the Point Reyes National Seashore is located just 35 miles north of the city of San Francisco, making it readily accessible to the millions of residents and visitors in the San Francisco Bay region.

Although this 64,995-acre national seashore accommodates up to a million visitors a year, some major management policy questions still need to be resolved by the Congress.

At the present time, the Point Reyes Seashore, like other national seashores and lakeshores, is classified by the Park Service as a "recreation area," providing for all-purpose recreational activities even at the possible expense of damaging its natural environment. The purpose of the legislation I have introduced today is to make certain that the Point Reyes Peninsula's highest values for public use, education and enjoyment are not lost or degraded by management policies designed for other, less natural areas of our National Park System.

This bill would declare, as a matter of law: First, that the National Seashore at Point Reyes, as a whole, shall be managed as a natural area of the National Park System; and second, that three roadless portions of the seashore totaling 38,700 acres, shall, in addition, be protected under the terms of the Wilderness Act.

As a "natural area," the Point Reyes Seashore would be managed to provide for all appropriate use and enjoyment by the people that can be accommodated without impairment of its natural values.

In addition, this bill would insure the protection provided by the Wilderness Act to major portions of the peninsula, keeping these areas open to visitors for a broad and diverse range of recreational and educational pursuits, but not to invasion by motor vehicles or new highways, parking lots and other urbanizing development. Only Congress can provide this protection to Point Reyes under the provisions of the Wilderness Act of 1964.

With the passage of this legislation, existing paved roads and developed campgrounds will continue to exist. Public transportation, such as is provided by the Point Reyes shuttle buses, will be encouraged. Established private rights of landowners and leaseholders will continue to be respected and protected. The existing agricultural and aquacultural uses can continue. A balanced diversity of uses will be preserved.

Wilderness protection at Point Reyes has the support of more than 60 citizen groups of the bay area together with local and State governments.

Mr. Speaker, enactment of this legislation will give this magnificent unit of our national park system the protective management it should have for the long-term benefit of our generation and for that of our successors.

GENERAL REVENUE SHARING

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. MIKVA. Mr. Speaker, 4 years ago Congress instituted general revenue sharing—GRS—to help local governments increase their services and give their constituents tax relief. I am pleased to report that a survey I sent to all 20 local units of government in my 10th Congressional District in Illinois indicates that GRS funds have enabled substantial progress to be made toward these goals.

The survey, identical to a questionnaire created by the Comptroller General of the United States in 1973, revealed that about 40 percent of the respondents said their GRS funds resulted in new services, 35 percent said they provided expanded services, and 25 percent said they allowed the maintaining of existing services.

Better than 70 percent of the governments expected some sort of tax relief—either a tax reduction, halt of a planned tax increase, or a slowed down rate of tax increase—because of GRS funds.

Mr. Speaker, I am submitting the detailed findings of this survey for publication in the CONGRESSIONAL RECORD:

TENTH DISTRICT SURVEY FINDINGS

1. Revenue Sharing allocations make up from 2–8% of city and village total budgets, from 15–30% of township budgets.

2. About 40% of respondents said that revenue sharing had enabled them to provide new services, 35% believed expansion of services was the result, and 25% said that revenue sharing allowed the maintaining of existing services.

3. Better than 70% of governments expected some sort of tax relief, be it a tax reduction, halt of a planned tax increase, or a slowed down rate of a tax increase.

4. Governments were not creating unappropriated reserves or increasing already existing ones fom their GRS allocations.

5. GRS has not been a factor in changing jurisdiction through annexation, incorporation, etc.

6. About 30% of governments said that GRS funds affected regional-intergovernmental projects, programs, or cooperation. Townships indicated this effect more often than villages.

7. With a few exceptions, the normal budgetary process is the manner in which GRS funds are appropriated.

8. About ⅓ of responding localities reported an increase in citizen participation in the budgetary process as a result of revenue sharing.

9. As might be expected, the number and scope of special interest groups prosposing uses of GRS funds corresponded pretty well to the size of the village, city, or township.

10. Governments claimed that reductions, or the possibility of reductions in Federal Categorical Grant programs, did not affect budget decisions at the local level.

11. The restrictions on the use of GRS funds didn't change the fashion in which the governments would have used them if no such restrictions existed.

12. The uncertainty of long term continuity of revenue sharing was the major cause of non-recurring expenditures made by localities.

13. The guidance and responsiveness of the Department of Treasury was cited as adequate by all respondents.

14. Only in a few cases were specific rules and regulations (prohibitions, accounting, auditing, reporting requirements) unclear.

15. In no case did a government plan to change its method of raising revenue in order to receive a higher GRS allocation.

16. Three responding villages felt that their entitlement was not equitable when compared to other local governments entitlements. The high income level of two villages accounted for their relatively small share. Two villages also felt that townships were receiving an inappropriately high share of GRS funds.

17. There was little support among respondents for having the state legislature adopt an optional allocation formula, but if the state were to do so, the overwhelming majority of governments preferred a formula combining population, relative income, and tax effort to a formula using only one of these above factors. Exceptions to this majority were understandably self-interest motivated: relatively wealthy areas preferred greater emphasis on population, poorer areas preferred greater emphasis on relative income.

18. The ⅓–⅔ division of funds between states and localities was regarded as reasonable by all but one respondent.

19. Although governments differed in how they handled entitlement funds (trust fund account, bank account), all maintained that their accounting practices enabled GRS funds to be a separate and identifiable entity.

20. The accounting systems of all surveyed governments permitted the identifying of revenue sharing funds at a level of expenditure no more broad than the "program" level (as opposed to such levels as "general fund" or "department").

21. Those governments receiving Federal Grants could demonstrate compliance with the "anti-matching" requirement.

22. CPA firms were the very popular choice of governments when selecting who would audit their GRS activities.

23. Cities and villages allocated GRS funds with the greatest emphasis on "public safety"—over 50% of the municipality total went to this category. Townships demonstrated a greater versatility—expenditures were well spread out over the eight "priority expenditures" areas.

Use of revenue sharing funds, fiscal years 1974–75

[*In percent*]

Category:	*National*	**10th district*
Public safety	36	33
Environmental protection	11	13
Public transportation	19	17
Health	7	13
Recreation	7	3
Library	2	2
Social services	2	4
Multipurpose government	11	15
Education	1	0
Total	100	100

* Combined total of responding townships and cities or villages.

GENERAL REVENUE SHARING: LOCAL ENTITLEMENTS

City or village	Fiscal years— [1] 1973	1974	1975	1976
Des Plaines	594, 285	426, 273	484, 644	505, 931
Evanston	730, 414	549, 206	626, 394	701, 298
Glencoe	53, 643	38, 807	39, 388	39, 740
Glenview	148, 756	108, 117	109, 739	118, 187
Golf	7, 802	4, 908	5, 685	2, 994
Kenilworth	15, 163	10, 907	11, 135	11, 941
Lincolnwood	65, 788	47, 594	48, 308	51, 240
Morton Grove	226, 963	142, 378	127, 683	155, 684
Niles	436, 691	301, 245	300, 907	341, 124
Northbrook	167, 605	106, 869	115, 995	126, 584
Northfield	25, 493	18, 443	18, 720	20, 606
Park Ridge	272, 227	199, 926	192, 990	204, 294
Skokie	559, 076	420, 622	401, 384	414, 028
Wilmette	163, 511	118, 291	121, 432	136, 210
Winnetka	71, 905	52, 019	52, 800	55, 023
District total	3, 539, 322	2, 545, 425	2, 657, 204	2, 884, 884
Evanston	110, 994	170, 473	171, 993	194, 174
Maine		190, 029	121, 273	199, 768
New Trier	146, 493	91, 772	98, 646	110, 928
Niles	702	64, 103	108, 457	1, 237
Northfield	171, 414	241, 328	244, 950	248, 935
District total	429, 603	757, 705	745, 319	755, 042

TOTAL GENERAL REVENUE SHARING FOR 10TH DISTRICT

City or village	Fiscal years— [1] 1973	1974	1975	1976
City, village, township	3, 968, 925	3, 303, 130	3, 402, 523	3, 639, 926

[1] Retroactive payments include half of 1972 allocations, thus they are larger.

IMAGINARY PRESIDENTIAL REPORT ON THE NATION'S ECONOMY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. McDONALD of Georgia. Mr. Speaker, C. V. Myers of Calgary, Alberta, Canada, is a salty writer on economic affairs with a shoot from the hip style. He is the editor of the Myers' Finance and Energy letter—Inter Publishing Co. Ltd., 8001 Zurich, Gottfried-Keller-Strasse 7, Switzerland. Recently in the May 9, 1975 issue—No. 209—he presented an imaginary nationwide TV address by President Ford on the economic situation our Nation and indeed civilization faces.

Obviously, this is an imaginary address, but it merits interest from the honest appraisal of a serious problem. For a little over a generation, Americans have not been able to associate truth with contemporary politicians. The number of statesmen has been on the decline. It may therefore be proper to present this imaginary Presidential address with tongue-in-cheek humor. For the benefit of my colleagues this presentation follows:

"MY DEAR FELLOW AMERICANS: The national debt can never be paid off. Debt must grow—how far? No agreement. But only growing debt can forestall catastrophe. But debt must continue to grow. But how can this go on? As your president I have to tell you I am at my wits' end to find an answer.

Five hundred billion dollar debt equals 33 billion dollars interest every year, even without any increase of debt. The debt will be 600 to 700 billion up to one trillion in just a few years.

Look at New York City—the only way for it to balance its budget is to quit borrowing, but it must borrow to keep from going to pot. Banks and corporations will go broke if borrowing stops, and they will go broke if it doesn't stop.

I have no solution.

The only solution I have is to cut taxes, keep things going, borrow more. I may not be bright, but past presidents didn't do anything brighter. Things are bad. My suggestion is to take money out of the banks; buy food. Get ready. I don't know what's going to happen to us. I'll do my best. God bless you all, and good night!"

THE 19TH DISTRICT CLUB

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. GOODLING. Mr. Speaker, when I first sought public office last year, I promised I would be available and responsive to my constituents at all times.

Since my election, I have tried to keep my promise to the best of my ability. I have established 24 field offices throughout the 19th District so constituents can get quick solutions to their problems with the Federal Government; I have returned to the district several times each week to meet with interested citizens and groups and listen to their views; I have sought out the opinions of my constituents with questionnaires and tried to keep them informed with regular newsletters; I recently held a series of open town meetings in the district; I am making arrangements to address groups in the district by conference telephone when urgent business keeps us on the House floor and in addition I am establishing a Student Advisory Board to keep me informed of the feelings and the views of the district's young people.

However, these and other worthwhile efforts to communicate with constituents require funds substantially in excess of the amount provided by the Federal Government. The recent questionnaire, for example, required the expenditure of more than $1,500 from my personal funds and my radio and television reports to the district have cost more than $700 so far this year. Because of these types of expenses and after consulting with the Internal Revenue Service, the Committee on Standards of Official Conduct, and the Office of the Clerk of the House of Representatives, I have agreed to the formation of an organization to help me meet some of these extraordinary costs.

The organization is called Pennsylvania's 19th District Club. The basic structure of the club is a series of $25 per person breakfast and dinner meetings held within the 19th District of Pennsylvania. The club is established as a public trust for the benefit of all of the residents of the 19th Congressional District. The club does not have a political purpose and any contributions which are solicited and received will be kept separate from any campaign activity.

Because of my concern about the need to keep this organization nonpolitical I have asked the membership of the club to cease any fundraising activities effective at any time I might become a candidate for reelection and to approve no expenditures of the club's funds 60 days prior to any primary or general election which lists me on its ballot.

The funds which are contributed to the 19th District Club will be used to help defray the cost of such items as radio and television production time and materials; newsletters, questionnaires and direct mailing pertaining to the operation of the Federal Government and including materials, photography, engraving, and printing; transportation expenses for me and my staff to and from the 19th District exceeding the amount provided by the Federal Government; the cost of public meetings and news conferences held for the purpose of discussing the matters pertaining to the affairs of the Federal Government; clerical assistance above the amount provided by the Federal Government and specified public relations projects.

None of the funds from the club will be disbursed to me personally and a report of those funds collected and expended will be placed in the RECORD prior to April 1 of each year and also made available to all of the news media in the district. Of course, since these funds are not made as campaign contributions, they will not be tax deductible.

I appreciate the opportunity of outlining this organization to you, Mr. Speaker.

I believe it can be an important asset to keeping my constituents well-informed of the activities of Congress and the Federal Government in Washington, but I felt it was important to declare the existence of this organization and to state for the RECORD that the books for this account and a list of all contributions and expenditures will be made available upon request.

GENEVA GARDEN CLUB

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. HALL. Mr. Speaker, for a number of years the Kane County Forest Preserve Commission has maintained the former home and grounds of Col. George Fabyan as a public park. Colonel Fabyan's estate, now known as Fabyan's Forest Preserve, is located in Illinois on both sides of the Fox River between Geneva and Batavia. In its heyday, the years immediately preceding World War I, it included an impressive mansion, a private zoo with bear den and monkey house, a 68-foot-high Dutch windmill, dog kennels, and a Japanese garden. Although Kane County was able to purchase the estate on behalf of its citizens, it lacked the funds needed to restore the property to its former grandeur.

Last year the Geneva Garden Club took upon itself the task of refurbishing the Japanese garden, an area complete with a Japanese tea house and an arched bridge over a pool. When I visited Fabyan's in April I observed the work which had already been accomplished. This year the club, in cooperation with the forest preserve commission, is once again coordinating community cleanup activities. As the Geneva Garden Club has noted:

> The completed garden will be a place where all of us can retreat and enjoy the beauty of a natural setting enhanced in the tradition of the Japanese by the labors of interested people. It will be an artistic and an aesthetic loss to our present and future community if we fail to restore and care for the Japanese Garden.

Mr. Speaker, I salute the Geneva Garden Club for their work in preserving a unique treasure which lies within my congressional district.

THE BALTIC STATES

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. HELSTOSKI. Mr. Speaker, for 35 years, the Soviet Union has controlled the Baltic States of Estonia, Latvia, and Lithuania. Despite the fact that the subjugation of these nations to the U.S.S.R. was "voluntarily and forever" renounced in 1920 by that State, the Baltic peoples have been denied the basic rights of sovereignty since 1940. In addition, the Soviets have sought to undermine the spirit of nationalism in these countries, deporting thousands of Balts to Siberia and the Soviet Far East and replacing them with people of Russian stock. The actions of the Soviet Union in denying national self-determination to the Baltic people and the accompanying religious and political repression is one of the great tragedies in the modern world.

The United States has been just as steadfast in its condemnation of these actions as the Russians have been in implementing them. Forcible takeovers of sovereign nations are contrary to all our basic concepts of freedom and in every respect counter to our intrinsic democratic principles. Our nation has been well justified in its policy of not recognizing the Soviet occupation of the Baltic States; the United States should not condone such actions by any nation against another.

This summer marks the anniversary of the 1940 takeovers by the Soviet Union of Estonia, Latvia, and Lithuania. Since the issue of recognition of these States as part of the Soviet Union has been raised in the European Security Conference now in progress, the importance of continuing our present policy on this matter must be stressed. I have joined in sponsoring House Concurrent Resolution 189 expressing that it is the sense of the Congress that the U.S. delegation to the conference should not agree to the recognition of the annexation of these States. It is our duty to oppose the policy of the Soviet Union concerning the Baltic peoples; we must support their fight for freedom of expression and the right to decide for themselves how they should be governed.

THE ARMY'S BICENTENNIAL

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. HARRIS. Mr. Speaker, on Saturday, June 14, 1975, this Nation observed the 200th anniversary of the founding of the U.S. Army.

I am inserting into the RECORD a letter by Capt. L. Pat Wright, USARR VIII, which appeared in the May–June issue of Infantry magazine:

ARMY BICENTENNIAL

Old Sarge: "The Captain, he said it all and he said it good."

DEAR SIR: On June 14, 1975 we will observe a historic landmark—the 200th birthday of the U.S. Army. Over that span of time, a great deal of pride has been fostered, a heritage has been established, and much blood has been spilled.

The Army has never let this nation or its citizens down. It has gone when and where the President and the Congress have directed. Throughout those 200 years, many men have suffered and died in the name of freedom's cause. Even in the face of multiple obstacles and overwhelming odds the men of the U.S. Army have stood strong and accepted the challenge willingly, knowingly, and without reservation.

The Army can be credited with having defeated the British redcoats, which gave this fledgling nation the opportunity for self-government. The price of victory did not come without many sacrifices and much hardship. And the early leadership so essential for an embryonic country was provided by General George Washington, who would not be the last Army man to hold the country's highest office.

The Army has been involved in every type of conceivable action—from conventional warfare to guerilla and unconventional warfare, from urban fighting to civil disturbances and riot control. Similarly, the mode of transportation has evolved from the standard foot soldier to the horse-mounted soldier to the mechanized, airborne, and air-mobile trooper. Yet, ultimately, it starts with and returns to the foot soldier.

The battlefields have ranged the world over. The weapons have improved continuously from the "Old Bess" musket to nuclear weapons which have yields in the megatons. The enemy has varied by race, color, and creed. The objectives, too, have fluctuated from domination to containment, and from pacification to total submission. Yet the individual who today actually implements the directives and fires the weapons has changed little from his forefather in the Continental Army. Perhaps he is better educated, but physiologically, he is basically the same man. He requires sleep when he is tired, food when he is hungry, water when he is thirsty. He bleeds when he is wounded, and he shivers when cold or afraid.

The American soldier has gone to war with the public embracing him in admiration, for he was going to "end all wars." He has also gone to war without full public support. The irony of the two lies in the fact that an enemy's bullets have killed our soldier just as dead regardless of the reason he was sent off to fight, or the circumstances in which he found himself at the time his number came up.

The actual size of the Army has been in constant flux, with the primary determining factor being political. During times of war, the Army is built up until the immediate threat is eliminated. Then, like the law of gravity, the process of eliminating that structure is set in motion. The Army has seen days of segregation, and can now boast total integration. Similarly, the track record, though basically outstanding, has had to endure more than one shameful experience because of the lack of good judgment on the part of a very few men.

On more than one occasion, too, the Army has seen its level of public esteem fluctuate from one extreme to another. This degradation, or lack thereof, has been due to its assigned mission at any given time. In this regard, it must always be remembered that only Congress and the President have the power to commit the Army to any action.

The Army does not declare wars. It accomplishes missions in the best possible manner with the minimum cost in human lives.

Throughout the ages, and for a wide variety of reasons, men have volunteered their services to their country. Many of them have been motivated solely by patriotism, others to a lesser degree, or for completely differing reasons. The ranks have also been filled on more than one occasion by those who did not volunteer, but were, in fact, required to join the ranks through the draft process.

In either case, though they may have complained loud and hard, it was more often than not that those same men bragged mightily of their experiences and how it was when they were in the Army.

Today's Army is without a draft. Certainly, there were many who felt that the senior service was doomed to collapse. The past year, though, has certainly proved those gloomy forecasters to have been in error.

In fact, the Army has seen many more years without a draft than it has seen with a draft in being. Besides proving its ability to survive without a draft, the Army is now in a position to pick and choose from among the young men and women who try to enlist, thereby ensuring for itself not only quantity, but quality as well.

Although the equipment has improved with time, the soldier is basically the same as those who have preceded him. The mission of the Army remains the same. The traditions that have developed over the past 200 years are still in existence.

The men of the Army are proud of their heritage, and they pride themselves in what they stand for. They will continue to carry out the orders of the President and of the Congress in the same outstanding manner they have during the past two centuries.

Capt. L. PAT WRIGHT.

DENVER, COLO.

PARIS PEACE ACCORD BEING MOCKED

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. THONE. Mr. Speaker, Communist governments in Southeast Asia have shown a callous disregard both for keeping their word and for human suffering. As a sponsor of House Resolution 378, I have sought to persuade this body to appoint a select committee to investigate the situation of Americans who are missing in action in that area of the globe.

The Legislature of Nebraska has passed a resolution on this subject, and, on behalf of Nebraska members of the House of Representatives, I am pleased to call that resolution to the attention of all Members of Congress. The resolution gives this message:

Whereas, more than two years have passed since the signing of the Paris Peace Accords; and

Whereas, the Communist bloc countries in Southeast Asia are not abiding by Articles 8a and 8b of the Paris agreement or the Loatian Protocols, which provide for an accounting of American servicemen who are Missing in Action and the repatriation of all Prisoners of War; and

Whereas, there appears to be a lack of effective action being taken or proposed to achieve a full accounting of the remaining 1,300 Prisoners of War and Missing in Action; and

Whereas, the 1,300 families of these men have too long borne the painful burden of uncertainty that this situation has caused; and

Whereas, we as Americans and citizens of a free nation acknowledge our continuing responsibility to resolve the fate of these men who served their country in Southeast Asia.

Now, therefore, be it resolved by the Members of the Eighty-fourth Legislature of Nebraska, first session:

1. That the Congress of the United States be requested to conduct a thorough investigation of the issue of American Prisoners of War and Missing in Action in Southeast Asia, and that it take such action as may be necessary to ensure an honorable determination of the fate of these men.

NEW FEDERAL POWER GRAB

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ASHBROOK. Mr. Speaker, the House Committee on Interior and Insular Affairs is continuing its consideration of H.R. 3510, the Land Use and Resource Conservation Act of 1975. Passage of this legislation would be a serious mistake.

H.R. 3510 would increase the power of the Federal Government at the expense of State and local governments. For the first time the Federal Government would become involved in the "proper" use of land. Such matters should be decided at the local level, not by Washington, D.C. bureaucrats. We do not need further Federal invasion of local concerns.

Following is the text of an excellent article on the land use bill by Daniel Oliver which appeared in the June 13 National Review Bulletin.

The article follows:

NEW FEDERAL POWER GRAB

The "Land Use and Resource Conservation Act of 1975" is, make no mistake about it, a federal power grab of momentous proportions. It introduces the Federal Government into a new field, "land use planning," and that is always dangerous to freedom. Some are calling the bill a national zoning ordinance, a description that may be a bit wide of the mark. But the point of the bill's supporters is certainly to substitute federal wisdom and purity for the local brand, and the bill is supported by those people who still believe that Washington is the source of all wisdom, the current disfavor of the regulatory agencies notwithstanding.

The basic point of the bill is to encourage "use" of land in ways that are satisfying to people whose *primary* concerns are ecological rather than economic or social. The owner of land who had in mind to build, say, a shopping center (or a housing development, factory, or power plant) might have his state government regulate and restrict—at the urging of the Federal Government—the use of his land to some other purpose. Although the bill provides that nothing in it shall be construed to "diminish the rights of owners of property as provided by the Constitution of the U.S.," it is the landowner who must take the initiative in court to enforce his rights. The state will deny that any "taking" has occurred and will assert its claim to regulate under the police power—the exercise of which requires no compensation for the landowner. The landowner might spend years in litigation and the cost of carrying his land during that time might in the end make the project uneconomical, even if he prevails in court. Thus does the federal legislation seep down to the owner of private property.

A quick look at last year's version of the bill indicates what kind of amendments we can expect in future years, not that the provisions in the bill currently working its way through Congress aren't bad enough. The 1974 bill would have coerced the states into cooperating with land planning activites by threatening them with the loss, not just of new funds, but of federal airport, highway, and conservation aid. This year's bill relies on the proven method loansharks use to ensnare unwary victims: a lot of cash on easy terms at first, but followed with more onerous requirements as time goes on. However voluntary the transaction at first, in time power shifts toward the partner holding the purse strings. So it would be with the new land use bill: the Federal Government would dispense a total of $500 million to the states during the first six years.

Before a state can get second year funding (and how does a politician explain his not getting for his state the second installment of federal dollars) it must persuade the Secretary of the Interior that it "has established methods to inventory its land and water resources" which include "designating" areas "of critical state concern," e.g., areas where "uncontrolled or incompatible development" would significantly damage "the quality of the environment" or "the long-term public interest." This puts tremendous power into the hands of the Secretary of the Interior who, like other governmental officials, is subject to political pressures that too often have little to do with the case at hand.

To get a fourth annual grant, the State land use program must, to the Interior Secretary's satisfaction, meet the requirements of Title III of the bill which means having "policies and procedures to encourage development and land use patterns and practices designed to conserve energy on a long- and short-term basis. . . ." But what is the consensus on how best to conserve energy—by regulating, deregulating, reregulating? What if the long-term effort directly conflicts with the short-term effort?

Will roads and highways now go where the gods of ecology designed them to go or where the construction interests and trucking concerns want them to go? Or nowhere at all, which might please the railroad magnates? Is preserving a section of scenic seacoast more important than building a nuclear power plant, which heats homes without smog pollution? More important to whom? Who should decide that question?

In short, these are questions that cannot be answered wisely and purely from Washington—if at all.

Who controls the use of land now? To a considerable extent, local politicians determine whether land will be *used* for trees, lagoons, or housing—but who can say which is the *best* use? The Land Use bill suffers the same defect as consumer protection legislation: it is based on the belief that there is a single procedure that will be best for *all* people—and that there is someone in Washington who knows what it is.

About three quarters of the states have already indicated their concern with land use by establishing commissions, passing laws, or instituting some form of planning. But planners on the state level, too, can be beholden to local politicians. To some extent, therefore, the use of land is determined by the political process; but there is little reason to suppose that a bureaucrat in Washington can determine how best to use far-off land. And where does the owner of the land stand in all of this? After Watergate, grain inspection scandals, HEW laxity, and the experience with regulatory agencies which become the captives of the industries they are supposed to regulate, do we really believe that the level of competence and honesty of government employees increases with level of government power and authority? The land use bill is a classic federal grab for power, another step toward public control of private property.

HIGHWAY SURVIVAL

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. PRESSLER. I am concerned that even though traffic deaths are the No. 1 cause of deaths for Americans age 1 to 44, the subject of traffic safety still ranks low on Americans' list of priority problems. A recent Gallup survey pointed this out. Twelve percent of our population thinks Government gives too much attention to traffic safety and fewer than 2 percent consider it among the Nation's top three problems. This study was commissioned by the Highway Users Federation, but I think that all of us should look carefully at what measures we take to achieve traffic safety.

It took a crisis in our pocket books before we realized that high speeds on our Nation's highways caused many of our traffic accidents. I recently wrote to the county sheriffs in my district, and found that their feelings were that the lower speed limit reduced their major accidents greatly, and they felt that the 55-mile-per-hour speed limit should be continued for safety's sake.

I think that the following editorial from the Watertown Public Opinion points this out very clearly. This article was written by Alex Johnson and appeared on June 10, 1975:

> YOUR CHANCES OF SURVIVING ON HIGHWAYS GET BETTER
>
> Whether it is the universal 55 mile an hour speed limit or an increasing consciousness that the automobile is a major killer . . . or both . . . the fact remains that fewer people are dying on American roads and that last year saw a significant reduction in the traffic accident death rate—16 per cent.
>
> The National Safety Council has termed the showing a major gain in the nationwide campaign to reduce the 1974 death rate of 3.6 to 3 by 1980. In more dramatic terms, this means that thousands of persons will be alive five years from now who wouldn't otherwise be.
>
> It shows in South Dakota. The Highway Patrol notes that fatalities here went down by 19.9 per cent from 1973 to 1974 although vehicle miles traveled decreased less than one per cent.
>
> Nationwide, motor vehicle deaths last year were estimated at 46,200, a 17 per cent reduction from the 55,800 fatalities recorded in 1973. The 9,600 decrease was the largest annual drop in 30 years. The 1974 rate of 3.6 deaths per 100 million vehicle miles of travel, lowest on record, provided the 16 per cent drop from the 04.3 rate of 1973.
>
> During the 1960's, a grim decade in traffic accident annals, the annual number of deaths either rose by several thousand annually or remained substantially unchanged from the previous year. In the 1970's until last year, there were both increases and decreases.
>
> So far this year the trend appears to be definitely down.
>
> The Safety Council observes, ". . . the 1974 experience marks a decisive turnaround toward a lower level of annual traffic fatalities and safety officials hope the gains can be continued as the nation works toward its 1980 goal of an annual death rate of no more than 3 per 100 million vehicle miles of travel."
>
> The estimate is that 74,500 persons will die in traffic mishaps in 1980 if the 1972 death rate of 4.5—which resulted in 56,600 deaths, highest annual toll on record—is permitted to continue.
>
> Practically all analyses of the 1974 decrease agree on one element—that the 55 mile an hour limit, which many but certainly not all drivers adhere to, has been perhaps the No. 1 reason for the welcome trend. Obviously, the more who abide by it, the more the fatality trend will continue to decline.
>
> What it all means quite simply is that the chances of your surviving an automobile trip, long or short, are improving. Putting it even more succinctly, you can expect to live longer.

TRIBUTE TO W. STANLEY MOONEYHAM, PRESIDENT, WORLD VISION INTERNATIONAL

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ROUSSELOT. Mr. Speaker, it is a great privilege for me to pay tribute to W. Stanley Mooneyham, president of World Vision International and a constituent of the 26th District of California. Dr. Mooneyham this morning presented a check in the amount of $23,586 to Mr. Daniel Parker, Administrator of the U.S. Agency for International Development as a repayment to the Government for the cost incurred in evacuating World Vision International's Vietnamese staff members and their families from South Vietnam.

In his statement this morning, Dr. Mooneyham said:

> We believe that American commercial and private organizations working abroad should not expect the U.S. Government to pay all their bills encountered in difficult situations such as the Indochina evacuation. There must be a recognition that the government has no funds which do not ultimately come from the people.

World Vision International was responsible for the additional evacuation of 47 war orphans from Southeast Asia—

27 from South Vietnam and 20 from Cambodia.

This action by Dr. Mooneyham is an outstanding example of responsible leadership and the ability of private volunteer groups to work in partnership with the Government. As Dr. Mooneyham concluded in his remarks this morning:

> It is a small gesture on our part to affirm our belief that private organizations should never become wholly dependent upon governments, to demonstrate our willingness to pay our fair share, and to say to USAID that we believe partnership is a two-way street.

It is indeed an honor for me to insert the full text of Dr. Mooneyham's statement for the attention of my colleagues:

STATEMENT BY W. STANLEY MOONEYHAM

It is a privilege for me today to present a check in the amount of $23,586 to the Government of the United States as a contribution toward the expenses of evacuating a number of World Vision's Vietnamese staff members from South Vietnam. As nearly as we can determine, this represents the cost of bringing to the United States 38 adults and families, 13 of whom are presently sponsored by World Vision and have already been resettled and employed, with 25 more still being identified and processed at the various refugee centers.

World Vision is grateful to the U.S. Government and to the Agency for International Development, to whom the funds will be credited, for their making possible the evacuation of these and other Vietnamese citizens.

We believe that American commercial and private organizations working abroad should not expect the U.S. Government to pay all their bills encountered in difficult situations such as the Indochina evacuation. There must be a recognition that the government has no funds which do not ultimately come from the people.

We feel that the responsibility for looking after our own national staff members rests with us, not the government, and it had been our desire and intention to evacuate as many of those as possible whose lives would have been jeopardized because of their association with us. When the deteriorating situation in Saigon made this impossible, the U.S. Government arranged for their evacuation.

While World Vision is by no means overly-endowed, we do feel a solemn obligation to make some realistic contribution toward the exacuation expenses of these faithful staff members from South Vietnam.

We particularly appreciate the work and leadership of the Agency of International Development in its efforts to bring hope, food and self-respect to the millions of people who live in poverty throughout the developing world. We are grateful, too, for the relationship we have with USAID through our relief and development arm, World Vision Relief Organization, through which we have achieved a partnership of helping those in need.

World Vision, as an international humanitarian organization, depends primarily upon private contributions from citizens in several countries. We have, however, through our affiliated offices, been privileged to work with governments of different nations such as Canada, Australia, New Zealand, West Germany and the United States on specific relief and development projects including nutrition centers, housing, refugee resettlement and medical projects.

The USAID program has provided a great many opportunities that would otherwise have been impossible. Our shared goal of helping developing peoples has made this partnership of an independent private organization and a government agency not only possible, but mutually advantageous World Vision has been able to exercise the highest degree of flexibility and autonomy and for us it has been a most satisfying relationship.

Because most of the funds for the refugee evacuation had not been budgeted for and had to be taken from existing agency budgets, we know the Agency for International Development was particularly affected. We are, therefore, asking the U.S. Treasury to credit this check to USAID.

It is a small gesture on our part to affirm our belief that private organizations should never become wholly dependent upon governments, to demonstrate our willingness to pay our fair share, and to say to USAID that we believe partnership is a two-way street.

Thank you.

FOX CHILDREN'S CENTER CITED FOR EXCELLENCE

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. HALL. Mr. Speaker, the William Fox Children's Center in Dwight recently received the Francis J. Gerty Award presented by the Illinois Department of Mental Health and Developmental Disabilities. The award is given to programs making noteworthy contributions in the fields of mental illness, developmental disabilities, drug abuse, and alcoholism.

I am very pleased to report this to my colleagues for not only is Dwight in the 15th District which I have the honor of representing but also prior to my service in the House I was on the faculty of the center.

Mr. Speaker, the award cites the adaptive behavior treatment team for teaching multiple handicapped, profoundly retarded children to perform simple personal tasks such as dressing, feeding, and grooming.

Superintendent Myron Birky, Mrs. Vicki Ogg, and all the dedicated, hardworking staff at Fox do an outstanding job helping youngsters and are to be commended for their efforts. They are caring people whose contribution to the improvement in the lives of those youngsters they work with can never really be measured.

Mr. Speaker, I would like to include in my remarks an article which appeared in the Dwight Star and Herald announcing the award:

UNIT STAFF AT FOX CENTER WINS FRANCIS J. GERTY AWARD

The staff of Unit 2B under the direction of Mrs. Vicki Ogg, R.N., has received word they will receive the Francis J. Gerty Award, which will be presented to Mrs. Ogg and her staff by Governor Dan Walker on May 15 at the 26th Annual Mental Health luncheon, at the LaSalle Hotel, Chicago.

Fox Center personnel formed an "Adaptive behavior treatment team" to teach multiple handicapped, profoundly retarded children to perform simple, personal tasks such as dressing, eating and grooming.

This award is given annually to outstanding programs for the developmentally disabled in the State of Illinois. It is the highest recognition award given by the Department of Mental Health.

Many people have participated in the program since its inception here in the fall of 1973. Those people who volunteered for the unit and transferred from the unit through staff changes and promotional changes or resignations are Janice Winchell, Mental Health Technician (M.H.T.); Mary Johnson, M.H.T.; Gladys Smith, M.H.T.; Gen Veronda, M.H.T.; Lucy Weber, M.H.T.; Poppy Bellinger, M.H.T.; Ann Koedyker, M.H.T.

Barbara Bruns, M.H.T.; Mary J. Collins, M.H.T.; Bill Ritter, M.H.T.; Charlene Gassman, R.N. and Jane Smith, R.N.

The following staff members are presently working on the unit in the training programs for the residents at Fox; Mental Health Technicians, Glenda Grieff, Mary Ann Gray, Evonne Frantz, Betty Tyler, Ruth Ferington and LuAnn Patterson. Physical Therapy Aide, Marla Schultz.

They have or will soon complete an intensive training session in Behavior Training coordinated by Rosemary Miller, R.N., Inservice Training Department.

The following Mental Health Technicians were honored Saturday night at a recognition dinner for their participation in the training program for six months; Agnes Beiswanger, Pam Atchison, Evelynne Burg, Judy DeLong, Cecilia Maxard, Virginia Hodgeman, Rita Erickson, Linda Olsen, Wilma Colclasure, Kris Pardikes, Mary Zappa, Mary Scoles, Patricia Kiper and Lynn Anderson.

Four Mental Health Specialists involved in the project are Jon Mossburger, Vic Weichmann, Barb Schaub and Rod Patterson.

The following people are active on the unit on a regular basis in a non-resident training duty: Vera Grieff, L.P.N. and Martha Bush, L.P.N. Many other nurses participate on an irregular basis in a non-resident training capacity.

Dr. Luke Watson, Ph.D. from Libertyville, has been instrumental in development of the Behavior Training Program and continues to work closely with the staff at Fox Center.

Staff members from this unit, as well as staff from all the departments, parents of residents, and community volunteers Rev. J. Broeksmit and Mrs. Louise Davis, are involved in the Rights of Residents Committee to insure all the human and legal rights of residents at Fox Center are being met.

IS BIG BROTHER KEEPING AN EYE ON YOU?

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. SANTINI. Mr. Speaker, some of the best developed and well-informed editorials in Nevada come from the typewriter of Rich Parker, editor of the Ely Daily Times.

I would like to share with my colleagues just two of his editorials—one dealing with the CIA and the other with the gasoline tax.

The editorials follow:

IS BIG BROTHER KEEPING AN EYE ON YOU?

Big Brother is watching—you!
Perhaps closer than you thought.

Judging from the Rockefeller Commission report into the Central Intelligence Agency (CIA) it appears much has transpired, which does indeed violate the principles of freedom this nation supposedly guarantees its citizens.

After reading through the list of activities the CIA has been involved in domestically—one begins to wonder what—if any—restraints have been placed on this highly secret organization.

It becomes all the more perplexing and frightening when you remember this organization was originally formed to gather foreign intelligence only.

When you combine the intrusion into the rights of citizens and the meddling with the domestic affairs of this nation by the CIA with similar Federal Bureau of Investigation (FBI) behavior brought to light during the Watergate investigation—you have the urge to keep looking over your shoulder.

One of the most disturbing statements, to us, in the conclusion of the Rockefeller Commission report, stated some illegal and improper activities "were initiated or ordered by the President, either directly or indirectly."

It is disgusting, revolting and scarey to think the highest elected official in this country, who is sworn to uphold the laws of the land—which include personal freedoms guaranteed by the Constitution and Bill of Rights—would indulge in illegal snooping, prying and spying.

President Nixon's infamous "Enemies List" came to light. But how many other such secret lists remain in the active file?

And what about the personal files maintained by that pillar of law and order J. Edgar Hoover?

Are other intelligence agency heads doing the same? If so, for what reason?

The report contained instances of opening private citizens' mail; surveillance and wiretaps against everyone from dissidents to newsmen; the administering the drug LSD to unsuspecting citizens to test the influence of drugs on humans; infiltrating political campaigns; and maintaining intelligence files on thousands of Americans.

Yet, Sen. Frank Church said the wrongdoing cited in the Rockefeller Commission's report "is in all likelihood just the tip of the iceberg."

We agree with the Rockefeller Commission's recommendations that the National Security Act should be amended to make clear that CIA activities must be related to foreign, not domestic, intelligence.

We concur some sort of congressional oversight committee be formed to curb, curtail and contain the CIA's activities to the scope they are intended for.

We are not so naive as to believe this country doesn't need spy organizations.

But we are principled enough to believe these super sleuths should not have the authority to trample over the rights of this country's citizens and indulge in illegal pursuits.

Let's put a blinder on the eye of Big Brother now—while we still can.

HIGHER GASOLINE

The prevailing philosophy in Washington is to curtail the use of oil by removing it from the average man's budget.

President Ford is expected to announce this afternoon he is going to increase the oil import tariff another $1 per barrel.

The end result will be an added 1 to 1½ cents to the retail price of a gallon of gasoline.

It should be noted the President is raising the import tariff as a means of getting Congress to move quicker on an energy conservation package.

From all indications, Congress will employ the same method of cutting consumption—raise the price. The House Ways and Means Committee has okayed an energy tax package which will hopefully bring about energy conservation by boosting the federal gasoline tax three cents in the next year and as much as 23 cents by the end of the 1970s.

So once again Washington has opted to cut oil usage by striking another blow at the pocketbook of middle America.

Still reeling under the waves of inflation which have engulfed him in the last couple of years—the working American now must be prepared to absorb yet another onslaught. The increase in the oil tariff will be felt in every product which uses oil in its manufacture, such as plastics.

But, perhaps Americans are to blame in some measure.

Even here in Nevada, our legislature had a very difficult time coming to some sort of a decision to adhere to the 55 mile per hour speed limit.

Some wanted to circumvent the issue by imposing a slap on the wrist to violators—others wanted to stand tall like the frontiersmen of the past and tell the federal government to go jump in the lake.

And while these blowhards bellowed—the public was again deceived into thinking the gas saving speed limit was a sham and there was no shortage of fuel.

Americans are going to have to conserve fuel.

Apparently Washington believes the only way to do this is to make it so expensive it becomes a luxury to burn it.

We disagree with this philosophy.

We feel the pressure should be placed at the root of the problem—the car industry which created the gas-guzzling monster which travels today's highways.

We feel federal action should not penalize the average American who depends on his automobile for vital commuting and recreation.

We feel federal requirements should be invoked to require the engineering genius of America to make an automobile, which will get twice the gas mileage of today's present car.

Penalties should be imposed on those who continue to drive the huge machines with their high powered engines which drink up our natural resource.

If the speed limit is to be 55 m.p.h., then we certainly don't need an automobile which will reach that speed in a few seconds and can cruise at a 100 m.p.h.

Let's get to the root of the problem—not scratch at the surface by penalizing the good guys—the ones who are still the backbone of this nation.

If they can't afford to drive to work, what have we—as a nation—gained?

PRESIDENT'S VETO

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. STEIGER of Arizona. Mr. Speaker, the recent vote sustaining the President's veto of surface mining legislation was marked by intense debate and strong feelings, both here in Washington and across the country.

This was both expected and proper, given the widespread and long-term significance of the issues that were involved: questions of the Nation's energy future and its environmental future.

Many of us who voted to sustain the President's veto did so because we believed that that legislation failed to strike a proper balance between our energy and environmental goals. We emphasized—as did the President and other spokesmen for the administration—that we were in no way abandoning our commitment to sound environmental safeguards.

As the Administrator of the Federal Energy Administration stated in a speech this week:

> Just as we expect environmentalists and other groups to recognize the energy facts of life, we must expect the coal industry to recognize the environmental and consumer facts of life. Those facts of life today can be easily summed up: The American people have awakened to disgraceful, disfiguring, often permanent damage that unrestrained development can do to an environment that, in many areas, is already ravaged enough. . . .
>
> Concern for balanced development is widespread, permanent, and justifiable. It is shared by this Administration, by Members of Congress, by State legislators and by city councilmen. It is a concern that will be satisfied. . . .

Mr. Speaker, those of us who supported the President stand ready, willing and eager to cast our votes for legislation that strikes that necessary balance between our national goals for energy and for the environment. The case for such a balanced approach was well stated by Frank Zarb in the speech from which I have quoted, and I include the text in the RECORD at this point:

REMARKS OF THE HONORABLE FRANK G. ZARB

JUNE 17, 1975

I enjoyed appearing at your convention last year and hope that this year's meeting will be equally satisfying.

Since that time a lot has happened in the nation and in the world. Time has brought its changes for me—a new job, for example. It has also left its mark on the American coal industry—and its critics.

But time has left one thing unchanged. One thing is still very much the same in this second year of the Energy Crisis. I'm talking about American dollars that are flowing out of this country to pay for foreign oil every month, every day, every minute.

Between 1970 and 1974 our bill for imported oil increased eightfold.

Last year we paid out $25.9 billion for oil imports. And our progress since then in stemming that tide of exported cash has left a lot to be desired. During the first quarter of this year—on a seasonally adjusted basis—we were importing oil at an annual rate of $25.6 billion.

In one sense, that's progress: at least we've stabilized the outflow of dollars. But in another, larger sense those first quarter figures don't spell progress at all. They spell failure—failure and potential disaster for a Nation which simply cannot afford that much money for that much oil.

Right now—during the 20 minutes or so that I'll be talking to you—we will spend almost a million dollars for oil imports. By this time tomorrow morning, we will have spent another $70 million.

Those cash outflows have had their effect on U.S. trade.

Last year, we ran a trade deficit of $5 billion. If our oil import payments had remained at their 1973 level, that deficit could have been a surplus of $14 billion. Even if oil prices had merely doubled, we still would have had a surplus of $7 billion.

And every dollar paid to overseas suppliers is a dollar taken away from capital development of American industry, or from the purchase of American goods, or from the pay checks of American workers.

But even this staggering economic impact is not the most serious threat posed by our dependence on foreign oil.

Even more serious than the economic impact, is what this dependence on foreign oil could mean for U.S. security—indeed, for U.S. sovereignty. We now rely on oil imports for almost 38 percent of our domestic consumption—an increase of two percent since the end of the oil embargo.

And, although we continue to be less dependent on Middle Eastern oil than most other industrialized countries, that dependence is still growing. Within a few years, it could take a quantum leap upward as Canada—still one of our largest oil suppliers—follows through on her plans to eliminate all exports of petroleum to the U.S. in order to conserve supplies for her own domestic use.

This deepening dependence on Middle Eastern oil—a supply dominated by a cartel of producing nations—can only mean greater risks of another, more damaging embargo; more intimidation in the conduct of our foreign policy; increasing jeopardy for the Nation as a whole.

Now that's a fast five-minute summary of the horror story we can expect to be playing out in the months and years ahead—if we fail to establish an effective national energy policy now.

That policy will cost billions of dollars, but this is a trillion dollar economy. It will require sacrifice, but we have never shrunk from that. It will require resources, but we have those in abundance, and that abundance is exemplified by coal.

It's no secret that this nation possesses most of the world's coal reserves; that we are the world's major coal producer and its chief exporter; that almost a half trillion tons of coal lie within 1,000 feet of America's surface—all of it reachable with today's mining technology; that we possess a Persian Gulf—many times over—in coal energy.

But, besides coal, the oil and natural gas of the Outer Continental Shelf, our Naval Petroleum Reserves, the potential of nuclear power, must all make their contribution to the Nation's energy future—a future that requires us to balance interests; to balance the development of our energy resources; and to balance the sacrifices that Americans are called upon to make.

As every kid learns when he gets his first bicycle, balance isn't necessarily second-nature. And achieving it may involve some bumps and bruises in the process. Let me give you a personal experience; not about bicycles but about the problem of balance.

I discussed with numerous coastal State Governors and others the case for development of the Outer Continental Shelf. We need the shelf, I said, in order to be secure in 10 years. "What do you need the OCS for?" some of them said, "You've got nuclear energy, coal and the Naval Petroleum Reserves. You can afford to wait on OCS development."

Then, during a Congressional Hearing, I pleaded the case for accelerated coal development. "What do you need all that coal for right away?" they asked. "You've got the Outer Continental Shelf, nuclear energy and the Naval Petroleum Reserves. You can afford to delay additional coal development until later."

Then I discussed with several critics of nuclear power, the need to expand our nuclear capability. "What do you need more nuclear energy for?" they asked. "You've got the Outer Continental Shelf, coal and the Naval Petroleum Reserves. You can afford to wait and take a good hard look at nuclear energy."

But the last straw came last week, when I went before the House Armed Services Committee to speak in favor of the bill to open up the Naval Petroleum Reserves. "Why do you need to develop the Naval Petroleum Reserves now?" they asked. "You've got the Outer Continental Shelf, nuclear energy and coal."

That's why a balanced program—the kind of program we've got to have in energy—is so difficult to put together. Everybody tends to approach it from his own particular viewpoint: to become an advocate of oil or coal or nuclear power—or—an opponent of all three.

It's not hard to understand how people in a given industry can become locked into the belief that their industry can assure the Nation's energy salvation. After all, they're the ones who drill for the oil and build the nuclear power plants and mine the coal.

And it's not hard to understand how people with environmental and other concerns get locked into their positions because, after all, they're the ones who live in the coastal towns adjacent to OCS petroleum reserves, and next to proposed sites for nuclear powerplants, and on top of much of that coal that many of you would like to mine.

You and I in this room know how easy it is for people who view themselves simply as environmentalists to support almost any measure that promises to safeguard the environment, regardless of its cost in terms of money, time—or coal.

But, by the same token, I know how easy it is for people who view themselves simply as industry spokesmen to oppose any measure that would guard against the environmental abuses of the past.

Day after day, week after week and month after month, I have met with representatives of virtually every group that could claim direct or indirect involvement in energy affairs—with consumer and environmental spokesmen, with men from the oil industry, with executives of utility companies, and with a number of you. And I don't mind saying that, at the end of some of those days, I felt less like an energy czar and more like a punching bag.

But the exercise has been valuable—and necessary. I know how great the variety of opinions can be and how sincerely they can be held.

Again, it's one of those difficult problems of balance. And the right course of action is bound to leave some people on all sides dissatisfied.

The right course of action is, obviously, what leadership is supposed to assure. Throughout the events of this year in the field of energy, President Ford has sought to steer that course and provide that leadership—even though it has meant riding waves of editorial criticism, announcing unpopular executive actions to a dollar-conscious public and, generally, enduring pot-shots from a dozen different directions at one time.

Through it all, he has tried to make the case for balance—for shared contribution, as well as shared benefits, and for shared sacrifice in dealing with the Nation's economic, energy and environmental problems.

And, to a degree, that message is taking hold. Many people who, just three or four years ago, opposed any development of the petroleum reserves of the Outer Continental Shelf have adjusted to the necessity for such development. And, correspondingly, those who sought OCS development have adjusted to the necessity for environmental safeguards. There's much to be ironed out, but the movement toward balance is there.

And it's that kind of movement—toward the balanced resolution of conflicting interests—that we must seek in all energy fields, including coal.

For instance, you want to mine America's coal. And we in the Administration want you to do it—for all those reasons I mentioned at the outset.

But citizens in the West don't want their communities and countryside turned into the Appalachia of the 1980's. And we in the Administration don't want it either.

And, just as we expect environmentalists and other groups to recognize the energy facts of life, we must expect the coal industry to recognize the environmental and consumer facts of life. Those facts of life today can be easily summed up: The American people have awakened to disgraceful, disfiguring, often permanent damage that unrestrained development can do to an environment that, in many areas, is already ravaged enough.

The environmental movement has proved itself—it's no fad, and it's here to stay. Those are facts of life that we all are going to have to live with.

Now most of you already know that, and many of you—most, I hope—have accepted those facts of life ungrudgingly, with the knowledge that adequate development of our coal resources can take place with sufficient safeguards for the environment.

During a recent trip through parts of Appalachia, I talked to stripminers, to mine operators and owners. They knew that that kind of balance is possible. And I saw that it is possible: I saw attractive communities built on stripmined land; I saw stripmined land leveled, planted in grass and profitably used to raise cattle.

It can be done, and it can be done at reasonable cost. But much of the initiative is up to you.

We must move forward responsibly to ensure that vast sections of the West are not left barren and lifeless.

We must enforce adequate safeguards so that rivers are kept clean and free of acid runoffs.

We must insure that slag heaps and tailings never again disfigure towns in coal mining areas.

In short, you must help take the initiative in fostering the kind of balanced, responsible development of our coal resources that the Nation so desperately needs.

The opportunity is yours. But if you are to seize it, you must see yourselves not just as people dedicated to helping overcome the Nation's energy problems—not just as people dedicated to turning a profit by digging coal out of the ground—but as responsible community and industry leaders dedicated to the achievement of all of the country's goals, including its environmental goals.

That is the kind of broader commitment that is being demanded by the American people of its leaders in all of our institutions—and especially in our energy industries. And, I think, "demanded" is not too strong a word to use in describing their expectations.

As I said earlier, concern for balanced development is widespread, permanent, and justifiable. It is shared by this Administration, by members of Congress, by state legislators and by city councilmen. It is a concern that will be satisfied—one way or another.

Just as the President's energy proposals reflect his desire to see energy problems dealt with in the context of the free market, with a minimum of government interference and regulation; likewise, we in the Administration hope that the necessary accommodation of our energy and environmental goals can take place in an atmosphere of free dialogue and cooperation rather than threats and recrimination.

But history is clear on one thing: when legitimate public expectations go unsatisfied year after year because of the recalcitrance or irresponsibility of some segments of society ultimately we come to a point of political response that, too often in the past, has intruded the government further and further into the marketplace, created a web of overregulation and eroded the foundation of the free enterprise system.

That is not a result that this Administration—or you in this room—want to see. But, like those energy and environmental facts of life that I mentioned earlier, this is another reality—a political reality—that cannot be ignored.

Your responsibility, your good judgment, your commitment to the general welfare of the American people and your dedication to the free enterprise system should enable you to accommodate those facts of life and that reality—to make your contribution to our national goals both for energy and for the environment.

You in this room have a vital role to play in helping this Nation determine its future course—a course that could, on the one hand, lead us into an era of energy abundance, self-sufficiency, and economic freedom, or, could, on the other, propel us into a period of fear of embargoes, of lost political freedoms and of economic dependence on foreign nations. I know what course the American people want to follow. You know what course they want to follow. So, let's get on with the job.

Thank you.

IT'S TIME TO REFORM CAMPAIGN REFORM

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ARMSTRONG. Mr. Speaker, during the last few weeks, the distinguished journalist David Broder has written a series of articles which expose with devastating clarity the shortcomings of the Federal Election Campaign Act amendments which were rammed through the House late last year, just a few weeks before the election.

I commend these penetrating articles to the attention of my colleagues:

[From the Washington Post, Apr. 30, 1975]

REFORMING CAMPAIGN REFORM

(By David S. Broder)

SAN FRANCISCO.—A gypsy journalist invited to sit in on two days of intensive discussion, among lawyers, politicians and political scientists, on the issues of campaign finance reform can come to only one conclusion. Congress didn't really know what it was getting into when it passed the campaign reform bill last year.

The disclosure requirements of that new law—designed to cut down cash payments to campaigns and open the sources of all political funds to public scrutiny—are probably very beneficial.

But all the other major provisions—including the limits on contributions and expenditures, the full tax support of major party presidential campaigns in the general election, and the partial public subsidy of presidential primary costs—are fraught with constitutional and political perils.

This reporter had followed the development of the legislation with some care and has previously discussed in this space some of the issues of accountability and equity it raised.

But those concerns were the tip of the iceberg, compared to the difficulties that surfaced in a weekend conference near here. It was sponsored by a committee of the American Bar Association, which is studying the issue.

Two dozen people drawn from both parties, from business and labor and the public interest groups, many of them long-time students of political fund-raising, pooled their knowledge and viewpoints in the session.

Some of those present are involved in the law suit that has been filed testing the constitutionality of the new law. I am not attempting to speak for them, or the Bar Association committee, which will submit its own report in due course.

But many of my assumptions about the law were shaken by the discussion. And if I can judge the expressions around the table—including that of Thomas B. Curtis, the chairman of the Federal Elections Commission, which is charged with administering the new law—my reaction was not unique.

To this layman, it appears likely that major provisions of the law—including the limitations on spending and the provision of public funds for certain presidential campaigns—are poor bets to survive the scrutiny of the courts.

An unusual group of plaintiffs has filed suit, charging that these provisions violate their first amendment rights of free speech and association or deny them equal protection under the law. The challengers range from Eugene McCarthy to James Buckley and from the Conservative Party to the New York Branch of the American Civil Liberties Union.

The suit is being expedited in the early stages in hopes it can reach the Supreme Court for decision before the end of the year. The feeling I got was that the courts will be hard-put to find that Congress did not bend the Constitution when it said, for example, that the two major party candidates are entitled to $20 million of public funds apiece, the moment they are nominated for President, but a third-party candidate gets nothing until after the election, and then only if he or she draws more than 5 per cent of the vote.

It is also hard to see how the equal protection clause would permit one person's $250 contribution to a candidate in next year's presidential primaries to be worth a matching $250 from the Treasury, while another's $10 contribution to an opposing candidate would entitle his man to only $10 worth of assistance from Uncle Sam.

But leaving aside these legal questions, on which I am no authority, the political consequences of some of the major provisions of the new law emerged as just horrendous.

The new law puts the public treasure at the service of the imperial presidency, while letting candidates for Congress continue to scratch for their campaign cash, thus further imbalancing the power relationships between those two branches. It leaves the political parties largely in the lurch. It jeopardizes the political operations of some public interest groups, while inviting major economic interest groups to expand their influence by proliferation.

It is basically a government subsidy program for a new industry, the presidential campaign business. We have enough experience with past government subsidy programs to know that they tend to be operated, not for their original, noble purpose, but to line the pockets of the biggest, most powerful recipients. That has been the pattern of every federal program from farm price supports to airline and shipping subsidies. And every indication is that the political big boys will benefit most from this one too.

In its haste to pass some kind of post-Watergate reform bill, Congress has unleashed an unguided missile against the American political system. The luckiest thing that might happen would be for this law to be shot down by the courts.

The discussions over the past weekend suggested that there are several more promising approaches to improving our political finance practices, of which more next time. But this law we have on the books begins to look like a menace.

[From the Washington Post, May 4, 1975]

FINANCING THE '76 CAMPAIGN

(By David S. Broder)

SAN FRANCISCO.—If the Supreme Court later this year finds substantial parts of the Federal Campaign Finance Reform Act of 1974 unconstitutional, as many lawyers think likely, the country is going to face some serious problems in the 1976 campaign.

Those problems and their possible remedies were one topic of discussion at a meeting here last weekend, sponsored by the American Bar Association. As in the previous report on this subject, the views stated here are those of one participant only, and do not, as the saying goes, necessarily reflect those of others, or of the sponsoring organization.

The 1974 law has four major parts: strict disclosure requirements on the sources and uses of campaign cash, with a new enforcement agency; limits on individual and organizational contributions to federal campaigns; limits on overall spending for the House, the Senate and for President; and a provision of public funds for presidential candidates in the major parties who meet certain conditions.

All four areas are under challenge in a suit filed by politicians of the left and right, who charge discrimination against themselves, and by organizations concerned with the First Amendment limitations implicit in the act.

Depending on which provisions survive and which are tossed out by the courts, the rules of the game for 1976 campaign financing will be distorted.

If the public financing provisions are killed, for example, but the contribution and spending limits survive, presidential candidates may be strapped for the minimum cash needed to conduct effective campaigns. If public financing survives without spending limits, however, Treasury funds could contribute to a dollar battle that would make the excesses of 1972 seem modest.

These are just two of the possible perplexities that will confront Congress and the country literally on the eve of the 1976 campaign, if the case reaches the Supreme Court this autumn as expected.

Rather than scramble for an unsatisfactory remedy at that point, it would seem advisable to begin now to rethink the principles of campaign finance reform and face up to some of the issues that Congress so assiduously avoided last year, in its rush to enact something it could label a "post-Watergate reform."

The weekend meeting suggested some principles that deserve to be kept in mind in the almost inevitable reconstruction job.

First, the direct role of the federal government should be kept as small as possible. We ignore at our peril the fact that, historically, the worst threat to freedom has come from the power of the state, not the influence of private interests. If, in trying to reduce the influence of private interest money, we give government officials the power to decide who can compete effectively for public office, we risk something far worse than Watergate.

A second principle, closely related, is that voluntarism should be encouraged, not barred, in our politics, including voluntary campaign gifts.

Taken together, these principles suggest that, rather than the completely public-financed general election campaigns for the White House this new law provides, public funds should be a minor part of the finance mix, if used at all.

Third, in distributing funds, the government should be as neutral as possible. That principle, too, is violated in the existing law, which treats big contributors better than small contributors, major parties better than minor parties, and presidential contenders entirely differently than congressional candidates.

One solution would be for the government to provide certain "neutral" services, such as free mailings, for all candidates for federal office. Another would be for the allocation of public funds to be made by someone other than the government itself.

A mixed commission, including the leaders of the political parties, who are left in the cold by the existing law, would have a greater interest in maintaining political competition, through the use of public monies, than would incumbent officeholders.

Another possibility, though an expensive and cumbersome one, would be to go to a voucher system, in which individual voters could distribute their government campaign contribution chips as they desired.

A system built on such principles, if linked to a law with strict and effective disclosure requirements, reasonable limits on private contributions and a waiver of the futile and undesirable effort to put a ceiling on campaign spending, might bring us closer to the goals of equity and stability, of competitiveness and openness, in our political system.

The existing law misses that mark by a mile, and it would be fortunate for the country if the courts give Congress a chance to try again.

[From the Washington Post, May 28, 1975]

The "Reform" Will Help Incumbents

(By David S. Broder)

The law suit challenging the constitutionality of the 1974 federal campaign spending reform law comes up for argument in court in mid-June, and the evidence continues to accumulate on how profoundly the decision will affect the future of American politics.

One unpublicized piece of the voluminous record being assembled in the case is a detailed analysis of the spending in 1972 Senate campaigns, done by Roland J. Cole under the auspices of the campaign study at Harvard's Institute of Politics.

Its most dramatic conclusion is that the new law's ceilings impinge so drastically on the sums needed for effective political competition that they would have made lawbreakers of every successful challenger for the Senate in 1972.

The 1974 act, passed by Conrgess in response to the Watergate scandals, sets limits on contributions and expenditures for all federal offices. In the case of the Senate, those limits are 3 cents per voter in the primary, 12 cents per voter in the general election, and an additional 4 cents for fund-raising costs.

Cole found that "half the Senate campaigns in 1972 spent more in the general election than the law would have allowed." In an interview, he added that, if a cost-of-living factor is added, to reduce the 1974 law's limits to 1972 dollars, it turns out that every one of the five challengers who were able to beat incumbent senators in 1972 would have broken the law.

Some of Cole's computations have been challenged by Fred Wertheimer of Common Cause, an organization that lobbied heavily for passage of the 1974 law and is defending it in court.

But by Wertheimer's own calculation, 18 of the 66 major party Senate candidates in 1972 (and a similar proportion in 1974) would have broken the new law, had it been in effect.

The basic issue—whether one accepts Cole's or Wertheimer's calculations—is why the law should attempt to reduce the amounts being spent on campaigns for the Senate or other federal offices.

The main motivation for such limitations is not reform but protection of incumbents. The notion that we spend extravagantly on our politics is simply wrong.

Cole found that total spending by Senate candidates in 1972 was $24.5 million. That sounds like a lot, but it comes to less than 15 cents per adult in the 33 states with Senate contests—about 5 cents less than it costs to send a single communication, by letter or phone, to each potential voter in those states.

Nor is his finding unusual. On the contrary, virtually everyone who has studied campaign finance in this country for the past 40 years has come to the conclusion that there is too little money in the system, not too much. As Sen. Lee Metcalf (D-Mont.) said last week, in introducing legislation to correct some of the mistakes of the 1974 campaign finance law, "a good case can be made that American election campaigns are underfunded."

Why then did Congress decide to impose spending limits that would, in many instances, reduce campaign expenditures below the levels of the past? It is hard to resist the thought that incumbents who plan to seek reelection (Metcalf does not) see the advantage in such limits for themselves.

Cole's evidence demonstrates that limits as strict as those in the 1974 law "reduce the ability of campaigns to make a difference in the electoral outcome, thus bolstering incumbents who are almost always favored at the start of a race."

An additional problem, Cole writes, is that "since the limits are lower than the spending of many recent campaigns, future campaigns will face substantial pressures to ignore, evade or overthrow the law. Past experience with laws of this kind suggests that many of these efforts will be effective.

"But if the limits do succeed in forcing otherwise well-financed campaigns to spend less money," Cole says, "serious candidates are less apt to challenge incumbents, and campaigns are apt to cut back activities that serve the public. Such reductions will mean that campaigns provide less information, less encouragement for participation, and less effective challenges to current policies and current office holders.

"While a few exceptional cases may occur, in general the law will increase the normal advantages of incumbents versus their challengers."

That hardly deserves the name of reform, and is one reason why courts in Oregon and Washington have already thrown out the spending ceilings imposed by their post-Watergate campaign finance laws. The issue is now joined at the national level.

[From the Washington Post, June 11, 1975]

Campaign Spending Law: Who Benefits?

(By David S. Broder)

Several times in recent months this column has cited the arguments being made by some lawyers, politicians and political scientists in criticism of the federal campaign spending law of 1974. That legislation, enacted in response to the Watergate scandals, set limits on contributions and expenditures for all federal offices and provided the first public financing for the presidential contest.

The last of these columns summarized the arguments made by Roland J. Cole and several of his colleagues at Harvard's Institute of Politics against the spending limits. It has drawn an extremely interesting response from Joe Rothstein, a Washington campaign consultant with experience handling House and Senate campaigns in many states.

With a challenge to the constitutionality of the new law and its spending limits scheduled for argument in a Washington, D.C., circuit court at the end of this week, Rothstein's rebuttal to the Cole criticism illuminates the difficult public policy questions to be settled.

Briefly, Cole and his colleagues argued that the spending ceiling applied to Senate races would unwisely force a cutback in existing levels of campaign spending, thus reducing the scope of the campaign and, particularly, the chances of a challenger overcoming the built-in advantages of incumbency.

Rothstein, on the other hand, argues that "our experience in political campaigns convinces us that the spending limits will be more of a problem to incumbents than to challengers, and will permit challengers to spend enough to reach the voters with sufficient impact."

Among the pieces of evidence he cites are these:

"In 1974, 22 incumbent senators were opposed for re-election in the general election. Twenty-one of them outspent their opponents. Twenty of them were re-elected. The only challenger to outspend an incumbent was the governor of his state," Wendell Ford of Kentucky, who won.

"In these 22 campaigns," Rothstein writes, "incumbents spent an average of $600,000 per race. Challengers average only $330,000."

Because "the real limit on campaign spending for most challengers is the amount he can raise, not the amount he is entitled to spend," Rothstein argues that the new law will be "a useful tool for squeezing the incumbent down to the challenger's spending level . . ."

He cites the following examples: "In South Dakota, George McGovern spent $1.1 million to defeat Leo Thorsness, who spent $528,000. The new law would have required each to run on about $300,000.

"In Oklahoma, Henry Bellmon spent $622,000 defending his seat against Ed Edmondson, who spent $195,000. Had it been 1976 (with the new law in effect), Bellmon could have spent only $450,000.

"McGovern was re-elected with 53 per cent. Bellmon won by half a per cent. Whether either outcome would have been changed under the new spending limits is only conjecture, but in both cases the limits would have worked to the challenger's benefit.

"The same would have been true in 1974 Senate races involving Birch Bayh, Mike Gravel, Milton Young and Bob Dole.

"All spent significantly more than their challengers, survived hard races, and would have been required to have cut back spending if the new law had been around."

Rothstein also challenges the Cole contention that more money—not less—is needed in most campaigns.

"Last year in Nevada," he writes, "in a race for the state's at-large congressional seat, Jim Santini challenged and defeated incumbent Rep. David Towell. Both Santini and Towell spent about $120,000. Meanwhile, in the Nevada Senate race, also run statewide and appealing to exactly the same voters, each major party candidate spent about $400,000.

"In Colorado, last year, Gary Hart fought his way through a contested convention, a contested primary and finally a (successful) campaign against incumbent Sen. Peter Dominick. Hart spent about $350,000. Next door in Kansas, where fewer votes were involved, challenger Bill Roy spent $836,000 in an unsuccessful effort to defeat Sen. Bob Dole. Dole spent $1.1 million."

Why these disparities? Rothstein asks. "The answer," he says, "is that the excessive money was spent because it was raised. Candidates will almost always try to raise as much as they can and spend all they have.

"The 1974 campaign spending figures are ripe with examples of waste, overkill and high-cost gimerackery. The new limits will force candidates to mobilize their resources better and be more careful with the contributor's dollars."

So Rothstein concludes that in passing strict spending limits, far from assuring their own survival, "the incumbents who voted for this legislation gave away an important advantage, the right to crush challengers with unlimited campaign funds. We think that was a gutty, noble and praiseworthy thing for them to do."

That proposition, for which he makes a cogent case, is worth examining further—after all of us have had a chance to hear the lawyers argue the constitutional question this week.

THE CONSUMER PROTECTION ACT OF 1975

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ROSENTHAL. Mr. Speaker, the Government Operations Subcommittee on Legislation and National Security today opened hearings on H.R. 7575, the Consumer Protection Act of 1975. This legislation, to establish an independent Federal Agency for Consumer Protection, is certainly one of the most carefully considered bills in recent memory and, I believe, one of the most important. Its enactment is essential if the interests of consumers are to be properly advocated before and considered by Federal agencies and courts when decisions are made affecting the health, safety, and economic well-being of the buying public.

What causes this legislation to be termed "the most important consumer bill ever considered by the Congress" is that it seeks to guarantee to America's 210 million consumers, the most fundamental of rights—the right to be heard in the councils of Government. This is a right that is indispensable if the causes of consumer justice and fundamental fairness are to be served. It is a right that transcends partisan politics, a nation's transitory economic difficulties, or narrow special interest concerns.

Opponents of the Agency, having lost the argument that the consumer interest is already adequately protected at the Federal level, now rest their opposition to the bill on the poor state of the economy and the failure and cost of Government regulation of the marketplace. Their position, as I understand it, is that we do not need a new agency but rather a more fundamental reform of our entire regulatory system.

My own view is that precisely because of our economic difficulties there has never been a greater need for such an agency; and that the weaknesses of our regulatory system provide impetus for, not against, creating the consumer unit.

All of us can agree on the need for a review of our regulatory system. But it is clear that the creation of an Agency for Consumer Protection will itself be a vital component of regulatory reform and will facilitate additional reform by spotlighting regulatory programs that are inflationary or that serve narrow special interests.

Most regulation of the marketplace that is suspect is not concerned with protecting consumer or environmental interests; but rather with the favoring of one special interest over another.

Is it any wonder that the Interstate Commerce Commission and the Civil Aeronautics Board are the two agencies most frequently cited when examples are needed of improper regulation. Both of these agencies should represent consumers but in fact they protect one business interest against another. For example, the railroad industry against the trucking industry or one airline against another in terms of routes, fares, and so forth.

A basic error made by those who prefer fundamental regulatory reform rather than the creation of the Consumer Agency is their failure to recognize that regulatory agencies—even those with the word "consumer" in the title—operate in a quasi-judicial fashion. In the same way that we do not expect a judge to descend from the bench and argue the case of one side or the other in a court proceeding, we really should not expect agencies performing quasi-judicial functions to be an advocate for one side or the other—no matter how appealing the case of either side. Accordingly, the job of advocacy must be left to others. Business interests can well afford to finance such advocates but consumers cannot.

H.R. 7575 is basically the same legislation as that which overwhelmingly passed the House in the 93d Congress. It is different from that bill only in three respects:

First, the name of the Agency has been changed to the "Agency for Consumer Protection."

Second, the Agency is given authority to receive reports and solicit answers to questions directly from the private sector rather than having to seek such authority from other agencies.

Third, the consumer information functions of the General Services Administration have been transferred to the new Agency for Consumer Protection.

These are all useful changes designed to make the Agency more effective.

The Agency's critics are fond of saying that the proposed Agency merely represents more government. Its supporters more correctly state that the Agency—which will be extremely modest in size and unlike other agencies in function—represents better government.

THE GREAT GERMAN INFLATION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the June issue of the Freeman has an excellent article by Bruce Bartlett on the great German inflation of 1913–23, detailing its causes and catastrophic consequences.

Since we are presently experiencing double-digit inflation, with predictions of triple-digit inflation in the near future—see "What's Ahead for the U.S. Economy," page 18942 of the June 13, 1975, RECORD—I would like to call my colleagues' attention to the German experience:

THE GREAT GERMAN INFLATION

(By Bruce Bartlett)

The February issue of the British magazine, *Encounter*, contains a heretofore unpublished lecture by the famous novelist, Thomas Mann, which recalls his experience with the great German inflation of 1913–1923. "A straight line," he tells us, "runs from the madness of the German Inflation to the madness of the Third Reich."

Just as the Germans saw their marks inflated into millions and billions and in the end bursting, so they were later to see their state inflated into "the *Reich* of all the Germans", "the German Living Space", "the New Europe", and 'the New World Order", and so too they will see it burst. In those days the market woman who without batting an eyelash demanded a hundred million for an egg, lost the capacity for surprise. And nothing that has happened since has been insane or cruel enough to surprise her.

It was during the inflation that the Germans forgot how to rely on themselves as individuals and learned to expect everything from "politics", from the "state", from "destiny." They learned to look on life as a wild adventure, the outcome of which depended not on their own effort but on sinister, mysterious forces. The millions who were then robbed of their wages and savings became the "masses" with whom Dr. Goebbels was to operate.

Inflation is a tragedy that makes a whole people cynical, hardhearted and indifferent. Having been robbed, the Germans became a nation of robbers.[1]

This terrible inflation, which Mann credits for the rise of Hitler, had its origin in another holocaust: World War I. Like every other nation involved in that conflict, Germany was entirely unprepared for its intensity. German, French, and British troops all marched off in August 1914 absolutely convinced they would be home by Christmas. The German High Command share this optimism, having full faith in the ability of the Schlieffen Plan to bring quick victory. With the resulting total war, outlasting the enemy became the only path to victory for either side.

At this point, Germany discovered just how badly it was prepared for this new kind of warefare. Cut off from its sources of food by a British blockade and failing to achieve any kind of breakthrough on the Western front, Germany began to gamble, as it did when it unleashed its submarines. At home too, the government began to gamble. The people, having been bled white by taxation already, had to be urged on to greater sacrifice. Toward this end, the government resorted to inflation on a mass scale, gambling that the people would be unaware of what was happening.

INFLATION AN INDIRECT TAX

Here, one should keep in mind that inflation, in its crudest form, is nothing but an an indirect tax. The government, with its monopoly on the issuance of currency, found it simple to play the role of counterfeiter. It simply paid for the goods it needed with newly created money. Since an individual's conception of his money's worth is basically shaped by his past memory of its purchasing power, this process can go on for some time before it begins to significantly affect the price level.

During the war, goods were being withdrawn from the economy for war materiel

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Footnotes at end of article.

and, simultaneously, fewer goods were being produced as workers became soldiers. At the same time, the government was increasing the money supply rapidly as it became increasingly difficult to raise needed funds from taxation or direct borrowing.

Historically, the speed at which people spend tends to remain relatively constant unless they expect a sudden change in economic relationships. Accelerated spending classically occurs when people feel that their money is losing its value. At this point, they begin to spend every cent they can get as quickly as possible before prices go up again. This only tends to raise prices even higher and drop the value of the money correspondingly. Economist Ludwig von Mises, a resident of Austria at the time, graphically described this process:

> In normal times, this is in periods in which the government does not tamper with the monetary standard, people do not bother about monetary problems. Quite naively they take it for granted that the monetary unit's purchasing power is "stable." They pay attention to changes occurring in the money-prices of the various commodities. They know very well that the exchange-ratios between commodities vary. But they are not conscious of the fact that the exchange-ratio between money on the one side and all commodities and services on the other side is variable too. When the inevitable consequences of inflation appear and prices soar, they think that commodities are becoming dearer and fail to see that money is getting cheaper. . . . This ignorance of the public is the indispensable basis of the inflationary policy. Inflation works as long as the housewife thinks: "I need a new frying pan badly. But prices are too high today; I shall wait until they drop again." It comes to an abrupt end when people discover that the inflation will continue, that it causes the rise in prices, and that therefore prices will skyrocket indefinitely. The critical stage begins when the housewife thinks: "I don't need a new frying pan to-day; I may need one in a year or two. But I'll buy it to-day because it will be much more expensive later." Then the catastrophic end of the inflation is close. In its last stage the housewife thinks: "I don't need another table; I shall never need one. But it's wiser to buy a table than keep these scraps of paper that the government calls money, one minute longer." [2]

This entire process was set in motion when the Reichsbank suspended the redeemability of its notes in gold with the outbreak of war. As long as the paper currency was tied to a finite amount of gold, the currency also remained within finite limits. When this restraint was cast aside, there was no longer any legal limit to the amount of money that could be manufactured. The government, in turn, used this freedom to force the bank to buy its bonds, which the bank paid for by creating deposits in the government's account. In this way, the German debt became monetized, just as the American debt is today monetized by the Federal Reserve System. Simply put, this means that the government's debts are ultimately paid for by the consumer's loss of purchasing power; the creation of new money serving only to cheapen all money already in circulation. In Germany, this meant that by the end of 1918, the amount of money in circulation had increased fourfold. One would have expected this to lead to approximately a fourfold rise in prices, more when one considers the corresponding cutback in production, but in fact they rose only 140 per cent. This is because consumers were not yet fully aware that the rise in prices was due not only to goods being less available, but also due to inflation of the money supply.

HUGE DEFICITS

To be sure, even the victorious nations had practiced the German method for financing of their debts and experienced a similar rise in prices. But with the cessation of hostilities, they returned to sound fiscal and monetary policies. In Germany, the government made no effort to return to pre-war spending levels and continued to run huge budget deficits, as the following table demonstrates: [3]

Year	Revenue [1]	Expense [1]	Deficit [1]
1919	2, 559	8, 560	5, 999
1920	3, 178	9, 329	6, 054
1921	2, 927	6, 651	3, 676
1922	1, 488	3, 951	2, 442
1923 [2]	519	5, 278	4, 690

[1] In millions of gold marks.
[2] April to October only.

As one can see, the debt mounted with each passing year, almost all of it being funded through monetization. The reasons for this were partly humanitarian, party political, and partly selfish. On the one hand, there was terrific pressure for relief and rebuilding. Then too, the government sought to use inflation as a psychological weapon against the Allies. Finally, there was pressure from those benefiting from the inflation, which will be dealt with below. But the single most important factor in the ensuing hyperinflation was economic law. As people slowly began to realize that their money was losing its value, they began drawing out bank deposits and spending what they had as quickly as possible. This run on the banks and the tremendous increase in the demand for cash put fierce pressure on the treasury to stave off collapse with a flood of freshly minted bills. Thus the figures for total money in circulation begin to follow a pattern (in millions of marks): 1913, 6,070; 1920, 81,338; 1921, 122,500; 1922, 1,295,231; 1923, 2,274,000,000.[4] And the effect on the price level inevitably followed a similar pattern: [5]

Wholesale Price Index

July 1914	1.0
Jan. 1919	2.6
July 1919	3.4
Jan. 1920	12.6
Jan. 1921	14.4
July 1921	14.3
Jan. 1922	36.7
July 1922	100.6
Jan. 1923	2, 785.0
July 1923	194,000.0
Nov. 1923	726, 000, 000, 000.0

SEARCH FOR SCAPEGOATS

Needless to say, the government never admitted its role in this, but instead sought out easy scapegoats. The most popular one was the Versailles Treaty. After all, the people already hated the Allies, so why not exploit it to good use? The campaign was so successful that even intelligent economists like Dr. Hjalmar Schacht accepted and perpetuated the myth: "The true cause of the inflation after the war was the perpetual pressure exercised by the Reparation Commission on Germany in the attempt to extort payments to foreign countries which in the nature of things could not be made." [6] The truth of the matter is that reparations expenses only made up about a third of the German budget deficit throughout the entire period. In his book, *The Economics of Inflation*, Costantino Bresciani-Turroni compiled the following figures: [7]

Year	Deficit [1]	Reparations [1]
1920	6, 053.6	1, 850.9
1921	3, 675.8	2, 810.3
1922	2, 442.3	1, 136.7
1923 [2]	6, 538.3	742.4

[1] In millions of gold marks.
[2] April to December only.

Consequently, the reparations alone cannot account for the deficits or the ensuing inflation. The truth of this was, of course, irrelevant. There were plenty of other causes for the inflation which could also be exploited. To blame profiteering became particularly popular because, as in the case of reparations, there was some truth in it. This is how Thomas Mann saw those who profited from the crisis:

> For at least a section of this ruling class, the big industrialists, the inflation was profitable; they were in no hurry to stop it. During those years the Krupps, Stinneses, Thyssens, etc., got rid of their indebtedness, which ran into real millions, by paying their creditors in inflated millions, and thanks to these same inflated millions they acquired real millions-worth of property.
>
> Though Germany was very poor at that time, it possessed great wealth in mineral resources and industrial plant. During the inflation a radical change occurred; this wealth became concentrated in fewer and fewer hands. The small and medium property-owners lost their holdings, and the biggest snapped them up. They acquired property and paid with paper. Years later one could hear it said that such and such a factory or mine was unproductive and would not be profitable if it had not been acquired for next-to-nothing during the Inflation. . . .[8]

NOT A MAJOR CAUSE

It would be a vast distortion, however, to say that profiteering in general was a contributing cause to the economic crisis. It is in the very nature of inflation that some will reap great profits. It was only those big industrialists like Hugo Stinnes who consciously realized what was taking place and deliberately sought to influence the government toward inflation.[9] For the rest, who reaped windfalls through no conscious effort, through simple foresight or luck, some defense should be made. Many of these entrepreneurs became the objects of scorn and an easy target for political extremists. The fact that many were also Jewish cannot be discounted as an explanation for their persecution. As early as 1920, John Maynard Keynes spoke up for these innocent entrepreneurs in a moving passage from *The Economic Consequences of the Peace*. "Lenin," he wrote, "is said to have declared that the best way to destroy the Capitalist System was to debauch the currency."

> By a continuing process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. By this method they not only confiscate, but confiscate *arbitrarily;* and, while the process impoverishes many, it actually enriches some. The sight of this arbitrary rearrangement of riches strikes not only at security, but at confidence in the equity of the existing distribution of wealth. Those to whom the system brings windfalls, beyond their deserts and even beyond their expectations or desires, become "profiteers," who are the object of the hatred of the bourgeoises, whom the inflationism has impoverished, not less than of the proletariat. . . . These "profiteers" are, broadly speaking, the entrepreneur class of capitalists, that is to say, the active and constructive element in the whole capitalist society, who in a period of rapidly rising prices cannot help but get rich quick whether they wish it or desire it or not. If prices are continually rising, every trader who has purchased for stock or who owns property and plant inevitably makes profits. By directing hatred against this class, therefore, the European Governments are carrying a step further the fatal process which the subtle mind of Lenin consciously conceived.[10]

Thus we find the German government actively appealing to the lowest human emotions of jealousy, envy, and greed in order

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Footnotes at end of article.

to hide its own responsibility for the economic disruption. And inevitably this was to play right into the hands of demagogues like Adolf Hitler. It is no coincidence that he made his first bid for power at the height of the inflation; in the beerhall putsch of November 8, 1923. Historians and economists, therefore, are in general agreement that the inflation can be given much credit for the rise of Hitler. For although he did not come to actual power for another decade, the put-down of the putsch supplied the Nazis with many martyrs to aggrieve, and it was during his subsequent prison term that Hitler wrote *Mein Kampf*. Thus, as early as 1937, Lionel Robbins could declare emphatically that "Hitler is the foster-child of the inflation."[11]

THE CURRENT PROBLEM

All this is not to say that we can except another Hitler here in the United States. But, to this very day, the origin of inflation is still the same: government deficits financed through monetization. For too many years, the American government has believed that it can have occasional wars and an expensive social program at home and pay for it all by simply increasing the debt limit. Today we are discovering that there really is a limit to debt. The double-digit inflation we are experiencing is therefore only a logical consequence of past policies. And if we want to stop it, the solution is the same as it was in 1923. The government must learn to live within its means and halt its abuse of the power to issue currency. The failure to do so may be catastrophic, just as it was for Germany.

FOOTNOTES

[*] Mr. Bartlett is a graduate student in history at Georgetown University.

[1] Thomas Mann, "Inflation: The Witches' Sabbath," *Encounter* (February, 1975), p. 63. This lecture was originally given in 1942.

[2] Ludwig von Mises, *The Theory of Money and Credit* (New Haven: Yale University Press, 1953) pp. 418–419. This book was written in 1913 and Mises used the word inflation to mean an increase in the quantity of money; see p. 240.

[3] Michael A. Heilperin, *Aspects of the Pathology of Money* (London: Michael Joseph, 1968) p. 143.

[4] Frank D. Graham, *Exchange, Prices, and Production in Hyperinflation: Germany, 1920–1923* (Princeton: Princeton University Press, 1930) p. 67.

[5] *The Nightmare German Inflation* (Princeton, N.J.: Scientific Market Analysis, 1970) p. 2.

[6] Dr. Hjalmar Schacht, *The Stabilization of the Mark* (London: George Allen & Unwin, 1927) p. 55.

[7] Costantino Bresciani-Turroni, *The Economics of Inflation* (London: George Allen & Unwin, 1937) p. 93.

[8] Mann, *op. cit.*, p. 61.

[9] See the interview with Stinnes in Fritz K. Ringer, ed., *The German Inflation of 1923* (New York: Oxford University Press, 1969) pp. 90–93.

[10] John Maynard Keynes, *The Economic Consequences of the Peace* (New York: Harcourt, Brace and Howe, 1920) pp. 235–237.

[11] Forward to Bresciani-Turroni, *op. cit.*, p. 5 He had expressed the same idea even earlier in his *The Great Depression* (London: Macmillan, 1934) p. 57: "The Nazi propaganda, hitherto confined to the worst elements of the ex-military and excriminal classes and to a handful of the less responsible students, was beginning to make itself felt in high politics. The German middle classes, bereft of their property during the inflation, their minds besodden with the turgid anti-rationalism which in that part of the world has for many decades passed as profundity, were apt soil for such teaching."

HOUSE WAS HONORED BY A VISIT FROM PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. KRUEGER. Mr. Speaker, I am extremely pleased that this House was honored today by the visit of the distinguished President of the Federal Republic of Germany, Walter Scheel. He has given this Congress an eloquent address. The very fluency of his expression reminds us of our tendency in this country toward linguistic isolation and reminds us as well of the rigor of European education which presupposes that it is worthwhile to learn the languages of those who live around us.

I wonder if any American President since Woodrow Wilson could have spoken with comparable fluency in German, and I hope that we in this Nation will increasingly recognize the richness of our own cultural origins, and the need to keep in touch with the cultural roots from which we draw much of our strength.

German culture has been an immensely rich influence upon Western civilization. From the classic intricacies of Bach to the powerful statements of Beethoven and the avant-garde 12-tone scale of Schoenberg, incomparable music has been a hallmark of the German experience. Equally rich has been the German contribution in philosophy and literature with such major intellects as Kant, Hegel, Heidegger, Goethe, Schiller, Rilke, and Mann. Moreover, German art, architecture and films often have charted new paths for the western intellectual community. In this atomic age, we are only beginning to realize the scientific potential glimpsed by Albert Einstein's genius.

In politics and economic development, the German people have been equally innovative. At home, German ingenuity and industriousness has created one of the most prosperous democracies in Europe. Abroad, Germany has played a major role in the development of the Common Market, that unique experiment in European cooperation, and has been a valued ally in NATO.

That same spirit of innovation and industry, of pride in a rich cultural heritage, exists among those of German descent who live in San Antonio and my native Texas hill country.

It is of some interest that there are many communities in Texas today where German is still spoken, and indeed many of us who come from those areas grew up speaking German rather than English at home. In the aftermath of the political turmoil of mid-19th century Europe, German immigrants began to settle in Texas. Their descendants have maintained a close-knit community based upon a common cultural heritage.

President Scheel's address today not only reminds us of the many cultural and economic ties which Americans have with Germany, but reminds us also of the fact that the efforts of our Nation after the Second World War to help rebuild Europe were not lost. They proved to be one of the best investments in industrial strength and in political freedom that this Nation has ever made. If we compare the results of the $12 billion spent for the Marshall plan with the $150 billion spent in South Vietnam, we have a clear indication of actions that do, and do not, contribute to sound foreign policy. Europe has not forgotten the Marshall Plan, and it would serve us well to remember it as we try so hard to forget the heavy costs to this Nation and to others of our Southeast Asian venture. The visit today of President Scheel is symbolic of the ties that we have established with Germany and our expectation that these ties will long continue.

CRIME SUBCOMMITTEE CONDUCTING REGIONAL HEARINGS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the Committee on the Judiciary will travel to the city of Denver, Colo., on June 23 to continue its series of regionalized hearings on more than 80 bills pending before the subcommittee which would amend the Gun Control Act of 1968. Thus far, the subcommittee has heard 5 days of testimony in three different cities: Chicago, Ill., April 14–15; Detroit, Mich., June 9–10; and Cleveland, Ohio, June 16.

In Denver, besides seeking to satisfy the general objectives I have announced previously, the subcommittee will focus its attention on an issue which is critical to the current debate on gun control: The role of the handgun in sporting, recreational, and leisure-time activities. To that end, the subcommittee will hear testimony from handgun hunters from all parts of the country, skilled handgun target shooters, and representatives of rifle and pistol associations from the States of Arizona, Colorado, North Dakota, and Oregon.

Continuing its survey of the effectiveness of administration and enforcement of the Gun Control Act of 1968, the subcommittee will hear from Billy L. Gaunt and John G. Krogman, the regional directors of the Southwest and Western regions, respectively, of the Bureau of Alcohol, Tobacco, and Firearms, U.S. Department of the Treasury.

In addition, the subcommittee hopes to explore the limits of gun control debate from the western perspective. Representatives of the city of Colorado Springs, a growing city with increasingly urban problems, and citizens and groups from Nebraska and California will appear to express their views on this important matter.

Those who wish to testify or submit a statement for the record should address their requests to the Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

NEW YORK CITY CHILD CARE SYSTEM CONDEMNED IN MAJOR NEWSPAPER EXPOSÉ

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. BIAGGI. Mr. Speaker, recently the New York Daily News completed a major seven part investigative series looking into the multimillion dollar child care system in the city of New York. A team of investigators headed up by William Heffernan and Stewart Ain sought to find out how this business has flourished without achieving its prescribed goal of providing permanent homes for the 26,000 children in New York City who are considered homeless through either abandonment or being orphans.

In this opening report, the News seeks to provide an overview of the present system and its many problems. It paints a scathing picture of a big business flourishing at the expense of the children they are supposed to be helping. The report cites cases of homes with hundreds of children none of whom was referred to permanent homes, including one home which in its entire 84 years history never placed a child in an adoptive home. This article also tells of cases of abuse and neglect of children.

This article also points a finger at the New York City government which provides no effective checks on these homes to insure they are achieving their prescribed purposes, even though they pay an estimated $200 million a year to these private agencies.

Mr. Speaker, at this point in the Record I would like to insert part I of this excellent series entitled, "City Child Care Big Money and Little Victims." The remaining six parts along with my recommendation for Federal action will follow in succeeding days.

The article follows:

Big Money, Little Victims—Kids in City Care Denied Homes

(By William Heffernan and Stewart Ain)

(First of a series)

(Three months ago, a team of News reporters working under Assistant City Editor William Federici set out to investigate this city's multimillion-dollar child-care system. The findings are presented in this series. In some instances, to protect the privacy of children and employes in the system, names are withheld.)

There are 26,000 homeless children in New York City who have become the victims of a child-care business with assets of $300 million.

These children are wards of the city and state. They are the unwanted and the orphaned—children for whom permanent homes are supposedly being sought.

Yet, an investigation by The News has found that the vast majority of these children are being placed in private child-care agencies that regularly deny them that opportunity to gain a permanent home.

Most, in fact, remain locked in foster care for years—many for the balance of their adolescent lives, while the private agencies to which they are assigned collect millions of tax dollars each year for their maintenance.

Under their contracts with the city, the agencies are expected to care for the children while they attempt to rehabilitate their parents. If rehabilitation fails, or if the parents have died or simply disappeared, the agencies are expected to find adoptive homes for the children.

But The News has found that a large number of these private agencies deliberately keep children off the adoption market, and a vast majority of them make little or no effort to rehabilitate natural parents to whom some children might be returned.

These practices allow the agencies to keep children in long-term care and to maintain a high level of child-care payments from the city.

The interest in finding adoptive homes is so low that 47 of the city's 77 private agencies offer no adoption services at all.

Human Resources Administrator James R. Dumpson, who has ultimate responsibility for city children in care, openly admits that the child-care system "as presently constituted fails to function in the best interests of many children."

The problems uncovered included evidence that:

Children in foster care are often abused, beaten, neglected and sexually molested.

Neither the city nor private agencies check the backgrounds of foster parents for possible criminal or child-abuse records before placing children in foster homes.

Many child-care agencies, despite claims of poverty, actually have vast resources and investments.

These same agencies often skimp on food and clothing for children in their institutions and in support payments to foster parents.

Some agencies falsify records to obtain city payments for children no longer in care.

The city, despite the fact that it pays $200 million a year to private agencies, makes little effort to determine how children are being cared for or how the money paid is being spent.

Several child-care experts charged that many children were being denied adoptive homes so that the agencies involved could collect the highest amount possible from the city and thereby assure their own existence.

City statistics tend to support that view by showing that in 1974 only 3% of the children ever found their way into adoptive homes. Some examples:

Greer, A Children's Community. This agency at Millbrook showed no adoptions in 1974 with 326 children in care.

The Speedwell Services for Children, Inc. A Manhattan-based outfit, it had 4 adoptions in 1974 out of 577 children.

Cardinal McCloskey School and Home. This White Plains agency reported 5 adoptions in 1974 out of 495 children.

St. Vincent's Hall. A Brooklyn institution, it listed one adoption in 1974 out of 725 children in care.

CHARITABLE ORGANIZATIONS

City statistics also showed that those same four agencies received more than $6 million in 1974, as part of the city's effort to find permanent homes for the children.

Spokesmen for the city's 77 private child-care agencies, all of which are chartered as charitable organizations, insist that no child is being denied an adoptive home so agencies can maintain a higher level of city child-care payments.

They concede, however, that any sharp decrease in the number of children and the subsequent loss in revenue could force many in their care, and the corresponding agencies to go out of business or dip heavily into their own resources.

Under the city's present payment method, private agencies are reimbursed for their child-care expenses on a per-day-per-child basis. Once a child leaves the agency that per diem reimbursement ends.

CAN'T CONTROL STAY

When asked about the long periods many children spend in foster care, Joseph Gavrin, executive director of the New York State Council of Voluntary Child Care Agencies—which represents 72 of the city's private agencies—said the length of time spent in care was beyond the control of the agencies.

Gavrin said that the legalization of abortion, widespread use of the pill and legislation allowing social-service payments to unwed mothers had drastically reduced the number of babies entering care in the last five years.

He said that the average age of individuals in child care now stood at 7 and that private agencies "have experienced great difficulty finding adoptive parents for these older children."

Gavrin said the private agencies were attempting to rehabilitate the parents of many of the children so those children could be returned home. "And the agencies are making every effort to find adoptive homes for children whose families cannot be rehabilitated," he said.

STATEMENTS CONTRADICTED

Gavrin's statements were contradicted by caseworkers employed in numerous private agencies and by officials of the city's Division of Children Services.

The caseworkers said agencies repeatedly discourage couples seeking to adopt a child, often by simply claiming the child cannot be adopted because it is "too fond of its foster parents."

These child-care workers also charged that agencies made little effort to rehabilitate natural parents, but that they often used supposed rehabilitation as an excuse not to make a child available for adoption.

"Some of the parents they claim they're rehabilitating haven't been heard from in years," one caseworker said.

CONCEDES JOB IS POOR

Carol Parry, who heads the city's Division of Children Services, which has over-all responsibility, said efforts to rehabilitate natural parents were "almost nonexistent in some agencies" and that the vast majority of agencies were "doing a very poor job in this area."

Ms. Parry said that the city had been attempting to force agencies to increase those rehabilitative efforts. "But most agencies insist they cannot afford to provide those services under the city's current rate of reimbursement," she added.

City payments to child-care agencies presently cover from 90 to 95% of all agency costs.

Ms. Parry said that state statistics "speak for themselves about agency adoption efforts."

Those statistics show that the 26,000 city children who were under the control of private agencies here last year constituted 60% of all children in care throughout the state.

PUBLIC AGENCIES DO BETTER

These same statistics also show that the city's private agencies accounted for only 31% of the state's adoptions during that period.

Public agencies, which controlled only 40% of those children, accounted for 69% of all adoptions.

Ms. Parry's boss, Human Resources Administrator Dumpson, said the city was now attempting to force all private agencies to sign new contracts. He said a basic tenet of those contracts would be a child's right to a permanent home and the agencies' responsibility to work in that direction.

Referring to that basic concept of permanency, Dumpson said the city "has met a great deal of resistance from the agencies on this question. We want them to be accountable for the permanency of these children," he added. "But they want accountability on their own terms."

CITY'S AIM

Dumpson said the city's view of permanency was the speedy return of a child to its natural home, whenever possible.

Should that prove impossible, "adoption should be the next step taken by the agency. Long-term foster care is not a desirable way of life in our view," he adedd. "Our objective is to find permanent homes for these children, not to allow them to grow up in foster care."

Asked if that objective was being met at present, Dumpson said, "It is not."

A different view was given by Msgr. Robert Arpie, director of child care for Catholic Charities of the Archdiocese of New York, which oversees 22 private agencies and 9,500 children in their care.

Arpie said children in care were faced with the simple problem that they cannot live with their natural parents.

"Foster care is a treatment of that problem", Msgr. Arpie said. "Adoption is just another treatment of that same problem. By using foster care, we have a way of providing permanent care while trying to rehabilitate a child's family.

"Only when that proves totally impossible should we then use adoption as a solution," Msgr. Arpie said. "And, in deciding that, we must do so with the full realization that some kids are better off in permanent foster care. They have a right to permanent foster care."

CITY'S VIEW CONTRADICTED

That view, child-care experts say, parallels the position followed by most private agencies. It also totally contradicts the city contract.

Many child-care experts claim, however, that maintaining children in foster care has more to do with agency economics than the belief that foster care is best for the child.

That accusation is supported by a recent study commissioned by the Edwin Gould Foundation for Children, which is the parent organization of a private agency, the Edwin Gould Services for Children.

The report states flatly that "many children remain in foster care since agencies are unable to afford the adoption effort."

FEE NOT HIGH ENOUGH

Intended to encourage the city to increase its flat payment to agencies when a child is adopted, the report added that the city's failure to increase that amount produced "discouragement and even constraint" on the part of agencies when it came to adoption.

"The main reason for the lack of increased adoptions," the study states, "is that the reimbursement fee is still not high enough. This fee level motivates many agencies to retain children in foster care rather than place them in adoptive homes."

That "motivation" is also shown by the fact that the majority of the city's 77 private agencies offer no adoption services at all. They are expected, however, to find adoptive homes through other agencies that have adoption services or through the state Adoption Exchange, but few make that effort.

One example of a lack of adoptive effort was discovered at the Ottilie Home for Children in Jamaica, Queens.

That agency has never placed a child in an adoptive home in its 84-year history. It has never, in fact, made a child legally free for adoption, even though a number of the children in its care have been orphans.

PROCEDURE A MYSTERY

Caseworkers point out that Ottilie is not unique among the city's private agencies. They say many agencies have placed so few children for adoption that their employes do not even know the procedure to be followed.

These agencies, the caseworkers add, also consistently fail to make children legally free for adoption—a court procedure that must be undertaken before a child can be adopted.

It is estimated by several experts that more than half the children now in care could be legally freed for adoption.

Yet state statistics show that only 2,026 children are presently legally free and the agencies admit they have no knowledge of how many in their care could be freed.

MUST BE FREED LEGALLY

Unless a child is legally freed, it cannot even be listed on the New York State Adoption Exchange, a listing from which all agencies, public and private, can draw children for adoption.

But some agencies even appear to thwart adoption of children who are legally freed and listed on the exchange.

State records show that of the 2,026 children listed on the exchange last year, 55%, or 1,113 children, were labeled as being either "permanently not placeable" or "temporarily not placeable" by the agencies that listed them.

Only 913 of the children placed on the exchange were listed as ready for placement in adoptive homes.

In many cases, the agencies explained that the children listed as "permanently not placeable" had been labeled as such because they were "too close to their foster parents" and therefore should not be adopted.

WOULD NOT BE CONSIDERED

When questioned about this "permanently not placeable" category, one official in the city's Division of Children Services explained that any child so labeled "would simply never be considered for adoption."

The official, who asked not to be identified, said other adoptive services would ignore a child so labeled.

"An agency that lists a child that way can be sure the child will never be taken out of its care," the official said. "They have that child, along with the money for its care, for the balance of its adolescent life."

The official added that some private agencies were working in the best interests of children in their care, but that the majority "are simply hanging on to these kids as long as they can."

MARY E. BRIERLEY

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. KETCHUM. Mr. Speaker, I am honored to call to the attention of those assembled the accomplishments of one of Kern County, Calif., leading ladies.

Mary E. Brierley, who has dedicated the last 25 years of her life to the education of elementary school children in McFarland, Calif., is to retire soon. She leaves behind here a career of solid accomplishments, and takes with her a reputation for being among the county's top educators.

A product of the McFarland schools, she holds a bachelor of education degree from the University of California at Los Angeles. A substantial member of the community in her own right, Mrs. Brierley has contributed mightily to a good many school and social events. She has been active in Cub Scouts, and served as a Sunday School teacher for many years. Her achievements in the Parent-Teacher Association are many.

Her presence will be missed by a great many educators and parents in McFarland who have counted on her sympathetic understanding of the problems of elementary students, and on her broadly based experience in nurturing their better qualities.

Earlier this year, I was honored to pay tribute to Mary's husband, Wallace Brierley, before this body. I know that my colleagues will again join me in congratulating the Brierleys, and especially Mary today, for her excellent achievements.

FEDERAL ELECTION CAMPAIGN ACT APPROPRIATION AUTHORIZATION

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ARMSTRONG. Mr. Speaker, earlier today the managers of H.R. 7950, a bill to extend the authorization of appropriations for the Federal Election Commission for fiscal years 1976 and 1977, sought unanimous consent for immediate consideration of the bill.

The gentleman from Pennsylvania (Mr. DENT), the gentleman from California (Mr. WIGGINS), and the gentleman from Minnesota presented persuasive reasons for recommending such an unusual procedure. However, despite my high regard for these distinguished Members, I was constrained to object to the unanimous-consent request for reasons which I explained to the House at the time.

Subsequently I have sought the advice of the Parliamentarian and have been advised of the procedures under which H.R. 7950 would come to the floor if a similar unanimous-consent request were later granted. I am told that no time would be available for general debate, but any Member of the House could obtain time for discussion of the bill by offering a pro forma amendment. Similarly, substantive amendments would be in order if germaine to the bill.

With that understanding I have advised the gentlemen that I will not object if they offer a similar unanimous-consent request tomorrow. I have also notified them of my intention to offer an amendment and to insert in the RECORD a discussion of the basic legislation which created the Federal Election Commission, the status of pending legal action to strike down various portions of the Federal Election Campaign Act of 1971, certain newspaper articles evaluating both the policy considerations and legal aspects of the legislation adopted last year, and the text of an amendment which I will offer together with argument in support of my amendment.

1974 LEGISLATION

During the waning days of the 93d Congress, the Congress enacted well-intentioned, but ill-conceived legislation which attempted to respond to the rising public clamour to clean up election campaigns.

Unfortunately the legislation which was adopted failed to correct, or even to consider, serious abuses revealed during the Watergate investigation. Campaign spying, espionage, the so-called "dirty tricks" were not outlawed by the legislation nor has Congress given further consideration to these concerns.

More seriously, however, the legislation set the stage for new and even worse abuses and established procedures which violate the spirit and, I believe, the letter of the Constitution. These constitutional violations are not, mere technical transgressions. This legislation tramples on the most cherished individual prerogatives guaranteed by the Bill of Rights.

In preparation for consideration of H.R. 7950, I urge my colleagues to review the RECORD of last year's debate on this issue.

For convenience of the members I insert at this point in the RECORD a summary of the arguments against the bill which I presented at that time:

CAMPAIGN REFORM GAG RULE DENOUNCED

TUESDAY, AUGUST 6, 1974

Mr. ARMSTRONG. Mr. Speaker, for several weeks there has been a rumor the House Rules Committee would recommend a gag rule for debate of the campaign reform bill.

Frankly, I have not paid much attention to such rumors until now. Obviously, a gag rule, or a "modified' rule as it has been elegantly described, is so blatantly and highhandedly out of tune with the times that I did not believe the committee would do it. But yesterday the rumors came true.

Just imagine the gall of the committee in using such tactics to ram through a bill which supposedly will clean up politics and bring about fair play in campaigning.

On a straight party line vote, the Rules Committee approved a ruling which will make it impossible to fully debate the merits of the bill and to offer needed amendments.

Let me call attention to some of the many amendments which will not be in order—which cannot even be offered in debate tomorrow—if the Rules Committee proposal is approved by the full House.

Some provisions of the bill are probably unconstitutional. For example, portions of the bill which limit campaign spending by persons other than candidates are strikingly similar to sections of the present law which a New York court recently struck down as violating first amendment freedoms—American Civil Liberties against Jennings.

Although this case was decided on fairly narrow legal grounds, and is presently under appeal, the basic principle is clear to me: the idea of giving candidates a veto power over the right of other persons to express their opinion is totally inconsistent with American traditions.

I do not want to argue the legal issues involved. But from a purely commonsense standpoint the anti-free-speech, anti-free-press provisions of this bill are directly in violation of the spirit and intent of the first amendment of the U.S. Constitution, in my opinion.

The rule proposed by the committee will not even permit the House to consider the issue.

Nor will loophole-closing amendments be permitted if the proposed rule is adopted. The bill purports to limit campaign contributions, but it ignores the so-called in-kind contributions of personal services, food, automobiles, planes, storefronts, and other goods and services. In fact, the bill creates new exceptions to existing definitions of such contributions and expenditures.

Nor does the proposed rule permit amendments aimed at specific abuses uncovered in the Watergate investigations; campaign dirty tricks, espionage, and so on. These abuses are probably far more in need of reform than the self-serving * * *

Mr. Speaker, this is not a time for partisanship. I have therefore withheld, at least for the time being, comment about the partisan considerations which are apparent in the handling of this legislation in the House Administration Committee and before the Rules Committee. I have done so in the hope that Members of both parties will rise above strictly partisan considerations and vote against this gag rule. Let us have a free and open debate of the bill on its merits, permit amendments to be offered and vote them up or down so that legislation can be judged accordingly. To do otherwise—to bring so-called reform legislation to the floor under such a rotten rule—is a travesty.

I, therefore, hope all Members will join me in voting against the previous question when the proposed rule is presented. If we can defeat the question, it will then be possible to amend the rule and give the House full opportunity for amendment and consideration of this legislation.

AUGUST 7, 1974

Mr. ARMSTRONG. Mr. Speaker, I thank the gentleman from Nebraska for yielding this time to me.

I commend the gentleman from Nebraska for his leadership in this matter in drawing the attention of the House to the serious shortcomings of this rule. I also particularly commend the gentleman from Illinois (Mr. ANDERSON), who has underscored so vividly the reasons of principle and conscience why this rule must be defeated. He has pointed out, and I think we all know, the moral implications of bringing this bill to the House floor for consideration under an antireform rule.

The very idea of bringing an election reform bill to the floor of the Congress of the United States under a closed rule is absurd, and it would be laughable if it were not tragic.

Mr. Speaker, I want to say a word about some needed amendments which will be precluded unless we vote down the previous question so an amendment providing for an open rule can be adopted.

Let me call attention of the Members to provisions of this bill as it is now written which give to candidates for public office a veto power over the rights of publication and speech of other persons. The language contained in this bill is strikingly similar to that which was held by a New York court to be unconstitutional just a few months ago. It is not my purpose to argue the legal considerations, but I just do not see how we can give that kind of a veto power to any person over the free speech and publication rights of another person without violating the first amendment of the Constitution.

I think we ought to have an amendment to strike that provision out of the bill. The Committee of the Whole ought to be entitled to take this matter up under debate and vote on an amendment which would be proposed on that portion of the bill.

Second, I want to point out this bill does not deal effectively with in kind contributions. It does not close the existing loopholes; it opens up new loopholes, not only as to limitation but also as to reporting.

Third, Mr. Speaker, I want to respond to the chairman of the committee, the gentleman from Ohio (Mr. HAYS), who has mentioned Watergate. One of the most serious shortcomings of this piece of legislation is that it fails to take into account the abuses revealed by the Watergate investigation. This rule would not make in order, amendments to the bill which would be offered by the gentleman from California (Mr. DEL CLAWSON) and others aimed at outlawing specific Watergate types of abuse. I refer to campaign spying, and espionage, and that kind of thing. In my judgment, these are far more in need of legislative attentive than other aspects of the bill that comes before us.

Let me say to the Members of the House that worthwhile amendments will be proposed; let them be considered and vote them up or down on their merits. I urge my colleagues to vote down the previous questions so that the Members of this body can exercise their prerogatives and have free and open debate on the bill and its amendments.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

AUGUST 8, 1974

Mr. ARMSTRONG. Mr. Chairman, this bill has been brought to us under the theory that "if we keep them panting long enough, for reform, they will take anything that is called reform." But this is not a reform bill.

In the very first instance, it comes to us under a gag rule, under a rule that is a throwback to the worst traditions of the House, a rule that does not permit consideration of needed amendments, a rule which does not permit the Members of this body to really legislate but only to decide within a very narrow range among choices of predigested amendments, a rule which I feel deeply is violative of the basic rights of the Members of this House and of our constituents.

But, more important than the rule, is the substance of the bill itself. And this bill does not fulfill the longing of the American people for reform. Under the guise of reform this bill reintroduces into law antifree-speech provisions, provisions which give candidates for public office veto power over other persons' rights of free speech and publication, a matter which was discussed at some length in yesterday's RECORD at pages 27213 and 27229.

Moreover, the provisions of this bill, particularly those on page 6, are vague and are going to be subject to endless litigation.

Further, this bill introduces new loopholes. It is not enough that it fails to come to grips with existing loopholes in the law; this bill creates new loopholes.

This bill ignores serious abuses which have been discovered during the Watergate investigation. It does not do anything about the Watergate type of abuses, espionage and so-called dirty tricks.

Mr. Chairman, this bill purports to cut back on contributions, but it only limits and calls for the reporting of one kind of contribution, dollar contribution. The often more important, usually decisive, contributions in kind—the donation of storefronts, of goods and services, of personnel coming in from out of State, are not curtailed in this bill.

This legislation introduces public financing of nominating conventions, a procedure which is no reform but is nothing more nor less than a raid on the public treasury.

Finally, we all know—and I think most of us know in our hearts—this is a sweet-heart incumbent bill. This is a bill which is going to make it harder than ever to defeat an incumbent of either party. It sets the kind of limits that makes it almost impossible for an unknown to become known and thereby heightens existing advantages which incumbents enjoy.

In view of the overall poor record of the Congress of the United States, it seems to me the last thing we need to do is to give further advantages to the incumbent Members of Congress. Let us defeat this bill and get on to some true reform which is so badly needed.

Mr. Speaker, I now feel even more strongly that the legislation which has been adopted and for which funds are sought is most unwise. But I am satisfied the Supreme Court will soon resolve my primary concerns by declaring major portions of the bill unconstitutional.

Therefore, my only purpose at this time is to call attention of the House to a single issue—the possible unconstitutionality of the Commission itself, which we have already funded and for which we are now asked to authorize an additional $7,788,000.

LEGAL BRIEFS

In tomorrow's Record, I will submit the complaint of the Honorable James L. Buckley, a U.S. Senator from New York; the Honorable Eugene J. McCarthy, a former Member of the U.S. Senate from the State of Minnesota; the Honorable William A. Steiger, our colleague from Wisconsin; Mr. Stewart A. Mott of New York; Committee for a Constitutional Presidency; the Conservative Party of the State of New York; the New York Civil Liberties Union, Inc.; the American Conservative Union; and Human Events, Inc., in their suit against the Honorable Francis R. Valeo, Secretary of the Senate; the Honorable Pat Jennings, Clerk of the House, et al.

The plaintiffs seek to overturn the campaign law because of constitutional defects in the Federal Election Campaign Act Amendments of 1974. Among the serious issues raised is the contention that FECA violates the constitutional rights of the plaintiffs in that the method of appointment of the Federal Election Commission violates the constitutional separation of powers and violates the Due Process Clause of the Fifth Amendment of the Constitution.

I will also insert in the Record the brief submitted by the Attorney General which, in effect, agrees with the plaintiff's argument on this point.

In fairness, I should point out that I have been advised that the Attorney General has subsequently written a letter which to some degree softens the position taken in his brief. I regret that this letter is not available to me at this time.

I should also acknowledge that the material which I am submitting for the Record is not intended to be a balanced discussion of the legal issues. Obviously, it is a one-sided presentation. However, my purpose is only to show that serious legal doubt has been cast on the validity of the Federal Election Commission.

PROPOSED AMENDMENT

Under the circumstances, it would seem only wise to limit the pending authorization to a term which would bring this issue back before the House soon after the expected decision of the Supreme Court.

I therefore plan to offer the following amendment:

Amend H.R. 7950 as follows: On page 1, strike all of lines 7, 8, and 9 and insert in lieu therefor the following:

"exceed $2,594,000 for the period ending December 31, 1975."

And on page 2, strike all of lines 1 and 2.

While I am opposed to much of the basic intent and purpose of the law which the Federal Election Commission administers, my amendment recognizes that the Commission and its statute deserve the presumption of validity until struck down by the Court.

My amendment will permit the Commission to go forward with its work in an orderly and timely manner and, indeed, even under my amendment the Commission will be permitted to spend at a far higher rate than any previously authorized election campaign supervisory authority. My amendment virtually adopts the suggested rate of spending contained in the committee bill but reduces it according to the proposed shortened term of the authorization.

I urge my colleagues to adopt this amendment.

THE CORPORATE CITIZENSHIP AND COMPETITION ACT

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. JAMES V. STANTON. Mr. Speaker, many people around the country who are concerned about our current economic problems have expressed an interest in H.R. 7481, the Corporate Citizenship and Competition Act, which I introduced on May 22 of this year.

The State of Delaware, because of its lenient corporation laws, is known as the "corporation capital of the world." Judith Roales of the Delaware State News has written an informative article about Delaware's incorporation business and the Corporate Citizenship and Competition Act.

I include it to be printed in the Record, and recommed it to my colleagues' attention:

Delaware, Inc.—Feds Want a Slice of State's Incorporation Pie

(By Judith Roales)

Washington.—A bill now pending before the U.S. House of Representatives could wipe out Delaware as the "corporation capital of the world" and cost the State $52 million annually.

Known as the Corporate Citizenship and Competion Act, the bill introduced late last month by U.S. Rep. James V. Stanton, D-Ohio, would put the Federal Government into the corporation business that has made Delaware famous.

Stanton has attacked Delaware for its public policy of maintaining relaxed fairness standards that are favorable to management and of making judicial decisions on the basis of a desire to continue its incorporation business.

"What's in for Delaware?" Stanton asked on the House floor recently.

"The answer," he told his colleagues, "is money.

"The state derives about one-fourth of its income from corporation fees and franchise taxes. To attract this business—that is to say, to insure itself that an incipient corporation would not elect another State as its parent—Delaware has enacted an elaborate code of laws. Reflected in them is a permissive parent. In exchange for being supported by its progeny, Delaware will allow corporations, for example, to dispense with shareholders' meetings. A liberal policy also has been adopted with respect to payment of corporate dividends, restrictions on sales of assets, and indemnification of officers and directors," he said.

Among the nearly 82,000 firms incorporated in Delaware are 340 of the nation's largest 1,000 and one-third of those listed on the New York and American stock exchanges, according to Grover Biddle, Delaware's assistant secretary of state.

These corporations have virtually no assets in Delaware other than a set of legal papers, Stanton charged.

"The fact is they would be reduced to pygmies, if not ashes, if they were to confine their operations to that single state," he said.

So is it sensible, he argued, to have Delaware setting standards that control the United States as a whole?

The author claims his bill would not substitute federal corporation charters for state ones, but would require the nation's largest businesses—"supercorporations," he calls them—to also have federal charters.

Federal chartering would zero in on industries where there is a concentration of power in too few corporations or where there is a lack of real business rivalry, Stanton claimed.

The purpose of federal chartering would be to restore competition in the marketplace, he said.

But Biddle sees other consequences.

Strict federal requirements for disclosure of stock ownership, product line reports, debt structure and federal income taxes will negate the benefit of incorporating in Delaware in order to avoid making such data public.

The drop in incorporations in Delaware could ruin the business that pays for 15 percent of the state's expenses, Biddle said.

As head of the Delaware Division of Corporations, he also opposes the Stanton bill "on the principle that I've never seen anything like that work at the federal level."

"Delaware has a smooth department, established law, and the state and Bar are working together," he added.

Stanton said federal incorporating has been made necessary by the poor performance of trust busters and the obsolete legal weapons available to them.

Supercorporations that dwarf the states which created them have been allowed to manipulate pricing and employment, pollute the atmosphere and wipe out competition by mergers.

He cited reports which show that large corporations set profit goals for themselves then fluctuate production and pricing to meet these goals instead of market demands.

For example, he pointed out, between 1953 and 1968 the DuPont Co. set a target rate of return of 20 percent and realized 22 percent.

Stanton's bill would require the Federal Corporate Chartering Commission, which it creates, to begin immediate reorganization of the biggest corporate offenders—auto, oil and steel industries—into the largest possible number of competing firms with little verticle integration and ample opportunity for new corporations to enter the field.

As reorganization or those industries progresses, under the Stanton bill, Congress could designate other targets for action by the commission.

According to a Stanton aide, the bill breaks new ground by making Congress the jury which decides that certain anticompetitive industries are illegal per se and dictates what changes should be made.

Stanton, who staff members identify as "a practical politician," knows the bill is an idea whose time has not yet come, the aide said.

"But if it has any chance at all, it has it in this climate," he added.

Any far-reaching reform takes years of

building a record, he pointed out, and now is the time to get started.

The bill would require disclosure of how much profit companies make on individual products so the commission could determine if monopoly profits gained on one line were being used to underwrite below-cost selling in another line merely to drive out the competition.

Quantitative data about sales would be required to indicate how much of the market had been cornered by individual corporations.

Stock ownership reports would be required in order to identify holdings in competing companies, and it would be illegal for any officer or director of a federal corporation to serve simultaneously for any other corporation of any financial institution.

Supercorporations would also be required to make public their federal income tax returns on the theory that publication of their small tax payments and the methods they use to avoid taxes would inhibit corporations from trying to squeeze through every loophole they find.

Not only would all the required information be "available" to the public under Stanton's bill, but the commission would be charged with actively seeing that the information gets wide exposure in the press.

Corporate officials would be personally liable for violations under the law and could be assessed fines of up to $1,000 a day which the corporation would be prohibited from paying for them or reimbursing.

The corporations would be liable for fines of up to $10,000 a day for violations.

DAVID KOWARSKI—WINNER OF THREE AWARDS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. LONG of Maryland. Mr. Speaker, it gives me great pleasure to bring to the attention of my colleagues the outstanding achievement of a Baltimore County senior high school student from my district Mr. David Kowarski. David won three awards from the Internation Science and Engineering Fair. Not only did he win first prize in the U.S. Department of Agriculture division, he also was awarded fourth place in the medicine and health competition and honorable mention in the American pathology division.

David did his research in bioradioimmunoassays using the facilities of the Johns Hopkins University of Baltimore.

This is a relatively new field and the knowledge that David has made available will, I am sure, be valuable to researchers in this area.

It is certainly reassuring to know that there are students such as David who are hardworking and bright and who are dedicating their time toward the improvement of medical knowledge.

I offer my sincerest congratulations to David and his parents, Dr. and Mrs. Allen Kowarski, and I wish David the best of luck as he continues his research at Harvard University this fall.

MEANINGFUL PROPOSALS FOR ALLEVIATING ENERGY SUPPLY PROBLEMS

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. HORTON. Mr. Speaker, the President last Friday announced the acceptance of proposals by his Labor and Management Committee concerning energy. These proposals include actions which are aimed directly at practical, meaningful, and significant contributions to our domestic energy supplies. The actions have as their objectives the construction of more coal-fired and nuclear electrical generating capacity at an accelerated rate. These are the only two significant energy sources which are domestically available without any dependence on foreign resources—neither technological nor material.

At the conclusion of my remarks, I would like to include the President's statement on these matters which list the proposals.

As indicated in the statement, in addition to providing major increases to our indigenous supplies of usable energy the proposals offer very important ancillary benefits. These are the provision of important jobs and industrial stimulation.

The statements follow:

STATEMENT BY THE PRESIDENT

Today, I am releasing the text of the Labor-Management Committee's recommendations for legislative and administrative measures to increase electric utility construction and output.

Having carefully reviewed these recommendations, I accept and endorse them because they can make a significant contribution in reducing the Nation's dependence on oil imports and in conserving scarce natural gas supplies.

Additionally, an expansion in electric utility construction and production will provide solid, long-range employment which will be highly beneficial to the country. An increase in electric utility capacity will also contribute significantly to economic expansion.

I will take steps promptly to create the task force the Committee recommends to tackle the problem of delays in the completion of utility plants. In view of the long lead time on construction, completion of plants now in advanced stages of planning or under construction must have top priority.

I appreciate the constructive contribution of labor and management working together. The time has come for Government to cooperate in the same spirit in addressing and resolving the Nation's problems. I thank the Committee for its continuing work and appreciate its efforts in the national interest.

(A list of the President's Labor-Management Committee members participating in the formulation of this statement and the Committee's statement on May 21, 1975, is attached.)

MEMBERS OF THE PRESIDENT'S LABOR-MANAGEMENT COMMITTEE PARTICIPATING IN THE FORMULATION OF THIS STATEMENT

LABOR

I. W. Abel, President, United Steelworkers of America.

Murray H. Finley, President, Amalgamated Clothing Workers of America.

Frank E. Fitzsimmons, President, International Brotherhood of Teamsters.

Paul Hall, President, Seafarers International Union.

Lane Kirkland, Secretary-Treasurer, AFL–CIO.

George Meany, President, AFL–CIO.

Leonard Woodcock, President, United Auto Workers.

MANAGEMENT

Stephen D. Bechtel, Jr., Chairman, Bechtel Group of Companies.

Richard C. Gerstenberg, General Motors Corporation.

John D. Harper, Chairman, Aluminum Company of America.

Reginald H. Jones, Chairman, General Electric Company.

R. Heath Larry, Vice Chairman, U.S. Steel Corporation.

Rawleigh Warner, Jr., Chairman, Mobil Oil Corporation.

Arthur M. Wood, Chairman, Sears, Roebuck & Company.

Walter B. Wriston, Chairman, First National City Bank.

ELECTRIC UTILITIES

At the end of 1974, it is estimated that electric utilities had deferred or cancelled the construction of 106 nuclear plants (114,000 megawatts) and 129 coal-fired plants (74,413 megawatts). This extensive postponement in construction schedules of coal and nuclear power plants that are needed to meet the nation's energy demands for 1980 and 1985 seriously jeopardizes our national objective of lesser dependence on imported oil. It also threatens continued economic growth, promises to restrain essential job creation and inhibits measures to reduce unemployment. Since electric utilities require a number of years to get new plants on stream, the current slippage of schedules and cancellation of new facilities may be expected to result in future energy shortages and serious restrictions to economic expansion. It is imperative that there be substantial restoration of construction of electric utilities at once. Special measures are needed to shorten significantly the very long lead time which now exists between the design of a project and its completion.

The President's Labor-Management Committe recommends a number of administrative and legislative measures to get this basic and strategic sector of the economy moving.

SPECIAL LEGISLATIVE PROPOSALS

1. The President's Labor-Management Committee earlier recommended that the investment tax credit for utilities be increased from 4 percent to 12 percent a year. The Congress increased the investment tax credit to 10 percent for a two-year period. The Committee still believes the 12 percent figure is appropriate and, in the case of electric utilities, this *credit should* be extended indefinitely and apply to construction work in progress to stimulate this vital sector which promises to present capacity problems for many years. This proposal is designed to stimulate non-oil and non-gas facilities.
2. In view of the length of time required to complete the construction of electric utility installations, the Federal government should permit depreciation for tax purposes on construction expenditures as made, provided such costs are included in the rate base.
3. The five-year, fast write-off of pollution control facilities should be extended by legislation beyond its present expiration date of December 31, 1975. The fast write-off of pollution control facilities reduces the financing costs of the construction of electric utility units. Fuel conversion costs should receive the same treatment.

4. The Nuclear-Indemnity Coverage law (Price-Anderson Act) should be extended.

5. The urgent need for equity capital in the electric utility industry should be met by a legislative provision that dividends which are reinvested in new issue common stock of the company have tax deferred.

The Committee recommends that the above legislative proposals be incorporated in a single piece of legislation in view of the special need for greater electric utility capacity and the long lead time required to complete plants and get them in operation.

ADMINISTRATIVE ACTION

The Federal government should establish a small task force of experts, with assistance drawn from labor and management with experience in the field of utility construction, to serve as troubleshooters, to discover the impediments to the completion of electric utility plants and to take steps to relieve the particular situation wherever possible. The difficulties will vary from case to case; the problems may include unreasonable environmental restrictions and delays in processing papers, financing, regulatory delay, collective bargaining disputes, production delays in component parts, scheduling of manufactured components, design issues, etc. This task force can expedite the completion of electric utility plants and getting power on stream.

IMMEDIATE IMPROVEMENT IN THE POLICIES AND ACTIONS REGARDING THE USAGE OF COAL AND NUCLEAR ENERGY

1. Coal:

a. Make a major effort toward increasing the domestic production and use of coal to generate power, including the development of economic means of moving either western low-sulphur coal, or the generated power, to the required market areas.

b. A timetable should be considered for the conversion of oil/gas fueled power plants to coal.

c. The government should reduce the uncertainties on coal usage by encouraging the development of technology to minimize pollution and environmental concerns regarding coal mining and coal use and by reducing the economic uncertainties in the mining and use of coal. This should encourage increased long-term investment in mining which in turn should stimulate employment.

2. Nuclear Energy:

a. The nation should make every effort to capitalize on the benefits of two decades and billions of dollars of public and private efforts in nuclear power development. While the initial investment costs for nuclear energy are high, it offers the cheapest form of electricity in the long run. Every effort must be made so that the percentage of electric power generation derived from nuclear sources by 1980/1985 is greatly increased from current levels. It is estimated that 10 to 15 million construction labor hours are required for each nuclear unit installed.

b. Specific government action is required in the following areas:

Promote the public acceptance of nuclear power.

Resolve the uncertainties regarding the nuclear fuel cycle, e.g., long-term nuclear waste disposal, plutonium usage, spent fuel storage and reprocessing.

Streamline the nuclear regulatory licensing process to reduce the lead time for getting plants into production. The current lead time is about 8 to 10 years.

REVIEW AND ARTICULATE THE NATIONAL ENERGY INTEREST WITH STATE REGULATORY AGENCIES

a. The Federal government needs to find an appropriate and realistic approach to get the national energy issues and interests before state regulatory agencies when they have their hearings on utility needs.

b. We must provide for prompt and reasonable action on rate applications.

c. New and innovative rate schemes, such as peak load pricing and rates designed to foster conservation, should be thoroughly studied and evaluated to determine the true impact on the various sectors of the economy.

ENVIRONMENTAL CONSIDERATIONS

Stretch out, as necessary, present environmental restrictions on energy production and use to reduce energy consumption and facilitate expansion of domestic energy output. This is basically a matter of timetables, not of objectives. The advance of technology and development of clean energy sources can permit realization of environmental objectives.

THE PLIGHT OF OUR FARMERS

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. CHAPPELL. Mr. Speaker, the long term well-being of this Nation, as well as the world, is most vitally alined with the continued successful development of our agricultural productivity.

The American farmer finds himself in a most critical and untenable position. Higher production costs are forcing many farmers from the soil and from their lifetime work. If steps are not taken at the national level to prevent mass disruption of our agricultural economy, the future well-being of America will certainly be at stake.

The discrepancy between prices received by farmers for their products and the retail prices for farm commodities is growing greater everyday. While consumers have been watching their food bills increase, our farmers ironically find their incomes falling.

We in the Congress must insure the protection of this very vulnerable and vital sector of our economy and support the surplus production of all food products so that a profitable market can still provide reasonable consumer prices.

I call to the attention of my colleagues excerpts from a letter to the Assistant Secretary of the Department of Agriculture from an exceedingly concerned farmer and one of my constituents, outlining the fearful consequences of an ill-conceived agricultural policy.

The excerpts follow:

DEAR DR. YEUTTER: I am a young farmer starting in the peanut business in 1967 at the age of 29. Nobody gave me anything. I leased and purchased allotment and land for the past eight years and it has been profitable for me and many other young farmers all over the country. Any young man with the desire can do the same thing under the present program. We know the program has done everything it was designed to do and will continue if you and Mr. Butz will leave it alone . . . Beef cattle producers will lose ten years profit and more in some cases because of the decisions and reports made by the USDA.

We are headed for the worst grain and soybean "bust" American agriculture has ever experienced . . . You cannot compare agriculture to an assembly line of auto production because of "Mother Nature" playing a big factor in success or failure of crops planted . . . We need a surplus of all food products for insurance against famine both here and abroad, and to stabilize prices so we can hold the cost of living down. The American farmer cannot, because of capital limitation, hold these surpluses so it should be a joint effort of the taxpayers in this country. America cannot afford to work from hand to mouth where food is concerned. Our economy has slowed down a bit and our GNP is down, mostly because we caught up for a short time in housing and automobile manufacturing, but we will recover from this because we have enough wealth in this country to rest "awhile" but we cannot let American agriculture go broke because of the mismanagement of the USDA.

The consumer in America has not let agriculture down. They are still eating their normal per capita consumption of beef even at higher prices. How come we are importing any beef at all into this country when our cattlemen are going broke? The consumers and taxpayers in America will be the losers when agriculture goes broke. We cannot go to the World Market for food because it is not available and if it is, it will be at exorbitant prices we cannot afford. We should have learned this from the OPEC countries during the Oil Embargo and higher price gouging we are experiencing now. We must keep American agriculture strong; it is our last strong suit to survive. Please read this and respect it because I'm really concerned about the future of American agriculture and we need to change our direction today, not after it's too late.

Sincerely,

RICHARD BARBER,
President, Marion County Farm Bureau.

TIME TO REEVALUATE BUSING

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ANDERSON of California. Mr. Speaker, I feel that the time has come for us to reevaluate what has become one of the major tools used to achieve integration in this Nation—the busing of schoolchildren.

I realize that this will not be an easy thing to do. Those who have advocated busing to achieve the integration of our school systems were motivated by principles that are noble, worthy, and certainly remain principles to which we all should ascribe. Equality in education is, and will remain, one of the major goals to which we should address ourselves.

However, we must keep in mind the fact that busing and integration are not inseparable. I have never believed busing to be a viable answer to segregated educational institutions. I also feel strongly that racial equality is not only morally right, but necessary for the future health of our Nation.

The original concept behind busing was that it would give black children a chance at better educational opportunities, and at the same time help the children, black and white, learn to live together and accept each other as equals. In a way, it saw our educational institutions as islands, where the children would be free to interact without the interference and prejudices of their parents.

Both of these concepts seemed sound at the time, but there were inherent flaws in each of them. Black children were taken from environments where educational and living facilities were often sadly lacking, and placed for half a day in a totally different environment—only to be returned after classes to the same area they had come from.

And of course the schools were not islands after all. The children went back to their homes, and were once again exposed to the influence and pressures of their parents and peers. Schools are never isolated pockets in a community, and indeed, should not be. Rather, they often reflect the nature of the community they serve, and should not be cut off from that base.

In the course of my business career, I often dealt with families about to change residence, both black and white. Their first concern most always was with the schools which their children would attend. They asked many questions.

What educational reputation does the school have? Is it nearby? Are there any dangerous street crossings to be made? These are the first questions that parents concerned with their children ask. Busing not only denies these concerns, it is in direct opposition to them.

When busing first became an issue, I polled my district and found it to be overwhelmingly opposed to busing. I also polled the black citizens I represented, and found the same sentiment—with one major difference.

Black parents did not want their children bused away from their neighborhood schools—if those schools were as good as the ones to which their children would be bused. What they wanted for their children were good schools, good teachers—good education. And they have every right to expect those things for their children.

Unfortunately, most everyone today has become so preoccupied with busing that the basic question of school improvement is often overlooked.

At this point, I would like to insert the following article from the Washington Post into the RECORD:

WANING FAITH IN BUSING

(By Clayton Fritchey)

Not surprisingly, Dr. James C. Coleman, one of the most distinguished proponents of school desegregation, is coming under fire for what, in the eyes of some civil rights leaders, seems to be a retreat.

The University of Chicago sociologist now fears that school busing—particularly cross-district, city-suburban busing—may be doing more harm than good. These views have been a shock to some liberals, for it was the celebrated 1966 Coleman Report that gave civil rights leaders much of the ammunition for their fight against segregated schools.

The Coleman Report found that the achievement level of black pupils in newly integrated schools improved slightly over pupils left in segregated classrooms. He also found that home environment played an even more significant role, but attention centered on his integration conclusions.

Dr. Coleman denies that he is now retreating. He says he still strongly favors integration but feels there should be a reassessment of the strategy for achieving it. He fears court-ordered busing for so-called racial balance is simply going to produce resegregation through the flight of whites to the suburbs.

Nathaniel Jones, legal counsel for the National Association for the Advancement of Colored People (NAACP), thinks Dr. Coleman's comment reflects waning support of civil rights by white liberals in general. He also is quoted as saying, "The academic sector is just not reliable" on civil rights.

It would be closer to the mark to say that faith in the busing strategy is also waning among black leaders, and that the doubts of academe are increasingly shared by the political community, including some of the most prominent of black officeholders.

There appears to be a growing consensus among liberals of all colors that educational opportunities for black children in their own neighborhoods should have priority over school integration based on forced busing. This is fortified by the concern that the harsh feelings aroused by forced busing threaten black progress in other vital areas.

The Gallup Poll reports that a majority of Americans still favors school integration, but few—blacks or whites—believe that busing pupils from one district to another is the best way to do it. Only 9 per cent of blacks and 4 per cent of whites favor such busing.

This attitude first surfaced a couple of years ago when the National Black Political Convention passed a resolution condemning busing that is based on the "false notion that black children are unable to learn unless they are in the same setting as white children." Instead, it said, "Blacks should be given control of schools in Negro areas, and more money should be spent there to achieve quality education." In the wake of this, the Atlanta branch of the NAACP backed a minimal classroom integration plan in return for a pledge giving blacks substantial control over school administration in Georgia's largest city. Since then, a poll showed Atlanta's blacks opposed school busing by 2 to 1. A school board member said, "I've always thought it was insulting to blacks to say that they would do better if they could just sit next to a white child at school. What we need are better schools."

Rep. Shirley Chisholm (D-N.Y.), a prominent member of the Congressional Black Caucus, says parents of children in community-controlled schools tell her that their off-spring are learning to read better, are developing a better attitude toward school and have teachers—mostly black and Puerto Rican—who are "concerned and committed to educating their children."

She says she finds it difficult "to argue with parents who for the first time have some faith in the educational process." Also, she added, some of her fellow members on the Black Caucus are having second thoughts about fighting further for forced busing.

When the Supreme Court barred the cross-district busing of school children last year in the landmark Detroit case, some liberals called it a "giant step backward," but Coleman Young, Detroit's first black mayor said, "I shed no big tears for cross-district busing. I don't think that was ever the basic issue, which is the problem of equal educational opportunities . . ."

The defection of civil rights supporters on busing has spread even to very liberal labor groups like the big New York City Municipal Workers Union, a third of whose members are black or of Hispanic origin. A poll of the union showed 63 per cent opposed to busing for integration.

One of the nation's most liberal mayors, Boston's Kevin White, has been a civil rights leader for years, but he is now saying, "I am for integration, and I am against forced busing. And they are not mutually exclusive." And so it goes.

REPORT ON TRIP TO DUBLIN—PART I

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. BIAGGI. Mr. Speaker, I am writing the first in a series of reports summarizing my recent trip to Dublin, Ireland. This trip was made at the request of the Irish National Caucus to personally investigate the reasons why the U.S. State Department had been revoking the visas of leading Irish figures seeking to gain entry into the United States.

While in Dublin I met with every major Irish figure whose visas were revoked by the State Department. I also met with Mr. Norman Singer, Chief U.S. Counsel from Belfast who had personally been involved in two revocations. My meeting with Mr. Singer provided me with no new information to make me change my original position that the State Department had been engaging in a form of censorship in their revocation actions.

By means of a brief background, the State Department relies on an archaic and seldom used provision of the Immigration and Nationality Act to deny these visa requests. The provision, section 212 (a) of the act, bars aliens from admission who advocate the overthrow of the U.S. Government by force. As I will prove in this and my subsequent reports, this argument is specious when one considers the individuals who were applying for these visas included two of the foremost architects of the truce which currently prevails in Northern Ireland.

The Subcommittee on Immigration of the House Judiciary Committee has begun hearings into this question and I hope to have the opportunity to present my findings to them so together we can determine why our State Department is engaging in these practices which seems to fly in the face of what Americans consider to be due process under the law.

My first report will deal with two interviews I held with Irish leaders whose visas were revoked by the U.S. State Department. The first individual was Mrs. Maire Drumm, vice president of Sinn Fein. This woman was actively involved in many aspects of humanitarian work in Northern Ireland, including assisting refugees who were displaced during some of the periods of violence which have occurred in Northern Ireland. She applied for a visa on four different occasions and was denied each time. Allow me to recount the circumstances behind these denials.

In 1971, after her release from internment without charge, she applied for a visitor's visa to come to America to help celebrate her 25th wedding anniversary. She was denied despite the fact that she had given U.S. authorities explicit assurances that she did not intend to engage in any political activities while in the United States.

In 1972 she reapplied and both she and her husband were turned down for reasons which were never made clear to her.

In 1973 she applied again with the hope of honoring a wedding invitation she received. In this instance she was required to submit a written statement insisting she was not going to engage in any political activities. In this case the consuls office in Dublin expressed sympathy for her request but after receiving a directive from Washington, she was once again denied.

Finally in 1974, after she had suffered a major health breakdown she was advised by several doctors in Ireland that she should attempt to go to America for recuperative purposes. After supplying both a written statement from doctors, and a statement denying any intentions to engage in political activities, she was once again denied.

She recounted to me her extreme disappointment with these refusals and the fact that she was extremely disillusioned with our Nation and our claims to be the vanguard of democracy. I tend to agree with her and it is my hope that the Congress will give this matter its close attention to determine if the State Department is engaging in selective arbitrary action against the Irish community.

Another individual I interviewed was Sean Keenan another high ranking official of Sinn Fein who recounted his difficulties in obtaining a visa to visit friends and relatives in the United States. In his case each time he requested a visa he was forced to go through a lengthy discussion with American officials about his activities in Northern Ireland, although he was requesting a visa for either speaking engagements or personal reasons. While he did not endure the hardships of many of his other Irish friends, in the two instances when he did receive a visa, he was only granted a one-entry visa. In 1973 and again in January of 1974 he was denied outright on the grounds that his visit "would be prejudicial to the best interests of this Nation."

In my later reports, I will recount my other interviews with Irish leaders as well as the American official I spoke with. I am hopeful that my colleagues will take the time to read this report to get an idea of the problem at hand.

CORPS OF ENGINEERS CONFUSES AND OBSCURES WATER ACT PROGRAM

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I believe we in the Congress knew that when we enacted the Federal Water Pollution Control Act Amendments of 1972, we were calling upon the EPA and the Army Corps of Engineers and other Federal agencies, as well as the States, communities, and industries, to make a great and concerted effort in the fight against water pollution.

We recognized the almost overwhelming proportions and complexity of the problem. For that reason, the statute we fashioned is necessarily complex and far reaching. It calls for a commitment of resources and talent and for skill and dedication on the part of those government agencies charged with its implementation.

In that regard, the recent actions of the Corps of Engineers in proposing regulations in response to a court order for its program to control dredging and filling in waters of the United States has caused confusion and dismay. It is not the skillful administration we required and expected of the corps.

A recent editorial appearing in the New York Times spotlights the issues involved and serves to clarify the course we should pursue. It is the course we charted when we enacted the Water Pollution Control Act Amendments in 1972.

The editorial follows:

[From the New York Times, June 16, 1975]

TRUE TO THE CORPS

The Army Corps of Engineers has cooked up a scheme to evade a provision of law that it doesn't like by reducing a court order to such absurdity that it hopes thereby to force a change in the law. The strategy should be as unsuccessful as it is unconscionable.

Until this year, the Corps—which has always been more interested in building projects than in preserving the environment—narrowly interpreted its function of controlling dredging and filling operations affecting the country's waterways. However, in the Water Pollution Control Act of 1972, Congress had made it clear that the Corps' protective program was to apply not only to "navigable" waters, as heretofore, but also to the country's lakes, streams, rivers and wetlands as well. The Corps chose to ignore that extremely significant change in working from previous law, continuing to confine its attentions to navigable waters only, to the grave detriment of tributaries and wetlands.

The upshot of a suit brought by the Natural Resources Defense Council and the National Wildlife Federation was a United States District Court decision three months ago that Congress meant just what it said, whereupon the Corps deliberately proceeded to stretch its newly accepted jurisdiction beyond reason. Federal permits, the Corps announced, might now be required of the "farmer who wants to deepen an irrigation ditch or plow a field" or "the rancher who wants to enlarge his stock pond." "Millions of people," the Corps solemnly warned, "may be presently violating the law" and subject to severe penalties.

If such inflammatory nonsense was intended to raise a hue and cry, it succeeded. Congressmen are being pressed by the farm bloc and other lobbies to re-establish "navigable waters" as the only area of the Corps' jurisdiction. This would leave at the mercy of the developers the 60 per cent of the nation's economically and environmentally invaluable wetland resources still intact.

Public pressure should be directed not at Congress to tamper with the Water Pollution Control Act but at the Corps of Engineers, the Army and the Administration itself to execute, not sabotage, the law of the land as interpreted by the courts.

Last week members of the Conservation, Energy, and Natural Resources Subcommittee met with representatives of the corps and of EPA and prevailed upon them to sit down together and to endeavor to work out a reasonable solution. We sincerely hope they will accomplish that purpose.

DR. KENNETH B. CLARK RETIRES FROM TEACHING, BUT NOT FROM INVOLVEMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. RANGEL. Mr. Speaker, Dr. Kenneth B. Clark, a man whose contributions to the understanding of the dynamics of race relations in America are unsurpassed, has announced his retirement from the faculty of the City College of New York after 35 years of distinguished service as a professor of psychology at the college.

Dr. Clark, whom I know and respect as a friend and leader for community change in my home city and State, and whom all of us know as the prime architect of the social science research which supported the Supreme Court's decision in Brown against Board of Education, will not be retiring from the arena of involvement which has characterized his brilliant career. We are fortunate indeed that this urbane activist scholar plans to continue to serve his community and the Nation as an active consultant on race relations and urban affairs.

I salute Dr. Kenneth B. Clark as he leaves one distinguished career and begins another; we who have worked with him look forward to his continued wise counsel and support.

I share with my colleagues an interview with Dr. Clark from a recent edition of the New York Times:

KENNETH CLARK RETIRING FROM C.C.N.Y.

(By Richard F. Shepard)

Dr. Kenneth B. Clark, who has helped prepare generations of City College students for their life's work, has retired from teaching after 35 years at the school and is himself starting a new career.

Dr. Clark, best known for his fight to achieve school integration, is a professor of psychology who will be turning 61 in July and is still too youthful to qualify for senior-citizen courtesies. He is giving up the classroom to go into business, with his son, as an executive consultant on human and race relations and affirmative-action programs.

CIVIL RIGHTS ROLE

At the same time, Dr. Clark, whose good-humored, scholarly manner and pre-occupation with the present and future forestalls any approach along the lines of "Good-by, Mr. Chips," has stepped down as president of the Metropolitan Applied Research Center (MARC) that he founded eight years ago.

He will remain a member of the New York State Board of Regents, indeed its only black member. He is staying, he observed with a chuckle, because his departure "would make too many people happy."

Dr. Clark's role as a teacher has been overshadowed, at least in public, by his activities on behalf of civil rights and school integration. His studies on segregation's harmful effects were noted in the historic 1954 Supreme Court decision odering public-school desegregation.

Dr. Clark's early work in the field dates back to 1939, when he went to work as a research assistant for Dr. Gunnar Myrdal, the Swedish economist and author of the classic on race problems, "An American Dilemma." Dr. Clark's position has shown no signs of flagging through the years and he does not anticipate that it will be modified even in private practice.

He and the 75-year-old Dr. Myrdal conducted a joint seminar in the term just completed at City.

"I don't know about the students, but Myrdal and I had a wonderful time," Dr. Clark said. "He was at his best."

Dr. Clark is also at his best, or at any rate, his happiest when speaking about students and teaching. In an interview, he displayed an almost chilling objectivity in grading himself and his students on performance over the years, but the scholar's candor was softened by touches of humor, affection and respect for those he has taught.

He went to City College in 1940 to teach a summer session and returned as instructor in 1942 for the long run just ended. In 1960, he became one of the first blacks, perhaps the first, to become a full professor at the City University.

"I WASN'T CHANGING"

"One of the factors in my decision to retire is that I found I wasn't changing," he said in an interview in his offices at MARC, 60 East 86th Street, where he sat behind his desk and fondled a gavel as he replied to a question about how the years had modified his classroom demeanor. "My teaching style is still the same."

"As a young teacher I perceived myself as a hard marker," he continued. "I became less severe as time went on. As I got older I became more tolerant. Most students tend to function in accordance with the law of economy of effort. Don't do more than you have to."

"I didn't like alibi students or hustlers," he continued. "Fortunately, there weren't too many of those. But one of my most interesting learning experiences came some time ago when I went to teach at the University of California at Berkeley for a while.

"I said I was looking forward to it because there were not too many Asian-American students at C.C.N.Y. at that time. I went out with the idea that Asian-American students would be more profound and would stimulate me with Oriental ways of thinking.

"They were just like the students at City, with the same number of alibi students, too. It taught me that stereotypes, even positive ones, tend to fall. I had to travel 3,000 miles to learn that. And I'm a psychologist, too!"

DIFFERENCES IN GENERATIONS

Although the years flow in such a way that it is difficult to plant boundary markers between student epochs, Dr. Clark clearly discerns generational differences.

"I've had some very exciting students at City," he said. "The thing that fascinated me was that my most exciting students seemed to be concentrated in the pre-McCarthy era.

"It's tantalizing, it worries me that the students who stand out, not intellectually but as total human beings, came from that time," he said. "I can see them in my mind, in the classrooms, asking questions in the nineteen-forties and fifties. There were the returned veterans, mature and probing.

"Not that they were all bright or superior to those who came later," he said. "But I didn't realize that the McCarthy period had as debilitation an effect on students as it did." If the years dominated by the late Senator Joseph R. McCarthy were pallid, the later years of student strife also do not move Dr. Clark.

"Perhaps the period of the nineteen-sixties is too early to evaluate," he went on. "To me, it didn't have that same quality of probing. The great revolution was pure fluff. But maybe I've changed. I think we're getting back to that early ferment now. I sense it.

"PRAGMATIC AND PERSONAL"

"The earlier City College I remember, the students were involved in demonstrations for larger social, political and economic goals. Now the students, as I understand them, are concerned about their own rights—open admissions, SEEK. They don't seem to be as broad as they were. They is minimum idelogy, it's pragmatic and personal, perhaps with the exception of Vietnam."

"Even at the height of the student revolt I thought I detected more passivity," he said. "Such things as graduate record exams and other quantifying indicators—multiple choice questions and such—are relatively new.

"Before that you had different types of examinations. You had to think. Now you have to remember. This may have had an insidious effect. Perhaps there's more conformity."

Dr. Clark, who was in the middle of marking examination papers for his last classes, recently ended at City, read from a comment by a student.

"You came in and said. 'Good morning, let's get set to think.' " the student wrote, adding that this concept was a radically new one in his experience.

"I never responded to the relevance kick," Dr. Clark said. "When students questioned the books I assigned I'd tell them they didn't have to be in my class if they knew what books to read.

"I think I was pretty rigid as a teacher. I had the responsibility of determining how we go about understanding this area. It was difficult for me to learn and it would be for my students. I didn't have much tolerance for fads. I didn't believe something was good just because a student said it was good.

"On the other hand I have had some students in recent years who are going to think. Last year a student got onto a point and went to the library, studied and we had knock-down drag-out arguments. It was wonderful. He got an A."

The psychology department had about 15 teachers when Dr. Clark came to City. Today, there are 47 full-time and 50 part-time teachers and psychology, as he says, is "the fad now."

THE GRAND INQUISITOR

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. GRASSLEY. Mr. Speaker, I would like to begin my comments with a quote from "The Grand Inquisitor," of Fyodor Dostoevsky. It reads as follows:

> He claims it as a merit for himself and his like that at last they have vanquished freedom and have done so to make men happy.

These immortal words describe the life and spirit of "The Grand Inquisitor," that omnipotent individual who claims to know all that is right and good, and who imposes his conception of these upon all who are willing to listen. Unfortunately, Dostoevsky's famous character did not die with the author's passing. He is alive and well in the guise of a tentacled leviathan that threatens to extend its arms into the home and lifestyle of every individual. The behemoth I refer to is the U.S. Congress and the tentacles are taking the form of well-meaning but hopelessly misguided legislation which is intended to cure this Nation of all its ills.

During the past 6 months, as a Member of the National Legislature, I have witnessed repeated efforts by many of my colleagues to place the Federal Government in the role of the grand inquisitor, that omnipotent individual that knows all that is good makes all subservient to its wishes in the name of goodness and righteousness.

These claims do not stem from my imagination. In the fields of health care, education, consumer credit, agriculture, and flood control the Congress is daily trying to expand its influence into the private sector. There is a credit reporting bill, for example, the ultimate purpose of which is to maximize availability of credit for national priority uses by having the Government determine when and for what purposes the Nation's banks should loan out money. S. 200, a Senate bill designed to establish an independent consumer agency to protect and serve the interests of consumers, for example, would place the Government in the position of deciding when farmers are paying a "fair and equitable" price for every single item they might use in their business. These items range from seed to farm equipment. The language is simple, but the potential affects of such legislative language are not. Nowhere are "fair and equitable" defined; nowhere is it stated why the Congress and the Federal bureaucracy should go into the farming business. Nowhere is there mention of all the contingencies on which the supply of necessary goods to the farmer depends. Nor does there seem to be any kind of recognition of a free market system.

Yet this is not all. Just recently, an amendment to the recently-considered energy legislation called for the creation of a Federal agency to buy and allocate imported oil. On what basis would the Government determine just where and to whom that oil should go?

All these actions are rooted in the past, in the Social Security Act of 1935 which, by setting 65 as the retirement age at which individuals could receive social security, attempted to allocate jobs to the young by removing the elderly from the labor force. Now that law was in response to a national emergency and there is no doubt that in times of distress, Government may have to take drastic action. But when such action becomes institutionalized into laws and Federal agencies which become impossible to manage, we become one step closer toward giving up personal choice to the whims and the fluctuations of the Federal Government.

The time has come when we must say that enough is enough. It is time to admit that Government has caused as many problems as it has attempted to remedy, that the Government does not have all the solutions to the problems of individuals, that the Government is not omnipotent and has no sure-fire way to determine what is good for its citizens and what is not. Our Government was intended by the Founding Fathers to allow all to participate, so that one could not dominate. Well, the day is approaching when the one, in the form of a vast and uncontrollable Federal bureaucracy, will be beyond the reach of the individual, the Congress, and the President. Its wishes will become ours, and its decisions will become our masters. Its notion of goodness will drown out the cries of those of us who are still willing to admit that every citizen has something to say and something to contribute, and that every citizen must have the freedom to pursue his own destiny.

OCTOBER LEAGUE, MARXIST-LENINIST: PART II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the October League, Marxist-Leninist—OL—is a Maoist Communist organization which became publicly active in my State in 1972, following the merger of the OL and the Georgia Communist League, a small Marxist-Leninist revolutionary group composed primarily of former SDS and Southern Student Organizing Committee activists after the disintegration of Students for a Democratic Society in 1969.

Organized and led by Mike Klonsky, son of long-term Communist Party, U.S.A. functionary Robert Klonsky, the organization of the October League is also reported to date to post-SDS 1969. Headquartered in Los Angeles, the OL publishes a monthly "political newspaper," the Call, from Post Office Box 2278, Bell Gardens, Calif. 90201.

Herewith submitted for the consideration of my colleagues are chapters 4 and 5—"Make Every Factory a Fortress," and "Rules of the October League"—from the "October League Manual on Open and Secret Work," May 1975:

MAKE EVERY FACTORY A FORTRESS

Since our Second Congress, the October League has made continuous advances. But, as with all steps forward, new problems arise and short-comings are revealed. One of these is how to combine open and secret work.

Many comrades have asked, "How can we keep our organization well-hidden from the imperialists and at the same time bring Communist leadership to the masses?" Bolshevik methods of organization provide the answer to this contradiction.

This article will look at the work of our factory cells and show its role in insuring unbroken ties with the masses—no matter what kind of terror we face. It is a summary of investigation and study by the National Security Commission. We hope it will provide both theoretical and practical guidance for solving these problems.

TAKE FULL ADVANTAGE!

Today, US communists enjoy a period of unprecedented legality. Unlike comrades who are building parties in other countries, our newspaper has not yet been outlawed and neither has our organization. This is because the imperialists have suffered many setbacks at home and around the world.

With the sharpening crisis, excellent conditions exist for communists to lead the fight-back and win thousands of new fighters to our final aims.

But more than once, our Chinese comrades have warned that "While you may have legality today, things can change overnight!"

We must take the fullest advantage of these conditions. First, we must use this time well to dig deeper roots among the masses. They are our first line of defense! At the same time, we must take full advantage of this legal period to build our illegal and secret work.

The key to this lies in strengthening our basic work in the factories and training our shop cells in open and secret work.

In certain cases, "security" has been used as an excuse for economism and a refusal to bring communism to the workers. Inactivity is justified. "If we are too bold, we will lose our jobs and our factory unit will be out the door."

Side by side exists a view that "security is a hinderance to our work". The extra precautions and careful planning which secret work requires are said to be unnecessary and "dogmatic".

Both views capitulate to the ruling class. Neither will do. Secret work is necessary only for the purpose of maintaining our contacts with the masses (not for protecting individuals). On the other hand, without secret work, we will have no hope whatsoever under severe repression.

Especially under favorable conditions today, we can certainly resolve these problems. There are four basic points which each factory unit must give attention to:

(1) Recruitment.

(2) Division of Labor.

(3) Building a Network of Sympathizers.

(4) Developing the Self-Reliance of the Unit.

RECRUITMENT

In many factories we still have only a handful of comrades. As the saying goes, "the best defense is a good offense." The bolder our communist agitation and recruitment, the less chance of them wiping out our units.

Many comrades have already "previously recommended themselves" to the police through past activities. This makes our units who are mainly composed of former intellectuals particularly vulnerable. The more workers, the smaller the percentage of well-known comrades. We must eliminate the idea that the majority of comrades should appear as "middle workers." Unless we become bold in recruiting, we will never escape this vicious circle.

At the same time, shop cells must be organized secretly and strengthen their security. Meetings should never be held in the homes of open members. Phone calls to comrades should not be noticeably different than conversations with contacts.

DIVISION OF LABOR

(1) Open Members: There should not be more than one or two of this type of person in the plant (they shouldn't be the majority). These people should be very active in doing socialist propaganda as well as mass work. In the past, this type of comrade had to suffer the consequences of being a communist but we have not utilized their open status for doing work. While they should be known as a communist to the progressive workers, they should maintain the position of "prove it" or "that's not the issue" with the backward or reactionary workers. They are not "spokesmen" for the OL, in the sense of being listed as such in our newspaper or formally representing the OL. Every unit of 3-4 comrades should have one "open member" like this.

(2) Secret Members: Most of the members should be in this classification. What is important to stress here is that these people should not be "middle workers". As much as the advanced workers in the plant, these comrades should carry out the mass shop and political campaigns of the organization (caucus work, Anti-Repression Day, etc.). They should conceal the fact they are communists from almost all workers. At the same time, they can open up to one or several trusted workers with the approval of the cell. The question of their buying or secretly selling the Call depends on the conditions.

(3) Open Spokesmen: This is an individual who is known to everyone as a member of the OL, who is identified as such in our press and who may formally represent us. This type of cadre should only be used where we have a large base of strength and a large unit (we have a few such comrades). This classification requires the approval of the district committee.

(4) Closed Cadre: This is a member who is being "held in reserve" or being used for special work. They do not actively participate in campaigns but appear as just a middle or even sometimes a backward worker. They are not open to anyone and they don't buy the Call.

These last two classifications will be used more in the future as our work develops and we have larger units with a higher division of labor. All units must be sure that each member understands their status and what type of activity it requires.

NETWORK OF SYMPATHIZERS

The cell is the part of the party which has advanced furthest into the masses. This makes it the least vulnerable to attack. A cell which carries on daily mass work surrounds itself with a network of non-party sympathizers who can become a transmission belt to the masses. It is through this network of sympathizers that we can initiate our actions, recruit new comrades, and protect our units.

By sympathizers, we mean people who we can "depend on" to mobilize for campaigns, to buy and sell the Call to other workers, who contribute financially to the OL and our mass organizations.

Little attention has been paid to developing this network in a systematic way. If tomorrow we were outlawed from selling the Call outside the factory gates, most units would be in a fix because they have not established any secret distribution network with these sympathizers.

After identifying sympathetic workers, they must be developed politically through consistent discussions, home visits, and mass work. Consistency is important. Systematic check-up is needed and as the list increases, more sympathizers should be recruited to our ranks. Only if we surround ourselves with workers who will help carry on work and follow communist initiative can we really speak of being rooted in the shops.

"MAKE EVERY FACTORY OUR FORTRESS"

This was the slogan raised by Lenin in his famous article Letter to a Comrade on Organizational Tasks. The center of gravity was the large factories. Because their basic units were well entrenched among the workers there, they were able to maintain unbroken connections with the masses even under periods of severe terror and repression.

Any Bolshevik campaign began in the factories and from there allies among the peasants and intellectuals were built. Whether they were fighting for an 8-hour day, for women's emancipation or against the Czar's government, it was the industrial workers who took the lead. From the plants they streamed out to demonstrations or to the barricades.

Why are factory units better suited for our tasks and for carrying on secret work? Marx wrote in the Communist Manifesto: "Of all classes that stand face to face with the bourgeoisie today, the proletariat alone is a really revolutionary class.

"Modern industry has converted the little workshop of the patriarchal master into the great factory of the capitalists. Masses of laborers, crowded into the factories, are organized like soldiers."

It is in the factories that the common interests of the workers is most clear. The shop brings together workers of all nationalities and from every different community under one roof.

As for insuring secret organization, the factory workers labor and struggle side-by-side. Because they know each other well, agents can better be sniffed out and the most dedicated fighters can also be found at the points of production.

The ruling class has already increased its efforts to isolate us. Much of this will be a hundred times more difficult if we firmly root the majority of our units in the shops. Even if they arrest or murder many of our leaders, work will certainly continue. Especially with lay-offs we must redouble our efforts.

MASTER OPEN AND SECRET WORK

But factory units alone will not be sufficient. Each of our shop cells must master secret and open work. The shop unit is at all times basically secret, its open face taking different forms depending on strength and concrete conditions. Too often, comrades have thrown up their hands when faced with contradictions.

SELF-RELIANCE

An important aspect of building an insurrectionary organization, capable of operating under any conditions, is developing basic units which are self-reliant. We must prepare for the possibility of losing links between the cells and districts or national leadership for periods of time.

The most important task is devoloping the units politically. It is here that we must train our cadre and our cells must become "living schools for Marxism." Our goal is to develop seriousness of study and grasp of line so that even if cut off, a unit can quickly get its political bearings under difficult conditions. Right now, the units should utilize this pre-Congress period and the Marxist Education Campaign to make advances in political self-reliance.

Self-reliance must also be developed organizationally. Finding secret meeting places, developing the ability to print leaflets on their own are cell responsibilities. One example that units could use as an indicator of self-reliance is that of a leaflet:

(a) Could your unit apply the general line of the OL to a political event (such as Nixon's resignation) and write a communist leaflet on this?

(b) Are you closely enough connected with the workers to be able to secretly distribute it in the plants and through that to the masses?

(c) Could you find a way to secretly produce it and raise the necessary funds from sympathizers to do so?

CONCLUSION

These are a few of the lessons we have learned by summing up our open and secret work in the factories over the past few years. These policies have been adopted by the Executive Committee and should be studied along with the other documents in this packet.

Rules of the October League

1. Internal Life of the Organization:

Discussion around an individual's or cell's practical work should go on only in the cell, or with other members of the cell, or the District Committee [DC], District Organizer [DO] or other higher levels of leadership. All discussion and ideological struggle must be principled. No gossiping, rumor-mongering, factionalism or cliqueishness. No contact is allowed between cadre of different districts, unless authorized by the Executive Committee. Any violations of democratic centralism by carrying internal discussion or struggle outside the ranks of the organization is grounds for immediate expulsion.

2. Secrecy of the Organization:

It is the District Committee and the cell that determines who is an open member or an open spokesman. Anyone not so designated is absolutely forbidden to admit membership.

Every member of the OL will be instructed as to what to do in case of arrest. (Who to call, who not to call.) Cadre are never under any circumstances to divulge organizational information, identify other members, or sign any confessions or papers.

If a cadre is ever visited by the FBI, police or other investigators, the cadre should say ONLY, "I have nothing to say to you."

Cadre should never let them into their houses, or tell their names, nor answer any of their questions. Cadre should never let themselves be caught off-guard, or think that such investigators can be "outsmarted" by asking questions or leading them on.

3. Documents:

All internal papers—SPARKS, directives, etc.—must be kept together in a lockable container that is easily transported (like a suitcase or metal box). This container must be kept out of sight. This will enable the cadre to quickly locate all such documents in the event it is necessary to hide them or destroy them, as well as keeping the papers from being scattered everywhere, where a visitor to the house would have a chance to see or read them.

No documents, notes or papers should be retained beyond the time they are needed. They should be turned into the cell leader or destroyed. Also, no one should xerox or otherwise reproduce any internal papers, or show them to anyone outside the organization unless the District Organizer approves.

4. Firearms:

Every member, or at least every household must have a reliable firearm and an ample quantity of ammunition. A shotgun is the recommended weapon, because they are the least regulated, most difficult to deal with ballistically and easiest to fire and maintain.

These weapons, which are for home use, should be legal—meaning that they must not be stolen and must be registered if required by law. Only the DO may make exceptions to this rule.

Every cadre should be trained in the fundamentals about firearms and markmanship. This is a task of the cell, but if no one in the cell is capable of teaching the other cadre, the cell should request help from the District Organizer. Special attention should be paid to women comrades who are traditionally not trained in this area.

5. Use of the Telephone:

Never, repeat never, talk about these things over the phone:

A. Finances of the organization.

B. Leaders of the organization (exposing the chain of command).

C. The distribution network.

D. Internal political, or personal contradictions.

E. Others secrets—such as how many members or units, secret members, meetings, etc.

The best way to protect the organization when using the phone is to surround ourselves with sympathizers and contacts, just as we do in the factories. Making a wide variety of calls, using the same tone and manner with cadre and non-cadre alike, with the bulk of calls being to non-cadre, is the best way to deny information to the police.

Of course, secret members should discuss only mass work on the phone, but a code might be used to cancel a meeting if it was not obviously a code. There should never be any arguing over the telephone.

Open members should limit their calls to secret members as much as possible. This will help us build the OL as a more secret organization by helping to keep recently-recruited members secret. A certain number of secret members should never be called by open members.

Open members can discuss some organizational business if it does not violate the above.

All phone numbers should be kept together in a safe place in code. Memorize as many as possible. Never take a phone book, or anything else you don't want the police to have, when you to go to sell THE CALL, or to a demonstration or when there is any possibility of encountering the police.

6. Meetings:

Open members' houses should not be used for meetings. Meetings should not take place out-of-doors. Meetings should take place mainly in the private residences, but this does not mean only in the homes of OL members. If a cell has built up a broad network of sympathizers, it may be possible to have meetings in a friend's house when they are away, or in their basement, etc.

Great care must be taken when going to and from meetings. Cadre should always check to see if they are being followed. If so, they should try to lose the tail, but should not go to the meeting unless they are certain. Arrival times and departure times should be staggered. Do not park near the meeting place. Make sure no police or other suspicious cars are parked outside. If there are, drive away and phone the house from a pay phone to make sure all is well.

If a cell is forced to use a motel room or other public place (church, YMCA) for a meeting, it should be paid for with cash and no phone calls should be made from there.

7. Travel:

When a cadre leaves town, either for vacation or business, he or she should check with the cell leader or DO in advance.

8. Personal Conduct:

In every aspect of personal conduct, comrades should be expected to put the organization first. OL members should live modestly and neatly. Members must strive to keep personal relationships principled so that they strengthen—not weaken—commitment to the struggle. Our goal is to adopt the best characteristics of the working class and keep the prestige of the organization high in the eyes of the masses. Nothing should separate us from the masses but our advanced aims.

Specifically, the following is forbidden:

a. using dope, including marijuana.

b. public drunkeness.

c. promiscuity.

d. homosexuality.

e. fighting or arguing in public (with other cadre or members); when attacked:

1. self-defense is the general rule.

2. it should be reported.

3. retaliation and protection of individual cadre should be supervised.

f. petty theft, such as shoplifting, and other crimes.

9. Security Officers:

Every cell must have a security officer. The main responsibility of the security officer is to do political work around security.

Other responsibilities include:

a. explaining the rules and policies to new members.

b. report violations of the rules to the cell for criticism and discipline.

c. to receive reports from other cell members in case of security problems.

d. periodically to sum up and evaluate cell's practice around security.

e. initiate discussion and self-criticism with individuals.

WEST HILLS HOSPITAL—A MONUMENT TO HEALTH

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. GOLDWATER. Mr. Speaker, all the Members of this body have been deeply concerned about the health care of the American public. The quality of health care and its cost have been of particular concern in California during the past few months as a result of the rising cost of malpractice insurance for doctors.

In the middle of all the discussion is the institution of the hospital, and its relationship to the future of health care. The role of the hospital is vital to a community. Its importance as a center for emergency care has increased. With the advent of new devices for communication, it has become more effective in saving lives. The private hospital has done an excellent job in many instances in taking an active role in the community.

I am happy to take this opportunity to point with pride to one such public spirited hospital in my congressional district, West Hills Hospital in Canoga Park, Calif. West Hills Hospital and its administrator, Saul Golfarb, can serve as an example of the interest of the private sector far beyond that of a simple profitmaking business. Their involvement with senior citizen health care and other public concerns should be noted. I think they can serve as an example for other institutions around the country.

On June 29, my colleague James Corman and I will participate in the dedication of a new $15 million addition to this highly innovative facility. West Hills Hospital is a source of pride and security for residents throughout the west San Fernando Valley.

This 180,000 square foot, 236-bed facility stands as a monument to the preservation of health and the enrichment of life for all people. Here, more than 200 doctors representing 24 medical specialties are assisted by a nursing staff of the highest caliber. A total of 23 separate departments render direct patient care as well as behind-the-scenes support.

West Hills' commitment is evident in the threefold philosophy of internally assessing the quality of its care; continually educating its already-skilled staff in the newest procedures; and placing superior patient care far ahead of all other considerations.

West Hills sponsors a licensed vocational nursing school and provides clinical experience for students who are training to be operating room technicians and respiratory therapists. Numerous other educational activities range from classes in health care advances for nurses to the allied health program, focusing on the efficiency of support functions for medical and nursing departments. These and countless other programs have helped West Hills Hospital earn accreditation by the Joint Commission on Accreditation of Hospitals and the California Medical Association.

West Hills Hospital has established and maintains the highest quality in standards of professional health care, but all efforts are directed toward the goal of offering the very finest patient care. This goal is reached daily by everyone at West Hills Hospital, and it is with pride and pleasure that I commend this hospital to my colleagues.

CAPITOL HILL WOMEN'S CAUCUS RELEASES JOB DISCRIMINATION STUDY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Ms. ABZUG. Mr. Speaker, I wish to call to the attention of my colleagues a study recently released by the Capitol Hill Women's Political Caucus entitled "Sexists in the Senate? A Study of Differences in Salary by Sex Among Employees of the U.S. Senate."

The study, despite its limitations, indicates that there is a vast disparity between salaries paid to men and women employed in Senate offices, with women receiving salaries generally lower than those paid to men in similar positions. This fact, and the fact that congressional employees are exempt from laws providing legal remedies for sex discrimination in employment, is a matter that should concern all of us.

For the information of my colleagues, I ask that portions of this report be inserted in the Record:

Excerpts of Study by the Capitol Hill Women's Political Caucus

INTRODUCTION

We would like to begin this paper with a brief explanation of who we are and why we undertook to do a study of salary discrimination between the sexes on Capitol Hill.

The Capitol Hill branch of the National Women's Political Caucus was established in November, 1971, when Bella Abzug hosted a party to interest women employed by Members of Congress in forming a branch of the National Caucus. The unique role such women could play in promoting the passage of vitally needed legislation beneficial to women, the strength in skills and support they could provide the increasing number of women seeking public office, and the glaring inequities of employment opportunities in Congressional offices were reasons enough to create a Capitol Hill organization with the resources and power to make substantial changes in the character of the political system. Thus, the Capitol Hill Women's Political Caucus was formed.

It has been a loosely organized group of women who work for Representatives, Senators and on Committees. When the group was started, we sensed that the salaries paid to women were less than salaries paid to men, and that women were promoted to professional jobs less often than were men. Our major goal, therefore, has been to improve the status of women on the Hill.

After many months of informally discussing whether or not women were in fact paid less than men, we in the Caucus decided to find out.

Focusing our attention on the Senate, since it was of more manageable size than the entire Congress, we used the Report of the Secretary of the Senate[1] as our source of data. Using this list, published as a public document by the Senate itself, we felt we could examine what is part of the record; the listing of each employee of the Senate, his or her job title and his or her exact salary.

The reason we used the Senate document, rather than directly contacting employees, was that very few persons were willing to talk about their jobs either in person or over the telephone.

As a result of using this approach, our data necessarily has certain limitations. We could not find out, for example, the educational backgrounds of employees, nor how long they had been employed in Congressional offices. It is possible that some of the discrepancy in salary between men and women in the same job category could be due to differences in education or amount of previous job experience. We have assumed that professional staff members are hired for their professional background and competence, whatever sex they may be.

Given that assumption, we began this study in the fall of 1974. A small task force of volunteers from the Caucus was recruited to tabulate the salaries and job titles for each Senator's office.

RESULTS

In summary, in spite of the major limitations of this study (non-comparability of job titles, lack of data concerning educational level and experience of employees), we find that:

(1) Of the 2296 full-time employees in the sample, 64.1 percent were female, 35.9 percent were male.

(2) Of this sample, the median salary of women was $10,260, and of men $17,670. One reason for the difference is that many women hold secretarial positions which are generally at lower salaried levels.

(3) At salaries above $18,000 a year, 24.6 percent were women and 75.4 percent were men.

(4) Even among those earning $18,000 or more—mostly professionals—the median salary for women was $22,627, and for men $28,091. This difference is statistically significant.

(5) The spread between female and male median salaries was virtually the same in both major political parties.

(6) Thirty of the senatorial offices employed only men at the level of $18,000 or more; none employed only women at this level.

(7) For employees in two out of the top three professional categories, Legislative Assistant and Press Secretary, the trend was to pay men significantly more than women.

(8) Among Administrative Assistants, women and men were paid the same. Nine women and seventy-six men held this position. This is the highest paid position in a Senate office. The median salary for men and women was $35,910.

(9) Among press professionals, the salaries of 80 percent of the women and five percent of the men fell into the lowest quartile of the combined distribution. None of the women and 68 percent of the men were paid salaries in the top two quartiles of the combined distribution. The median salary for females in this category was $10,878, for males $26,600.

(10) Among legislative professionals, there was a steady trend of male salaries toward the top quartiles of the combined distribution and female salaries toward the bottom. The median female salary was $15,038; the median male salary was $20,082.

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[1] *Report of the Secretary of the Senate from January 1, 1974,* U.S. Government Printing Office, August 22, 1975, pages 26–88.

(11) In several other job categories, a statistical test shows that women were paid significantly less than men.

EMPLOYMENT DISCRIMINATION LAWS

We think it is important to point out here that Congress has exempted its employees from the statutory remedies that it has set up for many other women who believe they have been subject to employment discrimination. Were we not Congressional employees, we would be able to pursue relief under two statutes, the Equal Pay Act of 1963 (Amendment to the Fair Labor Standards Act of 1938, § 6(d), 29 U.S.C.A. § 206 (d)) and Title VII of the Civil Rights Act of 1964 (§ 701 et. seq., 42 U.S.C.A. § 2000e et. seq., as amended).

The Equal Pay Act is an amendment to the Fair Labor Standards Act and applies to all employees who are entitled to the benefits of the minimum wage provisions of that Act. It provides that no employer shall discriminate between employees on the basis of sex by paying wages to employees of one sex at a rate lower than the rate which he pays to employees of the opposite sex for equal work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions. But the law does not prohibit such unequal payment where it is made pursuant to a seniority system, a merit system, a system which measures earnings by quantity or quality of production, or a differential based on any factor other than sex. The Equal Pay Act prohibits an employer from reducing the wage rate of any employee in order to comply with the provisions of the Act. It also prohibits labor unions from causing or attempting to cause an employer to discriminate against an employee in violation of the Act.

Jobs entitled to equal pay do not have to be "identical" to be "equal" but only "substantially equal". See e.g., *Schultz* v. *Wheaton Glass Co.*, 421 F. 2d 259 (3rd Cir 1969) cert. denied, 398 U.S. 905 (1970).

Excluded from the equal pay provisions of the Fair Labor Standards Act are employees of the legislative branch not in the competitive service—and that means virtually all Congressional staff members are not covered.

The Wage and Hour Division of the Department of Labor enforces the Act. The Division has the power to make routine, general investigation of establishments to ensure compliance with the Act, regardless of whether a specific complaint is received or not. Complaints are treated confidentially. The Administrator of the Division may supervise payment of back wages, and in certain circumstances, the Secretary of Labor may bring suit for back pay, or the employee may sue for back pay.

Title VII of the Civil Rights Act of 1964 prohibits discrimination because of race, color, religion, sex or national origin, in all employment practices, including hiring, firing, lay-offs, promotion, wages, training, disciplinary action, and other terms, privileges, conditions or benefits of employment.

Title VII covers certain employers, employment agencies, labor unions, educational institutions and state and local government. Congressional staffs are excluded from coverage of this bill too.

The Equal Employment Opportunity Commission was established by this act to insure that the provisions of Title VII are enforced. The procedure used by the EEOC is as follows: When the EEOC receives a charge alleging employment discrimination (by an individual, by a group on behalf of an individual, or by any of the EEOC Commissioners), it investigates the charge. If the facts gathered during the investigation show probable cause to believe that discrimination exists, the EEOC conciliates. It attempts to persuade the employer to voluntarily eliminate that discrimination. If conciliation attempts fail, the EEOC files suit in federal court based on charges filed with the EEOC by aggrieved persons or on a charge filed by an EEOC Commissioner. In lieu of EEOC court action, an aggrieved party may initiate private civil litigation.

In such a lawsuit, when the plaintiff makes out a prima facie case of discrimination, it then becomes the duty of the defendants to sustain the burden of presenting evidence to overcome the prima facie case. *Griggs* v. *Duke Power Co.*, 401 U.S. 424, 91 S. Ct. 849, 28 L. Ed. 2d 158 (1971). It should be noted further that in scrutinizing claims of Title VII discrimination, statistical evidence is given great weight. *Ochoa* v. *Monsanto Co.*, 473 F. 2d 318 (5th cir. 1973).

It is apparent then, that Congress has created a statutory scheme which provides investigative resources and enforcement procedures to deal with exactly the kind of situation we are confronting. Those of us working on Congressional staffs find ourselves in the anomalous situation of working for the people who have set up these salutory provisions but being excluded ourselves from coverage by these acts.

We recognize that in an amendment to Rule XLIII, which passed the House on January 14th, the House of Representatives promised to protect its employees against discrimination in hiring and promotion practices based on race, color, religion, sex or national origin. To file a complaint, an employee must submit a letter of complaint, signed under oath, to a Member of Congress who in turn submits it to the House Committee on Standards of Official Conduct. According to Committee rules, if that Member and two other Members refuse to transmit the letter of complaint to the Committee, the employee can then personally submit the letter to the Committee. After the formal complaint is received, the Official Conduct Committee conducts a preliminary inquiry to decide upon the validity of the complaint. In accordance with Rule 10 of the House Rules, a majority of the Members of the Committee (seven), must vote to bring the matter before the Committee for consideration. Only after this lengthy procedure is a valid complaint even considered by the Committee on Standards of Official Conduct.

A similar measure has been introduced in the Senate, but at this writing, no action has yet been taken.

While we feel these actions are a step in the right direction, we do not feel that they will provide enough protection for women or minorities employed by the Congress. These resolutions only express the sense of the Congress as a whole and have no provision for enforcement.

RECOMMENDATIONS

We acknowledge the limitations of our data—we only had available public documents which do not contain information on experience or education of Senate employees. However, we believe that our results are strong enough to raise a serious question about discrimination against women employed in Congressional offices.

We have exhausted the resources available to us. Therefore, we call for an investigation of Congressional employment practices.

This investigation should not be limited solely to sex discrimination, but should include recently published allegations of racial discrimination as well. The inquiry should look into factors we have not been able to ascertain, such as experience, education and duties performed by individual employees. It should conclude wtih recommendations of specific remedies for individual cases of discrimination and for establishment of procedures to deal with such allegations in the future.

CHILD AND FAMILY SERVICES ACT TESTIMONY

HON. JAMES WEAVER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. WEAVER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my statement to the Subcommittee on Children and Welfare of the Senate Committee on Labor and Welfare and the Subcommittee on Select Education of the House Education and Labor Committee:

STATEMENT OF HON. JIM WEAVER

Mr. Chairmen, and members of the subcommittees, I want to thank you for the opportunity to testify this morning before your committees on the Child and Family Services Act of 1975.

I thought this piece of legislation so important, and the need for subsidized day care so great in my district, that I had my staff conduct a public hearing on the bill.

We were fortunate to have testimony provided by such witnesses as Marjorie Wright, Oregon State Chairperson for the Community Coordinated Child Care Council, and Mr. Jim Green from the State Children Services Division. We heard from public and private day care providers as well as volunteers and parents.

I would like to take this opportunity to convey the points that were stressed by the witnesses at the hearing.

1. There is a recognized need for subsidized day care in the state of Oregon. According to the Oregon Coordinated Child Care Council, only one-third the need for subsidized day care in Oregon is currently being met.

2. Training is necessary to have capable, qualified staff. However, funds for FY 1976 should be flexible. There should be a provision that if there is a sufficient number of trained staff available in an area, then that area should be allowed to spend their portion of the FY 1976 appropriations on direct child and family services, rather than further training. Oregon needs immediate direct child and family services.

3. There is a general and strong concern that the communities must have the ultimate decision-making power for the program. The witnesses reinforced the bill's provision to allow a combination of local governments to apply for prime sponsorship.

4. There must be a stronger assurance that a wide range of philosophies of teaching will be considered in contracting and apportioning funds by prime sponsors.

5. If this program is to be successful, there must be a conscious effort not to provide just another fragmented part of what is needed in child and family services. The bill's attempt to provide coordinated services is commendable. However, there must be money specifically disbursed to the prime sponsors for the purpose of coordinating child care services in the community. The coordination of services cannot be stressed too much.

6. Parent participation on the decision-making level provides for a quality program. However, it is very difficult to obtain and maintain such requirements as having half of the parent policy council drawn from parents who are served by the project, unless there is strong encouragement on the part of the project staff.

Though I strongly favor protection of funds for direct services and not administration of services, money must be specifically allocated in one of two fashions—either reimbursement to parents for their expenses to participate, or a stipend to the parents who do participate.

Sufficient funds must also be allotted to allow staff to have the time to train parents to work effectively on the councils.

7. The role of the proprietary in this bill is ambiguous. According to the Children Services Division, 50% of the day care in the state of Oregon is supplied by private, profit-making day care centers.

Proprietary day care centers should be given the same benefits as non-profit organizations. In Sec. 104 part 3, proprietary agencies in areas where prime sponsors have not been designated or have been found unsatisfactory should be able to apply directly to the Secretary for funds.

8. Small community-based centers that are walking distances for mothers and responsive to community needs are more desirable than large, centralized centers. Under Title III, if a new facility is to be established a provision should be included to provide an incentive to encourage small, community-based day care centers.

9. Minimum standards of quality are necessary, as long as those standards are measurable, and they are flexible enough to take into consideration the differences in teaching methods and learning needs of the children being served.

I would strongly support the Child and Family Services Act if it included the alterations that I have mentioned in my testimony.

POSSIBILITIES FOR SOLAR ENERGY

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. OTTINGER. Mr. Speaker, tomorrow the House will be voting on H.R. 3474, the bill to authorize the fiscal year 1976 budget for the Energy Research and Development Administration. I would like to call my colleagues' attention to the fact that, in the Science and Technology Committee, on which I serve, we authorized $143.7 million for solar energy research and development; this constitutes roughly twice as much as ERDA initially requested. This is reasonable and conservative.

In 1973, in a report, "Subpanel IX Solar and Other Energy Sources," which was prepared under the direction of former Atomic Energy Commission Chairperson Dixy Lee Ray, it was concluded that a reasonable appropriation for fiscal year 1976 for solar energy would be $188.9 million, or $45.2 million more than we have approved for authorization this year.

In June 1974, an interagency panel chaired by the National Science Foundation submitted recommendations to the Office of Management and Budget which called for a fiscal year 1976 budget authorization of $154.8 million, or $11.1 million more that we have approved.

In terms of realistic contributions by solar energy to our national energy needs by the year 2000, there are two reports which I found of interest. In December of 1973 the Mitre Corp. submitted a "Systems Analysis of Solar Energy Programs," sponsored by the National Science Foundation; that report estimated that by the year 2000 solar energy could be counted on to supply between 20 and 35 percent of the Nation's demand. Former Federal Energy Administrator John Sawhill testified in July 1974, before the Energy Subcommittee of the Committee on Science and Technology that with all forms of solar energy—heating and cooling, solar thermal, wind conversion, bioconversion, ocean thermal and photovoltaic conversion—we could account for up to 54.5 percent of our national energy needs by the year 2000.

In addition to what I view as extremely promising prognostications for solar energy in terms of our overall energy needs, I would like to remind my colleagues that the Congress has already expressed its will to promote the development of solar energy, on more than one occasion. In Public Law 93-577, the Federal Nonnuclear Energy Research and Development Act of 1974, is contained the following:

> Section 2(c) The urgency of the Nation's energy challenge will require commitments similar to those undertaken on the Manhattan and Apollo projects; it will require that the Nation undertake a research, development, and demonstration program in nonnuclear energy technologies with a total Federal investment which may exceed $20,000,000,000.

In Public Law 93-473, the Solar Energy Research, Development and Demonstration Act of 1974, the following language appears:

> Section 2(a)(9) The urgency of the Nation's critical energy shortages and the need to make clean and renewable energy alternatives commercially viable require that the Nation undertake an intensive research, development and demonstration with an estimated Federal investment which may reach or exceed $1,000,000,000.

I should point out, too, that in the very report accompanying the bill on which we will be voting tomorrow, H.R. 3474, it says, at page 193:

> The Committee views the funds devoted to energy R&D as a National investment. Our original energy R&D investment will return generous dividends. For example, each R&D dollar spent returns more than seven dollars in the economy over an 18 year period. This statistic is based on the runout effect of aerospace technology. The runout effect of energy R&D should be even more dramatic.

The point which I would like to emphasize to my colleagues is that solar energy is a viable energy resource. It is realizable in the near term, and is not, as many have argued, some exotic resource to be utilized only some distant time in the 21st century. Solar energy is economic. It is nonpolluting. Perhaps best of all, it utilizes a resource which is renewable, thus freeing us from a major dependence on rapidly dwindling supplies of nonrenewable resources, such as fossil fuels.

ATTORNEY GENERAL'S BRIEF IN THE CASE AGAINST FEDERAL ELECTION CAMPAIGN ACT

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ARMSTRONG. Mr. Speaker, I submit herewith the brief of the Attorney General in response to the complaint filed by plaintiffs seeking to overturn the Federal Election Campaign Act.

I commend this brief to the attention of my colleagues:

[In the U.S. Court of Appeals for the
District of Columbia Circuit]

James L. Buckley, et al., Plaintiff, James Calaway, Intervening Plaintiff, against Frances R. Valeo, et al., Defendants, Center for Public Financing of Election, Common Cause, League of Women Voters of the U.S., et al., Intervening Defendants.

BRIEF FOR THE DEFENDANT ATTORNEY GENERAL

The Attorney General has joined with the Federal Election Commission in supporting the provisions of the Federal Election Campaign Act Amendments of 1974, Public Law 93-443, relating to reporting and disclosure requirements, limitations upon contributions and expenditures, and public financing of presidential campaigns. However, because the Attorney General has reservations regarding the constitutionality, on separation of powers grounds, of the legislation's provisions concerning the composition and enforcement powers of the Commission, he is submitting this separate brief addressed solely to that issue.

At the outset, it must be emphasized that it is the Attorney General's view that the issues raised in this litigation concerning the composition and powers of the Federal Election Commission are wholly premature for adjudication. In the first place, the record developed in this action shows that none of the plaintiffs has in any way been subjected to or affected by the Commission's exercise of its powers. Second, the Federal Election Commission has just become operational, and has not yet indicated by word or action how it will undertake to fulfill its statutory responsibilities.[1] Therefore, in our view, the Court should not reach those questions at this time, but should resolve them, if necessary, only in a case presenting a factual foundation. See joint brief for Federal Election Commission and Attorney General at pp. 3, 5-7. However, if the Court determines to reach these questions, the Attorney General herein presents his views concerning the composition and powers of the Federal Election Commission as established by the Federal Election Campaign Act Amendments of 1974.

In enacting 2 U.S.C. 437c, Congress has constituted a body, the Federal Election Commission, which is predominantly legislative in its make-up but which is authorized to carry out responsibilities which are by their nature executive. Under the Constitution, it is the Executive and not the Legislative Branch which is charged with the faithful execution of the law. The drafters of the Constitution were acutely aware of the dangers inherent in the same branch both making and enforcing the laws, and separated those functions between the Legislative and Executive. The framers "rested the structure of our central government on the system of checks and balances. For them the doctrine of separation of powers was not mere theory; it was felt a necessity." *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579, 593 (1952) (Justice Frankfurter concurring). In No. 47 of *The Federalist*, Madison discussed in detail the claim that the new Constitution violated "the political maxim, that the legislative, executive, and judiciary departments ought to be separate and distinct." He pointed out that:

"No political truth is certainly of greater intrinsic value, or is stamped with the authority of more enlightened patrons of liberty, than that on which the objection is founded. The accumulation of all powers, legislative, executive, and judiciary in the same hand . . . may justly be pronounced the very definition of tyranny."

The provisions of the Act relating to the

Footnotes at end of article.

composition and powers of the Commission appear vulnerable in two respects. First, the Act provides for the appointment of a majority of the members of the Commission by Congressional officers, and, second, it purports to vest executive powers in a legislative body.

Under the Act,[2] two of the six voting members of the Commission are appointed by the President. The remaining four are appointed by the Speaker of the House and the President pro tempore of the Senate on the recommendations of the majority and minority leaders of the House and the Senate.[3] Article II, Section 2, clause 2 of the Constitution provides that the President "shall nominate, and by and with the advice and consent of the Senate, shall appoint . . . all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law . . . ." Section 437c, on its face, appears to be in direct conflict with this provision of the Constitution in providing for the appointment of officers by representatives of the Congress.

The fact that two-thirds of its voting members are appointed by representatives of the Congress affirms the legislative character of this body. As such a legislative body, it may not exercise executive powers committed to the President under the Constitution. Section 310(b) of the 1974 FECA Amendments[4] provides, however, that "[t]he Commission has primary jurisdiction with respect to the civil enforcement of such provisions," and 2 U.S.C. § 437g authorizes the Federal Election Commission, alternatively with the Department of Justice, to enforce civilly its provisions. The power of Congress over federal elections is solely legislative in nature. Article I, Section 4, clause 1, from which Congress derives its authority in this area, empowers it "by Law" to regulate the times and manner of holding such elections.

Article II, Section 1, clause 1 of the Constitution provides that "the Executive power shall be vested in a President of the United States of America." Among the constitutionally-enumerated executive powers of the President is that "he shall take Care that the Laws be faithfully executed." Article II, Section 3. A long line of cases, both in the Supreme Court and the lower federal courts, has established that the power to enforce the law on behalf of the United States, by means of judicial process, is an integral part of the authority to faithfully execute the law.

The principle that enforcement of the laws through invocation of judicial power is part of the Constitution's executive power is most frequently stated in connection with prosecution of criminal offenses. The courts have recognized that the prosecutorial power of the Attorney General and the United States Attorneys is a direct exercise of this power.

As the Supreme Court said in *Ponzi* v. Fessenden, 258 U.S. 254, 262 (1922):

"The Attorney General is the head of the Department of Justice. Rev. Stats., § 346. He is the hand of the President in taking care that the laws of the United States in protection of the interests of the United States in legal proceedings and in the prosecution of offences, be faithfully executed."

See also *Newman* v. *United States*, 127 U.S. App. D.C. 263, 382 F.2d 479, 480 (D.C. Cir. 1967) (opinion by Judge, now Chief Justice, Burger). The Court of Appeals for the Fifth Circuit expressed the same principle in *United States* v. *Cox*, 342 F.2d 167, 171 (1965):

"The judicial power of the United States is vested in the federal courts, and extends to prosecutions for violations of the criminal laws of the United States. The executive power is vested in the President of the United States, who is required to take care that the laws be faithfully executed. The Attorney General is the hand of the President in taking care that the laws of the United States in legal proceedings and in the prosecution of offenses, be faithfully executed."

See also *United States* v. *San Jacinto Tin Company*, 125 U.S. 273, 278–280 (1888); *Pugach* v. *Klein*, 193 F. Supp. 630, 634 (S.D. N.Y. 1961).

The use of the language "legal proceedings" in discussing these principles demonstrates that civil suits as well as criminal prosecutions are encompassed. Indeed, the Supreme Court early recognized the role of executive officers in conducting litigation on behalf of the United States:

"Settled rule is that those courts will not recognize any suit, civil or criminal as regularly before them, if prosecuted in the name and for the benefit of the United States, unless the same is represented by the district attorney, or some one designated by him to attend to such business, in his absence, as may appertain to the duties of his office." [*Confiscation Cases*, 74 U.S. 454, 457 (1868).][5]

As shown above, the Act purports to vest power civilly to enforce the law in the Federal Election Commission, a legislative body. Such an attempted grant of power runs afoul of the separation of powers expressed in the Constitution.[6] As the Supreme Court has stated in *Massachusetts* v. *Mellon*, 262 U.S. 447, 488 (1923):

"The functions of government under our system are apportioned. To the legislative department has been committed the duty of making laws; to the executive the duty of executing them; and to the judiciary the duty of interpreting and applying them to cases properly brought before the courts. The general rule is that neither department may invade the province of the other and neither may control, direct or restrain the action of the other."

While the issue of separation of legislative and executive power has more frequently been dealt with by the courts in the context of legislative power being delegated to the executive, the converse situation, present in this case, has also been treated. In *Springer* v. *Government of the Philippine Islands*, 277 U.S. 189 (1928), Congress had passed an act appointing the speaker of the Philippine House of Representatives and the President pro tempore of the Philippine Senate to the board of directors of a government corporation. The Supreme Court held that the duties assigned under the act to these officials were executive in nature and could not be assigned to legislative officers. In so doing, it analogized the system under the federal Constitution (277 U.S. at 201–202):

[T]his separation and the consequent exclusive character of the powers conferred upon each of the three departments is basic and vital—not merely a matter of governmental mechanism.

* * * * *

It may be stated then, as a general rule inherent in the American constitutional system, that, unless otherwise expressly provided or incidental to the powers conferred, the legislature cannot exercise either executive or judicial power; the executive cannot exercise either legislative or judicial power; the judiciary cannot exercise either executive or legislative power.

* * * * *

Legislative power, as distinguished from executive power, is the authority to make laws, but not to enforce them or appoint the agents charged with the duty of such enforcement. The latter are executive functions.

* * * * *

Not having the power of appointment, unless expressly granted or incidental to its power, the legislature cannot engraft executive duties upon a legislative office, since that would be to usurp the power of appointment by indirection; . . . .

See also *Williams* v. *United States*, 289 U.S. 553, 580 (1933); *Kilbourn* v. *Thompson*, *supra*.

If the Court should find that these issues are presently ripe for resolution, the provisions of the Federal Election Campaign Act Amendments of 1974 which provide for the appointment of the Federal Election Commission and which purport to vest in the Commission Executive powers reserved by the Constitution to the President appear to violate the constitutional separation of powers.

FOOTNOTES

[1] Many of the potential problems could be alleviated by utilization of the alternate machinery provided in 2 U.S.C. § 237g(7) to refer civil enforcement matters to the Department of Justice.

[2] 2 U.S.C. § 437c(a).

[3] The other two members, who sit *ex officio*, are also legislative officers: the Clerk of the House of Representatives and the Secretary of the Senate.

[4] 2 U.S.C. § 437c(b).

[5] The Supreme Court has also had occasion to distinguish this executive power of law enforcement from the legislative power to investigate. In *Quinn* v. *United States*, 349 U.S. 155, 161 (1955), the Court stated that:

"The power to investigate must not be confused with any of the powers of law enforcement; those powers are assigned under our Constitution to the Executive and to the Judiciary."

See also *Kilbourn* v. *Thomspon*, 103 U.S. 168, 192–193 (1880).

[6] It is clear that this problem may easily be eliminated by Congress, for the only remediation necessary would be amendment of the Act to provide that the President appoint all Commission members.

THE OLDER AMERICANS ACT AMENDMENTS OF 1975

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. PEYSER. Mr. Speaker, in April, the House of Representatives took a major step in responding to the pressing needs of the elderly in our society. The passage of the amendments to the Older Americans Act, H.R. 3922, which I cosponsored, will continue and expand vital community services that the Older Americans Act has provided since its inception in 1965.

This legislation will in fact make the Older Americans Act more responsive than ever to the special and varying needs of our senior citizens. Title VIII of the bill, the special service programs, represents the response of the Congress to the plight of the elderly as they face the current economic problems with limited resources. We have, with this bill, made a special effort to authorize programs designed to provide the means to help our older citizens lead more meaningful and independent lives.

Of special concern to me, and I know to many of my colleagues, is the section on homemaker and other services, part B of title VIII. The thrust of this section is to provide programs designed to enable the elderly to lead an independent life in a home environment without the need for institutionalization. Those who can remain at home as a result of these services will lead longer, more enjoyable and productive lives, and the cost to the Government will be far less than the cost of providing institutional care.

Recently my colleague from New York (Mr. KOCH) citing both congressional studies and GAO reports, released figures showing that in New York City home health programs—averaging from $180 to $600 per month depending on the level of care—cost substantially less than the $15,000 to $20,000 per year or $1,500 per month or $50 per day that it takes to keep a patient in a nursing home.

These significant savings to the taxpayer, added to the substantial benefit to the patient, make a compelling argument for home health care, homemaker services, and the other home services which are authorized by this section of the bill.

It is my sincere hope that these programs of home health care and homemaker services will prove to be the successful model that will result in Congress enacting legislation to provide the option of home health care and correlative services under medicare and medicaid for our elderly and disabled citizens as an alternative to institutionalization. In this regard, I want to reiterate my strong support for the home health care legislation introduced by my colleague, Mr. KOCH, which I have also cosponsored. I fully believe that this is the direction in which we should be moving.

The other programs authorized by H.R. 3922 will provide similar beneficial services to the elderly. Counseling assistance will furnish legal, tax, and other counseling to elderly persons in need of assistance. Housing repairs, transportation programs, and mortgage interest reduction and insurance payments will all serve as useful resources for our senior citizens.

It is my hope, Mr. Speaker, that the Senate will take action on this bill in the near future. I constantly hear from senior citizens, and this is a real concern of theirs. Senior citizens want action from the Congress now, and I hope that the Senate will move this bill quickly so that we can respond to our older Americans.

WHO DECIDES DEFENSE DEPARTMENT BUDGET?

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. TEAGUE. Mr. Speaker, with endorsement from the Pentagon's top leadership, the Department of Air Force has named the B–1 bomber its "single most important new weapon system development." In spite of this, all sorts of organizations, from Ralph Nader's Raiders to Common Cause have mounted campaigns to "kill" the program. Unfortunately, included in this group is the Brookings Institution who have befuddled the Congress with "alternate solutions" to our problems of strategic forces and tactical air warfare.

Under leave to extend my remarks in the RECORD, I wish to include an article which appeared in the June 1975 edition of "Government Executive" written by Mr. C. W. Borklund, president of Executive Publications, Inc., entitled "How Not To Do A B–1 Bomber Job on the Congress" which I trust the Members of this body will read and digest:

HOW NOT TO DO A "B–1 BOMBER JOB" ON THE CONGRESS

(By C. W. Borklund)

Last March, on these pages, both Defense Deputy Secretary William Clements and Joint Chiefs Chairman George Brown said they were "worried about how articulate we will be in making our budget presentations to Congress, stating the Nation's (defense) needs sufficiently well to attract Congressional support." If they were worried then, they should be close to fired up now.

We are. They are being outsold on Capitol Hill through the most fuzzy headed, specious and unfounded reasons. Worse, among the leaders and staffs of the key Senate and House Armed Services Committees and Appropriations Subcommittees on Defense, where the communications lines should be open, frank and instant, they are, instead, too often fogged, suspicious and tardy.

Indeed, a pretty good case could be made that even the Brookings Institution is making more headway on the Hill than the Pentagon, advancing their "alternate solutions" to Defense proposals in the critical fields of strategic forces and tactical air warfare.

And they don't even have a security clearance, or aren't supposed to, let alone access to all the vast pile of intelligence, foreign intent and technological capability the Pentagon has.

All this may not bother you if you happen not to believe the first obligation of Government is, as the Constitution says it is, "to provide for the common defense."

But it bothers us.

BLIND CRITICISM

In this nuclear age, what ultimately guards our freedoms, our standard of living and our country is the unmistakable evidence (to the rest of the world, not us) that if we are threatened and/or actually attacked by nuclear or even massive conventional forces, we have the unquestioned ability to wreck devastating destruction on the attacker.

That, alone, means it's no place to be cutting corners.

It also means, for our peace of mind anyway, that deciding what should go into strategic nuclear forces should be done by persons thoroughly schooled in the problem. Which is why we didn't think much of a study, funded by the Ford Foundation and published by Brookings in 1973, titled: Strategic Forces—Issues for the Mid-Seventies.

Among the erudite observations: "As now conceived, (the B–1) would offer marginal improvements over the B–52 G&H models in speed, low altitude capability, radar cross-section, payload and pre-launch survivability."

Only 2/3rds the size of the B–52, the B–1 generates only 1/25th the cross-section on a radar screen, carries nearly twice the payload, flies more than twice the speed of sound at high altitudes, is faster than the subsonic B–52 at "treetop levels" and has an intercontinental range unrefueled.

If that's a marginal improvement, we'll take it.

"An alternative approach (to the B–1) would be to undertake the parallel development of a (subsonic) manned bomber designed solely to carry standoff cruise missiles, like the Air Force SCAD (for subsonic cruise armed decoy) but with a nuclear warhead, which could penetrate a very low altitude and present a very small radar target."

TRENCH WARFARE?

Apart from the fact that one of the study contributors formerly worked on the SCAD program, the subsequent scenario designed to help justify the idea seems afflicted with the same illness a Navy Captain chastizes elsewhere in this issue about Brookings' proposals on tactical air warfare.

Specifically, it appears to work from the premise that the battle zone will be a kind of fixed Maginot line and that the surface-to-air missile and other air defenses will not be mobile and won't have much reach beyond the attacked country's borders—all of which the Pentagon knew earlier than 1973 and all the rest of us know now is tactically and technologically wrong.

Is it so hard to see what the Russians pretty well demonstrated with their recent ocean 1975 global fleet maneuvers when the U.S. was literally surrounded by submarines, surface ships and aircraft, all reportedly linked by a communications network which could have ordered the whole armada to undertake simultaneous attacks within 90 seconds?

Another excerpt: "We believe that increasing the military flexibility of the strategic force (that is, building the B–1) at the expense of increasing Soviet apprehension as to American intentions would be a poor tradeoff."

MEANWHILE . . .

What about our apprehensions? The Soviets already are deploying a Trident-type submarine, a B–1-type bomber and are increasing their military expenditures 5% every year. Their missile developments are at least 40% greater than our peak in the early 1960s.

They have nearly twice as many men under arms, five times our annual production rate of tanks, three times as many artillery tubes and twice as many heavy mortars, and are spending $16 billion annually on strategic forces to the U.S. $8 billion.

However, said the Brookings study authors, "We would slow the B–1 development program somewhat and begin parallel development of a standoff bomber. The decision as to which new bomber to procure would be delayed until the relative capabilities and costs of penetrating as against standoff systems could be more fully evaluated."

Take your time. The Russians will wait.

Brookings has a new study reportedly on the way to the printer. If it says what the 1973 one does, it will be flawed, too, in the judgement not just of us and the Pentagon but of the Foreign Policy Task Force of the Coalition for a Democratic Majority, headed by Eugene Rostow.

Said they, in late March of this year, "The B–1 Bomber . . . would play an important role in diversifying our strategic forces, greatly complicating any Soviet plans for attaining first strike capability, and improving our ability to achieve a resilient and flexible deterrent force.

"It would force the Soviets to continue to maintain their expensive air defenses. Pending an agreement that equitably and verifiably limits bombers, they will be indispensible to help maintain the balance of strategic forces through the 80s. Research and development for the B–1 should not be further delayed."

Our worry is that the Brookings and not the Rostow concept is the one which seems to be moving forward on Capitol Hill. Whether they had anything to do with it or not is a moot and really immaterial point. What is pertinent, we think, is that between the Pentagon and the Senate/House Armed Services leadership far too much time has been spent writing long, challenging memos back and forth.

In this age of marvelous communications technology, why is it so difficult to pick up the phone, dial the other side of the Potomac, and say, "Look, this is a vital issue. I don't understand what you're driving at in your last letter, (and) how about my coming over to your office to talk about it?"

Not only would awarenes be the better for it but it might dampen that currently nasty question rumbling around the Pentagon: "Who decides the Defense Budget, Congress or the Brookings Institution?"

More than two years ago, Defense started a Joint Strategic Bomber Study (JSBS).

Last summer, the Senate Armed Services Committee urged the JSBS to include the GAO (General Acounting Office) so they would know first-hand what assumptions, presumptions, threat estimates and projections out over a 30-year span (the operational life of the B–1) had gone into whatever final result reached.

When the first report was done, GAO told both the Pentagon and Senate Armed Services Committee Chairman John Stennis (D-Miss.) that it "appears unnecessarily limited in that it does not provide the means to relate the cost and effectiveness of the present strategic bomber force to the cost and effectiveness of possible future alternatives."

So JSBS did a "supplemental study." Result, said GAO's Elmer Staats in a classified 3-page letter with six pages of attached, additional comments: "We are of the opinion that the study results now provide the basis for more informed consideration of the strategic bomber question by the Congress."

GAO also said, among other things, "If one concludes that the bomber should be capable of a high level of destruction and will be confronted with a high threat, then the B–1 would be the most cost-effective" response. Moreover, they said in effect, "Our additional analysis shows" at a "slightly increased threat level" the B–1 "is more cost-effective;" and B–52s, instead, don't become cost-effective unless the threat level stays where it is.

STILL A DECISION

That letter was sent March 4, 1975. But one statement in it left Senator Thomas McIntyre, Chairman of the Senate Armed Services R&D Subcommittee, apparently dismayed and angry. The basic point to remember, said the GAO, is that cost-effectiveness studies can help but they can't replace judgment.

So the heart of the matter was still: (a) How much risk can the Nation afford (in deciding what to buy strategically); and (b) "Do we need a manned bomber?" That latter point was not addressed in any way by the JSBS nor did they assess the deterrent value of the alternatives.

McIntyre fired off a sharp, 8-page letter to Defense Secretary Schlesinger expressing "my deep disappointment that the JSBS failed to meet . . . standards of completeness and objectivity and, therefore, is a most inadequate tool in informing a Congressional decision about the B–1."

About then, March 14, someone in the Pentagon should have made that first phone call. Instead, on April 9, Clements answered McIntyre with a 3-page letter and a 6-page attachment, contesting each of the six subparts of McIntyre's challenge.

And on April 16, Air Force Secretary John McLucas followed with a backup, repeated the next day in testimony before the McIntyre subcommittee, covering mainly the costs of the current B–1 vs. the costs of the McIntyre options the latter said were not unbiasedly studied—options very much like the Brookings notions noted above.

In the race to meet deadlines for reporting to the full committee, the substance of neither letter "got much of a going over." Thus, what went forward was a recommended cutback in development funds and a delay of, in effect, up to two years in starting the production cycle.

INTO A CORNER

The basic point is, on a program of this size and importance, a little cutback at the committee level will almost assuredly encourage an even bigger cut on the floor. And the knee-jerk failure to face up to the "need" issue now, forcing program delay, drives the B–1 into a cost corner which almost assures, some two years from now, that the estimated price to complete will be over $100 million a copy.

And when it has thus priced itself out of the market, all the non-decision makers will be able to blame it on program management and kill the system. And nobody will be the loser—except the country. Even McIntyre will be hard-pressed to defend it, as he has done successfully twice before, against Senate proposals to cancel it.

And so far at least, probably the most succinct summary of why it is needed has come out of the Committee for a Democratic Majority. Said Rostow's experts in a key part:

"An early view of the requirements of deterrence held that we must have adequate forces to wreak 'Assured Destruction' on the Soviet Union after its worst possible 'out-of-the-blue' attack on our strategic forces, i.e. we needed a retaliatory capacity capable of destroying so large a proportion of the population and industrial plants in their cities that no prize could be worth the punishment they would take in return for striking first . . . The balance of terror would become stable—the 'two scorpions in the bottle' would both live, because neither could survive if it attacked the other.

"This doctrine of 'Mutual Assured Destruction' has been called by its acronym, MAD, because it leaves no alternative to Armageddon if either side miscalculates and deterrence fails. But recent advances in the accuracy and numbers of strategic weapons have made it clear this doctrine, dubious even in its heyday, is now obsolete.

"The Soviets will soon be able to launch a first strike that spares our cities but destroys a substantial portion of our strategic and conventional military forces. After such an attack, it would be repugnant—and of doubtful utility—to respond by wiping out Soviet population centers.

RATIONAL ALTERNATIVES

"Moreover, if the Soviets should use only a portion of their growing strategic forces in such a first strike against military targets, they would retain the capacity to wreak havoc on our people should we respond with a retaliatory attack on their cities . . . would we respond to (a first strike) by massacring the Soviet population—especially when our own people were in effect hostages to the possibility of a second Soviet nuclear attack?"

In sum, if we have to throw our missiles first, we have already lost the war. "Besides," writes Rostow, "as other nations acquire the bomb, there are not just two scorpions in the proverbial bottle, but several." Thus, the world hasn't moved at all away from George Washington's warning to his infant country: "To prevent (nuclear) war, one must be prepared to fight (nuclear) war."

Concludes Rostow for all of us: "In response to this grisly predicament, the Secretary of Defense now proposes to give our forces a greater range of options for meeting the variety of offensive possibilities the Soviets are now developing. We need not only the capability for a massive counterattack on enemy cities; but also the capability selectively to counterattack enemy military targets."

Thus, developments, including *Trident* for hardened silo attack and the *B–1*, "are indispensable both to strengthen deterrence and to provide more rational alternatives if deterrence fails."

Now, except for the Carthaginians among us who believe if we lay down our arms the Russians will, too, the biggest hurdle to get around seems to be: Whether Congress calls it Assured Destruction or the Pentagon calls it Counterforce or even Nuclear Warfighting Capability, they're really talking about the same objective.

The phone number in Senator Stennis' office is . . .

LIQUID METAL FAST BREEDER REACTOR DEVELOPMENT PROGRAM

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. MILLER of California. Mr. Speaker, myself, Mr. Tsongas, Mr. Udall, Mr. Weaver, Mr. Seiberling, Mr. Vigorito, Mr. Carr, Mr. DeLugo, and Mr. Bingham as members of the Subcommittee on Environment of the Committee on Interior and Insular Affairs, would like to express our deep concern for certain aspects of the liquid metal fast breeder reactor—LMFBR—development program which has received top priority in the energy R. & D. budget of the Energy Research and Development Administration—ERDA—and which will be before the House for authorization this week.

To the Committee on Interior and Insular Affairs the jurisdictional rules of the House of Representatives give the special oversight function of "reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with . . . nonmilitary nuclear energy and research and development including the disposal of nuclear waste"; and this function has been assigned by the committee to its Subcommittee on Energy and the Environment.

Members of the subcommittee have unanimously decided to give this new responsibility the highest priority. To this end, hearings were held June 2, 5, and 6, on the LMFBR program. Although the subcommittee will produce a report on these hearings, we wish to address here some of our principal findings and recommendations prior to the ERDA authorization.

In the mid-1960's, the Atomic Energy Commission selected the sodium-cooled, plutonium-producing LMFBR as its highest priority reactor development program. The AEC's objective in choosing such a program was the timely development of technology for a breeder reactor that will offer a commercially competitive and environmentally acceptable option to assure the nation of a long-term electrical energy supply. Introduction of commercial LMFBR's is planned for the early 1990's.

The overwhelming advantage of a breeder reactor over existing light water reactors is its ability to use both isotopes of uranium—rather than only the rare isotope U–235 used in the current generation of reactors. A commercial breeder program would extract more than fifty times the energy from a pound of uranium and would therefore allow exploitation of a much lower grade uranium ore, insuring an electrical energy supply for thousands of years.

Total R. & D. for the LMFBR is now estimated at $10.6 billion, a threefold cost increase from the original estimate made in 1969; this escalation has caused considerable concern in many quarters.

In this week's ERDA authorization bill, the House will be asked to approve a significant new phase in the breeder development—the Clinch River breeder reactor—CRBR—demonstration plant—at a cost to the Government of $1.5 billion. The debate on this decision, we believe, centers on whether or not it is timely to proceed with a demonstration plant of this particular design.

The pace of breeder development is closely keyed to projected electrical energy growth, uranium resources, the role of energy alternatives, success in implementing a safe plutonium economy, and the economics of breeder commercialization. The subcommittee has heard strongly conflicting testimony on all these issues, the thread of which follows:

ELECTRICAL ENERGY GROWTH

What will be the growth rate in electrical energy demand over the next several decades? On the one hand, ERDA, the FEA and utilities project an annual electrical growth rate of approximately 6 percent per year or a doubling time of 12 years. At this rate, by the turn of the century, in the absence of the breeder or the rapid development of an alternative electrical energy technology, large quantities of uranium and coal would have to be mined and burned. Postponing the breeder might then take a large environmental toll—both in mining and in the atmospheric pollution from using coal.

On the other hand, many experts believe that efficiency and conservation in our use of energy will make unnecessary a fourfold increase in electricity consumption between now and 2000. The dramatic slowdown in growth of energy over the past year and a half along with the Nation's growing concern about energy conservation reinforce this view. A recent study by the Holifield National Laboratories shows electrical growth rate projections considerably lower than 6 percent. It predicts 3.8 to 5 percent between 1986 and 2000; and 2.3 to 3.1 percent between 2001 and 2020. The potential environmental problems of burning large quantities of coal and uranium, the enormous inefficiency with which we use our energy sources, and the high capital cost of energy suggest we can and must slow our long-term energy growth.

The subcommittee has heard substantial evidence to support this view. Using the results of research carried out for the Ford Foundation Energy Policy project and the American Physical Society, Dr. Robert Williams testified that significantly cutting back on energy consumption can be carried out with a minimum of inconvenience. For example, 10 years from now it should be possible to cut fuel requirements for office building air-conditioning sixfold simply by changing the lighting standards, improving ventilation and insulation, and by employing solar energy.

Said Dr. Williams:

> The ultimate result of such measures could be zero energy growth without jeopardizing economic activity, and . . . the energy savings would be reflected in reduced consumer costs for energy services and probably more jobs.

This argument is based on the fact that energy conservation opportunities tend to be more labor intensive than their energy intensive counterparts.

Profs. Duane Chapman and Tim Mount of Cornell University testified on their analysis of the future growth of energy demand. In view of the rapidly increasing prices of oil, gas, and coal, their results indicate that future electricity demand growth has departed permanently from the historical pattern of 6 to 7 percent per year. They suggest that electrical demand growths on the order of 2 to 3 percent between now and 1980 can be expected.

The Environmental Protection Agency's evaluation of ERDA's proposed final environmental statement on the breeder states that "a delay of 4 to 12 years might be accommodated without significantly reducing the uranium conservation value of the breeder" because of lower projected growth rates than those used by ERDA.

The pace of development of the LMFBR is closely keyed to the Nation's demand for electricity. We, therefore, recommend that an independent evaluation be performed on the growth of electrical energy consumption.

URANIUM RESOURCES

The extent of domestic uranium resources is another crucial question. On the one hand, ERDA and the nuclear industry have urged the Nation to proceed quickly with LMFBR demonstration because of dwindling uranium supplies, and, on the other hand, there are widespread discrepancies in uranium resource estimates.

Over the years, ERDA's estimates of uranium resources—up to a cost of $30 per pound—have increased from 1.2 million tons of U_3O_8 ore in 1965 to 2.7 million tons in 1973 to 3.6 million tons in 1974. Dr. Robert Nininger, ERDA's Assistant Director for Raw Materials, testified that 700,000 tons of this are known reserves which could fuel, during their 30-year lifetime, the approximately 200,000 Mwe nuclear capacity now committed and planned. But to fill ERDA's projected nuclear capacity of 625,000 to 1,250,000 MWe in the year 2000 the nuclear plants projected for that year—if they were light water reactors—will have consumed the entire 3.7 million tons estimate by early in the 21st century. This is the basis on which the argument for prompt development of the LMFBR rests.

On the other hand, Dr. Milton Searl of the Electric Power Research Institute, has suggested domestic uranium resources might be much longer—perhaps in the range of 13.2 to 28.9 million tons of U_3O_8. These estimates would suggest that, even if nuclear power were to grow to the extent ERDA has projected for 2000, there are more than adequate uranium resources to fuel the plants and the urgency for rapid development of the LMFBR is eliminated. In his testimony, Dr. Searl made several important suggestions for improving the quality of the search for uranium and making more accurate assessments of uranium resources.

We therefore recommend that an independent evaluation be performed assessing the extent of domestic uranium resources and developing new methods for refining these estimates.

LONG-RANGE ELECTRICAL ENERGY ALTERNATIVES

Historically, the development of solar and fusion power have lagged behind fission power, but there is growing realization that balance needs to be established among all energy R. & D. options. Environmentalists are urging the Nation to consider other long-range energy alternatives but efforts in that direction could be hampered by the current emphasis on the LMFBR.

Thermonuclear fusion, geothermal, ocean thermal gradients, photovoltaics, solar thermal power systems, and wind power could all provide potential electrical energy options. Other nuclear fission options and interim solutions must also be considered—for example a uranium-thorium economy. In this context, Dr. Hans Bethe, a Nobel laureate physicist from Cornell University, testified before the subcommittee last month that the advanced Canadian alternative—CANDU—involves less complicated technology, would cost less, and would avoid the use of highly radioactive plutonium, while conserving uranium resources to a considerable degree though not nearly as great a degree as the LMFBR. Dr. Peter Gottlieb of Dames & Moore Co. suggested to the subcommittee that high temperature gas-cooled reactors—HTGR's—provide a uranium-conserving interim solution.

There is disagreement about the timing and the rate of onset of commercially viable solar energy options. The rapidly increasing costs and potentially severe environmental impacts of fossil fuel and nuclear electrical energy generation have only recently caused attention to be focused on solar alternatives. The conventional wisdom that widespread deployment of solar electrical energy systems must await major breakthroughs and will not occur until well into the twenty-first century has been challenged.

Mr. Robert Douglass, manager of Ocean and Energy Systems projects of TRW Corp., testified before the subcommittee on one solar option—Ocean Thermal Energy Conversion—OTEC. Electrical power can be produced from temperature differences between the surface and subsurface in warm ocean waters. Mr. Douglass reported on two extensive studies awarded to TRW and Lockheed to look critically at the OTEC concept and to assess as realistically as possible its technical and economic feasibility. The two studies, conducted independently, concluded that OTEC is very promising: the technology for these power plants appears to be well in hand, the resource is vast, the environmental impact would be minimal, and the costs are low enough to make this technology well worth developing. The OTEC concept could provide a continuous and reliable source of electrical energy with negligible fuel costs.

We, therefore, recommend than an independent evaluation be performed on how soon long-range electrical energy options in addition to the LMFBR can be developed. The maximum amount of Federal support as is reasonably possible should be directed toward rapid R. & D. and demonstration of these options. We must create a balance between such programs.

SAFETY AND SAFEGUARDS

Another question concerns the use of plutonium, a manmade element, which the breeder produces and uses as fuel. In spite of its enormous potential as a virtually inexhaustible fuel, doubts have arisen about the economics, safeguards, high toxicity, and reprocessing technology of a plutonium economy, which is a necessary precursor to and consequence of a breeder economy.

Light water reactors also produce plutonium but, currently, the plutonium is not separated out from the highly radioactive fission product in the spent fuel. The separation process occurs at reprocessing plants, where the plutonium is prepared in a form where it can be recycled as reactor fuel. In this state, 10 to 20 pounds of plutonium could be fabricated into a nuclear weapon and this raises serious questions about whether the material can be adequately safeguarded from theft. The introduction of the breeder requiring a plutonium recycle economy; this is optional with current light water reactors. The AEC has projected that in a plutonium economy, as many as 100,000 plutonium transportation events could occur each year which would require tight security. The international proliferation of a plutonium economy presents serious safeguards problems.

Can plutonium ever be made socially acceptable? The Nuclear Regulatory Commission—NRC—has recently ruled that the recycling of plutonium through existing reactors would be suspended pending further efforts to create adequate safeguards. A final ruling will not be issued until 1978; in the interim the plutonium question will remain unresolved.

The LMFBR has safety problems which are somewhat different from those of existing nuclear powerplants. Special difficulties with the LMFBR, for example, liquid sodium, which is used as the coolant, reacts vigorously with water and air and, therefore, requires isolation from the environment. It is also possible the high local concentrations of plutonium in the reactor core which would result from a loss of coolant accident might be adequate to cause small nuclear explosions. There is still controversy about whether their force would be adequate to break the reactor containment.

We recommend that an independent evaluation of safeguards in a plutonium economy and safety of LMFBR's be performed.

ECONOMICS

There is widespread disagreement about the costs and benefits of commercial LMFBR's. Two witnesses, Dr. Thomas Cochran of the National Resources Defense Council and Dr. Thomas Stauffer of Harvard University, have provided the subcommittee with contradictory data.

The LMFBR has enormous prospect as a source of electricity and is potentially economical because of its uranium conservation value. Dr. Stauffer has testified that a net discounted benefit of $76 billion would result from LMFBR's providing 43 percent of the total national electrical capacity in 2020. This degree of savings depends on the assumption that electrical energy demand will continue to grow at 6 percent per year and that total domestic uranium resources up to $65 a pound are 2.4 million tons. Savings would be somewhat less for slower growth rates and greater resources. Dr. Cochran argues that the LMFBR could not compete until 2020, when safer alternative energy sources become available.

Because of added costs associated with the sodium coolant and reactor geometry, ERDA and Westinghouse estimate that capital costs for commercial breeders would exceed those for existing light water reactors by a considerable margin. What is at issue in the tradeoff between the uranium conservation value of LMFBR's and their higher capital cost? The answer is very sensitive to the assumptions one wants to use. Another question which should be addressed is the degree of Government subsidy of near-commercial breeders and further development cost increases resulting from design changes and safety requirements. It is presently not at all clear whether or not a breeder economy will outpace other energy economies—even after several decades of operation.

We recommend that an independent evaluation of the economics of the LMFBR program be performed.

DESIGN AND MANAGEMENT OF THE CLINCH RIVER BREEDER REACTOR—CRBR

Prof. David J. Rose of MIT, who is in favor of a strong nuclear program, has testified before the subcommittee that construction of the Clinch River breeder reactor—CRBR—be delayed 1 to 2 years while carrying out a very substantial review of the design of this demonstration breeder. This recommendation is based on the premise that "a better program will come from a thorough review, that time exists for the work, and that the delay will not lead to the inadvertent dissolution of the present program."

The purpose of CRBR, according to its proponents, is to demonstrate the feasibility of a breeder reactor of an intermediate size between the FFTF and commercial breeder reactors anticipated for the 1980's. Completion of the FFTF was originally scheduled for 1972 which might have allowed sequential design from the test reactor to the demonstration reactor.

There have been several management problems with the CRBR. A recent GAO report describes the CRBR managment arrangement between ERDA and the utility as "complex and potentially cumbersome" and "represents a potenial risk to the project." According to the GAO, many of these management problems remain unsolved and ERDA has agreed. The CRBR, first estimated in 1973 to cost $700 million, has escalated to $1.7 billion, the increment falling totally on the Federal Government. Further cost overruns could plague the Clinch River project if there are too many design changes during construction—as has been the case with the FFTF. With only $257 million contributed by utilities, the relationship between ERDA and the private sector has been in a state of flux and has not yet been clearly delineated. Safety issues like the CRBR core-catcher need to be resolved. Since the Federal Government would contribute most of the funds for the CRBR program, it is important for Congress to understand the nature of the contractual arrangements between the parties involved.

For these reasons, in the interest of good Government practice, breeder R. & D. funding will be continued while delaying, for 1 year, the construction, long lead items, and procurement of components and related items of the Clinch River breeder reactor, pending the outcome of an extensive independent outside study of LMFBR demonstration design and management. In fiscal year 1976 this would amount to a decrease of $94 million in the ERDA budget. This adjustment would allow the Nation the opportunity to increase its R. & D. commitments to long-range energy alternatives besides the LMFBR. But the LMFBR program would continue vigorously—with $400 million for it in the budget of fiscal year 1976 and still much more than is being invested in solar energy and conservation. Effort should be directed toward the rapid completion of the FFTF facility which will provide valuable information about the viability and performance of LMFBR's. The delay will also provide the Nation the opportunity to study the French and other foreign LMFBR designs and demonstration which are now well underway.

ANNUAL AUTHORIZATION

According to testimony presented before the Joint Economic Committee by Robert Thorne, ERDA Acting Assistant Administrator for Nuclear Energy, ERDA's request for authorization for the CRBR demonstration program is for the full program, not only the fiscal year 1976 portion. Implicit is that Congress will be voting on a $1.5 billion authorization for the entire Clinch River program over several years. In a program of such importance, good government practice would make it essential for Congress to give this program is annual scrutiny.

We recommend that the Congress annually review the authorization of all aspects of the LMFBR program.

SUMMARY AND RECOMMENDATIONS

We recognize that the LMFBR is an important energy option which might be adopted late in this century and early in the next and therefore supports a continuing strong national R. & D. effort.

However, conflicting testimony on several key points regarding the appropriateness and timing of the breeder program make it clear that careful, independent outside reviews of several major issues are required before proceeding with commercialization. Toward this end, we look forward to the imminent release of the final environmental impact statement on the LMFBR and ERDA's energy R. & D. policy statement. But it is clear that more information and analysis will be required to determine the role of the LMFBR in national long-range energy policy.

We recommend that extensive outside independent studies be performed on each of the following issues: Growth in electrical energy demand; energy efficiency improvements; the extent of domestic uranium resources; the costs and benefits of long-range alternative electrical energy sources; safety and safeguards in a plutonium economy; the economics and timing of breeder commercialization; design and management criteria; and the experience of foreign breeder technology. Meanwhile the maximum amount of Federal support reasonably possible should be directed toward rapid R. & D. and demonstration of other long-range energy options. We must create a balance among such programs.

It is anticipated that these studies will continue for several years with major results anticipated in about 3 years. Congress should allocate approximately $2 million for such studies; it is noted that this is a very small investment compared to the magnitude of the problems to be addressed.

We are deeply concerned that the management and design of the Clinch River breeder reactor demonstration plant may not represent the best possible effort. Because the potential Federal investment in this program is $1.5 billion or more and the choice of a commercial demonstration program is crucial to future energy policy, good government practice suggests a careful scrutiny of these questions before committing to a design which may not be as environmentally or economically desirable as other options. The weight of evidence in testimony regarding electrical energy growth projections presented before the subcommittee strongly indicates that no substantial penalties to the Nation's long-range energy standing would result from a 1- to 2-year delay in starting construction of the Clinch River plant.

We recommend that LMFBR R. & D. funding be continued while delaying, for 1 year, construction, long-lead items and procurement of plant components and related items for the Clinch River breeder reactor, pending the outcome of an extensive, independent, outside study of LMFBR demonstration design and management.

Finally, there is a question of whether or not the Congress as a whole would annually consider the authorization of the breeder demonstration program. We feel it is of utmost national importance for Congress to scrutinize this program on an annual basis.

We recommend that the Congress annually review the authorization of all aspects of the LMFBR program.

Mr. Speaker, we appreciate the opportunity to address these important questions which are relevant to this week's debate on the ERDA authorization bill.

ALMONT, MICH., LANDMARK NAMED NATIONAL HISTORIC SITE

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. TRAXLER. Mr. Speaker, I am pleased to learn that the National Park Service has entered into the National Register of Historic Places the F. P. Currier House, located in Almont, Mich. This historic structure is unique in several respects and I would like to share its story with my colleagues.

Mr. Frederick P. Currier came to Almont, Mich., in 1847. He was a leading citizen of the community until his death in 1900. In 1851, he opened a furnace and machine foundry which prospered. He later became involved in several other local businesses, including banking. He also was a deacon of the Congregation Church.

According to his granddaughter, the house was completed in 1854, at the start of Mr. Currier's prosperity. The house is an octagonal design, based on the concept introduced by Fowler in 1848. Even though the octagon was popular in other parts of the United States, the Currier House was the first of its kind in the State of Michigan. The octagon design was felt to be more functional and more efficient to heat. When constructed with gravel siding, the structure was believed to be quite fire resistant.

The Currier House was truly unique. The exterior walls of this octagon were not of equal length. This alone was considered a violation of the octagon concept, but Mr. Currier went further and even included octagon-shaped rooms. Mr. Currier desired a house which was most functional inside and out. The first floor windows stretch from the floor to the ceiling, making the building an even more attractive sight.

The Michigan History Division of the Michigan Department of State has informed me that there are several more structures in the vicinity which are of equal historical value and interest. I am pleased that the U.S. Government sponsors a grant program to historical sites so that they may be maintained providing everyone an opportunity to view the important cultural and structural mementos of America's past.

Mr. Speaker, I cordially invite you and all my colleagues to visit the F. P. Currier House the next time you are in the vicinity of Almont, Mich. This national historic site is located on 231 East St. Clair Street in Almont, Mich. I am certain that Mr. William Hahn will be pleased to share the history of this house with anyone who does visit.

THE FCC REORGANIZATION AND REFORM ACT

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. MACDONALD of Massachusetts. Mr. Speaker, the need for reform of the regulatory process has been well documented. Like so many subjects, however, it has been studied so much that there is no positive direction being given to the implementation of effective reforms. The purpose of H.R. 8014, the Federal Communications Commission Reorganization and Reform Act, is to serve as a starting point for regulatory reform.

Some of the provisions of this legislation are directed at problems peculiar to the FCC, but the broad framework of the bill could, I hope, serve as a model for reform of the other regulatory agencies.

It has become increasingly apparent that the drift of the regulatory agencies away from their positions of "arms of the Congress" designed to protect the public interest and toward the executive branch has resulted in a substantial loss of independence. Greater congressional participation in the oversight of agency regulation is imperative if this drift is to be stopped. And regulatory independence must be assured if the public interest is to be adequately safeguarded.

Furthermore, there has been mounting criticism of the regulatory agencies for losing sight of their regulatory mandate from the Congress and becoming unduly influenced by the industries which they were established to regulate with the result that these industries are perpetuated without meaningful change. More effective oversight of agency activities by the Congress is needed, although, too often, the agencies operate with procedures which are not open to the public and buried from all but the most probing of congressional scrutiny. These procedures must be changed if Congress is to reassert its oversight responsibilities in the regulatory process.

In addition, the regulatory process might be made to reflect "the public interest, convenience, and necessity," which is set forth as the standard for the FCC, for example, if the constituency of the agencies were broadened. Responsible public interest groups can be an effective source of providing that broadened constituency. This alternative needs to be seriously considered during the hearings as well.

Then, too, Congress has a larger responsibility to make the regulatory process work. We must examine the underlying statutes with which the agencies must deal. In the case of the FCC, the Communications Act of 1934 is the product of a time when telecommunications technology was in a relatively primitive stage. A reexamination of this act alone will be a massive task, but one which the Congress should be willing to undertake if the regulatory agencies are to continue to function properly. And I can guarantee that the Subcommittee on Communications is prepared to undertake it.

In addition, we must take a close look at the regulatory process to determine whether it is being unduly restrictive of growth and development or whether it is being unfairly selective in determining which industries are allowed to expand and which are restricted. The Congress must make certain that American technology and know-how are not being inhibited by regulatory policies and processes which are out of date.

However, before we can adequately assess the role of the regulatory agencies, we have the obligation to see to it that they are made to function effectively and are given the independence and strength to be able to operate in the interest of the public as they were designed to by the Congress.

During the course of hearings on the FCC Reorganization and Reform Act, it is my hope that the ideas contained in this legislation will spark discussion and debate. The bill is not completely definitive—there may be provisions which have been omitted which the Subcommittee on Communications will decide to include, and there may be provisions included which will have to be modified or eliminated after we explore them thoroughly during the hearings.

H.R. 8014 provides a start down a long road toward regulatory reform. It attempts to increase the independence of the FCC, to provide Congress with the tools to achieve more effective oversight, and to open up the Commission's processes to public awareness. The time for studies and discussions is over, and the time for strong, meaningful legislation has arrived.

A copy of the key provisions of the act and a bill to amend the Communications Act of 1934 follow:

KEY PROVISIONS OF THE FCC REORGANIZATION AND REFORM ACT

The bill, introduced by Congressman Torbert H. Macdonald (D.-Mass.), Chairman, House Subcommittee on Communications, would do the following:

1. Decrease the number of FCC Commissioners from 7 to 5 and lengthen their term of office from 7 to 10 years.

2. Provide that the Chairman of the FCC be confirmed by the Senate instead of merely being designated by the President.

3. Specifically limit the grounds for removal of FCC Commissioners to neglect of duty or malfeasance in office.

4. Provide that each FCC Commissioner may appoint up to four professional assistants and two secretaries, and that in addition, the Chairman of the FCC may appoint an administrative assistant.

5. Provide that legislative recommendations of the FCC shall be submitted directly to the Congress and shall not be subject to approval or review by any department or agency of the Executive Branch.

6. Require that the FCC provide appropriate Congressional Committees with any document (or copy thereof) in the possession or control of the Commission within two days of a request.

7. Provide that the FCC may represent itself with its own attorneys in any civil action to which it is a party.

8. Require that meetings of the Commission be open to the public unless the Commission determines by a recorded vote that a meeting must be closed in the public interest.

9. Require a quarterly report be made by the FCC to the House and Senate Commerce Committees covering personnel and the status of significant rulemaking proceedings, studies and investigations.

10. Specifically authorize appropriations for the operation of the Commission.

11. Require that, when the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit that estimate or request to the Congress.

12. Establish an equal opportunity office which shall be directly responsible to the Commission and which shall assist the Commission in prescribing rules applicable to the Commission and entities regulated or licensed by the Commission and in implementing and enforcing such rules.

13. Require records be kept and disclosed to the public by each Commissioner and each employee of the Commission as to all meetings or communications with any person outside of the Commission concerning pending proceedings on policy matters.

14. Permit the FCC to provide payment for reasonable attorney's and expert witness' fees and other costs of participating in rulemaking proceedings for any person representing an interest which would otherwise not be represented and which is necessary for a fair determination of the proceeding, and who could not otherwise afford to participate effectively.

15. Require that whenever the FCC waives a rule or departs from established policy, it shall issue a statement of its reasons.

H.R. 8014

A bill to amend the Communications Act of 1934 in order to reorganize the Federal Communications Commission and revise its procedures so as to permit the Commission to more effectively perform its duties.

SHORT TITLE

SECTION 1. This Act may be cited as the "FCC Reorganization and Reform Act".

COMPOSITION OF THE COMMISSION

SEC. 2. (a) (1) Subsection (a) of section 4 of the Communications Act of 1934 (47 U.S.C. 154(a)) is amended to read as follows:

"(a) The Federal Communications Commission (hereafter in this Act referred to as the 'Commission') shall be composed of five Commissioners appointed by the President, by and with the advice and consent of the Senate. One Commissioner shall be appointed Chairman by the President, by and with the advice and consent of the Senate. The Commissioner appointed as Chairman shall serve as such until the expiration of his term as a member of the Commission (except that he may continue to serve as Chairman for so long as he remains a member and his successor as Chairman has not taken office). An individual may be appointed as a member at the same time he is appointed Chairman."

(2) (A) The last sentence of subsection (b) of such section 4 is amended by striking out "four members" and inserting in lieu thereof "three members".

(B) Subsection (h) of such section 4 is amended by striking out "Four members" and inserting in lieu thereof "Three members".

(3) (A) The amendments made by paragraphs (1) and (2) of this subsection shall not affect the term of office of any person serving as a member of the Federal Communications Commission on the date of enactment of this Act.

(B) No appointment shall be made to fill the two vacancies first occurring (by expiration of term or otherwise) in the offices of members of the Federal Communications Commission after the date of enactment of this Act. Upon the occurrence of the second such vacancy, the terms of office of the remaining five members of the Commission shall be changed so as to expire on September 30th of the second, fourth, sixth, eighth, and tenth year following the year in which such second vacancy occurs and such five members of the Commission shall each be assigned one of such changed terms in the order of the length of their unexpired terms on the Commission immediately preceding the occurrence of such second vacancy with the member having the shortest unexpired term immediately preceding such vacancy receiving the shortest changed term.

(b) Subsection (c) of such section 4 is amended to read as follows:

"(c) Each Commission appointed under this Act shall hold office for a term of 10 years and until a successor is appointed and has qualified, except (1) as provided in section 2(a) (3) (B) of the FCC Reorganization and Reform Act; (2) that no Commissioner shall continue to serve beyond the expiration of the next session of Congress subsequent to expiration of his term of office; and (3) that any person chosen to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. No vacancy in the Commission shall impair the right of the remaining Commissioners to exercise all of the powers of the Commission."

(c) Subsection (b) of such section 4 is amended by inserting immediately before the last sentence thereof the following: "Any Commissioner may be removed by the President only for neglect of duty or malfeasance in office."

(d) Subsection (d) of such section 4 is repealed.

STAFF OF COMMISSIONERS

SEC. 3. (a) Section 4(f) (2) of such Act is amended to read as follows:

"(2) Without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, but subject to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, each Commissioner may appoint not to exceed four professional assistants and two secretaries, each of whom shall perform such duties as such Commissioner shall direct. In addition, the Chairman of the Commission may appoint, without regard to the provisions of such title 5 governing appointment in the competitive service, but subject to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, an administrative assistant, who shall perform such duties as the Chairman shall direct."

(b) *Section 4(f) (1) of the* Communications Act of 1934 is amended by striking out "civil-service laws and the Classification Act of 1949, as amended" and inserting in lieu thereof the following: "applicable provisions of title 5, United States Code".

REPORTS ON CERTAIN MEETINGS AND COMMUNICATIONS

SEC. 4. Section 4(j) of the Communications Act of 1934 is amended by inserting "(1)" immediately after "(j)" and adding at the end thereof the following:

"(2) The Commission shall adopt rules requiring each Commissioner and each employee of the Commission who is engaged in any significant policy-making decision, as determined by rules of the Commission, to disclose in public reports to be filed in timely fashion with the Secretary of the

Commission information concerning meetings or communications with persons outside of the Commission concerning any pending Commission proceeding on any policy matter. To the extent practicable each such report shall set forth (A) the date, time, and place where such meeting or communication occurred, (B) the name of each person participating in such meeting or communication, and (C) a summary of the subject matter covered in such meeting or communication. The Commission may by rule except from the requirements of this paragraph reports in those situations in which the filing of such reports would serve no useful purpose in promoting openness in Commission decision making. The Commission shall include in its annual report the rules adopted to implement this paragraph and any rules making exceptions thereto."

PUBLICATION OF CERTAIN COMMISSION DECISIONS

SEC. 5. Section 4(j) of the Communications Act of 1934 is further amended by adding at the end thereof the following new paragraph:

"(3) Whenever the Commission waives a rule or departs from any of its established policies, including any internal processing standard, it shall issue a written decision giving a concise statement of the factual background and the policy basis for such waiver or departure."

LEGISLATIVE RECOMMENDATIONS

SEC. 6. (a) Section 4 of the Communications Act of 1934 is amended by adding at the end thereof the following new subsection:

"(p) If the Commission determines at any time that additional legislation is necessary or desirable, it shall submit the proposed legislation together with appropriate background information thereon to the Congress. No such proposed legislation shall be subject to review of approval by any department or agency of the Executive Branch of the Federal Government."

(b) Subsection (k) of section 4 of the Communications Act of 1934 is amended by striking out at the end thereof ", including all legislative proposals submitted for approval to the Director of the Bureau of the Budget".

ACCESS TO INFORMATION

SEC. 7. Section 4 of the Communications Act of 1934 is further amended by adding after subsection (p), as added by section 6 of this Act, the following new subsection:

"(q) (1) Notwithstanding any other provision of law, whenever the Interstate and Foreign Commerce Committee of the House of Representatives or the Commerce Committee of the Senate (or any subcommittee of each such committee, having jurisdiction with respect to interstate or foreign communications, under the authority of a rule or other action of such committee) makes a written request for any document in the possession or under control of the Commission, the Commission shall within two days after the receipt of such request submit to such committee such document (or copies thereof).

"(2) If the Commission transfers any document in its possession or under its control to any other agency or to any person, it shall condition the transfer on the transferee's returning such document to the Commission for purposes of complying with paragraph (1) of this subsection.

"(3) For purposes of this subsection, the term 'document' means any book, paper, correspondence, memorandum, or other record, including a copy of any of the foregoing.

"(4) This subsection shall not be deemed to restrict any other authority of either House of Congress or any committee or subcommittee thereof to obtain documents.

"(5) The Civil Service Commission shall, upon request of any committee or subcommittee referred to in this section, commence proceedings for the discipline of any Federal employee (including discharge where appropriate) who is primarily responsible for any violation of this subsection.

"(6) The United States district courts shall have jurisdiction over actions to compel compliance with the provisions of this subsection by the Commission or any agency or transferee of records.".

CERTAIN EXPENSES OF RULEMAKING PARTICIPATION

SEC. 8. Section 4 of the Communications Act of 1934 is further amended by adding after subsection (q), as added by section 7 of this Act, the following new subsection:

"(r) The Commission may pursuant to rules prescribed by it provide compensation for reasonable fees and other reasonable expenses of participating in any rulemaking proceeding of the Commission or in any proceeding before a joint board or a Federal-State Joint Board referred to in section 410 of this Act. Such compensation may only be provided to a person (1) who has or represents an interest (A) which would not but for such compensation be represented in such proceeding, and (B) representation of which is necessary for a fair determination of such proceeding taken as a whole, and (2) who is unable to effectively participate in such proceeding because of inability to pay the fees and other expenses for which compensation is provided by the Commission under this subsection."

OPEN MEETINGS

SEC. 9. Subsection (e) of section 5 of the Communications Act of 1934 is amended by inserting "(1)" immediately after "(e)" and adding at the end thereof the following new paragraph:

"(2) Each meeting of the Commission shall be open to the public, unless (A) closed pursuant to a rule of the Commission, or (B) the Commission determines by a recorded vote, taken in public, to close the remainder or any part of the remainder of such meeting. The Commission may not close any portion of any meeting which is devoted to the consideration or adoption of any rule unless it makes a determination that the closing of such meeting is required by considerations of national defense or foreign policy. If any meeting of the Commission or a part of any such meeting which is devoted to the consideration or adoption of a rule is closed to the public, the Commission shall publish in the Federal Register the date and time of such meeting, the vote by which such meeting was closed, and a brief statement of the reason or reasons for closing such meeting."

REPORT ON ACTIVITIES

SEC. 10. (a) Section 5 of the Communications Act of 1934 is further amended by adding at the end thereof the following new subsection:

"(f) By the tenth day of January, April, July and October of each year the Commission shall submit to the Interstate and Foreign Commerce Committee of the House of Representatives and the Commerce Committee of the Senate a report setting forth (1) the agenda of the Commission as to significant rulemaking proceedings, insofar as it has been determined, and (2) for the preceding three calendar months (A) the number of persons employed by the Commission and by each of its bureaus, offices, or other subdivisions listed according to grade of the General Schedule, (B) a brief description of each study or investigation being conducted by the Commission, and of any study or investigation completed during such three calendar months with a brief statement of the results thereof, (C) a list of all petitions for rulemaking pending before the Commission for one year or more with a projected date for action thereon, and (D) a list of all rulemaking proceedings being conducted by the Commission, and all such proceedings terminated during such three calendar months with a brief statement of the Commission action with respect thereto."

(b) The Federal Communications Commission shall not be required to submit the first report which would otherwise be required to be submitted by the amendment made by subsection (a) of this section.

OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

SEC. 11. Section 5 of the Communications Act of 1934 is further amended by adding after subsection (f), as added by section 8 of this Act, the following new subsection:

"(g) The Commission shall establish an office which shall be directly responsible to it and which shall assist the Commission (1) in prescribing rules applicable to equal employment opportunities within the Commission and to entities which are regulated or licensed by the Commission, and (2) in implementing and enforcing such rules. The head of such office shall be assisted by a staff of such number and qualifications as the Commission determines to be necessary to effectively perform the functions prescribed by this subsection."

FUNDING OF THE COMMISSION

SEC. 12. Title I of the Communications Act of 1934 is amended by adding at the end thereof the following new section:

"AUTHORIZATIONS OF APPROPRIATIONS; BUDGET ESTIMATES

"SEC. 6. (a) For the operation of the Commission there is hereby authorized to be appropriated $12,500,000 for the period from June 30, 1976, through September 30, 1976; $51,000,000 for the fiscal year ending September 30, 1977; $53,000,000 for the fiscal year ending September 30, 1978; and $55,000,000 for the fiscal year ending September 30, 1979."

"(b) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress. No officer, department, or agency of the United States may prohibit, impose conditions on, or in any way impair the free communication by the Commission with the Congress, its committees, or any of its Members with respect to any budget estimate or request of the Commission."

REPRESENTATION

SEC. 13. (a) Title IV of the Communications Act of 1934 is amended by inserting immediately after the heading thereof the following new section:

"REPRESENTATION

"SEC. 400. The Commission shall have exclusive authority to commence or defend and supervise the litigation of any civil action to which it is a party and any appeal of such action in its own name by any of its attorneys designated by it for such purpose unless the Commission authorizes the Attorney General to do so. The Commission shall inform the Attorney General of the exercise of such authority but such exercise shall not preclude the Attorney General from intervening on behalf of the United States in any such action and any appeal of any such as may otherwise be provided by law."

(b) Subsection (a) of Section 401 of such Act is amended by inserting immediately after "upon application" the following: "of the Commission or".

(c) Subsection (a) of Section 402 of such Act is amended to read as follows:

"(a) Any proceeding to enjoin, set aside, annul, or suspend any order of the Commission under this Act (except those appealable under subsection (b) of this section) shall be brought as provided by and in the manner prescribed by sections 2341–2347 and 2349–2352, inclusive, of title 28, United States Code."

JEWISH ROLE IN COLONIAL AMERICA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. SOLARZ. Mr. Speaker, with the Bicentennial fast approaching, I feel it appropriate to include in the text of the RECORD the words of Rabbi William Kloner, who speaks so eloquently about the role played by Jews in Colonial America and in the Revolutionary War. While Jews were only a small part of the population, they contributed in a large way to the cause of freedom in the new world.

I am proud to say that Rabbi Kloner is one of the leading civil and spiritual leaders in my district in Brooklyn, N.Y., and speaks forthrightly for Jews and all Americans on this most important matter.

Mr. Speaker, I respectfully submit the text of Rabbi Kloner's statement in the RECORD:

REMARKS BY RABBI WILLIAM KLONER

With the Bicentennial celebration soon upon us, it is appropriate to point out that the American Revolution leading to the Declaration of Independence, July 4, 1776, was perhaps the most crucial revolution in the history of our Jewish people other than the exodus from Egypt.

The Jewish population in America has grown from a maximum of 2,500 men, women and children, constituting .1% of the entire revolutionary population, to a community six million strong these 200 years later. From a European remnant which had gathered slowly on these shores during the colonial period, living for the most part in the cities of Newport, Rhode Island, New York City, Philadelphia, Charleston, South Carolina and Savannah, Georgia, the Jewish community has become the most affluent, generous and powerful Jewish community in the history of our people. Despite all the pressing problems which confront our people today, including the memory of the Holocaust of World War II which compounds our fears for the future of Israel today, it is appropriate to note how much has been achieved and what resources are available to meet the challenges of our own times. All who have watched the recent telethon on behalf of the United Jewish Appeal and Federation in the New York area know that we do not have all the riches of this world, but we do have many, many Jewish and non-Jewish friends who can and do respond richly to the cause of Jewish survival.

Likewise, the Jews in the colonial period made a rich contribution in proportion to their numbers. They could have had good cause to side with the British, although British control of the colonies might have been irksome to the urban, commercialized Jew, since despite political disabilities the Empire had provided the Jews with unparalleled security and economic opportunity. Indeed, there were Jews who sided with the Tories (British loyalists), but for the most part Jews appear to have cast their lot in with the revolutionary Whigs. While it is difficult to ascertain percentages, a surprising number of Jews, urban and middle class, embraced the revolutionary cause, preferring exile to life under British rule.

Jews did serve in the armed forces and their record is a proud one, but their numbers were such that the Jewish military contribution in terms of armed combat was hardly significant. It was another matter, however, when one considers the commercial contribution of the Jews to the war effort. Colonial society was almost wholly agrarian. The vast majority of the population depended upon farming of one kind or another for a livelihood. Industry and manufacturing were minimal and, to make matters worse, the British fleet blockaded the Atlantic coast from whence came the supplies and munitions necessary to carry through the effort. The * * * tween the farmers in the countryside and the townspeople who needed supplies, the soldiers who needed uniforms, blankets and shoes—much depended upon American shipping running the English blockade. One of the most daring firms was that of Isaac Moses and Company. Isaac Moses, along with his partners Samuel Meyers and Moses Meyers, shipped crucial supplies and goods from their American buying office to the Caribbean and then on to American ports past the blockade. Likewise, the Quartermaster Department of the revolutionary armed forces was primitive, requiring that the government turn to civilian purveyors for the badly needed supplies. Many of them were Jewish.

But the Jewish colonials did not make a mistake by taking the side of the revolutionary forces. America proved to be a modern promised land which is still viewed as a shield in defending the ancient ideals of Israel. It is best summed up in the words of Mordecai Sheftal, a Jewish patriot imprisoned by the British for his revolutionary activities, when he wrote to his son, rejoicing over the successful conclusion of the war, "An entire new scene will open itself, and we have the world to begin again."

REMARKS OF HON. JERRY VOORHIS—ENERGY SUPPLY

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ROYBAL. Mr. Speaker, the following remarks are those of our former colleague, the Honorable Jerry Voorhis. Mr. Voorhis addresses himself to the need for an alternative energy supply and the problem of energy development as expressed in H.R. 4971:

Almost all the emphasis of the Administration's proposals for solving the energy problem has been on a most rapid using up of the supply of fossil fuels—coal and oil—together with the fantastic proposal for hundreds of fast-breeder nuclear reactors.

There is a far, far better way. It may take a few years longer. But its results would save the Earth as a home for man and would have additional incalculable benefits. This better way is a crash program for the development of clean, non-polluting energy sources. First and foremost should come full development of hydroelectric power. Here is a proven source whose benefits have been almost incalculable. Yet it has been almost completely neglected in the past several years. Exactly what its remaining potential is may not be known. Certain it is that if all feasible sites were exploited, a very considerable dent could be made in the Nation's energy needs. And falling water is an inexhaustible resource.

As for power from the mighty ocean tides, we have done nothing. But France has a highly successful project that harnesses tidal power. Why not copy it?

We do know that geothermal power can practically be developed, for this has been done in one or two places in our own country and also just across the California border in Mexico. The trouble here is that many of the best potential sites have been leased to oil companies which are almost the last people who will make an honest effort to develop them.

Anyone who has lived on the Great Plains can testify to the mighty power of wind. And competent scientists have estimated that as much as half the power needs of west-central America could be supplied from the winds if their power were harnessed. Windmills have been producing power for a good many centuries—always in a primitive manner. Surely modern technology could make some vast improvements on their efficiency.

The point is that we have not really begun to try to develop energy from clean inexhaustible resources. And that there could be no better way to revive the economy than to mount a massive drive so to do.

The way in which the energy crisis is resolved will decide two ultimate questions. The first is whether major nuclear wars over dwindling resources of fossil fuels and uranium supplies will or will not sooner or later become inevitable. The second is whether the Earth is to be a safe home for life, including human life.

If reliance is placed on fossil fuels, not only will the cost of energy skyrocket to untold levels, but in the course of the foreseeable future, there will loom the distinct possibility of actual war over access to dwindling supplies.

If we depend on proliferation of nuclear power plants, there is, in addition to those already mentioned, another danger. The supply of uranium is decidedly limited and the time will come when international conflict will almost certainly arise over control of uranium supplies.

On the other hand, there have been bestowed upon mankind by our Creator, sources of energy which are limitless, completely non-polluting, and which await only the application of the best of available technology for their development.

To fail to develop these sources will be the most unforgivable act of neglect in the long history of man.

The mother source of all the energy of the Earth of every kind is the sun.

It is to be borne in mind that scientists employed by the Atomic Energy Commission itself prepared a report which stated that if sufficient resources were devoted to the project, 30 percent of the nation's energy needs could be supplied by solar energy within five years.

That report was suppressed by the Atomic Energy Commission and the Nixon Administration.

Why? Did oil money "talk"?

The sun provides the Earth with energy each day that is so far in excess of any other source as to defy comparison. Furthermore, the sun spreads its light and heat upon all nations and all regions and—significantly—most of all upon the most impoverished parts of the world. No nation could possibly monopolize solar energy for this reason. Wars could never be caused by an attempt of any power or powers to control it. Its price could never be rigged by any monopolist or group or monopolists.

It is not too religious an emphasis to speculate that this—the energy of the sun—is the source the Creator intended to be man's principal reliance.

The Bulletin of the Atomic Scientists for November 1974 reproduces a cartoon from the Chicago Sun-Times. It shows the sun shining down on three distressed human figures. One is feverishly digging coal, another plunging for oil, a third tinkering with a nuclear reactor. The sun is saying "Look up, you fools."

This witness is no scientist. But I have studied enough of scientific treatises and findings to be convinced that if a crash program comparable to the Manhattan project, which developed the atomic bomb, were launched to develop solar energy, it could become a major source of energy for the nation within a few years time.

Congress has enacted excellent preliminary legislation aimed at bringing about such a result. But a crash program of the magnitude which the needs of the time demand we do not yet have.

It should be the number one priority.

Were such a project undertaken, it should be regarded as an investment of the government—not as outright expense. For it should not be entrusted to any of the agencies—such as major oil companies or utilities which have fought development of every alternative source of energy all their lives. Such a grand-scale attempt to save the Earth for mankind must be an undertaking of the United States government, and all benefits from the development of solar energy must be preserved for all the people through ownership of all rights, properties, patents, and the like by the government of our country.

The question that must long since have arisen is of course, "How could such a massive program be paid for"? But a more pertinent question would be "How badly do we want to save the Earth and solve the energy problem and break the back of the recession"?

For the money can be had if there is the will on the part of Congress to get it.

For example:

1. The military budget could be reduced by at least $15 or $20 billion without harming national security one bit. There is that much waste in excess profits of military contractors, careless contracting by procurement offices, and the development of fantastic "overkill" weaponry that only escalates the arms race and renders our nation even less secure than it was before.

2. The oil companies could be required to pay their just share of taxes. This should yield from $2 to $3 billion of added revenue.

3. If unearned income—capital gains for example—were taxed at the same rates as earned income, there would be some $5.6 billion of added revenue.

4. If capital gains passed on at death were taxed—as they now are not at all—there could be another $4 or $5 billion added to government revenue.

5. If we just quit dishing out arms to foreign dictators to enable them to continue to oppress their people, we could have some $2 or $3 billion for the crash program here proposed.

We have talked and talked about "tax reform" and "tax justice." It is time we *did* some of it. And if Congress were to pass even some of the most needed reforms and require the rich and the corporations to pay their share of taxes, the spirit of the heavily-burdened middle-income Americans would be a very different and far more hopeful one than it now is.

Especially if the unemployed among them went to work at developing clean sources of energy and a national transportation system for the nation.

The choice can still be made between development of solar, hydro, and other clean inexhaustible sources or exposing humanity to a proliferation of plutonium producing nuclear reactors.

That choice is being made now.

If the choice is for development of clean energy primarily from the sun, then mankind can look forward—if at a temporarily lowered material living standard—to a future of a safe and unpolluted Earth, an era of peace, and a freedom from lethal poisoning.

If the choice is for plutonium producing nuclear power, then our generation will have condemned our children to a life of certain international conflict and ever-increasing danger of a permanently poisoned Earth.

As evidence, there is submitted the following quotation from the best and most unchallengeable authority, the Bulletin of the Atomic Scientists, November 1974:

"Plutonium is virtually unknown in nature; the entire present-day inventory is man-made, produced in nuclear reactors. Plutonium-239, the principal isotope of this element, has a half-life of 24,000 years, hence its radioactivity is undiminished within human time scales. It is perhaps the most toxic substance known. One millionth of a gram has been shown capable of producing cancer in animals. Plutonium is also the material from which nuclear weapons are made. An amount the size of a softball is enough for a nuclear explosive capable of mass destruction. Scientists now widely recognize that the design and manufacture of a crude nuclear explosive is no longer a difficult task technically, the only real obstacle being the availability of the plutonium itself.

"We believe that the commercialization of plutonium will place an intolerable strain on our society and its institutions. Our unrelenting nuclear technology has presented us with a possible new fuel which we are asked to accept because of its potential commercial value. But our technology has again outstripped our institutions, which are not prepared or suited to deal with plutonium. Those who have asked what changes in our institutions will be necessary to accommodate plutonium have come away from that inquiry profoundly concerned. And the AEC's environmental impact statement does not allay these concerns. It reinforces them."

NEW APPROACH TO PUBLIC SERVICE JOBS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, over the past few weeks, several of my distinguished colleagues have leveled various criticisms at the public service jobs program. I have listened with great patience to these critiques—first, because I am always interested in what my distinguished colleagues have to say—and second, because I believe it is important for the House to periodically review the performance of programs that it has created through legislation.

Mr. Speaker, no one is more aware of the deficiencies of the public service jobs program than I—and no one has a greater responsibility to make these changes in the program that will enable it to reach and benefit the people for whom it was intended. Unlike my colleagues, who can afford to indulge in the luxury of effortless criticism, I must discover what the problems are and take steps to eliminate or resolve them. Of course, this requires time and effort—not just verbiage.

Mr. Speaker, I wish to alert my colleagues that I have been in the process of developing legislation to modify and reform title VI of the Comprehensive Employment and Training Act. I am sure my colleagues will wish to study this legislation to see the approach I have taken to eliminate the problem of rehires and political patronage that has received so much publicity—and so much congressional comment—in recent weeks. I believe they will find that my legislation squarely addresses this problem with an innovative approach that takes a page from the book of free enterprise.

Competition is the heart of the free enterprise system, and it will become the heart of the revised public service jobs program. The program will become project oriented, with project sponsors competing for funds on the basis of merit. No longer will it be possible for municipalities to lay off workers in anticipation of rehiring them with CETA money. No longer will it be possible for politicians to reward their political cronies with public service jobs, while the needy go begging for employment. For the convenience of my colleagues, these changes are detailed in the Congessional Record of June 16 on page 19123.

The public service jobs program was designed with one idea in mind—to help the hard-core unemployed find meaningful work—to restore dignity and meaning to their lives. The CETA public service jobs programs was not designed to bail out cities from their budgetary difficulties, nor was it designed to enhance the political ambitions of certain municipal leaders. I want to make the program work the way that Congress intended, and I am hopeful that my colleagues will want to join me in this effort.

It is important to remember that the public service jobs program has had a significant positive impact on the national unemployment problem. It has put more than 300,000 Americans back to work—Americans who would otherwise be standing in welfare lines today.

We should, therefore, not throw out the baby with the bath water. Instead, we should join in a mutual effort to make necessary corrections and adjustments in the program to prevent further abuses. Those who have criticized the flaws in the program have a special responsibility to work for the removal of these flaws. After all, those who have the head to criticize must also have the heart to help. I hope this will be the case in the emergency public service jobs program. I invite my colleagues, especially those who have strong views on the program—both pro and con—to join with me in this important effort and to share with me their own ideas on how the program might be improved. I believe that my subcommittee has developed a very effective piece of legislation that will enable the public service jobs program to work to its full potential, and I commend the members of the subcommittee for their dedication and effort.

The Subcommittee on Manpower, Compensation, Health and Safety will hold a markup session on the revised title VI legislation tomorrow. Committee prints containing a section-by-section analysis will be available from the subcommittee for the convenience of my colleagues who wish to familiarize themselves with the new bill.

Mr. Speaker, I once again invite the cooperation and support of my colleagues in making the public service jobs program work to help jobless Americans.

When this legislation reaches the House floor, I hope that my colleagues will demonstrate that their commitment to making title VI work as it should is as strong as the cutting edge of their criticism.

There are those who say that we should take more time to review the record of title VI public service jobs—that we need to gather more facts before any changes are made in the program.

The subcommittee has held 10 days of hearings and examined numerous studies on manpower projects. Notwithstanding all of this, however, I believe that the observations and comments on title VI that scores of my colleagues have shared with me constitute an important data base. These comments reflect how title VI is working—or not working—in their congressional districts, and the subcommittee has relied heavily on this congressional input. We believe that our legislation responds to the problems that our colleagues have brought to our attention.

Those who feel that title VI needs to be modified to be more effective are encouraged to support the new subcommittee bill. Those who do not feel that any changes are needed are encouraged to support my original bill, H.R. 2584, which simply extends title VI in its present form.

Mr. Speaker, as my colleagues can see, the subcommittee has left no stone unturned in its efforts to make the title VI public service jobs program effective and meaningful. We offer two alternatives to the Congress—to extend the present program, or to support the important changes made in the new bill. And, of course, the subcommittee welcomes the continuing input from colleagues who want to work with us in delivering a good public service jobs program to the American people.

My main concern, and that of the subcommittee, is to provide the best program possible to help the Nation's jobless—a program that is worthy of the full support of the Congress and the American people. We intend to bring a jobs bill to the House floor at the earliest possible opportunity, and we invite the support of our colleagues in this important effort.

THE CRISIS OF THE MIDDLE CLASS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. DRINAN. Mr. Speaker, we are all cognizant of the vital role that economic equality plays in our democratic society. quality of economic opportunity has been an important and vital value and goal throughout our Nation's history. From Thomas Jefferson to de Tocqueville through the modern day, social, economic, and political commentators have referred to this critically important characteristic.

Today middle-income families are suffering from a drastic and rapid erosion of their financial security. The middle three-fifths of our population is receiving less than a proportionate share of income and wealth, while providing the bulk of Federal tax burdens. This situation is worsening and is a subject for all of us to consider deeply and act upon. We should not and cannot let this downturn in economic equalization continue.

I attach a perceptive and cogently written article which recently appeared in the June 9 edition of Christianity and Crisis. The article, entitled "Taxes, Income, and the Distribution of Wealth," was written by Congressman HENRY S. REUSS, the distinguished and knowledgeable chairman of the House Banking, Currency and Housing Committee. Congressman REUSS, who was trained as an economist, provides an incisive analysis of the roots of increasing economic inequality. His concentration on the vast inequities of our tax system and the necessity for decisive change provide a warning too strong to be disregarded. Congressman REUSS' recommendations are concise and factual and represent food for serious thought for all of us.

Final solutions to our economic woes are of course difficult to develop, but we certainly should pay heed to the warnings of such an expert economist as Congressman REUSS. The American people deserve a President and a Congress committed to the needs of all Americans, not just a select few.

The article follows:

TAXES, INCOME, AND THE DISTRIBUTION OF WEALTH

(By Representative HENRY S. REUSS)

The rich are getting richer in America these days—largely at the expense of the middle class; and awareness of this could aggravate middle-income economic woes into full-scale political revolt. Since the days when Thomas Jefferson, in a letter to M. de Meunier, wrote that—"In America no other distinction between man and man had ever been known but that of persons in office . . . and private individuals. Among these latter the poorest laborer stood on equal ground with the wealthiest millionaire, and generally on a more favored one whenever their rights seemed to jar"—most Americans have believed that in the New World a person's fate is in his/her own hands.

But while Jefferson spoke only of political equality—equality of citizenship—most Americans believe in a rough equality of economic opportunity as well. Provided a person works hard, pays his/her bills and stays out of jail, the conventional wisdom holds that he/she may reasonably expect to rise economically in life and to see his/her chidren do still better. Persons may amass as much money as they can through their own efforts—and they are generally the more admired for it—but let them flaunt inherited wealth or attempt to parlay money into political power, and the democratic instincts of the people are outraged.

Vast inequailty has always existed in America, of course, as in other Western nations. How then can belief in economic equality persist? There are two reasons:

(1) *Economic Growth.* Individual economic mobility has disguised the overall skewed distribution of income and wealth. The middle class has absorbed countless newcomers as fresh waves of immigration pushed older inhabitants up the economic pole. A rapidly expanding economy made it possible for almost everyone to improve in absolute terms his/her standard of living, even though relative shares of the economic pie remained unchangedly unequal.

(2) *Improved Distribution.* Regular statistics on wealth and income distribution have been kept only since the twenties. A combination of the Depression, World War II and 20 years of Roosevelt-Truman economic policy redistributed some wealth from the richest people to the rest of the country. After a setback in the fifties this trend continued under Kennedy and Johnson. Thus for two post-Depression generations Americans were correct in believing that distribution *was* improving.

But the myth is wearing thin. As recent statistics show, not only has the equalizing trend *not* continued since 1968, but the gap between the rich and everyone else is actually *increasing* again.

In ordinary times dry statistics might not affect the lives of ordinary folk. But with unemployment over 8 percent, the highest since the Depression, with the Gross National Product (GNP) showing a real decline for the fifth quarter in a row, and with the cost of living (including higher taxes) up 14.6 percent in 1974, these are hardly ordinary times.

The poor we have always with us. But for the first time in 40 years the crunch has come for the middle class. Looking around, the average person sees plenty of proof that the rich are flourishing while the average family struggles to afford food and clothing. Who buys fur coats as fast as Neiman-Marcus can stock them? Who pushes Detroit to produce ever-dearer gas-guzzlers? Who takes advantage of the tax dodge advertisements labeled "for those with $50,000 or more a year to shelter"?

Unequal distribution of economic resources permits gross inequality of sacrifice in this time of national economic stagnation. And it is the middle class—those who provide the bulk of tax revenues but receive almost no direct Federal transfers—who carry a disproportionate share of the burden.

THE PRESSURES ON THE MIDDLE

Virtually all Americans are "middle class" by some definition. But who, literally, is in the middle? If income is the measurement, those families earning between $10,000 and $19,000 a year—the middle three quintiles in the most recent (1973) census—are middle class. (Mean income for all families in 1973 was $13,622.) If wealth is the measurement, the middle three quintiles would include those families with roughly $1,000 to $25,000 in assets (stocks and bonds, real estate, cars, interest in a business, etc.).

Most middle-income families are white, married couples with children who live in metropolitan areas *outside the central city.* In over 90 percent of such families the husband works full-time, and in 50 percent the wife also works. Eighty percent have their own homes, with an equity of $10,000. More than 90 percent have at least one car.

Middle-class families were, until the economy went into a tailspin, the nation's chief purchasers of consumer durable goods, owning 70 percent of all washing machines, 85 percent of all dishwashers and 73 percent of all color televisions (*Business Week,* March 10, 1975). Virtually all have savings and other liquid assets of or more than $1,000, but at least half are also paying off consumer debts.

Until recently middle-class families could expect, with moderate effort, to achieve job security, to give their children a "good start" in life and to provide an adequate income for their own unsalaried old age. These modest goals have been brutally buffeted by the worst inflation in 30 years and the worst recession in 40 years.

In 1973 the United States experienced its first decline (by most measurements) in real income in 10 years. In 1974 real earnings plunged again—and at twice the previous year's rate. Real spendable earnings—adjusted for both rising prices and rising taxes—fell 3.4 percent in 1973 and a further 5.3 percent in 1974. If the current combination of inflation and falling output is allowed to continue, real income will continue to decline.

The middle class has also been hurt by consumer prices, which rose 8.8 percent in 1973 and an even more startling 12 percent in 1974. The purchasing power of the dollar has dropped 20 percent in two years; the value of savings and other liquid assets has fallen 12 percent. Middle-class families are going into their hard-earned savings and even into debt to buy ever-dearer essentials.

Rising taxes have also set the middle-income family way back. Changes in social security rates, together with the impact of inflation on income taxes, have made taxes the fastest-rising item in the middle-income budget. Payroll taxes rose 21.6 percent in 1974, while income taxes rose by 26.5 percent.

As most families struggle to meet monthly bills from their increasingly tight budgets, the fear of unemployment is like a cold wind down the neck: Over 7.5 million Americans are out of work. Thus the middle-income family faces the prospect not only of *reduced* income but of no income at all.

The importance of this economic debacle cannot be overestimated. Most Americans are still assimilating the social upheaval of the last decade and the political upheavals of the later sixties and seventies. The explosive reaction to busing, legalized abortion and the ban on prayers in the schoolrooms shows the continuing tension among modest-income families. Now economic upheaval has been added to these strains.

The pie is no longer infinitely expandable. Continued (even increasing) relative inequality can no longer be masked by overall improvement in the standard of living. The average person is uncertain, frustrated and increasingly resentful of the disproportionate shares of income and wealth which insulate the rich against the hardships of ordinary citizens, and of a tax system which fosters this inequality.

There are two common ways of defining financial standing: Income is the money a person takes in during a given period, while wealth is the sum of the assets he/she accumulates. The two concepts are closely intertwined, of course. Income is the stream without which wealth cannot be amassed, while at the same time productive wealth is the best source of income.

THE WIDENING DOLLAR GAP

Total personal income in 1973 was more than $1 trillion. "If we made an income pyramid out of a child's blocks, with each layer portraying $1,000 of income, the peak would be far higher than the Eiffel Tower, but almost all of us would be within a yard of the ground." Thus does economist Paul Samuelson describe the distribution of income in the U.S. The richest 20 percent of American families receive 40 percent of total family income—about eight times as much income as the poorest 20 percent—while the super-rich 5 percent (all those with more than $30,000 a year in 1973) receive 15.5 percent of the total.

Not only is income distribution unequal. It has been getting slightly more unequal since 1968. According to the Census Bureau, the share of the aggregate income going to the bottom four-fifths of families (those earning below $19,253 in 1973) improved considerably between 1947 and 1968, while that of the top fifth declined. Since 1968, however, the richest and second-richest fifths (those earning above $14,000 in 1973) have reversed the trend, and .8 percent points have been shifted from the bottom three-fifths to the wealthier two-fifths. With total family income estimated as $750 billion, this shift in shares is costing those with annual incomes under $14,000 some $6 billion a year (Consumer Income; Money Income in 1973 of Families and Persons in the United States).

These figures understate the degree of income inequality which actually exists. For the census does not include several kinds of income—realized net long-term capital gains (estimated at $30 billion in 1973), for instance, which would swell the share of the richest fifth considerably. Census Bureau statisticians have estimated that using a "total income" definition increased the share of the richest fifth from 42.5 to 48 percent in 1968, raised the share of the richest 5 percent from 16.8 to 22 percent and diminished the lowest fifth's (those earning below $6,081 in 1973) share from 3.7 to 3 percent. Similar trends prevail today.

As economic expansion increases aggregate income, even if distribution stays the same, the absolute dollar gap between the rich, the middle class and the poor widens. With distribution actually worsening, the dollar effect is staggering. In 1968 the gap between the middle (those earning between $10,034 and $14,000 in 1973) and fourth (those earning between $14,000 and $19,253 in 1973) fifths was $3,500; in 1973 it was $5,250. An average family in the poorest fifth was only $2,750 behind a second-fifth (those earning between $6,081 and $10,034 in 1973) family in 1968; by 1973 the gap had widened to $4,000. Viewed in this light, figures show that the rich are getting farther ahead simply by standing still.

What kind of income does the middle class receive? Earned income or "labor income," includes wages, salaries and self-employment income. Unearned income includes both "property income"—interest, dividends, rent—and income maintenance government transfers—welfare, unemployment compensation, social security. The middle class is receiving less than its proportionate share of both categories.

The middle 60 percent of families got roughly 47 percent of all earned income in 1973—only slightly more than the 40 percent received by the top 20 percent alone. (The richest 10 percent—which includes highly paid corporate executives, successful doctors, lawyers—got a disproportionate 25 percent of total earned income, with an overwhelming 50 percent of nonfarm and 45 percent of nonfarm self-employment income.)

The middle class got even less of unearned income—only 30 percent of the total. By far the bulk of income maintenance payments goes to lower-income families, while 55 percent of property income goes to the richest fifth and 44.5 percent goes to the richest tenth. The middle class falls between the two stools.

These figures, moreover, reflect before-inflation and before-tax distribution.

THE CONCENTRATION OF WEALTH

Rising prices penalize moderate-income families more severely than the rich. First, average families spend a higher proportion of their incomes on necessities—food, shelter, clothing—than do the wealthy. When forced to pay more for these commodities, their limited discretionary income imposes real hardship.

Second, in 1972 and 1973 low-cost items like beans, bread and flour-based foods led the Consumer Price Index increase. These foods are staples in modest-income diets, as protein-rich foods and fruits and vegetables are in wealthier diets. From October 1971 to October 1974 the modest-income market basket increased 27.8 percent, while the rich person's market basket rose 24.6 percent—three percentage points less (Inflation and the Consumer in 1974, a Joint Economic Committee Staff Study).

Rising payroll and income taxes also add to income inequity. These taxes have left middle-class people still farther behind in real spendable income distribution.

Wealth is even more unequally distributed than income in the United States. In 1969, the most recent year for which such statistics are available, the private wealth of Americans was $3.5 trillion. Divided per capita among the 200 million citizens, this wealth would have provided $17,500 for each individual, or $70,000 for a family of four. In fact, however, 53 percent of all adults had a net worth of $3,000 or less (James D. Smith et al., *The Distribution of Financial Assets*). A more recent estimate puts the 1973 wealth shares at 25 percent for the richest 1 percent, and 16 percent of total wealth for the 160,000 millionaires (.4 percent of families) in this country (James W. Wetzler, *Studies on the American Distribution of Wealth*). By comparison the richest 5 percent of *income* recipients gets only 15.5 percent of the total income.

Even these figures don't tell the whole staggering story of wealth concentration. Wealth includes many things—not only stocks and bonds, for instance, but owner-occupied homes, automobiles, some consumer durables and bank accounts as well.

Money-producing wealth (investment assets) is heavily concentrated in a few affluent hands, while money-consuming forms of wealth (cars, washing machines, homes) are much more equally dispersed. In 1969 the richest 4.4 percent of adults owned virtually all corporate and foreign bonds, notes and mortgages, 71 percent of nonsavings Federal bonds and 60 percent of all personally held corporate stock. They held only 27 percent of real estate, however, and only 33 percent of cash (savings and checking accounts). (Smith et al.)

Is the distribution of wealth becoming more even? Between 1929 and 1953 the share of total wealth owned by the richest 1 percent of families declined from 31.6 to 24.3 percent (Robert J. Lampman, *The Share of Top Wealth-Holders in National Wealth, 1922–1956*). Since then, however, distribution has remained roughly unchanged, with yearly fluctuations produced by changes in the market prices of assets constituting the bulk of rich people's wealth (Wetzler). If the shift towards more unequal income shares continues, and if the current Federal, state and local tax systems continue unreformed, it seems likely that wealth will again become more concentrated.

In certain countries (Sweden, for example) with inequality of before-tax income similar to that in the U.S., a progressive tax system—that is, a tax which takes a greater percent of larger incomes than of small ones—evens out distribution. In the United States, alas, the total burden of taxes—Federal, state and local—is no more than roughly proportional (taking the same percentage of everyone's income) at best and at worst, depending upon one's economic assumptions, even regressive (taking less from those who have more).

Income taxes, Federal and state, are our most progressive systems, loophole-ridden though they are. The degree of progressivity is mild, however, with effective rates ranging from 1.4 percent for those with up to $3,000 a year intotal income to only 12.4 percent for millionaires (Joseph A. Pechman and Benjamin A. Okner, *Who Bears the Tax Burden?*). A family with $5,000 a year pay an average effective rate of 5.8 percent—only four and one-half percentage points less than the 9.3 percent which the $30,000 person pays.

This hardly a demonstration of striking progressivity. Nor does even this limited graduation in rates hold true throughout the income scale. The heaviest tax rate (15.3 percent) is paid by those between $100,000 and $500,000; rates decline thereafter, and a millionaire pays at a rate equal to that of most $50,000 families.

Payroll taxes clearly lack even this degree of progressivity. A flat rate of 5.85 is levied on earned income up to $14,100. The more a salary exceeds $14,100, the lower the payroll tax is as a percent of the total income. A wage earner making $14,000 pays the full 5.85 percent of his/her income, while a $50,000-a-year corporate executive pays about 1.7 percent.

In addition the more unearned income a person has (and unearned income is concentrated in the poorest and richest quintiles of families), the lower the effective tax rate on total income. Now that the payroll tax is second only to the individual income tax as a source of Federal revenue, its regressivity almost cancels the progressive effect of the income tax. The result is an overall Federal tax structure which is close to proportional.

Those mainstays of state and local revenues—sales and excise taxes and property taxes—are also somewhat regressive, according to the Pechman and Okner study. The sales tax is thoroughly regressive no matter what economic assumptions one makes about its incidence. The property tax is regressive if one assumes, as many economists would, that a substantial part of the tax is passed on to renters in the form of higher rents.

Thus while Federal taxes are proportional or mildly progressive, state and local taxes are proportional or slightly regressive The total tax burden, therefore, is no better than proportional.

What of estate taxes and their effect on distribution of wealth? Pechman and Okner estimate that bequests totaled $64.7 billion in 1966 and were taxed at an effective rate of only 10 percent. If bequests are included in total income, and estate taxes in the total tax burden, tax rates remain the same for middle- and low-income families up to $20,000 (where estates large enough to be taxed are rare), but are sharply reduced for most higher income classes. Taxes on transfers of wealth, then, do little to break up accumulated wealth.

"SOME ARE MORE TAXABLE THAN OTHERS"

The Constitution specifies that "all income from whatever source derived" shall be subject to taxation. Today, however, to paraphrase Orwell, "All incomes are taxable. but some are more taxable than others." What accounts for this lack of real progressivity?

One significant factor is certainly *income tax loopholes;* they will lose the Federal Government some $91 billion in fiscal 1976—and shield two or three times that sum from taxation—often with untoward economic effects. Some examples:

The oil depletion allowance, which puts about $3 billion into the hands of wealthy investors, royalty-owners and oil companies. It bids up the price of oil-rich land and provides corporate cash flow to move into nonenergy areas. Meanwhile US oil production is declining.

The capital gains at death loophole, which enriches the rich by about $5 billion a year. It permits the transfer of appreciated stocks without capital gains tax, encourage the "lock-in" of obsolete investment and deprives new innovative industries of badly needed investment funds.

The hobby farm loophole, allowing big-city lawyers and doctors to shield fat professional incomes by "writing off" paper losses on investments in cattle-breeding. It loses several hundred million dollars a year and raises the price of land, equipment and feed to real farmers.

State and local bonds, which provide $4.7 billion a year tax-free to banks, corporations and the wealthiest 3 percent of families. It would be cheaper, as well as fairer, for the Federal Government simply to subsidize state and local bond interest and make it taxable.

These are just a few of the biggest shelters advertised in financial papers and magazines every week for those seeking to avoid taxes on substantial incomes. Other provisions also penalize the middle class:

The first $100 in dividends from stocks—the major source of income for the rich—are not taxed. But the interest on savings accounts—the chief investment income of the middle class—is taxed from the first penny.

Self-employed people are allowed to put aside up to $7,500 a year tax-free for their old age under the "Keogh plan" pension scheme. When last counted, those Keogh planners (most of them doctors, lawyers, accountants and other professionals) were almost entirely in the richest 5 percent of families. Ordinary employees not covered by a company or Government pension plan (more than half of the country's work force falls in this category) may deduct only up to $1,500 a year for *their old* age.

Families where husband and wife both work pay higher income tax rates than either single people or married couples where one person provides most of the income. They are also treated inequitably under social security, into which both partners must pay in order to receive eventual benefits that are only slightly greater than if only one had been contributing. Both husband and wife work in one out of two middle-income families—the highest proportion of any income group.

Of course, there are also tax provisions which benefit the middle class—mortgage interest deductions and medical deductions, for example. But the average per capita benefits from these loopholes for a taxpayer making $10,000–$15,000 a year are $50.97 and $33 respectively. At $50,000 a year the benefits are $411 and $449.

REVERSING THE TREND

Such tax preferences make the relative tax burden of the average taxpayer unduly heavy. But what is even more worrying to most families is that recently their taxes have been *rising* faster than any other group's. There are two main reasons.

First, the payroll tax has gone up sharply. In 1971 the tax was 5.2 percent on the first $9,000 of wages. Today the tax takes 5.85 percent of the first $14,100 of earned income. For a family making $14,000 this represents an increase of 75 percent—from $468 to $819—in a little over three years! People with lower incomes have been somewhat hurt by the rate increase, and those with very large salaries will pay a fraction of a percent more. But those nearest the wage cutoff—the truly average working family—are the hardest hit.

Second, inflation is raising the average family's income tax bill faster than their income. Let's take a four-person family and suppose that in 1973 their earned income was $13,000. Their Federal income tax would have been $1,380, leaving them with an after-tax income of $11,620. (Their effective tax rate is 10.6 percent.) Let us further suppose that the father gets an 8 percent raise in 1974 (the average raise). Does his new salary of $14,040 maintain the family's 1973 standard of living? No, because they are now in a higher tax bracket (19 percent marginal rate insured of 17 percent). Their Federal income tax is now 1,578, leaving them with an after-tax income of $12,462. (Their effective tax rate is 11.2 percent.)

After-tax income in 1974 is only 7.2 percent higher than the previous year, *and less than the 12 percent inflation*. Because tax brackets widen as income rises (from $1,000 increments at the bottom of the income scale to $20,000 increments at the top), the rich suffer less from the impact of inflation on taxes.

Taxes, then, do little to correct the unequal distribution of income and wealth.

Uneven distribution cannot be blamed wholly on one party or one administration. Yet it is hardly a coincidence that income shares—after becoming more equal under Democratic programs from Roosevelt's New Deal to Johnson's Great Society—suddenly shifted toward greater inequality under Richard Nixon and have stayed essentially the same under his successor. Income tends to even out during periods of healthy economics expansion and to become concentrated during less-than-cataclysmic recessions, since those at the bottom of the income pile are generally "last hired, first fired."

The last six years have given us a disproportionate share of economic woes. Since 1968 inflation has almost tripled, unemployment has doubled, interest rates have soared, the real GNP growth rate has declined and real earnings have fallen—all of which has drastically eroded modest-income families' financial security.

What can be done to reverse this trend? A healthy economy is the first step. We must stimulate lagging consumer demand through a large tax cut for low- and middle-income taxpayers, maintain adequate money supply growth for sustained economic recovery, prevent runaway administered prices in the concentrated industries, nudge bank credit away from speculative and inflationary uses and toward housing and productive investment, and provide public service jobs for the unemployed.

The second step is a fairer tax system. Thorough income tax reform is long overdue; estate and gift taxes must be completely overhauled, and payroll taxes made more progressive.

This will require electing and keeping in office a President and Congress genuinely committed to the cause of the average man and woman—not just to the poor and the oppressed, *emphatically* not just to the rich and powerful, but to the three-fifths of a nation who make up the middle class.

For as we have seen in the 200 years since Jefferson wrote his friend de Meunier, political equality and economic equality are related. Who can doubt—after the recent scandals of purchased ambassadorships, higher milk price supports in exchange for campaign contributions and the Vesco shenanigans—that the rich have powers of political persuasion not given the average citizen? If we are to preserve what Jefferson hoped would be our "successful experiment" in democracy, we *must* move toward a fairer distribution of income and wealth.

WE MUST NOT DEREGULATE NEW NATURAL GAS SUPPLIES

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. ZEFERETTI. Mr. Speaker, much is being heard lately about raising energy prices. The people in my 15th Congressional District in New York are typical of the Americans who have to dig deeper into their already strained incomes to meet higher energy prices. After meeting with many of them in my district, I am convinced that they cannot and will not tolerate further steep rises in prices they must pay for necessities, particularly for natural gas.

Total energy monopoly exists in this country today; it is as simple as that. And, this industry is waging a determined campaign to obtain deregulation of natural gas prices. Two earlier attempts to do this were vetoed by Presidents Truman and Eisenhower. Now, the same arguments on the part of the gas industry are being heard once again. I believe these arguments can be effectively opposed and discredited as they were in the past.

We have been told by the gas industry that gas price regulation does not work; by artificially holding the price at a low level, producers would only be discouraged, resulting in limited exploration and development of new natural gas supplies. Decontrol advocates also state that without it, our supplies of gas will turn into gas shortages.

However, the claims of the energy producers are simply not true. For example, from 1954 until 1969, the years of Federal regulation of gas prices, the volume of natural gas sold in interstate commerce increased dramatically—from 5 trillion cubic feet in 1954 to 14 trillion cubic feet in 1969. Therefore, for at least 15 years, regulation of gas prices by the Federal Power Commission did work to assure the Nation of an adequate gas supply, and, at a reasonable price.

As we all are aware, higher prices to consumers will only make the large, rich companies even larger and richer. And, higher prices cannot guarantee these companies from producing more gas for the consuming public. One example of this is the fact that for the past 5 years, the FPC has granted higher prices, but we have yet to witness the increase in gas production. In 1971, the Commission raised the price for new gas supplies from 19 cents to 26 cents per Mcf, believing the promises of the producers that at 26 cents, there would be adequate gas supplies for the public.

In 1972 and 1973, when the shortages persisted, the Commission devised a series of dubious exceptions to permit new sale in the 35-to-45-cent range. However, matters continued to get worse. In June 1974, it increased the level to 58 cents—three times the level in effect as of 1971. What is incomprehensible to me is that each increase in price has been granted without any examination of the profits made by the industry prior to the increase.

Now the Commission has proposed to penalize the consumers even further by raising prices once again. Every time the cost of natural gas rises at the wellhead by 1 cent per 1,000 Mcf, this can be translated into another $240 million on the utility bills of 40 million Americans. There has been widespread prediction that if deregulation does occur, prices to these consumers may rise as much as 50 cents per 1,000 Mcf. I know that our people will not tolerate such prices, particularly when we know from past performances that such actions have previously failed to bring relief in the form of more gas supplies.

If a gas shortage in Indiana forces a factory there to switch to oil, or a university in New Jersey to switch to coal, the major oil and gas conglomerates will still profit; the energy monopoly does not suffer if one source of energy is substituted for another. Therefore, if the oil and gas companies complain that regulated prices on gas would lead them to produce less and force the public to rely on other sources of energy, the already exhorbitant prices of all sources of energy would still only harm the consumers.

Therefore, because I am certain that devastating hardships will result from further hikes in the price of gas, I oppose this alternative despite the claims of the producers that it is the only method of increasing supplies. And, I am sure the public will agree.

SENATE—*Thursday, June 19, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God our Father, who revealest Thyself in all that is pure and true and lovely, we beseech Thee to help us make our hearts and minds a fit place for Thy dwelling. In all things and at all times help us to be masters of ourselves that we may be the servants of all. In attempting to make right the wrongs of the world, reveal the wrongs in us which first must be made right. Show us once more that our hearts must be homes of love and purity and honesty if we are to be the instruments for transforming the Nation and the world. In these days of tension and strain, heavy with emotion, keep us calm in temper, clear in mind, sound of heart, chaste in speech, magnanimous in manners. Enable all who serve in the high public offices of this place to perform faithfully and well each task, heedful of the command to do justly, to love mercy, and to walk humbly with Thee, our God.

In the Redeemer's name we pray. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of calendar day, Wednesday, June 18, 1975, be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar, beginning with "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated, beginning with "New Reports."

U.S. AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk read the nomination of Vice Adm. Douglas C. Plate, to be vice admiral.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. MARINE CORPS

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Marine Corps.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

ACTION AGENCY

The second assistant legislative clerk proceeded to read sundry nominations in the ACTION Agency.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Justice.

Mr. ROBERT C. BYRD. Mr. President,

I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—AIR FORCE, ARMY, NAVY, AND MARINE CORPS

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force, Army, Navy, and Marine Corps which had been placed on the Secretary's desk.

The PRESIDING OFFICER (Mr. GLENN). Without objection, the nominations are considered and confirmed en bloc.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the President of the United States be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I make a similar request with regard to nominations that were confirmed by the Senate on yesterday.

The PRESIDING OFFICER. Without objection, it is so ordered.

(All nominations confirmed today are printed at the end of the Senate proceedings.)

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today, except when the Senate is considering the New Hampshire election matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, on my time as the designee of the majority leader.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back my time as the designee of the majority leader.

The PRESIDING OFFICER. Does the Senator from Michigan desire to be recognized?

Mr. GRIFFIN. I do not, Mr. President.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes each.

REQUEST FOR CONSIDERATION OF SENATE RESOLUTION 135

Mr. MONDALE. Mr. President, if the distinguished assistant majority leader will respond to a question, pending on the calendar is Senate Resolution 135, reported by the Senator from Nebraska (Mr. HRUSKA), without dissent, from the Committee on the Judiciary. I wonder whether the bill could be called up at this time.

Mr. ROBERT C. BYRD. Yes.

NORWEGIAN-AMERICAN DAY

Mr. ROBERT C. BYRD. Mr. President, at the request of the distinguished Senator from Minnesota (Mr. MONDALE), I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 202, Senate Resolution 135.

Mr. ALLEN. Mr. President, reserving the right to object, what is this resolution, please?

Mr. MONDALE. This resolution proposes the designation of Norwegian-American Day.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 135) proposing the designation of Norwegian-American Day.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on the Judiciary.

Mr. MONDALE. Mr. President, I am delighted that the Senate today in approving Senate Resolution 135 is recognizing and expressing its appreciation for the many important contributions of Norwegians and their descendents to American life.

First I would like to say that I am deeply grateful to the distinguished chairman of the Judiciary Committee, Senator EASTLAND, and to the chairman of the Subcommittee on Federal Charters, Holidays and Celebrations, Senator HRUSKA, for their courtesy and helpfulness in bringing this measure to the Senate floor.

Passage of Senate Resolution 135 marks the first step in what I hope will be a series of events paying tribute to the close and longstanding ties that have bound the United States and Norway.

The Norwegian Parliament, or Storting, earlier this year designated July 4, 1975, to commemorate the 150th anniversary of the departure of the ship *Restaurationen* which brought the first organized company of Norwegian settlers to America.

Senate Resolution 135, which I introduced with the cosponsorship of Senators ABOUREZK, BENTSEN, CULVER, HUMPHREY, JACKSON, MAGNUSON, MCGOVERN, and NELSON, calls upon the President to designate October 9, 1975, the day the *Restaurationen* arrived in the United States, as Norwegian-American day.

Following unanimous Senate approval of Senate Resolution 135 today, I hope that the President will take the essential next step of making the actual designation. This action would be consistent with the expressed will of the Senate and with the spirit of friendship and goodwill that has always characterized relations between our two countries.

Regarding the substance of the resolution, there can be little doubt of the value of the contributions made by Norwegian Americans to our Nation's economic, political, and cultural life. There is almost no aspect of American life to which Norwegian immigrants and their descendents have failed to contribute. They helped to tame the frontier and to build communities in New York, the Midwest, the Great Plains States, and in the Pacific Northwest. Skilled fishermen from Norway played a major role in the development of the American fishing industry and in the evolution of seamanship in this country. Norwegian Americans have made significant contributions to business in the United States and to the professions such as law, medicine, and engineering. Education in the United States, and in the Midwest in particular, has benefited from active interest and leadership demonstrated by Norwegian Americans.

I hesitate to call the roll of prominent Americans of Norwegian descent because there are so many that some must necessarily be omitted. Only a partial list includes: Nobel Prize winning scientists such as Dr. Norman Borlaug and Ernest O. Lawrence; distinguished journalists like Victor Lawson of the Chicago Daily News, and Eric Sevareid of CBS; Knute Rockne and Sonja Henie in the world of sports; educators such as Laur Larsen of Luther College and Peter Odegard of Reed, and; writers of the caliber of Minnesota's own Ole Rolvaag.

This year a wide variety of organizations in the United States will be hosting or sponsoring events to commemorate the sesquicentennial of Norwegian immigration to the United States. In Minnesota, the Sons of Norway is playing a leading role in sponsoring these activities but other institutions such as St. Johns University, the Guthrie Theater, Northwestern College, the Central Lutheran Church in Minneapolis, the University of Minnesota, and many more will be hosting programs during the year. Of course, interest in the anniversary extends to virtually every State, particularly those like Washington, the Dakotas, Illinois, Iowa, New York, and Wisconsin, where a large share of the 3 million Norwegian Americans in the United States reside.

The enthusiasm with which the sesquicentennial is being greeted in both the United States and Norway testifies to the strong affinity felt between the peoples of these two countries. A shared love of freedom, a devotion to peace, and a belief in human dignity and opportunity form common values that have joined our nations over the last century and a half. They form bonds that I hope will continue for many, many years to come.

Mr. President, I ask unanimous consent that, in addition to the other sponsors of the measure, the name of the distinguished Senator from Iowa (Mr. CULVER) be added as a sponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 135) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 135

Whereas the first organized company of Norwegians arrived in New York on October 9, 1825, on the sloop Restaurationen; and

Whereas there are now more than three million people in the United States who were either born in Norway or are of Norwegian descent; and

Whereas the Norwegian-Americans have contributed significantly to the agricultural and industrial development of the North and West; and

Whereas the Norwegian-Americans have made equally significant contributions in the fields of arts and letters, religion, education, and politics; and

Whereas the Norwegian Parliament (Storting) has set aside July 4, 1975, to commemorate the one hundred and fiftieth anniversary of the sailing of the sloop Restaurationen from Stavanger, Norway: Now, therefore, be it

Resolved, That it is the sense of the Senate that in order to help the Congress and the Nation to gain a better understanding of the immense and important contributions of the Norwegians to American life, the day of October 9, 1975, be designated "Norwegian-American Day."

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–207), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the resolution is to designate October 9, 1975, as "Norwegian-American Day."

STATEMENT

The facts of the case are clearly set out in Senator Walter Mondale's address to the U.S. Senate upon introduction of the resolution on April 23, 1975, and are as follows:

"From the earliest explorations of the North American continent nearly 1,000 years ago until the present day, the sons and daughters of Norway have made important contributions to our country and its culture. Nearly a century and a half ago on October 9, 1825, the sloop *Restaurationen* arrived in New York harbor. This ship brought the first organized company of Norwegians to the United States. Today there are more than 3 million citizens of the United States who were either born in Norway or are of Norwegian descent.

"Foremost among the ancient Norwegians whose names are well known in our history was Lief Ericson, who in 985 discovered Greenland and 15 years later landed on the North American coast, naming it Vinland. Later, in 1355 Paul Knutson set sail for Greenland. One scholar has argued that a part of Knutson's expedition may have continued on to America and been responsible for the Kensington Rune Stone (1362) in northern Minnesota.

"The influence of other well-known Norwegians has spread to America, particularly that of noted writer such as Ibsen, musicians of the caliber of Edward Grieg and Ole Bull, and diplomats such as Trygve Lie.

"Americans of Norwegian origin have from the early 19th century played an important role in the development of our Nation, including its literature, politics, education, business, and science. Knute Nelson, Laur Larsen, Ole Rolvaag, Thorsten Veblen, and Victor Lawson are but a few of the distinguished Americans of Norwegian descent.

"The Norwegian Parliament, Storting, has designated July 4, 1975, as a day for commemoration of the 150th anniversary of the sailing of the sloop *Restaurantionen* from Stavanger, Norway. To increase our own appreciation of the immense and important contributions of the Norwegians to American life, I am hopeful that the Senate will approve the resolution we submit today for the designation of 'Norwegian-American Day.'"

The Committee is of the opinion that this resolution has a meritorious purpose and accordingly recommends favorable consideration of S. Res. 135 without amendment.

Mr. MONDALE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 200, 201, and 204.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOUTHEASTERN UNIVERSITY OF THE DISTRICT OF COLUMBIA

The bill (S. 611) for the relief of Southeastern University of the District of Columbia, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the certificate of incorporation and certificate of amendment thereto for the incorporation of the Southeastern University of the District of Columbia under subchapter 1 of chapter 18 of the Code of Laws of the District of Columbia (1929 D.C. Code, title 5, ch. 8) be and the same are hereby, approved and confirmed, except as herein specifically altered and amended.

SEC. 2. That the name of the corporation shall be Southeastern University.

SEC. 3. The management of the said corporation shall be vested in a board of trustees consisting of not less than nine nor more than thirty in number as determined from time to time by said board of trustees, one-third of whom, at all times, shall be graduates of said university, of the qualifications prescribed by said board of trustees, nominated by the alumni of said university in the manner prescribed by said board of trustees, and all of whom shall be elected by said board of trustees. Each trustee shall be elected for a term of office of three years from the date of expiration of the term for which his predecessor was elected; except that (1) in expanding or reducing the number of trustees under this Act, the board of trustees shall have the authority to fix or adjust the terms of office of such additional or remaining trustees, as the case may be, so that the term of office of not more than one-third of the trustees shall expire annually; and (2) a trustee elected to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be elected only for the unexpired term of such predecessor.

SEC. 4. That the said board of trustees is authorized to (a) make, alter, and repeal bylaws for the management of the said corporation and rules and regulations for the government of the university and the schools, faculty, and students thereof; (b) elect as officers of the said corporation and fix the salaries of a president, a treasurer, and a secretary, and such other officers as it may find necessary, for the respective terms and with the respective powers and duties as fixed by the bylaws of the said corporation; (c) appoint, from among their number, as officers of the said board of trustees and fix the salaries of a chairman, a vice chairman, and a secretary, and such other officers as it may find necessary, for the respective terms and with the respective powers and duties as fixed by the laws of the said corporation; (d) remove any trustee when, in its judgment, he shall be found incapable, by age or otherwise, of performing or discharging, or shall neglect or refuse to perform or discharge, the duties of his office; (e) determine and establish from time to time additional schools in all departments of sciences, liberal arts, and the professions, and the courses of instruction therein; (f) determine and establish, from time to time, additional professorships; (g) appoint, from time to time, such deans, professors, tutors, and instructors as it may deem necessary, and fix their respective terms, duties, and salaries; and (h) grant and confer degrees, but only upon the recommendation of the appropriate school.

SEC. 5. That the said corporation may have and use a common seal and alter and change the same at pleasure, and shall have power, in its corporate name, (a) to sue and be sued; (b) to plead and be impleaded; and (c) to acquire real, personal, and mixed property by grant, gift, purchase, bargain and sale, conveyance, will, devise, bequest, or otherwise to hold, use, and maintain the same solely for the purposes of education and to demise, let, mortgage, or otherwise lien, grant, sell, exchange, convey, transfer, place out at interest, or otherwise dispose of the same for its use in such manner as shall seem most beneficial thereto; subject to conforming to the express conditions of the donor of any gift, devise, or bequest with regard thereto accepted by it: *Provided*, That it shall not hold more land at any one time than necessary for the purpose of education, unless it shall have received the same by gift, grant, or devise, in which case it shall sell and dispose of so much of the same as may not be necessary for said purposes within fifteen years from the date of acquisition, otherwise the same shall revert to the donor or his heirs.

SEC. 6. The income of said corporation from all sources whatsoever shall be held in the name of the corporation and supplied to the maintenance, endowment, promotion, and advancement of the said university, subject to conforming to the express conditions of the donor of any gift, devise, or bequest accepted by said corporation, with regard to the income therefrom.

SEC. 7. That no person shall ever be required to profess any particular religious denomination, sentiment, or opinion as a condition to becoming and continuing a member of the faculty or a student, with the full benefits, privileges, and advantages thereof.

SEC. 8. That no institution of learning hereafter incorporated in the District of Columbia shall use in or as its title, in whole or in part, the words "Southeastern University".

SEC. 9. Upon dissolution of the corporation, the board of trustees shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for educational purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States internal revenue law, as the board of trustees shall determine.

Sec. 10. That nothing in this Act contained shall be construed as preventing the Congress from amending, annulling, or repealing the same or any part thereof.

HOBBY MONTH

The joint resolution (S.J. Res. 84) to authorize and request the President to proclaim October 1975 as "Hobby Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

Whereas millions of Americans will be using and gaining enjoyment from hobbies which have special relevance to the 1976 Bicentennial celebration, and such hobbyists exhibit the qualities of creativity and individual achievement exemplified by America's earliest pioneers;

Whereas the American system of freedom and enterprise nurtures and encourages inventive genius and creative activities in people of all ages which in turn assures the future of technological growth in the United States;

Whereas many of the Nation's doctors, engineers, and technicians recognize the motivational and therapeutic value of constructively channeling interests through hobbies;

Whereas the Hobby Industry Association of America, Incorporated, will in October 1975 lead a nationwide effort to encourage the adoption of hobbies through the schools, public libraries, veterans' organizations, and senior citizens' groups: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of October 1975 as "Hobby Month", and inviting the people of the United States to celebrate such month with appropriate ceremonies and activities.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 94–206), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the resolution is to authorize and request the President to proclaim October 1975 as "Hobby Month."

STATEMENT

The merits of the resolution are clearly stated in a letter from the resolution's sponsor, Senator Jacob K. Javits, to the Senate Committee on the Judiciary as follows:

"As the Nation approaches its Bicentennial celebration, it is especially appropriate to give recognition to the millions of hobbyists across the Nation whose model planes and ships remind us of the great events in American history and whose creative expression through various arts and crafts recall for us the diversity and strength of our cultural heritage.

"Hobbies have contributed to the richness of American life both in terms of education and recreation. An example of the former is a school project organized in more than 5,000 classrooms throughout the country in 1973 and 1974. Sponsored by a number of groups including the Civil Air Patrol, the Federal Aviation Administration, and the National Hobby Association, the program involved the construction of model airplanes which actually flew, and improved student skills in mathematics, geometry, aerospace science, industrial arts, and social sciences. The project was widely praised by educators.

"In addition, hobbies make a vital contribution to American life in other ways which are hard to measure. Senior citizens find particular satisfaction in crafts work. The sick and the handicapped—and, of particular interest, those in veterans' hospitals—find pride and a sense of accomplishment in their creations. Some hobbies, begun in childhood as a diversion, lead eventually to rewarding careers, and others, such as stamp and coin collecting, develop expertise and even financial gain. Most of all, in this era of high pressure and tension, hobbies provide valuable opportunities for the enjoyment of leisure time and creative expression.

"In summary, the contribution of hobbies to our educational system, their importance as creative outlets for the American people, and, especially, the irrelevance to the coming Bicentennial celebration justifies the establishment of October 1975 as "Hobby Month." During this month, millions of American hobbyists will be encouraged to construct and create items associated with the Bicentennial theme. Such models can serve as the focus of classroom discussions, exemplify early American crafts, and be displayed in our museums and parks. October 1975 will be a time when the Nation's hobbyists will turn their energy and creativity to helping America remember its rich past and share confidence and optimism in a bright future."

The committee is of the opinion that this resolution has a meritorious purpose and accordingly recommends favorable consideration of Senate Joint Resolution 84 without amendment.

TRANSFER OF MADISON COUNTY TO THE NORTHERN DISTRICT OF FLORIDA

The bill (S. 723) to amend title 28, United States Code, to provide that Madison County, Fla., shall be included in the Northern Judicial District of Florida, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 89 of title 28, United States Code, is amended—

(1) by inserting after "Liberty," in the first paragraph of subsection (a) the following: "Madison,"; and

(2) by striking out "Madison," in the first paragraph of subsection (b).

Sec. 2. This Act shall be effective one hundred and twenty days after date of enactment.

Sec. 3. Nothing in this Act shall effect the composition or preclude the service of any grand or petit jurors summoned, empaneled, or actually serving in the northern or middle districts of Florida on the effective date of this Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 94–203), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

Purpose of Bill

The bill redefines the middle and northern judicial districts of Florida by transferring Madison County from the middle judicial district to the northern judicial district, thus reducing the average distance which Madison County litigants, attorneys, and jurors must travel to the nearest place of holding court by approximately forty-five miles.

STATEMENT

This bill is identical to S. 3021 (93d Cong.) which was passed by the Senate on September 30, 1974. The House failed to act on the bill prior to adjournment.

S. 723, transferring Madison County to the northern district of Florida, is substantially similar to H.R. 5981, 91st Congress, which received the approval of the Judicial Conference of the United States at its March 1970 session.[1] H.R. 5981, 91st Congress, which had also been approved by the Judicial Council of the Fifth Circuit and by the district judges of the middle and northern districts of Florida, was favorably reported to the House of Representatives on May 5, 1970 and was passed by the House of Representatives on May 18, 1970. No action was taken on the bill by the Senate.

Madison County is in the northwestern corner of the middle district bordered on the west and south by the northern district of Florida and on the north by the Georgia State line. The distance from the community of Madison, which is centrally located in the county, to Jacksonville, the nearest place of holding court in the middle district, is approximately ninety miles. The distance from the same community to Tallahassee, the nearest place of holding court in the northern district, is approximately fifty miles. The distance from the western border of the county to Jacksonville is approximately 115 miles, whereas the distance from the eastern border to Tallahassee is approximately seventy miles. Obviously the interests of the Government, litigants and members of the bar of Madison County would be served by reduction in travel distance and time. There would also be a saving for the Government in the cost of transferring jurors to and from Tallahassee rather than to and from Jacksonville. The bar of Madison County has endorsed the transfer, and the Department of Justice has deferred to the recommendation of the Judicial Conference of the United States.

The committee believes that this transfer has a meritorious purpose and recommends its favorable consideration.

COST

No additional cost to the government is involved.

DEATH OF LAURENS WILLIAMS

Mr. CURTIS. Mr. President, it is with a deep sense of personal loss that I note the passing of Mr. Laurens Williams.

Today, at the National Presbyterian Church, many of his friends will be gathered for a memorial service for this great man. It is fitting that this service be held in the National Presbyterian Church, a church that he loved and served so well, a service which is symbolic of the Christian faith that he held and the sterling character that he displayed.

Laurens Williams commenced the practice of law in Nebraska and came to Washington in 1954 to serve as Assistant to the Secretary of the Treasury during President Eisenhower's first term. For his service, Laurens William was presented the Alexander Hamilton Award for distinguished leadership.

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[1] See Reports of the Procedings of the Judicial Conference of the United States Annual Report of the Director of the Administrative Office of the United States Courts, 1970, at 10.

Upon leaving full time public service in 1956, Laurens Williams resumed the private practice of law in Washington, but his period of public service was far from over. He was cited by the House Ways and Means Committee for his work in connection with the landmark Federal Tax Liens Act of 1966. He was active in the American Bar Association, serving as a member of its House of Delegates and on the Council of the Association's Section of Taxation. Additionally, Laurens Williams was an active member of the American Law Institute and a member of the ALI–ABA Joint Committee on Continuing Legal Education.

However impressive these accomplishments may be, and few men have given more of their time to public service, they are but part of the story of Laurens Williams. To those of us who benefited over the years from his advice and counsel, Laurens Williams was a man who knew, loved, and respected the law in its highest and most honorable tradition. To those of us who had the privilege of his friendship and companionship, Laurens Williams was an individual in whom we could place our trust in both good and bad times. In his scholarship, his love for the law, for his country, and for his fellow man, Laurens Williams set a standard for us all.

The Nation, the law, and his friends shall all miss Laurens Williams greatly, but we are all a little better for his having passed our way for a brief period of time.

Mr. President, I ask unanimous consent that the article concerning Mr. Laurens Williams, which appeared in the Omaha World-Herald on June 9, 1975, and an editorial in reference to his public service from the same paper be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald, June 11, 1975]

LAURENS WILLIAMS

In the complex world of tax law, few Americans have distinguished themselves as did Nebraska's Laurens Williams.

Williams was admitted to the Nebraska bar in 1931 and by 1954 his reputation as a tax authority earned him an appointment as an assistant to Treasury Secretary George Humphrey and head of the Treasury Department's legal advisory staff.

In Washington his work with tax regulations won acclaim from the House Ways and Means Committee as well as from Humphrey, even though he was with the federal government only two years.

Williams died last week in Washington, where he had remained after his federal service as a full partner in a law firm specializing in tax matters. Sen. Carl Curtis probably best summed up the feelings of Williams' Nebraska friends:

"This quiet, gentle man was perhaps the nation's leading tax authority. He had no superiors and very few peers. He was indeed a distinguished Nebraskan."

[From the Omaha World-Herald, June 9, 1975]

TAX EXPERT L. WILLIAMS DEAD AT 68

WASHINGTON.—Laurens Williams, 68, former Omaha attorney and a former assistant to the secretary of the Treasury, has died here of cancer.

A Pennsylvania native, Williams graduated from Gothenburg, Nebr., High School. Admitted to the Nebraska bar in 1931, he became a partner in Young, Williams, and Holm in Omaha in 1936.

In 1953, he was elected president of the Nebraska State Bar Association. He served on the association's executive council in 1949–1951 and 1953–1954.

Williams was a member of the Hastings College board of trustees and for a time was chairman of the board of Gothenburg Bank and Trust Co.

COMMITTEE CHAIRMAN

A member of the American Bar Association, Williams was chairman of the group's committee on tax problems of farmers from 1951 to 1953 and chairman of the committee on taxation related to patents, trademarks and copyrights in 1954.

In 1954, he was named assistant to Treasury Secretary George Humphrey and headed the Treasury Department's legal advisory staff.

In the department for two years, Williams resigned in 1956. At that time, he was credited with simplifying tax regulation language and commended by the House Ways and Means Committee for his "straightforward manner and able and intelligent counsel and advice."

Humphrey called Williams' resignation "a sad blow to the Treasury."

IN WASHINGTON

The Hastings College and Cornell Law School graduate remained in Washington, joining as a full partner the Washington and Atlanta, Ga., law firm of Sutherland, Asbill and Brennan. The firm's specialty was tax matters.

Upon learning of Williams' death, Nebraska Sen. Carl Curtis, in Omaha Sunday, said: "This quiet, gentle man was perhaps the nation's leading tax authority. He had no superiors and very few peers. He was indeed a distinguished Nebraskan."

Survivors include William's widow, Irene; son, Henry, and daughter, Mrs. Mike Adler, both of Omaha.

His funeral will be at the First Presbyterian Church of Gothenburg Friday. A memorial service will be June 19 at the National Presbyterian Church in Washington, D.C.

ORDER FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 499 TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the close of morning business today, the Senate proceed to the consideration of House Joint Resolution 499, a joint resolution making continuing appropriations for fiscal year 1976.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR CERTIFICATES TO BE FILED PURSUANT TO SEC. 3 OF SENATE RESOLUTION 60 AND PARAGRAPH 8 OF RULE XXV UNTIL MIDNIGHT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, on behalf of certain Senators, I ask unanimous consent that certificates pursuant to section 3 of Senate Resolution 60 and paragraph 8 of rule XXV may be filed until midnight tomorrow.

The PRESIDING OFFICE. Without objection, it is so ordered.

(An order was subsequently entered providing that the certificates may be filed until midnight, July 10.)

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I think it is quite likely that the Senate will take up the New Hampshire election dispute tomorrow, and even today, prior to the hour of 1 p.m. I do not know how much time will be required on the continuing resolution today. There is no other item on the Calendar at this time that I know of that could be taken up today and disposed of prior to 1 o'clock. So it may very well be that the Senate will go to Senate Resolution 166, prior to 1 p.m. today, and committees, of course, will not be permitted to meet once the Senate takes up Senate Resolution 166.

ORDER FOR CONSIDERATION OF SENATE RESOLUTION 166 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, tomorrow it is very likely that the Senate will proceed to the consideration of Senate Resolution 166 earlier. I ask unanimous consent at this time that at the conclusion of routine morning business tomorrow the Senate take up Senate Resolution 166.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the two leaders or their designees have been recognized under the standing order tomorrow, there be a period for the transaction of routine morning business—for the purpose of the introduction of bills, resolutions, petitions, memorials, and statements into the RECORD—of not to exceed 15 minutes with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS THIS WEEK AND NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, the Senate has already entered an order for a session on Saturday. I think it is incumbent upon the Senate to make progress today and tomorrow on Senate Resolution 166, the New Hampshire election dispute. Otherwise I think it will be necessary for the Senate to be in session on Saturday.

Even with progress today and tomorrow there will still be the likelihood that the Senate would need to be in session on Saturday. This would mean that there would be rollcall votes. Tomorrow will be a reasonably long day—not a bobtailed Friday—because it is absolutely necessary for the Senate to make some headway in getting action on Senate Resolution 166.

Now, the leadership intends, if it is at all possible, to dispose of Senate Resolution 166 next week. If that is not done, I would think it would be incumbent upon all Senators to rearrange their programs insofar as the so-called July 4 holiday is concerned, because I should think it would certainly not be advisable for the Senate to go through with a week's holiday, as has already been scheduled, without first finalizing action on Senate Resolution 166.

I hope all Senators will do their utmost to say what they have to say, and cooperate when they can in entering into agreements with respect to the various issues involved in Senate Resolution 166, so that the Senate can complete action on that resolution by, hopefully, next Friday a week, and, certainly, no later than next Saturday a week.

It should also be noted that H.R. 6900—unemployment extended benefits—and the debt ceiling, coming over from the House, have June 30 deadlines.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I would like to indicate it would also be helpful, especially since there is objection being lodged to committees meeting during the consideration of that resolution, if Senators would come to the floor and listen to the debate and recognize this partakes of a judicial proceeding, and if they are on the floor it is also easier to get consent and time agreement on various amendments and questions. Otherwise it is necessary for the leadership oftentimes to spend a lot of time contacting the offices of interested Senators before there is any agreement to be entered into.

I know the leadership on both sides has made this clear before, but I think it ought to be emphasized again, especially now that we are moving into some of the substantive questions, actually taking up the issues that we will be shortly that have been referred to the Senate, and not just the question of whether it should go back to the people of New Hampshire for a new election.

The decision on those questions in many instances is going to involve the understanding and the application of legal principles, and Senators who are not already familiar with those principles, it seems to me, would do well to be on the floor, and certainly when we get to the matter of ballots they are going to be making decisions on the basis of physical evidence that they must personally inspect in order to have any basis at all for making the decisions.

So I want to join the distinguished acting majority leader in urging Senators to cooperate so that we can move this along.

Mr. ROBERT C. BYRD. I thank the distinguished acting Republican leader. I will not detain the Senate for more than an additional minute, if I may proceed.

ORDER FOR RECESS FROM FRIDAY, JUNE 27, 1975, TO 9 A.M. SATURDAY, JUNE 28, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Friday a week, it stand in recess until the hour of 9 a.m. on Saturday, a week from this Saturday.

The PRESIDING OFFICER. Without objection, it is so ordered.

REQUEST FOR CONSIDERATION OF SENATE RESOLUTION 166 NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—I have not discussed this with the distinguished assistant Republican leader, but in order that all committees may know what the situation will be next week and act accordingly—I ask unanimous consent that daily next week the Senate resume consideration of Senate Resolution 166 no later than 11 a.m.

This would mean, of course, that committees could not meet after 11 o'clock. This would allow the Senate at least a brief period prior to 11 o'clock to handle other matters, if necessary.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I personally would have no objection and I would feel that I would not have to interpose any reservation at all if the assistant majority leader were to make that 12 o'clock, but I think if he is to make it 11 o'clock I would ask for a little time when I can check with some of the Senators who have expressed themselves with regard to this particular question.

Mr. ROBERT C. BYRD. Mr. President, I made this request only that committees may know, beyond any preadventure of doubt, that the leadership intends to go to this matter no later than 11 o'clock daily next week.

Now, this consent is not needed because the Senate is recessing daily next week and if no other business is before the Senate, of course, it is the same legislative day and the Senate will go to this matter automatically daily, and without any morning business, unless morning business is otherwise ordered.

So, unless otherwise ordered, the Senate will be going to this matter immediately after the two leaders or their designees have been recognized daily next week by virtue of the fact that we will recess from day to day. And, furthermore, the recent practice of foregoing any rollcalls until 12:30 daily, so as not to interrupt committee hearings, will not need to be adhered to.

So I withdraw the request, and committees are on notice that they cannot meet after the two leaders or their designees are recognized daily next week unless business other than the New Hampshire election dispute is called up by the leadership.

Committees ought to be advised at this time so that they will not be scheduling meetings next week.

This should also assure better attendance on the floor and, hopefully, we will not have to have as many live quorums.

I thank all Senators.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the President pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Abner Woodruff Sibal, of Virginia, to be General Counsel of the Equal Employment Opportunity Commission, which was referred to the Committee on Labor and Public Welfare.

CRIME IN THE UNITED STATES—MESSAGE FROM THE PRESIDENT

The **PRESIDENT** pro tempore laid before the Senate a message from the President of the United States on the subject of crime in the United States, which was referred to the Committee on the Judiciary. The message is as follows:

To the Congress of the United States:

I address this message to the Congress on a subject that touches the lives of all Americans: crime.

Two months ago, at the celebration of the 150th anniversary of the Yale Law School, I spoke about law and respect for the spirit of the law.

Law makes human society possible. It pledges safety to every member so that the company of fellow human beings can be a blessing instead of a threat. It is the instrument through which we seek to fulfill the promise of our Constitution: "to insure domestic tranquility."

But America has been far from successful in dealing with the sort of crime that obsesses America day and night—I mean street crime, crime that invades our neighborhoods and our homes—murders, robberies, rapes, muggings, holdups, break-ins—the kind of brutal violence that makes us fearful of strangers and afraid to go out at night.

I sense, and I think the American people sense, that we are facing a basic and very serious problem of disregard for the law. Because of crime in our streets and in our homes, we do not have domestic tranquility.

Ever since the first Presidential message on crime, in 1965, strenuous Federal efforts, as well as State and local initiatives, have been undertaken to reduce the incidence of crime in the United States. Yet, throughout this period, crime has continued to increase. Indeed, the Federal Bureau of Investigation's latest estimates are that the rate of serious crime—murder, forcible rape, robbery, aggravated assault, burglary, larceny and auto theft—was 17 percent higher in 1974 than in 1973. This is the largest increase in the 44 years the Bureau has been collecting statistics.

Since 1960, although billions of dollars have been spent on law enforcement programs, the crime rate has more than doubled. Moreover, these figures reflect only the reported crimes. A study of unreported crime sponsored by the Law Enforcement Assistance Administration indicates that the actual level of crime in some cities is three to five times greater than that reported.

More significantly, the number of crimes involving threats of violence or actual violence has increased. And the number of violent crimes in which the perpetrator and the victim are strangers has also increased. A recent study indicates that approximately 65 percent of all violent crimes are committed against strangers.

The personal and social toll that crime exacts from our citizens is enormous. In addition to the direct damage to victims of crime, violent crimes in our streets and in our homes make fear pervasive.

In many areas of the country, especially in the most crowded parts of the inner cities, fear has caused people to rearrange their daily lives. They plan shopping and recreation during hours when they think the possibilities of violent attacks are lower. They avoid commercial areas and public transit. Frightened shopowners arm themselves and view customers with suspicion.

The individual, political and social costs of crime cannot be ignored. They demand our attention and coordinated action. With the firm support of the American people, all levels of government—Federal, State and local—*must* commit themselves to the goal of reducing crime.

For too long, law has centered its attention more on the rights of the criminal defendant than on the victim of crime. It is time for law to concern itself more with the rights of the people it exists to protect.

In thinking about this problem, I do not seek vindictive punishment of the criminal, but protection of the innocent victim. The victims are my primary concern. That is why I do not talk about law and order and why I turn to the Constitutional guarantee of domestic tranquility. The emphasis in our efforts must be providing protection for the victims of crime.

In this message, I shall address myself to what I believe the Federal government can and should do to reduce crime. The fact is, however, that the Federal role in the fight against crime, particularly violent crime, is a limited one.

With few exceptions, the kinds of crimes that obsess America—murders, robberies, rapes, muggings, hold-ups, breakins—are solely within the jurisdiction of State and local governments. Thus, while the programs that I will propose in this message will, if enacted, contribute to a safer America, the level of crime will not be substantially reduced unless State and local governments themselves enact strong measures.

I see three ways in which the Federal government can play an important role in combating crime:

First, it can provide leadership to State and local governments by enacting a criminal code that can serve as a model for other jurisdictions to follow and by improving the quality of the Federal criminal justice system.

Second, it can enact and vigorously enforce laws covering criminal conduct within the Federal jurisdiction that cannot be adequately regulated at the State or local level.

Third, it can provide financial and technical assistance to State and local governments and law enforcement agencies, and thereby enhance their ability to enforce the law.

I. PROVIDING LEADERSHIP

Law Enforcement in a democratic society depends largely upon public respect for the laws and voluntary compliance with them. We do not have and do not want a police state. Respect and compliance are undermined if individuals conclude that law enforment efforts are ineffective and that crimes may be committed with impunity—conclusions which are buttressed by rapidly rising crime rates and by statistics showing only one arrest for every five serious crimes committed.

A decline in respect for the law leads to the commission of more crimes. The necessity to investigate these additional crimes, prosecute those accused, and punish those convicted places even greater strain on the already overburdened capacities of police, prosecutors, public defenders, courts, penal institutions and correctional authorities. As a consequence, the percentage of offenders apprehended, prosecuted and appropriately sentenced is further reduced. This leads to an even greater decline in respect for the law and to the commission of even more crimes. To succeed in the effort to reduce crime, we must break this spiral.

There are two direct ways to attack the spiral of crime. One is through improvements in the law itself. The other is through improvement of the criminal justice system so that it functions more swiftly, surely and justly.

Federal criminal laws should be a model upon which State and local governments can pattern their own laws. At the present time, they are not. These Federal statutes developed haphazardly over the decades. They have been revised here and there in response to changing judicial interpretation. They are complicated, and sometimes conflicting, leaving gaps through which criminal activity too often slips unpunished. Because of their complexity, the laws invite technical arguments that waste court time without ever going to the heart of the question of the accused's guilt or innocence.

For several years, the Federal government has engaged in a massive effort to reform the Federal criminal laws into a uniform, coherent code. The product of this effort was recently introduced in Congress, with wide bipartisan support, as S. 1, the "Criminal Justice Reform Act of 1975."

Since it covers every aspect of criminal law, some of the proposals in this Act have stirred controversy and will undoubtedly precipitate further debate. For instance, concern has been expressed that certain provisions of the bill designed to protect classified information could adversely affect freedom of the press. While we must make sure that national security secrets are protected by law, we must also take care that the law does not unreasonably restrict the free flow of information necessary to our own form of government. Responsible debate over this and other provisions of S. 1 will be very useful. Issues can be clarified and differing interests accommodated.

I think everyone will agree, however, that comprehensive reform of the Federal criminal code is needed. Accordingly, as a legislative priority in the Federal effort against crime, I urge the 94th Congress to pass the kind of comprehensive code reform embodied in the Criminal Justice Reform Act.

In connection with this overall effort, let me suggest some specific reforms I believe essential.

The sentencing provisions of current Federal law are, in my judgment, inadequate in several respects, often erratic and inconsistent. Defendants who commit similar offenses may receive widely varying sentences. This lack of uniformity is profoundly unfair and breeds disrespect for the law.

The revision of the criminal code should restore a sense of consistency in sentencing, so that the fine or term of imprisonment imposed by the law relates directly to the gravity of the offense. For example, criminal fines are woefully inadequate and provide little deterrence to offenders whose business is crime—a business profitable enough to support current levels of criminal fines as an ordinary business expense. Other than under the antitrust laws, the maximum fine which can be imposed on serious violators is usually $10,000. That amount is too often not commensurate with the crime. The maximum level should be increased to $100,000, if the defendant is an individual, and $500,000, if the defendant is an organization.

The sentencing provisions of the proposed code should be modified to provide judges with standards under which prison sentences are to be imposed upon conviction. Imprisonment too seldom follows conviction, even for serious offenses. It is my firm belief that persons convicted of violent crime should be sent to prison. Those who prey on others, especially by violence, are very few in number. A small percentage of the entire population accounts for a very large proportion of the vicious crimes committed. Most serious crimes are committed by repeaters. These relatively few persistent criminals who cause so much worry and fear are the core of the problem. The rest of the American people have a right to protection from their violence.

Most of the victims of violent crimes

are the poor, the old, the young, the disadvantaged minorities, the people who live in the most crowded parts of our cities, the most defenseless. These victims have a valid claim on the rest of society for protection and personal safety that they cannot provide for themselves; in a phrase, for domestic tranquility.

Imprisonment too seldom follows conviction for a felony. In the 1960's, crime rates went higher, but the number of criminals in prison, state and federal, actually went down. A study of one major jurisdiction showed that of all convicted robbers with a major record, only 27% were sent to prison after conviction.

There should be no doubt in the minds of those who commit violent crimes—especially crimes involving harm to others—that they will be sent to prison if convicted under legal processes that are fair, prompt, and certain.

I propose that incarceration be made mandatory for (1) offenders who commit offenses under Federal jurisdiction using a dangerous weapon; (2) persons committing such extraordinarily serious crimes as aircraft hijacking, kidnaping, and trafficking in hard drugs; and (3) repeat offenders who commit Federal crimes—with or without a weapon—that cause or have a potential to cause personal injury. Exceptions to mandatory imprisonment should apply only if the judge finds and specifies in writing one or more of the following: that the defendant was under 18 when the offense was committed, or was mentally impaired, or was acting under substantial duress, or was implicated in a crime actually committed by others and participated in the crime only in a very minor way. I have asked the Attorney General to assist the Congress in drafting this modification to the sentencing provisions of S. 1. Since most violent crime is in the jurisdiction of State and local criminal courts, I call upon the States to establish similar mandatory sentencing systems. Too many persons found guilty of serious, violent crimes never spend a day in prison after conviction.

I would emphasize that the aim of this program of mandatory imprisonment is not vindictive punishment of the criminal, but protection of the innocent victim by separating the violent criminal from the community. These victims—most of whom are old or poor or disadvantaged—have a valid claim on the rest of society for the protection and the personal safety that they cannot provide for themselves.

Reasonable mandatory minimum sentences can restore the sense of certainty of imprisonment upon which the deterrent impact of criminal law is based. Mandatory sentences need not be long sentences; the range of indeterminacy need not be great. In fact, wide disparities in sentences for essentially equivalent offenses give a look of unfairness to the law. To help eliminate that unfairness, Federal appeals courts should be given some authority to review sentences given by Federal trial court judges—to increase or reduce them so that the punishments will be more nearly uniform throughout the Federal system. I am also asking the Attorney General to review this problem to ensure that the Federal sentencing structure, which is now based on the indeterminate sentence, is both fair and appropriate. Among other things, it may be time to give serious study to the concept of so-called "flat time sentencing" in the Federal law.

In addition to reform of the criminal law, we must improve the manner in which our criminal justice system operates. Effective deterrence to law-breaking is currently lacking, in part because our criminal justice system simply does not operate effectively.

A logical place to begin discussion of such improvement is the prosecutor's office, for it is there that important decisions are made as to which offenders should be prosecuted, what cases should be brought to trial, when plea bargains should be struck and how scarce judicial resources should be allocated. Many prosecutor's offices currently lack the manpower or management devices to make those decisions correctly. Prosecutors often lack information on a defendant's criminal history and thus cannot identify habitual criminals who should be tried by experienced prosecutors and, if convicted, sent to prison. In too many cases, they lack efficient systems to monitor the status of the numerous cases they handle. If improved management techniques could be made available to prosecutors, the likelihood of swift and sure punishment for crime would be substantially increased.

At the Federal level, last September I directed the Department of Justice to develop and implement a program to deal with career criminals, with the objectives of (1) providing quick identification of persons who repeatedly commit serious offenses, (2) according priority to their prosecution by the most experienced prosecutors, and (3) assuring that, if convicted, they receive appropriate sentences to prevent them from immediately returning to society once again to victimize the community.

Programs to deal with habitual criminals will be encouraged at the State and local levels through the use of the Law Enforcement Assistance Administration model programs and discretionary grants already underway.

To illustrate the nature of this problem, let me point out that in one city over 60 rapes, more than 200 burglaries and 14 murders were committed by only 10 persons in less than 12 months. Unfortunately, this example is not unique.

The results of a repeat offender project recently launched in the Bronx County District Attorney's Office, City of New York, are hopeful. The first year's experience showed a 97 percent felony conviction rate and a reduction of time in case disposition from an average of 24 months to an average of 3 months. In addition, prison sentences resulted in 95 percent of the career criminal cases prosecuted.

A second improvement in the criminal justice system may be obtained by diverting certain first offenders—not all, but some—into rehabilitation programs before proceeding to trial. The Department of Justice has begun a pilot program of this kind designed to achieve two important goals. First, it will seek to reduce the caseloads of Federal courts and prosecutors through expeditious treatment of offenders who are good prospects for rehabilitation. Second, it will seek to enable the offenders who successfully satisfy the requirements of the diversion programs to avoid criminal records and thus increase the likelihood that they will return to productive lives.

Experimentation with pretrial diversion programs should continue and expand. However, careful efforts must be taken to prevent these programs from either treating serious offenders too leniently, or, on the other hand, violating defendants' rights. By coupling this pretrial diversion program with a mandatory term of imprisonment for violent offenders, we will make sure that offenders who deserve to go to prison will go to prison. At the same time, those who may not need imprisonment will be dealt with quickly and in a way that minimizes the burden on the criminal justice system.

The criminal and civil caseloads in trial and in appellate courts have grown over the years, while the number of judges assigned to handle those cases has not kept pace. In 1972, the Judicial Conference of the United States recommended the creation of 51 additional Federal District Court judgeships in 33 separate judicial districts across the country. Senate hearings on legislation incorporating this proposal were conducted in 1973. To date, however, the legislation has not been scheduled for floor action. The increasing needs of the Federal courts make this measure an urgent national necessity of a nonpartisan nature—for justice delayed is too often justice denied. In addition, seemingly technical but important reform in the Federal criminal justice system can be achieved by expanding the criminal jurisdiction of United States Magistrates. This reform will enable the relatively small number of Federal judges to focus their efforts on the most significant criminal cases. The Criminal Justice Reform Act contains a provision that will achieve that result, and I am giving it my specific support.

When a defendant is convicted, even for a violent crime, judges are too often unwilling to impose prison sentence, in part because they consider prison conditions inhumane. Moreover, a cruel and dehumanizing penal institution can actually be a breeding ground for criminality. In any case, a civilized society that seeks to diminish violence in its midst cannot condone prisons where murder, vicious assault and homosexual rapes are common occurrences.

The Federal Bureau of Prisons has embarked on a program to replace large, outdated prisons with smaller, more modern ones. The Bureau has seven new corrections institutions of this sort under construction. All are designed to be civilized places that can be governed effectively by the wardens and correctional officers rather than by the most brutal and inhuman prisoners. In addition, the Bureau is opening new institutions in three major cities to replace overcrowded, antiquated local jails which formerly housed Federal prisoners awaiting trial. The program to improve Federal prisons must be paralleled by State efforts, because the problem of decrepit prison facilities that are hothouses of crime is worst at the State and local level. Unless prisons are improved, many judges will only reluctantly commit convicted offenders to them, even if they are guilty of serious crimes and have previous criminal records.

I know that grave questions have been raised by qualified experts about the ability of the corrections system to rehabilitate offenders. These are important and serious questions. They go to the very heart of the corrections system. While the problem of criminal rehabilitation is difficult, we must not give up on our efforts to achieve it, especially in dealing with youthful offenders. Crime by young people represents a large part of crime in general. The 1973 statistics indicate that 45 percent of persons arrested for all crimes are under 18 years of age. Whatever the difficulty, we must continue our efforts to rehabilitate offenders, especially youthful offenders. To do less would be to write off great numbers of young people as unsalvageable before they have even come of age. I have directed the Attorney General, as Chairman of the Cabinet Committee on Crime Prevention and Rehabilitation, to work in close cooperation with the Secretary of Labor, the Secretary of Health, Education, and Welfare, and other concerned agencies of the Executive Branch to ensure that the Federal government is making the best possible use of its resources in this crucial area.

Whatever the corrections system might accomplish in rehabilitating offenders while they are in prison will be lost if the individual leaves prison and cannot find a job, simply because he has been convicted of a crime. I urge employers to keep an open mind on the hiring of persons formerly convicted of crimes. The U.S. Civil Service Commission currently administers a program designated to prevent Federal employers from unjustly discriminating against ex-felons. I am directing the Commission to review this program to ensure that it is accomplishing its objectives. I am also calling on the National Governors Conference to consider steps the States can take to eliminate unjustified discriminatory practices. Giving ex-offenders who have paid their penalty and seek to "go straight" a fair shake in the job market can be an effective means of reducing crime and improving our criminal justice system.

In addition to this general effort to reform and improve the criminal justice system, the Federal law should be specifically revised to take into greater account the needs of victims of crime. They, as well as the general public, must be made aware that the government will not neglect the law-abiding citizens whose cooperation and efforts are crucial to the effectiveness of law enforcement.

I urge the Congress to pass legislation to meet the uncompensated economic losses of victims of Federal crimes who suffer personal injury. In order to promote the concept of restitution within the criminal law, the monetary benefits should come from a fund consisting of fines paid by convicted Federal offenders.

II. BETTER LAWS AND ENFORCEMENT

As I pointed out initially, except in limited circumstances, street crime is a state and local law enforcement responsibility. There is a dimension to this problem, however, that cannot be adequately dealth with on just the state and local levels. Criminals with handguns have played a key role in the rise of violent crime in America. Hundreds of policemen have been killed in the past decade through the use of handguns by criminals. The most effective way to combat the illicit use of handguns by criminals is to provide mandatory prison sentences for anyone who uses a gun in the commission of a crime.

In addition, the federal government can be of assistance to state and local enforcement efforts by prohibiting the manufacture of so-called Saturday Night Specials that have no apparent use other than against human beings and by improving Federal firearms laws and their enforcement.

At the same time, however, we must make certain that our efforts to regulate the illicit use of handguns do not infringe upon the rights of law abiding citizens. I am unalterably opposed to federal registration of guns or the licensing of gun owners. I will oppose any effort to impose such requirements as a matter of federal policy.

Nonetheless, we can take steps to further guard against the illicit use of handguns by criminals.

Current Federal gun laws should be revised to provide that only responsible, *bona fide* gun dealers be permitted to obtain Federal licenses to engage in the business of selling firearms. Licenses to sell firearms should also be withheld from persons who have violated State laws, particularly firearms laws. Additional administrative controls over the sale of handguns, including a ban on multiple sales, will help to establish dealer responsibility in stopping illicit gun trafficking. A waiting period between the purchase and receipt of a handgun should be imposed to enable dealers to take reasonable steps to verify that handguns are not sold to persons whose possession of them would be illegal under Federal, State or applicable local laws.

Second, I have ordered the Treasury Department's Bureau of Alcohol, Tobacco and Firearms, which has primary responsibility for enforcing Federal firearms laws, to double its investigative efforts in the Nation's 10 largest metropolitan areas. This action will assist local law enforcement authorities in controlling illegal commerce in weapons. I have directed, therefore, that the Bureau of Alcohol, Tobacco and Firearms employ and train an additional 500 investigators for this priority effort.

Third, the domestic manufacture, assembly or sale—as well as the importation—of cheap, highly concealable handguns should be prohibited. These so-called "Saturday Night Specials" are involved in an extraordinarily large number of street crimes. Most have no legitimate sporting purpose. They are such a threat to domestic tranquility that we should eliminate their manufacture and sale entirely.

These recommendations go to the very heart of the problem of handgun abuse. If enacted, they should add significantly to the efforts of State and local law enforcement authorities to prevent the criminal use of handguns.

There are several other areas in which Federal law and enforcement can be improved to strike at those who have made crime a business.

The leaders of organized crime can be prosecuted under current Federal law only when it can be shown that they participated in a specific offense, such as gambling, loan-sharking or narcotics. A reformed criminal code should strike directly at organized criminal activity by making it a Federal crime to operate or control a racketeering syndicate. This revision will make the criminal law apply to organized crime leaders who seek to conceal their role in the syndicate's criminal activities.

Since current Federal laws restrict the government's ability to attack consumer frauds, the statutes punishing fraud and theft should be revised to make Federal prosecution more effective. Pyramid sales schemes—clever confidence games, in other words—should be specifically prohibited. Federal jurisdiction over these frauds should be extended to enable the government to move against them on a nationwide basis.

The protection of constitutionally guaranteed civil rights is a primary duty of the Federal government. Yet, a private citizen can be punished for violating constitutional rights only if he acted in concert with others. Under current law, even if a State official intentionally commits acts that violate an individual's constitutional rights, proof of these acts alone may be insufficient to secure a conviction. Restrictions which prevent our laws from protecting the constitutional rights of Americans should be eliminated.

I am particularly concerned about the illegal trafficking in narcotics and dangerous drugs. These crimes victimize the entire Nation, bringing personal tragedy and family destruction to hundreds of thousands. In addition to the human toll, the property crimes committed to finance addicts' drug habits are estimated at $15 billion each year.

Federal, State and local governments must continue their vigorous law enforcement efforts aimed at major traffickers in narcotics and dangerous drugs. This administration is committed to maintaining a strong Federal Drug Enforcement Administration to provide leadership in this fight. At the same time, I continue to recognize our responsibility to provide compassionate treatment and rehabilitation programs for the hapless victim of narcotics traffickers.

Recent evidence suggests an increase in the availability and use of dangerous drugs in spite of the creation of special Federal agencies and massive Federal funding during the past 6 years. I am deeply concerned over these developments and have, therefore, directed the Domestic Council to undertake a comprehensive review and assessment of the overall Federal drug abuse prevention, treatment and enforcement effort to insure that our programs, policies and laws are appropriate and effective.

Finally, white-collar crime is taking an increasing toll in terms of financial and social costs. The United States Chamber of Commerce recently reported that in 1974 white-collar crime cost the public approximately $40 billion, excluding the costs of price-fixing and industrial espionage. In addition to direct economic losses, white-collar crime can destroy confidence in and support for the Nation's economic, legal and political institutions. In recognition of the gravity of the impact of white-collar crime, I have directed the Attorney General to undertake new initiatives to coordinate all Federal enforcement and prosecutorial efforts against white-collar crime.

III. PROVIDING FINANCIAL AND TECHNICAL ASSISTANCE

The Federal government must continue to help State and local governments in carrying out their law enforcement responsibilities. Therefore, I will submit to Congress a bill that will continue the Law Enforcement Assistance Administration through 1981.

The LEAA annually provides millions of dollars of support to State and local governments in improving the overall operation of their criminal justice systems. Additionally, the LEAA serves as a center for the development of new ideas on how to fight crime. Examples of several LEAA innovations have already been noted in this Message. The bill that I will submit will authorize $6.8 billion for LEAA to continue its work through 1981.

Several aspects of the reauthorization bill deserve special mention. It will increase the annual funding authorization for LEAA from $1.25 billion to $1.3 billion. The additional $250 million over five years will enable the agency's discretionary program to place greater emphasis on programs aimed at reducing crime in heavily populated urban areas. It is in these areas that the problem of violent street crime has reached critical proportions. The LEAA "High Impact" program, which is designed to provide additional assistance for cities and counties with high crime rates, has had encouraging success. This additional authorization will permit LEAA to build upon that success.

The bill will also place special emphasis on improving the operation of State and local court systems. Specifically, it will include such improvement within the statement of purposes for which LEAA block grant funds can be utilized. Too often, the courts, the prosecutors and the public defenders are overlooked in the allocation of criminal justice resources. If we are to be at all effective in fighting crime, State and local court systems, including prosecution and defense, must be expanded and enhanced.

In conclusion, I emphasize again that the Federal government cannot, by itself, bring an end to crime in the streets. The Federal government can seek the cooperation and participation of State and local governments. Such cooperation is vitally important to this effort. The cumulative effect of persistent Federal, State and local efforts to improve our laws and eliminate difficulties that encumber our criminal justice system offers the only hope of achieving a steady reduction in crime.

I am confident that, if the Congress enacts the programs that I have recommended, the means available for an effective attack on crime will have been substantially strengthened. I call upon the Congress to act swiftly on these recommendations. I also call upon State and local governments to move rapidly in strengthening their processes of criminal justice. Together, we will restore to this nation that sense of domestic tranquility so essential to the pursuit of happiness.

Gerald R. Ford.

The White House, *June 19, 1975.*

MESSAGE FROM THE HOUSE

At 1:15 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 66) to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Staggers, Mr. Rogers, Mr. Satterfield, Mr. Preyer, Mr. Symington, Mr. Scheuer, Mr. Waxman, Mr. Devine, Mr. Carter, and Mr. Broyhill were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report by the Director of the Office of Management and Budget

A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, a cumulative report under section 1014(e) of the Congressional Budget and Impoundment Control Act of 1974 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, Budget, Agriculture and Forestry, Commerce, Judiciary, Armed Services, Labor and Public Welfare, Banking, Housing, and Urban Affairs, Interior and Insular Affairs, Foreign Relations, Finance, Public Works, Aeronautical and Space Sciences, Government Operations, District of Columbia, and the Joint Committee on Atomic Energy, and ordered to be printed.

Report by the Assistant Secretary of Defense

A letter from the Assistant Secretary of Defense reporting, pursuant to law, on the transfer of amounts appropriated to the Department of Defense; to the Committee on Appropriations.

Report by the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the annual report on the operation of the special pay program for medical officers of the Commissioned Corps of the Public Health Service (with an accompanying report); to the Committee on Armed Services.

Report by the Environmental Protection Agency

A letter from the Acting Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on the current programs of EPA directed to suspected carcinogens in drinking water (with an accompanying report); to the Committee on Commerce.

Report by the Office of Management and Budget

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a report with respect to the recommendations contained in the report entitled "Measure of Success: Federal Support of Continuing Education" (with an accompanying report); to the Committee on Government Operations.

Proposed Construction Under the Public Buildings Act

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus which proposes construction of a courthouse annex and a motorpool and vehicle maintenance facility at Miami, Fla. (with accompanying papers); to the Committee on Public Works.

Report on Progress in the Prevention and Control of Air Pollution, 1974

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report on progress in the prevention and control of air pollution for the year 1974 (with an accompanying report); to the Committee on Public Works.

Report of the National Council on Radiation Protection and Measurements

A letter from the General Counsel, National Council on Radiation Protection and Measurements, transmitting, pursuant to law, a report entitled "Financial Statements and Supplemental Schedules for the Year Ended December 31, 1974, and Auditors' Opinion" (with an accompanying report); to the Committee on the Judiciary.

Orders Entered Under the Immigration and Nationality Act

A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting, pursuant to law, orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

Proposed Concessions Contracts From the Department of the Interior

Two letters from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, proposed concessions contracts (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Legislation To Provide for the Administration of Oaths and Affirmations and for Issuance of Subpoenas

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the administration of oaths and affirmations and for the issuance of subpoenas in investigations, hearings, and prosecutions in the Department of the Interior (with accompanying papers); to the Committee on Interior and Insular Affairs.

Review of Criteria for Coordinated Long-Range Operation of the Reservoirs of the Colorado River

A letter from the Commissioner, Bureau of Reclamation, U.S. Department of the Interior, transmitting, pursuant to law, review of criteria for coordinated long-range operation of the reservoirs of the Colorado River (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report of the Naval Sea Cadet Corps

A letter from the Chairman of the Board, U.S. Naval Sea Cadet Corps, transmitting, pursuant to law, the annual audit report of the Naval Sea Cadet Corps for the fiscal year which ended 31 March 1975 (with an accompanying report); to the Committee on the Judiciary.

Proposed Legislation by the Department of Defense

A letter from the General Counsel of the Department of Defense, transmitting proposed legislation to amend title 5, United States Code, to repeal section 5343(d) (with accompanying papers); to the Committee on Post Office and Civil Service.

Report of the Environmental Protection Agency

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a reissued report to reflect the impact of the revisions of the data in the chart on page 4, in the tables in section VIII, and in the appendix B table (with an accompanying report); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

Resolution No. 59 adopted by the Legislature of the Territory of Guam; to the Committee on Interior and Insular Affairs:

"Resolution No. 59

"Relative to establishing a Select Committee on Federal Land Takings in Guam

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the Eleventh Guam Legislature adopted Resolution No. 6 and Resolution No. 53 regarding the problem of Federal land takings in Guam and the making of representations to the U.S. Congress with regard to the same; and

"Whereas, the Twelfth Guam Legislature adopted similar resolutions, all with the purpose of furthering passage in Congress of appropriate legislation, particularly H.R. 12760, to alleviate the hardships caused by the manner and extent of Federal land takings in Guam in the post war period; and

"Whereas, a "field hearing" of the Subcommittee on Territorial and Insular Affairs of the Committee on Interior and Insular Affairs of the House of Representatives of the 93d Congress was held in Guam on April 15, 1974, taking testimony upon H.R. 12760, the Honorable A. B. Won Pat presiding; and

"Whereas, a comprehensive report was prepared upon the testimony presented at said "field hearing", including within said report copies of prior reports to the Guam Legislature on this subject, to which said report(s) reference is specifically made in this resolution; now, therefore, be it

"Resolved, that the Thirteenth Guam Legislature does hereby create a select committee to be designated "Select Committee on Federal Land Takings in Guam" to be composed of five (5) members of the Thirteenth Guam Legislature, including the Chairman of the Committee on Manpower, Resources & Economic Development, the Chairman of the Committee on Consumer Protection & Judiciary, and three other members to be appointed by the Speaker of the Thirteenth Guam Legislature, who shall also designate the Chairman of the Select Committee; and be it further,

"Resolved, that the duties and responsibilities of said committees and its members shall be to review the work of predecessor committees in fostering and advocating the passage of appropriate legislation in the U.S. Congress to carry out the recommendations of the Guam Legislature as expressed in various resolutions, reports, etc.; to work with the Honorable A. B. Won Pat, Guam's representative in Congress; toward the passage of H.R. 1640 and all other bills of similar importance to the end that relief be afforded to the people of Guam who have suffered great economic hardship as a result of these Federal land takings for the reasons set forth in the various reports; and be it further,

"*Resolved*, That the Select Committee on Federal Land Takings in Guam as herein created by provided by the Thirteenth Guam Legislature with the necessary funds not to exceed $75,000 to carry out its duties, including necessary professional, clerical and logistic, assistance, and further that said committee shall have the power to enter into contracts for special professional services; and, be it further,

"*Resolved*, That said Select Committee on Federal Land Takings shall submit reports to the Thirteenth Guam Legislature as follows:

"1. An interim report on or before the 31st day of December 1975; and

"2. A final report on or before the 30th day of June 1976, providing that the committee's life shall not be terminated as of the date of said final report, and that the same shall continue in effect through the full term of this Legislature, with the obligation that, if needed, a further concluding report or reports shall be filed prior to December 31, 1976; and be it further,

"*Resolved*, That the Chairman and members of the Select Committee on Federal Land Takings hereby created shall keep Guam's representative in Congress fully informed of its activities, including appointments with Congressional and Federal officials; and be it further,

"*Resolved*, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be hereafter transmitted to the Secretary of Interior, to the President of the Senate and the Speaker of the House of Representative of the Congress, to the Senate and House Committees on Interior and Insular Affairs, to Guam's Washington Representative, to the United States Attorney for Guam, and to the Governor of Guam."

Joint Resolution No. 75 adopted by the Assembly of the State of New York; to the Committee on Public Works:

"Joint Resolution No. 75

"Joint resolution of the Senate and Assembly of the State of New York memorializing the Congress of the United States to enact amendments to the Federal Highway Beautification Act of 1965 permitting greater state discretion in the use of small directional signs along interstate and primary routes

"Whereas, The tourist business is a key industry in New York State resulting in nearly ten billion dollars purchasing power to the state annually; and

"Whereas, Firms in the state engaged in travel related businesses employ about one half million people; and

"Whereas, Because of the State being forced to remove small advertising signs of a directional nature, pursuant to the mandates of the Federal Highway Beautification Act of 1965, small business services report losses up to seventy percent of their tourist trade; and

"Whereas, Unless such Federal legislation is amended these businesses will have to close their doors thereby increasing the number of unemployed and weakening an already faltering economy; now, therefore, be it

"Resolved, That the Congress of the United States be and hereby is respectfully memorialized to enact legislation permitting the states to exercise greater flexibility in determining the type of small advertising signs of a directional nature that may be erected along interstate and primary routes so long as such signs are not offensive to the natural beauty of the countryside; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives, and to each member of the Congress of the United States from the State of New York."

A resolution adopted by the City Council of the City of Fort Worth, Tex., relating to certain aircraft selected by the Navy; to the Committee on Armed Services.

A resolution adopted by the City Council of the City of Philadelphia, Pa., relating to the "means test" in connection with certain services for senior citizens; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HASKELL, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 6054. A bill to authorize further appropriations for the Office of Environmental Quality, and for other purposes (Rept. No. 94–209).

By Mr. CANNON, from the Committee on Rules and Administration:

S. Res. 189. An original resolution increasing the limitation on expenditures by the Committee on the Budget for the procurement of consultants (Rept. No. 94–210).

By Mr. McGEE, from the Committee on Post Office and Civil Service:

S. 792. A bill to provide increased employment opportunity by executive agencies of the United States Government for persons unable to work standard working hours, and for other purposes (Rept. No. 94–211).

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, without amendment:

H.R. 6387. An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for three months (Rept. No. 94–212).

S. 1230. A bill to amend the Watershed Protection and Flood Prevention Act, as amended (Rept. No. 94–213).

By Mr. HARTKE, from the Committee on Veterans' Affairs, with amendments:

S. 1597. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes (Rept. No. 94–214).

By Mr. McCLELLAN, from the Committee on the Judiciary, without amendment:

S. 24. A bill to carry into effect certain provisions of the Patent Cooperation Treaty, and for other purposes (Rept. No. 94–215).

By Mr. STONE, from the Committee on Agriculture and Forestry:

S. Res. 190. An original resolution relating to the need for funding to support the expansion of the facilities at the Plum Island Animal Disease Center that are needed to support the Fleming Key Quarantine Station (Rept. No. 94–216).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

Wallace F. Bennett, of Utah, to be a member of the Board of Directors of the Overseas Private Investment Corporation.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ROTH:

S. 1978. A bill to disallow the use of Federal funds for first-class air travel by all Federal employees, including Members of Congress and congressional staff employees. Referred to the Committee on Government Operations.

By Mr. CURTIS:

S. 1979. A bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments. Referred to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT (for himself and Mr. Domenici):

S. 1980. A bill to provide a priority system for certain agricultural uses of natural gas. Referred to the Committee on Commerce.

By Mr. HUDDLESTON:

S. 1981. A bill to increase employment opportunities and reduce unemployment by establishing an emergency small business and agricultural employment program, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. PACKWOOD (for himself and Mr. Hatfield):

S. 1982. A bill to amend the Clean Air Act to assure that emissions of fluorocarbon compounds will not impair the ozone layer of the stratosphere, thereby protecting certain essential elements of the stratosphere. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 1978. A bill to disallow the use of Federal funds for first-class air travel by all Federal employees, including Members of Congress and congressional staff employees. Referred to the Committee on Government Operations.

Mr. ROTH. Mr. President, I am today introducing legislation to disallow the use of Federal funds for first-class air travel by all Federal employees, including Members of Congress and congressional staff employees.

This legislation would put an end to the use of taxpayers' money for first-class air travel and make Government employees travel the same way that the vast majority of American air travelers do.

In an era when airlines are introducing "no-frills" flights for the public, I think we should reduce some of the frills that Federal employees have become accustomed to at the taxpayers expense.

The distinguished Senator from Massachusetts (Mr. Kennedy) has recently introduced legislation to disallow the tax deduction for first-class air travel as a business expense. Senator Kennedy states that the ordinary taxpayer picks up half of the tab for this and every other business deduction.

But the ordinary taxpayer picks up the full tab every time Federal employees use first-class air travel, and I am sure that my distinguished colleague from Massachusetts would agree with me that this is an even greater luxury item.

If we are in effect going to limit the right of individuals in the private sector to flying first class, it seems to me that we should also limit the right of Federal employees, including Cabinet members and Members of Congress, to travel first class.

There are no precise statistics on the amount of first-class air travel expenditures, and neither the Office of Management and Budget nor the General Accounting Office could determine exactly how much is being spent on first-class air mail.

But in fiscal year 1975, the Government will spend an estimated $2.1 billion on travel, about $160 million more than would have been spent if my travel amendment had not been repealed earlier this year.

The Government will spend an additional $2.3 billion on the travel expenses of Federal employees during fiscal year 1976.

I intend to introduce legislation to reduce overall Federal spending on travel in the near future.

But, if Congress is going to consider legislation to eliminate the tax deduction for first-class travel, I think it is only fair to also consider this legislation to ban first-class travel for Federal employees.

With millions of Americans being forced to cancel or postpone their own travel plans because of the state of the economy there is really no justification for the use of taxpayers' money on first-class air travel and Congress should show the same strong leadership in correcting this situation as it is showing in eliminating the tax deduction for first class.

Mr. President I ask unanimous consent that the bill be printed in the Record.

There being no objection the bill was ordered to be printed in the Record, as follows:

S. 1978

Sec. 1. None of the funds appropriated by any Act which are available during the fiscal year 1976 may be obligated for the transportation of Government officers and employees by commercial airplane in excess of an amount which is equal to the retail price of a coach class fare ticket for such person on the same day at the same time of year, as determined by the Civil Aeronautics Board and reported to the Secretary or his delegate.

By Mr. BARTLETT (for himself and Mr. Domenici):

S. 1980. A bill to provide a priority system for certain agricultural uses of natural gas. Referred to the Committee on Commerce.

Mr. BARTLETT. Mr. President, my predilection for a free market for all energy in the United States is well known among my colleagues in the Senate. While there has been no lack of energy expended in talking about the problem, there as been precious little actually done about it. The Congress has been more interested in elocution than in electricity, has employed more diction than deregulation, is more susceptible to gossip than gasification and engages more in expostulation than exploration.

The lack of a free market operation for natural gas has caused tremendous shortages of natural gas. These shortages have precipitated the apparent need for the Federal Power Commission to institute its own allocation program. As long as this allocation system exists, it is essential that the scarce gas be distributed in a manner which is consistent both with internal restraints of the FPC's own allocation program and with our national energy goals and food production commitments.

On December 19, 1974, the Federal Power Commission issued a ruling contained in opinion 697A which lowered the priority classification for irrigational use of natural gas from category No. 2—commercial—to category No. 3—industrial. The implication and potential impact of this opinion has caused alarm and apprehension among the thousands of irrigation farmers in the Southwest region of the United States who depend upon natural gas for irrigation purposes. Curtailment of natural gas or the threat of curtailment is a matter of the greatest consequence to these farmers and ranchers.

I have been advised that on June 9, 1975, the Federal Power Commission issued an order granting temporary relief until June 15, 1976. I had encouraged the Commission to provide this interim relief, and I am gratified that the action was taken. At the same time, however, I recognize that a temporary postponement of a bad decision is not the solution to issues of fundamental importance. Final resolution calls for something more.

On June 17, 1975, I joined with Senators Domenici, Tower, and Fannin to discuss the impact of the FPC decision. The documentation and information we provided in that discussion has been printed in the Record of June 17, 1975. I sincerely hope that my colleagues in the Senate will review this material as they consider the legislation I am prepared to offer today.

Mr. President, the bill I have sent to the desk directs the Federal Power Commission to take such steps as are necessary to assure the continued and uninterrupted availability in interstate commerce of sufficient quantities of natural gas for use in irrigation pumping. The bill is directed in favor of irrigation pumping for agricultural purposes only. Its scope is intended to be narrow inasmuch as full production of food and fiber should be seen as a major national commitment. Adoption of this bill would place irrigation pumping in a priority category of commercial users.

Passage of this legislation will correct the present inequity in the Federal Power Commission's opinion which puts irrigation farming behind the energy needs of swimming pools and movie theaters and declares that bowling alleys and hot dog stands are more important than orchards or fields of cotton and corn or sorghum and wheat.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1980

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Agricultural Priority Act".

SEC. 2. The Natural Gas Act, as amended (52 Stat. 821; 15 U.S.C. 717 et seq.), is amended by inserting immediately after section 22 the following new section:

"NATURAL GAS FOR IRRIGATION PUMPING

"SEC. 22. (a) Except to the extent that natural gas supplies are required to maintain natural gas service to residential users, small users, hospitals, and similar services vital to public health and safety, the Commission shall, by rule, take such steps as are necessary to assure the continued and uninterrupted availability in interstate commerce of sufficient quantities of natural gas for use in irrigation pumping for agricultural purposes."

By Mr. HUDDLESTON:

S. 1981. A bill to increase employment opportunities and reduce unemployment by establishing an emergency small business and agricultural employment program, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. HUDDLESTON. Mr. President, I am introducing today a bill which will provide for increased employment opportunities for thousands of unemployed persons. The economy of the United States is suffering the worst recession since the depression of the 1930's. The current jobless rate is 9.2 percent of the work force.

According to the chief statistician's office for the Kentucky Department of Human Resources Bureau for Administration and Operations, 32 of Kentucky's 120 counties have unemployment rates in excess of 10 percent. The Commonwealth's overall unemployment rate has reached 7.6 percent.

The Nation's economists are nearly unanimous in predicting that the recession will "bottom out" soon and a recovery will get started this summer or fall. But what the economists mean by a recovery may be of little immediate benefit to the unemployed. There is a general tendency to think that recovery means a prompt return to full employment. This is incorrect.

It is estimated by some that the jobless rate will peak at about 9.3 percent this summer and drift downward to about 7.9 percent by the end of 1976. There appears to be little question that it will average 7.5 percent for 1977.

Most economists feel our economy will not be able to grow fast enough to get back to the 4- to 5-percent unemployment range in the foreseeable future. Some feel that at least 6 percent will be the future unemployment plateau for the United States.

Labor department figures estimate the number of people 25 to 34 years old will increase over 50 percent between 1970 and 1980. Economic growth rates of around 4 percent per year will be required to absorb normal labor force expansion.

The civilian labor force is composed of over 90 million people. The difference between 5-percent unemployment and 8-percent unemployment is 2.7 million jobless persons.

The bill I am introducing today will provide the Secretary of Labor with the authority to establish an emergency small business and agricultural employment program to identify, recruit, and refer any unemployed individual who desires to work for a small business concern to such a concern.

In the context of this bill a small business concern is defined as any farm, ranch, or business having gross sales and services of $250,000 per year or less. Under this program small business concerns would be encouraged to employ these out-of-work persons at a minimum pay rate of $2.30 per hour. The Secretary of Labor will be authorized to pay to the small business concern $1 per hour for each hour of work performed by an employee under this program.

The provisions of this measure shall apply whenever the national rate of unemployment is equal to or in excess of 7 percent for 3 consecutive months. Firms that employ workers under this act will be required to certify that regularly employed individuals will not be displaced and that an existing position is not being filled. In addition, certification will be required that no regular employees will be laid off as the result of hiring a new employee under the program authorized by this act.

Mr. President, in view of the dismal employment outlook by the practitioners of the dismal science, I request that this bill be appropriately referred and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1981

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Small Business and Agricultural Employment Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(1) "eligible employee" means any individual who having been referred by a State employment office or the United States Employment Service is employed by a small business concern under the program authorized by this Act;

(2) "small business concern" means any business, any farm owner or operator, or any ranch owner or operator, having annual dollar volume of sales of goods or services which is $250,000 or less;

(3) "Secretary" means the Secretary of Labor; and

(4) "State" means the several States and the District of Columbia.

APPLICABILITY

SEC. 3. The provisions of this Act shall apply whenever the Secretary determines that the national rate of unemployment is equal to or in excess of 7 percent for 3 consecutive months.

PROGRAM AUTHORIZED

SEC. 4. The Secretary is authorized to establish and carry out an emergency small business and agricultural employment program. In carrying out such a program the Secretary shall—

(1) through the United States Employment Service and each State employment service, identify, recruit, and refer any unemployed individual who desires to work for a small business concern under the program authorized by this Act;

(2) establish procedures, after consultation with the Secretary of Agriculture and the Administrator of the Small Business Administration, for encouraging small business concerns to employ individuals referred under clause 1 of this section;

(3) establish procedures to insure that small business concerns participating in the program authorized by this Act will pay to each eligible employee an amount when added to the supplement paid pursuant to section 7, which is not less than $2.30 per hour;

(4) make whatever arrangements are necessary to obtain insurance for workmen's compensation and health benefits whenever the Secretary determines that adequate protection is not otherwise available for eligible employees employed pursuant to the program authorized by this Act;

(5) make supplemental payments authorized by section 7 of this Act; and

(6) carry out such other activities as he deems necessary to carry out the objectives of this Act.

CONDITIONS AND PRIORITIES OF REFERRAL

SEC. 5. (a) No individual shall be referred under this Act unless the Secretary, through the appropriate employment office, determines that there is a reasonable expectation that the individual can successfully perform the work for which he is being referred.

(b) In making referrals under the program authorized by this Act, the Secretary shall establish criteria designed to assure that special consideration will be given to individuals who—

(1) have been longest unemployed in the local area in which the referral is made,

(2) who are no longer eligible for unemployment benefits,

(3) who are receiving special or extended unemployment benefits, and

(4) who are receiving normal unemployment benefits, in the order set forth in this sentence.

APPLICATION BY SMALL BUSINESS CONCERNS

SEC. 6. (a) Each small business concern desiring to participate in the program authorized by this Act shall submit an application, at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

(1) certify (A) that the employment of an eligible employee by that concern will not displace any regularly employed individual and that he is not filling an existing position in that concern, and (B) that that concern will not lay off any regular employee as a result of the employment of the eligible employee under the program authorized by this Act;

(2) provide assurances that any eligible employee employed under the program authorized by this Act will be paid by that concern at a rate not less than $2.30 per hour, including the supplemental payment received under this Act;

(3) provide assurances that, whenever it is customary in the area in which that concern is located, workmen's compensation, health insurance, and other similar benefits will be provided to the eligible employee at the same levels and to the same extent as other employees of that concern;

(4) provide that procedures will be established as may be necessary to assure the proper dispersal of, an accounting for, Federal supplemental payments paid under this Act; and

(5) provide that reasonable reports will be furnished in such form and containing such information as the Secretary may reasonably require and such reports will be kept and access furnished thereto as the Secretary may find necessary to assure the correctness and vertification of such reports.

(b) The Secretary shall approve any application that meets the requirements of subsection (a) and shall not finally disapprove, in whole or in part, any application for Federal supplemental payments under this Act without first affording the small business concern an opportunity for a hearing.

SUPPLEMENTAL PAYMENTS

SEC. 7. (a) The Secretary is authorized to pay to each small business concern, having an application approved by him under section 6 of this Act, $1.00 per hour for each hour of work performed by an eligible employee.

(b) No Federal supplemental payment may be made to any eligible employee under this Act for a period longer than 2 years except that for any eligible employee employed within the six-month period immediately prior to the termination of the applicability of the provisions of this Act under section 3 no such payment may be made for a period longer than one year.

(c) Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

SPECIAL CONDITIONS

SEC. 8. (a) The Secretary shall establish procedures to assure that every eligible employee shall be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

(b) No funds appropriated pursuant to this Act may be used for the acquisition of, or for the rental or leasing of supplies, equipment, materials, or real property.

(c) The Secretary shall carry out the program authorized by this Act in such a manner as to assure that there will be no discrimination because of race, creed, national origin, sex, political affiliation or beliefs.

(d) (1) Notwithstanding any other provision of law, no unemployment tax shall be collected with respect to the employment of any eligible employee employed under the program authorized by this Act.

(2) Notwithstanding any other provision of law, no unemployment benefits shall accumulate during the period of employment of an eligible employee employed under the program authorized by this Act.

ADMINISTRATIVE PROVISIONS

SEC. 9. (a) In order to carry out their functions under this Act, the Secretary is authorized to—

(1) establish, rescind, and amend such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such employees as may be necessary;

(3) procure temporary and intermittent services to the same extent as authorized by section 3109 of title 5, United States Code;

(4) secure from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the United States Government, or of any State, or political subdivision thereof, information, estimates, and statistics required in the performance of his functions under this Act;

(5) enter into and perform such contracts, cooperative agreements or other arrangements as may be advisable without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) and other provisions of law relating to competitive bidding; and

(6) accept and use with his consent, with reimbursement, such services, equipment and facilties of other Federal agencies as are necessary to carry out such functions efficiently, and such agencies are authorized to loan, with reimbursement, such services, equipment and facilities to the Secretary.

(b) Each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish such information, estimates, and statistics directly to the Department of Labor upon written request made by the Secretary.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are authorized to be appropriated for the fiscal year 1976, the period from July 1, 1976 through September 30, 1976, for the fiscal year 1977 and for the fiscal year 1978 such sums as may be necessary to carry out the provisions of this Act.

By Mr. PACKWOOD (for himself and Mr. HATFIELD):

S. 1982. A bill to amend the Clean Air Act to assure that emissions of fluorocarbon compounds will not impair the ozone layer of the stratosphere, thereby protecting certain essential elements of the stratosphere. Referred to the Committee on Public Works.

THE OZONE PRESERVATION ACT OF 1975

Mr. PACKWOOD. Mr. President, I am pleased to introduce today with my Oregon colleague, Senator HATFIELD, the "Ozone Preservation Act of 1975" to prohibit and control the dangerous emissions of certain fluorocarbon compounds which threaten to reduce the concentration of ozone in the stratosphere. Warnings have come from some of our Nation's most prestigious scientists and I am pleased to say my home State of Oregon has recently outlawed the sale and distribution of two major aerosol spray can propellants, fluorocarbons –11 and –12, and other similar compounds.

Depleting the atmosphere's ozone creates grave and serious problems for our public health, safety, and environment. The United States uses about 50 percent of the world's supply of these gases that eat away at the ozone atmosphere which protects the Earth from the Sun's ultraviolet radiation. There is a great cause for concern over the increase in skin cancer if the protective ozone shield is further reduced.

Americans in their zest for convenient push-button products are spraying away a protective shield that has existed for millions of years. Oregon has taken the lead in trying to find a solution and I am hopeful the country will follow suite before we, needlessly, damage this essential sunscreen further.

I ask unanimous consent that a statement by the U.S. Council on Environmental Quality, a statement by the Smithsonian Institution, and a recent article which appeared in the Washington Post, as well as the bill be printed in the RECORD.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

FEDERAL TASK FORCE REPORTS: "CAUSE FOR CONCERN" ABOUT FLUOROCARBON DAMAGE TO OZONE SHIELD

A Federal task force, concluding a 4-month investigation, today said there is "legitimate cause for concern" that two fluorocarbon gases used in refrigeration, air conditioning, and as aerosol propellants are damaging the Earth's protective ozone shield.

"Unless new scientific evidence is found to remove the cause for concern, it would seem necessary to restrict uses of fluorocarbons-11 and -12 to replacement of fluids in existing refrigeration and air conditioning equipment and to closed recycled systems or other uses not involving release into the atmosphere," the interagency task force on Inadvertent Modification of the Stratosphere (IMOS) concluded in its public report. The conclusions and recommendations of the IMOS report were released in Washington today by Dr. Russell W. Peterson, Chairman of the Council on Environmental Quality (CEQ) and Dr. H. Guyford Stever, Chairman of the Federal Council for Science and Technology (FCST).

The group recommended that "Federal regulatory agencies initiate rulemaking procedures for implementing regulations to restrict fluorocarbon uses" if a National Academy of Sciences study of manmade impacts on the stratosphere due next spring "confirms the current task force assessment."

"Such restrictions could reasonably be effective by January 1978," a date which the task force said should allow time for "consideration of further research results and for the affected industries and consumers to initiate adjustments." The IMOS task force is co-sponsored by CEQ and FCST, and includes 13 member agencies as well as representation from the Interdepartmental Committee for Atmospheric Sciences, a subcommittee of the Federal Council.

Ozone, Dr. Stever noted, is a compound of oxygen concentrated in the stratosphere which screens out harmful ultraviolet rays from the Sun. If these rays reached the Earth's surface with sufficient intensity, they could cause adverse biological and agricultural effects and increased skin cancer in humans.

The IMOS task force also recommended that Federal regulatory agencies immediately establish a program to require a labeling program that would clearly identify aerosol products that contain fluorocarbons-11 and -12. The task force said this action was recommended in order to reduce the chance of unduly penalizing producers and marketers of aerosol products that do not use those two substances (about 40 to 50 percent of the market).

Dr. Peterson noted that while the Federal Government has authority to regulate a number of products containing fluorocarbons-11 and -12, a number of others, including automobile air conditioning and commercial and industrial air conditioning and refrigeration, remain outside Federal control.

"The proposed Toxic Substances Control Act now pending before Congress would provide for effective control of all uses of fluorocarbons if required and, in addition, would provide a regulatory base for control of a wide variety of potentially harmful substances with broad environmental consequences," the IMOS report said in urging prompt passage of that bill.

The report put 1973 world production of fluorocarbons −11 and −12, excluding the U.S.S.R. and Eastern European countries, at 1.7 billion pounds—up 11 percent from 1972. The United States accounts for about 50 percent of this production and use.

"Nearly all (fluorocarbons) are (eventually) released into the atmosphere," the report found and added that the release occurs sooner "in the case of aerosols than in the case of refrigerants, which are released principally through leakage and at the time of recharging or (equipment) disposal."

"The best estimates are that fluorocarbons released into the environment to date may have resulted in a current reduction in average ozone concentration of between 0.5 and 1 percent and possibly as large as 2 percent and may eventually result in as much as a 3-percent reduction," Dr. Stever said.

"Other current calculations predict an eventual ozone reduction of about 7 percent in the equilibrium ozone concentration, presuming a continuation of fluorocarbon releases at the 1972 rate," the report stated.

The effects of reduction in ozone concentration, the report said, could affect the health of humans: "An increase of approximately 2 percent in the incidence of nonmelanoma skin cancer in the United States is predicted for a 1-percent reduction in average ozone concentration (with a disproportionately greater increase in cancer for higher percentages of reduction in ozone levels)."

The report indicates that calculations, based upon observed changes in incidence of skin cancer with variations with latitude, show that for each percent ozone reduction there may be from 2,100 to 15,000 (6,000 median) additional cases of non-melanoma skin cancer per year in light-skinned individuals in the United States at steady state.

Dr. Stever pointed out that non-melanoma skin cancers are important but rarely cause death. In addition, there are other potentially significant but currently less well defined, biological and agricultural effects such as:

Changes in physiological, biochemical, anatomical, and growth characteristics of certain plant and animal species.

Disturbances in aquatic and terrestrial ecosystems.

Effects on the stability and effectiveness of agricultural chemicals.

Effects on livestock, including increases in certain types of cancer.

Reduction in the yield of some agricultural crops, especially in areas of marginal agricultural production, as the result of any climatic changes caused by ozone reduction.

"Some scientists postulate that changes in the stratospheric ozone levels would cause changes in wind patterns, precipitation, and temperature. The nature and extent of these changes and their effect on the Earth's climate cannot be predicted on the basis of present knowledge although they are of potential concern," the report said.

"Although direct ozone or incident ultraviolet radiation measurements cannot be used in the near future to verify or deny the theory that fluorocarbon releases can significantly affect stratospheric ozone levels, it should be pointed out that the theory is not highly speculative but is based on considerable research on the upper atmosphere," Dr. Stever said.

Dr. Peterson added that both he and Dr. Stever "believe that the report represents a balanced, objective view of current understanding of the problem, and we heartily endorse the conclusions reached by the task force."

The task force is made up of the following agencies: the Departments of Agriculture, Commerce, Justice, State, Transportation, Defense, and Health, Education, and Welfare; and the Consumer Product Safety Commission, National Science Foundation, Energy Research and Development Administration, Environmental Protection Agency, National Aeronautics and Space Administration, and the Interdepartmental Committee for Atmospheric Sciences.

Ozone—Vital Shield in the Sky, Deadly Poison on Earth

As a gas, ozone is an invisible substance with bizarre properties and a dual personality, writes Mariana Gosnell in the June issue of *Smithsonian* Magazine. "In the stratosphere it acts as a shield to protect us from deadly ultraviolet radiation, but on Earth it is one of the most toxic pollutants known."

In the article, "Ozone—The Trick is Containing It Where We Need It", Gosnell says that what makes ozone more poisonous than cyanide strychnine or carbon monoxide is its highly unstable structure—all allotropic form of oxygen with three atoms, ready at any time to give up its extra atom to other molecules.

It is definitely known that ozone can irritate the lungs, cause coughing, tightness, pain and fatigue, especially in the very young, very old, very sick and very active, the author states. It may also affect the blood, lower resistance to infection and even, when combined with other chemicals, cause cancer.

Ozone remains the Los Angeles area's number one air pollution problem. Last year the city exceeded the federal air quality standard of 80 parts of ozone per billion parts of air on 237 days despite increasingly strict controls on auto emissions, the author says. Ozone levels well above the 80 ppb federal standard were also recorded recently on a mountaintop in New York, a farm in central Ohio, and a ship in the Atlantic.

Gosnell explains that ozone is especially rich and corrosive during spring and summer, causing the greatest damage to plants of any pollutant in the country. Burn and retarded growth from ozone affects corn, red clover, citrus fruits, alfalfa, beans, celery, radishes, tobacco and grapes, among others.

Despite this evidence of wrongdoing, Gosnell says, ozone can be useful on Earth. As an alternative to chlorine for purifying drinking water, ozone kills only bacteria and viruses, does it 100 times faster than chlorine, and unlike chlorine does not form compounds harmful to fish and stream life. Ozone doesn't mask other smells with its own, but removes the offending molecules by "burning" them.

The stratospheric ozone belt, extending 10 to 20 miles above the Earth's surface, absorbs 99 percent of the sun's ultraviolet rays at the most lethal wavelengths, the author says. The density of the ozone band changes drastically according to season, weather, latitude and what the sun is doing. The amount of ozone over Minnesota may be 30 percent higher than it is over Texas on a typical day. Even in Minnesota it may be 25 percent higher on one day than another, Gosnell reports.

The ozone layer is thought to have shrunk about 4 percent during 1961 and 1962 when the United States and the Soviet Union set off about 300 megatons of nuclear explosives, says the writer. The Pentagon admits a nuclear war could destroy 50 to 75 percent of the ozone over the temperate regions. Estimates are that a 5 percent decline in ozone would add 30,000 new cases of skin cancer to the present 300,000 cases a year, says the author.

An increase in ultraviolet radiation could also adversely affect plants, animals and insects. Gosnell says it appears to slow growth in some plants, increase mutation rates and decrease photosynthesis in others. In laboratory tests plankton have proved sensitive to increases in ultraviolet radiation. Since ultraviolet light penetrates seawater to depths of several feet, it is possible that the marine ecosystem could be disrupted by an increase in UV radiation since plankton forms the basis of the ocean's food chain.

"As for insects," says Gosnell, "most see in the ultraviolet range and a change in intensities might disrupt their celestrial navigation, recognition of flowers and mating behavior as well as cause genetic damage."

A weakened ozone layer could also affect world climate since a thinning of the belt" could mean temperature and wind shifts in the stratosphere, which in turn might induce tropospheric variations, leading to changes in growing seasons, the location of deserts and rain belts and the levels of the seas," according to Gosnell.

She quotes a prediction from the National Center for Atmospheric Research that a 50 percent reduction in ozone would create a cooling, by almost 1 degree F. which is as large a global change as the Earth has seen in the last two centuries.

[From the Washington Post, Fri. June 13, 1975]

Banning of Aerosol Sprays as Hazardous to Ozone Proposed

(By Stuart Auerbach)

A federal task force yesterday recommended banning the gases used in most aerosol hair sprays, shaving creams and deodorants unless new evidence proves that they are not damaging the protective ozone layer.

The 15-agency task force said the ban should take place in 1978 if a National Academy of Sciences report due next spring backs its findings that the widespread use of two kinds of fluorocarbons in aerosol sprays poses "a legitimate cause for concern" that the ozone layer is being destroyed.

This destruction will cause an increase in the incidence of skin cancer and changes in nature's biological rhythms, the task force said.

While President Ford's top environmental and science advisers said the evidence is not strong enough to justify banning the gases from aerosol sprays now, they agreed they would no longer use the sprays in their homes.

"We are going to minimize the use of aerosol cans using fluorocarbons in our house," said Dr. Russell W. Peterson, chairman of the White House Council on Environmental Quality.

Dr. Guyford Stever, who as chairman of the Federal Council for Science and Technology is the White House science adviser, said, "I personally would make the judgment" to use fewer aerosol spray products.

The task force recommended that federal regulatory agencies—including the Food and Drug Administration—order a ban on the gases as the National Academy of Sciences confirms its findings.

"It is difficult to perceive," said Peterson, "that when you are spraying an anti-perspirant in your bathroom, you are endangering the health of everyone in the world."

The danger, he said, comes from the destruction of the thin layer of the ozone in the stratosphere, 16 to 19 miles from the earth, which shields the earth from the sun's harmful ultraviolet rays.

Aside from increasing the incidence of skin cancer by 2,100 to 15,000 cases a year for each percentage point decrease in ozone concentration, the task force said more sunburning, earlier skin aging, eye damage, and excessive buildup of vitamin D in the skin may also result.

There would also be harmful health effects on livestock, disturbances of earth and water lifecycles, and changes in plants and animal life, the task force said.

Most personal aerosol sprays use fluorocarbons. They account for at least half of the more than 3 billion aerosol sprays sold yearly in the United States, and there is no known substitute gas for those products.

The ozone layer is destroyed through a simple chemical reaction that starts on earth when fluorocarbons are released into the air from aerosol sprays or leakage from air conditioners and refrigerators, where they are used as coolants.

These lighter-than-air fluorocarbons remained unchanged in the low atmosphere. But after many years when they move into the stratosphere, they are separated by sunlight and chlorine atoms are released. These chlorine atoms steal one of the three oxygen atoms in the ozone to form normal oxygen molecules (with two atoms) and chlorine oxide.

It takes up to 10 years for fluorocarbons released at the earth's surface to reach the ozone layer and destroy molecules there, but it takes a century or more for the destroyed ozone to be replaced.

The chemical reaction was first reported in the British science publication Nature just one year ago by Frank S. Rowland and Mario J. Molina, two research chemists at the University of California at Irvine.

Although their report has been attacked during the past year by the $8 billion-a-year fluorocarbon industry, the federal task force said yesterday that several other groups of scientists, working independently, have backed the Rowland-Molina findings.

"The theory is not highly speculative and unconfirmable," said Stever.

Nevertheless, industry sources attacked the task force report. The Aerosol Education Bureau said new research will "invalidate" the idea that fluorocarbons destroy the ozone layer.

The DuPont Co., the largest manufacturer of fluorocarbons under the trade name Freon, said no recommendations should be made about banning fluorocarbons until all research is in.

S. 1982

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS

Section 1. This Act may be cited as the "Ozone Preservation Act of 1975"

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. Amendment of the Clean Air Act.
Sec. 3. Conforming amendment.

AMENDMENT OF THE CLEAN AIR ACT

Sec. 2. Title 1 of the Clean Air Act (42 U.S.C. 1857 and following) is amended by adding at the end thereof the following new subtitle:

"Subtitle B—Ozone Preservation

"FINDINGS

"Sec. 150. (a) The Congress finds on the basis of presently available information, that—

"(1) ozone is an essential layer of the atmosphere which shields the earth from the extremely harmful solar ultraviolet radiation of the sun,

"(2) depletion of the ozone is likely to lead to increased incidence of solar ultraviolet radiation on the surface of the earth causing increased rates of disease in humans (particularly skin cancer in humans), threaten important food crops, and otherwise damage the natural environment,

"(3) the discharge of certain fluorocarbons into the ambient air threatens to reduce the concentration of ozone in the stratosphere,

"(4) the release of chlorofluoromethane into the atmosphere poses a danger to the public health, safety, and environment, and

"(5) unless clear and convincing research proves the safety of chlorofluoromethane, the continued release of fluorocarbon compounds in aerosol spray containers should not be permitted, and the incidental leakage of such compounds from air conditioning units and refrigeration systems should be curtailed.

"(b) For purposes of this subtitle the term 'fluorocarbon' means the chemical compounds $CFCl_3$ and CF_2Cl_2 and other such chlorinated fluorocarbon compounds as the Administrator of the Environmental Protection Agency determines by rule to threaten to reduce the concentration of ozone in the stratosphere."

"PROHIBITIONS AND STANDARDS

"Sec. 151. (a) Following one year and a half after the date of enactment of this subtitle the Administrator shall promulgate regulations prohibiting the sale and distribution of aerosol spray containers containing fluorocarbons $CFC1_2$ and CF_2C1_2 in the United States, its territories, and possessions.

"(b) Not later than one year and a half after the date of enactment of this subtitle the Administrator shall promulgate regulations for the control of:

"(1) fluorocarbon emissions into the ambient air from sources other than aerosol spray containers, including, but not limited to, emissions arising from the production, use or disposal of automobile air conditioning systems and commercial industrial air conditioning and refrigeration units.

"(2) other fluorocarbon and chlorofluoromethane compound emissions which the Administrator judges to threaten, directly and indirectly, the public health, safety, or environment.

"Such regulations shall include standards to limit such emissions to the maximum extent that the Administrator determines to be feasible (taking into consideration the cost of achieving such limitations) and the effective dates for such standards (considering the time necessary to meet such standards).

"WAIVER AUTHORITY

"Sec. 152. If the Administrator finds, after—

"(1) consideration of new scientific information,

"(2) consultation with appropriate Federal agencies and scientific entities, and

"(3) opportunity for public hearings, that no significant risk to the public health, safety, or environment is, or may be posed, or contributed to, by the discharge of fluorocarbon compounds (or any class thereof) into the ambient air then the Administrator may, by rule, waive the prohibition of section 151 in whole or in part.

"ENFORCEMENT SANCTIONS

"Sec. 153. (a) The Administrator may apply to any United States district court in the judicial district in which the person alleged to be engaged in conduct prohibited by regulations pursuant to section 151 is located, or conducts business to obtain a temporary restraining order, a preliminary or permanent injuction, and other appropriate equitable relief to restrain any act prohibited by section 151.

"(b) Any person engaged in conduct prohibited pursuant to section 151 may be subject to a civil penalty of not more than $1,000 per day, or one year of confinement, or both, for violation of regulations pursuant to section 151 in the discretion of the district court.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 154. For the purpose of carrying out the provisions of this subtitle, there are authorized to be appropriated such sums as may be necesary for the fiscal years ending June 30, 1975, June 30, 1976, September 30, 1977 and for the fiscal period ending September 30, 1976."

CONFORMING AMENDMENT

Sec. 3. Title 1 of the Clean Air Act (42 U.S.C. 1857 and following) is amended by inserting immediately before Sec. 101 the following:

"Subtitle A—Air Quality and Emission Limitations."

Mr. HATFIELD. Mr. President, in addition to the serious ozone issue raised by Mr. Packwood, limiting aerosols would signal that American society is willing to reject the convenience society personified by many spray products. It is an ethical social issue, as well as a scientific one. In this ethical framework, our proposed legislation is a logical next step from the bottle bill. With aerosols, the scientific case is of a more chilling nature than we reviewed with litter, solid waste, and energy concerning the bottle bill.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 327

At the request of Mr. Jackson, the Senator from Rhode Island (Mr. Pell), was added as a cosponsor of S. 327, a bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to establish the National Historic Preservation Fund, and for other purposes.

S. 1009

At the request of Mr. Stone, the Senator from New Hampshire (Mr. McIntyre) was added as a cosponsor of S. 1009, a bill to amend title 13 of the United States Code to require the compilation of current data on total population between censuses and to require the use of such current data in the administration of Federal laws in which population is a factor.

S. 1216

At the request of Mr. Talmadge, the Senator from North Dakota (Mr. Young), the Senator from Florida (Mr. Chiles), and the Senator from Kansas (Mr. Pearson) were added as cosponsors of S. 1216, a bill to amend the Federal Water Pollution Control Act.

S. 1702

At the request of Mr. Stone, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 1702, to authorize equalization of the retired pay of certain members and former members of the uniformed services.

S. 1763

At the request of Mr. Roth, the Senator from Montana (Mr. Mansfield) was added as a cosponsor of S. 1763, a bill to limit certain fees which may be charged or accepted by an attorney for services performed in connection with certain civil actions brought in Federal courts.

S. 1843

At the request of Mr. Dole, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of S. 1843, a bill to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters.

S. 1906

At his own request, Mr. Eagleton was added as a cosponsor of S. 1906, a bill to mandate the continuation of a nursing cost differential of at least 8½ percent.

S. 1927

At the request of Mr. Biden, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 1927, the Equal Credit Opportunity Act Amendments of 1975.

S. 1941

At the request of Mr. Weicker, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 1941, the Animal Welfare Improvement Act of 1975.

S. 1953

At the request of Mr. Dole, the Senator from Nebraska (Mr. Curtis) was added as a cosponsor of S. 1953, a bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians in Indian Claims Commission Dockets 153 and 135.

S. 1969

At the request of Mr. Hartke, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 1969, a bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes.

SENATE RESOLUTION 135

At the request of Mr. Mondale, the Senator from Iowa (Mr. Culver) was added as a cosponsor of Senate Resolution 135 proposing the designation of Norwegian-American Day.

SENATE RESOLUTION 189—ORIGINAL RESOLUTION REPORTED INCREASING EXPENDITURES BY THE COMMITTEE ON THE BUDGET

(Ordered placed on the Calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. Res. 189

Resolved, That section 2 of S. Res. 406, Ninety-third Congress, agreed to October 10, 1974, is amended by striking out "$5,000" and inserting in lieu thereof "$30,000".

AMENDMENTS SUBMITTED FOR PRINTING

HOME MORTGAGE DISCLOSURE ACT—S. 1281

AMENDMENT NO. 596

(Ordered to be printed and to lie on the table.)

Mr. GARN. Mr. President, on behalf of Senators Sparkman, Tower, Morgan, Helms, and myself, I am submitting an amendment to S. 1281 which will limit the Home Mortgage Disclosure Act to a 3-year demonstration study in 20 standard metropolitan statistical areas to determine the feasibility and usefulness of requiring all mortgage lending institutions to make public disclosure of their geographic lending patterns. Further study and analysis of the problems and usefulness of disclosure of mortgage lending patterns is necessary before going into a permanent national program for a number of reasons.

My primary fear is that these regulations would place an unreasonable burden on the many small banks and thrift institutions with no computer capacity which are located in a hundred or more standard metropolitan statistical areas where there has been no demonstration that the problem of redlining exists. It should be kept in mind that the ultimate cost of this reporting will be borne by the consumer, probably the home buyer.

No reliable data has been presented by the proponents of S. 1281 concerning the cost and feasibility of reporting lending data by census tract as required by the bill. Information developed by my staff indicates that this program could be costly and highly inaccurate when utilizing the present state of the art as developed by the Census Bureau. In addition, there are unexplored problems concerning possible breaches of the borrower's privacy when lending data is fed into computers on a nationwide basis.

Finally, the Senate Banking Committee's hearings on S. 1281 raised more questions than they answered. Not only did they fail to establish that the disclosure provisions of S. 1281 would make a meaningful contribution to the revival of urban neighborhoods, but they left the impression that the improper use of the raw data produced under S. 1281 would be counterproductive by:

Causing lending institutions to pull out of declining neighborhoods;

Shaking investors' confidence and causing runs from savings banks;

Forcing lending institutions to infuse money into unstable neighborhoods thus creating a turnover in housing and disruption; and

Inhibiting the flow of money from surplus areas of the country where it is not needed to areas of scarcity where it is needed.

Recognizing that there are valid questions concerning the role of financial institutions in inner-city decline and development, we are offering a rational approach to the problem through a demonstration study both to look at the feasibility and desirability of mortgage lending disclosure on a national basis as well as to provide Congress with sound data to determine whether mortgage lending institutions are serving the housing and community needs in the areas in which they are located, and if not, what remedial action should be taken. To accomplish this, our amendment would modify S. 1281 to—

Limit the bill to a 3-year demonstration study in 20 SMSA's to be selected by the Federal Reserve Board;

Add the Federal Home Loan Bank Board as an agency to participate in the study together with the Department of Housing and Urban Affairs;

Provide that lenders shall not be required to make loans to unqualified borrowers or on inadequate security;

Delegate to the Board the determination as to whether reporting will be by ZIP code or census tract.

Require reporting only on future mortgages;

Call upon the Board to report to Congress in 3 years of the feasibility and usefulness of requiring all depository institutions to make public disclosure of their lending practices and sources of deposits; and

Add a number of technical changes suggested by the staff of the Federal Reserve Board.

To afford those interested in this legislation the opportunity to examine the details of our alternative approach, I ask unanimous consent that the amendment be printed in the Record.

There being no objection, the amendment was ordered printed in the Record, as follows:

Amendment No. 596

On page 8, strike out lines 12 through 17 and insert in lieu thereof the following:

"(b) The purpose of this Act is to provide on a demonstration basis, sufficient information to enable citizens, public officials, and the Congress of the United States to determine whether mortgage lending institutions are serving the housing and community needs, without discrimination by geographic location, of the communities and neighborhoods in which they are located."

On page 8, strike out lines 23 through 25, and insert in lieu thereof the following:

"(2) the term 'depository institution' means any commercial bank, mutual savings bank, savings and loan association, and building and loan association;

"(3) the term 'zip code' means a zip code as established and defined by the United States Postal Service;

"(4) the term 'standard metropolitan statistical area' means a standard metropolitan statistical area as established and defined by the Office of Management and Budget;".

On page 9, line 1, strike out "(3)" and insert in lieu thereof "(5)".

On page 9, line 4, strike out "(4)" and insert in lieu thereof "(6)".

On page 9, strike out lines 7 through 21 and insert in lieu thereof the following:

"Sec. 4. (a) Each depository institution having a home office in any one of 20 standard metropolitan statistical areas selected by the Board for a 3 year study and demonstration shall compile and make available, in accordance with regulations of the Board, to the public for inspection and copying at each office of that institution the following information:

"(1) The number and total dollar amount of mortgage loans made during each fiscal year of that institution beginning with the first full fiscal year of that institution after the enactment of this Act."

On page 9, line 22, strike out "(A)" and insert in lieu thereof "(2)".

On page 9, lines 22 and 23, strike out "for each item referred to in paragraph (1)" and insert in lieu thereof "of such mortgage loans".

On page 9, line 23, after "census tract" insert "or by zip code, as determined by the Board".

On page 10, line 1, strike out "(B)" and insert in lieu thereof "(3)".

On page 10, lines 1 and 2, strike out "for each item referred to in paragraph (1)" and insert in lieu thereof "of such mortgage loans".

On page 10, line 2, strike out "county" and insert in lieu thereof "such geographic area as the Board determines to be appropriate".

On page 10, line 18, after "(a)" insert "(1)".

On page 10, line 25, after the period, add the following: "Such regulations shall specify that no mortgage lender shall be required to make any real estate loan unless the borrower is qualified and unless the security for such a loan is deemed by the lender to be adequate based upon an appraisal by a qualified real estate appraiser in the community".

On page 10, at the bottom of the page, add the following:

"(2) The Board may require the furnishing of such additional information as it deems appropriate relating to housing finance, including patterns of credit flows within and among localities, and the financial practices of institutions which must be responsive to the needs of local savers as well as local borrowers."

Beginning with line 1 on page 14, strike out all through the end of the bill and insert in lieu thereof the following:

STUDY

Sec. 7. (a) The Board, after consultation with the Secretary of Housing and Urban Development and the Federal Home Loan Bank Board, is authorized and directed to carry out the study described in this section and to transmit to Congress a report on such study no later than three years after the enactment of this Act.

(b) The study and report described in this section shall cover, to the extent feasible and appropriate, the following matters: the feasibility, cost, and usefulness of: (1) the disclosure requirements prescribed by section 4; (2) extending the disclosure requirements to other types of home mortgage lenders within standard metropolitan statistical areas and to mortgage lenders outside of standard metropolitan statistical areas; (3) requiring mortgage lending institutions to disclose by geographical location the source of savings deposits; (4) requiring disclosure of the average terms and downpayments ratios of mortgage loans by geographical location; (5) requiring disclosure of other types of lending data, such as small business and home improvement loans; (6) the impact and use of the availability of lending data in selected standard metropolitan statistical areas; and (7) such other matters as the Board may find to be necessary or appropriate to report to the Congress in regard to effectuating the purposes of this Act.

(c) In making the study described in this section, the Board may use such samples within the selected 20 of standard metropolitan statistical areas and other areas of differing characteristics, of depository institutions and lenders or offices of such institutions and lenders, and of loans, as it finds to be necessary or appropriate.

At the end of the bill, add the following:

Sec. 8. The study and demonstration provided for under this Act and the recordkeeping required thereunder shall terminate upon the expiration of 3 years following the date of enactment of this Act.

ANNOUNCEMENT OF MARKUP ON PRODUCTIVITY LEGISLATION

Mr. RIBICOFF. Mr. President, I wish to announce a markup on legislation which would establish a National Center for Productivity and Quality of Working Life. The markup will be held at 10 a.m. on Tuesday, June 24, in room 3302 of the Dirksen Building.

ANNOUNCEMENT OF MARKUP ON S. 5 GOVERNMENT IN THE SUNSHINE LEGISLATION

Mr. RIBICOFF. Mr. President, I wish to announce the continuation and final markup by the Government Operations Committee on S. 5, "Government in the Sunshine," sponsored by Senator Chiles.

The markup will begin at 10:30 a.m. on Wednesday, July 9, in room 3302 of the Dirksen Building.

The committee informally considered and adopted amendments for this legislation on June 18. However, in order to enable the committee to have ample time to consider the legislation, the committee postponed final action until July 9.

The committee agreed to set a deadline of June 30 for receipt of agency comments.

NOTICE OF HEARING ON WEST VIRGINIA DISTRICT JUDGES

Mr. BURDICK. Mr. President, I wish to announce that an open public hearing has been scheduled by the Subcommittee on Improvements in Judicial Machinery on S. 1630, a bill to increase the number of judgeships for the U.S. District Court of the Southern District of West Virginia.

The hearing will be held on July 15, 1975, commencing at 10 a.m. in room 4200 of the Dirksen Senate Office Building.

Persons who wish to testify or submit a statement for inclusion in the record should communicate as soon as possible with the subcommittee office, 6306 Dirksen Senate Office Building, telephone 224-3618.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I wish to give notice that a public hearing has been scheduled for Friday, June 20, 1975, at 9:30 a.m., in room 1114, Dirksen Senate Office Building, on the Federal Rules of Criminal Procedure.

As originally announced on June 13, 1975, by Senator McClellan, the Judiciary Subcommittee on Criminal Laws and Procedures was to have held these hearings. However, because of the time limitations on processing a bill, it was decided to have full committee hearings.

ADDITIONAL STATEMENTS

BASSICK HIGH SCHOOL DISTRIBUTIVE EDUCATION PROGRAM

Mr. WEICKER. Mr. President, I was encouraged this week to learn of the outstanding achievements of the Bassick High School distributive education program. Bassick High School is a large urban school, located in Bridgeport, Conn. This program, which includes 80 high school students, is a shining example of what can be accomplished when dedicated young people, firmly grounded in sound principles, apply themselves in positive action.

The purpose of the distributive education program, which has chapters across the country, is to provide students with the opportunity to experience American industry and business both in the classroom and on the job and to instill in them the principles of democracy and free enterprise. As an extension of its educational focus the group undertakes a wide range of service projects in the community. During the past year the Bassic chapter has raised money for Easter seals and the heart fund. They have organized a Red Cross blood bank. Under the auspicies of the Bridgeport Chamber of Commerce, the group conducted a major survey of 1,500 area firms, gathering important information on the greater Bridgeport job market.

Mr. President, I wish to commend these fine young people and the organizers of this program for the services they have done for themselves, Bassick High School, and the city of Bridgeport. I hope that other schools will follow the fine example of their dedication, energy, and accomplishment.

WATER DEVELOPMENT FEDERALISM

Mr. GARY W. HART. Mr. President, in April of this year, the U.S. Water Resources Council held an excellent 3-day conference on water. During the conference, Dr. Henry P. Caulfield, Jr., a close friend of mine and my superior when I worked in Interior Department, presented an outstanding paper to a seminar on the role of Federal, State, and local governments in the management of our water resources.

Formerly the Director of the Water Resources Council and now a professor of political science at Colorado State University, Dr. Caulfield accurately charts the changing policies of Federal water development programs as they relate to western growth patterns. As part of his study he sites patterns of opposition which have risen against water projects from several areas of our Government and society. He identifies opposition that ranges from concerns expressed by the Office of Management and Budget on the budgetary impact of these projects to the political phenomena of an urban majority more concerned about housing, transportation and environmental matters, than water resource development.

Dr. Caulfield, who admits to being a self-styled water development federalist, outlines issues of particular importance to our western region but issues which will nonetheless have a significant impact on our urban and rural areas nationwide. He gives insight into the role that the new federalism should and can play in intrastate and interstate water management; where States should take the lead in directing the growing need for management of all of our fresh and waste water resources.

The paper includes an assessment of the viability of our present mechanisms for managing water and what future directions should be sought in the management of this vital resource.

Dr. Caulfield calls for the Congress to initiate some provocative and politically challenging actions which would drastically restructure our present means of water management; the main thrust of which is to throw the programs to the States in the form of block grants and loans with revised mechanisms for Federal-State coordination and planning.

I commend my colleagues to review the extensive changes in our water development policies as proposed by Dr. Caulfield, in light of the growing urgency to skillfully and coherently manage all of our resources—resources which will support rapidly increasing population and industry demands in the near future. I ask unanimous consent that the paper be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Let Us Dismantle—Largely But Not Fully—the Federal Water Resource Development, or the Apostasy of a Long-standing Water Development Federalist [1]

(By Henry P. Caulfield, Jr.)

I now live in Fort Collins, Colorado, a rapidly expanding city of some 50,000 people; and I serve as a member of the Fort Collins Water Board, in addition to teaching and research with respect to water and related land resource use at Colorado State University. Thus, in recent years, I have been observing Federal-State-Local relations with regard to water from a diametrically opposite perspective than that provided by my many, previous years of Federal service in Washington, D.C. The views which follow endeaver to reconcile my research findings, observations and experiences from both perspectives.

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[1] Paper delivered as a Panel Member, Panel on the Role of Federal, State and Local Governments, National Conference on Water, sponsored by the U.S. Water Resources Council, Washington, D.C., April 22–24, 1975.

SUPPORT FOR FEDERAL DEVELOPMENT DYING

To begin, I will make this general observation, with which others may want to strongly differ: The Federal water development program is politically dying, if not already dead. In recent years, Federal development programs have doubled (not even keeping pace with inflation in construction costs) while federally-assisted state and local programs, largely for wastewater management, have increased 16 fold. Clearly, national value priorities have changed.

The recent emergence of major Federal responsibility for water quality was accomplished by the Water Pollution Control Acts of the last decade. With hardly a dissenting Congressional vote, the primary force in water pollution control was removed during the 1960's from the state to the Federal level. This new federal responsibility was strongly supported by public opinion, as indicated by many opinion polls. No such public opinion, or even solid interest group enthusiasm, calls loud enough to be heard these days for Federal water and related land development.

The last really big authorizations to the Bureau of Reclamation for Federal water development in the West were those for the Central Arizona project in 1968 and, earlier in the 1960's, for the Garrison Diversion and Oahe projects in North Dakota and South Dakota, respectively. These three big projects stemmed from implicit political understandings of decades before. They appear now as being pursued with something less than ecstatic political enthusiasm, even within the areas which they are presumed to benefit directly.

Similar observations could be made, generally, with respect to the water development programs of the Corps of Engineers and the Soil Conservation Service.

How might one explain this decline in national political support for Federal water development projects? Let's discuss a number of possible interrelated explanations.

1. OPPOSITION OF OFFICE MANAGEMENT AND BUDGET

There is no question that the institutional position of the Office of Management and Budget and its predecessor, the Bureau of the Budget, has been to oppose somehow all Federal water development projects. Regardless of the political party of the President, this has been the institutional position for over twenty years. Many arguments and devices have been used over the years to implement this position. These include diversionary tactics such as encouragement of the establishment of national water commissions, suggesting unfeasible cost-sharing or reimbursement schemes and insisting upon politically untenable benefit—cost standards. I can recall no Federal water development project (including federally-assisted watershed projects of the Soil Conservation Service) that these budget agencies have been strongly for. This institutional position of this well-entrenched professional staff-arm of the President has undoubtedly helped to bring about political malaise, but cannot really explain it.

2. ENVIRONMENTAL MOVEMENT

The rise in political legitimacy during the 1960's of wild and scenic rivers as an alternate use of rivers, along with other environmental concerns with rivers and lakes, has openly, forcefully, and successfully challenged the traditional Federal water development programs. But the environmentalists would have been forced to compromise with Federal water development, much more than they have, if national political vitality in support of development were still abroad in the land. The environmentalists have contributed to this loss in vitality, but their strength does not fully explain it.

3. DECLINE OF FEDERAL ROLE IN THE DEVELOPMENT OF THE WEST

The United States was developed from East to West. The origins of the water development functions of both the Corps of Engineers in the early 19th century and the Bureau of Reclamation at the end of the 19th century stem from national concern for development of the West, first to the Mississippi River and then through the arid West to the Pacific. Both programs stemmed politically, from the desire to support agriculture: the interests of what were seen as pioneering, reliable, individualist farmers and ranchers. This support was given by the federalist Republican Party of Abraham Lincoln to the navigation program of the Corps of Engineers and by the federalist Republican Party of Theodore Roosevelt to irrigation development by the Bureau of Reclamation. The federalist Democratic Party of Franklin Roosevelt put a largely bi-partisan federalist stamp upon water resources development, except with respect to Federal public power development.

Quite apart from political response to the interests of our former national agricultural and rural majority, these Federal programs could be justified more generally by the substantial failure (except for the early Erie Canal) of state navigational promotion efforts with Federal land-grant support during the Canal Era, 1817–1838; and by the great difficulties encountered in nonfederal public and private irrigation development in the arid West in the latter part of the 19th century. Federal responsibility for planning, financing, constructing, operating and maintaining navigation and irrigation projects was justified at the times of their origins by: (a) the superior financial capability of the Federal government to finance projects whose benefits would accrue over a long period of time and (b) the ability of the Federal government to utilize most effectively the very scarce engineering and other scientific talent available to the Nation until more recent times.

Both of these justifications for Federal direct responsibility are no longer valid. To the extent Federal financial help is needed to non-Federal water development agencies, grants and loans can be made as is the now common practice in other areas of governmental concern. With the plethora of expert consulting engineering firms now available to states and local governments, to say nothing of their own increased professional personnel aided by financial grants under Title III of the Water Resources Planning Act since 1966 and expanded expertise in state land-grant universities by use of funds provided under the Water Resources Research Act since 1965, Federal professional expertise is no longer as essential as it once was.

All of this adds up to the fact that Western development no longer lights fires of political imagination, even in the West. The West is now as developed substantially, as is the East. And the Western states no longer provide a block within the Congress unequivocably dedicated to Federally-promoted Western development.

4. NEEDED FEDERAL DEVELOPMENT LARGELY ACCOMPLISHED

Among the interrelated factors that help to explain the decline in political support for Federal water development projects is also the fact that the Federal job has largely been accomplished. Probably this fact is generally perceived by many public leaders as well as by people generally.

The main stems of the Colombia, Colorado, Missouri, Ohio, Tennessee, Mississippi, Arkansas, Rio Grande rivers, and probably some others, have already been developed, more or less fully. Moreover, except for engineering dreams of large scale continental water transfer, the potential large-scale irrigation schemes of the West have been, or are now being, accomplished.

5. EMERGENCE OF THE NATIONAL URBAN MAJORITY

Finally, among the interrelated factors that help to explain the decline in political support of water resource development projects is the political emergence of a national urban majority. Agriculture and other resource development concerns are not a major concern of this relatively new national majority. They are foreign to them.

Urban people in the area of domestic policy are primarily concerned with urban problems: housing, transportation, health, welfare, air and water pollution, urban open sapce and recreation areas, energy, etc. Their concern with the rural and natural hinterland, expressed effectively now for some ten or more years, is that of the Environmental Movement. Urban people, not rural people, strongly support establishment of wilderness areas, national parks, wild and scenic rivers and fish and wildlife enhancement.

The Federal response to urban problems has not been a federalist response of direct public service like that of the Corps of Engineers and the Bureau of Reclamation. The Federal response has been categorical, financial grants in aid of state and local governments, and—more recently, block grants and general revenue sharing. Grantsmanship is now the dominant mode of Federal-state-local relations.

Comprehensive major river basin plans for Federal development of water and related land resources are foreign to "urban and regional plans" of urban professionals (both in and out of universities) and most urban publics. They are two worlds apart. The emergence of the urban majority, nationally, and increasingly in each state (e.g. recently in Colorado), indicates that this anachronism needs to be faced frontally at the level of national policy and overcome. But, in so facing this problem, it needs to be remembered that water resource development is still needed in this nation, particularly that which is *intrastate*.

WATER DEVELOPMENT STILL NEEDED

Urban water management is clearly a need for the long term future. Such management includes for many urban areas development of new domestic and industrial water supplies. For all areas it includes wastewater management and reuse of water to the greatest practicable extent. Urban flood plain management, including development of flood protection works in appropriate circumstances, is also a clear need for the future. Both urban water management and urban flood plain management are major urban public concerns.

The extent to which these needs and public concerns will require assumption by states of direct state responsibilities, as a service to two more urban communities or for river basin management, will vary, from state to state.

North Dakota, South Dakota, Nebraska and Idaho are, possibly, the only states in the West with the economic need for new irrigation projects and the agricultural-rural majorities which would support state planning, financing, construction and operation and maintenance of state or special public-district irrigation works.

The long run viability of rural watershed protection schemes of the Soil Conservation Service is not clear to me. No doubt it varies substantially from state to state. If this financial-assistance program were converted by the Congress to the more usual grant-in-aid form, with the technical personnel state, rather than Federal, employees, then the response of each state would correlate, presumably with the degree of agricultural-rural political power in each state.

Not only are *intrastate* water developments needed in the future. Some *interstate* water developments will also be needed. Continued Federal responsibility for such new interstate navigation developments as are needed and politically viable is clear. Major elements of flood management on interstate rivers is also clearly Federal.

What is not clear is the need and political viability of major Federal urban water management schemes for interstate areas. The Corps of Engineers has tried valiantly to explore whether it has a viable role in urban water management in its Northeast Water Supply Study and others. A hard question, for example, is this: Would a Federally planned, financed, constructed and operated wholesale water supply and pollution treatment scheme for multi-state Metropolitan New York be politically viable? If not there, then where? Certainly not Denver or San Francisco.

Other relevant questions regarding *interstate* situations are these:

(1) Is the responsibility that the Federal government has recently assumed for water quality enhancement on the Colorado River to be unique? It could be.

(2) Are the Federal-Interstate compact commissions on the Delaware and Susquehanna rivers really viable as agencies to plan, finance, construct and operate needed management works? They are not so yet.

(3) Are the future domestic and foreign demands for American agricultural products such as to require development by the Federal government of large water transfer schemes for new irrigation development or rescue of agricultural areas that are mining their ground waters, for example, West Texas? I doubt it.

NEW FEDERAL-STATE-LOCAL SYSTEM

If the foregoing analysis is basically accepted, then obviously fundamental changes are needed in the authorization of Federal, State and local responsibilities with respect to water.

The most important strategic action that the Congress needs to take is to repeal the authorizations of the Corps of Engineers and Bureau of Reclamation to plan, finance, construct, operate and maintain further *intrastate* projects. This action should include deauthorization of the *intrastate* projects within the $30 billion and $8 billion of authorized, but unfunded projects that the Corps of Engineers and the Bureau of Reclamation, respectively, are said to have at the present time. The Congress should also repeal the authorization of the Soil Conservation Service to plan and supervise construction, etc. of small watershed protection projects. Finally, the Congress should repeal the Small Reclamation Projects Act.

These Congressional actions would clearly place basic decisional responsibility for intrastate water development upon state governments. State governments would then have to reappraise the division of responsibility for action between state governments and local governments. To make this change practicable the Congress should authorize a program of block grants and loans to aid states in undertaking the types of projects formerly undertaken by the Federal agencies.

Though the operational clarity of distinction between *intrastate* and *interstate* is obviously critical to the working out of this proposal, working out this distinction in careful detail cannot be attempted here. Suffice it to say here that in my judgment it is capable of being operationally made.

Under this proposal the Federal government would have responsibility for planning, financing, constructing, operating, and maintaining *interstate* projects, except for those undertaken by Federal-Interstate compact commissions. Because Federal, interstate and intrastate concerns with water and related land use will continue, mechanisms for Federal-State coordination and comprehensive planning will be needed in the future. The Congress, therefore, should study the present roles of Federal-State river basin commissions created under Title II of the Water Resources Planning Act of 1965, the Federal-Interstate compact commissions on the Delaware and Susquehanna, the several Federal regional commissions modelled on the Appalachian Regional Commission, and the Federal Executive Councils created by the Executive Branch. In addition it should study the basic procedures involved in Federal-State-local relations embodied in Office of Management and Budget Circular A-95 as well as those directly in the water field. The upshot of such study should be Congressional reconciliation of these mechanisms and procedures in law.

These proposals could overcome the very substantial frustration that exists today in meeting water development needs. * * * The need for carrying out these proposals is sufficiently great to justify Congressional consideration as soon as this may be practicable.

CONCLUSION

These proposals are radical. They involve radical changes in major institutions of government, and for people in them with whom I have long been associated. However, the importance to society of academic freedom (including tenure) is not just for an incumbent professor to possess it but to use it as he sees the need. I have now used it as I see the need.

I expect that from many quarters my apostasy in this paper will not be well received—to say the least. Longstanding friendships that I value may be broken up. Nevertheless, I believe these proposals are worthy of real debate. If my present views can be successfully refuted and buried, so much the better. My own original faith in water development federalism will be vindicated. But if my views are not successfully refuted, or better proposals are not forthcoming, then let's get on with the task of further designing a new system of Federal-State-local water and related land jurisdictions that makes professional sense and has political vitality for the future.

INTERMEDIATE CARE FACILITIES

Mr. BELLMON. Mr. President, the 92d Congress extended intermediate care facility services to residents of public institutions if "the primary purpose of such institutions—is to provide health or rehabilitative services for mentally retarded individuals and which meet such standards as may be prescribed" by the Secretary of the Department of Health, Education, and Welfare.

This provision was included in Public Law 92-233, and I was the author of that amendment.

As the author of this legislation enacted by the 92d Congress in December 1971 I can state unequivocably that HEW officials responsible for subsequent regulations affecting intermediate care facilities have misread the intent of my amendment.

Certainly, Congress desires high—but attainable—standards. We have fought for standards, but we must be realistic in their application.

The following provisions of the HEW standards, effective 1977, are unreasonable and arbitrary, and do not reflect the intentions of the author of the Bellmon amendment:

First, requirement of no more than four patients to a room;

Second, requirement for patients to have a minimum of 100-square-feet per patient in private rooms and 80-square-feet per patient in multipatient rooms.

Third, staffing requirements which establish 1 staff member for every 2.5 patients for the moderately retarded, and 1 staff member for every 2 patients for the severely retarded, and which require certain numbers of highly trained medical and other para-medical professional personnel; and

Fourth, requirement that all cottages in institutions meet the institutional standards of the life safety code without regard to the difference in the patient's ability to care for himself.

Many States, including Oklahoma, have made dramatic progress in improving facilities for the training and care of the mentally retarded. In spite of this fact, however, a few highly misinformed HEW officials have now dictated in effect that the States are required to almost literally demolish existing facilities for the mentally retarded and replace them with costly new structures which will meet only slightly modified requirements for space and facilities.

No case has been made that the safety or well being of the mentally retarded would in any way be improved by expensive alterations which HEW officials have dictated. Little thought has been given to the additional cost of complying with HEW edicts.

The States which administer HEW programs must be concerned, though, and taxpayers have every reason to be irate. In Oklahoma, for instance, the cost of following these pointless edicts is estimated to run close to $60 million for new construction. In addition, the cost of operations will increase from $650 per month to $950 per month for each patient.

If it could be shown these additional expenditures would bring beneficial results, perhaps they could be justified. However, those most experienced in the field can see no reason to make changes so far as improvements in the lot of the patients are concerned.

Mr. President, it is my belief HEW has missed the mark with these new regulations. No one—certainly not the intermediate care facilities affected—can hope to benefit from them.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received. A portion of the notification, which is classified information, has been deleted for this public publication.

There being no objection, the notification was ordered to be printed in the Record, as follows:

Office of the Director Defense
Security Assistance Agency
and Deputy Assistant Secretary (Security Assistance),
OASD/ISA

Washington, D.C., June 10, 1975.

Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 75-27, concerning the Department of the Army's proposed Letter of Offer to Iran for an estimated cost of $35 million.

Sincerely,

H. M. Fish,
Lieutenant General, USAF.

Transmittal No. 75-27

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(B) OF THE FOREIGN MILITARY SALES ACT, AS AMENDED

a. Prospective Purchaser: Iran.
b. Total Estimated Value $35 Million.
c. Description of Articles or Services Offered: (Deleted).
d. Military Department: Army.
e. Date Delivered to Congress: June 10, 1975.

FIVE STEPS TO ECONOMIC HAPPINESS

Mr. HUMPHREY. Mr. President, an article on the op-ed page of the New York Times on June 8 merits the attention of my colleagues. It is by Dr. Robert Lekachman, distinguished professor of economics at Herbert H. Lehman College of the City University of New York.

Professor Lekachman offers several very constructive and practical policy suggestions to help put this country back to work, suggestions I hope the Senate will seriously consider. Dr. Lekachman recognizes the need to put meat on the 1946 Employment Act, and thus supports the Humphrey-Hawkins Equal Opportunity and Full Employment Act.

He also emphasizes the urgency of adopting rational, democratic economic planning, and notes that the Balanced Growth and Economic Planning Act I am cosponsoring with Senator Javits "proceeds in the right direction."

Professor Lekachman urges increased fiscal stimulation this year, in the range of $25 to $30 billion, stronger influence over Federal Reserve monetary policy by elected government, and strict control over the exercise of market power through price controls in the forthcoming recovery. All of these proposals are worth considering.

While Dr. Lekachman is aware of the cost of inflation, as are we all, he points out that most of today's inflation has been caused by shocks external to the system, and not excessive Federal spending and unreasonable wage demands.

The real cost we can control is the cost of unemployment. Professor Lekachman summarizes this cost which "the United States really can not afford . . .":

> Each extra 1 percent unemployment costs 900,000 jobs, $50-billion of unproduced goods and services, and $14-billion of uncollected taxes. This is the financial bill. Human costs include destroyed hopes, exacerbated group tensions, reduced standards of life, and more crime, drug abuse, and mental illness.

I hope the entire article will be widely read. I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Five Steps to Economic Happiness

(By Robert Lekachman)

Full employment did not cause the Great Inflation of 1974 and 1975. At a shade below 5 per cent, 1974's average unemployment was high enough to lose elections in Western Europe.

The great labor unions didn't start inflation. A few outsize construction contracts aside, wages have been lagging far behind the cost of living.

Hugh Federal deficits don't explain double-digit inflation. The deficits grew because tax revenues fell. They fell because people lost jobs, small businessmen went broke and large corporations cut payrolls instead of prices.

Inflation is explained by (1) OPEC price policies; (2) global boom in demand for American farm products; (3) Federal Reserve expansion of money and credit during the 1972 Presidential campaign; (4) two devaluations of the dollar; (5) the tendency of large corporations (as in auto) to raise prices while demand shrank.

We have been experiencing lots of unemployment and lots of inflation. Yet between 1961 and mid-1965, more sensible economic policies steadily reduced unemployment while allowing the cost of living to rise a mere 1.5 per cent annually.

When Gerald Ford, Treasury Secretary William Simon, Arthur Burns, chief of the Federal Reserve, and Alan Greenspan, chairman of the Council of Economic Advisers—the Four Horsemen of economic calamity—warn Congress not to stimulate an economy which is producing $200 billion less than its full employment capacity, they tacitly admit that dominant corporations will inflate prices at the first sign of recovery and compel unions in self-defense to play catch-up.

Claiming that the United States cannot afford full employment, the Ford Administration advises June graduates to wait around three or four years until unemployment sinks to 6 per cent in 10979. These partisans of unemployment tell women, blacks, and Hispanics to bear uncomplainingly layoffs from jobs that affirmative action got them only a year or two ago.

The United States really can't afford unemployment. Each extra 1 per cent unemployment costs 900,000 jobs, $50 billion of unproduced goods and services, and $14 billion in uncollected taxes. This is the financial bill. Human costs include destroyed hopes, exacerbated group tensions, reduced standards of life, and more crime, drug abuse, and mental illness.

Americans can enjoy price stability and full employment at the same time, but not by accepting Nixon-Ford economics. The five essentials of a new approach are these.

(1) Return to the objective of full employment. The Humphrey-Hawkins Equal Opportunity and Full Employment Act greatly strengthens the 1946 Employment Act by committing Congress and the President to full employment budgeting and policies.

(2) Increase economic stimulation immediately. By cutting taxes only $2.1 billion, Congress has thus far done less than half its work. As soon as possible, it should appropriate $10 billion to create a million new public service jobs, another $10 billion for public works, and a final $5-10 billion for social benefits.

(3) Harness the Federal Reserve. Congress should reassert its constitutional role by directing the President, subject to Congressional approval, to set money supply goals for the Federal Reserve.

(4) Regulate concentrated industries. Once recovery begins, market power asserts itself. Congress should bite the bullet and create a permanent price control agency empowered to roll back extortionate price increases and require notice and justification of proposed price alterations.

(5) Move toward sensible, democratic planning, the response screamed for by policy disarray in energy food, environment, and employment. The Humphrey-Javits Balanced Growth and Economic Planning Act proceeds in the right direction.

The only alternatives to rational direction of a disordered economy are mass unemployment, rapid inflation, or a mixture of the two.

HOUSING BILL VETO WOULD BE A TRAGIC MISTAKE

Mr. PROXMIRE. Mr. President, President Ford's announcement that he will veto the housing bill would be a tragic error. The anemic recovery in housing starts in May is pitifully inadequate.

The veto guarantees continued economic stagnation. It will postpone recovery.

The administration recovery program is bankrupt. It is bankrupt because there is no program.

It has no housing policy that would meet the housing goals.

It has no home ownership program.

It has no housing construction program.

It has no program to put the 22 percent unemployed in the construction trades back to work.

It has no program to stimulate the economy and to get the country moving again.

REASONS ARE WITHOUT SUBSTANCE

Furthermore, the reasons given to justify the veto are without substance. Here is why:

First, the President was correct to say that housing starts have shown some improvement and building permits are up, but the May figure of 1.1 million starts must be put in perspective. It is 1.5 million starts below the housing goals of 2.6 million, and it is almost 1 million units shy of the two million units needed to give the economy a push.

What the 1.1 million starts for May really show is that there is a sick and feeble recovery in housing. It is light years away from the vigorous stimulus we need.

The argument that the 400,000 units proposed under the bill are unnecessary and would be built at a time when the housing industry has recovered is without foundation. That argument is an excuse, not a fact.

BILL IS NOT INFLATIONARY

Second, the statement attributed to the President that the bill would be inflationary is 100 percent wrong. With the housing industry operating at less than 50 percent of capacity and with unemployment in housing at 1932 levels, there is no way a housing program to add 400,000 units and 800,000 jobs is inflationary.

It is elementary among economists that putting idle men and women to work on idle resources to produce needed goods is not inflationary but highly productive. This industry suffers from depression, not inflation.

The President is getting very bad advice. The best thing he could do would be to fire his cadre of inherited, Hoover-type economists and replace them with economists who have been awake at some time during the past 40 years.

But it is not they who suffer. The builders, the construction workers, the economy, and the family who needs housing are the ones who must pay the price, carry the burden, and suffer the pain.

The President will be making a bad mistake.

SOUTH KOREAN NUCLEAR POWER PROJECT

Mr. PROXMIRE. Mr. President, on May 30, 1975, the Export-Import Bank notified the Congress pursuant to section 2(b) (3) of the Export-Import Bank Act of 1945 of its intent to provide financing for the construction of a nuclear power plant in South Korea.

Because of concerns which Senator STEVENSON and I expressed to the administration about U.S. nuclear export policy, the adequacy of international nuclear safeguards, and the dangers of proliferating nuclear weapons capability through the export of nuclear fuel enrichment and reprocessing facilities and otherwise—all of which are highlighted by the recent West German decision to supply Brazil with a complete nuclear fuel cycle—the Export-Import Bank has agreed to postpone the signing of any credit agreement until it has received assurances from the executive branch that the nonproliferation arrangements in this case are satisfactory.

The bank also will give the Congress an additional 25 days notice before signing any credit agreement for the proposed project. This arrangement will give the administration additional time to insure that satisfactory nonproliferation arrangements are in place, and it will give the Congress an opportunity to review the transaction after such efforts have been made and before any final action is taken.

Accordingly, the International Finance Subcommittee of the Banking Committee will withhold for the present any hearings on the project.

For the benefit of my colleagues, I ask unanimous consent that the communication which Senator STEVENSON and I have received concerning this matter from William Casey, President and Chairman of the Export-Import Bank, be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK,
OF THE UNITED STATES,
Washington, D.C., June 18, 1975.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.
Hon. ADLAI E. STEVENSON III,
U.S. Senate,
Washington, D.C.

This will confirm our discussion regarding the Korean Nuclear Power Project. Eximbank will not sign the credit agreement for the proposed financing of the project until the appropriate agencies of the Executive Branch inform Eximbank that the nonproliferation arrangements relating to the recycling and use of nuclear fuel are satisfactory. In order to provide the Congress with an opportunity to examine and react to these arrangements, Eximbank will notify Congress of the safeguard arrangemetns and will not sign the credit agreement for at least twenty-five days of continuous session of Congress after such notification. No funds will be disbursed under the credit until the equipment is, in fact, exported and that will not take place until the Nuclear Regulatory Commission authorizes the issuance of the necessary export licenses.

WILLIAM J. CASEY.

BALLAD OF AMERICAN BICENTENNIAL

Mr. ALLEN. Mr. President, Hon. Rubin Morris Hanan, of Montgomery, Ala., is president of the Alabama League of Aging Citizens, Inc. Mr. Hanan is one of the leading citizens of the State of Alabama. For many years he has been a leader in advancing the cause of our aging citizens. He is compassionate, dedicated, sincere, knowledgeable, and hardworking. In addition, he is a loyal, patriotic American who recognizes America as being a great land of opportunity, the home of democracy and freedom, and the best place in the world in which to live. He loves his country and he loves people. Inspired by his love of America, he has written a "Ballad of American Bicentennial," and I ask unanimous consent that this ballad be printed in the RECORD.

There being no objection, the ballad was ordered to be printed in the RECORD, as follows:

BALLAD OF AMERICAN BICENTENNIAL

(By Rubin Morris Hanan)

American, America—Torch of the world,
Symbol of Liberty—our hopes to be,

The land that my fathers dream unfurled
A land of promise in which all men are free.

A land of peace and purpose pure,
Where honor dwells and rules supreme,
A land of the free, so strong and sure
Where man may speak and pray and dream.
From this land where each man makes his home—
Seeks new courage, spirit, inspiration,
Human knowledge does not perish—it alone
Finds divine providence—sweet consolation.

From Ocean to Ocean, from Coast to Coast,
The sun doth shine in God's divine grace,
Giving hope and faith that all mankind can boast . . .
For each one of us claims His close embrace.
From Redwood Forests to Gulf Streams waters
Where winds of Freedom stir the face of Heaven,
Seeking to climb the world's greatest altars,
Chanting their songs of Freedom—our hearts to heaven,
One Nation under God and justice to all.

This Creed, I believe, makes the ideal nation,
Man lives each and every day—however small
His tasks—going about in his own vocation.

The earth becomes smaller and smaller each day,
Adventurers and explorers seek with the unknown,
John Glen, Neil Armstrong, and others need we say,
A blessing to civilization—their courage has shown.

Americans cherish self-determination for all men on earth,
Their courage and valor proven in wars of liberation,
To keep it free and unshackled—a constant rebirth
A Beacon of Hope to the world—not a conquering Nation.

Freedom is like a polished stone with many facets rare,
In the Alamo, the Maine, Pearl Harbor or on the Rock of Corrigador,
In one we find the sky and sea—our beauteous land so fair,
For life, liberty, pursuit of happiness. . . . This is what it's for.
This is your land and this is my land,
The gem of facets is old—yet ever new
With stars and stripes unfurled—united we stand
It has the name of freedom—its other name is YOU.
But on million men's soul, it hath broken,
Their valors and courage doth not depart:
And their look or words the hath spoken
Wrought Freedom's Flame in many men's hearts

MORE FRIGHTFUL THAN NUCLEAR WEAPONS

Mr. HATHAWAY. Mr. President, I wish to take this opportunity to respond to the remarks made last Friday, June 13, by the General Secretary of the Central Committee of the Communist Party of the Soviet Union, Mr. Leonid Brezhnev, in the Bauman District of Moscow. In his remarks he stated:

> The reason and conscience of mankind dictate the need for raising an insurmountable barrier to the development of . . . weapons . . . still more frightful . . . than even the nuclear ones.

There has been considerable response in the press to these remarks, but almost no official comment. The reasons given by people within the State Department, as well as by some of my colleagues here on the Hill, are that no one is sure what type of weapons he was talking about, and whatever they were, his remarks were nothing new anyway.

I cannot be sure what he was talking about either—although "environmental weapons" have been mentioned—but if there are plans for the development of weapons, "more frightful" than nuclear weapons, or if their development is already underway, I do not feel Mr. Brezhnev's remarks can be ignored or brushed aside.

There are some who feel that the only road to national security is to plunge blindly toward ever more terrifying weapons, but I am not one of them. There is no security in terror. We must not overlook any present opportunity to place limitations on a future arms race. With the SALT talks resuming in Vienna and with the possibility of a summit later in the year, I commend the General Secretary for his statements, and urge him to translate the sentiments expressed in those statements into the realities of the conference table.

If both sides bring to negotiations for arms limitation the sincere desire to make concrete and workable proposals, I am sure that the Soviet Union and the United States can, indeed, "make no small contribution" toward changing a détente of words into the reality of peace.

AGRICULTURE STRIKES OUT WITH THE FEDERAL POWER COMMISSION

Mr. MONTOYA. Mr. President, I am pleased to be able to join several of my distinguished colleagues who have recently discussed the critical issue of adequate supplies of natural gas for agricultural production. This is an issue which is not new. I have come to the floor of the Senate twice before, in this session of Congress, to alert Members of the Senate to the dangers which threaten the agricultural industry as a result of the Federal Power Commission's opinion No. 697–A. This opinion, issued on December 19, 1974, moved natural gas used for irrigating pumping from the second priority group to the third. As I pointed out on March 3, 1975, when I introduced S. 922—the Emergency Agricultural Natural Gas Allocation Act of 1975, opinion No. 697–A was issued entirely on the motion of the FPC and without hearing evidence.

Mr. President, I find the above mode of operation to be strange, to say the least, for a regulatory agency whose decisions can have such far reaching impact. We have in this instance, an example, of the utter disregard for the economic health of our farming industry which has been all too common lately. It is unreasonable for one to assume that a farm could survive, let along thrive when faced with the economic uncertainty precipitated by this FPC ruling.

The FPC has agreed in the time period since the ruling was issued to hold hearings on petitions for extraordinary relief. These hearings have been going on for some time and have, I am pleased to note, included a series of field hearings in several States including New Mexico. At these hearings leaders in agriculture from throughout the affected area testified on the impact of this decision on their operations. It is clear from their testimony that the situation can only be described as critical. Even now they are faced with the same uncertainty which first surfaced last spring.

Mr. President, I ask unanimous consent that an article concerning these field hearings from the Albuquerque Tribune be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Farmers Protest New Gas Priority

(By Katy Woolston)

New Mexico farmers and ranchers today voiced strong protests to a new priority for natural gas used for irrigation pumps, saying that it could wipe them out financially.

The protests came during the first of two days of hearings in Albuquerque by Federal Power Commission (FPC) Administrative Law Judge Curtis L. Wagner Jr.

Today's session in the Convention Center marked the 22nd day of the hearing to determine if the natural gas supplied by El Paso Natural Gas Co. should be classified Priority Three, which would mean that its use by farmers would be cut back.

This is a priority for industrial gas and is subject to interruption when demand is high.

Previously, the gas for irrigation pumps was classified Priority Two, as a commercial gas.

Former Gov. Bruce King, among the 70 ranchers and farmers in the federal courtroom, said during a court recess that he felt the new priority is "very unfair" to New Mexico.

A Stanley rancher, the former governor said that, "as an example, my ranch has 35 irrigation wells and natural gas is the only feasible fuel for pumping the irrigation water."

The former governor expects to be called to testify later during the Albuquerque session.

Rep. Hoyt Pattison, R-Lea, Roosevelt, Curry, a rancher, also was in the courtroom.

Earlier in the hearing, he had testified in Washington, D.C., about the new priority and its adverse effect on the state.

If the priority is allowed to stand, farmers and ranchers would have to convert—if possible—their engines to alternate sources of energy, such as electricity, gasoline or diesel fuel.

"This would be terribly expensive to say nothing of the greater cost of the alternate fuel," he said.

He said that the new priority would result in greatly reducing the amount of irrigated farmland in the state.

He gave a rough estimate that one-third of the farmland in New Mexico is irrigated, with the irrigated acreage probably furnishing two-thirds of the crop production.

Today's first witness, Charles Lacey of Clovis, is vice president and loan officer for the Clovis Production Credit Assn., which loans money to farmers and ranchers.

He testified that higher costs of fuel for irrigation would result in banks refusing to loan money to farmers because they wouldn't be able to make enough money to pay off the debt.

"A farmer also could be refused credit if he's on interruptible service," Mr. Lacey said.

Cutbacks in natural gas would occur in the cold months, since this is when consumer demands are highest—and these are the crucial months when the crops need water if they are to remain moist enough to resist freezing.

"And what happens to the farmer if he converts to another fuel for his engines? He'll go bankrupt," Lacey said.

The bankrupt farmer could bankrupt the credit association, too, he said, since the credit association only has $6 million in assets backing $39 million in loans.

"We can't take too many losses," he said grimly.

In other testimony, Jack L. Muse, a farmer in the Clovis area, said;

"Some stages of growth are more critical than others, but other deprivation of water would cause reduction in yield which could never be recovered in later irrigations."

He said that none of his wells could be economically or practically converted to gasoline.

And the pumping cost using gasoline would be 320 per cent higher than the cost of natural gas.

Electric power is not available on his farm, he said.

And, he said, his banker refuses to finance any such conversion because his present margins of profits are too small.

"If natural gas is no longer available on demand basis, I would be forced to liquidate and seek employment elsewhere," he stated.

Another Clovis farmer, Stanley Pippkins, stated that he would have to file bankruptcy if he had to change from natural gas to an alternate fuel source.

He figures it would cost him $58,600 to convert his 11 well pumps to diesel fuel.

In addition, the diesel fuel would cost him $32,000 a year more than natural gas at its present prices.

"I can see no way to continue farming if I have to change to another fuel source or if I am subject to having my gas supply turned off at any time during the year," Mr. Pippkins said.

The lowering of the priority for natural gas used in irrigation has drawn the fire of New Mexico, Texas, Arizona, and Oklahoma farmers, all fearing it will drive them out of business.

Mr. MONTOYA. While my own bill has not been reported by the Commerce Committee, I was pleased to see that both S. 692 and the substitute introduced by Senator Pearson contain a section which recognizes the needs of agricultural producers. It is becoming obvious that the only way to insure that our experience with opinion 697–A is not repeated is to move legislatively to assure that agriculture is properly considered when future decisions are made concerning energy allocation or distribution.

I want to take this opportunity to remind my colleagues that this FPC ruling applied across the Nation could reduce total agricultural production by as much as 20 to 30 percent and alter our posture as an agricultural exporting nation. It has become increasingly evident that the predictions of a significant curtailment in priority three which were made early this year were apparently correct. Recent figures indicate that there could be a shortage of up to 50 percent for the industrial uses of natural gas. Also as I pointed out in my remarks on March 3 and April 10, the failure of the FPC to correct this situation could have the gravest consequences. Mr. President, if the FPC will not act then the Congress must be ready to assert itself in this matter. I am hopeful that we in the Congress can unite to make certain that fuel is available to our Nation's farms.

ECONOMISTS TESTIFY ON MONETARY POLICY AND THE ECONOMIC OUTLOOK

Mr. HUMPHREY. Mr. President, on May 21 the Joint Economic Committee was honored to hear testimony on monetary policy and the rate of economic recovery by three distinguished economists, Gerald Adams of the Wharton Econometric Forecasting Associates, Albert Ando of the University of Pennsylvania, and Robert Parks of Advest Institutional Services.

Both Mr. Adams and Mr. Ando presented their estimates of output and employment this year and next under various assumptions regarding the rate of growth of the money supply. Both concluded that the 5 to 7.5 percent range proposed by the Federal Reserve for growth of the narrowly defined money supply represented much too restrictive a policy for the coming 12 months. Mr. Parks concurred in this judgment. Mr. Adams stressed:

> A look back at the consequences of last year's monetary tightness shows how great the impact of monetary policy can be . . . a tightening of the monetary policy at this time would prolong what is already the longest lasting and deepest recession of the post war period.

I believe that it is extremely important, Mr. President, that when we forecast 7- and 8-percent unemployment as an average over the coming 3 years that we do not lose sight of the human tragedy of such a situation. It is often all too easy to forget that these unemployment figures represent workers with families and young men and women who see little chance of participating in the economic mainstream of America. These are people suffering, not just a small number but nearly 9 million Americans, and unnecessarily might I add. We have to realize that while inflation presents an inconvenience to all, recession is a disaster to those unemployed 9 million.

In his testimony, Dr. Parks presented a very succinct and clear analysis of monetary policy and its consequences. He stated that the recession was predictable and that it was manufactured in Washington. He further stated, and I wholly agree, that the cost in lost output and employment is immense and unnecessary. Most importantly, however, he pointed out that we still face the risk at this late stage that the administration will continue to overstate and misinterpret both the cause of inflation and its prospects, provide inadequate stimulus, and cripple capital formation over the longer run.

All three of these distinguished economists believe that the tax cut passed by the Congress will be inadequate in providing the necessary stimulus to rescue this country from 7 and 8 percent unemployment in the coming 3 years. In fact, Dr. Ando recommended that a $30 to $40 billion tax cut is needed on top of the one already passed by Congress.

I think it interesting to note that the President of France, citing an unemployment rate of 4.5 percent, declared a national emergency. Now, we have unemployment at twice that rate and yet, we are not beginning to provide the adequate stimulus and programs that are needed to help our unemployed get back to work.

Mr. President, I consider this testimony by these three most respected economists to be invaluable in helping us to analyze the economic problems facing our country, and in pointing to the most pressing and urgent problem we face as a nation, the recession and the consequent unemployed. I, therefore, ask unanimous consent that excerpts from this testimony be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF F. GERALD ADAMS, UNIVERSITY OF PENNSYLVANIA, MAY 21, 1975

The latest Wharton forecast for the United States economy is guardedly optimistic. We are predicting a turnaround of economic activity around mid-year with moderate recovery at annual rates of 5 to 7 percent later in 1975 and throughout 1976. (The principal dimensions of the "control" forecast and of the alternatives are summarized in the tables attached.) Another favorable dimension of the outlook is that the inflation rate is past its high water mark. We are anticipating a much more modest inflation rate of 4 to 6 percent, far below last year's double digit inflation though still high by historical standards. But there are still substantial uncertainties connected with the readjustment of inventories, the decline in business fixed investment, and the recovery of the greatly depressed housing industry. And, unfortunately, the projected recovery period begins from such a low level of production and from such a high level of unemployment, approximately 9 percent, that economic activity will remain substantially below its full potential and that only modest improvement of unemployment can be anticipated.

The prospects for economic recovery depend greatly on economic policy. Fiscal policy stimulus has now been put in place but great uncertainty remains with regard to monetary policy. Money does matter. A look back at the consequences of last year's monetary tightness shows how great the impact of monetary policy can be. Money also matters at present, in the upswing of the cycle. It is important to provide sufficient liquidity to meet financial needs of consumers, investors, and homebuilders so as not to thwart their contribution to economic recovery.

One way to see whether the economy is obtaining sufficient liquidity is to consider the growth of money supply (preferably a broad money supply concept like M2) in relation to the expansion of nominal GNP. A rate of monetary expansion corresponding to the growth of nominal GNP, some to 12 percent per year, will assure a growth of monetary means in line with requirements. Looking at the other dimension of the money market, interest rates, such a rate of monetary expansion would permit short term rates to remain near their current levels and would permit gradual decline of long term rates. Our base forecast envisions growth of money supply only a little short of the growth of nominal GNP, a rate of 9 to 10 percent for M1 and approximately 11 percent for M2. This results in a gradual upward movement of the short rate to 7½ percent to 8 percent toward the end of 1976 but does not stand in the way of substantial expansion of residential construction to approximately 2 million housing starts.

Other monetary policy alternatives can significantly change the picture of economic developments over the next two years. We have examined some alternative scenarios of slower monetary growth in two alternative forecast simulations presented below.

Alternative 1 considers growth of money supply at approximately 7½ percent annually and Alternative 2 assumes monetary growth at 5 percent per year. These are, of course, the limits of the brackets for monetary growth of 5 to 7½ percent recently proposed by Federal Reserve Board Chairman Burns. It is clear from our analysis that such a policy stance is much too restrictive. Short term rates would rise sharply to reach 10¾ percent by the end of 1976 in the 7½ percent money growth solution. In the 5 percent money growth solution, the bill rate goes to an incredible 13 percent.

The impact on real output would be less pronounced in the short-run. But tight money now would have substantial real impact extending beyond the forecast period of 1975–76 examined here. An upsurge of interest rates would threaten the recovery of residential construction, and would undermine business fixed investment. This is the real meaning of "crowding out". By the end of 1976, slow monetary growth would reduce real GNP by approximately 2 percent, as compared to the base forecast. The impact would be considerably more pronounced in 1977. A tightening of monetary policy at this time would prolong what is already the longest lasting and deepest recession of the post-war period.

Inflation is also a serious concern for policy. Fortunately, the inflation outlook is somewhat improved, as we have noted above. The slow monetary growth alternatives show little improvement in the inflation rate. Indeed the inefficiencies related to operating well below the economy's optimum operating rate tend to increase unit labor costs and to exert upward pressures on the price level. Slowing the growth of money supply is not an effective counter inflationary tool in the present context. As we look ahead, toward a return to full employment, we must consequently look for other means to prevent a resurgence of inflationary pressures.

CONTROL FORECAST—WHARTON MARK IV QUARTERLY MODEL (MAY 1, 1975—PREMEETING CONTROL SOLUTION)

TABLE 1.—SELECTED MAJOR ECONOMIC INDICATORS

VAR	Label	Item	1975. 1	1975. 2	1975. 3	1975. 4	1976. 1	1976. 2	1976. 3	1976. 4	1977. 1	1975	1976
GNP (dollars)	I	Gross national product	1, 419. 2	1, 436. 7	1, 472. 0	1, 515. 2	1, 564. 9	1, 616. 0	1, 666. 6	1, 723. 2	1, 774. 6	1, 460. 8	1, 642. 7
GNP (dollars)	I	Percent change gross national product	−3. 23	5. 03	10. 19	12. 27	13. 77	13. 71	13. 13	14. 31	12. 45	4. 53	12. 45
GNP	I	Real gross national product	782. 3	780. 8	791. 4	801. 7	817. 1	832. 3	846. 4	861. 5	875. 2	789. 1	839. 3
GNP	I	Percent change real gross national product	−10. 37	−0. 74	5. 54	5. 30	7. 91	7. 66	6. 93	7. 31	6. 55	−3. 91	6. 37
YN (dollars)	I	National income	1, 150. 0	1, 162. 0	1, 193. 8	1, 233. 0	1, 277. 6	1, 322. 1	1, 365. 4	1, 414. 1	1, 457. 2	1, 184. 7	1, 344. 8
YP (dollars)	I	Personal income	1, 193. 0	1, 215. 6	1, 241. 2	1, 273. 0	1, 305. 1	1, 342. 8	1, 386. 4	1, 432. 1	1, 471. 1	1, 230. 7	1, 366. 6
PDGNP	I	Implicit price deflator—GNP	181. 41	184. 0	186. 0	189. 0	191. 5	194. 1	196. 9	200. 0	202. 8	185. 1	195. 7
PDGNP	I	Percent change implicit GNP deflator	7. 96	5. 83	4. 40	6. 63	5. 43	5. 62	5. 80	6. 52	5. 54	8. 73	5. 70

CONTROL FORECAST—WHARTON MARK IV QUARTERLY MODEL (MAY 1, 1975—PREMEETING CONTROL SOLUTION)—Continued

TABLE 1.—SELECTED MAJOR ECONOMIC INDICATORS—Continued

VAR	Label	Item	1975.1	1975.2	1975.3	1975.4	1976.1	1976.2	1976.3	1976.4	1977.1	1975	1976
PXP	I	Implicit price deflator—private GNP	174.3	176.8	178.8	181.3	183.8	186.5	189.3	192.1	194.8	177.8	187.91
PXP	I	Percent change private GNP deflator	7.71	5.90	4.56	5.76	5.74	5.94	6.11	6.09	5.79	8.78	5.7
PC*	B	Percent change, Consumer Price Index	7.46	4.39	5.21	4.93	4.66	5.08	5.10	4.86	4.60	8.16	4.91
PW*	B	Percent change Wholesale Price Index	–.08	1.07	2.21	2.13	3.31	2.46	4.28	4.26	4.87	7.58	2.83
PRO2		Private output per man-hour	5.79	5.85	5.93	6.00	6.08	6.14	6.19	6.23	6.25	5.89	6.16
PRO2		Percent change private output per man-hour	7.16	4.03	5.95	4.59	5.38	4.34	3.11	2.49	1.83	1.58	4.58
WRCPV (dollars)	I	Private compensation per man-hour	5.81	5.92	6.02	6.14	6.27	6.40	6.53	6.67	6.81	5.97	6.47
WRPCV (dollars)	I	Percent change, private compensation per man-hour.	11.95	7.57	6.83	8.10	9.07	8.43	8.55	8.55	8.96	9.26	8.30
NRUT	B	Unemployment rate (percent)	8.35	9.10	9.23	9.09	8.60	8.07	7.57	7.08	6.60	8.94	7.83
NETEX (dollars)		Net exports, current dollars	5.4	5.4	5.9	5.3	4.5	2.2	–2.1	–4.5	–5.7	5.2	5.8
FM1 (dollars)	I	Money supply—M1	284.3	288.6	294.7	301.1	308.5	315.9	323.8	331.7	339.4	292.2	320.0
FM1 (dollars)	I	Percent change money supply—M1	1.23	6.09	8.76	8.98	10.26	9.86	10.38	10.12	9.70	4.77	9.51
FM2 (dollars)	I	Money supply—M2	621.5	637.8	656.3	673.9	691.3	708.5	727.3	745.2	762.3	647.4	718.1
FM2 (dollars)	I	Percent change money supply—M2	6.45	10.95	12.08	11.19	10.74	10.34	11.06	10.20	9.49	8.47	10.93
FRMTB3MY	B	3-month Treasury bill rate	5.75	5.23	5.21	5.96	6.59	6.94	6.65	7.59	8.01	5.54	6.94
FRMCUAAAN	B	Corporate AAA utility bond rate	9.23	9.46	9.04	8.56	8.59	8.63	8.47	8.38	8.34	9.07	8.52
FRMCP4M	B	4-6 months commercial paper rate	6.56	5.82	5.68	6.25	6.93	7.36	7.21	7.87	8.42	6.08	7.34
FRMC8	B	Moody's total corporate bond rate	9.39	9.52	9.42	9.17	9.03	8.96	8.86	8.76	8.68	9.38	8.92
YPD8AVR	I	Personal savings rate (percent)	7.35	9.86	10.59	9.56	9.23	9.18	9.24	9.24	9.00	9.34	9.2
CPUBT (dollars)	I	Corporate profits before tax	100.1	101.3	116.3	129.1	145.5	158.1	168.5	177.9	184.9	111.7	162.5
GVSURPF (dollars)	I	Federal surplus, NIA basis	–54.9	–94.3	–107.8	–87.4	–75.0	–69.5	–68.0	–66.0	–57.9	–86.1	–69.6

ALTERNATIVE 1—WHARTON MARK IV QUARTERLY MODEL (MAY 20, 1975—ALTERNATE WITH 7.5 PERCENT MONEY SUPPLY GROWTH)

VAR	Label	Item	1975.1	1975.2	1975.3	1975.4	1976.1	1976.2	1976.3	1976.4	1977.1	1975	1976
GNP (dollars)	I	Gross national product	1,419.2	1,435.7	1,470.9	1,513.3	1,561.6	1,608.7	1,653.7	1,704.1	1,749.4	1,459.8	1,632.1
GNP (dollars)	I	Percent change gross national product	–3.23	4.73	10.17	12.06	13.39	12.62	11.65	12.80	11.05	4.46	11.8
GNP	I	Real gross national product	782.3	780.0	790.5	800.2	814.7	827.6	838.2	849.7	860.0	788.3	832.60
GNP	I	Percent change real gross national product	–10.37	–1.17	5.50	5.00	7.45	6.44	5.26	5.60	4.90	–4.01	5.6
YN (dollars)	I	National income	1,150.0	1,161.0	1,192.7	1,231.3	1,274.6	1,315.3	1,353.4	1,396.6	1,434.6	1,183.7	1,335.02
YP (dollars)	I	Personal income	1,193.0	1,215.3	1,241.2	1,273.2	1,305.7	1,342.8	1,385.0	1,429.3	1,466.8	1,230.7	1,365.7
PDGNP	I	Implicit price deflator—GNP	161.4	184.1	186.1	189.1	191.7	194.4	197.3	200.6	203.4	185.2	196.0
PDGNP	I	Percent change implicit GNP deflator	7.96	5.97	4.42	6.72	5.53	5.80	6.06	6.82	5.86	8.76	5.8
PXP	I	Implicit price deflator—Private GNP	174.3	176.8	178.8	178.8	181.4	184.0	189.6	189.6	195.4	177.8	188.24
PXP	I	Percent change private GNP deflator	7.71	6.04	4.58	5.85	5.83	6.10	6.34	6.34	6.08	8.82	5.8
PC*	B	Percent change, Consumer Price Index	7.46	4.56	5.35	5.07	4.91	5.48	5.70	5.57	5.41	8.23	5.224
PW*	B	Percent change, Wholesale Prcie Index	–.08	1.08	2.20	2.14	3.31	2.47	4.29	4.27	4.89	7.59	2.84
PRO2		Private output per man-hour	5.79	5.82	5.92	5.98	6.06	6.10	6.13	6.15	6.17	5.58	6.06
PRO2		Percent change, private output per man-hour.	7.16	1.98	7.15	4.30	5.13	3.06	1.66	1.80	1.24	264.44	8.72
WRCPV (dollars)	I	Private compensation per man-hour	5.81	5.92	6.02	6.14	6.27	6.39	6.52	6.65	6.79	5.97	6.45
WRCPV (dollars)	I	Percent change, private compensation per man-hour.	11.95	7.51	6.87	8.10	9.00	8.12	8.14	8.20	8.69	9.26	8.16
NRUT	B	Unemployment rate (percent)	8.35	9.11	9.25	9.12	8.64	8.16	7.72	7.30	6.92	8.96	7.96
NETEX (dollars)		Net exports, current dollars	5.4	5.5	6.0	5.4	4.7	2.8	–1.1	–2.9	–3.7	5.2	6.2
FM1 (dollars)	I	Money supply—M1	284.3	288.1	292.8	297.7	303.1	308.4	314.0	319.7	325.3	290.8	311.3
FM1 (dollars)	I	Percent change, money supply—M1	1.23	5.40	6.74	6.88	7.40	7.17	7.42	7.48	7.23	4.26	7.06
FM2 (dollars)	I	Money supply—M2	621.5	636.9	653.3	668.7	683.0	697.1	712.3	727.1	741.6	645.1	704.9
FM2 (dollars)	I	Percent change, money supply—M2	6.45	10.32	10.67	9.80	8.85	8.52	9.02	8.56	8.19	8.09	9.27
FRMTB3MY	B	3-month treasury bill rate	5.75	5.52	5.97	7.09	8.55	9.32	9.44	10.76	11.43	6.08	9.52
FRMCUAAAN	B	Corporate AAA utility bond rate	9.23	9.61	9.23	8.80	9.02	9.30	9.52	9.74	10.08	9.21	9.40
FRMCP4M	B	4-6 month commercial paper rate	6.56	6.05	6.35	7.32	8.72	9.67	9.94	11.01	11.84	6.57	9.83
FRMCS	B	Moody's total corporate bond rate	9.39	9.58	9.54	9.34	9.31	9.41	9.56	9.74	9.98	9.46	9.50
YPDSAVR	I	Personal savings rate (percent)	7.35	9.85	10.63	9.64	9.38	9.36	9.46	9.50	9.31	9.37	9.42
CPUBT (dollars)	I	Corporate profits before tax	100.1	101.0	115.8	128.4	144.3	155.2	163.5	171.0	176.7	111.3	158.5
GVSURPF (dollars)	I	Federal surplus, NIA Basis	–54.9	–94.6	–108.4	–88.6	–77.2	–73.7	–74.9	–75.8	–70.7	–86.6	–75.4

ALTERNATIVE 2—WHARTON MARK IV QUARTERLY MODEL

(MAY 20, 1975—ALTERNATE WITH 5 PERCENT MONEY SUPPLY GROWTH)

VAR	Label	Item	1975.1	1975.2	1975.3	1975.4	1976.1	1976.2	1976.3	1976.4	1977.1	1975	1976
GNP (dollars)	I	Gross national product	1,419.2	1,435.7	1,470.8	1,513.0	1,559.3	1,605.0	1,648.5	1,697.3	1,740.1	1,459.7	1,627.5
GNP (dollars)	I	Percent change gross national product	–3.23	4.73	10.14	11.99	12.82	12.25	11.29	12.39	10.47	4.45	11.50
GNP	I	Real gross national product	782.3	780.0	790.4	800.0	813.3	825.3	835.0	845.4	854.2	788.2	829.8
GNP	I	Percent change real gross national product	–10.37	–1.17	5.46	4.91	6.85	6.00	4.82	5.07	4.19	–4.02	5.28
YN (dollars)	I	National income	1,150.0	1,161.0	1,192.6	1,231.0	1,272.4	1,311.8	1,348.7	1,390.5	1,426.3	1,183.6	1,330.8
YP (dollars)	I	Personal income	1,193.0	1,215.3	1,241.2	1.273.4	1,305.6	1,342.8	1,385.4	1,430.1	1,468.0	1,230.7	1,366.0
PDGNP	I	Implicit price deflator—GNP	181.4	184.1	186.1	189.1	191.7	194.5	197.4	200.8	203.7	185.2	196.1
PDGNP	I	Percent change implicit GNP deflator	7.96	5.97	4.44	6.75	5.59	5.89	6.17	6.96	6.03	8.77	5.90
PXP	I	Implicit price deflator, private—GNP	174.3	176.8	178.8	181.4	184.0	186.8	189.7	192.7	195.7	177.8	188.3
PXP	I	Percent change private GNP deflator	7.71	6.04	4.60	5.88	5.87	6.18	6.44	6.48	6.24	8.82	5.89
Pc*	B	Percent change, Consumer Price Index	7.46	4.56	5.38	5.14	5.08	5.72	6.04	6.04	5.90	8.23	5.40
PW*	B	Percent change, Wholesale Price Index	–.08	1.06	2.21	2.14	3.32	2.47	4.30	4.28	4.90	7.59	2.84
PRO2		Private output per man-hour	5.79	5.82	5.92	5.98	6.05	6.09	6.11	6.14	6.15	5.58	6.05
PRO2		Percent change, private output per man-hour.	7.16	1.98	7.11	4.23	4.69	2.87	1.50	1.62	0.49	264.49	8.52
WRCPV (dollars)	I	Private compensation per man-hour	5.81	5.92	6.02	6.14	6.27	6.39	6.51	6.64	6.78	5.97	6.45
WRCPV (dollars)	I	Percent change, private compensation per man-hour.	11.95	7.51	6.87	8.10	8.80	8.04	8.11	8.16	8.60	9.26	8.08
NRUT	B	Unemployment rate (percent)	8.35	9.11	9.25	9.12	8.66	8.20	7.78	7.39	7.04	8.96	8.01
NETEX (dollars)		Net exports, current dollars	5.4	5.5	6.0	5.5	4.9	3.1	–0.6	–2.3	–2.9	5.2	6.5
FM1 (dollars)	I	Money supply—M1	284.3	268.1	292.0	295.7	299.5	303.3	307.4	311.8	316.1	290.0	305.5
FM1 (dollars)	I	Percent change, money supply—M1	1.23	5.40	5.54	5.15	5.30	5.17	5.50	58.3	5.68	4.00	5.34
FM2 (dollars)	I	Money supply—M2	621.5	636.9	652.6	667.0	679.8	692.4	705.9	719.4	732.8	644.5	699.4
FM2 (dollars)	I	Percent change, money supply—M2	8.45	10.32	10.25	9.12	7.89	7.60	8.04	7.85	7.66	8.00	8.51
FRMTB3MY	B	3-month Treasury bill rate	5.75	5.52	6.17	7.69	9.72	10.98	11.63	13.30	14.29	6.28	11.41
FRMCUAAAN	B	Corporate AAA utility bond rate	9.23	9.61	9.25	8.89	9.26	9.75	10.23	10.78	11.41	9.24	10.00
FRMCP4M	B	4-6 months commercial paper rate	6.56	6.05	6.50	7.83	9.79	11.24	12.04	13.49	14.67	6.73	11.64
FRMCS	B	Moody's total corporate bond rate	9.39	9.58	9.55	9.38	9.43	9.67	10.00	10.43	10.95	9.47	9.88
YPDSAVR	I	Personal savings rate (percent)	7.35	9.85	10.64	9.68	9.43	9.44	9.59	9.68	9.53	9.38	9.54
CPUBT (dollars)	I	Corporate profits before tax	100.1	101.0	115.8	128.3	143.3	153.7	161.7	166.9	173.9	111.3	156.9
GVSURPF (dollars)	I	Federal surplus, NIA basis	–54.9	–94.6	–108.5	–88.9	–78.4	–75.8	–78.1	–80.4	–77.1	–86.7	–78.2

A Chronology of Policy Failure

(Outline of comments before the Joint Economic Committee, May 21, 1975, by Dr. Robert H. Parks, executive vice-president and chief economist, Advest Institutional Services)

The United States has been shoved by Washington policymakers into the worst recession by far in postwar history. In order to understand better where we are and where we are going, it may be useful to outline just how we got into the present dismal state of affairs.

In this task, I have elected to quote from some twenty economic essays prepared for institutional investment clients beginning with September 9, 1974 (*Economic Overkill?*) and ending with May 15, 1975 (*Outlook for Corporate Profits*):

(1) *Economic Overkill?*—September 9, 1974.

The forward momentum of the U.S. economy in real terms is weak, and weakening further. The irony is that rapid inflation itself is further cutting into real buying power. The great irony is that governmental restrictive policies already in motion will likely further weaken demand. The greatest irony is that no early action on the policy front is being suggested by the Summit meetings. Next year is the word. In that case, the September 27–28 Summit session might just as well be held in the Coliseum in Rome, and the participants be provided with appropriate fiddles.

(2) *Mr. Ford and the New Intellectuals.*—September 16, 1974.

We wonder whether Mr. Ford, Mr. Ash, Mr. Simon, or Mr. Greenspan may not be gearing policy to fight the wrong economic war with the wrong weapons at the wrong time. As we see it, the inflationary problem to be dealt with in the main is the cost-push legacy of what *was* excess total real demand. But that picture is changing rapidly.

(3) *Puncturing the Commodity Price Bubble?*—September 23, 1974.

The price boom for industrial materials has just about run its course.

(4) *Velocity of Money and the Economic Outlook.*—September 30, 1974.

What we see, in short, is a further slide in real demand ahead even as the thrust of economic policy seems to focus on getting demand down.

(5) *Capsule Summary of Rinfret-Stein Debate.*—October 7, 1974.

Contrary to the view we have expressed in the past Perspectives (and the "flavor" of this long question), both Rinfret and Stein agreed that governmental restraint on demand was needed and just about on target. This suggests to us a most doleful and negative Spencerian syllogism, which we suspect is embraced by a great many business economists and governmental policymakers:

(1) Recession is the only true cure for inflation.

(2) Governmental restraint on aggregate demand—superimposed on an economy already showing unmistakable signs of a severe loss of real forward momentum—is a surefire way to get a recession.

(3) The only acceptable policy is continued restraint on aggregate demand if the goal is to cure inflation.

(6) *Recession on Top of Recession.*—October 15, 1974.

The economy is moving into recession on top of recession.

(7) *The Dismal Deflated Data.*—October 24, 1974.

The real downhill momentum of the United States economy is gathering force and promises deepening recession ahead. As this becomes more apparent to the Administration, the present restrictive game plan will be abandoned. Among other things, we would bet that the Administration will be lobbying for a tax cut in 1975 rather than an increase.

(8) *Economic Arithmetic.*—October 29, 1974.

The third quarter GNP statistics show virtually no strength anywhere for the United States economy.

(9) *Profile of Recession: A Skewed Soup Bowl.*—November 12, 1974.

The recession ahead, in our judgment, will probably look more like a skewed soup bowl than either a "McCracken V" or a "shallow saucer."

(10) *Monetary Anemia and Farce Five.*—December 2, 1974.

Even now it appears that the Administration objective to lift capital formation by rechanneling resources away from government and consumption has failed. Real plant and equipment outlays are headed down, not up.

(11) *A Mini-Depression Ahead?*—December 18, 1974.

We still hold to the view of a major and severe recession in 1975 even assuming that governmental policy shifts quickly to an expansionary stance through tax cuts and renewed monetary growth to counter the accelerating downhill momentum of the private economy. But the risks of some kind of moderate depression, with unemployment rates rising to low double-digit levels, can no longer be dismissed out-of-hand. Time is running out for the new "Spencerians" in Washington.

(12) *Debt Explosion in a Maxi-Recession.*—January 6, 1975.

Mythology speaks of three Furies. But we count six Furies in the money and capital markets in 1975.

(13) *Investment Strategy in a Mini-Depression.*—January 21, 1975.

The chances for a very mild depression have increased. Call this a mini-depression, if you will.

(14) *Mini-Depression: Made in Washington.*—February 6, 1975.

The economy is smack in the middle of a mild depression. This depression was made in Washington.

(15) *Economic Strikeout.*—February 18, 1975.

The fall in bank credit in the face of a precipitate cyclical fall in the economy is a worry to us.

(16) *Barriers to Early Economic Turnaround.*—March 10, 1975.

Neither the private sector nor state and local governments can increase total liquidity or total cash flow for the community as a whole no matter how furious the cost economizing efforts. New liquidity can come only from the central bank (or the Treasury), but precious little of that is visible in the credit and monetary statistics to date.

(17) *Monetary Paradoxes in a Mini-Depression.*—March 18, 1975.

Big government deficits and declining interest rates go with big recessions like ham goes with eggs. The forced borrowing is more a consequence of economic anemia than a causal force for rapid economic recovery.

(18) *Government Policy, Financial Hysteria and the Economy.*—April 8, 1975.

The economic valley ahead that investors now look over is not going to be pleasant, given the economic storm which still rages. At least four thunderbolts are likely to knock some investors for a loop. These include further sharp advances in unemployment, a likely 30% to 35% fall in pretax profits, stepped up liquidity and bankruptcy developments at both the private and public levels, and the likely failure of housing and other "big ticket" consumer expenditures to turn up at as briskly a pace as investors have become accustomed to in prior postwar economic recoveries.

(19) *From Mini-Depression to a Turtle Economic Turnaround in 1975.*—April 28, 1975.

With a high caveat on inventory trends, we look for a turtle economic turnaround getting under way sometime in late 1975. The rabbit economic advance will have to wait for 1976.

(20) *Outlook for Corporate Profits.*—May 15, 1975.

A key caveat relates to the Spencerian quadriad (Ford, Simon, Greenspan and Burns). They could choke and abort recovery through inadequate expansionary policies and kill capital formation secularly just as they have killed it cyclically. Inadequate stimulus based on an overstatement of inflation prospects risks chronic stagflation, continuing and massive unemployment, and a slump in profits beyond the dismal projections set forth here.

OVERALL CONCLUSIONS

(1) This worst of all postwar recessions was predictable.

(2) It was made in Washington.

(3) The cost in foregone output and employment has been immense, and unnecessarily high.

(4) No one questions that inflation remains a serious problem. But the Administration and the Federal Reserve may overstate inflation prospects and cripple capital formation over the longer run, just as their policies have killed capital formation cyclically. This risks protracted stagflation.

From Mini-Depression to a Turtle Economic Turnaround in 1975—A Rabbit Economic Advance in 1976?

We have long held to a forecast of a deep and skewed soup bowl profile for the United States economy in 1975. We see no convincing reason to abandon that position despite the tax cut, despite the faster pace of Federal outlays ahead, despite the dramatic slowing of the pace of inflation and despite the army of analysts who now resuscitate the McCracken "V" profile for quick and brisk economic turnaround this year.

The Year of the Turtle. A rabbit advance of the economy looks more likely sometime in 1976. But major turtle depressants are still at work this year to offset Federal stimulus and to create a precarious economic balance. The sinking side of this "seesaw" economy include the following depressants:

(1) *Construction.* Spending for construction heads down almost across the board. Further declines are foreshadowed by the sustained fall in the forward indicators of construction (contracts, orders, forward investment commitments) and surveys of spending plans.

(2) *Capital Spending.* Economic overkill by government produced recession and killed as well the derived demand for capital formation. High excess capacity, a precipitous slide in profits still ahead, relatively high interest rates on long debt and the depressed forward indicators all point to a drop in capital outlays in real dollars well into 1976.

(3) *Debt Overhang and Qualitative Crowding.* Impaired liquidity and the massive overhang of debt will brake and negate business spending plans. Low-rated and smaller business units ordinarily regarded as satisfactory credit risks will be displaced from the credit markets. The "qualitative crowding" is a lagged consequence of governmental economic overkill which has produced soaring credit risk in a mini-depression. The qualitative crowding is itself a depressant to business recovery and would exist even if the Treasury were not required to borrow a dime.

(4) *State and Local Retrenchment.* Real outlays were reported up a little in the first quarter. The various surveys we track, however, suggest little or no growth this year

as states and municipalities frantically try to cut employment and capital outlays, chop operating budgets and raise taxes.

(5) *Inventory Investment.* Who knows? The data are treacherous. Our guess is that inventory investment has a long way to go yet . . . down. One clue for this judgment is the Commerce study in the August 1974 *Survey of Current Business* and the update in figures reported for the first quarter 1975. What Commerce did was to calculate the stock to sales ratios (all in constant 1958 dollars). The norm is cited at about 30% and the last quarter actual figure was just reported at 32.5%, down a little from 32.9% in the fourth quarter 1974. Commerce then multiplied these two percentages by final business sales for the last quarter ($705.6 billion in 1958 prices), subtracted the two products, and thus came up with a current figure of total real stocks above "norm" of almost $18 billion.

To get inventories back to "norm" by $18 billion would require, of course, $13 billion of liquidation, other things equal. To put this in perspective, the actual liquidation reported for the first quarter was a little over $2.5 billion for nonfarm stocks. This works out to a $10.2 annual rate, An $18 billion liquidation in total would entail $72 billion at an annual rate if all the liquidation were to take place in one quarter (4 times $18 billion), or $18 billion at an annual rate over four quarters.

We do not look for massive liquidation as implied in these calculations. Even a turtle advance in business sales the second half of this year would work against such a drastic decline. So would business expectations of faster real growth in sales in 1976. Still, we hold to the conclusion that the inventory decline has a big way to go before stocks are back to "norm".

(6) *Money.* Monetary growth is finally picking up, even in real terms. Great news! This promises recovery ahead. However, more the longest and steepest slide in the real monetary aggregates in postwar history (along with the deflated forward indicators). Put another way, we have witnessed a sustained *subtraction* of real buying power from the economy. The lagged depressant of negative money growth hardly promises a swift turnaround in consumer demand this year, at least for big-ticket durables.*

CONCLUSION

With a high caveat on inventory trends, we look for a turtle economic turnaround getting under way sometime in late 1975. The rabbit economic advance will have to wait for 1976.

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USE AND ABUSE OF FINANCIAL AND MONETARY DATA

(By Robert H. Parks)

Every generation has its medicine men, its witch doctors. They exist today. They are called economists. So wrote the late John Strachey, himself an internationally recognized British economist. Add to this list monetary theorists, money and capital market specialists, and investment managers.

These experts are not involved in an inexact science, as economics is so often defined. Given the wretched forecasting and investment performance of late, economics and its first-cousin disciplines of monetary analysis and investment analysis might better be classified among the primtive arts.

SCIENTIFIC METHOD

But even artists and assorted witch doctors can at least try to be scientific. They can try to employ scientific method which, among other things, demands an integration of key disciplines. In the case of the investment strategist, he can at least take as key inputs the work of the money and capital market analyst. One is indispensable to the other, a key thesis of this essay. He can do more. He can demand a better input from the money expert, the second key thesis of this essay.

With these two points in mind, the present discussion can but treat some of the potentials and pitfalls involved in both monetary analysis and flow-of-funds analysis. What follows is meant to be illustrative and treated in the context of recent history and present experience. The hope is that the major caveats and dubious procedures of the money and credit experts will have been stressed sufficiently to put the investment strategist on perpetual guard.

MONETARY ANALYSIS

Monetary analysis, which is defined here as analysis of the major monetary aggregates, can be treacherous. Three caveats come to mind:

1. *Beware the Narrow Money Watchers.* Surely the country's most popular economic indicator is the money stock defined narrowly as private demand deposits plus currency in the hands of the public. This is the famous M_1 which just about everybody must have before breakfast in order to think straight. But M_1 is in fact a treacherous and unreliable input to straight thinking.

Most important, and most overlooked, is his chameleon character. As the elementary student of banking knows, when the banking system creates credit, it also creates money. For the most part, the money creation takes the form of new demand deposits. They come into being as a mirror image to the creation of credit.

What the elementary student did not learn (or has forgotten) is that demand deposits created may not all show up statistically over time as growth of demand deposits outstanding. The reason is that the creation process is often simultaneously accompanied by conversion of new or existing demand deposits into bank time and savings deposits, including certificates of deposit. The point is that demand deposits in fact created need not show up (like that chameleon) in Federal Reserve statistics on growth of demand deposits outstanding.

To focus solely on M_1 is to run the risk of greatly understating the pace of monetary expansion. As a case in point, consider the decidedly faster growth of M_2 than M_1 in the years after 1965. (M_2 is M_1 plus commercial bank time and savings deposits, excluding large certificates of deposit.) This money explosion broadly defined fueled the giant inflation the economy subsequently experienced.

The devotees of M_1, by understating actual monetary growth, proceeded to understate the potential for inflation as well. Indeed, those devotees of M_2 who still insist on subtracting large CD's from the money stock perpetuate the error. Neither theoretical nor practical justification exists for throwing large CD's out of M_2.

2. *Beware Velocity.* More precisely, beware those who ignore velocity. Money matters (even M_1). But so does velocity. As Professor Irving Fisher taught early in the century, it is money times velocity (MV) that counts in any projection of expenditures. History is replete with monetary wrecks who failed to heed the powerful and sometimes unpredictable force of velocity. Two examples should make the point.

The first has to do with the astonishing projection by the Administration of a $1065 billion GNP for 1971. Remember? Why did the forecast of a fast rise of GNP that year, based on a fast rate of growth of money, fall flat on its face? Money growth did in fact speed up, starting as early as March, 1970. But the economy moved downhill in 1970 and recovered at a slow pace in 1971. The answer, of course, was that velocity remained under sedation of sorts. Velocity in fact fell over a good part of the year 1971.

Why was velocity under quasi-sedation in the year 1971? The reason was that, in lagged response to severe Federal Reserve restraint, the economy was still in a fairly illiquid position. It was "dehydrated." It acted very much like a giant liquidity sponge in mopping up new money growth once the Federal Reserve did embark on an expansionary program. Put another way, new money growth was channeled in great measure into liquidity repairs (debt repayment and addition to liquid assets), not into accelerating spending. The liquidity rebuilding had to run its course first before velocity could come from under sedation. Velocity did, in fact, regain some sparkle in 1972, which helps to explain the fast advance of the economy that year.

A second example is the present, the year 1975. The parallels with 1970–71, as they relate to the need for liquidity rebuilding, are worth citing. If the economy were dehydrated in 1971, it is doubly dehydrated in 1975. The Sahara-dry state of illiquidity surely does not augur any early and vigorous upturn in the economy this year. The year 1976, maybe. But the year 1975 will go down in the history books as the year of liquidity rebuilding, assuming, of course, the Federal Reserve provides the needed new liquidity. We shall see.

3. *Beware the Undeflated Monetary Aggregates.* The analyst must take every pain to deflate the monetary aggregates whenever velocity is quiet. The celebrated debate among the monetarists in 1974 can be taken as a case in point. The First National City Bank of New York insisted on deflating the monetary data by the price data. They forecast recession, actually a recession on top of a recession. The Federal Reserve Bank of St. Louis stuck to its old God of an undeflated M1 and proceeded to ignore velocity to boot. The St. Louis Bank forecast economic recovery.

Predictably, the First National City Bank won the debate hands down. It won because, among other reasons, it saw that price inflation more than offset the nominal growth of the money aggregates; the net result was to subtract real buying power from the economy. (As of this writing, the subtraction process still continues even as liquidity rebuilding has yet to begin for most major sectors of the economy.)

MONEY AND CAPITAL MARKET ANALYSIS

Money and capital market analysis is in a sense broader than monetary analysis. As defined here, it embraces analysis of the entire spectrum of funds raised and supplied in the money and capital markets. The broader approach, tagged also as flow-of-funds analysis or analysis of the sources and uses of funds, can be useful to the investment strategist. But it can be treacherous too in the wrong hands. Again, these caveats come to mind:

1. *Beware the Identities.* Purchases are always equal to sales *ex post* (historically or statistically). But people may try (*ex ante*) to buy less than people are willing to sell (*ex ante*) at the prevailing level of prices. The result is, of course, that prices tend to fall. Now consider these two distinctions in the context of the money and capital markets.

Look again at the present environment. Thus, as indicated in Exhibit 1, the total (net) funds to be raised in the money and capital markets this year is estimated to rise to a record one-quarter trillion dollars. The funds supplied are, of course, also estimated at exactly one-quarter trillion dollars. These are identities, and even the identities are the roughest of estimates. In no way are these numbers to be taken as estimates of the actual demand for and supply of funds in the money and capital markets.

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* The relationship of money and money velocity to the prospects for the economy are developed more fully in the attached article which appears in the Spring 1975 issue of the *Journal of Portfolio Management.* Peter Bernstein, the *Journal's* editor, gave us permission to reproduce this essay.

Demand and supply estimates, embracing desires and abilities, are, of course, extremely difficult to measure statistically. To the writers knowledge, no one has ever succeeded in measuring demand and supply in the money and capital markets, or anywhere else. Yet the terms are thrown around by the most prestigious investment houses on Wall Street as if the resident witch doctors had, in fact, produced such measures.

EXHIBIT 1.—THE MONEY AND CAPITAL MARKETS

[Billions of dollars]

	1973	1974[1]	1975[2]
Total funds raised	239.4	216.7	250.0
Residential mortgages	50.2	37.4	38.0
Commercial and farm mortgages	21.7	16.2	15.0
Corporate bonds[3]	12.5	23.3	30.0
Corporate stocks[4]	8.0	6.1	7.0
Treasury issues[5]	7.7	13.1	75.0
State and local issues	13.7	17.0	19.0
Federal agencies[6]	21.6	20.9	16.0
Consumer credit	22.9	9.6	2.0
Bank loans, n.e.c	46.7	34.1	18.00
Commercial paper, etc	14.5	16.6	13.0
Security credit	−8.2	−5.6	2.0
Trade credit	23.7	27.5	15.0
All other credit	4.4	.5	0
Total funds supplied	239.4	216.7	250.0
Federal Reserve	9.2	6.2	12.0
Commercial banks	86.7	61.8	82.0
Life insurance companies	15.6	15.8	17.0
Pension funds	7.2	8.7	9.0
State and local funds	9.6	15.6	10.0
Fire and casualty companies	5.0	4.1	4.0
Savings and loan associations	27.1	21.4	28.0
Mutual savings banks	5.4	3.7	6.0
Credit unions	2.9	2.7	2.7
Miscellaneous financial units[7]	13.1	4.3	5.0
Commercial and noncommercial business	9.2	6.4	4.0
U.S. Government and agency	23.3	29.9	30.0
Foreign	3.5	13.2	24.0
Households, residual	21.5	22.8	16.3

[1] Preliminary.
[2] Estimated.
[3] Includes foreign.
[3] Includes investment companies.
[4] Excludes issues to U.S. Government investment account.
[5] Includes sponsored agencies.
[6] Includes finance companies, reits, open-end investment companies, and securities brokers and dealers.

Note: All figures are for calendar years and are net. For example, the $23,300,000,000 corporate bond estimate for calendar 1974 represents gross new issues less repayments. The $82,000,000,000 estimate for the funds supplied by commercial banks in calendar 1975 represents gross loans and investments for the year less repayments and sales of securities, i.e., the net growth of bank credit.

Source: Federal Reserve and estimates by Robert H. Parks

The experience of 1975 to date makes clear the distinction between *ex post* identities and demand and supply measures. Interest rates have in fact come down, sharply for short-term rates. Clearly, the *ex ante* demand for funds has tended to lag the *ex ante* supply of new lending power coming to the market. Given the ongoing maxi-recession (mini-depression?), given the slide in business borrowing for inventory, given the shift by the Federal Reserve towards an easier money stance, and given the slowing of inflation, the decline in rates comes as no surprise. The decline is perfectly consistent with the higher level of funds estimated to be raised for the year.

2. *Beware the Undeflated Data.* Data deflating of the basic monetary aggregates has become a popular pastime of late. But why not deflate the broader statistics on the money and capital markets as well? That is precisely what is done for the broad debt figures in Exhibit 2.

EXHIBIT 2.—TOTAL OUTSTANDING DEBT

	1972	1973	1974[1]	1975[2]
Nominal dollars (billions)	1,909.4	2,139.5	2,348.0	2,591.0
GNP price deflator (1972=100)	100.0	105.6	116.4	126.9
Deflated (1972 dollars)	1,909.4	2,026.0	2,017.2	2,041.8
Percent change in nominal dollars		+12.1	+9.7	+10.3
Percent change in deflated (1972) dollars		+6.1	−.4	+1.2

[1] Preliminary.
[2] Estimated.

Notes: The nominal dollar figures for 1972, 1973, and 1974 are reported in the Federal Reserve flow-of-funds accounts, and defined as the year-end outstanding for total credit market liabilities of consumers, business and governments in the nonfinancial and financial sectors. Equity claims are excluded from these totals. The estimate of $2,591,000,000,000 for 1975 is derived from the flow estimates in exhibit 1. Thus, the $2,591,000,000,000 forecast is equal to the net credit funds estimated to be raised in 1975 of $243,000,000,000 ($250,000,000,000 total less $7,000,000,000 of equity) plus the total credit outstanding of $2,348,000,000,000 as of the end of 1974 ($2,591,000,000,000 equals $243,000,000,000 plus $2,348,000,000,000). The rest of this table should be self-explanatory. The price forecast for 1975 is 9 percent, down from 10.2 percent in 1974

Source: Federal Reserve and estimates by Robert H. Parks.

One can view the data there two ways. The total debt outstanding is estimated to rise to $2.591 trillion dollars this year. Wow! That's a 10.3% advance. That's one way of looking at the statisitcs. But in real terms, the additional borrowing provides a minuscule 1.2% advance. That's another way of looking at it. In terms of trying to forecast the 1975 economy, the second approach may be more productive than the first. Put another way, the estimated 1.2% advance in real buying power does not look like much of a force to spur economic recovery.

3. *Beware the Furies.* Mythology speaks of three Furies. But the year 1975 should witness at least five Furies in the money and capital markets. One has already been noted. Call it the *Inflationary Fury* or the step-up in borrowing required merely to finance the rise in prices.

But there are four others. They, too, are forces that should lift the dollar level of funds to be financed, limit declines in long-term rate, but exert little *immediate* impact in bringing recession to an early end. Consider these Furies:

a) *The Funding Fury* (sales of intermediate-term and long-term debt in the attempt to pay off short) is designed to put corporate balance sheets in better order. It is part of the whole process of liquidity rebuilding, which must normally precede new and vigorous corporate expansion. As was the case in 1970, massive funding will be a force in 1975 to speed the drop in short rates even as it serves to limit the decline in long rates.

b) *The Emergency Fury* describes the frenetic struggles of sick business units to obtain new financing to cope with the crushing burden of short-term debt and recession. The year will surely witness as well a rash of mergers, bankruptcy reorganizations, and outright failures, and this will all make for headline news. The well-publicized troubles may be a force in 1975 keeping yields on low-rated credit instruments at close to their present celestial heights, or pushing some yet higher, even as yields on prime long-term debt instruments continue to decline moderately.

c) *The Government Fury* is merely intended to describe the massive borrowings in prospect by governments at all levels in consequence of a major recession and a shortfall in revenues. The estimate alone for the Federal sector of some $75 billion (excluding special issues to the U.S. government trust funds) is a case in point. The massive deficits in prospect will likely be misinterpreted as a major *causal* force for rapid expansion and new inflation. In fact, these deficits are in the main a *consequence* of major recession and the governmental policies of economic overkill which helped to produce recession.

d) *The Equity Substitute Fury* is simply borrowing by business units that no longer regard the equity market as an effective vehicle for raising new capital. They will tap the debt market instead, either voluntarily or because they are forced to do so. The fact that net new external equity financing (when deflated) has been negative for years is, of course, not unrelated to the difficulties corporations are experiencing in financing growth of capital formation.

THE LIMITED AIDE-DE-CAMP

Monetary analysis and flow-of-funds analysis can serve as a useful aide-de-camp to the investment strategist provided, of course, he is forever alert to the kinds of caveats set forth here. Garbage in, garbage out, the saying goes. But even perfect input may be of limited value to the investment strategist. Again, consider the proposition in the context of the current economic downturn.

Despite the major cyclical decline, the strategist might very well decide to emphasize the positive and become guardedly optimistic. The major recession does not contradict the fact that stock prices are extremely low, whether related to earnings, or dividends, or book values. Interest rates are in fact falling. The back of inflation has at least been bent, if not broken. Equities again look more attractive relative to commodities, or money market instruments, or even gold. New governmental stimulus not as yet announced, will, if necessary, be undertaken to spur economic recovery. It could come in transportation, or even in a modified Manhattan-style project in energy. Excess capacity should work against early demand-pull inflation.

Of the negatives, one might list the certainty that profits (a leading indicator) are going to head down, and sharply. The unemployment rate is headed up sharply, probably to 10% or more. Oil still continues as an economic depressant. The leading indicators still fall down. Forward investment commitments are way down. The deflated monetary aggregates are still negative. State and local government actions remain restrictive and serve as giant offsets to Federal stimulus. Political terrorism and violence, possibly associated in part with high unemployment, are also making headline news.

The listing is meant only to be illustrative: it surely is not exhaustive. A thousand and one other variables are at work as well to affect investor psychology and the prospects for the market. The only point to be made here is that even the best monetary analysis and the best money and capital market analysis may prove insufficient to make intelligent investment decisions. Necessary inputs, yes. Sufficient for complete analysis, certainly not.

CONCLUSIONS

We end just about where we began. Our objective was to gauge monetary analysis and flow-of-funds analysis in the context of recent history and present experience. We noted a number of caveats, a number of techniques of analysis that must be marked dubious at best. Two conclusions stand out:

(1) Monetary analysis and flow-of-funds analysis are indispensable inputs to effective investment strategy.

(2) What is passed off as trustworthy monetary analysis and flow-of-fund analysis is often of very dubious value.

DIFFERENTIAL IMPACT OF ALTERNATIVE MONETARY POLICIES

A. TAX REVISION OF MARCH-APRIL, 1975—MODERATE MONETARY POLICY

	GNP in 1958 dollars		GNP deflator		Rate of change of compensation per man-hour	Unemployment rate	Commercial paper rate	Rate of change of M1 dollars	Federal Government deficit NIA account	Rate of change of output per man-hour	Net exports current dollars	Corporate profits before tax plus IVA
	Level	Rate	Level	Rate								
1974.4	803.8	−9.4	177.9	13.6	8.8	6.5	9.1	2.2	−22.8	−4.0	1.1	104.4
1975.1	782.6	−10.6	181.4	7.8	8.3	8.4	7.1	4.8	−46.1	−1.3	3.9	90.9
.2	785.0	1.2	184.1	5.9	7.8	8.9	6.6	8.5	−83.5	5.9	5.4	105.4
.3	799.6	7.5	186.1	4.4	7.8	8.8	6.6	14.7	−91.9	6.9	4.2	125.8
.4	808.8	4.6	188.1	4.3	7.8	8.8	6.6	11.8	−87.6	3.7	−.7	132.2
1976.1	822.3	6.7	190.0	4.0	7.6	8.8	6.6	11.9	−75.0	5.4	.4	146.6
.2	833.6	5.5	191.8	3.9	7.5	8.7	6.6	9.9	−75.8	4.0	−3.4	155.1
.3	845.9	5.9	193.7	4.0	7.5	8.7	6.6	9.6	−82.3	5.0	−8.1	167.2
.4	859.3	6.3	195.6	4.0	7.4	8.6	6.6	9.8	−82.5	5.1	−11.5	181.2
B. TAX REVISION OF MARCH-APRIL 1975—6 PERCENT GROWTH OF M1$												
1974.4	803.8	−9.4	177.9	13.6	8.8	6.5	9.1	5.7	−22.8	−4.0	1.1	104.5
1975.1	782.7	−10.5	181.4	7.8	8.3	8.4	7.0	6.0	−46.0	−1.2	3.9	91.1
.2	784.8	1.1	184.1	5.9	7.8	8.9	6.9	6.0	−83.6	5.8	5.5	105.1
.3	797.1	6.3	186.1	4.5	7.7	8.9	8.5	6.0	−93.6	6.0	4.7	121.4
.4	801.4	2.1	188.1	4.3	7.7	9.0	9.5	6.0	−92.7	2.2	1.1	119.9
1976.1	807.1	2.9	190.0	3.9	7.5	9.3	10.0	6.0	−85.6	3.3	4.3	122.0
.2	809.8	1.3	191.7	3.7	7.2	9.5	10.0	6.0	−92.7	2.1	3.2	118.0
.3	813.2	1.7	193.5	3.7	7.1	9.9	9.9	6.0	−105.6	3.2	1.3	118.1
.4	817.9	2.3	195.3	3.7	6.9	10.2	9.8	6.0	−111.8	3.7	1.7	121.8
C. TAX REVISION OF MARCH–APRIL 1975—7.5 PERCENT GROWTH OF M1$												
1974.4	803.8	−9.4	177.9	13.6	8.8	6.5	9.1	5.7	−22.8	−4.0	1.1	104.5
1975.1	782.7	−10.5	181.4	7.8	8.3	8.4	7.0	7.5	−46.0	−1.2	3.9	91.1
.2	785.1	1.2	184.1	5.9	7.8	8.9	6.6	7.5	−84.4	5.9	5.4	105.5
.3	798.4	6.8	186.1	4.4	7.8	8.8	7.9	7.5	−92.7	6.3	4.4	123.6
.4	804.9	3.2	188.1	4.3	7.8	8.9	8.7	7.5	−90.2	2.8	.2	125.6
1976.1	812.9	4.0	190.0	4.0	7.6	9.1	9.0	7.5	−81.6	3.8	2.7	131.0
.2	817.6	2.3	191.8	3.8	7.3	9.2	8.9	7.5	−87.3	2.4	1.0	129.7
.3	823.3	2.8	193.6	3.8	7.2	9.5	8.6	7.5	−98.5	3.8	−1.6	133.1
.4	830.9	3.7	195.4	3.7	7.0	9.7	8.5	7.5	−102.7	4.4	−2.3	140.7
D. TAX REVISION OF MARCH–APRIL 1975—5 PERCENT GROWTH OF M1$												
1974.4	803.8	−9.4	177.9	13.6	8.8	6.5	9.1	5.7	−22.8	−4.0	1.1	104.5
1975.1	782.7	−10.5	181.4	7.8	8.3	8.4	7.0	5.0	−46.0	−1.2	3.9	91.1
.2	784.4	.8	184.1	5.9	7.8	8.9	7.1	5.0	−83.9	5.6	5.6	104.3
.3	795.3	5.6	186.1	4.4	7.7	8.9	8.9	5.0	−94.9	5.5	5.2	118.5
.4	798.0	1.3	188.1	4.3	7.7	9.1	10.1	5.0	−95.2	1.8	2.0	114.6
1976.1	802.6	2.3	189.9	3.9	7.4	9.4	10.6	5.0	−88.9	3.1	5.5	115.4
.2	804.3	.8	191.7	3.7	7.2	9.7	10.8	5.0	−96.5	1.9	4.8	110.1
.3	806.6	1.1	193.4	3.7	7.1	10.1	10.8	5.0	−110.2	3.0	3.2	108.5
.4	809.8	1.6	195.2	3.7	6.8	10.5	10.9	5.0	−117.4	3.4	4.1	110.3

EXCERPTS FROM ORAL TESTIMONY

REASONS WHY UNEMPLOYMENT RATE WILL BE DIFFICULT TO REDUCE

Slow recovery . . . construction is headed down almost across the board.

Economic overkill by the government has killed capital spending.

Impaired liquidity of both the corporate sector and soaring credit risk in a major recession is displacing prospective borrowers.

State and local retrenchment.

Inventory investment.

Errors in monetary policy.—The Fed stuck too long with their short term interest rate targets. An incredible thing happened from August through January. Bank credit in toto dropped. Not only did loans come down, C & I loans, real estate loans, loans to nonbank financial intermediaries, but the Fed was so niggardly in their stance that the commercial banking system sold or let run off their holding of government securities.—Dr. Robert Parks, Advest Institutional Services, May 21, 1975.

UNEMPLOYMENT AND INFLATION

"At the rate of unemployment of let us say 6½ percent, you have a 4 percent inflation, you are not going to be able to buy lower inflation by pushing up unemployment any further than that."—Dr. Albert Ando, Professor of Economics, University of Pennsylvania, May 21, 1975.

ONLY MODEST IMPROVEMENT IN UNEMPLOYMENT RATE PREDICTED—NOW TO 1977

"Unfortunately, the projected recovery begins from such a low level of production and from such a high level of unemployment, that economic activity will remain substantially below its full potential and that only modest improvement of unemployment can be anticipated over the forecast period which runs through the beginning of 1977."—Gerard Adams, Wharton Econometric Forecasting, May 21, 1975.

AN ANALYSIS OF MONEY POLICY

The recession was predictable.

It was manufactured in Washington.

The cost in lost output and employment is immense and I would argue unnecessary.

We still face the risk at this late stage that the Administration will continue to overstate and misinterpret both the cause of inflation and its prospects, provide inadequate stimulus, and cripple capital formation over the longer run, just as policies have killed capital formation cyclically.—Dr. Robert Parks, Advest Institutional Services, May 21, 1975.

DEPRESSION WAS PREDICTABLE LAST JULY

Evidence:

The leading indicators were falling.

Forward investment commitments of major financial institutions were falling.

Fiscal policy was largely restrictive.

Both state and local government expenditures were going nowhere.

Every monetary aggregate deflated was falling downhill—MI, M 2, M 6, M 18—bank credit—they were all falling down.

Velocity was weak.

Brand new and unprecedented depressants to the economy—oil prices.

Food.

So there were 7 forces at work at that time and it persuaded me to argue that the Administration and the Fed together were pursuing one misguided policy of giant economic overkill. I am concerned right now that economic overkill is being replaced with inadequate stimulus. Or to put it another way, it appears to me that a wrong diagnosis was made. Yes, inflation was fierce but inflation is a product of food, special circumstances (oil) and a furious spill over of excess demand. But in fact excess demand was evaporating and evaporating quickly. The Administration was in effect, fighting the wrong war with the wrong tools at the wrong time . . ."—Dr. Robert Parks, Chief Economist, Advest Institutional Services.

PACE OF RECOVERY

"We got into the recession quickly and deeply and briskly . . . we can come out of this almost as quickly as we went into it. The pace of the recovery is too slow . . . It seems to me what is required here is vigorous, stepped up monetary growth to counter what is a major slide in this economy, and I would argue secondly that perhaps the Federal Reserve should give prime attention to what I might dub a double-twist operation. If they want to increase the chances that this recovery will not be of a turtle-like character, I should think that the Treasury might focus its attention on selling short debt . . . it should avoid like the plague selling long term bonds.—Dr. Robert Parks, May 21, 1975.

MEDICARE NURSING COST DIFFERENTIAL SHOULD BE CONTINUED

Mr. EAGLETON. Mr. President, the Social Security Administration recently issued regulations, effective June 23, 1975, which terminate the 8½ percent inpatient routine nursing salary cost differential paid to hospitals for the care of aged medicare beneficiaries.

This matter is of considerable concern to hospitals in Missouri, because it means quite simply a reduced reimbursement for the care of medicare patients with the result that those costs must be absorbed by the hospitals or passed on to nonmedicare patients or other third-party payors, including medicaid.

A survey by the Hospital Association of Metropolitan St. Louis indicates that hospitals in the St. Louis area would lose over $1 million in medicare funds as a result of the elimination of this differencial.

The routine nursing salary cost differcial was instituted as a result of studies which showed "that aged patients—on the average, receive inpatient routine nursing care that is more costly on the average per day basis than the average of the remainder of the adult nonmaternity patient population."

As far as I have been able to ascertain, no information has been provided to indicate that this is no longer the case. In fact, I have been impressed with the seeming irrelevancy of the reasons for elimination of the differential set forth in the Federal Register of April 3.

The principal reasons given for the elimination of the differential were that, first, medicare now includes not only the aged but also the disabled and persons with end-stage renal disease and, second, that there has been an increase in the use of special care beds for medicare patients.

The fact that medicare now covers persons other than the aged has no bearing that I can see on the need for a nursing cost differential in the case of aged beneficiaries, the only beneficiaries for whom it is now paid.

The fact that there has been some increase in the use of special care units for aged beneficiaries for which the nursing care differential is not paid seems to be at best inconclusive evidence that the cost of routine nursing care for the aged no longer exceeds the average cost for nonaged, nonmaternity adult patients.

The information I have received from Missouri hospitals indicates that a preponderance of aged medicare beneficiaries are still cared for in routine nursing units. For instance, Barnes Hospital, St. Louis, during 1974 provided 92,377 days of care for aged medicare patients in routine nursing care units as compared to 6,126 days in special care units. At St. Joseph Hospital, Kirkwood, the ratio for aged patients in fiscal 1974 was 23,000 days of care in routine nursing units to 714 days of care in intensive care units. It is highly unlikely that ratios of this order could have resulted in a substantial decrease in the average cost of routine nursing care for aged medicare patients.

Finally, the Social Security Administration has chosen to ignore the commitment made to hospitals in 1969 that the nursing cost differential would not be modified or terminated prior to further studies of nursing care costs. No such studies have been made.

Instead, SSA has made an arbitrary determination that "a nursing cost differential is no longer appropriate as an allowable cost and reimburseable cost under the medicare program."

It seems clear that the nursing cost differential is being eliminated simply as a means of achieving an artificial reduction in medicare expenditures.

Mr. President, I believe the nursing cost differential should be continued unless and until it can be demonstrated that hospitals no longer incur above average costs for routine nursing care for aged medicare beneficiaries.

Therefore, I have asked that I be added as a cosponsor of S. 1906, the bill introduced by Senator Church to mandate the continuation of a nursing cost differential of at least 8½ percent.

THE FTC AND STUDENTS RESISTING AEROSOL FLUOROCARBON EMISSIONS

Mr. MOSS. Mr. President, the American public has been reading reports about the health, safety, and environmental dangers of aerosol products for some. time. However, there is another aspect to the aerosol problem: the hidden costs of pushbutton convenience. As much as 95 percent of the total net weight of an aerosol product can be propellant, but because most consumers are unaware of this, they may be misled into believing that they are getting more for their money than is the case. When the consumer compares the unit price of an aerosol—which contains a substantial amount of propellant—with the nonaerosol alternative—which contains no propellant—the consumer gets a distorted view of the aerosol product's inflated value. In view of the hazards associated with aerosol use, the purchase of a product induced by this deception is unconscionable.

This problem was the focus of a petition filed at the Federal Trade Commission on April 10, 1975, by three law students, Roger Clark, Gail Cooper, and Arthur McGlauflin, who have formed a group called STRAFE—students resisting aerosol fluorocarbon emissions. STRAFE is calling for the FTC to require the disclosure of the amount of propellant in the advertising and labeling of aerosol products.

Mr. President, I believe the consumer needs more information. I hope the FTC will quickly review the STRAFE petition, and I urge my colleagues to do the same.

I ask unanimous consent that the STRAFE petition be printed in the Record.

There being no objection, the petition was ordered to be printed in the Record, as follows:

Before the Federal Trade Commission, in the Matter of Petition for the Promulgation of a Trade Regulation Rule Requiring Disclosure of the Amount of Propellent in Aerosol Products

I. ABSTRACT

This is a petition for the promulgation of a Trade Regulation Rule to require the affirmative disclosure of the amount of propellant in aerosol products. It is submitted that the disclosure of the amount and percentage of propellant should be required in all advertising of aerosol products, and in the labeling of those products that are within the jurisdiction of the Federal Trade Commission. Petitioners submit that the failure to disclose such information constitutes an unfair and deceptive trade practice under the Federal Trade Commission Act, 15 U.S.C. 45.

Uninformed by the label or advertising, and unable to inspect the contents of the sealed aerosol can, the consumer blunders in the marketplace, prejudiced by a false impression of the product's contents. He does not know that the aerosol can may contain (on a weight basis) up to 95% propellant,[1] an inert chemical ingredient whose only function is to force the product concentrate, the ingredients which actually perform the desired function, out of the container. Nondisclosure of the amount of propellant consequently induces a false impression of the value of the product. Even if aware of the deception, the consumer is precluded from accurately comparing the true cost of the aerosol with its powder, liquid, or wax alternative.

Petitioners concede that not every instance of deception warrants Commission action, but the failure to disclose the amount of propellant in aerosol products is an unfair and deceptive trade practice with unusually substantial economic and social implications. The problem assumes immense significance because of the tremendous economic impact of a deceptive nondisclosure of material facts in a $3 billion a year industry,[2] and the intense consumer concern over the life-threatening environmental, health, and safety hazards of aerosol products. Federal Trade Commission intervention is imperative to halt the economic waste and dilution of purchasing power that results when the consumer is misled by deceptive and unfair advertising and labeling with respect to the contents of aerosol products.

Adoption of the proposed rule would eliminate the problem of deception, would impose only minimal burdens upon the aerosol industry, and, most importantly, would result in estimated consumer savings of up to $219 million[3] because of the consumer's enhanced ability to make more informed, and thus more perfect and rational, purchasing decisions.

II. INTRODUCTION

A. Camouflaged aerosol costs dupe the consumer

Walking into his neighborhood market, a consumer approaches a shelf abundantly stocked with aerosol products. Reaching for an aerosol can of Alberto VO5 hair spray, he sees that a 16 oz. can sells for $1.99, or what seems to be 12¢ per ounce.[4]

Nearby he notices Alberto VO5 in another form. It is the familiar nonaerosol pump system which produces a mist when the pump is depressed. Selling for $1.99 for 8 oz., the pump spray costs 25¢ per ounce. Comparing the two alternatives, the consumer would undoubtedly make what he perceived to be the optimal, rational purchasing decision—to buy Alberto VO5 in the aerosol can because of its convenience and lower cost. Is it really cheaper, though?

The consumer's computation of unit price rests upon a deceptive foundation. The aerosol can consists of two elements: the hair spray (the product concentrate) and the propellant which forces the hair spray from the can onto the hair. In Alberto VO5 the amount of propellant is 65% of the total net weight.[5] Only 5.6 ounces of the total 16 ounces is actually the hair spray. The actual, as opposed to perceived, unit price of the aerosol is thus 36¢ per ounce, three times the original cost estimate and 50%

Footnotes at end of article.

more expensive than the non-aerosol package.

This price differential is material and substantial enough that, if disclosed to the consumer, it might alter his purchasing decision, especially in light of the health, safety, and environmental costs associated with the use of aerosol cans. Simply put, this is the reason underlying this petition: to expose these camouflaged costs in the sale of aerosol products to the consumer in order that purchasing decisions may be more rational, more informed, and more perfect.

B. Survey reflects consumer confusion

Petitioners conducted an informal survey of 40 randomly selected consumers in a retail store in an attempt to ascertain the actual extent of consumer deception with respect to the contents of aerosol products.[6] Despite time and financial limitations and petitioner's unfamiliarity with sophisticated marketing research techniques, the results of the survey seem to demonstrate the compelling need for the Commission to investigate and remedy this major source of consumer deception.

The survey was conducted in the toiletries section of a Giant Food store in Bethesda, Maryland. The forty consumers were first asked if they used aerosol hair sprays; 31 responded "yes, frequently." The consumers were then asked "Are you aware that an aerosol hair spray contains the hair spray itself and a chemical propellant that forces the hair spray out of the can?" "Twenty-six people responded "yes," fourteen "no." One-third of the sample mistakenly thought that the entire content of an aerosol can was the product concentrate.

The next question asked the consumers to estimate "the percentage of the contents of the can which is propellant." The responses varied, but all were on the low side. Some of the estimates were 2%, 5%, 6%, and 8%; a few were 25%. Of the 24 people who gave a specific estimate, the average figure was 22%. Only one consumer out of the forty interviewed was able to make an estimate that vaguely approximated the actual amount of propellant.

Before the final question, the consumers were told that the actual percentage of propellant in the typical hair spray is 65%. The question then asked was "Would this knowledge make you inclined to purchase the non-aerosol hair spray in the future?" Two-thirds of the consumers (27) said that they would, armed with this information, be inclined to change their preference from the aerosol form to the non-aerosol form of the product.

This informal survey indicates vast misunderstanding about the basic nature of aerosol products; petitioner submits this has caused incalculable distortion of product demand because of purchases that would not have been made in the face of fuller knowledge. FTC action is crucially needed to explore in further depth the implications of petitioner's findings.

C. FTC ACTION IS IMPERATIVE TO HALT VAST ECONOMIC LOSSES

Every day old and familiar commodities such as Calamine lotion and Dr. Scholl's Foot Powder emerge as aerosol sprays. Three billion aerosol cans,[7] representing 600 different products,[8] are produced annually in the U.S., enough to provide every American home with 45 cans a year.[9] The name of the aerosol industry trade magazine, *Aerosol Age*, is altogether appropriate. With the industry growing at a rate of 15% a year since 1969,[10] the economic impact of the deception becomes staggering.

Footnotes at end of article.

D. Other hazards compound the need for action

The purchasing misallocations caused by the deception with respect to the contents of aerosols is one direct economic cost, but the burden is compounded by other equally serious costs. Just last week, the Washington area learned of the tragic death of one of its children. The thirteen-year-old girl was found dead in her bedroom with an aerosol can nearby. According to the Washington Post of March 13, 1975, the girl was the second child in the Washington area to die from inhaling the aerosol propellant in less than three months. This sad event is only one result of the numerous health and safety hazards attributable to the use of aerosol cans.[11] The cans not only explode; the fine spray ejected from the can coats the lungs, causing in some instances abnormal and occasionally fatal heart rhythms. Most terrifying of all is the recently presented hypothesis that the fluorocarbon propellants used in most aerosol products are destroying the ozone layer, which shields us from the sun's dangerous radiation.[12]

These dramatic costs, both confirmed and theorized, seem unacceptable; in any event, they are unquestionably unacceptable when the purchase of the aerosol product is induced by an unfair and deceptive trade practice. Not only is the consumer, because of a lack of material product information, encouraged to empty his pocketbook, but it appears that he may also be risking his life and his environment.

III. THE AEROSOL CAN: HOW IT WORKS AND WHY IT DECEIVES

The aerosol can is a simple device. The sealed can contains the product concentrate, which performs the desired function, and the propellant, which provides the pressure that forces the product concentrate out of the can when the valve is opened.[13] The propellant is an inert chemical that does not combine with the product concentrate, and which, until recently, was thought to be harmless.[14] The most commonly used propellants are the fluorocarbons,[15] best known to the public as Freon (the Dupont trade name).

Because of the product concentrate-propellant mix of the contents, the aerosol can should be thought of as both a product and a dispensing system for that product. The National Bureau of Standards noted this dual-function concept in a report on the procedures for testing the net weight of aerosols: "In a way, an aerosol package can be considered to be a 'system,' rather than simply a package, because the container includes a product dispensing system in addition to the product." [16]

The costs of an aerosol product should also be divided into the two aspects of product concentrate and dispensing system. The latter cost, that of the dispensing system, can be called the convenience cost; it represents the additional amount the consumer pays for the bush-button ease of aerosols. The purchaser, however, is unable to discover how much of the cost of the aerosol product represents the convenience cost, although an accurate measure of convenience cost is available, namely the amount of propellant in the aerosol product.

The amount of propellant is an accurate measure of the added cost of aerosol products. In comparing an aerosol product with its non-aerosol alternative, the difference in the unit price is not accounted for by different packaging costs. The cost of an aerosol container and the pump bottle are roughly the same.[17] Nor is the difference explained by the product formulation which is similar in both the aerosol and non-aerosol form.[18] The critical factor in the price differential between aerosol and non-aerosol is the amount of propellant, because propellant displaces product in the net weight. The more propellant in the aerosol can, the less the product concentrate, and the greater the cost of convenience.

Statistics concerning the amount of propellant in aerosol products are readily available to everyone but the consumer. Figures cocerning the precise amount of propellant could be easily obtained from the manufacturer or packager. A second method would be to utilize the "typical formulation" for a given product.[19]

The proportions of the product concentrate-propellant mixture vary depending upon the chemical characteristics of the product but, in each category, there are only minor brand differences, thus giving rise to what are known as "typical formulations." These standard proportions are common knowledge in the aerosol industry. They are not trade secrets because they are easily discoverable by laboratory analysis, and are cited in standard reference works on aerosol technology.[20] Some example of typical formulations are listed below:

[By net weight]

	Percent of propellant	Percent of product concentrate
Underarm deodorant	45	55
	90	10
Anti perspirant	30	70
	90	10
Feminine hygiene spray	95	5
Antifogging agents	60	40
Oven cleaner	25	75
	10	90
Prelaundry spot remover	30	70
Floor wax	50	50
Frying pan spray	45	55
Varnish	41	59
White enamel	27	73
Insect repellant	70	30

These typical formulations can be an invaluable tool, enabling the consumer to compute the convenience cost of the product. When aware of the percentage of propellant in a product, the purchaser can calculate the actual unit price of the product concentrate. Thus, in the Alberto VO5 example, if the consumer knows that 65% of the product is propellant, he will be able to base the unit price on 5.6 ounces of the product concentrate instead of the 16 oz. product concentrate-dispensing system. He can then compare the 11¢ difference between the 25¢ per oz. cost of the non-aerosol and the 36¢ per oz. cost of the aerosol product minus propellant, and know that the extra 11¢ is the convenience cost of the aerosol product.

Common sense tells us, and our survey suggests, that awareness of the added expense of the aerosol product would make an important difference in the purchasing decisions of consumers, especially in the case of consumers already concerned about the health and safety costs of aerosols. Disclosure of the precise or typical formulation is essential to dispel the mystery which presently shrouds and distorts the consumer's decision.

IV. NONDISCLOSURE OF PROPELLANT AMOUNT VIOLATES THE FTC ACT

A. Aerosol products are fictitiously priced

Throughout the years the FTC has consistently concerned itself with halting and remedying fictitious pricing practices. The Commission has continually sought to encourage responsible advertising which does not entice the customer into making purchases unknowingly based upon a misrepresentation of the true price of the product. In 1964, for instance, the Commission issued its "Guide Against Deceptive Pricing" [21] to aid the businessman in understanding what methods of price advertising do and do not "lure consumers into a mistaken belief that they are getting more for their money than is the fact." **Federal Trade Commission** Guides Against Deceptive Pricing, Jan. 8, 1964. An example of fictitious pricing was the seller who advertises a product at a bargain price and compares it to the original price when, in fact, the bargain price is the original price and the "original price" is an inflated figure cited to make the consumer believe he is taking advantage of a special bargain.

The problem of deceptive pricing can occur with the retailing of all products. The marketing of aerosol products, however, presents a new, invidious form of fictitious pricing. The consumer sees the aerosol Alberto VO5 hair spray selling for $1.99 for "16 ounces," and the pump spray selling for $1.99 for 8 ounces. A natural inference would be that the aerosol product is a better buy than the pump spray alternative. The consumer who takes the time to carefully unit price believes, in fact, that he is getting more for his money with the aerosol. But, as was shown in the introduction, this belief is fallacious.

To avoid such deceptive pricing, it is essential that the percentage and amount of propellant (and thereby the convenience cost) be explicitly stated in all advertising and labeling of aerosol products. Full disclosure is necessary here, just as the seller is required to advertise that a "1¢ sale" means buying one product at full price before buying a second for 1¢, rather than buying everything for 1¢.[22] In either instance, the seller must do his best to advertise his prices in a genuine and truthful manner and to make sure that the prices reflect real bargains if advertised as such. However, as long as the present manner of advertising aerosol products continues, the consumer will be forced to rely upon a fictitious price as the true indicator of the unit price and quantity of product.

B. Non-disclosure of the amount of propellant is a deceptive trade practice

The consumer who purchases an aerosol product is prejudiced by a false impression of the nature of the product which can lead him to overestimate the quantity of the product and/or underestimate the price of convenience. Even if generally aware of the camouflaged cost of the dispensing system, he is unable to calculate the cost of the product concentrate and thereby compare the value of an aerosol with that of its alternatives.

Without the knowledge of an aerosol product's nature, price, and value, the consumer lacks the most basic information required for making an accurate and meaningful purchasing selection. Failure to disclose the amount and percentage of propellant constitutes a failure to disclose an essential material fact. As *Mohawk Refining* held,[24] "A violation of law is established if the advertisement is silent about a material fact concerning which consumers may make erroneous assumptions." Common sense and the tentative results of petitioner's consumer survey indicate that consumers do make erroneous assumptions concerning aerosol products. In any event, the tendency to deceive inherent in this situation is readily and manifestly apparent. Affirmative disclosure of the amount and percentage of propellant in advertising and labeling is essential to dispel misconceptions arising from this deceptive trade practice.

The FTC has confronted—and effectively dealt with—similar problems in the past. In the Light Bulb Rule,[25] the Octane Rule,[26] the Care Labeling Rule,[27] the proposed Fuel Economy Rule,[28] and the proposed Food Advertising Rule,[29] the FTC has required (or moved to require) affirmative disclosure where an omission or misrepresentation in advertising or labeling has prevented valid evaluation and comparison of products.

In its analysis of light bulbs,[30] for instance, the Commission found that most consumers viewed wattage as the standard by which to measure bulbs. Wattage, however, applies only to the amount of electricity consumed by the bulb, and it is not a measure of the amount of light output (lumens) nor of bulb life. The Commission recognized that "A substantial portion of the consuming public would prefer to purchase light bulbs for specific purposes such as reading, working, or for convenience." The Light Bulb Rule held that the failure to make proper lumen and life disclosures wrongfully denied the consumer the ability to purchase bulbs suited for specific purposes. The response of the Commission was to require the disclosure of the important information that was necessary for the consumer to make an informed purchasing decision when buying light bulbs.

There is a parallel need for disclosure in aerosol products. The net weight statement, like the wattage figure, does not reveal the total picture. Just as the consumer needs lumen and life information to select the bulb that most economically meets his personal and budgetary requirements, the consumer of aerosol products needs information about the amount of propellant for the same purposes.

People purchase aerosols for two reasons: the use of the product concentrate and the convenience of the dispensing system. But unless the consumer has the propellant information that is necessary to split the cost of an aerosol product into these two factors, he will be unable to accurately match the product to his personal needs and to compare it to other non-aerosol alternatives. Affirmative disclosure is required here, as in the case of light bulbs, to ensure a meaningful and fully informed purchasing decision.

Similar considerations motivated the FTC to promulgate the Minimum Octane Rating Rule[31] in 1972. It held that failure to disclose clearly and conspicuously the minimum octane number of the gasoline on gas pumps was an unfair and deceptive trade practice. The Commission recognized that, without that information, the buyer could not intelligently choose the proper gasoline for his car. As a result, the gasoline purchased often did not meet engine requirements most efficiently and cheaply. The consumer was needlessly spending money on more expensive (higher octane) gas than his car needed. Once more, he was unable to tailor the products to his needs.

The purchaser of aerosol products is likewise hindered in his pursuit of optimal utility. If unable to compare the amount of product concentrate in Windex aerosol spray versus Windex pump spray, and, thus the respective prices, the consumer who buys an aerosol can may be paying for a convenience he does not need or want. Just as Vega or Pinto owners do not need to purchase higher octane gas, not all consumers—when fully informed—will want to purchase an aerosol product if a cheaper alternative is both available and effective. Convenience is not the priority of every consumer when balanced against cost and possible physical injury. But until he can weigh all the factors with open eyes, the consumer will continue to be frustrated in his attempts to make intelligent, reasoned purchasing decisions.

Problems arising from inadequate disclosure also motivated the Care Labeling Rule,[32] which requires all textile wearing apparel to bear labels containing care instructions for the garment. The Commission noted that the cost of a garment includes both the initial purchase price and the continuing cost of care. The latter cost, which continues for the life of the garment, was found to be very significant, but was hidden from the consumer. The Care Labeling Rule required disclosure of the type of care the garment needed so that the consumer would be advised of this care cost, and be able to make a more informed purchasing decision.

Hidden costs similarly deceive the person who buys an aerosol product. The price of convenience is concealed, and the consumer's ability to evaluate the costs and risks of the propellant is hindered. Just as the fully knowledgeable consumer may refrain from buying a fragile garment which demands dry cleaning when a machine washable alternative exists, so the consumer may think twice before grabbing for an aerosol foot powder mist instead of ordinary foot powder. Unless the FTC acts, however, the consumer is sentenced to continuing ignorance. A similar need for material disclosures underlines the Commission's proposed Fuel Economy Rule.[33] In light of the increased cost of gasoline and the energy crisis, the Commission believes that the failure to state the number of miles per gallon a new car can be expected to attain is a deceptive trade practice. Omitting statistics concerning a car's fuel economy conceals the day-in and day-out operating cost of the automobile, a primary consideration in the purchasing choice. Likewise, failure to reveal the amount of propellant is omitting a basic factor in the decision to buy an aerosol product. In both cases, disclosure is essential to enable the purchaser to engage in accurate product comparisons. In order to match his budget and needs with the proper product, affirmative disclosure is essential.

One final example is the proposed FTC Regulation on Food Advertising.[34] It is suggested that failure to disclose nutritional information in advertisements is an unfair deceptive trade practice. Hampered in his ability to choose food for its nutritional value, the consumer is more likely to squander money on high-cost, low nutrition foods. This may lead to unnecessary additional expenditures in order to meet minimum nutritional requirements. Similarly, the purchaser of an aerosol product who is unaware of the propellants cost may be spending more than is necessary for his basic requirements. In both situations, the frugal consumer fails to maximize his purchasing power and at the same time possibly jeopardizes his health. A simple brief disclosure will, however, in the case of aerosols suffice to clear up the confusion and remedy the deception.

In the final analysis, the examples presented share in common the problems presented by the retailing practices for aerosol products: deceptive or missing information prevents the *consumer* from purchasing products conforming to personal and budgetary needs. In each case, the consumer is thwarted in his struggle to make every dollar count and to satisfy his non-economic requirements. The FTC intervened with regard to light bulbs, automobiles, gasoline, food and clothing to enable the consumer to effectively exercise his true preferences; similar action is imperative for aerosol products.

C. Nondisclosure of the amount of propellant is an unfair trade practice

Failure to disclose the amount and percentage of propellant is not only a deceptive, but also an unfair, trade practice. The decision in *FTC* v. *Sperry & Hutchinson*[35] clearly established the Commission's broad power to protect the consumer from unfair trade practices. Emphasizing that concepts of fair-

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Footnotes at end of article.

ness and unfairness are not bound to the past but rather respond to changing standards of equity and fairness, the Court approved of the three general guidelines set out in the Cigarette Trade Regulation Rule.[36] Potential unfairness existed where the practice in question (1) offended public policy, (2) was immoral, unethical, oppressive, or unscrupulous, or (3) caused substantial injury to the consumer.

The Cigarette Rule and the analysis of unfairness in the proposed Trade Regulation Rule on Food Advertising[37] suggests that public policy is offended when essential consumer information is withheld. Unfairness arises because the consumer suffers the consequences of bad purchasing choices based upon inadequate and deceptive information. As the extended discussion in the previous section indicated, the consumer might be quite likely to exercise his buying preferences differently when fully knowledgeable. Public policy in favor of informed purchasing decisions, fair competition, and efficient functioning of the marketplace demands affirmative disclosure of propellant information.

That public policy is offended by the present manner of selling aerosol products is further demonstrated by the stated objective of the Fair Packaging and Labeling Act, which is "to enable consumers to obtain accurate information as to the quantity of the contents and to facilitate value comparison.[38] That goal is obviously frustrated as long as basic information is withheld.

Furthermore, the latest thrust in efforts to promote product comparison is the use of unit pricing. Commissioner Lewis Engman, the FTC Chairman, in a statement explaining the Commission's refusal to commit resources to actions concerning shrinking package sizes, stressed the importance and desirability of facilitating unit pricing as the consumer's remedy.[39] Until the percentage of propellant is revealed, however, unit pricing of aerosol products is a charade, and deceptive in and of itself.

It is apparent that nondisclosure offends public policy on many levels. It also causes substantial injury to millions of consumers who are buying 3 billion aerosol cans a year. Moreover (as will be elaborated *infra*), the consumer who would have bought a non-aerosol product if aware of the amount and cost of propellant is forced to unnecessarily bear the risk of bodily injury from proven safety dangers and alleged health and environmental hazards. The Commission has consistently held the seller to a more stringent standard of deception and unfairness where the product causes the potential of physical harm,[40] as aerosol cans do. In light of that, and the economic harm inflicted, the Commission must recognize the need for immediate action to end this unfair and deceptive trade practice.

D. Aerosol health, safety and environmental hazards multiply the dangers and the costs of the deception

Unfortunatley, monetary loss is not the only consequence of the fictitious pricing of aerosol products. Every time a consumer is lured into purchasing an aerosol product he would not have bought had he been fully informed, he risks serious bodily injury and invites irreparable harm to the environment.

1. HEALTH AND SAFETY HAZARDS

The Consumer Product Safety Commission held hearings in the spring of 1974 on the health and safety problems associated with aerosol use.[41] Aside from the well-known explosive potential of aerosol cans,[42] a rapidly growing body of scientific literature demonstrates the capacity of the fluorocarbon propellants to induce lung damage and fatal cardiac arrest when directly and indirectly inhaled.[43]

Relatively few consumers, however, will suffer a quick death at the hands of an aerosol can. Instead, more and more may suffer the ravages of skin cancer if the hypothesized threat to the ozone layer posed by the use of aerosol products is confirmed.

2. ENVIRONMENTAL HAZARDS

Leading scientists have announced that Freon appears to be accumulating in the earth's upper atmosphere and setting off chemical reactions which are destroying the ozone layer.[44] They report that its destruction would result in our increased exposure to the sun's most lethal ultraviolet rays, causing severe disruptions of the world's climate and dramatically increasing the cancer rate.

At present, no weak link in the evidential chain has been found to challenge the theory.[45] If the analysis is correct, a full blown crisis already exists because nearly all the fluorocarbons ever produced are still in the atmosphere.[46]

Donald Hunten, Chairman on the National Academy of Sciences panel researching and evaluating the threat, rather than waiting until the study is completed, has recommended an immediate consumer boycott of aerosol products.[47] The absolutely critical need to eliminate any deception that falsely induces the purchase of aerosol cans is self-evident.

3. PUBLIC CONCERN GROWING

Public awareness and concern about the risks of using aerosol products has been reflected in the mushrooming publicity and media coverage with respect to these dangers. The hazards of continuing to use aerosols are cited in many articles on environmental threats, discussed by local newspaper commentators, and reported on the national news programs.[48] Even Archie Bunker is reputed to know about the threats aerosols pose.[49]

Disclosure of the amount of propellant must be made so that the considerable number of consumers sensitized to the possible dangers of aerosol usage can have the information they desperately desire. Petitioners are not saying that the danger definitely exists. Rather, in view of the extreme nature of the possible threat and the time lag until it is absolutely verified or disproven, public policy and § 5 of the FTC Act mandate that consumers be given the necessary information to formulate their purchasing decisions in accordance with their needs and concerns.

An environmental precedent exists in the Voluntary Detergent Labeling Guide of 1972 (which is to become mandatory). Acknowledging the conusmer concern about the adverse effects of phosphates on water pollution, and realizing that consumers could not act upon that concern unless they could compare the phosphate contents of various detergents, the FTC recommended disclosure of the amount and percentage of phosphates in detergent. In this way, the consumer would have the necessary environmental information relevant to his purchasing decision, and would be able to decide, for example, whether to pay more money for a brand with a lower phosphorous level. The same need exists with respect to aerosol products—in fact, even greater in this instance, because of deceptive advertising and labeling practices.[50]

V. ONLY THE FTC CAN ADEQUATELY REMEDY THE PROBLEM

A. FTC jurisdiction

FTC jurisdiction extends to include deceptive and unfair trade practices in commerce. Nondisclosure of the amount of propellant is a glaring violation of Section 5 of the FTC Act and clearly affects the public interest by virtue of its significant impact upon nearly every American consumer. Aerosol products are shipped across state lines and sold in every municipality of the United States, and are purchased for a multitude of uses each day. This $3 billion a year business clearly is "in," and clearly "affects," commerce.[51]

B. FTC is the best agency to remedy the problem

The essence of the petitioner's request concerns the economic distortions and implications of an unfair and deceptive trade practice, which the Federal Trade Commission is best qualified to remedy.

Advertising has a tremendous impact on the purchasing patterns of consumers who, in many cases, have made the market choices before entering the store. In order to effectively inform the consuming public, it is necessary to regulate pre-point of sale advertising.

The Commission also has significant labeling jurisdiction under the Fair Packaging and Labeling Act.[52] While the Food and Drug Administration has power over the labeling of food, drugs and cosmetics,[53] the FTC has authority over the remainder of consumer products, which constitutes a majority of the National Bureau of Standards' list of fifty aerosol product categories.[54] Thus, the FTC has far wider jurisdiction, and far more extensive potential for solving the problems posed, than does the FDA.

The Food and Drug Administration is also not as well suited as the FTC because its major concern is the health and safety of foods, drugs, and cosmetic products, rather than unfair and deceptive trade practices. The recently published requirements of warning statements on cosmetic products[55] indicates the major focus of the FDA interest in aerosols is their potential health and safety hazards. Petitioners are concerned with the possible health and safety and environmental hazards of aerosol products, but their main concern is the economic impact of deception and the inability of the consumer to most efficiently satisfy his needs.

Another federal agency concerned with aerosol products is the Consumer Product Safety Commission, but like the FDA, the thrust of its concern is the health and safety problems of aerosols. The CPSC is empowered to promulgate product safety standards,[56] which in this instance could include container requirements, use warnings, or a ban of fluorocarbon propellants. Only a total CPSC prohibition of the manufacture and sale of all aerosol products would obviate the necessity for FTC action. However, such action is extremely unlikely in light of the absence of any previous CPSC ban of an entire product line, the tremendous financial impact such a prohibition would have, and the lack of any significant CPSC action since the hearings of a year ago. If the CPSC takes any other form of action, the problem of deception will continue unchecked.

The Federal Trade Commission remains the sole federal agency with the authority and the ability to handle the problem of consumer deception found in the aerosol marketplace. The FTC must move to end this deception by requiring the disclosure of the amount of propellant in aerosol products.

VI. PROPOSED RULE AND FTC AUTHORITY TO PROMULGATE IT

A. The proposed rule[57]

The Commission hereby promulgates, as a Trade Regulation Rule, the following provisions in connection with the advertising and labeling of aerosol commodities:

Footnotes at end of article.

1. That the percentage of propellant, by weight, in any aerosol commodity shall be disclosed in a clear and conspicuous manner in all advertising for such commodity.

2. That the principal display panel of every aerosol commodity within the labeling jurisdiction of the Federal Trade Commission shall include a clear and conspicuous statement disclosing the percentage of the total weight of the contents that the propellant represents. The percentage statement shall be disclosed in a uniform location either to the side of, or beneath, the net weight declaration in a type size equal to that used for the net weight declaration.

Example: Net Wt. 10 oz. (73% Propellant)
Net Wt. 10 oz. (73% Propellant)

3. That the contents of every aerosol commodity within the labeling jurisdiction of the Federal Trade Commission shall be divided into "Product" and "Propellant" categories, and the amount in each category, by weight and percentage, shall be disclosed in a clear and conspicuous manner on the principal display or alternate panel.

Example: Product: 2.7 oz. (27%), Propellant: 7.3 oz. (73%).

4. That failure to comply with the above provisions constitutes an unfair and deceptive trade practice, as defined by the Federal Trade Commission Act.

B. General authority

Under the new FTC Improvements Act,[58] the Commission has specific authority to issue Trade Regulation Rules.

C. Advertising authenticity

Under Sections 5 and 15 of the FTC Act,[59] the Commission has the authority to regulate the advertising of all consumer products in or affecting commerce when a violation of the law occurs.

D. Labeling

Under the Fair Packaging and Labeling Act[60] (which derives its specific authority from Section 5) and the terms of an informal working agreement between the FTC and FDA, the FTC is responsible for regulating the labeling of all non-food, non-drug, and non-cosmetic items. Food, drug and cosmetic products come within the purview of the FDA and compromise only 40% of a list of aerosol products compiled by the National Bureau of Standards.[61] Thus, the FTC has labeling jurisdiction over the majority of aerosol products, including, for example, oven cleaners, starches, de-icers, and moth-proofers. (See appendix for fuller list.)

Amendment of Regulation 500.22—Part 2 of the Proposed Rule

Part 2 of the proposed rule does suggest, however, an amendment to supplement two existing FTC regulations interpreting Section 4 of the Fair Packaging and Labeling Act. Regulation 500.22[62] states that the net quantity statement of an aerosol product must declare the amount of the contents expelled when instructions for use are followed. While this regulation commendably provides for the exclusion of the residue (that material which can never be expelled) from the net quantity statement, experience since its promulgation and increasing consumer concern have demonstrated the need for an additional disclosure requirement to prevent deception. Thus, the underlined [italic] sentence below should be added to the present regulation 500.22:

"*Provided*, That in the case of a commodity packed in a container designed to deliver the commodity under pressure, the statement shall declare the net quantity of the contents that will be expelled when the instruction for use are followed. The propellant is included in the net quantity statement; *however, the percentage of propellant present in the commodity shall be disclosed along with the net weight.*"

Amendment of Regulation 500.20—Part 2 of the Proposed Rule

A reading of Regulation 500.20[63] would appear, at first impression, to bar Part 2 of the proposed rule. However, analysis of the Regulation and its exceptions indicates its purpose is to provide for an informative and non-deceptive disclosure of the net quantity statement, which is precisely the goal petitioners seek.

The regulation states:

"Nothing contained in the regulations in this part shall prohibit supplemental statements, at locations other than the principal display panel, describing in non-deceptive terms the net quantity of contents: *Provided*, That such supplemental statements of net quantity of contents shall not include any term qualifying a unit of weight, measure, or count that tends to exaggerate the amount of commodity contained in the package. (Examples of prohibited language are: "Giant Quart," "Full Gallon," "When Packed," "Minimum," or words of similar import.) Required dual declarations and combination declarations of net quantity of contents (for example, a combination of net weight plus numerical count, . . .) are not regarded as supplemental net quantity statements and shall be located on the principal display panel. Dilution directions or other similar directions for use are not regarded as supplemental net quantity statements and may be located on the principal display panel. . . ."

In most instances, then, supplemental statements concerning net quantity are premitted only at locations other than the principal display panel. This appears to reflect (1) the general fear expressed in the regulation that a supplemental statement might include a qualifying term that would tend to exaggerate the amount of the commodity and (2) the specific fear that a supplemental statement on the principal display panel might detract from the net quantity statement.

Exceptions are made, however, in cases in which it is apparently felt that additional disclosures are necessary to avoid confusion and to aid the consumer. Thus, dual declarations and combination declarations of weight such as "Soap Bars: 6 Bars, Net Wt. 3.4 oz. each, Total Net Wt. 20.4 oz." are not considered supplemental net quantity statements and are permitted on the principal display panel.[64] Since a statement of "Soap Bars, Net Wt. 20.4 oz." is ambiguous and leaves no indication of the number or size of bars being purchased, one reasonably assumes that the excepton was motivated by the need for a more elaborate declaration to clarify the net weight statement.

Petitioner believes an analogous need for clarification exists with respect to aerosol products. The thrust of this petition has been to demonstrate that consumers are confused and deceived by the present labeling practices. A statement of the percentage of propellant on the principal display panel contiguous to the net weight statement is essential to make the concept of net weight of the commodity meaningful and functionally useful to the consumer (in the same manner that dual declarations aid the consumer). Allowing another exception would further the object of the regulation, namely, to promote the description of net quantity in non-deceptive terms. The additional principal display panel statement would decrease, rather than increase, the possibility of consumer deception resulting from misperceptions of the net quantity statements.

Furthermore, another exception has been made to allow dilution directions or other directions for use to be included on the principal display panel.[65] Although they bear no direct relationship to the net quantity statement and could easily be relegated to side or back panels, directions for use are apparently considered sufficiently important to merit space on the principal display panel. Surely, clearing up consumer confusion about the net quantity of contents, especially in view of the legal requirement that the net weight statement be on the principal display panel, equally merits an exception to the regulation.

Amending Regulation 500.20 so that percentage of propellant is not considered a supplemental net quantity statement and is included on the principal display panel furthers the particular purpose of Regulation 500.20 and the goals of the Fair Packaging and Labeling Act, and is necessary to avoid deception.

Part 3 of the proposed rule

Part 3 of the proposed rule clearly falls within the parameters of present regulations. The further elaboration of the brief statement on the principal display panel on another panel will make it simpler for the consumer to compare products and to unit price on the basis of product concentrate. Together with Part 2, the revised label would meet the Congressional concern expressed in the legislative history of the Fair Packaging and Labeling Act about inefficient or nonexistent ingredient information, such as the failure to disclose the percentage of costly and inexpensive ingredients or active and inert ingredients.[66]

VII. THE PROPOSED RULE PRESENTS ENORMOUS POTENTIAL FOR ECONOMIC SAVINGS

If adopted, the rule that petitioner proposes will result in substantial savings to consumers. Petitioner's estimates of direct monetary savings alone range from $5.2 million a year to $219.2 million a year (see Appendix, D, *infra*) for those consumers choosing to purchase the non-aerosal alternatives as a result of the propellant disclosure. Additional untold and incalculable millions of dollars will be saved by a reduction in damage to persons and property caused by the health and safety dangers associated with aerosols. It is impossible to assign a dollar figure to what may be, if the scientific hypothesis is substantiated, the most significant saving of all—the saving of the earth's ozone layer and the preservation of our very skins.

Petitioner's cost-benefit analysis, with the estimate of the direct economic savings, is fully laid out in Appendix D. To estimate monetary savings, the analysis considers five factors. The two variable factors are (1) the average percentage of propellant contained in aerosols, and (2) the percentage of consumers presently purchasing aerosols who would switch to purchasing non-aerosols if informed of the amount of propellant. The three constant factors are (1) the average unit cost of the aerosol package, (2) the average unit cost of the non-aerosol package, and (3) the composition of the product concentrate in the aerosol and non-aerosol forms.

The analysis assumes that the number of consumers who will switch is approximately proportional with the amount of propellant. That is to say, the higher the amount of propellant, the more consumers who will be persuaded to switch to the non-aerosol alternative. By combining the five factors in various ways, the result is a series of estimates ranging from savings of $5.2 million a year to $219.2 million a year. The range is undeniably broad, but even the most conservative figure, in light of the additional incalculable savings and the minor costs, is strong evidence of the economic justification for the proposed rule.

The costs of adopting the rule would be minimal. The burden on the manufacturers would be slight because the aerosol industry already knows how much propellant is going

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Footnotes at end of article.

into each aerosol product. As was shown before, these amounts are standardized, giving rise to typical formulations. The burden of disclosure would simply involve a few additional words on the advertisements and labels of aerosol products, certainly a negligible cost in light of the benefits to be reaped.

The costs of administration and enforcement of the proposed rule would be relatively minor. The Federal Trade Commission could easily ascertain compliance by monitoring the advertisement and labeling of aerosol cans, and if need be, simple testing to verify the propellant figures. Thus, the cost aspect of the cost-benefit analysis is minimal for both private industry and the FTC.

VIII. THE PROPOSED RULE WILL BE MEANINGFULLY USED BY CONSUMERS

Disclosure of the amount of propellant would provide the consumer with important information that could be easily understood and used. As was shown previously,[67] if the purchaser knows what percentage of the aerosol product is propellant, he can calculate the actual amount of product concentrate. By basing his unit-price calculations on the amount of product concentrate, the consumer would have a cost figure that was a true reflection of the product cost. By comparing this figure with the unit price of non-aerosol alternatives, the consumer would have an accurate measure of relative product value. Even if he were not interested in a precise calculation of the unit price, knowledge of the amount of propellant would give him a rough idea of the product's composition—enough to know whether he was purchasing a product that was almost all propellant, or all product concentrate

Numerous alternatives exist if the consumer would prefer not to purchase the aerosol product. Guardsman Spray Furniture Polish can be replaced by liquid Guardsman Furniture Polish; spray Windex Glass Cleaner by pump Windex Glass Cleaner; Niagara Spray Laundry Starch by Niagara Instant Laundry Starch; Ban Spray Deodorant by Ban Roll-On; Easy Off Aerosol Oven Cleaner by Easy Off Paste Oven Cleaner; spray charcoal lighter by liquid charcoal lighter; spray shoe polish by liquid shoe polish; Bactine aerosol spray by Bactine pump spray; and so forth. Few products are not available in a powder, liquid, or wax alternative, and few aerosol sprays are absolutely necessary.

In addition to existing alternatives, a shift in consumer preferences would encourage the development of additional alternatives. An example would be the recent development of Flex Non-Aerosol Hair Net. In fact, the advertising and labeling of Flex stresses "It's pure product with no propellants."[68]

The consumer can also easily change his purchasing patterns since the life of an aerosol product is relatively short.

In light of the ease with which consumers could use the information disclosed by the rule, and the feasibility of buying alternative products when desired, affirmative disclosure of the amount of propellant is a workable and desirable means of preventing deception in the sale of aerosol products.

IX. INTERESTS OF PETITIONERS

The petitioner, Students Resisting Aerosol Fluorocarbon Emissions (STRAFE), is an organization of three George Washington University law students, Roger Clark, Gail Cooper, and Arthur McGlaughlin. These students are personally affected by the problems discussed in this petition, and appeal to the Federal Trade Commission for relief.

As consumers, the members of STRAFE are personally harmed by the deception resulting from nondisclosure of essential aerosol product information. Despite attempts to make accurate product comparisons and purchasing decisions, they are frustrated by the hidden costs of aerosols. The members desire convenience—but only at a reasonable cost. As consumers fighting inflation, they must minimize unnecessary and wasteful expenditures.

STRAFE is also alarmed by the indirect yet very substantial economic costs that occur when an aerosol, rather than its non-aerosol alternative, is purchased. As consumers, taxpayers, and members of the public, the members are forced to bear the costs of health and safety injuries caused by aerosol cans and suffer the waste of natural resources because of the non-recyclable nature of the can. They are most disturbed, however, by the new theory that fluorocarbon propellants are the ultimate agents for destruction of life on this planet. STRAFE cannot accept the imposition of these life-threatening dangers and costs when they result from a purchase that might not have been made had the deception in the aerosol marketplace not existed.

X. CONCLUSION

The cost of an aerosol product includes the concealed cost of push-button convenience. The consumer often does not know that this cost, although substantial, exists. He is precluded in any event, from calculating it when the necessary information is withheld. As a result, the consumer is unable to accurately evaluate the product and its value to compare it with other alternatives, to unit price accurately, or to maximize his purchasing power. This, in turn, prevents the efficient operation of the consumer marketplace.

In a time of both inflation and recessions, the consumer can ill afford to squander precious dollars. More is at stake than, for instance, in the case of the purchase of individually wrapped cheese slices packed together. There, FTC action is unnecessary because the consumer is fully aware of the cost of convenience and is not endangered by the package or side effects. The cost and nature of the delivery system of the aerosol can remains, however, a mystery to even the most aware consumer. The resulting deception not only leads to the economic frustration of the consumer but also induces the purchase of a product that poses serious threats to his health, safety, and environment.

Simple disclosure of the amount and percentage of propellant in adverstising and labeling would remedy an unfair and deceptive trade practice that is both dangerous and costly. This information could and would be used by consumers to enable them to exercise their preferences under understanding and awareness. It is imperative that the Commission move to give the consumer this most basic tool for informed purchasing decisions.

FOOTNOTES

[1] The Science and Technology of Aerosol Packaging (J. Sciarra and L. Stoller, eds. 1974), 356.

[2] Aerosols: The Medical Cost of Convenience, 39 Consumer Reports 374 (1974).

[3] See petitioner's cost-benefit analysis, Section VII and Appendix X.

[4] Prices from A&P Food Store, Bethesda, Maryland, November, 1974.

[5] The Science and Technology of Aerosol Packaging, *supra,* note 1, at 391–393.

[6] See Appendix A.

[7] Consumer Reports, *supra,* note 2.

[8] How Aerosol Sprays Can Affect Your Safety and Health (Center for Science in the Public Interest, 1974).

[9] Consumer Reports, *supra,* note 2.

[10] Washington Post, Nov. 21, 1974, at A 15.

[11] Consumer Reports, *supra,* note 2. How Aerosol Sprays Can Affect Your Safety and Health, *supra,* note 8.

[12] Petition of Natural Resources Defense Council for the Promulgation of a Rule Declaring Pressurized Products Containing Certain Fluorocarbon Propellant Compounds to Be Banned Hazardous Products, submitted to CPSC, Nov. 19, 1974; New York Times, Sept. 26, 1974, p. 1, Sept. 27, 1974, p. 74, Nov. 21, 1974; p. 29, Feb. 28, 1975, p. 20; Not With A Bang But With A Pssst!, 4 New Times 26 (1975).

[13] 45 Modern Packaging Encyclopedia 306 (1972).

[14] Consumer Reports, *supra* note 2.

[15] New Times, *supra,* note 12.

[16] N.B.S., Checking Packaged Aerosol Products, at 2 (1970).

[17] 47 Modern Packaging Encyclopedia 32 (1974).

[18] The Science and Technology of Aerosol Packaging, *supra,* note 1, at 32.

[19] *Id.*

[20] *Id.* See also Johnson, Dorland, and Dorland, the Aerosol Handbook; Sanders, Principles of Aerosol Packaging.

[21] The Science and Technology of Aerosol Packaging, *supra,* note 1 at p. 356–368, 509, 520–527.

[22] F.T.C., Guides Against Deceptive Pricing (1964).

[23] *Id.*

[24] Mohawk Refining Corp., 54 FTC 1071, 1077 (1958).

[25] Trade Regulation Rule Relating to Incandescent Lamps (Light Bulbs) (1971), 35 FR 11784.

[26] Trade Regulation Rule Including A Statement of Its Basis and Purpose: Posting of Minimum Octane Numbers on Gasoline Dispensing Pumps, (1972), 36 FR 23876.

[27] Trade Regulation Rule: Care Labeling of Textile Wearing Apparel, (1972), 36 FR 23889.

[28] Proposed Trade Regulation Rule: Automobile Fuel Economy Claims, (1974), 39 FR 34382.

[29] Proposed Trade Regulation Rule and Staff Statement: Food Advertising, (1974), 39 FR 39842.

[30] Light Bulb Rule, *supra,* note 25.

[31] Octane Rule, *supra,* note 26.

[32] Care Labeling Rule, *supra,* note 27.

[33] Proposed Fuel Economy Rules, *supra,* note 28.

[34] Proposed Food Advertising Rule, *supra,* note 29.

[35] *F.T.C.* v. *Sperry and Hutchinson,* 405 U.S. 233 (1972).

[36] Trade Regulation Rule for the Prevention of Unfair or Deceptive Advertising and Labeling of Cigarettes in Relation to the Health Hazards of Smoking and Accompanying Statement of Basis and Purpose of Rule, (1964), 29 C.F.R. 8351.

[37] Proposed Food Advertising Rule, *supra,* note 29.

[38] Fair Packaging and Labeling Act, 15 U.S.C. 1451.

[39] FTC Rejects Probe of Fraud in Packaging, Washington Post 10/17/74 at § A40.

[40] Cigarette Rule, *supra,* note 36.

[41] Consumer Product Safety Commission (C.P.S.C.), hearings Feb. 20, 21, and Mar. 11, 1974.

[42] Consumer Reports, *supra,* note 2. See National Electronic Injury Surveillance System (NEISS), maintained by the C.P.S.C.

[43] Dr. Sidney Wolfe and David Masselli, Health Research Group, testimony before C.P.S.C., Feb. 20, 1974. Consumer Reports, *supra,* note 2. How Aerosol Sprays Can Affect Your Safety and Health, *supra,* note 8.

[44] NRDC petition, *supra,* note 12. STRAFE meeting with Dr. F. Sherwood Rowland, Oct. 25, 1974, *supra,* note 12.

[45] *Id.*

[46] New Times, *supra,* note 15, at 27.

[47] New York Times, Oct. 31, 1974, p. 26.

[48] C.B.S. Evening News With Walter Cron-

kite, Oct. 3 and 8, 1974. See New York Times articles, *supra*, note 44.

[49] C.B.S., All in the Family, show aired October 25, 1974.

[50] Voluntary Detergent Labeling (1972), 37 FR 23363.

[51] F.T.C. Improvements Act.

[52] Fair Packaging and Labeling Act, 15 USC 1451.

[53] 15 USC 1454(a).

[54] N.B.S., *supra*, note 16, at 12–13. List reproduced as Appendix B.

[55] "Cosmetic Products" Warning Statements/Package Labels (1975), 40 F.R. 8912.

[56] Consumer Product Safety Act, 15 USC 2056.

[57] See Appendix C, Notes to the Proposed Rule.

[58] F.T.C. Improvements Act.

[59] 15 USC 45, 52.

[60] Fair Packaging and Labeling Act, 15 USC 1451.

[61] N.B.S., *supra*, note 16, at 12–13.

[62] Title 16, Chapter 1—F.T.C.—Subchapter E—Rules, Regulations, Statement of General Policy or Interpretation and Exemptions under the Fair Packaging and Labeling Act.

[63] *Id.*

[64] *Id.*, at 500.20.

[65] *Id.*

[66] CCH Trade Regulation Reporter, § 7015 at 11,021.

[67] See *supra*, Section III, p. 4–6.

[68] Flex Non-Aerosol Hair Spray; Revlon Inc. statement on package.

[69] N.B.S., *supra*, note 16, at 12–13.

[70] The Science and Technology of Aerosol Packaging, *supra*, note 1.

[71] *Id.*

[72] 47 Modern Packaging 52 (1974).

[73] Consumer Reports, *supra*, note 2.

[74] 47 Modern Packaging 34 (1974).

APPENDIX A: CONSUMER SURVEY

Giant Food Store, Bethesda, Md., January 4, 1975.

1. Do you use aerosol hair sprays? Frequently: 31. Infrequently: 9.

2. Are you aware that an aerosol hair spray contains the hair spray itself and a chemical propellant that forces the hair spray out of the can? Yes: 26. No: 14.

3. What is your estimate of the percentage of the contents of the can which is propellant? ("NI"=No Idea)

Yes People: 2%, 20%, NI, 25%, 16%, NI, 50%, NI, 6%, 60%, 10%, 5%, NI, 33%, 40%, 15%, NI, 8%, 30%, NI, 5%, NI, 10%, NI.

No People: 50%, NI, 25%, NI, NI, NI, 10%, NI, 25%, 5%, NI, 11%, 50%.

NI=16.

Average=22%.

4. The actual percentage of propellant in a typical hair spray is 65%. Would this knowledge make you inclined to purchase non-aerosol hair spray in the future? Yes: 27. No: 13.

APPENDIX B [69]

Examples of non-food foam products

Shave creams
Hand creams
Facial foam
Shampoos
Oven cleaners
Upholstery cleaners
Degreasers

Examples of food products

Whipped toppings
Frostings
Syrups
Frosted whips
Cheese spreads

Examples of low-viscosity products

Hair sprays
Colognes
Window cleaners
Starches and material finishes
Insecticides
Room deodorants
Deodorants (personal)
Waterproofers
Mothproofers
Antiseptics and medicants
De-icers
Ignition spray
Insect repellant
Furniture polish
Dog and pet sprays
Oil spray
Battery cleaner
Shoe polishes and leather conditioners
Wall cleaner
Suntan lotion
Spray-on bandage
Run-stoppers
Pre-shave lotion
Nasal relief spray
External analgesics
Charcoal lighters
Fire extinguishers
Anti-static spray
Carburetor cleaners
Plant food
Auto quick start sprays
Whitewall tire cleaner

Examples of high-viscosity products

Paints
Enamels
Lacquers
Acrylic coatings
Varnishes
Undercoatings

APPENDIX C: NOTES TO THE APPROVED RULE

1. For the purposes of Part 1 of this Rule, "Advertisement" includes but is not limited to advertising in newspapers, magazines and other periodicals published and distributed in the United States, radio and television commercial messages, advertisements appearing on billboards placed or located within the United States including public transit end boards, direct mail circulars and inserts, point and non-point-of-sale promotional materials, exhibits, and leaflets, and other advertisements.

2. For the purposes of Parts 1, 2 and 3 of this Rule, "Propellant" means the chemical ingredient whose function is to provide the pressure that forces the contents out of the can.

3. For the purposes of Part 2 of this Rule, the meaning of "Net Weight" is defined as in § 500.22, Title 16, Chapter 1, Sub-chapter E—Rules, Regulations, Statement of General Policy or Interpretation and Exemptions under the Fair Packaging and Labeling Act (FPLA).

4. For the purposes of Parts 2 and 3 of this Rule, the meaning of "Label" is defined as in Sec. 10(c) of the FPLA and § 500.2(e) of Subchapter E.

5. For the purposes of Part 2 and 3 of this Rule, the meaning of "Principal Display Panel" is defined as in Sec. 10(f) of the FPLA and § 500.2(h) of Sub-chapter E.

6. For the purposes of Part 2 of this Rule, the rules and regulations governing type size, location on the label, and conspicuousness of Net Weight statements shall apply to the propellant statement. [The intent is that the propellant statement be given equal significance to the net weight statement]. See Sec. 4(a) (3) (B) (C) (D) of the FPLA; § 500.6(b) § 500.17 and § 500.18 of Sub-chapter E; Bulletin #5 (June 13, 1969)—"Additional Declarations of Net Quantity on Principal Display Panel, and Variation in Required Type of Size."

7. For the purposes of Part 3 of this Rule, "Product" means Product Concentrate (the ingredients which actually perform the desired function for which the commodity is purchased). (Petitioners feel there are arguments for and against using the exact term "Product Concentrate" on the label. However, since "Product Concentrate" may sound overly technical to the consumer and be likely to confuse him, Petitioners tend to favor use of the term "Product.")

8. For the purposes of Part 3 of this Rule, the location of the statement that is required by this part on the principal display panel is desirable but not necessary. Inclusion of the statement on a panel other than the principal display panel is satisfactory; Provided, however, that the statement is printed generally parallel to the base upon which the package rests as it is designed to be displayed.

APPENDIX D: COST BENEFIT ANALYSIS

To estimate the direct monetary savings that would accrue from the proposed rule, five factors are quantified. The two variable factors are (1) the average percentage of propellant contained in aerosol products, and (2) the percentage of consumers presently purchasing aerosols who would switch to purchasing nonaerosols if informed of the amount of propellant. The three constant factors are (1) the average unit cost of the aerosol package, (2) the average unit cost of the non-aerosol package, and (3) the composition of the product concentrate in the aerosol and non-aerosol forms.

An estimate of the average percentage of propellant contained in aerosols may be derived by examining the available typical formulations and the statistics of the number of aerosol units produced in various product categories. The table below is the basis for the various estimates that follow:

TABLE I

Category	Number of units produced in 1973 [69]	Percentage of propellant in typical formulations [70]
Personal	1,495,128,000	Hair spray: 70,65,60. Antiperspirant: 91, 91.6, 90,86,50,92. Deodorant: 90,45,27. Feminine Hygiene Spray: 95, 45, 27. Insect repellant: 70, 75. Cologne: 40, 10. After-bath spray: 40. Depilatory: 10. Shaving cream: 5.
Household	689,632,000	Floor wax: 50. Frying pan spray: 50. Prelaundry spot remover: 30. Oven cleaner: 25.1. Window cleaner: 10. Bathroom cleaner: 10.
Coatings	270,347,000	Spray paint: 49,41,25.
Insect sprays	134,894,000	
Food	94,605,000	
Automotive	76,302,000	
Industrial	100,023,000	
Animal	17,842,000	
Miscellanous	23,567,000	
Total	2,902,340,000	

The figures selected to represent the average percentages of propellant in aerosol are 20%, 40%, and 60%. The above table would seem to indicate that 20% is too low, and that 60% is on the high side. Further data on the number of units of each separate product formulation is needed to obtain more accurate estimates.

An estimate of the percentage of consumers presently purchasing aerosols who would switch to the non-aerosol alternatives if informed of the propellant percentages is admittedly a relatively arbitrary figure due to the nonavailability of factual data. The trend towards consumer purchases of house brands and economy sizes indicates a concern with economy. It may be expected that as the amount of propellant increases, more of these economy-minded consumers will be persuaded to switch to the non-aerosol form of the product.

In light of the relative arbitrariness of the estimate of the percentage of consumers who would switch, these figures will be given as a range.

The percentages of consumers who will switch are as follows:

(1) Average propellant % of 20% : 5%–15% will switch.

(2) Average propellant % of 40% : 25%–40% will switch.

(2) Average propellant % of 60% : 40%–70% will switch.

The average unit cost of aerosol packaging is $.18 per unit. This figure is derived by dividing the projected total value of aerosol packaging in 1974, $525 million,[71] by the projected total number of aerosol units produced, 2.9 billion.[72]

According to industry sources, the average unit cost of packaging for non-aerosols is equal to the unit cost for aerosols.[73] Moreover, this analysis assumes that the nonaerosol unit will be of equal capacity in terms of volume to the aerosol unit that is being replaced. This means that a nonaerosol unit of, for example, 10 fluid ounce capacity is available to replace an aerosol unit of the same 10 fluid ounce capacity at the same cost. In truth, this equation overrepresents the economy of the aerosol package because it overlooks the refill capacity of the non-aerosol container. This capacity enables the consumer to purchase replacement quantities of the product without having to pay for the relatively costly pump each time, thus lowering the overall costs. In addition, the other non-aerosol alternatives—simple dispensers of liquids and solids—are less expensive than either the pump non-aerosol or the aerosol.

The composition of the product concentrate is the same for the non-aerosol and the aerosol formulation in most products. For those products that this is not true, it appears that the formulation differences are minor. Thus, the cost of the product concentrate is relatively equal for both the non-aerosol and the aerosol form.

Table II shows the calculations involved in determining the direct monetary savings that will accrue as present consumers of aerosol products switch to the non-aerosol alternatives. The table is explained more fully by the Notes that follow.

(a) Units of aerosols expected to be sold without disclosure (in millions)	(b) Average percent of propellant contained in aerosols	(c) Percent of consumers "switching" to nonaerosols	(d) Reduction in aerosols sold (a)×(c) (millions)	(e) Equivalency factor of aerosol to nonaerosol (1−(b))	(f) Increase in nonaerosols sold (d)×(e) (millions)	(g) Reduction in overall packaging units (d)−(f) (millions)	(h) Unit cost of aerosol nonaerosol package	(i) Packaging savings (g)×(h) (millions)
2,900	20	5	145	0.8	116	29	$0.18	$5.2
2,900	20	15	435	.8	348	87	.18	15.7
2,900	40	25	725	.6	435	290	.18	52.2
2,900	40	50	1,450	.6	870	580	.18	104.4
2,900	60	40	1,160	.4	464	696	.18	125.3
2,900	60	70	2,030	.4	812	1,218	.18	219.2

NOTES TO TABLE II

1. Column (a) represents the number of aerosols sold in 1973.

2. Column (b) and (c) are the two variable factors, and represent the estimates of average percentage of propellant and the percentage of consumers who will switch to the non-aerosol form. The figures express a range of possibilities, to reduce the error.

3. Column (d) represents the reduction in the number of aerosols sold because the designated percentage of former purchasers have switched to buying non-aerosols.

4. Column (e) is the equivalency factor, which represents the fractional amount of a non-aerosol which contains the same amount of product concentrate as contained in one entire aerosol. As an example, the figure on the first line of Column (e) is .8 which reflects the assumption of the first line of Column (b) that the average aerosol contains 20% propellant. Hence, in two containers of equal capacity, the contents appear thusly in pictorial form: [Not printed in Record.]

The amount of product concentrate in the aerosol is 80% of 10 ounces, or 8 oz. The equivalent of these 8 ounces is 8 ounces in the non-aerosol, which is .8 of the non-aerosol, since it is 100% product concentrate.

The purpose of the equivalency factor is to determine how many non-aerosol units must be produced to replace the aerosol units that are no longer being sold. Because the non-aerosols do not contain propellant, there are less of them needed to hold the same amount of product concentrate. This is what the equivalency factor measures.

5. Column (f) represents the number of non-aerosols whose aggregate amount of product concentrate will equal the aggregate amount in the aerosols not purchased.

6. Column (g) represents the reduction in the total number of packaging units sold because the non-aerosol can contain more product concentrate than the aerosol.

A REPORT OF THE UNITED NATIONS DEVELOPMENT PROGRAM

Mr. McGEE. Mr. President, during the congressional consideration of the foreign assistance appropriations for fiscal year 1975, deep cuts were taken in a number of bilateral and multilateral development programs.

In essence, I believe there is a strong base of support in the Senate for these programs. This was evidenced by the overwhelming vote on the floor in support of an additional $100 million for food and nutrition programs above what was recommended by the Appropriations Committee. The amendment, offered by my distinguished friend and colleague, the junior Senator from Minnesota (Mr. HUMPHREY), passed by a vote of 65 to 28. The Foreign Assistance Appropriations passed by a vote of 57 to 40, a very strong showing of support.

By the same token, I was very disappointed over the cuts in our voluntary contributions to the United Nations. Of particular concern was the cut in the U.S. contribution to the United Nations development program. I realize there are some in the Senate who claim I am the only supporter of the U.N. programs. At least, it has come to my attention that assertions of this nature have been made. If this is the case, I would urge those of my colleagues who have voiced their support for the United Nations in the past to join with me in disproving this claim when the Senate begins consideration of the fiscal year 1976 foreign assistance programs.

I surmise one of the difficulties in maintaining a base of support for U.N. programs stems from a lack of information concerning these programs. Therefore, in order to perform an educational function, I am, beginning today, inserting the individual sections of the Administrator Reports on the United Nations Development Program for 1974. I would hope my colleagues would avail themselves of the information contained in this report, enabling us to better judge the merits of the program.

First of all, I would like to call the attention of my colleagues to various observations contained within the summary, background and policy issues section of the report.

Is the United Nations development program an inefficient, giveaway program? From the report we learn that:

> Established in 1965, through the merger of the United Nations Special Fund and the Expanded Programme of Technical Assistance, UNDP in 1974 was supporting more than 7,600 technical and investment support projects in 117 developing countries and 27 territories. These projects involve a total cost of more than $4 billion, of which over half is being borne through contributions in case or kind by recipient Governments.

Over half of the project costs are being borne by recipient governments themselves. In my estimation, that is a pretty good track record.

Further on in this section of the report, we find the following observation:

> The recent changes besetting the world economy have offered cause enough for anxiety, but they also offer an unparalleled opportunity for co-operative international action. In the 1960s and early 1970s the world declined to take advantage of unprecedented prosperity and economic growth to mount the kind of massive assault on world poverty which might have mitigated the current state of disequilibrium. The opportunity is now present to assist these countries possessing the requisite resources to shift into the ranks of 'developed' nations, while moving energetically to the rescue of those nations which have been most severely affected by economic events beyond their control. The initial aspirations of development practitioners—in which the ranks of donors swell as, one by one, the ranks of aid recipients diminish—can yet be restored. And in at least one respect this second opportunity offers an advantage over the first. For the sobering events of the last several years have clearly demonstrated the interdependence of all nations, rich and poor. It is a reality awaiting international acquiescence, and it may be said to auger well for development efforts generally.

Once again, quoting from the section of the report dealing with who contributes what to UNDP, we find:

> While the great bulk of contributions still emanate from the traditional donors, i.e., the DAC group, the developing countries assisted by the Programme also continue to provide significant financial support. In addition to their counterpart contributions

to specific projects, their voluntary contributions to the Programme's work have nearly matched the growth rates in contributions recorded by industrialized countries during the past decade. For 1975, in fact, the increase in their pledged contributions over 1974 exceeded 20 percent.

Considerable concern has also been expressed that least developed countries demonstrate little concern for their poorest majorities in the allocation of their development resources. The report notes:

> An analysis of planned expenditures among the 24 least-developed-country programmes now in effect indicates that more than 30 percent of these expenditures will flow into agricultural development projects, 13 percent into education projects and another 13 percent into projects designed to bolster general economic and social policy and planning. In UNDP's experience, therefore, these are the crucial priorities among the least developed.

Although I have offered just a glimpse of what is contained in the report, I would hope my colleagues would devote a little time to study this and succeeding chapters of the report which I will be placing in the record during the next few days.

I ask unanimous consent that the summary, background and policy issues of the administrator reports on UNDP activities for 1974 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY, BACKGROUND AND POLICY ISSUES

For the world's most broadly based development programme, 1974 was a year of major challenge in which survival tactics began to outweigh development strategies for certain low-income countries. Throughout the poorest parts of Africa, South Asia and Central America, drought and floods added to the global stress caused by inflation, recession and shortages in food, fuel and fertilizers. The unprecedented combination had a profound effect on the prospects for development everywhere, striking its severest blows at those least able to bear the strain and limiting the capacities of industrialized countries to come to their assistance.

The global economic crisis of 1974 underscored the importance of 1975 as a year of fundamental decisions by the community of nations—about a restructuring of the world economy, about new trade and monetary arrangements and about the future course of development generally. As the prime source of multilateral technical co-operation, the United Nations Development Programme (UNDP) can assist in both formulating and carrying out some of those decisions. Having undergone its own period of reformation earlier in this decade, UNDP is now in a position to help meet some of the changes and responsibilities imposed by the stressful emergence of a new economic order. Indeed, a major aspect of its work in 1974 focused on the changing needs of its partners in economic and social progress and on the charting of new directions in technical co-operation to meet them.

Statistically, the chief indicators of the Programme's quantitative performance were up significantly in 1974 over previous years:

In co-operation with its developing country partners, UNDP approved a record $427 million in new commitments for technical and investment-support activities, a 55 per cent increase over the volume of new commitments registered in 1973.

Reversing a one-year decline in the rate of implementation, delivery of UNDP-financed experts, equipment and fellowships to the field by the 18 Executing Agencies of the United Nations development system or their subcontractors rose by 5.4 per cent in terms of standard costs—based on the provision of expert services at the rate of $30,000 per man-year. In actual dollar terms the increase was as much as 13 per cent.

UNDP's Projects Execution Division, established in 1973, accounted for more than two-thirds of the real increase in delivery, its field expenditures more than tripling from $3.8 million in 1973 to $14.3 million in 1974.

These substantial gains in aggregate UNDP performance marked a definite turning point in the Programme's efforts to speed the rate of project implementation.

By the end of 1974, comprehensive, medium-term programmes of technical co-operation were in effect or about to go into effect for 116 of the Programme's recipients.

Of the $1.3 billion in estimated resources available for these country programmes during UNDP's first five-year programming cycle (1972–1976), some $1.2 billion—more than 90 per cent of the total—had already been committed. In addition, a new, more rational and equitable system of resource allocation among Programme recipients, based primarily on population and per capita income criteria, was approved in principle by UNDP's 48-nation Governing Council, to take effect at the start of the second programming cycle in 1977.

The year also saw the launching into full-scale operation of two UNDP-administered trust funds, with promising potential to contribute significantly in development efforts. The revitalized United Nations Capital Development Fund was programming seed capital, primarily to least developed countries, from resources of $14.6 million contributed by 57 countries. A number of its projects are closely tied to the Programme's intensified technical co-operation efforts on behalf of the rural poor.

The newly established Revolving Fund for Natural Resources Exploration, with a capital base so far of $5.4 million, had by the end of the year fielded technical advisory missions to 20 developing countries to help identify possible exploration projects. These, again, were designed to strengthen the material base of developing countries at a time of growing shortages in world resources.

Finally, 1974 found UNDP in the concluding stages of its comprehensive, long-term effort to improve Programme operations. A major evaluation of the country programme procedures initiated in 1972, and their positive results, is summarized towards the end of this section. The final and decisive phase of its decentralization efforts, placing Resident Representatives and the Programme's 104 field offices squarely at the centre of operations, was spelled out in a series of intensive workshops for field and headquarters personnel. With these and other administrative reforms complete, the way was cleared for fresh thinking on the very substance of technical co-operation itself—thinking which is also summarized in the concluding pages of this section.

THE PROGRAMME IN PERSPECTIVE

Established in 1965, through the merger of the United Nations Special Fund and the Expanded Programme of Technical Assistance, UNDP in 1974 was supporting more than 7,600 technical and investment support projects in 117 developing countries and 27 territories. These projects involve a total cost of more than $4 billion, of which over half is being borne through contributions in cash or kind by recipient Governments. Although the Programme's efforts continue to enjoy widespread financial support from the international community, a balance sheet of resources and operating costs in 1974 nonetheless reveals a gap between current income and expenses.

Aggregate income in 1974 was estimated at $386.5 million, including $363 million in voluntary contributions, $14.5 million in programme costs assessed to recipient Governments and $9 million in other income.

Against these receipts were total expenditures of $400.1 million, including $316.8 million in actual field expenditures, $39.5 million in reimbursement of overhead costs by the 18 Executing Agencies and $43.8 million in UNDP administrative and programme support costs.

The $316.8 million in UNDP field expenditures financed the project work of 9,809 experts and technical consultants in 1974; it provided more than 5,000 fellowships to developing country nationals for study abroad; it financed equipment for projects in the amount of $46.9 million; and it supported another $35.3 million in work subcontracted to consulting firms and other private and public institutions. While the quality of these Programme inputs is difficult to assess in the aggregate, the results on a project-by-project basis are encouraging. (A qualitative account of selected activities by region is provided in the next chapter.) From a traditional standpoint, the field work of UNDP helps recipient Governments to:

Survey and assess the productive potential of agricultural, forestry and fishery resources, mineral deposits, fuel reserves, industrial, commercial and export opportunities and other development assets;

Stimulate and support capital investments to help realize those potentials;

Train teachers, vocational instructors, managers, engineers, skilled craftsmen and others in a wide range of technical and professional skills;

Adapt and apply modern technologies with appropriate environmental safeguards;

Expand employment opportunities, social services and public health needs;

Strengthen economic and social policy and planning, with special emphasis on meeting the needs of least developed countries, on the poorest segments of the population and on increasing technical co-operation among developing countries;

Carry out research in such diverse fields as agriculture, industry, population policy and disease prevention and control.

Since the inception of country programmes in 1972, and given the progressive decentralization of functions and activities which accompanied it, UNDP's 104 Field Offices also perform a growing variety of non-project-related development activities which are nonetheless of considerable importance to the Programme's overall goals and to the needs of its national partners. These services, financed through administrative support and Agency overhead costs, include:

Development planning advice, both at the national and at sectoral levels, by UNDP Resident Representatives and Field Office staff;

Technical advice and general problem solving, frequently at the request of the sectoral ministry concerned, by Senior Agricultural Advisers, Sector Industrial Development Field Advisers and other Agency personnel within Field Offices;

Follow-up investment advice and services;

Service of the Field Office as a focal point for Government needs in the event of emergencies caused by natural or man-made disasters;

Assistance in the formulation, management and evaluation of country programmes themselves;

Increasing Field Office participation in the co-ordination of other external assistance and in the achievement of well-balanced, effective national development programmes.

Such non-project services are particularly useful in smaller countries and among the least developed countries, where Government administrative machinery is often weak or inadequate to particular development needs. Even among the more advanced developing countries, however, these services strengthen confidence and co-operation between Governments and UNDP and so promote the development effort in which both are allied. For the 18 Executing Agencies, these expenditures also provide essential backstopping by:

Strengthening their recruitment and equipment purchasing services;

Helping them develop innovative training programmes;

Generally broadening the base of their intellectual resources through the provision of additional field experience and the work of larger, more diversified staffs.

CHANGING DEVELOPMENT NEEDS

Such services can also be of vital significance in a year of rapidly changing development needs like 1974. As a general rubric, the term "Third World" has never adequately connoted the diverse needs and varied conditions of developing countries. In 1971, based on experience drawn from the First Development Decade, the United Nations General Assembly singled out for special assistance measures 25 countries which had not met the Decade's growth targets, which had the lowest per capita income, literacy rates and manufacturing capacities of all developing countries. These 25 least developed countries, with total populations of about 150 million people, are now receiving 22 per cent of UNDP field expenditures annually, and their proportion will rise to at least 25 per cent in the second programming cycle running from 1977 through 1981.

As a result of its special session on raw materials and development in the spring of 1974, the General Assembly set forth another, largely overlapping, list of 32 countries "most severely affected" by rising food, fuel and essential commodity prices. In response to the Programme of Action and Declaration of a New Economic Order stemming from this special session, UNDP first instructed its Field Offices to ascertain from Governments their emergency technical assistance requirements and any urgent reorientation of country programmes deemed necessary in the crisis. Action followed at the field level in terms of assistance for energy-related projects, in the fielding of energy advisory missions and in the identification of long-term policy alternatives for severely affected countries. At a programme-wide level, UNDP moved to examine the full range of its activities, including its global and interregional projects, for adaptation to the emergency situation and flexibility in meeting its demands.

The two categories of developing countries spelled out by the General Assembly for special attention are indicative of a growing diversity among low-income countries in terms of their development needs. These needs are always shifting, but rarely have they been jarred so severely as in the last several years. There are some developing countries—and not just the oil exporters among them—which have benefited considerably from the general rise in commodity prices. Though stronger financially, they remain weak in terms of agricultural and manufacturing capacity, technical skills and resources and other economic requirements. Because of their newly acquired wealth, moreover, many of these countries actually have an increased capacity to absorb development assistance, especially technical co-operation.

Other, more advanced, developing countries have been achieving exceptional rates of economic growth in recent years. Some of these are approaching a point at which they will be measurable as so-called "developed" countries. Their manufacturing capabilities are growing rapidly. Their technical prowess is strong. They are able to finance an increasing share of their own development needs out of their own resources. But even these countries evince a continuing need for certain kinds of development inputs. Sometimes these involve high-level transfers of technology, sometimes a strengthening of administrative and planning machinery, or health services or educational opportunity.

Among oil-producing developing countries alone, three categories of assistance needs are apparent. There are those rich enough to assure financially not only their own development needs, but those of other developing countries as well, to which a number of oil exporters have dramatically increased their capital assistance. Even so, these countries remain in unquestioned need of that pool of international technical skills and resources without which their own economies would remain socially and economically underdeveloped. There are others whose internal development needs are so vast as to more than absorb the accretion of foreign exchange flowing from increased oil revenues. And there are still others whose output of oil barely suffices to cover domestic oil needs. These countries have been minimally affected by the rise in oil prices, but their internal development needs remain as before.

Finally, however, there are the majority of developing countries, rich in neither oil nor other exportable commodities, whose prospects verge from grim to desperate. They encompass more than a billion people, and today they are coping with the most difficult internal economic problems to be found anywhere. They suffer the world's steepest unemployment and underemployment rates, as well as widespread disease, hunger and malnutrition. Though highly dependent on the international economy, they benefit least from world trade and private investment. They have little access to capital markets, little income from tourism or money sent home by migrant workers. These are the countries which pose the most formidable challenge to development efforts; their very survival has been threatened by the economic upheavals of the past year.

In the broadest sense of all, of course, there are as many categories of development needs as there are developing countries. Such, at least, is the rationale of the country programme process adopted by UNDP in 1972. One of the virtues of country programming is that it enables UNDP to be closely attuned to the problems of today's development world in the context of each country's particular needs. This tactical approach at the country level combined with the broader strategies mapped out by the international community, through the United Nations system, help guarantee that the Programme's assistance is concentrated on the areas of most vital concern.

It must nonetheless be emphasized that technical co-operation, by its very nature, is not in itself an effective emergency tool. Unlike capital transfers, which provide an immediate infusion of assistance, the effects of technical co-operation tend to be long term. For that very reason, however, the transfer of technology is also more lasting—and subject to a multiplier effect as well. Given rapidly changing development needs, moreover, technical co-operation has of necessity become increasingly results-oriented. There was a time when development as a whole was defined in terms of extremely designated goals—industrialization being the key objective. Now development is perceived in the context of the individual country's requirements, and the impact of technical co-operation is sensibly determined more by the internal inputs supplied.

The recent changes besetting the world economy have offered cause enough for anxiety, but they also offer an unparalleled opportunity for co-operative international action. In the 1960s and early 1970s the world declined to take advantage of unprecedented prosperity and economic growth to mount the kind of massive assault on world poverty which might have mitigated the current state of disequilibrium. The opportunity is now present to assist those countries possessing the requisite resources to shift into the ranks of "developed" nations, while moving energetically to the rescue of those nations which have been most severely affected by economic events beyond their control. The initial aspirations of development practitioners—in which the ranks of donors swell as, one by one, the ranks of recipients diminish—can yet be restored. And in at least one respect this second opportunity offers an advantage over the first. For the sobering events of the last several years have clearly demonstrated the interdependence of all nations, rich and poor. It is a reality awaiting international acquiescence, and it may be said to augur well for development efforts generally.

RESOURCES IN DEVELOPMENT

Although development needs are in a state of rapid transition, official support for development by the international community remains stable—or stagnant, depending on one's viewpoint. At a time when immediate and pressing national priorities are in danger of overshadowing long-term international considerations, most Governments have nonetheless opted to continue increasing their international development assistance through bilateral and multilateral channels. In a period of critical development need, on the other hand, it can also be said that in real terms, taking account of worldwide inflation, official development flows have risen not at all over the past decade. According to the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development, in fact, the real value of official assistance has declined by about 7 per cent since 1963 and the decline is even more striking if aid is expressed as a percentage of gross national product.

Grants for technical co-operation account for approximately 28 per cent of total official development assistance flows by DAC member countries, and the technical co-operation resources channelled through UNDP form a significant share of this component. In 1973, the last year for which complete figures are available, contributions to UNDP of $307 million complemented and enlarged total bilateral assistance for technical co-operation by some 13 per cent. Since UNDP's assistance is provided on a grant rather than a loan basis, its resources also expand the total concessionary assistance available to developing countries. This is a factor of particular significance as the burden of debt service rises in developing countries and is exacerbated by the forces of economic change.

Voluntary contributions to UNDP in 1974 and pledges for 1975 reflect continued growth in financial support from a broad cross-section of nations. Beyond the estimated $375 million—$400 million in contributions for 1975, another $11 million was pledged for additional UNDP assistance to least developed countries, bringing total pledges for such special measures in 1973–1975 to $27 million. The steady upward trend in financial support which began at the outset of the first programming cycle in 1972 has been sustained. The composition of this support reveals certain consistent trends as well. The Nordic countries' share of total pledges for 1975 continued to advance and now matches the 26 per cent share of total contributions provided by the European Economic Community (exclusive of Denmark). Financial participation by the United States continued to decline in relative terms, however.

While the great bulk of contributions still emanate from the traditional donors, i.e., the

DAC group, the developing countries assisted by the Programme also continue to provide significant financial support. In addition to their counterpart contributions to specific projects, their voluntary contributions to the Programme's work have nearly matched the growth rates in contributions recorded by industrialized countries during the past decade.

For 1975, in fact, the increase in their pledged contributions over 1974 exceeded 20 percent. A number of recipient countries are also responding favorably to the Governing Council's call for a growth in the number of net financial contributors to the Programme. Iran became a net contributor in 1974, joining Czechoslovakia, Kuwait and the United Arab Emirates, Venezuela, Yugoslavia, Israel and Spain are expected to achieve this status soon—the latter two by relinquishing assistance available to them in the 1977–81 programming cycle while continuing in their roles as Programme contributors. Six other countries have stated their intention of becoming net contributors in the course of the next programming cycle.

If the growth in contributions characteristic thus far of the first programming cycle can be maintained through 1976, UNDP will be able to provide the full original monetary value of the indicative commitments made to recipient countries at the outset of the cycle and perhaps offset at least a part of the inflationary impact on the Programme. The magnitude of inflation in recent years has seriously eroded the real growth in resources available to UNDP. It is estimated that during the 1972–1974 period, the unit cost of project inputs increased by an average of more than 12 percent a year, or 40 per cent over the three year period. A measure of inflation is expected to continue in the remaining two years of the first cycle. Thus, despite the substantial growth in financial resources for the Programme since 1972, its total real resources are not very far ahead of their 1972 level. While corrosive effects of inflation are neither new nor limited to UNDP, they serve as poignant reminders that the determination of many countries—both poor and industrialized—to increase development resources requires substantial and sustained increases in financial flows.

TRENDS IN COUNTRY PROGRAMMES

By the end of the third year in this first programming cycle, all but three of UNDP's main recipients had devised medium-term country programmes for the utilization of the technical assistance resources available from UNDP. These resources were based on the indicative planning figure (IPF) established for each country at the start of the programming cycle. Taken together, these first 116 country programmes are broadly representative of the priorities being assigned by recipient countries themselves to the use of UNDP resources, and their own counterpart expenses. It should be noted, however, that some countries, at their own volition, have chosen to concentrate UNDP assistance in particular sectors or in accord with special conditions.

A profile of these programmes shows that agriculture, forestry and fishery projects continue to absorb about 27 percent of planned UNDP expenditures, with industrial projects following at 18 per cent and the remainder scattered among a dozen sectors. Almost a quarter of all planned expenditures will be devoted to projects with a broadly social orientation, such as education, health, employment and social security.

Sectoral trends in the evolution of the Programme can be suggested by comparing planned expenditures for projects which were on-going at the time the country programming process was initiated with new projects undertaken since. Such a comparison yields some striking changes in planned expenditures. The sector comprising agriculture, forestry and fisheries suffered the sharpest decline, for example, from 30 per cent of on-going to 23 per cent of planned new expenditures. Projects in the education sector also declined significantly from 11 per cent on-going to 8 per cent new. In sharp contrast to the declines under way in these two traditional sectors of development, significant gains are being registered in three other sectors associated with more advanced levels of modernization. Projects in industry show a marked increase in their share of Programme activities, rising from 16 per cent to 21 per cent. The sector encompassing general economic and social policy and planning also gained, rising from 9 per cent of on-going to 11 per cent of new planned expenditures. Science and technology advanced from 6 per cent to 8 per cent,* while the remaining sectors registered either minor shifts or remained unchanged.

Other variations in planned expenditures on a regional basis broadly reflect the differing development problems and priorities being experienced by developing countries in different parts of the world. Countries in Africa and in Europe, the Mediterranean and the Middle East, for example, plan to devote about 30 per cent of their Programme expenditures to projects in agriculture, while Asia and the Pacific plans on 26 per cent and Latin America, 24 per cent. The African region is programming the highest percentage of resources in education—15 per cent compared to about 8 per cent for the other regions. Africa also leads the other regions in planned expenditures for projects in general economic and social policy and planning, programming 13 per cent compared to 11 per cent in Latin America, 9 per cent in Asia and 6 per cent in Europe, the Mediterranean and the Middle East. Still other orders of priority are apparent among the regions for two other sectors. In health, Europe, the Mediterranean and the Middle East plans on 9 per cent, Latin America 8 per cent, Asia and the Pacific 5 per cent and Africa less than 5 per cent. Planned expenditures in the sector comprising science and technology projects show the widest variation, ranging from 3 per cent in Africa to 6 per cent in Latin America, 9 per cent in Asia and the Pacific and 10 per cent in Europe, the Mediterranean and the Middle East.

Distinct variations in programing are also apparent among countries according to their relative levels of per capita income. Of the $1.2 billion in UNDP expenditures already programed, countries with per capita incomes below $350 a year will spend $762 million (or 65 per cent of total planned expenditures), while countries with per capita incomes above $350 will spend $406 million (or 35 per cent). On the average, there is a distinct tendency for lower income countries to accord a greater share of their Programme resources to projects in agriculture, education and general economic and social policy and planning, and a lower priority to projects in the fields of health and science and technology. Differences in sectoral emphasis become even more apparent when per capita income groups are further divided.

Countries grouped in successively higher per capita income groups ranging from below $150 to over $750 show a general tendency for planned expenditures in agriculture, education and general planning to decline in rough proportion as income rises. The opposite tendency is apparent in the fields of health and science and technology. (See charts on page 11.) In other sectors, patterns of planned expenditures based on per capita income of the recipient country are less apparent.

LEAST DEVELOPED COUNTRIES

Country programmes are now in effect for 24 of the 25 countries designated as "least developed" by the United Nations General Assembly. (Sikkim is not a partner in the Programme's work.) Recognizing the special problems facing these countries—including low productivity, subsistence agriculture, weak transportation and communication infrastructures and inadequate administrative and planning capacities—UNDP has throughout the first programing cycle waived all payment of their assessed Programme costs (equivalent to about 8 per cent of their IPFs). Costs of United Nations Volunteers serving in these countries have been paid out of Programme reserve funds. Special efforts have been made to staff these UNDP Field Offices with highly qualified Resident Representatives and young professional officers. As previously mentioned, the Capital Development Fund is also devoting the bulk of its growing assistance to the needs of the least developed countries. Beyond the amount designated in their current IPFs, these countries are sharing an additional $35 million in so-called "special measures" funds, financed by special voluntary contributions and by Programme Reserve funds.

In 1974 still other steps were under way for the particular benefit of the least developed. A major interregional project involving 12 of these countries was approved as part of a broader effort to alleviate their severe unemployment problems. Designed jointly by UNDP and ILO's Employment Planning and Promotion Division, and executed by the latter, this project assists the planning and administration of special public works schemes. The objective is to give senior planning and administrative officials an opportunity to explore, in depth, the issues and problems involved in organizing public works programmes of a labour-intensive nature.

In addition to training cadres of qualified public works administrators, the project provides immediate technical assistance for specific public works programmes under implementation or planned. Several developing countries with extensive experience in labour-intensive public works have agreed to share their experience and expertise with the 12 countries involved. The project is an important addition to UNDP's on-going efforts to attack the problems of the least developed countries at the interregional level.

In Africa, where 16 of the 25 least developed countries are located, innovations were underway to finance more—and in some cases all—of the normal counterpart contribution to projects traditionally borne by the Governments involved. In Chad, Dahomey, Lesotho and Tanzania, UNDP is now financing the kind of administrative and financial support paid by the Governments concerned. In so doing, UNDP has helped to expand the capacities of these Governments to absorb assistance, has strengthened the impact of UNDP-financed projects and has sped the execution of projects included in country programmes. By making possible the purchase of locally available equipment required in the course of implementation and by providing secretarial and transport services in support of project activities, these administrative support projects help counterbalance the budgetary limitations of least developed countries and remove obstacles to effective programming.

An analysis of planned expenditures among the 24 least-developed-country programmes now in effect indicates that more than 30 per cent of these expenditures will flow into agricultural development projects, 13 per cent into education projects and another 13 per cent into projects designed to bolster general economic and social policy and planning. In UNDP's experience, therefore, these are the crucial priorities among the least developed. On the other hand, the amount of planned resources flowing into such sectors as industry and health falls notably below the average for all country programmes. Least-developed-country programmes allocate one-twentieth of the amount of other developing countries to trade promotion and a similarly small share to science and technology. If country programme allocations are an appropriate measure, least developed countries devote far more of their Programme resources to meeting immediate economic and social needs than they do to advancing future production. Their programmes are indicative of their plight.

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*It should be noted that many projects have a broad range of technical components, so that sectoral classifications are as a rule somewhat arbitrary. A recent study has indicated, for example, that up to 25 per cent of all UNDP-supported projects have a scientific or technological orientation.

32 MOST SEVERELY AFFECTED COUNTRIES

When the price of food and petroleum suddenly soars beyond the reach of developing countries heavily dependent on imports of such essential commodities, even the most carefully formulated country programme faces revision. New priorities crowd out old ones, and technical inputs face radical alteration. At a Programme-wide level, however, about two-thirds of the sectoral content of all UNDP country programmes now in effect already focus directly on priorities set forth in the Programme of Action. Major shifts in on-going activities have therefore been slight. But a number of projects (many described in detail in the following chapter) have already been initiated in response to changed needs and developing country requests.

A high-level advisory mission on energy conservation and alternative power sources was dispatched to Central America. Comprehensive, UNDP-financed energy surveys are under way in Bangladesh and Pakistan. A seminar on transnational corporations, designed to formulate a systematic action programme, including research on foreign investments and training of negotiators, was undertaken in Latin America. As noted earlier, the Revolving Fund for Natural Resources Exploration has fielded technical advisory missions to 20 countries. Steps were taken to strengthen agricultural output.

UNDP programming has always stressed agriculture as the central sector of development concern. The gradual decline in its relative share of planned expenditures can be traced both to increased difficulties in recruiting and fielding qualified consultants and to the generally rising level of development sophistication among a growing number of low-income countries. As the number of UNDP-supported integrated rural development projects grow, however, more and more technical inputs in such allied sectors as education, health, transport and small-scale industry actually become mechanisms for directly increasing agricultural output. In 1974, UNDP undertook to review and evaluate its work in this sector in order to augment the results required.

The Programme also completed a study of its projects directly and indirectly involving and benefiting women, with particular emphasis on the vital role which women play in agricultural production and family nutrition. A reorientation of these projects, designed to bolster the role of women in development generally, is in progress.

Of the 32 countries initially designated by the General Assembly as "most severely affected" by the food and fuel crisis, 31 have adopted country programmes. (The programme for Mauritania has yet to be approved.) An analysis of planned expenditures among these 31 countries indicates that as a group they have programmed a total of $380 million and that of this amount $164 million—or 43 per cent—will be devoted to projects in four key sectors of particular relevance to their emergency needs. These four sectors are food production (by far the largest component), natural resources development, energy production and projects supporting international trade.

UNDP: COUNTRIES MOST SEVERELY AFFECTED,[1] SUMMARY OF TOTAL, ON-GOING AND NEW PROGRAMED EXPENDITURES IN 4 RELEVANT FIELDS

[In millions of dollars]

Status of projects	Total	Food production	Natural resource development	Energy production	International trade
On-going	81.3	55.1	21.8	3.2	1.1
New	82.5	50.9	23.4	3.9	4.4
Total	163.8	106.0	45.2	7.1	5.5

[1] Based on 31 country programes.

Taking all four sectors together, planned expenditure for new projects will slightly exceed that for on-going. Substantial increases will be registered in projects for natural resources development, energy production and trade, but these increases will largely be offset by a decline in new expenditures for food production.

THE FUTURE OF COUNTRY PROGRAMMING

By the end of 1974, three years had elapsed in UNDP's first cycle of country programmes. Most importantly, only two years remained until the second programming cycle would take effect in 1977. To assess past experience and assure sound future directions, therefore, UNDP assembled a working group for a wide-ranging study and review of the country programming process—its strengths and weaknesses, its accomplishments and setbacks and its potential for more effective programming in the future.

The group held a dozen or more meetings throughout 1974, consulting with regional bureau staff, Resident Representatives, recipient Governments and Participating and Executing Agencies of the United Nations development system. Its main conclusion: despite certain shortcomings, the country programme process is basically sound and marks a major advance over the earlier project-by-project approach to UNDP assistance. Its main recommendation: country programming procedures should be rationalized and simplified to assure greater flexibility and response to changing needs, and to reduce the time required for their preparation and approval.

The Working Group urged that country programming be viewed as a dynamic process, based on continuous dialogue with Governments and other sources of external assistance. Annual reviews of these programmes should increasingly serve the purpose of developing new projects, eliminating or rephasing on-going projects and insuring responsiveness to changing country needs. At a conceptual level, country programmes should not be seen as once-for-all exercises. Nor do they necessarily represent a microcosm of a country's overall development plan. They need not embrace any preconceived notion of global priorities. But neither should they comprise mere lists of catch-as-catch-can projects. As envisaged in the Governing Council Consensus, the country programme system should:

Help determine a country's technical assistance requirements in a more rational way;

Systematically define priorities and the specific role of UNDP in the scheme of these priorities;

Provide an opportunity for the United Nations system to advise Governments on their development priorities;

Help identify gaps in planning or in machinery for planning and assist in strengthening or establishing such machinery;

Maximize co-ordinated development efforts within the United Nations system and with other external assistance sources;

Through decentralization of the operational activities of the United Nations system, bring UNDP's decision-making process closer to that of the Government.

Speed implementation through better project formulation, quicker project appraisal and approval and advance notification of implementation needs;

Provide a framework for participating organizations to reassess and strengthen their own roles in, and broaden their understanding of, the development process and the changing needs of the recipient countries.

These objectives are sound. Yet, the experience garnered thus far in the first programming cycle indicated that country programming has been overly burdened by the weight of the past. Too often, these programmes have been more a list of projects than well-conceived and properly formulated programmes. Too often the link between projects and overall development objectives and priorities has been pro forma, without the substantive, in-depth analysis of the sectoral requirements needed. In a few countries, programming became a financial exercise in distributing resources among Ministries of States, with the aim of reaching a satisfactory compromise among competing interests. Country programmes have also been burdened by the relatively undeveloped state of the art of interdisciplinary analysis and project formulation. Their effectiveness has been limited by a tendency to regard them—and the IPFs on which they are financially based—as rigid frameworks for action. A lack of adequate involvement and participation by some of the Governments, together with pressures of time in the first round of country programming, have also been limiting factors.

Nonetheless, the basic principles of country programming have been more than vindicated by the experience to date. This experience indicates that from now on:

Wherever possible, an attempt should be made to identify the entire technical assistance and investment-support requirements of a country. This will help to define the proper role of UNDP, of other external assistance inputs and will facilitate a multidisciplinary approach, incorporating activities at the intercountry level.

In-depth sectoral studies should be used, and where possible undertaken by the United Nations system, as the principal tool for the formulation of the next round of country programming. These studies should be on-going, should not be limited to UNDP and should be focused on priority sectors where UNDP assistance will have maximum impact.

In terms of on-going projects, flexibility should be the rule. It should be clear to all concerned that the allocation of resources for specific projects is only of an indicative nature and that during the process of implementation it is possible to include, revise, eliminate or extend these projects.

The best opportunity for applying international norms and policies at the country level is at the time of the formulation of the development plan of the country. At this point, UNDP can indicate to Governments the particular strengths of the United Nations system in promoting co-operation among developing countries, in strengthening national planning and administration, in sectoral planning, etc.

Country programmes should be systematically related to intercountry projects—particularly interregional and global projects—to maximize returns from UNDP assistance. What has been a passive operation in this regard must become active through wide publicity about intercountry programming among the officials and Agencies concerned.

Annual reviews of country programmes should be programming exercises and not an exercise in project monitoring or evaluation. They must be instruments for continuous programming, increasingly utilized for establishing interrelationships between projects, for amalgamation of projects and for casting country programmes in an interdisciplinary mould.

Agencies and their technical expertise

should be brought more fully into the programming process. An elaborate and formal procedure, involving tripartite round-table discussions among Agencies, UNDP and Governments, is not necessary. But Agencies should be encouraged to contribute substantially to the sectoral analyses essential to effective programming.

An essential ingredient of future programming is the strengthening of the Offices of Resident Representative and continued provision to those offices of general economists and experts in planning. Adequate provision of this nature should be the subject of evaluation and study by the United Nations system.

UNDP must strengthen still further its co-ordinating role with respect to other activities of the United Nations system. With Government support, UNDP can also achieve better co-ordination with other bi- and multilateral sources of assistance. Since responsibility for the co-ordination of all external assistance rests with the Governments, UNDP should help improve Government capacities in this respect.

The report of the Working Group also concluded that increased flexibility in programming tended to go hand-in-hand with a reduction in unnecessary paper work—or red tape, for short. It therefore recommended that background papers should continue to be prepared only for those countries which lack development plans, comprehensive economic studies or readily available data on the state of their economies. In such cases, background papers, though modest in scope, would constitute a contribution to the planning process of the country; in general they should require only updating from the previous cycle. For a majority of developing countries, a memorandum on areas of concentration and the approach to be applied should suffice as a basis for initiating a programming dialogue between Field Offices and the Governments concerned.

In a similar vein, country briefs and the practice of seeking comments from Agencies on draft country programmes should be discontinued. Agency contributions should instead be concentrated on assistance in the preparation of the kind of sectoral analyses which can be vital components in the formulation of future country programmes.

Flexibility should also be maintained with regard to over-programming or over-commitment of resources, in order to attain the desired level of expenditure. This need not be accomplished in strict financial terms. Carefully wrought technical assistance requirements even in a few sectors should suffice to guarantee a continuing flow of projects in line with a country's development needs. The inclusion of reserve lists in country programmes, though inferior to "integrated over-programming" as a mechanism for flexibility, may nonetheless continue to prove useful, and should be maintained in appropriate cases. The Working Group stressed that over-programming was a device designed to ensure flexibility and continuity in programming, and not primarily a device for speeding delivery.

Concern with speeding implementation of projects, the Group concluded, should not come at the cost of overall Programme quality or of the requisites of effective country programming. For similar reasons, the carry-over of IPFs between one programming cycle and the next was endorsed by the Group as a useful means of preventing slippage in delivery and of maintaining continuous programming. The Group emphasized that properly conducted annual reviews are all the more important when seen in this context.

THE FUTURE OF TECHNICAL CO-OPERATION

The evaluation of country programme experience outlined above comes at a timely point in the history of UNDP programming. The first United Nations Development Co-operation Cycle is coming to an end. The second United Nations-proclaimed development decade is approaching its half-way mark. In the fall of 1975, the United Nations General Assembly will meet in special session to review and appraise the lessons of the International Development Strategy as applied to date. The General Assembly had already met in special session in the spring of 1974 and adopted a Declaration on the establishment of a new economic order and an Action Programme to meet emergency and long-term needs.

Given the pressures and uncertainties of the present international economic environment and the global economic contraction under way in developed and developing countries alike, such a time might seem inappropriate to the search for new dimensions in technical co-operation. Yet a time like the present also requires that each technical assistance dollar spent be utilized to its utmost effectiveness. Any organization is compelled to renovate its mandate and strategy at precisely such a period in order to further its dynamism, retain its relevance and enhance its impact. Thus for UNDP 1974 became a year for the evaluation not only of past experience but of future directions, as well.

Those future directions gained added urgency in the context of the "First Biennial Overall Review and Appraisal of Progress in the Implementation of the International Development Strategy for the Second United Nations Development Decade." That 1974 report indicated that the goals of the strategy remain "much more a wish than a policy" and that "they have not yet taken hold with anything like the force needed." As an expanding and dynamic component of overall co-operation for development, many new challenges therefore confront technical co-operation. And as the central United Nations organization in the field of technical co-operation, UNDP has the obligation to recommend positive measures, including new goals and policies, so that the objectives of the International Development Strategy can best be achieved.

On an *ad hoc* basis, UNDP has long been adjusting its efforts to meet the requirements of changing development needs. Given the increased emphasis on the social component of development called for in the International Development Strategy, for example, UNDP has been giving increased attention to the role and influence of communications processes in bringing about economic, technical and social change. UNDP assisted projects have in the past included communication "components," geared primarily to support project or general development goals at the community level and to ensure the most effective kind of training for such agents of change as agricultural extension workers, health educators, etc., whose task it is to disseminate and apply new techniques at the community level.

Now UNDP is working to establish development support communication systems within Government agencies—systems which can help to mesh development efforts in a particular sector or region and can better ensure participation by the people themselves in development planning and project formulation. In 1974, UNDP was providing assistance to or actively formulating 30 projects wholly devoted to development support communication action, 26 of which were under direct UNDP execution because of their multisectoral character.

At another level, UNDP is supporting a feasibility study on the technical requirements involved in the establishment of an International Information System for the Development Sciences (DEVSIS), which would act broadly as a documentation centre and clearing house for studies on development. The study is being co-sponsored by UNDP, the International Development Research Centre, OECD, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the International Labour Organisation (ILO). As initially conceived, DEVSIS would provide improved access to economic and social information among developing countries and all those involved in the formulation and implementation of development activities. It would also foster the building of national and international resources needed to meet this goal, improve co-ordination among existing development information facilities and help to avoid unnecessary duplication and waste of resources. The system would first and foremost be directed at meeting priority information needs of the developing countries themselves. As such it could constitute an important step toward encouraging greater technical co-operation among these countries.

Such Programme activities are indicative of the many ways in which UNDP has grown and diversified over the 25 years of its existence. The evolution has tended to be piecemeal, however. Some of the traditional concepts which framed the Programme's work from the start are still prevalent, moreover, and have come in the way of the natural evolution of the organization. There are still many cases of the old formula being applied rigidly and without imagination, many commendable initiatives for new kinds of activities and forms of assistance which fail to get off the ground. There are too many examples of UNDP doing one thing here and not doing the same thing there for no valid or apparent reason.

Such shortcomings are traceable to the largely negative principles and criteria in which UNDP's mandate was originally framed. Even with respect to present practice, UNDP's role is narrowly expressed in terms of inputs supplied. The notion prevails that because UNDP is not a capital assistance organization, the financing of equipment, materials or other supplies must be kept to a minimum. The emphasis on "assistance" as opposed to co-operation has led to a Programme fixation on external transfers when locally procured inputs might serve as well or better.

A more positive and dynamic definition of the purpose of technical co-operation can only be expressed in terms of results achieved rather than inputs supplied. It is, after all, the end product alone which distinguishes technical co-operation from other forms of development assistance. It therefore follows that UNDP's role and purpose can more systematically and coherently be defined in terms of the outputs or results of its work rather than by measuring specific inputs or budget categories.

The purpose of technical co-operation is to promote increasing self-reliance in regard to the managerial, technical, administrative and research capabilities required to formulate and implement development plans in the light of options currently available. This includes, among other things:

Development of human resources, through transfer of skills and know-how, through training in institutions and on the job, and through activities in social fields such as health, nutrition, education, etc.;

Preparation of development plans and strategies and of feasibility studies and the acquisition of basic information or data including engineering blueprints and designs, technical documentation and proprietary technology;

Transfer, adaptation, development and diffusion of technology;

Development of institutional infrastructure, particularly local institutions;

Development of services such as administrative services, consultancy and engineering services, agricultural and industrial extension services, testing and standard services, etc.;

Development and execution of pioneering programmes embodying innovative, interdisciplinary approaches and popular participation towards the solution of serious and persistent problems, such as illiteracy, mass poverty and unemployment, and the diffusion of the experience gained in such programmes.

Once the concept of technical co-operation is seen in terms of such achievement categories, new methods, processes and institutional responses should follow to meet the more sophisticated development needs of the years ahead.

NEW DIRECTIONS FOR UNDP

Investment support activities

If the results are the criteria, there is no reason why UNDP technical co-operation should apply only to a particular phase of the development process. It is false to assume that technical assistance leaves off where capital investment begins. Often there is a greater need for technical assistance after the investment has been made and the practical difficulties of operating a plant or institute must be faced. Building the technical capacities of nations does not stop at some arbitrary line, moreover.

UNDP should therefore consider the provision of technical assistance throughout the investment process and after, if the expansion of the original investment or its extension to another region is warranted. More than in the past, UNDP should also enter into direct partnership with capital assistance agencies to finance technical assistance requirements in such priority areas as integrated rural development, low-cost mass education, control of diseases and similar fields. UNDP should jointly help to define the objectives of these programmes, develop their general design and evaluate their lessons.

Institution building

The efforts of UNDP to promote technical, scientific and managerial self-reliance through the building and strengthening of appropriate institutions in developing countries have been hampered by limitations on what it can finance. Yet, if an institution is of key importance for a country's development, UNDP should be able to provide all the necessary financing in terms of buildings, equipment, staffing and so forth—even to the point of financing the initial operation in order to make the project viable and self-sustaining.

UNDP should also make systematic efforts to establish more training arrangements between developing country institutions and allied institutions in developed or other developing countries. Many developing countries now possess the capacity to work fruitfully with high-level institutions abroad, and UNDP should offer its financing and its contacts in support of such exchanges.

High risk projects

In order to achieve technological breakthroughs of particular importance to developing countries, UNDP should undertake more high risk projects designed to develop new technologies and adapt existing ones. It may be necessary to provide all the inputs that are needed for as long as necessary to achieve the desired results, utilizing available national expertise and other resources.

As one example, UNDP could identify six or eight outstanding excellent and successful industrial research centres already existing in appropriate developing countries. To each of these could be attached a semi-independent institute which would become the international centre for research and development in one specific industry or a closely integrated small group of industries. These centres would function as sources of technical and economic information and experience and as research institutes in their own right.

Financing local costs

A technical co-operation project is a single, integrated operation. It therefore deserves all the inputs required for speedy and effective implementation. The sources of these inputs are secondary to the results of the project. If from the beginning projects are viewed in terms of the source of their inputs and activities are separated on that basis, the probable result will be unsound project design and a confusion of responsibilities.

UNDP should therefore follow the practice of all bilateral and most multilateral programmes in adopting a more liberal policy towards the financing of local costs, where the Government involved cannot for adequate budgetary or other reasons provide such costs and where prudent judgement suggests that project efficiency would thereby gain. UNDP already waives assessed costs for least developed countries. The practice should be extended to cover other locally available inputs in line with the Consensus recommendation that "maximum use should be made of national institutions and firms, if available, within the recipient countries."

Software-hardware

It should be possible for UNDP to deploy whatever inputs are needed to achieve the technical co-operation result sought. Fees for engineering blueprints and design, equipment and other material resources of any kind should gain UNDP financing when they are integral to the technical co-operation goals being set.

Counterpart support

The traditional concept of counterpart support requiring Governments to provide national professional staff for every project, needs review. Common sense dictates that counterparts should not be necessary to projects designed to marshal outside expertise to meet specific and urgent needs. Nor should unavailability of counterpart staff form a rigid obstacle to the formulation and execution of a project whose need to the country is clearly demonstrable.

Diversifying the Supply Base

Project implementation is too often constrained under present procedures by inadequate supplies of expertise and facilities. To broaden this supply base, UNDP should, first, increasingly entrust Governments and institutions in recipient countries with the responsibility of executing UNDP projects, in line with the growing practice of bilateral and other multilateral programmes. Developing country Governments and institutions should also be associated in the formulation, implementation and evaluation of projects executed by other Agencies.

Second, UNDP should strengthen technical co-operation among developing countries. More training fellowships should be carried out in other developing countries, for example. Third, UNDP should forge links with private institutions in developed countries, particularly with respect to the so-called transnational corporations and their vast reservoir of resources and expertise. Similarly, the public corporations of industrialized countries should be encouraged to co-operate with the public sector in developing countries, with subsidies provided to assist in the transfer of capital and skills when necessary.

Still another practical way of expanding the supply of qualified experts is to develop close ties with universities, specialized institutes, development institutions, voluntary associations and technical departments of the Governments in both developed and developing countries. Apart from the "twinning" arrangements suggested earlier, "open-ended" arrangements in keeping with the non-profit or public-purpose orientation of these organizations should be contracted, which could provide required expertise at short notice and on the basis of agreed remuneration.

The current practice of excluding expatriate nationals from the implementation of UNDP-supported projects in the country of their origin also requires reconsideration. Where the Governments of the countries concerned and the expatriate nationals can agree on reasonable remuneration, the services of these nationals should not be denied.

Other Dimensions

By virtue of its special characteristics, the United Nations development system has a unique role to play in technical co-operation. UNDP should take advantage of those characteristics by increasingly supporting projects designed, for instance, to develop policy and institutional infrastructure, public administration and regional and sub-regional projects. At the same time, UNDP should also strive to forge more effective links between country and intercountry programmes, so that each serves to re-enforce and broaden the effectiveness of the other. Some programmes of this nature are already under implementation, e.g., intercountry and country projects designed to assist developing countries in their participation in multilateral trade negotiations. In this connexion, recipient countries should be commended for their willingness and co-operation in utilizing a portion of their country IPF resources for intercountry programmes in such priority areas.

The search for new dimensions in technical co-operation has proved to be an extremely valuable process of education for UNDP in 1974. The process must continue, even after the Governing Council has made its decisions in the matter. The main goal is to make UNDP a result-oriented organization. The changes called for will be more in attitude than anything else, but they will require a continuing educational effort if they are to set the Programme on a more effective and realistic course.

TITLE IX REGULATIONS

Mr. McCLELLAN. Mr. President, the Department of Health, Education, and Welfare has issued regulations ostensibly to implement title IX of the Education Act Amendments of 1972. Concern has been expressed that the regulations are not consistent with the statutory authorization, and if not rescinded could disrupt intercollegiate athletics.

A number of college head football coaches, including Coach Frank Broyles of the University of Arkansas, have prepared a statement of their views concerning the proposed regulations. Since I hope that the Senate will shortly have the opportunity to vote on legislation to disapprove the proposed regulations, I ask unanimous consent to have printed in the RECORD the statement of the head football coaches.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HEAD FOOTBALL COACHES

The undersigned head football coaches, in a special meeting June 17, 1975, approved the following statement of policy regarding the announced HEW regulations implementing Title IX and will recommend that the Board of Trustees of the American Football Coaches Association at its meeting June 21, 1975 in Lubbock, Texas, officially urge all AFCA members to support this position:

1. The regulations go far beyond the intent of Congress and place intercollegiate athletics under the control of the Federal Government.

The regulations will control the use of donated funds, use of generated income, the kind of program to be conducted and the allocation and qualifications for scholarship assistance. This is not desirable for the future growth of either men's or women's athletics.

2. Income generated by football is a principal source of athletic income at many colleges and frequently finances the entire athletic program as well as the construction, maintenance and debt retirement of facilities. In many instances it has provided the funds for the present expansion of women's athletics. This will no longer be possible under the HEW regulations.

3. College football, developed over more than 100 years, has been more responsible than any other factor for the present wide public acceptance and support of college athletics and there has been no valid study undertaken by HEW, the Congress or any other government agency as to the destructive economic impact these regulations will have upon football as well as the financial structure of intercollegiate athletics for both men and women.

4. The Federal Government does *not* provide any financial assistance, insofar as we know, to intercollegiate athletics, but these Federal regulations mandate vast new expenditures while seriously damaging for the future the ability of men's sports to generate income. Therefore, we urge that Congress suspend these regulations and adopt legislation which would declare a moratorium on the application of HEW's rules to intercollegiate athletics during which HEW would be directed to study and report to Congress regarding (a) the need for such rules in light of the voluntary action being taken by colleges and (b) the economic impact of the rules on all facets of intercollegiate athletics and, in turn, the financial structure of the respective colleges and universities.

Darrell Royal, University of Texas, President, AFCA; Bob Blackman, University of Illinois, Past President, AFCA; Joe Yukica, Boston College; Jerry Claiborne, University of Maryland; Frank Broyles, University of Arkansas; Frank Kush, Arizona State University; Mike White, University of California, Berkeley; Tom Osborne, University of Nebraska; Bo Schembechler, University of Michigan.

CORPORATE PROFITS

Mr. FANNIN. Mr. President, a principal concern which I have expressed for some time and, I expect will find necessary to continue to express, is that of inadequate capital formation in the United States. The lack of concern for this essential ingredient in the American economic system confounds and distresses me. I do not understand why our Nation's significant lack of investment in the future is not an issue of intense public debate.

There are many individuals who forthrightly and eloquently state the case for increased saving as opposed to spending and consuming. Yet, their voices are seldom more than singular. The choruses which must vocalize on this important matter either have not formed or have not been heard.

The corporate entity which is an integral part of our economic system has been especially hard hit by public opinion and political pressures. The Wall Street Journal on June 19, 1975, printed an article regarding a poll taken by the Opinion Research Corp. of Princeton, N.J. The poll concerned the after-tax profits on sales for several categories of business. The survey indicates that the American adult believes the average manufacturer's after-tax profit is 33 percent, more than six times the actual amount. Automobile manufacturers were thought to have profits of 39 percent, more than 20 times the actual amount, and oil companies 61 percent, more than eight times the actual amount.

Mr. President, this poll frightens me. The lack of knowledge of actual facts should be disturbing to any person who maintains faith in the free enterprise system. It is obvious from this opinion poll that the present negative attitude toward corporations is based on misinformation.

Congress must share the blame for this appalling development. Many of my colleagues bemoaned the "X-rated" profits of the oil companies during recent debate on tax provisions relating to that industry. There have been no such thing as X-rated" profits. The acknowledged fact by anyone who cares to examine the facts is that oil companies have experienced a smaller after tax profit than the average American industry.

But where will this negative attitude lead us? It is clear that unless the real facts as to profits become common knowledge throughout the country, our Nation's economic well-being will wither away in a relatively short period of time.

It is also a well established fact that the United States lags behind most other industrial societies both in capital investment and productivity growth. This trend must be turned around before our proud belief in this Nation's affluence becomes as much a myth as the apparent belief in phenomenal corporate profits.

Capital formation depends greatly on the existence of profits. Our standard of living did not result from consuming but, rather, from saving. Governmental policies at one time encouraged saving and investing. This is no longer the case.

Mr. President, if this present antibusiness, antiprofits attitude is to be changed, it is my conviction that Congress must lead the way. This great body not only represents the opinion of our constituents, it also formulates opinion as well. Congress must begin to recognize the real facts and act positively on them.

I ask unanimous consent that the Wall Street Journal article to which I referred above be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Corporate Profits: In the public's eye, they're sky high.

Opinion Research Corp. polled a national sample of 1,209 adults recently, asking for their best estimate of the after-tax profit on each dollar of sales for several kinds of business. From its survey, the Princeton, N.J., concern found that the public's estimate of the average manufacturer's after-tax profits is 33%, more than six times the actual amount. Its estimate for auto companies' profit is 39%, more than 20 times the actual amount, and for oil companies, 61%, more than eight times the actual amount.

The public not only misses the mark on profit estimates, says Opinion Research, but its understanding of corporate profits is apparently worsening. In a similar survey in 1973, the public's estimate of the average manufacturer's after-tax profit was 28%, five points lower than the current guess.

Another finding: For the first time in 30 years, says Opinion Research, a majority of the public believes the government should put a limit on corporate profits.

PRESIDENT FORD'S VETO OF THE EMERGENCY HOUSING ACT OF 1975

Mr. MONDALE. Mr. President, I wish to express my extreme disappointment at the news that President Ford will veto the Emergency Housing Act of 1975.

The President's action in this regard is unfortunate—unfortunate for the thousands of unemployed workers in the construction industry, for the thousands of unemployed workers in related industries, for the businesses directly and indirectly engaged in construction activity, for thousands of Americans who want to purchase homes, for American families faced with mortgage foreclosures, and for the entire American economy.

This bill, which was approved overwhelmingly by both the House and the Senate, represented a thoughtful and progressive approach to our housing crisis.

First, the bill would establish a program under which middle-income families would have been able to obtain either a 6-percent mortgage for 3 years, with a gradual increase in the mortgage rate to market levels over 3 years, or a 7-percent mortgage for the life of the mortgage.

Second, the bill would provide a $1,000-incentive payment to help the homebuyer with the downpayment.

Can there be any doubt that these programs are urgently needed?

Unemployment in the construction industry is at 20 percent. In St. Paul, Minn., it is at 37 percent—with 40 percent unemployment in Phoenix, 49 percent in Miami, 32 percent in Newark, and 30 percent in Los Angeles. Within the building trades, the specific figures are shocking. Sixty-five percent of the plasterers in Minneapolis are out of work. Around the country, 80 percent of the boilermakers in Louisville are unemployed, 75 percent of the plasterers in Chicago, and 50 percent of the painters in Philadelphia.

In 1968, we set a national housing goal of 26 million units over a 10-year period. We should be building 2.8 million units this year. Yet, the annual rate of new housing starts is 1 million units per year—one-third of our goal.

What would this bill have done about the depression in housing we face?

This bill would have generated 800,000 new jobs. It would have generated $12 billion in production activity over the next year. It would have aided 400,000 middle-income families purchase homes.

Unfortunately, Mr. President, President Ford has chosen to veto this bill. While this action would have been ill-advised, and unfortunate under any circumstances, Mr. Ford's veto is particularly cruel and thoughtless because the President will kill one other feature of the bill.

This bill contained a provision designed to help 100,000 American families save their homes from foreclosure. I have been working on this program for more than 2 years. I offered this provision as an amendment to the housing bill during Senate consideration in April.

The bill would authorize the Department of Housing and Urban Development to make payments of up to $250 monthly for a period of no longer than 2 years on behalf of homeowners facing foreclosure because of unemployment or underemployment during our current economic difficulties.

With unemployment in this Nation at 9.2 percent, foreclosure has become an immediate and tragic problem for thousands of Americans. Because of President Ford's veto, these unfortunate citizens will lose their homes in the coming months.

I only wish the President had read my mail on this subject before he decided to veto this bill. I wish he would have read the letters from hundreds of Minnesotans who are literally terrified at the prospect of foreclosure. I wish Mr. Ford would have listened to their calls for help.

Mr. Ford's veto seems to have been based on the notion that this program is too costly. Surely, with respect to the foreclosure provision, he cannot use that rationale. The foreclosure relief payments will be repaid to the Federal Treasury—with interest. A similar program, enacted during the depression, closed its books with a profit.

With respect to the other features of the bill, it is estimated that the return to the Treasury will equal $3 for every dollar spent on the programs. There will be $12 billion in production activity over the next year. It is estimated that this bill would have reduced the Federal budget deficit by at least $1 billion.

This legislation is not inflationary, Mr. President. It is anti-inflationary.

I fear that we are seeing the reincarnation of Government by veto. Over the past several months, Mr. Ford has vetoed four extremely important economic measures—the emergency housing bill, the farm bill, the strip mining bill, and the emergency jobs bill.

In fact, Mr. Ford's overall statistics are becoming rather impressive. According to recent calculations, he has already vetoed more bills than either President Eisenhower or President Kennedy. He will now equal President Johnson's 5-year total.

I am extremely hopeful that Congress will override this veto. I am not particularly hopeful that we will be able to justify our failure to override to 100,000 American families who will be literally "out on the street."

WHERE OVERREGULATION CAN LEAD

Mr. FANNIN. Mr. President, for some time many leading scholars and writers have been analyzing and criticizing the Federal regulatory process.

No one has made a more effective case against regulation and in favor of regulatory reform than Dr. Murray L. Weidenbaum, the distinguished economist and author. Dr. Weidenbaum was an Assistant Secretary of the Treasury for Economic Policy during 1969–71 and is now director of the Center for the Study of American Business at Washington University in St. Louis, Mo.

Dr. Weidenbaum is also the author of numerous works on government and political economy, including an excellent study of Government regulation entitled: "Government-Mandated Price Increases," which was published by the American Enterprise Institute for Public Policy Research. I commend this book to my colleagues because it presents a definitive scholarly analysis of the effects of Government economic regulation.

Dr. Weidenbaum makes the point that regulation, however noble its purpose, generates costs as well as benefits. It is his thesis that the Federal Government is continually causing higher inflation through the regulatory scheme it promulgates, reinforced by a liberal monetary policy. He argues that there is a misconception among politicians that regulations is an inexpensive way for Government to enforce socially desirable requirements on business and to promote certain positive national objectives. In fact, regulation is really quite expensive to consumers.

To quote Dr. Weidenbaum:

> Although the costs of government regulation are not borne by the taxpayer directly, in large measure they show up in higher prices of the goods and services that consumers buy. These higher prices, we need to recognize, represent the 'hidden tax' which is shifted from the taxpayer to the consumer. Moreover, to the extent that government-mandated requirements impose similar costs on all price categories of a given product (say, automobiles), this hidden tax will tend to be more regressive than the federal income tax. That is, the costs may be a higher relative burden on lower income groups than on higher income groups.

Dr. Weidenbaum points out that with the expansion of Government control over the private sector, the tangible and intangible costs of regulatory activity will increase greatly. With a slowdown in productivity growth and a decline in the improvement of standards and the quality of life, we may no longer be so tolerant of such costly controls. It will thus be necessary to reexamine our regulatory system and consider moderating the stringent rules and regulations applied by Federal agencies. As Dr. Weidenbaum warns:

> If the trend (toward more frequent and costly government regulation) continues unchecked, the resulting loss in productivity could lead to stagnation in real living standards.

Dr. Weidenbaum believes that further expansion of Government control is not inevitable. Many controls expire or are lifted, and Federal administrators sometimes relax requirements or adopt less restrictive policies. Yet I think it unlikely that the agencies, which are insulated from popular control and operate out of self-preservation and inertia, will make the kind of sweeping changes which Dr. Weidenbaum suggests are needed. Only the Congress can properly perform that job.

In an interview published in the June issue of Nation's Business, under the heading "Where Overregulation Can Lead," Dr. Weidenbaum elaborates further on the problems that Government regulation have caused in the Nation's economy.

Dr. Weidenbaum points out that Government, through its regulatory function, has required certain actions in the private sector which have led to sharp increases in the costs of production and, in turn, to a steady rise in the prices of the goods and services hold to the public. In addition, ordinary business decisions are increasingly controlled and influenced by the actions of bureaucrats who are not responsive to the will of the people or the influences of the marketplace. In effect, as Dr. Weidenbaum illustrates, Government regulation is not only antibusiness but anticonsumer as well, for it leads to both a loss of managerial freedom and responsibility and an increase in costs to the public.

This informative article should be read by every Member of Congress. It should be reread by those Senate colleagues of mine who, in their enthusiasm for the interests of the harassed consumer, voted for legislation to create a new special agency for consumer protection. As Dr. Weidenbaum concludes:

> What all this so-called Government protection does is to protect the consumer against new products, new processes and lower prices.

The specific examples of governmental misregulation detailed in the interview are worth remembering the next time some well-intentioned, compassionate reformer proposes yet another agency, another bureaucracy to protect the taxpayers from certain evils of the marketplace.

Dr. Weidenbaum makes a number of points about the regulatory process that deserve emphasis.

First of all, Government agencies are responsible to a greater degree than many suppose for both our country's inflationary and unemployment problems.

Second, there is considerable duplication of effort, function and authority between agencies. While some agencies may regulate specific industries—for example, the FCC regulates broadcasting or the ICC railroads—others are concerned with only one aspect of business activity, but regulate several industries—such as EPA or OSHA. This has led in some instances to contradictory policies and rulings and confusion on the part of the public.

Third, consumers have been slow to perceive the indirect effects of regulation or to understand what has been happening to them as a result of what Dr. Weidenbaum refers to as "the new managerial revolution." The cost impact of regulatory activity is beginning to sink in, however. By contrast, businessmen have seen the problem more clearly because they have been the direct target of regulation. However, businesses have become too accustomed to the regulatory climate they have had to operate within. They are too used to being bailed out or to being protected from competition by Government, often by the very agencies set up to regulate them.

Then, too, not all regulation is necessarily bad. But the costs must be weighed against the benefits. Before the Congress passes new legislation or regulatory agencies adopt new rules and regulations, the economic impact factors must be carefully considered.

Finally, the situation is not hopeless. Government control can be reversed and regulation can be changed. But the responsibility for reform rests primarily with the Congress which established the regulatory system and enacted the laws creating the agencies about which the public is concerned.

Unfortunately both the House and the Senate have been remiss in their oversight obligations, in my opinion. But it is not too late. The time seems right, in light of constituent pressures, the economic situation, and the recommendations of Government experts like Dr. Weidenbaum, for the Congress to embark on a comprehensive review of the job being done by the agencies and a thorough reassessment of their proper role and function, with a view to eliminating unnecessary regulations and regulatory bodies and streamlining regulatory procedures. Only in this way can we revitalize the regulatory process and make Government, especially the Federal bureaucracy, more responsive to the people's needs and interests.

Mr. President, I ask unanimous consent that the article "Where Overregulation Can Lead" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Where Overregulation Can Lead

(An interview with Dr. Murray L. Weidenbaum)

Government power to control and influence the decisions of business threatens the very existence of many business firms and the financial health of many thousands more.

Washington, warns Dr. Murray L. Weidenbaum, a former government official himself, is snatching much of the vital decision-making power away from businessman and handing it over to a growing federal bureaucracy. The result, he says, is a revolutionary change in our national economic system.

The big problem, he points out, is that more and more of the decisions of business management that affect profit and loss are being controlled and influenced by government agencies which are insulated from the pressures of management responsibility. Businessmen who are responsible for profit and loss no longer have full freedom to make the profit-and-loss decisions.

Dr. Weidenbaum, a distinguished economist and author, is an expert on government and its impact on the economy. That is the theme of his recent book, "Government-Mandated Price Increases," a study of government regulation published by the American Enterprise Institute for Public Policy Research.

Because of his expertise, Dr. Weidenbaum was asked to elaborate on what he calls "the second managerial revolution." In this interview with Nation's Business, he says there has been not merely a loss of managerial freedom, but an enormous cost to the public. Unless the nation changes course, he adds, our economic system is threatened with stagnation and continuous high inflation.

Dr. Weidenbaum is Director of the Center for the Study of American Business, established at Washington University, St. Louis, Mo., last January with a grant from the John Olin Foundation. The center's purpose is the study of the role of private enterprise in the development of American society and the relationship between a market economy and a free society.

Its Director has had an outstanding career in government as well as business. He was Assistant Secretary of the Treasury for Economic Policy during 1969–71 and served earlier as a fiscal economist in the U.S. Bureau of the Budget.

From 1958 to 1963, he was the Corporate Economist at the Boeing Co. and is now a consulting economist to Mallinckrodt, Inc., and the First National Bank in St. Louis.

He is the author of "The Economics of Peacetime Defense" and "The Modern Public Sector." With Dr. Paul McCracken, former Chairman of the President's Council of Economic Advisers, he also wrote "Fiscal Responsibility," a study of national economic policy.

Dr. Weidenbaum was interviewed in St. Louis by an editor of Nation's Business.

Is business in the United States facing a threat it never faced before?

Yes, this country is going through a second managerial revolution. The first occurred many years ago, with the divorce of corporate ownership from management. That revolution involved the rise of professional managers, as distinct from owners.

This new revolution is far more subtle. It involves the shift of decision-making from managers, who represent the shareholders, to a cadre of government officials, government inspectors, government regulators.

Increasingly, the power to make business decisions is being taken away from management and assumed by government. The problem is that these government officials and government agencies are not responsive to the pressures of profit and loss and, though their decisions affect management, they have no management responsibility.

In what areas do their decisions affect management?

How you hire people, what products you make, how you go about making them, personnel practices, production methods, marketing, financing. There isn't much, in terms of company decision-making, that isn't closely controlled or influenced by one or more federal agencies. And sometimes the control of one agency conflicts with the control of another.

Since the 1960's, there has been a massive expansion, not only in the number of laws, but in the areas of business under government's thumb.

Some of this is very costly, not only to business, but to the public as well.

The increase in the cost of producing consumer goods is the ultimate burden imposed by government regulation of business.

So this is part of the revolution you mentioned. What are some of the other vital business areas it affects?

It is most apparent, perhaps, in industries like transportation, where literally you can't go into business until government gives its approval. You can't even get started, unless government gives you the go-ahead.

That applies to communications—radio, television, cable TV, microwave transmission—as well as trucking for example.

But it goes beyond that, doesn't it?

Yes. Obviously, you can't build a factory if it violates the standards of the Environmental Protection Agency. You have to make sure, of course, that in cleaning up air pollution you don't generate water pollution.

That's an example of a growing problem. There is such a proliferation of government regulations that, in trying to obey one, you run afoul of another.

For example, to desulfurize coal—and reduce air pollution—requires a combination with lime. But when you do that, you generate large quantities of solid waste, calcium sulfate. And disposing of calcium sulfate creates water pollution problems.

Let me give you another example.

Federal food standards require meat-packing plants to be kept clean and sanitary. Surfaces that are easiest to clean are usually tile or stainless steel.

But tile and stainless steel are highly reflective of noise and don't always meet Occupational Safety and Health Administration standards.

More is involved than the environment and health, isn't it?

Just go through the major departments of any company.

Let's take the personnel department. It's quite clear that before you can hire anyone, you have to make sure you follow the rules of the Equal Employment Opportunity Commission.

Certainly, once people are hired, you have to meet the requirements of the wage and hour law.

If you have landed a federal contract, you have to file an affirmative action program. Also, you will have to make sure you comply with the Davis-Bacon Act or the Walsh-Healy Act.

In all cases, you must make sure you don't violate the rules of the Occupational Safety and Health Administration. And sometimes those rules get in the way of the Equal Employment Opportunity Commission.

For example, both OSHA and EEOC have jurisdiction over toilets. OSHA once said women need special lounge facilities as part of their restrooms. But EEOC says, well, if you provide lounges for women, you have to provide them for men also.

Regulation, like justice, must be blind.

What if you clear hurdles like these?

You are not out of the woods yet.

Along comes the Consumer Product Safety Commission. It has the power to ban your product in the marketplace. In the commission's eyes, you are guilty until proven innocent.

That is a clear example of the shift of power.

The commission puts out a list of banned products. But it warns that, even if you aren't on the list, you should consider your products banned unless you can prove they meet the commission's standards. That's what I mean by guilty until proven innocent. They have shifted the whole burden of proof on you.

When you look at the power of the Consumer Product Safety Commission, it is really scary. The commission has the ability, and has used it on occasion, to drive a company out of business—through the commission's own mistakes.

The commission put the Marlin Toy Co., a small firm in Wisconsin, out of the toy business by inadvertently putting its products on the banned list.

Later, the commission recognized its error, but it was too late.

As it turns out, this company was an employer of handicapped people in the little town where it is located. So we are talking about a socially responsible business.

By forcing it to lay off employees, the commission not only added to unemployment, but hurt a group of people who find it especially hard to get jobs—the handicapped.

Isn't it rare for Washington to put a company out of business and people out of work?

Not at all.

For example, about 350 foundries in this country have closed in the past three years because they couldn't meet EPA or OSHA requirements. Basically, these were smaller foundries.

As a result, the larger foundries are working to capacity. They're so busy that they can't take on a lot of military work, including castings for our big M-60 tank.

Now, we have a shortage of tank castings. It is so serious that the army has been investigating tank casting facilities in Britain and West Germany.

Meanwhile, of course, unemployment here continues to rise.

I wonder how much thought EPA or OSHA gave to the unemployment problem or to national defense.

Doesn't this run counter to creating full employment, a top national priority?

Precisely. The old breed of regulatory agencies, like the Interstate Commerce Commission, have been criticized for execessive concern with the health of industries they regulate.

No one has ever accused newer agencies like EPA or OSHA of that. All they're concerned about is their programs.

Somehow, we've got to get that broader idea of the total national interest across to OSHA, EPA, and the rest of the federal regulators Congress has created.

How many federal regulators get into the act?

It varies industry by industry.

We now have what I call a matrix form of regulation. Some agencies specialize by industry.

In other words, the Civil Aeronautics Board regulates the airline industry. The Federal Communications Commission regulates all aspects of radio and television. ICC regulates railroads.

Then we have a new kind of government regulatory agency, like OSHA. It regulates only one aspect of business activity—job safety—but its authority takes in all industries.

Or EEOC, which regulates personnel practices for all businesses.

And EPA. It deals with environmental impact only, but again for all industry.

Why aren't Americans aware of what's happening?

The change isn't visible or dramatic enough, except to the businessman under the gun. However, some symbols of the shift of power to government should be apparent to the man in the street.

For example, the consumer is paying for the new managerial revolution in a number of ways. One is his tax bill. It costs him $4 billion a year to support all the federal regulatory agencies that ride herd on business.

But that's only the tip of the iceberg. The real cost to the consumer is indirect, but much larger.

We are now deeply concerned about our economy's lack of increase in productivity. It is crystal-clear to me that much of our potential growth in productivity is eaten up by the proliferation of government controls.

Government regulation imposes a lot of burdens on business, like mountains of paperwork, that decrease productivity.

But I guess what worries me most is what happens to an industry when it really becomes controlled by government, as some are.

Look at the cost overruns, for instance, in so many Defense Department projects. Also, look at the time delays.

To me, there is a close relationship between them and the very close, day-to-day government regulation of the defense industry—the most closely regulated industry in our society.

More closely regulated than utilities?

Oh, yes. We think of utilities as our most tightly regulated industry. But they aren't regulated anything like the defense industry.

Look at the regulations issued by state utility commissions, and you are talking about a pamphlet. Look at the regulations given the defense contractor by the federal government and you are talking, literally, about volumes.

Government bureaus aren't set up to minimize cost. They have a different outlook on life.

Different in what way?

A smart bureaucrat knows how to say no.

I spent a lot of time in the federal government during the course of my career, and I know that the safest thing to say is no. That way, you won't get into trouble.

Don't stick your neck out.

Well, that runs counter to what happens in private industry, where you are sticking your neck out all the time. When you bring out a new product, you stick your neck out. When you introduce a new production process, you stick your neck out.

But that's the way the system works.

What all this so-called government protection does is protect the consumer against new products, new processes, and lower costs.

The result could well be economic stagnation.

Why don't consumers and business resist more?

Business may be part of the problem. Many companies learn to live in a government-regulated environment and feel comfortable.

But if you expect the government to bail you out when you have losses, you're not going to have the freedom to earn the profits.

You mean government makes the decisions?

More and more every day—and not always wisely.

Look at the automobile industry and catalytic converters.

Big Brother, or Big Mother, however you prefer to think of Washington, got the auto industry to put in the converters. Now Big Mother finds that she may have been hasty. The catalytic converters may cause worse pollution than they eliminate.

But the point is that the decision was shifted from business to government. The irony of it! Think of the outcry if Detroit, on its own, had gone ahead and installed catalytic converters without a full environmental impact statement.

Well, the agency in charge of these environmental impact statements, EPA, apparently went ahead on converters without checking the full impact on the environment.

That's part of the problem of dealing with government. It has a double standard. Business can be forced by government to follow rules and regulations. But the government itself is free to ignore them.

Doesn't that apply to the Consumer Product Safety Commission, too?

Yes, in a way. Last fall, it bought 80,000 toy-safety buttons to be worn on the lapel. The idea was to encourage people to be safety-minded about toys.

Well, it turned out that they used lead paint on the buttons. There was a danger of lead poisoning if they were licked by children. So the commission had to ban its own buttons.

It sounds funny.

But think about the taxpayers who had to foot the bill for producing 80,000 useless buttons.

Isn't that a drop in the bucket for Uncle Sam?

There are so many drops that even that bucket is overflowing.

Each agency is preoccupied with its own narrow interests and isn't concerned with what's happening to the company, an industry, or even to society as a whole.

EPA and the fire ants offer a good case history. EPA has told the Agriculture Department it is imposing severe restrictions on the use of pesticides to kill fire ants. The department had a major program under way to get rid of them. Now the department says EPA's ruling makes it impossible to carry out its eradication program.

So the department thinks fire ants may spread over a third of the United States—as far north as Philadelphia.

Fire ants may not harm the environment as much as EPA thinks pesticides harm it. But their bite is not only painful but can even cause death.

All EPA cares about is the environment. Apparently, the fact that these ants can kill you and me isn't EPA's problem.

I suggest, facetiously, that the Agriculture Department try to breed a special strain of fire ants that bite only people who make such EPA rules.

But much of the public apparently favors these new federal agencies.

Of course.

If you were told only of the benefits of government regulation—and not its costs—wouldn't it sound great?

That's a proverbial free lunch, something that will help you and won't cost you a dime. But there aren't any things in life that will benefit you with no cost.

And that's true of government regulation, as well as anything else.

Do you think public opinion will change?

I think so. I am an optimist. But a patient optimist.

To me, Congress's decision to reverse the federal regulators on the interlock, seat-belt system this year was encouraging. It's an example of what can happen when the public gets aroused.

It became obvious to Americans that they were paying through the nose for a complicated system they didn't want. It was extravagant nonsense.

Congress got the picture pretty fast. It threw the interlock out the window.

But only, of course, after the auto industry had spent millions to perfect and install it.

Any straws in the wind there?

Yes, I think so. Congress almost outlawed air bags at the same time.

I think this is a message those who are so much in favor of regulation should take to heart.

When the pendulum swings, it swings with a vengeance. You can get a reaction against all this regulatory cost—and waste—that will involve a wholesale liquidation of these police agencies.

If so, you'll see the end of the good, as well as the bad.

So not all regulation is bad?

No. Unless you are an anarchist you must believe that government should set the rules for society. The question is what kind of rules and how many.

Economics has an answer for that. It says, carry regulation to the point where the added benefits barely exceed the added costs. That's where you stop.

Overregulation is where the added cost exceed the added benefits.

Can you give an example of a useful role for a government regulation?

Take OSHA. It has a basic role in investigating lethal hazards. That's why Congress set it up. But it should not also be deciding questions like these:

How big is a hole?

What color to paint a door?

What is a ladder?

That's the kind of nonsense that should be eliminated.

What's the right way to promote job safety in your view?

I'd shift the whole emphasis to reducing accident rates and health hazards.

The objective is safer working conditions. Establish some goals, provide some incentives, then let the companies—individually or through trade associations—decide what they'll do to reach those goals.

There's no one royal road to safety. Some companies may find that it is most effective to redesign their equipment, others that a training program is best for them. Still others, more work on supervision.

Get away from the emphasis on detailed federal rules and regulations.

For one thing, from the data I've seen, there's no indication that these government regulators have cut accident rates in industry.

So, even if you follow them to the letter, that doesn't mean the place is safer. It just means you won't get in trouble.

That's the bureaucratic mentality.

We have to realize there are more effective ways of using the private sector to achieve national objectives.

Are more regulations inevitable?

In the short run, I am afraid we are in for more.

I have looked at the proposed new legislation in Congress—and I'm afraid that, for the next year, business must brace itself for another round of federal straitjackets.

In fact, at least 23 congressmen in the House literally believe you should have to get Washington's permission to go out of business. They introduced H.R. 76 last January. It would require a two-year prenotification to the Secretary of Labor to close or move a business—if that would result in 15 percent of the employees losing their jobs.

What can businessmen do if they don't like this trend?

Support something like the bill of Sen. **J. Glenn Beall, Jr., of Maryland.**

It would require each new law, including those that regulate business, to carry a price tag.

That would alert us to the cost—as well as the promised benefits—of each regulatory proposal put before Congress.

That's progress—a cost-benefit analysis. If we could limit new regulations only to those whose benefit to society exceeds the cost, there'd be a lot fewer of them.

Then we must see that the same yardstick is applied to existing regulations and regulatory agencies.

Anything else?

Take a leaf from the environmentalists. They pushed through a rule that before you do anything, anywhere, you must determine what impact this will have on the environment.

I would like to turn that around.

I'd like to see legislation which says that, before EPA or any other regulatory body does anything, it must file a statement describing what this will do to the economy—an economic impact statement.

Can business look for allies elsewhere?

Well, the thing that amazes me is that liberals, who attack the government when it infringes on civil liberties of individuals, couldn't care less when it does the same thing to businessmen.

You know of the outcry over no-knock searches for narcotics.

Well, OSHA inspectors all have no-knock power. They can come into your plant without warning anytime they please.

Liberals should wake up to the fact that there isn't a sharp cleavage between civil liberties in the personal sphere and civil liberties in the business sphere.

A FOREIGN AID FORMULA

Mr. CLARK. Mr. President, in recent foreign assistance legislation, Congress has made some significant efforts to assure that U.S. aid furthers the goals of social justice and improved living standards for all men. In the 1973 foreign assistance legislation, Congress sought to focus assistance on the world's poorest people and nations. Last year, Members of Congress expressed concern about assistance going to oppressive regimes and began to explore ways to use assistance to promote human rights. One result of this effort was the termination of police training. Growing concern has been expressed about poor nations spending their money on defense rather than on solving their tremendous economic problems.

This year, Congress will finally consider military and economic assistance separately. Hopefully, this separation will enable Congress to weigh both kinds of assistance more carefully. Finally, Members of Congress have expressed concern that some part of the assistance program should contribute to solving problems that affect the entire world: Overpopulation, deterioration of the environment, discrimination against women and the consequent underutilization of their abilities.

While the foreign assistance program is too small to achieve any of these goals, they provide much more significant criteria for the allocation of U.S. assistance than simply distributing it on the basis of how much each government supports U.S. strategic interests. Assistance which really reaches the poorest people, promotes human rights, and helps solve common human problems is certainly much more popular in this country than assistance that only enriches privileged elites or strengthens repressive governments.

The way the new foreign assistance legislation is written helps to focus U.S. assistance on these goals. But, as Congressman Paul Simon has pointed out, Congress needs to establish more specific guidelines to assure that this country's foreign aid effort is really aimed at solving these problems. He has proposed a formula for distributing aid based on need, capacity for growth, equalization, respect for civil liberties, restraint on military spending, population control and environmental concern. This approach to solving the problem of how to make sure assistance is used as intended merits serious consideration by both Congress and the administration.

Over the years, Congress and the public have become disillusioned with foreign assistance. What was originally intended to be a humanitarian program to help the poor, as well as an effective investment in developing the world's resources, has been abused by both this Government and foreign governments. Congressman Simon's proposal is one way the foreign assistance program could be saved by getting it back on the right track.

Mr. President, I ask unanimous consent that Paul Simon's article, "We Need a Foreign Aid Formula," from the June 14 Washington Post be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

"WE NEED A FOREIGN AID FORMULA"

(By Paul Simon)

"Reappraisal" is the popular word after our painful exist from Vietnam, and one of the areas in which a genuine reappraisal should take place is foreign economic assistance. We need a foreign aid formula.

We have taken this step with Pubic Law 480 (Food for Peace), and there is discussion about even further reform there. Public Law 480 has been changed to require that 70 per cent of the benefits go to nations classified as the most needy by the United Nations. It still leaves flexibility, but it gives a much greater sense of direction than we formerly had.

That same sense of direction is needed for general economic assistance abroad. Flexibility should be there, but also some guidelines. The present process—foreign aid on the basis of whim or the casual conversation of a Secretary of State with a foreign official—should be reduced. No other government program provides as unrestrained an opportunity for executive expenditure as does our foreign economic aid.

The result has been gross inequities in disbursement and less than effective use of our funds.

Gradually more of our aid can be channeled through international agencies, but aside from the international banking institutions there is yet to develop among the international agencies the effectiveness we might hope for in the assistance field. That means that the United States and other donor nations must have their own programs and try to make them effective.

And while there may be some criticism that a foreign aid formula would interfere with the domestic affairs of another country, in reality there has always been a limited amount of interference, and often of the worst kind: deceptive, secret, too often supporting the status quo, too rarely supporting reform.

We could, instead, be open about our intentions, and perhaps even invite some of the developing nations to help draft the formula.

How should we shape such guidelines?

Thirty per cent of aid could be continued as at present, with complete flexibility. The choice of nations to be selected for the application of the formula would, in fact, give an administration additional flexibility. A formula might be:

[In percent]

Need	35
Capacity for growth	15
Equalization factors	15
Respect for Civil Liberties	10
Restraint on military spending	10
Population control	10
Environmental concern	5

NEED

Those with the greatest need should receive the most assistance. Obvious and fundamental, this has not been our practice.

CAPACITY FOR GROWTH

A realistic assessment of the development potential of a recipient country should be part of any aid package. Assistance should be determined in part by where it can produce effective results.

EQUALIZATION MEASURES

This would test a country's willingness to further development in such a way that it produces gains for the bottom-rung poor. Land reform, loans to small farmers, a labor-intensive approach to production, education that includes the rural poor—these are some of the methods for further equalization.

RESPECT FOR CIVIL LIBERTIES

There is no need to underestimate the difficulty of reaching even limited goals. Africa provides an example. Over a third of Africa is under military rule and most of the remaining countries have only one political party; they face special difficulties. After allowances are made for local circumstances, it is important to distinguish between repressive regimes and those growing in commitment to civil liberties.

MILITARY SPENDING

Too frequently countries devote far too much of their budgets for military equipment they do not need and the purchase of which actually retards their development. This sometimes stimulates a regional arms race, suppressing whole areas of the world. And as the No. 1 seller of military weapon systems, we have often encouraged a retardation of economic development. Given a formula, would a country such as India develop nuclear capability if it were known that it might result in a significant reduction in foreign assistance?

POPULATION CONTROL

This is a sensitive area and cannot be forced, but demonstration of effective efforts ought to be part of the formula.

ENVIRONMENTAL CONCERN

This is a difficult one for developing nations who look with envy upon the sources of our industrial air pollution. They would like to have some of our environmental problems. But there should be a growing awareness that even in a poor country garbage should not be dumped into the ocean, that steps should be taken to safeguard water supplies and that there are environmental hazards to be reckoned with in the most underdeveloped parts of the world.

How would the formula work practically? County "A" theoretically could receive a maximum of $100 million:

	Possible	*Actual*
Need (the country falls into a second of 10 possible ranks on need)	$35	$31.5
Capacity for growth (high)	35	15
Equalization (fairly high)	15	15
Respect for civil liberties (high)	10	10
Restraint on military spending (ranks poorly)	10	--
Population control (fair)	10	4
Environmental concern (good)	5	5
	$100	$78.5

A formula of this type can give developing nations support to do what they should do on their own but perhaps hesitate to do for domestic political reasons. The carrot of assistance can help countries adopt better development practices. This "carrot approach" has worked with such marked success within the United States, bringing major reforms in everything from schools to nursing homes—yet it has not been applied in the international sector because we hesitate to be openly involved in the internal affairs of other countries. But we have fooled no one.

The criteria of the formula deal with basic development goals, while leaving methods open to choice. They do not prescribe capitalism or socialism. They allow, by intention, considerable latitude in how a country reaches its objectives.

The measurements harmonize with the stated ideals of the United Nations, and they derive no less clearly from the ideals of the United States. Their use might dramatically shift the flow of our present assistance and be equally dramatic in the increased effectiveness of that aid.

POST OFFICES SERVE CITIZENS, NOT THE GAO

Mr. **ABOUREZK**. Mr. President, a recent General Accounting Office study recommends closing all fourth-class and half of the third-class post offices in the country. I believe that if this policy were put into effect, it would be a disaster.

The recommendation of GAO is that the Postal Service eliminate about 12,000 third- and fourth-class post offices—about 40 percent of the post offices in the Nation. The GAO estimates a savings of about $100 million or 4 percent of the current operating deficit of the Postal Service.

I urge the Postal Service to reject the GAO proposal and continue the policy of case-by-case review of any termination of small post offices. This is clearly one place where cuts can be much better made with a penknife than with a hatchet.

In my own State of South Dakota, the GAO scheme would mean the sudden closing of over 200 post offices. Being experts in accounting, the General Accounting Office is no doubt accurate in calculating that most of these post offices are not self-sustaining economically. My response to this is,

> Small post offices do not exist just to make money for the GAO balance sheet. Besides economic cost, we must calculate the human cost of closing these post offices.

I grew up in Wood, S. Dak., which has a third-class post office. That Wood post office is maintained to serve the people around Wood. It is not maintained for the benefit of the GAO or the Washington bureaucracy or anyone else.

Closing a small-town post office like the one in Wood does not mean just rearranging figures on a ledger. The post office is the community center of many small towns. It is probably the most convenient, useful and appreciated contact people have with the Federal Government. Almost every other Government program finds that rural residents in effect subsidize their city cousins through the tax system. The GAO seems to think they should be doing this through the Postal Service as well.

The 200 South Dakota towns which would lose their post offices under the GAO recommendation are not in any better economic health than the U.S. Postal Service the proposal is designed to benefit. Main street businessmen depend on a postal facility nearby. Small towns need the jobs a post office provides. I am sure the GAO and Postal Service know that centralization is not always synonymous with efficiency or economy. They must know this when they refer Christmas overload mail from the cities out to smaller post offices in order to get the job done. This useful cooperation should be pursued before small postoffices are written off.

The fact is that rural America is in bad shape. Some would say it is a terminal illness and some like the GAO seem willing to help write the epitaph—the sooner the better.

I am not willing to let the accountants have the last word. There are doubtless towns in this country where no one wants to take over the job when a postmaster retires or dies; there are doubtless towns which would be better served by a rural route carrier. The Postal Service has been determined to eliminate these post offices for a long time and will surely continue to do so. I have sometimes disagreed with their decisions, but I commend the Postal Service on making them only after consulting members of the community and assuring comparable mail service.

The wholesale closing of post office doors, however, is another matter. The GAO has spoken from the profit-and-loss financial perspective. I believe that Congress should consider the human and community perspective.

Human considerations call for rejecting the GAO recommendations for an ax job on post offices in rural America. Instead, we should see how we can revitalize rural communities. I urge the Postal Service to study ways in which its facilities could serve small towns even better, and I urge them to resist any change in the small post office policy.

SOLAR ENERGY IN USE TODAY

Mr. **FANNIN**. Mr. President, during the last Congress, we passed legislation to establish two major solar energy development programs. Yet, I hear many comments about the hope we hold for solar energy in the next century. This is not science fiction, Mr. President. Solar energy may be utilized today, and for proof, one need only look around this Nation for countless experimental and practical applications.

Though I am well aware that many of my colleagues are also following solar energy development closely, I would like to share, in a series, some prime examples of solar energy presently in use. One of the most beautiful, existing examples of solar energy is the Decade 80 House in Tucson, Ariz., recently completed by the Copper Development Association, Inc.

This structure, the product of many different companies working together, was recently featured in the May issue of House & Garden magazine. Obviously this house is a prime example of a solar heating and cooling system woven into a superior architectural design. No esthetic sacrifice needed to be made.

At this point I would like to include a description of this home, which was included in the quarterly Copper Topics, published by the Copper Development Association which built Decade 80.

Also, I will include an article from this morning's Washington Post, examining the readiness of this fuel resource for practical application. As concluded by Ms. Quinn, research breakthroughs are not needed. The economies of scale simply need to take place as more and more entrepreneurs and homeowners realize the advantages of solar energy systems. And this is exactly the problem HUD, NASA, and ERDA are addressing in the implementation of the Solar Energy Heating and Cooling Demonstration Act of 1974.

I ask that the articles mentioned above from Copper Topics and the Washington Post, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DECADE 80 SOLAR HOUSE IN TUCSON COMPLETED, RECEIVES 75% COOLING, 100% HEATING FROM SUN

America's most energy self-sufficient home has just been completed in Tucson.

Called the "Decade 80 Solar House," this innovative prototype home uses solar energy for 75% of its cooling, 100% of its heating, and for powering selected small appliances and electrical systems. Although lighting and major appliances are powered by conventional electrical sources, overall energy savings are now estimated at 90% in the winter, and 80% in the summer over ordinary homes. The "Decade 80 Solar House" is the first true home—as opposed to on-campus solar projects and other experimental structures—to receive so much of its energy needs from the sun.

Conceived and built by the Copper Development Association Inc., as an industry-wide market development effort to create new applications for copper, brass, and bronze, the 3,400 square foot home is described as the first solar home capable of fulfilling an American family's highest expectations of comfort, convenience, and even luxury. The solar home features such new products as a combination copper roof and solar energy panel system, a "thin-line" bronze door and window system, a "Life Safety" copper sprinkler system, and solid copper and brass "wallpaper."

ON THE MARKET TODAY

"The 'Decade 80 Solar House' was built to document that every element needed to build an almost totally energy self-sufficient home is on the market today at affordable prices. Further, such a home can be built by local contractors using the local building trades," explains Paul A. Anderson, CDA's building construction market development manager. "We also wanted to show that a solar home can be almost maintenance-free so far as its energy system is concerned, and we will underscore that fact by putting this home up for sale after we have had a chance to record performance data for at least one year's operation."

Designed to prove out alternative power sources in the face of continuing high energy costs, the Tucson home incorporates the first totally integrated solar collector-roof system that is commercially available to the building industry, one capable of installation with the normal skills of today's tradesmen.

Said to combine the virtues of copper roofing and copper plumbing, the new solar energy panel system consists of 2′ x 8′ copper sheets, 0.016-inch thick, laminated to plywood combined with unique, rectangular copper tubes to carry the energy system's transport and storage medium—water. The copper panels and copper tube are blackened to better absorb radiant heat, transferring this heat to water circulating throughout the house in copper tubes. On cloudy days when less energy is available from the sun—although there always is some—a buried insulated storage tank provides stand-by energy in the form of 3,000 gallons of solar heated water.

The combination roofing and solar collector system is described as more economical than any new roofing with the addition of solar collector panels as separate units. Although solar roof installation costs are significant—even in the case of this new economical system—the home owner should get back what he paid for that system in fuel savings within the first decade of use, reports Mr. Anderson. "In addition, of course, the owner has added measurably to the house's resale value through quality copper products."

Mr. Anderson says the combination copper roof and energy panels is an affordable, versatile energy system that can be used either for existing structures or new buildings, but is particularly economical in new construction where it functions both as roof and energy system. The new system can be used to cover either the entire house or a single room.

One of the most innovative aspects of the CDA solar house is that solar energy supplies so much of its cooling. The fact the house is in warm Arizona presents more of a challenge than an advantage in climate control, explains Mr. Anderson. "For, although heating needs are less here, cooling demands are much higher—and it's in cooling where solar breakthroughs are needed."

Air conditioning for the CDA solar house is provided by two standard Arkla Industries Inc. lithium bromide-water absorption units modified for hot water "firing." While this type of absorption air-conditioning has been a technical reality for some years, it is only with recent increases in energy costs and solar technology development that it has become economically viable for residential installations.

"We're talking of 'first costs' only as being high. After that, it's an economical system with a long life because there are no moving parts," Mr. Anderson explains.

In addition to the solar system panels, the house's energy system also incorporates silicon solar cells on the roof to convert the sun's energy to low voltage power for selected electrical systems and small appliances such as a small TV set, kitchen clock, even the front door's electronic latching device. Solar cells also provide standby power for the home's overall security system in case of electrical failure.

As a showcase for both technological and home design innovations, the Tucson solar home epitomizes today's emerging look—that of "neutrals and naturals" including earth colors enhanced by the warmth and beauty of the copper metals.

FURNITURE IN COPPER METALS

The CDA solar home includes a number of prototype furniture pieces fabricated in the copper metals. Serving almost as a solar house motif, for example, is a series of cocktail cubes throughout the home in mirrored copper and brass, enriched with an abstract solar design. Another important decor element is a pole system in mirrored brass for curtains serving as the living room/dining room divider. Other decorative elements in the copper metals include parsons tables in copper and brass, mirrored brass pedestals, and a sculptured copper fireplace hood. Covering one of the walls in the dining room and the master bath is a flexible "wallpaper" consisting of thin gauge copper or brass laminated to a substrate.

Architect of the "Decade 80 Solar House" is Arthur Kotch, A.I.A. Interior designer is Ving Smith, A.I.D., and Charlotte Smith. Mr. Smith also designed the prototype copper metals furniture for the solar home.

Among the new products and systems to be seen in the house that are of particular importance from a product innovation standpoint are the towering floor-to-ceiling bronze doors and windows at the pool-side of the house that provide thin-line framing of doors and windows in heights not previously feasible, in addition to superior energy-saving insulating qualities. The living room door leading to the deck entertainment area, for example, is almost 11 feet tall, with bay windows on either side measuring approximately 8′ x 9′.

Door and window frames are of a unique sandwich construction. On the exterior side of doors and windows, frames consist of unusually thin but strong sections fabricated in brass with an architectural bronze finish for maintenance-free long life and beauty. On the interior side of doors and windows, frames are of a permanently coated material that can be painted to match interior color styling. Exterior and interior frames are held together with a special thermal-break material with an insulating, fire-retardant urethane foam core that prevents heat loss and guards against condensation on the interior surface frame.

In addition to providing a more aesthetically pleasing "thin profile" combined with massive glass areas and superior insulation, the new doors and windows are said to be competitive in cost with other top-of-the-line thermal-break metal or wood doors and windows. The thin-line bronze door and fixed windows system is a prototype development of CDA, and could be on the market as early as Spring of next year.

From both a performance and an architectural viewpoint, the key element in the house is its solar energy collecting copper roof. This dramatically sloping copper roof spans a sprawling, compound-like structure wedded to its desert environment through its natural earth tones, highly textured exterior walls, and low slung massive horizontal lines. Dramatizing the entry way are high-sheen copper-clad double doors and side panels in a raised repeat sun pattern.

According to the interior designers, they expanded upon the architect's multi-unit, multi-level idea by creating a series of highly contrasting environments, each furnished to evoke a unique mood, and lighted differently.

That the CDA solar house is to be a permanent home for a family is important, CDA believes, to prove that today's solar technology can be engineered to provide a new kind of carefree, comfortable living environment that can be enjoyed even more than a home in the days of plentiful energy. That is why the CDA solar house, just as with the previous CDA showcase house in Houston, will become "the permanent home environment of a real family," explains Mr. Anderson.

The year-round operating efficiencies of the CDA solar house are not dependent on its being located in Tucson or other such high sun-yield location, points out Mr. Anderson. "Solar energy storage technology is at a sufficiently advanced stage to make solar assisted homes practical as far north as Canada," he says.

Described as long-lasting, maintenance-free, easy to install and reasonable in long-term cost, the house's new solar energy collector system can heat water more than 100° F above surrounding air temperature. It evolved from the successful laminated panel construction now on the market and introduced in the Houston CDA showcase house.

Copper tubing in the new energy panels is made rectangular for both functional and aesthetic reasons. Functionally, a rectangular tube collects more heat energy by providing greater direct contact with the copper collector panels, and aesthetically a rectangular tube has a superior architectural look.

ALSO COOL POOL WATER

Solar panels on the roof of the connecting guest wing are used not only to heat the swimming pool in the winter, but also to cool the water in the summer. During summer nights, pool water circulates through the roof/collector system and is cooled by the desert air for swimming comfort during the hot days. The guest roof slopes at approximately a 40° angle to favor swimming pool heating during Tucson's spring and fall. The house roof slopes at approximately a 27° angle to favor summer cooling conditions, when a relatively large amount of energy is required to keep the house air conditioned.

"Just as copper is the best roofing and plumbing material in the world, so copper makes the best solar collector. In fact, in the case of the CDA solar house, one can consider the solar collectors really as an extension of the plumbing system in that the same issues are faced—corrosion resistance, ease of fabrication, permanence," explains Mr. Anderson. "Copper conducts heat up to eight times better than any other material feasible for solar panels, and has higher resistance to corrosion."

Regarding installation, copper has the easiest joinability, a high adaptability to plumbing codes, and is most familiar to the building trades.

"When these advantages are combined with the fact that there are no complicated joining procedures with the new solar panels, the net result is a faster, more economical installation," Mr. Anderson summarizes.

Fire protection for the CDA solar house is provided by an all-copper sprinkler system described as the first fire safety system to put the priority on saving life. Most sprinkler systems are thought to be "property-oriented" in that they are timed for industrial fires and require water supplies far in excess to what is needed to put out a residential fire. Such water demands put most sprinkler systems out of the economic reach of most structures. Called the copper "Life Safety System," this particular system protects the Transamerica headquarters building in San Francisco, the West's tallest tower. Use of the new copper sprinkler system in the elegant solar home is noteworthy, believes Mr. Anderson, because it documents that sprinkler systems can be both highly protective and aesthetically acceptable.

In the Tucson solar house, special PPG glass performs two opposite functions: in the solar panels, it attracts and traps solar energy; in the windows, it reflects and excludes solar heat. In the solar panels, two panels of clear tempered glass separated by an insulating air space transmit a high level of solar energy to the black coated copper absorber plate and insulate against heat loss. Further, short-wave length radiation passing through the glass is converted to a longer wave length, which the glass then traps for greater efficiency—the same principle as in greenhouses.

Windows on the pool-side of the house are glazed with special solar bronze tinted, double-glass insulation units that reduce heat gain by 40% for lower air-conditioning loads and improve indoor visual comfort. In insulating quality, the glazing is said to be comparable to nine inches of face brick, five inches of common brick, or 5.2 inches of high density concrete. On the sunside of the house is glazing that is highly reflective, almost mirror-like, tinted more in the copper tones, and of even higher insulating quality.

Regarding the actual climate control system, two Arkla lithium bromide-water absorption units together have a total cooling capacity of 72,000 Btu/hr or six tons. The same units also provide 120,000 Btu/hr—60,000 Btu/hr each—of heating during the winter, and include two 1,200 cfm fans for circulating the air. The heat from the water circulating through the solar panels is transferred to a second closed water system with a 3,000 gallon insulated storage tank buried underground.

A standard commercial, auxiliary water heater capable of providing up to 170,000 But/hr of thermal output is available on a stand-by basis. The house's solar system also incorporates a heat exchanger and an auxiliary standby heater to provide hot water for household use.

An important aspect of the "Decade 80 Solar House" is the plan that it be fully instrumented for computerized analysis to produce hard data on solar energy technology in a normal home environment. This information is to be made available to professionals, and would be updated regularly over a long period of time.

The CDA solar house overlooks the Tucson National Golf Club, home of the famous Tucson National Open.

[From the Washington Post, June 19, 1975]

SOLAR POWER USE NEARS FOR HOMES

(By Jane Bryant Quinn)

NEW YORK.—Solar power is closer than you think. Hundreds of Americans already heat their water and even their homes with energy from the sun. Present technology can serve virtually all parts of the country. All we're waiting for is the commercial development that will bring solar units within the price range of the average home owner.

If you want to be one of solar heating's pioneers, you can install a system right now. Sheldon Butt of the Solar Energy Industries Association puts the price of such a heater for a new 2,000-square-foot house at between $5,500 and $10,000. This unit should cover around 50 per cent of your energy needs in the Northeast, and 75 per cent in the Southwest.

For a more modest system that heats only water, you'd spend around $750 to $1,000. This is all a southern home owner would ever want. Air conditioning units are possible, but right now they're prohibitively expensive.

It generally costs more to adapt a solar system to an older house—if it can be adapted at all. The pipes or ducts, for example, might not be compatible with those of the solar unit. The roof might have to be reinforced to support solar collectors. And, if the roof didn't face in the right direction, you'd have to install the collector in your yard—not the way most people plan to use their lawns.

In brief, a solar system works this way: Water, air or anti-freeze passes through a glass or plastic "collecting" unit on the roof, where it's heated by the sun. It then runs down to a storage tank, where the heat is transmitted either to more water or to rocks. The heat can hold there for many days. When the weather is cloudy, you can continue to draw on the stored heat for a day or two, but after that must switch to an auxiliary power source until the sun comes out again.

Almost every part of the country gets enough sun to make solar power worthwhile, but there are a few places under too heavy a cloud cover. Call the Weather Bureau to see how many sun days you have (and how many hours of sun per day). You generally need usable sun at least 50 per cent of the time—especially during the critical heating season—for a solar system to make economic sense.

Here's how to figure what solar energy will save on heating bills, according to the Business Week Letter, a personal financial reporting service owned by McGraw-Hill.

(1) Figure that sun power can assume about half your heating load. Some systems promise more but, even in sunny areas, it's best to play the numbers game conservatively.

(2) Right now, a small hotwater system is the most practical to install. Ask a plumber or heating systems contractor to estimate what part of your fuel or electric bill goes toward keeping your water hot.

If it's $400 and you can cut that in half with solar heating, you've in effect gained $200 a year to apply toward the cost of the installation. Assuming a solar unit costs $1,000, it will have paid for itself in five years (sooner, if energy costs keep going up).

(3) If you also want to heat rooms, count finance charges, since most expenditures of that size are on borrowed money. Take your total heating bill, divide it in half, then subtract the annual finance cost. What's left is savings, which can be credited toward paying for the unit.

If you're financing through your mortgage at around 9 per cent, it's probably worth it. But at 15 per cent, a solar system most likely would add to energy costs. In areas with short winters, solar space heating isn't economical at all. And no solar unit is apt to cost-effective for someone heating with inexpensive natural gas.

The industry's performance criteria are not yet sufficiently understood, nor the manufacturers well enough tested, for you to be able to pick a good system unaided. Some run on air and some on water; they use various types of materials, and offer different gimmicks for improving the efficiency of the collector.

Some day, perhaps within five years and certainly within 10, you'll be able to order a solar system almost as easily as you can buy an air conditioner. Right now, it's best to go to an architect or engineer who has made a study of solar power.

Three well-known consulting firms are Solaron in Denver, Inter-Technology in Warrenton, Va., and Dubin, Mindell and Bloome in New York. You may also find firms in your area that already are up on solar power.

An engineer may add $200 or more to the cost of a system but, once he's through, you'll be reasonably sure of having something that works.

TWENTIETH ANNIVERSARY OF ROLL CALL NEWSPAPER

Mr. **THURMOND**. Mr. President, I am happy to join my voice to those of my distinguished colleagues in commending Roll Call, the Capitol Hill newspaper, on its 20th birthday on June 18, 1975. The members of my staff have enjoyed reading this informative and entertaining journal ever since its first publication. A newspaper gives to a community a sense of unity and cohesion, and Roll Call has performed this function admirably for the legislative branch of our Government. Its regular appearance reminds those on Capitol Hill that with all our differences, partisan and personal, we have something very important in common—our responsibility to serve the people of the United States by conceiving and approving the best laws of which our minds are capable. I wish for Roll Call—its publishers, editors, and reporters—many more years of journalistic achievement, and I look forward to the continuation of its beneficial influence on the legislative branch and our important work.

ADDRESS OF GOVERNOR PRYOR ON REORGANIZATION OF YOUTH SERVICES

Mr. **BUMPERS**. Mr. President, on May 28, 1975, my successor as Governor of Arkansas, the Honorable David Pryor, delivered a significant address on reorganization of youth services. In this address he traced the recent history of the organization of State government in this area, including educational services, health services, and juvenile services.

The Governor's address is brief but pithy and, I believe, merits the attention of the Senate.

I, therefore, ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address wos ordered to be printed in the RECORD, as follows:

REORGANIZATION OF YOUTH SERVICES

(By Gov. David Pryor)

Thank you for letting me take part in this meeting tonight.

All of us share similar concerns, and all of us are here now to express our points of view and exchange ideas and opinions.

I remember clearly the state of juvenile programs when I first came to the state legislature some 15 years ago.

At that time whatever little attention we gave the young citizen of Arkansas was in the way of an afterthought.

And the disturbed youth was ignored almost completely.

How different things are today.

People are concerned and are active throughout the state in programs for the juvenile.

This is true not only in state agencies but in private organizations as well.

Only last week I took part—along with Dr. Bost and others—in a groundbreaking in Little Rock.

It was in the middle of a beautiful wooded tract out west of town, the site of a new Youth Home Center.

It was the final product of a dream many citizens have had, not only in Little Rock but across the state.

Using one method or another—hard work and some active campaigning—the directors of the home have raised the money necessary for this new building.

It will take care of teenagers badly in need of help, disturbed youths who may become future leaders in Arkansas society.

This is the kind of commitment all of us need to make and to keep up.

For a commitment to youth is an investment in the future, and how better can we invest our time, our energy, and our money?

One area in which state government should move forward is in the Community Based Program where local concerns and local officials execute our juvenile programs.

Tradition shows us that wherever decisions can be made on a local level the results are more satisfactory, more successful, more like the product we have in mind.

This is true in education, in health care, in the administration of government, and in juvenile programs.

Let me commend Dr. Bost and his staff for the splendid way in which they have designed a reorganization of the Juvenile Services Division.

In every way they have maximized our use of state dollars.

By their wise administration, they have set an example for the rest of us in state government.

We are all concerned today—in the public and private sector—with what is in store for the status offenders who presently make up a sizable portion of our training schools.

The direction of federal legislation is to remove them from training schools, but the question is: where do we place them?

What becomes of children who need attention and care?

I think we should not be content with a "single solution" approach.

We need to leave open our options . . . we need to care for these youths on an individual basis—whether it's foster care in a private home, or receiving homes on a public basis, or an institutional parent-teacher relationship, or even group homes.

Fortunately law enforcement assistance agencies play a major role in helping with juvenile programs.

With their encouragement we have funded a 10-year Master Plan to map out the direction juvenile attention should take in the future.

We have never had this kind of program in the state before, and the prospects are exciting to me and to anyone involved in it.

One who is vitally concerned is the new Director of the Commission on Crime and Law Enforcement, General Gerald Johnson, who is here tonight.

L.E.A.A. will work closely with Social and Rehabilitative Services by providing expert advice and staff re-enforcement for juvenile programs.

Because of the state's widespread pattern of organization I am asking Dr. Bost and his Department to move a position from Rehabilitative Services and place it at the Department Director's level.

This position will report directly to me, through the Director of S.R.S., and will monitor the Annual Operations Plan through my own office staff.

It is my intention to look long and hard at juvenile services on every level . . . to bring them into one efficient program, under one broadly-based umbrella.

For this will provide the basis for potential expansion in the area of juvenile services for the next three to four years.

Too often the answer to problems in state government seems to be "We need more money."

But the fact is that right now we don't have more money to spend.

We must go about the sober task of becoming more efficient with what we have, of spending wisely that money which is presently available.

I want to see S.R.S. dedicated to juvenile programs.

I want to see S.R.S. continue to develop the kind of innovative programs in the future that have so distinguished its record in the past.

It is possible to use existing staff personnel . . . to find ways of utilizing private programs and bringing them more closely into the public realm.

In keeping with my direct commitment to juvenile services, I am asking the Office of Planning, a new arm of the governor's staff, to monitor personally the state program for juveniles in Arkansas.

We must fit the plan to the youth, not the youth to the structure and make-up of an already existing plan.

And the plan must include a flexible, working arrangement for decisions to be made at key points throughout the state, and not by state officials who operate entirely through a Little Rock office.

Let me finally call on each of you to help.

A program of this magnitude and importance can be only as helpful and significant as the input it receives from its participating workers.

My office is open for comment and suggestion.

We are moving into new and uncharted waters.

They will eventually deal with status offenders, with youthful offenders, with Juvenile Justice, with treatment centers, with the commitment of state money for community-based programs.

We are not prophets and cannot see into the future.

But with your continued interest and hard work, and with the State's continuing use of your expertise and training, we should develop a future of juvenile services that Arkansas will be proud to boast . . . the kind of future our young people deserve, and the kind I know we all want them to have.

Thank you.

NEEDED: FULL-FLEDGED MEMBERSHIP IN THE NATIONAL PARK SYSTEM FOR THEODORE ROOSEVELT NATIONAL MEMORIAL PARK

Mr. BURDICK. Mr. President, recently an article appeared in the Bismarck Tribune—a fine daily newspaper in North Dakota—explaining why North Dakotans are so interested in changing the name of the Theodore Roosevelt National Memorial Park. Written by Steve Schmidt, the article is a good explanation of the background leading to the introduction of S. 1609, my bill to make the park a full-fledged member of the national park system. The legislation is now pending before the Committee on Interior and Insular Affairs.

Because I know that the members of the committee and my colleagues in the Senate will find the article of interest, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Bismarck (N. Dak.) Tribune, May 31, 1975]

Needed: Full-Fledged Membership in the National Park System for Theodore Roosevelt National Memorial Park

Since the turn of the century, at least, North Dakotans have fought to make Teddy Roosevelt's old stomping grounds a full-fledged part of the National Park System. Perhaps few causes have been rallied for longer and stronger in the state—with the possible exception of higher wheat prices and Garrison Diversion.

"Here the romance of my life began," Roosevelt told a gathering at Medora in 1900, fondly recalling his years of ranching, hunting buffalo and elk and serving as Billings County deputy sheriff during the 1880s.

Ever since T.R. told residents that he wouldn't have been President of the U.S. had it not been for his years in western North Dakota's Badlands, the state has tried to pay homage.

During the 1920s the Greater North Dakota Association (GNDA) went so far as to arrange for Queen Marie of Rumania to take a train ride to Medora, where she perched on horseback and watched a rodeo seven miles north of the spot that Teddy had his Chimney Butte ranch in 1883. It was but one chapter in the GNDA's quarter-century long pitch to have the Congress set aside lands north of Medora as a national park.

The dream came true, partly, in 1947 when President Truman signed into law a bill designating about 28,000 acres of federally owned land in Billings County as the Theodore Roosevelt National Memorial Park under the Park Service.

"BETTER THAN JACKSON HOLE"

To get the bill, U.S. Rep. William Lemke of North Dakota did some fancy logrolling and coaxing against opposition from the U.S. Fish and Wildlife Service, which wanted to make the Badlands into the "Theodore Roosevelt Wildlife Refuge," and the Park Service itself, which didn't think the Badlands came up to federal standards. On top of that, Congress was reluctant to establish the park because of the Administration's point that not enough public land was available.

Congressman Lemke openly took issue with National Park Director Newton Drury. "It may not come up to certain ideas of the Park Service," the North Dakotan said of the proposed Badlands park, "but it is a whole lot more picturesque than that Jackson Hole (an earlier-established national monument in Wyoming's Teton Mountains)."

After the original bill carried, additional legislation expanded the Roosevelt Park lands to more than 70,000 acres, including the North Unit southwest of Watford City in McKenzie County. Subsequent proposals to connect the units with a scenic highway and to make parts of the park into national wilderness areas were unsuccessful. The movement to improve the region's national status continues, however.

NORTH DAKOTA "DISNEYLAND"

U.S. Sen. Quentin Burdick, D-N.D., recently announced he is renewing attempts to pass legislation for making the T.R. Park into a national park. Semantically-speaking, it already is a "national park," but it is not the same kind that Yellowstone, Glacier and the Grand Teton parks are.

Theodore Roosevelt Park has the distinction of being America's only "national memorial park." The wording goes back to the Truman era, with the federal reluctance to give North Dakota's Badlands region the same status as earlier parks in the West.

Exactly why the T.R. Park was handled differently is unclear, other than for the sake of compromise. Today, there seems far less reason to treat the T.R. Park differently from others. Its combination of frontier history and scenic appeal have drawn up to 400,000 visitors a year to the South Unit at Medora alone. Visiting the North Unit in the fall of 1965, Stewart Udall, then Secretary of the Interior, remarked to fellow jeep passenger Sen. Burdick, "People who spend $75 in an afternoon at Disneyland would be better off if they birng their family to see this."

Burdick says the "national memorial" designation has put the park into an "administrative limbo" and hurt its tourism possibilities. The senator explains that some travel guides don't even list the Theodore Roosevelt Park because it isn't a regular national park. Changing the designation, he adds, could help take visitor pressure off other national parks in the West, which could be particularly important during next year's bicentennial celebrations around the country.

FEW CANNON BALLS TO FIND

The National Park Service at Medora meanwhile is trying to get the T.R. Park's classification changed administratively from "historical" to "natural", which is the category all other national parks are in. The change wouldn't make dramatic differences in how the park is managed, officials say, but it would put stronger emphasis on improvements for wildlife, flora and other environmental attractions.

Visitors from out-of-state can be confused if they come to the park expecting to see a lot of historical buildings—there's just Teddy Roosevelt's 16 by 28-foot "Maltese Cross" ranch house.

BIGGER THAN BRYCE CANYON

Theodore Roosevelt Memorial Park shouldn't ride backseat to any of the other national parks just because of its size.

Yellowstone, the nation's largest, has two million acres to the North Dakota park's 70,000. But the Theodore Roosevelt Park is bigger than at least eight others that have full national park status. Among them are Wind Cave in South Dakota, Bryce Canyon in Utah, Carlsbad Caverns in New Mexico, Hot Springs in Arizona and Redwood in California. Another one, the Platt National Park in Oklahoma, has less than 1,000 acres.

Perhaps some of those parks wouldn't be around at all if it hadn't been for Teddy Roosevelt's conservation ideas in the early 1900s. The least Congress could do would be to put the park in the Badlands where "Old Four Eyes" got his early inspiration in the same category as others.

ROLL CALL

Mr. HARTKE. Mr. President, freedom of the press is one of the most cherished and integral parts of this "experiment in government" that has entered its 200th year. We all know that this concept of freedom preceded the formation of our Nation's noble experiment when Peter Zenger won his famous court case.

Just 20 years ago, a young man named Sidney Yudain, in the tradition of Peter Zenger, started his own "noble experiment"—a tabloid weekly that he christened "Roll Call."

In these 20 years, Mr. Yudain, I think, in carrying out the tradition established by Peter Zenger by being as accurate and as informative as all American press, all American newspapers should be. These 20 years have not been totally without error. But, I think it is fair to say that Mr. Yudain and his staff have sincerely tried to present both sides as a congressional topic in as fair a way as possible.

I do hope that Mr. Yudain will continue in this spirit of fairness for the next 20 and more years and that this noble media experiment continues to hold itself up as a model for other newspapers to follow.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

CONTINUING APPROPRIATIONS, 1976

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of House Joint Resolution 499, which the clerk will state.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 499) making continuing appropriations for the fiscal year 1976, and for other purposes.

The Senate proceeded to consider the joint resolution which had been reported from the Committee on Appropriations with amendments.

Mr. McCLELLAN. Mr. President, House Joint Resolution 499 now under consideration, will provide funding for Federal agencies between the end of this present fiscal year on June 30, until the regular annual appropriations acts are enacted into law later in this session of Congress. It is effective until sine die adjournment of this session of Congress.

The committee recommends that some of the programs provided for in the Emergency Employment Appropriations bill but which was vetoed by the President be included in this continuing resolution. These are set out on page 3 of the report.

The committee also recommends that several programs, particularly the food programs within the Department of Agriculture, be continued at the rate which is mandated by existing law. In this way there is some flexibility to accommodate changing levels and needs within these programs. This language will insure that these programs can be continued without interruption under existing law. These programs are detailed on page 3 of the report.

Generally speaking, Mr. President, this continuing resolution is similar to those we have considered and enacted in the past. The details of the resolution are discussed more fully in the report which is available to the Members but if there are any questions, I shall try to answer them. I do hope, Mr. President, that the Senate will approve the recommendations of the Appropriations Committee. If this is done I am confident that we can resolve the Senate amendments with the other body and send this resolution to the President without any undue delay.

Mr. President, I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Mr. President, I will make just a very short statement and then request that the distinguished Senator from Massachusetts (Mr. BROOKE) handle this bill for the minority.

Mr. President, I support approval of this continuing resolution, although I do have some misgivings and objections to it. I refer to the procedure in which the House handled this resolution. They were able to put additional money in the resolution which was not authorized and not subject to a point of order.

I think that parts of the resolution provide for more spending than necessary. But I see no alternative but to approve the continuing resolution. I could offer amendments, but I do not think it would be useful. So I ask that the Senate approve the continuing resolution.

Mr. BROOKE. Mr. President, I ask unanimous consent that a statement submitted by the distinguished chairman of the subcommittee of HEW (Mr. MAGNUSON) be printed in the RECORD.

The PRESIDING OFFICER. Without objection, is is so ordered.

STATEMENT BY SENATOR MAGNUSON

I have a few remarks concerning House Joint Resolution 499, the fiscal year 1976 Continuing Resolution.

On the whole, I am pleased with this resolution, especially the Labor-HEW portion. It is based on the assumption that the House will pass the fiscal year 1976 Labor-HEW bill before June 30, 1975, and the levels contained in the House bill will basically form the Continuing Resolution level.

I am particularly pleased that the resolution also contains the complete $1.9 billion supplemental appropriation package I sought to have included in an earlier bill. These items consist of: +$1,625,000,000 for public service jobs; +$30,000,000 for jobs for the elderly; +$119,800,000 for college work-study jobs; +$70,000,000 for the Work Incentive Program; and +$10,000,000 for the Youth Conservation Corps.

I withdrew my amendment to House Joint Resolution 492, which was co-sponsored by Senator Brooke and many others, based on assurances from the House that these entire amounts would be put in this bill. I am also pleased that the Senate added $375 million for the Job Opportunity Program in the Commerce Department, as well as $150 million for Rural Water and Waste Disposal Grants, which are the amounts previously agreed to by the Conferees on the vetoed Emergency Employment Act supplemental. Together with the $473 million recently appropriated for Summer Youth programs, this means we are now recommending enactment of about $2.8 billion to replace the $5.3 billion vetoed Emergency Jobs bill.

Mr. President, I feel this is a reasonable compromise, about half the original bill, of which more than $2 billion has been requested by the President.

So that there will be no chance of misunderstanding, let me make it clear that the Continuing Resolution will include the following provisions with respect to Labor-HEW programs:

1) An additional $1,625,000,000, over and above the amounts already appropriated for fiscal year 1975, for public service jobs, extending for another year the current level of about 320,000 persons enrolled under several legislative authorities, including the Emergency Employment Act and Titles II and VI of the Comprehensive Employment and Training Act.

2) An additional $30,000,000 for jobs for the elderly, over and above the $12,000,000 previously appropriated for fiscal year 1975.

This would make available a total of $42,000,000 for approximately 12,700 jobs under Title IV of the Older Americans Act, Community Service Employment for Older Americans, as well as permitting continuation of enrollees in the Operation Mainstream program including the Green Thumb and Senior Aides projects. The "hold harmless" language previously intended for this program, as contained in the vetoed Emergency Employment Act supplemental, still applies. This language permits all States to operate at their full Title IX formula, or "hold harmless" level, whichever is higher, for several months into fiscal year 1976. With fiscal year 1976 appropriations that will be included in the regular bill, it is our intent to provide the necessary funding to at least maintain this level for the remainder of fiscal year 1976. This is not intended to preclude the Department from entering into contracts with organizations seeking to operate new Older American jobs programs, such as minority groups. I wish to emphasize once again, however, our intent that this program be administered primarily through national contracts.

3) An additional $70,000,000 for the Work Incentive Program, over and above the $210,000,000 already appropriated for fiscal year 1975. Many States have already spent at this higher level in fiscal 1975, in anticipation of those additional Federal funds to reimburse them, rather than to close up operations and lay off welfare recipients enrolled in work and training programs. Half of this increase, $35,000,000, is intended for the child care and supportive services component of the WIN program; the other half is for training and employment activities. The additional funds are also permitted to be used to pay the States the Federal share of their 1974 reported expenditures which were in excess of their grants to fund the fiscal year 1974 program.

4) An additional $119,800,000 for the college work-study program, on top of $300,200,000 already available, to add approximately 250,000 more part-time jobs for low-income students.

Let me also say that we perfected the Report accompanying this bill to clarify our intent in several instances. We put in language offered by Senator Brooke directing that the rates of operation for programs and activities under the Continuing Resolution be interpreted as mandatory spending levels, just as would be the case in a regular appropriations bill. I am tired of the people downtown interpreting the Continuing Resolution to impound funds.

We also added report language to stress that the Labor Department should immediately obligate the public service jobs and jobs for the elderly funds, to insure that the program levels allowed by these extra funds are maintained.

The Committee also mentions in its report the serious situation we are in with respect to some high-priority health programs. For two years several doctor and nurse training and other programs have been without authorizing legislation. We are not trying to place the blame on anyone—everyone is at fault. The point is the programs are being phased-out because they do not have enacted legislation and appropriations. All we are saying is "pass the legislation—promptly", so we can increase the funding levels for health personnel training.

Let me also clarify that Emergency Medical Services Training should be provided for at the fiscal year 1974 level of funding.

Mr. President, I urge adoption of this Continuing Resolution.

Mr. BROOKE. Mr. President, generally, I am pleased with this resolution, especially the part pertaining to Labor-HEW. It is based on the assumption that the House of Representatives will pass the fiscal year 1976 Labor-HEW bill prior to June 30, 1975, and that the levels contained in the House bill will basically form the continuing resolution level.

My distinguished chairman of the Subcommittee on HEW (Mr. MAGNUSON) has worked very hard on this bill and we are pleased that the resolution does contain $1.9 billion in a supplemental appropriation package which we tried to have included in an earlier bill.

Now, these items consist of $1,625 million for public service jobs; $30 million for jobs for the elderly; $119,800,000 for college work-study jobs; $70 million for the work incentive program; and $10 million for the Youth Conservation Corps.

The Senator from Washington (Mr. MAGNUSON) withdrew his amendment which I had cosponsored to House Joint Resolution 492 based on assurance from the House that the amounts I just referred to would be put into this bill. In addition thereto, the Senate has added $375 million for the job opportunity program in the Commerce Department as well as $150 million for rural water and waste disposal grants, which are the amounts previously agreed to by the conferees on the vetoed Emergency Employment Act supplemental. Together with the $473 million recently appropriated for summer youth programs, this means we are now recommending enactment of about $2.8 billion to replace the $5.3 billion vetoed emergency jobs bill.

We think, Mr. President, that this is a very reasonable compromise. It is about half the amount which we asked for previously and which was vetoed by the President. We hope that the President will sign this new bill into law because, without question, there is a great need for public service jobs at this time, with high recession in the country. Certainly, we need the money for the jobs for the elderly and for college work-study jobs, the work-incentive program, and particularly for the Youth Conservation Corps because that is a serious problem with high unemployment among youth.

I believe it ought to be very clear that this continuing resolution will include the following provisions with respect to the HEW program. That is an additional $1,625,000,000 over and above the amount already appropriated for fiscal year 1975 for public service jobs; an additional $30 million for jobs for the elderly over and above the $12 million previously appropriated for fiscal year 1975; an additional $70 million for the work incentive program over and above the $210 million already appropriated for fiscal year 1975, and an additional $119,800,000 for the college work-study program over and above or on top of the $300,200,000 already available.

We also have language in the report that this money be spent the same as it would be in a regular appropriation bill.

I point this out, Mr. President, because the committee was very strong, I think it was unanimous, in approving this language. The report states:

> The Committee directs that the rates of operation for programs and activities under the continuing resolution be interpreted as mandatory spending levels, just as would be the case in a regular appropriations bill.
>
> The Committee and the Congress will continue to entertain rescission and deferral messages, should the Administration have proposals to spend at rates of operation below the levels specified by the continuing resolution.

So, Mr. President, I hope that the Senate will accept this compromise bill, this reasonable compromise, and that this matter might be sent to the President forthwith for his signature.

Mr. PASTORE. Mr. President, I wish to add a few remarks to the very adequate explanation of the distinguished chairman of the Appropriations Committee (Mr. MCCLELLAN) regarding a certain Senate amendment relating to increased job opportunities. The committee amendment provides $375 million for the job opportunities program under the Department of Commerce. This amount, together with the $125 million already appropriated, will provide a total of $500 million to accelerate public works programs authorized by existing law. This funding level is consistent with the congressional program of economic recovery and energy sufficiency which was transmitted to the President in February. The purpose of this jobs program is to provide short term employment opportunities while constructing facilities of lasting value to the community.

There is no doubt the funds can be used. The Secretary of Commerce has on hand 18,000 proposals from 43 Federal agencies worth $3.3 billion. The funds made available under this program will be sufficient to support approximately 15 percent of the highest priority proposals. Priority in allocation of the funds will be given to those labor intensive projects which can be initated promptly and which can be substantially completed in 12 months. About 50,000 jobs will be created by the $375 million in the bill and the $125 million already provided.

Mr. President, this amount of $375 million was included in both the House and Senate versions of the recently vetoed Emergency Employment Appropriations Act. The language also provides $1 million for the Mountain Plains education and economic development as was agreed to in conference on the vetoed bill.

Mr. President, the committee felt strongly that as long as the $2 billion Labor-HEW chapter of the vetoed jobs bill was going to be included in this resolution, the job opportunities program funds should also be included.

Mr. President, these funds are fully compatible with the ceiling established by the Appropriations Committee earlier this year as well as the overall ceiling voted by the Congress in the first concurrent resolution.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the State-by-State allocation of the $125 million previously appropriated for this program. Under the $375 million jobs amendment that I proposed and which was adopted by the committee, each State could—all other things being equal—receive up to three times the amount indicated in the table which shows only the initial $125 million allocation.

Mr. President, I urge the adoption of this continuing resolution.

There being no objection, the table was ordered to be printed in the Record, as follows:

Title X job opportunity allocation by State

[$125 million previously appropriated]

Alabama	$3, 055, 061
Alaska	879, 000
Arizona	4, 392, 161
Arkansas	2, 625, 879
California	13, 874, 971
Colorado	2, 456, 105
Connecticut	1, 017, 580
Delaware	378, 000
District of Columbia	500, 000
Florida	1, 971, 460
Georgia	2, 191, 713
Hawaii	25, 000
Idaho	2, 158, 670
Illinois	2, 873, 885
Indiana	1, 336, 075
Iowa	415, 000
Kansas	280, 000
Kentucky	1, 453, 540
Louisiana	1, 767, 960
Maine	1, 674, 700
Maryland	1, 291, 974
Massachusetts	2, 772, 212
Michigan	5, 746, 365
Minnesota	1, 906, 707
Mississippi	135, 299
Missouri	1, 415, 000
Montana	2, 840, 692
Nebraska	318, 000
Nevada	381, 032
New Hampshire	100, 000
New Jersey	2, 875, 360
New Mexico	4, 514, 123
New York	6, 099, 720
North Carolina	3, 054, 817
North Dakota	127, 800
Ohio	3, 394, 831
Oklahoma	1, 991, 000
Oregon	4, 180, 062
Pennsylvania	5, 153, 400
Puerto Rico	933, 000
Rhode Island	951, 163
South Carolina	4, 326, 375
South Dakota	1, 630, 775
Tennessee	3, 499, 174
Texas	1, 778, 100
Utah	1, 856, 142
Vermont	1, 200, 000
Virginia	1, 125, 670
Washington	3, 477, 388
West Virginia	867, 660
Wisconsin	2, 399, 610
Wyoming	23, 000
Multistate	2, 574, 000
Total	121, 267, 211

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 5, at the end of line 25, strike out "and".

On page 6, in line 3, after "1975" strike out the period and insert a semicolon.

On page 6, at the beginning of line 4, strike out "The" and insert "the".

On page 11, beginning with line 7, insert: for activities under the heading Job Opportunities program pursuant to title X of the Public Works and Economic Development Act (Public Law 93-567, December 31, 1974), in addition to amounts made available elsewhere in this joint resolution and otherwise, an amount of $375,000,000, to remain available until December 31, 1975: *Provided*, That not to exceed $1,120,000 may be used for administrative expenses: *Provided further*, That $1,000,000 shall be available until expended, and shall be transferred to "Regional Development Programs", Regional Action Planning Commissions, to carry out programs authorized by title V of the Public Works and Economic Development Act of 1965, as amended;

On page 12, in line 17, after "law", insert "and the School Breakfast program".

Mr. BROOKE. Mr. President, will the distinguished chairman yield for a question?

Mr. McCLELLAN. I yield.

Mr. BROOKE. As the ranking member of the Subcommittee on Foreign Operations, I simply want to emphasize that the prohibition contained within Public Law 93-559 barring any military assistance of any kind, including grants, credit sales, cash sales, guarantees or transfers to the Government of Chile remains in effect and is in no way altered by this continuing resolution. The Appropriations Committee report of this year, Senate Report 94-39, also affirms the inappropriateness of U.S. Government involvement in the acquisition of military equipment by Chile while the current state of affairs in that country continues.

I would just like to know if that is the understanding of the distinguished chairman of the Appropriations Committee and also if that would be agreed to by the distinguished ranking minority member (Mr. Young).

Mr. McCLELLAN. I believe that is the understanding. It is my understanding.

Mr. YOUNG. That is also my understanding.

Mr. TAFT. Will the distinguished chairman yield for a question?

Mr. YOUNG. I yield.

Mr. TAFT. Mr. President, I would like to have a comment from the chairman on the question of whether the resolution provides continuing appropriations for the Federal Aviation Administration's airport planning grant at the fiscal year 1975 funding level.

Mr. YOUNG. That is my understanding that the section of this bill for the continuing appropriation and obligation authority for the Department of Transportation will continue on the same level.

Mr. TAFT. I thank the chairman very much for his comment.

Also at this time, I commend the chairman and the committee for the very expeditious treatment in this bill with regard to the college work-study grant program. I see that has been taken care of in the bill. I want to express my appreciation and I am sure the appreciation of thousands of students around the country who are standing by in need of these grants.

Mr. YOUNG. Mr. President, I commend the Senator from Ohio who has such great interest in this program. We made sure that it was included in the House side and also taken care of here.

Mr. TAFT. I thank the Senator.

Mr. YOUNG. It will be continued at the present level.

Mr. BROOKE. If the Senator will yield, I would like to add my commendation to that of the distinguished Senator from North Dakota (Mr. Young) and to assure the Senator from Ohio that what we have done here is an additional $119,800,000 for the college work-study program on top of the $300,200,000 already available. That would add approximately 250,000 more part-time jobs for low-income students. The jobs would be not only for schools in Ohio, but for other universities across the country that the distinguished Senator from Ohio is so much interested in. Again, I commend him for his contribution in that regard.

Mr. TAFT. I thank the Senator for his comments.

Mr. BROOKE. Mr. President, I would like to say that it is my understanding that Senator Javits may have an amendment to the continuing resolution. If there is nothing further, I would suggest the absence of a quorum until he arrives in the Chamber.

Mr. McCLELLAN. He is not here?

Mr. BROOKE. It is my understanding that he is on his way to the Chamber right now.

Mr. McCLELLAN. Mr. President, if we have to wait on somebody, I will suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, is there any time limitation on the measure?

The PRESIDING OFFICER. There are no time limitations.

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 6, line 2, delete "VIII," and on page 7, after line 19, insert the following: "all activities under title VIII of the Public Health Service Act, as amended;".

Mr. JAVITS. Mr. President, the problem that we find, which we have examined carefully overnight, is with the provision which is contained at page 4, beginning with line 7, of the joint resolution. It will be noted that the continuing amounts which are carried in the continuing resolution are designated as those listed in this subsection at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower.

Those are the key words as far as

this amendment is concerned. The President's budget includes a specific number of nurse education programs. I am the ranking Republican member of the Committee on Labor and Public Welfare, which handles health matters. We find that there are a number of nurse education programs which are not provided for in the budget. However, they are contained in measures which are going to conference after having been passed by both Houses.

We do not see why Congress should give priority to the President's budget, as to what he carries in his budget, as deciding for us what to carry in the continuing resolution, rather than the current rate of expenditure, which is the test for this measure, or at the very worst the lower amount of the two carried in the House and Senate bills which are going to conference. Therefore, we raise the issue by this amendment.

The particular items for which no budget estimate is made are institutional support of institutions which teach nursing, provision for new students, and financial distress of those institutions, some of which may very well close. The difference in money is that, while the present rate of expenditure is $119 million, the President's budget estimates in the nursing education field, but not for the items to which I have referred, are about $34 million.

Hence, Mr. President, as I say, what we are protesting by this amendment is simply arbitrarily saying that the President's budget, whatever Congress may do, shall be controlling for the purpose of this continuing resolution, even disregarding what is presenlty being spent, which I would hope I could impress upon the Appropriations Committee is really the basic gravamen of what my objection is.

At the very least, we ought to let the programs carry on until we could have a chance to let the President pass on it yes or no, by way of veto, and then we have a right to override the veto.

But just because he cuts it off in his budget, for us to cut it off in a continuing resolution does not seem fair to me.

Mr. President, the philosophy of a joint resolution, such as the pending House Joint Resolution 499, to make continuing appropriations, is a stopgap financing mechanism. The continuing resolution, if you will, takes a snapshot of the pending appropriations bills as of June 30 and continues those bills forward until the appropriations bills are passed by the Congress and signed into law. The rates do not change until that occurs.

Unfortunately, the procedure outlined by this measure, which contemplates where a program lacks legislative authority that provision is made to continue the program at the rate of the budget estimate, cedes to the executive branch of Government the prerogatives of Congress.

While I share the concern expressed in the report respecting the need for authorizing legislation for the health program covered by the amendment I propose—regarding nursing education—I believe we cannot elect to terminate vitally needed funding for nursing education because the executive branch chooses not to request funding in its budget estimate.

This is particularly tragic with respect to nursing education where we are dealing with a bill which the President pocket-vetoed in the waning days of the 93d Congress, because the Congress and the Executive had very different views concerning the need for such health legislation.

On January 28, 1975, the provisions of the vetoed bill (S. 3586/H.R. 17085) were incorporated into S. 66 and unanimously favorably reported by the Committee on Labor and Public Welfare of which I am ranking minority member.

Then on April 10, by a vote of 77 to 14, the Senate passed the Nurse Training Act of 1975. Thereafter a comparable nurse education bill was overwhelmingly passed by the House on May 7, 1975, by a vote of 384 to 17 (H.R. 4114 and H.R. 4115). These bills will be considered by a conference committee next week to reconcile the differences. I am confident that it will be a speedy conference since the differences between the Senate-passed and the House-passed nursing provisions of the legislation are minimal.

Under the continuing resolution now in effect, the Congress provided funds for the Nurse Training Act "at a rate for operations not in excess of the current rate." For the programs under title VIII, the nurse training programs, that continuing resolution provided for $119.9 million for Federal aid to nursing institutions and students.

The continuing resolution now being considered, House Joint Resolution 499, provides funds for nurse training programs at a rate "not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower." If this is permitted, the budget request for nursing programs, with which the Executive concurs, means that only $34.5 million will be provided for the congressional supported scope of nurse training programs. Thus, there will be a greater than $85 million decrease and the elimination of over 70 percent of the funds for congressionally supported nurse training programs.

If the continuing resolution passes, the Office of Management and Budget will have achieved its intention to phase out many of these nursing manpower programs, despite repeated congressional action and intent to the contrary. If the OMB budget becomes the appropriation rate, as provided in House Joint Resolution 499, there will be no funds provided for construction grants, financial distress grants, or nursing traineeships.

Unless we approve this amendment, there will be no funds available for nursing loans or scholarships for new nursing students in September.

Most of the health manpower programs are advanced funded and loans and scholarships for second, third, and fourth year students will be funded at the OMB budget level. In this program, however, the budget does not provide for new nursing student loans, despite the provision for that purpose in the Senate and House passed bills. Moreover, congressional support for such first year student assistance is further evidenced by the passage in the 93d Congress of the emergency bill (S. 3782) which I authored, and which was enacted into law, to provide such student assistance.

Current appropriations for student nursing loans is $22.8 million. The President's budget is for $9 million and that is for continuation only and not for new student loans.

While I am reluctant to advocate funding without appropriate authorization, it appears by the overwhelmingly large margins of passage in both Houses of Congress of the Nurse Training Act, that it is indeed the intent of the Congress to continue the nursing education programs and not to eliminate them.

It is essential that we not reduce the ability of nursing schools to educate enough nurses to meet the already existing shortages and keep up with the growing demand for more nurses and trained nurse specialists.

The Nurse Training Act is different from other health manpower measures now before the Congress in that it has already passed both Houses by wide margins. I urge my colleagues to recognize this difference and adopt this amendment.

The PRESIDING OFFICER. Will the Senator suspend?

The Chair is instructed that the amendment which the Senator proposes does not fit the bill at the points the Senator suggests.

Mr. JAVITS. Mr. President, I send to the desk a substitute amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes an amendment.

The amendment is as follows:

> On page 6, line 11, delete "VIII," and on page 8, after line 9, insert the following: "all activities under title VIII of the Public Health Service Act, as amended;".

Mr. JAVITS. Mr. President, to continue, it, therefore, seems to us that if we are going to do what we ought to do with respect to this continuing resolution, we ought to carry on the existing programs and not allow simply the President's budget to cut them out and cancel them, which this particular provision will do. We accept that cancellation.

I do not think that should be the intent of the Congress in honoring its own mandates in a matter of this character.

We are advised that HEW believes that there is enough money in the pipeline to carry on these activities for the first two quarters of the ensuing fiscal year, that is, the first two quarters of the fiscal year beginning July 1, 1975.

We have not the remotest notion whether that is so or not; therefore, I submitted the amendment, Mr. President, simply by way of testing the principle because again I say I turn to the Committee on Appropriations and ask the Appropriations Committee itself is it fair that we should allow the President's budget to rule us?

Is it not more fair that we should simply carry on the existing situation until such time as we have substituted law or there is no law rather than simply take it on the President's budget request?

I yield.

Mr. BROOKE. Mr. President, I commend the distinguished Senator from New York for raising this question. The Committee on Appropriations was concerned about it. It was discussed at some great length.

The distinguished chairman of the HEW Subcommittee and I mentioned the serious situation that we are in with respect to some high priority health programs. For 2 years several doctor, nurse training, and other programs have been without authorizing legislation.

We are not trying to place the blame on anyone.

The main point to emphasize is that the programs are being phased out because they do not have authorizing legislation and appropriations.

All we are saying is pass the legislation promptly so that we can increase the funding levels for health personnel training.

For many health programs the House has provided for the current rate of spending or the budget estimate, whichever is lower, and this will, in effect, reduce or possibly eliminate some health programs under the continuing resolution.

The rationale that the House used was that they reviewed all authorizing legislation which expired more than 2 years ago, and it was felt that the Committee on Appropriations could no longer carry these programs without authorizing legislation.

HEW has told the House that the programs which would be deleted or reduced under the continuing resolution do not require funding in the first two quarters of the fiscal year and no obligations would be necessary during that period.

Expecting that the distinguished ranking member of the Committee on Labor and Public Welfare, the authorization committee, would raise this question, we called HEW just this morning and ask them about this matter. They advised us that adequate funds are available for all nursing programs in the first two quarters of the fiscal year; therefore, we felt that an amendment such as the distinguished Senator from New York has proposed would not be necessary under these circumstances.

Mr. JAVITS. I say to the Senator that I have enormous confidence in him and in Senators McCLELLAN and YOUNG. I have no desire to cross the will or the wishes of the Committee on Appropriations.

But could I have the assurance of the Senator that first, if HEW is wrong, the Senators will correct it or at least use their best efforts to correct it?

Obviously, the Senators are not the House and Senate, but I have a lot of faith in what they are able to do.

Second, that there be no prejudice to the substantive programs by the fact that they will not be included within this particular continuing resolution, and that they will be looked at without the fact that I withdrew this amendment and, therefore, prejudiced the case as far as the teacher is concerned.

With that kind of assurance I feel justified in withdrawing the amendment, but I do think that having highlighted the situation I should have those assurances.

Mr. BROOKE. I think the Senator is correct in asking for those assurances. He certainly has highlighted the situation.

I can only speak for Senator MAGNUSON, the chairman of the HEW subcommittee, and myself—I serve as ranking minority member on that subcommittee—and I give the Senator those assurances.

The distinguished chairman of the full committee is here, and he can speak for himself on this matter.

Mr. McCLELLAN. I say I hope the Senator will withdraw it. We are all assured there are ample funds in there to carry on these programs. If there are, the Senator's amendment is not needed. If it should prove to be wrong, we have the appropriations bills. All of the appropriations bills are ahead of us. The appropriations could be added to any one of those bills, if necessary, if we find they are in error.

I hope the Senator will withdraw it.

Mr. JAVITS. It is without prejudice to the substantive issue involved. Am I correct?

Mr. McCLELLAN. Certainly so. That is my idea, and I think it is a fair and proper way to handle it.

Mr. YOUNG. Mr. President, my understanding is the same as the distinguished Senator from Massachusetts (Mr. BROOKE); that funds will be available for the next two quarters.

The Department of Health, Education, and Welfare has advised me that adequate funds are available for nursing programs in the first two quarters this fiscal year.

If they are not, we will do our best to provide funding in the regular bill.

Mr. JAVITS. I thank my colleague, and I ask Senator BROOKE if this is so?

Mr. BROOKE. I want to assure the Senator from New York that certainly it will not be prejudiced on our part, and we strongly support this.

Mr. JAVITS. That includes new student assistance; is that correct?

Mr. BROOKE. It certainly does.

Mr. JAVITS. I thank my colleague, and I am grateful to my colleagues and withdraw the amendment.

Mr. McCLELLAN. I thank the Senator.

Mr. President, I send to the desk a technical amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. McCLELLAN) proposes an amendment.

The amendment is as follows:

> On page 8, line 6, delete "and eleventh" and insert in lieu thereof "eleventh and twelfth."

Mr. McCLELLAN. Mr. President, this is a matter of renumbering a reference in the bill to conform with the action the Senate has taken.

I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the technical amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. JAVITS. Mr. President, one other question has been raised by my staff, which I am sure the staff of the Committee on Appropriations could answer.

I direct the attention of Senator McCLELLAN to page 5, lines 10 to 15. That says:

> activities for which provision was made in the Foreign Assistance and Related Programs Appropriations Act, 1975, notwithstanding section 10 of Public Law 91-672, and section 15(a) of the Act entitled, "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended;

And so on.

I just ask whether Israel participates in the supporting assistance which amounts to $580 million and that that, therefore, is included in this particular section.

Mr. McCLELLAN. Mr. President, I yield to the distinguished Senator from Massachusetts.

Mr. BROOKE. Mr. President, I serve as ranking member of the Foreign Operations Subcommittee of the Committee on Appropriations.

To respond to the question of the Senator from New York the answer is yes; $580,400,000 in security supporting assistance is proposed for fiscal year 1976, and the security supporting assistance amount for 1975 is $660 million, as I am sure the distinguished Senator from New York knows.

So, under the continuing resolution, the lower of these two figures would prevail as the operating rate under which assistance to Israel would come.

Mr. JAVITS. I thank our colleague.

Mr. McCLELLAN. Mr. President, if there is no further amendment, I ask for the third reading of the joint resolution.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there is no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 499) was read the third time.

Mr. KENNEDY. Mr. President, with regard to the consideration of the continuing resolution, I simply want to emphasize that this resolution does not in any way contain any authority to void any of the prohibitions contained within the Foreign Assistance Act of 1974, Public Law 93-559.

In that regard, I want to emphasize that the prohibition of any military assistance to Chile, including grant, credit sale, cash sale, guarantee or transfer, that is, any U.S. Government acquiescence to Chilean military purchases in this country, remains prohibited.

As the author of that amendment, I simply wanted to emphasize that it is my understanding after consulting with the Appropriations Committee and legal counsel, that the prohibitions remain fully in effect.

I also want to note once more that continuing reports of torture in Chile of political prisoners, the continued detention of some 5,000 persons, the continued arbitrary detention of individuals for their political views and the continued repressive nature of the regime unfortunately still justify our refusing to provide that regime with military aid.

In that regard, high officials in the State Department recently have affirmed the existence of such conditions in Chile. That affirmation also comes from the Inter-American Commission on Human Rights whose report on violations of human rights was accepted by the General Assembly of the Organization of American States at its recent meeting here last month.

Mr. CRANSTON. Mr. President, I especially want to congratulate my colleagues for their prompt and decisive action with respect to public service jobs. The continuing resolution, in addition to continuing a number of worthwhile programs at their present level of funding, also contains several annual appropriations. One such appropriation—of great importance—is the $1.625 billion needed to complete the full $2.5 billion authorization for emergency public service jobs under title VI of CETA. This appropriation was part of the 5.3 billion Emergency Employment Appropriations Act, vetoed by the President.

Mr. President, the fact that nearly 9 million Americans were unemployed last month is devastating evidence of our Nation's plight. We must create jobs and put people back to work performing needed services as quickly as possible. In the last several weeks my office has received daily calls from city, county, and other local manpower program administrators. All have warned of the serious crisis which would occur, in terms of job layoffs and no further hires, if additional funds were not received by the end of June.

I am pleased that this crisis has been averted, thanks to the responsible action by the Appropriations Committees.

Mr. President, I am pleased that the distinguished Senator from Washington (Mr. MAGNUSON), chairman of the Subcommittee on Labor-Health, Education, and Welfare Appropriations, has expressed the commiteee's intent that the continuing resolution for fiscal year 1976 includes the appropriation of funds for section 776 of the Public Health Service Act at the same rate of expenditure as was used in fiscal year 1974.

Section 776 authorizes grants for training in emergency medical services to appropriate educational entities to assist in meeting the cost of training programs in the techniques and mehods of providing emergency medical services—including the skills required in connection with the provision of ambulance service—especially training programs affording clinical experience in emergency medical services systems receiving assistance under title XII of the Public Health Service Act. Section 776 was added to title VII of the Public Health Service Act by Public Law 93–154, the Emergency Medical Services System Act of 1973. At that time section 776 was given a one-year authorization for fiscal year 1974 of $10 million in order to conform its expiration date to the other authorities for appropriations in title VII.

Legislation extending title VII was adopted in both Houses of Congress last year but because the conferees were unable to come to an agreement, the title VII authorities have been operating under a continuing resolution. The Department of Health, Education, and Welfare, has failed to obligate any money under the continuing resolution for section 776 despite strong urging from the distinguished Senator from Washington (Mr. MAGNUSON).

Legislation extending title VII authorities in both Houses has included an extension of section 776 at appropriations authorizations of $10 million annually. In fiscal year 1974, $6.6 million was appropriated and obligated for grants under this section, and some outstanding training programs were initiated as a result. Interest in receiving support under this section has remained very high.

Mr. President, training is an essential component of any community's system for providing emergency medical services, and the authorities in section 776 are of substantial help in providing assistance to communities in building their competence to provide comprehensive emergency medical services.

With the inclusion of appropriations for section 776 in the Continuing Resolution for fiscal year 1976 at the level appropriated and obligated in fiscal year 1974, this valuable assistance will be available to the Nation's communities in the interim period before enactment of legislation extending the title VII authorities. I am grateful for the committee's favorable consideration of this matter.

Mr. President, I ask unanimous consent that correspondence related to this issue be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., April 25, 1975.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: It has just been brought to my attention that the provisions of the continuing resolution, as amended, in effect for Fiscal Year 1975 do not cover section 776 of the Public Health Service Act, Training in Emergency Medical Services. It is my understanding that this omission was inadvertent.

This section was added to the Public Health Service Act by Public Law 93–154, the Emergency Medical Services Systems Act of 1973, which we joined in sponsoring; it was made a single-year to conform with the expiration date of the remainder of title VII of the Public Health Service Act. Extension of the authorization of appropriations for this section has been included in legislation extending title VII passed by both the House and Senate in the 93d Congress and reintroduced in both Houses in this Congress. There is thus strong evidence of Congressional intent to continue to support this program.

I urge your Committee to add to the first appropriate bill before your Committee an amendment to the continuing resolution for Fiscal Year 1975 to continue the section 776 training program this fiscal year until action on the authorizing legislation can be completed. With little more than two months remaining in the current fiscal year it is not likely that grant notifications can be distributed or adequate review made of grant applications prior to June 30, 1975. In light of this difficulty, I urge, in addition, that your Committee continue the availability of funds for section 776 through September 30, 1975, for amounts obligated pursuant to such an amendment to the continuing resolution.

You will recall that a similar extension was provided when funds were first appropriated under this authority in Public Law 93–305, the Second Supplemental Appropriations Act of 1974.

I greatly appreciate the generous consideration you have given my recommendations in the past and hope you will be able to help me here.

Sincerely,

ALAN CRANSTON.

U.S. SENATE,
Washington, D.C., May 6, 1975.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: Thank you for your letter supporting training programs for emergency medical services.

My understanding is that Congress intended that these training programs be continued and funded under the present continuing resolution. The problem, as I am sure you are aware, is that HEW again is not following the intent of the law, and the emergency medical services training programs are not being funded.

For your information, I have taken the liberty of writing to Secretary Weinberger on this subject, and I have urged him to get the projects funded immediately.

I hope this will be helpful.

Sincerely,

WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare.

U.S. SENATE,
Washington, D.C., May 6, 1975.

Hon. CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: My continued support of Emergency Medical Services prompts my bringing your attention to a very important matter.

As you know, in fiscal 1975 Congress provided $37 million for Emergency Medical Services to get a nationwide program in this important area started. A problem arises, not with these funds but with the training of Emergency Medical Services personnel to operate these programs and to take a very important place in the delivery of emergency services.

It is now my understanding that HEW is *not* funding any of the training programs which were provided for under the continuing resolution.

Because these two "emergency services" programs go hand in hand, it is imperative that we continue our training of personnel in this area.

I will be looking forward to your proposal for a solution to this problem and support toward getting this program moving.

Sincerely,

WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare.

HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., June 6, 1975.
Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of May 6 about the training of Emergency Medical Services personnel. Please forgive the delay in replying.

This program, as authorized under Section 776 of the Public Health Service Act, lacks legislative authorization and appropriation and is therefore subject to the provisions of the 1975 Continuing Resolution (P.L. 94–7).

The 1975 President's Budget does not include a specific request for funds to make Emergency Medical Services training awards under Section 776; however, authority and funds do exist under Sections 772, Health Professions Special Projects, and 792, Allied Health Special Projects and Special Improvement Grants. A number of applicants have applied under these provisions. We anticipate funding projects totaling about $850,000 under Section 772 and approximately $3 million under Section 792.

We believe these aforementioned funding actions will satisfactorily continue program momentum.

Sincerely,

CASPAR WEINBERGER,
Secretary.

U.S. SENATE,
Washington, D.C., June 13, 1975.
Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am very grateful for your valuable support and strenuous efforts in urging Secretary Weinberger to obligate funds appropriated under the continuing resolution for fiscal year 1975 for the purpose of making grants under section 776 of the Public Health Service Act (training in emergency medical services). I am very disappointed at the Secretary's failure to obligate any funds under that authority, and the lack of specificity as to his reasons for not obligating these funds. His failure to do so may create an additional difficulty in providing funds for this purpose under a continuing resolution for fiscal year 1976. To avoid a recurrence of this unfortunate situation I hope you will be able to include a specific reference to section 776 in that continuing resolution and include a statement in the committee report that although HEW failed to provide funding as provided in the continuing resolution for fiscal year 1975 for programs authorized by section 776, funds are being appropriated for section 776 at the rate of expenditure for fiscal year 1974.

With best regards.

Sincerely,

ALAN CRANSTON.

RECESS UNTIL 12:15 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 12:15, an order already having been entered some days ago that no rollcall votes would occur on any day this week prior to the hour of 12:30 p.m.

Mr. McCLELLAN. I have no objection to voting at any time.

Mr. ROBERT C. BYRD. I thank the Chairman. I believe that under those conditions, we would almost have to wait until 12:30.

Mr. McCLELLAN. I have no objection.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 12:15 p.m. today.

Mr. McCLELLAN. The vote will occur at that time?

Mr. MANSFIELD. Yes.

There being no objection, the Senate, at 11:40 a.m., recessed until 12:15 p.m.; whereupon, the Senate reassembled when called to order by the presiding officer (Mr. WEICKER).

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTINUING APPROPRIATIONS, 1976

The Senate continued with the consideration of the joint resolution (H.J. Res. 499) making continuing appropriations for the fiscal year 1976, and for other purposes.

The PRESIDING OFFICER (Mr. FORD). The question is, Shall the joint resolution (H.J. Res. 499) pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Montana (Mr. METCALF), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Washington (Mr. MAGNUSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

The result was announced—yeas 90, nays 0, as follows:

[Rollcall Vote No. 230 Leg.]

YEAS—90

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—9

Bentsen
Church
Goldwater
Gravel
Hruska
Inouye
Magnuson
Metcalf
Randolph

So the joint resolution (H.J. Res. 499) was passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections and renumber sections of the bill in the engrossment of the Senate amendments to the continuing resolution for fiscal year 1976, House Joint Resolution 499.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCCLELLAN, Mr. MAGNUSON, Mr. STENNIS, Mr. PASTORE, Mr. ROBERT C. BYRD, Mr. MCGEE, Mr. PROXMIRE, Mr. MONTOYA, Mr. HOLLINGS, Mr. BAYH, Mr. YOUNG, Mr. HRUSKA, Mr. CASE, Mr. FONG, and Mr. BROOKE conferees on the part of the Senate.

AUTHORIZATION FOR CERTIFICATES TO BE FILED UNTIL MIDNIGHT, JULY 10

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that certificates pursuant to section 3 of Senate Resolution 60 and to paragraph 8 of rule XXV may be filed until midnight, July 10.

The PRESIDING OFICER. Is there objection? The Chair hears none, and it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of Senate Resolution 166, which will be stated by title.

The legislative clerk read as follows:

> A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Wallace F. Bennett, of Utah, to be a member of the board of directors of the Overseas Private Investment Corporation, which was reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The second assistant legislative clerk read the nomination of Wallace F. Bennett, of Utah, to be a member of the board of directors of the Overseas Private Investment Corporation.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the President of the United States be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 33 Leg.]

Allen
Bartlett
Bayh
Biden
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Cranston
Culver
Curtis
Domenici
Eastland
Ford
Garn
Glenn
Griffin
Hart, Gary W.
Hart, Philip A.
Haskell
Huddleston
Johnston
Leahy
Mansfield
McGee
McIntyre
Morgan
Nunn
Sparkman
Stone
Talmadge
Williams
Young

The PRESIDING OFFICER. A quorum is not present.

Mr. CANNON. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Beall
Bellmon
Brock
Brooke
Chiles
Clark
Dole
Eagleton
Fannin
Fong
Hansen
Hartke
Hatfield
Hathaway
Helms
Hollings
Humphrey
Jackson
Javits
Kennedy
Laxalt
Long
Mathias
McClellan
McClure
McGovern
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker

The PRESIDING OFFICER. A quorum is present.

Mr. CANNON. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The question is on lines 1 through 6, page 1, as amended.

Mr. CANNON. Mr. President, I wonder if we might agree on a time limit to conclude the matter with respect to this particular issue.

Mr. GRIFFIN. Mr. President, I did not hear the response of the Chair as to what the pending question is.

The PRESIDING OFFICER. The pending question is on lines 1 through 6, page 1, as amended.

Mr. GRIFFIN. I advise the distinguished chairman of the committee that there are one or more amendments to this particular language still to be offered. I am, at the moment, waiting for one Senator to come to the floor who has an amendment to that language.

The answer is that we are not in a position at this time to agree to a time limitation.

The PRESIDING OFFICER. The question is on the adoption of lines 1 through 6, as amended.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that Albert Applegate, of my staff, may be permitted on the floor this afternoon during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Michigan (Mr. GRIFFIN) proposes an amendment on page 1, strike lines 2 through 6 and insert in lieu thereof the words "of the issues set forth in the resolution is finally adopted."

Mr. GRIFFIN. Mr. President, I ask that the word "the" be modified to read "this."

The PRESIDING OFFICER. The amendment is so modified.

Mr. GRIFFIN. Mr. President, one of the reasons that we will have difficulty getting to a vote on the resolving clause in this resolution is the limiting language thereof referring to the tie votes cast by the members of the Committee on Rules and Administration in lines 2 through 4.

It is true, of course, that this resolution comes to the floor of the Senate as a result of those tie votes, and no one could dispute that, but the fact is that some Senators, including the Senator from Connecticut (Mr. WEICKER) who offered a substitute calling for the return of this whole matter to the people of New Hampshire for a new election, have in mind bringing to the attention of the Senate issues that cannot be described in the limited way set forth in lines 2 through 4.

What I have sought to do here is to make it clear that such amendments could be considered within the framework of this resolution. It may be that they can anyway. My amendment would only remove any doubt about that question.

Mr. CANNON. Will the Senator yield?

Mr. GRIFFIN. Yes.

Mr. CANNON. I think we might be able to clarify that through a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. I would like to ask the Chair if the resolving part of this resolution were to be adopted as the language now stands, my inquiry is, Would amendments still be in order to any of the sections which have been divided even though that amendment might not relate to a tie vote issue?

The PRESIDING OFFICER. This resolution has been divided and the sections will be voted on separately, and they are amendable separately. After this resolving clause is voted on, then the Senate may proceed to the others, deal with them separately, each amendment separately, and there is no rule for consistency.

Mr. CANNON. And each amendment could be voted on, if amended, and the entire resolution could be amended, is that correct?

The PRESIDING OFFICER. There would be no need to vote on the resolution as a whole, as amended, after each section has been voted on separately, but when each section is pending, of course, it is amendable. If new matter is added at the end of the resolution, then the resolution as amended would be voted on.

I repeat, there is no rule for consistency.

Mr. CANNON. One further inquiry. Would it not even be possible to add an additional section by amendment to this resolution?

The PRESIDING OFFICER. The Senator is correct, it would be possible.

Mr. CANNON. I would think that this would take care of the problem that the Senator was contemplating might arise.

Mr. GRIFFIN. I appreciate that explanation of the chair and the contribution of the chairman. As far as this Senator is concerned, it would satisfy me. I will give consideration to withdrawing the amendment after I have had an opportunity to consult with several other Senators.

For the time being then, I would suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ALLEN. Will the Senator withhold that?

Mr. GRIFFIN. I withhold that.

Mr. ALLEN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. On the matter of the tie votes and the statement of the Chair that these various items in the resolution would be amendable, the words in the resolving clause would still refer to tie votes. It would seem to the Senator from Alabama that that would preclude bringing in some entirely new matter not as an amendment to one of the items but as a separate matter. Would that not be the opinion of the Chair, that they would not be included since they were not tie votes?

The PRESIDING OFFICER. The Chair stated, and repeats the statement and advises the Senator from Alabama that there is no rule for consistency. If the Senate in its wisdom chooses to do what the Senator poses as a hypothetical situation, it is within the right of the Senate to do so.

Mr. ALLEN. But the resolving clause speaks with respect to which tie votes were cast in the committee.

Would that then allow an entirely new matter to be brought in, since no tie vote occurred with respect to the new matter that might be introduced?

The PRESIDING OFFICER. The Chair believes he understands the question of the Senator from Alabama. The answer is the same. There is no rule for consistency. It might conceivably be a bad resolution from a policy standpoint. From the parliamentary standpoint, there is no rule of consistency.

Mr. ALLEN. It can be brought in, even though there were no tie votes in the committee on those matters and added as amendments to the resolution?

The PRESIDING OFFICER. The Parliamentarian confirms my view that because we are not operating under a germaneness requirement, that is quite possible.

Mr. ALLEN. That clarifies it for this Senator.

Mr. GRIFFIN. I thank the Senator from Alabama.

I would say to the chairman of the committee that I have consulted with the Senator from Alabama, whom I consider to be one of the finest if not the most qualified parliamentarian in our midst. He and I were both concerned about the possible situation that might prevail if we went ahead and voted on the resolve resolution.

I would say that the Chair, however, has reminded me that aside from the parliamentary situation we might still want the amendment adopted, because we would be faced with the argument that the Chair expressed, that it would be rather inconsistent to have adopted a resolving clause describing the issues to follow as tie votes and then proceed to adopt amendments which obviously were not related to tie votes.

From the standpoint of our situation and the arguments that we will have to face when such amendments are presented, it still seems to me that it would be a good thing for me to press this amendment at the moment and seek to make clear that those amendments not only would be eligible from a parliamentary situation but also eligible in terms of the consistency of the resolution and the words used.

The PRESIDING OFFICER. The Chair will state that apart from his temporary role as Presiding Officer, he has not noted in 17 years that consistency is a senatorial habit.

Mr. CANNON. Will the Senator yield for a question?

Mr. GRIFFIN. Yes.

Mr. CANNON. I am wondering, then, now that the Senator has his amendment pending, if he would be willing to agree to a time limit on this amendment, say 30 minutes, 15 minutes to a side, so that we might have a vote on the amendment at that time.

Mr. GRIFFIN. Would the Senator consider 1 hour, 30 minutes to a side?

Mr. CANNON. Certainly.

Mr. President, I ask unanimous consent that on the pending amendment there be a time limitation of 1 hour, 30 minutes to be divided equally between the Senator from Michigan and the chairman of the committee, and if there are any amendments to the amendment that there be a time limit of 30 minutes to be equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. Who yields time?

Mr. GRIFFIN. Mr. President, I yield myself such time as I may consume.

Even though this resolution does not finally dispose of the New Hampshire election contest because after it is adopted it will go back to the Committee on Rules and Administration for further proceedings, this debate is generally being viewed as the decision of the New Hampshire election or that it will be decisive in terms of the New Hampshire election. As a practical matter, that may be true. If we were to just vote on each of these issues, and if they were to be resolved as Mr. Durkin and his supporters would have us resolve them, then further proceedings in the Rules Committee would be a rather ministerial function and some other issues that did not result in tie votes in the committee would be overlooked and ignored by this Senate. That could be the practical result.

For example, contrary to the laws of New Hampshire, the committee, by a 5-to-3 vote, not 4-to-4, counted as straight party votes ballots where the voter did not make a mark in the party circle at the top of the column or anywhere near the party circle, but made an X at the bottom of the ballot, below all of the lines and below all of the names and candidates. That question as to the allowance of those ballots should be called to the attention of the Senate.

The amendment that I offer to the resolving clause would make it clear that that question could be raised, and directions to the Rules Committee could result. That is only one example.

I would think that despite the ruling of the Chair, which, of course, is subject to appeal and overruling by the Senate, a move which I would not expect but which is possible, and in view of the fact that it seems to be in the interest of the Senate's deliberations and the ultimate outcome that on these other issues there be an opportunity to bring them to the attention of the Senate, it seems to me that the amendment which I have offered has merit. It is a procedural amendment, one that is not inconsistent with the procedural parliamentary situation that would otherwise be in effect, and, at the very least, it seems to me that the argument might be that it is not necessary. But I do see it serving a purpose. Therefore, I would hope that the Senate would adopt it.

The PRESIDING OFFICER (Mr. BIDEN). Who yields time?

Mr. CANNON. Mr. President, do we have copies of the amendment available yet?

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. If the Senator's amendment were adopted, would it require that the Senate vote in each of the issues that are stated in the resolution precisely as they are stated, or could the vote occur on each of those issues as they might have been amended?

The PRESIDING OFFICER. The language would then read that the Senate would vote separately on each of the issues set forth in this resolution as finally adopted.

Mr. CANNON. I understand what the language would say, but that was not my inquiry.

The PRESIDING OFFICER. Will the Senator restate his parliamentary inquiry?

Mr. CANNON. My inquiry was, would it require that each of the issues as set forth in this resolution be voted on as it is stated, or would it be voted on as it might be amended?

The PRESIDING OFFICER. It would require a vote on each of the issues as the Senate finally identifies the issues.

Mr. CANNON. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. The language of the amendment says:

> . . . of the issues set forth in this resolution as finally adopted.

We would not know what the issues were until the resolution was finally adopted, as I read the amendment.

The PRESIDING OFFICER. As the resolution is agreed to, as amended, if amended. The entire resolution and each portion of the resolution is open to amendment, if that answers the Senator's question, and then the final vote would be on the resolution as amended, if in fact it is amended by adding new language at the end. If no new matter is added at the end, then the only votes would come on each of the sections of the resolution and subsections of the resolution, as divided.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Nevada yield for the purpose of a parliamentary inquiry?

Mr. CANNON. Yes, I do.

The PRESIDING OFFICER. The Senator from Alabama will state his parliamentary inquiry.

Mr. ALLEN. Actually, is it not a fact that there will not be a vote on the merits of these various items until after passage of the resolution? Then, if a division is called for, we would go back to these items; and really all that is being done at the outset is defining the issues for a later vote on a division.

The PRESIDING OFFICER. The Senator is correct.

Mr. ALLEN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Mr. CANNON. Mr. President, I ask the Senator from Michigan, if I may have his attention, if he would accept the following amendment: To strike out all after the word "issues" on line 2, through and including the word "administration" on line 4, so that the resolving part of the resolution would read as follows:

Resolved, That the Senate, applying the law of the State of New Hampshire, including statutory law, common law, and New Hampshire case law, as of January 6, 1975, without projudice to consideration of all the protests made by either party at any stage of the proceedings, shall vote separately on each of the following issues in its consideration of the contested election for a seat in the United States Senate from the State of New Hampshire:

I might say to the Senator that what that would do is take the resolving clause as amended yesterday and strike the words, beginning on line 2 of the resolution:

With respect to which tie votes were cast by the members of the Committee on Rules and Administration.

Mr. GRIFFIN. The Senator from Alabama may have a comment.

Mr. ALLEN. Mr. President, I collaborated with the distinguished chairman in making the suggestion. I think it would remove the tie vote question, because it says "each of the following issues." That would be whether there were tie votes, or what might be added by the Senate, if anything. I think it would cover the point raised by the distinguished Senator from Michigan.

Mr. CANNON. I might say that it goes to what I understand the Senator's concerns are, and we have already established from the Parliamentarian and the Chair that the divided parts of the resolution are all subject to amendment, and they need not be consistent and need not relate to only tie vote issues; and therefore we would be making this just a little more consistent in the event we adopted an amendment that used language other than resolving the tie vote issues, and we would have clarified the result of the resolution.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. CANNON. Yes.

Mr. ALLEN. The Committee on Rules and Administration, in its report, called on the Senate to pass on these matters and to give it such further instruction as it saw fit to do. So this language now suggested by the chairman would open the resolution up to any other question to be decided by the Senate on which there will be a separate vote. I believe it would put the whole issue before the Senate.

I urge that the suggestion of the distinguished Senator from Nevada be agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, will the chairman yield?

Mr. CANNON. I yield.

Mr. HATFIELD. I wonder if I might ask the chairman to read once again the wording he is proposing now to amend the amendment of the Senator from Michigan.

Mr. CANNON. Yes. The wording would read as follows:

Resolved, That the Senate, applying the law of the State of New Hampshire, including statutory law, common law, and New Hampshire case law, as of January 6, 1975, without prejudice to consideration of all the protests made by either party at any stage of the proceedings, shall vote separately on each of the following issues in its consideration of the contested election for a seat in the United States Senate from the State of New Hampshire:

Mr. HATFIELD. Could I ask the Senator a question or two?

As I understand, then, the wording it removes from the present language which might be understood or thought of as a restriction to the voting only occurring on tie votes cast by the members of the Rules Committee? By striking that language it removes that restriction or the appearance of restriction?

Mr. CANNON. Let me say that it does not remove that restriction because that restriction does not exist as stated by the Parliamentarian.

Mr. HATFIELD. That is why I used the word appearance.

Mr. CANNON. The provisions of the resolution are subject to amendment, need not relate to the precise issue of the tie vote.

Mr. HATFIELD. Would this be the thinking of the Senator: For instance, in section 1 we have eight separate identified issues that were brought to the Chamber by the committee. Is it conceivable, then, there might be the possibility of 9 or 10 before the Senate works its will?

Mr. CANNON. It is conceivable that there might be an attempt to add additional issues.

Mr. HATFIELD. But it would not be restricted from attempting to add these.

Mr. CANNON. This language would not restrict it as it now exists, and certainly the removal of it could not restrict it.

The Parliamentarian has already ruled the language itself does not restrict it from amendments that might be offered and, as pointed out, the Senate is not required to be consistent, and there is no rule of germaneness, unless there should be a cloture petition, in which event the rules of the Senate would apply.

Mr. HATFIELD. Which is one of the additional reasons why such language as the Senator has just read relating to issues during the proceedings was adopted yesterday; is this correct?

Mr. CANNON. I cannot say whether that was why the language was adopted yesterday. The language was suggested by the minority side. They could better answer that themselves.

Mr. HATFIELD. Mr. President, I would only say, in making an observation, that it seems to me, from what I understood of the language offered by the Senator from Michigan and now as modified or suggested to be modified by the Senator from Nevada, it appears that we have protected everyone's rights here, and we have reached a consensus where I would be, for one, at least, willing to accept this language and hope that we could vote on it or put this issue to a vote, resolve it and move on.

I am hopeful we will get on some of the substantive issues that are before the Senate as soon as possible.

Mr. CANNON. May I say that I share the Senator's concern and that is the reason I have tried to lean over backward to accommodate here and see if we cannot get through these minor issues of the wording of a resolution which does not mean anything and get to the meat of the resolution itself.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, I certainly appreciate the expression by the distinguished Senator from Oregon, the ranking member of the committee, and the Senator from Alabama. They have reinforced my view that the modification suggested by the chairman would take care of the problem that some of us were concerned about.

The chairman's modification would leave in the word "following" but it would be a correct interpretation that that word "following" would not be restrictive in the sense that it refers only to the language that follows as in the resolution now.

Mr. CANNON. The Senator is correct. I think the Parliamentarian has already made that quite clear. The following issues would be whatever issues that the Senate acts on or in the body of this resolution at the time of its final adoption.

Mr. HATFIELD. The reason that I had used the language set forth in the resolution as finally adopted was and had been offered, of course, before we had the opinion of the Parliamentarian through the Chair, was that I was concerned that the word "following" might be a restrictive word. But since that has been cleared up, and the limitation describing tie votes as the only issues that could be raised, I would accept the modification of the chairman to my amendment.

The PRESIDING OFFICER. Is there objection to the amendment being so modified? There being none, the amendment is so modified.

Who yields time?

Mr. CANNON. Mr. President, I am prepared to yield back the remainder of my time if the sponsor is prepared to yield the remainder of his time, also.

The PRESIDING OFFICER. Are all sides prepared to yield back the remainder of their time?

Mr. HATFIELD. Mr. President, I yield back the unexpired time on our side.

The PRESIDING OFFICER. All time has been yielded back.

The question is on the amendment as modified.

The amendment, as modified, was agreed to as follows:

On page 1, line 2, after the word "issues" strike all down and including the word "Administration" on lines 3 and 4.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I would like to ask what the parliamentary situation is. A time agreement still prevails on any amendment offered to the resolving clause; is that not correct?

The PRESIDING OFFICER. If there are no further amendments to Division 1 of the resolution, the question is on division 1 as amended.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE SENATE TO MEET AT 9 A.M. ON SATURDAY AND MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate meet at 9 a.m. on this coming Saturday and on Monday next rather than at 10 a.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR PROXMIRE ON MONDAY, JUNE 23, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on Monday under the standing order, Mr. Proxmire be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate meet tomorrow at 9 a.m. instead of 10 a.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DETERMINATON OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

The PRESIDING OFFICER (Mr. Stafford). The question is on agreeing to division I as amended, of Senate Resolution 166.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. The issue put to the Senate now is the adoption of the resolving clause, that is, the first 6 lines of the resolution?

Mr. ROBERT C. BYRD. As modified and amended.

Mr. McCLURE. As modified and amended?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. I thank the Chair.

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Magnuson) and the Senator from Montana (Mr. Metcalf) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. Magnuson) would vote "yea."

The result was announced—yeas 94, nays 1, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—94

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—1

Stevens

NOT VOTING—4

Church
Inouye
Magnuson
Metcalf

So division 1, as modified and amended, of the resolution (S. Res. 166) was agreed to.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion was agreed to.

Mr. CANNON. Mr. President, I ask unanimous consent that I be permitted to yield 1 minute to the Senator from Washington, and then to the Senator from West Virginia without losing my right to the floor.

The PRESIDING OFFICER (Mr. Helms). Without objection, it is so ordered.

PREPARATION OF ENVIRONMENTAL IMPACT STATEMENTS

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 3130.

The PRESIDING OFFICER (Mr. Helms) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 3130) to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JACKSON. Mr. President, I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Jackson, Mr. Haskell, Mr. Bumpers, Mr. Fannin, and Mr. Hatfield conferees on the part of the Senate.

DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4005.

The PRESIDING OFFICER (Mr. Helms) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 4005) to amend the Development Disabilities Services and Facilities Construction Act to revise and extend the program authorized by that act, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RANDOLPH. Mr. President, I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; the Presiding Officer appointed Mr. RANDOLPH, Mr. CRANSTON, Mr. WILLIAMS, Mr. PELL, Mr. KENNEDY, Mr. MONDALE, Mr. HATHAWAY, Mr. STAFFORD, Mr. TAFT, Mr. SCHWEIKER, Mr. BEALL, and Mr. JAVITS conferees on the part of the Senate.

DETERMINATIONS OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. CANNON. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The pending question is Division 2, which embraces lines 7 through 12 of Senate Resolution 166.

Mr. CANNON. Does it require a motion at this time to move that up, or is it automatically before the Senate?

The PRESIDING OFFICER. It is automatically before the Senate.

Mr. CANNON. Mr. President, I hope that on subdivision (1) we can get a time limitation. I wonder whether the assistant majority leader would be willing to try to explore that possibility.

Mr. ROBERT C. BYRD. Mr. President, I will make every effort. I understand that an amendment is going to be offered to this paragraph.

Does the distinguished acting Republican leader know at this time whether or not an amendment will be offered to this paragraph?

Mr. GRIFFIN. It is my understanding that the Senator from Tennessee (Mr. BROCK) has an amendment at the desk and that he will call it up as soon as he is recognized.

Mr. ROBERT C. BYRD. Perhaps we should let the Senator from Tennessee call up his amendment, and then we will be in a better position, I believe, to discuss a time limitation.

Mr. CANNON. Mr. President, I ask unanimous consent that I be permitted to yield to the Senator from Tennessee for the purpose of calling up his amendment, without my losing my right to the floor.

Mr. BROCK. Mr. President, reserving the right to object, at what point would the Senator acquire the right to the floor? Does he want to talk on this amendment?

Mr. CANNON. I was hoping to talk and try to get a unanimous-consent agreement, if at all possible.

Mr. BROCK. If the Senator wants me to yield for that purpose, I will be delighted to do so. If the Senator wants to talk on some other matter at the present time, I will be delighted not to ask for the floor until he is through. When I call up my amendment, I would like the opportunity to discuss it.

Mr. ROBERT C. BYRD. Mr. President, I believe that the distinguished chairman has indicated what his purpose is: It is merely that he might discuss a time limitation as soon as the amendment is before the Senate, so that we will know what the amendment would do.

Mr. BROCK. I will be delighted to yield for that purpose, as soon as the amendment is called up.

Mr. CANNON. If we cannot get a time limitation, I may want to talk on subdivision (1), which is before the Senate at the present time. That was my purpose. I do not want to be precluded from having the floor simply because somebody objects to a request for a time limitation.

Mr. BROCK. The Senator has the floor, and I will be delighted to wait until he is through.

Mr. ROBERT C. BYRD. Mr. President, while the acting Republican leader is in the Chamber, I ask whether or not we might be able to reach a time limitation agreement on paragraph (1). I offer the following suggestion by way of a unanimous-consent request.

I ask unanimous consent that there be a time limitation on the paragraph numbered (1), which is before the Senate at this time, consisting of lines 7 through 12 of page 1 of Senate Resolution 166, of, say, 3 hours, to be equally divided between Mr. CANNON and Mr. HATFIELD, with a time limitation on any amendment thereto of 1 hour, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I say to the distinguished acting majority leader that, once the Senator from Tennessee gets the floor and offers his amendment, I do not think there will be any difficulty in getting to a vote on his amendment. There may be objection from our side. I reflect the fact now that there is objection to any particular time limit. But, as the Senator has observed, we have just voted on the resolving clause; we have voted on a number of other important issues within the last couple of days.

I do not think there will be any difficulty getting a vote on the amendment of the Senator from Tennessee, hopefully, yet, today. If not today, it seems to me we shall not have any difficulty getting a vote in the early part of tomorrow. But I am reflecting the views, I think, generally that we are not disposed to have any particular time limit at this time.

Mr. ROBERT C. BYRD. So the distinguished Senator objects?

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to Division 2.

Mr. BROCK. Mr. President, I call up my amendment at the desk and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 1, line 7, insert the following: in advance of (1) and renumber the remaining sections accordingly.
>
> (10) it is the sense of the Senate that the Committee shall authorize an investigation of the Manchester voting machines, such investigation to be conducted by Dr. Floyd Riddick, James Duffy and James Schoener, each of whom shall have an equal vote in determining all issues concerning the scope of the investigation, which such panel shall have the assistance of two voting machine experts to be retained by the Committee, and during which such investigation each of the contestants may himself or through his counsel participate by making requests and posing questions to the experts.

Mr. ROBERT C. BYRD. Will the distinguished Senator yield for a unanimous-consent request?

Mr. BROCK. Yes, I am delighted to yield for that without losing my right to the floor.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent at this time, to confine the time limitation to the specific amendment that is pending before the Senate, that there be a time limitation on this amendment by Mr. BROCK of 3 hours, to be divided as follows: With 2 hours under the control of the distinguished author of the amendment (Mr. BROCK), and 1 hour under the control of the distinguished chairman of the committee (Mr. CANNON).

The PRESIDING OFFICER. Is there objection?

Mr. BROCK. Mr. President, I personally do not find that troublesome at all. I wonder if the Senator from Michigan has any qualms about it, because I do not know who may have indicated to him that they are reluctant to have a time limit. For myself, that will be plenty of time. I just do not know what the position of others is who might be interested in the subject matter.

Mr. McCLURE. Mr. President, reserving the right to object, and I shall object, I repeat what the Senator from Michigan said a moment ago, that there is a disposition on the part of each of us to get to a final resolution. I think we will probably get there faster without a unanimous-consent request rather than with it.

Mr. ROBERT C. BYRD. Then I change the request to read "not in excess of 3 hours," with not in excess of 2 to be under the control of the Senator from Tennessee and not in excess of 1 hour to be under the control of the chairman.

Mr. McCLURE. Mr. President, again reserving the right to object, and I hate to object, because I recognize that the Senator's motive and mine are the same, to get there as quickly as possible. I think we will, but in view of the expression of many that we do not get involved in piece-by-piece time limitations, I do object.

The PRESIDING OFFICER. The objection is heard.

The Senator from Tennessee is recognized.

Mr. BROCK. Mr. President, in response to the attempts of the Senator from West Virginia to achieve a time agreement, may I say that the Senator from Tennessee will make every effort to comply with the standards established in the Senator's request. I cannot believe that it will take any more than 3 hours, whether there is agreement or not. We will make every effort to comply.

Mr. ROBERT C. BYRD. I thank the Senator, and I also thank the Senator for indicating a willingness to agree to the time limitation.

Mr. BROCK. Before I talk about the specific issue, I will say that I am going to be hard pressed to disagree to any reasonable time agreement, because I think we should proceed as fast as we can on this matter. I think the issues are fairly clear. I think they can be resolved by this body.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. BROCK. Mr. President what I have done by this amendment is, in effect, raise the issue that is listed as item No. 8 in the committee resolution. It relates to the question of whether or not the Committee on Rules did, in fact, conduct an adequate investigation of obvious errors in the machine tally in Manchester, N.H. Let me just recall a couple of facts. These are not statements of the Senator from Tennessee. These are a matter of record.

In Manchester, 26,213 voters were checked off on the checklist. The ballots recorded on the protective counter—that is the continuing counter on the machine that is not violated; it cannot be violated, because of the way the machine is designed. The protective counter registered, not 26,213 people as voting, but 27,266. The ballots recorded on the public counters were 28,274. So far, we have over 2,000 more ballots being cast than there were people casting ballots.

The ballots recorded on the election returns were 27,679. I might add that we do not know the number of voter authorization slips because the committee refused to allow us to count those to find out where somebody went wrong. But it is a fact that, according to this tally, 2,061 more people were recorded as having voted on the machines' public counters than there were people in the machines. That is a little hard for me to understand. In Tennessee, somebody would be before a judge if that were the case, trying to explain what happened.

I do not know what happened. I do not know if it was a machine malfunction, I do not know if it was a miscalculation, a mistabulation, or some other misadventure on the part of some particular individual or group thereof in the State. But that is not the question. The question is, Why did the committee not find out? That is all. Why did the committee not find out?

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard. The Chair does not want to empty the Chamber, but the conversations should be taken to the cloak room.

Mr. BROCK. I appreciate the help of the distinguished Senator in the Chair. I hope some of our absent colleagues will read the RECORD tomorrow before they vote. That may be wishful thinking on my part, but at least, it is a fervent wish.

This resolution says flatly that it is the sense of the Senate that the committee shall investigate these inconsistencies and irregularities. That is all.

We do not tell them how. We tell them to use their existing personnel, the general counsel of the committee, the minority counsel of the committee, and the past Parliamentarian of the Senate of the United States, and who, in the view of everybody, has never been accused of partisanship, an able, skilled gentleman, Dr. Riddick.

Let me point out a couple of facts in regard to this matter. I have heard the chairman of the committee saying several times during the debate, "We cannot consider Mr. Wyman's protests now because they were not made when the protest was available to him."

Let me read you the record on this so we can settle the matter right now and not waste any time on it if we want to get through in expeditious fashion.

Mr. Wyman's first protest was reserved for the discrepancies between the various counters. That is related on pages 58 to 67 of the Ballot Law Commission. He specifically appealed to the Ballot Law Commission in his letter of November 27, and then he raised before the Commission again the issue of the inconsistency, this 2,000-vote discrepancy.

The ballot law commission responded that it lacked jurisdiction. This was a matter that would have to be resolved, if it were to be resolved, before the Senate of the United States. But it did not have jurisdiction under New Hampshire law to go back and check this particular matter.

Then he appealed and protested before the Supreme Court of New Hampshire, and again the court ruled that it lacked jurisdiction and, therefore, Mr. Wyman, if he was to have a protest, would have to present it to the Senate of the United States. That is the history.

What happened? Mr. Wyman raised the matter before the Senate Rules Committee. The Senate Rules Committee considered the question, debated it thoroughly, and by a 4-to-4 vote decided that they had adequately investigated the matter.

Now, that is the question I am raising. They did not go back and tally the voter authorization slips, so we do not know whether the original checklist was accurate. There is a possibility that it was not. That is the first test though, the checklist. That is backed up by the second test which is the authorization slip that a voter is given when he goes to the machine to vote, and that slip is deposited in a box, and it is kept. Now, that is your check against the checklist, and the checklist is a check against the machine itself.

What we have got is a situation where the committee, number one, says they do not accept the checklist number; that they are willing to accept the machine tally even though the machine disagrees with itself. But the committee refuses to allow the Senate to know whether or not the checklist that it has already said is inadequate is valid; they will not even check the checklist with the hard count of the authorization slips.

Now, that is hard to understand. Let us go to the machines. The committee said:

> We are going to check the machines. What we are going to do is find two experts, send them to New Hampshire and let them check the machines.

How did they check the machines? They went in, they opened the curtain, they pulled a ballot 11 times, the last two integers, which would then register the votes, and they said:

> Let us see if those 11 votes on the machine tallied with the public counter and the protective counter.

They did.

[At this point Mr. FANNIN assumed the chair.]

Mr. BROCK. They said, well, that is all the investigation they needed.

A protest was made against this procedure, and a request was made to go in behind the machines and find out whether or not there was some contrivance or some malfunction which led to an inconsistency of 2,000 votes.

I remind you now these 2,000 votes are only on 10 voting machines, just 10, and that is a massive number. That is 200 votes per machine.

Well, the committee sent its counsel up there, and counsel ruled that the minority and Mr. Wyman did not have the right to find out if the machines were accurate.

I do not understand that. It seems to me it would be in the committee's and, particularly in the majority's, interest to eliminate any possible challenge by making a clear investigation. That is not in the interest of the Republicans; it is not in the interest of Mr. Wyman. It is in the interest of the majority to find out if the machines were fraudulently rigged or malfunctioned or what happened.

It is a simple thing to do. Anybody can go to those machines, anybody who has any skill in the area—and there are a lot of them in this country on both sides—and find out if, in fact, the machines are malfunctioning or if they are properly operating.

If they are properly operating then, you see, we can find out what happened with the voter checklist and why there are over 2,000 less people recorded than there are votes cast. These are mechanical things. They are not hard to do, and once they are done and the matter is laid to rest, and whichever way the chips fall, we can go on and reach a decision.

Why did the committee deny us the right to find out the facts? I do not know. I cannot get an answer. All I know is that in two specific areas of investigative process or procedure denial was made.

That is the question before the Senate. This amendment then would make it the sense of the Senate that a full investigation was held to verify the facts. That is all I am asking.

I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator for yielding. I think the amendment the Senator from Tennessee has suggested here brings up a very fundamental question.

The Senator from Tennessee has asked why were we denied the opportunity to determine whether or not the malfunction was significant, and whether or not it had an effect on the outcome of the election.

We were denied that opportunity to know because of the restrictions placed upon Dr. Riddick's—what started out to be the Riddick—Committee that went up to check. I can only conclude for myself that the reason we were denied is that we were spending all our time looking at 27 ballots. We are going to spend a great proportion of the Senate's time looking at one ballot or four ballots or eight ballots or two ballots. But when it comes to the voting machine malfunctioning, we are talking about over a 1,000-vote discrepancy.

Mr. BROCK. That is right.

Mr. McCLURE. Certainly the time of the Senate focused on one or two or four or eight ballots simply detracts or diverts our attention away from the massive discrepancy which they will not allow us to look at at all.

Mr. BROCK. What would the Senator think if he went home one night and—the Lord forbid this ever happens—he unlocked his front door, entered his house and there was nothing there. It has just been stripped. There are no beds, no television sets, no carpets, no paintings, no draperies. They have wiped you out. What would you think of the police officer if he came around when you called him, and he said, "Well, I guess there was not any crime because the front door was locked," and left?

Mr. McCLURE. And never looked inside.

Mr. BROCK. Never looked inside. Did not even check the back door, much less the windows, to see how anybody ever got in there.

I just cannot believe that the Senator would let that man keep his badge very long without raising "Sam" with every city official he could get his hands on.

That is exactly what we have done.

Mr. McCLURE. Mr. President, will the Senator yield further?

Mr. BROCK. Sure.

Mr. McCLURE. There is one other interesting aspect to the voting machine lack of investigation, and that is one of the checks which should be applied and would ordinarily be applied is to look at the numbers of blue slips which were placed in the box.

As I understand it, when a voter is given the clearance to vote the machine he is given a blue slip.

Mr. BROCK. That is right.

Mr. McCLURE. When he has voted he comes out of the voting machine booth and surrenders the blue slip to the clerk of the election, and that is deposited in a box.

Mr. BROCK. I think he has to hand that blue slip in to the clerk before the clerk clears the machine for his vote.

If I remember the machine correctly, there are a couple of handles on the outside, and until the clerk has that slip in his hand, he cannot pull the lever which activates the machine so they can close the curtain and actually cast the ballot. So before you can vote you have to hand him that blue slip which is placed right then in a locked box that is attached to the machine, so that there is a method of finding out if there is some flaw in the ballot count, how many people actually voted.

Mr. McCLURE. There are three dials on the machine itself.

Mr. BROCK. That is correct.

Mr. McCLURE. The three different dials which have been described, plus the blue slip which the Senator now describes, plus the tally sheets in which the voters are checked off individually.

Mr. BROCK. That is right.

There are actually five methods of determining how many people voted.

Mr. McCLURE. And we have here looked at the fact that there is a discrepancy between the three dials.

There is an additional discrepancy between that and the voter tally sheets. But we have not been permitted to even count the blue slips to determine whether there is a discrepancy there or whether or not they would corroborate the count on the other methods of counting, is that not correct?

Mr. BROCK. That is absolutely correct.

Mr. McCLURE. As a matter of fact, before the superior court, in the proceedings before this arrived in the Senate, there was a discussion of this blue slip issue and at that time Mr. Durkin's counsel—not Mr. Wyman's counsel, but Mr. Durkin's counsel—made this statement, and I would like to read the statement that the counsel for Mr. Durkin made in that superior court.

He said:

> Also, there's another check here which hasn't been done which, if the Court wants, maybe it should be done.

Mr. BROCK. Right.

Mr. McCLURE. He stated further:

> In the voting machines, as I'm sure the Court knows since the Court lives in Manchester, when you go to vote, you get an authorization slip, which is a little—I think in Manchester it's blue. I don't know what color it is in other towns that have voting machines.

A little further, he made this statement:

> Now, if we are going to try to check the accuracy of the votes cast on the voting machines in the City of Manchester, it seems to me those ought to be obtained, and I would like an opportunity to obtain them.

He went on to say:

> I think we should at least have those authorizations, because supposedly nobody gets to vote until he has one of those authorization slips, and supposedly anybody who does vote, that authorization slip is deposited in one of those boxes.

He went on to conclude by saying:

> But at least a total of those ought to be pretty close to the number of votes.

But what happened when the Riddick committee, then under the direction of——

Mr. BROCK. Before the Senator gets to the Riddick committee, tell me if the Senator recalls, was this before the court or the Ballot Law Commission?

Mr. McCLURE. This was before the Superior Court.

Mr. BROCK. All right, the Superior Court ruled. If I recall it correctly, the Senator can correct me if I am wrong, that in this instance, even though the protest was by Mr. Durkin, they did not have jurisdiction over the question. Is that not so?

Mr. McCLURE. That is right. They said that should be resolved in the Senate.

Mr. BROCK. And they specifically said in the Senate of the United States?

Mr. McCLURE. Yes; that is correct.

Mr. BROCK. All right.

Mr. McCLURE. So we have the instance where Mr. Durkin himself suggested to the court that these slips should be counted.

Mr. BROCK. Right.

Mr. McCLURE. And the court cannot count them, that is up to the Senate.

Mr. BROCK. That is correct.

Mr. McCLURE. Then we set the proceedings under what was the Riddick committee, then became under the direction of Mr. Duffy, which went up there, and this exchange took place, and I refer to page 1640 of part 2 of the proceedings, Judge Schoener said this:

> Judge SCHOENER. Mr. Wimberley, what about counting the blue slips to check the question of the number of voters against your protective and public counters, wouldn't that be a logical legitimate thing to do at this time?
>
> Mr. DUFFY. I object to that question. I think it is totally out of line with what the Committee has directed.

Mr. BROCK. What does he mean, he objects? Does that mean they could not do it or he personally would not like it?

Mr. McCLURE. It means they could not do it because under the direction of the chairman of the committee he was put in charge of the proceedings up there and, when he objected, that effectively precluded the committee conducting that portion of the investigation, which should have been done.

Mr. BROCK. So what it amounts to is that with an election that was decided by 2 votes, 2 votes out of 220,000 votes, we have a situation in one town of the State, on only 10 voting machines, where there are 1,466 more votes cast than people voting, and the committee does not think that is worthy of investigation. I find that absolutely awesome.

I have been amazed at the ability of the committee to read the voter's mind. They say that they are always capable of judging the voter's intent. The chairman has made that statement several times, that it is his intention to try to judge what the voter really intended to do.

I thought that was an exercise in something or other of rather massive proportion.

But here we have a situation not of reading minds, but of just refusal. Refusal to investigate, refusal to inquire, refusal to find out facts that do exist on the record and can be verified.

I do not understand that one. I just cannot bring myself to believe that the Senate of the United States does not want to know on what basis it shall reach a judgment.

And when there are only two votes separating two men, for what I think is one of the most fundamental offices in the whole free world, what is wrong with going in and finding out why 1,466 more votes were cast than there were people voting?

Good land, that would not just change the course of the debate, it changes the course of the whole election, those 1,466 votes. If there is a mistake and we do not have to worry with it, that would be great, but if we find there was a mistake, that there was something else involved, that would bring this debate to a halt and we would find ourselves with a new Senator real quick.

I just do not understand why the committee found it necessary to prohibit, to refuse, on the part of 99 Members of this body, access to sufficient information to reach our own conclusions.

I cannot believe that that should be allowed to maintain itself on a tie vote in committee.

That is all my amendment does, Mr. Chairman. It does not try to prejudge, or anything else. It just says send a team up there in whom we have absolute confidence, and know that there is an advocate of both positions in this, because they would have proven both positions. We know both sides are going to be well represented. Let us send a team up and find out exactly what happened to these 10 machines.

If we do that, we will settle the problem and we can go on and settle this case, and it certainly would save a lot of time instead of haggling and hassling, trying to find reasons not to find out what the facts are.

Mr. McCLURE. Will the Senator yield?

Mr. BROCK. Yes.

Mr. McCLURE. I think the importance and the necessity for the check of the machines is difficult to overstate, particularly, again, the point I made earlier, that the number of votes in discrepancies here is many times the number of votes upon which the Senate is asked to vote otherwise, to determine this election.

While we concentrate all of our attention and meticulous care on a few votes, we let the many go unchecked.

I would like to read from the transcript before the Ballot Law Commission in New Hampshire when this matter was being discussed before the Ballot Law Commission.

The particular witness at that time was a Mr. Huhn, who was an expert on behalf of the State of New Hampshire. With respect to the counters, he made this comment:

> All right. What you are saying is that the indication from this machine—

Referring to one of the dozen that malfunctioned—

> All right. What you are saying is that the indication from this machine is that 172 votes were cast, according to the protective counter, and 218 votes cast according to the public counter. It raises—two possibilities come to my mind, one of them is that there has been a mechanical failure of a counter or, second, that there were counts on the public counter to start with—there were 46 counts to start with, that would also account for it. You haven't told me of any other tie-in factors, such as a voter checklist, that would tend to tell you how many voters had gone through. But, the determination of whether it was a mistake of set-up of the machine, the failure to set the public counter back to zero, and failure, by the moderator, to catch that in the examination of the machine at the beginning of the election—I would immediately want to run a functional test on that machine to determine whether there was a mechanical failure of this counter that, in effect, quit counting.

At another point in those same proceedings, Commissioner Rudman, the attorney general of New Hampshire made this comment in questioning to the witness:

> Assuming, hypothetically, again, I told you that I had found on 12 of your machines differences ranging from 1 to 707, between the protective counter and the public counter, on your machine, all in the same city, what would your reaction be?

The witness responded:

> I would flip my lid.

And yet in spite of that kind of a record, we did not flip our lid; we did not even flip open the back of the machine to take a look to see why.

Mr. BROCK. I have been voting on voting machines as long as I can remember. We have had them in my hometown for 20 years. We found out, frankly, that they carry certain problems with them and we have switched to a different method, which is a vote by computer card. It is much faster, much cheaper, and we think it is malfunction proof. There is no mechanical function that you have to worry about with them.

The first experience I had in politics was in 1956 as a poll watcher at the Presidential election, an effort to be sure that the civil rights of the people of my community were not decided by vote fraud. We had some in those days. It took a massive continuing effort to fairly well eliminate it from my State, thank goodness. I think by and large we have eliminated it. There will always be people who want to impinge upon the rights of others, but by and large we do not have that now.

When we were tallying those machines, the first thing we did in the morning when we went to the polls was to check those machines, to check the public and protective counters. We had three different people go up to each machine and make three different sheets to note those numbers so that we could independently verify each other's count at the end of the day. We knew exactly what we started with and we could subtract that from what we ended with and would know how many votes were cast.

Once in a while, with the pressure of election nights, the returns are coming in and they want to call them in to headquarters, they see that their guy is ahead, and they say "That is great. Let me call in these figures." They may miss a digit. They may transpose, with 76 instead of 67. You can find that out in a minute. If you see one single vote difference in my State between the protective counter and the total count, I mean the whole place stops. Everybody goes back and they re-check every single number to see what happened. We just cannot take a chance with something as precious as the right of the ballot, the right of participation in self-government in this society of ours. It is a fundamental constitutional process and we will not take chances with it.

Good land, if precinct workers in Chattanooga, Tenn., will go to that much effort, what is wrong with the Senate of the United States doing the same thing when we have a contested election as close as this one?

I just want somebody to explain to me in simple terms so that I can understand it how 1,466 more votes were cast than there were people casting votes. Just explain it to me. Or tell me why we should not find out how to get it explained.

The committee chairman and at least half of the committee say, "No, we do not want to investigate that. We do not want to find out. We do not want the Senate to know what happened and why. Two votes separate these two men. We will not go into those machines and find out why 1,466 more ballots were cast than people casting them."

I just defy anyone to give me a rational explanation of the fact that this issue is even before the Senate. I do not think there is a question. I do not know why it is before us. I do not know why we have to debate it. It is so eminently logical, and yet apparently we are going to have to have a record vote. I do hope my colleagues find the amendment of merit.

Mr. McCLURE. Will the Senator yield?

Mr. BROCK. I yield.

Mr. McCLURE. The Senator has mentioned the fact that we are asked to determine this vote in the Senate when now there is a voting difference of 2 votes, where the Secretary of State had certified a difference of 10 votes. The total spread between those two certifications of results is a total of 12. Here we are dealing with differences many times that.

Let me just read, because I think it is important, the difference between the protective counter and the public counter. What is the protective counter? The protective counter is supposedly the permanent record of every time the machine is operated and hence records the total votes on the machine during the life of the machine, reducing to zero after each 999 votes.

Mr. BROCK. Remember, the protective counter is encased. It is absolutely, permanently, totally, irrevocably sealed. It cannot be opened without breaking it. You have to destroy the counter to get into it. There is no access to it. That is your protection against fraud.

Mr. McCLURE. The public counter is that counting device which is supposed to be re-set to zero before each election, at the beginning of each election, before its use in that election. Its total at the end of the voting period supposedly is the total votes cast on that machine in that particular election.

Mr. BROCK. That is right.

Mr. McCLURE. The public counter total should be identical with the difference between the opening and closing figures on the protective counter. Is that correct?

Mr. BROCK. That is right.

Mr. McCLURE. So a variance between the public counter and the protective counter means either a malfunctioning of the machine, an improper public setting at the beginning of the election, or meddling or tampering with the machine in some way.

Recognizing that there is no way, absent some one of those three factors, either a mechanical malfunction, an improper setting at the beginning of the election period, or a meddling or tampering with the machine for those variances to occur, what has happened? Let us look for a moment at machine number 1620 in ward No. 10. The protective counter showed an actual difference of 1972; the public counter showed 218, a difference of 46.

Again in ward No. 10, machine number 1623, the public counter showed 243; the protective counter showed 227, a difference of 16.

In ward No. 11, machine number 1633, on the protective counter it was 135; on the public counter it was 183, a difference of 48.

In ward No. 4, machine number 1562, the actual difference in the protective counter, that difference between the opening and closing of election, was 180; the public counter showed only 59.

There is a difference of 121 on that machine, 10 times the total difference we are talking about in the State—10 times the total difference, on one machine.

In ward No. 7, machine No. 1591, the public counter showed 239, and the number shown on the protective counter was 241—a difference of 2. That is exactly the margin of victory as certified by the Ballot Law Commission.

In ward No. 7, machine No. 1595, the protective counter showed 90 votes had been cast; the public counter showed 199 votes had been cast, a difference of 109.

In ward 1, machine 1532, the protective counter showed 146 votes had been cast, but the public counter showed that 311 votes had been cast—a difference of 165 votes on that machine, 15 times the difference between the secretary of state's certification and the Ballot Law Commission's certification.

In ward 1, voting machine 1533, the protective counter showed 263, but the public counter showed 970. On that one machine there was a discrepancy of 707 votes.

On ward No. 2, machine No. 1537, the protective counter showed that 289 votes had been cast, the public counter showed 290 had been cast, a difference of 1.

Ward No. 6, machine 1581, the protective counter showed 269 votes had been cast, the public counter showed 273 votes, a difference of 4.

Ward No. 12, machine 1640, the protective counter showed 233 votes cast, the public counter 267 votes cast, a difference of 34 votes.

In ward No. 12, machine No. 1645, the protective counter showed 257 votes cast, the public counter showed 258 votes cast, a difference of 1.

So the net difference on those machines, the amount by which the public counter exceeds the actual count on the protective counter is 1,008 votes net, taking the pluses and minuses on these machines. That is 504 times the margin of victory as shown by the Ballot Law Commission; and yet the committee says we do not have to look at them and as a matter of fact we cannot look at them to find out why. We cannot even look into the box to count the blue chips, to see which one of these numbers may be closest to right.

It seems to me that the Senate, if it is really serious about trying to find out who won the election and what was the intention of the voters of New Hampshire, and if we care what they really wanted to do, ought to look and see what they did in these particular voting machines, at least by checking the machines and checking the blue slips to see whether or not we can determine the intention of the voters of New Hampshire from the obvious discrepancies that are shown here.

Mr. BROCK. I thank the Senator very much.

Mr. President, I have a recount return-outline for automatic voting machines from the State of Michigan. This is 11 pages long. These are instructions for the precinct workers, the voting registrars, and the election officials as to how to set up the machines, what process they go through, what numbers they can make a count of, and then, of course, how to tabulate and close out the elections at the end of the day. It consists of 11 pages, and is very specific. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

RECOUNT RETURN—OUTLINE AUTOMATIC VOTING MACHINES

1. Complete the heading of the form.

2. Enter the following on the "Recount Return":

From the Statement Book
Machine Numbers (Column 1)
Public Counter Numbers (Column 3)
Protective Counter Number on opening of polls (Column 5)
Seal Numbers (Column 8)
From the Poll Book
Total Number of Voters (Item 18)
Number of A.V. Voters (if counted in Precinct). (Item 16) (If A.V. Counting Boards used, place a ( ) in box marked "Absent Voter Counting Boards Used". (Item 19)

For each machine, add the public counter number (Column 3) with the Protective Counter at opening of polls (Column 5) Enter Total in Column 6.

3. Check oaths in poll book. Check the certificate in the poll book and the statement books. If they are not complete, note such fact under "Comments".

4. Check the following items as recorded on the "Recent Return" against the voting machines. If they agree, place a check in the appropriate square. If they do not agree, indicate by the word "No".

Machine Numbers (Column 2).
Public Counters (Column 4).
Protective Counter at Close of Polls (Column 7).
Seal Number (Column 9).
Note if seal properly affixed and sealed (Column 10).

5. Add the public counter numbers (Column 3)—enter the total as item 15. To this total, add the absent voter total (Item 16) and enter the total as Item 17, Total Number of Votes Cast in the Precinct.

6. Compare "Total Number of Votes Cast" (Item 17) with Number of Voters" (Item 18).

If item 17 is the same or less than item 18, the machines are recountable.

If item 17 is greater than item 18, the machines are not recountable—Make the proper entry under Item 20.

If the machines are not recountable, see detailed notes.

7. For each machine, check the entries under columns 7, 9, and 10. If each entry is checked, place a ( ) in column 14—the machine is recountable.

If for a machine, one or more of the entries are marked "No," enter the word "No" in column 14. That machine is not recountable. See detailed notes.

8. Open front and rear doors of machines. If there are any unusual conditions, make a note under "Comments" on "Recount Return."

9. Remove A. V. Ballots, if any.

10. From face of machine, enter names of candidates and Code Numbers on the Recount Return.

11. From rear of machine, read Code Numbers and votes for each machine and enter on Recount Return.

12. Read Code and Vote Total from Recount Return and check against machine.

13. Absent Voter Ballots—

(a) If A.V. Counting Center used or if the Canvassing Board counts the A.V. Ballots, proceed with next item.

(b) If A.V. Ballots counted in precinct, proceed as follows:

Check package. Is it securely packaged and sealed? If so, they are recountable. If not, they are not recountable. Make appropriate entry under item 21. If A.V. Ballots are not recountable, indicate why under "Comments" and return the package to the machine and see detailed notes.

If A.V. Ballots are recountable—

Open the envelope or bag.

If there are unvoted A.V. Ballots, determine if they should have been voted.

Tally the votes on reverse side of "Recount Return." (See Machine Manual for tally instructions)

Enter A.V. Tally Total on "Recount Return."

Return ballots to envelope or bag.

14. Add the votes for each candidate.

15. Complete the certificate.

16. Sign the certificate.

Appended to this outline are several items which are of significance in a recount:

A. Notes—These are elaborations of points made in this outline.

B. Challenging—Procedures used in a recount, regarding challenging.

C. Consideration of "Distinguishing Marks" and "Valid and Invalid Ballot Markings".

D. Decisions of the State Board of Canvassers relating to commonly encountered recount problems.

APPENDIX

A. NOTES—

1. Machine Numbers don't agree with numbers shown on the Returns. In this eventuality, one of three things likely has happened:

a) The Records (Statement and Poll Book) are for a precinct other than the one about to be recounted.

b) The machines for a precinct other than the one to be recounted have been brought out (i.e. 2 or more precincts in one building).

c) A transposition has occurred in recording the machine numbers.

As to possibilities 1 and 2, the obvious corrective measures should be taken. As to possibility 3, check other records (i.e. key envelope, clerks records, etc). Make a note under "Comments" on "Recount Record".

If possible, proceed with the Recount—this is *not* one of criteria for determining if a precinct is recountable.

2. If the Public Counter Number as shown on the machine does not agree with the Public Counter Number on the Statement of Notes, proceed as follows:

An attempt should be made to determine what happened and a note made under

"Comments" on the Recount Return. Most likely the election inspectors placed the total from one machine under the heading of another on the Statement Sheet or a transposition of numbers occurred.

The fact that this number does not agree with the number as recorded on the Statement Sheet does *not* affect the recountability of the precinct.

Cross out the number as recorded on the "Recount Return" and insert the correct number.

Proceed with the next item on the outline.

3. If according to the "Recount Returns" the "Total Number of Votes Cast" is greater than the "Number of Votes," several possibilities exist:

The machine may have been operated by the custodian for repair purposes. A note of such a happening should appear in the Remarks Section of the Poll Book. If this situation exists, make a notation under "Comments" on the Recount Return and proceed with the next item of the recount.

If the Board of Canvassers are doing the recount work, they may call in the Election Inspectors and if the Inspectors can satisfactorily explain the discrepancy, the Board of Canvassers may proceed with the recounting of the precinct. If this is done, a record should be made of the explanation. If, however, the discrepancy cannot be resolved, the original count from the machines will stand. Enter the totals as shown on the Statement of Votes in the spaces provided on the Recount Return. A.V. Ballots are subject to recount. Proceed with the recounting of the A.V. Ballots.

If representatives of the Board of Canvassers are doing the recount work, to prevent the necessity of returning to the precinct, it is suggested that a note be made of the error and that the precinct be recounted on a tentative basis. The information could then be turned over to the Board of Canvassers for their disposition. Again, the Canvassing Board is authorized to call in the inspectors for an explanation and if satisfied, may recount the precinct.

If the Board of Canvassers cannot satisfactorily resolve the problem, the original totals for the machines shall stand. In this case, check the returns as shown by the Statement of Votes against those entered from the machine. If changes need be made, cross out the incorrect total and insert the total shown on the Statement of Votes.

Absent Voter Ballots in such a situation are subject to recount. Proceed with the recounting of the Absent Voter Ballots.

4. If a machine is not recountable, the procedure used will depend on who is doing the Recount.

If the Board of Canvassers is doing the actual recounting, enter the totals for that machine from the Statement of Votes on the Recount Return and proceed with the recounting of the remaining machines. Make a note under "Comments" of the action taken.

If representatives of the Board of Canvassers are doing the actual recounting, enter the machine totals on the Recount Return tentatively and make a note under "Comments." Deliver the return to the Board of Canvassers for their determination. If the Board determines that the machine should not be recounted, check the tentative entry with the Statement of Votes. If they differ, make the needed correction. Make a note of the determination under "Comments."

5. If Absent Voter Ballots are not recountable, determine from the Statement of Votes how many votes were credited to each candidate and enter these numbers on the Recount Return in the space provided for the Absent Voter Total. Under "Comments" enter the reason why the Absentee Ballots were not recounted.

6. If you find too few absent voter ballots, one of the following situations likely exist:

a) The names of all of the voters to whom ballots were sent have been listed in the poll book when, in fact, not all the ballots were returned. If it can be determined that this is the problem, make a note under "Comments" and proceed with recounting the A.V. Ballots.

b) It is possible that 1 or more A.V. envelopes were not properly completed and that the board did not open the envelopes but did enter the voters name in the poll book. Again, if this can be determined, make a note in the "Comments" section of the Return and proceed with the recounting of the A.V. Ballots.

c) It might be that the board found 1 or more ballots to be invalid and did not include these ballots with the voted ballots. Locate the ballots, make a note under "Comments" and proceed with recountiig the A.V. Ballots.

B. Challenging—

1. Recounts are conducted in two ways:

a) The Canvassing Board doing the actual recounting; or

b) The Canvassing Board supervising the Recount but the actual work being done by representatives of the Board.

2. The method of handling challenges depends on the procedure used:

a) Recount by the Board—

In such cases a stenographer will be with the recounters; therefore, the challenge can be disposed of at that time and a record made. Follow this procedure:

Challenge made—Make note of this under "Comments."

Offer opportunity for argument. If necessary, have stenographer take word for word testimony or argument.

Make decision—indicate under "Comments" decision made.

Proceed as per directions in outline depending on decision reached relative to the challenge.

b) Recount by representatives of the Board—

Challenges made to representatives of the Board must be disposed of by the Board; thus, a little different procedure must be used.

Under "Comments" note that a challenge has been made.

Obtain all the information from the machines and records and enter onto the Recount Return.

Upon completion of observations at the machine, present the material to the Board of Canvassers.

Argument and disposition made at this point.

C. Distinguishing marks and valid and invalid ballot markings—

The Recount Rules provide that in order to rule a ballot invalid because of distinguishing marks—

It must be clearly evident that—

1) The marking was placed on the ballot by the voter

2) For the purpose of distinguishing it.

See Appendix on "Determination of Validity of Ballots" and "Ballot Illustrations"

D. The following decision made by the Board of State Canvassers relating to recounts may be helpful—

1) Applications for ballots and application for absent voter ballots are not the proper subject of a recount. If counsel wishes to make exhibits of them for purposes of preserving them, they should be allowed to do so.

2) The envelopes in which Absent Voter Ballots were returned are not a proper subject of a recount. Again, if counsel wishes to make an exhibit of the envelopes, this should be permitted.

3) Absent Voter Ballots with numbered corners still affixed are subject to Recount. The numbered corners are not to be regarded as distinguishing marks.

Mr. BROCK. The purpose for that, Mr. President, is that I think it is important for those who are not here and who will, I am sure, diligently read the RECORD tomorrow before the vote, to know what an intensive, specific, detained, careful process people go through in almost every State in the Union to be sure that the vote is counted and counted accurately and honestly.

It does not matter what State you are talking about. New Hampshire has virtually no history of any voting fraud. It is a first-rate State. Most other States have remarkably good records. There are some exceptions. But in every State I have had any experience with, the process of tabulation is almost by instinct, because it is such a fundamental part of our constitutional process, detained, careful, and specific in terms of how you do it.

It has become sort of an accepted practice that there are certain procedures you go through. And all of us, while we may have different machines, adopt the same sort of protective techniques to make sure that we do not make an error, even a happenstance error, to make sure that we protect the rights of our citizens.

So I have put this into the RECORD to show the use of that kind of detail in a different State. I put it in because I want to show the contrast between that and the recommendations of the four members of the Rules Committee who say to us: "You shall not re-tally; you shall not investigate; you shall not know whether there is a machine error. You shall not recount the blue slips. You shall not find out why the public counter and the protective counter vary. You shall not find out why the public counter and the protective counter vary from the count of the ballots cast. You shall not know why the public counter, the protective counter, and the ballots cast disagree with the number of people who registered to vote. You shall not find out why all four of those, the public counter, the protective counter, the ballots cast, and the people who signed up at the start on a checklist—why all four of those disagree with the authorization slips, because we will not even let you count those authorization slips to find out if one of the four is accurate."

Mr. President, that is just not acceptable to the Senator from Tennessee. It would not be acceptable to any precinct worker of any party in the State of Tennessee. They have all been through the process. They know that we are talking about something fundamental. But at least half of the committee has said, "Thou shalt not find out. Thou shalt not."

I say that is for the Senate to decide, and that is what my amendment is all about.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. McCLURE. I think it is interesting to know that the committee, when it went to New Hampshire to look at these machines, to determine whether or not there was a malfunction, basically performed only one test. As I understand from reading the RECORD, they pulled the lever 11 times for each candidate on each of the machines. And what did that cursory check show? It showed that of the 12 machines, 9 recorded correctly on the protective counter and the public counter for those 11 pulls, and they concluded, then, that they were all right.

There was no attempt made to determine why they had malfunctioned before, and they performed at this particular time in a way different from the way they had performed during the election, which is what we are really concerned about. There was no attempt made to find out why they had recorded erroneously before, but recorded correctly this time. The minority counsel asked to see the repair records on the machine, to determine whether or not the machines had been repaired between the time of the election and the time of the test.

Mr. Duffy objected to looking at the repair records. So there was attempt made, but it was blocked in an attempt to see why at one time during the elections they malfunctioned and in this very cursory test they functioned correctly. But the other 3 of the 12 malfunctioned even during that limited test.

You would have thought that that would at least have raised some question in the mind of the investigating committee, that went up, as to why it was malfunctioning while they were pulling the handle. Did they open the backs to find out? No. Did they get the repair records to find out? No. Nothing was further done. They just came back and reported to the committee none functioned correctly, three did not function, and that is supposed to be the answer.

I submit it answers nothing. It answers not one thing about why the difference between the count on election day, and that is what they were charged with going up and doing.

I support very wholeheartedly the effort of the Senator from Tennessee to direct that those machines be checked and that an investigation be conducted, to find out if it is possible to find out why this discrepancy which in net effect, plus and minus, is over 1,000 votes different on 12 machines.

Mr. BROCK. The Senator raises an interesting point. When they had counted all these massive 11 ballots out of 27,000 total casting votes on the machine and 28,000 votes cast, they found out that at least on 9 of the 12 machines the protective counter and public counter agreed. Mr. Duffy then decided that that proved the machines were accurate. I think that would have caused me to ask: "My gosh, why are they working now when they did not work on election day?"

What happened? Has some good mechanic been in there straightening them out? I thought they were supposed to be protected. I thought they were supposed to be sealed.

But no, we do not want to find that out. We just want to say nobody, not a Member of the Senate of the United States, not one of the 99 now serving shall have the right to know why they started working all of a sudden after election day and they did not work on election day.

Mr. McCLURE. Will the Senator yield?

Mr. BROCK. Yes.

Mr. McCLURE. It seems to me, again referring back to what I said before, that if the count on the public counter total is different and is not identical with the difference between the opening and closing figures on the protective counter, that the variances must mean one of three things: mechanical malfunction, improper public setting at the beginning of the election, or meddling or tampering with the machines.

It would seem to me that, if the conclusion from the test is that 9 of the 12 functioned correctly, there is no mechanical malfunction, then that must prove, if we are to accept their finding, that these were not mechanically malfunctioning; it must prove that they were set wrong at the beginning, or that they were tampered with during or since the election.

Mr. BROCK. The Senator from Tennessee does not have very much experience in vote fraud, and I cannot tell what faults or vote complications and all these malfunctions are. I do not know what all the reasons are that it could happen. I would have to accept the Senator's word. That has been my personal experience, I will say that, with the experience I have had with machines, but obviously things can happen that have not even occured to me. The point that the Senator makes though is that we are down now to something perhaps beyond malfunctioning, either a miscount at the start, or some malfeasance.

That would make me a great deal more suspicious. It would make me much more interested in finding out what happened, and that is why I cannot understand the ruling of Mr. Duffy, that you cannot understand the ruling of Mr. Duffy, that you cannot check, you cannot inquire, you cannot calculate, you cannot look at the machine and just find out what in the world went wrong. Good lands, two votes, and here they are, 1,466 more people casting votes than people. That is an incredible way to count, as far as I am concerned.

I just cannot believe that anybody could logically say, "Well, we tallied it 11 times, had a little fun, punched that machine and, since the count came out all right, that proves that everything was all right on election day."

Listen, we knew everything was not all right on election day. We knew that when we got the first count. It is right here in the record. We know something was wrong on election day. We just do not know what.

It is the height of something or other to say now because we go up there and we pull the lever 11 times, that everything must have been OK on election day, and the facts do not count any more. These 1,466 ballots, that were registered for these two men, are nothing to worry about just because they do not happen to be backed up by people voting in the booth. That is ridiculous.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. McCLURE. The Senator suggested that, if the machines did not malfunction on election day, that would suggest that perhaps there was a mistake in the setting of the machine at the beginning of the vote.

Mr. BROCK. Not really, because that cannot happen. You see that is possible with regard to the public counter, but the protective counter is permanently and totally sealed. You cannot have access to it without destroying it.

Mr. McCLURE. You could not change it?

Mr. BROCK. No.

Mr. McCLURE. But you might misread it at the beginning.

Mr. BROCK. Oh yes. You could do that.

Mr. McCLURE. So that the reading that was——

Mr. BROCK. That is something one can verify, because the reading on the machine that is done when you set up the machine in the morning can be cross-checked against the closing reading of the last election, which is also a matter of record, but we could not do that either because the committee did not investigate that.

Mr. McCLURE. As a matter of fact, the minority counsel did ask to look at those records.

Mr. BROCK. That is correct.

Mr. McCLURE. And he was denied the opportunity to look at the record to determine whether or not it was possible to detect a misreading of the protective counter.

Mr. BROCK. I have great difficulty in finding out why these people went to New Hampshire and spent all this public money. They did not investigate the Michaud case. They did not investigate the absentee ballots. They did not do any physical recount. They did not check the machines. What did they do? Good land, what a horrible waste of time and effort.

What are they supposed to do? They were given instructions. We have them. They have been made a part of the record. They were to find out what happened on the machines. Did they? No. No, they did not even try. They did not even try.

As a matter of fact, access was denied on specific motion of the counsel for the majority, and he said: "I do not care whether you want to get in there or not. You do not have the right to because this is my show, and I am running it and I say no, you cannot look. You cannot even look at the records. You cannot even cross-tally with the previous election check protective counter. You cannot even count the blue slips to verify the number of people voting. You cannot even get into the machines to verify the mechanical accuracy or verity of the machines. No. You do not have that right."

Maybe he can deny that right to the minority counsel, but I question whether he can deny that right to the Senator from Tennessee, the Senator from Idaho, and the Senator from every other State in this Union. It seems to me that we have some fundamental constitutional rights that are questioned in this particular issue.

As far as I am concerned, unless we can sustain this motion, the right of access to information on the part of all Senators is being denied by some, and that is not a tolerable situation to the Senator from Tennessee.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BROCK. Yes.

Mr. McCLURE. I think it is interesting to read from the report that was filed by the Riddick Commission, the Riddick Committee, or perhaps the Duffy Committee, depending upon how you view their function, as it was filed back with the committee. I read from page 3 of that report:

> During the inspection of the machines, it was discovered that on two of the machines protective counters did not function accurately. They were machines No. 1522 and 1633. On one other machine, No. 1562, the public counter did not function accurately. On the other nine machines, the protective and public counters were found to be operating together—

Get this; this is the concluding sentence in that paragraph of the report.

> despite the fact that they had differed on election day.

As the Senator from Tennessee has pointed out, that certainly would raise the question as to why it had functioned differently on election day, when they did not function differently on the day of the test.

They were denied even the opportunity to look at it. They were denied even the opportunity to count the blue slips, if they could. They were even denied the opportunity to open the back of the machine to look at the mechanical linkage within the machines, to determine, if they could, a mechanical malfunction. They just came back and said, "We don't know why, but there was a mistake."

Mr. BROCK. I will tell the Senator something else that bothers me. It bothers me a little that Mr. Durkin's counsel raised this issue before the ballot law commission and the court, and he becomes strangely silent on it now. He was right then in saying that we should go in and just count the slips, to be sure how many people voted. He was right in saying that they cannot vote in New Hampshire on a machine without giving them that blue slip.

Mr. Durkin's counsel was absolutely right. You cannot get into a machine without giving them that blue slip, and it is then put into a locked box, and it is still there. It has not been opened. Why? Because Mr. Duffy ruled that we do not have a right, as Senators, to know how many people voted on these 10 machines in New Hampshire, in which more votes were cast than people who cast votes.

Mr. Duffy does not set the standards for access to information by the Senate of the United States, and it is time we decided whether or not we have a right to know what went on, why, how, and under what circumstances.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. McCLURE. Perhaps what we get to, as a result of all this, is that if a proper investigation is made, we still will not know what happened.

Mr. BROCK. That is something, too.

Mr. McCLURE. If we get to that point, then perhaps we will get to the point of determining that after all the hours of deliberation in committee, by staff, and on the floor of the Senate—after all the effort we have made, with the best of intentions on the part of everybody involved—there is no way of knowing what happened in New Hampshire on that election day, no way of knowing what the voters really intended as a result of their attempt to cast their ballots in that Senate race.

Mr. BROCK. That is possible. But I think that we have such a specific, definable, clear issue in this matter that at least in this instance we can reassure the Senate of the United States that we are reaching on this matter a logical conclusion.

There are so many cross tabulations available that these machines are constructed, incredibly, almost by design, to be costly, it appears. There are five different checks on these things—five different, independent checks.

Mr. McCLURE. But we have not bothered to use them.

Mr. BROCK. We are not even allowed to look at them. We are not allowed to question them. We are not allowed to tabulate. We are not allowed to cross-check. We are not allowed to go back and look at the previous tally that was made by other election officials on a different day, to see what happened.

We are just told: "No, we are sorry, folks. Mr. Duffy does not think the Senators of the United States need this kind of information." So Mr. Duffy has ruled that we cannot have access to it. If he can make rulings such as this in New Hampshire, which affect our access to information, he might as well sit up there and make the parliamentary rules under which we conduct debate.

The point is made. I wish I could encourage those on the committee to pose this motion in the committee. I wish I could get them to accept it and settle the matter quickly and get on with it. Perhaps, after hearing the eminently attractive logic of the Senator from Idaho, the Senator from Nevada will want to do that. I do not know.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. McCLURE. I thank the Senator for yielding.

A couple of points need to be underscored, and one additional point should be made.

We have gone into the question of the 12 different machines and their total voting discrepancy, which the Senate has not been able to investigate. As the Senator from Tennessee has suggested in his amendment, we at least should go back and determine whether we can find out what happened.

Mr. BROCK. That is right.

Mr. McCLURE. We should at least know before we try to make a final decision in this matter. We should not fly blind in this matter. I join the Senator in the hope that the Senator from Nevada will agree with the logic, that an investigation of the voting machines is absolutely necessary before asking the Senate to act upon this matter.

Mr. BROCK. I assume the Senator is familiar with the fact that when we brought the ballots down to the Capitol—they are stored right here, under lock and key, as the Senator well knows—we also brought the blue slips, the checklists. They are here. We do not need to spend money on air fare. We do not need to spend money on staff allowances and hotel and motel money. Just walk downstairs and check.

Mr. Durkin said that he found those checklists inaccurate, in the count that was made by the Attorney General. I do not know why we have to quote both candidates; one should be enough on a protest. But both of them found these inaccuracies. Yet, the committee refuses to allow us to find out what is right.

Mr. McCLURE. Again, it has been suggested as to the 12 machines that nine of them functioned correctly on the cursory test that was given by the committee staff when they went to Manchester; three did not. It has been suggested, again, that that would indicate that the three have a malfunction, which would indicate that they perhaps malfunctioned on election day. But if the other nine are functioning correctly, then it must not be malfunction; it must be misreading or tampering. We should find out which it is, if indeed we can find out, by looking at the blue slips and by looking at the voters' tallies.

Mr. BROCK. If the Senator will permit me to interject, I heard him refer to this before, and I meant to ask at the time, and I will do so now: What happened to the three machines in which there were malfunctions?

Mr. McCLURE. The committee simply reported back to the committee here that they malfunctioned.

Mr. BROCK. They just said they were malfunctioning machines, but they did not go on and find out why or how or in what degree?

Mr. McCLURE. That is exactly correct. They did not attempt to determine what effect, if any, that had on the count on election day.

Mr. BROCK. They did not check the mechanical stability or verity of the three they proved were malfunctioning?

Mr. McCLURE. No. They simply reported that they malfunctioned, without any further investigation.

Mr. BROCK. Perhaps Mr. Duffy is doing as some others are doing. He is reading the machine's mind. Perhaps he has X-ray eyes and is looking at things to see how they work. I do not know. That is beyond the capacity of most of us, I guess.

Mr. McCLURE. Even if we set aside the results of those three and we look at the results of the other nine, where they say they do not malfunction, therefore, the count must have been wrong, the original setting was wrong, or they were tampered with, the difference in votes on those 9 machines is 916, which is almost 500 times the number of votes between the winner and loser as certified by the ballot commission. And we are not permitted even to look to determine what may have caused that difference.

There is one other factor which ought to be mentioned before we leave this question of the voting machines. That is that there are write-in papers on the machines, so that a voter can write in the name of a candidate of his or her choice without having to find it on the ballot and match it with the appropriate lever.

Those papers are preserved to be counted outside of the machine count, and it is necessary, in order to verify the results of the election, to keep the write-in paper in that particular election to see whether or not it would cancel the vote or add to the vote of any particular candidate. They might have had either of those effects. Yet there are 10 machines in ward 5 in which the write-in paper is missing.

Where is it? What does it show? What would it show if we could find it? What has been done to locate the paper? They are totally silent on any effort or any conclusion with respect to the write-in paper on those 10 machines. In all likelihood—in all likelihood—whatever discrepancy that would make would be very, very small compared to the thousand votes in the machine we have been talking about, but it might loom very large indeed with regard to the two-vote difference which was the result of the ballot law commission.

Mr. BROCK. Speculate with me a minute, I say to my distinguished and most respected colleague, what an editorial in the New York Times would say if these facts were coming out of Chicago's precincts, dominated by Mayor Daley.

Mr. McCLURE. Would the Senator repeat that?

Mr. BROCK. I wonder if the Senator would speculate with me on what the editorials would be saying if these facts were coming out of Mayor Daley's Chicago wards after he had just won an election by two votes and we had 10 precincts where we had just lost all the absentee votes off some machines, and some other machines had just a few thousand more votes cast than there are people who cast ballots. What would the editorials be saying about Mayor Daley?

Mr. McCLURE. I suspect the Senator from Tennessee will agree with the Senator from Idaho that they would have a field day, again commenting on the evil forces that might occur in Cook County, Ill., but they are notably silent on what happens in Manchester, N.H.

Mr. BROCK. There have been some pretty good editorials, the Senator knows. I have been grateful for some of the editorials that have been written on this process in some of our local papers and around this country. I think it is sort of interesting, though, that there is an assumption with regard to the mayor of Chicago that something smells whenever he is involved. I do not think that is a very fair assumption, but it is an assumption that is made quite often. Yet here, there seems to be very little inquiry, very little frustation, as a matter of fact, with the fact that the general counsel of the Committee on Rules of the U.S. Senate cannot find time to allow 99 Members of the most distinguished deliberative body in the whole world, will not take time to let us know what happened and to recheck and retally and verify the facts. I find that sort of interesting.

I find it more frustrating than I do interesting, I say to the Senator, because I am troubled by this inconsistency.

Mr. McCLURE. I say to the Senator from Tennessee that I have noticed, as he has, that a good many editorial writers around this country have taken note of this issue.

Mr. BROCK. Yes; they have.

Mr. McCLURE. They have commented about the inconsistency of the Senate in its concern about the protection of the electoral franchise.

It has been suggested to us by many that nobody really cares except the people of New Hampshire. And certainly, they do. Let me read for a moment one of the editorials in a New Hampshire newspaper, a portion of an editorial which appeared in the Manchester Union-Leader on Tuesday, May 6. The editorial concluded with these words:

> The Senate Rules Committee made such a partisan force of the entire recount procedure before deadlocking on key issues and throwing the hot potato to the full Senate that it is entirely possible—not probable, but possible—that the majority of the 51 Senators may decline to immerse themselves in this mess and remand the Wyman-Durkin case to the appropriate court, the court of public opinion in New Hampshire.

I read, again, from the record, if I may, because reference has been made to the fact that both Mr. Wyman and Mr. Durkin, at one time or another, had suggested that the curious malfunction, the curious discrepancy of votes on these voting machines was an appropriate issue to investigate. There was a third candidate, Mr. Chimento. This question, this comment and response come from the record and appear on pages 1649 and 1650 of part 2 of the proceedings in this matter:

> Mr. CHIMENTO. Mr. Chairman, I indicated to you before the commencement of these proceedings that I sent a letter to Senator Cannon claiming I made allegations of fraud with the FBI, and I abided by your wishes, I won't read this letter into the discussions. However, I am very concerned that no one has asked the Committee whether or not these machines have been prepared in accordance with regulations set forth by RSA 5927. We have the Attorney General's Office present here, a representative, and we have, I believe, Mr. Stanton, who was the City Clerk at the time. Can they indicate to this committee whether or not these regulations have been abided by?

From the following page, as a part of the response by Mr. Duffy, I read this:

> Now, Mr. Chimento, with respect to your inquiry, I also feel, with all due respect, that it is not germane now, it is not important at this time, to know how these machines may have been set up by any official of Manchester. We are here only to check, physically, these particular machines, as I have said two or three times already, to determine whether they might have or might not have malfunctioned. Other issues can be gone into at another time, if the Committee wishes to do so.

I think that the Senator from Tennessee is saying now that the Senate should express its desire to do exactly what Mr. Duffy suggested at that time, that we might, indeed, wish to go into these other matters at some other time.

Mr. BROCK. Well, the Senator knows the old story about the fellow who was asked why he climbed mountains, because somebody thought that was pretty crazy, and he said because it was there. I guess that is why Mr. Duffy went to New Hampshire, because it was there. He wanted to see those machines. I bet they were pretty, nice and mechanical and sterile looking, standing there in all their pristine glory, these machines that had been violated by some misadventure.

Mr. Duffy saw and he came back and he conquered, because he told the rest of the folks who went with him:

> You don't have a right to look at those machines. You don't have a right to retally anything. We are not up here to do that; we are here to see if they had those machines at all in the first place.

He saw those machines, and he said, "That is all we need to know; that is all we are going to worry about," and home they came.

Apparently they conquered, at least in the committee, because we were unable to find out why the figures do not jive, why 1,644 more votes were cast than people who cast votes, and until I get the answer to that question I am a little hard pressed to accept the report of the Rules Committee.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment.

Mr. CANNON. Mr. President, I shall not take very long on this matter.

First, may I say that it is indeed unfortunate that the two Members, our two colleagues, who have occupied the floor for some time now were not in on the committee hearings, and thus apparently are not acquainted with the facts.

The distinguished Senator from Tennessee first used the figure of Manchester, the Manchester voting figure, and in some way or other got confused because he thought the so-called persons on the checklist in Manchester, the 26,213, were the people who, were all the people who, were involved in the 12 voting machines that are up here on the board. That simply is not the case. I hope he would recheck his statement and that he would disabuse himself of that fact.

Second, he used the figure of 26,213 as indicating the number of the persons who were checked off the checklist when he said that 27,679 people had actually voted. But he used someone's figures and failed to tally the results.

The tallies, Mr. President, instead of being 26,213 are 27,213. It is only a small matter, but it is an error of a thousand of the people checked off the checklist to which my distinguished colleague thought he was pointing out a great error.

Anybody who has been around elections knows—and my colleague knows full well—that you never have an exact coincidence of the number of people checked off the checklist vis-a-vis the number of people who voted, and that is exactly the situation that you have here.

Mr. BROCK. Exact?

Mr. CANNON. You had 27,213 people who were checked off the checklist, but there were 27,679 who actually voted, including absentee voters, and the absentee voters are not even checked off the checklist because they get their vote and have it sent out.

Furthermore——

Mr. BROCK. Are they reported on the public counter?

Mr. CANNON. Furthermore, this is the entire city of Manchester we are talking about. We are not talking about the 12 machines.

The Senator was confused when he referred to the 12 machines.

Mr. BROCK. No, I am not.

Mr. CANNON. He is referring to the 12 wards, that was the total figure here on his exhibit No. 5 from the Manchester 1974 biennial election.

Furthermore, in the Senate race there were only 25,729 people voting. So you had almost—well, you had 1,500 people less vote in the Senate race than were checked off of the checklist.

I would like to refer by colleague to the statement of Mr. Stanley Brown, who was the attorney for Mr. Wyman before the ballot law commission. He said:

> You have a third correlating record which is known to be inaccurate—we have known it since 1950—which was published back in the eighties, and the checklist will virtually never give you a direct comparison to validate the count.

Mr. BROCK. How about the voter authorization slip?

Mr. CANNON. Now, Mr. President, that is Mr. Stanley Brown, the lawyer for Mr. Wyman, when he says that it will never give you the correct count, and I agree with him. It will never give you the correct count—I should not say it never will, it might on some occasion, but in all the experience I have had on voting in elections it has never given precisely the same count.

Furthermore, you have a different count in the case of every candidate normally, and that is what we have here.

I would like to turn for a moment to the 12 voting machines up there in New Hampshire that are being talked about—12 voting machines that we sent people up to find out if they worked.

We employed two experts. Both of them—we got both of the names from our Republican side of the aisle, but we employed the two of them. We turned down one whom we recommended and one that the minority recommended because one happened to be a Republican county chairman and I did not think that was proper, and Senator HATFIELD suggested one of the names that I came up with, that was recommended to me, was a man who had been involved in some of the Presidential elections, and that that, perhaps, would not be proper. So we eliminated those. But we came up with the two that we agreed on, and we told them to do the job. We did not proscribe their activities in any way. They did their job, and their affidavit is here in the record, filed with the committee, and they made the tests that they deemed necessary.

Now, they did not open the back of the machine, that is right. Who wanted to open the back of the machines? Mr. Schoener over here, the minority counsel, the great expert on voting machines, he wanted to open the back of the machines because he was curious.

Well, Mr. President, those machines that either of the parties requested that the backs be opened were opened at the instance and the instigation of the secretary of state at that time and under the auspices of the attorney general, and they were opened where the parties wanted to open and look at the back of the machines.

I am sorry that we could not accomodate Mr. Schoener and his curiosity because maybe he wanted to see and look at what the back of a machine looked like, but this is what the back of a machine looks like, and there is a gentleman looking at the back of machine No. 1626, which is one of the machines that had an erroneous, believed to be erroneous figure, and it turned out to be it was just a misreading by somebody. But the gentleman in the picture standing in the back examining the machine is Mr. Stanley Brown, Mr. Wyman's lawyer back here, Mr. Stanley Brown. He is the gentleman who is in the picture examining the back of the machine that Mr. Schoener wanted to look into.

Now, Mr. President, let us come to the meat of the issue. On these 12 machines you have the counters that have been talked about. You had the public counter, you had the protective counter, and you had the opening count that goes as the continuous run on the machine.

Mr. President, let us look for a moment at the results in the Senate race and compare those with the Governor and the first district of Congress, and it is put up here on the board, all of them, right out on the right-hand side.

We have the results in the Senate race. On machine 1620 in ward No. 10 in the Senate race there were 204 votes cast according to the results on the machine up there. The Governor's race had 211 votes cast, and the first district of Congress had 202. Now, you will note the Governor had the most, the Senate race had the next, and the Congress had the next, and they were all within a range of nine votes, the difference in the number of people.

Well now, you know that some people do not vote for every candidate, unfortunately. I have had that happen to me on occasion where I got less than my Governor or when I was running at the same time he was, and it is not an unusual occurrence. Usually the Governor will run high on the ticket, and then you have the other offices fill in.

All right. Let us go to machine No. 1623. That again is in ward No. 10. That is still in one of the same wards that my distinguished colleague from Tennessee was talking about when he got confused about the 12 wards in totaling his ballots for the city of Manchester.

Mr. BROCK. I am not confused at all.

Mr. CANNON. Now, machine No. 1623—I do not yield until I complete my statement here—machine No. 1623, in the Senate race there were 228 votes cast for the candidate for Senator. In the Governor's race there were 233 votes cast, and in the Congressman's race 223 votes cast. So we had a spread there between the Congress and the Governor of 10 votes, with the Senate race in the middle again, the same as we did on the first one.

Let us go to the next one, ward No. 11, voting machine No. 1633. On that one in the Senate race we had 160 votes cast, in the Governor's race 171 votes cast, in the Congressman's race 164 votes cast.

Well now, we had a little different situation here. The Senate race was the low race rather than the middle one. The Governor was high, the Congressman next, and the Senate low, but there was still a spread of 11 votes between the low and the high on that one.

The next one, ward No. 4, machine No. 1562. In that machine, that race, the Senate race had 167 votes, the Governor had 176, and the Congressman had 169.

Again in that race, the Senate was the low race and the Governor the high race, and the difference was nine votes between the Governor's race and the Senate race.

Machine No. 1591, ward No. 7, 225 votes cast in the Senate race, 226 in the Governor's race and 226 in the Congressman's race.

That is one where two of the races came out to the same number of votes being cast.

Ward No. 7, machine No. 1595, 179 votes in the Senate race, 187 votes in the Governor's race and 186 votes in the Congress race.

Again, the Senate race is the low one, the Governor was the high, the Governor we will note has been the high in every one of those machines except one, and that one he was tied for high.

The next one is ward No. 1, machine No. 1532, 300 votes in the Senate race, 304 in the Governor race and 297 in the Congressman's race, a difference between the low and the high of 7 votes.

Ward No. 1, machine No. 1533, 256 votes in the Senate race, 262 in the Governor race and 254 in the Congressman's race. Again, the Governor is high, eight votes difference between the low men and the high race.

Ward 2, machine 1537, 271 in the Senate race, 282 in the Governor race and 266 in the Congress race.

Now, that particular race, the spread between the Governor and the Congressman was the highest we have seen so far, a 16-vote spread between the Governor and the Congressman.

Ward No. 6, machine No. 1581, 260 total in the Senate race, 262 in the Governor race and 258 in the Congress race, a spread of 4 votes, a difference of 4.

Ward No. 12, machine No. 1640, 241 in the Senate race, 255 in the Governor race, and 244 in the Congressman's race. A spread again of 14 votes there.

Ward No. 12, machine No. 1645, 235 in the Senate race, 247 in the Governor's race, and I am sorry, I do not have the total here in front of me on the Congressman's race, but we have a difference there of 12 votes between the Senator and the Governor with the Governor on the top again.

One will note that the Governor remained ahead of the votes cast in the Senate race on every one of those races.

Mr. President, we sent these gentlemen up there, these two experts, to test these machines and try to find out if they were operating properly in their judgment. We gave them instructions—I gave a letter of instructions as to their authorization, and I ask unanimous consent, although that letter has already been made a part of the RECORD on the first day, that it be printed in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MEMORANDUM

To: James H. Duffy, and Staff Personnel.
From: Howard W. Cannon, Chairman, Committee on Rules and Administration.
Re: New Hampshire Election.

This will authorize James H. Duffy, James F. Schoener, Dr. Floyd Riddick, and Peggy Parrish from the Committee on Rules and Administration staff to proceed to New Hampshire and take actions heretofore authorized by the Rules Committee, as follows:

Examine and inspect voting machines numbered 1581, 1645, 1537, 1640, 1633, 1591, 1595, 1623, 1620, 1532, and 1562, in Manchester, New Hampshire, in conjunction with experts employed by the Committee, i.e., Mr. Coty Wimberley, and any other expert employed by the Committee, to attempt to ascertain whether these machines correctly recorded the votes in the New Hampshire election for the office of United States Senator.

This will entail a visual inspection of the machines and counters; inspections of the seals and locks placed upon the machines; a determination as to whether the machines have been used subsequent to November 5, 1974, and whether they were in each instance adequately secured so that the machines could not have been tampered with in any way.

The experts employed by the Committee are authorized to conduct such tests as they deem advisable to ascertain the accuracy of recording the votes cast. A specific attempt should be made to ascertain whether the candidate counters are connected with the public and protective counters and determine whether a malfunction of either of those would or would not have resulted in a malfunction of the candidate counter.

You may take such sworn statements as are deemed necessary from persons in connection with the security of the machines. In addition, you will proceed to investigate the matter of the so-called Michaud voting to ascertain the facts concerning the so-called Albert J. Michaud and Albert W. Michaud matters and take sworn statement in connection therewith as you deem advisable.

As the senior staff member, James H. Duffy is in charge, and if disputes arise among the staff as to proper procedure necessary, I will be available to make such decisions by phone. In the event you cannot reach me, Mr. Duffy is authorized to make the decisions.

Both Mr. Durkin and Mr. Wyman are authorized to have a representative present during all of the proceedings aforementioned if they so desire, but shall not participate therein in any fashion.

The expert(s) employed by the Committee are working for the Committee in order to ascertain the facts of these matters and are not employed by either the Majority or the Minority.

Upon completion of the examination and testing of the Manchester machines, each shall be resealed under the jurisdiction of the United States Senate.

Mr. CANNON. Now, Mr. President, the letter clearly sets forth the scope of the investigation and states that where disputes should arise a call to Washington would result in a decision by the chairman.

One such dispute did arise in Manchester and a call was placed to the chairman relative to going beyond the mechanical testing of the machines and inquiring into blue authorization slips and other unrelated, irrelevant matters.

That was the only call to the chairman, and I relayed the call or the substance of the call to the ranking minority member, Senator HATFIELD, who did not disagree with my ruling against the blue authorization slips, et cetera.

As I said earlier, the backs of the machines were not opened because the experts did not request such action in testing the machines, and the machines had been opened earlier during the secretary of state's recount pursuant to the order of Attorney General Rudman, who was also a member of the ballot law commission. In fact, the committee has photographs taken by State police photographers, showing Mr. Wyman's counsel, Stanley Brown, peering into the back of machine No. 1626.

Following the examination and testing of the machines, the majority counsel, acting under my instructions, asked the machine experts to provide affidavits giving their opinions while the facts were fresh in their minds.

The experts were not told how to prepare the affidavits nor were the affidavits dictated or written or typed for them.

Instead, the experts went to their own respective motel rooms where they wrote out their individual affidavits. They appear on pages 1475 and 1476 of the printed hearings, page 2. Each original affidavit is in the handwriting of Mr. Wimberly and Mr. Hull, respectively.

The vote totals, as recorded on the 12 Manchester voting machines tested by the committee, should be accepted by the Senate as reported by the secretary of state during the complete recount.

The committee voted to inspect and check 12 Manchester, N.H., voting machines numbered as follows: 1620, 1623, 1633, 1562, 1591, 1595, 1532, 1533, 1537, 1581, 1640, and 1645.

Mr. President, the purpose for the inspection and checking was to determine whether those machines accurately recorded the votes cast at the November 5, 1975, election for candidates for the office of U.S. Senator.

The voting machines, which were located in four separate sites in Manchester, were individually inspected to determine whether locks and seals were unbroken, and to determine whether the protective and public counters which were visible on the outside of each machine had remained unchanged since election day on November 5, 1974. Then each machine was unlocked by the mechanic employed by the city of Manchester, Mr. Patistas, and the machines were raised to a voting position. When the front of each machine was opened, a further inspection was conducted to determine whether any other seals had been broken or tampered with, and each machine was examined to determine whether the votes recorded on the candidate counters for the office of U.S. Senator were still reflecting the same number of votes as were cast at the general election of 1974.

Mr. President, in conducting a test of these machines, the committee employed two experts, Mr. Codie Wimberly of Louisiana, and Mr. Spooner Hull of Virginia. They were engaged for the full committee and not for the majority or minority.

These experts determined from the inspection of each of the machines that the recording of 11 additional votes for each of the 3 candidates for U.S. Senator would be sufficient to test the accuracy of the candidate counters.

Mr. President, I may say here that the reason for that precise figure is because there was not a question of over 100. Had there been a question of over 100, they would have, according to their testimony, gone over the 100 figure in feeding the figures into the machine.

Mr. President, during the course of the inspection and examination of the voting machines, both of the machine experts, Mr. Wimberly and Mr. Hull, were asked several times for their opinions concerning the relationship, if any, of the public and protective counters to the candidate counters, and in each instance the experts agreed that the candidate counters are not related to or dependent upon the public and protective counters.

On page 56 of the transcript of May 5, 1975, Mr. Wimberly stated—

> They (candidate counters) have no relation to your public counter being stopped from working and your candidate counters continuing to work. Because a public or protective counter does not register properly . . . that does not affect the candidate counter.

Mr. President, it is the opinion of the two voting machine experts, Mr. Hull and Mr. Wimberly, that all candidate counters on all 12 voting machines registered correctly the number of votes cast for each candidate and that there was no malfunction of the candidate counters.

Mr. President, even though the affidavits have been referred to, I ask unanimous consent that the affidavits of Mr. Wimberly and Mr. Hull be printed in the RECORD at this point.

There being no objection, the affidavits were ordered to be printed in the RECORD, as follows:

VIRGINIA ELECTION SERVICES, INC.,
Bon Air, Va., May 13, 1975.

Senator HOWARD W. CANNON,
Chairman, Committee on Rules and Administration, Russell Senate Office Building, Washington, D.C.

Final Report.
Subject: Examination of candidate counters for office. United States Senate in the City of Manchester, New Hampshire.

I, Spooner H. Hull, President, Virginia Election Services, Bon Air, Virginia, 23235, was employed as an expert witness to examine the below listed voting machines. The other expert witness was Mr. Codie Wimberby, Head of Voting Machines for the State of Louisiana, Hall Summit, Louisiana, 71034.

The voting machines located in the City

of Manchester, New Hampshire were examined by us on May 5, 1975. The serial numbers of the machines are listed below:

1620, 1562, 1532, 1581, 1623, 1591, 1533, 1640, 1633, 1595, 1537, 1645.

Mr. Wimberby and I assisted each other in causing eleven (11) votes to be added to the candidate counters on the above listed machines. The counts were added to the three candidates offering for the office of the United States Senate. The only exception to the above was on machine number 1591 a total of twenty-three (23) votes were added to column 2 (Democrat).

On our first check on this machine it was determined we had added twelve (12) votes to the Democratic Column in error. We ran another check of machine 1591, adding an additional eleven (11) votes to each of the candidate counters. Column one (1) will show the addition of twenty-two (22) votes added, column (2) will show the addition of twenty-three (23) votes added and column three (3) the addition of twenty two (22) votes added.

It is my expert opinion that all candidate counters operated effectively and that no malfunction of the candidate counters was in evidence.

Respectfully submitted,

SPOONER H. HULL.

COUSHATTA, LA., *May 13, 1975.*

Re: Report on Twelve R. F. Shoup Co. Voting Machines Used in the Election Held on November 5, 1974, in Manchester, New Hampshire.

Hon. HOWARD W. CANNON,
Chairman, Committee on Rules and Administration, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR CANNON: On May 5, 1975, Mr. Spooner Hull and I, along with a Team of Investigators appointed by the United States Senate Committee on Rules and Administration, proceeded to examine and check the twelve voting machines in question which were used in Manchester, New Hampshire, in the November 1974, election. These machines are numbered as follows: 1620, 1623, 1633, 1562, 1591, 1595, 1532, 1533, 1537, 1581, 1640 and 1645.

Mr. Hull and I looked over a list showing machine numbers, counter numbers, and candidates given us by Mr. James Duffy of the Investigation Team. From counter readings and candidates' votes shown on this list, we decided that an accurate check could be made by voting each United States Senate candidate's counter eleven times. In order to further check, we decided to vote five times by straight ticket lever then six times by the candidates' individual levers, except the American Party candidate's counter; and it was voted by the individual lever all eleven times. It was also decided between Mr. Hull and I that on one machine one of us would vote the Republican candidate's counter and the other one would vote the Democratic candidate's counter and American Party candidate's counter. On the next machine we would alternate.

On every one of the twelve machines, the candidates' counters registered correctly; therefore, in my opinion the candidates received the votes cast for them in the November 5, 1974, election.

It was a pleasure to work with the United States Senate Committee on Rules and Administration, and I hope this report will be of some value to you.

Respectfully submitted.

CODIE WIMBERLY.

Mr. CANNON. Mr. President, I wish to direct a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. If the amendment now before us to subsection (1) is defeated, would that preclude section 8, which involves precisely the same subject matter, from coming up at a later point in this process?

The PRESIDING OFFICER. Section 8 will be voted on separately under the division when we reach its turn.

Mr. CANNON. Even though it might have been defeated as an amendment to section 1?

The PRESIDING OFFICER. That is correct.

Mr. CANNON. Mr. President, in light of that circumstance, so that we are not going to go up the hill and down the hill two different times on this occasion, I move to table the amendment.

Mr. BROCK. Will the Senator withhold that for a little bit? There are a couple of corrections I would like to make in the RECORD.

Mr. CANNON. I will yield on the condition that I do not lose my right to the floor. I will yield briefly to the Senator.

The PRESIDING OFFICER. Is there objection to the Senator from Nevada yielding and reserving his right to the floor?

Without objection, it is so ordered.

Mr. BROCK. I appreciate the Senator yielding. I was tempted to ask him to yield when he was reading all the figures from the ballot law. I sent someone out and got the race charts at Rosecroft and I was going to read them because they have about as much relevance to this debate as the figures that were read earlier.

The fact is that while the chairman and I disagree on what the count is on the checklist, the point is I do not know because the chairman denied me access to find out what the total was on the checklist. Both the chairman and Mr. Duffy said: "We do not think it is important. We are not going to let the Senate know."

I do not know what the count is on the voter authorization slips, and neither does the committee, by the way, because Mr. Duffy refused to let the Senate count the voters who had authorization slips. That is an accurate count of voters. They refused to let us tabulate them, even after Mr. Durkin's counsel had requested that.

I think the chairman made a factual error when he said that absentee ballots were not checked off the checklist. They are checked off the checklist, so the checklist does and should include both machine voter and the absentee voter.

That is what happens at the end of the day. These things are all compiled and cross-tabbed and cross-checked.

I do not care how many figures anybody wants to read, they cannot tell me that they only wanted to check 11 numbers on a machine because not 100 votes were cast for the candidates, when on all but one of the machines a candidate got over 100 votes. So that does not tell me anything, when I am told they only checked 11.

Maybe I misunderstood the chairman on that.

However, nothing changes the ultimate fact that according to the best information we have, the best information that we are allowed to have by the committee and by Mr. Duffy with their short-changed investigation, the best information that we have remains that more than 1,000 votes were cast over and above there were people casting votes. Until somebody tells me why that is not important in an election, I cannot understand the position of the Senator from Nevada.

If somebody wants to argue my figure on the voter checklist, then I ask the Senator to give me his figure on the difference between the 27,213 that he states were on his checklist and the number recorded on the public counter, which is 28,274, and that is 1,061 more votes cast than there were people casting votes. Any way the Senator wants to count it, it does not add up and I want to know why. That is all. I do not think it is unreasonable to ask the committee to pursue that investigation.

Mr. CANNON. Mr. President, as I stated earlier, I will respond to the Senator that he is in error on the 1,000 votes of people checked off the checklist. When he referred to people on the public counters or recorded on the public counters, he is not talking about the votes cast in the Senate race, which is the thing that we are concerned with here, and into which the experts were directed to go.

Mr. President, I move to lay the amendment on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (EAGLETON), the Senator from Ohio (Mr. GLENN), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Montana (Mr. MECALF), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

I further announce that, if present and voting the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

The result was announced—yeas 48, nays 38, as follows:

[Rollcall Vote No. 232 Leg.]

YEAS—48

Abourezk
Bentsen
Biden
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chiles
Clark
Cranston
Culver
Eastland
Ford
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Jackson
Johnston
Kennedy
Leahy
Long
Mansfield
McGee
McGovern
McIntyre
Mondale
Moss
Muskie
Nelson
Nunn

Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Symington
Talmadge
Tunney
Williams

NAYS—38

Allen
Baker
Bartlett
Bellmon
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Curtis
Dole
Domenici
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Javits
Mathias
McClellan
McClure
Morgan
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevens
Taft
Thurmond
Tower
Young

NOT VOTING—13

Bayh
Beall
Church
Eagleton
Glenn
Hatfield
Inouye
Laxalt
Magnuson
Metcalf
Montoya
Stennis
Weicker

So the motion to lay on the table was agreed to.

ORDER FOR COMMITTEE MEETINGS TOMORROW

Mr. JOHNSTON. Mr. President, the Subcommittee on Parks and Recreation has scheduled a meeting in the morning at 10 a.m. to take up the matter of the Santa Monica Mountains and Seashore National Park, which is an area out by Los Anegeles.

I have been trying to get that hearing on for some weeks, and there is an immense amount of interest out there on the West Coast. A lot of people have come 2,000 or 3,000 miles here to testify on it tomorrow. I would hope that we could meet on that subcommittee in the morning.

I have no personal interest in the bill, but I do not know when else we can get that hearing up and when those people can come back, except in the morning. I hope we can make an exception from the general rule about committees meeting for these people who have such a long way to come.

So, Mr. President, I ask unanimous consent that the Subcommittee on Parks and Recreation may be able to meet in the morning from 10 a.m. until 1 p.m., notwithstanding any session of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. As much as I regret doing it, I am compelled to object. I will state again I think that this is in the nature of a judicial proceeding. The Senators should be here. I do not think that we should give them any excuse by allowing committees to meet while the Senate is considering this matter.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. I wonder if the distinguished Senator from Louisiana would consider the possibility of a meeting of his committee at 7:30 or 8 a.m. to conclude, I would say, at about 10 or 15 minutes after 9 a.m., which is the hour we come in. It is a little unsual but perhaps it could be done.

Mr. JOHNSTON. I will certainly look into that because I do want to accommodate these people, I say to the majority leader.

Frankly, notwithstanding my great respect for my friend from Michigan, I cannot understand why we cannot have these meetings other than to put pressure on the Senate. Frankly, just to be plain about it, I think that is exactly what we are doing, because we have these debates over here, and there are not but 4 or 5 Senators in the Chamber. Why? Because most of them have read this material anyway and, as my good colleague from Louisiana said the other day, most of the debates are redundant and a waste of time anyway.

I hope that we could reconsider this sort of thing, proceed and deal with this question.

Mr. GRIFFIN. Mr. President, will the Senator from Louisiana yield?

Mr. JOHNSTON. Yes.

Mr. GRIFFIN. I can understand his frustration. To some extent I share it.

It will be recalled that earlier we were going on the New Hampshire matter at 1 in the afternoon. The committees were able to meet, and the Senate was able to transact other business prior to that. It has been suggested that we can perhaps move that up to 12 noon and that we could go from 12 noon on the New Hampshire matter. But that scheduling, of course, is a matter within the control and discretion of the majority leadership.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield on that?

Mr. GRIFFIN. Yes, of course.

Mr. ROBERT C. BYRD. There is an explanation for that. It was thought that the unemployment extended compensation payments, which is an emergency piece of legislation, would be ready to be called up tomorrow. It has been reported, I understand. A little while ago I was informed that that measure cannot be called up in the morning. Had that been available, the Senate would have taken that up, and we would not be able to reach the New Hampshire election dispute until later in the day.

But as of now the leadership, on this side of the aisle, is caught in the situation where there is nothing we can take up tomorrow morning, and expect to have any progress made in relation thereto with final action thereon. So there is nothing else to go to but the New Hampshire election tomorrow morning.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CANNON addressed the Chair.

Mr. PASTORE. Mr. President, I understand that the Senator from Michigan has the floor, and he is yielding to me.

Mr. CANNON. Mr. President, I yield to the Senator from Rhode Island, on the condition that I not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PASTORE. Mr. President, I should like to have an understanding. As a matter of fact, we have before us the nominations of eight members of the Public Broadcasting Corporation. They are now functioning with less than a quorum, and they cannot hold a meeting. We have already had a meeting last week, and we have already set a meeting for Tuesday next, at 8 o'clock. May I inquire, what is the latitude I have?

Mr. ROBERT C. BYRD. I hope that, inasmuch as these nominations have been sent to the Senate by the administration and they are their nominations, there will be no objection to the Senator's committee meeting to conduct its hearing.

Mr. PASTORE. I should like to ask: The Senator from Michigan is a member of my committee, and I think he has attended the meetings. What do I do? Do I run without a quorum, as to this big function of the Government on educational television? What do I say? We cannot do business because we cannot have a hearing? What is my situation?

Mr. GRIFFIN. I say to the Senator from Rhode Island that it is always unfortunate when we have the Senate trying to do business on the floor and at the same time having committees scheduled. Senators cannot be in two places at the same time.

Mr. PASTORE. I was coming in at 8 o'clock in the morning in order to accommodate the President of the United States. What do I do? Do I make it 5 o'clock in the morning? If the Senator from Michigan will be there, I will make it 5 o'clock in the morning. [Laughter.]

Mr. GRIFFIN. I will be there at 8.

Mr. PASTORE. I understand that after 9 o'clock, we cannot hold a hearing. We have nine witnesses, representing minorities, who are very anxious to appear. What do I do?

Mr. GRIFFIN. I do not think the Senate should be coming in at 9 o'clock, under the circumstances.

Mr. PASTORE. How are we going to resolve this issue?

Mr. McCLELLAN. Is the Senate coming in at 9 in the morning?

Mr. ROBERT C. BYRD. Yes.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. PASTORE. If the Senator will permit, I am not through yet. I did not get an answer as to what I am supposed to do. Then the Senator from Arkansas can find out what he is supposed to do. [Laughter.]

This is really getting to be a charade. This is really becoming funny. I think we are becoming the object of curiosity, even of suspicion, by the American public.

I say, very frankly, that the sooner we resolve this issue, the better. If the Senate seats Durkin, I think that possibly the Democratic face will be red. If we seat Wyman, I think the Republican face is going to be red. The sooner we get this to who is going to blush most, the better off we are going to be.

Mr. GRIFFIN. Perhaps we should send it back to the people of New Hampshire.

Mr. PASTORE. That is not the matter. The people of New Hampshire had an election in November. They elected a Senator. The trouble is that we cannot decide for whom they voted, and what we are saying is "You did not do a good enough job; now do it over again." I think it is wrong.

We have come to a time when there is going to be a reckoning, and I do not know who is going to be elected.

As a matter of fact, I had a very personal conversation today with Mr. CAN-

NON and Mr. ROBERT C. BYRD, and they told me that they do not know who has been elected. So what are we trying? Why do we not have confidence in one another? To me, it does not make any difference whether it is Durkin or Wyman. I want the man who was elected by the people; and if we are given a chance, maybe we will find out who it is. I tell you very frankly, do not start crying in your beer until you find out what the result is.

The trouble here is that we have lost trust in one another. Take a man like MIKE MANSFIELD. Does anyone think MIKE MANSFIELD is going to use politics on this? Does anyone think JOHN PASTORE is going to use politics on this? Does anyone think HOWARD CANNON is going to use politics on this? Anybody who thinks that should see a psychiatrist.

[Laughter.]

I say, very frankly, that the point here is that it is dilatory. I heard the two Senators today. I heard Mr. BROCK and Mr. McCLURE just engaging in a very facetious conversation, a big dialog just delaying it; and we have seen what happened when there was a motion to lay it on the table.

Let us get down to the meat of the nut and find out. It could be Wyman. As a matter of fact, I say very frankly that maybe my problems would be easier if it were Wyman. But that is not the question. Let us get to the issue. I do not know why we are delaying this.

Mr. STEVENS. Mr. President, who has the floor?

Mr. PASTORE. For the moment, I had it.

[Laughter.]

Mr. CANNON. I yielded to the Senator.

The PRESIDING OFFICER. The Senator from Nevada reserved his right to the floor.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. CANNON. Mr. President, if I can take 30 seconds, I will be able to yield the floor.

Mr. McCLELLAN. All I am trying to do is to find out whether I can have a committee meeting.

Mr. CANNON. Mr. President, I yield to the Senator, without losing my right to the floor.

Mr. McCLELLAN. We have a hearing of the Committee on the Judiciary scheduled for the morning, to hear testimony on the criminal laws, rules of procedure, which have been promulgated by the Supreme Court; and they will go into effect unless Congress acts before August 1. Hearings have been scheduled several days. Do I correctly understand that there would be objection to a request for the committee to meet and proceed with these hearings?

Mr. GRIFFIN. Mr. President, will the Senator yield to me for a reply?

Mr. McCLELLAN. I do not have the floor. I would like the Senator to reply.

Mr. CANNON. Mr. President, I yield to the Senator.

Mr. GRIFFIN. At the very outset, before the debate on this matter began, it was stated over and over and over again that once we began the matter of the New Hampshire election contest, recognizing that it is something more than just the exercise of the legislative process, that it is judicial in nature, there would be objection to committees meeting while this matter was being considered on the floor of the Senate.

We on this side of the aisle have nothing to say as to when we go to the New Hampshire election matter. That is controlled by the leadership on that side. They have a choice. They are electing to go on it at 9 o'clock in the morning. But we will object to committees meeting while we are taking up this matter.

Mr. McCLELLAN. The Senator recognizes that I feel that I have a duty to make the effort.

Mr. GRIFFIN. I understand.

Mr. McCLELLAN. I have made the effort, and I am advised that there would be objection.

Mr. GRIFFIN. I object, with very deep feeling, and I am sorry about it. It is not working out for anybody, that we are in this situation.

Mr. CANNON. Mr. President, I ask unanimous consent that I be permitted to yield to the Senator from West Virginia, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, speaking on behalf of the distinguished majority leader and myself, we have no alternative on this side of the aisle but to do everything we can to bring the matter that is now before the Senate to a finalization. We are ready to vote now. We have been ready to vote. On this side of the aisle. I doubt that there is a Democrat who would not be willing to vote on this matter this week.

The only way we can bring it to a final action is to come in early and stay late. I think it would be bad for the Senate to go out over the July 4th holiday with this issue still hanging around to confront us when we returned. That is why we are coming in early and staying late tomorrow—and, if need be, on Saturday, and early and late on Monday, Tuesday, Wednesday, Thursday, and Friday, and, if need be, the next Saturday, and, if need be, the following Monday, Tuesday, Wednesday, and possibly Thursday. I believe we would still go out for the Fourth of July, which would be on a Friday.

The issue is going to be decided and has to be decided one way or the other, and the sooner the better. The Senate looks worse and worse and worse with the prolongation of this matter. We on this side of the aisle are ready to vote, and then we will not have to come in at 9 o'clock in the morning.

We have some very emergent issues that have to be dealt with very soon. We have a possible railroad strike to deal with. We have the extension of the debt limit. We have the extension of unemployment compensation payments. All these things have to be done before June 30.

So there it is. That is our platter and it is a full platter. I hope that everyone will understand what is causing the Senate to come in at 9 o'clock in the morning.

Mr. CANNON. Mr. President, I ask the majority leader if I may make a suggestion? I understand that the Senator from Alaska has an amendment to section (1) in the resolution. I do not know if he would be willing to agree to a time limit, but I should like to suggest to the majority leader that, if the Senator from Alaska would be willing to agree to a reasonable time limit, perhaps we could adjust the time to come in. Or if we agree on the time to vote tomorrow, perhaps the committees could be given authority to meet.

Mr. STEVENS. I am perfectly happy to agree to a time limit. I would seek a time certain to vote on this amendment, either 11 or 11:30 tomorrow morning.

ORDER FOR VOTE ON STEVENS AMENDMENT AT 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a vote occur on the amendment which will be proposed by Mr. STEVENS at 11 o'clock tomorrow morning and that the Senate debate this amendment yet today; if the Senators wish to debate it, get the debate out of the way today. The Senate then would come in at 10 o'clock tomorrow or 10:30.

Mr. STEVENS. 10:30 will be fine. We will divide the last half hour. That will be fine with me.

Mr. ROBERT C. BYRD. So the Senators can have until 10:30 tomorrow morning to conduct committee meetings.

The PRESIDING OFFICER (Mr. NUNN). Is there objection?

Mr. GRIFFIN. Reserving the right to object, if this is satisfactory to everyone else, it is fine with me. I was going to suggest it might be difficult for the Senator from Alaska to complete his hearings in that time. Perhaps if we voted at 11:30—does the Senator need more than a half hour?

Mr. STEVENS. A little bit tonight.

Mr. GRIFFIN. 11 to 11:30.

Mr. MANSFIELD. I think that the Senator from Louisiana is giving very serious consideration to coming in a little earlier than anticipated, so I think 11 o'clock.

Mr. GRIFFIN. If 11 a.m. is satisfactory to the Senator from Louisiana, that is all right with me.

Mr. JOHNSTON. That is a great improvement. I appreciate it very much.

The PRESIDING OFFICER. Is there objection?

Mr. CHILES. Reserving the right to object, as I understand, we will be able to hold committee meetings up until 11 o'clock tomorrow morning?

Mr. MANSFIELD. 10 a.m. About 10:15.

Mr. CHILES. I still do not understand.

Mr. ROBERT C. BYRD. The Senate would come in at 10. At 10:30, it would resume consideration of the pending resolution. There would be a vote at 11 o'clock upon the amendment by Mr. STEVENS, which would mean that committees could meet until 10:30 tomorrow morning.

Mr. CHILES. Committees can meet until 10:30 tomorrow morning?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

APPLICATION AND IMPLEMENTATION OF SENATE RESOLUTION 60

Mr. CANNON. Mr. President, on June 12, 1975, the Senate agreed to Senate Resolution 60, amending rule XXV of the Standing Rules of the Senate to authorize legislative assistance to Members of the Senate.

The general purpose of the resolution is to enable Senators who have not had the opportunity to appoint staff members to committees on which they serve to employ additional staff to assist them in connection with their legislative responsibilities. The unit amount authorized for each Senator, for not to exceed three of his committee assignments, is currently $33,975. The effect of the resolution is to exclude the chairman and ranking minority member of committees and funded subcommittees from the additional staffing privilege, since the reduction factors apply to them in their capacity as chairmen and ranking minority members. The resolution would apply to assignments on standing, select, and special committees of the Senate and senatorial assignments on joint committees of the Congress.

In an effort to answer the most significant questions which have arisen concerning the application and implementation of Senate Resolution 60, I am offering the following material for the Record:

First. The text of Senate Resolution 60;

Second. An analysis of its provisions;

Third. A memorandum from the Office of the Legislative Counsel of the Senate interpreting certain of those provisions; and

Fourth. A suggested form to be used by Members of the Senate—in conjunction with committee chairmen—to comply with the requirements of section 3 of Senate Resolution 60.

Mr. President, I ask unanimous consent that the materials be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. Res. 60

Resolved, That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maixmum of two such committees, an amount equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committees which he designates, an amount equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its session to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

Sec. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which, by law, a legislative assistance clerkhire fund is established and funded to provide for legislative assistance for Senators serving on committees at rates not less than those provided in such paragraph 8, and subject to no more conditions and no greater limitations than those provided in such paragraph.

Sec. 3. Each Senator and the chairman of each committee on which he serves shall, not later than five days (not including Saturdays, Sundays, or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Senator and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate.

Note.—The references to paragraph 2 and paragraph 3 committees and A, B, and C committees in the following materials are explained as follows: Class B (or paragraph 3) standing committees refer to District of Columbia, Post Office and Civil Service, Rules and Administration, and Veterans' Affairs. Class A (or paragraph 2) committees refer to all other standing committees. Class C committees refer to select and special committees of the Senate and joint committees of the Congress.

Analysis of Senate Resolution 60

COMMITTEE DESIGNATIONS

Paragraph 8(a)(1).—Each Senator must designate two class "A" standing committees to establish the funds for the employment of legislative assistance for each such committee.

Paragraph 8(a)(2).—Each Senator must designate, from the class "B" standing committees, all select and special committees of the Senate, and joint committees of the Congress of which he is a member, one committee to estabilsh the funds for the employment of legislative assistance for such designated committee. (If a Senator is a member of a third class "A" committee and not a member of a class "B" committee, the third class "A" committee may be designated.)

CERTIFICATIONS TO THE SECRETARY OF THE SENATE

Section 3.—Subsequent to the initial certification required by this section, each Senator and the chairman of each committee on which the Senator serves shall thereafter certify to the Secretary of the Senate each time a change occurs in the assignment of any committee personnel to that Senator or in their compensation. This certification shall include the name and annual compensation of the personnel involved.

Senators and the chairman of each committee on which the Senator serves are also required to notify the Secretary of the Senate whenever the certifications, required by section 3, are no longer applicable.

Certifications made after the initial certification are effective on the date received by the Secretary of the Senate.

Appointments by Senators

Appointments made by Senators under authority of paragraph 8 of Rule XXV of the Standing Rules of the Senate (S. Res. 60, 94th Congress) will be made in the same manner as all other appointments except that the appointment must cite the designated committee and authority. Appointments, in this context, also include transfers, from other positions in the Senate, by letter.

CERTIFICATIONS TO CHAIRMEN AND RANKING MINORITY MEMBERS OF COMMITTEES

Senators are required to certify to the chairman and ranking minority member of the appropriate committee all appointments made under this authority. Such employees, as certified, shall be accorded all privileges of a committee staff member, including access to committee sessions and files, subject to the rules of the Committee and security clearance, if required.

FUNDS AUTHORIZED AND PAYMENT OF SALARIES

The funds authorized by paragraph 8 of Rule XXV of the Standing Rules of the Senate (S. Res. 60, 94th Congress 1st. Session) are three (3) individual amounts of $33,975 as appropriate and may not be commingled or accrued. Payments made under authority of Senate Resolution 60 shall be made from the contingent fund of the Senate.

REDUCTION OF FUNDS AUTHORIZED

(a) The individual amount authorized by paragraph 8(a)(1) for each designated class "A" committee shall be reduced, in the case of—

(1) the chairman and ranking minority member of that committee;

(2) the chairman and ranking minority member of any subcommittee of such committee that is funded by senate resolution for additional expenses and staffing; and

(3) each Senator authorized to appoint, recommend, or approve the appointment of one or more staff members to any such committee or subcommittee;

by an amount equal to the aggregate annual rates of compensation of all staff employees of that committee or subcommittee who are, in effect, assigned to that Senator for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee, or $33,975 whichever is less.

(b) The amount authorized by paragraph 8(a)(2) for other committees shall be reduced, in the case of any Senator, by an amount equal to the aggregate annual rates of compensation of all staff employees of any committee or subcommittee thereof referred to in paragraph 8(a)(2) who are, in effect, assigned to that Senator for the purpose of assisting such Senator in his duties as chairman, ranking minority member or member of such committee or subcommittee thereof, or $33,975, whichever is less.

REINSTATEMENT OF FUNDS

Paragraph 8(b) of Rule XXV and section 3 of S. Res. 60.—When a Senator notifies the chairman of a committee on which that Senator has a staff member that that Senator no longer approves of the continued employment of that staff member, the funds previously offset against that Senator's entitlement (by reason of that staff member's employment) will be reinstated upon receipt by the Secretary of the Senate of a certification by that Senator and the chairman of that committee.

SUSPENSION OF PARAGRAPH 8 OF RULE XXV

The newly added paragraph 8 of rule XXV shall have no force or effect during any period a legislative assistance clerk hire fund is established by law which (1) does not provide amounts less than those provided in paragraph 8, and (2) does not impose more conditions or greater limitations than those conditions and limitations contained in paragraph 8.

MEMORANDUM OF THE LEGISLATIVE COUNSEL OF THE SENATE INTERPRETING CERTAIN PROVISIONS OF SENATE RESOLUTION 60

Senate Resolution 60 (94th Congress, 1st Session), in addition to effecting a change in rule XXV of the Standing Rules of the Senate, also contains (1) a section that provides for suspension of paragraph 8 of rule XXV (as added by the first section of Senate Resolution 60) upon the occurrence of certain events, and (2) a section providing for a certification process to notify the Secretary of the Senate of the names and compensation of professional staff members of committees whose appointments are made, approved, or recommended by a member of such committee. Those two sections, while not made a part of the Standing Rules of the Senate became permanent rules of the Senate because they provide for continuous execution beyond the date of adoption of the resolution.

I. QUESTIONS SURROUNDING CERTIFICATION PROCESS

Section 3 of S. Res. 60 provides:

"Sec. 3. Each Senator and the chairman of each committee on which he serves shall, not later than 5 days (not including Saturdays, Sundays, or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Secretary and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate."

The first question raised by this section concerns the identity of the committee staff personnel who are employed to assist a Senator on that committee. The language used in section 3 is "professional staff member". However, paragraphs 8(b) (1) and (2) of Rule XXV of the Standing Rules of the Senate refer to a reduction of money in an amount equal to the total annual basic pay of "all staff employees of that committee" whose appointment is made, approved, or recommended by a Senator. If a literal interpretation of section 3 is applied, the result would be that only the names of those persons who are "professional staff members" need be certified. The term "professional staff member" is used in section 202(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(a)), in connection with the maximum number of professional staff members who may be employed by a committee. The term is also used in section 105(e) (1) of the Legislative Branch Appropriations Act, 1968, in connection with the maximum pay that may be fixed for professional staff members of a committee. Since there is a limitation on the number of professional staff members who may be appointed to the staff of a full committee, a literal interpretation of section 3 of S. Res. 60 would result in certification of very few staff members as being appointed by or whose appointment is approved or recommended by a Senator. On the other hand, to use the language of "all staff employees" by itself, would result in certification and a reduction in the total amount available to a Senator under the Rule possibly because that Senator has designated, approved, or appointed a member of the clerical staff of that committee.

The better view and the one more in line with general rules of statutory construction is to read all of the provisions of the resolution together so as to give effect to each of them. *Morton* v. *Mancarri*, 417 U.S. 535 (1974). Accordingly, it should first be noted that paragraph 8 of Rule XXV provides "each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves . . .". The purpose of the resolution is to provide legislative assistance for Senators by reason of their service on committees. The entitlement granted by the resolution is to an amount of money to hire such assistance.

The reduction factor built in to the Rule is to take into account situations in which a Senator already has legislative assistance on a committee. Since the technical term "professional staff member" is not used in the Rule itself and since the purpose of the Rule is to provide legislative assistance in situations where Senators do not have such assistance on committees, the purpose of the Rule would not be served by limiting the certification of current employees to only those carrying the somewhat technical title of professional staff member. Therefore, it is my opinion that the certification made by the Senator and chairman of a committee to the Secretary of the Senate should be of the names and annual salaries of all staff personnel on that committee who are employed (whether by designation, recommendation, or appointment) to assist a particular Senator in connection with his legislative duties in his capacity as chairman, ranking minority member, or member of that committee or any subcommittee thereof.

A second question that has arisen in connection with the certification process is whether section 3 of S. Res. 60 has any future application or whether it is a one time certification process. The committee report of S. Res. 60 contained a similar certification process. That process identified those Senators who did not have individuals assigned to them. Under that approach, a Senator without staff assistance would be entitled automatically, to appoint a staff assistant. Under S. Res. 60, as it was adopted, the identities of Senators making appointments and the names and annual salaries of their appointees are necessary if the Secretary of the Senate is to apply the reduction factor that is built into paragraph 8 of Rule XXV. Accordingly, the initial certification is required in order to apply the reduction factor. Following that, some form of notice is necessary if subsequent changes in staff occur. For example, paragraphs 8(b) (1) and (2) require a reduction in the entitlement of a Senator who has committee staff only if the "continued employment (of committee staff) is not disapproved by such Senator". Although not expressly stated in the Rule, notice of disapproval of such continued employment is apparently intended to be made to (1) the appointing authority; i.e., the chairman or ranking minority member, and (2) the Secretary of the Senate who is ultimately responsible for payroll adjustments.

II. COMMINGLING OR AGGREGATING FUNDS

The question is whether a Senator may combine any excess money (above what is required for the salary of an employee) to which he is entitled by reason of service on one committee with excess money from a second or third committee to employ additional staff under the Rule. The answer is that such commingling or aggregating of funds is not permitted under the Rule.

Paragraph 8(a) states the entitlement for a Senator in terms of service on a committee. Such service entitles a Senator to employ staff to assist him. Clauses (1) and (2) of subparagraph (a) grant him an amount equal to the amount referred to in section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, "for each committee" up to two standing committees and one other committee. The amounts are each related to a designated committee. Of the amounts made available, it is intended that for each committee a Senator may appoint one legislative assistant and, to the limit of funds available by reason of service on that committee, other personnel as necessary.

An example may illustrate the situation: Senator Smith serves on two A committees and one C committee. The Senator has no committee staff assigned to him. By reason of his service, he is entitled to $33,975 for each of those committees.

	A	A	C
	$33,975	$33,975	$33,975
Staff employee	22,000	20,975	23,000
	11,975	13,000	10,975

From the remaining amounts in each account he may employ additional staff, but he may not combine the amounts credited to his two A committees and to the C committee to employ an assistant at $33,975.

This result is made clear by Senator Humphrey's statement on June 12, 1975, in discussing division of the entitlement so as to acquire support personnel. He said, the use of the money "has to be related to persons that will work directly on committee business backed up by one possible support. I believe that is the Hatfield amendment." See, 121 Cong. Rec. 18605 (June 12, 1975). Additionally, Senator Brock, in explaining the predecessor to the Humphrey amendment indicated the same thing; i.e., a specific dollar amount per committee and limited to only three committees. *See* statements of Senator Brock, 121 Cong. Rec. 17845 (June 9, 1975).

III. USE OF FUNDS ON ANNUAL BASIS

The question is whether funds made available under the Rule are available on an annual basis or an accrual basis. The point of availability on an accrual basis would be to authorize the use of any or all of the funds over a short period of time. There is nothing in the record to support that view. All references to payments from the funds made available under the Rule are to amounts made available under section 105 (e)(1) of the Legislative Branch Appropriations Act, 1968. That Act speaks in terms of annual compensation only. Moreover the references to payments of staff appointed under the Rule also cross reference that citation. There is no authority under the Rule to treat any staff member as being appointed on other than an annual basis.

IV. EXTENT OF REDUCTION FACTOR

The question is whether the reductions required to be made under paragraph 8(b) (1) are to be applied separately to each A committee or jointly to both such committees. In the latter case, the lesser of $33,975 or the total salaries of all staff on both such committees would be used as the reduction factor thereby guaranteeing each Senator serving on two A committees a minimum of $33,975 under the Rule without regard to the number or salaries of staff assistants he currently has.

The answer to this question is no. The cardinal rule of statutory construction is that the language of the statute should be given its plain and ordinary meaning to give it its intended effect. C. Nutting, S. Elliott, R. Dickerson, *Cases and Materials On Legislation* 408, 446 (4th ed. 1969). The stated intent of the Rule is to recognize the entitlement of a Senator to money to hire staff to assist him on committees. The money is available by reason of service on a particular committee up to a maximum of three committees. The offset is made against the salaries of committee staff assigned to him on each such committee or $33,975, whichever is less. Every statement made during debate of the issue took the above stated view. There is not one expression of intent to the contrary in the record of those proceedings. See, 121 Cong. Rec. 17820–17863 (June 9, 1975); and statement of Senator Brock relative to 100 percent offset per committee, 121 Cong. Rec. (June 10, 1975).

V. HOW DOES THE REDUCTION FACTOR WORK

Numerous questions have arisen in connection with determining how much money a Senator may actually receive under the Rule. Briefly, paragraph 8(a)(1) entitles a Senator to $33,975 for each of two class A committees as he designates. In each case, the total salaries of all staff assistance he has on that committee is offset against the entitlement. He may use the remainder to employ professional staff assistance and one clerical assistant. *See,* statement of Senataor Humphrey, 121 Cong. Rec., 18604 (June 12, 1975).

Paragraph 8(a)(2) entitles a Senator to $33,975 to employ staff assistance. He may designate any, but not more than one B or C committee as the basis of his entitlement. In addition, if he serves on three or more A committees but on no B committees, he may designate an A committee, other than an A committee already designated, as the source of his entitlement. Offset against this $33,975 entitlement is the total annual salaries of staff serving that Senator on *all* of his B or C committees and that additional A committee.

VI. CERTIFICATION TO A COMMITTEE OTHER THAN THE COMMITTEE FROM WHICH THE ENTITLEMENT ORIGINATED

The question is whether an employee hired by reason of service on one committee may be certified to some other committee on which a Senator serves. There is no clear answer to this question. The Rule is silent on the precise question; however, paragraph 8 (c) would appear to support the proposition that such intermingling is authorized. That provision states: "An employee appointed under this paragraph shall be designated as such and certified by the Senator . . . to the chairman . . . of the appropriate committee or committees as designated by such Senator . . .". It would appear that this question is left to the prerogative of the Members concerned.

Respectfully submitted,

Wilmer R. Ticer,
Assistant Counsel.

Suggested Form To Be Used by Members of the Senate (in Conjunction With Chairmen of Committees) To Comply With Requirements of Section 3 of Senate Resolution 60

June —, 1975.

Hon. Francis R. Valeo,
The Secretary of State, Suite S221, The Capitol, Washington, D.C.

Dear Mr. Valeo: In accordance with section 3 of S. Res. 60 and paragraph 8 of rule XXV of the Standing Rules of the Senate, please be advised that the following are the names and the annual compensation of each staff member (excluding consultants) of the Committee on ——— whose appointment is made, approved, or recommended by me:

[name] -------------------------- $———
[name] -------------------------- ———
Total of all annual compensation --------------------- $———

Sincerely,

——— ———,
United States Senator.

I hereby certify that the above is in accord with the records of this Committee.

——— ———,
Chairman, Committee on ———.

cc: Honorable Howard W. Cannon, Chairman, Committee on Rules and Administration.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. CANNON. I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I have not been in on the scheduling of votes on this matter, but as one Senator who has had the last two recesses upset some hearings I have been trying to hold down in the western extremities of this country, and who has had to cancel those because the Senate went over both times, I wonder if we can find out if we can schedule votes, if we can have a time agreement on all votes so we can know when we are going to vote and if we are going to get a July Fourth recess. If we are not going to be able to finish it by July 4, by that Monday, then I am wondering whether we are going to have a recess at all. Can that be ascertained at this time?

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. CANNON. In just a moment. I wish to respond first.

This Senator has consistently said that he is willing to agree to a very brief time limit on every issue that is to come up, that is in the resolution and that is likely to come up. I am willing to agree to 30 minutes to a side or an hour to a side. If some agreement like that can be worked out, we can resolve this matter, assuming we do not have 100 or more amendments offered.

I just want to make that clear before the majority whip responds, that I am willing to agree to any reasonable time limit from a half hour to an hour or more, if I have to, to get it.

Mr. JOHNSTON. Am I to take it that if we do not finish, it will go over through the July 4 recess?

Mr. ROBERT C. BYRD. Mr. President, will the distinguisher Senator from Nevada yield?

Mr. CANNON. I yield the floor.

Mr. ROBERT C. BYRD. I call attention to the whip notice, which was distributed just a few minutes ago. I can say no more than has been said in that whip notice. I really cannot answer the Senator's question, I am sorry to say. We are ready to vote today, tomorrow, any day next week. I hope that the Senator will be able to take his scheduled holiday—that is a 4-day recess, by the way—Monday, Tuesday, Wednesday, and Thursday—that is all. It is not 10 days, as I have heard it discussed as being a 10-day recess. That will include Saturday, Sunday, Monday, Tuesday, Wednesday, and Thursday, the Fourth of July, and Saturday and Sunday.

Mr. JOHNSTON. I thank the Senator.

Mr. BROCK. Will the Senator yield?

Mr. JOHNSTON. Yes.

Mr. BROCK. I do not think the Senator from Louisiana was here earlier when the Senator from West Virginia asked the Senator from Tennessee for a time limit on my amendment. He asked that the time be limited to 3 hours. I indicated at that time that that was more than adequate, but we were unable to get a time agreement just because some Members thought there might be some justification for more discussion. It turned out that we did it in an hour and a half or less—less than half of the requested time.

I do not think it is quite fair to say that there are dilatory tactics. I think there is honest effort on the part of both parties to ascertain the facts in the matter. I do not know why we cannot do that in a week's time. The Senator will cooperate in any way that he can to reach that conclusion.

Mr. JOHNSTON. If the Senator will yield, I am one of those Senators who seem to be always the last to get the word. There is a scheduled recess and then it is called off. I am just trying to ascertain the best I can, here on the floor, whether, in fact, we are going to be able to vote next week and get through this. I do know that there are enough issues that we are going to have to get on with and start voting if we are going to finish next week.

Mr. BROCK. I say to the Senator that I completely share that desire. I shall do everything I can to reach it.

I do wish to point out that, while I know we all have a great deal to do, we are sitting as a jury in this matter and the greater the participation on the floor, the greater the expedition of the process.

Mr. ROBERT C. BYRD. Mr. President, will the Senator get recognition and offer his amendment, and then yield to me?

AMENDMENT NO. 597

Mr. STEVENS. Mr. President, I have an amendment at the desk that I ask to have considered.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> In lieu of the language proposed on page 1, lines 7 through 12, substitute the following:
>
> (1) It is the sense of the Senate that a complete recount of the machine and paper ballots cast in the November 5, 1974, New Hampshire election for a seat in the United States Senate be conducted by a panel of three attorneys approved by the American Arbitration Association, one to be selected by each contestant and the third to be chosen by the first two, and by such additional staff members as may be retained for the purpose by the panel, the report of the arbitrators to be submitted directly to the Senate for its consideration.

TIME LIMITATION AGREEMENT—SENATE RESOLUTION 166

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. STEVENS. Yes, I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the one-half hour tomorrow on the amendment be equally divided between Mr. Stevens and Mr. Cannon.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized tomorrow morning under the standing order, there be a period for the transaction of routine morning business for the purpose only of the introduction of petitions, memorials, bills and resolutions, and statements into the Record; that that period not extend beyond the hour of 10:30 a.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. ROBERT C. BYRD. Mr. President, while a good many Senators are still here, would it be possible at this time, in view of the fact that the amendment by Mr. Stevens will be voted on tomorrow at 11 a.m.—would the Senator like to get the yeas and nays now on that amendment?

Mr. STEVENS. If I may reserve the right to modify the amendment in the event there is an objection to the wording, I have no objection to getting the yeas and nays now.

I ask unanimous consent that I be permitted to modify the amendment notwithstanding the yeas and nays, and ask for the yeas and nays at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there a sufficient second to the request for the yeas and nays? There is a sufficient second.

The yeas and nays were ordered.

REQUEST FOR A TIME LIMITATION AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield further to me just briefly, in view of the fact that the amendment by Mr. Stevens will be disposed of at 11 o'clock tomorrow, would it be possible now to get an agreement for a time limitation on the paragraph numbered 1 beginning with lines 7 and going through line 12 on page 1 of the resolution, if Mr. Stevens' amendment is not agreed to. I would propose a request, I would propose a consent request, as follows in that event: That there be a time limitation on that paragraph of 1 hour to be equally divided by Mr. Cannon and Mr. Hatfield.

Mr. GRIFFIN. Mr. President, I would have to object to the time limitation.

The PRESIDING OFFICER. Objection is heard.

Mr. STEVENS. Mr. President, I have offered this amendment because the provisions of section 1 would require a partial recount if it is answered in the affirmative. Existing section 1 would ask the Senate to state whether we should conduct a recount of the precincts that Mr. Wyman sought to determine the accuracy of the first count.

It has been my feeling throughout this whole proceeding that the first thing the Senate should do should be to have a complete recount of all of the ballots, both machine and paper ballots, that were presented to it by the State of New Hampshire.

As I understand it, this was Mr. Durkin's original position to seek a complete recount, and this has been Mr. Wyman's position to seek a complete recount, and there has not been a complete recount by the Senate.

It is unfortunate, I think, that we are in the position where we have before us actually two reports on the subject of the Senator from New Hampshire issued by the Committee on Rules and Administration, and you have to be astute enough to know the difference to look and find out that one is the Durkin position and one is the Wyman position. We do not have a committee position, and I do not think we could have a committee position until there actually is a complete recount of everything that occurred on election night or election day and night there in the State of New Hampshire.

In my State had there been an election with the returns this close there would automatically have been a recount paid for by the State. I find it very strange that now that we are in the position of having received this protest from Mr. Durkin that the Senate has not had a complete recount of all the votes that were presented to it.

What I am actually suggesting, if the members will examine it, is actually the approach stated by the individual views of the Senator from Rhode Island (Mr. Pell).

As I understand them, he states he remains of the view that the actual counting of the New Hampshire ballots, and as much as possible of the procedural decisionmaking relative to the New Hampshire Senate election contest, should not be done by elected individuals, but should have been delegated to a neutral body chosen from a panel recommended by the American Arbitration Association or other impartial source and agreed upon by the contestants.

That is what I seek to have the contestants do, each name an attorney who is a member or approved by the American Arbitration Association and have those two pick a third member and have them go through these ballots and certify to the Senate the results of the recount.

Instead of having us go through what I consider to be an improper procedure of casting 27 votes for the people of New Hampshire on these contested ballots, they would actually be reported back in terms of the decision made by this group of three people who are all approved by a very distinguished association that we all know.

The preamble or the resolving clause which has already been agreed upon by the Senate which, incidentally, I still disagree with because it has the date of January 6 in it—but, in any event, it would require that these people who are members of this panel would make the determination in accordance with New Hampshire law. I think this is the only way to proceed, and I would say to my friends on the other side of the aisle I keep hearing this concept that we are ready to vote, and that some of us appear to be wanting to delay.

I think many of us—and I am one of them—are very seriously worried about the fairness of the Senate in proceeding in the way it has so far because, as I understand it, the request that was made by Mr. Wyman to the duly elected or appointed officials in New Hampshire was not granted, and that was the request that appears in section 1 as it is printed in the resolution now, and that is that the accuracy of the recount in certain precincts be determined, and it has not been granted. It was not granted in New Hampshire; it was not granted by the committee and, as I understand the situation, in all probability will not be granted by the Senate.

It puts us in the strange position where all the protests that have been made by Mr. Durkin have been addressed by the committee, have been with two exceptions, as I understand it, ruled upon in his favor, and the people on the other side wonder why we are distrustful of the results of the procedure that has been outlined, whether or not this is going to be a political decision based upon the sheer weight of the majority or whether it is to be a decision which is reached by each Senator examining his own conscience.

Well, so far I have not seen anything but political decisions here on the floor on this matter, and it bothers me a great deal. It bothers me a great deal because, as I pointed out before, there are ballots that will be before us that are in section 2 that come under the law of my State, would not have been counted at all, and would not even be presented for counting because they would be disqualified. And yet, as I understand section 2, I am to be called upon to say whether or not these ballots will be counted for Mr. Durkin or Mr. Wyman and, to a great extent, the political lines are drawn whether we like it or not; they are drawn right by that aisle that comes down the middle of this body, and so far I have not seen any inclination of the people to forget it.

I would rather see the original intent of the Senator from Rhode Island, who is the chairman of the subcommittee that was involved, as I understand it, carried out, and let an independent and impartial group that meets the acceptance of the two contestants count all of these ballots and certify their result to the Senate.

I am informed that if this amendment of mine is adopted it would then be in order to move to table the balance of this resolution until that report is submitted by the panel, and that would be my intention were we to be successful in obtaining a complete recount.

I would say to my friend from Nevada I have great respect for him, both as a former member of the Rules Committee and as someone who has served on the Committee on Commerce with him, and I know he is trying his best to conduct himself in a fair way and in an impartial way, and to carry out the job he has pursuant to being a member of the majority and being a chairman of a committee in charge of carrying out our constitutional responsibilities.

I would hope that he would recognize that my amendment does not challenge the results of the Rules Committee because, as I understand it, the Rules Committee has not counted all the ballots.

Rather, my amendment challenges the accuracy of the counts that were submitted by New Hampshire and would bring before these people, the panel appointed in the first instance by the contestants, and then by the two of them seeking a third to be qualified as a member of the panel, all of the objections that are involved in this resolution and let them make a report to the Senate on all of the ballots.

Admittedly, this would bring forth all of the "skip-Louie" ballots, as well as the "skip-Durkin" ballots. Admittedly, it would bring forth all of these precincts that Mr. Wyman has challenged. But it would also bring forth all of those other precincts that were counted in Mr. Durkin's favor.

Mr. President, in my political career now, I have lived through two very close recounts in my State and in both instances the recounts which have been conducted have reduced substantially the lead of the apparent winner on the night of the election.

But we have a complete recount procedure and upon petition the contestant does, in fact, name two people and the apparent winner names two people, and the fifth person is named, and they do, in fact, have a recount according to this procedure I am suggesting.

So what I am trying to do is, reaching into our experience in close elections, saying, why do we not follow this procedure.

I think each of us, as we look at these ballots, are going to follow our own experience in terms of what would be or what would not be legal in our own State.

Mr. President, I am not going to take a great deal of time, but to show the reason for my concern, let me read from the statement of Ronald Snow, which is before every Member, it is in the hearing record from the committee. He is the chairman of the New Hampshire Ballot Law Commission.

This disturbs me a great deal and I am reading from page 209 of this report of the committee. These are Mr. Snow's comments and I am quoting from the report.

> The final point that I would like to discuss are the issues that the New Hampshire Ballot Law Commission refused to consider and rule upon.
>
> The commission consistently refused during this hearing to consider and rule upon issues which can be broadly considered as "voting irregularities." We did this basically for two reasons. The first, and the most important, was that there was no specific statutory authority which, in our opinion, allowed us to do it in the enabling statute. Second, the same statutory section which prescribed our authority, we thought specifically gave the parties a proper recourse for voting irregularities within the New Hampshire Superior Court. Or, failing that, before this body, the U.S. Senate.
>
> Now, obviously, in the last few days, as has been pointed out, the New Hampshire Supreme Court has spoken on this issue and indicated that no New Hampshire court could take jurisdiction of these voting irregularities.
>
> Some of these issues, upon which we denied counsel's motions to consider, were a refusal to open and count an absentee vote from the town of Amherst, which had not been deposited with the regular ballots at the time of the original count. It was significant to the commission in refusing to open and count this ballot that the outside envelope had previously been opened when it arrived before our commission.
>
> We refused to consider and review claimed irregularities in the absentee voting in Nashua.
>
> We refused to consider and rule on claimed voting irregularities on the voting machines in Manchester.
>
> We refused a request to recount all ballots in the towns of Lancaster, Meredith, and Merrimack.
>
> We refused to review a claimed irregularity in the absentee checklist in the town of Seabrook.
>
> We refused the request to recount all ballots in the town of Salem.
>
> We refused to recount ballots and check tally sheets in Conway. The same with respect to absentee votes in Meredith, absentee votes in Littleton, and a Ward 8 absentee ballot in the city of Manchester.
>
> In conclusion, Mr. Chairman, New Hampshire law, we believe, provides for three possible sources of review in a contested election. The first review is by the secretary of state and his staff at a complete recount of all ballots which are accumulated from the various precincts for that purpose. At that recount all parties in interest have an opportunity to protest the rulings on the counting or failure to count any ballot.
>
> Next, an appeal to the ballot law commission is provided, but that review is limited to a consideration of protested ballots.
>
> Finally, the statute provides that other problems related to the election, but not within the jurisdiction of the ballot law commission, can in some elections be considered by the New Hampshire courts. As I have just pointed out, the New Hampshire Supreme Court has just ruled, however, that the New Hampshire courts have no jurisdiction to consider these issues in this Senate race.
>
> At the conclusion of the ballot law commission hearing on December 24, 1974, the first and second avenues of review of this election had been completed in compliance with New Hampshire law. And, in my opinion, absent a showing of prejudice, partiality or fraud, for this body to review and alter that finding would be to embark on a dangerous precedent. Once you begin to substitute the judgment of the U.S. Senate for the judgment of the New Hampshire voting officials on ballots considered by them, one is led, I believe, to the inescapable conclusion that all 223,363 ballots cast for Wyman, Durkin, or Chimento will have to be reviewed in order to guarantee that the same standards have been applied to the consideration of this election.
>
> For example, hundreds, maybe even thousands of ballots originally protested by the parties were marked as exhibits by the ballot law commission, but not ruled upon, stipulated by the parties, with their rights preserved, to press their objections at some other time. Because of previous rulings we had already made on ballots that had come before.
>
> If you change votes involving any of these issues, in my opinion you automatically trigger a review of these other ballots which have not been considered.

That is the end of the statement of the chairman of the Ballot Law Commission of New Hampshire. That is my point in offering this amendment.

The committee has in fact now changed the rules of the game in several instances. It is my contention that having done so, all of the ballots ought to be recounted under the same circumstances and the same conditions.

Mr. President, on April 24 there was prepared for Mr. Wyman a position paper setting forth his position on a total recount of all ballots cast in the election. It is the so-called Wyman position. It is my understanding that he still has the same point of view, that it would be fair to have the complete recount of all the ballots.

I ask unanimous consent that the statement that was made with regard to what was then known as issue No. 12 be printed in the RECORD at this point.

There being no objection, the position paper was ordered to be printed in the RECORD, as follows:

COMMITTEE ON RULES AND ADMINISTRATION, NEW HAMPSHIRE SENATE ELECTION, WYMAN POSITION

ISSUE NO. 12: A TOTAL RECOUNT OF ALL BALLOTS CAST IN THE ELECTION

Ever since filing his initial response to Mr. Durkin's petition of contest, Mr. Wyman has consistently maintained that only a complete recount of all the ballots would be appropriate and in conformity with due process of law. *Hearing Before the Subcommittee on Privileges and Elections*, p. 44, January 9, 1975. There is a statistical certainty that more error already exists in the Ballot Law Commission base from which the Committee is operating than the 2 votes currently separating the parties. Human error of that magnitude is inherent in the process of manually counting 185,000-odd pieces of paper.

The existence and likelihood of such human error in the base is amply demonstrated by the even limited review process that the Committee has already undertaken. For example, at the conclusion of the segregation of the ballots into the eight masking categories, the Riddick panel undertook to count the ballots in each category. Although only 900 ballots were involved, the contents of boxes 3 and 5 had to be counted again because errors of 1 ballot in 75 and 3 in 249, respectively, had been made in the original count. An equivalent percentage of error (½%) in the 185,000 ballots would result in a miscomputation vastly in excess of the present or any conceivably probable future margin of victory between the two contestants.

Other problems with attempting to work off only the Ballot Law Commission base are indicated by the serious and substantial doubts about the accuracy of that base which have been raised by the issues of tally protests, missing ballots and ballots without ruling slips. In each case, the integrity of the base is called into question.

Finally, the problems of the application of double standards for judging the ballots and the tie vote dilemma are, if not eliminated, at least alleviated by a total recount from the bottom up. Perhaps the most egregious sin in the Committee's disposition of the "skip Louie" ballots is the discrimination resulting from the application of a novel and different rule of ballot interpretation to the 3,500 ballots from that which was applied to the other 181,000-odd ballots. At least if the Committee were to recount the whole State, its disregard of settled New Hampshire law would be applied equally to all the ballots and to both contestants. Since a complete recount would also be a de novo review of the election, it would also render more logical (even if still not a very sensible way to decide a two-vote election) a decision that a Committee tie on a ballot results in the ballot being called for neither contestant.

Ironically, a complete recount of the remaining ballots could probably be accomplished in less than one week—far less time than has already been devoted to the effort to avoid the task.

EUGENE M. VAN LOAN, III.

April 24, 1975.

Mr. STEVENS. Mr. President, again I do not intend to belabor this matter. I may be one who is in the minority in this opinion on this side, but in my opinion there is going to be complete distrust in this procedure as long as it is decided on a political basis. Everything I have seen so far, as I have said before, has been decided on an almost partisan basis in connection with this election, the protests and the proceedings involved in the committee. That is not a reflection on the chairman of the committee. I would expect the people on his side of the aisle to support the chairman in procedural matters, and most of these are procedural matters. I do not see how we on this side could be expected to do other than support Mr. Wyman, who has been certified by the Governor and by the duly elected officials of the State of New Hampshire.

We understand fully the problem caused by the original certification of the secretary of state.

It seems to me that this matter having been presented to the Senate by the protest of Mr. Durkin, a petition of contest, that the first thing that should be done is to recount all of these ballots. Now that we are here, let us send it to a panel such as this. I am informed it would take less than a week. I would state that Alaska has counted almost as many ballots in way less than a week in connection with recounts.

I do not see that we should be involved in taking the procedure that we are going to be taking, as I see the whole scenario opening up here in the Chamber in terms of the chairman's position being sustained on paragraph (1), on paragraph (2), on paragraphs (3), (4), (5), (6), (7), and (8). If it is sustained, we would then go to the actual marking of the second section as to which of the two contestants should get these contested ballots.

Again, I go back to where I started. I agree wholeheartedly with the position of the Senator from Rhode Island, who took the position that the elected individuals in this body should be judges of the election. We should not be in the position of being participants in the election. That is what we will be if we are asked to determine whether these contested ballots are counted for either Mr. Wyman or Mr. Durkin.

I would point out to the Senate that the constitutional provision that we are operating under states that we shall be the judges of the election.

I have heard people here in the Senate state that we are the jury. Well, as a trial lawyer, I always thought I knew the difference between a member of the jury and being a judge. Having never been a judge or a member of the jury, but a practicing lawyer before both, I believe that in this case the Constitution was right to make us judges and not to make us a jury that would sit down and go over the evidence piece by piece. We should have a group duly impaneled to count all of these ballots. It would not require a considerable amount of time.

Again, the Senator from Rhode Island pointed that out. He said: "I do not believe, however, that we as Senators were chosen by our constituents to spend 212 hours in the course of 46 days on ballot counting and procedural questions to the detriment of our other responsibilities."

I believe the 212 hours that the committee spent in committee meetings will be infinitesimal by the time we get through here unless the majority decides to use its power to shut off debate on the floor of the Senate on an issue of this type.

When the amendments to rule XXII were being considered, I seriously had under consideration and had prepared an amendment to exempt from the change on rule XXII, which I supported, the question of the seating of a U.S. Senator, because of the very existence of the circumstances that exist here, that the majority does in fact have one more than the necessary number to close off debate on this issue. But, having been advised by those who sought the change that that would cloud the issue on rule XXII, I did not offer that amendment.

I remain hopeful that the majority will not be able to use that procedure. But until we see a change, until we see something to give us confidence that Mr. Wyman has in fact received the same treatment that Mr. Durkin has received from the U.S. Senate, I think this matter will go on for a very long time; and I, for one, will be prepared to participate in the continued debate on this matter as long as it may be necessary, until that trust is established in terms of the treatment to be accorded to both parties in this matter.

I want to state again, because I am sure my friend from Nevada, having the responsibility he does, is going to take some of these remarks personally, that they are not meant personally. I think he is doing his job and doing it well. But I do not think that most of the Members of this body have ever served on the minority, and it would be an interesting experience for some of them to serve on the minority, I think. I am doing my best this year to try to help to achieve that end.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. ROBERT C. BYRD. The Senator is not addressing his remarks to me. I, too, have served on the minority.

Mr. STEVENS. Well, if the Senator has I did not know it.

Mr. ROBERT C. BYRD. Yes, I am glad to inform the Senator of that.

Mr. STEVENS. I have served on both the majority and the minority, but I have never served in a situation where I have been asked to vote on particular issues such as this, which, in effect, would ultimately determine what happened with respect to a contested election.

Mr. ROBERT C. BYRD. Will the Senator yield further?

Mr. STEVENS. I yield.

Mr. ROBERT C. BYRD. Did I understand the Senator to say a moment ago, that we are going to be on this issue a long time?

Mr. STEVENS. It is my understanding that we will be on it a long, long time unless the majority indicates a willingness either to listen to some of the protests of Mr. Wyman or to shutoff the debate. That is my position. I said I was speaking for myself, and not representing any of the leadership on this side, but that is my feeling.

Mr. ROBERT C. BYRD. I understand. Is the Senator prepared to be here on the Senate floor all the time during that long, long time? Is he prepared to be on the floor with the leadership, which will be here? The leadership on this side will be here, whether it is a long, long time or a short time. Is the Senator from Alaska prepared to be here on the floor during that long, long time, or does he plan to be away from the Senate a part of that time?

Mr. STEVENS. Well, consistent with my responsibilities as a Senator from Alaska I will be here. I do have scheduled trips home; I assume I will keep them unless there is something that I feel is overwhelmingly involved.

I have also been on the leadership, and I remember staying on the floor when people brought up issues such as this, and the necessity for being on the floor as a part of the leadership of a legislative body; and I can say to the Senator from West Virginia that if I had duties here as part of the leadership I would be here all of the time.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. STEVENS. But I do not think the Senator gets my point.

Mr. ROBERT C. BYRD. I got the Senator's point, but will the Senator yield?

Mr. STEVENS. Yes.

Mr. ROBERT C. BYRD. I have not heard the leadership on that side of the aisle say the Senate would be on this issue a long, long time. I just heard the Senator from Alaska say it.

Mr. STEVENS. The leadership does not always listen to me.

Mr. ROBERT C. BYRD. But how can the Senator from Alaska assure the Senate it will be on this question a long, long time unless he himself is going to be here to prolong the debate, unless he knows there is a cabal forming over on that side of the aisle, or a conspiracy of some sort, that intends to keep the matter before the Senate a long, long time?

Mr. STEVENS. No, I just think we are not ready to vote until we are sure the outcome of the vote is not going to be a partisan decision.

Mr. ROBERT C. BYRD. I have seen no party line votes, except on that side of the aisle, thus far.

Mr. STEVENS. I have seen nothing except party line considerations so far.

Mr. ROBERT C. BYRD. On that side of the aisle.

Mr. STEVENS How did we get to this refusal of going back and taking 12 "skip-Durkin" ballots out? How did we get to the reversal that led to these 4-to-4 votes, other than through partisan considerations?

Mr. ROBERT C. BYRD. How did we have 4-to-4 votes in the Rules Committee if they were party line votes?

Mr. STEVENS. I am talking about partisan considerations. I have not seen any party line votes yet, either. I had one vote here; maybe that was a party line vote.

Mr. ROBERT C. BYRD. Does the distinguished Senator from Alaska plan to be here Saturday?

Mr. STEVENS. I will be here Saturday. I will be a little late, but I will be here Saturday.

Mr. ROBERT C. BYRD. Well, the Senate will be here early. The Senate is going to come in early. Will the Senator be here the following Saturday?

Mr. STEVENS. Yes, I will be here whenever it is required, in my opinion, unless something changes to convince me that the action of the Senate—and again I say I am just speaking for one Senator.

I have not raised my voice on this issue yet in terms of any great objection, but I have a deep sense that this is being decided by partisan considerations, and that if we vote on these issues here, really, we can calculate out who is going to win by the outcome of these issues. And I think the Senator from West Virginia will agree with that.

Mr. ROBERT C. BYRD. Will the Senator yield further?

Mr. STEVENS. Yes.

Mr. ROBERT C. BYRD. I had a deep sense, up until a few minutes ago, that there might be some deliberate attempt on the other side of the aisle to prolong this debate. Now I am assured of it.

Mr. STEVENS. The Senator can be assured that this Senator will seek to prolong it until he can be assured that this is not decided on a partisan basis. I have not yet objected to any unanimous consent request; I think the Senator from West Virginia knows that.

Mr. ROBERT C. BYRD. I know that.

Mr. STEVENS. I am awaiting the outcome on these issues, to see what happens.

I again state my complete revulsion toward the concept of having us review 27 ballots on the floor of the Senate.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. ROBERT C. BYRD. I wonder if he understands the revulsion some of us felt when we had to review over 700 ballots.

Mr. STEVENS. Yes; I have been in that position, and I again suggest—I agree with the Senator from Rhode Island that it should have been done by a separate group. It should not have been done by duly elected officials of the Senate, who are in fact judges of that election.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. ROBERT C. BYRD. The Senator has a right to his opinion, but that opinion is not always shared by others.

May I ask the distinguished Senator, due to the fact that last week unanimous consent was requested and granted that rollcall votes daily, through this week, through Friday, would not occur prior to the hour of 12:30 p.m., would the distinguished Senator agree to delay the vote on his amendment until 12:30 tomorrow, with the understanding that the Senate would begin to debate on that amendment at 10:30 a.m., that one-half hour would be consumed by the debate, and that at 11 a.m. the Senate would take up paragraph numbered 1 on page 1 of the resolution?

That would enable Senators who may have planned their schedules in accordance with the unanimous-consent order entered last week, expecting that there would be no rollcall votes through Friday until the hour of 12:30 p.m., to keep their plans based on that order.

Mr. STEVENS. I say to the Senator from West Virginia—I see that the acting minority leader is here, and I think he should participate in this—that I believe there are a great many of the Senators here who were here on the floor at the time we reached the unanimous-consent agreement before. I thought it was fairly arrived at, and I did not seek any delay in the voting. We have agreed on a voting time at 10:30—or at 11 o'clock. I think that is a fair time.

Mr. ROBERT C. BYRD. Mr. President, the State of New Hampshire already has conducted a complete recount of all machine and paper ballots cast on November 5, 1974, under the secretary of state.

There was a mutual narrowing of protested ballots by Mr. Wyman and Mr. Durkin for consideration by the ballot law commission—some 3,500 ballots.

The voting machines in Nashua and Exeter have been used in elections subsequent to November 1974.

Security over the 180,000-odd ballots was questionable, at least, and a recount of those could not be given any weight.

The attorney general stated, as has been mentioned several times in this Chamber, that only the 3,500 were secure and were protested before the ballot law commission and that the measure of victory lay in those 3,500 ballots.

The 3,500 ballots are the bridge between the two certificates of election and Mr. Wyman asked to be seated on the basis of his certificate issued after the ballot law commission's review and declaration of a victory of 2.

I ask unanimous consent to have printed in the RECORD a quotation by Mr. Rudman, which appears on page 18 of the report expressing the Durkin position.

There being no objection, the quotation was ordered to be printed in the RECORD, as follows:

STATEMENT BY ATTORNEY GENERAL RUDMAN

Mr. RUDMAN. Now you have to understand there were two classifications of ballots. The ballots that you see here, about 180,000 ballots, were never protested by anyone. There were roughly 3,500 ballots that were in fact protested. Those ballots are under very tight security. The tightest security imaginable at the State Police Laboratory in the evidence safe. Now, at the conclusion of the Ballot Law Commission hearings it was stated on the record and agreed to by the parties that these ballots will be placed in a safe, warm, secure place where they wouldn't get wet or spoiled, or what have you, if there were any reason ever to look at them in the future. But they have never been protested by anyone. And I think for anyone now to come and say "well, we've got some problems with these ballots," that's just confusing the public and confusing the issue and I just don't think it's very forthright.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE addressed the Chair.

Mr. STEVENS. Mr. President, I am happy to yield to the Senator from Florida.

SENATE RESOLUTION 190—EXPANSION OF FACILITIES AT PLUM ISLAND ANIMAL DISEASE CENTER

Mr. STONE. Mr. President, from the Committee on Agriculture and Forestry, I submit a report on a resolution relating to the expansion of facilities at the Plum Island Animal Disease Center, and I ask unanimous consent for the immediate consideration of the resolution.

Mr. GRIFFIN. Mr. President, reserving the right to object, I have to ask what it is.

Mr. STONE. This is the one that was cleared.

Mr. GRIFFIN. All right. Fine.

Mr. STONE. This resolution, I would like the record to reflect, has been cleared by the majority and the minority assistant leaders, by the ranking members of the Committee on Agriculture and Forestry, and its chairman. It is by report. It is Senate Resolution 190.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 190) was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas the importation of breeding stock is vital to ongoing efforts to improve American beef and dairy herds; and

Whereas the Plum Island Animal Disease Center is the only facility permitted by law to diagnose certain diseases and certify bovines as free of such diseases; and

Whereas the current facilities are inadequate to service the need of the Fleming Key Quarantine Station expected to begin operations in January 1978; and

Whereas the availability of the supporting facilities at Plum Island at that time are dependent upon immediate implementation of construction; and

Whereas projected costs of the Plum Island facility have escalated by over 18 percent in the past year and promise to go higher with further delays; and

Whereas the United States is vulnerable to an outbreak of hoof and mouth disease due to the lack of a vaccine plant such as is proposed for Plum Island; and

Whereas concurrent construction of the proposed quarantine facilities, diagnostic laboratories, and pilot vaccine plant at Plum Island Animal Disease Center will reduce the cost of separate construction efforts: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Office of Management and Budget expedite its consideration of the supplemental budget request of the Department of Agriculture for $9.45 million for the expansion of animal quarantine facilities and diagnostic laboratories and for the construction of a pilot vaccine plant at the Plum Island, New York, Animal Research Center, and forward this request forthwith to Congress for its consideration.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. STEVENS. Mr. President, I hope that I still maintain recognition.

Mr. PHILIP A. HART addressed the Chair.

Mr. STEVENS. I shall be happy to yield to the Senator from Michigan. But if we could wait just one moment, the acting majority leader did request a change in this unanimous-consent agreement, and I understand it would be agreeable that we would change the time for voting from 11 a.m. to 12:15 p.m., if that would meet his concern. So far as I am concerned it would be agreeable.

Mr. ROBERT C. BYRD addressed the Chair.

Mr. STEVENS. Mr. President, I yield without losing recognition.

Mr. GRIFFIN. Mr. President, I wonder if I could have the change restated. What is involved?

Mr. ROBERT C. BYRD. Yes.

If the distinguished Senator will yield, may I state again the purpose for requesting, as the distinguished acting Republican leader will recall, last week an order was entered to the effect that there would be no rollcall vote this week daily through Friday prior to the hour of 12:30 p.m. I now find, after having gotten the order earlier today, that there is a Senator who had planned his schedule in accordance with that order that was entered last week, and he was operating on the basis that there would be no rollcall votes tomorrow before 12:30 p.m.

That was the reason I had asked that the rollcall vote on Mr. STEVENS' amendment be delayed until 12:30 p.m.

In accordance with the suggestion of the distinguished Senator from Alaska, I will restate the request for the benefit of all Senators and particularly for the distinguished acting Republican leader who has asked the question.

MODIFICATION OF UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent that the vote on the amendment by Mr. STEVENS occur tomorrow at the hour of 12:15 p.m., with the understanding that the one-half hour allotted tomorrow for debate would occur, as previously ordered, beginning at 10:30 a.m. and closing at 11 a.m., at which time the Senate would proceed to the consideration of issue numbered paragraph (1) running from lines 7 through 12 on page 1 of the resolution.

Mr. GRIFFIN. I am wondering if the Senator from Alaska wants that arrangement or does he want the debate to proceed to vote on this amendment.

Mr. STEVENS. I have stated my position. I am about ready to stop unless there are other questions involved.

Mr. GRIFFIN. But there is debate allotted for tomorrow.

What will happen here is that the debate under the amendment will take place, we will go on with business at 10:30, we will go on to another matter, and then we will vote on the amendment of the Senator at 12:15.

Mr. STEVENS. That is agreeable with me.

Mr. GRIFFIN. If the Senator from Alaska is satisfied, I will not object, but I would think it would be more orderly to do it the other way, to have the debate on the Stevens amendment immediately precede the vote on the Stevens amendment.

Mr. ROBERT C. BYRD. Mr. President, will either the distinguished chairman (Mr. CANNON) or the distinguished author of the amendment (Mr. STEVENS) be agreeable to this request: That at the hour of 10:30 tomorrow morning the Senate proceed to the consideration of the paragraph numbered (1) on page 1 of the resolution and that at the hour of 11:45 a.m. resume consideration of the amendment by Mr. STEVENS, have one-half hour of debate to be equally divided between the two Senators as aforementioned, and that the vote then occur on the amendment by Mr. STEVENS at 12:15 p.m.?

That would put the half-hour for debate immediately before the vote.

Mr. GRIFFIN. I think that makes more sense.

Mr. CANNON. It is agreeable to me.

Mr. GRIFFIN. That is with all Senators equally divided on the Stevens amendment.

Mr. ROBERT C. BYRD. I thank all Senators.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, it is ordered.

Mr. STEVENS. Mr. President, the Senator from Michigan asked me to yield. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Michigan yield to me?

Mr. PHILIP A. HART. Has the Senator from Alaska yielded?

Mr. STEVENS. I have not yielded the floor. I will be through in a minute.

I thought the Senator from Michigan wanted me to yield.

Mr. President, I think the exchange with the Senator from West Virginia has been useful and pertinent. I do not know really how to convey to my good friends, and I feel we all have good friends with regard to that side of the aisle, how some of us really feel deeply concerning this procedure.

What the Senator is saying is the chairman has spent an awful lot of time, and all the members of this committee have spent a lot of time trying to figure out what is right on this issue that has been presented by the contest.

My amendment, I think, would provide an insulation from partisan considerations, in the first instance, and it would bring in an independent and impartial group to completely recount all of the ballots.

From my experience in the past two recounts, that I have been familiar with, I say that chances are extremely great that the results of that recount would be substantially different from the reports that have been made from the State of New Hampshire so far.

None of us know which way it would go. As I said, in my opinion, based on my experience, it normally goes against the apparent winner on the night of the election. But, in any event, it is what both parties of the contest at one time have sought, and I think it would be a most logical solution to reassure those of us with doubts on this side of the aisle, if nothing else, but I would hope that there are doubts on the other side of the aisle also about the problem of partisan considerations involved in a situation with a constitutional duty presented to the Senate such as we are faced with now.

Mr. GRIFFIN. Mr. President, will the Senator from Alaska yield to me for a brief observation?

Mr. STEVENS. Yes.

Mr. GRIFFIN. Just as an example, to indicate the merit of his proposal and why it is necessary, if we are going to refuse to send it back to the people for a new election, a complete and full recount is necessary, to examine only 3,500 ballots and to subtract or add to a base number, as you examine those ballots, assumes that all of the other counts, the other 180-some thousand votes is valid, and so on, and it also assumes that we have here all of the protested ballots that are supposed to be in that 3,500 category.

I think that many people and many Senators do not realize that in the course of our review, we discovered that 38 ballots that were recorded as protested in Dover ward 3 and in Troy were not in the 3,500 protested ballots when we went to examine them. The records of the secretary of state indicated that they should have been there. Thirty-eight ballots were recorded as having been protested in those wards, which were never found.

We also discovered that there were 37 protested ballots from the towns of Derry, Northampton, and Salem as to which there is no indication as to how those particular protested ballots were counted by the secretary of state or the ballot law commission.

How can we, without recounting all the ballots, disregard this situation? Yet the committee has seen fit to do so. How can we know what the result of this election was, under those circumstances, without even taking into account many other circumstances, such as the malfunctioning machines, such as the write-in paper on the machines that has been lost and never examined? That indicates that we cannot look at just 3,500 ballots, so-called, and know that you have the will of the people of New Hampshire.

Mr. STEVENS. I thank the Senator from Michigan.

Again I want to make the point, however, that with regard to the RECORD, the Ballot Law Commission in New Hampshire, through its chairman, has testified before the Rules Committee that it did not take up these protests and these irregularities, because of what it considered to be contraints on its authority under New Hampshire law and because it felt that the New Hampshire court could review them. New Hampshire's Supreme Court ruled that it could not.

We now come here with one provision of this resolution saying that we cannot make up our minds. Let us take item 5:

> Is it the sense of the Senate, with respect to all ballots on which the committee vote is tied, the ruling of the highest authority of the State of New Hampshire shall remain in effect?

How can I answer that as being in the affirmative, when I have just read the RECORD and read that the Ballot Law Commission did not consider them? They did not consider the protests that were raised—and many protests being raised by each contestant.

I find it very difficult, on the record here, to make a judgment. Perhaps, again, it is most difficult because of the clinging feeling that the outcome of the votes on this resolution will in fact determine the outcome of the election, and I am not really convinced that that outcome would be based upon all the ballots.

I see my good friend the Senator from Rhode Island in the Chamber, and I say to him that I have quoted from his statement in the report. I find that his position, if I have quoted it correctly, as it is stated in this report, is very compelling.

Mr. President, I yield the floor.

Mr. PELL. Mr. President, I thank the Senator for the mention of my name.

There is a very real difference between the motion of the Senator from Alaska and my own. While I appreciate the invitation to cosponsor it, I cannot accept it, because there is a very fundamental difference.

I have the text of my motion. People talk about partisanship. I was in the most embarrassing position of only the Republicans supporting me and the Democrats not supporting me. So it cannot be said that this has been a completely partisan venture.

In my motion, I was talking only about the 3,500 ballots. It says so very specifically, if the Senator will look at the text.

Mr. STEVENS. I beg the Senator's pardon. I did not so interpret it. I want to apologize. I read from the individual views and interpreted them to mean all the ballots. I apologize for having interpreted it that way.

Mr. PELL. I quite see how the Senator did. I probably was loose in the language in my individual views. I said:

> . . . as much as possible of the procedural decision-making relative to the New Hampshire Senate election contest should not be done by elected individuals, but should have been delegated to a neutral body . . .

In writing that, I had in mind my motion, which spoke of the contested ballots agreed upon to be reviewed by previous committee action, and I was not thinking of all the ballots.

If it had been the decision of the committee that all the ballots should be counted, then I would agree; then I think it should have been done by such a group. My own view was that it should be only the 3,500 that should be counted by the nonpartisan group, as our agent, to report to us with a recommendation. Now, basically, we have counted them except for approximately 20, which we shall have the pleasure of counting on the floor of the Senate within 20 or 30 days or 2 months.

I think that this difference as to the point should be made. If originally it had been decided that all the ballots should be recounted, I would have the same view as that of the Senator from Alaska.

Mr. STEVENS. I again thank the Senator from Rhode Island for clarifying the situation.

I was of the impression, from his views, that we shared the same thought, that all the ballots should be counted. I did not know that his original motion was limited to 3,500. My feeling remains the same, that it should be that.

Mr. PELL. To clarify the record, we should put in the RECORD the actual text of the motion I made and the motion by Senator ALLEN, which was previously adopted, which referred to the number of ballots. By doing that, the record will be complete.

Mr. President, I ask unanimous consent to have this material printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEBRUARY 19, 1975

Motion by Senator Allen, as amended by Senator Hatfield, that the New Hampshire Senate contest be based upon the following:

(1) a recount of the approximately 3,500 ballots before the Ballot Law Commission in relation to the final results certified by the Ballot Law Commission, and

(2) a consideration by the Committee of all the protests made by either party at any stage of the proceedings contemplating that the Committee will take the appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested.

YEAS—8

Mr. Pell
Mr. Byrd
Mr. Allen
Mr. Williams
Mr. Hatfield
Mr. Scott
Mr. Griffin
Mr. Cannon

NAYS—O

FEBRUARY 19, 1975

Motion by Senator Pell that the Committee adopt a procedure which would establish a panel, either through agreement by the contestants, or, if they cannot agree, through the American Arbitration Association, to review the contested ballots agreed upon to be reviewed by previous Committee action, and to report its recommendation on each ballot to the Committee for its final decision.

YEAS—4

Mr. Pell
Mr. Hatfield
Mr. Scott
Mr. Griffin

NAYS—4

Mr. Byrd
Mr. Allen
Mr. Williams
Mr. Cannon

AMENDMENT OF THE FEDERAL RULES OF EVIDENCE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—this has been cleared on the other side of the aisle—that Mr. HRUSKA and Mr. PHILIP A. HART may proceed now with the consideration of Calendar No. 196.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> A bill (S. 1549) to amend the Federal Rules of Evidence, and for other purposes.

The Senate proceeded to consider the bill.

Mr. PHILIP A. HART. Mr. President, this bill was favorably reported by unanimous vote of the Judiciary Committee yesterday. The operative language of the bill is only two lines long.

What this bill does is to restore a provision contained in the rules submitted by the Supreme Court that makes admissible a prior out-of-court identification, when such identification is made in compliance with constitutional requirements.

Let me quote from the committee report:

> The purpose of this legislation is to amend the Federal Rules of Evidence to make clear that nonsuggestive lineup, photographic and other identifications, made in compliance with the Constitution, are admissible in evidence.
>
> The Federal Rules of Evidence, as submitted by the Supreme Court and passed by the House of Representatives, included the following provision in Rule 801(d) (1) (C):
>
> "A statement is not hearsay if * * * the declarant testifies at the trial or hearing and is subject to cross-examination concerning the statement, and the statement is * * * *one of identification of a person made after perceiving him.*" [Emphasis supplied.]
>
> A similar provision was contained in the Preliminary Draft of the Proposed Rules (March 1969), the Revised Draft (March 1971), the Judicial Conference Proposed Draft, and the Supreme Court Draft (November 1972).
>
> Senator Philip A. Hart (for himself and Senators Hruska and McClellan) introduced S. 1549 on April 29, 1975, to add a new subparagraph (d)(1) to Rule 801, Definitions, of Article VIII (Hearsay).
>
> * * * * *
>
> The purpose of the provision was to make clear, in line with the recent law in the area, that nonsuggestive lineup, photographic and other identifications are not hearsay and therefore are admissible.
>
> * * * * *
>
> [T]he rule is desirable. Since these [prior] identifications take place reasonably soon after an offense has been committed, the witness' observations are still fresh in his mind. The identification occurs before his recollection has been dimmed by the passage of time. Equally as important, it also takes place before the defendant or some other party has had the opportunity, through bribe or threat, to influence the witness to change his mind.
>
> Both experience and psychological studies suggest that identifications consisting of nonsuggestive lineups, photographic spreads, or similar identifications, made reasonably soon after the offense, are more reliable than in-court identifications. Admitting these prior identifications therefore provides greater fairness to both the prosecution and defense in a criminal trial. See McCormick, Evidence, 602 (2d ed. 1972). Their exclusion would thus be detrimental to the fair administration of justice.
>
> * * * * *
>
> Again, it should be emphasized that though the rule makes prior identifications admissible, they *still* must meet constitutional muster. In *Gilbert* v. *California,* 388 U.S. 218 (1967), the Supreme Court held that the Sixth Amendment right to assistance of counsel applied to lineup identifications. Even though the Court held that the right to counsel applied only to post-indictment lineups, *Kirby* v. *Illinois,* 406 U.S. 682 (1972), other cases make clear that the Due Process Clause is applicable to *all* pretrial lineups and that it forbids a lineup that is unnecessarily suggestive and conducive to mistaken identification. *Stovall* v. *Denno,* 388 U.S. 293 (1967); *Foster* v. *California,* 394 U.S. 440 (1969). Having the identifying witness on the stand (which is required by the first clause of Rule 801(d) (1)), coupled with these constitutional safeguards, provide adequate assurances of trustworthiness to warrant the admissibility of such prior identifications.

Mr. HRUSKA. Mr. President, I rise in support of S. 1549 as cosponsor with the distinguished Senator from Michigan (Mr. HART) and the distinguished Senator from Arkansas (Mr. MCCLELLAN). The process of improving the already quite high quality of justice dispensed through our court system is an evolutionary one. In December of 1974, the Congress took a historic step in that direction by enacting the Federal Rules of Evidence, a bill which I strongly supported and lent major effort. S. 1549 represents another step in that evolution. It amends one of the Federal Rules of Evidence by declaring that prior out-of-court statements by witnesses who are presently testifying, which statements identify a criminal or other person, are not hearsay.

The rule would read, if amended as proposed, as follows:

> A statement is not hearsay if . . . the declarant testifies at the trial or hearing and is subject to cross examination concerning the statement, and the statement is . . . one of identification of a person made after perceiving him.

As I stated in greater detail in the CONGRESSIONAL RECORD on April 30, 1975—on the occasion of the introduction of S. 1549—the rule as amended would admit statements of identification made by the victim or other witnesses on the street; at the police station; at police line-ups; in response to photo spreads; et cetera, provided always that the Constitution—which overrides all evidence rules—has been complied with and provided that other exclusionary rules of evidence and relevancy are satisfied.

The amendment's position is supported by many recent Federal cases, the Attorney General's Advisory Committee of U.S. attorneys, and the commentators. There is little reason to exclude the evidence: the witness is present for confrontation and cross-examination; his prior statement, nearer in time to the occurrence than his present statement, is likely to be at least as valuable if not more so, than his later statement; and the evidence can be used by either side.

I support this salutary bill in the interests of further perfecting the historic step forward represented by the Federal Rules of Evidence.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That rule 801(d)(1) of the Federal Rules of Evidence (88 Stat. 1938) is amended by adding at the end thereof a new subparagraph (C), as follows:

"(C) one of identification of a person made after perceiving him, or".

SEC. 2. This Act shall become effective on July 1, 1975.

Mr. PHILIP A. HART. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE PRESIDENT'S MESSAGE ON CRIME

Mr. HRUSKA. Mr. President, President Ford is to be commended for his incisive and very knowledegeable message to the Congress on crime in this country. It is an even-handed and well-balanced consideration of the most important aspects of America's war on crime—America's battle for effective law enforcement. It is, my belief that the recommendations presented by the President—if carried out—will help turn around the soaring crime rate in the United States.

It is very clear that some action must be taken—and in a hurry—to destroy the atmosphere of fear that so many Americans live in every day. It is inconceivable that our country with all of its talent, wealth, and resources cannot solve the problems that have caused an increasing number of its citizens to live at the mercy of the criminal element. The President's proposals are long steps in the right direction along the path to a solution to this serious problem plaguing our society.

The President accurately points out that the real key to a successful fight against crime is at the local and State levels. In his message, he said:

> With few exceptions, the kinds of crimes that obsess America—murders, robberies, rapes, muggings, hold-ups, break-ins—are solely within the jurisdictions of State and local governments. Thus, while the programs that I will propose in this message, will if enacted, contribute to a safer America, the level of crime will not be substantially reduced unless State and local governments themselves enact strong measures.

I am very pleased and gratified that the President expressed his support for the concept of the bill, S. 1, a comprehensive revision of the Federal Criminal Code. Many years have gone into the development of this very complex piece of legislation. It is an effort that has gone unnoticed by many, but its impact on criminal law will be significant. Its effect on the crime rate, I believe, will be substantial.

Mr. President, sentencing of convicted criminals is a very important part of our system of justice. Unfortunately, the impact of sentencing on crime has too long been neglected. For many years some of us have advocated the need for an appellate review of sentencing. In many instances, sentences for the same types of Federal crimes have not been consistent. Depending on the judge, the court, or the area of the country, sentences vary widely for the same crime. And no review is allowable. A sentence cannot be appealed. The law should be changed, as the President advocates, so this injustice can be remedied. S. 1 will do this.

I agree wholeheartedly with the

President's views on mandatory sentencing for certain crimes. Honest citizens should not be subjected to the whims of those convicted of violent crimes who are roaming free on the street.

The President's views on the causes and solutions of crimes with guns are right on the mark. His approach is rational and reasonable. He attacks the problem at the right place.

He said:

> . . . the federal government can be of assistance to state and local law enforcement efforts by prohibiting the manufacture of so-called Saturday night specials that have no apparent use other than against human beings and by improving federal firearms laws and their enforcement.
>
> At the same time, however, we must make certain that our efforts to regulate the illicit use of handguns do not infringe upon the rights of law-abiding citizens. I am unalterably opposed to federal registration of guns or the licensing of gun owners. I will oppose any effort to impose such requirements as a matter of federal policy.

The President has correctly singled out cheap handguns, the so-called Saturday night specials for special attention. No responsible individual holds any brief for these weapons whose only purpose is crime connected.

As we have discovered in the Congress, a proper definition of this weapon—the so-called "Saturday night specials"—is difficult. We must take care that we respect the rights of lawful gunowners as we consider this matter. But there is wide agreement that the problem must be confronted.

Proposed Federal legislation on gun control has been a highly emotional issue. In the past, those of us who have fought unduly restrictive Federal gun control proposals have accused our opponents of using this emotion rather than reason or facts to make their case. Let us not make the same mistake. Let us analytically consider the President's proposals which center upon complete use of our present gun laws.

Mr. President, I was especially pleased at the President's vote of confidence in the Law Enforcement Assistance Administration by asking for a 5-year extension of this important program, increasing the annual funding authorization from $1.25 to $1.3 billion.

There have been those who have pointed to the millions of dollars spent by LEAA as having been money poorly spent because the crime rate has continued to rise.

Such allegations are sheer nonsense. If crime in this Nation has increased, it is not the responsibility of LEAA or the Federal Government. It is the responsibility of the Governors, mayors, commissioners and other elected officials. It is the responsibility of State and local police, courts and corrections officials.

The LEAA has provided the tools to update and improve the criminal justice system. Its authorizing language specifically states that crime reduction and law enforcement are the primary responsibility of State and local governments. The declaration and purpose of the act says:

> Congress finds further that crime is essentially a local problem that must be dealt with by State and local governments if it is to be controlled effectively.

President Ford made clear in his message today that the Federal role is a limited one.

The legislative history of the Crime Control Act of 1973 and its predecessor, the Omnibus Crime Control and Safe Streets Act of 1968, makes perfectly clear that the Congress intended that LEAA limit its activities to financial and technical assistance, research, and development and educational aid to the Nation's criminal justice system. It was never intended that it—or any Federal agency—should in any way control or dictate State and local law enforcement activities. Down that road lies the threat of a national police force which all Americans find repugnant.

Financial and technical assistance to State and local governments has been made available by the LEAA to those governments. Eighty-five percent of the action funds go directly to State criminal justice planning agencies.

Based on the needs of local communities and other political subdivisions as determined by locally elected officials, this money is allocated for criminal justice activities. I have always advocated as much local control as possible of expenditure of Federal funds. The LEAA concept provides for local control and I applaud it.

Mr. President, I endorse Mr. Ford's approach to the problem of crime in America. He has identified the crucial areas that need reform and he has proposed workable, practical solutions. It is my hope that the Congress will take immediate action to implement his recommendations. The record speaks for itself. Crime is on the increase. We cannot afford to wait.

Mr. President, we are fast approaching the 200th birthday of our great Nation. Individuals throughout America, communities, States, and the Federal Government are planning many ways to celebrate this great occasion—the Bicentennial. I cannot think of a better "birthday" present from this Congress to the people of the United States than a concerted effort to free our citizens—or alleviate in substantial degree—from the fear of crime, in all of its ramifications. Our Nation was conceived in freedom. Let us insure that we can continue to enjoy our freedom in a country that has crime on the run, a country where domestic tranquility will prevail.

Mr. President, I ask unanimous consent to have printed in the Record the President's statement.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The White House,
June 19, 1975.

To the Congress of the United States:

I address this message to the Congress on a subject that touches the lives of all Americans: crime.

Two months ago, at the celebration of the 150th anniversary of the Yale Law School, I spoke about law and respect for the spirit of the law.

Law makes human society possible. It pledges safety to every member so that the company of fellow human beings can be a blessing instead of a threat. It is the instrument through which we seek to fulfill the promise of our Constitution: "to insure domestic tranquility."

But America has been far from successful in dealing with the sort of crime that obsesses America day and night—I mean street crime, crime that invades our neighborhoods and our homes—murders, robberies, rapes, muggings, hold-ups, breakins—the kind of brutal violence that makes us fearful of strangers and afraid to go out at night.

I sense, and I think the American people sense, that we are facing a basic and very serious problem of disregard for the law. Because of crime in our streets and in our homes, we do not have domestic tranquility.

Ever since the first Presidential message on crime, in 1965, strenuous Federal efforts, as well as State and local initiatives, have been undertaken to reduce the incidence of crime in the United States. Yet, throughout this period, crime has continued to increase. Indeed, the Federal Bureau of Investigation's latest estimates are that the rate of serious crime—murder, forcible rape, robbery, aggravated assault, burglary, larceny and auto theft—was 17 percent higher in 1974 than in 1973. This is the largest increase in the 44 years the Bureau has been collecting statistics.

Since 1960, although billions of dollars have been spent on law enforcement programs, the crime rate has more than doubled. Moreover, these figures reflect only the reported crimes. A study of unreported crime sponsored by the Law Enforcement Assistance Administration indicates that the actual level of crime in some cities is three to five times greater than that reported.

More significantly, the number of crimes involving threats of violence or actual violence has increased. And the number of violent crimes in which the perpetrator and the victim are strangers has also increased. A recent study indicates that approximately 65 percent of all violent crimes are committed against strangers.

The personal and social toll that crime exacts from our citizens is enormous. In addition to the direct damage to victims of crime, violent crimes in our streets and in our homes make fear pervasive.

In many areas of the country, especially in the most crowded parts of the inner cities, fear has caused people to rearrange their daily lives. They plan shopping and recreation during hours when they think the possibilties of violent attacks are lower. They avoid commercial areas and public transit. Frightened shopowners arm themselves and view customers with suspicion.

The individual, political and social costs of crime cannot be ignored. They demand our attention and coordinated action. With the firm support of the American people, all levels of government—Federal, State and local—*must* commit themselves to the goal of reducing crime.

For too long, law has centered its attention more on the rights of the criminal defendant than on the victim of crime. It is time for law to concern itself more with the rights of the people it exists to protect.

In thinking about this problem, I do not seek vindictive punishment of the criminal, but protection of the innocent victim. The victims are my primary concern. That is why I do not talk about law and order and why I turn to the Constitutional guarantee of domestic tranquility. The emphasis in our efforts must be providing protection for the victims of crime.

In this message, I shall address myself to what I believe the Federal government can and should do to reduce crime. The fact is, however, that the Federal role in the fight against crime, particularly violent crime, is a limited one.

With few exceptions, the kinds of crimes that obsess America—murders, robberies, rapes, muggings, hold-ups, breakins—are solely within the jurisdiction of State and local governments. Thus, while the programs that I will propose in this message will, if enacted, contribute to a safer America, the level of crime will not be substantially reduced unless State and local governments themselves enact strong measures.

I see three ways in which the Federal government can play an important role in combating crime:

First, it can provide leadership to State and local governments by enacting a criminal code that can serve as a model for other jurisdictions to follow and by improving the quality of the Federal criminal justice system.

Second, it can enact and vigorously enforce laws covering criminal conduct within the Federal jurisdiction that cannot be adequately regulated at the State or local level.

Third, it can provide financial and technical assistance to State and local governments and law enforcement agencies, and thereby enhance their ability to enforce the law.

I. PROVIDING LEADERSHIP

Law enforcement in a democratic society depends largely upon public respect for the laws and voluntary compliance with them. We do not have and do not want a police state. Respect and compliance are undermined if individuals conclude that law enforcement efforts are ineffective and that crimes may be committed with impunity—conclusions which are buttressed by rapidly rising crime rates and by statistics showing only one arrest for every five serious crimes committed.

A decline in respect for the law leads to the commission of more crimes. The necessity to investigate these additional crimes, prosecute those accused, and punish those convicted places even greater strain on the already overburdened capacities of police, prosecutors, public defenders, courts, penal institutions and correctional authorities. As a consequence, the percentage of offenders apprehended, prosecuted and appropriately sentenced is further reduced. This leads to an even greater decline in respect for the law and to the commission of even more crimes. To succeed in the effort to reduce crime, we must break this spiral.

There are two direct ways to attack the spiral of crime. One is through improvements in the law itself. The other is through improvement of the criminal justice system so that it functions more swiftly, surely and justly.

Federal criminal laws should be a model upon which State and local governments can pattern their own laws. At the present time, they are not. These Federal statutes developed haphazardly over the decades. They have been revised here and there in response to changing judicial interpretation. They are complicated, and sometimes conflicting, leaving gaps through which criminal activity too often slips unpunished. Because of their complexity, the laws invite technical arguments that waste court time without ever going to the heart of the question of the accused's guilt or innocence.

For several years, the Federal government has engaged in a massive effort to reform the Federal criminal laws into a uniform, coherent code. The product of this effort was recently introduced in Congress, with wide bipartisan support, as S. 1, the "Criminal Justice Reform Act of 1975."

Since it covers every aspect of criminal law, some of the proposals in this Act have stirred controversy and will undoubtedly precipitate further debate. For instance, concern has been expressed that certain provisions of the bill designed to protect classified information could adversely affect freedom of the press. While we must make sure that national security secrets are protected by law, we must also take care that the law does not unreasonably restrict the free flow of information necessary to our form of government. Responsible debate over this and other provisions of S. 1 will be very useful. Issues can be clarified and differing interests accommodated.

I think everyone will agree, however, that comprehensive reform of the Federal criminal code is needed. Accordingly, as a legislative priority in the Federal effort against crime, I urge the 94th Congress to pass the kind of comprehensive code reform embodied in the Criminal Justice Reform Act.

In connection with this overall effort, let me suggest some specific reforms I believe essential.

The sentencing provisions of current Federal law are, in my judgment, inadequate in several respects, often erratic and inconsistent. Defendants who commit similar offenses may receive widely varying sentences. This lack of uniformity is profoundly unfair and breeds disrespect for the law.

The revision of the criminal code should restore a sense of consistency in sentencing, so that the fine or term of imprisonment imposed by the law relates directly to the gravity of the offense. For example, criminal fines are woefully inadequate and provide little deterrence to offenders whose business *is* crime—a business profitable enough to support current levels of criminal fines as an ordinary business expense. Other than under the antitrust laws, the maximum fine which can be imposed on serious violators is usually $10,000. That amount is too often not commensurate with the crime. The maximum level should be increased to $100,000, if the defendant is an organization.

The sentencing provisions of the proposed code should be modified to provide judges with standards under which prison sentences are to be imposed upon conviction. Imprisonment too seldom follows conviction, even for serious offenses. It is my firm belief that persons convicted of violent crime should be sent to prison. Those who prey on others, especially by violence, are very few in number. A small percentage of the entire population accounts for a very large proportion of the vicious crimes committed. Most serious crimes are committed by repeaters. These relatively few persistent criminals who cause so much worry and fear are the core of the problem. The rest of the American people have a right to protection from their violence.

Most of the victims of violent crimes are the poor, the old, the young, the disadvantaged minorities, the people who live in the most crowded parts of our cities, the most defenseless. These victims have a valid claim on the rest of society for protection and personal safety that they cannot provide for themselves; in a phrase, for domestic tranquility.

Imprisonment too seldom follows conviction for a felony. In the 1960's, crime rates went higher, but the number of criminals in prison, state and federal, actually went down. A study of one major jurisdiction showed that of all convicted robbers with a major prison record, only 27% were sent to prison after conviction.

There should be no doubt in the minds of those who commit violent crimes—especially crimes involving harm to others—that they will be sent to prison if convicted under legal processes that are fair, prompt and certain.

I propose that incarceration be made mandatory for (1) offenders who commit offenses under Federal jurisdiction using a dangerous weapon; (2) persons committing such extraordinarily serious crimes as aircraft hijacking, kidnapping, and trafficking in hard drugs; and (3) repeat offenders who commit Federal crimes—with or without a weapon—that cause or have a potential to cause personal injury. Exceptions to mandatory imprisonment should apply only if the judge finds and specifies in writing one or more of the following: that the defendant was under 18 when the offense was committed, or was mentally impaired, or was acting under substantial duress, or was implicated in a crime actually committed by others and participated in the crime only in a very minor way. I have asked the Attorney General to assist the Congress in drafting this modification to the sentencing provisions of S. 1. Since most violent crime is in the jurisdiction of State and local criminal courts, I call upon the States to establish similar mandatory sentencing systems. Too many persons found guilty of serious, violent crimes never spend a day in prison after conviction.

I would emphasize that the aim of this program of mandatory imprisonment is not vindictive punishment of the criminal, but protection of the innocent victim by separating the violent criminal from the community. These victims—most of whom are old or poor or disadvantaged—have a valid claim on the rest of society for the protection and the personal safety that they cannot provide for themselves.

Reasonable mandatory minimum sentences can restore the sense of certainty of imprisonment upon which the deterrent impact of criminal law is based. Mandatory sentences need not be long sentences; the range of indeterminacy need not be great. In fact, wide disparities in sentences for essentially equivalent offenses give a look of unfairness to the law. To help eliminate that unfairness, Federal appeals courts should be given some authority to review sentences given by Federal trial court judges—to increase or reduce them so that the punishments will be more nearly uniform throughout the Federal system. I am also asking the Attorney General to review this problem to ensure that the Federal sentencing structure, which is now based on the indeterminate sentence, is both fair and appropriate. Among other things, it may be time to give serious study to the concept of so-called "flat time sentencing" in the Federal law.

In addition to reform of the criminal law, we must improve the manner in which our criminal justice system operates. Effective deterrence to law-breaking is currently lacking, in part because our criminal justice system simply does not operate effectively.

A logical place to begin discussion of such improvement is the prosecutor's office, for it is there that important decisions are made as to which offenders should be prosecuted, what cases should be brought to trial, when plea bargains should be struck and how scarce judicial resources should be allocated. Many prosecutors' offices currently lack the manpower or management devices to make those decisions correctly. Prosecutors often lack information on a defendant's criminal history and thus cannot identify habitual criminals who should be tried by experienced prosecutors and, if convicted, sent to prison. In too many cases, they lack efficient systems to monitor the status of the numerous cases they handle. If improved management techniques could be made available to prosecutors, the likelihood of swift and sure punishment for crime would be substantially increased.

At the Federal level, last September I directed the Department of Justice to develop and implement a program to deal with career criminals, with the objectives of (1) providing quick identification of persons who repeatedly commit serious offenses, (2) according priority to their prosecution by the most experienced prosecutors, and (3) assuring that, if convicted, they receive appropriate sentences to prevent them from immediately returning to society once again to victimize the community.

Programs to deal with habitual criminals will be encouraged at the State and local levels through the use of the Law Enforcement Assistance Administration model programs and discretionary grants already underway.

To illustrate the nature of this problem, let me point out that in one city over 60 rapes, more than 200 burglaries and 14 murders were committed by only 10 persons in less than 12 months. Unfortunately, this example is not unique.

The results of a repeat offender project recently launched in the Bronx County District Attorney's Office, City of New York, are hopeful. The first year's experience showed a 97 percent felony conviction rate and a reduction of time in case disposition from an average of 24 months to an average of three months. In addition, prison sentences resulted in 95 percent of the career criminal cases prosecuted.

A second improvement in the criminal justice system may be obtained by diverting certain first offenders—not all, but some—into rehabilitation programs before proceeding to trial. The Department of Justice has begun a pilot program of this kind designed to achieve two important goals. First, it will seek to reduce the caseloads of Federal courts and prosecutors through expeditious treatment of offenders who are good prospects for rehabilitation. Second, it will seek to enable the offenders who successfully satisfy the requirements of the diversion programs to avoid criminal records and thus increase the likelihood that they will return to productive lives.

Experimentation with pretrial diversion programs should continue and expand. However, careful efforts must be taken to prevent these programs from either treating serious offenders too leniently, or, on the other hand, violating defendants' rights. By coupling this pretrial diversion program with a mandatory term of imprisonment for violent offenders, we will make sure that offenders who deserve to go to prison will go to prison. At the same time, those who may not need imprisonment will be dealt with quickly and in a way that minimizes the burden on the criminal justice system.

The criminal and civil caseloads in trial and in appellate courts have grown over the years, while the number of judges assigned to handle those cases has not kept pace. In 1972, the Judicial Conference of the United States recommended the creation of 51 additional Federal District Court judgeships in 33 separate judicial districts across the country. Senate hearings on legislation incorporating this proposal were conducted in 1973. To date, however, the legislation has not been scheduled for floor action. The increasing needs of the Federal Courts make this measure an urgent national necessity of a nonpartisan nature—for justice delayed is too often justice denied. In addition, seemingly technical but important reform in the Federal criminal justice system can be achieved by expanding the criminal jurisdiction of United States Magistrates. This reform will enable the relatively small number of Federal judges to focus their efforts on the most significant criminal cases. The Criminal Justice Reform Act contains a provision that will achieve that result, and I am giving it my specific support.

When a defendant is convicted, even for a violent crime, judges are too often unwilling to impose prison sentence, in part because they consider prison conditions inhumane. Moreover, a cruel and dehumanizing penal institution can actually be a breeding ground for criminality. In any case, a civilized society that seeks to diminish violence in its midst cannot condone prisons where murder, vicious assault and homosexual rapes are common occurrences.

The Federal Bureau of Prisons has embarked on a program to replace large, outdated prisons with smaller, more modern ones. The Bureau has seven new corrections institutions of this sort under construction. All are designed to be civilized places that can be governed effectively by the wardens and correctional officers rather than by the most brutal and inhuman prisoners. In addition, the Bureau is opening new institutions in three major cities to replace overcrowded, antiquated local jails which formerly housed Federal prisoners awaiting trial. The program to improve Federal prisons must be paralleled by State efforts, because the problem of decrepit prison facilities that are hothouses of crime is worst at the State and local level. Unless prisons are improved, many judges will only reluctantly commit convicted offenders to them, even if they are guilty of serious crimes and have previous criminal records.

I know that grave questions have been raised by qualified experts about the ability of the corrections system to rehabilitate offenders. There are important and serious questions. They go to the very heart of the corrections system. While the problem of criminal rehabilitation is difficult, we must not give up on our efforts to achieve it, especially in dealing with youthful offenders. Crime by young people represents a large part of crime in general. The 1973 statistics indicate that 45 percent of persons arrested for all crimes are under 18 years of age. Whatever the difficulty, we must continue our efforts to rehabilitate offenders. especially youthful offenders. To do less would be to write off great numbers of young people as unsalvageable before they have even come of age. I have directed the Attorney General, as Chairman of the Cabinet Committee on Crime Prevention and Rehabilitation, to work in close cooperation with the Secretary of Labor, the Secretary of Health, Education, and Welfare and other concerned agencies of the Executive Branch to ensure that the Federal government is making the best possible use of its resources in this crucial area.

Whatever the corrections system might accomplish in rehabilitating offenders while they are in prison will be lost if the individual leaves prison and cannot find a job, simply because he has been convicted of a crime. I urge employers to keep an open mind on the hiring of persons formerly convicted of crimes. The U.S. Civil Service Commission currently administers a program designed to prevent Federal employers from unjustly discriminating against ex-felons. I am directing the Commission to review this program to ensure that it is accomplishing its objectives. I am also calling on the National Governors Conference to consider steps the States can take to eliminate unjustified discriminatory practices. Giving ex-offenders who have paid their penalty and seek to "go straight" a fair shake in the job market can be an effective means of reducing crime and improving our criminal justice system.

In addition to this general effort to reform and improve the criminal justice system, the Federal law should be specifically revised to take into greater account the needs of victims of crime. They, as well as the general public, must be made aware that the government will not neglect the law-abiding citizens whose cooperation and efforts are crucial to the effectiveness of law enforcement.

I urge the Congress to pass legislation to meet the uncompensated economic losses of victims of Federal crimes who suffer personal injury. In order to promote the concept of restitution within the criminal law, the monetary benefits should come from a fund consisting of fines paid by convicted Federal offenders.

II. BETTER LAWS AND ENFORCEMENT

As I pointed out initially, except in limited circumstances, street crime is a state and local law enforcement responsibility. There is a dimension to this problem, however, that cannot be adequately dealt with on just the state and local levels. Criminals with handguns have played a key role in the rise of violent crime in America. Hundreds of policemen have been killed in the past decade through the use of handguns by criminals. The most effective way to combat the illicit use of handguns by criminals is to provide mandatory prison sentences for anyone who uses a gun in the commission of a crime.

In addition, the federal government can be of assistance to state and local enforcement efforts by prohibiting the manufacture of so-called Saturday Night Specials that have no apparent use other than against human beings and by improving Federal firearms laws and their enforcement.

At the same time, however, we must make certain that our efforts to regulate the illicit use of handguns do not infringe upon the rights of law abiding citizens. I am unalterably opposed to federal registration of guns or the licensing of gun owners. I will oppose any effort to impose such requirements as a matter of federal policy.

Nonetheless, we can take steps to further guard against the illicit use of handguns by criminals.

Current Federal gun laws should be revised to provide that only responsible, bona fide gun dealers be permitted to obtain Federal licenses to engage in the business of selling firearms. Licenses to sell firearms should also be withheld from persons who have violated State laws, particularly firearms laws. Additional administrative controls over the sale of handguns, including a ban on multiple sales, will help to establish dealer responsibility in stopping illicit gun trafficking. A waiting period between the purchase and receipt of a handgun should be imposed to enable dealers to take reasonable steps to verify that handguns are not sold to persons whose possession of them would be illegal under Federal, State or applicable local laws.

Second, I have ordered the Treasury Department's Bureau of Alcohol, Tobacco and Firearms, which has primary responsibility for enforcing Federal firearms laws, to double its investigative efforts in the Nation's ten largest metropolitan areas. The action will assist local law enforcement authorities in controlling illegal commerce in weapons. I have directed, therefore, that the Bureau of Alcohol, Tobacco and Firearms employ and train an additional 500 investigators for this priority effort.

Third, the domestic manufacture, assembly or sale—as well as the importation—of cheap, highly concealable handguns should be prohibited. These so-called "Saturday Night Specials" are involved in an extraordinarily large number of street crimes. Most have no legitimate sporting purpose. They are such a threat to domestic tranquility that we should eliminate their manufacture and sale entirely.

These recommendations go to the very heart of the problem of handgun abuse. If enacted, they should add significantly to the efforts of State and local law enforcement authorities to prevent the criminal use of handguns.

There are several other areas in which Federal law and enforcement can be improved to strike at those who have made crime a business.

The leaders of organized crime can be prosecuted under current Federal law only when it can be shown that they participated in a specific offense, such as gambling, loansharking or narcotics. A reformed criminal code should strike directly at organized criminal activity by making it a Federal crime to operate or control a racketeering syndicate. This revision will make the criminal law apply to organized crime leaders who seek to conceal their role in the syndicate's criminal activities.

Since current Federal laws restrict the government's ability to attack consumer frauds, the statutes punishing fraud and theft should be revised to make Federal prosecution more effective. Pyramid sales schemes—clever confidence games, in other words—should be specifically prohibited. Federal jurisdiction over these frauds should be extended to enable the government to move against them on a nationwide basis.

The protection of constitutionally guaranteed civil rights is a primary duty of the Federal government. Yet, a private citizen can be punished for violating constitutional rights only if he acted in concert with others. Under current law, even if a State official intentionally commits acts that violate an individual's constitutional rights, proof of these acts alone may be insufficient to secure a conviction. Restrictions which prevent our laws from protecting the constitutional rights of Americans should be eliminated.

I am particularly concerned about the illegal trafficking in narcotics and dangerous drugs. These crimes victimize the entire Nation, bringing personal tragedy and family destruction to hundreds of thousands. In addition to the human toll, the property crimes committed to finance addicts' drug habits are estimated at $15 billion each year.

Federal, State and local governments must continue their vigorous law enforcement efforts aimed at major traffickers in narcotics and dangerous drugs. This Administration is committed to maintaining a strong Federal Drug Enforcement Administration to provide leadership in this fight. At the same time, I continue to recognize our responsibility to provide compassionate treatment and rehabilitation programs for the hapless victim of narcotics traffickers.

Recent evidence suggests an increase in the availability and use of dangerous drugs in spite of the creation of special Federal agencies and massive Federal funding during the past six years. I am deeply concerned over these developments and have, therefore, directed the Domestic Council to undertake a comprehensive review and assessment of the overall Federal drug abuse prevention, treatment and enforcement effort to ensure that our programs, policies and laws are appropriate and effective.

Finally, white-collar crime is taking an increasing toll in terms of financial and social costs. The United States Chamber of Commerce recently reported that in 1974 white-collar crime cost the public approximately $40 billion, excluding the costs of price-fixing and industrial espionage. In addition to direct economic losses, white-collar crime can destroy confidence in and support for the nation's economic, legal and political institutions. In recognition of the gravity of the impact of white-collar crime, I have directed the Attorney General to undertake new initiatives to coordinate all Federal enforcement and prosecutorial efforts against white-collar crime.

III. PROVIDING FINANCIAL AND TECHNICAL ASSISTANCE

The Federal government must continue to help State and local governments in carrying out their law enforcement responsibilities. Therefore, I will submit to Congress a bill that will continue the Law Enforcement Assistance Administration through 1981.

The LEAA annually provides millions of dollars of support to State and local governments in improving the overall operation of their criminal justice systems. Additionally, the LEAA serves as a center for the development of new ideas on how to fight crime. Examples of several LEAA innovations have already been noted in this Message. The bill that I will submit will authorize $3.8 billion for LEAA to continue its work through 1981.

Several aspects of the reauthorization bill deserve special mention. It will increase the annual funding authorization for LEAA from $1.25 billion to $1.3 billion. The additional $250 million over five years will enable the agency's discretionary program to place greater emphasis on programs aimed at reducing crime in heavily populated urban areas. It is in these areas that the problem of violent street crime has reached critical proportions. The LEAA "High Impact" program, which is designed to provide additional assistance for cities and counties with high crime rates, has had encouraging success. This additional authorization will permit LEAA to build upon that success.

The bill will also place special emphasis on improving the operation of State and local court systems. Specifically it will include such improvement within the statement of purposes for which LEAA block grant funds can be utilized. Too often, the courts, the prosecutors and the public defenders are overlooked in the allocation of criminal justice resources. If we are to be at all effective in fighting crime, state and local court systems, including prosecution and defense, must be expanded and enhanced.

In conclusion, I emphasize again that the Federal government cannot, by itself, bring an end to crime in the streets. The Federal government can seek the cooperation and participation of State and local governments. Such cooperation is vitally important to this effort. The cumulative effect of persistent Federal, State and local efforts to improve our laws and eliminate difficulties that encumber our criminal justice system offers the only hope of achieving a steady reduction in crime.

I am confident that, if the Congress enacts the programs that I have recommended, the means available for an effective attack on crime will have been substantially strengthened. I call upon the Congress to act swiftly on these recommendations. I also call upon State and local governments to move rapidly in strengthening their processes of criminal justice. Together, we will restore to this nation that sense of domestic tranquility so essential to the pursuit of happiness.

GERALD R. FORD.

THE WHITE HOUSE, *June 19, 1975.*

THE WHITE HOUSE, FACT SHEET, CRIME MESSAGE

The President is today transmitting to the Congress a special message on crime in which he advocates enactment of mandatory minimum sentences for offenders who commit violent Federal crimes. In addition, he asks the Congress to improve Federal fire arms laws and their enforcement. The President also recommends the extension of the Law Enforcement Assistance Administration through 1981.

BACKGROUND

The Federal Bureau of Investigation has estimated that the rate of serious crime was 17 percent higher in 1974 than in 1973. This is the largest annual increase in the 44 years the Bureau has been collecting statistics. Moreover, these figures reflect only the reported crimes. A study of unreported crime sponsored by the Law Enforcement Assistance Administration indicates that the actual level of crime in some cities is three to five times greater than that reported. Significantly, and tragically, the number of crimes involving threats of violence or actual violence has also increased.

Two months ago, at the celebration of the 150th anniversary of the Yale Law School, the President delivered a speech on the problem of crime in America. In that address, the President stressed his concern for the innocent victims of crime and the impact which crime—particularly violent crime—has had on domestic tranquility in America. The message which the President is sending to Congress today spells out his program for combatting crime.

HIGHLIGHTS OF MESSAGE

While acknowledging that the Federal role in the fight against crime is a limited one, the President sets forth three important responsibilities of the Federal government in this vital area:

Providing leadership to State and local governments by improving the quality of Federal laws and the criminal justice system.

Enacting and vigorously enforcing laws covering criminal conduct that cannot be adequately regulated at the State or local level.

Providing financial and technical assistance to State and local governments and law enforcement agencies, and thereby enhancing their ability to enforce the law.

I. PROVIDING FEDERAL LEADERSHIP

A. Improving the Quality of Federal Laws

Noting that Federal criminal laws should be a model upon which State and local governments can pattern their own laws, the President recommends to the Congress the enactment of a comprehensive criminal code.

In codifying the Federal criminal law, the President recommends that criminal fines be increased from a maximum of $10,000 to a maximum of $100,000 if the defendant is an individual, and $500,000 if the defendant is an organization.

The President also recommends the enactment of mandatory minimum sentences for persons who:

(1) commit Federal offenses involving the use of a dangerous weapon,

(2) commit such extraordinarily serious offenses as aircraft hijacking, kidnaping and trafficking in hard drugs, and

(3) are repeat offenders who commit Federal crimes that cause or have the potential to cause personal injury to others. Limited exceptions to the imposition of mandatory minimum sentences would be set forth in the statute.

The President recommends that Federal appeals courts be given limited authority to review sentences imposed by Federal trial court judges.

B. Improving the Federal criminal justice system

In addition to reform of the criminal law, the President believes that we must improve the manner in which our criminal justice system operates. In the message, he makes numerous suggestions and recommendations designed to improve the quality of the Federal criminal justice system. These include:

1. Establishment of "career criminal" programs designed to assure quick identification and prosecution of persons who repeatedly commit serious offenses.

2. Continuation and expansion of programs designed to divert certain first offenders into rehabilitation prior to trial.

3. Creation by the Congress of additional Federal District Court judgeships and expansion of the criminal jurisdiction of United States Magistrates.

4. Up-grading of prison facilities, including the replacement of large, outdated prisons with smaller, more modern ones.

5. Directing that the Attorney General, as Chairman of the Cabinet Committee on Crime Prevention and Rehabilitation, ensure that the Federal government is making the best possible use of its resources in the area of offender rehabilitation.

6. Enactment by the Congress of legislation to provide limited compensation to victims of Federal crimes who suffer personal injury. Additionally, the President calls upon employers, including Federal agencies, to keep open minds on the hiring of persons formerly convicted of crimes.

II. BETTER LAWS AND ENFORCEMENT

A. The President is unalterably opposed to Federal registration of guns or gun owners. He has directed the Attorney General to prepare legislation prohibiting the manufacture, assembly or sale of "Saturday Night Specials." The President also proposes to strengthen current law so as to strike at the illegal commerce in handguns and to emphasize the responsibility of dealers to adhere to the law. He has also ordered the Treasury Department's Bureau of Alcohol, Tobacco and Firearms to double its investigative efforts in the nation's ten largest metropolitan areas and to immediately employ and train an additional 500 firearms investigators for this priority effort.

B. The President believes there are several other areas in which Federal law and enforcement can be improved to strike at those who have made crime a business. Laws relating to organized crime, consumer fraud, white-collar crimes and protection of civil rights can and should be improved.

C. The President also has directed the Domestic Council to conduct a comprehensive, priority review of the Federal effort in the treatment and prevention of drug abuse, to ensure that Federal programs and policies are appropriate to meet the current and mounting threat.

III. PROVIDING FINANCIAL AND TECHNICAL ASSISTANCE

The Federal government must continue to help State and local governments in carrying out their law enforcement responsibilities. Therefore, the President will submit to the Congress a bill that will continue the Law Enforcement Assistance Administration through 1981.

The Bill will authorize $6.8 billion for the Law Enforcement Assistance Administration to continue its work through 1981. Further, the bill will increase LEAA's annual funding authorization of $1.25 billion to $1.3 billion so that additional funds may be made available to urban areas with high crime rates. Finally, the bill will place additional emphasis on improving State and local court systems.

SENATE TO CONVENE AT 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, under the order entered today, I believe the Senate is to resume the session tomorrow at 10 a.m.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

ORDER FOR CONVENING OF THE SENATE AT 9 A.M. ON TUESDAY, WEDNESDAY, THURSDAY, AND FRIDAY OF NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday, Wednesday, Thursday, and Friday of next week, the Senate meet at 9 a.m., rather than 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10 o'clock tomorrow morning.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business, not to extend beyond 10:30 a.m., with statements therein limited to 5 minutes each.

At the hour of 10:30 a.m., the Senate will resume consideration of Senate Resolution 166, which has to do with the New Hampshire election dispute. At that time, the Senate will proceed with the consideration of the issues set forth in paragraph numbered 1 on page 1 of the resolution, beginning with line 7 and running through line 12.

At the hour of 11:45 a.m., the Senate will resume consideration of the pending amendment by Mr. STEVENS, on which there is a 30-minute time limitation. At the conclusion of the 30 minutes—to wit, at 12:15 p.m.—a rollcall vote will occur on the Stevens amendment. Other rollcall votes will occur throughout the day.

ORDER FOR ROLLCALL VOTES AFTER 12:15 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no rollcall vote occur tomorrow prior to the hour of 12:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, for the further information of the Senate, the whip notice, which was sent out from my office this afternoon, states:

GENERAL INFORMATION

Tomorrow, Friday, the Senate will resume consideration of the New Hampshire election dispute, and it is important that Senators be in attendance inasmuch as the Senate will be voting on issues contained in Senate Resolution 166, and some close votes could occur.

SATURDAY, JUNE 21

As of now, the Senate is scheduled to be in session on Saturday to take up the New Hampshire election dispute or any emergent matter.

Beginning Monday of next week, an order has already been entered for the Senate to meet as early as 9 a.m., daily. With the exception of emergency legislation, the Senate is expected to go immediately, each day, to the New Hampshire election dispute. This means that the Senate could be on the New Hampshire election matter as early as 9 or 10 o'clock daily next week, including even tomorrow and Saturday of this week. Objections will be raised to the meeting of standing committees at any time the New Hampshire election matter is before the Senate. Hence, it is anticipated that such committees will not be permitted to meet anytime during the day, daily, next week following the hour of 9 or 10 o'clock and until the Senate recesses at the end of the day.

The recent practice of foregoing rollcall votes daily until the hour of 12:30 p.m., has not been for the convenience of Senators, but rather for the convenience of committees—thus allowing committee hearings and markups to proceed during the morning without interruptions caused by rollcall votes on the floor. With committees not meeting during the day next week, the ban on rollcalls prior to 12:30 p.m., daily would not be observed.

Senators should be prepared to meet early and late tomorrow, Friday, and daily throughout next week.

The leadership intends, if at all possible, to dispose of Senate Resolution 166 next week, so as not to have the resolution go over through the July Fourth holiday. This may necessitate a Saturday session even on June 28—a week away. conceivably, it may be necessary for the Senate to come in on Monday, Tuesday, and even Wednesday of the week of the Fourth in order to finalize action on Senate Resolution 166.

It should be noted that the Nation is faced with a railroad strike and emergency legislative action may be necessary soon. Among other emergency measures that will be coming up between now and next week are the extension of the debt limit and H.R. 6900—unemployment extended benefits. Such measures may have to be motioned up early in the mornings or at other times.

The leadership hopes to have the understanding of all Senators as the Senate tackles this difficult schedule, which it is imperative that we follow, with early and late sessions expected daily, and with rollcall votes to occur daily, including Saturdays.

RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10 o'clock tomorrow morning.

The motion was agreed to, and at 6:52 p.m., the Senate recessed until Friday, June 20, 1975 at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 19 (legislative day of June 6), 1975:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Abner Woodruff Sibal, of Virginia, to be General Counsel of the Equal Employment Opportunity Commission for a term of 4 years, vice William A. Carey, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 19 (legislative day of June 6), 1975:

DEPARTMENT OF JUSTICE

Richard L. Thornburgh, of Pennsylvania, to be an Assistant Attorney General.

James H. Henson, of Georgia, to be U.S. marshal for the northern district of Georgia for the term of 4 years.

ACTION AGENCY

Ronald E. Gerevas, of Virginia, to be an Associate Director of the ACTION Agnecy.

Willard H. Meinecke, of Maryland, to be an Assistant Director of the ACTION Agency.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Wallace F. Bennett, of Utah, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1977.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Bryan M. Shotts, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Royal N. Baker [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Charles W. Carson, Jr., [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. John R. Murphy [redacted]FR (major general, Regular Air Force), U.S. Air Force:

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Robert A. Patterson, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officers to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. William F. Pitts [redacted]FR (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. Edmund F. O'Connor, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. James Sprague Brooks, [redacted] Adjutant General Corps.

Brig. Gen. Clarence Binder Shimer, [redacted] Adjutant General Corps.

To be brigadier general

Col. James Compton Clem, [redacted], Adjutant General Corps.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. William Bradford Rosson, [redacted] Army of the United States (major general, U.S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major general

Brig. Gen. Willard Latham, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Otis C. Lynn, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles F. Means, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Volney F. Warner, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert G. Yerks, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Morris J. Brady [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Kenneth E. Dohleman, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph E. Fix III [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert J. Malley, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John J. Koehler, Jr. [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Donald R. Keith, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Oliver W. Dillard, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Milton E. Key [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Richardson, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Joseph K. Bratton, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Wray, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Vernon B. Lewis, Jr. [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William L. Mundie, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Carroll N. LeTellier, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph P. Kingston, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William A. Patch, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Wallace H. Nutting, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Richard A. Bresnahan, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard H. Thompson, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Brig. General Robert C. Kingston, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles C. Rogers, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. John G. Hill, Jr. [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Bennett L. Lewis, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Homer S. Long, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard L. Harris, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William W. Palmer, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James L. Kelly [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. George E. Turnmeyer, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. James A. Johnson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jerry B. Lauer [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Oren E. DeHaven, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Greer, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John F. Forrest [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James B. Vaught, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Lee E. Surut, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Wesley E. Peel, [redacted], Army of the United States (lieutenant colonel, U.S. Army.

Brig. Gen. Judson F. Miller, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerd S. Grombacher, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Paul T. Smith [redacted], Army of the United States (colonel, U.S. Army.

Brig. Gen. James M. Rockwell, [redacted] Army of the United States (lieutenant colonel, U.S. Army.)

The following-named officers for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

To be brigadier general

Brig. Gen. Judson F. Miller, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Wray, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert J. Malley, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John G. Hill, Jr. [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard A. Bresnahan, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. George E. Turnmeyer, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. James A. Johnson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph E. Fix, III, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James B. Vaught, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Oliver W. Dillard, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Otis C. Lynn, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William L. Mundie, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Homer D. Smith, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. James A. Grimsley, Jr. [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. John G. Waggener, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. Willard W. Scott, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. John W. McEnery, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Sidney B. Berry [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Donn A. Starry [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Eugene P. Forrester, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. William B. Caldwell, III, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. William A. Patch [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Greer [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth E. Dohleman, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Paul T. Smith [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Oren E. DeHaven, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Willard Latham [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph K. Bratton [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Michael D. Healy, [redacted], Army of the United States (colonel, U.S. Army).

The following-named officers for reappointment to the active list of the Regular Army and Army of the United States with grade as indicated, from the Temporary Disability Retired List, under the provisions of title 10, United States Code, section 1211:

To be major general, Regular Army and major general, Army of the United States

Frederick William Boye, Jr., [redacted].

Brig. Gen. Surindar Nath Bhaskar, [redacted] Dental Corps, U.S. Army, for appointment as Assistant Surgeon General, U.S. Army as major general, Dental Corps, Regular Army of the United States, and as major general in the Army of the United States, under the provision of title 10, United States Code, sections 3036, 3040, 3442, and 3447.

The following-named Army Medical Department officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general, Dental Corps

Col. George Kuttas, [redacted] Dental Corps, U.S. Army.

To be brigadier general, Army Nurse Corps

Col. Madelyn Norvell Parks, [redacted], Army of the United States (lieutenant colonel, Army Nurse Corps, U.S. Army).

To be brigadier general, Medical Corps

Col. George Ivan Baker, [redacted], Army of the United States (lieutenant colonel, Medical Corps, U.S. Army).

Col. William Sinclair Augerson, [redacted] Army of the United States (lieutenant colonel, Medical Corps, U.S. Army).

In the Navy

Vice Adm. Douglas C. Plate, U.S. Navy, for appointment to the grade of vice admiral on the retired list, pursuant to the provisions of title 10, United States Code, section 5233.

In the Marine Corps

Gen. Earl E. Anderson, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of general.

In accordance with the provisions of title 10, United States Code, section 5232, Maj. Gens. Robert H. Barrow and Leslie E. Brown, U.S. Marine Corps, having been designated for commands and other duties determined by the President to be within the contemplation of said section for appointment to the grade of lieutenant general while so serving.

In the Air Force

Air Force nominations beginning James A. Withers, to be first lieutenant, and ending Maurita E. Holt, to be lieutenant colonel, which nominations were received by the Senate on May 23, 1975, and appeared in the Congressional Record on June 2, 1975.

In the Army

Army nominations beginning Garrett L. Hill, to be colonel, and ending Marvin E. Kobza, to be second lieutenant, which nominations were received by the Senate on May 23, 1975, and appeared in the Congressional Record on June 2, 1975.

Army nominations beginning James R. Alston, Jr., to be colonel, and ending Gordon McCowen, to be lieutenant colonel, which nominations were received by the Senate on May 23, 1975, and appeared in the Congressional Record on June 2, 1975.

In the Navy

Navy nominations beginning Dwight W. Colburn, to be ensign, and ending Richard K. Siar, Jr., to be lieutenant (junior grade) and warrant officer, which were received by the Senate on May 23, 1975, and appeared in the Congressional Record on June 2, 1975.

Navy nominations beginning David P. Betzler, to be lieutenant, and ending John B. Kishman, to be ensign, which nominations were received by the Senate and appeared in the Congressional Record on June 6, 1975.

In the Marine Corps

Marine Corps nominations beginning Ray D. Ammon, to be lieutenant colonel, and ending Enos S. Olin, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on May 16, 1975.

Marine Corps nominations beginning Rose A. Allen, to be second lieutenant, and ending Dennis A. Winberry, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on May 21, 1975.

HOUSE OF REPRESENTATIVES—*Thursday, June 19, 1975*

The House met at 12 o'clock noon.

Rev. Bruce L. Carlson, United Methodist Church, Shrub Oak, N.Y., offered the following prayer:

Almighty God, our Heavenly Father: We give You thanks for this new day given to us. May it be a day in which our lives are strengthened and expanded. May it be a day in which we enjoy our associations and responsibilities.

We pray especially for Your presence to be with these persons here who bear the responsibility of providing for the common good of the people of the United States. Give them wisdom to discern what is just and what will be best for the commonwealth now and in the future. Give them integrity of behavior and philosophical position. Give them courage to deal with persons and structures in ways which will produce productive change. We pray in Your name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 269. Concurrent resolution providing for the printing of a House document, "Federal Election Campaign Laws Relating to the United States House of Representatives."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 6. An act to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purpose; and

S. 1434. An act to extend the authorization for the Federal Election Commission, and for other purposes.

PASTOR BRUCE L. CARLSON

(Mr. FISH asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. FISH. Mr. Speaker, our guest chaplain today is Bruce L. Carlson of the United Methodist Church, Shrub Oak, Westchester County, N.Y. Pastor Carlson and his wife, Jean, brought their two boys, Douglas and Eric, with them to Washington. I welcome them and thank Pastor Carlson for this thoughtful prayer this noon.

A member of the Peekskill Area Pastors' Association, Pastor Carlson was chosen from the membership of some 35 churches and synagogues to be our guest chaplain in the House of Representatives.

Prior to coming to Shrub Oak, Pastor Carlson was with the Methodist Church, New Milford, Conn., for 5½ years, and before that, with the Rondout Valley Methodist Church, Stone Ridge, N.Y., 1964–68.

I am sincerely appreciative to Bruce Carlson for being with us today.

PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO SIT TODAY DURING PROCEEDINGS UNDER THE 5-MINUTE RULE

Mr. BENNETT. Mr. Speaker, I ask unanimous consent that the Committee on Standards of Official Conduct may be permitted to sit today during proceedings under the 5-minute rule.

The SPEAKER. Is there objection to

the request of the gentleman from Florida?

There was no objection.

CALL OF THE HOUSE

Mr. HAGEDORN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 315]

Andrews, N.C.
Biaggi
Bolling
Burke, Fla.
Burton, Phillip
Chisholm
Clausen, Don H.
Collins, Ill.
Conyers
Dellums
Diggs
Esch
Evins, Tenn.
Flynt
Foley
Ford, Mich.
Fountain
Fulton
Fuqua
Goodling
Gude
Hébert
Henderson
Jones, Ala.
Kastenmeier
McCollister
Mollohan
O'Hara
Price
Ruppe
Scheuer
Solarz
Steiger, Ariz.
Talcott
Teague
Udall
Waxman
Wylie
Young, Alaska

The SPEAKER. On this rollcall 394 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1976

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. ARMSTRONG reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—INDEPENDENT AGENCIES APPROPRIATIONS, 1976

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the Department of Housing and Urban Development—Independent Agencies Appropriations Act for 1976.

Mr. ARMSTRONG reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE TO SIT TODAY WHILE HOUSE IS IN SESSION

Mr. DOWNING of Virginia. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine be permitted to sit today while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

INTRODUCTION OF A BILL TO PROHIBIT DISCRIMINATION WITH RESPECT TO PHYSICAL HANDICAPS

(Mr. BEARD of Rhode Island asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEARD of Rhode Island. Mr. Speaker, I am introducing a bill today to amend the Civil Rights Act of 1964 in that persons with physical handicaps may not be discriminated against in pursuit of employment.

The Civil Rights Act specifically prohibits discrimination in cases of race, color, religion, sex, or national origin, but I have felt for a long time that those with excellent qualifications but possessing a visible physical handicap are too often discriminated against by employers. Prejudice against people who are blind, deaf, or minus a limb is rampant in this country. A physical handicap, in the minds of many, makes that person different, in just the same way that racial or religious prejudice sets apart one person from another. This kind of prejudice is just as blind and stupid as any other.

This bill will serve notice that a physically handicapped person must be judged on his ability for a specific job, not on the ridiculous notion that a physical handicap somehow affects ability to think, to reason, to perform.

APPOINTMENT OF CONFEREES ON S. 66, TO AMEND THE PUBLIC HEALTH SERVICE ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 66), to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, PREYER, SYMINGTON, SCHEUER, WAXMAN, DEVINE, CARTER, and BROYHILL.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT AT 2 P.M. TODAY WHILE HOUSE IS IN SESSION

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be allowed to sit at 2 o'clock this afternoon while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

TO AMEND FEDERAL ELECTION CAMPAIGN ACT OF 1971 TO EXTEND AUTHORIZATION OF APPROPRIATIONS FOR FEDERAL ELECTION COMMISSION FOR FISCAL YEARS 1976 AND 1977

Mr. DENT. Mr. Speaker, by direction of the Committee on House Administration, I call up the bill (H.R. 7950) to amend the Federal Election Campaign Act of 1971 to extend the authorization of appropriations for the Federal Election Commission for fiscal years 1976 and 1977, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ARMSTRONG. Mr. Speaker, reserving the right to object, I would like to explain to the Members that when this unanimous-consent request was presented yesterday, for reasons which I explained at that time, I was constrained to object.

I will not object today, but I would like to take a moment to explain to the House the procedures which I am informed will be followed in consideration of this bill under the unanimous-consent request.

In discussions with the chairman of the committee and the Parliamentarian, it is my understanding that if the unanimous-consent request is granted the House will then consider the bill without general debate. However, any Member, I am advised, may obtain time to debate the bill by making a pro forma amendment to strike the last word, and substantive amendments will also be in order, I am advised. So, with that understanding, and with the intention to discuss the bill and offer an amendment, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the title of the bill.

The Clerk read the bill as follows:

H.R. 7950

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 320 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439c) (hereinafter in this Act referred to as the "Act") is amended by inserting immediately before the period at the end thereof the following: ", and not to exceed $5,188,000 for the fiscal year ending June 30, 1976, and for the period July 1, 1976, through September 30, 1976, $1,300,000, and not to exceed $1,300,000 for the three-month period from October 1, 1976, through December 31, 1976, of fiscal year 1977.".

Sec. 2. (a) (1) Section 301(f) (4) (D) of the Act (2 U.S.C. 431(f) (4) (D)) is amended by striking out "do" and inserting in lieu thereof "does".

(2) Section 301(f) (4) (F) of the Act (2 U.S.C. 431(f) (4) (F)) is amended by striking out "or" at the end thereof.

(b) Section 304(a) (1) (C) of the Act (2 U.S.C. 434(a) (1) (C)) is amended by striking out the colon immediately before "except" and inserting in lieu thereof a comma.

(c) Section 307 of the Act (2 U.S.C. 437) is amended by striking out "Federal Election".

(d) Section 311(a) (10) of the Act (2 U.S.C. 437d (a) (10)) is amended by striking out "311(a) (1)" and inserting in lieu thereof "316(a) (1)".

Sec. 3. Section 591(k) of title 18, United States Code, is amended by striking out "established under" and all that follows through "of 1971".

Sec. 4. (a) Section 9012(c) (3) of the Internal Revenue Code of 1954 (relating to unlawful use of payments) is amended by inserting "or paragraph (2)" immediately after "paragraph (1)".

(b) Section 9032 of the Internal Revenue Code of 1954 (relating to definitions) is amended by striking out "For Purposes of This Chapter—" and inserting in lieu thereof "For purposes of this chapter—".

The **SPEAKER**. Does the gentleman from Pennsylvania (Mr. Dent) desire to be heard under the 5-minute rule at this moment?

Mr. **DENT**. Mr. Speaker, not at this time.

The **SPEAKER**. Does the gentleman from Colorado (Mr. Armstrong) desire to be heard under the 5-minute rule?

Mr. **FRENZEL**. Mr. Speaker, I, too, desire to be heard after the gentleman from Colorado.

Mr. **ARMSTRONG**. Mr. Speaker, I am somewhat in doubt. It does seem to me the proponents of the bill ought to take some time to explain the purposes of the bill. I do have an amendment that I will offer, but it seems a more orderly process that they should first take the floor and give the Members the benefit of that explanation.

Mr. **FRENZEL**. Mr. Speaker, I move to strike the last word.

Mr. Speaker, the bill H.R. 7950, which is now before the body by a unanimous consent request, is the authorization for fiscal year 1976 for the Federal Election Commission.

The request of the Commission itself was far in excess of the bill which this committee and the subcommittee has approved. The actual amount requested by the Commission was about twice as much as is before the House in H.R. 7950.

The Senate has already passed an authorization bill which exceeds H.R. 7950 by about 100 percent. It is the intention of your subcommittee to go into the conference and to attempt to hold to the position of the House, which is, I think, the position of frugality and reasonableness.

We urge the House to pass this bill forthwith without amendment, because we feel that the budget which we are supporting today is the bare minimum that is needed by the Federal Election Commission to carry out its duties under most normal circumstances.

It is true that with a new Commission very few people are really in position to know exactly how much money is going to be required to carry out their duties. There is a Supreme Court case, or what will be a Supreme Court case pending that may add or subtract duties for this Commission. We simply do not know. But there are many new duties for the new Commission, and it is my belief that this is the very least amount that the Commission can accept and carry out the duties which we as the Congress mandated last year.

There are many Court cases pending. We do not legislate in anticipation of possible Court decisions, and we should not do so here. As a matter of fact. The only Court decision announced so far, gives the FCC new jurisdiction over illegal corporate contributions.

I hope that the bill will be passed.

Mr. **ANNUNZIO**. Mr. Speaker, will the gentleman yield?

Mr. **FRENZEL**. I yield to my colleague, the gentleman from Illinois (Mr. Annunzio).

Mr. **ANNUNZIO**. Mr. Speaker, I want to congratulate my colleague, the gentleman from Minnesota (Mr. Frenzel) on his fine statement, and to associate myself with his remarks.

The gentleman touched upon the Buckley case in the Supreme Court, and the fact that the Court will act soon on some matters that pertain to the Commission that are pending before that Court. As a member of the Committee on House Administration I want to assure my colleagues that the committee will take oversight of the functions of the Federal Election Commission to the extent that the Court finds the commission constitutional. If their duties are curtailed, or lessened, your Committee on House Administration will take appropriate action to cut down the authorization for expenditures.

So again I congratulate the chairman of the Subcommittee on Elections, the gentleman from Pennsylvania (Mr. Dent) for doing an outstanding job in cutting the budget in this instance, and the gentleman from Minnesota (Mr. Frenzel) for the efforts that he has made to bring this legislation to the floor of this House, and that it has gotten to the point it has where we are now submitting an authorization for appropriations to enable the commission to operate.

Mr. **FRENZEL**. Mr. Speaker, I thank the gentleman from Illinois.

Mr. **BAUMAN**. Mr. Speaker, will the gentleman yield?

Mr. **FRENZEL**. I yield to the gentleman from Maryland.

Mr. **BAUMAN**. Mr. Speaker, I would like to ask the gentleman from Minnesota (Mr. Frenzel) why, with the Supreme Court case pending which might invalidate in large part the statute which created this commission, the committee feels constrained to recommend funding for 18 months. Why not limit it to a period of, say, 6 months, during which time the Supreme Court is likely to rule, and after which ruling the Congress could address itself, if needed, to a further continuation of funds? Why does the committee feel that it must go on for a year and a half?

Mr. **FRENZEL**. The reason is that this commission has been operating on a 2-month authorization. It has great difficulty hiring employees. If we are obliged to go on a 6-month authorization, it is my best judgment that the commission will not be able to hire the kind of professional, competent employees that are necessary because they will not have the assurance that they will be able to perform their duties. There are literally thousands of Supreme Court cases pending, the judgments on which could change the needs of many of our departments. We do have the assurance, we believe, of the Commission that it will operate in a frugal way, and we particularly have the assurance of the gentleman from Pennsylvania (Mr. Dent), and the gentleman from Ohio (Mr. Hays), that they will oversee. I think if we have any confidence in the commission, in the committee, that it is not necessary to go to 6 months.

Mr. **BAUMAN**. Does the gentleman know when the Supreme Court is likely to rule? Is it in September?

Mr. **FRENZEL**. It is our hope that we will have a ruling in September.

Mr. **BAUMAN**. I thank the gentleman.

Mr. **FRENZEL**. Mr. Speaker, I yield back the balance of my time.

AMENDMENTS OFFERED BY MR. ARMSTRONG

Mr. **ARMSTRONG**. Mr. Speaker, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. Armstrong: On page 1, strike all of lines 7, 8, and 9 and insert the following: "exceed $2,594,000 for the period ending December 31, 1975".

And on page 2, strike all of lines 1 and 2.

Mr. **ARMSTRONG**. Mr. Speaker, I ask unanimous consent that the amendments be considered en bloc.

The **SPEAKER**. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. **ARMSTRONG**. Mr. Speaker, I have grave reservations about the wisdom of the election campaign legislation which was passed during the waning days of the last session. In my judgment, this legislation was unwise and in many respects is likely to be declared unconstitutional. It is not my purpose today, however, to argue either the legal or policy implications of that bill. But I direct the attention of the House to certain specific pending legal actions which bear on the authorization before us.

Mr. Speaker, for the benefit of those who are interested in the underlying policy issues, I have inserted extensive material in yesterday's Congressional Record. I have also inserted certain legal briefs related to the legal controversy about the Federal Election Commission. It comes down to this. A distinguished group of plaintiffs representing, I believe, the complete philosophical and ideological spectrum from right to left, has filed a complaint in which they allege that the Commission has been invalidly constituted, that the way in which this commission is established violates the separation of powers and due process of law.

There is also in yesterday's Record the brief of the defendant Attorney General in which he says in effect, yes, that is right; there is very serious doubt that the Commission has been validly constituted.

It is not my purpose to dispose of this issue conclusively, and what I have given the Members just now is certainly not intended as a balanced discussion on the legal issues involved. I bring it up only to indicate that there is a very, very strong possibility that the Commission will be invalidated within the next three or four months, the commission itself, not just its functions, the very structure for which we are now asked to authorize 18 months of appropriations.

Under that circumstance, under the condition where a very serious doubt has been raised about a creature of this Congress which is expected to resolve election campaign disputes in the next election campaign, it seems to me to be the height of folly to bring this issue back before the Congress in an untimely fashion.

Therefore my amendment simply reduces the term of this authorization from 18 months to approximately 6 months and makes the expiration date December 31, 1975, and in accordance with that reduced term the amount of the suggested authorization is reduced to $2.594 million, in effect taking a rate of spending suggested in the committee bill—although to my own taste it could be a great deal less because this is a very lavish rate of expenditure. But it is not my purpose to argue such policy measures but only to suggest that by taking this amendment we will have this question back in our laps before this session ends so we can grapple with the Supreme Court decision and reconsider this matter maybe sometime this fall, perhaps early September. I therefore renew my call for adoption of this amendment.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, since this Commission affects every Member of this House in its potential rulings, is the gentleman genuinely concerned we are over-authorizing in this particular resolution?

Mr. ARMSTRONG. Yes, I am. My concern with the overauthorization is both for the level of spending, which I do not address in this amendment, although I think it should be much less, but I am not going into that issue here. I am trying to narrow the policy down to the one question of when this matter should come again before us. It seems foolish to put that off until after the next election.

Mr. ROUSSELOT. I would like to ask my colleague, the gentleman from Pennsylvania, if he could assure us that if the court decisions do in effect go to the legality of the Commission and/or its rulings, the House Administration Committee will in effect move to shut off funding or whatever additional funding might be required?

Mr. DENT. If the gentleman will yield, we will of course have to review the effect of any court decisions on the existence of this particular Commission as well as on what we might have to do by way of amendments to meet the requirements of the Supreme Court decision. They, as the gentleman knows, have set aside any particular activity in that area of the petition before the Supreme Court at this time.

Mr. ROUSSELOT. I appreciate the gentleman's comment.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I think it is fair to point out if the court should rule—and God knows, I do not know, what they are going to do—that the Commission is unconstitutional, then it automatically is out of business and we revert back then to the previous law which has the Clerk of the House and the Clerk of the Senate and the General Accounting Office. Obviously if the Commission is declared unconstitutional, it could not spend any more money and we would then have to appropriate some additional funds for the Clerk of the House and the Clerk of the Senate and the General Accounting Office.

As far as the level of spending is concerned, I think the Members ought to know that I do not know of any other Government bureaucracy that has ever come in before an authorizing committee and asked for x number of dollars and had the amount cut exactly in half or a little bit more. I think we have done a pretty good job.

I have personally told the Commission not to come back for any more in a continuing resolution, that they should not think they can go on and spend whatever they want and then come in and get a deficiency appropriation. I told them just not to do that because as far as I am concerned I have told them the ball game will be over for them as soon as they spend all this money.

Mr. ROUSSELOT. And the gentleman from Pennsylvania and the gentleman from Ohio intend to fight in the conference for just that level?

Mr. HAYS of Ohio. I think so, and our track record is pretty good.

Mr. ARMSTRONG. It is true of course if the Supreme Court should rule and we have a decision on all the issues, the Commission would be out of business. But plaintiffs have asked for relief from many sections of this bill, and it is possible the Court will rule on some parts of the law and not on others. If the situation is dramatically changed by the ruling, as I expect it will be, then the matter will come up again. It will be brought back to us automatically simply by expiration of the authorization itself. Therefore my amendment is needed.

Mr. DENT. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I just want to say that I oppose the amendment, of course. It is impractical to appropriate for 6 months, especially in a new body that has no ongoing experience.

First of all, I doubt if they could get the caliber of employees they need with the assurance it would only be for 6 months and then have to go through the trial of a House passage of additional authorization of appropriations.

In the second place, what do they do 30 days before the money runs out in the 6-month period? Do they plan for everybody to be off the payroll? If the House happens to be adjourned or in recess during that part of the year. In the latter part of December the House would probably be adjourned to a date certain.

Another important consideration is that this committee, for the first time in an authorization of appropriations bill they will have to report in 6 months. We have serious intent to determine whether they are spending on a percentage of an 18-month expenditure authorization.

I do not know of any other committee that has come before the House Administration, the same as the gentleman from Ohio (Mr. HAYS) said, that has had this kind of treatment and had to prove every point and had to justify every cent.

I say to the House, do not send this committee to a conference with the Senate with $2,954,000 to fight against the same type of an appropriation of $15 million from the very generous Senators. Give us something to work with.

Mr. Speaker, I hope the amendment will be voted down.

Mr. BAUMAN. Mr. Speaker, I move to strike the requisite number of words.

I would like to ask a question of the gentleman from Colorado (Mr. ARMSTRONG). As I read the amendment, you are not seeking to reduce the amount of money overall from $7 million, but only apportioning one-third of that amount to a 6-month period; so the gentleman is not cutting the amount of money that the committee asked only reducing the time period; is that correct?

Mr. ARMSTRONG. Mr. Speaker, the gentleman is correct.

I swallowed hard before making the decision because I think the level of spending in this bill is excessive. It is lavish. It is twice as high as any regulatory authority previously has spent; but it seemed proper to me to present only a single issue and not confuse it with my views the level of spending.

So the gentleman is correct. My amendment allows spending at the same rate as recommended by the Committee on House Administration.

Mr. BAUMAN. Mr. Speaker, I would only add, the suggestion the gentleman from Pennsylvania (Mr. DENT) has made that this amendment causes uncertainty to the prospective employees or commission staff is mistaken. There could not be any greater uncertainty to which these people can be subjected than that the Supreme Court may rule that the Commission and the statute which authorizes it is unconstitutional. That is something this House cannot control. As one who opposed the original statute, I hope the suit prevails and the Court does rule it unconstitutional.

This amendment is exactly as the gentleman from Colorado says. It provides a prudent funding level for a commission now under a court challenge that has been made by plaintiffs right across the political spectrum. The amendment provides this House a guarantee that before the end of the year we will be back here to consider this issue after the Supreme Court rules.

Mr. Speaker, this is a far more prudent approach. The other body can do what it will as far as their willingness to give away $15 million, but this House ought to establish in this amendment its position and stand by it.

The SPEAKER. The question is on the amendment offered by the gentleman from Colorado (Mr. ARMSTRONG).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ARMSTRONG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 72, nays 340, answered "present" 2, not voting 19, as follows:

[Roll No. 316]

YEAS—72

Abdnor
Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Bennett
Broyhill
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Crane
Daniel, R. W.
Davis
Derwinski
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Fithian
Forsythe
Fountain
Frey
Gilman
Goldwater
Goodling
Grassley
Hammerschmidt
Hastings
Hébert
Hefner
Holland
Jeffords
Jenrette
Johnson, Colo.
Kasten
Kelly
Kemp
Ketchum
Levitas
Lott
Lujan
McClory
McCollister
McDonald
McKinney
Martin
Michel
Miller, Ohio
Moore
Nichols
Quillen
Robinson
Rousselot
Santini
Sarasin
Satterfield
Schulze
Shuster
Spence
Steelman
Symms
Treen
Wampler
Whitehurst
Whitten
Wydler
Young, Fla.

NAYS—340

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Chappell
Chisholm
Clancy
Clay
Cleveland
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
de la Garza
Delaney
Dent
Derrick
Devine
Dickinson
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Gradison
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hightower
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Sarbanes
Scheuer
Schneebeli
Schroeder
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Whalen
White
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

ANSWERED "PRESENT"—2

Broomfield
Steiger, Wis.

NOT VOTING—19

Burke, Fla.
Cederberg
Collins, Ill.
Dellums
Diggs
Flynt
Hansen
Henderson
Jones, Ala.
Mollohan
O'Hara
Price
Slack
Solarz
Steiger, Ariz.
Weaver
Wylie
Young, Alaska
Young, Tex.

So the amendment was rejected.

The Clerk announced the following pairs:

Mr. Price with Mr. Cederberg.

Mr. Flynt with Mr. O'Hara.

Mr. Dellums with Mr. Slack.

Mr. Diggs with Mr. Solarz.

Mr. Henderson with Mr. Steiger of Arizona.

Mr. Weaver with Mr. Wylie.

Mr. Burke of Florida with Mr. Young of Alaska.

Mr. Jones of Alabama with Mr. Young of Texas.

Mrs. Collins of Illinois with Mr. Mollohan.

The result of the vote was announced as above recorded.

Mr. DENT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. DENT. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 1434) to extend the authorization for the Federal Election Commission, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 320 of the Federal Election Campaign Act of 1971, as amended (2 U.S.C. 439c), is amended by inserting the following immediately after "1975": "and not to exceed $15,000,000 for the period ending December 31, 1976".

Passed the Senate June 18 (legislative day, June 6), 1975.

MOTION OFFERED BY MR. DENT

Mr. DENT. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DENT moves to strike all after the enacting clause of the Senate bill (S. 1434) and insert in lieu thereof the provisions of H.R. 7950, as passed, as follows:

That section 320 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439c) (hereinafter in this Act referred to as the "Act") is amended by inserting immediately before the period at the end thereof the following: ", and not to exceed $5,188,000 for the fiscal year ending June 30, 1976, and for the period July 1, 1976, through September 30, 1976, $1,300,000, and not to exceed $1,300,000 for the three-month period from October 1, 1976, through December 31, 1976, of fiscal year 1977.".

SEC. 2. (a) (1) Section 301(f) (4) (D) of the Act (2 U.S.C. 431(f) (4) (D)) is amended by striking out "do" and inserting in lieu thereof "does".

(2) Section 301(f) (4) (F) of the Act (2 U.S.C. 431(f) (4) (F)) is amended by striking out "or" at the end thereof.

(b) Section 304(a) (1) (C) of the Act (2 U.S.C. 434(a) (1) (C)) is amended by striking out the colon immediately before "except" and inserting in lieu thereof a comma.

(c) Section 307 of the Act (2 U.S.C. 437) is amended by striking out "Federal Election".

(d) Section 311(a) (10) of the Act (2 U.S.C. 437d(a) (10)) is amended by striking out "311(a) (1)" and inserting in lieu thereof "316(a) (1)".

SEC. 3. Section 591(k) of title 18, United States Code, is amended by striking out "established under" and all that follows through "of 1971".

SEC. 4. (a) Section 9012(c) (3) of the Internal Revenue Code of 1954 (relating to unlawful use of payments) is amended by inserting "or paragraph (2)" immediately after "paragraph (1)".

(b) Section 9032 of the Internal Revenue Code of 1954 (relating to definitions) is amended by striking out "For Purposes of This Chapter—" and inserting in lieu thereof "For purposes of this chapter—".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 7950) was laid on the table.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE REPORT ON H.R. 8030

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on the bill (H.R. 8030) to provide a temporary increase in the public debt ceiling.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860), with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, title V of the bill was open to amendment at any point.

Are there amendments to title V?

AMENDMENT OFFERED BY MR. PEPPER

Mr. PEPPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PEPPER: Page 107, strike out lines 21 and 22 and insert the following:

"(C) qualified coal processing equipment,

"(D) a qualified coal pipeline,

"(E) qualified deep mining coal equipment, or

"(F) qualified coal-burning equipment.

Page 109 insert after line 3 the following:

"(6) QUALIFIED DEEP MINING COAL EQUIPMENT.—The term 'qualified deep mining coal equipment' means any machinery or equipment or structural component of a coal mine which is of a character subject to the allowance for depreciation and which is necessary—

"(A) to reach the coal,

"(B) to extract the coal, or

"(C) to bring the coal to the mouth of the mine.

Such term does not include any property used in the surface mining of coal.

"(7) QUALIFIED COAL-BURNING EQUIPMENT.—The term 'qualified coal-burning equipment' means any machinery or equipment (of a character subject to the allowance for depreciation) for the production of electrical power which uses coal as its principal fuel or for the conversion of an electrical power generating facility which uses petroleum or petroleum products as a fuel to the use of coal."

Page 109, line 4, strike out "(6)" and insert in lieu thereof "(8)".

Mr. PEPPER. Mr. Chairman, I offer this amendment for myself and Mr. MURPHY of Illinois and Mr. DENT of Pennsylvania. There are two parts to this amendment. The first part allows the usual amortization which is allowed in the bill for expenses incurred in producing a substitute for petroleum as the source of energy to those who expend their money in the purchase of equipment necessary to reach into the bowels of the earth and find coal, and bring it out to the surface of the mine.

In other words, to open new coal mines or to increase the production of mines already in operation.

This provision and this amendment were embodied in the original bill that was introduced by the distinguished chairman of the Committee on Ways and Means, which committee voted adversely against the amendment in the course of its consideration of the bill, and it is not in the bill that is now before the Committee of the Whole.

The second part of the amendment would authorize the usual 5-year amortization which is carried in this bill for other alternative energy sources for petroleum products the cost in converting a plant designed to produce electricity from the use of petroleum products to the use of coal.

In other words, the whole amendment is for the purpose of providing an incentive to private enterprise and, in the latter part of the amendment, to public utilities, to convert from the use of petroleum to the use of coal.

I am pleased to advise the Members that the National Coal Association and the United Mine Workers of America both endorse this whole amendment which I have offered.

Mr. Chairman, I think all of us realize that we have got to meet in some way the energy crisis now facing the country. We must recognize that coal, as so many others have said here on this floor, is the most available alternate source of energy for petroleum today.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the able gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I just want to say that I support the amendment offered by the gentleman from Florida. Coming from the fourth largest coal producing State in this country, and having 90 percent of that in my district, I can say to the gentleman from Florida that to my certain knowledge I do not know of a single new deep coal mine being developed in this whole country at this moment. The reason is because of the risk of a drop in the price of oil, so that they could not get their money back. If we are going to get them to go into the production of coal and have them approach this through the deep coal mines where 90 percent of the coal is, we will have to offer incentives of this kind even though it will cost some loss in taxes, but this is one of the things that will get them willing to put venture capital into this kind of an undertaking.

I thank the gentleman from Florida for yielding.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the able gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I support the amendment offered by the gentleman from Florida. Yesterday we had quite a debate on the desirability of encouraging more coal production. This is one of two alternative supplies. This is a very worth while amendment, and it is certainly a necessity. I hope the amendment carries

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr PEPPER. I yield to the able gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I am concerned about the cost of this amendment. I wonder whether we can get some estimates on this?

Mr. PEPPER. To be perfectly frank with the gentleman from Ohio, I do not know what it would cost, or what the other exemptions included in this bill would cost, either.

The bill now before the Committee of the Whole contains exemptions, including the 5-year amortization provision for qualified coal processing equipment. I do not know what that would cost. It would depend on how much there was.

Another provision in the bill is for qualified coal pipelines, and in other parts of the bill there is included in the amortization section a provision for railroad equipment of various kinds. I do not know what that would cost. I do not know what other tax concessions provided into the bill would cost, but today we must remember the important consideration is not money but saving fuel in this country and finding an alternative source to petroleum products.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the distinguished gentleman from Ohio.

Mr. HAYS of Ohio. I thank the gentleman for yielding.

I would like to say to my friend, the gentleman from Ohio, that I do not think there is any real way to estimate how much it will cost, because I do not know whether even this amendment will stimulate the investment that needs to be made in deep-coalmining equipment and machinery. It is very expensive to open a deep mine today. Everything is done by machine. The belt conveyors, the mining machines, run—some of them—a million dollars apiece, and I do not know if even this will stimulate the activity.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. HAYS of Ohio, Mr. PEPPER was allowed to proceed for 2 additional minutes.)

Mr. HAYS of Ohio. If the gentleman will yield further, I think it is worth the risk to make the test to see if we can get this conversion started, because it really is not being done on the scale it should be, and the mining industry is not going to deep-mine, as they ought to be doing, because they are just afraid to risk their venture capital.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the distinguished gentleman from Ohio.

Mr. VANIK. I thank the gentleman for yielding.

I want to say to my colleague that I support the other provisions that would stimulate the production of coal and equipment. We know what the cost of some of these things is, but I think we ought to have a figure, if it can be developed through committee staff, as to what we are talking about here in revenue loss.

Mr. HAYS of Ohio. It really depends, I will say to the gentleman from Ohio—if the gentleman will yield further—on whether or not this amendment stimulates people to go into the deep-mining business on a larger scale.

Mr. PEPPER. Mr. Chairman, I simply want to give the committee the benefit of this information that I obtained this morning. It comes from the Federal Power Commission in its advisory report filed last October. It now costs, according to this information, this report, $25 an annual ton produced to open a deep mine. In other words, if one opens a mine that will produce 1,000,000 tons of coal a year, it will cost $25 million to do it.

Yesterday the able gentleman from West Virginia (Mr. HECHLER) spoke about the big profits which the present operators of coal mines are making. Yes, they already have coal mines. But if one had $10 million or $25 million, with the uncertainty of the coal output in the future being burned on account of EPA requirements, and the possibility that the Arabs may reverse their oil policy and make petroleum cheap, would he want to invest it in opening a new deep coal mine? Unless we can give some incentive to offset some of the risks that they would incur in opening these new mines, we are not going to get them opened. Remember, it takes 5 years from now, if they start today, before they can get these deep coal mines operating.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the able gentleman from Ohio.

Mr. HAYS of Ohio. I thank the gentleman for yielding.

The big profit in coal mining today is being made in strip mining. Anybody can open a strip mine in a shallow seam in Ohio with a couple of bulldozers and contract with somebody to haul it to a powerplant. But I know one of the "big 10" in the coal production that is producing most of their coal under a cost-plus contract with the power company, and they are guaranteed all the way to 25 cents a ton profit. That company is not making very much money. In fact, they made more last year from investments than they made from mining coal.

The members do not think they have got any incentive to put their capital, what they have got, into a mine like we are talking about where it will take $25 million to open it, and with that kind of a profit get it back? They are not going to do it.

Mr. PEPPER. Mr. Chairman, the second part of my amendment relates to allowing the utility companies that convert from the use of petroleum to the use of coal to amortize such cost in 5 years. I have got the figures here and only 80 percent of the present electric utility plants in the country are subject to conversion to the use of coal, from the National Power Commission report, it would cost $1,200,000,000 for these electric utilities to convert from petroleum to coal. For example, I found out this morning that the New England Electric Co. has three plants with seven units. These plants with their seven units were converted from oil to coal, and then because of EPA restriction and other reasons they had to reconvert to oil. They said it would cost them $200 million to reconvert now to coal.

If we do not give those people some help, I do not think they are going to make these conversions.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. ULLMAN, Mr. PEPPER was allowed to proceed for 2 additional minutes.)

Mr. ULLMAN. I want to say frankly the committee considered both of these matters but did not approve them. But I understand personally what the gentleman is trying to do and I fully agree with him insofar as deep coal mining is concerned. I think he has a valid point. One of the problems we have is that the biggest revenue effect is in the portion of the amendment giving 5-year amortization to utility plants which convert to coal-burning equipment. If the two features could be separated I personally would have no problem at all with the deep coal mining. Does the gentleman feel he would have to retain the second part of the amendment?

Mr. PEPPER. I would gladly accept the modification. If the gentleman could take the first part of the amendment, then I could offer the second part separately.

Mr. ULLMAN. Does the gentleman have a second amendment?

Mr. PEPPER. Yes.

Mr. Chairman, I ask unanimous consent to modify my amendment so that only the first part would be before the Committee at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. CORMAN. Mr. Chairman, I reserve the right to object. May I inquire now, is the consent requested to withdraw this amendment and to offer a different one or to change this amendment?

Mr. PEPPER. As of this time I have another form of it. I want to modify my amendment which is now before the House so it relates only to the equipment necessary to the opening of or enlarging of deep coal mines.

Mr. CORMAN. But that has already been printed in the RECORD?

Mr. PEPPER. Yes.

Mr. CORMAN. I withdraw my reservation of objection.

Mr. STEIGER of Wisconsin. Mr. Chairman, reserving the right to object, am I to understand the request of the distinguished and able member of the Rules Committee is to withdraw his amendment so another amendment may be offered?

Mr. PEPPER. No, only to modify it. The amendment contains two parts. The first part relates to equipment necessary to open a deep coal mine or increase the production of an old mine and the second part relates to amortization of expenses necessary to convert. I am asking leave to modify my amendment so as to eliminate consideration of the second half of the amendment so it will relate only to deep coal mines.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, what the gentleman from Florida is really doing is dividing the question so there will be a separate vote on the amortization of deep coal mining equipment only, deep coal mining only, and then another vote later on on the amortization of equipment necessary to convert electrical utilities plants from oil to coal.

Mr. STEIGER of Wisconsin. Mr. Chairman, I do not agree with that part of it because if the request of the gentleman from Florida is granted, the second part of the amendment is out.

Mr. ULLMAN. He is going to offer it later as a second amendment.

Mr. STEIGER of Wisconsin. My point now is to ascertain whether the first part of the amendment the gentleman from Florida would ask to change is very similar as I understand it to that part of the original Ullman bill which the Committee on Ways and Means did not agree to.

Mr. PEPPER. That is correct.

Mr. STEIGER of Wisconsin. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DENT. Mr. Chairman, I rise in support of the amendment.

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, perhaps we can get an agreement on time.

Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DENT. Mr. Chairman, I only wanted to give the Members some cost figures and estimates. A question was asked as to just what the amount would be and what moneys would be involved. We have on planning boards in the States of Pennsylvania and part of West Virginia and some part of Kentucky now with one of the large coal operators in the United States plans and they were kind enough to let me discuss their plans with them. We will have 46 new deep mines in operation in the next 10 years. Sixteen of them are steam and five metallurgical that I know of planned for Virginia and West Virginia. There may be two steam and eight metallurgical in Kentucky and Virginia.

These mines together will produce in the first year of full operation 59 million tons of coal, adding up in 10 years time to 124 million extra tons, which we will require in 1985.

What the 5-year amortization does, it gives them a chance to start on five different mines at one time and by the second year having some amortization money allowances, they will be able to start in the next five.

They say that if this Congress will give them this type of legislation today, that they will have all 10 mines in production in the 10th year. Without that, we are still going to be short—I mean, with the 46 mines we are putting in stream, we are still going to be short 200 new mines in the next 10 years.

So Pennsylvania, West Virginia, Virginia, and so forth, are going to provide one-fifth of the needed requirements for energy. In this group of 46 mines are 12 mines that are being built for conversion to gas and oil out of coal right on the site.

Mr. Chairman, I believe this is a very fair amendment which we require at this time.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for 1 minute each.

The Chair recognizes the gentleman from Virginia (Mr. WAMPLER).

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Florida.

MOTION OFFERED BY MR. PEPPER

Mr. PEPPER. Mr. Chairman, I move that my amendment, which embraces two subjects, be divided and the first subject, qualified energy use property to deep mines, be voted on first, and the second part be voted on second.

Mr. CORMAN. Mr. Chairman, reserving the right to object, and I will object unless there is a separate printed amendment to cover just this portion. If I may explain to the gentleman, the reason we adopted this rule was so that we could get accurate revenue estimates on each proposal.

I have not been able to find an accurate revenue estimate on that portion the gentleman wants to vote on first, because as I understand, it was not put in as a separate amendment.

I am very reluctant to object, but I would, because it was the whole purpose of adopting this kind of rule so that each amendment might be analyzed by the staff and get a revenue estimate on each amendment.

The CHAIRMAN. The Chair would state that the gentleman from Florida (Mr. PEPPER) has the right to demand a division of the question. It does not take unanimous consent. That is the gentleman's prerogative and he has made that request. The amendment is divisible.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FRENZEL. Mr. Chairman, I would like, if possible, to have the Clerk read to us how the amendment is divisible. There are, in fact, three parts to the amendment, as I read it.

Second, I would like to know what it is we are dividing and in what way.

The CHAIRMAN. Without objection, the Clerk will read the first part of the amendment.

The Clerk read as follows:

Page 107, strike out lines 21 and 22 and insert the following:

"(C) qualified coal processing equipment,

"(D) a qualified coal pipeline,

"(E) qualified deep mining coal equipment, or

"(F) qualified coal-burning equipment.

Page 109 insert after line 3 the following:

"(6) QUALIFIED DEEP MINING COAL EQUIPMENT.—The term 'qualified deep mining coal equipment' means any machinery or equipment or structural component of a coal mine which is of a character subject to the allowance for depreciation and which is necessary—

"(A) to reach the coal,

"(B) to extract the coal, or

"(C) to bring the coal to the mouth of the mine.

Such term does not include any property used in the surface mining of coal."

Mr. WAMPLER. Mr. Chairman, I rise in support of the amendment, and commend the distinguished gentleman from Florida for offering it.

The district which I represent in Virginia is a major coal producing area. Coal is the one fossil fuel we have in abundance in this country. The House has recently considered the controversial question of surface mining, but I think here is an amendment which all of us who represent coal producing areas can support.

We need, to the extent that we can, develop the potential to produce coal in this country, either surface or deep mined. I think this is the proper approach to take, to give incentives to the coal industry to develop the capacity to produce this important fuel.

Therefore, Mr. Chairman, I rise in support of the entire amendment offered by the gentleman from Florida.

The CHAIRMAN. The Chair now recognizes the gentleman from California (Mr. CORMAN).

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Ohio.

PARLIAMENTARY INQUIRY

Mr. HAYS of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HAYS of Ohio. Mr. Chairman, has the question been divided?

The CHAIRMAN. The question has been divided.

Mr. HAYS of Ohio. I thank the Chair.

Mr. CORMAN. Mr. Chairman, I have no objection to the portion of this amendment which goes to deep mines. That will be a negligible revenue loss. The other part of the amendment would cost $2.3 billion by 1980. It would go primarily to very large utility companies which not only do not pay taxes now, but can peddle off their tax shelters through leasing to other investors, and we wind up with a large class of nontaxpaying people.

This will amount to $2.3 billion. That is an awful lot of taxes, and that makes a lot of tax free millionaires. I hope the second part of this amendment will be defeated.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to my colleague from California.

Mr. MILLER of California. Mr. Chairman, this is not directly the proposal the President talked about that will come before the gentleman's committee in dealing with taxation? The genleman will be considering that later on a package basis, a comprehensive basis?

Mr. CORMAN. That is correct.

Mr. MILLER of California. Without trying to do it here?

Mr. CORMAN. I would never do it, now or later.

The CHAIRMAN. The Chair now recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the majority for allowing me to borrow their microphone.

PARLIAMENTARY INQUIRY

Mr. STEIGER of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STEIGER of Wisconsin. Can I inquire of the Chair to respond more explicitly to the question asked by the gentleman from Minnesota? How are we dividing what appears to me to be an almost indivisible amendment? Did I understand the Chair correctly to say that what the Clerk reported is the first division of the amendment?

The CHAIRMAN. The gentleman is correct. The amendment is divisible under the rules of the House. The gentleman from Florida (Mr. PEPPER) has the right to make a request for a division of his amendment.

Mr. STEIGER of Wisconsin. I appreciate the Chair's response to that question.

Mr. Chairman, I respectfully say that I think that this becomes somewhat more cloudy, and that I oppose the amendment. No matter how I cut this, the decision of the Committee on Ways and Means was to reject what I understand to be this first part of the amendment. We did so on a fairly substantial vote, and we did so because we know this is an unwarranted incentive in an area where the price was already high and the marketplace ought to be its own incentive. I think the amendment is an improper one, and I hope it is rejected.

The CHAIRMAN. The Chair now recognizes the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Chairman, I would like to point out that in the course of our hearings in the Small Business Committee 3 or 4 years ago, we concluded that 29 big utilities in the East converted from coal to oil at a time when plenty of coal was available, and that the biggest impediment to the use of coal is not the availability of coal, it is the fact that users must acquire from EPA—which they cannot get now—a certificate that will permit them to use the new equipment for a stated period of time which coincides with the period over which they can recapture their investment.

So, in the bill that comes out of the Commerce Committee in 2 or 3 weeks, we must have a provision which provides that, when EPA tells them what they must do, they will be able to use that equipment for a stated number of years. If they do everything EPA tells them to do, they must be able to use that equipment long enough to depreciate it.

So I am suggesting that, as much as anything else we do in this month while we are working on energy, if we really want to convert users from oil to coal, we need the second part of this amendment, together with the provisions that need to come out of the Commerce Committee.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. Frenzel.)

Mr. FRENZEL. Mr. Chairman, I do not understand what we are voting on, and I do not understand what we have excised. The gentleman from Florida has a portion in his amendment which relates to qualified vehicle research development equipment. I do not know where that comes. I will say that I agree with the gentleman from California (Mr. Corman) that the fast writeoff for coal-burning equipment for utilities would be a dreadful mistake. I believe we will vote on that second, and I urge everyone to oppose that.

The fast writeoff for deep coal mining is, in my judgment, unnecessary, but it is not as expensive to the Treasury, and so I do not oppose that with the same vigor that I would oppose the second part of the amendment.

I think that, however, in each case, since the FEA already has orders out for utilities to convert from oil to coal, it is simply giving money to people who are going to do these things anyway.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Hays).

Mr. HAYS of Ohio. Mr. Chairman, I can say to the gentleman from Minnesota that what we are voting on is rather simple. It is the exemption of deep-coal-mining equipment.

I think maybe the American people are more perceptive than the Members of Congress. I just saw an in-depth survey this morning, in which a cross section, a comprehensive cross section, of people were asked to state what they perceived to be the most important issues facing the country. And the Members might be interested to know that 38 percent of them said "inflation." Thirty-four percent of them said "unemployment," and I think the Members might like to know how many thought energy was important. Two percent. And for the benefit of some of the Members who are crying about how much this is going to cost, would they like to know how many of them thought Government spending was important? Two percent.

So maybe we ought to focus on one of the things to get the attention of the people, and energy is one of them.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. Simon).

Mr. SIMON. Mr. Chairman and Members of the Committee, I think I rise in support of the amendment, if I read it correctly. And I wonder if the gentleman from Florida will yield for one question?

I buy what the gentleman from Ohio (Mr. Hays) has said, so far as encouraging deep coal operations, and I think the gentleman's amendment goes to that, with one exception, where the gentleman mentions qualified coal-burning equipment.

Mr. PEPPER. If the gentleman will yield, that is in the second part. This is the separate equipment used in respect to the opening or the enlargement of a deep coal mine.

Mr. SIMON. That is on the first page of the gentleman's amendment.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. SIMON. Yes, I yield to the gentleman from Oregon.

Mr. ULLMAN. In order to do what we are purporting to do we will have to agree by unanimous consent to strike subparagraph (F), "qualified coal-burning equipment," from the amendment before us. I have spoken with the gentleman from Florida, and he is in full concurrence that subparagraph (F), "qualified coal-burning equipment," should not be in this amendment. I ask unanimous consent to modify the amendment.

The CHAIRMAN. Is there objection to the modification to the first part of the amendment?

There was no objection.

Mr. SIMON. With that modification, I think the amendment is an excellent amendment, and I support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. Pepper).

Mr. PEPPER. Mr. Chairman, I will just say that all this amendment which is now before the committee does is to give the 5-year amortization provision to the equipment cost necessary for the opening of a deep coal mine or to the enlarged productivity of a mine that is already in existence.

As I said awhile ago, they tell me it takes 5 years to open one of these coal mines, and it cost $25 a ton annually. We can see by that how expensive the cost is to open one of these deep coal mines.

We can see also how this will give an incentive to private industry to make available the coal we need. The President has said we need 250 new mines, and we must give private enterprise the incentive to open and develop those mines.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Schneebeli).

Mr. SCHNEEBELI. Mr. Chairman, yesterday, as the Members will recall, we turned down efforts to delete coal processing equipment from eligibility to 5-year amortization. In other words, we approved their eligibility.

This amendment is entirely consistent with that effort we supported yesterday.

I would also suggest that the Members who are against strip mining particularly should be in favor of this amendment, because it favors deep mining of coal rather than strip mining. This is an area where, as I said before, one of our two alternative supplies of energy applies, and it has all the argument in favor of its approval.

Mr. Chairman, I support the amendment very vigorously.

The CHAIRMAN. The Chair recognizes the chairman of the subcommittee, the gentleman from Oregon (Mr. Ullman) to close debate.

Mr. ULLMAN. Mr. Chairman, as the amendment is now written and as it appears before us, I wish to state that I support the first part of the amendment. I commend the gentleman from Florida for offering it. I think it goes to a very real need. It does provide an incentive for deep coal mining, and this, I think, is absolutely essential.

However, Mr. Chairman, I would hope that the gentleman would not insist on offering the second part of his amendment.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Chairman, I have conferred with the distinguished chairman of the committee. The second part of the amendment has not been before this distinguished Committee; the first part was before the Committee.

If the first part of this amendment is adopted, Mr. Chairman, I shall then ask unanimous consent to withdraw the second part of the amendment.

Mr. ULLMAN. Mr. Chairman, I thank the gentleman, and I urge support of the first portion of the amendment.

The CHAIRMAN. The question is on the first portion of the amendment, as modified, offered by the gentleman from Florida (Mr. Pepper).

The first portion of the amendment, as modified, was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. Pepper).

Mr. PEPPER. Mr. Chairman, I rise to inform the members of the committee that I wish to make a unanimous-consent request relative to the second part of the amendment.

Mr. Chairman, I ask unanimous consent that I may be permitted to withdraw the second portion of my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. SMITH of Iowa. Mr. Chairman, reserving the right to object, as I pointed out a few minutes ago, if the utilities are going to convert from oil back to coal, they are going to have to meet EPA requirements for pollution control equipment. They are going to have to be able to recapture that investment over the same period of time that they are given to use the equipment. It is just that simple. It is not anything that is difficult to understand.

How can that part of the pending amendment not be as important or more important than the part relating to production of coal? I wonder if some Member would please explain that to me.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Chairman, I will say to the gentleman that I conferred with the distinguished chairman of the committee as to the need for this amendment, but it has not been considered by the Committee on Ways and Means. I would hope that the Committee on Ways and Means would consider this and get all the facts together and then give us a chance to consider it later. I am going to have it referred back to the Committee on Ways and Means in order that they may be able to consider it.

Mr. SMITH of Iowa. Mr. Chairman, I will say in answer to the gentleman that I went before the Committee on Ways and Means 2 years ago. I appeared before their Ad Hoc Energy Subcommittee on this issue, so this is not the first time they have considered it.

It is time that we get down to the basics of this problem. There is nothing more important in converting to coal than this issue right here. Even though they tell us that they have not considered this, I submit this issue is much more important than three-fourths of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. SMITH of Iowa. Mr. Chairman, further reserving the right to object, I shall yield to the chairman of the committee.

Mr. ULLMAN. Mr. Chairman, let me just say that the gentleman raises a very important point regarding the environmental considerations, and I think this is going to involve some legislation from other committees in this Congress. It is an important piece of an energy package, but it is one that we do not have jurisdiction over. That matter will have to be considered elsewhere.

One of the reasons we have not gotten into this is that we have not had the long-range environmental factors settled upon, and we need to have an established policy in that area. The administration is bringing up some recommendations on the tax treatment of public utilities within the next few weeks. We are going to look into this. We have already decided that this will be considered to be in the purview of the first phase of the tax reform legislation, and I want to assure the gentleman that this issue will be considered at that time.

Mr. SMITH of Iowa. Is the gentleman saying that the part in his committee will not be put together until the other part of it comes out of the Commerce Committee?

Mr. ULLMAN. No. What I am saying is that we are attempting to work together, and we hope that the Commerce Committee will bring out changes in the environmental standards. Until they do this there can be little effect from the tax incentives for shifting electric power generation from oil or gas to coal.

Mr. SMITH of Iowa. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida (Mr. PEPPER)?

There was no objection.

AMENDMENT OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARCHER: Page 107, line 21, strike out "or";

Page 107, line 22, strike out "pipeline," and insert "pipeline, or";

Page 107, after line 22, insert " '(E) a qualified solar energy manufacturing facility.";

Page 109, after line 5, insert " '(7) QUALIFIED SOLAR ENERGY MANUFACTURING FACILITY.—The term "qualified solar energy manufacturing facility" means a plant including machinery and equipment and any buildings used exclusively to house such machinery and equipment, (of a character subject to the allowance for depreciation), used solely for the manufacture of devices to be used exclusively to convert energy from the sun into electricity or heat, such devices being specifically:

" '(A) photovoltaic cells, and arrays and energy storage equipment thereof, and

" '(B) photothermal panels and energy storage equipment therefor.

In applying subsection (1) to subparagraph (A) of this paragraph, the date "January 1, 1981,' each time it appears shall be read 'January 1, 1986.' "

Mr. ARCHER (during the reading). Mr. Chairman. I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. ULLMAN. Mr. Chairman, reserving the right to object, not knowing what the amendment is, I would have to reserve an objection on that.

The CHAIRMAN. The Clerk will conclude the reading of the amendment.

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk concluded the reading of the amendment.

Mr. ARCHER. Mr. Chairman and members of the committee, whatever the other faults of this bill are, one of its strong points is that it does recognize the tremendous benefit that will result to this country from the development of solar energy.

By the year 2020 the National Science Foundation and NASA, in their projections, have concluded that we could provide 20 percent of the Nation's energy from the sun.

The bill, however, only provides encouragement at the consumer end. But demand for an item does not automatically create the capital that is needed to provide the machinery to produce the item.

These devices, I am afraid, will never be widely purchased with or without a credit until the price can be brought within reach. At the same time, the only way the price can be brought down is by mass production. Therefore, stimulation both at the producer end and at the consumer end is needed.

Mr. Chairman, my amendment would merely broaden the category of recognized qualified energy use property, subject to the 5-year amortization, to include property that will manufacture devices to convert energy from the sun into electricity and heat. The facilities that this amendment adds to the list of items eligible for the 5-year amortization are equally closely related to the production of energy, as is any other item on the list.

These facilities will have no other function than the manufacture of devices which produce energy directly, just as the shale oil conversion equipment produces fuel to produce energy.

Mr. Chairman, I think that this is an essential corrective amendment to the amortization provisions, and I repeat that it would provide a 5-year amortization to that equipment and those facilities which produce solar energy devices.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. Yes, I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I listened to the reading of the amendment. It sounded as though the gentleman were limiting the provisions of his amendment to two processes; is that correct?

Mr. ARCHER. I am limiting it to those things which are the basis for ongoing effort today in the production of solar energy.

Which is photovoltaic cells, and arrays and energy storage equipment thereof, and photothermal panels and energy storage equipment therefor. This is a relatively broad definition which would cover the major ongoing efforts today in the solar energy field.

Mr. EVANS of Colorado. The intent of the gentleman is not to limit this merely to two narrow processes, I hope? I hope the intent of the gentleman is to open this 5-year amortization to a greater area of economically feasible solar conversions or solar energy processes that may develop in the latter part of this year or next year, or the year after. I hope the gentleman is not intending to exclude additional processes which would be competitive with those the gentleman just mentioned.

Mr. ARCHER. I am not sure what other processes might be that might come down the line that would be bona fide and competitive. I would certainly have some reservations to opening this up to all unknown processes and thereby widening the tax writeoff on processes that might not have a potential toward solving the problem. One of the benefits of this amendment is that there is a negligible revenue loss in the next 5 or 10 years.

Mr. EVANS of Colorado. My second question is this: Is there any economic test that a company has to meet in terms of items sold so as to take advantage of the 5-year amortization the gentleman is talking about?

Mr. ARCHER. I am sorry, but I did not hear the gentleman.

Mr. EVANS of Colorado. Do they have

to prove their process is commercially feasible in someone's judgment, and I suppose that would be the judgment of the Internal Revenue Service, before this 5-year amortization would be available?

Mr. ARCHER. There are no terms in the amendment; the amendment stands on its own wording, which is the provision for the devices mentioned therein. There is no further provision for clearance by the IRS.

Mr. ULLMAN. Mr. Chairman, would the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, we have studied the amendment, and we think that the cost would be rather miniscule—although a case can be made for it—but this energy savings resulting from it will also be minor. As far as I am personally concerned, I would have no objection to the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word, and I rise to argue fruitlessly against the amendment.

Mr. Chairman, in earlier sections of the bill we have given what I think are substantial tax credits to purchasers of equipment that will heat and cool by solar energy. There is, of course, a different purpose in the Archer amendment, which would also provide for a fast writeoff for those people who wish to manufacture this kind of equipment, or to develop it.

On the other hand, this is a new industry. As far as I know this is the first time we will ever be giving people a fast writeoff, literally giving them money to start in a new kind of business.

I think all of the Members understand who is going to get into this new kind of business. It will be the energy companies who are now in coal and oil, and who are probably more integrated, and extended through energy lines, than some of us want at this time, but those are the kind of people who can afford to make the expenditures necessary and who will spend the money. And then, under a very fast writeoff procedure, we will give them the chance to get their money back. I do not want to legislate such companies out of their chance to participate in solar energy, but I see no reason for the taxpayers to give them a price for so doing.

It does not really create a market. It will, if these people are ingenious enough, provide something that the people will want to buy. That is the worthy inten- I hope it happens. The problem, of course, is that the financing is accomplished by their future tax credits. In my judgment that is not a good policy, and I intend to vote against the amendment.

Mr. ULLMAN. Mr. Chairman, I wonder if we can reach an agreement on a vote on this amendment?

Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ARCHER).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 25, noes 29.

RECORDED VOTE

Mr. ARCHER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 159, noes 247, not voting 27, as follows:

[Roll No. 317]

AYES—159

Abdnor
Alexander
Anderson, Ill.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Bowen
Brinkley
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collins, Tex.
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, R W.
de la Garza
Dent
Derwinski
Devine
Dickinson
Downing
Duncan, Tenn.
Edwards, Ala.
Emery
Esch
Eshleman
Fish
Frey
Gilman
Ginn
Goldwater
Goodling
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Hefner
Hightower
Hinshaw
Holland
Hyde
Jarman
Jenrette
Johnson, Pa.
Jones, N.C.
Kasten
Kazen
Kelly
Kemp
Ketchum
Krueger
Lagomarsino
Landrum
Latta
Lent
Lloyd, Calif.
Lott
Lujan
McClory
McKinney
Madigan
Mahon
Martin
Mathis
Mazzoli
Melcher
Michel
Milford
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mottl
Murtha
Nichols
O'Brien
Ottinger
Passman
Patman, Tex.
Pattison, N.Y.
Pepper
Pettis
Pickle
Poage
Pressler
Quie
Quillen
Regula
Rhodes
Risenhoover
Robinson
Rogers
Roncalio
Rousselot
Runnels
Santini
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Shriver
Shuster
Simon
Smith, Nebr.
Spence
Stanton, J. William
Steelman
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
Walsh
Wampler
White
Whitehurst
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wright
Wydler
Yatron
Young, Fla.
Young, Tex.

NOES—247

Abzug
Addabbo
Ambro
Ashley
Aspin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Chappell
Chisholm
Clay
Cochran
Conable
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Derrick
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Anderson, Calif.
Andrews, N.C.
Gonzalez
Gradison
Grassley
Green
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Ichord
Jacobs
Jeffords
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Kindness
Koch
Krebs
LaFalce
Leggett
Lehman
Litton
Lloyd, Tenn.
Long, La.
Long, Md.
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mann
Matsunaga
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Andrews, N. Dak.
Annunzio
Moss
Murphy, Ill.
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Patten, N.J.
Patterson, Calif.
Perkins
Peyser
Pike
Preyer
Pritchard
Railsback
Randall
Rangel
Reuss
Richmond
Riegle
Rinaldo
Roberts
Roe
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Sarasin
Sharp
Shipley
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Talcott
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, C. H.
Wolff
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—27

Adams
Biaggi
Brodhead
Burke, Fla.
Collins, Ill.
Diggs
Flynt
Foley
Fulton
Gude
Henderson
Jones, Ala.
Levitas
Mollohan
Price
Rees
Rodino
Sarbanes
Steiger, Ariz.
Stephens
Stuckey
Thompson
Whitten
Wiggins
Wylie
Yates
Young, Alaska

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WAGGONNER

Mr. WAGGONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAGGONNER: Page 105, line 5, strike out "and".

Page 105, line 9, strike out the period and insert in lieu thereof, ", and".

Page 105, insert immediately below line 9 the following new subparagraph:

"(G) in the process of melting, fining, feeding, conditioning, polishing, glazing, coating, annealing, or other industrial finishing of glass manufactured products."

Mr. WAGGONNER. Mr. Chairman, title V of this proposed energy bill is a title which is intended to encourage business conversion, wherein conversion can be accomplished to achieve greater energy savings, and in attempting to bring about energy savings and to require, wherein it is possible, conversion to alternate sources, a tax is proposed to be levied on natural gas, on crude oil and other petroleum products. This excise tax is probably the worst aspect of the bill.

Some rules are laid down to achieve this purpose.

As reported, section 4991 creates an inequitable situation by taxing use of petroleum products as fuel, but not as feedstocks. Some industries which use petroleum as fuel compete with those which use petroleum as feedstock, and for technological reasons these competing industries have no alternative fuel which they can substitute for petroleum. In order to correct this inequity, there should be an exemption from taxation for those industries which cannot switch from petroleum to other fuels for technological reasons. Subpart C of 4992 already recognizes that additional exemptions may be necessary where it is not economically feasible to switch from petroleum products; technological feasibility is just as important, it is narrower and much more capable of objective measurement than economic feasibility as a basis for exemption.

For certain process steps of forming and annealing, such as in the lehrs and forehearths, a gaseous fuel which provides a controlled flame is essential—that is natural gas or propane. In the melting process, natural gas or petroleum must be used. It is not technologically feasible to use coal in existing glass tanks, and will not be so without substantial and long-term research and development, including satisfying existing environmental standards.

Let me now discuss the availability and feasibility of alternative fuels.

ELECTRICITY

There are some electric fired furnaces. These are smaller in size of a strict geometric design and when the supplying utility is using fossil fuel, an energy efficiency penalty of about 3 to 1 must be paid for the conversion and transmission of the electrical energy to heat. The great majority of furnaces, which are fired by gas and oil, cannot be converted to electric melting because of the design and requirements for the placing of the electric arcs. It is possible, however, to introduce electricity in a limited, specialized form as a booster beyond the immediate melting zone for promoting circulation giving homogeneous well-fined glass of good working properties. This "boosting" may be presently employed in an estimated one quarter of the furnaces, but does not comprise the major energy imput needed to melt the original raw materials.

COAL

A. PRODUCER GAS

In the late 1940's there was some use of coal in the manufacture of glass. The coal was burned at the plantsite in an enclosed reactor and scrubbed of impurities and turned into a gaseous form and then sent to the glass tanks. There were, at that time, two regenerator chambers in the glass tanks. One for air, and one for the gaseous heat. They cannot be mixed because it is explosive.

Natural gas was used in the forehearths. This producer gas had a low content of 400 to 500 BTU's per cubic foot and, therefore, the tanks were smaller and shallower. To go to this concept today would require the redesign of the tanks because only one chamber is presently used. It would be less energy efficient because of the smaller tank and pull and it would require great capital expenditures to redesign all of the furnaces. Further, there would be substantial questions as to meeting ambient air standards, as in the discharge of fly ash, and SO_2.

B. DIRECT FIRE PROCESS

This is the use of pulverized coal as a very fine dust at the burner. We are aware of one single experiment at one plant which was inconclusive because: First, we are not certain of the ability to properly transmit the heat to the glass; second, we are not sure of the effect of entrained impurities on glass quality; third, we are not sure of meeting ambient air standards; fourth, the cost would be twice the amount because of the slagging effect on the refractories; the color would not be the same because of the imparting of impurities with the coal, such as iron, sulfur, et cetera.

C. COAL GASIFICATION

This is an off-plantsite gasification of coal by a producer. This is still in the pilot stage and we understand that it will be a very expensive process when and if it comes on line with costs of up to $2 to $4 per mcf as against the present regulated price of natural gas of 50 cents per mcf and on unregulated intrastate natural gas of up to $2 per mcf. There is also a question of it producing a high enough BTU.

Energy conservation measures are important.

The industry is cooperating with the Federal Energy Administration in a voluntary energy conservation program and will report through its trade association industry-wide energy usage figures to FEA. The individual companies have also instituted their own programs for the very practical reason that energy is an essential part of their costs and as these costs increase with the increasing costs of petroleum or petroleum products, it is fundamental business sense to minimize them by energy efficiency.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I will be happy to yield to the distinguished Chairman.

Mr. ULLMAN. This situation relates to the exemptions from the excise tax on petroleum products and to the provision in the bill which says the FEA and the Government will report to us by next June 1 on various exemptions they are going to recommend.

We have conferred with the staff, at least the FEA staff people, who indicate that there appears to be no doubt that this is the kind of industry for which there is no alternative, and they would make that kind of recommendation.

For that reason, we would have no objection to the amendment.

Mr. WAGGONNER. Mr. Chairman, I am not a lawyer, but I always heard that when you had your argument won that it is time to quit talking.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. Yes, I will yield to the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, I concur in the position of the gentleman in the well, and I will vote for the amendment.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I will yield to the gentleman.

Mr. KETCHUM. Mr. Chairman, I rise in strong support of the gentleman's amendment. This is basically what I tried to do yesterday. I went a little further, because I am sure there are other industries that need the same exemption.

Mr. Chairman, I am most interested in understanding that the Chairman has heard from FEA that this will be one of the industries they will include. I will conclude my argument by saying that this is one of the same things that will happen as I proposed in my amendment. I am sorry my amendment was defeated, but I hope the gentleman's amendment will be adopted.

Mr. WAGGONNER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GREEN

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: Strike out section 533 (relating to recycling tax credit), beginning on page 128, line 24, and ending on page 135, line 12.

Mr. GREEN. Mr. Chairman, this amendment was self-explanatory, from the reading of it. What we hope to do here is strike out Section 533 of this bill, which extends a tax investment credit for recycling.

Do we want to increase recycling in this country? Yes, of course, we do. But what we have to do is we have to decide what is the best way to do that and how we want to go about it. And I propose to this Committee that giving away billions of dollars of the taxpayers' money, 98 percent of which will go to those already in the business of recycling and not increase recycling thereby, is not the way to do it.

Mr. Chairman, we hear people say that this will not cost a billion dollars. I have seen some of the memos they have on the other side. They are going to tell us that on page 80 of the report it says this will cost $30 million dollars in 1976. That is true. But it will cost $300 million in 1980, and between 1976 and 1980, when we add them up, it will come to $1 billion out of the taxpayers' pockets in this country, 98 percent of which will go to those who now recycle.

I have with me a copy of a letter which I will read at some point in the debate if I think it is appropriate. That letter is from the Aluminum Recyclers of America, and they recycle 90 percent of all the recycled material in this country. They are opposing this amendment because they say it is a windfall for those who are already in the business.

How can we encourage recycling if that is what we are interested in doing?

Well, we could give loans, low interest loans, to encourage new companies to get into the recycling business and perhaps get many people to start businesses like this and recycle materials; or we could give incentives to municipalities.

We could give some incentive to the municipality and help with the problem of waste and garbage and litter. They are taking this environmental "kick" that we are on—and I think rightly on—as an excuse to reap a windfall from the tax code in the name of ecology, and that is wrong.

They have gone a step further. They have gone to the Governor's conference, and they have gone to the League of Cities, and they have in effect, in my judgment, conned them. I have talked to representatives of both groups, and they tell me they did not fully understand what was being proposed. They approved the notion that they favor recycling, that it was a good thing and it was ecological and maybe it would help the mayors and the governors, and so they took up the concept.

Mr. Chairman, there are many more profitable ways to do it. I do not know what we will hear about the position of cities and States today and that is why I bring this up. There are many groups in this country—most of them environmental groups—that believe strongly we must recycle. They would like to see the waste and the litter taken from around our country, and they endorse recycling. They would like to clean the country up, but they oppose this amendment. The Sierra Club, the Enivironmental Action Organization, the Friends of the Earth, the Conservation Congress, and the Environmental Policy Center, just to mention some of the environmental groups that oppose this approach.

This is opposed by the people who do 90 percent of the recycling in the country; it is opposed by the AFL–CIO; and it is opposed by the Treasury Department, because the Treasury Department realizes that 2 percent of the benefits may go to those who are doing new recycling while 98 percent of the benefits will be a windfall to those who are already profitably engaged in that business.

The environmental groups know this is not the way to do it; the Treasury Department knows this is not the way to do it.

Mr. Chairman, let me tell the Members how all this started. It started when we began talking about ecology and all those high paid lobbyists who represent a lot of special interests came to the Committee on Ways and Means a few years ago when the word "ecology" was big and said "What we need is a depletion allowance for scrap."

So they tried to get the depletion allowance before our committee, and our committee, which is prone to give consideration to such matters, listened and turned it down because the committee knew better.

They came back again and they said that this is not an ecology issue, it is an energy issue, and that it takes less energy to recycle material than it does to take the virgin material and manufacture new products.

But the fact of the matter is that this money is going to go to people who are already profitably in the business, and make no mistake about it, it is not going to encourage recycling. We could bring about much more recycling in other ways.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. Green) has expired.

(By unanimous consent, Mr. Green was allowed to proceed for 2 additional minutes.)

Mr. GREEN. Mr. Chairman, what else is this going to do? It is going to help the old companies, the people already in the business, by the very nature of the way this provision is structured. What they do is they get a 10 percent tax investment credit if they but this recyclable material and buy recycling equipment, then they get 10 percent.

Now, who can benefit the most. Those who recycle the material. That is fine. Who is in the best position to do that?

Is it the people who want to get into the recycling business? No, the people already in the recycling business are more likely in the best position to do it.

This is not the right approach for energy conservation. This is not the right approach to solving the problems of the environment.

It is opposed by the Treasury. It is opposed by the AFL–CIO.

My good friend, the gentleman from Pennsylvania, whom I see rising to his feet, is already working on this problem in his own committee.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GREEN. Yes, I yield to the gentleman from Pennsylvania.

Mr. ROONEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I wish to speak in support of Mr. Green's amendment to strike the recycling tax provisions. But first let me state that it is indeed reassuring that the Ways and Means Committee has recognized the inequities of our current tax policy which encourages excessive utilization of our Nation's virgin materials and energy resources. Effective legislation which will remedy this fault in our tax structure is badly needed. However, our eagerness to rectify a bad situation should not preclude us from sufficiently researching the total problem before including it in a piece of legislation.

I have the honor of serving this congress as chairman of the Subcommittee on Transportation and Commerce, the subcommittee which has authorizing jurisdiction over solid waste. My subcommittee has held 2 weeks of hearings on the problems of solid waste management and the benefits which will derive from an effective solution to this problem. Based on these extensive hearings, I feel it is necessary that there should be coordinated legislation attempting to rectify the total problem rather than attempting to legislate solid waste management solutions in a piecemeal manner as the recycling tax provision of this bill does.

The information gathered from our hearings indicates that any tax provisions must be coordinated with substantive authorizing legislation if we are to achieve a planned solution that will conserve energy and materials without disrupting the economic market.

Passage of this section would result in tax benefits for consumption of that scrap which already is being recycled for economic reasons while a majority of scrap products in the solid waste stream would not receive benefits. Only 2 percent of this tax credit would go to taxpayers for actually increasing their level of recycling activities. The other 98 percent would be spent rewarding businesses for maintaining their present level of recycling from which they receive present economic benefits.

Further, I have concluded one cannot treat scrap metal and paper waste in the same manner and still achieve an equitable and effective solution.

Therefore, I support the Green amendment and promise to work with Chairman Ullman in developing a comprehensive solid waste management program which can be reported out by the end of the summer.

Thank you.

Mr. GREEN. Mr. Chairman, to continue, the gentleman from Pennsylvania (Mr. Rooney) is working on this in his committee.

There are better ways and less expensive ways to more effectively do what we want to do, which is to encourage recycling. However, let us not create another billion-dollar ripoff in the tax code between now and 1980 to do it.

Mr. CONABLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. Yes; I yield to my distinguished chairman, the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I do not want to restrict the Members on time, but I ask unanimous consent that all debate close in 20 minutes following the remarks of the gentleman from New York (Mr. Conable).

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. MIKVA. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. CONABLE. Mr. Chairman, this is an emotional issue.

It is quite clear, from the opening remarks of the gentleman from Pennsylvania (Mr. Green), that there is a sharp division in the committee over the benefits to be derived from this particular section giving a credit to the users of recyclable materials.

We have a structural difficulty in our tax law which can be dealt with in one of two ways. The structural difficulty arises from the fact that we have given very substantial tax credits to the users of virgin material. We have given percentage depletion allowances to those who mine ore. We have given long-term capital gain rates to those who cut trees. In fact, we have insured that we will "deplete America first" unless we provide some symmetry in the tax law for those who use recyclable materials. We have a tendency in this society of ours to use it and throw it away instead of using it and reclaiming it.

Mr. Chairman, there are other things that have come about in the organization of our economy which have resulted in putting a premium on the use of virgin material. We have what is known as the integrated producer, the person who has his own source of supply, who has bought the woodland or the mine and finds it useful to be able to control his own new material, particularly if there are tax advantages in so doing.

It requires a good deal of money and effort to organize the redistribution of used materials so that they can provide a sound economic base for reutilization of the paper and the metals which the manufacturers of this country need.

The committee, in its wisdom, decided to include a recycling credit. There are other ways we could do this, as the gentleman from Pennsylvania has said. We could eliminate, for instance, percentage depletion on metals, and we could eliminate the capital gains treatment of trees.

Mr. GREEN. Mr. Chairman, will the gentleman yield so that I can make a unanimous-consent request?

Mr. CONABLE. Yes, I yield to the gentleman from Pennsylvania.

(On request of Mr. GREEN and by unanimous consent, Mr. CONABLE was allowed to proceed for 5 additional minutes.)

Mr. GREEN. Mr. Chairman, will the gentleman yield now?

Mr. CONABLE. I yield to the gentleman from Pennsylvania and thank him for the additional time.

Mr. GREEN. Mr. Chairman, what the gentleman is saying is that because we have a depletion allowance for virgin material, the time has now come that we have to have some additional correpsonding, countervailing allowance.

The answer may very well be to eliminate the depletion allowances that we have.

Is the gentleman in favor of doing that or is the gentleman for those depletion allowances, and because he is for them, does he feel it is necessary to be for something else.

Mr. CONABLE. I would like to say to the gentleman that I do not believe that an important measure of this sort can be held hostage against that halcyon day when we eliminate all tax preferences. There is a very substantial vested interest in this country in the tax code as it is presently written.

It is going to be very difficult, if I may say to the gentleman, to eliminate all tax credits for industries. Therefore, we had better not start out with the idea that we are going to achieve symmetry by moving against preferences entrenched in the law at this point. We will wait a long time, and continue the unnecessary depletion of our natural resources.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Pennsylvania.

Mr. GREEN. I would suggest that there are some very special interests interested in this section 533.

Mr. CONABLE. I do not believe in impugning motives and ascribing powerful interests——

Mr. GREEN. I am not doing that.

Mr. CONABLE (continuing). To the other side of the question.

Mr. GREEN. I am not referring to the gentleman from New York, but every time you get some kind of tax advantage for somebody then the very special interests come up. I am sure the gentleman's personal motives are the highest, as they always are.

Mr. CONABLE. I thank the gentleman for his comment.

Mr. GREEN. I might question the gentleman's judgment.

Mr. CONABLE. I would like to say that one can always say that there are people interested in any event, and there certainly are in every issue that comes up here. I think the practical way to deal with overutilization of virgin resources, however, is as the committee has dealt with it: to provide reasonable credit for the use of recyclable materials, to try to get economics on the side of recycling.

Let me tell the Members what has happened in the recent history of use of recycled materials. Recently there has been a sharp decline. Why? Because we have a recession going on, and it has been much easier for the manufacturers of metal and paper products to fall back on their traditional tax privileged sources of supply than to go ahead and try to develop the distribution system and the recycling technology that would permit us to reuse some of these things which we are now throwing away in such profligate quantities. It seems to me that this provision represents not only a reasonable approach, but probably the only approach that is going to work.

So I hope, Mr. Chairman, that the Members of the House will support this recycling provision in the bill. The people who are claiming that it will not work, and that it is too big a giveaway, I am afraid are dooming us to continue to throw away. And that I do not believe we can continue to do in a world of cartel-type price fixing, when we are depleting our own resources and when we have become the greatest consuming nation in the history of the world.

Mr. MIKVA. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. ULLMAN. Mr. Chairman, would the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I wonder if we can get an agremeent as to time on this amendment? I ask unanimous consent that after an additional ten minutes after the time of the gentleman from Illinois (Mr. MIKVA) that all debate close on this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. MIKVA. Mr. Chairman, I rise in support of this amendment which may be the last chance to really make it clear that this is not a giveaway proposal masquerading under the term of an energy bill.

I listened attentively to the gentleman from New York (Mr. CONABLE) and I could not believe what I heard the gentleman say. What he really said was that we have such big loopholes in favor of virgin materials, that we have to create an equal countervailing loophole in favor of recycling materials. The gentleman knows better, and knows that I would join with the gentleman any time he wants to close up that loophole for virgin materials, which we ought to do.

Of course we will not reach the halcyon period in this country where we will be rid of all the tax preferences all at once. But is that any reason to add an additional $1 billion tax preference in this bill?

The Members will not hear during all of the debate on this a single statement on how much energy will be saved by this proposal.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I will yield to the gentleman in a moment.

Do the Members want to know why? Because the energy saving is so small that it is not worth talking about, so I will not talk about it either.

The amount of oil that might be saved by this section would be the most expensive oil we could ever create, and we cannot afford to do it. It could create multimillionaires out of some of the millionaire scrap dealers, and I have nothing against the scrap dealers; but their prices are sufficiently high, and they are recycling all of the materials under current market conditions that can be recycled.

If we want to do more about recycling, we are going to have to do something for the municipalities; we are going to have to do something for the users. We could take the same billion dollars and create a nickel-a-can refundable deposit fund and clean up the beaches and parks of our country; that way would get a lot of recyclable material which would save a lot of energy.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I thank the gentleman for yielding.

Since the gentleman was in the committee, I had hoped he would listen to what the gentleman from New York and I said in the debate. We referred to the President's Advisory Committee on Environmental Quality Report entitled "Energy In Solid Waste." Their estimate is that steel manufacturers and other metal manufacturers can save more than 50 percent of the energy required for steel, copper, et cetera, if they used recycled scrap instead of virgin material.

Look at paper. We could have an energy saving of over 2.1 billion gallons of energy per year if we could recycle all of it. I know that is not going to happen. There is a substantial energy savings if we recycle.

Mr. MIKVA. But this recycling credit does not do any of the above. This recycling credit will make sure that most of the money in the loopholes will go to the very people who are already recycling.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Pennsylvania.

Mr. GREEN. I thank the gentleman for yielding.

I mentioned that I have a letter from the Aluminum Recycles they are recycling 90 percent of all that is being recycled. They oppose this tax credit.

The gentleman, Mr. Steiger, mentioned steel. The American Iron and

Steel Institute also opposed this tax credit because they know full well it is a rip-off.

Mr. MIKVA. Let me just say what we want to do here is not intended to discourage recycling. But for this amount of money, $1 billion, we could do something that really would make the difference. As I started to say before I yielded to my colleague, we could take some of the proposals that have been made about tin cans, for example, and put a nickel return on them, and with the same billion dollars we could see to it that those cans were in fact turned in for recycling. We not only would get a tremendous saving in energy, but we would get a tremendous and substantial benefit to our environment as well. That is what we could do for $1 billion. To use it in the way we propose to use it under this section is merely to see to it that the people will get paid an additional amount, another depletion allowance, for doing what they already are doing.

Ninety-eight percent of this money will go to the people in the recycling business to continue doing what they are already doing. I say if we are serious about recycling for environmental as well as for energy-saving purposes, we ought to put our money where it will do the most good. This is throwing it at a fan.

The CHAIRMAN. The time of the gentleman has expired.

Members standing at the time the unanimous-consent request was made will be recognized for three-quarters of a minute each.

The Chair recognizes the gentleman from Florida (Mr. Gibbons).

Mr. GIBBONS. Mr. Chairman, we are now approaching the end of debate on something that is called an energy bill. This bill is about 1 ounce of energy conservation and about 1 gallon of loopholes. The biggest loophole of all is the one that the gentleman from Pennsylvania (Mr. Green) is trying to knock out now. Please do not tear up the tax code any more than it is already torn up.

The only reason this proposal to create a new loophole has any validity to it at all is because we have made past mistakes and created other loopholes in the tax code. We are going on and on and on. As I said before, it is Christmastime now in June, and all we are doing is creating Christmas gifts for a few people, and we are going to tax the dickens out of other people to pay for those gifts.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentlewoman from New Jersey (Mrs. Fenwick).

(By unanimous consent, Mrs. Fenwick yielded her time to Mr. Conable.)

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Conable).

Mr. CONABLE. I would like to thank the gentlewoman from New Jersey.

It has been claimed, Mr. Chairman, that the junk dealers would make a great profit out of this.

Only the user of recyclable commodities gets the credit. The collectors, processors, and sorters of recyclable commodities who profit from the increased recycling volume will pay regular high tax rates on all such profits.

I would like also to deal with the issue of the windfall that is supposedly involved here. Section 533 will not result in windfall gains to the recycling industry. As written by the committee, that is available only to those who can start up new recycling facilities and then it is limited only to 25 percent of the equipment invested in new facilities. The purpose is to build a broad and strong economic base for the recycling industry, which is playing second fiddle to the industries exploiting virgin materials, which up to this time have had too important a part of the integrated production facilities in this country.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Corman).

Mr. CORMAN. Mr. Chairman, a billion dollars is a lot of junk. That is what this loophole is. We have got to strike it. I hope the Green amendment prevails. We have fought this battle over the years in the committee. We have always managed to keep it out of the tax code. It is an abomination. We lost this time after a very long battle and a close vote and many decisions back and forth.

It has nothing to do with energy. It is a tax giveaway that the Treasury has constantly opposed. They say it will have absolutely no effect on expanding the reclamation industry.

This House told the Ways and Means Committee to find $3 billion in new revenues this year. After a conference with the Senate we decided to lower it to $1 billion, but we will have a very difficult time doing that. But we are giving away a billion dollars to the recycling industry in this country unless we pass the Green amendment.

I urge a "yes" vote.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Green) for 1 minute.

Mr. GREEN. Mr. Chairman, let me if I can just sum up. The fact of the matter is what we do here between now and 1980 is give away $1 billion.

The gentleman from New York (Mr. Conable) makes the point this does not go to junk dealers. That is correct. This goes to people already in the recycling business, 98 percent of all the benefits. That is why the Treasury Department opposes it. That is why the AFL–CIO oppose it. That is why virtually every conservation group in the country including the Friends of the Earth and the Sierra Club and many more oppose this credit.

This is not going to do what it was intended to do. There are better ways of doing it. We can lower the interest rate on loans to help people get into business. We have to get rid of the junk but there are better ways. We must reuse or use material. But this is not the way.

This also goes to people who would recycle valuable material not junk, and because that costs more they get more credit. It is just a poor way of doing business. This amendment should be adopted and a better way to encourage recycling should be found.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. Archer).

Mr. ARCHER. Mr. Chairman, I rise in opposition to the amendment. We know that 95 percent of the energy used to create or transform raw materials into aluminum can be saved if we recycle scrap materials. This is a very, very important energy-saving provision that is in the bill. I think it would go exactly in the wrong direction if we do not leave it in the bill.

There are many recycling organizations in this country that are going to abandon their plans to create plants and new facilities if there is not an immediate incentive, and we cannot wait several years more if we want to get this job done. The recycling provisions should be left in the bill and even improved upon. I urge my colleagues to defeat the Green amendment which would eliminate recycling incentives.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. Fisher).

Mr. FISHER. Mr. Chairman, I rise to support the amendment being offered. In the committee I voted the other way in a narrow choice. Since then, I have tried to investigate more carefully the estimates and statistics on which the decision has to be based. I do not think it is a black-and-white situation as many people seem to think. It comes down to whether we think the revenue loss is worth the gain in materials and energy. It is a difficult choice. It is not a black-and-white choice as I said.

Mr. Chairman, I am persuaded that we should support this amendment and that the harm done by revenue loss would exceed the uncertain gain in energy and materials saved.

The CHAIRMAN. The Chair now recognizes the gentleman from Wisconsin (Mr. Steiger).

Mr. STEIGER of Wisconsin. Mr. Chairman, the amendment ought to be defeated. The Environmental Protection Agency wrote to me on the 6th of June. They said:

> EPA supports the concept of incentives to promote recycling and resource recovery. While the environmental and conservation benefits of recycling are great, the rate of recycling of many commodities has declined over the past several years. We doubt that this situation will improve substantially without incentives of some kind.

The National League of Cities, and the National Governors Conference support the committee bill.

The gentleman from Illinois (Mr. Rostenkowski) and I sent out a letter urging that the committee not accept the Green amendment. There is a problem in the United States today that the United States recycles significantly less than any other industrial country in the world.

Despite the increased drain being put on our natural resources, recycling is definitely on the decline. EPA reports the following examples of dangerously low recycling rates:

	Percent
Textiles	4
Zinc	13
Aluminum	18
Wastepaper	19

By contrast, as recently as 1952, we recycled 27 percent of wastepaper. It has been estimated that Japan and West Germany both recycle between 38 to 46 percent of paper.

The Midwest Research Institute has warned that unless some incentives are established, the volume of recycled paper may actually decrease still further. Without a change in the existing tax, transportation and procurement laws and policies, which currently favor the use of virgin materials, MRI concludes:

> 17 percent of paper and paperboard consumption will be recycled in 1985, compared to 20.5 percent in 1970.

The National Commission on Materials Policy has also urged recycling incentives. They state:

> Over the years, the federal government has developed tax policies that encourage extractive industries. Capital gains treatment for profits (achieved by growing and using virgin wood), depreciation schedules, depletion allowances, all favor the use of virgin materials over secondary materials . . . The Commission concludes that . . . increased recycling would result if primary and secondary materials were on equal footing in the marketplace.

Because of the tremendous investment costs involved in developing the technology and equipment needed to process high quality recycled products, much waste is currently recycled at the level of the lowest common denominator. Thus, with respect to wastepaper, a good part of recycling goes into producing tar paper, scrapboard, et cetera, and other construction products. Obviously, the slump in the construction industry has meant a decline in demand for these materials. The American Paper Institute reports that first quarter recycling is down in excess of 35 percent as compared to last year. It has also meant a rise in the relative availability of virgin materials.

Since September of 1974, 18 recycling paperboard machine have been shut down nationwide. These machines have an annual productive capacity of some 600,000 tons of paper. In addition, one company has shut down three recycling paperboard machines in Ohio for an indefinite period of time. These machines have a productive capacity of some 400 tons of recycled paper every day. While the American Paper Institute does not have figures for the total number of jobs lost as a result of this slump, this one shutdown alone has resulted in the loss of 575 jobs.

A partial answer to the decline in paper recycling lies in developing the new technologies needed to recycle higher grade products for which a demand still exists. This, in turn, requires considerable research—which is costly. To this end, the current bill is only partially responsive since it limits credit to recycling equipment.

Finally, if there is any danger at all that windfall profits will result from this provision, it is a direct result of the wording inserted by the committee staff. Because the investment credit is limited in application to new equipment, those firms which have not in the past been involved in recycling stand the most to gain from going into this field. By contrast, plants which have been recycling for years would be much less apt to be in the market for new equipment.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Chair now recognizes the gentleman from Oregon (Mr. Ullman) to close debate.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, I thank the gentleman for yielding.

I thought the gentleman from Wisconsin (Mr. Steiger) would read something from the EPA letter, but he did not read the other part. Let me finish that:

> With regard to the cost/benefit ratio of section 533 and its relationship to national tax and energy policies, we would defer to the Federal Energy Administration and the Department of the Treasury as to specifics.

Mr. Chairman, the Department of the Treasury is against this section.

Mr. ULLMAN. Mr. Chairman, this is a 5-year program. The billion dollars we are talking about is spread over a 5-year period. The provision terminates after that time.

The problem of the use of recycled materials has been around a long time. The Members are going to have to decide whether they want, or do not want, to assist the recycling industry. If they do, this is a good way, a well-worked-out way to do it. It is relatively simple. People who buy scrap and waste will get a 10-percent tax credit that will not be usable until they buy recycled equipment down the road. This is a good logical way to do it. The committee position is in opposition to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Green).

The question was taken; and the Chair announced that the ayes appeared to have it.

RECORDED VOTE

Mr. STEIGER of Wisconsin. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 249, noes 170, not voting 14, as follows:

[Roll No. 318]

AYES—249

Abdnor
Abzug
Adams
Addabbo
Ambro
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Aspin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bergland
Biaggi
Biester
Bingham
Blouin
Boland
Bolling
Bonker
Brademas
Brinkley
Brodhead
Brooks
Brown, Calif.
Broyhill
Burgener
Burke, Calif.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Cederberg
Chappell
Chisholm
Clawson, Del
Clay
Cohen
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Dodd
Downey
Drinan
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fish
Fisher
Fithian
Flood
Florio
Ford, Tenn.
Fountain
Fraser
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Gradison
Grassley
Green
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Hefner
Helstoski
Hicks
Hillis
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jacobs
Jarman
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
McCloskey
McCollister
McCormack
McDonald
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mahon
Mathis
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Railsback
Rangel
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roncalio
Rooney
Rosenthal
Roush
Roybal
Russo
Ryan
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Slack
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Steelman
Stokes
Stratton
Stuckey
Studds
Sullivan
Talcott
Thompson
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Wiggins
Wilson, C. H.
Wilson, Tex.
Wirth
Yates
Yatron
Young, Ga.
Zeferetti

NOES—170

Alexander
Anderson, Calif.
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Blanchard
Boggs
Bowen
Breaux
Breckinridge
Broomfield
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Clancy
Clausen, Don H.
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, R. W.
Danielson
de la Garza
Derwinski
Devine
Dickinson
Dingell
Downing
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Esch
Eshleman
Fenwick
Findley
Flowers
Foley
Forsythe
Frey
Fulton
Gilman
Goldwater
Gonzalez
Goodling
Hagedorn
Hammerschmidt
Hannaford
Hansen
Harsha
Hastings
Hayes, Ind.
Hébert
Heckler, Mass.
Heinz
Hightower
Hinshaw
Holt
Horton
Ichord
Jeffords
Johnson, Pa.
Johnson, Colo.
Jones, Okla.
Kasten
Kazen
Kelly
Landrum
Latta
Lent
Long, La.
Lott
Lujan
McClory
McDade
McEwen
Madigan
Mann
Martin
Matsunaga
Mazzoli
Michel
Milford
Mitchell, N.Y.
Montgomery
Moore
Mosher
Myers, Ind.
Nedzi
Nichols
O'Hara
O'Neill
Ottinger
Passman
Pepper
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Randall
Rees
Regula
Roberts
Robinson

Roe
Rogers
Rose
Rostenkowski
Rousselot
Runnels
Ruppe
St Germain
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sisk
Skubitz
Smith, Nebr.
Spence
Stanton,
  J. William
Steiger, Wis.
Stephens
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Ullman
Vander Jagt
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wilson, Bob
Winn
Wolff
Wright
Wydler
Young, Fla.
Young, Tex.
Zablocki

NOT VOTING—14

Anderson, Ill.
Burke, Fla.
Collins, Ill.
Diggs
Flynt
Ford, Mich.
Henderson
Jones, Ala.
Mollohan
Price
Rhodes
Steiger, Ariz.
Wylie
Young, Alaska

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. FRENZEL. Mr. Chairman, the distinguished gentleman from Oregon, the chairman of the Committee on Ways and Means, has urged us to pass this bill as an important energy policy. Much as I admire and respect the gentleman from Oregon, and applaud his hard work on this bill, I must ask this body to come back to reality in assessing this bill.

The chairman is indulging in a game called putting wings on the dog. No matter how many sweet words the chairman may drape over this dog, he cannot make it an angel. It is still a dog, and a mongrel, at that.

H.R. 6860, as it emerged from committee, was inadequate and unfair. In its present state, the inadequacy has been multiplied and the inequity remains.

It still is silent on stimulation of domestic energy production. There is no deregulation and no emergency windfall profits tax.

The dreadful quota which could devastate Minnesota and other areas reliant on imported crude is still in the bill. Its crushing effects have been exacerbated by the removal of any conservation measures. The quota will bite deeper now and the bill has no method to allocate the self-imposed scarcity. This impotent energy package is endorsement of the law of the jungle.

The unfair gas tax is gone, and so is energy vestige of conservation Even 3 cents was too much conservation. The gas guzzler tax was too conservative also. The committee was afraid to bite the bullet. The House, that hardy band of energy savers, was even afraid to bite the cream puff.

What is left? There are a few tax gimmicks to save energy. Few people disagree with the insulation tax credit and a couple of other tax concessions. It is easy to give away the taxpayers' money, but it does not make an energy policy.

The recap sheet handed out by persons unknown and purporting to be the committee staff shows that there is only about 225,000 barrels per day conservation in this bill by 1977. The President's program called for 2 million barrels per day saving by 1977.

The sheet actually claims over 575,000 barrels, but of this amount 250,000 barrels, about half is from import tariffs already put in place by the President, and 100,000 barrels comes from coal conversion which the paper admits will happen any way from other regulations.

By any standard of evaluation, the bill's energy savings are miniscule. While many Members will vote for it just to say that they have voted for an energy bill, those Members will be hard pressed to prove that it represents any real national policy.

Another dreary aspect of this "dog" is that it now moves on to the Senate where it will probably attract additional tax credits, fast writeoffs, and other gimmicks which are easy to vote for and add nothing to energy conservation. The prospect of the further mongrelization of this dog is frightening.

Returning again to the problem on quotas which is so harmful to areas dependent on foreign crude oil, the following table illustrates the nature of the problem. The column headed "shortfall" is the demand in excess of allowed imports. Even after allowances for Presidential discretion, which is an astounding grant of power by a House dedicated to congressional government, the "net shortfall," the last column, shows the disastrous scarcities which will fall indiscriminately on users of imported crude oil:

COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES

[bpd]

Year	Shortfall	Presidential discretion	Net shortfall
1977	780,000	1,000,000	
1978	1,640,000	1,500,000	140,000
1979	2,110,000	1,500,000	610,000
1980	1,990,000	2,000,000	
1981	2,440,000	2,000,000	440,000
1982	2,990,000	2,000,000	990,000
1983	3,420,000	2,000,000	1,420,000
1984	3,890,000	2,000,000	1,890,000
1985	4,380,000	2,000,000	2,380,000

If the country actually emerges rapidly from the recession, the "net shortfall" could be much worse. It is important enough to repeat that this self-imposed scarcity is not allocated or rationed. Some people will have their energy demands met and some will not. There is nothing in the bill which can determine the worthiness of anyone's energy claim. We will simply have to fight for it.

Title I is the quota. It is bad.

Title II was the gas tax. It is gone.

Title III, except the engine efficiency section, is mostly tax breaks. They are easy—the filling in the cream puff.

Title IV is the trust fund. Restricted funds have proved to be bad policy.

Title V is more tax breaks, some more sugared filling for the cream puff.

Therefore, analyzed in every way—by revenue effect, by energy saving, by policy goals, by title—the bill fails to measure up. I am sure if my colleagues had a chance to vote for "an energy bill." For me, there are no wings on this dog. The President may as well tear June off the calendar. The Congress has blown another chance.

Mr. LAGOMARSINO. Mr. Chairman, there is an air of unreality about this bill, H.R. 6860. It has been many months since the OPEC nations dropped their first bombshell on America. For awhile, it looked as though the Government would respond with a comprehensive plan for moving toward energy independence. We even got a brief respite. A world recession caused a drop in the energy demand. Mother nature cooperated with a mild winter. And the oil exporters agreed to a 9-month freeze on prices. We were given, in effect, a breathing spell, and a chance to put together the necessary plan of action to meet the inevitable crunch.

Finding ourselves, in other words, in the eye of the hurricane, we had a chance to brace for the second wave when the storm resumed. But what happened? Instead of making the best use of our time, we maneuvered for partisan advantage. And now the day of reckoning draws near again. In a few months, the price freeze will end. Winter will start. And we find ourselves right back where we started a year ago, with no realistic plan for comprehensive action.

Let us not fool ourselves, Mr. Chairman. The bill now before us, "the plan," as it was called in floor debate less than a month ago, is not going to provide us with shelter in the coming storm. It does nothing to stimulate domestic production of energy. It does little to curb imports or encourage conservation. One meaningful provision, designed to improve the efficiency of automobiles sometime after 1980, will have some effect, but not enough and not soon enough. Probably the most meaningful portions of the bill are those providing tax credits for home and industrial insulation and installation of solar heating and cooling units. They will work; they will save energy.

I will vote for this bill. What it does is probably worth doing. But I do so with the certain knowledge that it is not going to do all of the job that needs to be done. America has vast resources at its command—natural, economic, and political resources which can be mobilized quickly to solve the prbolem—if only we can find the will to act. We have overcome far greater threats in the past through cooperation and compromise and a willing spirit. We can do so again, but we have to act quickly.

Perhaps this bill was necessary, to dispell any illusions in this House that the problem can be solved easily. It cannot. Now that the seriousness of the challenge is evident, I hope we will work together to find the solution. It is time for us to become statesmen, because gentlemen, in the fall, when the storm hits, it may be too late.

Mr. ANDERSON of Illinois. Mr. Chairman. I wish to take some time under the 5-minute rule to discuss the motion to recommit which will be offered by the minority. Since it will be a straight motion to recommit without instructions, no debate time on the motion itself will be available. I think it is, therefore, important to give Members some advance notice of exactly what the motion would do, since it is a bit unusual.

Mr. Chairman, the motion to recommit which will be offered would in effect send this bill to both the Committees on Ways and Means and Interstate and Foreign Commerce. I do not remember any similar motions being offered during my 14-year tenure in the House, though I think the precedents will indicate that it is not unusual to send a bill to a committee other than that reporting it, regardless of whether it has jurisdiction, and even in one instance to a select committee. Since the motion to recommit is essentially a motion to refer, we will in effect under this motion be jointly referring the bill to two committees concerned with energy—Ways and Means and Interstate and Foreign Commerce. Last fall, the House specifically provided the Speaker with such joint referral authority in House Resolution 988, and I think it goes without saying that the House also retains this authority to refer jointly in a motion to recommit.

Mr. Chairman, the reason this unusual motion to recommit is being offered is that we are confronted with both an unusual and urgent situation. Even the proponents of the original ways and means bill now concede that the bill has been gutted and is rather meaningless in terms of doing anything about either energy conservation or production. About all we have left here is a Christmas tree goody bill, loaded down with all manner of giveaways through various tax devices. I am not completely critical of all these provisions—I voted for some. Nevertheless, I think this bill may well be headed for a veto and I think it is important that we recognize this reality now and do something about it. What we are proposing would make it possible, if the Speaker exercises his referral authority after the adoption of this motion, to bring together the two committees which have done the most in the energy area and work their will on a comprehensive energy package that would have the support of a majority of this body and the President. I think this is not only possible but essential. The longer we delay in getting out a meaningful energy conservation and production package, the more dependent we become on foreign oil and the more American dollars are drained away to foreign sources.

Mr. Chairman, the motion to jointly recommit this bill is not a partisan or political move; rather, it is a constructive and creative compromise move aimed at demonstrating to ourselves and the American people that we can get serious about acting on a meaningful energy bill that will achieve something that is vitally needed. The President alone cannot implement a comprehensive energy program under the limited authority now available to him. He wants and needs the Congress to shoulder its fair share of the burden—and it is just that. Let us adopt this constructive recommital motion and get on with that task.

Mr. VANIK. Mr. Chairman, although this legislation in its final form represents only a fraction of my hopes for a meaningful energy bill, I will support this legislation. It is a beginning—it is a foundation upon which we can build the essentials of a national energy policy.

I applaud the efforts, the patience, and the perseverance of our distinguished chairman, AL ULLMAN, the distinguished gentleman from Oregon.

The record of votes in the Ways and Means Committee and in the Committee of the Whole will document those who tried to develop a meaningful bill and identify those who tried to obstruct and scuttle every effort.

There was a consistent partisan effort by the minority to weaken and destroy the congressional effort to develop energy policy. Those who most generously criticized the legislative product—utilized every legislative technique to prevent its creation. It was the determined effort of the minority to sidetrack congressional efforts and permit the President to exclusively dominate energy decisions.

Responsibility in energy policy must be shared by the legislative and the executive branch of the Government. Those in the legislative branch who cast their votes against any legislative program render a disservice to the Congress and to the American people.

Mr. CONYERS. Mr. Chairman, I will vote against the Energy Conservation and Conversion Act of 1975. I want to articulate my reasons for doing so.

The main thrust of the legislation is to discourage consumers from using too much energy or wasting it. The supporters of this legislation tried to get the price of gasoline raised by means of adding up to 20 cents per gallon onto the existing tax, and this would take effect in April 1977. This attempt failed but the rest of the legislation still places the burden of solving the energy problem on the shoulders of the American people. I believe this is a ripoff of the American consumer. If there is a solution to the energy problem, it does not lie with sacrifices on the part of consumers alone. We have to come to grips with the problem of the control of energy resources by a small number of powerful oil companies.

The Energy Act in its final form in reality does little to change the existing energy situation. It fails to deal with the major issues. Namely, who should control the supply of energy, the people through their government or private oil companies, working in league with foreign producers, accountable only to their stockholders and ultimately to their profits? Who should control the price of energy—the people's representatives or the oil industry? Who should determine how energy is to be allocated—a public agency or the market system and profit motive? Who should control the development of new energy resources—the public or the oil industry? The legislation makes hardly a dent on the stranglehold with which the oil industry dominates the energy field.

Energy—whether it be oil, natural gas, nuclear power, solar, or geothermal—is a public good, something which affects all of us at once. If it is misused by one group, all others suffer. As such the profit motive and market mechanism should not be allowed to determine who gets what resources. What is required is control over American energy by a government body that is responsible to the American people.

The Energy Act keeps intact the current system of leaving the supply, pricing, marketing, allocating, and developing of energy resources up to the major oil companies. Even with this energy legislation the American people would still be in the dark about the extent of oil and other energy resources in the country. Offshore oil, oil shale, geothermal energy sources that exist on public land would still remain largely under the control of the oil industry, and not under public control. The research on, and development of, alternative energy sources would still lag behind research and development being done by European countries. The authorities I have read agree that the oil industry's control over not only oil, but natural gas, nuclear materials, coal, among other resources, is a major reason why vital research and development has been impeded.

The profit margins of the oil industry would still exceed the profit margins of corporations in other economic sectors. To cite one example, the earnings of Exxon after taxes in 1974 were $3.14 billion, more than the gross national product of Ghana. Only a miniscule amount of these earnings would be plowed back into research and development. And under this legislation the so-called energy shortage would still persist even though leading experts such as Morris Adelman of MIT have concluded that the problem is not an energy shortage in the world, but rather a shortage of rationality on the part of governments and corporations as to how to develop the abundance of energy in the cheapest, most efficient way possible and that does the least damage to our environment.

We have to balance the need to conserve energy with the need to raise the productivity of our economy and to get the unemployd back to work, and it can be done. We have to make the oil industry accountable to the public. We have to decrease our dependence on foreign oil. We have to finance research on, and development of, alternative energy sources such as solar, geothermal, and fusion energy. We need to develop efficient and adequate public transportation. We have to develop more fuel-efficient automobiles. But these developments should not strengthen the hand of the oil companies at the expense of American consumers.

For these reasons I intend to vote against the Energy Act and I pledge my support to any future legislation that promises to accomplish the goals I have outlined.

Mr. BAUMAN. Mr. Chairman, there was a time, in fact it was about 1,600 years ago, when people witnessed the destruction of their orderly life and government; when they shared in the ruin of all but a subsistence economy; and when they enjoyed almost complete cultural and intellectual sterility. We have become accustomed to call this period the Dark Ages. Yet I submit that no age is darker than the prevailing cultural impoverishment which can produce no more reasoned and effective response to the energy crisis than this pitiful bill, this meager and uncoordinated legislative salute to the economies of the Pharoahs.

I am obviously voting against what is left of this so-called Energy Conservation and Conversion Act. How long we have been made to sit here in order to watch a leaderless two-thirds majority of this Chamber rape an artichoke, peeling off leaf after leaf of the original energy saving proposal in order that we might be left a bill which does little else but make life nasty, brutish, and short for those who must use cars and trucks on our Nation's highways. At a time in the sad history of our present economy when workers and wage earners of all types are already hurting, this bill could impose shortages and gas lines on those who least deserve it.

Furthermore, the bill would impose mandatory oil import quotas at the very point when our campaign for economic recovery through increased production needs new oil products from all economically available sources. If it is more and cheaper oil we are after, reason dictates that the removal of artificial ceilings on domestic prices of oil is vital for the health of our economy. We should stop tiptoeing around the issue and deregulate natural gas so that we may resume diplomatic relations with reality, so that we may return to the supply and price factors of a real world in which the politics of regulation is not adequate protection.

Mr. Chairman, I recall Members of this Chamber actually debating whether the present period is best to be described as an "emergency" or a "crisis." Whatever you choose to call it, it is clear to me that such a time does not create reason, but creates the occasion for the exercise of reason. And it is the reasonable course we are pursuing by doing the following: Decontrol domestic oil and remove the two-price system which has discouraged domestic production. Deregulate natural gas for the sound economic reasons I have already offered.

Rebate the windfall profits an oil company makes provided the money is used for domestic exploration and production of fuels. Liberalize air quality standards enough to allow utility companies the use of coal. Get off the backs of American car producers by relaxing the auto-emission standards so universally disliked by owners of the newer domestic models. None of these valid suggestions are contained in this bill, which instead of increasing domestic production, seeks only to redistribute the existing shortage.

We would be looking for new ways of increasing our energy resources without the habitual resort to making life economically miserable for those people who during the course of their normal day simply have to use gasoline and heating oil. As a member of the House Interior Committee, I have introduced and supported measures intended to encourage the production of oil, nuclear power, and coal supplies.

These and other measures should be part of a long-range solution and not merely a casserole of imbalanced and watered-down elements which the bill before us presumes to be. The profound lack of coordination and leadership on the part of this body's majority is well illustrated in its monotonous and, frankly, boring refrain in answer to any economic problem: Tax, tax, tax.

This bill is a sorry product of the age, and we would be doing it a favor by granting it a quick death now. I urge you to vote against H.R. 6860.

Mr. RIEGLE. Mr. Chairman, our country does need a comprehensive national energy program to guarantee our ability to meet our current and projected energy needs and erase the uncertainty in people's minds so that they can make intelligent economic decisions. But I believe it would be a mistake for the Congress to enact this legislation which serves to punish a particular industry and puts another onerous tax on the working man.

Any sensible and fair energy program must bring about an equitable sharing of the conservation and price burden and promote a return to a full employment economy. The bill that is currently being considered by the House is totally inconsistent with these objectives and would deliberately slow our economic recovery, fuel inflation, and further depress the automobile industry.

The bill that the Ways and Means Committee is asking the Members of the House to consider today has been obviously designed to restructure the automobile industry. It imposes severe tax penalties, with consumers bearing the heaviest cost burden for energy conservation and development. It is not a systematic attack on our energy problem with consumers, government and the major oil companies sharing this burden.

The bill is anti-automobile in two of its major and most important provisions: A 23 cents tax on gasoline and an automobile fuel efficiency tax. The bill represents a poorly conceived attempt to restructure the automobile industry through a Draconian tax rate. And does this at a time when the industry is most sorely depressed.

This Congress is being asked to force the consumer in a direction he is already moving: The production and use of more fuel-efficient cars. Being an anti-auto bill rather than a comprehensive energy bill, it fails to emphasize the need to increase our internal production of oil and to accelerate development of alternative energy sources as the only sensible offset to Arab oil threats. There is no consideration given to the acceleration of our offshore leases, or the creation of an instrument to do this such as a National Energy Production Board.

A logical and not unexpected reaction of the OPEC countries to this bill would be an increase in their own price per barrel to keep other consuming governments from gaining these additional revenues. Since the committee's idea of energy independence—25 percent imports by 1985—is unrealistic, the OPEC countries would not hesitate to use their commodity power to maintain the solidarity of OPEC.

This bill's most glaring omission is the absence of a number of important proposals suggested by other energy experts that have been examining the energy problems. The bill makes no mention of the integration of the oil majors, the tax benefits currently enjoyed by the majors or the cross-sector ownership of much of the energy industry. It has left untouched the whole question of competition or competitive pricing in the industry, particularly with respect to natural gas.

In summary, the Congress is not being asked to consider a reasonable counterproposal to the administration's program, or a genuine energy independence bill. A 10-year target of 25 percent dependence on oil imports in an energy intensive economy such as ours cannot be equated with independence. We should start our discussion of energy by dealing with this reality and pursue every conceivable option that would increase energy production. This is the way we would respond in a war or some other national emergency and this is the way we should be treating this problem today.

For these reasons I must vote against this bill and hope that it is defeated. Only then can we start again with an effort to draft a new energy program that can honestly address our national energy problems and requirements.

Mr. BIESTER. Mr. Chairman, I rise in opposition to final passage.

Despite the jolting energy shortage experienced by the Nation in the winter of 1973 and the months of confusion and uncertainty about America's energy policies and posture which have followed, we still do not have a comprehensive energy policy. Congress has had months to formulate an approach to the problem, but the increasing sense of complacency which has characterized this situation has all but eroded any serious efforts to devise an effective strategy.

The Ways and Means Committee, notwithstanding the earnest attempts of its distinguished chairman to realize a strong approach to the energy question, eventually reported out legislation which fell short of this ambitious objective. Questions as to the exact nature of our energy condition and a reluctance on the part of many to accept the strong medicine some sought to prescribe dimmed prospects for an effective bill long before the legislation ever reached the floor.

Few people enjoy imposing hardships on themselves or on others, but I believe the American people look to their Representatives in Congress for the leadership to make those hard decisions. The House had an opportunity to demonstrate this leadership, but it did not. I believe it was correct in not approving the 20-cent gas tax, but then it refused to accept any tax, whatsoever, on gasoline as a means of holding down gas consumption. Further, it refused to adopt a strong auto efficiency taxation system which would go directly to the root of wasteful gas consumption, and it rejected amendments putting teeth into auto efficiency standards.

This exercise in shortsightedness in which we have been engaged over these past weeks leaves me profoundly discouraged and will, I fear, be regretted by our Nation before very much time has passed.

This legislation should have been returned to committee. Other of my colleagues may vote to send the bill to the Senate which, I could only hope, would possess the wherewithal to do what we were unwilling. While it can be argued that some of the Ways and Means Committee's original provisions were quite strong and that some of the floor amendments may have been too tough, few can honestly deny that the bill as it now stands barely begins to respond to the energy problems we face. I cannot in good conscience be party to legislation which so evades and ignores such a crucial question of national policy and direction.

Mr. KOCH. Mr. Chairman, regrettably this bill is not worth the enormous energy that the House has expended on it. This legislation has been so gutted that it will not conserve any significant amount of energy. Earlier this year, when we voted to rescind the President's oil import tariff increase, I did so in the belief that the Congress would face the difficult task of shaping national energy policy. It was my belief that the Congress would distribute the burdens of energy conservation more equitably than the President's plan would. Sadly, we have decided to impose no restraints at all. We have shirked our responsibilities by taking the teeth out of every key provision of the bill.

While we have retained the oil import quota system, it has been rendered almost meaningless by our other actions. First, we have raised the maximum levels in 1979 and 1980 so that they impose no discipline. Second, we have stripped the bill of the tough conservation measures that would have lessened our dependence on foreign oil. I was one of the very few that supported the committee's gasoline tax provision. The intent was to gear our efforts to ending the wasteful use of gasoline, instead of imposing price increases on home heating oil and other essentials. The additional 20 cents per gallon increase in tax if gas consumption continued to rise was a firm but fair way of putting the American people on notice that our energy problem is real and immediate and that wasteful use of gasoline has to be ended. While I was surprised at the overwhelming defeat of this provision, I was shocked that the House even refused to support the minimal 3 cents per gallon tax essential to the funding for research and development of alternative sources of energy.

It is obvious that the House does not have the will to demand from the gasoline consumer or from the auto industry even modest sacrifice. The Fisher amendment would have made those demands, because it was a no-nonsense approach for improving auto fuel economy. It would have encouraged the consumer to buy fuel-efficient cars by placing an excise tax on the sticker price of gas guzzlers, while also promoting improvement in each auto company's miles-per-gallon fleet average.

The key provisions have been stricken from the bill. The trust fund has been gutted of its funds. Title V never had my full support, because it was full of tax loopholes that would not appreciably encourage conservation.

Mr. Chairman, Members should realize that while they have voted against higher taxes, they have not and cannot prevent higher oil prices. There is no doubt that higher prices are coming. But the increase, instead of going into energy development by the Government, will go to OPEC and the oil companies, and will hit the consumers not only at the gas pump, but in their home heating bills and for other basic commodities made with oil.

We had tough choices to make when we confronted the energy issue. Minimizing our dependence on foreign oil does entail sacrifice, and this House has opted not to make those sacrifices. Our domestic supply can only expand so much in the next decade. Without reliance on energy conservation, we must increase our imports of foreign oil, to the detriment of our balance of trade, our foreign policy to wit, leaving ourselves open to oil blackmail, and our whole economy.

One issue that I consider crucial was not even discussed in this debate: economic concentration in the energy industry. I understand that the Judiciary Committee has jurisdiction over this matter, and I urge that committee to move forward with hearings on the energy cartel in our own country.

Mr. Chairman, as I have said this is not the best of bills. It is true that it makes no significant contribution to solving the energy problem but it does serve a function as a vehicle. For this reason, I shall vote "aye," with the hope and prayer that, in conjunction with the Dingell bill, the Senate will strengthen it, and that out of the ultimate conference will emerge a reasonable bill.

To do nothing, which a "no" vote would reflect, would be irresponsible. The search for a national energy policy by the Congress, though not yet successful, must be allowed to continue.

Mr. CLEVELAND. Mr. Chairman, now that the House has completed its marathon consideration of the Energy Conversion and Conservation Act, it seems like a good time to sit back and take stock of what the House has done and how it has reached its conclusions.

After lengthy deliberations, the House Ways and Means Committee reported out a bill which was supposed to be the comprehensive congressional response to President Ford's energy proposals. As reported, the bill was unsatisfactory to me; as about to be passed by the House, although changed, it is no better and probably worse. I shall vote against it.

QUOTA SYSTEM BAD FOR NEW ENGLAND

The Ways and Means bill addressed the problem of our dependence on foreign imports and our mass use of petroleum products by imposing quotas on the number of barrels of oil that could be imported into the United States in any given year. This solution has not worked satisfactorily in the past, particularly as far as New England is concerned, and the proposal of the committee gave no indication that the device will work any better in the future. The imposition of import quotas is an artificial measure that is both unrealistic and discriminatory without substantive companion measures to reduce demand for petroleum and without the strong commitment to the development of all possible alternative sources of fuel.

The Ways and Means Committee bill compounded the error of relying on quotas by proposing a massive gasoline tax increase of up to 23 cents a gallon that would have struck most severely at those who were least able to do anything to combat its effects—in particular, those citizens in our rural areas who have to use their automobiles to get to their jobs and to live any sort of normal life. Fortunately a majority of the House saw the glaring deficiencies of this plan and joined me in voting to defeat it.

Although the House justifiably defeated the massive 20 cents a gallon gasoline tax increase, it did not even have the courage to retain the additional 3 cents a gallon tax for an Energy Conservation and Conversion Trust Fund. I support the 3 cent gas tax increase as I believe and have publicly stated that such an increase is warranted; provided the revenues are earmarked in a Trust Fund for desperately needed research and development of alternative sources of energy.

The defeat of the massive gasoline tax proposal, sadly, was one of the few moments of lucidity during the consideration of this measure. More than 40 amendments were offered to the bill on the House floor, a fact which underlies both the weakness of the committee measure and the complexity of the issue. Many of these modifications were offered with little background provided on or, in some cases, even known about their impact on the overall energy and revenue situation. A number of the amendments were very specific in nature and benefited narrow interests. While the results of this type of amendment are not always bad, these amendments do make an intelligent, informed decision even more difficult to reach, particularly in the course of a lengthy debate.

NO REAL ACTION ON GAS GUZZLING

The Energy Conversion and Conservation Act debate showed once again the inability of the House in general and the Democratic majority in particular to deal in a logical, dispassionate manner with a critical problem facing our country. The debate on the bill lingered over 2 weeks and was interspersed with considerations of other important legislation. Political expediency, a lack of vision, and the influence of well-organized lobbies combined to reduce the final bill to a shell of what a strong, meaningful energy program should be. The prime example of these factors was the defeat of the Fisher amendment to place tough economic disincentives on the manufacture and purchase of gas-guzzling cars. I supported this meaningful proposal but found myself in the minority when a recorded vote on it was taken.

A HODGEPODGE OF MEANINGLESS PROVISIONS

The spectacle of the House Democratic majority floundering about in an attempt to "do in" a Republican President on the energy issue has produced a result which the Chicago Tribune has called "a hodgepodge of meaningless provisions that will do virtually nothing to encourage conservation of energy or to stimulate development of alternative sources." I could not agree more.

We must develop coherent, forceful measures and procedures to reduce consumption of petroleum products and to develop all alternative sources of energy. The situation has become critical; we must act before it becomes terminal.

ENERGY COMMITTEE NEEDED

Mr. Chairman, I feel an especially significant sense of regret at the failure of the Congress to enact a comprehensive and effective national energy program, because as early as June 4, 1971, I voted to creat a select committee in the House to conduct a full and complete investigation of all aspects of the energy resources of the United States.

Unfortunately, a majority of my colleagues did not agree that the situation was serious enough to merit such an investigation and the measure failed to pass on a vote of 128 to 218. In my remarks on that date, I commented as follows:

> At a time when we are nearing an energy crisis with new power plants being delayed, our cities being browned and blacked-out, the price of fuel oil rapidly rising, concern over availability of fuel oil and responsible officials predicting a severe energy shortage within the decade, this failure to act by the House is regrettable.

I note that many of my colleagues on both sides of the aisle and in both Houses of Congress now agree that creation of new committees in each House to assume full responsibility for handling all energy legislation is warranted and indeed is vitally necessary if we are to develop a coordinated and effective national energy policy. I hope this exercise that we have just undertaken convinces those not yet persuaded that we need to become organized to deal with this problem.

I also hope that those who have been critical of President Ford's energy program will pay particular heed to this lack of action by the Congress, as to date the President's energy proposal represents the only comprehensive plan of action.

Mr. RANDALL. Mr. Chairman, I rise in support of H.R. 6860, as amended, the Energy Conservation and Conversion Act of 1975.

As I make these comments, I hope I may emphasize that I support this measure only "as amended." For my part I have no apology in contributing to the deletion of title III, which was nothing more or less than a new national sales tax at the pump on gasoline products, which would have fallen most heavily on and been an onerous burden upon the residents of our rural areas, who have to travel many miles each day to their places of employment without the benefit of any of the alternative means of public transportation or mass transit which are available in the urban areas.

Title III, which was quite properly deleted, had as its purpose and objective the conservation of fuel by a process that has come to be known as the "price mechanism." To control the consumption of gasoline by this pricing mechanism was regressive and placed the burden or hardship to fall the hardest on the poor or those on fixed incomes. The rich would not have been restrained under this title. There was no equitable formula contained in the title. For this reason, the provision simply had to be deleted from the bill altogether.

Not only was the price or market mechanism unfair to the rural areas and unfair to those with low or fixed incomes, but it would have been inflationary. It is the judgment of some pretty able and respected economists in this country, that that we have three major problems facing this country that should be placed in their proper perspective and in their proper perspective and in their proper sequence. First of all we must try to combat recession and then inflation, and finally try to solve the energy crisis, in that order.

Of course the three paramount problems mentioned above which face our country are interrelated, but title III, with its gasoline excise tax of from 3 to 23 cents, put all of the emphasis on conservation by means of taxes. Such would have further ignited or heated up the inflationary cycle, and done violence to all of the ongoing efforts to dampen inflation.

Moreover, the wisdom of the rebate provisions should be subject to question. Eighty-five percent of the tax collected would have been rebated, not solely to the people who paid the tax, but to every person over the age of 16. What sense is there in collecting a tax on the one hand and sending 85 percent of it back with the other hand, with the probability that most of the 15 percent residue would have been eaten up by paperwork?

Another bad feature of the tax section is that there was no tax of any kind against diesel fuel but only against gasoline. This would have started an immediate boom for diesel-powered automobiles, most of which are manufactured in foreign countries. It would have resulted in further deflating our American automobile industry and causing further unemployment.

The worst omission of a kind of bill which leaves so much to be desired, is that it does not encourage increased production of petroleum products in America, or give some incentives to the development of alternative sources of energy. Conservation is well and good. Anything that can control demand, as long as it is fair and equitable, is all right, but the big task yet to be addressed in this country is an increase in the supply of energy.

Now, Mr. Chairman, despite the absence of the gasoline tax provision there are still substantial energy savings to be realized from this amended bill. The bill imposes mandatory oil import quotas, and the FEA is empowered to distribute these import licenses by public auction, with a separate auction for small refiners and independent manufacturers. These quotas, ranging from 6 million barrels per day up to 6.5 million barrels per day, are such that it will not result in shortages of oil here.

The quota system should work effectively for the conservation of energy in this country. Then, there was provided a tariff equal to 2 percent for crude oil and 5 percent for petroleum products, given as an authority to the President.

In my judgment the House in a responsible manner faced the problem of fuel-inefficient motor cars being manufactured in this country. Rather than to place a tax that would have been passed on to the purchaser of inefficient cars and which would have been inflationary, the floor amendment of the gentleman from Indiana (Mr. SHARP) established a set of fuel efficiency standards which, when modified by the amendment of the gentleman from Michigan (Mr. DINGELL), assured that there would be a set of standards for domestic production and a separate set of standards for foreign production, with domestic production to include Canada.

All of this made sense. But perhaps best of all was the imposition of a civil penalty of $50 rather than a tax for each mile per gallon by which a company's sales-weighted fleet average gas mileage is below the standard. The real penalty perhaps lies in the fact that this $50 penalty is not deductible under the Federal income tax.

Once again fairness was shown by provision of separate standards and exemptions for pickup trucks or light duty trucks which are so vital to our rural areas.

The provision of penalties for manufacturers who do not get 18 miles per gallon in the 1978 model year or up to 28 miles per gallon in 1985, would spark a long delayed revolution in automotive design in the manufacturing industry.

Despite the deletion of the title III there are still sustantial savings in the bill. Savings can be expected to be 575,000 barrels per day in 1977 and to increase to over 2 million barrels per day by 1985.

Mr. Chairman, I hold no illusion that this measure alone will enable us to achieve the difficult task of energy independence by 1985. Basically this measure is a start. It is a step in the right direction. It is most important to follow this first step and go forward with additional and successive legislation that can achieve our goal of independence, so that we can be independent of those foreign sources that treated us so shabbily in the not so distant past.

For all of the foregoing reasons which I have recited, and in addition the coal conversion tax incentive provision, I support H.R. 6860 with emphasis on two words, "as amended."

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are about to conclude a long and tedious debate on the subject of energy.

We know better now then we did in the beginning that there are no easy answers. There will be, I understand, a recommittal *motion; but I would* like to say to my colleagues that a recommittal has to be a dead end. There is no way we can go back to the committee and take a new turn.

Mr. Chairman, I want to commend the committee members and the staff. This has been a tedious matter that has produced very deep feelings by different members, and I want to commend the Members of the House and of the committee. I think it has been a very responsible debate.

I also think that we have had a minimum of politics injected into it. Unfortunately, however, there is some. However, let me assure the Members that we do have the basic foundation for an energy policy here.

Mr. Chairman, I urge all of the Members to get the summary sheets that we have handed out, which the staff has presented, and look at the different provisions in the energy effort.

We begin by telling the OPEC countries and the world that we are putting a limit on the amount of oil we import. From now on we are not going to import oil without limit. We are telling the oil producing countries that there will no longer be an unlimited flow of petroleum into this country from abroad. We are telling industry and utilities, through our excise tax provisions, that they simply must begin the job of converting to coal and nuclear energy. We are telling the automobile industry that they simply have to start building more efficient automobiles in this country.

We have credits here for the average citizen with respect to home insulation to conserve heat, which is very important.

We have tax incentives that I think are very important in developing the flow of capital into vital areas which will produce alternative energy sources.

We have a trust fund that goes specifically to developing alternative energy sources in a meaningful way. This also is very important.

Mr. Chairman, all of these add up to major phases of energy in this country. Again I urge the Members to look at the summaries. You can go home to your constituents and honestly say that this is a new direction in energy policy for this Nation. It is a long-term policy. It does not interfere with our economic problem of getting out of the recession. It is an energy program that is well thought out.

While the deletion of the gasoline tax did reduce the energy savings from the bill, the remaining savings are still substantial and, indeed, greater than those of the President's energy tax and tariff program.

In the committee report accompanying H.R. 6860, the committee estimated that the energy saving would be 2.14 million barrels per day by 1985. In addition, the committee noted that conversion of electric utilities from oil and gas to coal would save 0.37 million barrels of oil per day in 1985. The coal conversion program is to an important degree attributable to the tax incentives in the bill. The overall energy saving in 1985, as estimated in the committee report from this program is 2.51 million barrels per day.

The deletion of the gasoline tax reduced this energy saving by 1.12 million barrels per day. In addition, the Federal Energy Administration has scaled down its estimate of the energy savings from coal conversion to 0.20 million barrels per day. These changes would reduce the energy saving from 2.51 million barrels per day to 1.22 million barrels per day.

However, according to FEA the Sharp amendment increased the energy saving from the auto efficiency program from 240,000 barrels per day to 500,000 barrels per day by 1985, because the civil penalties under the Sharp amendment are not tax deductible.

Also, FEA has increased its estimate of the energy saving from the 10-percent tariff by 170,000 barrels per day by 1985.

Finally, we believed it was appropriate to change the assumption as to how the President will administer the import quotas. Initially, the committee assumed that the President would use his flexibility so that quotas would not bite; however, the committee report stated in a footnote that if the President allowed the quotas to reduce imports so that the auction system resulted in a 50 cents import license fee, the energy saving would be 300,000 barrels per day by 1985. With the deletion of the gasoline tax, it seemed reasonable to assume that the President would use this authority to allow the quotas to bite to some degree so that there is a license fee for oil imports of 5 percent of the price of oil. This would mean a saving of 375,000 barrels per day by 1985. These changes together increase the energy savings from the bill by 785,000 barrels per day, so that the overall saving is 2.0 million barrels per day, the figure used in the summary of the bill that we have distributed.

In comparison, the energy saving from the President's tax and tariff program is only 1.2 million barrels per day in 1985.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Yes, I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding.

Last week I and others played some role in an effort, which was successful, to delete title II from this bill, the proposed gas tax.

I would say to my colleagues today that this in no way should be construed as a position of being against this bill on final passage.

I think that the American people have wanted the leadership to establish a national energy policy. The President has spoken, the House has debated the issue, and I think a policy has been forged by this bill which will establish the correct course and the correct direction for the American people.

I say let us pass this bill, let us defeat any motion to recommit, and get on with the other business of the Nation.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I want to congratulate the Chairman for the excellent job he has done on such a very difficult subject. I would ask my colleagues to support this bill.

First of all it has a tremendous economic significance. The import taxes the President has put on unilaterally are repealed by this bill, and are replaced by an ad valorem tax which will only amount to the equivalent of about $1 a barrel, and it will provide some real economic relief in our society.

The bill provides for import quotas. The Committee on Interstate and Foreign Commerce will soon be coming forth with their bill which will take care of allotments, which will take care of strategic reserves, and which will take care of the incentives for additional production.

So I do believe that the two bills will go together, and that they will work together. This is a very important bill because it does create an incentive for new energy sources.

Mr. BADILLO. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from New York.

Mr. BADILLO. Mr. Chairman, I reluctantly support this bill, not because I think it is a comprehensive energy package, but I think on the basis of the way it now stands, especially when added to the bill soon to come out of the Committee on Interstate and Foreign Commerce, that it is needed.

Mr. Chairman, I shall vote for H.R. 6860, the Energy Conservation and Conversion Act, with deep reluctance. This is a bad bill, a bill deprived of its raison d'etre with the elimination of the gasoline tax provision—a provision so inequitable that it was voted down 345 to 72. It is an incomprehensible bill that seeks to deal with a complex problem of great magnitude through the unsatisfactory vehicle of tax legislation. I am giving my support to it only because I understand that the Committee on Commerce and Health has almost finished its work on a comprehensive energy package, but cannot bring it to the floor of the House while our interest and our time are being preempted by H.R. 6860.

Since the inception of what became known as the "energy crisis" Congress has twice attempted to come to grips with the problem and twice its attempts ended in routs and debacles. I am convinced that this can be blamed to a large extent on the fact that in both instances Congress attempted to solve the energy crisis through tax legislation—even as the administration continues to try to deal with it on the level of tariffs. Yet our energy crisis is not a crisis of taxation. It is a crisis of resources, conservation, development, and economics. Yet to date, in attempting to formulate a response to this very serious crisis, Congress has consistently left unexplored these aspects of the situation.

I do not know what the Commerce Committee bill contains. Hopefully it addresses itself to the overall implications of the problem. If it does, it may still be possible to salvage matters by adapting both measures through conference action and utilize one to complement the other. By doing so, Congress may yet arrive at an acceptable solution to our problems.

Unfortunately, and realistically, this is almost too much to hope for. It is my conviction that because of the very complexity of the problem, no one committee of Congress is presently equipped to deal with the situation. I think we must give serious consideration to the establishment of a Select Committee on Energy to deal with this matter. A select committee, which could have a Senate counterpart, could move with speed, precision, and in a comprehensive manner. The membership for such a committee should be recruited from all legislative committees whose areas of jurisdiction and expertise bear on the energy problem. Its membership could include representatives from Ways and Means, whose expertise on taxation would help us to arrive at a reasonable rate of taxation for producers and consumers alike; Commerce and Health, whose members could advise us on the regulations of energy and could aid us with their knowledge of the problems of pricing and allocation; the Joint Committee on Atomic Energy whose experience with nuclear reactors would be extremely valuable; Science and Technology, whose members presently concern themselves with research and development in this area; Education and Labor, who could contribute their understanding of related labor problems; Interior and Insular Affairs, who could help us to achieve the fullest possible protection of our environmental resources; Foreign Affairs who, because of their familiarity with international trade policy could aid us in handling the problems posed by trade policies of the oil exporting nations; Government Operations, whose members could contribute their expertise on governmental structure, reorganization, and operations and thus help us arrive at a decision about the administrative structure necessary to handle these issues; Small Business, whose members would help us to protect small businessmen from the economic impact of the energy crisis; Transportation and Public Works, whose members' familiarity with the needs of the transportation industry, both as a user and a mover of energy, should be of tremendous help; Agriculture, whose members are struggling to assure a sufficient supply of energy for our food producing sector. Such a committee, if established, should work closely with the Joint Economic Committee—indeed it could benefit from recruiting some of the individuals serving on that body to join its ranks. I am convinced that only in this fashion shall we be able to develop a viable, successful, and comprehensive way of dealing with our Nation's short- and long-range energy needs and aid our country to attain economic growth and stability.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Ullman was allowed to proceed for 2 additional minutes.)

Mr. ULLMAN. Mr. Chairman, the way that legislation is passed in Congress is that we build a framework, we build a base, and this is a base. We build over it in subsequent legislation. That is the way it ought to be with energy policy.

Soon to come along will be the energy bill from the Committee on Interstate and Foreign Commerce on which they have jurisdiction, and these two measures will work together. Then, after that, we will have the bill brought out by the gentleman from Washington (Mr. McCormack), on NASA and atomic energy. That is another ingredient added on to what we now have and will soon have. Together, they will all make up our energy policy, and through them this Congress can look good. We will demonstrate to the President and we will demonstrate to the Republicans, and we will demonstrate to the people of our Nation that Congress can act, and come up with new policies, put them together, and have a sound, stable approach to the energy problem.

Mr. ROSTENKOWSKI. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Chairman, I want to congratulate the Chairman, the gentleman from Oregon (Mr. Ullman). Certainly as one member of the Committee on Ways and Means I am proud of the effort that has been displayed by our chairman.

I think that no one has taken a more courageous stand in providing an energy policy in this country than he has. I am proud to serve with the gentleman on his committee.

Mr. Chairman, throughout the discussion of this most important piece of legislation, I have refrained from debating with my colleagues the merits of the countless amendments offered. I have done this not out of lack of interest in, or concern for, the final form of the energy program before us. But rather, my reluctance—I suspect—results more from a sense of frustration. Frustration that we in the Congress have deliberately turned our back on the opportunity to exert leadership in such an important area.

During the past 2 weeks, we in the House of Representatives have stated all too clearly to the American people, "Yes, there is an energy problem; but, no, we would rather not get too involved." Through the overwhelming reluctance of my colleagues to support the Committee on Ways and Means' efforts to maintain some bite in this bill through an effective tax on gasoline, we have demonstrated that Congress is presently incapable of making the mature decisions required of it.

The vote to strike from this bill the long-range increase in the gasoline tax has the effect of sending an energy bill into the world without its heart. It cannot long survive.

The failure of this Congress to demonstrate a sense of leadership in this area can in no way be attributed to my colleague from Oregon, the distinguished chairman of the Ways and Means Committee. During the past 3 months he has labored endless hours striving to develop a program that would not only work but would be acceptable to a majority of the Members of this House. But in seeking compromise, he held firm to the conviction that in the area of energy conservation, the right thing to do and the popular thing to do probably never would be equated.

When the Committee on Ways and Means voted in January to temporarily suspend the President's authority to implement his own energy program, I supported that attempt with some reluctance. I did support it because I felt that his use of the import fee was a misdirected economic disincentive. But when we voted to suspend his authority, I cautioned my colleagues in the committee report that such a vote committed us to develop a concrete alternative and to develop it quickly. This the full House of Representatives has failed to do.

In voting to block the imposition of the import fee, I felt that the use of economic disincentives to curb the use of petroleum must be done in a manner that will force consumers to alter their spending patterns. To alter them particularly on products for which the demand is somewhat flexible. The approval of the tax on excessive use of gasoline by the Committee on Ways and Means was a commitment to an economic approach far different and, in my opinion, far more effective than that of the administration. The rejection of the President's approach committed us to substantive alternative action. The rejection of the heart of the committee bill demonstrated our failure to keep that commitment. What remains of H.R. 6860 is a clear demonstration that the full House of Representatives is not yet ready to tackle the tough solutions that must be developed in the energy area.

In reviewing the events of the past week, I must belatedly concur with the remarks of my colleague on the committe, the gentleman from Minnesota (Mr. Karth) who said before the vote to strike the gasoline tax that this key issue would be decided more by lack of political courage than by the facts of the matter.

In the weeks ahead, as the Members of this House, from the leadership on down, reflect on this, I hope that we all begin to realize that on the tough issues, the solutions are never going to be easy. The task of real leadership in this country must not be to properly determine what way the majority are headed, but rather must be to determine what way they properly should be led.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Virginia.

Mr. FISHER. Mr. Chairman, I rise also to support this bill. This bill has run a long gantlet in the last 2 weeks. It has been struck at, it has been battered in practically every manner and form but, still, it has run the gantlet, and the bill now is on the floor. It will give us a fresh start—one upon which we can improve. It will give us an energy policy for now, and in the long run. I think it is very important and I believe it deserves to be passed by this House.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, I want to make one fundamental things very, very clear, and that is if we want an energy policy that the only way that that can be done is through this bill, and the other that will be coming along, and therefore the only way to do that is to vote for this bill. I intend to vote for it, and I hope everybody else will.

Mr. ULLMAN. Mr. Chairman, I urge the Members to vote down the recommittal motion, and to vote in favor of this energy package.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONABLE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I also would like to pay my respects to the chairman of this committee who has labored long and hard and earnestly. I personally oppose the bill and urge others to oppose it as well.

It seems to me that it is extremely dangerous to vote for a nonpolicy in a world that is watching us to see if we are willing to take the stern steps necessary to achieve conservation, increased production, and, in fact, energy independence. We are in effect, despite the great spirit shown by the chairman and the obvious gesture of support that many people have tendered him after his labors, voting for a nonpolicy if we vote for this bill, signaling to the OPEC nations that this country has no intention of doing anything significant in the energy field.

There is going to be a motion to recommit which I will offer. I will move to recommit H.R. 6860 to the two committees which have jurisdiction over major energy subjects, the Committee on Ways and Means, and the Committee on Interstate and Foreign Commerce.

We started with a truncated bill, one which did nothing for production. We had a partial conservation measure. The elements of conservation have been substantially reduced, and for that reason I find it incomprehensible that the committee has now offered a summary indicating that the energy savings are approximately what they would have been had we not eliminated the gasoline tax. Am I not correct? The gasoline tax has been deleted from the bill.

This afternoon the Members of the House have been given a summary of H.R. 6860 to date which includes estimated import reductions from the bill by 1985 of more than 2 million barrels per day I am at a loss to understand how we could have deleted the gasoline tax, which initially was projected to account for more than half of the energy savings in the bill, and still be told at this point the bill will save more than 2 million barrels of imports per day.

How has the current estimate made up for the more than 1 million barrels-per-day savings attributable to the gasoline tax? Today's summary attributes savings by 1985 of 750,000 barrels of petroleum per day to the maximum 10-percent tariff in title I of the bill. In fact, of course, the tariff in this bill will not cause new savings inasmuch as based on present prices of petroleum imports, at least as to crude oil, it is a substantial reduction in existing import fees and duties now charged as the consequence of recent Presidential actions. Therefore, it seems questionable as to whether this tariff should be claimed as a source of additional net import savings.

I can also see from today's summary that the import quotas contained in this bill are estimated to save 375,000 barrels per day by 1985. When our committee began consideration of a comprehensive energy bill, the majority claimed that import quotas would make no independent contribution to reducing demand, but would only float down on demand as the other conservation measures in the bill took effect. Now I see that the quotas will make a substantial contribution to restricting demand on their own. How will we administer the resulting shortage?

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Mr. Chairman, while I applaud the courage and the evenhandedness of my Chairman, I can only say that this bill is a disaster. It raises revenue by levying a tax on imported oil, something which we already have. So there is no new claim to fame there. It also raises revenue by putting a tax on oil that will be used by business in the future. So there is nothing really great there. It will have the effect of draining American resources first so that down the road, as we turn this Government over to our children and grandchildren, we will give them a big national debt.

I think it is poor policy, as I said before. There is about an ounce of conservation and a gallon of loopholes. The gallon of loopholes will actually be about a little less than a half billion dollars by 1977, and it will continue to grow, as all loopholes do.

Mr. CONABLE. I thank the gentleman for his contribution.

I would like to urge, Mr. Chairman, that this committee support the motion to recommit which will return it to the two major committees dealing with both sides of this subject, rather than accepting a bill which started out trying to deal with a portion of one aspect and lost even that in the course of its movement through this body.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to emphasize for my colleagues some of the alleged facts presented in the summary which most of the Members have been given. As the bill came from the committee it was stated that the savings of petroleum by 1985 would be 2.1 million barrels a day. Of this 2.1 million barrels, 1.1 million barrels or over 50 percent would come from the gasoline tax, the 23-cent gasoline tax. We knocked out the 23-cent gasoline tax, so I presume we also knocked out the saving of 1.1 million barrels a day. If we subtract 1.1 million barrels from 2.1 million barrels we get 1 million barrels a day saving. But this summary comes out and it says there will be 2 million barrels a day saving. It is misleading and inaccurate.

I do not know who is the author of this summary but it is highly suspect and we should disregard the figures we have here, because the only other action we took that has any major effect on saving was the increase in the import quota which also would realize the saving that was stated in the first place.

I support the motion to recommit that will be offered by the gentleman from New York.

Mr. VANDER JAGT. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Michigan (Mr. VANDER JAGT.

Mr. VANDER JAGT. Mr. Chairman, I rise in reluctant support of a recommital motion. I am reluctant because of the high degree of statemanship the chairman and the members of the committee have displayed in recognizing the severity of America's energy crisis. And the dedication and good motives with which they tried to find solutions to the problem. Good intentions alone, however, are never sufficient justification for an affirmative vote on a bill. To call the legislation before us an energy bill is to violate the truth in labeling law which we ourselves passed a few years ago.

In arguing against an amendment to strike the gas tax from the bill one of the proponents of this legislation argued that the gas tax was the corner stone of the energy conservation in the bill and that to eliminate the gas tax would be to leave us with nothing and make us the laughing stock of the American people if we tried to pretend that there was energy saving in this legislation.

Yet we went ahead and eliminated the the gas tax. So the question that will be before the House in just a few minutes is "Is it more embarrassing to pass totally meaningless legislation or to do nothing?" This bill does not do one single thing to increase production of domestic energy. It does virtually nothing to conserve energy. Take just one example; title III. It is the subject with which I am familiar and it is what the proponents call the heart of the energy saving in this bill. The tax on automobiles will save a fraction of 1 percent of America's energy by the end of 1978. That is the total saving in this title which the proponents now argue, having lost most of the other energy saving sections of the bill, is the heart of energy conservation in this bill. One-quarter of 1 percent by the end of 1978. That is the total saving.

How do I arrive at those figures? American cars consume 13 percent of America's energy. New cars account for somewhere around 8 percent of the total number of cars on the road in any given year; 8 percent of 13 percent is around 1 percent. Thus, cars using only 1 percent of America's energy will be affected by this legislation 3½ years from now. About half of those cars would have met the 18 miles per gallon standard anyway so we are really talking about half of 1 percent of America's energy that will be affected by title III 3½ years from now. Even if this legislation forced a doubling of engine efficiency, whichever the proponents do not claim that it will do, the net savings would be one-quarter of 1 percent of America's energy needs by the end of 1978 under this title. This is the stirring, startling announcement to the world by this Congress that America means business about conserving energy. It is a joke. This is not an energy saving bill—it is a minicar bill. And at what price is that one-fourth of 1 percent of America's energy saved 3½ years from now? At the price of disruptive unemployment in an industry already crippled by high unemployment and vital to America's economic vitality.

The bill would also superimpose congressional judgment in the place of customer judgment as to what kind of car the customer wants and needs for his big family or his boat or his trailer. Whatever happened to the free market mechanism? The real tragedy is that we were on the road to auto efficiency—the goal which title III wants to attain—long before Congress began meddling in this area. Because of the increasing high cost of gasoline, customers were asking for more efficient automobiles.

In response one company alone committed $3.7 billion to producing more fuel efficient automobiles and that was before Congress even lifted a finger to deal with the energy crisis. Not in response to congressional demand but in response to customer desire, the auto industry was on its way to more efficient automobiles. Then along comes the Congress and thrusts itself into the matter. We tell the automobile company it will be fined a minimum of $200 million if it misses the mileage standard by even a fraction of 1 percent.

No company can risk missing that that standard and so whole models will be eliminated from the lines offered to the public. Congress is proceeding on the false assumption that if the customer cannot get the model car he wants he will be forced to buy the new car Congress wants him to want. But the customer has another alternative: he can say "To heck with you, Congress"—and the chances are his language will not be as elegant as I just used—I'll just keep the car that I have a little while longer. The so-called gas guzzlers that have been described with such blind and passionate vehemence here on this floor will be kept on the highways extra years as a result of this legislation. In short, we will be saving less gasoline in 1978 if we pass this bill than if we had done nothing at all.

I do not believe it is fair to the American people to give them the impression that we have done something to solve our energy problem by passing this bill, which, at best, is a meaningless marshmallow and, at worst, does more harm than good to the cause of energy conservation. This bill should be recommitted to the Ways and Means Committee from whence it should never have emerged in the first place.

Mr. SCHNEEBELI. I too want to commend the chairman. We have all worked hard and long.

I would also like to say the Republicans have been entirely consistent in their position in the committee and on the floor. We have not changed our position whatsoever. We have always been opposed to the gasoline tax. That was our main issue and we think the rest of the bill does not warrant support.

Mr. ARCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this bill has been presented as a foundation stone of our national energy policy, a new dramatic tool to solve this Nation's energy problems. I only wish it were so.

Nevertheless, I do praise our chairman for his efforts over the last months. He has tried very, very hard but unfortunately the product of this body does not live up to the type of legislation we must have or to the publicity that has been given to this bill for several reasons.

The main reason is that it does not in any way encourage domestic production of oil and gas. We know we must depend upon oil and gas for the next 15 to 25 years if we are going to have the energy needed by this country. I had attempted to offer an amendment to provide for an exploratory tax credit in the Ways and Means Committee, but was not permitted to do so.

I was also turned down in the Committee on Rules. I had planned to offer that amendment today, but I was informed by the Parliamentarian that it would be ruled out of order.

I think that is unfortunate, because at a time when we have been seeing a 30-percent layoff of geophysical crews in this Nation, we had better get on with our domestic oil and gas exploration or we will pay a dear price in the years to come.

Just as importantly, this bill does not save any energy. In fact, in the next year the actual projections for this bill are that we will be importing 150,000 barrels more of foreign oil than we are importing under the present circumstances today. In the year 1985 compared to where we are today, we will only be saving approximately 500,000 barrels.

Mr. Chairman, that is not enough to constitute a national energy policy that will save this Nation from being in jeopardy of another embargo.

I think it is unfortuate that we have reached this point with the present form of this bill. It would be better for us to send it back to the committees of Interstate and Foreign Commerce and the Ways and Means to come up with a truly realistic package. I urge an aye vote on the motion to recommit.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hate to continue to use the time of the Members on this bill.

I would also add my congratulations, at least, to the tenacity of the chairman of the committee, and to the ranking minority Member, my friend, the gentleman from Pennsylvania (Mr. SCHNEEBELI).

What we have heard in the last few minutes is really an example of legislative legerdemain and it cannot be given any other name. All of us can read, or we would not be here. On the one hand is the committee report, the bill as it came from the committee, that very clearly indicates with the gasoline tax there would be a savings of about 1.2 million barrels of oil per day by 1985. That was stricken out with my strong support of that good amendment of the gentleman from Arkansas (Mr. ALEXANDER) when he struck the gas tax. That struck 1.1 million barrels out of this committee report. Yet today we are given a summary of the bill as it stands today and now they tell us in this report that by the year 1985 with this bill we are going to save 2 million barrels per day.

Now, I do not know what kind of magic occurred since the committee report was written, but apparently it has.

One fact remains and no one has mentioned it at all; that is simply this. In the beginning of this debate some 8 days ago, I indicated to this House that I was in opposition to this bill and that I was likewise in opposition to the program of the President of the United States, because they ignored the free market system.

I call attention to the situation we found ourselves in approximately a year and a half ago at the height of the energy crisis. Now, we have passed a bunch of Mickey Mouse allocation legislation that has led us into a real can of worms; but the only real thing we did was to mandate to the United States that we drive 55 miles per hour. That was really the sum total of what we did; but the American people, responding to what they knew was a crisis, saved in that year approximately 2 million barrels of oil a day, without any legislation.

Now, what is wrong—what is wrong with the free market system? What is wrong with going to the American people and convincing them that there is, indeed, an energy crisis; that for the time being we do, indeed, need Arab oil and that we do, indeed, have to do something to encourage our own oil industry to produce, and this bill does nothing.

I know that it is popular these days and it is in vogue and it is chic to criticize the oil industry, but let me tell the members of the committee that the oil industry of the United States has provided for this country the cheapest oil and power found anywhere on the face of the globe today. So, the Members may criticize if they wish, criticize the free enterprise system, but remember how we got here. The free enterprise system did it. The free market system did it, and darn little that was ever passed in this House has helped our economy.

Mrs. HOLT. Mr. Chairman, I am reluctantly voting for H.R. 6860, which has some fine features as an energy conservation measure, but fails to address the need to expand energy production from domestic resources.

Conservation is only half the answer to the problem. Production is the other half, but nobody has been paying sufficient attention to it.

Our way of life is far too dependent on petroleum, an exhaustible resource, and our national security is threatened by reliance on foreign producers for 38 percent of our petroleum needs.

Correcting these dangerous imbalances will require at least a decade of rapid research and development and massive investments running to hundreds of billions of dollars.

We must develop our offshore oil resources, solar energy has great potential for heating homes and businesses, we have abundant coal resources applicable to many uses, wind energy and geothermal energy can be exploited with adequate technological advances, nuclear energy can be an abundant source of electric power.

The plain fact is that government must allow the dynamics of the free enterprise system to produce the energy we need. The required investments will be made only if the energy industries have reasonable expectations of healthy profits over the long term.

Government can stifle production with price controls, excessive taxation and suffocating regulation, but Government can stimulate production by encouraging the forces of free enterprise to operate.

However, this bill does not address itself to the problem of increasing production, except in some peripheral areas.

I am enthusiastic about the tax credit we have provided for installation of solar heating systems in homes. That tax credit would amount to 25 percent of the first $8,000 of cost. We have also provided a 30-percent tax credit for installation of home insulation.

The legislation imposes mandatory oil import quotas, which I fear will add to the shortage we expect in the fall. It also establishes impractical fuel efficiency standards for automobiles. It does, however, extend the investment tax credit to cover installation of solar energy equipment and insulation in businesses.

Mr. Chairman, this is legislation of some questionable value. It moves slightly in the direction we should be moving, but we have a long way to go.

Ms. HOLTZMAN. Mr. Chairman, unfortunately, the House's Energy Conservation and Conversion Act—as it emerges from the amending process—is an energy bill in name only. It is an inadequate response to the energy crisis that confronts us—to the billions of U.S. dollars going abroad into the coffers of the OPEC nations, to the inflation at home caused by extortionate oil prices, and to the dwindling world supply of fossil fuels. These are problems of enormous magnitude. I cannot in good conscience support this bill and present it to my constituents as firm and effective congressional action.

If we mean business in combating the energy crisis, we must take the following actions:

We need to have a tough-minded effort to conserve the use of gasoline and oil products.

We have to fund substantial research into alternative sources of energy.

We must restrict the purchase of foreign oil.

We have to find an equitable way to distribute the available supplies of petroleum.

We must produce cars which are gas-efficient.

We have to reduce our reliance on the automobile and make a major commitment to mass transit—rail systems and buses—in urban, suburban, and rural areas.

We have to research land use and planning to deal with the energy problems of urban sprawl.

The bill before us ignores many of these matters, and in my opinion, does not deal adequately with others.

First, the bill does not make a serious effort to reduce the wasteful consumption of gasoline and other petroleum products. The oil import quota provisions has been weakened. A tough provision to discourage the production of gas guzzling automobiles was defeated. Instead the bill contains a section providing for penalties on the entire production of manufacturers that do not meet certain mileage standards, thus penalizing purchasers of efficient cars as well as those who buy gas guzzlers. The tax intended to discourage the business use of petroleum products is riddled with exceptions.

Second, there is no significant funding of energy research. The Energy Trust Fund created by this bill is left with far too little revenue to finance the intensive research effort into alternative energy sources that is necessary.

Third, the bill is loaded with tax giveaways and tax loopholes. It includes tax credits of up to $2,000 for the installation of solar energy equipment, up to $150 for installation of home insulation. It also provides special tax credits and amortization rules for business. As with other tax loopholes, the people in my district, the middle-class taxpayers, will receive little if any benefit from these provisions. The credit for solar energy, for example, is useful if one lives in Arizona or Florida, and can afford to spend $8,000 on solar equipment. Those who cannot take advantage of the credit, however, will wind up paying for it.

Finally, I am concerned about the effect this bill will have on my constituents and other residents of New York State. The import quotas that are contained in this bill—and for which I voted—are an important step in trying to curb the use of foreign oil. Import quotas, however, without reduced consumption and without an allocation system, will lead to severe shortages and higher prices for imported oil. The bill does not provide for an equitable distribution within the United States of available supplies of petroleum, and does not do enough to discourage consumption. Therefore, since we New Yorkers rely heavily on imported oil, we may suffer the most from high prices and shortages.

Effective congressional action on energy is essential. President Ford has no program—except increased import duties on foreign oil and decontrol of domestic prices. The President has implicitly acknowledged his failure on energy, since he has repeatedly urged the Congress to save the country from these measures which will aggravate the inflation and deepen the recession.

I regret that this bill, despite the long hours of debate, and the hard work of Chairman ULLMAN and the Ways and Means Committee, fails to meet the challenge of the energy crisis. I hope, however, that as the bill goes through the legislative process to the Senate and the conference committee, it will emerge significantly improved. Certainly we owe to our constituents a more substantial and effective energy program.

Mr. ULLMAN. Mr. Chairman, I would like to ask unanimous consent that we conclude all debate on the bill and all amendments thereto in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. GIBBONS. Mr. Chairman, I object. Let us do it now.

Mr. ULLMAN. Mr. Chairman, I ask all debate in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. GIBBONS. Mr. Chairman, I object. I have seven more amendments, and if we are going to debate all night, I will introduce all those amendments.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments cease in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Under the rule, the Chairman has the right at this time to recognize one Member on each side. The Chair will do that. All debate on the bill is limited to 2 minutes. The Chair would be unable to recognize 40 or 50 Members for 1 second or 2 seconds.

PREFERENTIAL MOTION OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. STEIGER of Wisconsin moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the distinguished minority leader.

Mr. RHODES. Mr. Chairman, I thank the gentleman for yielding.

I hope that the motion to recommit will succeed. This is the only way to get this bill back on the track and to provide not only for conservation, but for more supply. In order to do that, we have to have both of these great committees involved. The motion to recommit will do that. I hope that it will succeed.

Mr. STEIGER of Wisconsin. Mr. Chairman, in the remaining 30 seconds, I think the members of this committee should very carefully examine, as the gentleman from California suggested we do, the factsheet that has been given us. It is a charade. It is exceedingly poorly done in an effort to beguile all of us into supporting what is a nonpolicy.

For example the sheet shows a saving in barrels per day because of the 10-percent tariff in spite of the fact the tariff is reduced by action of this bill. The reason the saving is shown is because the committee staff assumed no tariff going to a 10-percent tariff as contrasted to a $2 tariff being cut to about $1 which is the fact. There are other figures which are based skeptical assumptions which call into serious question this factsheet. There is no justification for the projected saving estimate of slightly over 2 million barrels per day.

I hope the motion to recommit to both the Committee on Interstate and Foreign Commerce and the Committee on Ways and Means is adopted.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, I rise to speak against the action taken earlier by this committee in adopting the so-called Sharp amendment, which provides for automobile fuel efficiency standards and civil penalties. The debate on that amendment focused primarily on its relative merits as compared to a much stiffer amendment offered by Mr. FISHER of Virginia. The merits of the proposal reported out by the Ways and Means Committee, which differs significantly from both of these amendments, were not thoroughly discussed. For this reason, I rise to state to the members of the committee my strong belief that the Ways and Means proposal provides a better alternative than the Sharp amendment which was adopted. I hope the Senate restores this.

The Ways and Means proposal adopts the standards of 18 miles per gallon in 1978, 19 miles per gallon in 1979, and 20 miles per gallon in 1980. These are the same standards that are provided under the Sharp amendment, after those standards are reduced by the one-half mile-per-gallon leeway which the amendment permits before any penalty is imposed. Thus, the Ways and Means Committee proposal is just as tough on the automobile companies and saves just as much energy as does the Sharp amendment. It is not a weak proposal. It would produce substantial energy savings.

A fundamental difference between the Sharp amendment and the Ways and Means proposal is the type of sanctions that are applied to manufacturers who do not meet the required standards. The Ways and Means proposal imposes an excise tax based on a percentage of the sales price of only those cars which fall below the standard. The Sharp proposal, on the other hand, applies a flat $50 penalty on all cars produced by a manufacturer for each mile per gallon that a manufacturer misses the standard.

Imposing a tax rather than civil penalties has the advantage of using the existing assessment and collection personnel and procedures of the Internal Revenue Service. Thus, any tax can be collected administratively while any penalties assessed under the Sharp proposal would require a court suit—and possibly prolonged litigation—in every case in order to collect the penalties. This prolonged litigation would substantially delay the actual payment of the penalties and thus dilute their impact.

In addition, the Sharp penalty is applied to every car produced by a manufacturer and not just to those cars that fall below the standard. As a result, a manufacturer who misses the standard may well pass on the cost of his penalties on to customers purchasing fuel-efficient cars as well as—or even instead of—those buying large inefficient cars if that strategy maximizes his profits. If this happens the Sharp amendment would provide a disincentive to the purchase of fuel-efficient cars. Under the Ways and Means proposal this cannot happen because the tax is specifically assessed on those cars which fall below the standard. The price of those cars—and only those cars—would be increased, giving an incentive for the purchaser to buy more fuel-efficient cars as well as an incentive for the manufacturer to produce more fuel-efficient cars.

Another problem with the Sharp civil penalty is that it is a flat $50 amount per mile per gallon. With inflation the effect of this penalty on a manufacturer's profits can be greatly diminished. For example, by 1980, if inflation continues at about the same rate as in recent years, the penalty in real 1975 dollar terms would be more like $25 to $30 rather than $50. Such a penalty would constitute a small deterrent to keep manufacturers from producing gas-guzzling automobiles. The Ways and Means proposal, on the other hand, provides ad valorem excise taxes ranging from 2 percent to 7 percent of the manufacturer's sales price of automobiles falling below the standard. Thus, the amount of tax will increase as inflation drives the price of automobiles up.

A final problem with the penalties provided in the Sharp amendment is that a manufacturer has no way of knowing with any certainty how much of a penalty he will have to pay if he misses the standards until the end of the model year. As a result, a manufacturer may be forced to pass on most of the cost of the penalty on cars which are sold at the end of the model year or even cars that are sold during the next model year, regardless of whether or not these cars are relatively fuel-efficient. Once again, this aspect of the Sharp amendment could result in higher prices for more fuel-efficient automobiles and a disincentive against increased sales.

Under the Ways and Means proposal, once a manufacturer realizes that his automobiles will not meet the standard in any given year, he will know exactly the amount of tax that will be paid on each car which he sells. The manufacturer will have an incentive to produce fewer fuel-inefficient cars and will be forced to pass the taxes through only on those cars.

A final, and most fundamental, defect in the Sharp amendment is that it makes an arbitrary determination that fuel economy standards are to be set at 28 miles per gallon for 1985. There is no way that rational standards, which with maximum effort automobile manufacturers can meet, can be established at this time for automobiles to be produced 10 years in the future. It is entirely possible that this standard will be so low as to be meaningless, if there is a technological breakthrough. It is equally likely that the standards will be so high that no manufacturer can possibly meet them even with the maximum effort, with the result that all manufacturers will incur penalties which would be passed on to consumers in the form of higher prices.

For these reasons, the Ways and Means proposal provides standards only through 1980 with a provision that the Federal Energy Administration is to report to the Congress in 1978 regarding what level of standards should be applied to years after 1980. In that way, Congress can at that time make a more rational judgment as to what the appropriate standards may be for subsequent years.

To call this bill an energy bill is almost a violation of the truth in labeling concept the House passed some years ago. It does nothing to increase the supply of energy and I suggest that what the people of this country want is not for this Congress to find ways to lower their standard of living but to find ways for all Americans to have the opportunity to enjoy the standards most have already attained. That objective requires more energy and, I repeat, this bill does nothing to increase the supply of energy.

The automobile accounts for only 13 percent of all energy consumed in this country. New cars account for only 8 to 10 percent of the vehicles on the road each year. Therefore new cars account for only slightly more than 1 percent of energy consumed. At best, then, this bill is aimed at improving the fuel efficiency of those vehicles which account for only around 1 percent of all energy consumed. Also, since the standards called for in the bill are essentially aimed at the family sized car, this means that the fuel economy improvements will be made in cars which account for less than half of the new cars produced. Thus any savings would be significantly less than 1 percent. This, then, is the extent of the conservation allegedly to be achieved by this bill.

But what is the cost of this insignificant achievement? The cost is further disruption of an industry which is already suffering high unemployment. This legislation does nothing to improve consumer confidence, which in turn is essential to the health of the economy.

The standards called for in this bill for 1985—28 miles per gallon—have been proposed without any indication that the cars produced under such standards would meet the needs of American families. With the technology now known, these standards in effect would require the industry to limit production to minicars. Faced with that choice, it is safe to assume that millions of Americans will keep their old cars rather than buy those that the Congress, in its wisdom, decides the consumer should have.

This not only would impede progress in safety or emissions control, but again would reduce the amount of conservation intended by this bill. In fact, it could result in a negative savings in energy over that which would be accomplished if the auto industry were left to meet the demands of its customers. Worst of all the Sharp amendment provides for a permanent program and who in their right mind, especially those connected with the automobile industry, would ever want the Federal Government to take over their business to this extent? General Motors and Chrysler do not in spite of Ford's support. In my opinion, the automobile dealers who support it now will not when they find what is in it.

For all these reasons, I strongly believe that the Ways and Means proposal is a better alternative than the Sharp amendment. By setting tough but realistic standards for 1978 through 1980, it would conserve at least as much gasoline as the Sharp amendment and would do it without any adverse impact on consumers and without the substantial possibility of lengthy litigation and delay.

POINT OF ORDER

Mr. ROUSSELOT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. **ROUSSELOT.** Why, on a motion which the gentleman from Wisconsin made, is he not allowed 5 minutes?

The **CHAIRMAN.** The Chair would like to state to the gentleman from California that all debate on the bill and all amendments thereto is limited to two minutes.

Pursuant to Deschler's Procedure, chapter 29, section 33.5, "A motion to close all debate on the bill and all amendments thereto having been adopted and all time having expired, a preferential motion that the Committee rise and report back to the House a recommendation to strike the enacting clause is not debatable."

Mr. **ROUSSELOT.** But he has 5 minutes on a preferential motion.

The **CHAIRMAN.** All time has been fixed on the bill, and all amendments thereto, and the time was 2 minutes.

The Chair recognizes the gentleman from California (Mr. PHILLIP BURTON) for 1 minute in opposition to the preferential motion.

Mr. **PHILLIP BURTON.** Mr. Chairman, I intend to vote against the motion to recommit, and for passage of the bill. There may be some here who do not want any opportunity for a legislative solution to the energy problem. I for one opt to give the Committee on Ways and Means, their counterparts on the other side and the conference committee an opportunity to work their will and see if we can construct an adequate legislative solution that can only be done by rejecting the motion to recommit and voting for passage of the bill.

Mr. **MOORE.** Mr. Chairman, I rise in favor of the motion to recommit and against the bill. I strongly agree that it is imperative for the Congress to legislate a comprehensive, well-reasoned and effective national energy policy to regain the initiative in this important area of national concern, rather than continue to abdicate our responsibilities to the executive branch. Unfortunately, this is not such a bill.

A national energy policy will be accomplished by two goals: Increased production of available energy resources—including increased development and utilization of new forms of energy—and conservation of inefficient energy usage. The final form of the bill before us takes a few steps toward encouraging the use of solar energy and conservation measures, and I voted for several amendments to strengthen these provisions. The bill, however, completely ignores the immediate need for increased domestic production. I suppose I really should not be too surprised at this, since the Congress has already eliminated the depletion allowance, which has been a major source of funds for new exploration, and has failed to deregulate the price of natural gas and oil, which is necessary to economically increase production. This bill continues to demonstrate the lack of responsible congressional concern for energy self-sufficiency.

In addition to my concern for what the bill does not do, I have specific objections to several things that it does.

First of all, it is highly inflationary. The taxes and tariffs in this bill will raise the price of all the goods and services produced in this country. At a time when it looks like we are finally coming out of the recession, this inflationary push is particularly dangerous. Not only would consumers be faced with even higher prices, but this could be the last straw, driving thousands of small businesses into bankruptcy, costing more thousands of jobs, and putting us right back into the downward spiral of recession.

The worst of these inflationary provisions is the excise tax on oil and gas used by business as fuel. Not only would this raise prices throughout the country, but it would be particularly discriminatory to the economy of the great State of Louisiana, which I am privileged to represent. My State provides a large portion of the oil and natural gas used by the rest of the Nation. We have been successful in attracting industry and providing job opportunities because businesses want to locate close to energy sources of supply. New plants will now be forced to use coal which we do not have in Louisiana. This bill denies us our major drawing card by taxing away this advantage.

To make matters worse, the bill takes away the investment tax credit for oil and gas burning electrical generating equipment, making it difficult to modernize and increase the productivity of existing facilities and further reducing our attractiveness to new development. Taken together these two provisions will cripple our efforts for industrial expansion, which will in turn cripple our efforts to improve our economy and create new jobs we badly need.

The imposition of a 10-percent import tariff on crude oil and petroleum products is another inflationary provision which concerns me greatly. We have already seen signs from the OPEC countries that this will encourage them to further raise their prices to us. They understandably feel that if we can afford to pay more for petroleum through this tariff, we can afford to pay more to them. In addition, the tariff is an indirect gas tax which I have consistently opposed.

I am also not sold on the import quotas imposed by this bill. This provision seems to compound our economic problems. Stated very simply, by creating artificial shortages, we would do to ourselves what the Arab countries did to us during the embargo. The economy of this country runs on energy. Its use by business and industry creates jobs. A quota will force conservation by creating a shortage, but we must have a somewhat offsetting increase in domestic production or we will endanger our economy at a critical time. This quota is poor legislation by itself since there are no accompanying provisions to increase production.

In conclusion, Mr. Chairman, I fear that this bill is poorly thought out and represents merely a sham or public relations effort on the part of the Congress to reply to public and Presidential criticism that it is doing nothing on energy. It does not solve our energy problem and creates several serious ones, and I urge the recommittal of this ill-advised bill.

The **CHAIRMAN.** The question is on the preferential motion offered by the gentleman from Wisconsin (Mr. STEIGER).

The preferential motion was rejected.

The **CHAIRMAN.** If there are no further amendments, under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair (Mr. NATCHER), Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, pursuant to House Resolution 505, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER.** Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chairman will put them en gros.

The amendments were agreed to.

The **SPEAKER.** The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. CONABLE

Mr. **CONABLE.** Mr. Speaker, I offer a motion to recommit.

The **SPEAKER.** Is the gentleman opposed to the bill?

Mr. **CONABLE.** I am, Mr. Speaker.

The **SPEAKER.** The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. CONABLE moves to recommit the bill H.R. 6860 to the Committee on Ways and Means and to the Committee on Interstate and Foreign Commerce.

The **SPEAKER.** Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The **SPEAKER.** The question is on the motion to recommit.

The question was taken.

Mr. **CONABLE.** Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 150, nays 270, not voting 13, as follows:

[Roll No. 319]

YEAS—150

Abdnor
Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Biester
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Conyers
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Esch
Fenwick
Findley
Fish
Forsythe
Frenzel
Frey
Gibbons
Gilman
Goldwater
Gradison
Gude
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Heckler, Mass.
Heinz

Hillis
Hinshaw
Holt
Horton
Hutchinson
Hyde
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Kasten
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Landrum
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McKinney
Madigan
Martin
Michel
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Mosher
Myers, Ind.
Myers, Pa.
O'Brien
Pettis
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Riegle
Rinaldo
Risenhoover
Robinson
Rousselot
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wolff
Wydler
Young, Fla.

NAYS—270

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Chappell
Chisholm
Clay
Corman
Cornell
Cotter
D'Amours
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Fulton
Fuqua
Gaydos
Giaimo
Ginn
Gonzalez
Goodling
Grassley
Green
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Hefner
Helstoski
Hicks
Hightower
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Randall
Rangel
Rees
Reuss
Richmond
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
White
Wilson, C. H.
Wilson, Tex.
Wirth
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—13

Burke, Fla.
Collins, Ill.
Daniels, N.J.
Diggs
Flynt
Henderson
Jones, Ala.
Mollohan
Moorhead, Calif.
Price
Steiger, Ariz.
Wylie
Young, Alaska

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Steiger of Arizona for, with Mr. Price against.

Mr. Wylie for, with Mr. Diggs against.

Mr. Moorhead of California for, with Mr. Dominick V. Daniels against.

Mr. Young of Alaska for, with Mr. Henderson against.

Mr. Burke of Florida for, with Mrs. Collins of Illinois against.

Until further notice:

Mr. Mollohan, with Mr. Flynt.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The question is on the passage of the bill.

Mr. SCHNEEBELI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device; and there were—yeas 291, nays 130, not voting 12, as follows:

[Roll No. 320]

YEAS—291

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Chappell
Chisholm
Clausen, Don H.
Clay
Corman
Cornell
Cotter
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Tenn.
Fountain
Fraser
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Grassley
Green
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Hefner
Helstoski
Hicks
Hightower
Holland
Holt
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McCloskey
McCormack
McDade
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Poage
Pressler
Preyer
Quie
Randall
Rangel
Rees
Reuss
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Satterfield
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Sisk
Slack
Smith, Iowa
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, James V.
Stark
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Thornton
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NAYS—130

Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Biester
Broomfield
Brown, Mich.
Brown, Ohio
Buchanan
Burleson, Tex.
Cederberg
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Conyers
Coughlin
Crane
Dellums
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Esch
Fenwick
Findley
Fish
Ford, Mich.
Forsythe
Frenzel
Frey
Gibbons
Goldwater
Gradison
Hagedorn
Hammerschmidt
Hansen
Harsha
Hastings
Heckler, Mass.
Heinz
Hillis
Hinshaw
Holtzman
Horton
Hutchinson
Hyde
Jacobs
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Karth
Kasten
Kelly
Kemp
Ketchum
Kindness
Latta
Lent
Lujan
McClory
McCollister
McDonald
McEwen
McKinney
Madigan
Martin
Mathis
Michel
Miller, Ohio
Mitchell, N.Y.
Moore
Moorhead, Calif.
Mosher
Mottl
Myers, Ind.
Myers, Pa.
O'Brien
O'Hara
Pettis
Pike
Pritchard
Quillen
Railsback
Regula
Rhodes
Riegle
Rousselot
Runnels
Ruppe
Sarasin
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Skubitz
Smith, Nebr.
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Symms
Taylor, Mo.
Teague
Thone
Traxler
Treen
Vander Jagt
Walsh
Wiggins
Wilson, Bob
Winn
Wydler
Young, Fla.
Young, Tex.

NOT VOTING—12

Burke, Fla.
Collins, Ill.
Diggs
Flynt
Henderson
Jones, Ala.
Leggett
Mollohan
Price
Steiger, Ariz.
Wylie
Young, Alaska

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Price for, with Mr. Steiger of Arizona against.

Until further notice:

Mr. Flynt with Mr. Jones of Alabama.
Mr. Diggs with Mr. Leggett.
Mrs. Collins of Illinois with Mr. Wylie.
Mr. Henderson with Mr. Burke of Florida.
Mr. Mollohan with Mr. Young of Arkansas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 6860 AND TO CORRECT TABLE OF CONTENTS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill the Clerk be authorized to correct punctuation, spelling, cross-references—including cross-references to deleted provisions—and designation of titles, sections, and subordinate provisions.

Further, Mr. Speaker, I ask unanimous consent that the table of contents be corrected to reflect the text of the bill as passed by the House and that the amendment adding a new section 414 to the bill be inserted following section 413.

The **SPEAKER.** Is there objection to the request of the gentleman from Oregon?

There was no objection.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include extraneous material, and that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The **SPEAKER.** Is there objection to the request of the gentleman from Oregon?

There was no objection.

LEGISLATIVE PROGRAM

(**Mr. RHODES** asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader as to the program for the balance of the day and the week, and any other information on this subject which he can make available to us.

Mr. O'NEILL. Mr. Speaker, if the distinguished minority leader will be kind enough to yield, I will be happy to respond to him and give the program for the remainder of this week.

Mr. RHODES. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, the program for the rest of the day is as follows:

The next item is H.R. 3474, Energy Research and Development Authorization. That is ERDA.

We would hope that we would be able to finish this legislation today, but I understand there is an amendment of controversy in the ERDA bill. Consequently, it is the intent of the committee to rise at 6:30. If we do not finish ERDA today, we will have it first on the schedule for tomorrow.

The remainder of the schedule for tomorrow would be as follows: We would complete the rules of criminal procedure amendments, and as the whip notes indicate, we would follow on down with H.R. 7001, the Nuclear Regulatory Commission, and H.R. 6676, Credit Uses Reporting Act.

The next item we had scheduled was H.R. 49, petroleum reserves, Elk Hills. That will be put over until Monday. H.R. 7500, State Department authorization, will be put over until Monday. H.R. 5884, International Economic Policy Act, will be scheduled for tomorrow.

H.R. 5358, railroad safety authorization, will be put over until Monday. H.R. 6334, Peace Corps authorization, will be coming up tomorrow. H.R. 7567, Arms Control and Disarmament Agency, will be on the schedule for tomorrow, and H.R. 4415, Intergovernmental Personnel Act, has been withdrawn from the calendar.

Mr. RHODES. Mr. Speaker, it is my understanding that the Elk Hills bill would come up on Tuesday rather than Monday.

Mr. O'NEILL. As I understand, there has been an agreement by all parties concerned. The only one I have spoken to on the other side is the gentleman from California (Mr. Bell) and it is my understanding that both the Armed Services Committee and the committee chaired by the gentleman from Montana (Mr. Melcher) were in agreement to bring it up on Monday.

Mr. RHODES. My understanding from members of the Committee on Interior and Insular Affairs is that they desire the matter to come up on Tuesday.

Mr. O'NEILL. That has been discussed, but I thought an agreement on Tuesday had been reached.

Mr. RHODES. Could the distinguished majority leader tell the House approximately how long we will be in session tomorrow?

Mr. O'NEILL. I would ask unanimous consent that when the House adjourn tonight it adjourn to meet tomorrow at 10 o'clock.

Mr. RHODES. With what understanding?

Mr. O'NEILL. Then we would follow the will of the Members of the House as to what time they want to finish the business tomorrow. We do not intend to set a specific hour.

Mr. RHODES. I had conversations with several of the leadership on the gentleman's side of the aisle, and I am a little amazed, because the conversation led me to believe that it was fairly firm that the House would adjourn tomorrow some time between 4 or 4:30. Is that not the situation?

Mr. O'NEILL. No; that is not so.

But the gentleman knows that is the way things are. One hears one thing from my side, and I hear that the White House is very much interested in this energy bill, but yet the Members on the other side voted against it.

Mr. RHODES. It just shows that one can get a bill loused up so that even people who are for energy have to vote against it.

Mr. O'NEILL. That is the program for the remainder of the week.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield before we get to next week?

Mr. RHODES. I yield to the gentleman from Missouri.

Mr. HUNGATE. It was my understanding that we would return to the Federal Rules of Criminal Procedure the first thing tomorrow, and I so advised someone on the other side of the aisle. I think some have rearranged their schedule for testimony in other places.

Mr. O'NEILL. It was my understanding after we finished ERDA.

Mr. HUNGATE. It would be ahead of the Nuclear Regulatory Commission bill?

Mr. O'NEILL. Yes, it would be ahead of Nuclear. Even though we planned on the Nuclear Regulatory Commission today, if we could finish it. It will be ahead of it.

Mr. MELCHER. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Montana.

Mr. MELCHER. Mr. Speaker, I thank the gentleman for yielding. I merely want to comment that at the request of several Members on the minority side, the Elk Hills bill will be brought up some time next week, and those Members did agree on Monday.

Mr. RHODES. Does that include the gentleman from Arizona, Mr. Steiger?

Mr. MELCHER. It includes the gentleman from Arizona, Mr. Steiger, as he spoke to me on Wednesday.

Mr. RHODES. I thank the gentleman.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

The **SPEAKER.** Will the gentleman reserve the right to object?

Mr. ASHBROOK. Yes.

The **SPEAKER.** Now the gentleman may ask the parliamentary inquiry.

Mr. ASHBROOK. I do not really need to reserve it. I was just going to object.

HOUR OF MEETING ON FRIDAY, JUNE 20, 1975

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow morning.

The **SPEAKER.** Is there objection to the request of the gentleman from Massachusetts?

Mr. ASHBROOK. Mr. Speaker, I object.

The **SPEAKER.** Objection is heard.

MOTION OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I move that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow morning.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts (Mr. O'NEILL).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device; and there were—yeas 384, nays 18, not voting 31, as follows:

[Roll No. 321]

YEAS—384

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chisholm
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
de la Garza
Delaney
Derrick
Derwinski
Devine
Dickinson
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hayes, Ind.
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kelly
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Moffett
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—18

Ashbrook
Casey
Clancy
Conlan
Dingell
Frenzel
Hays, Ohio
Kazen
Lott
Maguire
Montgomery
Moss
Schulze
Simon
Snyder
Symms
Taylor, Mo.
Thompson

NOT VOTING—31

Beard, R.I.
Burke, Fla.
Burton, John
Chappell
Collins, Ill.
Coughlin
Davis
Dellums
Dent
Diggs
Erlenborn
Eshleman
Flynt
Gibbons
Hawkins
Henderson
Jones, Ala.
Kemp
Landrum
Madigan
Mathis
Mitchell, Md.
Mollohan
Peyser
Price
Rooney
Steiger, Ariz.
Stephens
Wilson, C. H.
Wylie
Young, Alaska

So the motion was agreed to.

The result of the vote was announced as above recorded.

PERMISSION FOR SUBCOMMITTEE ON OVERSIGHT OF COMMITTEE ON WAYS AND MEANS TO MEET AT 3:30 P.M., JUNE 24 AND JUNE 25

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the Oversight Subcommittee of the Committee on Ways and Means may meet at 3:30 p.m., June 24 for the purpose of making inquiries into section 2991 of Public Law 92-603 and at 3:30 p.m., June 25 for the purpose of meeting with IRS Commissioner Alexander.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

PERMISSION FOR SUBCOMMITTEE ON LEGISLATION AND NATIONAL SECURITY OF THE COMMITTEE ON GOVERNMENT OPERATIONS TO SIT DURING THE 5-MINUTE RULE ON JUNE 20

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent that the Subcommittee on Legislation and National Security of the Committee on Government Operations be permitted to sit during proceedings under the 5-minute rule on Friday, June 20.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERSONAL EXPLANATION

Mr. MAZZOLI. Mr. Speaker, because of personal commitments, I was unable to be in the Chamber yesterday when rollcall 314 was taken on the amendments to the Federal Rules of Civil Procedure final passage. I ask that the RECORD show that had I been in the Chamber, I would have voted "nay".

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT JUNE 23, 1975, TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight Monday, June 23, to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

AUTHORIZING APPROPRIATIONS FOR THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION FOR FISCAL YEAR 1976 AND FOR THE TRANSITION PERIOD ENDING SEPTEMBER 30, 1976

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 554 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 554

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, and all points of order against said bill for failure to comply with clause 3, rule XIII are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Joint Committee on Atomic Energy and by the Committee on Science and Technology now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be read for amendment by titles instead of by sections, and all points of order against title IV of said substitute for failure to comply with the provisions of clause 7, rule XVI and against sections 104 and 302 of said substitute for failure to comply with the provisions of clause 5, rule XXI are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, those who have listened to the reading of the resolution will know that this rule provides for 2 hours of general debate to be divided four ways between two committees.

There are a number of waivers of points of order. Some of them may not have been necessary. I am responsible for one or two that were put in just simply in order to assure that the bill had an opportunity to be considered fairly. It is a complicated matter. One of them goes to the Ramseyer rule and one of them goes to the germaneness rule and a couple of them go to the question of appropriations.

My impression was when the various members of the two committees appeared before the Rules Committe that they had done an excellent job with a very difficult complicated and even controversial subject and I did not get the impression anybody wanted to use points of order as a method of knocking out the bill. That is the reason why there are so many waivers.

The rule provides also that the committee substitute is in order as an original bill for the purpose of amendment and the bill is to be read for amendment by titles instead of by sections.

I have had no request for time in opposition to the rule. I have a request for time from one of the leading members of the committee on the bill.

Mr. Speaker, I reserve my time now and I will let the gentleman from Illinois proceed.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the gentleman from Missouri has very ably and certainly very adequately explained the provisions of House Resolution 554.

I cannot let the occasion pass without observing that it is something of a historic occasion in that I believe this is the first time under the new House rule a bill which has been jointly referred to two committees is now coming to the floor of this body.

I think it is, therefore, especially heartening to note that the two committees that are involved, the Committee on Science and Technology and the Joint Committee on Atomic Energy, have been able to achieve a modus vivendi under this new joint referral procedure and that they come to the floor of the House in complete harmony over a single project involving the work of both committees.

Obviously, this is not always going to be the case with respect to these joint referrals. As a matter of fact, the Committee on Rules has already cleared for floor action one bill that was jointly referred, or it was necessary to make the work of one committee, one committee's version of the bill in order as a substitute to the work of the other committee, because they were in conflict, and they offered distinct alternatives. That is not true, I repeat, with respect to the work that has been done on this legislation by the two committees that will present this bill on the floor today.

I think also that it would be appropriate at this time to commend the able gentleman from Missouri (Mr. BOLLING), because it was his leadership in the last Congress in connection with his work on the Select Committee on Committees that I think was largely instrumental in bringing about the provisions that were then adopted in that committee reform bill, providing for joint, split and sequential referral of bills, that makes that possible now under our rules. It does give the leadership of this House under the new referral system considerable flexibility in bringing together the committees that have overlapping jurisdiction, bring those committees together before their bills reach either the Committee on Rules or the House floor.

Mr. Speaker, I have some additional comments that I would like to make on the substance of this legislation, as a Member of one of the two committees responsible for the authorizing legislation, which this rule would make in order; however, I will defer those comments, I believe, at this time, because there should be adequate time under the general debate to make those remarks.

I would, therefore, Mr. Speaker, reserve the balance of my time, first urging the Members to support the adoption of this rule.

Mr. Speaker, I think the gentleman from Missouri (Mr. BOLLING) has ably described the provisions of House Resolution 554 which makes in order House consideration of the bill, H.R. 3474, the Energy Research and Development Administration authorization. As the gentleman has pointed out, this rule provides for 2 hours of debate to be divided between the Joint Committee on Atomic Energy and the Committee on Science and Technology. The reason for this is that the two committees share jurisdiction over ERDA and the original bill was jointly referred to the two committees under our new House Rule X, clause 5.

Mr. Speaker, I cannot let this moment pass without observing that this is something of an historic occasion in that this is the first time under the new House rule that a bill which has been jointly referred has come to the floor. And I think it is encouraging to note that the two committees involved have been able to achieve a modus vivendi under this new joint referral procedure and come to the floor in complete harmony over a single legislative product. I should hasten to add that this will not always be the case with joint referrals; in fact, the Rules Committee has already cleared another jointly referred bill in which it was necessary to make one committee's version in order as a substitute to the other's since they offer distinct alternatives. I am referring to the Elk Hills Naval Petroleum Reserves bill which has yet to come to the floor.

But the point I wish to make is that the ERDA bill does present an excellent example to other committees of how the joint referral process can be utilized to the benefit of the various committees involved and ultimately in the best interests of the House as an institution. The spirit of comity and accommodation between the two committees on the ERDA bill is something which I think should be emulated by other committees dealing with joint referrals. I wish to commend the gentleman from Missouri (Mr. BOLLING), the former chairman of our Select Committee on Committees in the last Congress, for his leadership in making joint, split and sequential referrals of bills possible under the House rules. I think many are now having second thoughts about their opposition to another Select Committee proposal which was rejected in favor of a caucus substitute; I am referring here to the proposal for a single House Committee on Energy and the Environment to consolidate our fragmented and proliferating energy jurisdictions.

Nevertheless, the new referral system does give the leadership considerable flexibility in bringing together committees with overlapping jurisdiction before relevant bills reach the Rules Committee and the House floor. In our Republican motion to jointly recommit the energy bill to Ways and Means and Interstate and Foreign Commerce we were attempting to still make it possible for this House to devise a more comprehensive and meaningful energy program.

Mr. Speaker, I do not want to leave this body with the impression that because the two committees involved with the ERDA bill were able to report a single product that this bill is somehow without controversy. There is indeed controversy over the nuclear aspects of this bill in particular and I am sure these will receive considerable attention and discussion during general debate and the amendment process. I urge adoption of House Resolution 554 so that we may get on with that debate.

Mr. BOLLING. Mr. Speaker, I yield 10 minutes to the gentleman from Texas (Mr. Young), who is in the same position as the gentleman from Illinois, a member of the Committee on Rules, but he is also the manager on the part of one of the committee dealing with the substance of the legislation.

Mr. YOUNG of Texas. Mr. Speaker, I simply want to thank the gentleman from Missouri for recognizing me at this time.

I seek the recognition, not because I think the rule is in trouble, but No. 1, I think this matter which I am going to put into the Record is of the unmost importance.

No. 2, it gives me an opportunity to talk to more Members on the floor on this subject before other duties take them from the floor.

Mr. Speaker, I appear here today on behalf of and possibly as a frail substitute for my distinguished leader of the Joint Committee on Atomic Energy, the honorable gentleman from Illinois (Mr. Price). Unfortunately, the gentleman from Illinois (Mr. Price) is indisposed at this time. So I am honored that I can be of some service to him.

Mr. Speaker, I have here a note from the gentleman from Illinois (Mr. Price) to me and I would like to include it in the Record.

House of Representatives,
Washington, D.C., June 19, 1975.

Hon. John Young,
2204 Rayburn House Office Building,
Washington, D.C.

Dear John: I want you to know how much I appreciate your handling the ERDA authorization bill. I want you, also, to know that I fully support the the legislation.

It is important to our Nation's energy program and I am delighted that you are handling it.

Sincerely,

Melvin Price,
Member of Congress.

Now, Mr. Speaker, with regard to these other three letters—and they are not long—I think it important that they be included in the Record also, because I find in getting into this problem of legislation that there is, to say the least, considerable misunderstanding about the position of the administration and the position of ERDA and the newly appointed Chief of ERDA, Dr. Seamans, with regard to this legislation.

The fact is, Mr. Speaker, after talking to many Members on the floor, I am convinced that with our amendment which will be offered by the gentleman from Washington (Mr. McCormack) cutting out some $71.2 million from the LMFBR part of this bill, that there really is less difference in substance than there is in form between the two sides of this controversy.

Mr. Speaker, from media accounts, I gather that there has been a considerable confusion caused by some conflict in reports. I therefore want to read a letter from Dr. Robert Seamans dated June 18—that is yesterday—pursuant to a conversation I had with him in which I asked him directly and discussed with him at length the position of ERDA and the administration with regard to this legislation. I was concerned, Mr. Speaker, because, as we all know, there is a report due from ERDA on the 30th of June covering various aspects of the energy program. I was also concerned about whether or not there had been some reason that ERDA had for wanting to detract from the money in this bill.

Mr. Speaker, this letter puts all of that at rest, and I want to submit it for the Record:

U.S. Energy Research and
Development Administration,
Washington, D.C., June 18,1975.

Hon. John Young,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Young: You asked my views on whether the House of Representatives should proceed to enact the ERDA Authorization Legislation, including the Liquid Metal Fast Breeder Reactor Program (LMFBR) and the Clinch River Breeder Reactor Project (CRBR), at the present time. It has been speculated in the press and elsewhere that major changes may be made in the program and project as a result of the comprehensive Energy Research and Development Plan which the Congress has directed me to submit by June 30.

I most earnestly urge the House to enact the Legislation now. Any changes in the authorization at this time would destroy the momentum of the program and would damage perhaps irretrievably, our chances to continue to develop one of the most promising and essential long range energy options our country has—one which would utilize a virtually inexhaustible energy resource. The Congress and we will continue to review the program in detail, but while these reviews go on, we must continue to move the project forward in a vigorous, orderly, and prudent manner in order to be able to meet our country's energy requirements. We simply have to keep this option open, and I cannot emphasize this too much.

We informed the Joint Committee on Atomic Energy on June 11, 1975 that we proposed a reduction in budget authority of $60.5 million for the LMFBR Program. This proposed reduction is due to delays which, to a considerable extent, are outside of ERDA's control, reflecting the additional time that is being required to address key licensing questions and environmental concerns. These delays necessarily require an adjustment in the schedule of both the CRBR and the overall LMFBR program. These adjustments are being made with the objective of assuring that the program is managed so that the maximum progress can be made with the prudent expenditure of public funds. It would not be possible to make any further reduction without crippling the forward progress of the CRBR project.

At the same time, we are recommending that additional funds be devoted to support efforts in other important areas of nuclear energy, such as developing more uranium resources, improving the on-line availability of existing nuclear power plants, demonstrating safe and sound reprocessing of spent fuels, and developing methods for long term storage of radioactive wastes. These are precisely the areas in which many students of nuclear energy believe more needs to be done, but these efforts do not in any way detract from the importance of the LMFBR Program.

The information on this proposed reduction, together with earlier reports in the news media and elsewhere, may have led to the speculation that the importance and priority of the LMFBR Program is being reduced by the Administration. Any such speculation is erroneous.

I can assure you that the June 30 Report to the Congress will be consistent with my recommendation that the Congress enact the ERDA Authorization Bill now pending before the House of Representatives without change.

I hope this information is responsive to your inquiry.

Sincerely,

Robert C. Seamans, Jr.,
Administrator.

Mr. Speaker, another problem that has arisen is with regard to the environmental impact statement on the Clinch River project, which has not been completed.

I am not going to read all of Russell Train's letter, but I have here a letter from Russell E. Train.

The letter is as follows:

U.S. Environmental
Protection Agency,
Washington, D.C., May 21, 1975.

Hon. Mike McCormack,
Chairman, Subcommittee on ERDA, Environment and Safety, Joint Committee on Atomic Energy, Washington, D.C.

Dear Mr. Chairman: I am pleased to clarify for the Joint Committee, and for you personally, EPA's position on the Administration's plans to develop the Liquid Metal Fast Breeder Reactor (LMFBR) technology. We support the Administration's plans to develop this technology because we consider the LMFBR to be a viable candidate among the alternative nuclear and nonnuclear technological options that should be explored in our quest to find a way to meet this Nation's future electrical energy needs. Although a number of environmental issues regarding breeder commercialization remain unresolved at this time, we believe that the environmental impacts from a limited number of demonstration plants, along with supporting facilities and operations, can be made safe through conservative design, operating, and siting practices.

We will assess the environmental acceptability of particular facilities in the course of our review of the required individual environmental impact statements issued in connection with the licensing of the facilities.

As we noted in our recent comments on the programmatic LMFBR environmental impact statement, the environmental impacts of this technology were assessed in that report about as well as possible, taking into account the present limited state of knowledge in some of the areas. Nevertheless, we found that some important environmental uncertainties and unknowns prevent a reliable forecast at this time of the overall impacts which would result from the large-scale commercialization of this technology. Therefore, we believe that alternative electrical energy technologies should also be pursued vigorously so that the Nation will not be totally dependent on a single option which could turn out to have unacceptable environmental impacts. Therefore, we cannot support a decision at this time to commit the Nation to future full-scale commercialization of the LMFBR technology.

During our review of the cost-benefit analysis section of the programmatic statement, we noted that if one were to substitute the more recent and lower Project Independence projections of energy demand growth in place of the base demand growth used in the environmental statement, considerable flexibility appears to be available in the projected date of commercialization. Specifically, our analysis showed that a delay of four to twelve years for commercial introduction of the technology may be possible without losing the uranium conservation value of the breeder. By this we mean that the date selected by the AEC as the base case date for commercial entry of the LMFBR (1987) could be delayed until 1991 to 1999 under the Project Independence energy demand forecast. Such a delay, according to our analysis, would still allow optimum extraction of energy from the Nation's uranium reserves.

EPA's analysis of the timing issue did not directly relate to the developmental program, including demonstration plants needed to develop the technology and to help answer many of the environmental questions. We favor early demonstration of breeder technology. However, as our EIS comments indicate, our analysis of the timing for possible commercialization would permit the developmental program to be "stretched out" if that were found to be desirable. We are in no sense asking for a stretch out, but indicating to ERDA that such "flexibility in timing" provides an opportunity to resolve some of the important environmental uncertainties, which we have detailed at some length in our comments on the draft and proposed final environmental statements. This would translate to a more solid knowledge base at each decision point in the developmental program up to the time commercialization is introduced.

I hope I have clarified for you EPA's position on these matters.

Sincerely yours,

Russell E. Train,
Administrator.

The SPEAKER. The time of the gentleman has expired.

Mr. BOLLING. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. YOUNG of Texas. The last letter I have here speaking for the Administration was dated today, and this is from the Director, Office of Management and Budget, James T. Lynn.

The letter is as follows:

Office of Management and Budget,
Washington, D.C., June 19, 1975.

Hon. John Young,
House of Representatives,
Washington, D.C.

Dear Congressman Young: I understand that the Joint Committee on Atomic Energy has been notified that a reduction of $60.5 million in FY 1976 budget authority has been proposed by ERDA for the Liquid Metal Fast Breeder Reactor (LMFBR) program. This reduction is due to delays which to a large extent are attributable to factors beyond ERDA's control.

The Office of Management and Budget has no objection to the reduction in LMFBR funding proposed by ERDA—provided that this reduction is not interpreted as reflecting a change in the policy of strong support for the breeder program. We believe that the LMFBR will play an important role in the long-term energy independence strategy of the United States. In addition, we would be firmly opposed to any further funding reductions which would be very detrimental to the viability of the LFMBR program.

Whatever action the Congress may take on the breeder program—within the bounds of the proposed ERDA reduction—the key point is the necessity for the Congress to move as soon as possible with the ERDA authorization and appropriations bills so that the Nation's accelerated energy R&D effort may proceed expeditiously.

Sincerely yours,

James T. Lynn,
Director.

Mr. Speaker, as I said before, I think with the amendments that will be offered by the gentleman from Washington (Mr. McCormack) our differences are more in form than substance, and I believe we can move along rapidly.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. YOUNG of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 3474, with Mr. Roush in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Pursuant to the rule, general debate will continue for not to exceed 2 hours, 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, and 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology.

Under the rule, the gentleman from Texas (Mr. Young), the gentleman from Illinois (Mr. Anderson), the gentleman from Texas (Mr. Teague), and the gentleman from Ohio (Mr. Mosher) will each be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. Young).

Mr. YOUNG of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have here before us this evening probably one of the most important bills that we will be considering in this session of the Congress, a Congress that has been all but completely consumed with the consideration of energy and energy problems.

So before I get into the details of this bill—and I promise the Members I will be brief—I want to talk a little bit about what this bill is all about.

This bill is about energy. This is one of the times when Congress does come forward with a bill that will in fact produce energy. Involved in this energy bill, of course, is the double consideration of the cost of the program and the need.

The fact is that our world runs on energy. We depend on energy for the food we eat, for the clothes we wear, for regulating our climate. We look to energy to see whether we are going to freeze to death in the wintertime or whether we are going to have air-conditioning in the summertime. It is all energy.

We depend on energy for transportation, how we get back and forth from home, and how we get back and forth from work. We could not move a peg without energy.

Work depends on energy. We cannot have a viable economy, we cannot have any economy at all without energy.

Mr. Chairman, these facts are self-evident. They are too basic to need any further reference. But it behooves me to say this with regard to work and energy: Without energy we do not have work, and without work we have depression.

We are going to talk about costs in a minute, as I pointed out a short time ago. I was interested in a bill that we considered recently when the distinguished chairman of the Committee on Appropriations, if I quote him correctly, mentioned that for every 1 percent of unemployment in this Nation it costs the Government of the United States $16 billion in lost income and in added welfare expenses.

Energy is just part of our lives. It is as much a part of our lives as the air we breathe and the water we drink. It was not always this way, but now it is always going to be this way.

It is really a frightening thing. It is frightening to realize how dependent we have become on energy and in what a short time this has happened.

Forgive me for just briefly going over this.

We have become totally dependent on energy in how long? Less than a century.

In 1876 George Brayton, a Bostonian, for the first time invented an internal combustion engine that ran on gasoline. That was our first gas guzzler.

In 1877 Thomas A. Edison first invented the electric light.

In 1879 railroader Henry Ford and the railroad shops developed the sequential mass production techniques that he later used in 1912 and 1913 to apply to the auto production plant and flooded the country with automobiles.

After that, in 1903, of course, the Wright brothers invented the airplane.

From then to now, we have developed a voracious appetite for energy. This appetite goes to heat our homes, feed us, clothe us, works for us, drive our cars, our airplanes, and our boats.

We have to have it, and that is what we are talking about in this bill, my colleagues, is whether we can depend on energy not only today, but tomorrow.

Let us not make any mistakes about it: We will run out of oil in the United States; and if anyone thinks that the Arabs' oil is going to last forever at the rate that it is being used, he is wrong there, too. We are going to run out of these fossil fuels, and we are going to need a source of energy that even will have to supplant, in time, the great supply of coal in this country.

There is no question about the need for energy in this Nation. We argue some about what the percentage of increase will be. Some figures say that we will double the energy requirement in this country in 12 years. However, is that not pretty academic, what we are going to do in 12 years, when right now we are having brownouts and blackouts and shortages of all kinds in energy? Nobody more than you easterners, you Bostonians and New Yorkers, and you people from New Jersey and parts of other States that are in this electrical grid know this better than I do. Whatever the increase is, we can be sure that it is going to be enormous. This Nation had better be ready and able to handle that problem.

Mr. Chairman, we are going to hear some talk here about costs. This bill is for about $4 billion. That is a lot of money in anybody's language, but bear in mind that we are talking about a tremendous amount of money involved in energy production and energy consumption in this country. That is a large figure, but look at it. The cost of energy nationwide is just utterly fantastic.

I wonder how many people realize that today, this day, we are spending something like $162 million a day on gasoline, buying gasoline to put in the automobile.

On an annual basis it is in the neighborhood of from some $59 billion or $60 billion. A $2 tax or tariff on oil coming into this country scales up in one whale of a hurry, over the year, on an annual basis, to almost $3 billion.

The total energy consumption annually in this country, according to the Library of Congress, is really utterly fantastic. We consume 75 quadrillion Btu's per year, multiplied by 215 million people, you come out with something like $1.50 per man, woman, and child in this country.

So what we are talking about is an energy bill—and that is what this bill is about, is energy. We are talking about an annual bill of $109.5 billion for the energy that we are using here today, and the source of supply for which is rapidly diminishing, and being depleted not only in this country, but worldwide.

So in this bill, which is what I wanted to talk about, we are laying the foundation for the future where we will have an energy supply, where we will be able to heat our homes in the North and cook our food in the South, and keep our people working and keep the economy going.

There is an inexhaustible supply of energy, fortunately, in this bill, which deals with the liquid metal fast breeder reactor, which really is sort of beyond the imagination. This is a program that does not burn fuel like a car does. Generally when you step on your accelerator, someone out in Texas or California has got to make another jack pull to take care of the gasoline. Instead of that, the LMFBR can replace its own energy plus more than you use in it.

I think all of these programs, in "TIGER" TEAGUE's bill, and all of the rest of them, are just as important as they can be, and I am going to give my full support to the whole bill, but I want to say this, with as much emphasis as I can command, that the LMFBR, the liquid metal fast breeder reactor, is the heart and the future of energy production in this country from 1999 and 2000 and on. And the heart and lifeblood of that program is the Clinch River project, which will enable us to test this liquid metal fast breeder reactor so that we can make sure that we are not making mistakes, and that we can make sure it is safe, and so that we can make sure that it is environmentally acceptable.

The fact is, my friends, if you or I were even hinting at entertaining the thought of putting the liquid metal fast breeder reactor in commercial production without going through the expensive testing that will be done at Clinch River, people would be climbing the walls.

So we have to proceed progressively and move ahead.

This has been a pretty-well-lobbied bill. Unfortunately, the nuclear aspects of it seem to have caught most of that lobbying effort. I have no criticism to make of these folks, the environmentalists, self-styled or otherwise. I think they play a very important part in the function and development of all of these programs. If for no other reason, they certainly keep us on our toes and keep us alert to the necessity that these programs must be safe and must be acceptable.

One of the lobbying groups that came across my desk with some of their material was a group called Friends of the Earth. I dare say there are no finer people who ever lived than those people who are friends of the Earth. I was interested to think, though, in terms of the name of that organization about these programs of energy that we have now, fossil-type fuels. Just recently we had a rather hotly contested bill here with regard to producing coal that involved the scarification of the Earth's surface for energy.

Then we have down in our part of the country oil fields that have kind of a bad habit of letting their salt water and the rest of the crude get into the creeks and poison the creeks. Then we have the eternal problem of the pollution of harbors. But crowning it all, I guess, is the supertanker that is plying the roadsteads of the world with 250,000 to 300,000-deadweight-ton vessels holding millions of barrels of oil, and prone to accidents, as I see in the newspapers almost daily. These are things that are affecting the Earth. These are things that we would not have if we had liquid metal fast breeder reactor. It would be some time before we would get it, but we would not have to dig a bed of coal for energy, and we would not have a supertanker hung up on a reef in the Malaga Straits.

I think a pretty good case could be made that this bill is not against the Friends of the Earth, but the liquid metal fast breeder reactor is probably the best friend the Earth ever had.

I say again that I think that with the very well thought out amendments that the gentleman from Washington (Mr. McCORMACK) is going to offer, along with other representations and assurances from the ERDA people, I believe that pretty well satisfies any objections in this bill.

Mr. Chairman, the bill now under consideration, H.R. 3474, would authorize total appropriations of $4,642,156,000 for fiscal year 1976 and $1,216,140,000 for the transition quarter for the Energy Research and Development Administration. Of these totals approximately 82 percent relate to the nuclear programs of ERDA. For these nuclear programs the Joint Committee has recommended an increase of $107,380,000 which is only about 2 percent more than the total ERDA authorization request.

OPERATING FUNDS

For operating expenses, section 101 (a) of the bill would authorize $3,722,389,000 for fiscal year 1976 and section 201(a) would authorize $1,077,514,000 for the transition period, for a total operating expenses authorization of $4,799,903,000. Included in this total amount is the Joint Committee's recommended increase of $70,880,000 for fiscal year 1976 and the transition quarter for certain of ERDA's nuclear programs.

I would like to highlight some of the significant increases recommended by the Joint Committee. For fusion research the committee has recommended a total increase of $32.5 million, of which $25 million is for the magnetic confinement fusion program and $7.5 million is for the laser fusion program. These increases would allow ERDA to expend its efforts in this important energy R. & D. endeavor. We have also recommended a total increase of $8.3 million for R. & D. on the safeguarding of weapons and the security of nuclear materials.

The committee is also recommending an increase of $4.4 million so that the artificial heart program may continue. The ERDA budget request did not include any funds for this very worthwhile program.

CONSTRUCTION FUNDS

Concerning plant and capital equipment, the bill contains a total authorization of $1,058,393,000. Included in this amount are the increases of $36.5 million recommended by the Joint Committee. The principal changes recommended are:

An increase of $19.5 million for the Tokomak fusion test reactor.

An increase of $27.1 million for two neutron facilities to be used for materials testing in the fusion program.

A reduction of $37.5 million for the waste calcining facility.

An increase of $11 million for the positron-electron joint project.

Section 103 amends prior year authorization acts, including section 106 of Public Law 91–273, which fully authorized a LMFBR demonstration project. The amended language would give ERDA the flexibility needed to manage the project, while strengthening congressional control of the project by the requirement for the annual authorization of ERDA's anticipated obligation and costs for the Clinch River project.

CONCLUSION

These are the highlights of the nuclear portions of the bill. The Joint Committee has conducted a very thorough review of the budget request, and believes that the bill provides for the minimum authorization necessary to carry out the ERDA's nuclear programs. It was reported out without dissent by either House or Senate members of the Committee, and I urge its favorable consideration.

Mr. BREAUX. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Texas. I yield to the gentleman from Louisiana.

Mr. BREAUX. I thank the gentleman for yielding.

I would like to commend the gentleman for his fine statement on the bill. I would like to ask the gentleman a question, however. Does the gentleman know if anywhere in the authorization bill in any of the titles are contained any funds for the so-called Pacer program which I understand is a concept of using fusion energy to generate molecular power and breed fission reactor fuel.

Mr. YOUNG of Texas. I will say to the gentleman, Mr. Chairman, that that precise matter was discussed less than 2 or 3 hours ago with the representatives of the ERDA organization.

They assured us that there was no money in this bill for that purpose.

Mr. BREAUX. I thank the gentleman.

Mr. YOUNG of Texas. Mr. Chairman, I reserve the balance of my time.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I too want to join in commending the distinguished gentleman from Texas (Mr. Young) on the very powerful and persuasive and eloquent statement that he has just made. Having had the opportunity for a number of years now to spend many hours of each working day during a Congress with him both in service together on the Committee on Rules and also more recently in service together on the Joint Committee on Atomic Energy, I know the depths of sincerity with which he speaks and I think he is as much if not more than any Member of this Congress in discussing this energy question speaking out of a real conviction that the best work that this Congress can do is to emphasize those positive aspects of the energy question which involve incentives to additional production and generation of energy and it is in that area that we have great work that can be done. He has surely made a great contribution to that effort with the advice he has given members of the committee today in connection with this bill.

He has certainly in a very adequate fashion discussed that portion of the ERDA authorization bill which under this unique procedure for joint referral is within the competence and jurisdiction of our Committee on Atomic Energy.

I would point out merely in supplementing what the gentleman said with respect to the nuclear portion of this authorization bill that the Joint Committee recommended a total increase of $107.4 million over the original request. That is not a vast increase. It is actually only 2 percentage points and it is well within the guidelines that were recommended by the Budget Committee in its first concurrent resolution on the budget.

It is important maybe to take a minute to see how that amount of $107.4 million breaks down. We have $89.4 million of that for intensified efforts in fusion research which has the potential, as the Members may know, to provide a virtually unlimited source of economic power through the energy that is generated through that particular means. We have $8.3 million for research relative to improving the safeguarding of nuclear weapons and securing of nuclear materials. So in other words $97.7 million, almost $100 million of the $107.4 million which we voted to increase the budget request is in these two very important and essential categories.

I of course will support at an appropriate time when it is offered the amendment that will be offered by my distinguished colleague on the committee, the gentleman from Washington (Mr. McCormack) to reduce the amount in the bill carried in the original bill by $71.2 million to bring it in line with a more recent request that ERDA has now submitted with respect to the LMFBR program.

Let me say in regard to that I have read with great interest and of course it goes without saying respect some of the minority reviews that are appended to the committee report. I refer particularly to those views that appear beginning at page 229 of the report, where the statement is made:

> We are quite dismayed by ERDA's concentration on nuclear energy and by the inclusion in ERDA's budget of all nuclear weapons research and development.

I frankly cannot understand that statement when I view the total work not only of the Joint Committee but also of course of the Committee on Science and Technology as well because I find when we break down the authorization in this bill we have a total of $860.37 million in total authorization for so-called clean energy research and development into sources of energy that certainly anyone I think would agree are not going to pollute the atmosphere.

As far as the fission power reactor development program, the budget carries $527 million in operating costs for that program; but I might remind the Members, this is a clearly proven source of energy. We have some 53 reactors that are on line in this country now that saved the consumers of this country $750 million in 1974. That is $750 million in savings to the consumers actually saved. If this program is permitted to continue, by the year 1980 that savings can and will total as much as $3 billion a year.

Now, let me say just a word about some of the allegations that these views contain about the breeder program. We are, and I quote again from the minority views, very much concerned about the premature commitment by ERDA and the Joint Committee for the liquid metal fast breeder reactor program of the Clinch River breeder reactor demonstration project. We see no cause whatsoever for the apparent haste with which ERDA desires to proceed. I wish that the authors of those minority views could sit in for just a few hours and listen to the hearings that are being very ably presided over by the gentleman from Washington (Mr. McCormack), where hour after hour we have heard witnesses, men of science, not political figures, but men from the physical sciences testify that we certainly will need a breeder program, that by 1984 when this demonstration plant is completed, if this authorization and authorizations in succeeding years are approved, we are going to be in a position where we are going to be in desperate need of that program—and why? Because the present generation of light water reactors, the boiling water reactors that we are now using to generate electricity in this country are going to be out of fuel by about 1992, in the early part of the decade of the 1990's. We simply are not going to have the fuel to continue to use those reactors unless we come up with a breeder. That is the state of the art. That is the state of the technology. That is the word of the expert witnesses that this committee is listening to.

I would suggest to those who might believe there is some premature haste on the part of Dr. Seamans and the administration which he now heads to rush into this program, that there is ample evidence that has been developed in those programs that it is essential that we proceed with that demonstration program.

Then I also would call attention to one further argument against this program that I find on page 229 of the report:

> We interpret the language of Section 106 ("Liquid Metal Fast Breeder Reactor Demonstration Program—Fourth Round") as eliminating any further requirement for ERDA to come to the Congress for authorization for the Clinch River project, thus sidestepping one major part of the Congressional budget making process: authorization.

As recently as 10 o'clock this morning the Members of the Joint Committee on Atomic Energy met with Dr. Robert Fri, the Deputy Administrator of the Energy Research and Development Administration, who assured us that he is going to be back next year reviewing this program and the Joint Committee on Atomic Energy. He conceded under questioning by Members of the committee that there is no thought whatever in the minds of ERDA that they have somehow gotten around the necessity of coming back annually for authorizations to fund that project.

I can assure the gentlemen who have appended their names to this report, and I say to the Members of this body that the Joint Committee on Atomic Energy is going to be very zealous in discharging its duty, its oversight responsibility with respect to that general legislation and admittedly expensive project. We are not going to sit by and permit the construction of the Clinch River Project without an annual authorization review.

The further statement that they simply cannot, as they did in here, say we have exempted them from project review, they can move ahead simply by coming to the Appropriations Committee for additional funding, is not so. This committee is, in annual authorization hearings, going to consider that project.

So, I repeat, I think this is a balanced bill and we are not in any way slighting the nonnuclear sources of energy that can be developed in this country. I am sure the gentleman from Washington (Mr. McCormack) will tell the Members, as he told the Committee on Rules yesterday when he presented his request for a rule, that in many instances, in solar energy, geothermal power and other instances, the Committee on Science and Technology has doubled and tripled the administration request. They are proceeding very vigorously to develop these alternate sources of power, but at the same time we cannot neglect the fact that in 25 years our fossil fuel supplies, at the present rate of depletion, may be exhausted and that, as we rely more and more on electrical energy to meet the needs of our industrialized economies, we had better be sure that we have the means to generate that additional electricity that is going to be needed.

This demonstration project, which is not, after all, a commitment to construct 100 breeder plants all over the country willy-nilly—this decision will not be made until the late 1980's—but for heavens sakes, do not stop us now, in 1975, from proceeding with the kind of measured progress that we are beginning to make in connection with the construction of that demonstration project. Do not foreclose the opportunity that we should have to explore that very important and attractive alternative for the generation of the energy needs of our country.

Mr. HARKIN. Will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I thank the gentleman for yielding. Since I had signed the minority views, I thought that I would just like to ask the gentleman, since he made some mention of the sentence we had about the emphasis ERDA had—in my viewpoint, the overemphasis, I think—on the nuclear program. He mentioned how much was in the so-called clean energy program, but if we take a hypothetical situation, let us say $10 to be spent in our whole energy research and development program, how much of that $10 in dollar figures would go to nuclear programs? Would the gentleman not agree that about $2——.

Mr. ANDERSON of Illinois. I think, to answer the question of the gentleman on that basis would be to cast this in an entirely false light and false perspective. I am not going to permit the gentleman to make my argument. He can on his own time elaborate on what is a very faulty basis for judging this authorization bill.

We have got to remember that we have got an ongoing nuclear program in this country, both the civilian program and the military program. Sure, there is $1,100,000,000, approximately, in this authorization bill for the military side of the atom. Now, until we have achieved total and complete world disarmament; until we have even gotten to the point of achieving another SALT agreement so that we can safely say that we are not going to go ahead with nuclear weapons, I do not think very many people in this Chamber—at least, I hope not—are going to quarrel with the fact that in this authorization bill we continue to authorize that amount of money for the nuclear weapons that this country must have as a part of its deterrent.

But, to suggest therefore that we are slighting the civilian energy side of the equation because we put that in this bill is to make an argument that just does not add up to any truth. That is why I refuse to equate this in terms of $1 out of $10 being for nonnuclear sources of energy.

Mr. HARKIN. Out of the total amount of money we are authorizing here, what percentage is being authorized for nuclear programs?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I was going to make this point on the floor on my own when I spoke, but just so we have the matter resolved and so that everyone understands, the fact is that of the entire budget 51 percent is for energy research and development.

The other 49 percent is for weapons. Out of that 51 percent, the breakdown is as follows:

Advanced energy, 21 percent; fossil fuel energy, 17 percent; conservation, research and development, 6 percent; fission, 29 percent; nuclear field research, 4 percent; supporting activities, 23 percent. That is environmental safety research, this sort of thing.

So out of the entire ERDA question, even when you take what is authorized for research and development, just that 51 percent of the ERDA budget that is for R. & D., 33 percent, or one-third, goes for fission. Out of the entire budget, it is 16 percent. I think this is totally realistic, in view of the fact that we have been backing up ongoing programs which have been going on for 30 years. And to try to compare them to programs that are just in their infancy, starting now, is just totally unrealistic.

Mr. ANDERSON of Illinois. I thank the gentleman from Washington for a very able and adequate explanation in answer to the question raised by the gentleman from Iowa.

Unfortunately, we have the tendency in this country to think that you throw money at a problem and you just feed a particular program and that automatically you increase their chances of success in a given area. This is getting into an area now where, admittedly, the Committee on Science and Technology, chaired by the gentleman from Texas (Mr. Teague) will have more to say in their hour on this bill, that the amounts that have been recommended for things like solar energy and geothermal energy are the optimal amounts that ought to be recommended and authorized at this time.

As those programs grow, as they develop, as they get up to the demonstration stage, those amounts are going to increase.

I repeat that when we talk about fission, when we talk about nuclear power, we had a nuclear power demonstration program in this country for over 20 years. That was authorized by the Atomic Energy Act as amended in 1954. So, naturally, as that program has grown and come on line, 25 percent of the electricity generated by the biggest utility in my home State of Illinois is generated from nuclear power, and it is an important increment in the energy needs of our State. Increasingly so, that is going to be true of the whole Nation. But that program is established. It has gotten to the demonstration stake now. The breeder program, that is a costly program, admittedly. These tides and winds, and these more exotic forms of energy we talk about, as they advance through the research and development cycle to the demonstration stage, they too, I am certain, will be given more money, will be funded by this Congress, and will be provided with the necessary authorization. But do not today compare apples and oranges and compare programs that are in their relative infancy with these more mature research and development programs that have demonstrated their capacity to provide results.

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maine.

Mr. EMERY. I thank the gentleman for yielding.

I would like to compliment the gentleman from Illinois for his very lucid presentation this afternoon, and I would like to associate myself with his remarks. One point I would like to make in the discussion is the fact that this country is becoming increasingly dependent on expensive electricity for use in our homes, for use in our factories and industries, and it is going to increase in the foreseeable future.

I think the point that the gentleman from Illinois (Mr. Anderson) has made very clearly is that nuclear energy, despite the problems that may exist—which I have complete confidence our science and technology can resolve—despite these problems, nuclear energy remains the one viable alternative that we have to generate electricity between now, in this period of increasing costs of petroleum, until some time around the turn of the century.

At that time we may be able to depend on more exotic developments, when we may be able to depend on solar energy, geothermal energy, and other forms of energy that are not now readily at our fingertips.

We must face up to the fact that electricity is extremely important to our national economy and to our lifestyles. There is nothing we do today in our homes, in our work, in this Chamber, that is not dependent on electricity.

The question we must address ourselves to is this: what is the most efficient and the safest method of generating electricity through nuclear means? Will it be by hot water? Will it be by fission power reactors? Will it be by fusion power in the future, or will it be by liquid metal fast breeder reactors?

Mr. Chairman, I think that question can only be answered if we develop the means to provide our scientists and our technicians with the capability to experiment with and develop these forms of energy through technology. It cannot be done on a table, it cannot be done at home, it cannot be done in this Chamber.

We must have scientists and technicians working in the area, working and experimenting, and it is up to the Congress to provide the funds and the incentive.

I would feel very sorry if we would act against this through our fear of nuclear energy, which goes back to Hiroshima and Nagasaki, without realizing that we must develop this technology for peaceful uses and the benefit of mankind rather than the destruction that we have been fearing for the past 30 years.

Mr. Chairman, I feel we must turn to nuclear energy as a viable alternative, and I think some of the points the gentleman from Illinois (Mr. Anderson) has made this afternoon point in that direction. I once again commend the gentleman and his presentation.

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman from Maine (Mr. Emery).

Mr. YOUNG of Texas. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Washington (Mr. McCormack).

Mr. McCORMACK. Mr. Chairman, I rise in support of the bill under consideration, H.R. 3474, which would authorize appropriations of $4,642,156,000 for fiscal year 1976 and $1,216,140,000 for the transition quarter for the Energy Research and Development Administration. The distinguished gentleman from Texas and my colleague on the Joint Committee has aptly summarized for this body the principal features of the portion of the bill pertaining to the nuclear programs of ERDA. I would like to elaborate on certain features of the nuclear energy research and development programs which would be provided for in this authorization.

FUSION POWER

The committee has carefully considered the authorization requested by ERDA for its fusion power research and development program. Funding for this program has increased steadily and significantly in the past few years. The committee's interest lies in assuring adequate funding of this program so that steady progress can be made toward the demonstration of scientific feasibility of the controlled fusion concept and ultimately the development of designs which would provide for utilization of fusion reactors in the commercial electric utility industry. The committee believes that funding in addition to that requested in the submission to the Congress can be effectively utilized in the areas of neutral beam research, cryogenic and reactor materials characterization, computer modeling and plasma beam behavior. Accordingly, the committee has recommended the addition of $20 million for fiscal year 1976 and $5 million for the transition quarter for these purposes.

The committee has also recommended an increase of $6 million in fiscal year 1976 and $1.5 million for the transition quarter to support laser fusion research at non-Government facilities. The objective of this program is to determine the scientific feasibility of laser and electron beam initiated thermonuclear reactions using principles of inertial confinement.

FISSION POWER

The heart of ERDA's fission power development program is the development of the liquid metal fast breeder reactor. The committee has followed this program since its inception and in a particularly close manner during the past 6 years with respect to the development of the ERDA cooperative arrangement with industry partners for the design, construction, and operation of the Clinch River breeder reactor demonstration project. This is a project of great importance. We must assure that it goes forward with deliberate speed under effective technical and managerial leadership.

Funds are also available within this authorization bill for work on alternate breeder concepts which are worthy of continuing effort. These include: the light water breeder reactor; the gas cooled fast breeder; and the molten salt breeder reactor.

REACTOR SAFETY

In the submission to Congress $45,775,000 was requested for fiscal year 1976 and $12,145,000 for the transition quarter for ERDA's reactor safety research program. The committee recommends approval of these amounts for appropriate safety research directed toward assuring the safe design of reactor concepts under development. I should note parenthetically that the committee in its action on the fiscal year 1976 authorization bill for the Nuclear Regulatory Commission recommended approval of $79.8 million for the fiscal year for reactor safety confirmatory assessment research.

ENVIRONMENTAL AND SAFETY RESEARCH

In closing, I would call to the attention of this body the continuing high level of environmental and biomedical research relating to the nuclear energy program. In the past the overwhelming portion of this program was strictly nuclear research. In the past few years, under the AEC, and now, in the ERDA program, more and more effort is being directed toward health and environmental effects of non-nuclear energy sources. In the bill now before us the amount for the total environmental and safety research program is $202,575,000 for fiscal year 1976 and $52,650,000 for the transition quarter.

Mr. Chairman, H.R. 3474 is something of a novel bill, after 6 months of wrestling with other energy bills, because this bill deals with improved energy production and its more efficient use, instead of conservation, restraint, incentives, import quotas, tariffs, or taxes. H.R. 3474 deals with providing energy for this country in the short range, in the intermediate range, and in the long range. It is truly a bill which is building a heritage for our children, and the money we spend today will provide electricity in the year 2000 and beyond.

This bill covers all areas of energy: nuclear, fossil, and nonnuclear hyphen nonfossil. It provides dramatic increases in fossil and nonnuclear energy.

There is a reason for that, and I think it is important for some of the Members who were not here last year, when we passed the Energy Reorganization Act of 1974, to understand what has happened, because what that bill did was to create the Energy Research and Development Administration from the Atomic Energy Commission, the Office of Coal Research and portions of other agencies. We gave this new organization the assignment of coming up with an overall energy program, based on where it was at that time, and then move forward.

Mr. Chairman, I want to point out to the Members that that was 6 months ago, and that even yet not all the assistant administrators from ERDA have been nominated by the White House.

When this bill authorizing funds for the ERDA came to our Committee on Science and Technology under the chairmanship of the gentleman from Texas (Mr. Teague), it was necessary for us to build an entire program in the nonnuclear area. We have done this.

It is important for us all to understand this particular point. I want to repeat for the Members a statement I made on November 28, 1973, when I appeared before the Committee on Government Operations and opposed the bill that created ERDA. I want to read the statement to the Members. Some of you here will remember it. I said:

> Mr. Chairman, the second major weakness of this bill, as I see it, is that nuclear weapons research, development, and demonstration would be transferred from the Atomic Energy Commission, along with energy R&D, into the ERDA. I believe this to be highly inadvisable not only because the very large weapons budget would tend to blur the perspective of our energy effort and not only because of the distorted attention that such a large block in the budget might cause in the mind of management, but also because I believe very strongly that we must in every way that we can help the citizens of this country distinguish between safe, peaceful use of nuclear energy, on the one hand, and nuclear weapons, on the other.

As we all know, my advice was not heeded, and we are now living with the heritage of an Energy Research and Development Administration, 49 percent of whose budget has to do with nuclear weapons and the operating of uranium separations plants for weapons and for production of fuels.

Mr. Chairman, I would like to just review the numbers that I have just given.

Here is the way the energy portion of the ERDA research and development program breaks down:

For advanced energy systems, including solar, geothermal, and fusion, 21 percent.

For fossil fuels, 17 percent.

For conservation research and development, 6 percent.

For nuclear fission, 29 percent. That includes the breeder program and all R. & D. on water moderated reactors.

For nuclear fuel research, 4 percent.

For supporting activities such as environment, safety, education, and physical research, 23 percent.

Compared to the total ERDA budget, nuclear fission is 16 percent; advanced energy is 11 percent, fossil is 9 percent, conservation is 3 percent, and supporting activities are 12 percent.

Mr. Chairman, that gives the Members a perspective which I hope they will appreciate.

I would like to just touch very quickly on three aspects of this bill.

The first, to which I just referred, has to do with the overall balance. We have moved forward dramatically, through the leadership of the Science and Technology Committee, to balance the energy program in this country under this bill, and you have just heard the figures. That has been accomplished this year.

The second aspect has to do with part of the nuclear program, and that is nuclear fusion research.

During the last fiscal year we were spending $57 million for nuclear fusion.

The CHAIRMAN. The time of the gentleman from Washington (Mr. McCormack) has expired.

Mr. YOUNG of Texas. Mr. Chairman, I yield 3 additional minutes to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for yielding.

As I was saying, we had $57 million in fiscal year 1974. This year we almost doubled it to $105 million, and next year, as part of the budget, we will take it to nearly $200 million, almost doubling it again.

The last aspect has to do with the liquid metal fast breeder reactor. The committee conducted a number of hearings with respect to the liquid metal fast breeder program, and the Clinch River breeder reactor demonstration project.

Mr. Chairman, I will submit an amendment supported by all the House Members of the Joint Committee that has been very responsibly prepared and is a constructive amendment, cutting $71.2 million from the budget for the liquid metal fast breeder reactor; $20.8 million of that will come from the basic program and $50.4 million will come from the Clinch River plant.

This will bring our authorization bill into conformity with new administration figures for this fiscal year.

Our objective is to move forward in a responsible manner with reductions that we can afford, to provide energy independence for this country as soon as possible, the LMFBR, of course, is the only technology available to us during this century that will do this: The uranium 238 that is presently on hand and in storage in this country and of no value unless we have a breeder program, will, with a breeder program be equal to five times all the oil estimated to exist in the Arab world.

That is the uranium that we have in our hands today, which will, with a breeder program, make this Nation self-sufficient in energy, and free from international blackmail.

It will be the cheapest, cleanest, most environmentally acceptable, most dependable and safest significant energy source available to this Nation for the balance of this century.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, as I understand the proposed amendment on the Clinch River program, there would be some $30 million for procurement eliminated and $30 million for backup engineering?

Mr. McCORMACK. I am sorry, I did not hear the gentleman from Pennsylvania.

Mr. COUGHLIN. On the Clinch River project your amendment will eliminate what?

Mr. McCORMACK. $20.8 million on the basic research and development program, and $50.4 million from the Clinch River program procurement and engineering.

Mr. COUGHLIN. What remains, then, in the Clinch River program? Or what would be remaining?

Mr. McCORMACK. May I say to the gentleman from Pennsylvania that I will be glad to answer those questions in detail. I have the full information on my desk, but not in my hands at the moment.

Mr. COUGHLIN. Do I understand correctly that there has already been $40 million committed for the Clinch River Breeder program?

Mr. McCORMACK. Yes, there is quite a bit that has already been committed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. Mr. Chairman, I yield 2 additional minutes to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for yielding me the additional time.

Mr. ANDERSON, of Illinois. Mr. Chairman, if the gentleman will yield, I have asked the gentleman to do so merely because I have before me of the letter from ERDA to the committee, in which they indicate that with the gentleman's amendment the amount authorized for ERDA for fiscal 1976 would be $131.1 million; that includes fiscal 1976, and also the transitional quarter as well.

Mr. COUGHLIN. My question was: Under what authority has the $40 million already been committed for the Clinch River Breeder Reactor?

Mr. McCORMACK. Under the authorizations and appropriations by this Congress last year.

Mr. COUGHLIN. They authorized money for the Clinch River Breeder Reactor?

Mr. McCORMACK. Yes it was authorized. The gentleman must understand that I cannot quote the exact wording of the bill, but we authorized the LMFBR a number of years ago, and the program has been a continuing one.

Mr. COUGHLIN. Mr. Chairman, it would seem to me that the Clinch River Breeder Reactor is already proceeding, and there are already commitments on that, that it would be good to have only a 1-year authorization, and have that in the bill.

Mr. McCORMACK. I have no objection to that, and I am sure no one would argue as to the soundness of that point, and I would be glad to agree and accept an amendment that would spell it out.

Mr. COUGHLIN. I appreciate that.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I rise to support the ERDA authorization of $56.4 million for the research, development and demonstration of geothermal energy during fiscal year 1976 and $13.6 million during the transition period.

Geothermal energy is the natural heat of the Earth, which increases inward toward the core. Most of the Earth's heat is buried too deeply and is too diffuse to be of direct use to man. However, geothermal heat does have potential economic significance in areas where it is concentrated into rather shallow restricted volumes which are somewhat analogous to the concentrations of metal into ore deposits or of oil into petroleum reservoirs.

There are five kinds of geothermal deposits: Dry-steam deposits, which consist of superheated steam with little or no water; wet-steam deposits, which are mixtures of steam and hot water; geopressured deposits which consist of large, very high-pressured hot water often saturated with natural gas; hot dry rock deposits; and hot molten rock deposits.

The technology for producing electric power from dry geothermal steam deposits is well advanced and, indeed, we are now producing enough electricity to supply half of the requirements of the city of San Francisco from the Geysers, a dry-steam field located in Sonoma County, Calif. The unit cost of an installed kilowatt of dry-steam installations is below that for fossil and nuclear fueled facilities. Exploitation of such deposits will provide valuable additions to local power supplies and will also help to conserve conventional fuels. Dry-steam deposits are, however, the least plentiful of our geothermal resources.

In wet-steam deposits, the heat energy is contained in a mixture of hot water and steam. Power plants utilizing this resource type are more expensive than the dry-steam plants, but these deposits may be as much as 20 times more common in nature. The technology to utilize this resource is not totally developed, and will require additional research and development to overcome the various problems that remain.

Geopressured deposits are trapped collections of superheated underground water which exist at pressures of several thousand pounds per square inch. The waters are often saturated with recoverable methane. Geopressured deposits occur in geologic lenses and pockets throughout the Gulf Coast region and in the Western United States. Exploitation of these deposits requires technology beyond that which is now available; however, such deposits offer outstanding potential for power production and can become an important source of natural gas, if the technical problems can be solved.

Hot dry rock deposits are geothermal reservoirs where the heat is contained in rocks of low porosity with little or no associated steam or water. In general, the energy locked in hot dry rock is estimated to be the most abundant of all the potential geothermal resources. Research and development are needed for a practical and economic method of discovering and extracting energy from these hot rocks to unlock a power resource of enormous potential.

In molten-rock geothermal systems, the heat is contained in liquid or near liquid rock near live volcanoes. In many instances, very deep drilling into extremely hot rock will be required to utilize these resources. Advanced technologies must be developed before this type of deposit can be utilized.

Mr. Chairman, the goal of the geothermal energy development program of ERDA is to stimulate commercial development of geothermal resources as an energy source by the mid-1980's. A major thrust of the ERDA resource utilization technology subprogram will be in support of all aspects of geothermal electrical powerplant development and thermal water utilization. In cooperation with industry, ERDA plans to develop improved methods of energy extraction from the several types of geothermal deposits with emphasis on the wet-steam types. The projects will be designed to permit direct comparison of alternative promising power conversion systems.

ERDA will also conduct research on geopressured deposits, focusing primarily on the fundamental questions of longevity and sustained deliverability; and on the hot dry rock resource, with the completion of the experimental drilling and hydraulic fracturing of a hot dry rock deposit. During fiscal year 1976, individual ERDA projects will be pursued which appear to have favorable application to the use of geothermal energy in nonelectric applications such as residential and commercial space heating and cooling, agriculture, and industrial processes.

The ERDA fiscal year 1976 program will accelerate the interaction of the principal components of the national geothermal program; namely, resource assessment, technology development, and utilization facilities. The planning for these facilities initiated in the fiscal year 1974 and fiscal year 1975 programs will evolve into operational programs during fiscal year 1976 through cooperative arrangements between the Federal Government and private industry.

It is for these reasons that I rise in support of the ERDA authorization for geothermal energy development. In a time of energy scarcity, it is the time to expand the effort to develop the potentials that lie beneath our feet and in our own backyards. Mr. Chairman, I urge the passage of this measure by the Congress.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico (Mr. LUJAN), a member of the committee.

Mr. LUJAN. Mr. Chairman, I want to talk about something other than dollars today even though the subject is the authorization of the Energy Research and Development Administration budget. I want to talk about a major problem we are facing in this country on a day-to-day basis about our energy problem and the solution to that problem.

As we in this House have so recently and unfortunately discovered, the Congress is not able to come up with any real and meaningful energy bill. Likewise, the administration is lacking in offering a solid, long-term solution. As a result of these failures to come to grips with the problem, everyone is bickering over who is to blame. And at the same time we keep hoping that by some miracle the prefect answer will suddenly pop up in the Congress.

My thoughts on the matter are that there is no solution to be found through the legislative route as opposed to the appropriation route. We have found no common ground yet on which to build the foundation of a strong energy bill and we are not going to find one.

But there is no question whatsoever in my mind that we have the solution to the energy problem right in front of us. The answer is in research and development.

As a matter of fact, the energy crisis has become something of a blessing, for it has finally forced us to turn to the great minds we have working in research and development and tell them to find the answer.

We have the physical capabilities to get the job done and we certainly have the talent to solve the problem. And in the long run we will come out in a much better position in our world position as an energy producer.

When we look at the problem it is really very simple. We must reduce our dependence upon imported oil, without it costing us tremendously in environmental costs.

This ERDA legislation before us gives us the tool to do exactly that. This legislation puts the money into the projects which will accomplish the goal of energy self-sufficiency without polluting our Nation.

Now, I grant you that we will face an energy crunch for the next few years. But that crunch will be a short-term problem which we can all live through. In the long run we will work out the problem because we planned ahead in ERDA research and development.

Already we can heat and cool homes with solar energy on a small scale. With the proper planning and funding the ERDA people will increase the scope of solar energy capabilities. This budget authorization gives ERDA the chance to increase the possibility of solar-generated electricity.

Prospects for the use of geothermal energy are fair with production of this form of power increasing daily. ERDA has numerous projects in this area which need to continue.

In nuclear power the United States is second to none, and our research will enable us to keep up with our growing energy demand and then some.

I have not spoken of the breeder reactor, for which the technology is here already, nor have I spoken of energy produced through fusion, which is a great hope for the future. Let me say that the prospects for both of these is very good.

These things have all come about because of the dedication and vision of our industry ERDA people such as those at Sandia, Los Alamos, and Livermore. And thanks to their unending efforts we will have a solution to the energy problem. The solution will not be a stopgap measure which taxes motorists and home fuel users. The solution these scientists deliver will last far, far into our future.

And as I meet with these people and talk about different concepts of dealing with the future, they tell me about new nonpolluting auto engines, ideas for storing electricity, advanced thoughts for new drilling techniques to aid in the discovery of energy sources, and many, many other projects included in this authorization.

It is when I meet with these people and see their enthusiasm for their work and hear the positive attitude they have toward finding solutions to the energy problem, it is then that I have a renewed faith in the ability of this country to meet the challenge. I know that we will lick this problem. I also know the place to lick the problem is not on the floor of this House but in the scientific laboratory.

I hope that all my colleagues will support this bill which guarantees a long-term solution to the energy problem.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG of Texas. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Chairman, I would be happy to ask my colleagues to support and vote for this provocative piece of legislation which in my opinion sets the pace for us to solve the problems of research and development in energy.

Two or three years ago I gave a summary of why I opposed the program Plowshare which was the program providing for detonation of a nuclear warhead in place to attempt to recover natural gas from limestone-type formations. The program was wasteful in my opinion. There were nuclear handicaps in the limestone formation gas field but that has nothing to do with the nuclear power generation.

I am a devoted advocate of this nuclear power generation. I believe it is the only way to go.

I think the pressurized water-type reactor or the liquid fast metal breeder reactors are superior to the Canadian heavy water reactor or the British systems. I do not think we have to take a back seat to any program of any other nation.

I believe when the Members understand this program they will support it also. Once the liquid metal fast breeder reactor demonstration plant is created, we can pay attention to those authorities who tell us we should not go ahead with development of a liquid metal fast breeder reactor program unless we have a park in which to place it. With all respect to Ralph Nader or any other critic of the program, I believe the energy situation at the present time does not warrant our stopping the liquid metal fast breeder reactor program.

I would like to see the money for this program be spent by the private utilities that we might decrease the proportion spent by the Government, but without this support and realizing that the utilities are being called upon these days to contribute many things, I believe they cannot undertake it without Government help. If the costs of the utilities keep going up as they have been and the ceilings are kept on their earnings, the utilities may not be able to furnish any more utility participation because of the ceilings on their rates imposed by Government agencies which may become an intolerable burden on them.

As far as Government participation in this, we have no other way to go than this program.

Lastly, I would like to ask that the amendment to be offered by the gentlewoman from Tennessee (Mrs. LLOYD) be adopted. I believe it will retain a core portion of the program.

The CHAIRMAN. All the time of the gentleman from Texas (Mr. YOUNG) has expired.

The Chair recognizes the gentleman from Texas (Mr. TEAGUE).

Mr. TEAGUE. Mr. Chairman, H.R. 3474 authorizes funds for the Energy Research and Development Administration for fiscal year 1976 and the transition period. This bill authorizes appropriations for both nuclear and nonnuclear programs of $4,642,156,000 for fiscal year 1976, an increase of $354,702,000 above the administration request, and $1,216,140,000 for the transition period, $85,936,000 above the request.

I believe that this is the first time that two committees have jointly reported a bill. Mr. Price and I agreed at the time the bill was introduced that we would work together and authorize only these portions of the bill over which we have jurisdiction.

We very much appreciate the helpful cooperation of the Joint Committee in getting the job done.

Mr. Chairman, not only do I salute the cooperation of the chairman and members of the Joint Committee on Atomic Energy, but I should also like to congratulate the chairman of the two energy subcommittees of the Committee on Science and Technology, Congressman Ken Hechler and Mike McCormack. They, their ranking Republican Members Al Bell and Barry Goldwater, Jr., and the other members of both subcommittees did a superb job on this bill.

In addition, the environment and safety portion was reviewed by another subcommittee, Environment and the Atmosphere, chaired by George Brown, working with the ranking minority member Marvin Esch, they concluded a thorough review of ERDA's Environment and Safety program.

They came in for hearings at 8:00 a.m. day after day, and they and dedicated staff worked late at night. The high quality of this legislation and the legislative report which accompanies it. I also want to salute the ranking Republican on the full Committee on Science and Technology for assuring the success of this bipartisan committee effort.

I should like to point out that it was not possible to clearly separate this bill into its nuclear and nonnuclear components. This is because a number of the budget elements are relevant to both nuclear and nonnuclear research, development and activities. For example, the ERDA environmental effects research and its basic research support both nuclear and nonnuclear programs. Program support—that is, the overhead costs, including headquarters staff salaries—also falls in this category. Therefore, both the Science and Technology Committee and the Joint Committee on Atomic Energy examined these ERDA programs.

I want to emphasize that the Committee on Science and Technology acted only on those parts of the ERDA authorization bill which lie within its jurisdiction covering all energy R. & D. except nuclear. The committee's actions in reporting out H.R. 3474 apply only to nonnuclear programs, and the committee expresses neither approval nor disapproval of those parts of the bill over which it has no jurisdiction.

The Committee on Science and Technology recommends increases of $266,310,000 for fiscal year 1976 and $66,975,000 for the transition period for programs within its jurisdiction. Of the programs we acted on, we received requests of $1,002,470 for fiscal year 1976 and $263,871 for the transition period. Thus, our total recommendations are $1,268,780 for fiscal year 1976 and $330,846 for the transition period, including programs over which we share jurisdiction with the Joint Committee on Atomic Energy. I should like to insert a table summarizing our actions at this point:

SCIENCE AND TECHNOLOGY COMMITTEE

OBLIGATIONS

[In thousands of dollars]

	Fiscal year 1976			Transition period		
	Request	Plus	Authorization	Request	Plus	Authorization
Fossil energy development	404,744	19,000	423,744	109,480	4,750	114,230
Solar energy	70,300	73,400	143,700	20,400	18,400	38,800
Geothermal energy development	23,390	33,000	56,390	5,250	8,400	13,650
Conservation	40,870	93,810	134,680	8,333	23,600	31,933
Scientific and technical education	0	5,000	5,000	0	1,250	1,250
Advanced energy system research	7,850	0	7,850	1,780	0	1,780
Physical research: (materials and molecular sciences)	94,367	20,000	114,367	26,800	5,000	31,800
Biomedical and environmental research	182,165	15,500	197,665	46,040	3,875	49,915
Program support[1]	178,784	6,600	185,384	45,788	1,700	47,488
Total	1,002,470	266,310	1,268,780	263,871	66,975	330,846

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[1] Costs, but the same as obligations to about 1 percent.

The details of these recommended increases will be covered by Mr. Ken Hechler and Mr. Mike McCormack, chairman of our two energy subcommittees.

These increases represent a lot of money. But the committee feels strongly that this country must adequately face up to its important job of developing new energy technologies. I should point out that since ERDA was created on January 19 of this year, the Administration has undertaken a careful review of its budget request. It is my understanding that ERDA has recommended an amended budget request to OMB that is not very different from that before you today.

Mr. Chairman, there is one specific recommendation of the Science and Technology Committee that I should like to bring to the attention of my colleagues. We have recommended that ERDA carefully study the possibility of establishing an Energy Extension Service to bring advice on new energy technologies and consultation to the public and industry. Rather than take more time now, I should like to insert in the Record at this point an excerpt from the legislative report that deals with this subject:

Energy Extension Service

An effective national energy program depends on public understanding of the important energy issues. This is true for implementing programs as well as for making decisions.

The Committee believes that inasmuch as ERDA will represent the major federal energy research and development effort in the years to come, it is essential that the means be established now to enable ERDA to create and maintain a public awareness of these efforts and to provide services of an advisory nature as a way of assuring the dissemination of information and knowledge to industry, government and the public on energy technologies.

To insure prompt application on these new energy technologies on a nationwide basis, the Committee feels strongly that ERDA should explore the possibility of establishing an "Energy Extension Service" as a national undertaking with programs and activities which focus on the state and local level, and all pertinent elements of the private and public sectors. It would provide expertise, consultation, dissemination of information, and receive advice on the nature of energy use and problems.

The Energy Extension Service could fulfill this need in much the same way that the present Agricultural Extension Service has fulfilled the need in agriculture, or the Sea Grant College Program has fulfilled the need in Marine Advisory Services. The energy field is vastly more complex than fields served by other advisory programs and the urgency for the activities is far greater. It is essential, therefore, that the information delivery system be put together so that all the public can be reached both through proven mechanisms and newly developed techniques.

Active ongoing models for this already exist in state governments and in many of the nation's outstanding universities. These are available in implementing a program quickly at the individual citizen level. Through short courses, work shops, conferences, specialized publications, active use of the media and personal consultations, the ability and experience of universities and other groups can be used to reach the appropriate audience, whether the subject be agricultural, industrial, governmental or other.

Such a service could answer questions and give advice to individuals, businesses, and state and local government officials on energy conservation measures and alternative energy systems, for example, the use of home insulation, solar heating and cooling equipment, or the cooperative use of solid waste by farmers and users to produce energy.

There are immediately available vehicles through which ERDA can initiate a comprehensive "Energy Extension Service" with a national focus and with strong local participation, and these vehicles should be used when possible. During fiscal year 1976 and the transition period, planning and initial demonstration of this concept, using funds from the Conservation and Solar budgets, should be of high priority to ERDA. Before proceeding to initial demonstration, ERDA should first submit a detailed plan for demonstration of the Extension Service concept, and provide adequate time for it to be analyzed by Congress and the public. These activities should be carefully coordinated with the FEA to insure no unnecessary duplication of effort.

In conclusion, Mr. Chairman, I should like to reemphasize my support of H.R. 3474. It is a good bill, vital to the development of the new energy technologies which our Nation must have in the future. I urge my colleagues to lend their support also.

Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, under the very able leadership of the chairman, the gentleman from Texas (Mr. TEAGUE), the Committee on Science and Technology has held very extensive hearings on the nonnuclear energy sections of H.R. 3474. The chief burden of the subcommittees has been shared by Chairman McCORMACK, Chairman BROWN, and myself. Chairman McCORMACK chaired the nonfossil energy sections of the bill, Chairman BROWN covered the environment and the atmosphere, and I chaired the fossil energy sections of the bill—coal, oil, and natural gas.

Mr. Chairman, I would like to say a little word about coal in just the 2 or 3 minutes that I have today. Coal has been one of our most neglected resources and, with all due deference to our nuclear friends who have had billions of dollars to spend since World War II, coal has been the stepchild of the Federal Government in research funds. Yet, we must depend on our abundant reserves of coal to meet the acute shortage we will suffer in the near-term future, as natural gas and oil become depleted.

In the year 1970, 5 years ago, we only spent $12 million of Federal funding for fossil energy research and development. One of the purposes, of course, of the creation of the Energy Research and Development Administration was to put balanced emphasis on all energy sources.

WHY FOSSIL ENERGY MUST BE DEVELOPED

We are coming in with a bill today which authorizes $424 million in the area of fossil energy research and development. This covers not only improved recovery methods of oil and gas, but even more important, improved combustion methods for coal and the production of clean boiler fuels and through liquefaction and gasification, the production of those necessary fuels, natural gas and liquids, to meet the Nation's near-term energy needs. This is essential before we can develop the more far-out programs of solar, geothermal, nuclear fusion, and other cleaner forms of energy in the future. In the near-term it is absolutely essential that we press forward and place the highest priority on the conversion of coal and on the development of synthetic substitute natural gas and the liquefaction of coal. That is why we are putting $424 million into this bill for these purposes.

Mr. Chairman, I would like to commend the chairman, the gentleman from Texas (Mr. TEAGUE) for his leadership and also the fact that our committee has worked in a bipartisan fashion in developing this program. The ranking minority member, the gentleman from California (Mr. BELL) has been especially helpful on the fossil energy aspects of this legislation.

ERDA'S ENERGY MANDATE

Briefly stated, ERDA's energy R. & D. mandate is to provide the Nation with the new and advanced energy technology options that it so sorely needs if we are to meet the energy requirements of future generations of Americans without undue reliance on foreign sources, It is ERDA's mission to improve upon existing technologies, develop, demonstrate, and commercialize alternative technologies, and find new technologies for the future. All such technologies, to be viable, must be safe and economically and environmentally sound.

In fiscal year 1970, we spent only $12 million in fossil energy R. & D. In fiscal year 1974, the budget increased to over $98 million and to over $342 million in fiscal year 1975. These were substantial increases brought about by the recognition that we as a nation must move to be self-sufficient in energy.

H.R. 3474 would authorize $423,744,000 for fiscal year 1976 for fossil energy R. & D.

The ERDA request for fiscal year 1976 for fossil energy was $404,744,000. Our committee increased this request by $19 million in the following areas:

COMMITTEE INCREASES

Five million dollars for low Btu gasification, with a provision that 20 percent of the total sum appropriated for this item be spent for in situ processing;

Four million dollars, to support technology development of fossil fuels, including studies in the impacts of such development in different States and regions;

Ten million dollars for improved technology in oil and gas extraction with particular emphasis on tertiary recovery methods. To summarize the increases recommended of $19 million, $10 million is for oil and gas, $5 million is for low Btu gasification, and $4 million is for systems studies in all fossil fuels.

ENERGY INFORMATION DATA

The bill includes a technical amendment to the Nonnuclear Energy Research and Development Act which puts ERDA on the same footing as the Interior Department in obtaining energy data from and through the Federal Energy Administration. When the 1974 law was enacted, ERDA was, of course, not in existence and did not become officially operational until the 19th of January 1975.

The bill provides for the establishment within ERDA of a central source of information capable of developing a sound information base for energy research and development. The provision authorizes ERDA to acquire this data by purchase, donation, or to avoid duplication of effort, from another Federal agency, but it does not authorize a subpena or other discovery method to acquire the data.

ENVIRONMENT AND SAFETY

In the general area of environment and safety the bill as reported contains an increase of $15,500,000 to the administration request of $241 million. This is a small percentage increase and is directed primarily in three areas: First, a $10 million increase for biomedical and environmental research and development having to do with nonnuclear energy research and development; second, a $5 million increase for mining-related research and development, and third, a $500,000 increase for nonpulmonary health research and development associated with coal mining. The committee also authorized a $5 million program for scientific education and training, simply for training manpower in the nonnuclear areas.

Synthetic fuels technology—coal gasification, liquefaction—is full of promise, yet it has its problems. On the one hand, it offers the opportunity to turn a dirty old fuel, coal, into an environmentally acceptable gas or liquid. It promises to ease our reliance on more scarce natural gas and oil, to provide the cushion to carry us into the 21st century when we can expect renewable sources of energy, like solar energy, to take over a large portion of our energy needs. But it brings with it some unanswered environmental questions as well as some critical regional land-use development questions.

NEED FOR SYSTEMS STUDIES

What for example will be the impact of a major new energy industry with its tremendous demand for water for strip mining, gasification, pipelines, and powerplants on our water scarce Western lands? How are we going to plan for the massive influx of people needed to run such energy complexes in our sparsely populated Western areas? Where will we get the schools, the hospitals, the housing? All of these questions must be answered before we can plunge headlong into a major commitment to the all-out development of coal gasification and liquefaction complexes. This is the challenge that faces ERDA.

Our committee has taken a hard look at the ERDA budget in this regard, and, as I have said, we have increased the authorization for funding for systems studies. The environment and safety budget has also been increased for work on fossil fuels. These increases will help to insure that as we progress in developing the technology, we will be making the necessary steps in providing for the supporting research so critical to a full evaluation of this program.

I might add that this supporting research is not limited to the examination of land use impacts of a synthetic fuels industry. We have also directed ERDA to look at the crucial supporting sectors for a synthetic fuels program—the mining sector, mining equipment sector, transportation, assessment of coal reserves, and so forth. We must insure that supporting industries are capable of supplying a full scale synthetic fuels industry before we rush to create it.

The major additional question which hovers over all consideration of coal gasification and liquefaction is that of cost. Present projections indicate that synthetic fuels will be very expensive, possibly exceeding the present cost of Arab oil. It is important at this point to avoid an overcommitment to these technologies when energy prices are so uncertain. We certainly do not want to be forced into the position of supporting price floors and the like.

COMMITTEE OVERSIGHT

I think the committee has done an excellent job in a short period of time in reporting this bill to the floor. However, we are not satisfied with this effort. We have begun a thorough review of ERDA's policies, procedures, and budget in preparation for next year. We are particularly concerned about ERDA's policies and procedures for cost sharing with industry and, with the aid of GAO, we are examining these policies and procedures.

In this regard, we look forward to receipt of ERDA's June 30 comprehensive energy R. & D. plan. We plan hearings on the plan after careful review of it by the Office of Technology Assessment.

NO MORE "BUSINESS AS USUAL"

Mr. Chairman, this authorization request is responsive to our desire to move as rapidly as possible to develop efficient and economical processes using fossil fuels. The obligation amounts for fossil energy devote some 33 percent of the budget to pilot plants, the development stage just prior to demonstration scale plants. About 19 percent—$57 million—for synthetic fuels-related activities is planned for demonstration plants that employ commercial scale hardware. This includes the $20 million for the clean boiler fuel demonstration plant.

Our committee, in hearing testimony on this bill, is convinced that ERDA is not in a "business as usual" attitude schedule at all. According to testimony received by the committee:

> ERDA left the business as usual cycle about 18 months ago and is now overlapping the development steps considerably.

ERDA is on the record stating that—

> We are taking fairly substantial technical risks.

The committee's view that this work must proceed on as rapid a phase as is practical.

PILOT AND DEMONSTRATION PLANTS

Pilot plant efforts on a number of coal conversion processes have proceeded to the point where it is proposed to build a clean boiler fuel demonstration plant. This plant would convert typical high sulphur eastern bituminous coals to low sulphur, low ash, boiler fuel.

The technology for high Btu gas production has developed to a stage where several promising processes are now in the pilot plant stage. Funds are contained in the authorization to do advanced design work for demonstration plants. What is being sought in this budget are funds to go out for the competitive design phase, for preliminary designs of a high Btu gasification plant. This would enable ERDA to see which of the technologies currently under development look like the best approach to move to construction.

A low Btu gasification plant design is also budgeted in the authorization request for this year. A number of commercial companies are engaged in the preliminary design of full scale gasification equipment for the integration with conventional and advanced power systems. It is proposed to undertake several engineering design contracts to provide a competitive evaluation of the most promising alternatives for final selection.

The most efficient way to utilize coal is by its direct combustion. This is true since any process to upgrade coal, gasification, or liquefaction, for example, requires the expenditure of energy. Thus, the overall efficiency of coal utilization is direct burning. Processes to permit combustion in fluidized bed boilers have a high potential payoff and should be pursued.

Mr. Chairman, I urge our fullest and most vigorous support for research, development, and demonstration of the ERDA technology program.

At this point, I insert in the RECORD a table showing ERDA's request and our committee's action thereon:

FOSSIL ENERGY DEVELOPMENT—OPERATING EXPENSES

[In thousands of dollars]

	Fiscal year 1976						Transition period					
	Obligations			Costs			Obligations			Costs		
	ERDA request	Committee increase	Total committee recommendation	ERDA request	Committee increase	Total committee recommendation	ERDA request	Committee increase	Total committee recommendation	ERDA request	Committee increase	Total committee recommendation
Coal:												
Liquefaction	$97,562	0	$97,562	$96,897	0	$96,897	$28,750	0	$28,750	$16,000	0	$16,000
High-Btu gasification	63,364	0	63,364	42,838	0	42,838	10,500	0	10,500	8,700	0	8,700
Low-Btu gasification	45,389	$5,000	50,389	51,671	$3,000	54,671	11,400	$1,250	12,650	6,500	$800	7,300
Advanced power systems	6,601	0	6,601	5,261	0	5,261	2,500	0	2,500	1,300	0	1,300
Direct combustion	38,096	0	38,096	32,645	0	32,645	14,900	0	14,900	5,100	0	5,100
Adv. res. and supp. tech.:												
Coal conversion	14,000	0	14,000	13,000	0	13,000	4,000	0	4,000	2,100	0	2,100
Direct coal utilization	5,000	0	5,000	4,600	0	4,600	1,000	0	1,000	500	0	500
Supporting research	8,493	0	8,493	8,374	0	8,374	1,850	0	1,850	1,400	0	1,400
System studies	7,900	4,000	11,900	6,087	3,000	9,087	2,000	1,000	3,000	600	800	1,400
Demonstration plants	37,000	0	37,000	18,100	0	18,100	9,000	0	9,000	4,100	0	4,100
Total coal operating expenses	323,405	9,000	332,405	279,473	6,000	285,473	85,900	2,250	88,150	46,300	1,600	47,900
Petroleum and natural gas:												
Gas and oil extraction	24,929	10,000	34,929	22,065	6,000	28,065	6,430	2,500	8,930	6,730	1,600	8,330
Gas and oil utilization	1,797	0	1,797	1,582	0	1,582	450	0	450	500	0	500
Total petroleum and natural gas operating expenses	26,726	10,000	36,726	23,647	6,000	29,647	6,880	2,500	9,380	7,230	1,600	8,830
Oil shale:												
In-situ processing	7,720	0	7,720	7,034	0	7,034	1,950	0	1,950	2,000	0	2,000
Composition and characterization	1,265	9	1,265	1,113	0	1,113	300	0	300	300	0	300
Total oil shale operating expenses	8,985	0	8,985	8,147	0	8,147	2,250	0	2,250	2,300	0	2,300
Advanced power systems research under program direction of fossil energy:												
Magnetohydrodynamics (MHD)	13,544	0	13,544	13,773	0	13,773	2,300	0	2,300	2,200	0	2,200
Fuel cells	600	0	600	500	0	500	0	0	0	200	0	200
Supporting activities	0	0	0	600	0	600	0	0	0	0	0	0
Total	14,144	0	14,144	14,873	0	14,873	2,300	0	2,300	2,400	0	2,400
Authorization required (including MHD and fuel cells):												
Coal:												
Liquefaction	97,562	0	97,562	96,897	0	96,897	28,750	0	28,750	16,000	0	16,000
High Btu gasification	63,364	0	63,364	42,838	0	42,838	10,500	0	10,500	8,700	0	8,700
Low Btu gasification	45,389	5,000	50,389	51,671	3,000	54,671	11,400	1,250	12,650	6,500	800	7,300
Advanced power systems	6,601	0	6,601	5,261	0	5,261	2,500	0	2,500	1,300	0	1,300
Direct combustion	38,096	0	38,096	32,645	0	32,645	14,900	0	14,900	5,100	0	5,100
Adv. Res. & Sup. Tech:												
Coal conversion	14,000	0	14,000	13,000		13,000	4,000	0	4,000	2,100	0	2,100
Direct coal util	5,000	0	5,000	4,600	0	4,600	1,000	0	1,000	500	0	500
Supporting research	8,493	0	8,493	8,374	0	8,374	1,850	0	1,850	1,400	0	1,400
System studies	7,900	4,000	11,900	6,087	3,000	9,087	2,000	1,000	3,000	60	800	1,400

	Fiscal year 1976						Transition period					
	Obligations			Costs			Obligations			Costs		
	ERDA request	Committee increase	Total committee recommendation	ERDA request	Committee increase	Total committee recommendation	ERDA request	Committee increase	Total committee recommendation	ERDA request	Committee increase	Total committee recommendation
Demonstration plants	37,000	0	37,000	18,100	0	18,100	9,000	0	9,000	4,100	0	4,100
Subtotal operating expenses	323,405	9,000	332,405	279,473	6,000	285,473	85,900	2,250	88,150	46,300	1,600	47,900
Petroleum and natural gas:												
Gas and oil extraction	24,929	10,000	34,929	22,065	6,000	28,065	6,430	2,500	8,930	6,730	1,600	8,330
Gas and oil utilization	1,797	0	1,797	1,582	0	1,582	450	0	450	500	0	500
Subtotal petroleum and natural gas operating expenses	26,726	10,000	36,726	23,647	6,000	29,647	6,880	2,500	9,380	7,230	1,600	8,830
Oil shale:												
In situ processing	7,720	0	7,720	7,034	0	7,034	1,950	0	1,950	2,000	0	2,000
Comp. and characterization	1,265	0	1,265	1,113	0	1,113	300	0	300	300	0	300
Subtotal oil shale expenses	8,985	0	8,985	8,147	0	8,147	2,250	0	2,250	2,300	0	2,300
MHD and fuel cells	14,144	0	14,144	14,273	0	14,273	2,300	0	2,300	2,400	0	2,400
Total fossil, MHD and fuel cells operating expenses	373,260	19,000	392,260	325,540	12,000	337,540	97,330	4,750	102,080	58,230	3,200	61,430
Program support operating expense	10,946	0	10,946	10,617	0	10,617	3,950	0	3,950	3,350	0	3,350
Plant	20,000	0	20,000	9,000	0	9,000	8,000	0	8,000	3,550	0	3,550
Equip-program	425	0	425	339	0	339	200	0	200	150	0	150
Equip-program support	113	0	113	113	0	113	0	0	0	0	0	0
Total authorizations request	404,744	19,000	423,744	345,609	12,000	357,609	109,480	4,750	114,230	65,280	3,200	68,480
Trust funds	11,783	0	11,783	10,365	0	10,365	2,508	0	2,508	2,510	0	2,510
Total	416,527	19,000	435,527	355,974	12,000	367,974	111,988	4,750	116,738	67,790	3,200	70,990

Note: H.R. 3474, as amended uses obligations amounts for the nonnuclear programs.

Mr. Chairman, with relation to sections 102 and 307 of the pending legislation, I include the following exchange of letters between the Secretary of the Interior and Chairman TEAGUE:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., April 16, 1975.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Science and Technology, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Your Committee will shortly be considering a legislative proposal, HR 3474, which I believe contains ominous implications for the operations of our government.

That proposal, submitted by Congressman Hechler, would authorize appropriation of Fiscal Year 1976 funds and would redefine areas of responsibility for the Federal energy research and development effort. In particular, Section 102 would authorize and fund research in the Energy Research and Development Administration (ERDA) for purposes of advancing mining-related research. Also, Section 307 would authorize establishment of a data bank that would duplicate efforts of several government agencies, including those of the Interior Department.

The proposal is wholly contradictory to the intent of the Congress, as expressed in both the House and Senate Committee Reports on the ERDA legislation. Both Committees recognized the necessity of retaining a single comprehensive mining research program, one that takes an integrated systems approach covering productivity, health and safety, and environmental quality for mineral fuels as well as other minerals, in the Department of the Interior. Their reports clearly expressed the intention to keep mining and mining-related research intact and unfragmented, consolidated—as it now is—within the Interior Department.

Only in this way, the Congress rseasoned, can an effective, coherent research and development effort for all minerals be assured. Only in this way can the support that is essential to the Department in carrying out its many responsibilities as steward of the Nation's mineral resources be unfailingly provided.

In its current form, HR 3474 would set a precedent for subsequent fiscal years, encouraging the dispersal of Interior's mineral technology and information activities to many different agencies. Even more important, it would weaken a dynamic, ongoing Federal research effort at a time when the Nation can least afford it. The core of the Nation's expertise in these vitally important areas of mineral and energy supply is in the closely integrated programs of the Interior Department's Bureau of Mines, Geological Survey, and related Bureaus, and it is essential to the national interest that this expertise remain viable.

I am confident that you will act to see to it that responsibility for all mining-related research and mineral information systems remains with the Department of the Interior.

Sincerely yours,

ROGERS MORTON,
Secretary of the Interior.

WASHINGTON, D.C.,
April 21, 1975.

Hon. ROGERS C. B. MORTON,
Secretary of Interior,
Washington, D.C.

DEAR MR. SECRETARY: Thank you for your April 16, 1976 letter concerning sections 102 and 317 of the Committee Print of H.R. 3474. It is helpful to the Committee to hear your views. I very much appreciate your bringing them to our attention.

Your letter implies that ERDA, which is under this Committee's jurisdiction, now lacks statutory authority to conduct R&D work in the area of mining extraction. Without debating the merits of section 102, I think it is clear that ERDA currently has broad authority to conduct R&D work in this area.

First, section 2(b) of the Energy Reorganization Act of 1974 (Public Law 93–438) includes a congressional finding that in order to achieve the "objectives" of the Act, "it is necessary to establish" ERDA "to bring together and direct Federal activities relating to research and development on the various sources of energy".

This section is important because, for the first time, it directs a Federal agency, namely ERDA, to be involved with research and development for all aspects of the fuel cycle for fossil fuels.

Second, another section of the same Act, section 103, directs ERDA to exercise "central responsibility for policy planning, coordination, support, and management of research and development programs respecting all energy sources".

The legislative history of the ERDA Act supports this view. The 1973 report of the House Committee on Government Operations (H. Report 93–707) makes it clear (p. 18) that "some" but not all, of "the mining technology-research activitives" will remain in the Bureau of Mines. Moreover, Public Law 93–438 transferred to ERDA the functions of the former Office of Coal Research under Public Law 86–599 (16 U.S.C. 661–668) which directs that ERDA shall "develop through research, new and more efficient methods of mining, preparing, and utilizing coal." The ERDA law also transferred to ERDA from the Bureau of Mines the function of "improving methods of managing energy-related wastes and pollutants".

Third, the Federal Nonnuclear Energy Research and Demonstration Act of 1974 (Public Law 93–577) directs that ERDA "formulate and carry out a comprehensive Federal nonnuclear" R&D program, to develop "energy policy options" and to "conduct a comprehensive, national program of basic and applied research . . . of all potentially beneficial energy sources and utilization technologies".

In reviewing your letter I note, that it does not specifically address a very important issue, namely whether or not the Bureau of Mines is currently conducting all of the research, development, and demonstration work contemplated by section 102 and at what funding level. At our recent Subcommittee hearings, the Director of the Bureau of Mines, Dr. Thomas V. Falkie, stated that most of the Bureau's "effort" is on stabilizing waste embankments. Section 102 appears to be aimed at finding ways through research, development, and demonstration to eliminate or substantially reduce these hazardous waste banks.

In the information area, your letter also implies that Interior is principally responsible for maintaining an energy data system. There are many agencies with responsibility to collect and disseminate energy data, including the Federal Energy Administration pursuant to Public Law 93–319 and ERDA pursuant to Public Law 93–438. This responsibility is not unique to Interior.

I appreciate your providing to us your views.

Sincerely,

Olin E. Teague,
Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Mosher).

Mr. MOSHER. Mr. Chairman, H.R. 3474 represents a good beginning for a comprehensive national program of energy research and development.

It is designed to accelerate the development of new energy sources and increase the efficiency of current sources. H.R. 3474 provides a sound foundation for us ultimately to provide the means for us to reduce our dependence on foreign energy supplies and to stabilize our economy.

Mr. Chairman, the subcommittee hearings which reviewed the ERDA programs were painstaking and thorough. I compliment Chairman Teague, subcommittee Chairmen Hechler and McCormack, and all members of the committee for their diligence in scrutinizing the ERDA budget, and also the ranking minority members of those subcommittees, Congressmen Bell and Goldwater.

The committee members have gained a realistic perspective of our energy technology. We have sought to dispell misimpressions while building a broad understanding of the energy potential which we possess.

H.R. 3474 authorizes a total of $4,642,156,000 to the Energy Research and Development Administration—ERDA—for fiscal year 1976 and $1,216,140,000 for the transition quarter. The portion of this which comes from the Committee on Science and Technology for fiscal year 1976 is $1,268,780,000.

The President's budget request to the Committee on Science and Technology was about $1 billion. Thus, the committee's authorization increases this amount by approximately $266.3 million or 26 percent.

While the 26 percent increase appears large, we must remember the unusual circumstances under which the original ERDA budget was submitted. ERDA was established in early January. It had no effective opportunity to review the OMB budget package which was submitted. Thus its figures were "inherited" from the proposals of its predecessor agencies. If ERDA had more ample time to assemble a true ERDA budget than its figures probably would have been higher. Thus the percentage increase over the budget request is not as meaningful as it might otherwise have been.

Solar energy is one energy source which was boldly addressed last year in two bills which are now law. The 93d Congress passed the Solar Energy Research, Development, and Demonstration Act and the Solar Heating and Cooling Demonstration Act. The solar portion of the ERDA budget is structured to carry out these acts. In the past year we have witnessed an explosion of public interest in solar energy. It has caught people's enthusiastic belief as have few other phenomena in this generation.

The total amount authorized for solar energy is $143 million. This money will be divided among several topics. About $39.9 million will be devoted to adopting solar energy for the heating and cooling of buildings. This includes both basic research directed toward improved heating and cooling systems and an aggressive solar demonstration program. It is this area which has evoked the most public response. The current program level is designed to meet this public interest.

An additional positive feature of solar energy is that the technology is available to a wide segment of our economy. Individuals and small businesses are taking an active role in developing solar systems. Many other energy sources require such large amounts of capital and manpower that only the large corporations can be in the business. Solar energy is thus a good heat source and a good way to diversify and decentralize the ownership of our energy supply.

Other facets of solar energy being pursued are directed at harnessing more subtle manifestations of solar energy. Work will continue on wind energy systems and on ways to extract energy from the thermal gradients in the oceans. Bioconversion research is designed to perfect systems which would allow the conversion of waste material into methane. Methane is essentially natural gas. Photovoltaic R. & D. is aimed at improving the efficiency of systems which convert solar energy directly into electricity.

Such photoconversion systems have been used on satellites and in remote locations for many years. However, the cost-effectiveness of the current technology is not high enough to justify adopting photoconversion systems for large scale use. A breakthrough in photoconversion technology could have a significant effect on our electrical production capability.

The major nonnuclear effort with ERDA is fossil energy R. & D. This encompasses work on coal, petroleum, natural gas, and oil shale. Our country has extensive fossil fuel reserves but we need better ways of extracting and using it. The coal research underway is directed at seeking breakthroughs in liquefaction and gasification. The traditional way of transporting coal has been in bulk solid form which is cumbersome. When coal eventually is liquefied or gasified it will be much easier to use coal. For example, we have extensive pipelines already in existence which were built for oil and natural gas. These pipelines could be used to distribute coal in its nonsolid form.

Petroleum and natural gas work is directed at improving extraction technology. When we find how to extract more fuel from our wells, then it would reduce the pressure to find additional wells. It is a matter of operating fewer wells at a higher efficiency, versus more wells at a lower efficiency.

The potential of oil shale has been known for many years but the high cost of extracting the oil from the oil impregnated shale impeded its commercial development. As the availability and price of conventional petroleum seem to spiral out of control, it makes oil shale more attractive. The most promising extraction technique is the in-situ process. This process seeks to separate the oil from the shale while it is still in place and only draw off the oil to the surface. This is in contrast to conventional mining techniques by which the shale would be dug out of the earth before oil extraction occurred. The in-situ process is thus more efficient and less environmentally damaging.

The perfection of new energy sources is only half the job we face. The increasing conservation ethic must become a permanent part of our lives and not just a passing fad. In keeping with this spirit ERDA is moving on several conservation fronts.

Work on electrical storage and transmission aims to improve the efficiency of these basic functions. If we could improve the efficiency of our long-distance transmission lines by only a few percent it would be a very significant help.

Another innovative topic is the reclamation of used or waste oil for lubrication which is now discarded. If an efficient process were developed whereby this oil could be filtered and restored, then it would result in considerable energy savings.

Mr. Chairman, the ERDA authorization sets out a comprehensive "game plan" for alleviating our current energy shortcomings. It seeks to develop new energy sources, improve old sources, and conserve as much as possible of both. H.R. 3474 establishes an aggressive yet well-balanced response to a difficult problem. The topics being pursued cover the entire range of modern technology; that is, from geothermal and fossil fuel R. & D. to solar and nuclear energy R. & D.

The funds we spend under this bill will insure that our economic growth and well-being can continue.

I urge support for this responsible legislation, certainly support for the nonnuclear portions of this bill as perfected in the Science and Technology Committee.

Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. Goldwater).

Mr. GOLDWATER. Mr. Chairman, I rise in support of H.R. 3474, the fiscal year 1976 and transition period authorization for the Energy Research and Development Administration. The Science and Technology Committee, of which I am a member, acted on the non-nuclear energy R. & D. portions of H.R. 3474. My remarks, as a result, are limited at this time to the non-nuclear energy R. & D. authorizations in the bill and associated provisions.

The Energy Research and Development Administration—ERDA—was created by the last Congress in the Energy Reorganization Act of 1974. ERDA officially opened for business on January 19 of this year with a huge R. & D. complex encompassing over 90,000 people from the predecessor elements in the Atomic Energy Commission, the Office of Coal Research, the Bureau of Mines, the Environmental Protection Agency, and the National Science Foundation. H.R. 3474 is the first budget for the new ERDA in its role as the Nation's central management and research authority for energy R. & D.

Mr. Chairman, we are all well aware of the critical dependence of the United States now and for the immediate future on imported, foreign oil. We are also well aware of the increasing scarcity of our depleting domestic fossil fuels. Both the Project Independence Blueprint and the President's energy bill declared that the United States must make an immediate accelerated effort to develop alternate sources of domestic energy supply. In the near term, the focus of our effort must still remain on fossil fuel development and continued support of the nuclear utility. In the long term, however, our focus clearly must shift to more exotic, nondepletable sources. At the same time, we must embark on the road of concerted energy conservation, not only in the sense of a conservation ethic in turning off lights and in lowering thermostats in winter, but also in the form of increased energy effectiveness in our energy intensive and high energy consuming sectors.

There should be no mistake, though, that these efforts will not immediately result in substantial energy supply increases or demand reductions in the next several years, or even the next decade. Many of these technologies will only mature into a significant position in the domestic energy picture after 1985, and some not until the 1990's or even the turn of the century, and only then with continued, strong support from the Congress. Nevertheless, with H.R. 3474, the Science and Technology Committee has made a strong start, a determined first step in non-nuclear energy R. & D.

The Energy Research, Development and Demonstration Subcommittee, on which I am the ranking minority member, has direct responsibility for the nonfossil, non-nuclear energy R. & D. activities of ERDA including solar, geothermal and conservation research. The subcommittee and the full committee acted resolutely in making a determined first step in each of these research areas. In solar research, we doubled the ERDA request to $140 million for fiscal year 1976, in geothermal we more than doubled the request to $53 million, and in conservation more than tripled the request to $135 million.

Perhaps more striking, the committee's increases represented order of magnitude increases over Federal research efforts in each of these areas only a few years ago. Markedly lower competing fossil fuel prices and a general national failure to appreciate the criticality of our accelerating dependence on foreign oil and the finite limitation on domestic fossil fuel reserves precluded any justification for focused Federal research in these areas. In solar research, for instance, the fiscal year 1971 and 1972 budgets were both less than $2 million, increasing to $5 million in fiscal year 1973, $17 million in fiscal year 1974 and $50 million in fiscal year 1975. As you can see, the solar research authorization in H.R. 3474 for fiscal year 1976 is nearly 10 times that of fiscal year 1974. Our committee is determined that these programs will receive the support necessary to make a concerted beginning in each of these research areas, recognizing full well that this is only the beginning of a long road in many of these technologies.

Although many analogies to the manned space program are appropriate in this energy research and particularly fitting because of the Science and Technology Committee's role in that space program, there should be no mistake. It will take far longer to bring many of these technologies to commercial fruition than it took to put a man on the Moon. Ten years from today, we will still be in the earlier stages of R. & D. on some of the more exotic approaches, particularly in the solar area, so that this energy R. & D. road is truly a long one.

Now, many of my colleagues in this Chamber may be startled to hear BARRY GOLDWATER, JR., rising so strongly in support of such massive and accelerated Federal expenditures of any kind, even in energy R. & D. I want to assure my colleagues here and now that I strongly support the nonnuclear energy R. & D. program which the committee reported in H.R. 3474. The distinguished chairman of our subcommittee, Mr. MCCORMACK, with whom I am proud to be associated in this effort, and I, as well as others on the subcommittee, wrestled many times over the funding levels in the individual elements of this program. While I may disagree on some of the specific elements or subprogram levels, overall I am convinced that this program is a reasonable balance of accelerated energy R. & D. and fiscal responsibility. Each increase was well considered and was finalized in a fiscally responsible and technically prudent way.

Our subcommittee received counsel and guidance from senior engineers and scientists in and out of ERDA and from a major supporting budget analysis by our own Office of Technology Assessment, which did an excellent job in supporting us. We closely coordinated with the ERDA program managers to clearly establish the break point in effective funding increases. In that regard, I want to acknowledge the outstanding support of Dr. Seamans and his staff in this admittedly difficult first ERDA budget. Additionally, in our committee views on page 193 of our report which I introduced and also expanded in an additional view on page 226, we provided very specific direction and guidance for maintaining the balance between acceleration and fiscal responsibility and for exercising fiscal restraint where additional research is not justifiable.

The committee also included sections 101(c) and 201(c) in H.R. 3474, both of which I introduced in subcommittee, to require the ERDA Administrator to submit a detailed program description to the Congress once the appropriations cycle has been completed. The program description by law must justify each program funding level in terms of its relevance in the overall national energy R. & D. effort. This committee action will provide an effective mechanism for establishing a benchmark against which to specifically measure effectiveness, justification and value for each of the accelerated research programs in future years. It also creates a vehicle for close and effective congressional oversight of the ERDA programs.

With these checks and safeguards, I am confident that we can effectively maintain the balance between the critically required energy R. & D. acceleration and the equally critical need for fiscal responsibility and restraint. Quite simply, I would not be supporting these increases if I had any reservations in that regard. I can assure my colleagues in the House that, not only is such a balance feasible, but I intend to vigorously exercise our committee oversight prerogatives to make it a reality. The United States can and will achieve its goal of energy independence through technology in a manner which is fiscally responsible. I firmly believe that our actions in H.R. 3474 meet that standard and I urge your support of the nonnuclear energy R. & D. provisions of the bill.

Let me close by joing others in adding my sincere commendations to our chairman, Mr. TEAGUE, to Mr. MCCORMACK, and to my colleagues on the subcommittee. And our fine staff. The deliberations on H.R. 3474, particularly in the areas of program increases and their justification, were intense and, at times, admittedly heated. On occasion, we met knowing full well that our mere presence together was, as you lawyers would say, an implied agreement to disagree. And, disagree we did. But in the end, I firmly believe that those deliberations have given this Nation a balanced, determined energy research program. Mr. Chairman, I am proud to have served with those distinguished gentlemen in forging the non-nuclear energy research program which is before us today. Thank you.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. WINN).

Mr. WINN. Mr. Chairman, I rise in support of H.R. 3474, the authorization for ERDA, the Energy Research and Development Administration. My comments at this point are limited to the nonnuclear energy R. & D. provisions in the bill, since the Science and Technology Committee only considered the nonnuclear energy provision. H.R. 3474 represents the first authorization of ERDA, which we created in legislation in the last Congress and which began operations in January of this year.

Our portion of that authorization, nonnuclear energy R. & D. occurs at a time when energy R. & D. has the highest of priorities in our Nation. Energy research is one of the primary actions which the United States must take to break the critical and potentially crippling dependence on foreign oil. It also is the key to developing alternative sources of energy supply for our depleting fossil energy resources. We must act now and we must act decisively to make a concerted research effort to generate the technology base necessary for the alternate energy sources, as well as to achieve a very real energy conservation program in this country. I believe strongly that we can attain each of our goals in energy research if we start now. H.R. 3474 makes that start.

One of the major steps which we will

take in H.R. 3474 is to provide the initial funding of the solar heating and cooling demonstration program which Congress legislated last year in the Solar Heating and Cooling Demonstration Act of 1974. The demonstration program is aimed at demonstrating literally thousands of solar heating and cooling units in commercial and residential buildings across the country in the next several years. I am keenly interested in the demonstration program. My long association with the National Association of Home Builders has demonstrated to me that solar technology and expertise is available now in the building industry which with proper Government support through the demonstration program, can quickly mature into a significant saving of fossil fuels in building heating and cooling.

H.R. 3474 would authorize $25 million for the demonstration program in fiscal year 1976 and an additional $14.9 million for R. & D. on advanced, second generation systems and components for introduction into the marketplace at the end of the decade. The use of solar energy to heat and cool buildings and for domestic hot water has the potential for a relatively early energy payoff. Despite the lack of Federal support until very recently, this application is in a relatively good technological position. Private individuals and some independent institutional effort have brought solar heating and cooling technology very close to commercial readiness.

About 40 experimental houses and custom-made solar heated homes have been constructed in this country over the last several decades. As a result, the technical feasibility of solar heating and hot water heating for houses and other buildings is well established. We are also well on our way to establishing the feasibility of solar cooling, although the technology for cooling lags behind solar heating a bit. Industry's recent interest in the technology has produced a variety of solar hardware some of which is already on the market. It is encouraging, too, that an enthusiastic movement is underway among architects and engineers aimed at making solar a practical energy source for household energy needs.

Despite the successes of the demonstrations and the awakening of interest in solar energy, the use of solar hardware today is negligible. The application has its problems, not the least of which is the high initial cost of solar hardware compared to conventional hardware doing the same job. Hopefully this problem will not be a lasting deterrent. Recent industry studies funded by NSF conclude that with a vigorous Federal R. & D. effort in this area, and with the creation of Federal incentives such as low-cost loans and tax credits on the purchase of solar hardware, parity with conventional hardware can be reached in a very few years even without increases in the cost of conventional energy. Of course, if the price of energy does increase, then parity would be reached much sooner.

Mr. Chairman, it is highly appropriate that the application of solar energy for heating and cooling buildings should be the focal point of the ERDA fiscal year 1976 solar effort. This application not only has the greatest potential for significant early payoff, but also the residential sector is one of the Nation's largest consumers of energy. Approximately 25 percent of the energy we now consume—at a cost of about $18 billion annually—is used to heat and cool buildings and to heat hot water. Furthermore, the use of energy for this purpose is growing rapidly, with air-conditioning now being installed in 40 percent of all new buildings.

In the Solar Energy Task Force Report prepared for the Project Independence Study, it was estimated that with an accelerated Federal R. & D. effort the solar heating and cooling application could be supplying this Nation with the energy equivalent of 500,000 barrels of oil a day by 1980. By the turn of the century the contribution could be equivalent to 5.5 million barrels a day. We must keep in mind, however, that these estimates were based on the premise that strong Federal support of the full range of solar technologies would be forthcoming. Without our support, the estimates are meaningless. As I noted earlier, H.R. 3474 provides that necessary support.

At this time, Mr. Chairman, I should like to associate myself with the remarks of my colleague on the Energy Research, Development and Demonstration Subcommittee, Mr. GOLDWATER, on the need to balance this accelerated energy R. & D. with fiscal responsibility. Our subcommittee grappled with this balancing throughout the markup of H.R. 3474. I too am concerned that some of the individual program elements may be funded at levels which exceed ERDA's capability to effectively and efficiently expend them in justifiable and productive research.

The committee view on this subject must be taken seriously by all of us on the committee in exercising oversight of ERDA and by the administration in implementing these programs.

Our subcommittee recently held oversight hearings on the solar heating and cooling and we found several aspects of that program which did not appear to meet our standards. ERDA stands on notice as a result of our criticisms in the hearing which are included in a committee view on the program. I offer this close and searching oversight of this obviously merited program as an example of the congressional responsibility to insure that these increased programs are, in fact, fiscally responsible. Further, we will be expecting ERDA to exercise meaningful fiscal restraint in all of its programs.

In summary, Mr. Chairman, I believe that it is essential that we move ahead aggressively in energy research and development. The funding levels in the nonnuclear area are set to allow for a maximum productive effort. In fact, the budget levels in many of these areas are at the saturation point.

Thus I caution my colleagues against casually increasing the nonnuclear funding levels. While money can spur scientific progress, there is a limiting point beyond which additional sums are only wasted. The current budget levels are at that limiting point now. We should temper our enthusiasm with some realism and not engage in trying to "outbid" one another in funding increases. Our energy program should result in fueling our homes and cars but not in fueling inflation.

With this single reservation, Mr. Chairman, I support this legislation. It is a beginning and I believe no one will be able to criticize this Congress for a failure to move in energy research when we pass H.R. 3474. I join my colleagues in commending our distinguished chairman and our subcommittee chairman in bringing this bill out of committee. They, and our other colleagues, worked long and hard to do so in a responsible and timely manner. I believe we have achieved that goal.

Mr. TEAGUE. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. HALL).

Mr. HALL. Mr. Chairman, the Committee on Science and Technology has authorized obligations totalling $97.56 million for fiscal year 1976 to support ERDA's coal liquefaction program. ERDA seeks to advance technologies which are economically feasible and environmentally acceptable, to convert coal to clean liquid fuels for electric power generation and heating for industry and homes. Also, the ERDA liquefaction program includes efforts to develop technology for converting coal into a crude oil from which transportation fuels, chemicals, and possibly gasoline may be obtained.

The vast domestic resources of coal can be liquefied to produce either a clean boiler fuel or a feedstock suitable for conventional refinery use. Production of either—or both—products from coal could reduce oil imports, in time, to any desired level.

Specific projects in the coal liquefaction program of ERDA include research and development in each of the four methods of converting coal to liquids, namely: direct hydrogenation, solvent extraction, pyrolysis, and indirect liquefaction. We find that ERDA is building a broad technological base by investigating selected process options through the bench and pilot stages. Five coal liquefaction pilot plants are proposed by ERDA to be funded by this legislation including two operational plants. The program also includes support research and development, which provides the backup research for current process development and for the development of novel liquefaction processes as second and third generation improvements in the technology. Support engineering work reveals areas needing research and development and guides the development to the most economic and reliable processes.

The technological opportunities and possible economic gains of liquefying coal are vast. For example, coal liquids can be stored much more easily than gaseous fuels. I wish to point out that processes can be developed that can use coal of any rank so that the location of plants need not be limited by geographic considerations. Because coal liquefaction has less materials problems and a higher conversion efficiency ERDA programs may allow liquefaction to achieve commercialization sooner than gasification even though the latter has been developed more vigorously in the recent past.

Modern improvements are providing better catalysts, better reactor designs, and better materials of construction, leading to more attractive processing economics and less of a capital investment. We must continue research which has advanced coal liquefaction to the point where it can now be achieved at milder conditions, more rapidly, and at less cost than the wartime German operations of the SASOL plant operating in the Union of South Africa.

What the legislation we have before us today does is to continue and expand the vigorous R. & D. program being conducted by ERDA on coal liquefaction. We must lay the technological foundation so that a 1–2 million barrel per day syncrude industry from coal may be realized by 1985.

The committee supports ERDA's proposal, and plans to review progress prior to authorization hearings in fiscal year 1977 to determine if there should be greater concentration of effort on a few more favorable processes in order to insure more rapid development of commercial plants.

Mr. TEAGUE. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, I rise in support of the $7.72 million fiscal year 1976 obligation request to support ERDA's efforts on in situ oil shale technology. Moneys provided for under the legislation we are considering today must be used to lay the foundation for an environmentally acceptable and economically feasible oil shale industry.

Shales of the Green River Formation in Colorado, Utah, and Wyoming constitute the world's largest hydrocarbon deposit. Higher grade deposits found in the Eastern United States contain the equivalent of 600 billion barrels of oil, a quantity of oil approximately equivalent to the known world reserves.

As was stated in the committee report, beginning on page 28:

> The Committee recognizes that there is a possibility that oil shale deposits located in portions of several eastern states could be developed and produced. Indeed, on May 8, 1975 two companies testified before another committee on this potential. The eastern deposits have drawn the attention of state and local government and private enterprise for many years. An *in situ* method of extraction for these reserves is being developed. While considerable progress has been achieved, more development is necessary before the technique is commercially feasible.
>
> The Committee intends to further investigate the potential of eastern shale development, including the extent to which oil and/or gas is recoverable from such shale and the location of such recoverable shale, and hopes that ERDA will discuss this potential in its June report, as well as the problems associated with such development, the nature of needed R&D and the extent to which Federal funds could be effectively utilized. The Federal government would be remiss if it failed to capitalize on the potential which the eastern as well as the western deposits offer us.

But the attractive aspects of these resources must not overshadow the equally important factors of how they can best be developed so that all persons, including those living in the region, are benefited.

Today, there are no commercial oil shale processing plants in the United States, nor is ground being broken to build the first plant.

The committee supports ERDA and the Department of the Interior in their work on reducing the technical, economic, and environmental constraints which impede development of the U.S. oil shales. ERDA's work on technology is extremely important, because it offers opportunities to reduce economic and environmental constraints.

ERDA is furthering the technology for extracting the oil out of shale. Two major options are currently available: First, mining followed by surface processing of the shale, and second, in situ or in place processing. Of the two options, Government technologists maintain that only the mining-surface approach is advanced to the point where it is possible to scale up to commercial production in this decade. These technologists tell us in situ processing is in an experimental phase, and commercial application is not expected prior to 1980.

To overcome technological shortcomings of in situ processing, the Committee on Science and Technology has authorized the full amount requested for the in situ R. & D. program being carried out by ERDA.

In situ processing of shale may prove to be an economically feasible and environmentally acceptable means of allowing oil shale to contribute to the future U.S. energy supply.

In situ processing of oil shale promises to reduce two of the major constraints to large scale development of oil shale, water limitations and environmental impacts. Technologists have informed the committee that in situ processing of shale requires significantly—about one-half—less water than above ground processing. A reduction in the spent shale disposal problem and possibly a reduction of some of the air and water quality problems of processing shale may result with the use of in situ technology.

We must develop a technology for processing shale at a rate which will contribute significantly to our future energy supply without undue environmental damages. We must develop a technology for processing shale which will produce a barrel of shale oil at the least cost for the American consumer. The best means of achieving these objectives may prove to be the processing of oil shale in place with minimum surface deformation.

Recovery of oil from shale in an efficient, economic, and environmentally acceptable manner is a major objective of the ERDA program to develop the Nation's energy resources.

Research conducted by ERDA on in situ processing is designed to expedite development of the technology. Concurrently, research is directed toward providing a technology applicable to deposits that are not well suited to aboveground approaches. The current effort at ERDA ranges from laboratory studies to field tests of in situ shale oil production and investigation of associated environmental aspects.

The major increase of the ERDA request for oil shale will be used for both in situ gasification and shale oil production.

The increase for gasification will be used to extend the present laboratory research on in situ gasification to pilot scale work. The goal of this work is to conduct an actual field demonstration of the process starting about fiscal year 1979.

Mr. TEAGUE. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. KRUEGER).

Mr. KRUEGER. Mr. Chairman, one of the pleasures of serving on this committee is that there has been so little friction.

There has been uncommon harmony on both sides of the aisle in working out elements of energy policy that deserve support, because if there is anything people want at this time, it is for us to give attention to future energy needs. I think that the Congress can take pride in the fact that, although it is not always obvious to those outside this Chamber, perhaps, there are many things on which we seem now to be coming together.

We have recently passed legislation regarding auto fuel efficiency. We will be looking to the Naval Petroleum Reserve and seeing about the possibility of using that for enlarged domestic civilian use. We will be looking to the development of the Outer Continental Shelf, and we will be, in my judgment, looking at the question of oil pricing, and I hope that we will adopt an intelligent policy there: one that treats Americans as well as Arabs.

But, we must also look to future energy needs, as the ERDA budget does. And although there is much that the private sector can do alone, I think that the Government has a very legitimate role in this area.

There obviously are areas where the social benefits are such that only the Government can provide the funds required for research. There are areas where, not private industry, but only Government, can take the risks that are involved, and where only Government can put together the expertise and skill that is needed for certain areas of research.

I would call the attention of the committee to two of these areas at the present time. One regards coal research and development. The gentleman from West Virginia has already spoken of coal. Clearly, this Nation will rely upon it increasingly in the future. I would call attention also to its fossil brothers, oil and gas.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. Yes, I yield to the gentleman.

Mr. HECHLER of West Virginia. Mr. Chairman, the gentleman from Texas is a very able member of the subcommittee. As has been indicated, our subcommittee had been very closely and acutely concerned about improving methods of extraction. I want to congratulate the gentleman from Texas for his amendment which succeeded in putting more emphasis in this area.

Mr. KRUEGER. I thank the gentleman.

Mr. Chairman, I very much hope that in both the areas of coal and also oil and gas recovery, particularly with secondary and tertiary recovery, we will retain the strong emphasis that this bill already has.

In today's energy picture there is a large and vital role for energy research and development, funded and spurred by the Federal Government.

In planning a coal research program, for example, a basis is necessary to decide what to carry through to the pilot plant and demonstration scale. The U.S. Energy Research and Development Administration has systems contractors developing the capability to employ consistent economic evaluation techniques to assess potential usefulness of bench-scale experiments. The more attractive bench-scale concepts then go on to the pilot plant stage.

A pilot plant size is generally determined by the state of knowledge in the particular technical operations involved in the process. In the petroleum industry, plants are scaled up by a factor of 20,000, from laboratory to full-scale, in areas where a substantial knowledge base is available. Confidence in doing this for coal is not high because the scientific base has not been adequately developed.

Currently, pilot plants range from between one-tenth and one-fiftieth of the size of the smallest commercial-scale equipment available that goes into such processes. The definition of a demonstration plant involves a single process train that employs the largest commercial sized machinery available. The size is determined by the smallest of these large components. A demonstration plant may or may not be an economically viable commercial operation.

Commercial considerations may dictate a still higher capacity and will usually require a number of demonstration scales in parallel. As research activities are being expanded, thorough, overall impact analyses of large-scale implementation of potentially successful processes must be begun. These analyses are to anticipate the technical problems that will be encountered in meeting environmental requirements. Results from these early impact studies will be incorporated into the design of potential demonstrations and into the supporting research and development program to accommodate social objectives. This very necessary high priority defensive research is hoped to avoid serious delays in building larger scale plants and to help to rapidly commercialize the technologies.

Substantial effort should also be devoted to the supporting science and technology required to build a solid knowledge base under the various processes involved in utilization of coal.

The ERDA coal technology strategy that will be discussed further in this debate, was developed around the scientific and technical capability needed to permit economic utilization of coal in various forms as rapidly as possible. The research objectives are to show technical feasibility of substantially different processes for direct combustion of coal or the production of other fuel forms from coal. Economic feasibility can only be determined by demonstration on operation of large plants. The coal research program is anticipated to answer certain questions associated with the implementation of existing technologies as the building of the synthetic fuels industry is begun.

From other discussions about budgeting related to this subject, cost sharing for plants has been assumed. Plants defined as pilots are assumed to have one-third sharing from the private sector. Demonstration plants are assumed to be one-half cost-shared from the private sector.

Of course, there are other methods that could be used to further our national goals—loan guarantees, for example, or even the creation of the old REA model used successfully during World War II.

The simple fact is that we must be prepared to spend the money and take the technological and political risks required to lead this country toward energy independence.

The U.S. energy supply must ultimately be based on renewable energy resources. In the future we may rely on the breeder reactor, controlled fusion, geothermal and solar energy, but for all of these there are serious technical problems awaiting solution. As we strive for this goal, our energy demands must be satisfied predominantly by fossil fuels. Energy from fossil fuels eventually will depend on our most abundant fuel resources, coal and shale oil.

However, demands for the next decades still must be satisfied primarily by oil and natural gas, which together account for almost 80 percent of domestic energy consumption. Almost all of our transportation needs are provided by these fuels. In the past 5 years the United States has satisfied its growing energy appetite by massive importation of crude oil. Now we realize that this trend must be reversed. In our zeal for developing exotic resources, we must not overlook the tremendous promise of enhanced oil and gas recovery and the need for a Government role assuring wide dissemination of technological advances.

RESOURCES

Known resources of 290 billion barrels of residual oil exist, most of which are onshore. These resources are the target for tertiary oil recovery. Of this target 40 to 60 billion barrels of tertiary oil is recoverable by known but unrefined technology. This amount would more then double the Nation's proved reserves.

In active fields, the average primary recovery efficiency, using current primary methods, is expected to be between 16 to 18 percent. Secondary and tertiary methods bring this total up to 25 to 33 percent. Every increment of 1 percent greater recovery capacity can yield an additional 4 billion barrels of oil a year.

Tertiary recovery can have a substantial impact on the national goal of emergency storage capacity. It is likely that the costs associated with providing necessary production and injection wells and concentrating tertiary-recovery banked residual oil in specially selected reservoirs can be lower by orders of magnitude than other alternative sytems of providing storage and filling it with already produced oil. If we approve the administration's program of storing 1.3 billion crude barrels, we might find it beneficial to research these methods.

Natural gas is the Nation's cleanest, cheapest, most efficient fuel resource. Natural gas production, however, has been declining recently and proved reserves have declined for almost 7 years. One way to stimulate production may be to deregulate the price of natural gas. Other stimulants to production include the lowering of production costs and technological breakthroughs which allow the addition of new reserves and production; here, ERDA has an important role to play.

It is estimated that over 600 trillion cubic feet of gas is locked in "tight" low-permeability formations. This is an amount triple our current proved reserves of natural gas, which provides over a third of our domestic energy. The FPC's Natural Gas Survey estimates that eventually 300 trillion cubic feet of gas could be produced from these formations, provided the technology is sufficient for the task.

The FEA Project Independence Report estimates that if tight formation technology were successful, it could provide 2 trillion cubic feet per year by 1985. This is equivalent to an increase in production of 8.8 percent over current levels or a Btu equivalent to 913,330 more crude barrels a day. The Bureau of Mines programs now in ERDA were targeted to this goal by 1982.

One of the most promising techniques of recovering "tight" gas is hydraulic fracturing. A 172 report by the Office of Science and Technology stated that gas recovery from thousands of gas wells had been increased by hydraulic fracturing. The report indicated, however, that assessing the economic feasibility of using massive hydraulic fracturing in tight gas formations was clouded by the lack of experimental evidence. According to the study, only a few companies with the necessary experience, expertise, and equipment could carry out massive hydraulic fracturing experiments. A GAO report issued last year stated that in the Rocky Mountain area alone there was an estimated 600 trillion cubic feet of tight gas, yet no hydraulic fracturing had been done in the area because of unrefined technology and high risks.

In fact, the economics of the production may be quite good once the technology has been refined. According to the GAO analysis, for example, production from the Uinta Basin in Utah, in which the FPC estimates there is 150 trillion cubic feet of tight gas, would be economic at 26 cents per thousand cubic feet under best case assumptions using hydraulic fracturing; this is a cost equivalent in Btu terms to $2 a barrel oil. Under worst case assumptions, the cost would be 49 cents per thousand cubic feet. These estimates were for 1980 and assumed a 20-percent rate of return. Note that these costs are multiples less than those of synthetic fuels from coal, for example.

THE NEED FOR GOVERNMENT ACTION

Given time and incentive, the oil industry, particularly the major companies, could develop enhanced primary, secondary, and tertiary recovery methods. However, there is a general rationale and there are specific examples of where complementary Government help is necessary.

Several general reasons for an increased governmental effort apply to all ERDA programs. First. The speed at which private industry proceeds may not be based on the same assumptions of the national good that are optimum in view of the social costs of imports. One should note that the social costs of imports in terms of national security and transfer abroad of American jobs, income, and equity may not be adequately reflected in the market and regulated prices. Economists cite this as an example of external economies that mandates an active Federal role. Second. The macroeconomic significance of energy growth is not fully reflected in the microeconomic price—and incentive—structure. Third. There is an element of risk aversion involved. Economic rationality dictates that decisions be based on expected values, that is, no risk aversion. Yet in fact, firms are risk averse. Fourth. Research culminates in a fixed cost to the firm that decreases per unit of production as it is averaged over larger production volumes. Individual firms cannot enjoy the industrywide benefits that accrue from a particular technological advance and thus a government role is necessary. This is particularly true in the case of tight gas formations where, for example, current tight gas wells produce between 250,000 to 750,000 cubic feet per day compared to production from wells in good formations in the gulf coast area of from 5,000 to 10,000 thousand cubic feet per day.

The above reasons for Government intervention in the market are not unique to oil and gas technology. They inhere in all energy technology not excluding the oil and gas area.

Although the petroleum industry is recognized as a strong, viable, aggressive industry, it is perhaps less innovative than it usually is credited to be. The conservative nature of the large integrated oil companies financed primarily by institutional investors has served as a substantial deterrent to accelerated development of unproven technology. The industry understands dry holes which can be easily expensed but does not seem to understand an unsuccessful enhanced recovery project. The financial risk of enhanced recovery operations may be no greater than drilling; industry simply has not had the time nor the experience to define the risk precisely.

For example, it has taken about 70 years for the state-of-the art of water flooding to evolve from its accidental discovery to its present high degree of scientific and engineering design. It is significant that this recovery method, which is credited with more than 40 percent of our domestic production, evolved primarily through combined efforts of the Bureau of Mines and independent oil producers. The Bureau of Mines initiated demonstration projects at their Bartlesville, Okla., facility, distributed the information, and thereafter these techniques were extensively employed throughout the northeast Oklahoma area and from there spread throughout the industry.

Those companies that hold most of the acreage amenable to tertiary oil recovery, that have the greatest profit incentives to employ such techniques, are those least able to field enhanced recovery projects. Traditionally, major companies procure the leases initially, develop them for a number of years, and then sell them under capital gains provisions to small oil companies who employ stripper techniques. These are primarily domestic independent oil producers with little in-house research capability, limited amounts of capital to risk on unproven technology, and small volumes that will not justify large fixed research costs. These producers voice a strong need for government to share risks and give technical counsel. The fact that these domestic oil producers are operating many fields nearing the end of conventional water-flooding and scheduled for abandonment lends greater urgency to the development of an accelerated R. & D. program on enhanced recovery.

There is a need for a nonindustry research coordinator in the Nation's enhanced-recovery oil and gas program. Even without the urgency of Project Independence, there is a defensible need; under pending energy shortages, there is an urgent need. In spite of the work of hundreds of scientists and engineers, the problems of tertiary oil recovery remain difficult. Substantial disagreement exists among principal investigators in the field and there is a growing belief that the best chance for success requires a cooperative effort and the sharing of data. This industry, which is often threatened by anti-trust actions, obviously needs a nonindustry coordinator. ERDA sources confide that the fear of anti-trust action is very real among private industry research scientists seeking channels of communication.

All information generated by ERDA's oil and gas activities is available to the public. This includes not only patent information but also information regarding how the processes work in various situations. Most of the technical information associated with recovery processes cannot be merely derived from the patent. For example, Marathon Oil has a patented advanced recovery technique known as Maraflood. Only Marathon's engineers have the know-how necessary to apply the technique to various fields and their services must be contracted. Thus a "data-bank" empowered to acquire process information could not supplant the information dissemination function of an active ERDA role in developing new processes. The ERDA oil and gas division is at this very time setting up "open files." Such a function indirectly benefits the consumer by promoting competition.

PROGRAM GOALS AND NEEDS

The proposed R. & D. program is based on a cooperative effort with industry under which industry will make available the following: Wells, pipelines, equipment such as compressors, pumps, and tanks, and scientific and engineering advice and services. Field work will be performed under contracts with industrial companies. Currently, primarily small firms are the beneficiaries of ERDA efforts, as ERDA has contracted with Williams Bros. Eng. Co., Guyan Oil, Husky Oil, Hanover Petro., Petroleum Tech. Inc., Talley Frac. Inc., and CER Geonuclear Inc. Backup laboratory research will be performed partly by ERDA and by universities through grants. In fiscal year 1975 there were 11 university grant programs involving 8 universities at a cost of $900,000. This is a program that would be a good candidate for expansion in view of the original work being done.

According to a paper made available by ERDA, a coordinated fluid injection program will intensify the petroleum industry's anticipated field tests and lead to tertiary production approaching 1 million barrels per day in 1982 and 4 million barrels per day by 1990, which probably will precede by 10 years what the industry would do alone. The goal set for the fracturing program is production of 6 billion cubic feet of natural gas per day by 1982 from presently unproductive reservoirs.

The enhanced oil and gas recovery program has four subprograms: Fluid injection, non-nuclear fracturing, termal stimulation, and support R. & D.

Some stimulative methods will be best for some reservoirs and other methods will be more applicable for other reservoirs having different conditions. At present the methods of most interest, ranked roughly in order of priority, are: Micellar and polymer flooding, thermal methods, by-product carbon dioxide injection, and water-flooding with additives. This program is aimed at production of 1 million barrels per day of additional tertiary oil production by 1982.

In order to achieve this goal, there must be production from enough fields to accumulate the desired 1 million barrels daily. A list of the top 20 major producing fields shows each had daily production of at least 50,000 barrels with the most productive yielding 230,000 barrels per day. Incremental production expected from a given field is not precisely predictable but the likelihood of any one field generating a quarter of a million barrels per day is improbable. With the median of the top 20 major fields producing only 74,000 barrels per day, the likelihood of any 10 fields averaging 100,000 barrels per day is remote.

Assuming a mean field production of 75,000 barrels per day and a standard deviation of 25,000 statistical analysis indicates that 15 to 20 field-wide projects would be required to reach the enhanced production goal. Historic field testing of enhanced recovery processes indicates an approximate early-phase success-ratio of only 20 percent. In order to have a 95 percent assurance of at least one successful stimulation in each reservoir, about six separate projects should be anticipated in each of those fields. On the basis of this logic, the program should call for 90 to 120 large-scale tests, all in major fields. Confidence in field-test results is an essential factor in expansion to field-wide operations. The consensus of oil industry experts was that 96 large-scale tests would be required to result in general confidence, according to a survey made by Gulf Universities Research Consortium for the AEC. Implicit in their comments was the concept that there must be a sufficient number of demonstration tests in different types of reservoirs, in varied geographic locations, to assure potential of and establish confidence in the several recovery methods.

The conclusion that the Government must play an active role is supported by an Oil & Gas Journal article, March 25, 1974, "Journal Survey Shows Recovery Projects Up." This article—which was intended to show increased field-test activity and was based on a survey of "all major companies and those independents known to operate projects" taken after the oil embargo and energy crisis—lists only 35 projects scheduled for start up between 1974–79. Of these projects, only three are large-scale field tests of tertiary recovery of conventional oil from major fields. All three domestic producers proposing the projects—Phillips Petroleum, Pennzoil, and Sun Oil—have discussed cooperative research with governmental experts. Only 25 projects of any kind were undertaken between 1971–74. Quoting the Journal article:

> Micellar flooding remains a sleeper. It is the consensus choice as the method of the future for recovery of tertiary oil, but there are still only four active projects. And results from these are inconclusive because of sketchy reports.

ERDA has recently begun an extensive micellar flooding project with Phillips Petroleum Co.; the industry anxiously awaits the results. More such tests are needed. The American Petroleum Institute reports only one company, Sun Oil, has initiated a program researching the problem of tight gas.

The preceding analysis should offer some clear conclusions. ERDA has a role to play and can play it effectively. In the past, the Bureau of Mines, whose relevant functions have been transferred to ERDA, contributed significantly to enhanced recovery. Even at the underfunded levels of fiscal year 1975, ERDA initiated almost as many enhanced recovery projects as were annually fielded on average by private industry between 1971–74, or as were projected by private industry for 1974–79. ERDA's major field projects included a test of micellar flooding, two tests of advanced carbon dioxide injection techniques, two tests of advanced thermal recovery techniques, two tests of chemical explosive fracturing, and one test of hydraulic fracturing. Smaller projects involved fracture evaluation, solvent stimulation, and micellar polymer flooding. Yet if we are to meet announced 1982 goals, ERDA must participate in over 90 projects and the level of funding presented in the annual authorization request for fiscal year 1974, without the additional $10 million in subcommittee, was inadequate for this goal. The $10 million added in subcommittee will allow approximately two or three more projects.

ERDA estimates that the cost of a full scale field test in each of 20 major oilfields should be about $70 million. The total cost of a reasonable fluid injection phase for field demonstration would be about $350 million with the Federal share less than half, perhaps $150 million. Frank Pool of the Pool Co., the largest firm specializing in providing enhanced recovery services, estimates that $100 million annually should be spent.

According to a document supplied by ERDA, the nearly level funding being submitted by the agency for fiscal year 1976 will cause delays in full-field demonstrations with deferred payments in fiscal year 1977 and will slow the program. The small increase from fiscal year 1975 to fiscal year 1976, before the program was amended in subcommittee, would have allowed at the most only one additional project. ERDA testified that it "could allocate this year roughly twice what we have available on good projects." The OTA was highly critical of the low priority given oil and gas funding.

Even as amended in the fossil fuels subcommittee, the oil and gas extraction portion of the ERDA budget is less than requested from the OMB, less than is needed to attain our Project Independence goals, less than recommended by staff consultants, less than recommended by the Dixy Lee Ray report, less than industry sources recommend, less than 1 percent of the total ERDA budget.

The stakes for which the petroleum production scientists and engineers are working are about 60 billion barrels of presently identified residual oil, 28 billion barrels of heavy oil, and at least 300 trillion cubic feet of natural gas in low permeability reservoirs. The value of these reserves is staggering; at $10 per barrel for new oil and 50 cents per thousand cubic feet of gas, it amounts to over $1.1 trillion.

In the quest of this goal, ERDA's role is significant but not preemptive. It would not be accurate to use this value as a basis of the cost effectiveness of the enhanced recovery program. The critical importance of this program is that it buys time. Again, the urgency of greater domestic oil production, the need to rationalize the risk and scale disincentives of enhanced recovery, the need to coordinate our efforts and disseminate information are all legitimate reasons that the government must share responsibility.

The $10 million addition to the ERDA request that was approved in subcommittee is a small but necessary part of a balanced ERDA program. The Senate Subcommittee on Energy Research and Water Resources has tentatively approved a larger authorization in the oil and gas extraction category than has the Science and Technology Committee. Such an increase seems wise in view of the unique contribution to our short run supply problems the extraction program offers.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. MYERS).

Mr. MYERS of Pennsylvania. Mr. Chairman, I rise in general support of the bill, and the work that the Committee on Science and Technology brings forth here today. I do not want to consume too much time, but I do want to point out the fact that if the Members will read the testimony that came before the Committee on Science and Technology of the eminent scientist who testified before us, they will note there was no optimism about our ability to cope with the energy crisis unless we get moving in the area of research and development.

Mr. Chairman, I support the efforts of the members of the committee.

Mr. Chairman, as a part of today's discussion of the ERDA authorization bill, I would like to explain the critical work which that agency is sponsoring in the field of coal combustion. Before getting into some of the more technical details of ERDA's work in this area, I think it would be appropriate to look at the goal of this program, a goal whose importance is self-evident once stated. Briefly, the purpose of the coal combustion program is the development of methods for burning high-sulfur coal in a nonpolluting manner. A breakthrough in this area would allow for a much more widespread use of coal than is possible now, because it would cut down on the objectionable polluting properties of high-sulfur coal.

Mr. Chairman, I also mentioned that this work was of a critical nature and I would like to explain why. Recently announced conversion orders from FEA would increase the demand for coal by 1978 to 16.2 million tons annually. This is accomplished gradually in steps beginning with a demand of 0.7 million tons in 1975, 4.0 million tons in 1976, and 13.6 million tons in 1977.

In addition to this, the American Coal Association recently stated that as a result of scheduled coal-fired electric-generating units coming on stream between 1975–79, there will be an additional 203.5 million tons of coal required to be mined. This shows that our national energy policy is definitely shifting toward reliance on coal.

Therefore, Mr. Chairman, our future energy policy must include planning and research to use coal in the most efficient and environmentally safe manner. The funds requested in this bill would provide our Nation with the new technologies to do this.

The primary instrument for improving the efficiency and cleanliness of coal combustion is the fluidized-bed combustor. A fluidized bed is a processing unit in which the material to be burned—coal in this case—is suspended in the air flow rather than lying at the bottom of the boiler. The individual particles of coal to be burned are suspended in midair by the pressure of the fluidized bed. This allows for much more complete and efficient combustion than with the old-fashioned coal furnace, since the surface area available for burning at any given time is much higher with the fluidized bed than with a conventional unit.

There are two main avenues of fluidized-bed research, one using an atmospheric pressure system and the other using a pressurized system. At the present time, the technology involved in the atmospheric pressure system is the more advanced. Fluidized-bed boilers of this nature have been successfully operated for up to 7,000 hours at temperatures of 1,500 to 1,650° F. It has been shown that all types of coal can be burned in this boiler in an environmentally acceptable manner. The sulfur and nitrogen oxide stack emissions have been found to be below the EPA limitations for new stationary powerplants. A 30-megawatt boiler has now been designed, and is being installed at a power utility site.

The next step in atmospheric pressure fluidized bed research is to fabricate a 200-megawatt boiler, to be constructed and tested on an existing utility site. Funds for this new fluidized-bed boiler are being requested as part of this authorization.

The pressurized fluidized bed, as yet, does not have the history of successful operation which the atmospheric pressure fluidized bed has compiled. However, pressurization of the fluidized bed is a means of potentially effecting an appreciable reduction in the cost of power generation. The technology for the pressurized system is similar to that for the atmospheric system, except that the coal must be injected into a combustion chamber pressurized to 10 to 15 atmospheres, and the hot exhaust gases are then used to drive a gas turbine rather than being exhausted to the air. This results in economics of size and efficiency, and leads to application in other combined power cycles.

The objectives for the pressurized fluidized bed program are similar to those for the atmospheric fluidized bed program, except that the developmental problems are more complex and the first commercial units are farther away from the date of going into operation. The technical concept on which this pressurized boiler is based was developed by the Swiss in the mid-1930's. Pressurized combustion will result in greater heat transfer. As you increase the pressure under which combustion takes place, you also directly increase the heat transfer efficiency.

I would also like to point out that these new technologies are not limited in use to just large powerplants. ERDA has recently put out a request for a proposal to develop industrial sized boilers, in the range of 1 to 30 megawatts. The uses for these new boilers would be to generate high pressure steam, for steel mills, fired heaters for refineries, and process uses such as driers and cement kilns. This would allow coal to be substituted for natural gas, which is presently being curtailed for these purposes.

Mr. Chairman, I venture to say that, important though all of ERDA's many endeavors may be, there is none more significant than this often-overlooked area of research into coal combustion processes. If we can burn "dirty," high-sulfur coal without polluting the atmosphere, and do it economically, then a large portion of the energy crisis will have been solved. This work is vital to the Nation's future, and it must be supported to the fullest. Mr. Chairman, and colleagues, I urge the approval of the portion of the ERDA budget dealing with coal combustion.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Maine (Mr. EMERY).

Mr. EMERY. Mr. Chairman, I consider this to be one of the most important pieces of legislation that we may consider during this session of Congress. We have recently concluded our deliberations on the so-called energy bill. But in my opinion this is the energy bill, because this piece of legislation will provide this Congress and this country with the tools that we need to expand our existing energy sources and to develop new energy resources.

Mr. Chairman, I am especially interested in three areas: Development of solar energy; development of fossil fuels, such as coal; and synthetic fuels, such as synthetic gasoline, and the further development of nuclear energy.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield for a question?

Mr. EMERY. I will be glad to yield to the gentleman from Wyoming.

Mr. RONCALIO. I thank the gentleman for yielding.

Whatever happened to the Passamaquoddy project for tidal power? Did that ever come up again. This thought fits in with what the gentleman is saying.

Mr. EMERY. This would indeed fit in with what I am saying. As a matter of fact, my office is reviewing the plans of the Passamaquoddy project. The problem with the Passamaquoddy project has been that in the past the cost-to-benefit ratio is less than unity, which simply means the benefits achieved through the generation of electricity through this method were not justified by the tremendous expense of construction.

I might further add that the State of Maine, Department of Environmental Protection, has approved the construction of an oil refinery facility on one of the islands at Eastport, which may or may not—we do not know at this time—improve the Passamaquoddy tidal facility. This is one of the things my office is presently trying to examine. I think it would be well for the State of Maine and this Congress to take another look at the Passamaquoddy situation in regard to our future energy requirements.

The cost of generating electricity by this method may or may not be greatly different from the cost of generating electricity from fossil fuels. I am glad the gentleman brought that up.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. EMERY. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, I would just like to say to the gentleman in the well that I appreciate his efforts, along with those of the gentleman from Pennsylvania (Mr. MYERS). These two gentlemen have been two of the more active Members who have helped shape a bipartisan fossil energy proposal in the subcommittee.

Mr. Chairman, I thank them for their efforts.

Mr. EMERY. Mr. Chairman, I thank the gentleman from West Virginia for those kind remarks. I assure the gentleman that I will remain one of the most interested of his subcommittee members in this field.

In continuation, Mr. Chairman, I feel that we must make the same national effort with ERDA that we did during the 1960's with our NASA program. There is absolutely no reason that this country cannot develop its energy resources if we make this our national goal.

If we are willing to put the same money and the same enthusiasm and the same sense of purpose into developing our energy resources as we were during the 1960's toward landing a man on the Moon and bringing him back to Earth, there is no reason why we cannot achieve some measure of energy self-sufficiency within a reasonably short length of time, 15 or 20 years at the most.

Mr. Chairman, I would certainly hope that the Members of this Congress would go back individually to their districts and explain the very great seriousness of the energy problem we face and talk in terms of energy alternatives and work actively for the development of the resources I have mentioned wherever our efforts in this area have been deficient or defective. I would suggest that the Members work actively for the development of nuclear energy and for the alternative use of fossil resources, such as our coal resources, and for the development of nuclear power.

Mr. Chairman, I rise in support of H.R. 3474, the fiscal year 1976 and transition period authorization for the Energy Research and Development Administration. Our Committee on Science and Technology, of which I am a member, had oversight on the nonnuclear energy R. & D. portions of H.R. 3474. H.R 3474 is truly unique in American history, since it is the first budget of ERDA, in its role as the Nation's central management and research authority for energy R. & D.

If any good is to come out of the energy situation we are now in, it must be that the country is now alerted to the alarming and far more serious medium- and long-term problems of satisfying its voracious energy appetite. The current trend in energy use for the future is unavoidably toward electric power. However, electric power generation by present-day fossile fuel and nuclear technology degrades the environment and, in the case of fossil fuels, is extremely wasteful of nonrenewable natural resources. When fossil fuels are burned to generate electricity, approximately two-thirds of the energy is lost in conversion and transmission before the electricity reaches the consumer.

The Nation's energy future may be locked in on electric power, but we are not locked in on continued pollution and waste of irreplaceable fossil fuels. Alternate energy technology can be developed to provide supplemental electric power and other forms of energy in the medium and long term. Of the so-called new energy options, I believe solar energy is among the most promising. Unlike energy from fossil fuels, solar energy is environmentally acceptable. It is also more widespread in the world than fossil or nuclear fuel and it is essentially inexhaustible.

Solar-generated electricity is possible either directly via solar cells or indirectly through the sequential conversion from sunlight to heat, to steam, to mechanical power, and ultimately to electricity—the solar thermal power concept. While solar cells offer the simplest, cleanest, and most efficient means of converting solar energy to electric power, the installed cost of a solar cell powerplant would be at least 200 times that of a conventional plant and at least 150 times that of a nuclear plant. The solar thermal conversion concept is still in the medium- to long-range future, but at this time it appears to be closer to economic reality than photovoltaic conversion.

Solar thermal conversion is not a new concept. A working system operated a water pump at the Paris World Fair almost 100 years ago. Also, an American engineer built and successfully operated a 100-horsepower solar powered steam engine plant in Egypt in 1912. Actually some of the current proposals for solar powerplants are quite similar to the one which operated in Egypt more than 60 years ago. However, the general technology has advanced considerably, and improved materials and methods are at hand now which can result in significantly higher efficiencies and lower costs. The current Federal effort in the solar thermal conversion area focuses on applying this new technology to achieve lower costs and also on proving the technical and economic feasibility of the different systems that have been proposed.

Proposed solar thermal conversion systems range in scale from large remote central power stations to small units placed at the site where the electricity is needed. If successfully developed these systems may provide either base load or peaking type power. It is probably that in the first use of this technology the solar powerplant would be tied directly to existing utility grids in the Southwest to help satisfy the peak daytime demand created by air-conditioners. Such application would negate the costly energy storage requirement of a base load powerplant.

A number of research and development projects are already underway. These fall into two categories: The central receiver and the distributed system powerplant.

Central receiver plants consist of hundreds of precision Sun-tracking mirrors distributed around a tower. In one proposal, sunlight is reflected onto a central receiver or boiler atop a 1,500-foot tower. The absorbed heat is then either converted to steam for electric power generation or used for the production of chemical fuels. Researchers working on this proposal have calculated that a central receiver powerplant covering 1 square mile of desert in the Southwest will produce 500 megawatts thermal or 200 megawatts electric for 5 hours operation in winter months and somewhat more energy for 10 hours operation in the summer.

Instead of reflecting the sunlight to a central boiler, solar collectors in distributed system powerplants absorb the solar heat to raise the temperature of an energy transport fluid to 1,000° Fahrenheit or more. Then, as in the central receiver concept, the heated fluid is used to produce steam for the generation of electricity or the production of chemical fuels.

There are no technical limitations that prevent a solar thermal power station from being built today. The question is whether it would be economically competitive with other methods of power generation. The principal economic factors arise from the diluteness of solar energy, necessitating large collecting farms, and the capital intensive nature of these farms. Like hydropower dams the energy is free after the dam is built, but the cost of the dam is high in terms of capital cost. When most of the great dams were built, interest rates were in the 2- to 3-percent range. If built today with 10 percent or more interest money, hydroelectric power would not be cheap. Solar energy costs depend in a similar way on the cost of money, and today's interest rates, even though the fuel is free solar-generated energy will not be cheap unless the first costs of construction can be reduced to a low level.

I am also concerned with the development of methanol. As we have noted previously, the transportation sector consumes about 25 percent of the Nation's total energy supply and about 55 percent of the U.S. crude oil supply. Cars, trucks, and buses account for about 40 percent of the crude oil supply. Methanol may be one attractive alternative to continued dependence on natural crude oil for automotive use. A 1974 study conducted for the Environmental Protection Agency by the Institute of Gas Technology concluded that—

> It is feasible to produce alternative automotive fuels from domestic resources within the foreseeable future and in quantities sufficient to alleviate petroleum imports.

The study specifically identified methanol as one of the preferred alternative fuels.

The questions raised by methanol directs a question to Congress and its Members as to what should be done. I will shortly be presenting a package of methanol legislation designed to encourage its production and use. It will include:

First. A tax credit on the purchase of machinery and equipment to produce methanol commercially;

Second. A tax exemption on methanol purchased as a motor fuel;

Third. Low interest loans and federally guaranteed loans to companies engaged in production of methanol for use as a motor fuel; and

Fourth. Require that all petroleum companies offer for retail sale a fuel containing an appropriate mixture of methanol—10 to 15 percent by 1980.

These ideas, among others, deserve consideration by this Congress as a means of limiting our dependence on petroleum by encouraging the development of alternative energy sources.

I am also particularly interested in the development of electric vehicles. Recently, electric vehicles were displayed and demonstrated during hearings before the Committee on Science and Technology which I am sure many of my colleagues saw and inspected during the week. This demonstration provided convincing evidence that electric vehicle technology is available today which can be used in many applications in place of fossil-fueled, internal combustion engines. Specifically, witnesses testified that several hundreds of thousands of vehicles in the fleet market in the United States are prime candidates as a market today.

For example, there are several hundred thousand urban delivery vehicles today. In fact, over 40,000 milk trucks in Britain are electric powered today. Large utility vehicle fleets are another example. One such utility fleet was reported to have 63,000 urban or short-range vehicles which could be phased into electric vehicles. In addition to these road applications, testimony has indicated that there was another several hundred thousand vehicles used within industrial complexes which could be replaced by electric vehicles.

Electric vehicles can operate reliably and with low maintenance costs in each of those applications. Further, on a life cycle cost basis, electric vehicles can also be cost competitive with fossil fuel vehicles in those applications. The Postal Service currently is operating several score electric vehicles for urban delivery of mail. Representatives of the Postal Service testified that preliminary results strongly supported the fact of high reliability, low maintenance and life cycle cost competitiveness. Eventually, the Postal Service may have as many as 30,000 electric vehicles in service for urban mail delivery. As this experience indicates, electric vehicles can play a significant role in transportation now, today.

That electric vehicles should play a significant role should not be doubted.

While many of my colleagues in this Chamber may be startled to hear my voice raised in support of massive and accelerated Federal spending, I am convinced we must use all available national assets in supporting the ERDA programs. I support this legislation strongly. I should also like to commend Chairman Teague and the Energy Subcommittee leadership. I am proud to have served with them in development of this legislation.

Mr. MOSHER. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan (Mr. Ruppe).

Mr. RUPPE. Mr. Chairman, the ERDA authorization bill that we have before us today has two provisions in it that would expand ERDA's mission in the areas of mining research and development, and data collection. These programs are currently handled very ably by the Bureau of Mines of the Department of Interior. I am deeply concerned about a possible duplication of effort by these two Government agencies. The ERDA bill that we passed last year specifically delineated the responsibilities of ERDA in the areas of mining

R. & D. and mineral resource data collection. I am particularly concerned about two sections of H.R. 3474 which would seen to expand upon ERDA's mission.

Section 102 of H.R. 3474 without some clarifying language would suggest the program related to energy resource extraction that duplicates programs that have historically and are currently being conducted by the Bureau of Mines.

The provisions of this section seem to be unwise for several reasons. In writing the ERDA Act, language was specifically included to allow for the continuation of mining research under the Bureau of Mines. This is necessary because coal mining technology cannot be separated from the technology used in oil shale, metallics, and nonmetal mining. This is true for mine health and safety research, long-range mining technology and short-range mining technology.

There are insufficient technically trained and experienced personnel available to staff duplicate mining research organizations. Since its inception, the Bureau has been the lead Federal agency in extraction research. By keeping such research intact and in one agency, we can shorten the leadtime for obtaining results.

Section 307 of H.R. 3474 would establish a data gathering function in ERDA which would duplicate the data-gathering and analysis functions now conducted mainly by the U.S. Geological Survey and the Bureau of Mines in the Department of the Interior, and the Federal Energy Administration. Authorization of this duplication of data-gathering functions makes no sense whatever.

If additional energy information is required by ERDA to support its extensive research, development, and demonstration programs, it would be much more effective and more economical to acquire this additional information through utilization of existing data-gathering and analysis capabilities instead of suffering the delays of developing new data-gathering facilities.

The mineral data gathered, analyzed, and regularly and consistently published by the Bureau of Mines has gained for the Bureau its excellent reputation as the primary authoritative source of such information because of the availability of technical personnel in those organizations capable of providing expert advice in all phases of the mineral industry. In an organization that does not have that broad capability, much of the value of data gathered would be lost because of lack of analytical capability.

The Bureau of Mines has an excellent reputation for sound research and development of new mining technologies. To cite two examples in my own district in northern Michigan, the Bureau of Mines has been instrumental in developing a nonmagnetic pelletizing process for the iron ore mining industry which has resulted in the investment of a $300 million plant. In the area of underground copper mining, the Bureau of Mines has assisted in the development of safer roof bolts. ERDA is not interested in these types of R. & D. programs. Dr. Seamans is far too busy developing alternative energy resources to worry about mining technology. I urge that we permit the Bureau of Mines to continue in its mission which it has performed so well to date without duplication by ERDA.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I would be very pleased to yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I commend the gentleman from Michigan (Mr. Ruppe) for bringing this issue to the forefront.

It is a problem which I found troublesome in the committee markup. The gentleman mentioned a number of problems with the data bank.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. Ruppe) has expired.

Mr. MOSHER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Michigan (Mr. Ruppe).

Mr. RUPPE. Mr. Chairman, I yield to the gentleman from California (Mr. Goldwater).

Mr. GOLDWATER. I have trouble with this data bank, not so much because it is a data bank, but because there appears to be in the wording of the language of the bill a legal disagreement as to the congressional intent regarding the scope of this data bank, whether it is to be used for fossil fuel or fossils only or for nonnuclear research, development, and demonstration.

There are other problems that the gentleman from Michigan mentioned. One was the duplication. Creating a data bank is no small proposition. It is not something that we just dream up and implement and put into being. It costs the taxpayers millions and millions of dollars, not only to start up, but millions of dollars to run annually.

There is currently identified by the Interagency Task Force on Energy Information, published in July of 1974, some 46 data banks involved in collecting information on energy, so there is obvious duplication.

What we perhaps should be looking for is coordination and not duplication.

One last pitfall that I saw, and that I think is probably the most dangerous, is that in the language of this bill creating this data bank there appears to be no predictable protection for proprietary information.

Consequently, I intend, during the 5-minute rule, to discuss these problems which the gentleman from Michigan (Mr. Ruppe) has brought out to see if we cannot tighten this up or perhaps even eliminate it because it is duplicative. However, I think it is important that the gentleman has brought this to our attention and has opened it up for discussion.

Mr. RUPPE. Mr. Chairman, I thank the gentleman. I think he brought out many of the pertinent points concerning data collection organization.

Again, I certainly want to compliment both committees on the very valuable and, frankly, almost magnificent bill that is before the Congress. I do want, however, to refer to the ERDA legislation last year when it was specifically understood that mining research legislation would be kept under the Bureau of Mines and the Department of the Interior.

Mr. MOSHER. Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentleman from Ohio (Mr. Ashbrook).

Mr. ASHBROOK. Mr. Chairman, I thank my colleague, the gentleman from Ohio (Mr. Mosher) for yielding to me.

The report on this states that there is the possibility of shale oil deposits located in portions of several of the eastern States that could be developed. A portion of the eastern part of Ohio, for instance, could be part of this, and the western part of New York State. While the report in H.R. 3474 specifically states that work will be continued on projects in other parts of the country, I might ask my colleague, the gentleman from Ohio (Mr. Mosher) is there anticipation that funds under this bill will be available for research and development in the Devonian oil shale areas?

Mr. MOSHER. It is not only anticipated, but it is already a fact, I am happy to say. ERDA has a $4 million program, and it is being conducted in combination with private interests that are putting in a little over $8 million. There will be a total of about $13 million. This is just getting underway. This is an effort to develop massive hydroliccracking technology which is essential if we are going to get gas out of oil shale.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOSHER. If we are going to bring in production gas from the Devonian shale, as my colleague knows, our distinguished Governor in Ohio (Mr. Rhodes) has recommended that $100 million be devoted to this project. I personally feel that this would be throwing too much money without any assurance that it could be used efficiently. But it may well be that this $13 million is only the start on what needs to be done.

Mr. ASHBROOK. I thank my colleague for that explanation. As the gentleman well knows, half of the energy used in the industries in our State of Ohio comes from natural gas of which there is a severe shortage, and it is hoped that through this process additional gas can be developed for additional needs.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I would like to join with both of the gentlemen from Ohio in endorsing this attempt at recovering the natural gas that is so important, not only to the State of Ohio, but to the State of New York. We are a natural gas consuming area in western New York, and our people there today are being laid off from industrial plants in western New York, because of the natural gas shortage.

I want to compliment both of the Members from Ohio, as well as the Governor of Ohio, Mr. Rhodes, for his leadership in bringing attention to the Appalachian area, and that this is the way to do it.

Mr. KEMP. Mr. Chairman, I thank the gentleman for yielding. I wish to associate myself with the remarks of the gentlemen from Ohio (Mr. Ashbrook) and (Mr. Mosher). The gentleman from Pennsylvania (Mr. Murtha), the gentleman from Virginia (Mr. Wampler), as well as such State leaders as Gov. James Rhodes, of Ohio, have done the Nation great service by their efforts to assure adequate supplies of natural gas.

Our natural gas shortage is growing more acute. Jobs and our economic recovery are being jeopardized by it.

Yet, we have vast supplies of natural gas in the eastern United States which have not been brought to the surface because of imperfected recovery technology—to extract the natural gas from shale formations, because of production-depressing well-head price controls of the Federal Power Commission, and because of prohibitions of that Commission against the intrastate shipment of natural gas in interstate pipelines.

The issue which my colleague and friend, Mr. ASHBROOK, raises goes to the important first of these—imperfected recovery technology and the role of the Energy Research and Development Administration in effectively and almost immediately initiating joint Government-business projects to test new recovery devices and techniques.

I support proposals advanced in recent weeks to recover more quickly and more fully the natural gas supplies now known to exist within the Devonian and Mississippian shales underlying principally Appalachian area States. I fully believe ERDA should also.

These undertakings would accomplish a number of national objectives.

First. They would provide adequate supplies of natural gas to meet both immediate and projected demands of commerical and residential consumers, especially in winter months. This would, in turn, help to assure three things. That there will be no temporary or permanent layoffs in the work force, because of natural gas shortages. That the residential consumers now using natural gas will not be required at great expense to dispose of natural gas consuming major appliances and to convert to other forms of energy uses. And, that new natural gas hookups for either industrial or residential users can be commenced.

Second. They would lessen U.S., especially those States in the East, dependence on foreign, liquefied natural gas supplies, which alone will help us meet the objectives of improving our balance of payments, reducing our susceptibility to undue economic pressures resulting from our foreign policy in the Middle East, and achieving the goals of Project Independence.

Third. They would lessen the dependence of the Eastern States upon natural gas reserves of the Southwestern and Southern States. This would permit those reserves to remain for use principally in those States of origin or in the immediate vicinities, and it would reduce the cost to Eastern States consumers because of reduced costs of long-length transmission.

Fourth. They would preclude costly and potentially environmentally harmful major conversions to coal as an alternative energy source, either through the direct use of coal or through the use of byproducts of coal derived from liquefaction and gasification.

Fifth. They would provide the Nation with an adequate energy source during the period, which is projected to be minimally 5 to 10 years, within which it searches for cost feasible nonfossil fuel energy alternatives.

Lastly, they would illustrate the ability of ERDA to work cooperatively with private industry in the development of additional fuel supplies without the type of delay which has too often characterized decisionmaking within Government agencies.

The case can, I believe, be well made for undertaking the proposals advanced before the congressional committees recently. There can be little doubt but that failure to undertake these measures will have an immediate and potentially disastrous impact on our forthcoming economic recovery—both in terms of jobs and productivity.

Half of all the energy now used by industry in the United States comes from natural gas, and the industrial plants in the Northeastern, Middle Atlantic, and Midwestern States are already being told by their natural gas suppliers that there will not be enough gas available to keep them operating at full capacity during the coming winter of 1975–76. I am told the problem is so acute that there will be virtually no natural gas for some industries in some of these States in 1976–77. Unless increases were to dramatically materialize, we can expect each winter to become progressively worse as to natural gas availability. ERDA can help overcome this problem.

We have already experienced many of these difficulties. Steel plants in the Northeast, including those in western New York, had to lay off workers last winter because of natural gas shortages, not just because of declines in steel purchases. Other plants suffered severe layoffs, too, and when these layoffs are combined it is obvious that unemployment was substantially increased at the same time national policy was to reduce unemployment. Natural gas shortages, therefore, are immediately counterproductive to the attainment of such national goals.

Yet, the problem gets worse.

On June 12, John N. Nassikas, the outgoing Chairman of the Federal Power Commission, testified before the Subcommitee on Conservation, Energy, and Natural Resources—the Moorhead subcommittee—of the House Committee on Government Operations. That subcommittee is to be complimented by all of us for its sessions on the natural gas shortage—which are helping to point the way in which we should be going.

Chairman Nassikas testified as follows:

> As you are aware, the nation is faced with a pervasive, deepening natural gas shortage.
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> * * * * *
>
> The shortfall in firm service this winter is estimated to be 1,327 billion cubic feet compared to a shortfall last winter of 1,019 Bcf, 307 billion cubic feet or 30 percent greater during the 1975–1976 winter as compared to the previous winter period.
>
> * * * * *
>
> For example, Trunkline Gas Company (authorized to serve in the States of Arkansas, Illinois, Indiana, Kentucky, Louisiana, Mississippi, Tennessee and Texas), which serves the Midwest region of the country indirectly through deliveries to Panhandle Eastern Pipe Line Company, projects curtailments of firm service for the April 1975–March 1976 representing over 46 percent of its system requirements. Likewise, United Gas Pipe Line Company (authorized to serve in the States of Alabama, Florida, Louisiana, Mississippi and Texas), which directly serves a large portion of the Southeast U.S. and serves five other interstate pipelines which market natural gas east of the Mississippi River, projects curtailment of firm service approaching fully 48 percent of its system requirements. Transcontinental Gas Pipe Line Corporation (authorized to serve in the States of Alabama, Georgia, Louisiana, Maryland, Mississippi, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Texas and Virginia) which serves the East South Central Region and the East Coast as far north as New York, projects curtailments of firm service amounting to over 40 percent of requirements.
>
> In all, 31 companies out of 48 reporting project curtailment for the coming year ranging from less than 1 percent to almost 48 percent of requirements. * * * Curtailments as a percent of requirements for the entire reporting group amount to an alarming 19 percent.

It is, to me, interesting to note that in no instance in the prepared statement did the Commission Chairman indicate that two of the three major reasons for the natural gas shortage are his own Commission's antiquated policies—unrealistic price controls and prohibitions against intrastate shipments in interstate pipelines.

The Commission Chairman concluded his testimony by stating:

> There is no indication that the current trend will change for the better in the near future.

That may be true, but it need not be true. It will be true if ERDA does not help develop Appalachian area fields and it may be true if the Federal Power Commission is unresponsive to reform demands. But, it will not be true, if the Congress insists strongly enough that ERDA and the FPC get with the program and become part of the solution instead of part of the problem.

It is unrealistic to assume that such alternative energy sources as coal gasification, geothermal energy, and solar energy will be widely available in sufficient time to overcome the pending shutdown of major industrial plants because of natural gas shortages. The answer is, quite obviously, to develop more natural gas reserves at the earliest possible date. Development of the eastern shales is the most promising way in which to meet these demands.

The best current estimate of the quantity of producible, recoverable natural gas within the eastern shales is 285 trillion cubic feet. This natural gas lies within the Upper Devonian shale formations beneath New York, Pennsylvania, Ohio, West Virginia, Virginia, Kentucky, Tennessee, Illinois, Indiana, Michigan, Alabama, and a small portion of Mississippi. This is a vast reserve, for the remaining proven gas reserves in the entire United States at the end of 1974 was only 237 trillion cubic feet. We have before us an opportunity to add a 120-percent increase in the Nation's natural gas reserves.

Bringing the 285 trillion cubic feet of eastern shale natural gas onto line would provide enough gas to supply the industrial needs of the 23 industrial States for

57 years, more than adequate time to develop alternative energy sources on a massive scale. This, in short, gives us the edge we need in assuring industrial growth and in finding enough immediately available energy supplies to carry us through the period when we search for long-range alternative sources.

The reason this natural gas has not been fully developed is because of the need to refine the fracturing techniques to release the gas from the shale. Technicians in this subject field have presented to the congressional committees ways in which developing technology affords us an opportunity to release that gas today, and proposals have been submitted by private industry to ERDA to jointly—industry and Government—proceed with new experiments to test these techniques. ERDA knows the natural gas is there and presumably recognizes the urgent need to develop the best extraction techniques. The agency has available to it, however, only $2.5 million a year to allocate to this development, when no less than $24 million is needed for this venture alone. In contrast to the $14 billion already appropriated for unemployment relief, and when one realizes the relationship of a project to insure adequate natural gas supplies to employment rates in the future, this is a small sum indeed to pay to accomplish such an objective.

The cooperative ERDA-private industry efforts proposed are, unfortunately, only a part of what must be done to resolve the natural gas shortage. The antiquated regulatory policies of the Federal Power Commission must be reformed also. As Governor Rhodes has phrased it, these policies are "outmoded, absurd, and illogical".

These regulations need immediate reform in two basic areas. First, they prohibit the use of the excess capacity of the interstate pipelines for the transport of locally produced gas. Second, they force the price of natural gas down to such an unrealistic level as to preclude economic incentives for companies to invest in exploration, recovery, and distribution of new natural gas supplies.

The interstate pipelines which transport natural gas from the Southwest and South to the States of the Northeast, Middle Atlantic, and Midwest are now running well under their capacity, but that excess capacity cannot be used to transport gas brought to the surface along the route of the pipeline. Yet, producers and drillers are willing to pay to use these pipelines. If natural gas is found in, for example, West Virginia within a few yards of Texas-to-New York pipeline, and if the West Virginia company is willing to sell it to a New York buyer, it is now prohibited from using that existing pipeline. It is required, at the vast and ultimate expense of the consumer, to build a new pipeline, or as is the probable case, to abandon the project. As a matter of logic, economics, and conformity to national energy and environmental goals, this simply makes no sense.

The present national, federally regulated base price of 51 cents per thousand cubic feet is totally unrealistic for Appalachian area gas wells. This gas cannot be produced for anything approaching that price. Gas from shale will always be more expensive, because of the smaller flow rates and the higher gathering costs.

It is obvious that the FPC regulation with respect to in-transit add-ons of natural gas needs to be repealed or substantially amended, and it is as equally obvious that we should have an immediate decontrol of the price of old and new natural gas.

I am aware that private industry, frustrated by delay in working with the Federal agencies, has moved to undertake some specific Appalachian area drillings totally at their own expense. These drillings will be used to primarily test new techniques for fracturing the shale. I commend these efforts, but I regret that they are having to proceed alone and with no assurances of either decontrol of price or of being able to place gas recovered into existing interstate pipelines.

Unless we begin now to solve our industrial energy problems, millions more will lose their jobs through no fault of their own or of their company. The blame will surely rest with those who saw the inevitable consequences of status quo policies and did nothing or too little.

The Congress now has an opportunity before it to make a major breakthrough in the resolution of our natural gas problems. It should avail itself of it.

Mr. MOSHER. Mr. Chairman, I thank the gentleman from New York.

Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. BROWN of California. Mr. Chairman, I rise in support of the portion of H.R. 3474 which was reported by the Committtee on Science and Technology. The Science and Technology Committee spent a great deal of time on the nonnuclear portions of this bill, and I believe our product is a good one. We were fortunate to have had the benefit of an analysis by the Congressional Office of Technology Assessment of the budget of the Energy Research and Development Administration, which added greatly to our understanding of the issues involved.

I will not go over the same subjects that other members of the committee have, but instead I wish to focus on the Environment and Safety Division of ERDA. This bill was, as you know, jointly referred to the Joint Committee and the Science Committee. Each committee restricted its review to the portion of the budget under its jurisdiction. The result was not wholly satisfactory, at least to this member, in spite of the great effort to make it work smoothly. A prime example of this is the Environment and Safety Division. This division of ERDA, which is headed by one of six Assistant Administrators of ERDA, is responsible for the assessing the possible negative effects of energy technologies. This division cuts across the entire range of energy technologies, and was considered by both the Joint Committee and the Science Committee.

The committee increases in the Environment and Safety Division were $20,500,000 over the ERDA request of $241,505,000. Of this sum, $15,500,000 was for health, safety, biomedical, and environmental research within the jurisdiction of the Science Committee. A scientific and technical education program was initiated by the committee, with the addition of $5 million so as to better meet the manpower needs associated with nonnuclear energy technologies.

ERDA's Environment and Safety Division was, until this year, in direct support of the old Atomic Energy Commission's nuclear energy technology development program. ERDA's Laboratories are currently engaged in a reprograming effort away from nuclear research and toward nonnuclear research, an effort which the Science Committee has encouraged.

The Science Committee also believes that the research and development work undertaken by ERDA's Office of Environment and Safety should be fully coordinated with the program of the Office of Research and Development of the Environmental Protection Agency. There exists some clear differences of opinion in these agencies as to their respective areas of responsibility. This difference of opinion appears serious and may hinder the programs unless resolved.

Acknowledging the difficulty of drawing a precise line between the responsibilities of EPA and ERDA, and accepting the notion that areas of overlapping responsibilities exist, the committee nevertheless wishes to emphasize the necessity for continuing attention on the part of both agencies to insure that the total national effort in environmental research and development will be conducted so as to meet the needs of the Nation in the most cost-effective way. Every effort must be made to avoid unnecessary duplication of effort.

While the committee feels that ERDA must have a vigorous environmental and safety program, the committee also understands EPA's responsibility as the agency whose basic mission is the protection of the environment. In pursuit of that mission, EPA must also maintain a strong R. & D. effort and the technical capability to assess the environmental impact of emerging energy technologies and to justify regulatory actions.

EPA has been requested by the Subcommittee on the Environment and the Atmosphere to submit an annual document to the Committee on Science and Technology, jointly prepared by ERDA and EPA, to explain the division of responsibility for environmental research related to energy. The document should be submitted prior to, or simultaneous with, the budget submission of EPA and ERDA so that the committee can view the environmental research program related to energy as a whole. The committee urges ERDA and EPA to cooperate fully in preparing this coordination report.

The committee believes that an effective institutional mechanism should be established to achieve coordination between these two agencies so that their roles will be complementary. This coordination should extend to joint use of R. & D. facilities, and both EPA and ERDA should make use of the existing laboratories and facilities to the maximum extent possible.

Finally, Mr. Chairman, I would like to repeat some general comments about this bill, which is one of the first efforts to responsibly exercise the joint referral mechanism. These views are personal, and are not meant to reflect adversely on any of the individuals involved. Basically, I believe that to achieve a satisfactory answer to the energy research and development problems of the Nation requires that a careful balance be achieved in the efforts and resources devoted to the various options available in the nuclear and the non-nuclear-energy fields. Neither of the two committees having jurisdiction are in a position to consider this balance adequately and reach reasoned decisions. Major controversy exists as to the proper balance to be achieved both within the nuclear field, as between the LMFBR—the breeder reactor—and the various non-breeder reactors, the fusion energy program et cetera. Likewise judgments vary as the emphasis to be placed on non-nuclear initiatives—fossil, solar, geothermal, conservation, and so forth—versus nuclear.

It does not seem likely that these problems can be adequately resolved by joint referral, and the technical nature of the subject matter makes it difficult to write the final bill on the floor of the House. I am therefore disposed to recommend that the House restructure its approach to conform to the executive branch reorganization, which places all energy research and development within one organization. This would require considering the possibility of placing energy research and development jurisdiction in the House within a Joint Committee on Energy—modelled after the JCAE—or completely within the Committee on Science and Technology. I am disposed to favor this latter alternative, and elimination of the Joint Committee on Atomic Energy. However, such discussion is not germane to the bill we are considering.

I believe that the nuclear portion of H.R. 3474 is overemphasized in comparison with the non-nuclear portions, and that within the nuclear portion undue emphasis has been placed on the breeder reactor. These imbalances have been only partially corrected by recent decisions within the executive branch to readjust priorities within ERDA. I also believe that the defense-related portion of the ERDA budget authority should be placed within the Department of Defense authorization bill, and considered by the Committee on Armed Services, as part of any restructuring of the jurisdiction of the House committees.

It is my intention to support floor amendments to H.R. 3474 which correct the deficiencies which I have indicated.

Mr. AMBRO. Mr. Chairman, the national laboratories of our country have a long history of advancing progressive solutions to the science-based problems we traditionally have faced. Names like Brookhaven, Los Alamos, and Oak Ridge are internationally recognized as centers where the highest levels of research occur. The prestige associated with the national laboratories, and the presence of Federal funding in support of high-magnitude undertakings, draw a cross-section of our finest research people into these centers.

Under current procedure, these creative people only receive funding after an idea has been formally submitted to the sponsoring agency. I would like to suggest to you that this constrains our research effort. New ideas, germinated through interaction made possible when a national laboratory draws together a group of researchers, need immediate low-level funding to explore their feasibility.

Many ideas are going unexplored because there is no way to finance them at their inception when a little time and money would permit a short investigation of their merits and problems. There is a definite need to create a climate that would foster the emergence of new research and development programs, and this climate of enhanced creativity could be achieved at no additional cost. It would only take a small procedural change allowing the director of a national laboratory to take a portion of his operating budget assigned to research and development, and use it to finance promising ideas at his installation. A 1-percent figure would probably be sufficient.

The availability of what could be called preproposal research and development funds will stimulate the exploration of novel solutions to science-based problems. In the energy area especially, benefits would accrue from this approach.

New proposals for energy research and development programs would be encouraged.

Early experimental work to determine the validity of new, energy-related ideas could proceed without time-consuming delays while proposals were considered.

And qualified scientific personnel could be redirected into new areas contributing to solutions of our energy problems.

We all recognize the need for a continuing research effort, particularly in energy. With a slight procedural change, and no added expense, we can take a large step toward freeing our scientific community from a managerial problem that restricts its functioning.

I therefore request that the committee and ERDA both address this problem and through corrective measures fill this void.

I would like to underline the foregoing with the following statement developed by Dr. Meyer Steinberg, a distinguished scientist with Brookhaven:

PREPROPOSAL ENERGY R. & D. FUNDING

The National Laboratories have had a long history of advancing progressive solutions to new problems challenging the Nation. Outside of the weapons research area historically these progressive ideas have developed on the basis of encroachment on existing programmatic agency funding. A sort of clandestine effort for evolving new approaches in the National Laboratories has prevailed. A number of successful programs of National need have emerged from these covert efforts. However, because of the lack of a general funding for development of new ideas prior to formal submission of programmatic research and development proposals there has been in reality an inhibiting effect on eliciting and fostering new ideas and approaches. Much potential good new ideas have been lost because of this inhibiting effect. There is a definite need for creating a climate which would foster the emergence of new energy R. & D. programs. Several specific assistance areas are spelled out as follows:

1. The development and preparation of proposals for new energy-related R. & D. programs.

2. Conducting preliminary proof-of-principal experimental work to determine the validity of a new approach to the solution of energy problems.

3. The redirecting of qualified scientific personnel into new areas which would aid in fulfilling the need for solutions to energy problems.

The availability of pre-proposal R. & D. funds which is a form of seed money will stimulate and encourage the development of novel solutions to energy problems. Additional benefits will result from improvement in the early evaluation of a proposed new idea. It is recommended that a reasonable pre-proposal fund equivalent to 1 percent of the R. & D. operating budget of a National Laboratory be made available to each of those National Laboratories which do not presently maintain an overhead or discretionary fund allotment for development of new R. & D. approaches.

Mrs. LLOYD of Tennessee. Mr. Chairman, I rise in support of the budget recommendations for the Energy Research and Development Administration contained in H.R. 3474. I feel strongly that we must greatly increase our efforts in research and development on solar energy, geothermal energy, and energy conservation. At the same time we must adequately support the underlying basic research activities and scientific and technical education programs that are needed to assure the success of these R. & D. programs. I should also point out the obvious need for research on environmental aspects of new energy systems, research which is strongly supported in the bill before us today.

Although I support the ERDA budget recommendations contained in H.R. 3474, I do have reservations about one part of the bill which directly affects my district. Later today I plan to offer an amendment which will address this issue of the name of the Oak Ridge National Laboratory. I will later explain my proposed amendment.

Mr. Chairman, although the people of our country are not as aware of energy conservation as they are of other energy topics, I think it is one of the most important that we face today. The Science and Technology Committee recommends $134,680,000 for energy conservation, research and development for fiscal year 1976, and $31,933,000 for the transition period. This represents an increase of $93,810,000 in the administration request of $40,870,000. Although this is more than three times the administration request, it is really quite a modest proposal in the light of the tremendous needs we face in reducing our reliance on imported petroleum.

The Committee on Science and Technology, in examining the ERDA budget request for energy conservation research and development for fiscal year 1976 and the transition period, has benefited greatly from the joint hearings it held on Energy Conservation during the last Congress with the Committee on Government Operations. I was not in the Congress then, but I have had the opportunity to review the excellent joint report on energy conservation that was based on those hearings. I would like to outline some of the highlights of that report and its relevance to ERDA's energy conservation research.

The final conclusion of the joint report bears repeating. It said that the potential for energy conservation cannot be achieved solely by a crisis-oriented program, by an undue reliance on voluntary measures, or by high fuel prices. There must be established a comprehensive, long-term effort to utilize energy more efficiently and reduce waste thereof. That is precisely what this committee has had in mind during its recent hearings and subsequent action on ERDA's authorization bill. The joint report made recommendations for the President, the Federal agencies generally, and to individual departments and agencies. Taken together these recommendations called for vigor and imagination in developing new and improved ways to use energy more efficiently, and to Federal efforts to identify and describe barriers to such improvements including regulatory, economic, and social. With the permission of the Chairman, I would like to include the text of these recommendations at the end of my remarks.

Several recommendations that I would single out for attention now include the following:

The President should insure that energy conservation research, development, and demonstration be given high priority by all Federal agencies and be fully integrated with existing Federal programs for industry, agriculture, commerce, transportation, housing, and environmental protection.

ERDA should request adequate funds to encourage and conduct energy conservation research as one of its specific responsibilities under the Energy Reorganization Act of 1974. I mention this because ERDA's budget request to improve the technologies for energy conservation and expedite their use is entirely disproportionate to the potential importance of energy conservation in national energy policy.

The committees in their 1974 report looked closely into energy conservation. It discussed reasons for Government funding, measures to provide the physical technologies to conserve and more efficiently use energy, and measures to provide the social technologies for energy conservation. Social technologies can be as important as physical technologies for the simple reason that many useful ideas for conserving energy in commerce, industry, and residential use are not applied because of the human factors. Outmoded codes and unnecessary and costly regulations prevent the introduction of some innovations; energy users simply may not know how to analyze energy use in a large facility to find out where energy can be saved most quickly with least expense. Even now many critical proposals for Federal energy policy rest on shaky foundations of our understanding of the so-called elasticity of energy prices. Until actual experience produces concrete results, we really do not know precisely how much the use of fuels and energy will decrease as the price to the user goes up. All of these matters need systematic, hardheaded attention which, in my opinion, is what the ERDA research programs for energy conservation should provide.

With the further indulgence of the Chairman, I would append to my remarks the chapter on energy conservation research from the joint report:

Appendix 2

VI. Energy Conservation Research

REASONS FOR GOVERNMENT FUNDING

Many technologies already exist to conserve energy. At current energy prices, further application of these technologies should be attractive to the private sector and the higher prices that are anticipated should provide even greater incentives to develop and apply new technologies. Although economics alone can be expected to motivate expanded private research, development, and application of energy saving technologies, Federal participation in such programs would provide several benefits.

First, a Federal program for research, development and demonstration for energy conservation can assure that certain long term and risky options are brought to the point where the private sector can confidently assess their commercial potential. It can increase the number and kinds of options for energy conservation throughout our society so that energy conservation by individuals and organizations can be fitted to their particular circumstances.

Second, an intelligently and effectively planned program of federally funded research, development, and demonstration can expedite commercial application if it is conducted with the full participation of the private firms which will ultimately use or market the results. For most short-term projects it can be expected that private funding will predominate. For the longer term research and development and for those short-term projects which promise important benefits but have not attracted sufficient private funding, Federal participation may be essential.[175] That participation can take many forms in addition to direct funding. For example, there are tax incentives, guaranteed prices and markets, and requirements for use of new technologies in Government regulation and procurement. These forms of participation should be thoroughly evaluated to insure that the Federal effort facilitates the development and application of energy conserving technologies.

Third, energy conserved through the early development and application of new or improved technologies means nonrenewable fuels saved, less dependent on foreign sources, and less strain on the Nation's financial and human resources. Every kilowatt hour of electricity conserved represents a saving of 0.9 pounds of coal, or 0.074 gallons of oil plus associated reduction in pollution of the air by combustion products, of the waters by waste heat, and of the Earth by mining for coal and drilling for oil. Every kilowatt hour saved represents the equivalent of 10.4 cubic feet of natural gas saved for future uses as a fuel or as a feedstock for the fertilizer or chemical industries. Every kilowatt of generating capacity not required because of conservation represents a capital saving of from $300 to $600 depending upon the type and size of plant. Over a 30-year lifetime, not installing an electrical powerplant of 1,000 megawatts generating capacity could save from $300 to $600 million in direct capital outlay plus an equivalent amount in costs of financing. In terms of operating costs, not building such a plant would save close to $1 billion more. Scarce manpower saved for other purposes would include, for a nuclear powerplant, some 750 man-years of design and engineering support, 340 man-years of construction management, 4,800 or more man-years of construction crafts. And this does not include manpower in the factories that supply the materials, parts and components. In terms of fuel savings, not building and operating a 1,000-MW powerplant could save the equivalent of 98 million tons of coal over 30 years, or 330 million barrels of oil or 2 trillion cubic feet of natural gas. These fuel savings do not include the savings of steel, copper, aluminum, plastics, cement and other materials used in powerplant construction.

Conservation or waste of energy involves not only physical factors but also the decisions of millions of persons and organizations on a wide variety of actions which stimulate or help to minimize energy consumption. Research, development, and demonstration to provide the physical technologies of energy conservation thus are only part of the requirement. Needed, too, are research, development and demonstration for the social technologies. Improved information and understanding are essential to decisions on when and where to use new conservation technologies. So analysis and research in economics, in cost and energy accounting, in private and public planning, in land use, to mention a few examples, are as much needed for energy conservation as in the physical and engineering sciences.

A recent report of the National Petroleum Council on the short-term potential for energy conservation in the United States discussed expenditures for conservation research and development as follows:

"The governmental energy research budget should not only be directed to increasing energy supply but should also give consideration to research in the area of end-use consumption. Examples of areas where such research could be conducted are energy-use patterns for communities, community development which takes into consideration the possibility of mass transit systems to move people to and from work, intermodal transportation shifts, more efficient heating and cooling systems, increased recycling of energy-intensive materials and increased substitution of communication for travel.

"For the most part, short-term savings in these areas will be small; however, if they are to have an effect on conservation efforts within the next 5 to 15 years, preliminary study must begin now. The opportunities for major long-range impacts are promising."

PROVIDING THE PHYSICAL TECHNOLOGIES FOR ENERGY CONSERVATION

Measurement of energy efficiency

In approaching any physical technology, a starting point is the system of measurement. While energy efficiencies are usually calculated by comparing energy outputs to energy inputs, the Office of the Chief Engineer of the Federal Power Commission has recently recommended that in planning efforts for improving fuel efficiency, a rational system of measurement be used, one which reflects the changes in fuel consumption attainable through various modifications in equipment and practices.[176]

A thorough understanding of and common agreement on the definition and calculation of energy efficiency would seem to be a prerequisite for effective planning for research and development.

Mitigating the energy costs of pollution controls

The foundations for present legislation for air and water pollution control were laid during the years when shortages of energy were not at crisis stage. So it is readily understandable that the energy requirements of air pollution control and waste heat rejection systems, while realized, were not seen as governing or critical. Now in an era of scarcer fuels, improvements are needed in pollution control technologies to reduce their en-

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ergy requirements. Such an effort can help to forestall attempts to waive or reduce these environmental controls because of their energy penalties and thus help to protect recent progress in improving environmental quality.

For several years the Environmental Protection Agency and other agencies have emphasized research and development to create new technological options for control of emissions and waste heat. Such research and development should be carefully examined in terms of the energy requirements of the systems and equipment being developed—including energy to build and install the required systems and equipment, and energy for their daily operation. Federally funded research and development for pollution control should emphasize measures to reduce energy requirements and to increase the energy efficiency of the control systems, and thus reduce environmental impacts of the supply and use of energy.

Research options for the residential and commercial sector

Many opportunities exist for research, development and demonstration for energy conservation in residential and commercial use. These opportunities are to be found in the design, construction and use of buildings, heating and cooling systems, hot water heating systems, lighting, equipment and appliances. The range of possibilities includes not only conservation of energy used in completed buildings, but also the energy invested in the initial construction of the buildings and their systems.

At the outset, improved instrumentation and analytical methods are needed to reliably measure and analyze the use and movement of energy in residential and commercial structures. This is necessary so that architects, engineers, developers, owners and operators can have quantitative, reliable information for their decisions about energy conservation. For the long term, some innovations are required to make available to architects and engineers computer models of energy sources and flows within a building. There also are opportunities to improve building technologies so that energy systems can be monitored and maintained more effectively.

Another option, the heat pump, appears to be teetering on the edge of widespread application. How much additional research, development, and demonstration would be needed to sufficiently improve the economics and performance of commercial models of heat pumps so that builders and buyers will specify these units in their own economic self-interests? And what about the prospects for even more efficient heat pumps, such as those associated with solar energy systems? Some innovators are thinking about using heat pumps to provide high quality heat from the low quality waste heat from condensers of steam turbines. These ideas should promptly be tested on a large scale. They are open questions for the planning of conservation research programs.

Increasing the efficiency of major electrical equipment, such as air-conditioning units, is another area for potential energy savings. Accelerated substitution of solid state physics devices for vacuum tubes in electronic equipment can reduce energy requirements of products such as television receivers which account for almost 1 percent of national energy demands. If voluntary or mandatory enery performance standards are to be specified for various products, new research and development will be needed both to provide the basis for writing such standards and to provide the technologies to meet them.

Recommendations for research.—Dr. Bruce Hannon of the University of Illinois proposed numerous research topics relating to residential and commercial use. Some of these are: [177]

Residential insulation.

Total energy cost of lighting alternatives.

Use of electricity for space heating.

Energy cost per family of alternative community developments.

Study of sociological obstacles to adoption of less energy consumptive life styles.

The energy cost of diversity and advertising of consumer products.

Professor David C. White of the MIT Energy Laboratory proposed several research topics for residential and commercial energy conservation: [178]

RESIDENTIAL

Space conditioning—fuel choice; heat pumps; solar heat boosters; sectionalized systems; efficiency of equipment.

Architectural design—thermal insulation; internal design to aid space conditioning; window design and siting.

Hot water—fuel choice; insulation and storage design; heating at point of use versus storage.

Urban design—total urban system planning integrating all functions including resource and environmental impacts.

COMMERCIAL

Space conditioning—fuel choice; heat pumps; sectionalized systems; efficiency of equipment; efficient distribution systems for heating and cooling; integrated total energy systems.

Architectural design—total environmental controls of buildings; siting design to minimize total resource requirements.

Illumination—levels and time sequencing; integration with space conditioning.

Hot water—fuel choice; centralized systems; sectionalized systems; insulation and design of storage and delivery systems.

Eric Hirst and Joel Darmstadter recommended that the Federal Government pursue research including: [179]

(1) Develop and regularly publish more detailed energy consumption data.

(2) Ways of bringing capital cost-total cost tradeoffs to bear on the choice of energy-efficient systems in the construction and purchase of residential and commercial structures.

(3) Publication and labeling of energy performance for residential energy functions.

(4) The effect of the tax system on energy conservation in buildings.

(5) Energy for buildings viewed in a total systems perspective.

(6) Incentives for the production and acquisition of more efficient air-conditioners and other appliances.

(7) Economic, environmental, and energy-use characteristics of electric heating and its alternatives.

(8) Economic, environmental, and energy-use characteristics of total energy systems.

(9) Lighting levels in commercial buildings and on highways.

(10) Role of the General Services Administration in conducting energy-conservation experiments in large Federal buildings, in purchasing goods and services, and in operating Federal facilities.

There must also be further study on how residential and commercial building codes affect energy consumption and how they should be changed.

For example, a comparison of ventilation requirements under different building codes shows as much as a 3 to 1 variation in air changes required by regulation for a specific type of building, and the codes rarely consider the degree of occupancy, whether 10 percent or 90 percent. Since exhausting warmed or cooled air from a building is one major source of energy loss; the basis for ventilation codes requires reexamination. To what extent are present ventilation codes based on demonstrated public health sciences and to what extent upon codification of practice and tradition? How feasible would it be to reduce energy losses from excessive ventilation by changing the amount of ventilation as occupancy changes?

Research options for conservation in industry

Industry is the largest consumer of energy, accounting for more than 40 percent of the total U.S. energy demand. Thus conservation in industry should receive high priority. Management will give increasing attention to energy conservation as prices of fuel and electricity go up with consequent pressure to get on with conservation measures. A useful by product of such interest can be conservation of material as well as energy through redesign of products and processes that substitute plentiful, less expensive materials for scarcer and more expensive ones.

Energy conservation in industrial buildings will require substantial research and development. The Federal Government can help to demonstrate results of such work by modifying some of its large industrial buildings in arsenals, naval bases, and elsewhere. Such experiments would provide the early demonstration and accurate compilation of operating information to speed comparable efforts in industry. Furthermore, the Federal Government could facilitate the exchange of technical and managerial information regarding energy conservation among private firms.

Much of the energy used in industry goes for conversion into mechanical and electromechanical energy. Many of the processes and equipment were designed in the era of low priced and abundant fuel supplies when it was deemed preferable to use more fuels and energy rather than invest scarce capital in more expensive installations. This situation has changed. Designers must now seriously consider substituting capital for scarce energy. For the near term, private industry should find attractive opportunities to develop and apply new technologies to recover or use waste heat. Total energy systems seem likely to become more attractive if some limiting institutional and technical problems can be solved. For example, the owner of a total energy system should be permitted to sell excess electricity to a neighbor, a transaction often ruled out by the State law governing electric public utilities.

Energy savings in industry through substitution of one material for another is a longer term approach that should benefit from Federal funding for analysis, research, and development. The Department of Commerce with its longstanding ties with industry, for example, would be the logical agency to publicize research and development for conservation of energy in manufacturing processes and materials. As a priority first step, it could arrange for the updating of the analysis of energy use in industry done for the former Office of Science and Technology by the Stanford Research Institute in 1972.

Recycling of materials offers another opportunity for conservation of both energy and materials in industry. In addition to funding work to improve recycling, the Federal Government should arrange for and fund analyses of the institutional and economic factors that govern recycling and indicate innovations and improvements to encourage it.

The further automation of industrial processes merit analysis, so that both the capital energy costs and operating energy costs of automated systems can be better understood. [180]

Analysis and research can expand prospects for products designs that save energy and materials by having longer useful lifetimes. Producing an automobile with a serviceable life of 20 years can save materials and energy. It would also substantially affect the economy of the automobile industry. The desirable and undesirable effects of a policy to promote manufacture of long lifetime products need to be well understood in advance to forestall decisions based on conventional wisdom that could bring more harm than benefit. Thorough, systematic,

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hard headed analysis, and research are needed.

Recommendations for research.—George N. Hatsopoulous, president of the Thermo Electron Corp., and a recognized expert in the field of industrial energy conservation, recommended several opportunities for Federal action including: [181]

(a) Sponsorship of intensive research and development of new industrial processes that would require less energy per unit of output.

(b) Sponsorship of cooperative programs between electric utilities on one hand and major process steam users on the other, so that fuels can be used for the simultaneous production of electricity and process steam.

He stated that research on industrial energy conservation has been severely neglected and deserves special attention.[182]

Eric Hirst and Joel Darmstadter appraised the opportunities for energy conservation for industry as follows: [183]

(1) Although industry is the largest consumer of energy, very little is known about industrial patterns of energy use. There is an immediate need for research focused on questions concerning the distribution of energy among the various industries, ways in which energy-use patterns have changed over time, and relationships between energy use and labor and capital inputs and industrial output. This work, although it will not directly reveal energy-conservation opportunities, may point to the basic factors accounting for increased industrial energy use.

(2) Research is needed to examine the possibilities for increasing the energy efficiencies of existing industrial processes, and to examine alternative production technologies which are more energy efficient. Efforts should be focused on those industries which are currently most energy intensive. Such work must also evaluate the economic attractiveness of these alternatives. Much of this work can probably best be carried out within the industries themselves. In fact, it is quite likely that work of this nature is under way within several industries, although research results are not generally publicly available.

(3) Research should be conducted on the energy implications of various product alternatives such as synthetic versus natural fibers, steel versus aluminum, and different kinds of food. Such analyses should consider the energy required for manufacture and lifetime use of the products, the economic and employment impacts of producing alternatives, and the degree to which such alternatives are "truly" equivalent. These studies should also examine the energy implications of manufacturing products designed for longer lifetimes.

(4) Many factories buying electricity also use fossil fuels to produce steam. What possibilities exist for coupling these systems? Perhaps the factory could generate its electricity on-site and use waste heat directly; alternately, the powerplant could be situated nearby or in an industrial complex. However, on-site generation would probably necessitate oil or gas (coal being unacceptable in small installations). Does this point to a role for nearby nuclear-based combined steam-electric facilities? It must be noted that industrial "own" electric generation is a steadily falling share of the nationwide electricity total. An analysis of this trend, and how it squares with the points just raised, might be useful.

(5) One area of research that deserves further investigation is recycling—that is, the comparison of the use of energy for producing virgin materials versus collection and reprocessing of used materials (e.g., paper, metals, glass). A broad look is needed, including all direct (extraction, process, transport) and indirect (waste treatment, land restoration, etc.) effects. Such a study should also consider institutional mechanisms—such as depletion allowances and freight rates established by the Interstate Commerce Commission—which inhibit greater recycling of energy-intensive materials. A related study is an examination of the energy required to produce packaging material. This study should also examine the possibilities for reducing packaging material use.

(6) Research might be undertaken which would seek to disclose significant conservation possibilities in *specific* industries and processes. This would aim to avoid generalizations for a sector of the economy where general observations are little more than bromides. Energy-intensive processes and industries should receive prime consideration (e.g., aluminum). * * *

(7) But even short of technological breakthroughs * * * substantial energy savings are believed realizable at existing technology. "Since losses of energy do not normally show up in the same manner as off-quality production, inefficient labor, and equipment breakdown, huge losses are often tolerated simply because no one knows they exist." * * * Research might therefore concentrate on these points: How widespread industrially are energy metering or computer programs designed to control use and minimize costs? What is the feasibility of introducing energy use as an explicit and standard element of cost accounting in industrial operations? For the longer run, what is the trend toward making energy usage an explicit component of new plant design and process, or how can such a trend be encouraged? This study should be coordinated with ongoing industrial energy-management programs, such as those at Du Pont, Dow, and General Electric.

Other research which they recommended included: [184]

(1) Relationships between energy use, labor and capital inputs, and output in major industries.

(2) Analysis of possibilities for increasing energy efficiencies of selected industrial processes, and examination of alternative production technologies which are more energy-efficient.

(3) Energy implications of various end-product consumption alternatives.

(4) Industrial self-generation of electricity and use of waste heat from powerplants.

(5) Energy implications of recycling, and institutional barriers to greater recycling.

Professor David C. White, Energy Laboratory, Massachusetts Institute of Technology, discussed many opportunities for energy conservation in industry, manufacturing and waste disposal, setting them out as follows: [185]

(1) INDUSTRIAL AND ENERGY PROCESSING

Waste heat utilization—industrial energy parks; waste heat utilization in urban areas; balancing total environmental impacts.

Energy intensive materials production—energy efficiency in materials processing; recycle versus new resource utilization for minimum total environmental impact.

(2) MANUFACTURED GOODS

Consumer durables—energy use, direct and indirect; throw-away versus repairable; lifetime; efficiency; insulation thickness and frost free refrigeration; manufacture for recycle.

Packaging and bottling—disposable containers; individual packaging.

Product design—choice of materials and design criteria to minimize resource and environmental impacts during manufacture, operation, and disposal.

(3) WASTE DISPOSAL

Trash—energy requirements for recycle; heat content utilization.

Sewage—energy requirements for cleanup including return to land, potable water and sludge disposal or utilization.

Hittman Associates, in a report for the subcommittees on R. & D. opportunities for energy conservation, called for additional analysis of substitutions of one material for another, and in particular the energy-saving characteristics of aluminum:

In the automotive industry (and all metal-oriented industries in general) material substitution can result in noticeable nationwide energy savings. The aluminum industry has been criticized as a large consumer of the Nation's electrical energy. However [one authority states that] the use of lightweight aluminum in transportation vehicles saves more energy than halting all aluminum production and making steel or copper to replace it. Thus, by expanding the use of aluminum in vehicles, a significant contribution can be made toward conserving the Nation's critical energy supplies. R. & D. are necessary to assess, in depth, the energy savings from aluminum substitution.[186]

The idea of saving energy by using and recycling aluminum introduces a new time scale into cost/benefit calculations. Use of aluminum in automobiles would mean that the metal would not become available for recyling for perhaps a decade, but thereafter a continuing supply would be available as each model year car comes to the end of its life-cycle in the junkyards. A related analytical question is how far a car made with aluminum would have to be driven before the savings in fuel costs would offset the increased cost of the aluminum? Would a shift to greater use of aluminum cause a rise in energy demand that would not be offset for many years? This same question has occurred in considering solar energy. How long would a solar collector have to be used to offset the amount of energy required to manufacture the collector and what impact would a shift to solar heating and cooling have on energy demand in the near future?

Another idea discussed by Hittman Associates was the potential for improved energy efficiency through materials saved by use of manufacturing and process control:

Because automated manufacturing along with in-process control, using computerization and nondestructive test methods, provides the least wasteful method of material processing, R. & D. and application in this field should be accelerated.

Within 2 years, Armco Steel Corp, expects to have a computer-controlled recycling plant processing 800,000 tons per year of steelmaking waste as feed into their blast furnaces. Process control is necessary to provide a continuous optimum mix of these wastes to the furnaces.

These examples illustrate the potential for automation to optimize industrial processes and fabrication. Clearly the direct energy consumed in a totally automated plant exceeds that of a labor intensive plant but the reduction in internal scrap achieved through the elimination of human error probably more than compensates for this factor. R. & D. are necessary to determine if automated manufacturing conserves energy.[187]

Bruce Hannon suggested greater emphasis on the study of the patterns of energy consumption within the industrial sector. Some of the research topics he recommended are: [188]

The energy savings of recycling metals, glass, paper, and plastics.

An implementation plan for energy conservation in heating and lighting industrial and commercial buildings.

The energy savings by substitution of new technologies in the top 20 most energy consumptive manufacturing industries.

The energy impact of synthetics.

The impact of automation on energy use.

Research options for conservation in transportation

Fuels consumed in the transportation of people and freight represent about 25 percent of the total U.S. energy demand. More than 90 percent of this energy is supplied from

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petroleum products. Effective conservation in transportation is essential if our reliance upon imported oil is to be kept within safe bounds until alternative supplies can be developed.

Conservation of energy in transportation, however, may have unsettling effects for our economy and way of life. The recent turmoil among the independent truckowners and operators is one example; the impact on the recreation industry of this past winter's gasoline shortage is another. For this reason proposed measures to save fuel in transportation need careful systematic analysis to identify not only benefits but also the disadvantages and impacts upon the suppliers and users of the transportation mode affected.

In the short term, conserving energy in transportation by increasing the energy efficiency of individual modes when feasible will probably have a minimal effect on lifestyles. For the longer term, energy can be conserved by changing the need for transportation as, for example, bringing places of work and residence closer together, or by substituting "electronic conferences" for business travel.

Probably the most promising opportunity for research and development and demonstration is improvement of the efficiency of the automobile and its engine. Engines are needed that are more efficient and yet keep emissions within acceptable limits. Use of waste heat from engines could be explored. Automotive air-conditioning, for example, imposes a substantial fuel penalty because it takes mechanical energy from the engine. On the other hand, refrigeration cycles that use heat rather than mechanical energy have long been known. One target for automotive research and development could be the perfection and demonstration of a heat absorption air-conditioning system energized by waste engine heat.

Long-term development of new types of more efficient engines should also be a part of Federal research programs. Promising opportunities exist with the stratified charge engine, diesel engine, gas turbine, rankine cycle and sterling engines, electric, and hybrid-electric propulsion. While short-term automotive research should remain in the hands of the automobile industry, long-term Federal research is needed to advance those technologies which are beyond the capabilities of the private sector.[189] Furthermore, general automotive research sponsored by the Federal Government could serve to promote balanced consideration by the private sector of all promising automotive technologies. Insuring that attention is given to the development of environmentally sound automotive systems is another area where Federal research could be very important.

Energy can be conserved by using automobiles more efficiently. Analysis of new ways to encourage carpooling should be undertaken, including the Federal sponsorship and monitoring of carpooling experiments. Changing traffic control systems to reduce the number of stop/go cycles and improve traffic flow would also help to conserve energy. More radical, and potentially more productive, would be widely staggered work hours and scheduling holidays to reduce peak traffic.

Another family of conservation possibilities is to be found in a shift toward less energy intensive modes of transportation. The energy per passenger mile or ton mile is much higher for aircraft than for barges. So some analysts opt for a shift to the more efficient mode. However, there is more to such a decision than energy alone. Such shifts should represent an acceptable tradeoff between energy savings, time, and costs. Generally, the less energy intensive modes for transportation take longer to move goods and people from point to point. How valuable is the time lost by shifting from faster to slower transport? There should be careful analyses of the net energy requirements of our transportation systems, including the energy used to build and maintain the various modes of transportation. For example, the use of trucks and airfreight in some instances has eliminated warehousing centers, thus saving their capital and operating costs plus the carrying charges for their inventories.

A frequently proposed conservation measure is to move commuters from their automobiles to mass transit. However there is limited analysis and research to indicate how long it would take to sufficiently increase mass transit to accommodate a substantial shift and what the capital and operating cost of the mass transit would be. Most mass transit proposals seem to rely on expanding conventional bus or subway systems while ignoring those factors which made the automobile the mode of transportation preferred by most commuters. They also imply substantial subsidies from the public treasury, which may involve trade-off decisions, particularly when transport subsidies start to exceed local funding for police and other functions.

Recommendations for research.—Eric Hirst and Joel Darmstadter provided the following assessment of the need for expanded research into transportation energy conservation: [190]

Energy-use patterns within the transportation sector appear to be well understood. The need now is for research to evaluate the energy consequences over time of implementing various, conservation strategies involving modal mix shifts, changes in load factors, improvements in vehicle efficiencies, and interactions among these changes. For each of these strategies, reasonable assumptions concerning the pace of change must be made; one cannot assume, for example, a sudden and massive shift in new car sales to compacts and subcompacts. The economic costs and savings of such transportation changes must also be evaluated. Most important, strategies, designed to implement such conservation schemes need to be identified and their effectiveness evaluated. Because the automobile is the dominant transportation energy user, considerable attention needs to be devoted to methods for reducing auto fuel consumption, such as shifting to other passenger modes, increasing auto load factors, and encouraging the use of lightweight, low-horsepower autos. Finally, research is needed to identify mechanisms for incorporating energy considerations in transportation planning and decision making at all levels of government.

They went on to list several specific research topics: [191]

(1) Incentives and problems associated with a shift from a large to small passenger cars, and increased occupancy.

(2) Incentives and problems associated with a shift from passenger cars to public transport in urban areas.

(3) Incentives and problems associated with a shift to intercity trains and buses away from cars and short-haul airplane trips.

(4) Possibility of shifting freight traffic from trucks to rail.

Bruce Hannon of the University of Illinois recommended expanded auto research and analyses into: [192]

Policies for increasing the gas mileage of autos.

Implementation plans for substituting mass transit for autos.

The effects on energy consumption of a unified national or regional transportation plan.

Professor White of MIT emphasized the need for more research into transportation fuels, their availability, environmental impact, and the development of technologies capable of utilizing electricity and hydrogen in transport vehicles.

He recommended the following research goals: [193]

Private auto—increased miles/gallon; longer functional life; new design criteria based on resource and environmental factors.

Mass transit—increased use of highways for mass transit; new mass transit modes.

Intercity transportation corridors—transportation modes with higher passenger miles per unit of fuel; high speed ground vehicles versus aircraft.

Transportation of goods—increased ton miles/unit of fuel.

Communications—audio-visual equipment to replace the need for travel.

The draft report of the energy systems task force to the Committee on Research and Development of the Federal Power Commission's national power survey summarized some of the specific transportation research topics which should receive greater attention. It recommended that the Federal Government:

(1) Analyze barriers to shifts to smaller cars.

(2) Explore elasticity of demand for various modes of transportation, including elasticity of gasoline and diesel fuel demand with respect to price.

(3) Develop analysis of incentives toward shifts to energy efficient transport, and toward increased load factors.

(4) Develop strategies for encouraging shifts to mass transit for commuters.

(5) Support development of high speed ground transit concepts.

(6) Develop energy efficient automobiles. Develop prototype propulsion systems, and demonstration vehicles.

(7) Develop light high energy density batteries and prototype electric power vehicles.

(8) Develop total societal cost estimates for air transport versus ground transport using high speed modes.

(9) Explore possible structures for new cities requiring minimal passenger and freight movement. Analyze the design and success of existing cities, such as Reston and Columbia, Amsterdam, et cetera.

(10) Develop synthetic and organic fuels (e.g., hydrogen, ethyl alcohol, propanol) as fuels for vehicles.[194]

Research and development for energy conversion

To become useful, fuels must be converted into mechanical, electrical, chemical, or other energy forms. These conversion processes are accompanied by losses of energy, particularly the conversion of heat into electricity. Among these energy forms, electricity is becoming dominant. It is commonly assumed that by the year 2000, about half of the energy used will be electrical. Yet with present conversion technology, rarely does as much as 40 percent of the energy from fossil or nuclear fuels leave a powerplant as electricity. The rest goes to heat up the invironment. Technological advances are needed to increase the conversion efficiency. Combined cycles are beginning to appear.[195] Bottoming cycles are a prospect. Fuel cells offer improved conversion efficiencies, while magnetohydrodynamics offers prospects of efficiencies of 50 percent or more, a goal worth striving for but held up by the physical limitations of materials.

Research and development for energy storage

An unresolved problem of the electrical industries is the lack of ways to store large amounts of electricity at a reasonable cost. Local storage units could help reduce the impact of peak demands upon transmission systems with a reduction of line losses and may permit smaller towers with less land taken by rights-of-way. Pumped storage of water can be used to store electrical energy, but it extracts an energy penalty of about one-third. Pumped storage of gas in under-

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Footnotes at end of article.

ground caverns is at the experimental stage but needs additional improvements in components. Magnets made with superconducting cables, flywheels, and the manufacture of hydrogen are other frequently noted alternatives. But none are at the stage of commercial application. Among these, the use of hydrogen to store energy from intermittent sources, such as solar cells, wind driven generators, or off-peak generating capacity of electric utilities, seems closest to application. But some observers are concerned about safety problems and would convert the hydrogen into a safer or more familiar fuel such as methane. Since a strong research program for hydrogen is going on in the European Economic Community under the auspices of Euratom, U.S. research and development could well emphasize international cooperation and joint ventures to bring improved hydrogen technologies to the point of commercial demonstration.

Total energy systems

For years the natural gas industry promoted the total energy concept as a competitor to electricity. In a total energy system, fuel is used to generate electricity and/or mechanical energy, and the waste heat is used for space heating, water heating, and perhaps for absorption air-conditioning. The Caterpillar Tractor Co., for example, offers total energy installations based upon its diesel-electric generators plus heat recovery systems. Total energy systems for commercial buildings, apartment complexes, and industries can offer overall efficiencies approaching 70 percent. The technology exists for some immediate applications. Further research could make total energy more attractive by perfecting advanced heat storage techniques and by developing ways of balancing electric and heat loads within building systems. Some research and innovation in institutional arrangements are needed, such as alternative forms of ownership of total energy systems; use of backup in case of system failure; and use of heat or electricity produced in excess of the systems needs. Improved arrangements would permit full use of the output of total energy systems, attain the economies of scale in purchase, installation and maintenance of systems, and reduce the risk to energy users of major equipment failure.

Research for use of waste heat

The idea that heat rejected from one or another use of energy can be put to use for some other purpose is scarcely new. Farmers who kept their cattle in the ground floor of their farmhouses not only protected their animals against the elements but made use of their waste heat. What gives the use of waste heat fresh importance are the environmental impacts of discharging large amounts of heat into the environment and the prospects that use of some of this waste heat can save substantial amounts of fuel. Beneficial use of waste heat could also help to reduce the need for cooling towers and their associated financial and energy costs.

A concerted effort to use waste heat from the generation of electricity would raise tricky analytical questions. If the potential user wants higher temperature waste heat, how much could the utility increase the temperature before inefficiency in turbine operations negates the advantage of the by-product use? How would the costs of these inefficiencies be estimated and charged to the heat user? What capital investment would be required for modification of existing equipment? How would the needs of the user be matched against the operating schedules of the supplier? Shutdowns for maintenance or repair would deprive a waste heat user of this energy unless auxiliary furnaces or boilers were provided. All of these are more issues of economics, accounting and organization than of technology.

As with other alternatives, opportunities for conservation by use of waste heat will require improved analytical methods, institutional innovations and improved technologies. Most electric utilities are limited by their charters to the generation, distribution and sale of electricity. To what extent should utilities be permitted to invest in industries which could use their waste heat? Alternatively, what arrangements would make it attractive for other industries to use some of the waste heat from electric powerplants, or other sources of waste process heat? Research, development, and demonstration for physical and social technologies can increase the options for conservation through improved use of waste heat.

PROVIDING SOCIAL TECHNOLOGIES FOR ENERGY CONSERVATION

Energy conservation in both the short and long run will depend as much upon the quality and motivations of personal and organizational choices and behavior as upon demonstrated technological alternatives. Information for decisions, improved analytical tools, educational options, and Federal demonstration of new technologies are all aspects of the social technologies to be developed through research and analysis.

New analytical tools for energy conservation

Energy conservation decisions require quantitative information about costs and benefits. More work is needed to sharpen and refine concepts such as the tradeoffs between lifetime financial energy costs versus immediate outlays. Instrumentation and methodology is needed for energy flow analysis, for net energy accounting and perhaps even for energy budgeting. The Federal Government in its large scale operations could provide test beds to demonstrate such analytical methods and their value for management decisions affecting energy conservation.

An improved information base

Better information on current use of energy in different parts of commerce and industry is needed. As suggested earlier, one desirable step is an updating of the OST's analysis of potentials for energy conservation and perhaps setting up an energy information center that would keep up to date information on energy use.

Better information on the energy requirements of appliances, building systems and equipment is needed if voluntary and/or mandatory energy labeling programs are to be effective. One of the most difficult problems here is rating the energy requirements of personal automobiles. Driving habits and local driving conditions vary so widely that figures from present analyses often have little connection to actual performance.

Estimating the effects of energy conservation

Successful energy conservation by definition will reduce the demand for energy. However, those savings may bring social and economic side effects that may be undesirable and that should be anticipated and provided for indecisions for energy conservation. For example, conventional wisdom opts for lighter, smaller automobiles to save gasoline. They do save gasoline. But analytical concepts and methods are needed to assess with some confidence the likely effects of a substantial shift from large to small cars upon the automobile industry, its suppliers of materials and parts, and the marketing system for automotive products, including emission controls. Businessmen and workers in many parts of the industry may be hurt. What are the costs of energy conservation and who will shoulder these costs? Analysis and research are needed to anticipate and identify potential trouble spots in advance so that arrangements can be made to share the burden as an alternative to letting social and economic costs fall where they may. As energy conservation becomes more necessary, and perhaps even mandatory, it will become increasingly necessary to analyze its effect on the quality of life, including employment opportunities, working conditions, safety and protection of the environment.

Relation of rates, prices, and use of energy

Many recommendations for Government energy policy implicitly assume that as energy prices rise, there will be a drop in demand—in some instances, a significant drop. But as noted earlier, information and understanding of the price elasticity for various fuels and electricity is spotty and even contradictory. Some initial research and analysis have been done, but differences of opinion exist among the experts on how to properly formulate elasticity models. Substantially stepped up analysis and research is needed in economics and perhaps behavioral sciences to better understand conditions in which demand for energy is inelastic and to more accurately determine the elasticity of energy demand in general.

Social purpose pricing for energy

Proposals are frequently made that prices for fuels or rates for gas and electricity should be set by regulation to solve social problems, such as assuring the poor a fair share of energy supplies or increasing the prices for industry because industry can better afford to pay than the individual. These proposals are countered by assertions that rate and price setting should be solely economic and should not be used as a backdoor way of carrying out social programs. Needed is analysis to estimate the effects of social pricing of fuel demand and supply, and to determine the patterns of energy consumption according to income.[196]

Opinion research

Social science research on energy conservation could also include research about the public's views on energy conservation. Thomas Benham, president of Opinion Research Corporation, outlined the importance of such research in formulating a national policy for energy conservation and in revealing the extent of public awareness or concern about the energy shortage. It can identify what public priorities are for energy needs and tell what the public is willing to do. It can tell about the intensity of public feeling toward a particular issue or course of action. But this has yet to be accomplished for energy conservation. Although such research to date indicates the public is willing to do many things to reduce energy consumption, additional information about which actions would be more acceptable so large numbers of people could facilitate government efforts to promote energy conservation.

FOOTNOTES

[175] Seven years ago a panel of scientists and engineers convened by the National Academy of Sciences advised the Committee on Science and Astronautics about the role of Government in applied research. It said, in part: "* * * The task of Government is really to reduce the technical risks to the point where they could realistically be borne by smaller social points."

As for means to this end, the panel reported: "* * * But direct subsidy of research and development is only one of several methods available for spreading risks. Others include tax incentive allowance for the cost of independent research in the overhead of Federal procurement, guaranteeing to the seller a minimum size market for an inovative product, Government underwriting of price stability * * * guarantee by the Government of minimum performance standards to the purchaser * * *. The principle involved in each of these examples is that of maximum decentralization of the decision process, the custom having a strong incentive to make a sound and objective evaluation of the economics * * *."

Cf. U.S. Congress. House of Representatives. Committee on Science and Astronautics. Applied Science and Technological Progress, Government Printing Office, 1967, p. 33.

[176] The FPC proposes the classical thermodynamic availability approach as originally constructed by Gibbs and later developed by Keenan as the basis for such measurement of efficiency. Explaining this recommendation, the FPC said: "The measurement of the efficiency of energy used at the point of consumption can be based on comparing the thermodynamic availability actually consumed in operating a process with the minimum thermodynamic availability required to operate the process * * * one virtue of this method of measuring process efficiency, as a guide to conservation, is that thermodynamic availability can be wasted, lost or consumed whereas energy, strictly speaking, cannot. Consumption of thermodynamic availability in a process is, moreover, a direct measurement of the consumption of fuel to operate the process, irrespective to whether the fuel is consumed locally or at a remote site such as a powerplant."

Cf. U.S. Federal Power Commission. A Technical Basis for Energy Conservation, A staff report prepared by the Office of the Chief Engineer, Washington, D.C.: 1974, p. 28.

[177] Joint hearings, p. 589.

[178] Joint hearings, p. 1478.

[179] Joint hearings, pp. 660–661.

[180] Capital energy cost means the amount of energy required to supply the materials and to make and install the equipment. The concept is analagous to monetary capital cost.

[181] Joint hearings, p. 1803.

[182] Joint hearings, p. 1803. (See p. 74, supra.)

[183] Joint hearings, pp. 644–646.

[184] Joint hearings, p. 661.

[185] Joint hearings, p. 1478.

[186] Joint hearings, p. 1896.

[187] Joint hearings, p. 1898.

[188] Joint hearings, p. 589.

[189] The committees note that during recent hearings on research on ground propulsion systems by the Subcommittee on Space Science and Applications of the Committee on Science and Astronautics, Dr. Earnest N. Petrick, Chief Scientist of the U.S. Army Tank-Automotive Command, pointed out that the Department of Transportation is currently supporting studies to identify and demonstrate the technology required to achieve a 30-percent improvement in the fuel consumption of conventional passenger cars which could be installed by calendar year 1976. An additional DOT project is a quantitative evaluation of the feasibility of near-term production of the stratified charge engine and the lightweight diesel, both of which are highly favorable from an economy viewpoint.

[190] Joint hearings, p. 648.

[191] Joint hearings, p. 661.

[192] Joint hearings, p. 589.

[193] Joint hearings, p. 1478.

[194] On the other hand, net energy analysis of this idea is important to assure that the energy values of the synthetic fuels compare reasonably with the energy required to synthesize them.

[195] In the combined cycle, fuel is burned in a gas turbine and its hot exhaust directed into a steam generator to raise steam for a conventional turbine. This combination offers a higher efficiency than does conventional equipment.

[196] A study by the Washington Center for Metropolitan Studies in February 1974 concluded that poor people spend a larger proportion of their income for energy (oil, gas, electricity, gasoline), pay higher prices per unit, and cannot afford the costs of equipment for conserving it. To achieve fuel savings may therefore require subsidies for capital equipment (e.g., storm windows, insulation, etc.) where cost is a major obstacle. "Let Them Freeze in the Dark—Energy for the Poor," OEO pamphlet 6143-2, March 1974, pp. 5, 7.

The United States does not have a world corner on energy ideas and analyses. Recently the OECD—Organization for Economic Cooperation and Development—issued a report on energy research and development. It has a perceptive discussion of the efficient utilization and conservation of energy that I would like to share with you.

By way of introduction, the OECD reminds us that for the past several decades the exceptionally low prices paid for oil have caused industrial countries to use energy in ways that now seem profligate. Because energy was so cheap, there has been virtually no research aimed at improving the utilization of energy, and only recently has consideration been given to expanding research in Europe to conserve energy at the stage of final utilization. In approaching such research, it must be borne in mind that science and technology probably contributes less to energy conservation than to the production of energy. The attitude of the many and varied types of consumers is at least as important a factor, and indeed the decisive factor in the short term.

Looking at the household and commercial uses of conservation of energy in these sectors could be improved appreciably by various innovations. But it is especially in space heating and air conditioning that substantial amounts of energy can be saved. It is in these applications that solar energy is likely to be of considerable help during the next 10 years. While the OECD notes much the same opportunities for research in building materials and designs that are already familiar to the committee, it observed pointedly that most technologies affecting energy use in households and commerce already are far advanced. So the problem often is not so much to improve the technologies as to overcome the obstacles of all kinds which so far have impeded their large-scale application. So the behavior of energy users in the household and commercial sectors should be the subject of research.

Examples include importance attached to energy consumption in the selection of domestic appliances and heating systems as well as in the use of these appliances; the possibilities and limitations of replacing space heating and cooling by adapting clothing to temperature conditions; and the real effectiveness of illumination for advertising. Such research should make possible a better definition of the nature and modes of actions undertaken to inform and educate users.

As for the industrial sector, large savings can be achieved with existing technologies if these are incorporated into new plant design. The wider use of automatic controls, proper maintenance of equipment are examples of other options now at hand. Here again, the main problem consists in eliminating nontechnical obstacles which have so far hampered the introduction of better ways and means to use energy in industry.

While answering the question of what research to undertake will depend upon accurate energy analysis of various industrial processes, the OECD offers a few general approaches which this Committee will keep in mind as it examines ERDA's energy conservation research. These approaches include:

First. Recovery of heat and elimination of heat losses.

Second. New methods of heating and improvement of existing techniques.

Third. Development of production methods reducing the wastage of materials with a high energy value to a minimum.

Fourth. Development of manufacturing processes that require less energy.

Fifth. Development of materials and products which have a lower energy value.

Research into energy conservation in transportation is seen of particular importance because most of the mechanical energy used in transportation comes from oil and is used in engines which burn fuels with a relatively low thermodynamic efficiency. Engineering improvements to be sought include specific changes to the vehicle or control systems and methods of construction and maintenance of roadways and railways and terminals to reduce fuel consumption. Legislative measures mentioned by OECD include fuel allocations, vehicle acquisition and used restrictions, and vehicle taxation. Institutional factors to be examined include the relationships between governmental structure, transport companies, tax and regulatory policies, subsidies and international agreements. Engineering improvements via research and development include, for example, ways to reduce highway vehicle fuel consumption with improved highway design and traffic control, alternative powerplant design, and energy efficient highway construction and maintenance methods. OECD also sees promise for research into the diesel engine and the Sterling engine. A careful examination of the kinds of travel by mode and purpose could provide indication of where substantial energy conservation could be expected and a basis of longer range transport planning and development. Ways to reduce the demand for travel and transportation could also reduce demands for fuels and energy.

It is also imperative, to examine whether and to what extent some measures could be counter-productive and what their impact upon personal mobility and quality of life might be. For example, a move to smaller, lighter and less fuel-consuming automobiles probably would increase the chances of serious injury in collisions, while restrictions such as fuel rationing or driving bans will decrease personal mobility and freedom and adversely affect leisure industries, a major concern to States like Tennessee, which are dependent upon tourism as a major source of revenue.

For these reasons, and to overcome the limitations of basing policy transport developments on problems of single forms of transportation, it is desirable to fund research into various systems of energy utilization within the transport sector. These systems include urban transport, innercity transport, urban goods transport and the like. It would be desirable to examine how it is possible to meet the demand for people and goods while reducing total energy consumption through a better combination of the various individual and public means of transport. Similarly, the need exists to examine the possibilities of reducing the demand for travel through improved communications and goods delivery techniques.

These insights from the joint report of the Committees on Science and Technology, and Government Operations, and the recent OECD report will be useful to the Science Committee as it follows the organization and start up of ERDA's energy conservation research program. The opportunities for short term benefits are so great that we expect ERDA to move ahead with vigor and initiative. When faced with the choice between saving time and satisfying bureaucratic niceties, we expect ERDA to opt for the former.

For the next few years we will urgently need in ERDA the drive and concentration upon results that characterized the Manhattan project of World War II. We know that it generated bruised feelings, ulcers and short tempers, but it also gave this Nation in astonishingly short time the weapon that brought the Second World War to an end. As the Representative of Oak Ridge in the Congress, I am especially proud of this accomplishment. I believe we can emulate it in developing the technology for energy conservation, solar energy and geothermal energy. The budget we recommend is really the least our Nation can afford to do.

Mr. UDALL. Mr. Chairman, I would like to give my strong support for an amendment to this bill, which will be sponsored by Mr. COUGHLIN. It would postpone construction of the Clinch River breeder reactor and which would provide for the annual authorization of this portion of the ERDA budget.

Having chaired recent hearings on the liquid metal fast breeder—LMFBR—program before the Interior Committee's Subcommittee on Energy and the Environment, I have had an opportunity to examine the major issues of the breeder program.

These issues, Mr. Chairman, are of utmost national importance because they concern our energy future for generations to come. Recognizing that the LMFBR represents a potentially vast energy resource for thousands of years, I believe it is in the national interest that the breeder option be kept open. Under the Coughlin amendment, the LMFBR continues to be the Nation's No. 1 energy research and development priority.

What concerned many of us in the subcommittee during the course of our hearings were, first, strong conflicting testimony on the pace of breeder development and, second, the questionable quality of management and design of the Clinch River breeder demonstration plant. The ominous cloud hanging over these unresolved issues is the ultimate question of whether this Nation or any other nation wishes to take on the responsibility for safeguarding against the theft of weapons-grade plutonium which LMFBR's produce in large quantities. This question is an important public issue which will be extensively debated but should not be confused with the intent of the Coughlin amendment.

Mr. Chairman, the Coughlin amendment is a good-government amendment which provides the means for answering the unresolved issues presented in our hearings. It buys time to insure the Nation of having a breeder demonstration with a design which is environmentally and economically sound. The Clinch River plant, first estimated in 1973 to cost $700 million has escalated to $1.7 billion or more, the increment falling almost entirely on the Federal Government. Further cost overruns could plague the Clinch River project if there are too many design changes during construction—as has been the case of the fast flux test facility. Under the present arrangement, less than $300 million would be contributed to Clinch River by utilities. Yet the relationship between ERDA and the private sector has been in a state of flux and has not yet been clearly delineated. Congress needs to understand the nature of the contractual arrangements between the parties involved and the Coughlin amendment would accomplish that purpose.

Prof. David J. Rose of MIT, who is in favor of a strong nuclear program, has testified before the subcommittee that construction of the Clinch River breeder reactor (CRBR) should be delayed 1 to 2 years while carrying out a very substantial review of the design of this demonstration breeder. This recommendation is based on the premise that "a better program will come from a thorough review, that time exists for the work, and that the delay will not lead to the inadvertent dissolution of the present program."

I have no reason to believe that the breeder program would dissolve if the Clinch River program were delayed. On the contrary, careful management and design would give us a demonstration plant and commercial program we can have confidence in. Nor do I see an immediate urgency with proceeding with the breeder on a crash program basis. The existence of interim and alternative energy sources, reductions in the rate of increase in electricity demand, and an emerging national energy conservation ethic all point to the wisdom of orderly and timely demonstration of the LMFBR as a long-range energy option.

Mr. Chairman, let me conclude by saying that it would be a great mistake for anyone to construe this amendment as a showdown on nuclear power. Responsible government requires careful scrutiny of all major Federal programs—particularly those in the multibillion dollar category—and the LMFBR is no exception. I am certain that, with the adoption of this amendment, we will be able to focus intelligently on considering the breeder program in the Nation's energy mix, to reverse our mistakes of the past and to end up with a much better program. It is in this context, the spirit of good government practice, that I urge my colleagues to support the Coughlin amendment.

Mr. Chairman, I would like to give my support for an amendment to this bill to be sponsored by Messrs. MILLER, RICHMOND, TSONGAS, and WEAVER. The amendment would increase the solar energy budget from $143.7 million to $194.8 million. Last February, I submitted a statement to the Subcommittee on Energy Research, Development and Demonstration of the House Committee on Science and Technology that ERDA's budget request of $70 million for solar R. & D. for fiscal year 1976 was woefully inadequate. I am, therefore, delighted to see that the Committee has recommended doubling the request to $143.7 million. This I consider to be an important step in the direction of developing environmentally sound energy options and a balanced R. & D. program.

But I think we can do more. As my colleagues cosponsoring this amendment have so aptly stated, the further funding increases provided by the amendment are consistent with recommendations by two expert panels for an accelerated solar energy R. & D. program.

That such a program is in the national interest became very clear in recent testimony presented before the House Interior Committee's Subcommittee on Energy and the Environment, which I chair. Several of us on the subcommittee were struck with the variety and technological simplicity of solar options and the possibility that some may become economically competitive. The conventional wisdom that widespread deployment of solar electrical energy systems must await major breakthroughs and will not occur until well into the 21st century has been challenged.

Toward this end, and following the advice of many prominent citizens, I would like to recommend that ERDA allocate some of these funds to move beyond the R. & D. phase and to begin to demonstrate solar energy technologies. The sooner the Nation can support these demonstrations, the sooner we can move toward the widespread use of solar energy.

Mr. Chairman, I would like to reiterate my strong support for this amendment and urge my colleagues to vote in its favor. The investment is very small compared to the enormous potential benefits of solar energy.

Mr. BELL. Mr. Chairman, I rise in support of H.R. 3474, the 1976 authorization bill for the Energy Research and Development Administration. Passage of this legislation is especially important because the Congress has been slow to develop an effective national energy program.

As a member of both the subcommittees concerned with this bill, I fell we have reported sound legislation. The measure provides for the development of advanced technology in virtually every area of fossil and alternate energy.

I support this bill, however, with reservations about certain provisions. Funding levels approved for many of the nonfossil energy programs were more than double the administration's request. This generosity is unwise in view of our overwhelming budget deficit, and I am concerned that ERDA will have some problems handling these tremendous increases efficiently. I was especially disturbed that the moneys recommended for oil and gas extraction might be used in research areas where private industry has already spent millions of dollars; and twice I offered an amendment to reduce that funding level. I cautioned ERDA against duplicating such efforts; and I suggested that ERDA conduct a careful study of current technology in order to coordinate its programs with those of other Federal agencies. A contract has already been signed for one such study, and I assure you that the Committee intends to conduct extensive oversight of ERDA's programs.

Even with these reservations, Mr. Chairman, I feel this legislation is worthy of approval. The Committee's strong support of ERDA is an incentive to the full-scale development of our energy resources, so I urge my colleagues to join me in support of H.R. 3474.

Mr. PRESSLER. Mr. Chairman, I rise in support of the ERDA authorization bill before us which obligates $50.39 million for fiscal year 1976 to support the low-Btu gasification work of ERDA, and $63.36 million for fiscal year 1976 to support the high-Btu gasification work of ERDA. To close the growing gap between the demand and supply of natural gas, we must advance and use the technologies of producing a substitute natural gas from coal.

The principle objective of the ERDA high-Btu gasification program is the continued development of each of five different, but technically feasible, processes for the conversion of coal to high-Btu gas. The ERDA program recognizes the need to develop a suitable and compatible methanation process, to investigate the suitability of current state-of-the-art gasification systems, and to initiate support studies for the technology required to initiate the design of a demonstration plant and permit widespread commercial utilization of low-Btu gasification by the mid-1980's.

It is imperative that we further ERDA's work on fixed bed, entrained bed, and fluidized bed gasifiers. Different processes have been found to be optimum for different types of coal. Each of these processes involves unresolved problems. Only through a systematic approach which addresses itself to the resolution of the problems of each of the processes can the best process or processes be identified.

Mr. Chairman, I also wish to call your attention to the fine work that ERDA has planned in the area of low-Btu gasification. We should all support these efforts, because of the great benefits to be derived from low-Btu gas, especially in providing a substitute fuel for use in our Nation's electric generation plants.

Low-Btu gas from coal offers one of the most promising methods of using coal as a utility fuel in an economic and environmentally acceptable manner. The technology promises a higher conversion efficiency than high-Btu gasification.

Utilization of low-Btu gas from coal is extremely critical for the future of electrical power generation in the United States. The shortage of electrical energy that this Nation faces over the coming years is due, not to a lack of fuel resources, but rather to our inability to convert these resources economically to electric power in an environmentally acceptable manner. Furthermore, we find that restrictions on sulfuroxide emissions have created a need for new processes capable of converting high-sulfur coals economically to an acceptable power-plant fuel, while complying with established stack-emission regulations.

To help reduce any deficiency in our power generation capability the Committee on Science and Technology urges your support of the ERDA work on low-Btu gasification technology.

We urge your support of the ERDA program which is designed: First, to develop at the earliest possible date one or more gasifier systems which are economically applicable for the use of coal as a substitute for oil or natural gas for power generation and industrial use, and second, to provide development of advanced structural materials, sophisticated processing equipment and supporting processes.

We must vigorously support ERDA in its efforts to develop a process or processes to a point at which sufficient design and engineering data are available for industry to construct a commercial sized facility with acceptable risk.

Mr. SYMINGTON. Mr. Chairman, I rise in support of H.R. 3474, authorizing appropriations for the Energy Research and Development Administration for fiscal year 1976. My congratulations and appreciation go to Congressmen Mike McCormack, Ken Hechler, members of the Joint Committee on Atomic Energy, and their hardworking staffs who labored long hours to combine the nuclear and nonnuclear portions of this bill into a viable and constructive whole.

Although there are many aspects of this legislation which could be singled out for their importance in the pursuit of our goal of energy independence, particularly the increases in funding for solar energy research and energy conservation, I would like to focus the attention of the members on the basic research provisions of the bill relating to the materials and molecular sciences and to the section specifying expenditures for scientific and technical education.

As we expand our energy research programs, it is essential that we maintain our search for new knowledge, knowledge that will broaden our horizons and increase our options in solving technological problems. Science Education and Physical Research play that role. The Committee on Science and Technology, having been a strong supporter of basic research and science education for many years, has authorized an increase of about 5 percent in total physical research funding for ERDA this year. This increase will enable ERDA to expand its physical research program which, under the Atomic Energy Commission, was primarily devoted to high energy physics and nuclear science.

Consistent with the broader energy research responsibilities of ERDA, encompassing both nuclear and nonnuclear energy research, the fiscal year 1976 program will include additional research in the materials and molecular sciences in areas which will be supportive of ERDA's nonnuclear applied programs. These sciences straddle the gulf between basic and applied activities by expanding the base of our knowledge of materials properties and chemical and physical phenomena important to all energy systems and to the economy as a whole. Some materials research areas which may be moved forward by this program include: Materials problems associated with advanced energy technologies; secondary and tertiary oil recovery; materials resistant to high temperatures, high pressures and corrosive atmospheres; and resource recovery and recycling technologies. Other important areas which come to mind are composites, use of which can conserve materials and open up new areas of use; substitution, which can improve management flexibility and promote optimum use of our energy materials; and corrosion, which currently may be costing the Nation an estimated $10 to $20 billion per year.

Turning to the molecular sciences, the committee felt it was important to upgrade our knowledge of such important areas as "photochemistry underlying production of fuels from sunlight, basic chemical reactions related to nonpolluting conversion of fossil fuels from one form to another—as in coal gasification and liquefaction—chemical dynamics of energy related systems, and the development of mathematical modeling and other computational techniques for analyzing complex technical systems." The committee's recommendations for research in the molecular sciences for fiscal year 1976 is $49.3 million; for the materials sciences, it is $55.3 million.

I am especially pleased with the committee's actions with respect to scientific and technical education. As you know, the Science Committee has consistently advocated a strengthening of the science education programs within the National Science Foundation, and in recent years, again with the committee's encouragement, the NSF has taken the lead in energy-related science education programs. I am gratified to note that the NSF programs have served as a useful model for ERDA in setting up its scientific and technical education program, and that the committee has encouraged ERDA to cooperate with the NSF in this endeavor. We must be aware of the manpower needs which new energy technologies will present to us. We will need not only scientists to improve basic knowledge of energy systems, but we will need engineers to design and construct the machinery and technicians to maintain it. The committee has emphasized "that the program should encompass all energy-related education and training for nonnuclear technologies such as vocational training, undergraduate education, graduate and postdoctoral education, and retraining of scientists and technicians." Further, the committee has directed ERDA to prepare a plan for instituting a comprehensive program of scientific education and training to be submitted to the committee for review. I applaud the committee's action in authorizing $5 million for this important program in fiscal year 1976.

Mr. DOWNING of Virginia. Mr. Chairman, as we well know, coal is our most plentiful domestic fuel resource. Increasing quantities of coal or coal-derived products will be needed for electric utility and industrial boilers, refinery feedstocks, and pipeline gas distribution systems. Projections made by the U.S. Department of the Interior indicate that our country may have to at least double, by 1985, its utilization of coal in all forms. But accelerated use of coal needs timely resolution of many potential problems. The knowledge base for most aspects of the process of coal utilization, from resource extraction to end use, is not adequate for the fossil fuel industry in all its parts to meet the challenge before it.

Of major importance is the extraction of coal, its conversion to liquids and gases, its direct combustion, and its utilization in advanced powerplants. The study of the fossil fuel cycle for fossil fuels, and particularly coal with all its interrelations with the rest of our energy system, must be greatly accelerated to meet all of our national objectives.

LONG-TERM OBJECTIVE

The long-term objective of the coal research, development, and demonstration program is:

First. To be able to mine the coal needed at acceptable social and economic costs, and

Second. To deliver to the country the technical capability to make coal-derived fuels available in whatever form and quantities needed by the marketplace. This includes chemical feedstocks, various types of gases and liquids, and clean solids, suitable for combustion or metallurgical uses. Generally, when converting coal to another fuel form, the temperature has to be raised and hydrogen added. There are many possible technical ways to accomplish conversion. The products of conversion, whether they are gases, liquids, or solids, do not come in rigid proportions, but depend on characteristics of the material and particular technology employed. Desirous in the long term would be a coal refinery that produces a mixture of products that vary with market needs and characteristics of input material, much like a major oil refinery. But this is a complicated, integrated technological development. Such a coal-processing scheme is presently not available. But having this goal in mind can help us assess the energy system of the country today, the quantity and quality of the fuel needed, where supply and demand deficits appear, and what impact coal might eventually make.

NEAR-TERM OBJECTIVES

Our objective, of necessity, must be to accelerate the capability to extract and utilize coal. Existing technology cannot be relied upon to make available the quantities of coal required at acceptable economic, environmental, and social costs. The trend of falling coal productivity must be reversed. Also, we cannot rely upon surface mining to supply the vastly increased amounts of coal required. We have to rely on underground mining to a large extent, both in the East and in the West.

Our objective under ERDA must be to provide a fuel substitute from coal for a portion of the higher grade oil and gas now used in industrial heating processes. The difference between supply and demand for natural gas and oil products in their higher priority uses could be significantly reduced by such substitution. Based on data on hand at the present time, it appears that the production from coal of a boiler heating fuel, whether gaseous, liquid, or refined solid, may provide the lowest cost, clean fuel from coal using the simplest technical systems. This is why a significant emphasis belongs to the provision of substitute fuels for existing boilers and industrial process, and substitute fuels for new electric powerplants and industrial heating processes.

The construction of existing technology, fixed bed, or entrained flow gasifiers, will most likely lead to other technical problems that range from coal feeding difficulties to new questions that concern environmental impacts and environmental effluent processes. These are not well enough known to permit immediate programs of action. This is why the programs that are being emphasized in the ERDA authorization will continue to change as technology overcomes immediate obstacles and uncovers new problems.

The solvent refined coal process, for example, is underway to produce a boiler heating fuel in the near future. If the present efforts are successful, an early demonstration of a clean fuel coal plant, at the pioneer plant scale, could occur using this process.

LOW-BTU GASIFICATION

In addition to efforts to produce boiler fuel, improvements to low-Btu gasification processes are needed. New fluidized bed technology and improvements in older fixed bed technology offer economic opportunities as well as improved techniques for hot gas clean-up. The next level of improvement of low-Btu gasification is said to be the pressurization of the gasifier so that the fuel gas can be expanded through a gas turbine and the gas turbine coupled with a conventional steam boiler. Such a combined-cycle powerplant has the potential of increasing the present overall thermal efficiency of conversion to electricity by a factor of 25 percent. Much of the gasifier development work in high-Btu is useful in moving the low-Btu gasifier program forward.

HIGH-BTU GASIFICATION

The high-Btu gasification program, which is furthest along technologically of all the programs, should be pursued with vigor. The best process or a combination thereof will be used to design a demonstration plant. Construction of such a plant has been targeted to begin within the next 2 years.

DIRECT COMBUSTION

The most efficient way to utilize coal is by its direct combustion and any process to upgrade coal requires the expenditure of energy. Thus, the highest overall efficiency of coal utilization is direct burning. Processes to permit combustion in fluidized bed boilers have a high potential payoff and should be pursued.

Our committee has carefully and thoroughly reviewed the ERDA authorization with the goals I spoke of in mind.

Mr. Chairman, I urge our fullest and most vigorous support for research, development, and demonstration of the ERDA coal technology program.

Ms. HOLTZMAN. Mr. Chairman, I oppose H.R. 3474, the Energy Research and Development Administration authorization.

We are in the midst of an energy crisis. As part of our effort to combat that crisis, we must make a major investment in research into new sources of energy. The bill before us today, which contains this Nation's chief energy research programs, shows no such commitment.

H.R. 3474, while purporting to fund energy research, actually allocates 42 percent of its moneys for military uses. According to an analysis prepared for me by the Budget Committee staff, the bill would spend approximately $2.5 billion for nuclear weapons. At a time when this country has overwhelming nuclear superiority, and when the SALT talks are supposed to be leading to a reduction in such weapons, I do not believe this expenditure is necessary. The $2.5 billion, of course, is in addition to the $30 billion which this House authorized for military procurement and research and development several weeks ago.

In addition, the bill contains $600 million for general science, space, and technological research. While these expenditures may, in fact, be justified, they are not for energy. In fact, less than half of the $5.9 billion in this bill is for civilian energy research. It should not be represented to the Congress and the American public as an energy bill.

Finally, more than 75 percent of the funds in this bill will go for nuclear fission research and development. In my opinion, this is an unwise and unjustified concentration on nuclear power, and fission in particular. Producing electricity from nuclear fission poses a number of serious problems:

The disposal of deadly, long-lasting radioactive wastes;

The possible theft of nuclear materials, and their use against the population by terrorists;

The safety of nuclear plants themselves;

The enormous cost of developing, constructing, and providing safeguards for nuclear powerplants; and

The long leadtime needed to get nuclear plants into operation.

The liquid metal fast breeder reactor—LMFBR—project illustrates these problems graphically. It runs on plutonium, which produces wastes that remain lethal for hundreds of thousands of years. A mere 10 pounds of plutonium could be fashioned into a crude bomb, and microscopic amounts can be fatal to large numbers of people. Some scientists have alleged that a breeder reactor could actually explode. The cost of the program has skyrocketed from a projected $3.3 billion to $10.7 billion today. Because solutions to these problems are not in sight, there is no way to tell when, if ever, breeder reactors will begin to contribute to our energy supply. For these reasons, I oppose the breeder reactor.

It is possible that the problems posed by nuclear energy can be resolved. Until they are, however, I believe we should make a substantial effort to develop alternative energy sources such as nuclear fusion, solar, and geothermal energy.

Our failure to invest adequately in the development of such alternative sources in the past has contributed to the present energy crisis. Last year, for example, I objected to the AEC authorization because 42 percent of the funds requested were for nuclear weapons, yet this year's bill provides the same percentage for that purpose. For the past several years, 70 to 75 percent of energy research funds have gone into nuclear fission—as they do this year.

I do not believe we should continue the errors of the past. I cannot support this bill which would continue to spend most of our energy funds on nuclear fission, and most of those funds on weapons.

PARLIAMENTARY INQUIRY

Mr. TEAGUE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. TEAGUE. Mr. Chairman, it has been promised by the leaders that we would rise at 6:30. That would not give the gentleman from Pennsylvania (Mr. COUGHLIN) his full 10 minutes.

May I suggest that we either rise now, or that the gentleman would not take his time now, since the leadership had promised that we would rise at 6:30.

Mr. COUGHLIN. Mr. Chairman, if the gentleman will yield, I would be happy to take my time tomorrow, if that is satisfactory, so that the committee can rise at once.

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Texas for the purpose of making such a motion?

Mr. COUGHLIN. I do. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROUSH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks, and include extraneous matter, on the bill H.R. 3474 under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CRIME—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-191)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and referred to the Committee on the Judiciary and ordered to be printed:

To the Congress of the United States:

I address this message to the Congress on a subject that touches the lives of all Americans: crime.

Two months ago, at the celebration of the 150th anniversary of the Yale Law School, I spoke about law and respect for the spirit of the law.

Law makes human society possible. It pledges safety to every member so that the company of fellow human beings can be a blessing instead of a threat. It is the instrument through which we seek to fulfill the promise of our Constitution: "to insure domestic tranquility."

But America has been far from successful in dealing with the sort of crime that obsesses America day and night—I mean street crime, crime that invades our neighborhoods and our homes—murders, robberies, rapes, muggings, holdups, breakins—the kind of brutal violence that makes us fearful of strangers and afraid to go out at night.

I sense, and I think the American people sense, that we are facing a basic and very serious problem of disregard for the law. Because of crime in our streets and in our homes, we do not have domestic tranquility.

Ever since the first Presidential message on crime, in 1965, strenuous Federal efforts, as well as State and local initiatives, have been undertaken to reduce the incidence of crime in the United States. Yet, throughout this period, crime has continued to increase. Indeed, the Federal Bureau of Investigation's latest estimates are that the rate of serious crime—murder, forcible rape, robbery, aggravated assault, burglary, larceny and auto theft—was 17 percent higher in 1974 than in 1973. This is the largest increase in the 44 years the Bureau has been collecting statistics.

Since 1960, although billions of dollars have been spent on law enforcement programs, the crime rate has more than doubled. Moreover, these figures reflect only the reported crimes. A study of unreported crime sponsored by the Law Enforcement Assistance Administration indicates that the actual level of crime in some cities is three to five times greater than that reported.

More significantly, the number of crimes involving threats of violence or actual violence has increased. And the number of violent crimes in which the perpetrator and the victim are strangers has also increased. A recent study indicates that approximately 65 percent of all violent crimes are committed against strangers.

The personal and social toll that crime exacts from our citizens is enormous. In addition to the direct damage to victims of crime, violent crimes in our streets and in our homes make fear pervasive.

In many areas of the country, especially in the most crowded parts of the inner cities, fear has caused people to rearrange their daily lives. They plan shopping and recreation during hours when they think the possibilities of violent attacks are lower. They avoid commercial areas and public transit. Frightened shopowners arm themselves and view customers with suspicion.

The individual, political and social costs of crime cannot be ignored. They demand our attention and coordinated action. With the firm support of the American people, all levels of government—Federal, State and local—*must* commit themselves to the goal of reducing crime.

For too long law has centered its attention more on the rights of the criminal defendant than on the victim of crime. It is time for law to concern itself more with the rights of the people it exists to protect.

In thinking about this problem, I do not seek vindictive punishment of the criminal, but protection of the innocent victim. The victims are my primary concern. That is why I do not talk about law and order and why I turn to the Constitutional guarantee of domestic tranquility. The emphasis in our efforts must be providing protection for the victims of crime.

In this message I shall address myself to what I believe the Federal government can and should do to reduce crime. The fact is, however, that the Federal role in the fight against crime particularly violent crime, is a limited one.

With few exceptions, the kinds of crimes that obsess America—murders, robberies, rapes, muggings, hold-ups, breakins—are solely within the jurisdiction of State and local governments. Thus, while the programs that I will propose in this message will, if enacted, contribute to a safer America, the level of crime will not be substantially reduced unless State and local governments themselves enact strong measures.

I see three ways in which the Federal government can play an important role in combating crime:

First, it can provide leadership to State and local governments by enacting a criminal code that can serve as a model for other jurisdictions to follow and by improving the quality of the Federal criminal justice system.

Second, it can enact and vigorously enforce laws covering criminal conduct within the Federal jurisdiction that cannot be adequately regulated at the State or local level.

Third, it can provide financial and technical assistance to State and local governments and law enforcement agencies, and thereby enhance their ability to enforce the law.

I. PROVIDING LEADERSHIP

Law Enforcement in a democratic society depends largely upon public respect for the laws and voluntary compliance with them. We do not have and do not want a police state. Respect and compliance are undermined if individuals conclude that law enforcement efforts are ineffective and that crimes may be committed with impunity—conclusions which are buttressed by rapidly rising crime rates and by statistics showing only one arrest for every five serious crimes committed.

A decline in respect for the law leads to the commission of more crimes. The necessity to investigate these additional crimes, prosecute those accused, and punish those convicted places even greater strain on the already overburdened capacities of police, prosecutors, public defenders, courts, penal institutions and correctional authorities. As a consequence, the percentage of offenders apprehended, prosecuted and appropriately sentenced is further reduced. This leads to an even greater decline in respect for the law and to the commission of even more crimes. To succeed in the effort to reduce crime, we must break this spiral.

There are two direct ways to attack the spiral of crime. One is through improvements in the law itself. The other is through improvement of the criminal justice system so that it functions more swiftly, surely and justly.

Federal criminal laws should be a model upon which State and local governments can pattern their own laws. At the present time, they are not. These Federal statutes developed haphazardly over the decades. They have been revised here and there in response to changing judicial interpretation. They are complicated, and sometimes conflicting, leaving gaps through which criminal activity too often slips unpunished. Because of their complexity, the laws invite technical arguments that waste court time without ever going to the heart of the question of the accused's guilt or innocence.

For several years, the Federal government has engaged in a massive effort to reform the Federal criminal laws into a uniform, coherent code. The product of this effort was recently introduced in Congress, with wide bipartisan support, as S. 1, the "Criminal Justice Reform Act of 1975."

Since it covers every aspect of criminal law, some of the proposals in this Act have stirred controversy and will undoubtedly precipitate further debate. For instance, concern has been expressed that certain provisions of the bill designed to protect classified information could adversely affect freedom of the press. While we must make sure that national security secrets are protected by law, we must also take care that the law does not unreasonably restrict the free flow of information necessary to our form of government. Responsible debate over this and other provisions of S. 1 will be very useful. Issues can be clarified and differing interests accommodated.

I think everyone will agree, however, that comprehensive reform of the Federal criminal code is needed. Accordingly, as a legislative priority in the Federal effort against crime, I urge the 94th Congress to pass the kind of comprehensive code reform embodied in the Criminal Justice Reform Act.

In connection with this overall effort, let me suggest some specific reforms I believe essential.

The sentencing provisions of current Federal law are, in my judgment, inadequate in several respects, often erratic and inconsistent. Defendants who commit similar offenses may receive widely varying sentences. This lack of uniformity is profoundly unfair and breeds disrespect for the law.

The revision of the criminal code should restore a sense of consistency in sentencing, so that the fine or term of imprisonment imposed by the law relates directly to the gravity of the offense. For example, criminal fines are woefully inadequate and provide little deterrence to offenders whose business *is* crime—a business profitable enough to support current levels of criminal fines as an ordinary business expense. Other than under the antitrust laws, the maximum fine which can be imposed on serious violators is usually $10,000. That amount is too often not commensurate with the crime. The maximum level should be increased to $100,000, if the defendant is an individual, and $500,000, if the defendant is an organization.

The sentencing provisions of the proposed code should be modified to provide judges with standards under which prison sentences are to be imposed upon conviction. Imprisonment too seldom follows conviction, even for serious offenses. It is my firm belief that persons convicted of violent crime should be sent to prison. Those who prey on others, especially by violence, are very few in number. A small percentage of the entire population accounts for a very large proportion of the vicious crimes committed. Most serious crimes are committed by repeaters. These relatively few persistent criminals who cause so much worry and fear are the core of the problem. The rest of the American people have a right to protection from their violence.

Most of the victims of violent crimes are the poor, the old, the young, the disadvantaged minorities, the people who live in the most crowded parts of our cities, the most defenseless. These victims have a valid claim on the rest of society for protection and personal safety that they cannot provide for themselves; in a phrase, for domestic tranquility.

Imprisonment too seldom follows conviction for a felony. In the 1960's, crime rates went higher, but the number of criminals in prison, state and federal, actually went down. A study of one major jurisdiction showed that of all convicted robbers with a major prison record, only 27% were sent to prison after conviction.

There should be no doubt in the minds of those who commit violent crimes—especially crimes involving harm to others—that they will be sent to prison if convicted under legal processes that are fair, prompt and certain.

I propose that incarceration be made mandatory for (1) offenders who commit offenses under Federal jurisdiction using a dangerous weapon; (2) persons committing such extraordinarily serious crimes as aircraft hijacking, kidnapping, and trafficking in hard drugs; and (3) repeat offenders who commit Federal crimes—with or without a weapon—that cause or have a potential to cause personal injury. Exceptions to mandatory imprisonment should apply only if the judge finds and specifies in writing one or more of the following: that the defendant was under 18 when the offense was committed, or was mentally impaired, or was acting under substantial duress, or was implicated in a crime actually committed by others and participated in the crime only in a very minor way. I have asked the Attorney General to assist the Congress in drafting this modification to the sentencing provisions of S. 1. Since most violent crime is in the jurisdiction of State and local criminal courts, I call upon the States to establish similar mandatory sentencing systems. Too many persons found guilty of serious, violent crimes never spend a day in prison after conviction.

I would emphasize that the aim of this program of mandatory imprisonment is not vindictive punishment of the criminal, but protection of the innocent victim by separating the violent criminal from the community. These victims—most of whom are old or poor or disadvantaged—have a valid claim on the rest of society for the protection and the personal safety that they cannot provide for themselves.

Reasonable mandatory minimum sentences can restore the sense of certainty of imprisonment upon which the deterrent impact of criminal law is based. Mandatory sentences need not be long sentences; the range of indeterminacy need not be great. In fact, wide disparities in sentences for essentially equivalent offenses give a look of unfairness to the law. To help eliminate that unfairness, Federal appeals courts should be given some authority to review sentences given by Federal trial court judges—to increase or reduce them so that the punishments will be more nearly uniform throughout the Federal system. I am also asking the Attorney General to review this problem to ensure that the Federal sentencing structure, which is now based on the indeterminate sentence, is both fair and appropriate. Among other things, it may be time to give serious study to the concept of so-called "flat time sentencing" in the Federal law.

In addition to reform of the criminal law, we must improve the manner in which our criminal justice system operates. Effective deterrence to law-breaking is currently lacking, in part because our criminal justice system simply does not operate effectively.

A logical place to begin discussion of such improvement is the prosecutor's office, for it is there that important decisions are made as to which offenders should be prosecuted, what cases should be brought to trial, when plea bargains should be struck and how scarce judicial resources should be allocated. Many prosecutors' offices currently lack the manpower or management devices to make those decisions correctly. Prosecutors often lack information on a defendant's criminal history and thus cannot identify habitual criminals who should be tried by experienced prosecutors and, if convicted, sent to prison. In too many cases, they lack efficient systems to monitor the status of the numerous cases they handle. If improved management techniques could be made available to prosecutors, the likelihood of swift and sure punishment for crime would be substantially increased.

At the Federal level, last September I directed the Department of Justice to develop and implement a program to deal with career criminals, with the objectives of (1) providing quick identification of persons who repeatedly commit serious offenses, (2) according priority to their prosecution by the most experienced prosecutors, and (3) assuring that, if convicted, they receive appropriate sentences to prevent them from immediately returning to society once again to victimize the community.

Programs to deal with habitual criminals will be encouraged at the State and local levels through the use of the Law Enforcement Assistance Administration model programs and discretionary grants already underway.

To illustrate the nature of this problem, let me point out that in one city over 60 rapes, more than 200 burglaries, and 14 murders were committed by only 10 persons in less than 12 months. Unfortunately, this example is not unique.

The results of a repeat offender project recently launched in the Bronx County District Attorney's Office, City of New York, are hopeful. The first year's experience showed a 97 percent felony conviction rate and a reduction of time in case disposition from an average of 24 months to an average of 3 months. In addition, prison sentences resulted in 95 percent of the career criminal cases prosecuted.

A second improvement in the criminal justice system may be obtained by diverting certain first offenders—not all, but some—intc rehabilitation programs before proceeding to trial. The Department of Justice has begun a pilot program of this kind designed to achieve two important goals. First, it will seek to reduce the caseloads of Federal courts and prosecutors through expeditious treatment of offenders who are good prospects for rehabilitation. Second, it will seek to enable the offenders who successfully satisfy the requirements of the diversion programs to avoid criminal records and thus increase the likelihood that they will return to productive lives.

Experimentation with pretrial diversion programs should continue and expand. However, careful efforts must be taken to prevent these programs from either treating serious offenders too leniently, or, on the other hand, violating defendants' rights. By coupling this pretrial diversion program with a mandatory term of imprisonment for violent offenders, we will make sure that offenders who deserve to go to prison will go to prison. At the same time, those who may not need imprisonment will be dealt with quickly and in a way that minimizes the burden on the criminal justice system.

The criminal and civil caseloads in trial and in appellate courts have grown over the years, while the number of judges assigned to handle those cases has not kept pace. In 1972, the Judicial Conference of the United States recommended the creation of 51 additional Federal District Court judgeships in 33 separate judicial districts across the country. Senate hearings on legislation incorporating this proposal were conducted in 1973. To date, however, the legislation has not been scheduled for floor action. The increasing needs of the Federal courts make this measure an urgent national necessity of a nonpartisan nature—for justice delayed is too often justice denied. In addition, seemingly technical but important reform in the Federal criminal justice system can be achieved by expanding the criminal jurisdiction of United States Magistrates. This reform will enable the relatively small number of Federal judges to focus their efforts on the most significant criminal cases. The Criminal Justice Reform Act contains a provision that will achieve that result, and I am giving it my specific support.

When a defendant is convicted, even for a violent crime, judges are too often unwilling to impose prison sentence, in part because they consider prison conditions inhumane. Moreover, a cruel and dehumanizing penal institution can actually be a breeding ground for criminality. In any case, a civilized society that seeks to diminish violence in its midst cannot condone prisons where murder, vicious assault and homosexual rapes are common occurrences.

The Federal Bureau of Prisons has embarked on a program to replace large, outdated prisons with smaller, more modern ones. The Bureau has seven new corrections institutions of this sort under construction. All are designed to be civilized places that can be governed effectively by the wardens and correctional officers rather than by the most brutal and inhuman prisoners. In addition, the Bureau is opening new institutions in three major cities to replace overcrowded, antiquated local jails which formerly housed Federal prisoners awaiting trial. The program to improve Federal prisons must be paralleled by State efforts, because the problem of decrepit prison facilities that are hothouses of crime is worst at the State and local level. Unless prisons are improved, many judges will only reluctantly commit convicted offenders to them, even if they are guilty of serious crimes and have previous criminal records.

I know that grave questions have been raised by qualified experts about the ability of the corrections system to rehabilitate offenders. These are important and serious questions. They go to the very heart of the corrections system. While the problem of criminal rehabilitation is difficult, we must not give up on our efforts to achieve it, especially in dealing with youthful offenders. Crime by young people represents a large part of crime in general. The 1973 statistics indicate that 45 percent of persons arrested for all crimes are under 18 years of age. Whatever the difficulty, we must continue our efforts to rehabilitate offenders, especially youthful offenders. To do less would be to write off great numbers of young people as unsalvageable before they have even come of age. I have directed the Attorney General, as Chairman of the Cabinet Committee on Crime Prevention and Rehabilitation, to work in close cooperation with the Secretary of Labor, the Secretary of Health, Education, and Welfare and other concerned agencies of the executive branch to insure that the Federal Government is making the best possible use of its resources in this crucial area.

Whatever the corrections system might accomplish in rehabilitating offenders while they are in prison will be lost if the individual leaves prison and cannot find a job, simply because he has been convicted of a crime. I urge employers to keep an open mind on the hiring of persons formerly convicted of crimes. The U.S. Civil Service Commission currently administers a program designed to prevent Federal employers from unjustly discriminating against ex-felons. I am directing the Commission to review this program to insure that it is accomplishing its objectives. I am also calling on the National Governors Conference to consider steps the States can take to eliminate unjustified discriminatory practices. Giving ex-offenders who have paid their penalty and seek to "go straight" a fair shake in the job market can be an effective means of reducing crime and improving our criminal justice system.

In addition to this general effort to reform and improve the criminal justice system, the Federal law should be specifically revised to take into greater account the needs of victims of crime. They, as well as the general public, must be made aware that the Government will not neglect the law-abiding citizens whose cooperation and efforts are crucial to the effectiveness of law enforcement.

I urge the Congress to pass legislation to meet the uncompensated economic losses of victims of Federal crimes who suffer personal injury. In order to promote the concept of restitution within the criminal law, the monetary benefits should come from a fund consisting of fines paid by convicted Federal offenders.

II. BETTER LAWS AND ENFORCEMENT

As I pointed out initially, except in limited circumstances, street crime is a State and local law enforcement responsibility. There is a dimension to this problem, however, that cannot be adequately dealt with on just the State and local levels. Criminals with handguns have played a key role in the rise of violent crime in America. Hundreds of policemen have been killed in the past decade through the use of handguns by criminals. The most effective way to combat the illicit use of handguns by criminals is to provide mandatory prison sentences for anyone who uses a gun in the commission of a crime.

In addition, the Federal Government can be of assistance to State and local enforcement efforts by prohibiting the manufacture of so-called Saturday Night Specials that have no apparent use other than against human beings and by improving Federal firearms laws and their enforcement.

At the same time, however, we must make certain that our efforts to regulate the illicit use of handguns do not infringe upon the rights of law abiding citizens. I am unalterably opposed to Federal registration of guns or the licensing of gun owners. I will oppose any effort to impose such requirements as a matter of Federal policy.

Nonetheless, we can take steps to further guard against the illicit use of handguns by criminas.

Current Federal gun laws should be revised to provide that only responsible, *bona fide* gun dealers be permitted to obtain Federal licenses to engage in the business of selling firearms. Licenses to sell firearms should also be withheld from persons who have violated State laws, particularly firearms laws. Additional administrative controls over the sale of handguns, including a ban on multiple sales, will help to establish dealer responsibility in stopping illicit gun trafficking. A waiting period between the purchase and receipt of a handgun should be imposed to enable dealers to take reasonable steps to verify that handguns are not sold to persons whose possession of them would be illegal under Federal, State or applicable local laws.

Second, I have ordered the Treasury Department's Bureau of Alcohol, Tobacco and Firearms, which has primary responsibility for enforcing Federal firearms laws, to double its investigative efforts in the Nation's 10 largest metropolitan areas. This action will assist local law enforcement authorities in controlling illegal commerce in weapons. I have directed, therefore, that the Bureau of Alcohol, Tobacco and Firearms employ and train an additional 500 investigators for this priority effort.

Third, the domestic manufacture, assembly or sale—as well as the importation—of cheap, highly concealable handguns should be prohibited. These so-called *"Saturday Night Specials"* are involved in an extraordinarily large number of street crimes. Most have no legitimate sporting purpose. They are such a threat to domestic tranquility that we should eliminate their manufacture and sale entirely.

These recommendations go to the very heart of the problem of handgun abuse. If enacted, they should add significantly to the efforts of State and local law enforcement authorities to prevent the criminal use of handguns.

There are several other areas in which Federal law and enforcement can be improved to strike at those who have made crime a business.

The leaders of organized crime can be prosecuted under current Federal law only when it can be shown that they participated in a specific offense, such as gambling, loansharking or narcotics. A reformed criminal code should strike directly at organized criminal activity by making it a Federal crime to operate or control a racketeering syndicate. This revision will make the criminal law apply to organized crime leaders who seek to conceal their role in the syndicate's criminal activities.

Since current Federal laws restrict the Government's ability to attack consumer frauds, the statutes punishing fraud and theft should be revised to make Federal prosecution more effective. Pyramid sales schemes—clever confidence games, in other words—should be specifically prohibited. Federal jurisdiction over these frauds should be extended to enable the Government to move against them on a nationwide basis.

The protection of constitutionally guaranteed civil rights is a primary duty of the Federal Government. Yet, a private citizen can be punished for violating constitutional rights only if he acted in concert with others. Under current law, even if a State official intentionally commits acts that violate an individual's constitutional rights, proof of these acts alone may be insufficient to secure a conviction. Restrictions which prevent our laws from protecting the constitutional rights of Americans should be eliminated.

I am particularly concerned about the illegal trafficking in narcotics and dangerous drugs. These crimes victimize the entire Nation, bringing personal tragedy and family destruction to hundreds of thousands. In addition to the human toll, the property crimes committed to finance addicts' drug habits are estimated at $15 billion each year.

Federal, State and local governments must continue their vigorous law enforcement efforts aimed at major traffickers in narcotics and dangerous drugs. This Administration is committed to maintaining a strong Federal Drug Enforcement Administration to provide leadership in this fight. At the same time, I continue to recognize our responsibility to provide compassionate treatment and rehabilitation programs for the hapless victim of narcotics traffickers.

Recent evidence suggests an increase in the availability and use of dangerous drugs in spite of the creation of special Federal agencies and massive Federal funding during the past six years. I am deeply concerned over these developments and have, therefore, directed the Domestic Council to undertake a comprehensive review and assessment of the overall Federal drug abuse prevention, treatment and enforcement effort to ensure that our programs, policies and laws are appropriate and effective.

Finally, white-collar crime is taking an increasing toll in terms of financial and social costs. The United States Chamber of Commerce recently reported that in 1974 white-collar crime cost the public approximately $40 billion, excluding the costs of price-fixing and industrial espionage. In addition to direct economic losses, white-collar crime can destroy confidence in and support for the nation's economic, legal and political institutions. In recognition of the gravity of the impact of white-collar crime, I have directed the Attorney General to undertake new initiatives to coordinate all Federal enforcement and prosecutorial efforts against white-collar crime.

III. PROVIDING FINANCIAL AND TECHNICAL ASSISTANCE

The Federal government must continue to help State and local governments in carrying out their law enforcement responsibilities. Therefore, I will submit to Congress a bill that will continue the Law Enforcement Assistance Administration through 1981.

The LEAA annually provides millions of dollars of support to State and local governments in improving the overall operation of their criminal justice systems. Additionally, the LEAA serves as a center for the development of new ideas on how to fight crime. Examples of several LEAA innovations have already been noted in this Message. The bill that I will submit will authorize $6.8 billion for LEAA to continue its work through 1981.

Several aspects of the reauthorization bill deserve special mention. It will increase the annual funding authorization for LEAA from $1.25 billion to $1.3 billion. The additional $250 million over five years will enable the agency's discretionary program to place greater emphasis on programs aimed at reducing crime in heavily populated urban areas. It is in these areas that the problem of violent street crime has reached critical proportions. The LEAA "High Impact" program, which is designed to provide additional assistance for cities and counties with high crime rates, has had encouraging success. This additional authorization will permit LEAA to build upon that success.

The bill will also place special emphasis on improving the operation of State and local court systems. Specifically, it will include such improvement within the statement of purposes for which LEAA block grant funds can be utilized. Too often, the courts, the prosecutors and the public defenders are overlooked in the allocation of criminal justice resources. If we are to be at all effective in fighting crime, State and local court systems, including prosecution and defense, must be expanded and enhanced.

In conclusion, I emphasize again that the Federal government cannot, by itself, bring an end to crime in the streets. The Federal government can seek the cooperation and participation of State and local governments. Such cooperation is vitally important to this effort. The cumulative effect of persistent Federal, State and local efforts to improve our laws and eliminate difficulties that encumber our criminal justice system offers the only hope of achieving a steady reduction in crime.

I am confident that, if the Congress enacts the programs that I have recommended, the means available for an effective attack on crime will have been substantially strengthened. I call upon the Congress to act swiftly on these recommendations. I also call upon State and local governments to move rapidly in strengthening their processes of criminal justice. Together, we will restore to this nation that sense of domestic tranquility so essential to the pursuit of happiness.

GERALD R. FORD.

THE WHITE HOUSE, *June 19, 1975.*

ROCKEFELLER COMMISSION CIA REPORT COMMENDED

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, in the week since its public release, I have carefully studied the report to the President by the Commission on CIA Activities within the United States. Today I want to voice my approval of the tremendous job which the Chairman of the Commission, Vice President ROCKEFELLER, and the other distinguished panel members have performed for our country.

Within the scope of the mandate received from President Ford, the Rockefeller Commission investigation and report must be considered as comprehensive, objective, and definitely constructive. In its exhaustive review of the domestic activities of our key foreign intelligence agency, the Commission's report offers authoritative confirmation or refutation of the many allegations which have been made in the area of domestic activities. Furthermore, it constitutes a reliable source document for the use of congressional investigation into areas of special concern; and its recommendations are most appreciated by this member of the House Select Committee on Intelligence.

Mr. Speaker, the Rockefeller Commission's report contains a comprehensive delineation of illegal and unauthorized conduct on the part of the Central Intelligence Agency in this country. This part of the report appears to be entirely objective—and complete. In this respect, the report fulfills the Presidential mandate with which the Commission was charged.

Subsequently, it will be recalled, the President requested the Commission to investigate alleged assassination plots. In this respect, the report is incomplete as the Commission members concede—inasmuch as they hastened to file their report with the President as expeditiously as possible. It is obviously the responsibility of the ongoing congressional investigations of the CIA to move forward to uncover all illegal activities in this area with the full assistance of the executive branch, which the President has promised.

Mr. Speaker, the value of the report, in addition to the contents itself, is borne out by the personnel which made up the Commission. In addition to the Vice President, the Commission included the Honorable Erwin N. Griswold, former Solicitor General of the United States and former dean of Harvard Law School, former California Gov. Ronald Reagan, retired Gen. Lyman Lemnitzer, former Chairman of the Joint Chiefs of Staff, the Honorable C. Douglas Dillon, former Secretary of the Treasury under Presidents Kennedy and Johnson, the Honorable John T. Connor, former Secretary of Commerce in the Johnson administration. Mr. Lane Kirkland, the secretary-treasurer of the AFL–CIO, and Dr. Edgar F. Shannon, former president of the University of Virginia.

Mr. Speaker, I was one of NELSON ROCKEFELLER'S most enthusiastic supporters during last year's consideration of his nomination to the Vice Presidency. I am proud to point out to my colleagues that the overwhelming margin by which we confirmed the Vice President last December has been fully vindicated by his excellent service in the ensuing months. Today, I want to commend the Vice President particularly for his most capable performance as Chairman of this important Commission. The country needs and appreciates his valuable leadership in this and many other capacities.

FEDERAL RESERVE UNLEASHES ITS LOBBYING CAMPAIGN AGAINST AN AUDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, the big lobbying guns are being unleashed against the legislation to require a full-scale audit of the Federal Reserve by the General Accounting Office.

The campaign of distortions and scare tactics is a carbon copy of the 1974 lobbying which ended up seriously weakening the bill on the House floor and blocking its passage in the Senate.

Mr. Speaker, this is going to be a major test of this 94th Congress. We will soon see whether this House is made of the stuff required to resist the kind of pressures which are being brought to bear by the big boys in the business and banking community—carefully orchestrated by the Federal Reserve itself.

In 1973 and 1974—when the previous audit bill was up—the Federal Reserve and its Chairman entered into some highly questionable lobbying tactics, ending up with the involvement of the big banks and the big business combines including the fat cat Business Roundtable.

I had hoped that public disclosure of some of these efforts would prevent their recurrence, but the Federal Reserve is up to its old tricks and much of the mail flowing into congressional offices was generated by this agency which operates on tax funds. Once again, I question the propriety of this activity and the expenditure of public funds on a lobbying campaign.

These lobbying activities—more than anything else—are clear evidence of the need for a top-to-bottom audit. These efforts dramatize—in stark terms—the tremendous conflict of interest inherent in the entire Federal Reserve System. It is an absurd and outlandish situation which is not and would not be tolerated in any other entity of the Federal Government.

IS IT THE FEDERAL RESERVE OR BIG BUSINESS?

In past years, the Federal Reserve has at least attempted to be halfway subtle about bringing in its ties with corporations and others in the business and bank community. But the 1975 campaign is blatant and it is obvious that officials in the Federal Reserve cannot separate their massive banking and business interests from their public duties.

Mr. Speaker, the letterheads of some of the Nation's largest corporations and banks are being used to help apply muscle to this effort to lock the auditors out of the Federal Reserve. For example, the Boeing Co.—whose expertise I presumed was in the aviation field—is apparently using its time and money to lobby against the auditing bill. This is a corporation with $1.746 billion in assets and this is the first time that I realized this corporation's close ties to the Federal Reserve system and its auditing problems.

Mr. Speaker, I have in my possession a letter signed by Malcolm T. Stamper, president, on stationery of the Boeing Co. At first glance, it appears that Mr. Stamper is speaking solely for the Boeing Co., but down in the body of the letter he reveals that he is speaking—and these are his own words—"in my capacity as president of the Boeing Co. and as Chairman of the Seattle Federal Reserve Board."

Mr. Speaker, this corporate president has combined and intertwined—in his own words—his roles as an official of the Federal Reserve and as president of the Boeing Corp. I sincerely question the propriety of this close link between a Federal agency and the big business community and I think it is atrocious that this kind of corporate muscle is being combined with the Federal Reserve in a lobbying campaign. It is wrong and, once again, I say to the House that this is a big reason why it is our duty and responsibility to see that this audit bill goes through and that these activities are scrutinized by independent auditors.

A slight variation of this theme is evident in a telegram from Thomas M. Meyersieck, who identifies himself as the manager, Government and public affairs division, Crown Zellerbach Corp., San Francisco, Calif. Mr. Meyersieck, presumably using the funds of this corporation, has apparently sent a number of telegrams to the Congress urging a flat opposition to a GAO audit.

Many might wonder just what the interests of Crown Zellerbach might be in blocking audits of the Federal Government's bureaucracy, until a search of the records shows that the president of this corporation is Charles Dahl, a director of the Federal Reserve Bank of San Francisco. So once again, we have a question about the obvious interlocks between the Federal Reserve and the corporate community.

Members have also received a two-page, single-spaced letter attacking the audit bill and urging its defeat from Dresser Industries, Inc. of Dallas, Tex., a corporation with more than $1.2 billion in assets. This letter, which contains a detailed analysis of the audit legislation, is signed by John V. James, president of Dresser Industries.

Again, it seems strange that Dresser Industries—an energy conglomerate—has so much interest in a proposal to audit a Federal agency, that is, until the board of directors of the Federal Reserve Bank of Dallas is checked. That list reveals that John Lawrence, chairman of the board of Dresser Industries, is a class C director of the Federal Reserve Bank of Dallas.

So, once again, my colleagues, I ask whether this particular lobbying effort against the audit bill is coming from this billion-dollar corporation or from the board rooms of the Federal Reserve Bank of Dallas. Or is the effort one and the same? And where does the Federal Reserve end and the private corporation begin? And where, in all of this, is the public interest?

In addition to the individual letters which are pouring forth from corporate America, the U.S. Chamber of Commerce has cranked up its mimeograph machines and is distributing little echoes of the Federal Reserve positions all over Capitol Hill. Ironically, this is the same U.S. Chamber of Commerce which so often rails against Government spending and urges greater oversight over all uses of tax funds. Apparently, the Chamber of Commerce's concerns about spending do not extend to the marble halls of the Federal Reserve.

Mr. Speaker, it is difficult to know just how far this lobbying campaign has reached into the big business community, but my office was contacted recently by a major business corporation which indicated it had been called by one of the Federal Reserve banks and asked to participate in the effort against the audit. We can only assume that additional contacts are being made in other areas of the Nation.

This is reminiscent of the efforts of 1973 and 1974 when the Business Roundtable—the collection of fat cat businessmen—was brought into the battle to influence Members of the House against the audit bill. In that instance, information reaching us indicated Dr. Burns had contacted a big New York City banker who in turn contacted the New York Clearinghouse Association—composed of New York banks—which in turn brought the Business Roundtable into action. The end result was a flood of telegrams to key Members from some of the most powerful and affluent businessmen in America. We can expect more of the same.

THE BANKS AND THE LOBBYING EFFORT

Just as with the corporations, the Federal Reserve becomes totally confused in trying to balance its dual roles with the commercial banking industry—a conflict which many regard as even more serious than the obvious links with big business.

For example, we have received letters on the letterhead of the First National Bank of Omaha signed by F. Phillips Giltner, president. Mr. Giltner waxes eloquently about the evils of auditing a Government agency, but fails to mention that he is part of the system which would be audited by this legislation. In fact, Mr. Giltner is a director of the Omaha Branch of the Kansas City Federal Reserve Bank—scarcely an objective source whether he speaks from the vaults of his bank or from the tax-supported rooms of the Federal Reserve banks.

An entity of a big Texas bank holding company sends in a similar letter asking for flat opposition to audits and here again we find that the official who signs the letter is a director of the San Antonio branch of the Dallas Federal Reserve Bank.

So it goes across the country. The bank letterheads are falling on Capitol Hill like confetti. Some, as I have indicated, are from officials directly connected with the Federal Reserve and others from big banks like the United States Trust Co. of New York, which simply hope to save their friendly regulator from an audit. Some of the banks—with surprising discretion—are simply making telephone calls to help out the Federal Reserve. All in all, it is a nice cozy relationship with the banks responding in the Federal Reserve's hour of need.

In reality, Mr. Speaker, most of the big banks and their lobbying organizations make no bones about their assistance to the Federal Reserve. It is obvious that few bankers find anything questionable about the hand-in-hand relationship between industry and the people who regulate it.

The American Bankers Association—the granddaddy of the bank lobbyists—has weighed in with a two-page, single-spaced letter signed by George S. Whyle, president. Line after line of this widely-distributed letter contains the tried and true arguments of the Federal Reserve. At the moment, nothing—not even profits—seems more important to bankers than this massive effort to keep the doors shut at the Federal Reserve.

This kind of knee-jerk activity from the big banking and big business community is totally expected and I do not think many Members of the House of Representatives are going to confuse these positions—these claims—with the public interest.

Nonetheless some of this bank mail is very instructive. Some of it is clearly arrogant—expressing total disregard for the right of the public and the Congress to know what is happening within this giant Federal bureaucracy. Some of these opinions—and attitudes—could only be fostered by men isolated from the mainstream of American life—as only big bankers can be isolated.

I have just received a letter from Allen P. Stults, chairman of the board of the American National Bank and Trust Co. of Chicago, who also, incidentally, was president of the American Bankers Association in 1971.

After informing me that the Federal Reserve must be free from public reactions "which perhaps stem from a misunderstanding or lack of sophistication," Mr. Stults throws out this dire warning:

> I would be deeply concerned with the possibility of public confidence in our central bank and perhaps in our entire financial system being undermined as a result of more public information being made available than at present.

Rereading Mr. Stults' comments, it is unclear whether he feels that more public information would be dangerous because things are so bad within the Federal Reserve or whether he is simply reiterating the big bankers' view that the public is stupid and is not to be trusted with information about its own institutions.

In any event, Mr. Speaker, either rationale for opposition to an audit, I trust, is unacceptable to a democratically elected House of Representatives—which, of necessity, must have just a little more trust in the public than Mr. Stults.

THE IN-HOUSE LOBBYING TEAM

In some areas, the Federal Reserve district banks are contacting so-called "opinion leaders" including many of the former members of the district banks' boards of directors to generate mail against the audit bill. Most of this mail shows up in Members' offices as letters from "interested" and "concerned" citizens with no indication that the attacks on the audit bill have been requested and generated by the Federal Reserve.

Thanks to the public-spirited attitude of people who put the concerns of the Nation ahead of the narrow interests of preserving the sanctity of the Federal Reserve bureaucracy, I have learned that some of these letters have been requested by officials of the Federal Reserve banks. As a result, from all over the country, letters are flowing in from the former directors of the Federal Reserve banks—with the complaints against the bill phrased in amazingly similar language.

Picking up the line from the Federal Reserve's testimony, these letters bring up repeatedly the discredited theory that an internal self-audit is sufficient and that any additional checking by the Congress or its auditing arm is "duplication." The idea that GAO audits would duplicate anything was refuted time after time in the subcommittee hearings and as the testimony pointed out, the Federal Reserve's self-generated audit touches only a limited aspect of the operations. The massive transactions of the Open Market Committee and the individual Federal Reserve banks and their branches are not touched by any outside audit. In any event, it is obvious that no self-audit, no internal audit, would or should supplant the Congress responsibility to receive the independent auditing judgment of the General Accounting Office.

It is not my intention to argue this point here, but it is interesting and significant that these lobbying letters—from widely scattered points—are so similar—so similar to the Federal Reserve's pat positions.

For example, in a letter from Massachusetts—signed by a former member of the board of directors of a Federal Reserve bank—comes this comment:

> I strongly support Governor Mitchell's remarks in his statements of May 8 before the Subcommittee on Domestic Monetary Policy, about needless duplication of effort . . . if the G.A.O. were to become involved . . .

Clarence Francis, of 230 Park Avenue, New York City, who identifies himself as a past member of the board of directors of the Federal Reserve Bank of New York, also invokes the testimony of Governor Mitchell:

> The Testimony of George Mitchell, Vice Chairman of the Board of the Federal Reserve System before the Subcommittee on Domestic Monetary Policy of the Committee

> on Banking, Currency and Housing clearly outlines present internal auditing systems as well as independent auditing, reports to Congress, etc. . . . I hope you will agree that the duplication is unnecessary and inadvisable . . .

From Ithaca, N.Y., still another former director weighs in with this comment:

> There is no reason why the General Accounting Office should be required to duplicate the effective audit system now in operation.

From west Texas, a former director of a Federal Reserve bank—who incidentally is now connected with a commercial bank—sends this comment:

> I see no reason to add to time and expense of getting G.A.O. involved.

Moving out to the Midwest, a commercial banker, who is also a director of a branch of the Kansas City Federal Reserve, uses similar language in his letters to Members of Congress:

> In view of the fact that independent audits are presently performed and made available . . . it would only constitute duplication of effort if the General Accounting Office audit bill were adopted.

So it goes across the country. Faithful reproductions of the Federal Reserve's own testimony before the subcommittee, from persons connected with the Federal Reserve either now or in the immediate past.

Luckily, Mr. Speaker, not all of these former directors of the various entities of the Federal Reserve System are so blinded by the logic of the Federal Reserve's position.

One of these former directors, Jack B. Martin, who served for 12 years on the Federal Reserve branch in El Paso, has informed me that he was asked to work against the audit bill by Ernest T. Baughman, president of the Federal Reserve Bank of Dallas, Tex. Other evidence suggests that Mr. Baughman made a number of similar efforts across the Southwest and that is undoubtedly why so many letters from this particular region have cropped up in Members' offices. I am not sure about Mr. Baughman's qualifications as an official of the Federal Reserve, but he is obviously very competent in organizing a lobbying campaign—and perhaps this is a prime qualification for holding a top job in the system.

However, I am happy to report that Mr. Martin—despite the urgings from the Dallas Federal Reserve Bank—has refused to join in the attacks on the audit bill and he in fact urges even tougher measures. He writes:

> I feel that Mr. Burns, President of the Federal Reserve System has too much power and mainly interested in the welfare of the banks and not business or citizens as a whole. I blame Mr. Burns tight money policy for the present recession which resulted in very tight money and exceptionally high interest rates. This actually brought business to a standstill which resulted in the recession.
>
> I understand they adopted this policy for the purpose of controlling inflation, but what it resulted in was the ruination of a lot of innocent individuals and small businesses who had good credit. In many cases they were unable to borrow money at any price and if they were successful the interest rate was exorbitant. When they froze wages and all other products I was surprised to see that interest was not frozen also. Not freezing interest brought business almost to a standstill and in my opinion was the main cause of the recession.
>
> You have my support in any legislation that you pass that will reduce Mr. Burns power . . .

FEDERAL RESERVE CONSULTANTS JOIN THE ACTION

Not only has the Federal Reserve called on its lobbying combine of former and present officials and employees around the country, but its network of outside consultants has also entered the fray.

In recent days, G. L. Bach, writing on the letterhead of Stanford University, has distributed a letter that he and others had written to the Speaker of the House opposing the audit bill.

Mr. Bach expresses great concern over saving the Federal Reserve from the awful fate of being faced with auditors from the General Accounting Office.

Some of this solicitude might just stem from the fact that G. L. Bach is listed in the records of the Federal Reserve as an outside consultant—a paid consultant. The records indicate that the Federal Reserve Board—for whom G. L. Bach now lobbies—paid Mr. Bach $3,600 in 1974 for services in connection with board seminars, and other $1,552 as a "retainer" in connection with meetings of the Federal Reserve's Committee on Monetary Statistics.

In addition, information we have obtained indicates that Mr. Bach is already under contract this year—1975—for an additional $5,428. So it appears that Mr. Bach has in the past 18 months received $10,580 from the public funds under the control of the Federal Reserve.

Mr. Bach is undoubtedly a very sincere gentleman, but I think it is only fair that his comments—his attacks on the audit bill—be placed alongside his business relationship with the Federal Reserve.

G. L. Bach, of course, is not alone. The list of consultants and outside contractors is long; it is, in part, a neat device to build up a cadre of influential supporters around the country. Others—in addition to G. L. Bach—who have taken up the fight against the audit and in support of the Federal Reserve, also appear on the list of paid consultants. It is my intention to provide the House with additional information on these consultants in the very near future.

THE OVERALL LOBBYING NETWORK

We have here a multiheaded lobbying effort—the MIRV of the influence peddlers. We have big business, often supplemented by the work of executives who wear two hats as corporate officials and as Federal Reserve directors. We have the banks and again they are often supplemented by officials who serve part of the day as a director of some Federal Reserve bank or branch and the rest of the hours as commercial bankers. We have big lobbies from both the banking and business communities—outfits such as the American Bankers Association and the U.S. Chamber of Commerce busily peddling the propaganda against a GAO audit. We have consultants who take money from the Federal Reserve with one hand and write furious letters against an audit with the other. On top of this entire effort is the Federal Reserve orchestrating this nationwide network—a readymade network—of influence.

DESPITE THE LOBBYING, THE AUDIT BILL WILL MOVE

Mr. Speaker, the Banking, Currency and Housing Committee is scheduled to take up the audit bill for markup Tuesday and with the full support of the committee's chairman, Mr. REUSS, I am confident that we will get a good strong piece of legislation out of the committee. The audit legislation is cosponsored by 109 Members of the House and it was reported by the Domestic Monetary Policy Subcommittee on a 6 to 1 vote.

After the successful subcommittee markup, we introduced a clean bill pulling together the pro-audit forces on the committee and I am very hopeful that we will be able to hold off any crippling amendments in the markup. I am grateful for the fine support and work of Chairman REUSS in moving the legislation as part of the committee's continuing effort to get more information about the Federal Reserve System and to provide proper oversight of this vital agency.

Mr. Speaker, the time has come for the Congress to act, to make certain that the Congress and the public do have the necessary information about this agency which has so much to do with the day-to-day health of the economy. It is time for the Congress to put down these outlandish lobbying campaigns against public disclosure being carried on by the Federal Reserve and its network of allies in the banking and business communities.

Despite all of the excitement and the smokescreens being thrown up by the Federal Reserve and its allies, the fact is that H.R. 7590—the audit bill—does nothing more than require the Federal Reserve System to undergo the routine examinations that Congress has directed the General Accounting Office to make of all other major Federal departments and agencies, including those handling highly sensitive material such as the Department of Defense. At a time when the Nation is in deep economic troubles, it is absurd that our largest economic agency—the Federal Reserve—is outside of the scrutiny of Congress auditing arm.

H.R. 7590 is based on the concept of open Government, accountability by the Federal bureaucracy, and on the belief that the Congress and the American people have the right to know what is happening inside an agency which literally determines the state of the economy, whether the prices of goods and services rise or fall, the level of interest rates, whether we have full employment or depression.

It is difficult—if not impossible—to explain to constituents why the GAO auditors—the public's auditors—are locked out of an agency which handles transactions well over $30 trillion a year; employs more than 28,000 people; maintains a portfolio of Federal securities valued at more than $93 billion; and which has access to operating funds of more than $6 billion annually.

Mr. Speaker, since there are many new Members who were not here during the last battle over the audit bill, I want to place in the RECORD two newspaper articles which indicate some of the lobbying activity carried on by the Federal Reserve. We can expect more of the same.

The articles follow:

[From the Washington Post, Dec. 12, 1973]

BURNS OPPOSED GAO AUDIT OF FED

(By Jack Anderson)

Pipe-puffing Arthur Burns, chairman of the powerful Federal Reserve Board, doesn't want to open his books to government auditors.

When House Banking Committee Chairman Wright Patman introduced legislation to subject the Fed's fiscal operations to government audit, therefore, Burns quietly got on the phone to top bankers and urged them to bring pressure on Congress to kill the bill.

Competent sources have told us about Burns' telephone campaign and have supplied us with documentary evidence of one key call. Under the massive assault by Burns and the bankers, the bill was successfully blocked.

The bill was the outgrowth of charges that the Fed was more interested in protecting the bankers than the public. Burns was absolutely opposed to allowing the General Accounting Office to scrutinize the Fed's books.

We have now obtained an internal memo detailing some of his backstage maneuvering. Dated "10/10/73 4:40 p.m.," it tells of a telephone message from John Lee of the New York Clearing House, a link between local banks and the Federal Reserve System.

The memo states that Lee "had a call from Gabriel Hauge (board chairman) of Manufacturers Hanover Trust, Mr. Hauge had a call from Arthur Burns, chairman of Fed. Mr. Burns asked Mr. Hauge if he could muster some support in New York to help the Fed repel a bill sponsored by Mr. Patman that would require full GAO audits of the Federal Reserve System."

Bankers, no matter how they feel about the Fed, are particularly vulnerable to its pressures. Dr. Burns had no difficulty mustering support to beat back the audit.

A spokesman for Burns said that Burns remembered the conversation with Hauge and that Burns "undoubtedly did mention" the bill, but did not "recollect the tone of the conversation" about lobbying.

Hauge agreed the audit bill "must have been part of the conversation." But like Burns, Hauge could not recall the references to lobbying. Hauge said he has opposed an audit of the Fed for many years.

Rep. Patman has charged over the past few months that Burns and the Fed mounted "an unprecedented effort" to sabotage the audit bill. Our discovery of the memo on the exact course of the campaign, however, is the first substantive evidence to back up Patman's charge.

We have also uncovered a Mailgram, sent to business leaders on Oct. 18 by John Harper, chairman of The Business Roundtable, an organization of big businessmen

"It is important businessmen be heard on this issue . . ." Harper hold his members. "By their very nature the activities for which the Federal Reserve has responsibility are highly skilled and of such a confidential nature that an audit type of exposure would be seriously counter-productive."

Over the years, the GAO has conducted hundreds of investigations of classified operations without breeching any secrets. This was a fact the big money chose to ignore.

[From the Wichita (Kans.) Eagle and Beacon, Nov. 10, 1973]

FED COMES UNDER ATTACK FOR ALLIANCE WITH BANKS

(By Ed Zuckerman)

WASHINGTON.—House Banking Committee Chairman Wright Patman has reason to believe the Federal Reserve System has spent great sums of public money to maintain an alliance with the banking industry which the government agency regulates.

The alliance, he says, is maintained by Fed-bought memberships in various banking associations which are used by federal employes.

Furthermore, the Texas Democrat fears that the federal reserve system has spent money to lobby against legislation which would submit the system to a General Accounting Office (GAO) audit which could potentially prove his belief and fears are correct.

Patman's bill is presently stalled in the House Rules Committee which voted 9-5 on Nov. 6 to delay indefinitely its consideration of the GAO audit bill. The margin for delay was provided by four rules panel members who have disclosed personal financial interests in banks.

Patman has accused Dr. Arthur Burns, chairman of the Federal Reserve Board, of waging a costly lobbying campaign in concert with the American Bankers Association (ABA). Burns has denied the charge. But one member of the rules committee, Rep. David Martin, R-Neb., has admitted talking with Burns a week before he voted to postpone consideration of the legislation.

Patman, in an angry written response to Burns, summed up the frustration which the rules panel vote has produced.

The lack of a GAO audit, he wrote, makes it "impossible for the Congress to determine how much money and manpower have been expended in this lobbying effort . . . so long as your agency remains unaudited, and so long as it remains outside of any type of effective review, you will be in a position to spend public monies and to lobby for and against any legislation."

Patman's bill would permit GAO auditors to examine all phases of the Federal Reserve system.

While Burns argues that nothing would be accomplished by a "Monday morning quarterback" type of audit, Patman counters that analysis would help Congress better understand how the system meets its economy-regulating obligations. Among its various functions, the agency sets interest rates which banks may charge borrowers. Interest rate hikes, many congressional members say, have the effect of pouring fuel on the inflationary fire.

A GAO audit would also be of the "paper clips and pencil counting" variety—a time-consuming task of examining thousands of expense vouchers and seeking justification for those which appear unusual.

Patman has already given his congressional colleagues an idea what a GAO audit might produce. Last year, he ordered his chief staff investigator, Curtis Prins, to examine the Federal Reserve System's spending logs.

Prins found that the system paid nearly $130,000 to buy organizational memberships for its employes—about $80,000 went for memberships in banking associations.

The rest of the money was paid to groups with no apparent link to banking—such as the Minnesota State association of Industrial Nurses, the Colorado Society for Personnel Administration, the Michigan Restaurant Association, the Real Estate Research Council of Northern California, the Rocky Mountain College Placement Association and the Kansas City Press Club.

"A review of the (Fed's) expenses in the social, recreational and athletic categories appears to paint the system with virtually a country club atmosphere," Prins writes in a staff report which gave the first public glimpse at how the system spends money on itself.

Prins spent weeks combing through thousands of pages of expense vouchers which were reluctantly delivered to the House Banking Committee.

"It was just a raw pile of stuff, not collated in any way," commented Patman's key staff aide, Joseph Lewis.

"Unlike the rest of the bureaucracy which has a tendency to compartmentalize and categorize, the Fed responded to our request in a way that seemed designed to obstruct rather than instruct.

"It gave us a very limited look . . . we won't know what lies behind the surface without an audit which would force the Fed to justify the reasons for each expense," Lewis said.

Prins, a seasoned investigator who recently uncovered evidence of Nixon administration influence in picking recipients for small business administration loans, found numerous examples of spending which should be further examined:

The Chicago Federal Reserve bank spent $4,600 for theater tickets for the women employes' annual outing and $3,256 for supplies and food for the employes' annual card party.

The San Francisco bank spent $4,400 for a Christmas dinner party; $300 for baseball game tickets and $900 for a spring dance.

The Salt Lake City bank spent $145 for bowling shirts and $2,047 for various unspecified social events.

The Portland bank spent $250 for beach cabin rentals and $1.39 for flash bulbs used at a women employes' banquet.

The Dallas bank bought 1,152 ping pong balls for its 895 employes for $155.

The New York bank spent $2,168 for maintaining its bowling alleys, $589 for a golf tournament, $7,236 for a painting of the President, $2,897 for a children's party and $8,428 for a Christmas luncheon.

The Minneapolis bank paid a $100 registration fee for attendance at the International design Conference in Aspen, Colo. and $72 to rent formal attire for the graduation dinner of the American Institute of Banking school.

Another disclosure unearthed by Prins was the thrift plan which the Federal Reserve System makes available to all of its employes.

Of the system's 20,000 employes, 17,700 of them are enrolled in the plan.

For each employe who contributes $3,000 to the plan, the Federal Reserve System adds $750. The plan, a mutual fund, guarantees each participant a minimum return of 8 per cent.

By last August, after about 3½ years of the thrift plan's existence, the Fed contributed $6,822,000.

"We tried to show in the study just how far outside the normal operations of government the Fed has wandered," Lewis said. "These are benefits which employes in other government agencies don't have. It would be flatly illegal for other government agencies to provide them.

"The Fed claims these things are needed to attract employes and some of these types of benefits are available in private industry. But the Fed is a government agency," he added.

Lewis added that even if it were proper for a government agency to operate a thrift fund for its employes, mutual fund management would still be an improper activity for the Federal Reserve System.

"The Fed has access to so much inside information on the stock market," he said.

PANAMA AND THE CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 30 minutes.

Mr. FLOOD. Mr. Speaker, on May 28, 1975, the Washington Star in an editorial on the "Congress and Panama," endeavored to place responsibility on the Congress for any violence that may occur on the Isthmus in the event the Congress does not approve the proposed new Panama Canal treaty now being negotiated under the February 7, 1974, Kissinger-Tack 8-point "agreement on principles." Such responsibility, Mr. Speaker, does not rest upon the Congress but upon those in the State Department who have misled the President and the Congress.

As expected by Members of the Congress who have studied the canal question in depth, that editorial was shocking to many of our citizens familiar with the subject. They promptly wrote the editor a series of letters, excerpts of which were published in the June 5 issue of the Washington Star. The writers included Col. D. P. Gaillard, Dr. J. R. Van Evera, Dr. Almon R. Wright, Gen. Herbert D. Vogel, and others.

Regrettably, the Washington Star did not publish other letters, some from outside the Washington area.

In order that the Congress may have the benefit of such letters, I quote major portions of them as parts of my remarks along with that of Gen. Herbert D. Vogel, a former Acting Governor of the Canal Zone and later Chairman of TVA, with the indicated editorial to which they refer.

Coral Gables, Fla., *May 30, 1975.*

Editor in Chief,
Washington Star,
Washington, D.C.

Dear Editor: Your editorial of May 28th entitled "Congress and Panama" was sent me by a long-time resident of the District, with the annotation on the clipping "See, how even here in our Capital, with access to true facts, if they want them, they twist and distort the news".

Frankly, Mr. Editor, I am amazed and disappointed that the otherwise brilliant "Star" should dull its image before its readership and start a downward fall in the process!

What we are talking about are simple facts which obviously are being turned around to suit the designs of the Rockefeller/Kissinger/Rogers proposition to give away free to Panama US-owned property (as confirmed by the US Senate and the US Supreme Court in Wilson vs Shaw, 204 US 24 at 33–35) in which US taxpayers have invested to date over $6 billion in acquisition, improvements, defense, and maintenance. This is a shameless proposition!

Together with countless thousands of American citizens I seriously doubt your contention that "President is fully prepared to sign a treaty that will eliminate the 10 mile wide US 'enclave' of the Canal Zone, disavow sovereignty and control of the Zone, share operation and defense of the canal with Panama". You must certainly be aware that neither the US Senate or the House will approve, as they must, such a treacherous treaty. Ford himself by such a signing will not besmirch his otherwise clean and honorable record with a scandal 1000 times worse than TeaPot Dome!

It is indeed unfortunate that your editorial policy regarding this matter appears to reflect the "loser's" philosophy of the Rockefeller/Kissinger/Rogers/Bunker team, each of whom has stated publicly, in effect, that "if we don't give the Canal to Panama, we'll engender the eternal wrath of all Latin America and even start hostilities". To prepare the US Public to accept such a weak argument, wholesale efforts are being made to mislead and misinform US taxpayers that "the US doesn't own our Canal Zone", we are an "enclave within another country" ad nauseum. Also, we are told the lie that we pay "rent", which is untrue since the so-called "annuity" of 1866 with Colombia corresponds to an annual payment of $250,000 gold by the Panama Railroad Co., whose assets and obligations were purchased by the French DeLesseps and after their disastrous failure purchased by the US under the treaty of 1903; after 1966 we owe the Republic of Panama nothing!

Sincerely yours,

Arthur L. Denchfield, Jr.

Los Angeles, Calif.,
May 30, 1975.

The Editor,
Washington Star,
Washington, D.C.

Dear Mr. Editor: I just received a few minutes ago, a copy of your editorial entitled 'Congress and Panama." May I comment on your editorial? Being the grandson-in-law of the founder of the Republic of Panama and a country that I have lived in and know, well, I have been exposing the illegal and pro-Castro-Soviet military dictatorship in Panama that *is dedicated to the nationalization of the Panama Canal and to bring Panama into the Marxist fold.* This we know 100%. To give you an insight as to how the Communist Party of Panama came to power after the Communist controlled military seized the Panamanian nation on Oct. 11, 1968, and have stayed in power solely because they control the arms of the country, I am enclosing a copy of my document to Theodore Sorensen, a former counsel to President Kennedy. Do study it carefully as it is all factual and will explain many unknown facts to you.

Also, I am enclosing a copy of my letter to the Chief Justice regarding Secretary Kissinger's insistence that the American taxpayers do not own the territory of the U.S. Canal Zone. This is the first time in U.S. history that a Secretary of State has contradicted a ruling of the U.S. Supreme Court which in turn has enabled the Russians and the non-aligned countries to publicize in the world press that the U.S. is an intruder on Panamanian soil.

You stated that "the Panamanian people will react violently as they did in 1964." This is not so. It was not the Panamanian people but the Communist Party of Panama in conjunction with Cuban agents in Panama that instigated the riots. This is common knowledge to the CIA and to the people of Panama.

Your editorial is putting the blame on Congress in the event a treaty is not ratified with this de facto military regime in Panama, and "the blood of many will be on the hands of that legislative body." But this is not so. Congress is aware that the de facto regime in Panama is closely allied with Cuba and Russia and *the gagged people of Panama are cognizant that if a treaty is ratified with the treasonous regime in their country, this illegal regime would at once nationalize the Canal Zone* which in turn would jeopardize their livelihood as they know the Cubans and the Russians would fill the vacuum left by the United States.

Ever sincerely,

Philip Harman.

Washington, D.C., *May 29, 1975.*

The Editor,
The Washington Star,
Washington, D.C.

Dear Sir: Referring to your lead editorial of May 28th, "Congress and Panama", I am shocked and dismayed that a newspaper as reputable and presumably as responsible as the "Star" would espouse the communist line designed to encourage surrender of the Panama Canal to an alien and unfriendly government. Having served in the fifties as Engineer of Maintenance and Lieutenant Governor and having made several visits to the Zone in recent years as a consultant on technical matters I am convinced that United States control of the Canal and the Zone is vital to our commerce and security.

By providing a means of passage for ships from ocean to ocean, the Panama Canal bears an importance to our water borne commerce analagous to the bridges across the Mississippi River that insure unimpeded land movements. Having been paid for three times by payments to individual landowners, Panama and Colombia, the Zone is as much a part and parcel of the United States as the Louisiana Purchase or Alaska. In addition it has provided a continuing source of income to Panama by both direct annual payments and indirect benefits bestowed.

By providing water and sewerage, medical and sanitary services, the United States has raised Panamanians to a higher standard of living than is enjoyed by most other Latin American countries. I have many dear friends among all classes of Panamanians, from members of the old oligarchy to merchants, professional men, shop keepers, artisans and laborers, and all are appreciative of the benefits provided by the United States. The percentage of those with any deep-seated animosity to our people and our Government is small indeed, but whipping up mob venom is the same old game of dictators, for it is by creating the image of an alien and threatening enemy that they keep themselves in power.

Constitutional government in Panama became eroded in the fifties during the Arnulfo Arias regime; it went down the drain with the seizure of power by Torrijos. Let us not deceive ourselves, the people of Panama have little or nothing to say now about how their Government is run or what its policies should be, and the leaning of that Government to the communist sphere of influence is great indeed.

* * * * *

Make no mistake about it, the United States needs the Panama Canal and it needs to control both it and the Zone within which it lies. With a democratic Government in Panama there would be no reason for its people to be at odds with those of the Zone, for freedom of movement on both sides would be encouraged as in the past and the intermingling of cultures would result in the elimination of all hostility.

Sincerely,

Herbert D. Vogel.

[From the Washington Star, May 28, 1975]

Congress and Panama

The 532 members of the Senate and House who have been so intent on making unilateral foreign policy for the United States soon face an international decision with life-or-death consequences, just as the Executive Branch has had to do since the beginnings of the American democracy. That issue affects Panama and the canal.

Congress, in approving or disapproving the treaty that is now being negotiated between the United States and Panama, will in effect be deciding whether the blood of Panamanians and Americans will flow in a collision between U.S. troops and rioters or saboteurs, or whether there will be a peaceful solution of the Canal Zone question. It is a dilemma congressmen prefer to use for criticism of presidents and secretaries of state rather than to face themselves. But soon enough this awesome responsibility will be where it constitutionally belongs in this particular case.

We do not quarrel with the absolute right of the Senate to ratify treaties, nor of the House to sit in judgment over disposition of U.S. property acquired with taxpayers' money. We do contend that Congress should ponder long and well before it acts to reject the treaty now being negotiated between Ambassador Ellsworth Bunker and Panama's Foreign Minister Juan Tack.

While the details of the treaty are not complete, its general outlines are known. President Ford is fully prepared to sign a treaty that will eliminate the 10-mile-wide U.S. enclave of the Canal Zone, disavow sovereign control of the zone, share operation and defense of the canal with Panama and promise to hand over the entire property to Panama in an unknown number of years.

The trouble is that 37 members of the Senate have signed a document opposing any such relinquishment of authority. Only 34 votes are needed to scrap the treaty. Such an action by the Senate, which will act first, would render House action academic but the House stands ready to oppose the disposition of the canal even if the Senate can be persuaded to ratify it.

The day that this treaty is killed by a U.S. Congress, it is an absolute certainty that the Panamanian people will react violently as they did in 1964. The collision nine years ago took the lives of 3 Americans and more than 20 Panamanians as American troops were called on to do battle against the rioters. The responsibility for another clash, a Mayaguez incident in the home hemisphere, would be that of Congress.

We do not favor riotous behavior anywhere but we cannot help recognizing that the Republic of Panama does not want a foreign enclave on its soil. Neither do the Panamanian people. The U.S. used gunboat diplomacy to separate Panama from Colombia, hand the small nation her independence and then extract the 1903 Panama Canal Treaty from her. Panama is not noted for the democracy practiced in Vermont or Missouri, but it is a sovereign nation that has been shamefully treated by the United States.

If the administration can recognize that the colonialist days of even this superpower are over, Congress ought to have the statesmanship to see it, too. This matter is too morally and practically important to permit lobbyists and anomalous boosters of manifest destiny to prod our legislators into opposing the treaty.

Sure, America needs the canal; all of America, not just North America above the Rio Grande, needs it. But the U.S. does not need to own part of Panama in perpetuity as if we were sovereign there in order to keep the canal safe and operating. The most certain threat to the canal will come if the treaty is not approved by Congress, not if Panama is allowed to share in its defense and operation.

Should Congress frustrate the Panamanians on this matter, the blood of many will be on the hands of that legislative body. We can get a deal with Panama that will leave the canal in U.S. hands for an appreciable number of years, or we can get an explosion and a cry for the marines. Congress had better know exactly what it is doing when the canal treaty arrives there, perhaps this very year.

LETTERS TO THE EDITOR

CANAL DIGGER DOUBTS PANAMA'S ABILITIES

As one who worked as a junior engineer on the construction of the Panama Canal in 1912 and 1913, I most decidedly do not agree with your editorial on "Congress and Panama."

If the canal is to be operated jointly by Panama and the United States, it will be difficult to find Panamanians with sufficient skill, and Panama's military forces would not be sufficiently strong to defend the canal against any anti-U.S. countries that might wish to seize it.

D. P. GAILLARD.
WASHINGTON, D.C.

* * * * *

It is most reassuring to have you tell us that we do not need to own and control the Panama Canal Zone in order to keep the canal safe and operating. I wonder if that conclusion was reached after a careful study of the history of the Suez Canal since 1957.

I seem to recall that there was some trouble relating to denial of rights of passage through the Suez Canal to certain shipping. Then certain events resulted in the blockage of the canal to all traffic for several years.

Is it The Star's opinion that the situation in Panama is so stable and the government there so friendly to us that we would never have to worry about such problems?

I note that Panama has had 59 presidents in 70 years, and the present regime has not been very friendly toward the U.S. Nor is it a model of democracy and freedom. According to The Star of May 29, the government has banned independent reporting of economic problems, strikes, student disorders and any mention of news restrictions.

J. R. VAN EVERA.
CHEVY CHASE, MD.

* * * * *

Having served in the '50s as engineer of maintenance and lieutenant governor and having made several visits to the Zone in rcent years as a consultant on technical matters, I am convinced that United States control of the canal and the Zone is vital to our commerce and security.

By providing a means of passage for ships from ocean to ocean, the Panama Canal bears an importance to our water-borne commerce analagous to the bridges across the Mississippi River that insure unimpeded land movements. Having been paid for three times—by payments to individual landowners, to Panama and to Colombia—the Zone is as much a part and parcel of the United States as the Louisiana Purchase or Alaska. In addition, it has provided a continuing source of income to Panama by both direct annual payments and indirect benefits bestowed.

By providing water, sewerage, medical and sanitary services, the United States has raised Panamanians to a higher standard of living than is enjoyed by most other Latin American countries.

Constitutional government in Panama became eroded in the '50s during the Arnulfo Arias regime; it went down the drain with the seizure of power by Torrijos. Let us not deceive ourselves, the people of Panama have little or nothing to say now about how their government is run or what its policies should be, and the leaning of that government to the Communist sphere of influence is great indeed.

HERBERT D. VOGEL.
WASHINGTON, D.C.

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What you are saying is that the Republic of Panama owes her independence and freedom to the United States. Americans are still deeply interested in retaining their property rights, and I am shocked by your suggestion that we part with our canal, so essential for our security and that of other nations. A more sickening example of unjustifiable, cringing fear is hard to find.

PAUL CHIERA.
SILVER SPRING, MD.

* * * *

The winter of 1912 witnessed sightseers by many hundreds departing New York for Panama. Every ship of perhaps a dozen lines was booked weeks in advance. The attraction was not Colon, which was "without a single charm;" not Panama City, the historic scenes of which could be viewed in half a day; nor the jungles, nor the climate. It was the Panama Canal, soon to be completed.

For nearly a decade the American public had experienced now hope, now despair, through hundreds of news articles. Could the wild Chagres River be tamed? Where could laborers be found, able and willing to dig? Would yellow fever wipe them out? Would massive slides defeat the whole effort? Why did private enterprise go down in dismal defeat?

Americans were interested, too, in the expense, which it was thought in 1912 would reach $350 million, a figure of enormous dimension when one recalls that a 5-acre estate with 6 fireplaces, 4 baths, electricity, and servants quarters, situated on the Long Island shorefront in a grove of oaks, could be purchased for $20,000.

One of those visitors to Panama in 1912 was Franklin D. Roosevelt, a young man of 30. He had occasion to recall that visit in 1938 before the Roosevelt Home Club at Hyde Park in these words: "I had a chance to see the greatest, to my mind far and away the greatest, engineering work in the world."

By many, that work is still regarded as the greatest peacetime accomplishment of the United States for the benefit of the peoples of the earth. Do we want to give it away?

ALMON R. WRIGHT.
ARLINGTON, VA.

* * * * *

The Panama Canal is important to other nations as well as to our own. To share the operation and defense of this strategic waterway with a small, weak, relatively backward and politically unstable country would be complete folly.

ARMSTRONG THOMAS.
WASHINGTON, D.C.

PUBLIC BACKS REFORMS IN MEDICAL MALPRACTICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS. Mr. Speaker, I would like to bring to the attention of my colleagues a recent Gallup poll regarding medical malpractice.

The Gallup poll tested public reaction with 5 proposals for dealing with the medical malpractice dilemma. I think it is important that most of the people contacted knew of the current situation as it relates to medical malpractice which indicates a strong public interest in this problem.

As you know, I have introduced H.R. 6100, the Medical Malpractice Claims Settlement Assistance Act, which offers a comprehensive approach in dealing with medical malpractice claims settlement. In my proposal, arbitration of medical malpractice claims plays a major role. The Gallup poll shows the people, by more than a 2 to 1 margin, nationally prefer settling malpractice suits out of court by arbitration. The people also approve of the concept of limiting the period during which a suit can be brought against a doctor, in addition to fixing a limit on the amount of the fees a lawyer can charge.

I think this public reaction reflects the serious concerns that are central to the thrust of H.R. 6100. The article follows:

Public Backs Reforms in Malpractice

(By George Gallup)

Princeton, N.J., June 14.—With doctors' strikes' erupting over the medical malpractice insurance crisis, the Gallup Poll went to the public with five proposals for dealing with the problem.

Indicative of the widespread public interest in the issue, 9 out of 10 Americans say they have heard or read about the difficulties doctors and hospitals are having in getting insurance to cover jury awards in malpractice suits.

Ranked in order of their preference, the public:

By 85–7 per cent, approves of requiring the medical profession to take more effective measures to get rid of incompetent doctors.

By 80–10 per cent, approves of fixing in advance the amount a lawyer can charge for his fee in a malpractice case.

By 62–25 per cent, approves of setting a top limit on the amount a jury can award a patient who wins a malpractice suit.

By 59–30 per cent, approves of making it impossible to sue either a doctor or hospital after a period of five years following the treatment of a patient.

By 57–25 per cent, approves of settling malpractice suits out of court, by an arbitration panel or committee.

The public's view on this issue are important since it is they who eventually will have to pay the costs of increased malpractice insurance. Federal estimates are that each visit to a doctor's office now costs a patient an additional $1.50 to $2 and a hospital bed an additional $10 to $15 per day for malpractice insurance.

Furthermore, it is believed that the rash of malpractice lawsuits, with juries awarding sums of $1 million in some instances, is leading some doctors to practice "defensive" medicine. This means doctors are taking expensive and often unneeded precautions to protect themselves against suits. This practice, according to Health, Education & Welfare Secretary Caspar Weinberger, costs the public $3 billion to $7 billion a year.

DICKEY-LINCOLN SCHOOL LAKES, MAINE FACT SHEET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. Cohen) is recognized for 15 minutes.

Mr. COHEN. Mr. Speaker, shortly the House will consider the Public Works-AEC Appropriations bill for fiscal 1976. Among the items that will be discussed during deliberations on this bill is the administration's request for $1,060,000 for continuation of preconstruction planning studies on the Dickey-Lincoln hydroelectric project in northern Maine. Failure to approve these funds will have the effect of killing a potentially important energy option for New England without even the benefit of a fair hearing.

In the decade that has lapsed since Dickey-Lincoln was initially authorized, it has generated extensive debate, considerable emotionalism and a substantial amount of misinformation—but no electricity. Meanwhile, New England continues to suffer unprecedented energy and economic hardships at the hands of the OPEC cartel. Our industries have become increasingly less competitive in the national market, and consumers in the region are laboring under an intolerable burden imposed by high energy prices. Clearly, this situation demands immediate attention.

I believe that if a rational and well-founded decision is to be finally made on the merits of constructing Dickey-Lincoln, it is imperative that we first separate objective facts from unproven assertions. Regrettably, rather than supporting the necessary studies that would fulfill this objective, Dickey's critics are again attempting to bury the project under an avalanche of half-truths, time-worn distortions of fact, and inflated rhetoric. Ironically, they even oppose the preparation of an environmental impact statement on the project. This type of intransigent and obstinate attitude is highly unfortunate, for it can only serve to undermine the future credibility of the environmental movement, of which I consider myself a part.

I cannot stress too strongly that the $1,060,000 will be used only for planning and study purposes. These are not construction funds. Approximately one-half of the total request is specifically earmarked for the preparation of a comprehensive environmental impact statement—EIS—as required by the National Environmental Policy Act—NEPA. The EIS must incorporate data on economic as well as environmental benefits and costs, and it must identify and evaluate alternative ways of meeting the project objectives. The remaining moneys will be allocated to various related studies, which are intended to provide real answers to the many questions raised by the project. Once these studies are completed and the EIS circulated, we will then be in a position to determine whether to proceed with construction or pursue other more feasible alternatives. Without the benefit of these studies, we will never know whether Dickey-Lincoln was a viable energy option. A breakdown of the proposed expenditures for fiscal 1976 follows:

Major preconstruction planning activities, fiscal year 1976

[Tentative allocation, fiscal year 1976 funds]

Activities:	
Environmental impact statement	$500,000
Hydrology studies	30,000
Power studies	40,000
Impact of impoundment on water quality	100,000
Geology studies	20,000
Real estate studies	50,000
General engineering	220,000
Coordination	100,000
Total fiscal year 1976 funding (budget)	1,060,000

As we face the vivid reality that the end of the fossil fuel era is rapidly approaching, it becomes evident that this fact also signals the birth of a new era—an era in which priority consideration must be given to developing nonpolluting, renewable, and available sources of energy. In consideration of these objectives, it is my strong conviction that we cannot afford to ignore the potential of further developing our existing hydroelectric resources. At the present time, about 70 percent of the hydroelectric power potential in the United States remains untapped. Put another way, an existing resource that could yield almost 500 billion kilowatt hours of electricity annually remains undeveloped, while our dependency on foreign oil continues to escalate.

I am not suggesting that Dickey-Lincoln is a short-term panacea for New England's chronic energy problems. No one has ever argued that it was. Alone, it will not solve the region's power problems. For that matter, no single project will.

What it does offer, however, is a partial solution to New England's heavy dependence upon oil-fired powerplants. If built, Dickey will supply over 10 percent of the necessary peaking power capacity essential in the regional system in the mid-1980's. This represents an energy equivalent of approximately 2 million barrels of oil, which at present market prices is valued at over $20 million. What Dickey's renewable and free fuel supply will be worth in 1, 5, or 10 years is anyone's guess, but it is clear that it can only increase in value.

I do want to point out to my colleagues that my support for additional preconstruction planning funds does not mean that I am irrevocably committed to construction of Dickey-Lincoln. If the studies provided for in the budget request conclusively demonstrate that Dickey-Lincoln is environmentally and economically unsound, I will not only oppose further moneys for the project, but I will actively lead the fight against any future attempt to revive it.

No one in this body cherishes and appreciates the natural beauty and environmental quality of Maine more than I do. And no one in this body would fight harder to protect my State's scenic and recreational resources from being needlessly debased than I would.

In sum, I am confident that my colleagues will approach the upcoming debate on Dickey-Lincoln with an open mind, and with the realization that this project, like any other potential energy option, deserves a fair and objective hearing. To prematurely dismiss Dickey-Lincoln, without so much as the benefit of an environmental impact statement, would be a disservice not only to New England but to the Nation as a whole. I urge each Member of the House to carefully study the factual material which I have assembled, and to support the *$1,060,000 appropriation* for Dickey-Lincoln:

Dickey-Lincoln School Lakes, Maine, Fact Sheet

I. GENESIS

Dickey-Lincoln School Lakes evolved as a result of a study of the Development of Tidal Power at Passamaquoddy, a system of tidal bays studied since 1919 by both private and public engineers. The most comprehensive report was that completed by the International Joint Commission in April 1961 after 3 years of study and a cost of $3 billion. The Commission concluded that the project was not economically feasible under the then existing conditions. At the request of President John F. Kennedy, the Commission report was reviewed to determine if the project was feasible in view of the advanced engineering techniques and prevailing economic conditions. In July 1963, a report was submitted to the President, which concluded that application of a different use-concept of power coupled with advanced engineering techniques would result in a favorable report.

On July 16, 1963, the President directed the Departments of Interior and Army to make additional studies to supplement the July 1963 report. An Army-Interior Advisory Board on Passamaquoddy and Upper Saint John River was formed. Interior performed power studies, power transmission, marketing benefits and other economic aspects. The Corps of Engineers developed the physical components of the project.

The Study Committee completed its evaluation in August 1964, and submitted its report to the Secretary of the Interior. Recommendations included: early authorization of the Passamaquoddy Tidal Project and Upper Saint John River Developments and early construction of the project to develop low cost firm power for Maine and peaking power for the remainder of New England.

The Secretary of the Interior submitted a report on 9 July 1965 to President Johnson summarizing the August 1964 report. Subsequent to August 1964, a review updated the power benefits. The power rates were reduced due to larger, more economical developments by the power industry since the previous analyses. The reduction caused the benefit-to-cost ratio for the Passamaquoddy Power Project to fall below unity (.86 to 1). The benefit-to-cost ratio for Dickey-Lincoln School Lakes was a sound 1.81 to 1.

One recommendation included in the July 1965 report approved by President Johnson was:

"Immediate authorization, funding, and construction of the Dickey and Lincoln School projects on the Saint John River and their associated transmission system. Construction would be contingent upon completion of necessary arrangements with the Canadian government. This would also have the immediate and major by-product of preserving the famed Allagash River in Maine, one of the few remaining wild rivers east of the Mississippi River".

The Dickey-Lincoln School Lakes Project was authorized by the 1965 Flood Control Act, Public Law 89-298 dated 27 October 1965, substantially in accordance with the plans included in the August 1964 report.

II. PROJECT DESCRIPTION

A. Physical Characteristics

Dickey Dam is located on the Upper Saint John River immediately above its confluence with the Allagash River near the Town of Dickey and 28 miles above Ft. Kent in Aroostook County, Maine. The dam would be an earthfill structure impounding a reservoir with gross storage capacity of 7.7 million acre-feet for power, flood control and recreation. The reservoir area would total 86,000 acres at maximum pool elevation of 910 feet mean sea level (msl). Three dikes would be located in saddle areas along the reservoir perimeter to prevent overflow into adjacent watersheds.

Dickey Dam would have a total length of 10,600 feet and a maximum height of 335 feet above streambed. Its outlet works consist of a 26-foot diameter concrete lined tunnel, 2,130 feet long. The power facilities include eight generating units at 95,000 Kilowatts (KW) for a total installed capacity of 760,000 KW. The project would be operated for peaking power purposes.

Lincoln School Dam is located on the Upper Saint John River, 11 miles downstream from Dickey Dam. It provides for an earthfill dam impounding a reservoir with useful storage capacity of 24,000 acre-feet for purposes of regulating discharges from Dickey Dam and for power generation. Its reservoir would encompass 2,150 acres at its maximum pool elevation of 610 feet msl.

Lincoln School Dam would be 1600 feet long and have a maximum height of 85 feet. Its power facilities consist of two units at 35,000 KW each for a total installed capacity of 70,000 KW. The project would be operated as a base load power plant.

The construction cost for the dams and appurtenances totals $428.0 million based on 1 January 1975 price levels.

B. Operational characteristics

The project would be operated principally as a peaking power plant. In this role the project would not be a high energy producing (i.e. Kilowatt-hours) facility. A peaking power project is designed to operate for short periods of time to meet daily peak demands. It has quick starting capability and provides spinning reserve for load protection. Typical peaking plants are hydroelectric projects—both conventional and pumped storage—and gas turbine units. On the other hand, base load power is provided by large efficient fossil-fueled or nuclear steam plants which operate virtually continuously and as a result are high energy producing installations. However, these latter plants are not suitable for peaking use and load protection because of economic and operating considerations. The 1970 National Power Survey published by the Federal Power Commission notes that the current trends toward construction of very large fossil-fueled and nuclear steam-electric base load units has increased the need for plants designed specifically for meeting daily peak demands.

In addition to its reliability, a hydroelectric facility has a lower operating cost than alternative power sources because it does not rely upon costly fuels. Water is a continuous and clean source of power. Beyond the economic aspects, there would also be an annual savings in natural resources. To produce an equivalent amount of electrical energy, fuel consumption—dependent upon the type of alternate—would total 1.7 million barrels of oil or 600,000 tons of coal, or 9.2 billion cubic feet of gas.

G. Generating time

The operation of Dickey Dam's power facilities is very flexible and can vary on any given day to meet a specific peak demand. The project is capable of generating to full capacity about 2½ hours per day for seven days a week or 3½ hours daily for five days a week. During periods of peak demand the generating time could be increased to seven hours per day, seven days per week if desired.

The Lincoln School reregulating dam can normally operate 10 hours per day seven days a week. When the Dickey project operates 7 hours per day, the Lincoln project is capable of generating energy 24 hours per day. In the event of an electrical blackout, the project is capable of generating electricity for a continuous period of up to 35 days. Under normal operating conditions, the project will generate energy 12 months per year.

D. Construction Period

Construction of the project, including all necessary land acquisition, will require approximately 7½ years. Initial power-on-line would be scheduled 6½ years after initiation of construction and total power-on-line would be realized one year later.

III. PROJECT ECONOMICS

A. General

The project's average annual benefits are currently estimated as follows:

January 1, 1975, price levels

Benefit:	*Amount*
Power	$52,798,000
Flood Control	77,000
Area Redevelopment	983,000
Recreation	1,250,000
Total benefits	$55,108,000

The average annual cost of the project reflecting amortization of the initial investment and annual operation and maintenance cost totals $21,138,000. This results in a benefit-to-cost ratio of 2.6 to 1.

1. Power:

As noted, power would be the principal benefit realized through construction of the Dickey-Lincoln School Lakes Project. Onsite annual power generation of 1.2 billion kilowatt hours would result from the total installed capacity of 830,000 KW. Additional power generation of 350 million kilowatt hours would also be gained by downstream Canadian power plants due to regulated flows from Lincoln School Lake of which 50% would be allocated to the United States.

The peaking power output from the project would provide an estimated 10% of the New England peaking power generation required in the mid-1980's.

2. Flood control:

The flood control benefit results from elimination of flood damages below the project site. For Kent, located about 28 miles below Dickey Dam, has experienced ten floods during the past 47 years of record. The most recent floods occurred in May 1961, May 1969, April 1973 and May 1974. The May 1974 flood stages exceeded the record flood of April 1973 and caused damages estimated at $3.0 million. These losses would be prevented by the project. In view of the uncertain status of Dickey-Lincoln School Lakes and the recurring flood problem at Ft. Kent, a small local protection project has been formulated under Section 205 of the 1948 Flood Control Act, as amended, that would provide some degree of protection to the Town of Ft. Kent. The proposed dike and pumping station would protect to a 100 year frequency flood level and would be limited principally to the commercial center of Ft. Kent. The proposal is presently under review by the office of the Governor of Maine.

Dickey-Lincoln School Lakes would provide full protection to the Ft. Kent area.

3. Redevelopment:

The Area Redevelopment benefit represents the effect of added employment resulting from the project. The Dickey-Lincoln School Project is located in the part of Aroostook County which is classified as a Title IV(1) Economic Development Area denoting an area of substantial and persistent unemployment. Numerous employment opportunities would arise and the associated wages related to project construction and future operation and maintenance would result in substantial relief to the economically depressed area.

4. Recreation:

The recreation benefit is a preliminary estimate of general recreation, hunting and fishing use developed at the close of earlier preconstruction planning activity. As presently envisioned limited facilities such as campsites, comfort stations and boat launching ramps would be provided. A preliminary recreational master plan will be developed—in conjunction with appropriate State and Federal agencies—in the early stages of current preconstruction planning effort.

B. Economic Analyses

The justification for authorization of all Corps of Engineers' projects is measured in terms of the benefit-to-cost ratio. The economic analysis used to develop this yardstick is based on standards prescribed by Senate Document No. 97, 87th Congress, entitled Policies, Standards and Procedures in the Formulation, Evaluation and Review of Plans for Use and Development of Water and Related Land Resources. Total project benefits for Dickey-Lincoln School Lakes are comprised of at-market power, total downstream energy, flood control, recreation and area redevelopment type benefits. The power benefits for Dickey-Lincoln School Lakes are equated to the cost of privately-financed equivalent alternative sources of power. The unit power values, furnished by the Federal Power Commission, are based on gas turbines for that portion of project power expected to be marketed in the Boston area for peaking purposes and a base load fossil fuel steam plant as an alternative for that portion to be marketed in Maine.

The project cost is evaluated on an annual basis reflecting amortization of the investment and annual operation and maintenance expenses. The cost has been increased to provide for the transmission of power by adding 50 percent of the annual cost of a line between the project and Boston. It has been assumed that the remaining one-half of the annual cost will be derived from the wheeling by others of off-peak power. The interest rate used in the economic evaluation is 3¼% and the period of analysis is 100 years. Attached as Table I is a summary of the economic analysis.

The 3¼ percent interest rate used in the economic analysis has been the subject of considerable discussion. Accordingly, an explanation of the derivation of this rate is appropriate. The interest rate is in accordance with a Water Resources Council (WRC) regulation implemented in December 1968. This regulation revised the method of computing the interest rate as previously outlined in SD 97. The regulation permitted an exception, however, for those projects already authorized such as Dickey-Lincoln School Lakes which was authorized in 1965. The exception noted that if an appropriate non-Federal agency provided—prior to 31 December 1969—satisfactory assurances that requirements of local cooperation associated with the project would be met, then the previous interest rate would be retained. At Dickey-Lincoln School Lakes, local cooperation would be required for the cost sharing of recreational facilities. Assurances were received from the Governor of Maine by letter, dated 24 February 1969, that the non-Federal requirements would be fulfilled at the appropriate time. As a result, the interest rate was retained at 3¼%.

The WRC subsequently established new principles and standards for water resource planning effective in October 1973. A section of these new standards includes the provision for increasing the interest rate to 6⅞%. However, the Water Resources Development Act of 1974, enacted by the Congress on 7 March 1974, includes a section which requires that interest rates used for water resource projects be consistent with the implementation of the December 1968 WRC regulation. Accordingly, the 3¼% interest rate remains firm for Dickey-Lincoln School Lakes. As a point of interest if the project were evaluated on a 6⅞% interest rate, it remains justified with a 1.3 to 1 ratio.

The Corps of Engineers also uses a procedure referred to as an "Economic efficiency test" to comprehensively evaluate proper resource development. The objective of an ideal system operation is to meet area power demands at least cost to consumers. Therefore the least costly addition to a region's capacity could be considered as a yardstick for purposes of making a decision regarding such additions. The "economic efficiency test" provides for such a determination. Basically the test provides for a comparison of the costs of providing an equivalent amount of power from the most feasible alternative, likely to develop in the absence of the project, evaluated on a basis comparable with the determination of the Federal project costs (with respect to interest rate i.e. 3¼%, taxes and insurance). The Corps "economic efficiency test" indicates that the annual at-market charge for Dickey-Lincoln School Lakes power amounts to $21,138,000 while alternative equivalent power charges amount to $42,759,000. This results in a ratio of 2.0 to 1 in favor of Dickey-Lincoln School Lakes. This means that even if private utilities could obtain financing equivalent to the Federal rate, water resource benefits could be provided by Dickey-Lincoln School at half the cost of the private utility alternatives. Table II illustrates the "economic efficiency test".

C. Repayment analysis

The above analyses are used to define the economic worth of the project. The financial value of power, however, is determined through the repayment analysis. Marketing of electric power from Federal projects is the basic responsibility of the Secretary of Interior as authorized by Section 5 of the 1944 Flood Control Act. Repayment rates must be sufficient to recover costs of power production and transmission including annual operation and maintenance expenses. The total investment allocated to power must be repaid over a reasonable period of years. As a matter of administration policy, this period has been specified as 50 years. On 29 January 1970, the Secretary of Interior, under his administrative discretion to establish power rates, instituted new criteria for determining interest rates for repayment purposes for projects not yet under construction. The current interest rate used for Dickey-Lincoln School Lakes repayment under this revised criteria is 6⅛%. The resulting analysis shows that power from Dickey-Lincoln School Lakes could be marketed at 30.98 mills/Kwh as compared to 40.90 mills/Kwh for the private alternatives On an annual basis this represents a savings of about $12.4 million.

The difference between the economic analyses previously described and the repayment analysis warrants further clarification. This has caused a considerable amount of misunderstanding and misinterpretation. The economic analyses-both for the benefit-to-cost ratio determination and the "economic efficiency test" are economic parameters measuring a project's worth. These analyses are not unique to Dickey-Lincoln School Lakes. The benefit-to-cost ratio is employed universally by the Corps in measuring a project's economic justification. The "economic efficiency test" is also universally used by the Corps in conjunction with projects having generation of electric power as a project purpose. The economic analyses utilize a 3¼% interest rate and 100-year period of evaluation. On the other hand, the repayment analysis-which will ultimately be computed by the Department of Interior—is a financial analysis which determines the apropriate charge at which power costs must be marketed to return the total annual investment allocated to power. For this analysis an interest rate of 6⅛% and a 50-year repayment period are used.

IV. ENVIRONMENTAL STUDIES

A. General

Detailed data essential to a comprehensive environmental evaluation consistent with the National Environmental Policy Act of 1969 (NEPA) have not been developed for Dickey-Lincoln School Lakes. Preconstruction planning was terminated in the fall of 1967, prior to passage of NEPA, and not resumed until late 1974. Environmental studies and preparation of an Environmental Impact Statement will receive priority attention now that design activity is resumed. A final Environmental Impact Statement must be on file with the Council on Environmental Quality prior to initiating any land acquisition or construction.

An initial activity in environmental studies is the preparation of a scope-of-work for the Environmental Impact Statement. The scope-of-work will be the plan of action for developing a comprehensive Environmental Impact Statement. It will identify all significant environmental, social and economic impacts induced by the project and recommend methodology for measuring and evaluating these impacts. A contract with a private environmental engineering firm is currently underway to accomplish this task.

B. Project Effect on the Allagash River

Construction of the Dickey-Lincoln School project will have no adverse effect on the Allagash River. The project should, in fact, effectively supplement the valuable waterway. The Dickey Dam site is located on the Upper Saint John River immediately above its confluence with the Allagash River. Consequently, the impoundment would have no effect on its outstanding free flowing characteristics.

The lake created by the project totaling 86,000 acres would complement the Allagash environs by furnishing a balanced resource to this upper region of Maine—for example providing lake fishing as opposed to the stream fishing of the Allagash. The project would also serve to alleviate some of the present heavy use being experienced along the Allagash—a use which could ultimately be detrimental to its wilderness appeal.

C. Effect of Reservoir Drawdown

The North Pacific Division of the Corps of Engineers conducted computer simulation studies in 1966 which identified the extent of reservoir fluctuation. The operational characteristics of the project were analyzed by continuous simulation using 30 years of record. During the period of June to October, the lake surface would drop about three to four feet depending upon whether it was a hydrologically wet or dry year. The average daily drop in the pool would approximate one inch. The lake elevation at the start of the recreation season would be a function of the hydrologic conditions. For an average year, the pool elevation would be at 905.0 mean sea level (msl) in June. This is five feet below the maximum power pool elevation of 910.0 msl. At summer's end, the pool would be about four feet lower, as previously noted, or nine feet below the maximum pool elevation.

Much has been written about the so-called "bathtub ring" effect due to drawdown. Based on the average year, the exposed area would total 4,000 acres (El. 905.0 msl) at the beginning of the recreational season and 8,000 acres (El. 901.0 msl) in October. The maximum drawdown, i.e., lowest lake elevation, in any given year would occur in March. The maximum drawdown periods occur during the winter months when heavy snow cover typical to the area exists. From an environmental viewpoint, this snow cover would effectively cover the exposed areas.

An analysis was also accomplished to reflect the most severe drawdown condition during the 30 years of record. This study indicated that the power pool would be lowered to El. 871 ft. msl only once during the 30-year period—again occurring in March. This event, with an approximate 3 percent chance of occurrence, would expose some 31,000 acres although the terrain would have a significant snow cover as previously described.

Computer simulation studies will be updated during the current preconstruction planning activities and will utilize 42 years of hydrologic record.

V. MARKETING OF POWER

The concept developed during the earlier studies envisioned the marketing of 725,000 KW of Dickey-Lincoln School Lakes output as peaking power to the Boston, Mass. area and the remaining 105,000 KW principally as base load power in the Maine market. This marketing concept will be reviewed by the Department of Interior.

The Department of Interior is vested with the responsibility of marketing the electric power from Dickey-Lincoln School Lakes per authority of Section 5 of the 1944 Flood Control Act. This Section states that power will be sold in such a manner as to encourage the most widespread use thereof at the lowest possible rates consistent with sound business practices. Section 5 further states that preference in the sale of power and energy is to be given to public and cooperative power interests.

It will not be known how much power—if any—will be available to private utilities until Interior finalizes its marketing plans. Historically, the Department of Interior has not proceeded with definitive marketing and transmission plans until construction of the project is under way and the power-on-line date is capable of being met with some degree of certainty. Prior to that time, their studies are of sufficient depth to determine marketability and evaluate the financial feasibility of the power installation.

The existence of the New England Power Pool (NEPOOL)—comprised of the major utilities within New England—provides an effective vehicle through which Dickey-Lincoln School Lakes output could be utilized to the mutual benefit of New England. A report dated November 21, 1974 submitted to the New England Planning Committee of NEPOOL stated that, "the Dickey project capacity would be fully effective capacity to the interconnected New England system if it were dispatched in a peaking assignment during the 1985–1986 power year. The enormous storage reservoir makes it possible to use Dickey with maximum flexibility. It can run at full capacity whenever it is needed and can sustain that power level for the duration of any peak that the system experiences. It makes an ideal source of reserve with quick response, a fact that is most valuable to have as an option to open to those responsible for load dispatching."

VI. CURRENT STATUS

Planning and design, previously terminated in late 1967 due to lack of funds, was resumed in the Fall of 1974 with the allocation of $800,000 in Fiscal Year 1975 (July 1974 through June 1975) funds. The only work accomplished in the interim was the annual updating of project costs and benefits. Construction costs were escalated using selective cost indices for specific work items. The power benefits have been updated annually by the Federal Power Commission.

Efforts are now underway and/or resumed on the following preconstruction planning elements:

Preparation of a scope-of-work for an Environmental Impact Statement,

Hydrology and Hydraulic Studies,

Hydropower Studies including feasibility of adding pumped storage, Water Quality Studies,

Preliminary Planning of Recreational Facilities,

Preliminary Real Estate Planning,

Surveying and Mapping of Construction Sites,

Construction Materials Explorations and Testing,

General Layout and Design Activity,

Highway Relocation Studies,

Seismic Studies.

Coordination will be established with appropriate Federal, State and local agencies and Canadian interests as preconstruction planning progresses.

The project cost estimate for major construction features has been updated by a private engineering firm experienced in hydroelectric facility design and construction. This update, supplemented with updated cost estimates for land and minor construction features prepared by the New England Division of the Army Corps of Engineers, constitutes the current project cost estimate.

TABLE I.—*Dickey-Lincoln School Lakes economic analysis—Annual costs and benefits (January 1975 P.L.)*

[Based on 3¼ percent interest rate and 100-year project life]

Total investment—Dams:	
Construction cost of dams	$428,000,000
Interest during construction	36,200,000
Total investment	464,200,000
Capital recovery factor 100 year life	.03388
Annual costs—Dams:	
Interest and amortization	15,727,000
Operation and maintenance	1,700,000
Major replacements	298,000
Loss of land taxes	118,000
Subtotal dams	17,843,000
Total investment—Transmission lines:	
Construction costs of transmission line	144,230,000
Interest during construction	7,030,000
Total investment	151,260,000
Annual costs—Transmission lines:	
Interest and amortization	5,125,000
Operation and maintenance	1,016,000
Major replacements	449,000
Subtotal transmission lines	6,590,000
Total annual costs:	
Dickey-Lincoln School Lakes	17,843,000
Transmission (50 percent)	3,295,000
Annual costs	21,138,000
Annual benefits (See below)	55,108,000
B/C ratio	2.61 to 1
Annual benefits:	
Marketed in Maine	
105,000 kw × .95 × $67.50	6,733,000
372,000,000 kwh × .95 × $.017	6,008,000
Marketed in Boston	
725,000 kw × .905 × $22.50	
782,000,000 kwh × .929 × $.030	21,794,000
Downstream	
350,000,000 kwh × $.010	3,500,000
Subtotal power	52,798,000
Prevention of flood damages	77,000
Recreation	1,250,000
Redevelopment	983,000
Total annual benefits	55,108,000

Kw=Kilowatts.

Kwh=Kilowatt hours.

TABLE II.—*Dickey-Lincoln School Lakes economic efficiency test*

[Comparably financed, that is, 3¼ percent]

Alternative costs:	
Power marketed in Maine	
105,000 kw × .95 × $32.50	$3,242,000
372,000,000 kwh × .95 × $.017	6,008,000
Power marketed in Boston	
725,000 kw × .905 × $9.00	5,905,000
782,000,000 kwh × .929 × $.030	21,794,000
Downstream	
350,000,000 kwh × $.010	3,500,000
Subtotal	40,449,000
Adjustment for flood control*	77,000
Adjustment for recreation*	1,250,000
Adjustment for redevelopment*	983,000
Total alternative cost	42,759,000
Annual cost, Dickey-Lincoln School	21,138,000
Comparability ratio	2.0 to 1

* Flood control, recreation, and redevelopment benefits which are provided incidentally to construction of Dickey-Lincoln School would be foregone by the alternative. Therefore, the values of these benefits are added to the alternative in order to obtain a valid comparison.

DICKEY-LINCOLN SCHOOL LAKES—COMPARISON OF PROJECT COST ESTIMATES

Description	Approved estimate (Based on Stone and Webster update) (Jan. 1, 1975 price levels)	Fiscal year 1976 budget estimate (July 1, 1974 price levels)	Escalated estimate[1] (Jan. 1, 1975 price levels)
01. Lands and damages	[2]$24,000,000	$15,800,000	$24,000,000
02. Relocations	[2]7,250,000	6,520,000	7,250,000
03. Reservoirs	16,000,000	10,980,000	11,500,000
04. Dams	199,900,000	182,000,000	202,400,000
07. Power plants	134,800,000	130,600,000	143,800,000
08. Roads and bridges	[2]1,730,000	1,530,000	1,730,000
14. Recreation	[2]540,000	490,000	540,000
19. Buildings, grounds and facilities	[2]$1,630,000	$1,5[illegible]0,000	$1,630,000
20. Permanent operating equipment	[2]750,000	670,000	750,000
30. Engineering and design	[2]18,600,000	17,000,000	18,600,000
31. Supervision and administration	[2]22,800,000	20,900,000	22,800,000
Total project cost	428,000,000	388,000,000	435,000,000

[1] C.O.E. July 1974 estimate escalated to January 1975 P.L. using U.S. Bureau of Reclamation cost indices.

[2] Furnished by C.O.E. (not in S. & W. contract).

MAJOR PRECONSTRUCTION PLANNING ACTIVITIES—FISCAL YEAR 1975

Activities—Allocation of fiscal year 1975 funds

Project cost estimate update: Stone & Webster Contract (major constr. features), Sewall Co. (Timber Cruise—Timber and land values), $40,000.

Environmental impact statement: Meta Systems, Inc. (Plan of study to assess impacts), $100,000.

Hydrology studies: $40,000.

Power studies (including pump storage): $30,000.

Impact of impoundment on water quality: Multi-level intake studies, temperature and conductivity data collection, suspended sediment data collection, physical and mathematical modeling, $160,000.

Sources of construction materials: Photo geology base maps, regional geologic structures map, field and aerial resistivity surveys, $100,000.

Seismological studies: Seismic activity and probability, preliminary dynamic analyses, $65,000.

Real estate studies: Community relocations assistance, real estate value update, real estate mapping, $40,000.

General engineering: Project layout studies, highway relocations, land surveys, $150,000.

Coordination: $75,000.

Total fiscal year 1975 funding: $800,000.

CRITICAL TARGET DATES

Draft environmental impact statement, June 1976.

Revised general design memorandum, June 1976.

Final environmental impact statement on file with C.E.Q., April 1977.

Earlier construction start, clearing, highway relocations, diversion tunnel, April 1978.

Earlier power on-line, based on construction authority, fiscal year 1978, March 1984.

Project completion, based on construction authority, fiscal year 1978, March 1985.

REINTRODUCTION OF THE FEDERAL EMPLOYEES LABOR RELATIONS ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, on January 27 of this year I reintroduced the Federal Employees Labor Relations Act, a bill I first introduced in the 93d Congress at the request of two of my distinguished colleagues on the Post Office and Civil Service Committee, Mr. CLAY and Mrs. SCHROEDER, I am reintroducing it again today with their names as cosponsors.

The Federal Employees Labor Relations Act is intended to protect the rights of Federal employees as fully as possible. By providing full collective-bargaining rights for Federal employees and enable them to join the great majority of American workers in the enjoyment of well earned rights and benefits. The bill would establish a five-member Federal Employees Labor Relations Board, which would have full authority to interpret, apply, and enforce the provisions of the statute.

It provides that each governmental unit to negotiate with the employees duly elected union representative over such matters as pay, classifications, fringe benefits, and other "conditions of employment." In addition, unions would be empowered to negotiate agency shop provisions and to seek binding arbitration in matters as grievances, disciplinary proceedings, and equal employment opportunity complaints. The legislation also grants Federal employees the right to strike under certain conditions and when a negotiation impasse is reached, the bill provides for the appointment of a mediator. If the mediator fails to resolve the dispute, the parties would select a factfinder with power to make findings of fact and to recommend terms of settlement.

Federal district courts would be authorized to issue a restraining order or temporary or permanent injunction when the commencement or continuance of strike poses a clear and present danger to the public health and safety.

Mr. Speaker, quite simply, this legislation provides for Federal employees the same rights and benefits which have existed for employees in the private sector for nearly four decades. The union and the Coalition of American Public Employees, which is composed of the National Treasury Employees Union, the American Federation of State, County, and Municipal Employees and the National Education Association, I urge my colleagues to join me in supporting this legislation.

ALLEN J. ELLENDER FELLOWSHIPS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, it has long been a policy of mine to visit middle schools, high schools, and junior colleges to bring the other Washington to the young people in my district. Consequently, it is indeed with pleasure today that I join with my distinguished colleagues in cosponsoring a resolution to extend the support of the Allen J. Ellender Fellowships, which through the Close Up Foundation, brings these students to our Nation's Capitol.

Having been supportive of internship programs during my entire tenure in the House, the value of this program was obvious to me when I met with 306 students and teachers from the Seattle area this May who were brought to the Capitol through this program.

In an era of disillusionment and distrust of Government, it is gratifying to know that due to this program there are young people who will be paying more attention to the affairs of their country and who very well may become more involved in the political process at all levels. For some of these students this opportunity may have helped to make them feel that their Nations Capitol is far more than a series of monuments and buildings but rather a place where the buildings are filled with conscientious people attempting to solve the complex problems of their Nation.

Robert Kennedy once said that our Nation's youth are our last best hope for the future. Let us do whatever we can to prepare them for the future.

OPERATION OF COMMISSARY STORES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, in the President's budget for fiscal year 1976 he has requested a reduction in appropriated funds in connection with the operations of commissary stores starting with July 1, 1975, with the ultimate goal of eliminating all appropriated funds for civilian and military personnel working in commissary stores after September 30, 1976. If the President's proposal is accepted by Congress it would result in commissary stores becoming self-sustaining.

I am totally opposed to this proposition and have testified before the Armed Services Committee, Subcommittee on Investigations, and the Defense Appropriations Subcommittee to this effect.

All of us here today are aware of the concentrated attacks that have been made on the military in the last couple of years and the continued attempts by many to cut back and erode away the compensation and benefits promised them by Congress. This most recent proposition to make commissaries self-sustaining is the latest breach of faith and the administration is looking to Congress to support such action.

If we continue along this path we will find that we have not only weakened the faith of the current military personnel but have seriously impaired morale.

Commissary privileges were and are considered as fringe benefits and have always been included as part of the compensation package. This and other benefits have always been considered when pay increases are programed for the military. The President has tried to justify his decision to slash commissary subsidies by saying the current level of pay in the Armed Forces is adequate, and I will not try to deny that Congress has attempted to upgrade the salaries by increasing basic pay in order to entice more volunteers to join the service. But let us look at the facts.

Of the entire active duty force 67 percent are in pay grades E5 and under and receive less than $7,000 annually in pay and allowances, hardly an exhorbitant figure given the cost of living today. In comparison, a recent study done by the Bureau of Labor Statistics shows that a family of four living in an urban area needs a budget of $9,198 in order to sustain what the Bureau called a low level of living, over $2,000 more than the majority of active duty military personnel currently receive.

Another fact to bear in mind when we hear that the military are receiving adequate pay are the recent reports that a number of lower grade enlisted service people have been forced to purchase food stamps in order to make ends meet. The Agriculture Department figures show that comstores redeemed $8,115,570 worth of stamps from December 1973 through September 1974—an average of $676,300 per month. Last October, the figure rose to $872,517 and in November it shot to $1,367,592, almost double the average for the previous 12 months. When people in the military can qualify for food stamps I hardly find the argument of increased base pay a legitimate one for making commissaries self-sustaining—in effect doing away with them.

While the lower grade personnel will be hit hard by the administration's proposal, the retirees will suffer greatly.

Especially those who were caught in the changeover of the retirement system in 1958. These retirees are struggling as it is to keep up with the fantastic increase in the cost of living, and to burden them with additional expense at this time is totally unreasonable. If Congress makes commissaries self-sustaining the cost of food for the retirees will jump 20 percent making their golden years look more like brass.

Mr. Speaker, at this time I would like to insert an editorial from the San Antonio News expressing the concern among military people of this proposed change:

HONOR IS AT STAKE HERE

(The issue: Commissary issue rightfully causes concern among military people.)

The president of a civilian organization devoted to the support of air power reports there is much concern among military people over the possibility of changing the status of commissaries.

"Never in the history of this organization have we witnessed such concern over a military personnel matter as over the commissary issue," says Joe L. Shosid, president of the Air Force Association.

Shosid recently testified before a U.S. House committee on the issue.

Shosid particularly attacked the "comparability" argument. This is the claim that military compensation is now competitive with public and private pay and therefore military people need no supplemental benefits. Shosid said:

"How many civilian employees are called upon to uproot their families involuntarily every few years to endure 24-hour alert duty assignments, to work overtime without additional compensation, to serve in remote and isolated areas, to give up certain freedoms and rights, to risk injury, personal disability or death in battle?"

No less telling was Shosid's argument that elimination of commissaries would be changing the rules of the game after military people had chosen careers in the service with this as a factor.

"We are not just talking about grocery stores," he said. "We are talking about a great country keeping faith with its people.

"Commissaries could well represent a prime indicator of whether or not our country intends to honor its commitments, implied or contractual, to those whom it has asked to serve it."

Of course there should be strict control to prevent abuses of the commissary system.

I know, Mr. Speaker, that our current economic conditions call for biting the bullet, but the military family has been exposed to too many bullets for too long.

As some one said years ago:

> God and the soldier, all men adore in time of trouble and no more. For when wars are over and all is righted, God is neglected and the soldier slighted.

I hope that this Congress does not prove this quotation to be true.

UNEMPLOYMENT INSURANCE FOR CETA WORKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, today my colleague from Minnesota (Mr. KARTH) and I are introducing legislation dealing with unemployment insurance benefits for public employees hired under the Comprehensive Employment and Training Act—CETA. Our bill affects seven States that provide mandatory UI coverage for State and local public employees: Connecticut, Florida, Hawaii, Michigan, Minnesota, Ohio, and Oregon. The bill stipulates that UI benefits in these States will be fully federalized for claimants who were previously employed in the CETA program.

The need for this legislation stems from a requirement in section 208(a)(4) and section 602(c) of the Comprehensive Employment and Training Act, as amended, that all persons employed in public service jobs under CETA receive the same benefits available to other comparable employees. This requirement means that CETA prime sponsors in the States listed above must provide unemployment insurance coverage for their CETA workers.

The impact of this requirement in my district was spotlighted at hearings I conducted earlier this year in Minneapolis on the CETA program. At these hearings, Lou DeMars, president of the Minneapolis City Council, indicated that if it became necessary for the city of Minneapolis to lay off its CETA workers, the cost to the city for unemployment insurance benefits for this group of claimants could exceed $1 million. The city would have to lay off 100 of its regular employees, Alderman DeMars told us, merely to provide the funds to meet this new financial obligation.

Following our hearings, we learned that the Labor Department would permit Minneapolis and other prime sponsors to use part of their CETA grants to cover these fringe benefit costs. In the event that the public employment programs authorized under CETA were terminated, we were told that funds from the DOL national office would be provided to help defray the cost of UI benefits for former CETA workers.

This departmental policy means that the problem of financing UI benefits for CETA workers is not as severe as we had originally thought. But it does mean that if and when funding for the CETA program is phased down, the city of Minneapolis may have to use an ever increasing share of its diminishing CETA funds to meet its unemployment insurance obligations. The city could find itself faced with a spiralling cost problem; CETA layoffs would lead to increased UI costs for the city, and these new costs, in turn would require more CETA layoffs to free up the funds needed to provide benefits for the first group of UI claimants. In effect, we could find that CETA was being transformed from a public employment program to an unemployment insurance program.

Our bill proposes to deal with this problem by providing that Federal unemployment insurance funds rather than CETA funds would be used to cover what would normally be the local community's share of the cost of an unemployment insurance program. In effect, former CETA workers would become a special class of UI recipients whose benefits were funded completely by the Federal Government.

I think it is important to note that in States which do not provide unemployment insurance coverage for their public employees, CETA employees, and other State and local workers are eligible for the new supplemental unemployment assistance—SUA—benefits. SUA now provides 26 weeks of fully federalized unemployment benefits. Under H.R. 6900, which has passed the House and is now pending in the Senate, this benefit period has been increased to 39 weeks. Our bill provides an equivalent 39 weeks of 100 percent federally funded benefits for CETA workers in those States that mandate UI coverage for their public employees.

At this point, I would like to include with my remarks a letter from George Seltzer, chairman of the Minnesota Governors Council for Employment, which describes this unemployment insurance problem as it affects our State:

MINNESOTA DEPARTMENT OF
EMPLOYMENT SERVICES,
St. Paul, Minn., February 19, 1975.

Hon. DONALD M. FRASER,
Member of Congress,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FRASER: The hearings you recently conducted in Minneapolis regarding implementation of the 974 Emergency Jobs Act (P.L. 93-567) and other matters concerning employment were most informative.

An important problem that surfaced at these hearings relates to the confusion and uncertainty among public employers regarding unemployment insurance coverage—and its funding—for emergency employees.

This problem was underscored by Duane Meidtke (Mayor, Village of St. Anthony), Wayne Holtmeier (Carver County Commissioners), Mel Harris (Minnesota Urban Manpower Consortium), and others.

The paradox confronting public employers may be expressed succinctly in the following terms. The federal legislation (CETA, Title VI) provides additional public service employment at 100 per cent federal funding. It properly requires that such "emergency" employees shall be treated in the same manner as other public employees.

In Minnesota, as in several of the states, public employees are covered mandatorily by unemployment insurance. A Minnesota public employer reimburses the "UI" fund for benefits paid out.

The federal legislation mandates that "emergency" public employment shall not exceed 3 months from the date of initial funding. From the foregoing it follows that the participation of a Minnesota public employer in the emergency program means the inherent assumption of contingent risk for unemployment insurance.

This, patently, is sizeable and may constitute a funding "match" unforeseen by the Congress. It is estimated that the allocation of CETA, Title VI, initial funding may impose an obligation of $4,000,000 on public employers in Minnesota.

Louis DeMars (President, the Minneapolis City Council) indicated that Minneapolis, for example, would be compelled to lay off 100 *additional* employees should the City have to fund this potential obligation. The net effect: a short-run job source with a built-in destabilizer for greater unemployment and disruption of public services.

Several local units of government have declined to participate. These would not or could assume the contingent liability. Others, who are participating undoubtedly are not aware of the overhanging potential burden.

In any event, some impairment of expeditious and equitable program implementation is inevitable. The geographic distribution of emergency jobs within Minnesota may not correspond to the areas of greatest need. And, this impediment will become more serious as the public service emergency public employment program unfolds subsequently in terms of size.

Congressional attention to this problem is urgent.

Sincerely yours,

GEORGE SELTZER,
Chairman, Governor's Council for Employment Services.

The following letter from Benjamin Brown, Deputy Under Secretary of Labor for Legislative Affairs, outlines current Labor Department policy on this issue:

Hon. DONALD M. FRASER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FRASER: This is in response to your letter of February 19, 1975, to Mr. John Grant of my office relating to local officials' concerns about the costs of unemployment benefits for employees whose jobs are funded through the Comprehensive Employment and Training Act (CETA) of 1973, as amended.

Under section 208(a)(4) and section 602(c) of CETA, as amended, it is required that all persons employed in public service jobs under CETA will receive the same fringe benefits as other comparable employees, including unemployment insurance (UI) coverage. In some instances, State and local governments do not provide UI coverage to their own regular employees and, in those cases, CETA participants would not receive UI coverage. In those instances where UI coverage is provided, State and local governments generally use either of two systems to fund this coverage—the contribution system or the reimbursement system.

Under the contribution system, a percentage of payroll costs is paid into the State UI fund to cover the cost of benefits claimed by former employees. Under the reimbursement system the State or local government, in effect, insures itself by making payments to reimburse the State UI fund when benefits are paid out of the fund. In this latter system, costs are incurred after individuals have been terminated from a jurisdiction's payroll. In either of these systems, the State or local jurisdiction may include UI costs as a part of a package of fringe benefits included in an overhead rate or they may be identified as direct costs.

It is the Manpower Administration's policy that under the contribution system, where a percentage of payroll is paid or where a portion of the overhead rate is charged to the CETA grant, the costs are incurred in the current grant period and are allowable CETA costs to be charged against the grant at that time. Under the reimbursement system, where UI payments are charged as direct costs in grant periods subsequent to the time the participants were on the payroll, the costs will be allowable CETA costs to be charged against the grant at the time they occur because of the continuing relationship between the Manpower Administration and CETA prime sponsors. Escrow or reserve accounts to provide for costs which may occur after the grant period under the reimbursement system are not allowable CETA costs. In those instances, under the reimbursement system, where a particular CETA grant, such as title VI, is scheduled for termination at a specified date and a renewal is not currently legislatively authorized, funds will be made available from the national office of the Manpower Administration to fund UI benefits costs which occur after the grant period.

I hope this information will be helpful.

BENJAMIN L. BROWN,
Deputy Under Secretary for Legislative Affairs.

The text of our bill follows:

H.R. 8050

A bill to provide for the Federal payment of State unemployment compensation benefits which are attributable to services performed by certain employees of State or local governments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. In the case of any State the unemployment compensation law of which provides for the payment of regular compensation on the basis of services performed by employees of the State or any political subdivision thereof, or of any instrumentality of the State or political subdivision thereof, there shall be paid from time to time by the Secretary of Labor to such State the amount (if any) of the Federal share of unemployment compensation benefits paid under the State law which are attributable under the State law to services performed in any qualified public service job.

SEC. 2. For purposes of this Act—

(1) The Federal share of any unemployment compensation benefits paid by a State shall be—

(A) 100 percent of any regular compensation which is not sharable regular compensation; and

(B) 50 percent of—

(i) any regular compensation which is sharable regular compensation, and

(ii) any extended compensation which is sharable extended compensation.

(2) The term "qualified public service job" means any public service job funded with assistance provided under the Comprehensive Employment and Training Act of 1973, as amended.

(3) The terms "regular compensation", "sharable regular compensation", and "extended compensation", and "sharable extended compensation" have the same meaning as such terms have when used in the Federal-State Extended Unemployment Compensation Act of 1970.

(4) The term "State" includes the District of Columbia.

SEC. 3. There are authorized to be appropriated such sums as may be necessary for purposes of this Act.

THE TRUCKING LOBBY IS BACK ON THE HILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 15 minutes.

Mr. KOCH. Mr. Speaker, the trucking lobby is swarming around the Capitol. Why? Because, Mr. Speaker, during the markup of the Transportation Appropriations Act in the Appropriations Transportation Subcommittee, I offered an amendment to rescind the truck weight increase authorized in the closing hours of the debate of last year. At that time every parliamentary device was imposed to prevent a vote on the issue retaining the truck weight limitation at the original 73,280 pounds which represents the position of this house as demonstrated earlier from the 252–159 vote on August 20, 1974. By a tie vote of 4 to 4, in the Transportation Subcommittee on Thursday, June 12, my amendment rescinding the truck weight increase did not prevail. I expect to offer it again in the full Appropriations Committee on June 26. In the event we do not prevail there, it will be offered from the floor when the Transportation Appropriations Act comes before the full House, which we expect will be the week of July 8.

As is their right, the trucking lobbyists are seeing Members in their offices now so as to express their point of view; and I thought it would be helpful to our colleagues to have the arguments in favor of the rollback. A memorandum setting forth those cogent reasons follows:

BRIEF IN SUPPORT OF A LIMITATION ON THE TRANSPORTATION APPROPRIATIONS ACT WHICH WOULD REDUCE THE ALLOWABLE TRUCK WEIGHTS ON INTERSTATE HIGHWAYS TO 73,280 POUNDS

(Prepared by the office of Representative EDWARD I. KOCH)

On August 20, 1974, the House adopted an amendment to the Federal Mass Transportation Assistance Act, 252–159, to strike a proposed increase in truck weights. However, on December 16 and 18, in the closing days of the 93rd Congress, the Federal Aid Highway Act Amendments was brought to the floor under suspension, thereby precluding amendments, which included a provision increasing allowable truck weights from 73,280 to 80,000 lbs. and increasing single and tandem axle weight allowances by 2,000 lbs. to 20,000 and 34,000 lbs., respectively. Neither house had a chance to consider increased truck weights as a separate issue in this vote. Members were forced to take or leave the entire bill, which had several good provisions, including a national 55 mile-per-hour speed limit.

Repeal is supported by the following professional organizations for safety, cost, and procedural reasons: the National Society of Professional Engineers, the American Society of Civil Engineers, the National Association of Counties (state, county, and local governments, not the federal government, must pay the increased highway maintenance costs), the National Highway Safety Advisory Committee (chartered by Congress to advise the Department of Transportation), the American Automobile Association, the Professional Drivers' Council for Safety and Health, the Association of American Railroads, the Brotherhood of Railway, Airline, and Steamship Clerks (AFL–CIO), and many others.

We intend to offer an amendment which would reduce the gross weights permissible on the Interstate System back to 73,280 lbs., and single and tandem axle weights to 18,000 and 32,000 lbs. So that the states which have enacted higher weight laws since the passage of PL 93–643 will have full opportunity to receive funds, the amendment includes a 30-day period after the first day of the next regular session of a state's legislature for states to bring weights back down. We have been informed by the House Parliamentarian in a preliminary ruling that the amendment is both germane and not subject to a point of order because it is a limitation and not legislation.

A summary of the main arguments concerning the need for lower truck weights follows below, drawn from testimony during the House Appropriations Transportation Subcommittee hearings and elsewhere.

SAFETY

Testimony of Doctor James B. Gregory, Administrator of the National Highway Traffic Safety Administration, before the House Appropriations Transportation Subcommittee on March 21, 1975 revealed:

"As you build up the weight of the trucks, you find the fatality probability continues to increase with the weight of the trucks.

The probability of a fatality occurring in a collision between an automobile and a large truck, defined roughly as a truck in excess of a 10,000 lb. gross vehicle, is 10 to 1 (compared with lighter vehicles)."

While trucks are involved in fewer accidents than cars, the fatality rate, especially for the heaviest trucks, is far greater. Dr. Gregory admitted that, "From the standpoint of the chances of fatality, I was dead wrong," in his earlier view that the fatality rate for automobile passengers involved in truck-car collisions would be similar "whether it (the truck) weighs 70,000 pounds or 80,000 pounds." In a March 11, 1975 study, the National Highway Traffic Safety Administration concluded, "The number of non-truck fatalities per 100 car truck accidents (based on a sample of 13,176 accidents) increases at the rate of 1.1 for each 10,000 pound increase in the loaded weight of the truck."

According to 1971 and 1972 Department of Transportation and Bureau of Motor Carrier Safety reports, large trucks have a fatal accident involvement rate of almost twice that for all motor vehicles. The fatality rate in accidents involving large trucks (Class I and Class II intercity carriers of property) in 1972 was 8.15 fatalities per 100 million vehicle miles of travel.

NHTSA testimony on March 24, 1974, before the Senate Public Works Committee, revealed that the 10% weight increase permitted by the law as passed would reduce the speed of the best performing trucks to 26–28 mph on hills where cars can easily maintain 55 mph (almost a 30 mph differential in speeds). According to reports by DOT, such wide differences in speed greatly increase the likelihood of accidents. The accident rate jumps 200 times—from 50 per 100 million vehicle miles where traffic speed is uniform, to 10,000 per 100 million vehicle miles where a 30 mph speed differential exists. This danger from the heavier weights increases even more when poor visibility weather conditions prevent early recognition of the speed differential of slower trucks, or when the normal passing lane is not available for use, as in going around a curve.

According to the same NHTSA testimony, the chance of collision when trucks overtake cars on two-lane roads is four or five times greater than when cars pass trucks. Under the national 55 mph speed limit, the likelihood that the overtaking vehicle will be a truck—now, a dangerously heavier truck—is considerably higher than when truck speed limits were held to 5 or 10 mph below passenger cars.

BRAKE STANDARDS AND SAFETY STUDIES

"The stopping distance will be longer if you use the same brakes with a heavier weight," according to NHTSA testimony before the House Appropriations Transportation Subcommittee on March 21, 1975. NHTSA elaborated, "Everything being equal, the heavier truck will experience a greater fade problem than one of lighter weight."

In response to a request for information concerning any studies it may have conducted to determine the impact of the new weights on braking capacity, the National Highway Traffic Safety Administration of the Department of Transportation responded that it "has not made any such studies because of the absence of a requirement for their conduct in support of our motor vehicle rule making program." On Dec. 2 and 13, 1974, DOT issued two contract proposals for studies, one on "accident topology of larger trucks", the other relating to "the effect of larger trucks on traffic operations and their relationship to highway safety." On March 10, 1975 DOT told the House Appropriations Transportation Subcommittee that "these submissions are in a contracting process and have not yet been let." In the absence of such information, it was ill-conceived of DOT to support heavier truck legislation. Professional driver organizations oppose the heavier weights for such safety reasons.

Particularly disturbing is the fact that the heavier truck weights are allowed on both new trucks with the new, safer "121" brake standards, and pre "121" vehicles. The 121 brake standards apply only to new trucks, but old ones are still allowed on the roads carrying the new weights.

Driver safety organizations also point to blowouts, steering, acceleration, and maneuverability, and other factors as far more difficult and dangerous when driving the heavier trucks.

HIGHWAY DAMAGE

The $27 million American Association of State Highway Officials 1958–60 Road Test, the study which formed the basis for construction of the Interstate System, showed that a 2,000 lb. increase in single axle loads from 18,000 to 20,000 lbs., as now permitted in PL 93–643, brings about a 57% increase in wear and tear on pavement attributable to the movement of the heavier trucks. The same study revealed that an increase from 32,000 to 34,000 lbs. for tandem axles, as in the new law, brought about a similar increase of 33%.

American Association of State Highway and Transportation Officials, in testimony before the Senate Public Works Committee on February 21, 1974, confirmed that these weight increases could mean "an average loss of the remaining life of a facility of between 25 to 40%".

Subsequent to passage of PL 93–643, Federal Highway Administrator Norbert Tiemann stated in a speech that the highways in this country are wearing out at a rate of 50% faster than they can be rebuilt. Where, then, is the logic of further accelerating their deterioration by permitting these increases in axle loads?

COST

On April 8, 1975, DOT provided the Appropriations Transportation Subcommittee what the Department called "a very conservative estimate" of an up to $100 million annual cost increase for maintenance due to the new weights. This figure was broken down into $34 million for state-administered highways, $30 million for counties, and $24 million for cities.

Even more staggering is DOT's cost projection for providing a complete road system capable of accommodating the higher weights at $2.4 billion. This figure, presented to the Senate Public Works Committee on February 20, 1974, represents:

"the increase in investment required to build a road system designed to accept maximum single and tandem axle gross loads of 20 and 34,000 pounds, respectively (as in PL 93–643) for 20 years, instead of one designed to accept existing gross axle loads of 18 and 32,000 pounds."

BRIDGE DAMAGE

The American Society of Civil Engineers' National Board of Directors on October 20, 1974 recommended:

"From an engineering point of view, no increase in vehicle size should be permitted until existing structures are put in order and the true effects of increased vehicle size and weights on bridges, pavements, and underground utilities are evaluated."

According to an ASCE position paper, "89,000 of the nation's 563,000 bridges are in critical condition," with "24,000 of the 89,000 on the federal highway system. Of the total of 563,000, ASCE reports, "407,000 bridges were built prior to 1935" at a lighter design load than currently required.

The National Society of Professional Engineers adopted a similar proposal recommending that Congress reconsider its action when its Board of Directors met in January, 1975.

These two societies represent essentially all of the civil and structural engineers in this country. Yet DOT Secretary Coleman testified before the House Appropriations Transportation Subcommittee on March 10 that most bridges "are capable of routine handling of the new weights."

NSPE and ASCE have pointed to examples like the Silver Bridge over the Ohio River at Point Pleasant, West Virginia, where an increase in pulsating live load, coupled with the steady dead load, caused a sudden collapse and the death of 46 people. Though sudden in its tragic culmination, the process took 30 years. The National Society of Professional Engineers argues that this may occur "even more frequently with the heavier axle loads in trucks allowed" in PL 93–643.

THE "TOLERANCE" ISSUE

The Federal Highway Administration told the House Appropriations Transportation Subcommittee on May 5, 1975 that the former truck weight law (23 U.S.C. 127) allowed "an up to 10% administrative tolerance". However, the word "tolerance" did not even appear in the old law, and the gross vehicle weight was established inclusive of any tolerance which a state chose to allow. A table of state weight limits in the American Trucking Association's own magazine, Transport Topics (Oct. 14, 1974, appeared) clearly indicates that only seven states permitted a tolerance factor, which when added to the allowable weight in those states did not exceed the national limit of 73,280 lbs. in six of the seven states. Only one state, Ohio, was slightly above, and this was permitted because of "grandfathering" in the 1956 law.

While the Federal Highway Administration's testimony referred only to gross weight tolerances, even if the separate issue of axle tolerances is considered, only 12 of the 50 states allowed such axle weight tolerances to exceed the old law's limits, permissible only because the 1956 law allowed a state's rules in effect at that time to remain in effect. Yet PL 93–643 permitted increases in all 50 states. Our amendment would simply return the weights, tolerances, and grandfathering to the limits that the House confirmed on August 20, 1974.

THE EFFECT OF HEAVIER TRUCKS ON RAILROAD FREIGHT

An Association of American Railroads' study of May 16, 1975 reports that approximately 75% of rail traffic is truck-competitive. That is, approximately 75% of their $16 billion freight market is subject to truck diversion. Because of the higher truck weights, AAR projects an average reduction of 3 to 4% in what railroads could otherwise charge on twelve billion dollars of business, a reduction in their net revenue of 4 to 5 hundred million dollars per year.

It is generally recognized that the nation's railroads are already in serious difficulty. AAR estimates that to replace the railroads' capital and improve their maintenance, more than four billion dollars is needed. The truck weight legislation, by taking perhaps another half billion out of their incoming net revenue, will make their nearly untenable situation significantly worse.

STATE WEIGHT LIMITS AS OF SEPTEMBER 1974

[Prior to enactment of Public Law 93-643]

State	Single axles		Tandem axles		Gross weight	
	Interstate system	Other highways	Interstate system	Other highways	Interstate system	Other highways
Alabama	[4] 19,800	Same	[4] 39,600	Same	73,280	Same
Alaska	X	20,000	X	34,000	X	117,000
Arizona	18,000	Same	32,000	Same	76,800	Same
Arkansas	18,000	Same	32,000	Same	73,280	Same
California	18,000	Same	32,000	Same	76,800	Same
Colorado	18,000	Same	36,000	Same	76,000	85,000
Connecticut	[1] 22,848	Same	[1] 36,720	Same	[10] 73,000	Same
Delaware	20,000	Same	36,000	Same	73,280	Same
District of Columbia	22,000	Same	38,000	Same	73,280	Same
Flordia	[4] 22,000	Same	[4] 44,000	Same	[4] 73,271	Same
Georgia	[5] 20,340	Same	[5] 40,680	Same	73,280	Same
Hawaii	24,000	Same	32,000	Same	80,800	Same
Idaho	18,000	20,000	32,000	34,000	76,800	105,500
Illinois	18,000	Same	32,000	Same	73,280	Same
Indiana	18,000	Same	32,000	Same	73,280	Same
Iowa	[2] 18,540	Same	[2] 32,960	Same	73,280	Same
Kansas	18,000	20,000	32,000	34,000	73,280	85,500
Kentucky	[3] 18,900	[3] 21,000	[3] 33,600	[3] 35,700	73,280	82,000
Louisiana	18,000	Same	32,000	Same	73,280	Same
Maine	22,000	Same	32,000	[9] 42,000	73,280	[9] 100,000
Maryland	22,400	Same	40,000	Same	73,280	Same
Massachusetts	22,400	Same	36,000	Same	73,000	Same
Michigan	18,000	Same	[8] 26,000	Same	+*	Same
Minnesota	18,000	Same	32,000	Same	73,280	Same
Mississippi	18,000	Same	32,000	Same	73,280	Same
Missouri	18,000	Same	32,000	Same	73,280	Same
Montana	18,000	‡20,000	32,000	‡34,000	76,800	†105,500
Nebraska	[3] 18,900	[3] 20,000	[3] 33,600	34,000	[2] 73,280	†95,000
Nevada	18,000	‡20,000	32,000	‡34,000	76,800	†128,250
New Hampshire	22,400	Same	36,000	Same	73,280	Same
New Jersey	[3] 23,520	Same	[3] 33,600	Same	73,280	Same
New Mexico	21,600	Same	34,320	Same	86,400	Same
New York	22,400	Same	36,000	Same	71,000	†80,000
North Carolina	[7] 19,000	Same	[7] 38,000	Same	[3] 72,280	[3] 79,800
North Dakota	18,000	20,000	32,000	34,000	73,280	82,000
Ohio	19,000	Same	32,000	Same	[3] 78,000	Same
Oklahoma	18,000	20,000	32,000	34,000	78,280	90,000
Oregon	18,000	‡20,000	32,000	‡34,000	76,000	†105,500
Pennsylvania	[2] 23,072	Same	[2] 37,080	Same	[2] 73,280	Same
Rhode Island	22,400	Same	36,000	Same	73,280	Same
South Carolina	20,000	Same	32,000	[4] 39,600	73,280	Same
South Dakota	18,000	20,000	32,000	34,000	73,280	95,000
Tennessee	18,000	Same	32,000	Same	73,280	Same
Texas	18,000	Same	32,000	Same	72,000	Same
Utah	18,000	‡20,000	33,000	‡34,000	79,900	†125,000
Vermont	22,400	[3] 23,520	36,000	Same	73,280	Same
Virginia	18,000	20,000	32,000	34,000	70,000	76,000
Washington	18,000	‡20,000	32,000	‡34,000	76,000	†101,500
West Virginia	[3] 18,900	Same	[3] 33,600	Same	73,280	Same
Wisconsin	[6] 19,500	Same	32,000	Same	[3] 73,000	Same
Wyoming	18,000	20,000	36,000	Same	73,950	101,000

[1] Includes 2-percent tolerance.

[2] Includes 3-percent tolerance.

[3] Includes 5-percent tolerance.

[4] Includes 10-percent tolerance.

[5] Includes 13-percent tolerance.

[6] Includes 1,500 lb. tolerance.

[7] Includes 1,000 lb. tolerance, for each axle.

[8] On designated highways, 1 pair of tandems permitted 32,000 lb. However, 2 pairs of 32,000-lb. tandems permitted when gross weight does not exceed 73,280 lb.

[9] Subject to referendum.

[10] Plus 3-percent tolerance to 73,280 lb. maximum.

* Practical maximum of 73,280 lb. on typical 5-axle tractor semitrailer combination.

† By special permit for regular operations.

‡ By long-term permit.

X—No interstate.

+ Sum of axles.

Compiled by Department of Research and Transport Economics, American Trucking Associations, to show current State axle and gross weight limits on interstate and other highways. The table is footnoted to give the tolerances, exceptions and regular permit operations on a State-by-State basis. From Transport "Topics," Oct. 14, 1974.

The Congress must be concerned with a strong, balanced transportation system, and rail freight is a major part of this system.

IMPACT BEYOND THE INTERSTATE SYSTEM

Some key proponents of the heavier truck law have said that "all the law did was say that the bigger trucks could go on the interstate roads in those states where they are permitted on the intrastate highways," and that the bill has not "encouraged the construction of heavier trucks that place a bigger strain on the nation's highways."

These are great misconceptions or misstatements of fact. PL 93-643 allows all states to increase gross weights on the Interstate System to 80,000 lbs., and single and tandem axle weights to 20 and 34,000 lbs., regardless of the state's local highway limits. In fact, state legislatures will now more likely be faced with pressure from shippers and truck owners to increase not only the Interstate limit, but the intrastate limit as well in order to match it. In spite of Federal Highway Administrator Norbert Tiemann's assurance to the Senate Public Works Committee in February, 1974 that he didn't "think the states will be under a great deal of pressure to increase weights", the American Trucking Association and its state affiliates have been working in numerous states seeking larger and heavier trucks.

In addition, it is unrealistic to assume that an 80,000 lb. truck will never leave the Interstate System in a state for eating, sleeping, loading, unloading, or some other purpose. When the gross limits were raised to 80,000 lbs. and the axle limits by 2,000 lbs., the leapfrog, two-tiered system of truck weights was further perpetuated.

Ironically, one of the reasons given to the Congress by DOT and others in support of the increase was to seek uniformity among the states that permitted heavier weights on their own highways. But in all of the state legislatures that have been presented with truck weight increase proposals, not one bill would limit the increased weights to Interstate highway systems only.

What is needed is a uniform national weight system for all Federal Aid Highways, not just the Interstates. However, in the absence of this policy, the new Interstate limits should be brought back down to where the House *voted* them on August 20, 1974.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. Ford) is recognized for 5 minutes.

Mr. FORD of Tennessee. Mr. Speaker, my son will be entering LeBonheur Children's Hospital in Memphis, Tenn., this afternoon for an operation early tomorrow morning. Because I must, therefore, leave for Memphis late this afternoon, I may miss some rollcall votes and will, unfortunately, miss tomorrow's entire session.

WAYNE HAYS HONORED

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, with the President of the Federal Republic of Germany in town this week, it seems appropriate for me to inform the House membership that our distinguished colleague, the gentleman from Ohio (Mr. Wayne Hays) was recently bestowed the highest civilian award of the West German Government.

Last week, West German Ambassador Berndt von Staden presented Chairman Hays with the Commander's Cross of the Order of Merit.

This award was established in 1951 for outstanding achievement in political, economic, social, and intellectual pursuits of the peaceful advancement of the Federal Republic of Germany.

In presenting the award, Ambassador von Staden praised Mr. Hays' extensive contributions towards peace in Western Europe.

The Ambassador especially praised Mr. Hays' outstanding leadership in bringing together legislators and parliamentarians from the 15 North Atlantic Alliance countries.

The gentleman from Ohio currently serves as President of the North Atlantic Assembly, and as a delegate to the Assembly, I can personally testify to his long and diligent work on behalf of closer ties with our European allies.

I echo the sentiments of Ambassador von Staden when he said:

> Nobody has done more than Mr. Hays to contribute to Atlantic solidarity.

In praising the outstanding role our colleague has played in the North Atlantic Assembly, Ambassador von Staden said further:

> It is of the utmost importance that these legislators meet and argue. We need concerted action in the North Atlantic Alliance and this action must start with the legislators.

Wayne Hays has been a cornerstone of our close ties with Western Europe.

I am sure you are aware that our colleague from Ohio was the chief sponsor of the Fulbright-Hays fellowship program, which now, in its 25th year, has permitted more than 150,000 young people to study abroad. About 10,000 of these students have been from West Germany. In citing the achievements of the Fulbright-Hays program, Ambassador von Staden said that—

> Nothing could be more important than fostering close contacts between our people.

I wish to offer my sincere congratulations to my colleague from Ohio on this high honor, and am sure all of the Members of Congress recognize his great contribution to lasting and friendly relations with our allies in Western and Southern Europe.

REPEAL OF PUBLIC LAW 93-387 COUNCIL ON WAGE AND PRICE STABILITY

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, I am today introducing legislation to repeal the act that established the Council on Wage and Price Stability (Public Law 93–387).

This week the Economic Stabilization Subcommittee of the House Banking Committee began hearings on so-called economic stabilization legislation. The shackling of these controls on the economy did not work in 1971, 1972, 1973, or 1974, and it is sheer absurdity to think that they would work in 1975. As I argued when the legislation establishing the Council was considered in the last Congress, the threat of renewed controls has had a counterproductive impact on the fight against inflation. Many sellers of goods and services who might otherwise have lowered their prices have instead maintained them at relatively high levels in order to protect themselves against a possible rollback decree. However, the free enterprise system has found a way to function in spite of Congress by offering rebates rather than lower prices as an incentive to buyers.

It is time that we let go of what is inherently and historically an unworkable approach to solving our economic ills. I strongly believe Congress should enact my proposal calling for an immediate repeal of Public Law 93–387, or at the very least, just allow the Council to go out of existence on August 15, the current expiration date.

The economy is still struggling to recover from the effects of the controls that expired last year, and these effects of shortages and distortions in supply are in addition to the federally fueled inflation that is the inevitable result of our Federal deficit spending policies. If we are truly concerned about achieving economic stabilization, we should enact my proposal to abolish the Council on Wage and Price Stability, bring the budget into balance, and further move to repeal those regulatory laws that are allowing unwarranted intervention in the operations of private industry, and are forcing up prices to consumers. This approach is the only approach that will bring about long-term economic stability.

The full text of the bill I am introducing today follows:

H.R. 8043

A bill to repeal the Council on Wage and Price Stability Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Council on Wage and Price Stability Act (Public Law 93–387) is repealed.

SSI-FOOD STAMP PROGRAM

(Mr. WAMPLER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, today the Committee on Agriculture took a significant step toward bringing continued benefits to 1.5 million of our most needy Americans.

I am happy to announce that the committee by a 21-to-19 recorded vote petitioned the Speaker and the Committee on Ways and Means to move expeditiously to act on H.R. 6698.

I am hopeful now that an undue hardship will not be imposed on these truly needy people.

The background of this situation is that if the provisions of Public Law 93–86 are implemented on July 1, 1975, approximately 1.3 million current SSI-food stamp participants will be cut off of the food stamp program. SSI recipients, of course, are the needy elderly, blind, and disabled persons who because of low income qualify for supplemental income payments.

Public Law 93–86 makes SSI recipients ineligible for food stamps if the individual's SSI payment is equal to or greater than the combined amount of benefits the individual would have been entitled to receive under the July 1973 food stamp allotments and the December 1973 public assistance standards.

By comparing the December 1973 OAA maximum amount paid for basic needs in each State plus the approximate July 1973 bonus coupon allotment, and the July 1, 1975, basic SSI payment plus the January 1, 1975, State SSI supplements, we determined SSI-FSP eligibility on a State-by-State basis. Using this State-by-State determination of income only, we calculated that SSI recipients in all but 13 States will be ineligible for the FSP under Public Law 93–86.

The following table illustrates the effect of Public Law 93–86 in each State:

Estimated number of SSI–FSP participants for FSP under Public Law 93–86

	Will become ineligible	Will continue to be eligible
Alabama	29,655	46,384
Alaska	633	990
Arizona	14,035	
Arkansas	45,564	
California	(1)	
Colorado	19,401	
Connecticut	11,346	
Delaware		3,470
District of Columbia	8,447	
Florida	75,044	
Georgia	82,707	
Guam		
Hawaii	4,573	
Idaho	4,663	
Illinois	71,701	
Indiana	23,003	
Iowa	14,591	
Kansas		12,557
Kentucky	50,553	
Louisiana	76,940	
Maine	4,755	7,437
Maryland	24,444	
Massachusetts	(1)	
Michigan		60,104
Minnesota	12,824	8,199
Mississippi	66,468	
Missouri	56,230	
Montana	4,340	
Nebraska	8,845	
Nevada	(1)	
New Hampshire	1,106	1,730
New Jersey	39,193	
New Mexico	13,103	
New York	(1)	
North Carolina	71,634	
North Dakota	4,266	
Ohio	25,836	40,409
Oklahoma	45,607	
Oregon	13,437	
Pennsylvania	72,678	
Puerto Rico		
Rhode Island		8,024
Samoa, American		
South Carolina	38,202	
South Dakota	1,794	2,807
Tennessee	67,929	
Texas	139,796	
Trust Territory		
Utah	4,963	
Vermont		4,598
Virginia	34,571	
Virgin Islands		
Washington	19,179	8,661
West Virginia	21,181	
Wisconsin	(1)	
Wyoming	1,346	
Total	1,326,583	205,370

[1] SSI–FSP Participants in current cash-out States will remain ineligible.

H.R. 6698 is a bill from the Ways and Means Committee dealing with temporary assistance to certain U.S. citizens returning from abroad. It passed the House under suspension of the rules on May 20, 1975. It passed the Senate on June 6, 1975, after being amended to extend for 12 months the current law in regard to the SSI and food stamp programs.

It is presently at the Speaker's table awaiting further action.

In order to meet the June 30 deadline, I felt the House should agree to the Senate amendment and send the bill to the President who will sign it into law.

I am glad the committee agreed not to delay the extension of the present SSI-food stamp program. This will avoid an undue hardship on thousands of aged, blind, and disabled Americans—including some 34,571 Virginians—as well as averting unneeded complexity in the State administrative machinery.

In conclusion, Mr. Speaker, let me read the full text of my motion:

> I move that the Committee go on record in favor of the House proceeding expeditiously with favorable consideration of H.R. 6698 with the Senate amendment thereto and that the Chairman thus notify the Speaker and the Ways and Means Committee of this Committee's position in favor of extending for one year present law applicable to the aged, the blind and the disabled under the SSI and food stamp programs.

DEATH OF MRS. JED JOHNSON, SR.

(Mr. STEED asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. STEED. Mr. Speaker, it is with great sadness that I must announce the death of Mrs. Jed Johnson, Sr. She was the widow of one Member of the House from Oklahoma and the mother of another, and in her own right was a dynamic civic and political figure.

Mrs. Johnson died Monday at the Washington Hospital Center. Services will be held at 10 a.m., Friday at the Brown Funeral Home at her hometown of Chickasha, Okla.

It is a personal loss for Mrs. Steed and me, since we were privileged for many years to have a cordial friendship with Mrs. Johnson and her family. I have been acquainted with her since the mid-1930's, when I first came to Washington as administrative assistant to an Oklahoma House Member during the period of her husband's service. It was Congressman Jed Johnson, Sr. who during World War II recommended me to the Office of War Information, with which I served in India.

He ably represented the old Sixth District of Oklahoma for 20 years, and later served with distinction on the U.S. Customs Court. He died in 1963.

Their son, Congressman Jed Johnson, Jr., represented the same district in the 89th Congress.

When her home county of Grady was placed in the district I represent, Mrs. Johnson extended a warm welcome and worked effectively and tirelessly in my behalf.

Many appropriate honors came her way. She was named Oklahoma Mother of the Year. She served as a member of the national board of the Boy Scouts of America, and was active in programs to aid Indian citizens and migrant laborers. For the last several years she has made her home here with her son.

The family has requested that expressions of sympathy be in the form of contributions to the scholarship fund of the University of Sciences and Arts of Oklahoma at Chickasha. Mrs. Johnson was a graduate of this school when it was Oklahoma College for Women.

Mrs. Steed and I extend our deepest sympathy to her son and daughter.

THE DEATH OF MRS. JED JOHNSON, SR.

(Mr. ALBERT (at the request of Mr. Harkin) was given permission to extend his remarks at this point in the Record, and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, it is with deep sorrow that I inform the House of the passing away of the widow and mother of two distinguished former Members of the House of Representatives—Mrs. Beatrice Luginbyhl Johnson. Mrs. Johnson was the widow of Jed Johnson, Sr., who served as a Democratic Congressman from Oklahoma from 1926 through 1946, and the mother of Jed Johnson, Jr., who was the youngest Member of the House elected to the 89th Congress.

Mrs. Johnson was born in Chicksha, Okla., where she graduated from Oklahoma College for Women, now part of the Oklahoma College of Liberal Arts. She was an active member of the Congressional Wives Club and organized its Red Cross activities in World War II. She was a member of PEO, a philanthropic organization, and served as president of its New York City Chapter during the period when her husband was a judge on the U.S. Customs Court.

She was active in many programs to help migrant laborers and American Indians. Mrs. Johnson's interest in Indian health and education paralleled that of her husband who was devoted to the job of building up our Indian schools and advancing Indian programs.

She was a member of the national board of the Boy Scouts of America.

She was a political wife and mother but also a political activist in her own right. In 1964, she served as a Presidential elector from Oklahoma.

Two years later she was named Mother of the Year of Oklahoma. Mrs. Johnson was indeed an exemplary wife and mother; she was also a great lady and a great human being whose talents and leadership had impact not only upon her own family circle but well beyond it.

On a personal note, I knew Jed Johnson, Sr. as a member of the Oklahoma Legislature more than 45 years ago and I kept in close touch with him and his family throughout his lifetime and up to the present. Mrs. Albert and I began our married life in Washington in a house which belonged to the Johnsons. I knew their son Jed as a page in the House and later served with him as a Member. The ties which bind our families extend over several generations.

Mrs. Albert and I are deeply saddened by the loss of our good friend of many years. To Mrs. Johnson's children and grandchildren, we extend our heartfelt sympathy.

MOORHEAD MAKES PUBLIC GARRISON DIVERSION UNIT MEMOS

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, yesterday I entered a statement in the Record—Congressional Record, June 18, 1975, page 19602—which referred to four Department of the Interior internal memorandums concerning possible alternatives to the Garrison diversion unit project in North Dakota. I announced in that statement my intention to make these documents public in today's Record. The Canadians have objected to continued construction on this project, charging it violates the 1909 Boundary Waters Treaty between the two countries.

These documents were sent to me at my request by the Commissioner of the Bureau of Reclamation, Mr. Gilbert Stamm. As I mentioned in my prepared remarks yesterday, they indicate a pattern of deception by the Department aimed at withholding information on possible alternatives to the present Garrison plan from State Department negotiators, members of the public, the Congress, and the Canadians.

Since the present controversy with Canada over Garrison centers on the need for finding a viable alternative which will not violate the Boundary Waters Treaty, it would appear that this withheld data could be important to the negotiations. Yet, the January 14 memorandum indicates that the Bureau withheld this information from the State Department prior to a vital January 16 meeting between Canadian and U.S. negotiating teams at which project alternatives were one of the principal issues under discussion.

The State Department has been relying heavily on the Department of the Interior for technical support in its negotiations on this issue. It strikes me as absolutely incredible that the Department of the Interior would run the risk of jeopardizing our negotiations with Canada by withholding from State Department officials relevant information on project alternatives.

I am also gravely concerned with the tone of the March 11 memorandum, in which the Assistant Secretary of the Interior for Land and Water Resources discusses his reservations about referring the Garrison matter to the International Joint Commission—as both countries had determined to be necessary. Furthermore, he comments at length on the Department's ability to influence the IJC proceedings by restricting the scope and time frame of the study.

Both Canadian and U.S. negotiators are relying heavily on the ability of the IJC to produce an objective evaluation of Garrison as a means of breaking the deadlock that now exists over its environmental impacts on Canada. The March 11 memorandum is disturbing in that it indicates a desire on the part of highlevel Department of the Interior officials to influence the outcome of the IJC study in a way that would reflect the Department's mission-oriented bias. This kind of attitude has no place in diplomatic relations between friendly nations, and it can only result in increased suspicion on the part of the Canadians that the United States does not plan to honor the commitments it has made to them.

Mr. Speaker, I ask that the four memoranda—dated January 14, March 11, April 15, and April 23—be printed in the Record at this point, along with a copy of Commissioner Stamm's letter to me presenting his explanation of the memoranda. In addition, Mr. Speaker, I ask that a letter which I sent this morning to the chairman of the House Appropriations Committee, urging a moratorium on further funding for the Garrison Project for the fiscal year 1976, be included in the Record at this point, notwithstanding the fact that the Government Printing Office estimates that the material would cover approximately 4½ pages of the Congressional Record at a cost of $1,251.

The material follows:

U.S. Department of the Interior,
Bureau of Reclamation,
Washington, D.C., June 17, 1975.
Hon. William S. Moorhead,
Chairman, Subcommittee on Conservation, Energy, and Natural Resources, Government Operations Committee, Washington, D.C.

Dear Mr. Moorhead: Enclosed are copies of the three memoranda requested by Robert K. Lane, your Subcommittee's Assistant for Environment, along with our response to "A Scientific and Policy Review of the Final Environment Statement for the Initial Stage, Garrison Diversion Unit (North Dakota)."

In addition, since one of the primary questions before us is the credibility of the Bureau of Reclamation, I am enclosing evidence of the Bureau's past and present efforts to keep the public informed as to the issues involved in the authorization, funding, and construction of the Garrison Diversion Unit.

I am sure you realize that the memoranda we have furnished you were written by persons who had participated in many previous discussions of the problems involved to persons equally knowledgeable and aware of what had gone on in those previous discussions. Because they were written by and for people who were aware of the ramifications of the problems and who had discussed in detail the matters referred to in the memoranda, no attempt was made to spell out in great detail the recommendations included in the memoranda nor the reasons for my concurrence in those recommendations.

In preparation for further meetings with Canadian officials, the Bureau of Reclamation initiated additional studies on the quality and quantity of the return flows that would occur to the Souris River under project conditions. The report on these studies was completed in May 1974 and transmitted to the Canadian officials in July 1974. That report included a list of possible alternatives to the planned development of the Souris section of Garrison Diversion Unit. A meeting was held in Ottawa, Canada, in August 1974 to discuss the report. Canadian officials, in commenting on the results of the studies, said that they consider the water quality parameters of sulfate and total dissolved solids to be in violation of the treaty and that the most serious effects would be related to an increase in the concentration of sulfate. In addition, the officials stated that the return flow quantities would cause flooding in Canada.

In October of 1974, a technical committee of Canadian representatives met with Bureau of Reclamation officials in Denver, Colorado, to review the methods the Bureau used in its study. Answers were also provided to a list of questions which had been received at the Ottama meeting. The tone of the discussions was good, although Canadian representatives expressed a concern that further undetermined studies may be needed to verify the reliability of the projected return flow quality. The Canadian Committee then toured the Souris area to observe soil, ground water, and topographic conditions in the field.

Officials of the United States and Canada met in Washington on January 16, 1975, to discuss the issue further. The officials discussed the question of the effects of the project return flows on water flowing into Canada and the obligations of both nations under the 1909 Boundary Waters Treaty. Being unable to reach agreement regarding the issue of violations, the two sides agreed to recommend that the governments select an appropriate mechanism to undertake a joint examination, to ensure that the provisions of Article IV of the Boundary Waters Treaty are honored. The International Joint Commission was suggested as an appropriate mechanism.

Early in January, before the meeting with the Canadians, Under Secretary of the Interior John Whitaker expressed his concern that, should it become impossible to reach an amicable agreement with the Canadians, the Department would need additional information concerning the alternatives listed in the May 1974 report. He asked if it would be possible for the Bureau of Reclamation to provide a "back-of-the-envelope" type benefit-cost analysis of the different alternatives in advance of the January 16 meeting with the Canadians. Such an analysis was made in less than a week. It was admittedly incomplete and inconclusive.

Since then several discussions have been held within the Department as to how much further study of those alternatives is needed in order to prepare the Department to make the necessary recommendations for future actions should negotiations with the Canadians result in the necessity to revise present plans for delivering water to the Souris Loop.

As Mr. Horton's memorandum of March 11 indicates, some consideration had been given to the possibility of conducting feasibility grade investigations. Formal investigations of that type would include the gathering of new data, be conducted with full public participation and review, include new environmental impact studies—and take three to four years to complete. Because of the time element involved, Mr. Horton recommended instead that the Bureau of Reclamation conduct informal studies which would serve to define in a preliminary manner which of the possible alternatives might be viable and worth the time, effort, and money involved in feasibility grade investigations, should they become necessary.

The study Mr. Horton proposed is an internal review of existing data. Most of the information upon which that review will be based has already been released during the course of previous discussions with the Canadians and local interests in North Dakota. All of the data to be reviewed is now or will be available in documents already released or now in the process of being prepared for release.

The message that I intended to convey in my memorandum of April 25 is that I concur with Mr. Horton's recommendation that we do not undertake at this time a series of feasibility studies on each of the alternatives. Instead, I agreed that we should proceed with an in-house assessment of data already collected, plus any additional data which we have agreed to collect and make available in connection with our negotiations with Canada.

This assessment is to be made solely to help the Department determine what it should recommend as a future course of public action. It is to be made from data which have been made or will be made available to anyone who wishes to see it.

Because we plan no further data collection at this time, the results of this analysis will not be complete nor conclusive. We will not be able, for example, to provide a detailed engineering estimate of the cost of construction, or accurately estimate the value of the benefits to be derived, or specifically pinpoint the quantitative and qualitative effects upon the environment.

The informal type of studies we intend to conduct are intended only to provide the Department a better basis than it has now for determining which of the alternatives being considered are worth further study.

Because of the informal nature of this assessment, we do not intend to publish the figures derived. We are hopeful that we may never have to carry most of the alternatives which have been discussed to the feasibility study stage, since we feel that our negotiations with Canada will result in an amicable solution to the several problems involving river flows between the United States and Canada.

But should it become necessary to initiate formal studies of the various alternatives, I can assure you they will be conducted in public with the full cooperation and participation of all concerned.

Sincerely yours,

G. G. STAMM,
Commissioner.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., January 14, 1975.

MEMORANDUM

To: The Under Secretary
From: Assistant Secretary—Land and Water Resources
Subject: Preliminary Analysis of Alternative Proposals to Authorize Garrison Diversion Project

Your memorandum of January 7, 1975 asked for additional information on possible changes to the authorized Garrison project to eliminate potential adverse effects of the project on Souris River flows into Canada.

As you will note, the cost and benefit estimates for these alternative plans are not markedly different from each other since the major features or size of the project remain unchanged. This, of course, is not true for the alternative that eliminates the Souris loop with no substitution of additional irrigated acreage.

The benefits and costs shown are Reclamation's best estimates at this time. They have been updated to only reflect current price levels and discounted at the "authorized" level of 3⅛ percent. Therefore, they should be considered preliminary at best.

Two benefit-cost ratios have been calculated for each of the alternative plans: one that reflects total benefits, including secondary impacts; and one that includes only direct benefits.

We do not plan to make this information available to the State Department until we have a better indication of Canada's position on Garrison.

JACK MORTON.

PRELIMINARY ANALYSIS OF ALTERNATIVES TO DEVELOPMENT OF THE SOURIS SECTION OF THE GARRISON DIVERSION UNIT

GARRISON DIVERSION UNIT-AUTHORIZED PLAN

Total estimated construction cost, $418,800,000.

Annual Costs, $17,427,000.

Annual Benefits, $49,111,000.

Total B/C ratio, 2.82.

B/C ratio (direct benefits only), 1.65.

No. 1 Stages Development of Souris Section to Verify Predicated Quality of Return Flows—Velva Canal should be constructed to its authorized capacity. If quality of flows to Canada is unacceptable, dilution water would be released as required to the Souris River. There could be a loss of irrigation benefits. Probably no legislative action required.

Total estimated construction cost, $418,800,000.

Annual Costs, $17,427,000.

Annual Benefits, $49,111,000.

Total B/C ratio, 2.82.

B/C ratio (direct benefits only), 1.65.

No. 2 Reuse of Return Flows—

A. Return flows diverted to Devils Lake Chain. Require authorization.

Total estimated construction cost, $451,800,000.

Annual Costs, $18,667,000.

Annual Benefits, $49,111,000.

Total B/C ratio, 2.63.

B/C ratio (direct benefits only), 1.54.

B. Return flows diverted to Missouri River Basin. Require authorization.

Total estimated construction cost, $469,800,000.

Annual Costs, $19,343,000.

Annual Benefits, $49,111,000.

Total B/C ratio, 2.54.

B/C ratio (direct benefits only), 1.49.

C. Return flows diverted to Lonetree Reservoir for reuse. Require authorization.

Total estimated construction cost, $449,800,000.

Annual Cost, $18,591,000.

Annual Benefits, $40,385,000.

Total B/C ratio, 2.17.

B/C ratio (direct benefits only), 1.27.

D. Return flows sold to industry in the Velva area. Require authorization.

Total estimated construction cost, $454,800,000.

Annual Cost, $18,779,000.

Annual Benefits, $49,111,000.

Total B/C ratio, 2.62.

B/C ratio (direct benefits only), 1.53.

No. 3. Substitute lands for the Souris Loop area—Require authorization.

Total estimated construction cost, $450,000,000.

Annual cost, $18,600,000.

Annual Benefits, $49,111,000.

Total B/C ratio, 2.64.

B/C ratio (direct benefits only), 1.54.

No. 4 Desalinization of return flows—Require authorization.

Total estimated construction cost, $435,000,000.

Annual Cost, $22,240,000.
Annual Benefits, $49,111,000.
Total B/C ratio, 2.21.
B/C ratio (direct benefits only), 1.29.

No. 5. Desalinization of Souris River for use by Three Manitoba Communities—Require authorization.

Total estimated construction cost, $423,000,000.

Annual Cost, $18,122,000.
Annual Benefits, $49,111,000.
Total B/C, 2.72
B/C ratio (direct benefits only), 1.59.

No. 6. Exclude 116,000-acre Souris Section—Probably require authorization.

Total estimated construction cost, $308,000,000.

Annual Cost, $11,449,000.
Annual Benefits, $27,696,000.
Total B/C ratio, 2.42.
B/C ratio (direct benefits only), 1.42.

NOTE 1.—The foregoing preliminary cost estimates do not include operation, maintenance, and replacement expenses. Such costs could be highly significant, i.e., annual OM&R of a desalinization plant would be substantially greater than for other alternative plans.

NOTE 2.—If questions are raised regarding the return flow model, additional studies could be undertaken. These might include variations in inputs such as irrigation efficiencies, cropping patterns, and canal seepage. Such studies could be performed without any change in project plans or additional legislative action for about $20,000.

Authorized Project Plan Costs and Benefits, Garrison Diversion Unit

Project construction cost, $418,800,000.

[In thousands]

Annual project cost	$15,934
Annual operation, maintenance and repair	1,493
Total annual cost	17,427
Annual benefits:	
Irrigation	43,882
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	49,111

Benefit-cost ratio, 2.82.

Return Flows to Devils Lake

Costs and benefits for counterproposals to development of the Souris section as described in authorized plan.

Garrison diversion unit

Project construction cost, $451,800.

[In thousands]

Annual project cost	$17,059
Annual operation, maintenance and repair	1,608
Total annual cost	18,667
Annual benefits:	
Irrigation	43,882
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	49,111

Benefit-cost ratio, 263.

Direct Diversion to Missouri River Basin

Costs and benefits for counterproposals to development of the Souris section as described in authorized plan.

Garrison Diversion Unit

Project construction cost, $468,000.

[In thousands]

Annual project cost	$17,677
Annual operation, maintenance and repair	1,671
Total annual cost	19,343
Annual benefits:	
Irrigation	43,882
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	49,111

Benefit-cost ratio, 2.54.

Sale on Return Flows to Industry

Costs and benefits for counterproposals to development of the Souris section as described in authorized plan.

Garrison Diversion Unit

Project construction cost, $454,800.

[In thousands]

Annual project cost	$17,161
Annual operation, maintenance and repair	1,618
Total annual cost	18,779
Annual benefits:	
Irrigation	43,882
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	49,111

Benefit-cost ratio, 2.62.

Return Flows to Lonetree Reservoir for Reuse

Costs and benefits for counterproposals to development of the Souris section as described in authorized plan.

Garrison Diversion Unit

Project construction cost, $449,800.

[In thousands]

Annual project cost	$16,991
Annual operation, maintenance and repair	1,600
Total annual cost	18,591
Annual benefits:	
Irrigation	35,156
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	40,385

Benefit-cost ratio, 2.17.

Development of Alternative Service Areas Without Use of 116,000-Acre Souris Section

Cost and benefits for counterproposals to development of the Souris section as described in authorized plan.

Garrison Diversion Unit

Project construction cost, $450,000.

[In thousands]

Annual project cost	$16,998
Annual operation, maintenance and repair	1,602
Total annual cost	18,600
Annual benefits:	
Irrigation	43,882
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	49,111

Benefit-cost ratio, 2.64.

Development of Garrison Diversion Unit (134,000 Acres) Excluding 116,000-Acre Souris Section

Costs and benefits for counterproposals to development of the Souris section as described in authorized plan.

Garrison diversion unit

Project construction cost, $388,000.

[In thousands]

Annual project cost	$10,468
Annual operation, maintenance and repair	981
Total annual cost	11,449
Annual benefits:	
Irrigation	23,522
Municipal and industrial water	532
Fish and wildlife	1,803
Recreation	1,554
Flood control	285
Total annual benefits	27,696

Benefit-cost ratio, 2.42.

Desalinization of Irrigation Return Flows To Maintain Existing Salinity Level of Souris River

Project construction cost, $435,000.

[In thousands]

Annual project cost	$17,245
Annual operation, maintenance and repair	4,995
Total annual cost	22,240
Annual benefits:	
Irrigation	43,882
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	49,111

Benefit-cost ratio, 2.21.

Desalination of Souris River for Use by Three Manitoba Communities

Project construction cost, $423,000.

[In thousands]

Annual project cost	$16,298
Annual operation, maintenance and repair	1,824
Total annual cost	18,122
Annual benefits:	
Irrigation	43,882
Municipal and industrial water	1,108
Fish and wildlife	2,282
Recreation	1,554
Flood control	285
Total annual benefits	49,111

Benefit-cost ratio, 2.72.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., April 11, 1975.

PICK-SLOAN MEMORANDUM

To: Deputy Under Secretary.
From: Assistant Secretary—Land and Water Resources.
Subject: Garrison Diversion Project.

Your memorandum of February 18 asked us to work with Assistant Secretary Hughes' staff and submit recommendations regarding how the Department should proceed with Garrison in light of last month's meeting with Canada.

It is evident that the Canadians are initially taking a very tough stance against any impacts that Garrison may have on water quality or flooding of rivers entering Canada.

How much of this hard line is for future posturing no one knows.

Your note indicated that Under Secretary Whitaker believes this issue has reached a stage that we should make a decision now whether to proceed with the project as currently planned. This is not necessarily true since the Canadians have agreed to continue studying the situation. This study could conceivably take a year or two which would allow the Department to defer any decision until then if it chooses to do so. In any event, the Department and/or the State Department will have to come to grips with this problem before funds are appropriated for the Souris Loop (FY 1978) or when the study is completed, whichever comes first.

Canada, as well as the State Department, strongly endorses the International Joint Commission (IJC) to conduct the study. While I have some reservations to assigning the study to IJC, it will be most difficult to prevent them from having the lead role. IJC is a long-standing commission that has been recognized as the appropriate institution for resolving past international boundary water problems between Canada and the United States and, therefore, they should have jurisdiction of this study. However, the Department will not be in a good position to influence the study under IJC, although Gil Stamm will head up the engineering group that will likely be assigned the responsibilities for carrying out this study.

Also, it will be extremely difficult to prevent IJC from getting involved in those aspects of the project that only relate to the United States since some of the identified alternatives do not involve or impact waters crossing the border. IJC will, at a minimum, study in detail impacts in both countries from those alternatives or adjustments to the Souris Loop such as desalting, stage development, and dilution of return flows in light of Article IV of the 1909 Boundary Waters Treaty.

The International Joint Commission should not get involved in analyzing alternatives or project modifications that do not affect Canada. This highlights the importance of negotiating the appropriate question to be referred to IJC. Whatever question is referred to IJC should include a time limitation on the study.

In order for the Department to have adequate information on all of the possible alternative solutions to the problem, we believe that Reclamation should begin immediately to develop detailed (feasibility grade) estimates of benefits and costs of those project modifications identified in our memorandum of January 14, 1975. Specifically, Reclamation should firm up the current preliminary estimates for these alternatives by using more precise data for calculating project costs such as for operation and maintenance and for the benefits (direct only) resulting from these proposals. These analyses should be prepared on the basis of both the discount rate used at the time of project authorization ($3\frac{1}{8}$ percent) and the current fiscal year principles and standard discount rate of $5\frac{7}{8}$ percent.

The foregoing studies by Reclamation should be an informal effort and should not be made available to the local interests nor to the Canadians.

In summary, we recommend that the following steps be taken in the near future:

1. Notify State Department that we believe the issue of Garrison return flows should be referred to IJC.
2. Recommend to State Department that it schedule a meeting between representatives of the two countries in order to negotiate the terms of the question to be referred to the International Joint Commission.
3. Request the Bureau of Reclamation to prepare feasibility grade estimates of benefits and cost for the project modifications identified in our January 14, 1975, memorandum.

If you concur in the above recommended next steps we should immediately begin to carry them out.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., April 15, 1975.

MEMORANDUM

To: Assistant Secretary—Land and Water Resources.
From: Acting Executive Secretary Raphaelle Semmes.
Subject: Garrison Diversion Project.

The Deputy Secretary has concurred in your recommendation of March 11, 1975, that the Department:

(1) Notify the State Department that Interior believes the issue of Garrison return flows should be referred to the International Joint Commission (IJC).

(2) Recommend to the State Department that it schedule a meeting between representatives of the two countries in order to negotiate the terms of the question to be referred to the IJC.

In addition to informal discussions between the Departments, it would be appropriate for the Bureau of Reclamation to prepare, for signature by the Secretary a letter to Secretary Kissinger to accomplish steps 1 and 2 above. The letter should be submitted to the Secretary for signature, through your office by April 25, 1975.

The Deputy Under Secretary concurred in your recommendation that Reclamation prepare feasibility grade estimates of benefits and costs for the various alternatives, and also concurred in a recommendation by the Assistant Secretary—Program Development and Budget that Reclamation prepare brief environmental assessments to accompany the economic analysis of each alternative.

The Bureau of Reclamation should also provide the Deputy Under Secretary by April 25 with a memorandum outlining its anticipated time frame for completion of the economic and environmental analysis discussed above.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., April 25, 1975.

MEMORANDUM

To: Deputy Under Secretary.
Through: Assistant Secretary—Land and Water Resources.
From: Commissioner of Reclamation.
Subject: Garrison Diversion Unit.

This is in response to the April 15, 1975, memorandum from the Acting Executive Secretary requesting a memorandum outlining the Bureau of Reclamation's anticipated time frame for completion of an economic and environmental analysis of various alternatives to the handling of the return flows to the Souris River. A full feasibility study of the six alternatives included with the January 14 memorandum from the Assistant Secretary—Land and Water Resources and a brief environmental assessment of each would require 3 to 4 years. The effort would require collection of considerable field data for potential pumping plant sites, damsites, canal alignments, desalting plant and brine disposal sites (some in Manitoba), and considerable assistance from outside agencies.

The March 11, 1975, memorandum from the Assistant Secretary—Land and Water Resources to you recommended that the studies be "informal" and not made available to "local interests nor to the Canadians." We wholeheartedly concur in this recommendation. To do otherwise would be very damaging to the United States position in the negotiations.

Further study of the alternatives at a level below feasibility grade, but sufficient to provide a closer look at the viability of the alternatives in sufficient time to properly consider the request for funding on the construction of the Velva Canal, can be completed by June 1976.

We would further note that the evaluation of the impacts by the project upon water quality in Canada are still not complete, therefore making the requested studies somewhat premature. We continue to maintain strongly our original position that there has not been sufficient evidence provided to indicate that return flows from the Garrison Diversion Unit will cause a violation of the Boundary Waters Treaty. We further believe that the return flows will improve the potential for beneficial use of waters from the Souris River.

Upon receipt of your concurrence we are prepared to initiate further studies as discussed above.

G. G. STAMM.

CONSERVATION, ENERGY, AND NATURAL RESOURCES SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C., June 19, 1975.

Hon. GEORGE H. MAHON,
Chairman, Committee on Appropriations,
Washington, D.C.

DEAR MR. CHAIRMAN: I understand that the Committee will shortly be taking action with respect to the Bureau of Reclamation's appropriation requirements for fiscal year 1976. This would include a discussion of the controversial Garrison Diversion Unit in North Dakota, which has been strenuously objected to by the Canadian Government as being in violation of the Boundary Waters Treaty of 1909. Since Canada refused to agree to the project as presently planned, the matter has been referred to the International Joint Commission for mediation.

As you may know, I have strongly advocated a construction moratorium on the Garrison Project until the International Joint Commission completes its deliberations. These concerns have been previously expressed in a letter to Chairman Evins of the Appropriations Public Works Subcommittee.

As part of this Subcommittee's continuing investigation of the Garrison controversy, I have recently received several internal Department of Interior documents from Commissioner Gilbert Stamm which seem to indicate a pattern of deception by the Department to withhold information from State Department negotiators and the public relevant to the negotiations and which indicate that the Bureau apparently has been conspiring to influence the scope of the IJC investigation. Furthermore, these memoranda seriously undermine the credibility of the testimony of Commissioner Stamm before the Appropriations Public Works Subcommittee on March 17 of this year.

I have attached the memoranda along with a letter from Commissioner Stamm and urge that these documents be closely considered in light of their international and domestic ramifications. It is my opinion that these memoranda offer substantial reason why the Garrison Project should not be funded by the Congress until the Canadian objections have been resolved and until we know exactly what will be required to complete the project and at what cost to the taxpayer.

With kindest personal regards,

Sincerely,

WILLIAM S. MOORHEAD,
Chairman.

CONSERVATION, ENERGY, AND NATURAL RESOURCES SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
May 1, 1975.

Hon. JOE L. EVINS,
Chairman, Subcommittee on Public Works, Committee on Appropriations, Washington, D.C.

DEAR MR. CHAIRMAN: I am advised that the House Appropriations Public Works Subcommittee is presently conducting hearings on the Bureau of Reclamation's request for FY 1976. As chairman of the House Conservation, Energy, and Natural Resources Subcommittee, I am greatly concerned about the international and domestic problems associated with further construction of the Garrison Diversion Unit Project in North Dakota. The purpose of this letter is to state reasons why I feel the Subcommittee should consider withholding funds for additional construction on the Garrison Project for Fiscal 1976.

Recently, the General Accounting Office and the Department of State have concluded that "as presently proposed", the Garrison Diversion Unit "would likely result" in pollution of Canadian waters "in violation of Article IV of the Boundary Waters Treaty with Canada." Interior does not dispute this conclusion.

In 1973, Canada filed a formal complaint with the State Department charging the irrigation water draining into the Souris and Red Rivers from the Garrison Project would seriously degrade and pollute those streams and that the pollution from the salts would be injurious to the health and property of Canadians. The 1909 treaty prohibits such pollution. The Canadians have asked that a moratorium be declared on further construction until Canadian rights could be fully protected.

Since almost four-fifths of the Garrison Project, as presently planned, would affect the character of Canadian waters, the Project will probably be required to be totally redesigned in order to meet Canadian objections.

So far, the Bureau of Reclamation has failed to propose an alternative that is suitable to the Canadians, and as a result, the issue has been placed before the International Joint Commission for possible recommendations for an alternate plan that would satisfy the treaty. This plan will not be forthcoming until sometime in late 1976. Meanwhile, the BOR plans to continue construction on those questionable sections of the Project, notably Lonetree Reservoir and McClusky Canal.

The growing cost of the Project is also of major concern. Originally, the Garrison Project was expected to cost $207 million, a ceiling imposed on the Project at the time it was approved by Congress. That figure has now grown to an estimated $500 million according to Interior Department estimates. Furthermore, any alternative proposal suitable to the Canadians could cost another $30 million. As far as I know, the Bureau of Reclamation and the Department of State have not informed the Appropriations Committee of the Canadian objections, the spiraling costs of the Project, or the expected additional costs that could come from altering the original project to accommodate the Canadian objections.

I feel strongly that it is poor public policy to continue construction on the Garrison Project as long as the international ramifications of the Project remain unresolved. It is conceivable that any alternative plan which might be proposed by the International Joint Commission would render obsolete portions of the Project that would be constructed with the $12 million in BOR appropriations requested for the Project for FY 1976. BOR and State Department assurances that the Project will not be allowed to result in a treaty violation are empty since there is no indication that any alternatives proposed by Interior, or for that matter the International Joint Commission, will ever be acceptable to Canada or to Congress.

On March 19, I wrote to the Secretary of State expressing my concern about the Garrison Project and urging him to take the lead in establishing a construction moratorium on the Project. The reply, dated April 4, unless he reconsiders, indicated that it would be inappropriate for him to do so. This leaves me no other alternative than to appeal to the Appropriations Public Works Subcommittee to initiate a moratorium on the Project through the appropriations process.

I have not discussed the domestic economic and environmental questions surrounding the Project, but it will suffice to say that they are certainly as significant as the international and budgetary problems. Virtually every environmental group in the country opposes Garrison, and many farmers and concerned citizens in North Dakota and South Dakota have written to me urging the Congress to halt the Project because the adverse environmental impacts far outweigh the expected economic benefits. The Office of Management and Budget examiner has opposed the Project in the past, and the Council on Environmental Quality and the Environmental Protection Agency are presently on record in support of a complete moratorium. At least one state, Minnesota, has threatened to bring suit to halt the Project. There appear to be very few people outside of the Garrison Diversion Conservancy District that support this project and desire to have it completed. In my opinion, Congress would be performing a great public service if it would withhold further funding on the Project until all of these unresolved questions—international, environmental, and economic—have been appropriately resolved. In the very least, the Project should be halted until the International Joint Commission comes up with a solution to the treaty dispute.

Mr. Chairman, copies of my correspondence with the State Department and the Interior Department, a copy of the GAO report on Garrison, selected letters from concerned North Dakota citizens, and a recent article on the subject excerpted from Audubon magazine are attached for the Subcommittee's information. I respectfully request that these documents be included in the Subcommittee's hearing record along with a copy of this letter.

With kindest personal regards,

Sincerely,

William S. Moorhead,
Chairman.

Mr. ANDREWS of North Dakota. Mr. Speaker, comments have been made about internal memoranda within the Department of the Interior concerning the Garrison Diversion project in my State which is very important to the future of our people.

As a Member of this body who has introduced legislation calling for openness and frankness in Government, I certainly do not condone withholding public information from the people. However, the issue of the confidentiality of the Department's internal memorandums should not allow us to lose sight of the favorable benefits this project will have on North Dakota's farms, cities, and environment.

In order that my colleagues can examine both sides of the "memorandum issue," I am inserting a public answer given by the Department of the Interior in response to questions by myself and others as to what were the facts behind this action. This statement follows:

Statement cf Department of Interior

On March 11, 1975, Assistant Secretary of the Interior, Jack O. Horton recommended to the Deputy Under Secretary of the Interior that the issue of the Garrison return flows be referred to the International Joint Commission and that a meeting of the two countries be scheduled during which the terms of the question to be referred to the IJC would be negotiated.

He further recommended that the Bureau of Reclamation prepare benefit/cost estimates of the alternatives available to the United States should it develop that the issues of the Garrison return flows cannot be resolved within the terms of the prevailing treaty with Canada.

In his memorandum, Assistant Secretary Horton pointed out that the IJC, in attempting to resolve this dispute, would study in detail impacts from alternative plans such as desalting, stage development of the Souris Loop and dilution of return flows in light of Article IV of the 1909 Boundary Waters Treaty. But, he added, the International Joint Commission should not get involved in analyzing alternatives or project modifications that do not affect Canada.

He recommended that the benefit/cost study of the alternatives be made on an informal basis and not be made available to the local interests or the Canadians for these reasons:

1. Informal, because the Department felt it was important that those studies be started as soon as possible and only informal studies on alternative plans can be initiated without authorization and funding by the Congress.

2. Not to be made available because they were to be informal studies intended only for internal use within the Department, and because they are not related to the technical issues currently under discussion with Canada.

In his comments to the Under Secretary on Assistant Secretary Horton's recommendations (in a memorandum dated April 25) Commissioner of Reclamation Gilbert G. Stamm stressed the point that the evaluation of the impacts of the Garrison Diversion Unit upon water quality in Canada are still not complete, therefore making the request for studies of alternatives somewhat premature. It is the Bureau's belief, he said, that there has been no evidence provided to indicate that return flows from the project will cause a violation of the Boundary Waters Treaty. Rather, the Bureau feels, the return flows could improve the potential for beneficial use of waters from the Souris.

Therefore, Commissioner Stamm agreed that any studies conducted at this time should be informal and not made available since they would not include collection of new field data and would be designed merely to indicate which of the possible alternatives should be explored in detail in the event that negotiations with Canada concerning the quality and quantity of flows across the border should result in a future decision to proceed with detailed study of alternatives extraneous to the issues with which IJC may become concerned.

If and when formal studies of the alternatives are authorized and funded by the Congress, the Bureau will follow its usual procedures of conducting those studies in full public view and in full conformance with law and longstanding policy.

BACK TO THE BASICS

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the Record.)

Mr. RONCALIO. Mr. Speaker, I was deeply impressed with the statement of Walter Scheel, President of the Federal Republic of Germany, when he addressed this body, and with the lessons of the past of which he reminded us so eloquently, that—

> Political freedom cannot prevail where the social conscience remains silent.

That we must rate dignity and freedom for all human beings higher than the rights of the powerful.

These are words that should be uttered by more leaders and citizens of strong, industrial nations, so we can be made to realize the property rights and the free enterprise system that we enjoy in this great Nation can be best protected, and perhaps only protected, by the recognition of our social responsibility toward people of the Third World—the hungry, the abused, the exploited, the uneducated, the discontented. To be cooperative partners in the search for worldwide freedom and social justice will do more than all the threats and intimidation we can muster by sending out more spies from the CIA and developing more military hardware. We can no longer continue to export assassination and corruption and property aggrandizement without regard for moral value and for the position of the human being.

It is my hope that this body will remember that, as President Scheel said, "Freedom and social justice go together," and I hope we will keep this thought foremost in our minds as we pursue our day-to-day work of lawmaking.

EFFECTS OF GOVERNMENT REGULATION ON OUR ECONOMY

Mr. WAMPLER. Mr. Speaker, Tuesday the Honorable William E. Simon, Secretary of the Treasury, in an address before the National Coal Association's annual convention in Washington, D.C., stated that there was an urgent need for a drastic reduction in Government regulations and restrictions on industry and business in America if our economic system was to recover and survive in the future.

Because his speech is thoughtful and provocative and pertains to many measures before this House. I would like to bring the full text of his address to the attention of my colleagues.

The full text follows:

Address by the Honorable William E. Simon, Secretary of the Treasury, Before the National Coal Association, Washington, D.C., June 17, 1975

Mr. Bagge, Members of the National Coal Association, and distinguished guests:

I take great personal pleasure in joining you here today.

When Carl Bagge called me a few days ago to ask if I would accept a special speaking invitation for this luncheon, there could be only one answer. I have known Carl and many of the members of this organization for some time, and I have always felt a great deal of affection and respect for all of you. Moreover, I think it's important to focus greater public attention on the problems and the potential of the coal industry because the only way that America can become more self-sufficient in energy—as we must—is to place much heavier reliance on coal. America is literally sitting on top of the biggest coal mine in the world, and yet—largely because of governmental interference—we can neither mine it nor burn it in anything approaching the degree that we should. The way that we've discouraged the development of our most abundant natural resource reads like a chapter from Alice in Wonderland, and it's long past time that we put our energy house in order. If my appearance here today can advance that cause, I will be doubly grateful for the opportunity to meet with you.

Were our economic problems isolated to coal, I might not be as concerned as I am, but as you look across the broad spectrum of challenges facing our nation in the 1970s, you discover one area after another which is crying out for reform.

There is always a tendency in this city to look for someone else to blame when something goes wrong, especially on the pocketbook issues. If food prices go up, we blame the farmer or the middle man; if other prices go up, we blame big business or big labor, and on and on.

There is an element of truth to this, but if people really want to know the major source of our economic problems, I suggest that we begin looking in the mirror. You have heard it said that the recession was manufactured and labeled "Made in Washington, D.C." I happen to agree with that, because this recession is a product of inflation, and inflation is a product of the misguided economic policies that have been made in this city over the last decade—policies that have accumulated $145 billion in Federal deficits since 1965, policies that have legislated a national energy shortage, and policies that have shackled our private enterprise system and discouraged investment in its future. The American people are catching on to this process. They realize that the inflation generated out of Washington helped to cause this recession and they are beginning to support policies that will lead to sustained price stabilization. Our greatest hope for the future continues to lie in the basic wisdom and common sense of our people who know that neither man nor government can long survive by continually living beyond their means.

While it has not yet received much attention in the press, I trust that this city's latest failure to face up to the economic facts of life will not go unnoticed. It happened only a few miles from here last night. As many of you know it is the responsibility of the Secretary of the Treasury to make a regular pilgrimage to Capitol Hill to ask for an increase in the national debt ceiling. Why? Because the Congress continually enacts legislation that requires us to spend more money than we receive in revenues. Just a few days ago, I went to the Hill and told the House Ways and Means Committee that we had to raise the debt ceiling before June 30 or the Government could no longer pay its bills. It is never a pleasant duty to ask for an increase in the debt ceiling, but the policies of recent years leave us no other choice. Raising the debt ceiling is strictly a matter of paying for past sins.

So what did the House of Representatives, in all of its wisdom, do last night? First, they voted to reduce the proposed ceiling to $599.99 billion, a figure that may pack some political sex appeal but, as everyone knows, is below the minimum requirement. Then they turned around and voted down the new ceiling altogether, killing the bill less than two weeks before the present ceiling expires. And who voted in that majority against raising the ceiling? Who had the temerity to lecture us on the horrors of a large national debt? Why, many of the very same people who have been voting to increase the size of the Federal budget and increase our Federal deficits. With one hand, they vote to appear sympathetic and socially concerned, and then with the other, they vote to be sound and frugal. Can we really take this exercise seriousy? When are we going to start giving the American people credit for the intelligence they possess? The American people know that we can no longer afford "Politics as usual", and they must only look with sorrow and anxiety at these political theatrics in the seat of our democracy.

And let me add this thought: the question of responsible economic policies in Washington is not a partisan issue. It cuts across all lines. We may be conservatives or liberals on social issues, we may be Republicans or Democrats at the ballot box, but when it comes to matters of economic policy, there is only one choice: between policies that are sound and those that are unsound. And the sad fact is that for too many years, the policies that have come out of Washington have been unsound.

Let us step back for a few moments and look at the road we've been on for the past decade or so and then where we should be headed in the future.

One of the so-called mistakes I've made in Washington is to ask that people change their perspective and begin looking farther ahead. For too many in this city, the future is measured not by the end of the century but by the date of the next election. I deeply believe that this nation has been plunged into one of the most difficult economic periods in its history because we have insisted for more than a decade on taking every possible shortcut to prosperity, choosing both guns and butter, buying a great society on the layaway plan, sacrificing economic to political considerations, and losing sight of many of the virtues that have been the driving force behind our national growth.

It is understandable that in recent months economic policy makers have been preoccupied with the problems of recession and inflation. Our recession has been severe and has created hardships for millions of Americans who had already been battered by the highest level of inflation in our peacetime history.

Now however, as the recession nears its end, as inflation has abated, and as the nation stands poised for a period of economic recovery, it is essential that we raise our sights and begin to take a longer view. If we can learn the lessons of the past, we can put our economy on a course that is sustainable both politically and economically for years to come. If, on the other hand, we refuse to accept the lessons of the last decade—if we are blind to the causes of our problems and to the needs of the future—then we are very apt to repeat the same mistakes and condemn ourselves to a sorrowful repetition of the boom and bust cycles of the past.

Despite the reports that you sometimes read, there is no real mystery about how we got into this mess, nor should there be much dispute about how we get out. Let's face it: our economy is in trouble today because we have lived beyond our means for so many years and we have so seriously abused and restricted the free enterprise system that has been the foundation of our economic abundance. More and more we have turned to the government to solve our problems, when in our hearts we always knew that genuine progress comes only through the sweat and determination of free men and women.

No one can be so empty headed as to denounce all forms of governmental activity, but the rapid growth of government in recent years has exceeded anything in our history and has had a powerful impact upon our economic growth.

It took 186 years for the Federal budget to reach $100 billion, a line it crossed in 1962. Then only nine more years were required to reach $200 billion and only four more years to reach $300 billion—a record we are setting this year. As we have opened the floodgates on the Federal budget, government spending has become a dominant force within our economy. Total government spending today accounts for about a third of our GNP—almost three times the level of pre-Depression years— and if recent trends prevail, Government spending could account for as much as 60% of our GNP by the year 2000.

That growth has frightening implications. When any government taxes any more than half of what a people produce, robbing them of their economic freedoms, can there be any doubt that the loss of their social and personal freedoms will follow close behind?

It has never been politically popular, of course, to increase taxes, so that increased Federal spending has meant a string of Federal deficits—14 in the last 15 years. As a result, the Government over the past decade has been required to borrow a quarter of a trillion dollars from the private capital markets that have always been the centerpiece of our free enterprise system. In this calendar year alone, the Treasury Department will be required to borrow at least $80 billion—over a billion and a half dollars a week.

Monetary policy has also been a culprit of our economic troubles. From 1955 to 1965, the money supply grew at an average rate of 2½ percent a year, and we enjoyed a period of reasonable price stability. Since 1965, however, the rate of growth has more than doubled to 6 percent a year, far more than the economy could reasonably absorb. With the money supply growing so much more rapidly than the economy itself, it is no accident that inflation has become a serious problem.

A related trend which has had a destructive impact upon the economy in recent years has been the enormous proliferation of Federal regulations and laws which restrict the operation of private enterprise. I know that excessive governmental intervention has become a major concern in the energy industry. Let me assure you of this: You are not alone. An increasing number of producers as well as consumers are complaining about this burden. Consider just a few examples of the regulatory process in action:

—It is almost twice as far from San Francisco to Los Angeles than from New York to Washington, and yet the air fare on the California trip is almost a third cheaper. Why? Because airlines operating intrastate in California are not controlled by Federal regulators.

—The Government also requires the railroads to maintain as many as 50,000 miles of track that may no longer be needed, creating additional financial burdens for an industry already in peril.

—Studies made by the government itself indicate that costs mandated by Federal rules added $320 to the price of a 1974 car.

—No one knows precisely how much the total cost of the Federal regulatory structure has been, but Professor Tom Moore at the Hoover Institute estimates that just in trucking and surface transportation alone, governmental regulations add about $10 billion a year to the bills paid by consumers.

While governmental intervention has proved costly in many areas of our economy, it is perhaps in the energy field that it is now causing the most significant problems. Indeed, I believe that more than anyone else, the United States government has created the energy shortage that we have today.

It has been apparent for more than 20 years that the United States has been on a collision course with its own energy policies. Yet repeated warnings by experts and hundreds of witnesses before Congressional committees have all been ignored. The OPEC nations realized what was happening too and, while we blissfully refused to act, they acted very decisively to take advantage of our growing vulnerability. Today we are reliant upon them for more than 38 percent of our oil needs, and unless we soon reverse course, we will depend on them for more than half of our oil before the end of this decade.

Now we read that they are threatening to raise their prices once more because, they say, their purchasing power has been reduced by 35 percent. We've looked at their alleged justifications and I can tell you this: they're phoney. Indeed, there is no economic justification for the prices they are already charging, much less an increase. Their prices reflect the decision of a monopoly acting out of what they mistakenly believe is their best political interest. They should know that another price increase will have a devastating impact upon the nations of the Third World, will damage the prospects for economic recovery in the industrialized nations, and will ultimately backfire on the oil producers themselves. Not only can we in the United States not tolerate another price increase but we should be actively working to lower the prices that already exist.

Again, let us ask ourselves how we could find ourselves in this position? How could the wealthiest and most powerful nation on earth allow itself to be boxed in like this? The answer, I think, is clear: over the years we have erected so many impediments to expanded production that now the energy industry is practically bound hand and foot by governmental laws and red tape.

Despite continual warnings from experts, the Federal Power Commission has been required for more than two decades to keep the wellhead price of natural gas at an abnormally low level in order to hold down prices for consumers. But these controls have reduced the incentives for development of new domestic supplies, so that predictably there is much less natural gas than we need today.

Instead of learning from the natural gas experience, we are now repeating our mistakes in the oil industry where we have again imposed price controls. And again the result is predictable: by keeping the prices of natural gas and domestic oil at fictitiously low levels which destroys the incentive for new production, we are forcing consumers to buy more expensive products from foreign oil sources and are willingly subjecting ourselves to their blackmail.

In the field of nuclear energy, the story is again a sad one. This country was a pioneer in the development of nuclear power. Yet today it can take up to 11 years to build a nuclear power plant in the United States and only 4 to 4½ years in Europe and Japan. Why? Because of our excessive governmental regulation.

Many of you could speak more eloquently on the problems of the coal industry than I can, but it is worth repeating here today that this nation has about a third of all the recoverable coal reserves in the world.

We are the largest exporter of coal in the world, and at 1973 levels of consumption we have enough coal to burn for 800 years. Yet coal production in the United States today is lower than it was thirty years ago. In 1960, coal represented 23% of our energy consumption; last year this dropped to 18%. This trend has to be reversed. *Coal is the answer now*. Our goal of 1.2 billion tons per year of production by 1985 will not be reached if we do not remove government impediment and create incentives for expanded production. The recent attempt by the Congress to pass strip mining legislation that would create disincentives to production, unnecessarily add to costs, and adversely affect jobs illustrates the wrong direction for energy policy. Fortunately, the President's veto prevailed.

We must continue to recognize that the chief barriers to all new energy production lie at our own doorstep, right here in Washington, D.C., in the problems created by the Clean Air Act, the moratorium on coal leasing as well as price and supply regulation affecting oil and gas. This Administration is firmly in favor of protecting the public health through balanced clean air standards and protecting the environment. At the same time, while never losing sight of our environmental and safety concerns, we must strive to ensure that our policies are properly balanced to meet our expanding energy needs.

I wish that I could tell you today that a resolution of the present impasse on national energy policy is clearly within sight. Judging from recent events on Capitol Hill, however, I cannot be so reassuring. The President has set forth a positive, comprehensive program. He remains ready to work with the Congress to hammer out a national policy that would be acceptable to both branches of government. We are still waiting, however, for a more concrete, unified response from the Congress. In the meantime, the President will continue to exercise as much leadership as he can within the letter of the law.

But we cannot continue in this fashion much longer. Either we wake up to the energy challenge soon, or we are going to find that like Samson we have given it all away to those modern-day Delilahs of the Middle East.

Let me turn now to a related subject: the general condition of private industry today. It is a tragic fact that over the last decade, as the forces of big government have been overfed and overnourished, the free enterprise system has gradually been weakened. As we have strengthened the public sector, we have directed billions of dollars away from the private sector and we have discouraged savings and investment in the future.

The record of capital investment in the United States in recent years has been the lowest of any major industrialized nation in the Free World. From 1960 through 1973, total fixed investment in the U.S. averaged 17½ percent a year of our real national output, compared to 35 percent in Japan, and 26 percent in West Germany. Not surprisingly, our record of productivity growth during this same period was also among the lowest of the major industrialized nations.

Increased capital investment leads to increases in productivity, and it cannot be said often enough that increased productivity is the only means we have of raising the standard of living.

Why have we failed to build and expand our industrial base? A fundamental reason, I would argue, is that we have had policies which promote personal consumption and Federal spending at the expense of savings, investment and capital formation. Too many of our financial resources have been diverted to their least productive use, the Government, instead of their most productive use, the private sector. A related part of the problem has been the serious deterioration in corporate profits since the mid-1960s. Contrary to popular opinion, after-tax profits measured in real terms have dropped by 50 percent since 1965. It is not unfair to say that we have been and remain today in a profits depression in the United States.

The interaction of the various trends that I have mentioned here today—excessive fiscal and monetary policies, overzealous regulation by the government, and inadequate capital formation and economic growth—has had a number of effects within the economy, but none has been more significant than the general inflation that has resulted. Since the mid-1960s, we have been plagued with an inflation rate that has gradually climbed from one plateau to the next. In recent years, that rate was exacerbated by the quadrupling of oil prices and the increase in food prices, but as those special factors disappear, it will be apparent that the underlying reasons for our current inflation have been the misguided policies that began back in the mid-1960s.

Economists have also begun to recognized that more than any other factor, inflation was responsible for causing today's recession. As prices skyrocketed and real incomes were eroded, consumer confidence fell and we experienced the worst drop in retail sales in a quarter of a century.

Similarly, as prices rose, funds were drawn out of the thrift institutions, interest rates were driven up, and the bottom fell out of the housing industry. We must never forget that inflation is our most fundamental economic problem, and unless we avoid making the mistakes of the past, we are doomed to repeat the agonies of the last two years.

POLICIES FOR THE FUTURE

What, then, should be our policies for the future?

First and foremost, we must continue to support the forces of economic recovery so that we can end the hardships of unemployment. In warming up the economy, however, we must be equally careful not to overheat it. That may require a slower period of recovery than we would like, but we are only buying more trouble for ourselves over the long run if we resort to short-term palliatives.

The most immediate test of our resolve is occurring right now as we face up to the question of Federal spending. President Ford is resisting the temptation of trying to spend our way back to prosperity, fighting hard to hold the Federal deficit for the coming fiscal year to $60 billion. We have been heartened by the votes of the Congress to impose a voluntary ceiling near that level, but it is not yet clear whether the Congress has the will to obey its own mandate. There is a continuing danger that the Congress could force the deficit much higher and if so, we will run a serious risk of setting off a new wave of inflation. It is time that we rejected the glittering promises of instant prosperity offered by the big spenders; we should know from hard experience just how hollow those promises are and how they only create a worse mess than we already have.

As we regain our prosperity, our *second* goal must be to restore much greater discipline to our fiscal and monetary policies. Instead of an unbroken string of Federal deficits, we should begin to pursue budget surpluses in good years so that we can free up more funds for capital investment.

Third, we must lift the dead hand of governmental regulation from the many areas where it smothers economic incentives and growth. This goal is particularly relevant in the field of energy. If we are to achieve greater self sufficiency in energy, as I believe we must, then we must accelerate the development of resources such as coal by striking a reasonable balance between environmental and energy requirements. The restraints imposed by the Government upon production, sale and use of our energy resources are unnecessarily restrictive and should be swiftly revised.

Still a fourth basic challenge that we face in the days ahead is to achieve a fundamental shift in our domestic policies so that we place less emphasis upon consumption and government spending and more upon savings, investment and capital formation. While estimates of future capital needs are always difficult, a variety of studies have concluded that our investment needs during the next decade will be almost triple the amount of recent years. Investment demands will be particularly acute in the field of energy. General projections of energy industry requirements over the next decade range from $750 billion to $1 trillion. Utilities will need the greatest portion of these funds, but we must also channel tens of billions of dollars into accelerated development of petroleum, natural gas, coal and non-fossil fuels. The potential for future development of energy resources is great, but it is clear that we will not realize that potential so long as the government ignores the financial realities involved and inhibits the process of capital formation.

Finally, we must begin to place greater reliance upon the free enterprise system once again and less upon government. The private enterprise system has long been a cornerstone of our freedoms and has provided this nation with the greatest prosperity and the highest standard of living ever known. But in today's economic turbulence, there are continuing temptations to replace that system with the forces of centralized government. The government has become so huge and domineering—and we have turned to it so often for solutions that have fallen short of our dreams—that the time has come to rediscover how much can be accomplished by private enterprise and by men and women who are free to determine their own destinies.

In coming years, if we continue to be seduced by the siren songs of big government, we will not only inflict enormous damage upon our economy but we will also sweep away the most powerful engine for social enterprise anywhere in the world, our free enterprise system, and replace it with an economy that is managed and directed by the same people who have given us the worst peacetime inflation in our history and the most severe recession in more than a generation.

Ladies and gentlemen: What I have said to you here today expresses my deepest convictions as a public servant. I came to Washington two and one half years ago because—as corny as it may sound in this age of cynicism—I wanted to try to repay just a small amount of what this country has given to me. And I am proud to be here. But when I see what is happening in Washington today, I can only shudder about the world that we are building for our children.

I have had the good fortune to spend most of my professional life in the heart of our financial world. Anyone who spends a great deal of time there and is willing and able to learn about the workings of the marketplace gains a basic grasp of what constitutes the difference that I referred to earlier between sound and unsound policies. And I am terribly saddened and frequently outraged—as I am sure the American people must be too—by some of the practices that I now encounter in our nation's Capital.

What we are talking about here are the issues that will determine what this country will be like for a generation or more to come. We have a choice: we can either continue to compound the errors of the past, or we can renew the foundations of our economic system and begin to build wisely and soundly for the future. The American people know this and there is no question in my mind where they stand, but I also believe that as a nation we will make the right decisions about the future only if more of our citizens—Americans of strength and character like those of you here today—are willing to fight for their convictions. I urge you to stand up and be counted.

Thank you very much.

SMOKESCREEN FOR A COVERUP IN THE ARMED SERVICES COMMITTEE

(Mr. HARRINGTON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HARRINGTON. Mr. Speaker, earlier this week the Armed Services Committee improperly attempted to infringe on my rights as a Member of Congress. Charging that I had refused to honor the committee's rules of confidentiality in exposing the CIA's successful effort to undermine democracy in Chile, a narrow majority of the members voted to deny me further access to any of the committee's files.

I can assure my colleagues that the full House will have an opportunity in the near future to pass judgment on this extraordinary action. I feel confident that most of them will join me in viewing the committee's move as a petty and unconscionable attempt to silence criticism and perpetuate the coverup of CIA misdeeds, a coverup that has been acquiesced in through the years by the Armed Services Subcommittee on Intelligence. I cannot believe that a majority of my colleagues have come to see an informed electorate as a threat to democracy, or democracy in Chile as a threat to the free world.

In order that my colleagues might better acquaint themselves with the issues involved in this matter, I am inserting in the Record the full transcript of my appearance before Mr. Nedzi's subcommittee on September 25, 1974, where I was questioned at some length about my handling of William Colby's classified testimony of April 22, 1974, which related to CIA activities in Chile.

It is also my intention to offer for the Record, and in a variety of other forums, my own perspective of the events described in the committee transcript. At the same time, I will pursue those avenues—involving, in all likelihood, the Armed Services Committee, the Committee on Standards of Official Conduct, and ultimately the full House—by which the record can be made clear and my rights as a Member preserved.

The transcript from September 25 follows:

[H.A.S.C. N. 94–12]

Special Subcommittee on Intelligence Inquiry Into Matters Reguarding Classified Testimony Taken on April 22, 1974, Concerning the CIA and Chile

House of Representatives, Committee on Armed Services, Special Subcommittee on Intelligence,

Washington, D.C., September 25, 1974.

The special subcommittee met, pursuant to call, at 10:38 a.m. in room 2337, Rayburn House Office Building, Hon. Lucien N. Nedzi (chairman of the subcommittee), presiding.

Present: Representatives Nedzi, Hébert, Bray, Arends, and Wilson.

Also present: Frank M. Slatinshek, chief counsel and William H. Hogan, Jr., counsel.

Mr. Nedzi. The subcommittee will come to order.

We do have a quorum present and in order that the record may be clear I would like to state that this hearing is being conducted to inquire into the procedures regarding classified testimony taken by this subcommittee in executive session on April 22, 1974, concerning the alleged involvement of the CIA in the overthrow of the Allende government in Chile.

In this regard I would like to enter into the record the letter from Chairman Hébert to me concerning these hearings and authorizing the taking of sworn testimony and issuance of subpenas if necessary.

Would you read that into the record, Mr. Hogan?

[Mr. Hogan read the following letter:]

U.S. House of Representatives,
Committee on Armed Services,
Washington, D.C., September 23, 1974.

Hon. Lucien N. Nedzi,
Chairman, Special Subcommittee on Intelligence, House Armed Services Committee, U.S. House of Representatives, Washington, D.C.

Dear Mr. Nedzi: This will confirm our recent decision to commence hearings in the Intelligence Subcommittee on or about September 25, 1974 to inquire into the recent public disclosure of classified testimony taken by the Subcommittee in executive session on April 22, 1974, in connection with the alleged involvement of the CIA in the overthrow of the Allende government in Chile.

For the purpose of fully discharging its responsibilities and completing the inquiry, as Subcommittee Chairman you are hereby vested with the authority granted and conferred by Section 2(a) of House Resolution 185, 93d Congress to swear witnesses and to require by subpena or otherwise, the attendance and testimony of such witnesses and production of such books, records, correspondence, memoranda, papers and documents as may be necessary.

Sincerely,

F. Edw. Hébert, *Chairman.*

Mr. Nedzi. The rules of the House require that the subcommittee hearings be announced one week in advance unless the subcommittee for good cause elects to hold the hearings at an earlier date, and let the record show that Chairman Hébert's concurrence with the public announcement of the meeting on September 23, 1974 has been made.

At this time I will recognize Mr. Bray for a motion.

Mr. Bray. Mr. Chairman, I move the subcommittee now go into executive session.

Mr. Hébert. I second the motion.

Mr. Nedzi. Will you poll the members please?

Mr. Slatinshek. Mr. Nedzi.
Mr. Nedzi. Aye.
Mr. Slatinshek. Mr. Hébert.
Mr. Hébert. Aye.
Mr. Slatinshek. Mr. Price.
Mr. Price. (No response.)
Mr. Slatinshek. Mr. Fisher.
Mr. Fisher. (No response.)
Mr. Slatinshek. Mr. Bray.
Mr. Bray. Aye.
Mr. Slatinshek. Mr. Arends.
Mr. Arends. Aye.
Mr. Slatinshek. Mr. Wilson.
Mr. Wilson. Aye.

STATEMENT OF HON. MICHAEL HARRINGTON, REPRESENTATIVE FROM MASSACHUSETTS

Mr. Harrington. Mr. Chairman, I think it might be, if I may have your permission to be heard while we still have an audience, useful to renew a request I made of you yesterday afternoon to consider the usefulness from any perspective one would choose to arrive at of open session on the question that you pose this morning, and further to indicate that despite the stridence of the language that was used in the letter that has been made a part of the record, that a conversation occurred between yourself and myself on about September 12 of this year asking whether or not I would be willing to come before this committee to meet with them and discuss the subject which has prompted this meeting this morning, and further that I agreed readily to do so, suggesting that the meeting could be held that afternoon if it were convenient to the members, and that if any confusion ensued, which I have no objection to, attendant to setting of the date of the meeting, it ensued largely because of apparently a lack of effective communication mutually on the question of a date, but there has been no effort made at not being willing or not being entirely in concert with what you state as one of the interests you have in calling the meeting on my part.

Mr. Nedzi. The Chair will state in response that he confirms what the gentleman from Massachusetts has said.

On my first call to him he expressed readiness and willingness to attend the hearing at a mutually agreeable time. In fact we talked about one within a day or two, but because of the gentleman's schedule and the Chair's schedule we could not arrange a date prior to today. There was some confusion between the Chair and counsel for the subcommittee, each thinking that the gentleman from Massachusetts had been contacted, and at no time was there any suggestion of unwillingness on the part of the gentleman from Massachusetts to appear before the subcommittee to testify.

Mr. Harrington. My only other procedural question, and one that may appear to be somewhat insensitively offered, is that I, in coming here freely this morning and in hoping that you might reconsider the usual setting for meetings of this kind and leave it open, would expect that since I am obviously a principal to this morning's proceeding that I have a copy of the transcript of this morning's proceedings with you before it is made a part of any record.

Mr. Nedzi. The Chair at the moment sees no objection to that, but we will have to put that to the subcommittee.

Mr. Harrington. It would seem to me to be in a sense an unnecessarily, if this is voluntarily arrived at, causing problems about——

Mr. Nedzi. Let me say that witnesses before the committee have access to the transcript as a matter of course.

Mr. Harrington. Would you describe to me so that I have a clear understanding of what that means in this instance?

Mr. Slatinshek. Mr. Chairman, if I may interrupt, that means that the witness will review the transcript in the committee hearing room or in the committee rooms. The traditional procedure of the committee does not require that we provide the witness with a copy of the transcript. We simply make the transcript available to him for editorial changes and grammatical changes in his testimony and for an opportunity to review the testimony that he provided the subcommittee or the committee. This is the traditional manner in which the committee operates.

Mr. Harrington. Let me then restate my request, that because of the nature of the hearing, because of the background, this being requested of me, I would ask that I have not just access to the material, but have a copy of the record for whatever use I may choose to make of it.

Mr. Nedzi. The Chair will restate his response to the gentleman. That matter will be put to the subcommittee and the gentleman will be advised.

Mr. Harrington. I think it is important to be understood before proceeding in terms of my own sense of the need for this and the need not to rely on the usual method of operation, and I would expect that the gentlemen sitting beside you might, given the reversal of roles, as much as they might think that unlikely, want the same courtesy afforded them.

Mr. Nedzi. I hear what the gentleman is saying but, unfortunately, we don't know what kind of information is going to be disclosed in the course of the hearing and because of the experience that the subcommittee has had there is some question with respect to the procedures in handling classified information.

Consequently, I don't think that the subcommittee is in position to respond to the gentleman's request at this time, at this point in time, as they say in Washington.

Mr. Harrington. I find myself somewhat puzzled only that the essence of the information that is the subject of concern has been at least in the broadest sense endorsed or ratified by the President of this country and by the Director of the Central Intelligence Agency.

What else is there in terms of your concern that would prompt a further concern about wanting to have a proceeding that I am the central figure in available to me on something other than the usual Armed Services Committee basis.

Mr. Nedzi. Well, the Chair will state that he is not in position to accede to the gentleman's request at this time and the gentleman, of course is free to refuse to testify under the arrangement. That is up to him.

Mr. Harrington. I have never really been remotely inclined to refuse to testify. I am just really attempting to establish, so we have no ambiguity, and a feeling that I think is an entirely defensible one, that the reason for the hearing is obvious; the witness that you have is essential to the hearing. I would certainly not find it satisfactory to accept, even by my silence or any ambiguity about my response, Mr. Slatinshek's definition of what access means.

Without protesting that I think it violates essentially what would be my rights prospectively.

Mr. Nedzi. I think that we have gone as far as we can go on the point and the vote being 5 to 0 in favor of an executive session the Chair will announce the subcommittee will now go into executive session.

[Whereupon, at 10:49 a.m. the special subcommittee recessed to go into executive session.]

The special subcommittee met, pursuant to open session, at 10:50 a.m. in room 2337, Rayburn House Office Building, Hon. Lucien N. Nedzi (chairman of the subcommittee) presiding.

Present: Representatives Nedzi, Hébert, Bray, Arends, and Wilson.

Also present: Frank M. Slatinshek, chief counsel and William H. Hogan, Jr., counsel.

Mr. Nedzi. May we ask counsel to read a memorandum for the record dated September 12, 1974.

Mr. Slatinshek. I am reading a memorandum for the record dated September 12, 1974:

[The following information was received for the record:]

Memorandum for the Record

SUBJECT: APPARENT MISUSE OF INFORMATION RECEIVED BY A MEMBER OF CONGRESS FROM HIS REVIEW OF AN EXECUTIVE SESSION TRANSCRIPT OF THE ARMED SERVICES SUBCOMMITTEE ON INTELLIGENCE

1. The New York Times, on Sunday, September 8, 1974, carried a story, dateline Washington, September 7, 1974, by Seymour Hersh, containing information allegedly obtained by Congressman Michael Harrington (D-Mass.) from his reading of the Subcommittee on Intellegence transcript dated April 22, 1974.

2. Congressman Harrington had obtained access to this transcript, classified "Top Secret", by virtue of his oral request to Subcommittee Chairman Lucien N. Nedzi, and the subsequent approval of Chairman F. Edw. Hébert. Access to the transcript was provided Mr. Harrington with the clear understanding that availability of the transcript was subject to both the Rules of the House of Representatives and the Rules of the Committee on Armed Services.

3. By way of background, Rule XI, Clause 27(c), provides that all Committee hearings, records, files, etc., shall be the property of the House and all Members of the House shall have access to such records.

4. House Rule XI, Clause 27(o) provides as follows:

"No evidence or testimony taken in executive session may be released or used in public sessions without the consent of Committee."

5. In view of the access of Members to all documents and data received by the Committee as provided by Rule XI, Clause 27(c), and the limited safeguard on the utilization of this material as provided by Rule XI, Clause 27(o) being limited to executive session material, there remained a serious question as to how the Committee on Armed Services could provide adequate security on confidential material received by the Committee outside of executive session as well

as material of a particularly sensitive nature.

6. In view of these circumstances, the Committee, on February 27, 1973, in establishing its Committee Rules, included in Rule No. 10, the following language:

"All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee of the Committee on Armed Services shall be deemed to have been received by the Committee in executive session and shall be given appropriate safekeeping."

7. Pursuant to Committee Rule No. 10, Chairman Hébert, on April 3, 1973, promulgated rules providing for the proper protection of classified information in the Committee files and making this material available to Members of the House of Representatives.

8. As previously indicated, Congressman Harrington requested access to a Top Secret transcript of testimony received in executive session by the Subcommittee on Intelligence on April 22, 1974. The testimony was provided by the Director of the Central Intelligence Agency and related to his Agency's activities in Chile.

9. In accordance with the Committee Rule, Congressman Harrington contacted the Chief Counsel of the Committee, Mr. Slatinshek, and was given access to the transcript in question. However, before being provided the transcript, Congressman Harrington was, in accordance with the Rules established by the Committee on Armed Services, asked to read the Rules applying to Members of the House who requested access to classified information in the Committee files. Congressman Harrington was handed these Rules; and after perusing these Rules, signed a statement, which reads as follows:

"I have read the Rules of the Committee on Armed Services relative to access by Members of the House of Representatives to classified information in the Committee files, and I agree to honor those rules."

10. A copy of the Committee Rules is attached as promulgated by Chairman Hébert by letter dated April 3, 1973. Also included is a copy of Armed Services Staff Memorandum 93–4, dated April 5, 1973, calling attention to these Rules to the members of the staff handling classified material.

SUMMARY

The news article appearing in the *New York Times* and other news media throughout the country indicates that Congressman Harrington had addressed a "confidential seven-page letter . . . to Representative Thomas E. Morgan, chairman of the House Foreign Affairs Committee, [which] was made available to the *New York Times.*" Other news media articles indicated that a similar letter was sent by Congressman Harrington to Senator Fulbright, Chairman of the Senate Foreign Relations Committee.

At this point in time, it is evident that the information received by the Armed Services Subcommittee on Intelligence was leaked to the news media. However, no information is presently available to the Committee on Armed Services which would indicate the manner in which this information was leaked to the news media except that it appears evident that this information was obtained as a result of Congressman Harrington's review of the Subcommittee testimony and his subsequent correspondence with the Chairmen of the House Foreign Affairs and the Senate Foreign Relations Committees.

It is apparent that the Committee on Armed Services must take appropriate measures to insure that security leaks of this kind can not occur in the future.

In addition to the problem confronting the Committee on Armed Services, there is also a problem directly involving the House Rules. Since House Rule XI, Clause 27(o) precludes the use of executive session testimony unless authorized by the Committee, it appears evident that a direct violation of this House Rule is also involved.

FRANK M. SLATINSHEK, *Chief Counsel.*

Mr. SLATINSHEK. Attachements to this memorandum include a copy of the committee rules promulgated by Chairman Hébert by letter of April 3, 1974, the Armed Services Staff Memorandum No. 93–4 of April 5, 1974, and a copy of the statement signed by Congressman Michael Harrington on the 2 days on which he had reviewed this testimony and this transcript. The dates were June 4, 1974, and June 12, 1974.

With the permission of the Chair I would like to include this memorandum as I have read it in the record.

Mr. NEDZI. Including the attachments.

Mr. SLATINSHEK. Including the attachments.

Mr. NEDZI. Without objection it will be entered into the record.

[The following information was received for the record:]

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., April 3, 1973.

MEMORANDUM FOR: FRANK M. SLATINSHEK, CHIEF COUNSEL

SUBJECT: RULES FOR ACCESS BY MEMBERS TO CLASSIFIED INFORMATION IN THE COMMITTEE FILES

The Rules Governing Procedure in the 93d Congress adopted by the Committee charge me with the responsibility for proper protection of classified information in the Committee files and at the same time to provide for access to such material by Members of the House of Representatives.

Accordingly, I have prepared the attached set of rules on the subject for appropriate implementation.

Sincerely,

(S) F. EDW. HÉBERT, *Chairman.*

RULES OF THE HOUSE ARMED SERVICES COMMITTEE TO BE FOLLOWED BY MEMBERS OF CONGRESS WHO WISH TO READ CLASSIFIED INFORMATION IN THE COMMITTEE FILES:

(1) Classified information will be kept in secure safes in the committee rooms. Members will be admitted to the reading room (Room 2114–A) after inquiring of the Executive Secretary in Room 2120, extension 54151.

(2) Before receiving access to such classified information Members of Congress will be required to identify the document or information they desire to read, identify themselves to the staff member assigned and sign the Secret Information Sheet, if such is attached to the document.

(3) The reading room will be open during regular committee hours.

(4) Only Members of Congress may have access to such information.

(5) Such information may not be removed from the reading room, and a staff member will be present at all times.

(6) The staff member will maintain an access list (log) identifying the Member, the material and the time of arrival and departure of all Members having such access to such classified information.

(7) A staff representative will ensure that the classified documents used by the Member are returned to the proper custodian or to original safekeeping as appropriate.

(8) No notes, reproductions or recordings may be made of any portion of such classified information.

(9) The contents of such classified information will not be divulged to any unauthorized person in any way, form, shape or manner.

(10) The log will contain a statement acknowledged by the Member's signature that he has read the committee rules and will honor them.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., April 5, 1973.

ARMED SERVICES STAFF MEMORANDUM NO. 93–4

SUBJECT: RULES FOR ACCESS BY MEMBERS OF THE HOUSE OF REPRESENTATIVES TO CLASSIFIED INFORMATION IN THE COMMITTEE FILES

Rule No. 10 of the Rules of Procedure for the operation of the Committee during the 93rd Congress, adopted by the Committee on February 27, 1973, charge the Chairman with the responsibility for proper protection of classified information in the Committee files. The third paragraph of Rule No. 10 reads as follows:

"The Chairman of the full committee shall establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received by the committee classified secret or higher. Such procedures shall, however, insure access to this information by any member of the committee or any other member of the House of Representatives who has requested the opportunity to review such material. Such security procedures as are established by the Chairman may be modified or waived in any or all particulars by a majority vote of the full Committee on Armed Services, a quorum being present."

Pursuant to Rule No. 10, cited above, there is attached the self-explanatory rules prescribed by the Chairman for access by Members of the House of Representatives to classified information in the Committee files.

FRANK M. SLATINSHEK, *Chief Counsel.*

(Facsimile not included in the RECORD.)

Mr. HARRINGTON. I have a total facsimile.

Mr. NEDZI. Mr. Harrington, could you tell us what you did with respect to this information that was secured——

Mr. HÉBERT. May I interrupt?

Mr. NEDZI Mr. Hébert.

Mr. HÉBERT. It is usual when the committee has conducted hearings to place all witnesses under oath, and I suggest you have Mr. Harrington, if he is willing, take the oath.

Mr. HARRINGTON. Certainly.

NEDZI. Any objection?

Mr. HARRINGTON. No. I think it is a procedure that might be applied more often to executive branch members, too. But I am glad to.

Mr. NEDZI. Will you raise your right hand.

[Witness sworn.]

TESTIMONY OF HON. MICHAEL HARRINGTON, REPRESENTATIVE FROM MASSACHUSETTS

Mr. NEDZI. As I stated earlier, could you tell us how you handled the information or what you did with the information which was secured as a result of examining the transcript of April 22?

Mr. HARRINGTON. Sure. At what point, so that I don't really occupy too much of your time, Mr. Chairman, would you like me to try to begin? I can give you any kind of background you would like or anything useful for the proper setting.

Mr. NEDZI. Any disclosure of that information to any individuals.

Mr. HARRINGTON. All right. Why don't we take it from about the point you and I began in April and move quickly into June, which appears to be the subject of your interest, and I will make a statement and answer any questions you want to try to have answered that aren't part of what I originally included in my statement.

As you know, I verbally expressed to you, I would say, now attempting to place it in a general time frame, sometime in the latter part of March my dissatisfaction with the nature of hearings that were being conducted before our own committee, the subcommittee specifically, Inter-American Affairs Subcommittee, particularly on the origins of our policy toward the Allende government from about 1970 to the present, and the effective or the lack of effective ability that I had had to get the chairman of the subcomimttee to have what I considered to be hearings into the origin of that policy.

I told you I think at the same time that in appearing before our committee, in general declining because of the oversight function, in his own words, being investigated with the Armed Services Committee, Mr. Colby indicated that he would prefer to be responsive to a relevant House committee.

Mr. Nedzi. Mr. Hébert.

Mr. Hébert. Mr. Harrington, would you identify the chairman of the subcommittee.

Mr. Harrington. I am sorry.

Mr. Hébert. You said it was the chairman.

Mr. Harrington. Dante Fascell. That has been part of the record in correspondence, chairman of Inter-American Affairs Subcommittee of the House of Representatives, the full committee being the Foreign Affairs Committee.

And indicated to you my interest in at least pursuing what had been said in repeated fashion in the preceding fall by the Director of the CIA and largely prompted by a variety of expectations on my part that the committee would engage in substantive hearings being dashed or at least not fulfilled up to that point.

I think at the time you asked if I would make a request to you summarizing that in some fashion, which I did, and I don't have the packet of correspondence, but I would say it is the first part of April of this last year, and the date could perhaps be made a part of the record if it is useful for the record.

I don't think until some time after the hearing was actually held that you and I had any further communication except to have you tell me that you had had the hearing and were in the process of attempting to get approval or permission from the chairman to have me get access to the material, and we had conversations of this kind, I would say, through the latter part of May and I think about at that time that the procurement bill came to the floor and a discussion was finally held. I think maybe involving Mr. Slatinshek, after talking with yourself, who had indicated that he had talked with the Director of the CIA and you had already, Mr. Chairman, talked with the chairman of the full committee, Mr. Hébert, and that it would be appropriate at that time for me to come to the committee and to obtain access to the material that had been the subject of my request in the Colby testimony.

I believe I did that the following Monday or Tuesday, the first week of June, and went back to the committee a second time, the only other time, a week later, and each time observing the procedures, which have been in a more orderly fashion than I can recount outlined by Mr. Slatinshek, as to how that material was to be handled and read it I think in the presence in general of one or more of the employees of the Armed Services Committee.

Frankly, and I can digress a minute so that I can put at least my philosophy in perspective, and I am sure you people have no trouble arriving at without my bothering to be fulsome in detail, I didn't expect much by way of substance to come from the session that you had and it was more by way of looking for avenues to pursue what I thought was a very serious subject, particularly in light of testimony given—I don't know whether under oath, Mr. Hébert, or not—by a variety of executive branch witnesses to other congressional committees on the question of our involvement in internal political affairs during the Allende period in Chile, and to say that I was startled by the substance would probably understate to a great degree.

I think Mr. Slatinshek was there the first time and we had some brief comment which would tend to characterize what I suggest to you this morning was my reaction.

Mr. Slatinshek. May I interject at this point?

I observed that this was the usual candor with which the committee received testimony from Mr. Colby. He was always forthright and complete in his testimony and I mentioned that this was the manner in which we had operated.

Mr. Harrington. You have no disagreement with me on that score. I found it, at least to the degree that it was candid, direct, almost to a degree monologue, reciting not only the events as far as our involvement on the part of various executive branch agencies in the Allende period, but also with almost a sense of inferred pride useful as an insight into both the main witness, Mr. Colby, but also an insight into the method of operation that the CIA employed in this instance, and I can infer from my memory employed in the conduct of covert or clandestine type operations.

I found the information troublesome. I think almost the afternoon to the day of the second reading of the testimony an Assistant Secretary of State, Mr. Shlaudeman, and I am not helpful to the spelling, came before our subcommittee.

Congressman Fraser had arrived at, from independent sources, and I certainly have no reason to not believe him since I had no conversation with him prior to the time of that hearing, general information of a similar nature. And as I think the afternoon session of about June 12, would reflect, both Congressman Fraser and I asked some pointed but still reasonably guarded questions of the Assistant Secretary who, by the way, Mr. Chairman, I asked to be put under oath and then withdrew because of the obvious impact it had on both him, and I might say, the committee membership that was there that afternoon.

Mr. Bob Wilson. Was this in executive session?

Mr. Harrington. No, it was not; open session. I think it was Tuesday afternoon in June.

At that point I had determined, so that you don't have any ambiguity about my state of mind, that that information, particularly as it contrasted with what was being stated by a variety of executive branch spokesmen on a regular basis, had to become known and had to become understood by both the Congress and hopefully the country, and I don't really want to mince or choose language which is in any way going to suggest that there was any ambiguity of my state of mind at that point in time.

I would prefer, and I hope that my rather brief service on the Armed Services Committee would even momentarily afford the charity of the observation being joined in, to have seen that accomplished by using legitimate methods to do so.

Consequently, I had conversations with Congressman Fascell, briefly informing him of the specifics of what I had read.

Mr. Nedzi. What was his response?

Mr. Harrington. An almost audible sigh and a philosophic shrug of a sense of almost not wanting to have been made part of the scope of knowledge and what I would interpret as—I do this subjectively—an expression of disinclination on his part to involve himself, at least as to the sources and the type of information that I provided him.

Mr. Bray. Did you inform Mr. Fascell of the manner and statement which you had made as to secrecy when you received that information?

Mr. Harrington. I was going to continue, Mr. Bray, but I indicated to Mr. Fascell, as I had to others, the nature of the testimony, to whom it had been given, and the conditions under which I had read it. I didn't get into the detail that Mr. Slatinshek had characterized in his recital of the rules this morning. I infer in general they are generally familiar with the procedures which would operate as to information which is classified, secret or whatever.

Mr. Bray. Did you not specifically tell Mr. Fascell the instructions that were given you and the statement which you signed?

Mr. Harrington. If you are talking about that I told Mr. Fascell that I signed a cover sheet on the testimony and what my memory was of the language of it, no, I didn't, but I made it equally clear to him approximately when and where and under what conditions and the general tenor of the information and its categorization by the executive branch, so that I really don't think that there was anything that was an effort to gloss over the nature of the sources of my informaion.

Mr. Bray. I believe you stated in the negative, that you did not tell him specifically that you signed, for instance—I will read it.

Mr. Harrington. I will accept it as read. I know what I signed.

Mr. Bray. I mean, did you tell Mr. Fascell what you signed before you got access to this information which you gave to him?

Mr. Nedzi. The gentleman said he didn't.

Mr. Harrington. I specifically did not in the sense of saying that I signed a sheet that was a cover sheet to 48 pages of Director of CIA testimony that took place in April.

I went up to Dante Fascell, talking to him in the committee, and said, "I have seen the Colby testimony and this is what it says in general, and where I have seen it."

Mr. Bray. I just wanted to clarify this. Here you signed on June 4, 1974 and June 12, 1974 this statement:

"I have read the rules of the Committee on Armed Services relative to access by Members of the House of Representatives to classified information in the committee files, and I agree to honor those rules."

You didn't specifically tell him that you had signed that to get the information which you used?

Mr. Harrington. I will try to be responsive again.

No, I specifically didn't.

Mr. Arends. Did you by chance use the phrase that we so often use around this place, did you say to Dante Fascell, "This is a matter off the record."

Mr. Harrington. No.

Mr. Arends. Did you use that phrase?

Mr. Harrington. No.

Mr. Arends. You felt then at that moment you had complete freedom to tell anything you want to tell.

Mr. Harrington. To another Member of the Congress? Sure. I assume that that is what he is here for, and I assume also that I told him, in his knowing better than I, Mr. Arends, exactly what the conditions are that the CIA testifies, that I didn't have to spell out to somebody who has eight or nine terms basically what I assume to be superior knowledge to mine of those procedures.

I don't want to verbally fence with you, Mr. Bray. I did not want to recite in any further detail.

Mr. Bray. Thank you for answering the question.

Mr. Hébert. In other words, I think your expression now was that you had this information, that you felt free to tell any Member of Congress that information?

Mr. Harrington. Certainly.

Mr. Hébert. That Member of Congress is free to tell it to anybody else if he wants to because he had not signed that agreement and had not been privileged to look at this testimony.

Mr. Harrington. That wasn't the intent of mind, Mr. Chairman, so I agree with you that, yes, I did tell him but I didn't really do it with an eye toward saying that I have been able to free him of the obligation to be imposed on him. That wasn't my intention.

Mr. Hébert. I am not saying you did it with that intent. All I am saying is what the result is. If you go around and tell 343 Members of Congress all of this without pledging themselves or committing themselves not to violate the rules of the committee, then they are free.

Mr. Harrington. I can't help—besides what I have told you there because it wasnt——

Mr. Hébert. This is what we are interested in.

Mr. Harrington. Other than my state of mind, not being with that in mind at the time, but only to take the person to whom I had been for months prior to that verbally lobbying to get substantive on the issue of our policy origins and acquaint him with it and tell him that I hoped in a sense that this would trigger renewed interest in the subject that frankly puzzled me.

I dont know that it is any use to you, but I never had, because I think in my dealing with the Helms tenure of the CIA, anything but the greatest of respect for the balance of the information they gave, particularly contrasted with the military, that I always felt very useful, and I had no conspiratorial theory about the CIA being brought in.

I think the chairman and I had some brief conversations about it. I frankly expected to find, first, nothing substantive or, second, confirmation of my suspicions about economic stabilization but not political stabilization, so I really had nothing in mind when I went to the committee itself.

Mr. Hébert. No; I am just pointing that out as to projection.

Mr. Bob Wilson. Mr. Chairman.

Mr. Nedzi. Mr. Wilson.

Mr. Bob Wilson. I can understand that you were surprised by what you found, but didn't you in any way feel bound by what you had signed?

Mr. Harrington. In a strange way it is sort of a yes and a no, and this maybe is where we will ultimately go because it will be useful to me to learn from your own assessment, but if I had been convinced, Mr. Wilson, that either lives were going to be endangered—and this is going to be very subjective and I am not attempting to do any more than say I am setting myself up as the judge of this offering to you that way—or that the national security of this country would be affected or any of the other, at least legitimate in my opinion, bases for this inane system called classification that almost becomes an end in itself, I think that what I have demonstrated in my relationship with the committee and the often-heard lectures from the chairman during the 92d Congress that I was exposed to, that I would not have in any way done other than follow the rules.

I didnt feel, particularly looking at statements that I was most familiar with because I had followed the Chilean issue very closely for some time in the executive branch, feel any compunction at all at that point in time about those rules, so, superimposed on general willingness to say I prefer to go the way you suggest the rules would indicate, specifically in this situation, no, I did not.

Mr. Bob Wilson. That is all, Mr. Chairman.

Mr. Harrington. Can I just finish?

Mr. Nedzi. Yes; please do.

Mr. Harrington. I won't make it that long.

In addition to talking with Congressman Fraser, I talked with Congressman Hamilton, talked with Congressman—I said Fraser because I have also talked with him—in addition to Fascell talked with Congressman Fraser who, as I said earlier, arrived at a broad understanding from sources that he didn't disclose to me but had arrived at about simultaneously with the June 12 date, talked with Congressman Hamilton, talked far less briefly or in more abbreviated fashion with Congressman Rosenthal and Congressman Bingham only as a sort of pass-by kind of conversation.

That's not really a good way to characterize it, but as I was talking with Congressmen Rosenthal and Hamilton about this and about whether or not their subcommittees should concern themselves with it, Congressman Bingham came by and Congressman Rosenthal included him in the conversation to the degree of informing him or apprising him very briefly or what I was saying.

Mr. Nedzi. Did you include in these conversations the detail which you included in your letters?

Mr. Harrington. Not to the degree. In the sense of giving them——

Mr. Nedzi. House Foreign Affairs and Senate Foreign Relations?

Mr. Harrington. No; not in an organized or disciplined sense. I certainly in the conversations outlined some of the major facets of involvement and the purposes of it but did not get in the detail that was in the letters.

Mr. Nedzi. Is there any reason to suppose that any of these Members may have been the source of information that appeared in the newspapers?

Mr. Harrington. As far as I am concerned none whatsoever. If anything at all, I would say the committee response is some indication of exactly the opposite, both then and now.

Mr. Arends. You didn't talk to any Republican?

Mr. Harrington. Just thinking.

Chuck Whalen asked me in—let me not really qualify meeting as the category you had in mind—but Chuck Whalen asked me what the subject of our conversation was and I just in sort of a passing sense said, "Some testimony of Colby's that related to involvement," and he just—almost literally—just went. We didn't have any further as such at the time.

No, I didn't. I didn't talk. The other people that I have talked with in the Congress about it on occasions that would run from the then present reading to prior to September 8, which is I suppose the best date to use to say that it then becomes a different kind of knowledge, were Congressman Waldie of California very early, Congressman O'Neill, whom I make life harder for than I have today on the basis of his reaction to my frustrations which were increasing over the summer, and by way of defense of that remarked no encouragement whatsoever for the course other than acceptance of the prevailing facts of life here from Congressman O'Neill, and Congressman Pike, I would say just prior to our recess in August.

That's the best of my memory of the Members that I had any kind of conversation with either in great or narrow detail about the subject.

After that and after those conversations, the question in my mind really was what can I do to have this useful, not sensational, but get it out and get it out in a legitimate way. That is the reason why I talked about Don Fraser—he ran a joint subcommittee with us very often of his own on human rights—and asked whether or not he would be prepared to convene that subcommittee since he seemed exercised about the whole thing and let me come in and testify to it, which I was prepared to do, and again sort of philosophic sympathetic shrug, but nothing much beyond it.

So I was really looking at options which led me after some vacillation, and that I think had been almost the hallmark of my handling of this whole thing, decided that it would be useful to take and to outline in substantial detail not only the nature of the information that I took by memory from the reading of that record, but the efforts at getting the proper committees, in my opinion, on foreign policy to address themselves to it and thus the Morgan-Fulbright letters in mid-July of this year which materialized.

And I think about a week later or less I sent you copies or a copy—I am not sure which, Mr. Chairman—of one or both of those letters and had maybe even briefer conversation with you prior to or thereafter about what do I do now or what do we do now or what does this all mean, but no real substance just almost in passing.

Mr. Nedzi. My recollection of our conversation was that you said the ball was in your court.

Mr. Harrington. Meaning yourself?

Mr. Nedzi. Yourself.

Mr. Harrington. Oh. Maybe that's a very accurate insight. I had a letter back a week later from the chairman of the Senate Foreign Relations Committee which I would characterize politically as disappointing and no response at all from the chairman of the House Foreign Affairs Committee to this day.

Mr. Arends. Was that just a mere acknowledgement from the chairman of the Senate Foreign Relations Committee?

Mr. Harrington. I think it is part of the packet that the counsel may have already had but I am prepared to give you all of that correspondence if it is useful for the record to make it a part, anything you like.

Mr. Nedzi. What do we have?

Mr. Harrington. It has been made public but maybe in the course of your earlier public decision to have this hearing you had access to the material.

Mr. Nedzi. I haven't seen it.

Mr. Arends. I just want to ask again was it mere acknowledgement, or detailed reply to what you wrote?

Mr. Harrington. I would probably say it fell toward the acknowledgement category.

Mr. Arends. We have no copy of that.

Mr. Harrington. But I would be more than happy to make that available and additional response which I received the day before yesterday from Chairman Fulbright.

Mr. Nedzi. Who made it public?

Mr. Harrington. Who made——

Mr. Nedzi. The response, Senator Fulbright's response.

Mr. Harrington. I did on the Thursday, that Thursday that you and I talked first about this hearing, that morning that I had a meeting with the press on the entire matter.

Just to finish off and you can take it from wherever you want to, about the latter part of July——

Mr. Nedzi. Excuse me.

You said that you had another letter from Senator Fulbright.

Mr. Harrington. I wrote him again on the Wednesday we returned, September 11, urging in view of the information being disclosed, and I can again make this available so it is more accurate than my memory, just renewing my request for hearings, and did the same thing with Chairman Morgan.

Mr. Nedzi. Would you put that in the record.

Mr. Harrington. Oh, sure. I will give you that whole batch of material. [Inserted at end of record, see p. 30.]

Chairman Fulbright replied to that second letter in much the same view but adding the sentence that the Senate Foreign Relations Committee had met last week and was about to take up something dealing with the subject. It said nothing else substantively.

Chairman Morgan answered me by mail yesterday on my second letter, not alluding to the first, indicating that be didn't feel that it would be productive at all to engage the committee in my specific request for an inquiry and that they felt the question of oversight as far as broader degree of oversight was going to be dealt with in a promising fashion in the near future, but again not what I characterize as a substantive reply.

To go back to the period of mid-July, about the latter part of July, I had decided that the committee chairman route would get no place and the question was then options, and the ultimate option had always been to go to the floor of the House, which I was prepared to do, and do much the same thing as what was in that letter, just take the floor and spell it out.

In the interim I had thought about preparing a resolution of inquiry which could be premised on some of the specific information I had taken from the hearing and directed to whatever, State Department or NSC or CIA, and force the issue to the floor and force it to a committee at least for some action.

Then we had the events of the latter part of July which were taking the first 16 pages of each newspaper of the country. The impeachment proceeding began and it looked like it was not going to be something concluded early. They were talking about the hearings in the House not finishing until August 28 or 29 and I just did not feel that, for the purposes I really intended to try to do something further, it made any sense at all to attempt to compete with that kind of news item.

So I decided at that point in time that whatever I would do would have to take place in the interim between the impeachment proceeding ending in the House and a trial expected to begin in the Senate, and we left here I guess sometime the 22d or 23d of August and had done nothing more.

I would say about Tuesday or Wednesday after Labor Day I got a call at home and wasn't in because I was involved in the gubernatorial campaign for a friend in Massachusetts, from Sy Hersh of the New York Times. I didn't return the call, largely because I was distracted, and finally on Friday of that week, which would be the 6th of September, I had a telephone conversation with Hersh which ran, if any of you are familiar with Hersh's style, which is from frantic to more frantic in pace, "I've got the Morgan letter. I am going to do a story. I want to talk with you. I'll be honest with you."

I said: "I assume you are starting out to be honest with me," and he laughed and we went back to the beginning and I said: "I am not going to comment on what you print until I see it in print." And I said beyond that, and this is where I supposed we should go next: "I have had a conversation, in addition to what I have told you about, with a very decent guy who I don't want to see pay the price for being a gentleman, whom I have had help from on the question of my knowledge of the issue since last fall and who I basically feel I should notify as far as the substance of your conversation with me since you are specific enough to convince me you do in fact have 'the Morgan letter,'" and I said, "It is Larry Stern of the Washington Post."

And at that point in time he backed off further from wanting to persist in questions. He asked if he could come to see me that weekend. I said: "Only on the condition that the story is in print because I don't intend to contribute to the initial story, if there is in fact an initial story," or knowing the reportorial effort of saying: "I have got something" and then trying to really get something by asking you to respond to give what you know.

So he came up that Sunday. I in the meantime on the same Friday called Larry Stern, who had been aware of the information that I told you I imparted to other Members of Congress and had not done anything with that information because I had really gone to him out of a sense of what you and I had had because of a conversation. What can I do to get this used and get it used in a fashion that will not detract in any way from having the substance and not the issue of where it came from.

Mr. NEDZI. When did Larry Stern indicate to you that he had this information?

Mr. HARRINGTON. I think I gave him some of the specific information probably the period—I don't know of any other sources he has, and I never really asked him, but to the degree I can address myself to the question I had a conversation with Stern which could be sometime probably the period—I don't know of any other sources he has, and I had been sent to the people involved.

Mr. NEDZI. And this information was imparted to Stern?

Mr. HARRINGTON. Verbally, not anything else. Stern did nothing with it because I sought him out as a person that I had been personally friendly with, asked his advice as to what might be done in some fashion that would be useful to get this information made available.

Mr. SLATINSHEK. I might appear redundant at that point, but we are dealing with classified information which was received by the committee in executive session and under the rules of the House which you presumably are aware of, being a Member of the House——

Mr. HARRINGTON. It is a presumption I wouldn't want to defend day to day.

Mr. SLATINSHEK. And the rules read:

> No evidence or testimony taken in executive session may be released without the consent of the Committee.

It is obvious that at this point you are releasing information that the committee received in executive session and you are disclosing this not to a Member of Congress but to a person completely apart from the congressional process, and I just want to reiterate and reemphasize this and apparently it is consistent with the observation that you made earlier in your testimony at the very beginning of your testimony when you pointed out that after reading the testimony in the transcript you made a judgment at that point that this information must in some manner be imparted not only to the Congress but to the public.

Mr. HARRINGTON. I think that is a very adequate summary.

Mr. SLATINSHEK. Right.

Without regard to the rules of the House.

Mr. HARRINGTON. Is redundant.

Mr. SLATINSHEK. But without regard to the rules of the House.

Mr. HARRINGTON. If it embellishes your thesis I would certainly say without regard for the rules of the House.

Mr. SLATINSHEK. Precisely.

Mr. ARENDS. As a followup to that, did there at any time any tinge of conscience come across about your doing exactly what you did, contradicting the rules of the House? Did anything bother you about this at all, the fact that you signed this paper that you would or wouldn't do this and simply contrary to the rules of the House you very openly divulged all this information.

Did that have any effect on this? I am trying to find out what your thinking is on all this information.

Mr. HARRINGTON. I certainly would not want to put it to a vote here this morning. I thought I wrestled with that to a degree with Mr. Wilson. I would say, and I would not say it compatibly, the proposition twinges me as much as the chairman of the subcommittee, a very decent person that I respect, and a variety of other people perhaps somewhat more akin to me philosophically had that information, or had an awareness of the information and chose to do nothing in the light of what I think has been a consistent degree of misstatement on the part of the executive branch. So that question bothered me to a degree but not to the point of being deterred.

Mr. BOB WILSON. Benedict Arnold could use the same argument.

Mr. HARRINGTON. I don't know that I would like the categorization, but I certainly find that the headlong interest is in the periphery rather than the substance, sitting there with information that you know has been the subject of lies by the executive branch witnesses systematically. I have before me this morning—

Mr. BOB WILSON. They weren't lies to the oversight committee were they?

Mr. HARRINGTON. There is a very narrow distinction.

Mr. NEDZI. So that the record is clear, you are not suggesting that this subcommittee was given conflicting testimony from the executive branch, are you?

Mr. HARRINGTON. I am suggesting that this subcommittee, to the degree that I think there is the problem that is alluded to by Mr. Arends, ought to have some twinge of conscience in being complicit by the silence in what the executive branch is saying to the Congress, before relevant congressional committees, and what the American public is led to believe.

Mr. NEDZI. Perhaps it was negligence or sloth or what have you, but let the Chair advise that to my knowledge this subcommittee was not privy to that testimony which was given to other committees. So we have had no reason to assume what was told to us was in conflict with other executive branch testimony.

Mr. HARRINGTON. I am not suggesting it was given in conflict either. I am suggesting from a variety of sources—Senatorial, congressional or House—there have been public statements repeatedly by people of the dimensions of former Director Helms of the CIA, former Ambassador Correy to Chile, the present Secretary of State and former head of NSC, now both, Henry Kissinger, all of which were substantially at variance with information you had on April 22d if not earlier.

Mr. NEDZI. But I repeat that I am not aware any member of this subcommittee was aware of those statements. The gentleman may argue that we should have been aware, but to my knowledge there was no cause for us to go into those particular statements in the time frame we are discussing.

Mr. HARRINGTON. I don't see any reason to feel I could really infer more than I said, or would I want to out of fairness to you, what your specific knowledge was.

Mr. HÉBERT. I think the one thing to be said is that the executive department doesn't make the rules of the House. The House makes its own rules, and we are creatures of the House and we live by the rules of the House and not the executive department. As Mr. Bray said, you did violate the rules of the House.

Mr. HARRINGTON. You have an interesting situation where the House, despite that ethic which is so admirably adhered to, at least in theory, with the executive branch is engaged in efforts that are done in secret for purposes that I think you people are much more familiar with than I am—you have been in the classification business longer than I have—using the classification system as an executive-inspired tool to prevent not only the people of the country but the Congress from having anything more than the kind of eunuch like usage of information which I again say is at variance with what other members of the executive branch are saying.

Mr. SLATINSHEK. If I may interrupt at this point, Mr. Chairman, I would point out in a very large sense the question of classifying could be set aside. We are talking about testimony received in executive session; and you have violated that House rule in respect to testimony received in executive session and could only be used under the provisions provided for the committee.

Mr. NEDZI. I have a couple of additional questions, but I would like to have the gentleman complete his narrative as to where the information was disseminated.

Mr. HARRINGTON. There is not much more I can add. The events of September 8 are reasonably well known. I will add one other part of it that I think is relevant in the sum total of my knowledge of what happened.

In deciding what the options were that I had and deciding, as I alluded to, on the effort to prepare a resolution of inquiry, I asked for and received the help of a fellow named Jerome Levinson who works for Frank Church, who had been last fall, because of involvement in the Church Subcommittee on Multinational Corporations, useful as far as providing an insight into the background of the Chilean setting for CIA activities, in drawing up specific questions for the proposed resolution of inquiry. And that basically was to have the option, in addition of going to the floor, of having that resolution of inquiry prepared to use if that appeared to be the appropriate route.

Mr. NEDZI. So this information was conveyed to Mr. Levinson also?

Mr. HARRINGTON. Right.

Mr. BRAY. The same information which you gave is the secret information you received. He was not a Member of Congress.

Mr. HARRINGTON. That is correct and neither was Mr. Stern.

Mr. BRAY. You gave the same information to Mr. Stern?

Mr. HARRINGTON. Verbally again, asking really from the point of view of the conversation to get advice and help as far as, in the one instance, how it could be responsibly used, and in the second to try to provide a background already gotten, I might say, by access to the executive branch or executive sessions on the Senate side, information from the CIA Director of Information for Latin America, Mr. Breo, and other information taken in March or April 1973.

Mr. BRAY. Did you tell Mr. Church's—what is his name?

Mr. HARRINGTON. Levinson.

Mr. BRAY. Did you tell Mr. Levinson the manner in which you had got what you had?

Mr. HARRINGTON. If you are going back to the question asked by Mr. Fascell, I did not. I told him about the basic circumstances of the testimony being given and the nature of it.

Mr. BOB WILSON. Did you give Mr. Levinson a copy of the letter to Dr. Morgan?

Mr. HARRINGTON. No; I did not. In fact he asked me for a copy of the letter the Tuesday or Wednesday you were back here in Washington, the 10th or 11th preceding the Wednesday, and I said until I make this known to the general public—and the same thing with Larry Stern—I talked with him on Friday, the 6th of September and he asked could he have a copy of the letter, and I said no, I am not about to tell, taking that one step further. That may appear to you to be a thin line.

Mr. BOB WILSON. Obviously somebody released the letter. I want to know if you think any of your staff released it?

Mr. HARRINGTON. No; I would say again—do I think any of my staff released it? There would be no reason to, because if I have anything to offer at all it is direction—I don't like indirection—and my intention was never—if you will believe a reaffirmation of it today—to go drop something by somebody's door and do what the chairman indicated, tell a member the knowledge but in his opinion he would not be bound by what I signed. If I am going to do this, I do it frontally and do it for the reasons and the attitude I ascribed to myself earlier with that in mind and not do it the other way. I never thought of it. If anything I was annoyed, with the vacillation I characterized this morning, not having it emerge as it did. It wasn't any thinly veiled effort to say take this and use it this way.

Mr. NEDZI. To whom on your staff was this information available?

Mr. HARRINGTON. Probably in general five or six people, all of whom would have been involved in the Foreign Affairs Committee area. That is probably too large a number.

Mr. NEDZI. What are their names for the record?

Mr. HARRINGTON. Rodney N. Smith, Lawrence Tell. Let me think about whether there was any—if you are talking of typists——

Mr. NEDZI. Anybody who would have had access to this information because of you.

Mr. HARRINGTON. You have a couple of people who would have typed it. I am not sure in what order. I can give you those people if you want.

Mr. NEDZI. Yes.

Mr. HARRINGTON. Let me add one other on the staff level. Steven Sholtz who came in mid-June, and Margaret Sharkey, the secretary, the typist, whatever information is imparted from that source, and a girl by the name of Sue Meyers who is no longer with me. I think she is working in Pennsylvania. I can get the address if you would like it. That would be my memory of the staff.

Mr. BRAY. Then you did not give a copy of this letter which you mailed to Morgan, the Chairman of the Foreign Affairs Committee——

Mr. HARRINGTON. Hand delivered to the chairman on both sides, sealed and marked to their attention only; and delivered directly to Dr. Morgan and Senator Fulbright.

Mr. BRAY. Did you ever give anyone a copy of that letter?

Mr. HARRINGTON. After September 8; yes. I think I told you I made it available on the Thursday of that week to the press people who had been interested in it and anyone else—I don't know who else was involved. Other offices of other Congressmen—the letter prior to that, no; I did not.

Mr. BRAY. You did on that date give a copy of the letter which you wrote to them?

Mr. HARRINGTON. Correct. They were just available. They were run off and made available, not selectively given.

Mr. NEDZI. I note the initials M/L.T. as the typist on the letter.

Mr. HARRINGTON. Larry Tell. L.T. The "M" may be Margaret or Meyers. I don't know the code. I could find out for you.

Mr. NEDZI. Is Larry Tell the typist?

Mr. HARRINGTON. Larry Tell would be the person who would have done the dictating of the letter in conversation with me and a draft for me.

Mr. NEDZI. I see. And "M" is the typist?

Mr. HARRINGTON. Either Margaret Sharkey or Sue Meyers. I don't know which way it goes.

Mr. ARENDS. Your interpretation is interesting, but I am trying to understand you now.

Mr. HARRINGTON. I am trying to understand you, Mr. Arends.

Mr. ARENDS. That is easy to do.

You say you signed this document divulging information knowing the House rules?

Mr. HARRINGTON. Presumptively that is correct.

Mr. ARENDS. You said it bothered you a little bit whether or not you were going to disclose it. Nevertheless you disclosed it.

Mr. HARRINGTON. I don't think I would want my statement characterized that way. I think you asked me somewhat differently, whether or not I had any momentary concern of any kind. I tried to characterize it; yes, to a degree. But along side with what I have already said, and in no sense being abrasive again either to the committee's knowledge or other knowledge imparted to members.

Mr. ARENDS. I want to be fair about the matter. You must have known at that time you were going through and experiencing an action which was a falsehood as far as you were concerned?

Mr. HARRINGTON. I never viewed it that way.

Mr. ARENDS. Yet you knew in your own mind you were doing something you agreed you would not do.

Mr. HARRINGTON. Not really with a preconceived intent. I am not going to try to quibble with you if you want to characterize it as something I engaged in, in talking to Mr. Nedzi or Mr. Slatinshek or Mr. Hébert—beforehand with that intent. It was not mine. It turned out but I didn't have the idea where and when. It was not something I had as a predetermined direction I was going to take, because it wasn't.

Mr. ARENDS. Then I will leave it that I still don't understand you.

Mr. BOB WILSON. My reference to Benedict Arnold was not unkind.

Mr. HARRINGTON. If I may finish with Mr. Arends, it probably won't be very useful. Tip O'Neill just shakes his head, just shakes his head and I say "That is right, I am Joe Harrington's son and so can't be all bad." I don't know whether he understands me either, but that may be a help in this perspective.

Mr. ARENDS. Then I am in good company.

Mr. BOB WILSON. As I said, my reference to Benedict Arnold was not unkind. The point is, he really thought he was doing what was best for his country in violating the rules of the country, and I think you did. But there is a difference of opinion. I don't think you did. I think you really damaged this country tremendously by violating a rule of the House. You don't think so, but I do. I am sure Benedict Arnold didn't think so either.

Mr. HARRINGTON. They are not remotely alike and the comparison I would quarrel up and down with. You people frankly—not you, but those who know or are presumed to know, and who choose to accept what I consider to be a systematic degree of deceit practiced by the executive branch. But we could debate that forever and not resolve it.

Mr. BOB WILSON. Are you in favor of an oversight committee for CIA?

Mr. HARRINGTON. You are talking now when you say am I in favor of this oversight committee?

Mr. BOB WILSON. No. You want a separate oversight committee for CIA?

Mr. HARRINGTON. Sure.

Mr. BOB WILSON. Why?

Mr. HARRINGTON. Two reasons: First of all, let me say that to make sure my views will be clear, I want the CIA out of the covert side, and I have never really been ambiguous about that, or my appreciation which I have publicly expressed for the value and the responsible way in which they conduct intelligence gathering and evaluation, which I endorse, and I have told people this publicly, including Colby and others.

First of all I would like to get the CIA out of what I would call clandestine, or covert, or paramilitary operations, whatever you want. If we don't do that as an interim step I want something more—as I told the chairman in August—than the fiction of oversight. I am convinced until April of this year, in spite of having been designate—and you can tell me if I am wrong—as chairman of the CIA Oversight Committee, I am convinced that until September 12 of this year, John Stennis, who occupies the same role in the Senate as Chairman of the CIA Oversight Committee, did not have the kind of specific information that was imparted to Mr. Nedzi on April 22. I am not saying that in clear enough fashion.

I would say from what I could read in your reactions to that statement, despite the illusion given us regularly by CIA of being informed, until April 22 of this year, I infer, from the nature of the responses or reactions, that the degree of specificity attendant to your knowledge didn't exist before, and the same thing with Mr. Stennis until September 12 of this year.

I would be very happy to make an apology for the record or publicly for that inference being drawn. I don't really find it at this point warranted. Yes, I am interested in oversight but not the kind that exists right now.

Mr. BOB WILSON. And you want the public to know what CIA is doing?

Mr. HARRINGTON. Bill Colby does and I believe him. I think he gets into this and I think Mr. Slatinshek takes issue with it. I think Colby in some discussion with the chairman indicates, do you think we could get the American public to agree or get more acceptance if we broaden their knowledge. I think you take issue, that you didn't think that could be the case. I think there ought to be more, and not just a fiction of knowledge.

Mr. SLATINSHEK. You made the statement you wanted to see CIA completely out of the covert business.

Mr. HARRINGTON. Right.

Mr. SLATINSHEK. What you are talking about here is political or paramilitary action?

Mr. HARRINGTON. Whatever you want to call it. The nonintelligence gathering side.

Mr. SLATINSHEK. You are starting with the premise, or you are basing this on a premise that under no circumstances is covert activity—and let's set aside the merit of the action in Chile—under no circumstances would a covert action be justified in the national interest. Isn't that what you are saying?

Mr. HARRINGTON. Yes, essentially.

Mr. SLATINSHEK. In other words, you would deny——

Mr. HARRINGTON. I perhaps like my own language, but essentially that is what I am saying.

Mr. SLATINSHEK. You would deny to the President the option of using covert action in the national interest under any circumstances?

Mr. HARRINGTON. I would deny to the President of the United States the ability to use as an instrument of policy the CIA or any related agency that had a similar capacity, with which I may not be fully aware this morning, the initiative of engaging under his direction as National Security Council head, activities that could be best described as——

Mr. SLATINSHEK. Covert?

Mr. HARRINGTON. In the lasting words of Mr. Colby as covert, clandestine, or others of that variety, and that is subject to the narrow distinction I have drawn already. That does not, I hope, mean to imply I am aiming at a broader target within the framework of CIA action.

Mr. SLATINSHEK. Whether it is CIA or any agency in Government you would be opposed to the Executive having any opportunity or device whereby he could engage in covert activity in a foreign country regardless of whether or not it is in the national interest?

Mr. HARRINGTON. Now we keep broadening the question.

Mr. SLATINSHEK. I am trying to summarize what you have said, and I want to make sure we understand what you said.

Mr. HARRINGTON. Let's just not quibble on the semantics. I don't want to get into an opinion on the feeling I think you are trying to convey. If covert means the use of methods that we in this country would regard as illegal or violative of the law to engage in intelligence gathering, you have no problem from me in implicitly accepting that, like it or not, the Government can exercise it.

If you mean, on the other hand, a CIA type sitting in the hills of Thailand putting together a letter to stir up trouble of that kind made known, and you have a record in the pages of what we did in Chile to destabilize or fragmentize, that is the distinction I draw.

Mr. SLATINSHEK. Let me ask you a hypothetical question.

Mr. HARRINGTON. We finished on that note in August, but go ahead.

Mr. SLATINSHEK. Yes, we did.

Let's assume the Arab countries further esculate the price situation we have on energy now and it places the Western World on the brink of complete economic chaos and collapse. Let's assume further that all diplomatic efforts to resolve this impasse have failed. Then the only alternative options apparently available to the President are simply to acquiesce in the economic chaos or send in the Marines.

Mr. HARRINGTON. Frankly, if you get to the point of your hypothetical question, letting me hanging on the edge of the cliff as far as the option, either/or, and we are at the point where our national survival in somewhat more subtle form as shown as being the historical threat that calls for war, let the President come to the Congress for approval and ask to go to war.

Mr. SLATINSHEK. You are saying if he does call it covert or any other word for it, secret action in the national interest, he would have to come to Congress to get approval?

Mr. SLATINSHEK. This is ridiculous.

Mr. HARRINGTON. Only as it applies to what you gave me as an example.

Mr. SDATINSHEK. This is ridicious.

Mr. BOB WILSON. I want to commend you for bringing a new word into our vocabulary—destabilize. I have read the total testimony and never once was that word used. You invented it and it is beautiful.

Mr. HARRINGTON. That is to the real credit of Bill Colby.

Mr. SLATINSHEK. If I may interrupt at this point, Mr. Colby did not use the word "destabilize" in his testimony.

Mr. BOB WILSON. That is what I said.

Mr. SLATINSHEK. In fact he wrote a letter to the New York Times to this effect.

Mr. HARRINGTON. That is what I said.

Mr. SLATINSHEK. I am sorry I missed that.

Mr. NEDZI. Let the Chair return to the problem that really is vexing as far as the subcommittee is concerned, the procedures with respect to the handling of sensitive information.

Mr. Harrington, I have absolutely no reason to challenge your motives in what has occurred. I similarly was interested in seeing that some of this might be made public. Do you recall reading in the transcript when I inquired of Mr. Colby whether this information could be made public or not?

Mr. HARRINGTON. Not enough to be able to respond right now with anything more than what I have.

Mr. NEDZI. The point I am making is while the thought occurred to me, I can't say the thought did occur to me to take it upon myself to challenge the classification of this information on the part of those charged with responsibility of making this kind of classification. Don't you feel uncomfortable when Colby testifies that if this information is disclosed, he expects that some individuals in the CIA will be affected adversely?

Mr. HARRINGTON. Let me ask you—you have the benefit of something I suppose is permanently removed from me to have access to. My memory of this, if I could say, is that Colby after 16 or 18 pages of specifically addressing himself to the question of Chile gets into more general discussion of the method of operation employed by the CIA. If you are reading from that section, I would agree Colby has made the observation at some point that the problem of disclosure could create the situation you have described. I didn't really want to have that seem to be inferred in the instance of going back to Mr. Wilson's question of motive and attitude earlier. In the instance here Colby testified to you that if this information were made known that the lives of individuals or other problems would ensue in Chile, I thought he was addressing himself to the more general question of how the agency dealt with problems of this kind on the broader scale when he made these observations here.

Mr. NEDZI. I asked him, what do you see as a problem?

Mr. HARRINGTON. What page is that?

Mr. NEDZI. Page 42.

Mr. HARRINGTON. I assumed it is in the general discussion.

Mr. NEDZI. He answered: "There are a number of individuals who've helped us who would be caught in the process, who were the intermediaries, or the recipients, who would be revealed as having received American money, or passed American money, at the behest of the CIA. I think some of them would go to jail maybe, maybe not, but some of them would be very sharply discredited. Because you can't really say that we are working in this area without saying sort of obviously whom we were working with" and so forth.

Mr. HARRINGTON. Was the basis of the answer a question about information being made public?

Mr. NEDZI. The basis of it was to determine if, in his judgment, we could release the transcript and——

Mr. HARRINGTON. I get the feeling when you get to that point in the transcript Mr. Colby is engaging, because he dominates most of that proceeding with almost a monolog, in the description in general of the agency function in this role, who is brought in as far as the other executive branch agencies, how they in general function, and what the change of command is as far as approval. But you are engaging in a general as distinguished from a Chilean discussion focus.

Mr. NEDZI. That was not the intent of the question.

Mr. HARRINGTON. What did he say before that prompted your question? Probably page 41.

"Mr. NEDZI. We do have independent inspections, the Inspector General, and things like that, and sometimes they do come up to sharpen the question whether this particular activity is worth it, or being run well, or whatever. It is the usual thing of running any kind of an organization. You have to have some independent appraisal of how well it is doing."

Apparently I had asked him about whether there was any review of these activities to determine whether or not they were successful or desirable. And following that it was certainly the intent of any question to determine whether all of the information in the transcript could be made public.

The point is, however, you say that didn't trouble you?

Mr. HARRINGTON. Not at all, because he didn't get into, as you well know, anything by way of specific references to names, to institutions, to parties, beyond generalized descriptions that one might have cognizance about the area and fill in the blanks. This was not something he testified to you on.

Mr. NEDZI. Aren't you troubled by taking it upon yourself to determine whether a rule should be followed or not? Isn't that really what Watergate was all about?

Mr. HARRINGTON. Mr. Nedzi, I think——

Mr. NEDZI. I certainly sympathize with your motives to a far greater degree than I did the principles in Watergate. But aren't we really talking about a similar problem—somebody taking it upon themselves to make these determinations?

Mr. HARRINGTON. I think Watergate is altogether about something else. This is about the Congress and deference or acquiescence with the executive branch.

Mr. NEDZI. Don't you believe we are genuinely concerned about national security involves in that?

Mr. HARRINGTON. In Watergate?

Mr. NEDZI. Yes.

Mr. HARRINGTON. It is so hard to find any remaining redeeming facets to the term. After the President reduced it in the tapes and other things to a shambles of meaning, I don't think I could really answer it.

Mr. NEDZI. My own feeling is there were some participants there who felt they were doing the right thing and weren't concerned about the law and the rights of others. Just because their own minds were fixed that this was the right thing to do for the good of the country, they did it, and that to me is an undesirable way of operating. I think we do have a Government of laws and of rules and you are really treading on very thin ice when you choose on your own to violate laws and rules.

Let me put it another way: Let me ask you the question——

Mr. HARRINGTON. I hesitate because I am looking for a rejoinder. I think the Watergate runs more aptly toward a continuing coverup of the conduct on the part of the executive which is acquiesced in collectively by the Congress.

Mr. NEDZI. I am talking about the activities that the term "Watergate" encompasses. But that aside, do you have any suggestion as to what kind of rules could be promulgated in order to assure that an individual, because of whatever reason he might have, will not disclose sensitive classified information that if disclosed could be contrary to the public interest? Do you think our rules are unreasonable?

Mr. HARRINGTON. I think totally, and I think the classification system is a joke.

Mr. NEDZI. Apart from the classification system. That is a separate issue.

Mr. HARRINGTON. That is the root of it.

Mr. NEDZI. Are you saying there is no sensitive information that is in our transcripts?

Mr. HARRINGTON. In general or specific? The transcript before you?

Mr. NEDZI. I am speaking in general.

Mr. HARRINGTON. Sure.

Mr. NEDZI. What we are concerned about is having some extremely sensitive transcript available to a Member of Congress, given to him under the same rules and constraints that the transcript was given to you, only to have it disseminated to a member of the press.

Mr. HARRINGTON. If we talked about the broadest possible definition of sensitive information existing someplace that should not be disseminated, without question I would agree with you. I didn't want to have my answer attempt to be responsive to something that appeared to be directed to this particular transcript in front of you.

Mr. NEDZI. But each individual should be entitled to make that same determination then, shouldn't he?

Mr. HARRINGTON. That I suppose is something we could quarrel over forever, far more than this committee would say is the case if I could judge from the chairman.

Mr. NEDZI. Are you saying there is no way to promulgate a rule or we will just have to assume that risk?

Mr. HARRINGTON. We will always be in an area where we will never arrive at a point where there will not be fundamental disagreements of approach between people who are otherwise reasonable. I think we will never get to a point where you will satisfy all people on this whole question.

Mr. NEDZI. Have you any suggestions as to what we should do to our procedures to improve them, if they need improving?

Mr. HARRINGTON. I think I did this in my letter of mid-July which I addressed to the chairman of the Appropriations Committee, in which I deal with the subject of the House debate on Monday on the whole question of oversight functions, and with appreciation for the problems you have had as far as time.

Mr. NEDZI. But this problem is not going away.

Mr. HARRINGTON. I tried to induce some thoughts about that from your own quarters.

Mr. NEDZI. Regardless of how you handle the oversight function, whether you have a separate committee or not, the problem of this kind of information is not going to go away. Should it be handled in a manner that is similar to the way in which we are handling it or should the procedure be changed somehow?

Mr. HARRINGTON. I think there are any variety of methods that could be available that would go to satisfying some of the more legitimate concerns raised. For instance, one of the reasons we have talked about regularly here is much of what you have in that material has a deliberate and definite bearing on foreign policy decisions of this country. Yet in theory Bill Colby can claim to the Foreign Relations Committee and the Foreign Affairs Committee that he has no mandate on the part of Congress to be responsive.

Mr. NEDZI. Let me tell the gentleman that problem is being addressed very diligently, and we anticipate some kind of contribution toward solving this in the very near future.

That isn't the point I was talking about. The point that troubles me is the one which was brought to a focus by this particular instance. I am trying to solicit from you some comment as to what might be done to avoid having 435 members exercising their own judgment as to whether the rules should be followed or not.

Mr. HARRINGTON. I thought I had given you my usual curbstone opinion about that—far less secrecy at the executive branch level, far less acquiescence in it on the part of the Congress, which winds up picking up the pieces of the kind of secretly arrived at policy of the kind we find ourselves addressing here, and far more trust in general on the part of the Congress about itself. You can say I am example "A" of why that shouldn't exist, but that is your opinion.

Mr. BOB WILSON. Do you feel by your violating the rule you might have made it impossible for other members to see sensitive material, not this material but other sensitive material that might have great use to individuals? Do you think in any way that is jeopardized?

Mr. HARRINGTON. I think by violating your rule—and I say your rule perhaps pejoratively—or the rule, what I resulted in doing is forcing a lot of people, not on this committee who have their own self-interest at stake to a narrow degree and philosophically at odds with my view, but forcing a lot of benign members on my own committee with the intent of perpetuating the fiction of oversight to get into the field for the first time where they should have been a generation ago. I think that has been done to a degree. That wasn't the intention.

Mr. BOB WILSON. Does your committee have oversight of the CIA?

Mr. HARRINGTON. No, it does not.

Mr. BOB WILSON. What do you mean?

Mr. HARRINGTON. Those who have acceded in this. You asked have I precluded other Members of Congress from getting access to sensitive material from what I have done in violating the rules. I have said to the contrary, that out of the mouth of our own Chairman Morgan the Foreign Affairs Committee has to deal with what they have been in for a long time, the knowledge there has been little oversight, and if it has occurred, it has occurred informally. In looking at the statement of Congressman Giaimo from Connecticut on the floor, gentlemen, and Senator Symington of a week ago in the Senate, those theoretically supposed to be on the committees of oversight haven't penetrated that balloon but may once full oversight exists.

I asked the chairman this morning—and you don't have to answer it—did he have information before April 22 that goes to the substance of what we are doing. He may have to a degree. I don't know whether he did or not.

Mr. BOB WILSON. That is a somewhat related question. Do you feel that President Kennedy was ill advised in using CIA with regard to the Bay of Pigs?

Mr. HARRINGTON. You bet I do.

Mr. BOB WILSON. With regard to our clandestine activities in Laos also?

Mr. HARRINGTON. To the disconcertion of people who happen to share my same party label I very often hyphenate my criticism of executive branch activity of the kind you have described more generally in foreign policy by alluding to both the Kennedy era and the Johnson era, along with the Republican facets in the Nixon era over the last dozen years. I think you can say one that the Secretary of State clumsily tried to get at in testimony addressed to Mr. Church, who tried to keep interrupting Fulbright's efforts to repress that line of inquiry, I find the Secretary straining a bit with an exaggerated kind of claim of credit that he and the President were engaging in 1969 and 1970 on direction and departure of American foreign policy, that we ought to have more charity with decisions made about Chile, with appreciation of foreign policy perceptions existing at that time. They were once claiming a fundamental departure in our policy affecting our relationship with the Communists—and this is what I find all the more ironic—at the time the secret trips were being planned to China, a rapprochement with Russia being heralded as a great achievement of the administration, and one I have publicly said I concur in, you get a systematic effort to gut the Marxist government that not anyone yet in the most revisionist sentiment have suggested came to power did not come to power by a process we endorse for the rest of the world.

Mr. BOB WILSON. You determined in your own mind we gutted it. Certainly the testimony doesn't indicate to me that the activities resulted in gutting the Allende government. In fact it was very ineffectual with the expenditure of $11 million in my opinion. If there is any inference in the testimony we have had that resulted in the military coup, that our actions resulted in the military coup, that is false, and yet the statements that were made on the floor yesterday indicated that we instigated the coup by spending $11 million.

Mr. HARRINGTON. I never would.

Mr. BOB WILSON. Let me ask this rhetorically: How would you like to have $11 million to run for Governor of California with twice the number of people? I use the example and analogy of a setting of 9 million people in a less sophisticated political millieu and apply it to Chile against American dollars.

Mr. HARRINGTON. I wouldn't run for Governor of California if you gave me $11 million.

Mr. NEDZI. We have just a couple of more questions to complete the record. Let me ask you this: How do you think the leak occurred?

Mr. HARRINGTON. I really don't know. One of the things I said to Seymour Hersh when he called, can you tell me where you got the one thing? And an amusing thing, and it is maybe not entirely accurate as it is secondhand—I heard it and had to some extent verified it—the Fulbright office was frantically looking for copies of my letter which was supposed to exist. Senator Case's office called over and asked on Monday or Tuesday for the letter. I was told they were scrambling around for a couple of days looking for the material I supposed got to Fulbright back in July.

Mr. Nedzi. Was that the original letter a copy of Morgan's?

Mr. Harrington. Both had the original letter. I think I alluded to the fact the chairman of the other committee—if I had to guess, and this is only a guess, and I said this to Martin Agronsky when he asked me about it, I would basically see the letter to Fulbright or the Senate side being the basis for what happened. I really don't know and would be glad, as I told you, if I found out. I would be curious myself. But I did not do it.

Mr. Bob Wilson. You say you would assume it would fall, but it may not look as if you pushed it?

Mr. Harrington. I think really that has been the thrust of it all this morning. I am more annoyed by what I consider to be vacillation on my part in not having the courage to face it head on. I would not engage in that sort of thing. I would be more comfortable in taking it to the floor of the House and letting you guys do what you want. I never had any intention of going that way.

Mr. Slatinshek. I understood you to say you wrote a separate letter to Mr. Fulbright. Is that correct?

Mr. Harrington. I wrote identical letters to Fulbright and Morgan originally. Going to Mr. Nedzi's question, original copies.

Mr. Slatinshek. Were they addressed specifically to Mr. Morgan and in the other instance to Senator Fulbright?

Mr. Harrington. Yes.

Mr. Slatinshek. Could we have a copy for the record of both of those letters?

Mr. Harrington. Sure.

Mr. Slatinshek. So we can insert them in the record.

Mr. Harrington. You can have it all.

Mr. Slatinshek. What I am troubled by, you had indicated you had personally handed them the letters.

Mr. Harrington. I had caused them to be personally handed. I thought I made that clear. Somebody asked did you mail them and I said no, they were personally delivered.

Mr. Bob Wilson. I took you to mean you handed the letters to them.

Mr. Harrington. No.

Mr. Slatinshek. In other words, you had a messenger hand deliver this and they did hand deliver it to Chairman Morgan and to Chairman Fulbright?

Mr. Harrington. That was the intent. I can go back, if you would like, and see actually from the committees to whom the delivery was made, if not to the chairman. I frankly never inquired.

Mr. Slatinshek. I think it would be important for the record we know this.

Mr. Harrington. You might check.

Mr. Slatinshek. I would like you to provide that to us for the record

Mr. Harrington. Any way you want to do it.

Mr. Slatinshek. That is particularly important since the Seymour Hersh article repeatedly referred to Thomas Morgan's letter, yet Mr. Morgan I understand did not release the letter in any way. This is my informal understanding.

Mr. Harrington. I am quite sure you have a more informal understanding of the situation than I do.

Mr. Slatinshek. I am puzzled by the fact the Seymour Hersh leak uses the Morgan letter.

Mr. Harrington. So am I. That was my theory to Mr. Nedzi in response to his question. I thought frankly the Morgan title was only used in effect to deflect attention from the Senate.

Mr. Nedzi. Mr. Morgan was referred to in the Senate letter.

Mr. Harrington. The inference is clear I believe, in my writing to both chairmen one could be substituted one for the other.

Mr. Nedzi. Have you supplied for the record now to the best of your recollection all of the individuals to whom you imparted this information either by letter or by oral conversation?

Mr. Harrington. That is correct.

Mr. Nedzi. Actually I don't see an allusion to the Fulbright letter in the Morgan letter.

Mr. Harrington. I will be glad to refresh my recollection. I assumed it was or one could infer. I haven't read that in a while so I don't know.

Mr. Nedzi. To pursue Frank's line of questions, one would have to assume that the Fulbright letter was available and some additional information to the effect that there was also a Morgan letter.

Mr. Harrington. Correct.

Mr. Nedzi. It was not clear from the letter.

Mr. Harrington. I don't know. I don't have the letter in front of me. I assume I made a reference for the chairman of the committee, so you would infer it was being sent both ways. Again, that is my guess and not anything beyond that at this point. Those are the letters, and I can find out the method of delivery. Mr. Slatinshek's intention is very clear.

Mr. Slatinshek. The question of the delivery, the individual who delivered, whether personally delivered, and give us copies of the letters. This would be helpful for the record.

Mr. Harrington. OK.

Mr. Nedzi. The subcommittee will stand in recess until further call of the Chair.

[Whereupon, at 12:20 p.m. the subcommittee recessed until call of the Chair.]

[The following information was received for the record:]

October 7, 1974.

Hon. Michael Harrington,
House of Representatives,
Washington, D.C.

Dear Mr. Harrington: As you will recall, on Wednesday, September 25, 1974, you appeared as a witness before the Armed Services Special Subcommittee on Intelligence.

The Subcommittee is now endeavoring to complete the record in respect to your testimony. However, certain materials that you had volunteered to provide for the record have not as yet been received by the Subcommittee.

Specifically, I have reference to your offer to provide for the record:

(a) Your correspondence with Senator Fulbright on the Chilian matter; and

(b) Copies of the original letters sent to Chairman Morgan and Chairman Fulbright; the manner of their delivery, the individuals who delivered the individual letters, as well as the names of the individuals who actually physically received the letters.

I assume that your failure to provide this information for the record is due to your exceedingly busy schedule or simple inadvertence. In any event, it would be helpful to the Subcommittee to have this information made available so as to permit it to complete its record of your testimony.

Sincerely,
Frank M. Slatinshek,
Chief Counsel.

October 8, 1974.

Mr. Frank M. Slatinshek,
Chief Counsel, Committee on Armed Services, U.S. House of Representatives, Washington, D.C.

Dear Mr. Slatinshek: Thank you for your letter concerning the supplementary material mentioned in my September 25th testimony. My apologies for the delay in responding.

Enclosed are copies of my correspondence with Senator Fulbright, as well as copies of the original letters to Chairmen Morgan and Fulbright which you requested. It is my understanding that Lawrence Tell, who worked for me this summer, hand delivered the July 18th letters to the personal secretaries of the Chairmen and that the secretaries were admonished that the letters were personal, confidential and for the eyes of the respective Chairmen only.

If I can be of any further assistance, please do not hesitate to contact me.

Yours sincerely,
Michael J. Harrington.

July 18, 1974.

Hon. Thomas Morgan,
Chairman, House Foreign Affairs Committee, Rayburn House Office Building, Washington, D.C.

Dear Mr. Chairman: As you know, for some time I have been actively interested in the development of United States foreign policy toward Chile, and particularly since the overthrow of the Allende government on September 11, 1973, and my visit to that country shortly thereafter. It is my purpose in writing to discuss some of the fruits of my endeavors in that direction, which I feel pose serious questions about the manner in which our current relations with Chile evolved, how our policies there were implemented, and how Congress has exercised its oversight function. I request that you bear with me on the length of this letter, since I feel that the importance of its subject matter requires a detailed and comprehensive presentation of the evolution of my present concern.

No doubt you are familiar with numerous reports, dating from the time of Salvador Allende's election as President in 1970, alleging that the United States government played an active role in trying to influence Chilean politics. Immediately after the military coup last October, further reports appeared which indicated that the United States was involved, either directly or indirectly. At that time, I made a very brief trip to Chile which enabled me to gain a sense of the prevailing attitude there and helped add some substance to my earlier impression that the United States had engaged in political and economic destabilization efforts that eventually led to President Allende's downfall.

Since that time, I have repeatedly tried to focus attention in Congress on the origins of American policy toward the Allende government to determine its possible influence in the eventual course of events in Chile. In particular, I was concerned with activities of the Treasury Department and the Central Intelligence Agency, the latter of which is the subject of quite limited Congressional Review that is perfunctory and comes after the fact. As you can readily see from the exchange of correspondence which is attached to this letter, my efforts have not been productive of any substantial inquiries into our policies toward the Allende government. Instead, the few hearings that have been held focused largely on the internal situation in Chile and allegations of denials of Civil and judicial rights. The following list of hearings and witnesses clearly documents that fact:

Sept. 20, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary of State Jack Kubisch

Sept. 25, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary of State Jack Kubisch

October 11, 1973 Subcommittee on Inter-American Affairs: Central Intelligence Agency witness

October 31, 1973 Subcommittee on Inter-

American Affairs: Defense Intelligence Agency analysts

December 1, 1973 Subcommittees on Inter-American Affairs and International Organizations and Movements: "Human Rights in Chile"—Dr. Frank Newman

May 7, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"— Charles Porter, former Member of Congress; Ira Lowe, attorney

May 23, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Dr. Covey Oliver, former United States Ambassador

June 11, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"— former Attorney General Ramsey Clark; Judge William Booth

June 12, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Deputy Assistant Secretary of State Harry Shlaudeman

June 18, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Professors Richard Fagan, John Pianck, and Riordan Roett

Following the September 25, 1973 hearing, Chairman Fascell issued a statement which read: ". . . the Subcommittee will hold additional hearings on Chile in the near future. We intend to conduct a full scale investigation of United States policy toward Chile." The committed language of that statement has not been pursued, despite a series of conversations between my office and the Subcommittee both at the staff level and between Chairman Fascell and myself. Finally, a request made in writing by me on March 7, 1974 to Chairman Fascell that he hold hearings on U.S. activities in Chile resulted in an inclusive exchange of letters over three months with the end result that the Subcommittee has promised two days of hearings, possibly sometime this summer, with non-government witnesses.

The one possible opportunity that was afforded to probe United States policies toward Chile occurred during the Subcommittee executive session testimony in October, 1973 of CIA director William Colby, who unfortunately refused to respond fully to questions of CIA activities in Chile, citing the jurisdiction of the Armed Services Committee. With little expectation that tangible results would follow because of its past deference to the CIA in such matters. I turned to the Special Subcommittee on Intelligence of the House Armed Services Committee. In my letter of April 2, 1974 to Chairman Nedzi, a copy of which is also attached. I recounted the reluctance of CIA Director William Colby to fully testify before the Foreign Affairs Committee and requested that Chairman Nedzi's Subcommittee hold hearings to question Mr. Colby directly as to convert CIA operations in Chile.

Mr. Colby testified on April 22, 1974 and after some delay, largely due to Chairman Nedzi's desire to obtain clearance from Chairman Hébert, I was notified on or about June 1, 1974 that I would be given access to the transcript. I read the hearing transcript once on June 5 and again on June 12, and the information contained in the Colby testimony convinced me that it is of critical importance for the Congress and the American people to learn the full truth of American activities in Chile. I wish to share this information with you, in the hope that you will feel the same sense of conviction that I experienced upon learning the full details of significant U.S. activities in the affairs of another country without any prior consultation of even the committee charged with overseeing such operations. In fact, actual formal notification of that committee came seemingly as an afterthought, and only after my request was made, many months after the operations had been conducted.

While my memory must serve here as the only source for the substance of the testimony, I submit the following summary of its contents as an indication of what transpired in Chile.

The testimony was given on April 22, 1974 by Mr. Colby, who was accompanied by a Mr. Phillips, who was apparently the Latin American specialist of the CIA. Also in attendance were Chairman Nedzi and Frank Slatinshek, Chief Counsel of the House Armed Services Committee. Approximately one-third of the 48 pages of testimony is devoted to exposition by Mr. Colby of a continuous Central Intelligence Agency involvement in the internal politics of Chile from 1962 through 1973. Most of the remainder of the testimony provides a description of the methods employed by the CIA in conducting such operations, focusing on the details of how activities in Chile were accomplished.

Over the 1962 to 1973 period, the Forty Committee (an interdepartmental body that reviews and authorizes all covert CIA activities and is chaired by the President's Advisor on Naitonal Security Affairs) authorized the expenditure of approximately $11 million to help prevent the election of Allende and, in Mr. Colby's words, "destabilize" the Allende government so as to precipitate its downfall. The agency activities in Chile were viewed as a prototype, or laboratory experiment, to test the techniques of heavy financial investment in efforts to discredit and bring down a government.

Funding was provided to individuals, political parties, and media outlets in Chile, through channels in other countries in both Latin America and Europe. Mr. Colby's description of these operations was direct, though not to the point of identifying actual contacts and conduits.

A total of $3 million was sent in 1964 to the Christian Democratic Party in Chile that was opposing Allende in the national elections. Also in 1964, unidentified American corporations suggested that the CIA serve as a conduit for corporate funds that would finance anti-Allende activities, but that idea was rejected as unworkable. Approximately $500,000 was authorized in 1969 to fund individuals who could be nurtured to keep the anti-Allende forces active and intact.

During the 1970 election, in which Allende eventually was elected President, $500,000 was given to opposition party personnel. An expenditure of $350,000 was authorized to bribe the Chilean Congress, which at that time was faced with deciding a run-off election between Allende and the opposition candidate. The bribe would have been part of a scheme to overturn the results of the election in which Allende had gained a plurality, but that plan, although originally approved by the Forty Committee, was later evaluated as unworkable.

The testimony indicates that the Agency role in 1970 was viewed as that of the "spoiler," involving general attempts to politically destabilize the country and discredit Allende to improve the likelihood that an opposition candidate would win.

Following the election of Allende, $5 million was authorized by the Forty Committee for more destabilization efforts during the period from 1971 to 1973. An additional $1.5 million was spent for the 1973 municipal elections. Some of these funds were used to support an unnamed but influential anti-Allende newspaper.

Although a specific request in the summer of 1973 for $50,000 to assist the trucker's strike was turned down, the Forty Committee did authorize in August, 1973 an expenditure of $1 million for further political destabilization activities. This final authorization came without any apparent deterrent being posed by the recently completed hearings into ITT involvement in Chile and the Senate Watergate Committee's disclosure of CIA activities related to Watergate.

The full plan authorized in August was called off when the military coup occurred less than one month later. In the aftermath of the coup, however, funds that had been committed were spent. These included $25,000 to one indvidual to purchase a radio station and $9,000 to finance a trip to other Latin American capitals to reassure them about the new military leaders.

Since learning this information, I have attempted to induct some Members to pursue the facts of our involvement in the Chilean situation to determine how those policies evolved and how they can be justified as being in the national interest. I have had a reasonably extended conversation with Congressman Fraser, and briefer ones with Congressmen Fascell and Hamilton, in which I described what I learned from the Colby testimony. While they were indeed distressed at the details of CIA operations, nothing was forthcoming as a result of those conversations that leads me to believe that there would be further investigations or hearings into the broader policy questions that such activities pose.

I turn to you as a last resort, having despaired of the likelihood of anything productive occurring as a result of the avenues I have already pursued. It is indicative of my frustrations to note that in the five meetings this year of the Subcommittee on Inter-American Affairs, which focused on human rights in Chile, only one government witness with knowledge of U.S. activities in Chile appeared. At that hearing, Congressman Fraser and I questioned Deputy Assistant Secretary of State Harry Shlaudeman on possible CIA involvement in Chile while he was stationed there as Deputy Chief of Mission from 1969 through mid-1973. His answers, a transcript of which is attached, indicated to me some knowledge on his part of CIA activities that he was unwilling to discuss before a duly-constituted Committee of the House. The inherent limitations facing Members of Congress in uncovering the facts of covert activities such as those in Chile requires, I believe, a commitment by those in a position to act beyond the existing, illusory oversight machinery.

At his confirmation hearings on July 2, 1973, Director Colby said:

"We are not going to run the kind of intelligence service that other countries run. We are going to run one in the American society and the American constitutional structure, and I can see that there may be a requirement to expose to the American people a great deal more than might be convenient from the narrow intelligence point of view."

I feel it is time to hold Mr. Colby to his commitment, as the Congress and the American people have a right to learn what was done in our name in Chile. Much as I would prefer to see this accomplished within the channels of the Congressional process, its importance convinces me that our very system of government requires that knowledge of American activities in Chile not remain solely with a handful of officials and Members of Congress. Therefore, I urge you to promptly turn this matter to the attention of the Foreign Affairs Committee for a complete, public investigation of United States relations with Chile. I trust that you will agree that the importance of this matter and its implications for future foreign policies of the United States demands no less.

Yours sincerely,

Michael J. Harrington.

September 11, 1974.

Hon. Thomas Morgan,
Chairman, House Foreign Affairs Committee,
2183 Rayburn House Office Building,
Washington, D.C.

Dear Mr. Chairman: I am writing to reaffirm my request to you of July 18, 1974, that you initiate open hearings in connection with United States policy with respect to Chile during the Allende period.

As you know, Mr. William Colby, Director of the CIA, in recent newspaper reports, is reported as having stated that the CIA is an instrument of policy, that it does not make policy, and that in connection with the Agency's clandestine activities in Chile during the Allende period, the Agency was implementing the foreign policy of the United States. Hence, I believe that the issue rests squarely within the jurisdiction of the House Foreign Affairs Committee: who made the policy which led the Central Intelligence Agency to undertake the extensive clandestine activities designed to subvert the Allende government?

In my opinion, an accounting to the American people and the Congress is in order and we should demand that accounting from Secretary of State Kissinger who, according to Mr. Colby, was the author of the policy toward Chile.

It is no longer acceptable for the Congress to acquiesce in State Department officials' coming before Congressional committees and making statements which, if not outright lies, are at least evasions of the truth. I urge that your committee, before which State Department officials have testified on this matter, reopen its inquiry in light of what we now know, and determine whether or not transcripts of their previous testimony should be transmitted to the Department of Justice for perjury.

Yours sincerely,

MICHAEL J. HARRINGTON.

JULY 18, 1974.

Hon. J. WILLIAM FULBRIGHT,
Chairman, Senate Foreign Relations Committee, 1215 Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: As you may know, for sometime I have been actively interested in the development of United States foreign policy toward Chile, and particularly since the overthrow of the Allende government on September 11, 1973 and my visit to that country shortly thereafter. It is my purpose in writing to discuss some of the fruits of my endeavors in thât direcțion, which I feel pose serious questions about the manner in which our current relations with Chile evolved, how our policies there were implemented, and how Congress has exercised its oversight function. I request that you bear with me on the length of this letter, since I feel that the importance of its subject matter requires a detailed and comprehensive presentation of the evolution of my present concern.

No doubt you are familiar with numerous reports, dating from the time of Salvador Allende's election as President in 1970, alleging that the United States government played an active role in trying to influence Chilean politics. Immediately after the military coup last October, further reports appeared which indicated that the United States was involved, either directly or indirectly. At that time, I made a very brief trip to Chile which enabled me to gain a sense of the prevailing attitude there and helped add some substance to my earlier impression that the United States had engaged in political and economic destabilization efforts that eventually led to President Allende's downfall.

Since that time, I have repeatedly tried to focus attention in Congress on the origins of American policy toward the Allende government to determine its possible influence in the eventual course of events in Chile. In particular, I was concerned with the activities of the Treasury Department and the Central Intelligence Agency, the latter of which is the subject of quite limited Congressional review that is perfunctory and comes after the fact. As you can readily see from the exchange of correspondence which is attached to this letter, my efforts have not been productive of any substantial inquiries into our policies toward the Allende government. Instead, the few hearings that have been held focused largely on the internal situation in Chile and allegations of denials of civil and judicial rights. The following list of hearings and witnesses clearly documents that fact:

Sept. 20, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary of State Jack Kubisch

Sept. 27, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary of State Jack Kubisch

October 11, 1973 Subcommittee on Inter-American Affairs: Central Intelligence Agency witness.

October 31, 1973 Subcommittee on Inter-American Affairs: Defense Intelligence Agency analysis

December 7, 1973 Subcommittees on Inter-American Affairs and International Organizations and Movements: "Human Rights in Chile"—Dr. Frank Newman

May 7, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Charles Porter, former Member of Congress, Ira Lowe, attorney

May 23, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Dr. Covey Oliver, former United States Ambassador

June 11, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—former Attorney General Ramsey Clark; Judge William Booth

June 12, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Deputy Assistant Secretary of State Harry Shlaudeman

June 18, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Professors Richard Fagan, John Planck, and Riordan Roett

Following the September 25, 1973 hearing, Chairman Fascell issued a statement which read: ". . . the Subcommittee will hold additional hearings on Chile in the near future. We intend to conduct a full scale investigation of United States policy toward Chile." The committed language of that statement has not been pursued, despite a series of conversations between my office and the Subcommittee both at the staff level and between Chairman Fascell and myself. Finally, a request made in writing by me on March 7, 1974 to Chairman Fascell that he hold hearing on U.S. activities in Chile resulted in an inconclusive exchange of letters over three months, with the end result that the Subcommittee has promised two days of hearings, possibly sometimes this summer, with nongovernment witnesses.

The one possible opportunity that was afforded to probe United States policies toward Chile occurred during the Subcommittee executive session testimony in October, 1973 of CIA director Wiliam Colby, who unfortunately refused to respond fully to questions of CIA activities in Chile, citing the jurisdiction of the Armed Services Committee. With little expectation that tangible results would follow because of its past deference to the CIA in such matters, I turned to the Special Subcommittee on Intelligence of the House Armed Services Committee. In my letter of April 2, 1974 to Chairman Nedzi, a copy of which is also attached, I recounted the reluctance of CIA Director William Colby to fully testify before the Foreign Affairs Committee and requested that Chairman Nedzi's Subcommittee hold hearings to questions Mr. Colby directly as to cover CIA operations in Chile.

Mr. Colby testified on April 22, 1974 and after some delay, largely due to Chairman Nedzi's desire to obtain clearance from Chairman Hébert, I was notified on or about June 1, 1974 that I would be given access to the transcript. I read the hearing transcript once on June 5 and again on June 12, and the information contained in the Colby testimony convinced me that it is of critical importance for the Congress and the American people to learn the full truth of American activities in Chile. I wish to share this information with you, in the hope that you will feel the same sense of conviction that I experienced upon learning the full details of significant U.S. activities in the affairs of another country without any prior consultation of even the committee charged with overseeing such operations. In fact, actual formal notification of that committee came seemingly as an afterthought, and only after my request was made, many months after the operations had been conducted.

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Over the 1962 to 1973 period, the Forty Committee (an interdepartmental body that reviews and authorizes all covert CIA activities and is chaired by the President's Advisor on National Security Affairs) authorized the expenditure of approximately $11 million to help prevent the election of Allende and, in Mr. Colby's words, "destabilize" the Allende government so as to precipitate its downfall. The agency activities in Chile were viewed as a prototype, or laboratory experiment, to test the techniques of heavy financial investment in efforts to discredit and bring down a government.

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"We are not going to run the kind of intelligence service that other countries run. We are going to run one in the American society and the American constitutional structure, and I can see that there may be a requirement to expose to the American people a great deal more than might be convenient from the narrow intelligence point of view."

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Yours sincerely,

Michael J. Harrington.

July 26, 1974.

Hon. Michael J. Harrington,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman: I apologize for the delay in responding to your letter, but have been diverted by hearings in the Committee and other related matters.

The question you pose in your letter is one of longstanding concern. The Foreign Relations Committee has attempted from time to time to examine CIA representatives; when critical questions have been asked of these individuals, we have consistently received the answer that they are responsible to the President, the National Security Council, and the informal Committee of five in the Senate, and they would not respond to specific questions involving their methods of influencing foreign elections, such as Chile.

I share your frustration in this situation, but, as you know, this has been going on in places other than Chile for many years. I have sponsored and supported efforts to create a Committee similar to the Joint Committee on Atomic Energy which would have specific and complete authority to examine the CIA and exercise some control over their activities. As you will recall, the Congress did not support these efforts. Furthermore, I do not believe that a thorough investigation by the Foreign Relations Committee would produce very much beyond that which we already know, and if it did, unless there is a tremendous change in the attitude of the members of the Senate, nothing could be done about it. In short, the Senate at least has been unwilling to exercise serious control of the CIA, and apparently approves of the activities to which you refer in Chile and which I believe to be a procedure which the CIA has followed in other countries.

The Committee on Foreign Relations is beginning, on the 8th of August, an indepth study of the problem of our relations with the Communist world. These hearings will not bear directly upon the problem of the CIA, but will involve the basic policy in which the CIA thinks it is involved in their covert activities.

I believe, in spite of our frustration, that the creation of a Joint Committee, with full authority to examine the CIA and control it, is the only practical answer to the problem. The Foreign Relations Committee, in a show down, never has sufficient votes to overcome the opposition of the forces led by the Armed Services Committee in the Senate, but a Joint Committee, if it felt disposed to do so, I think would have sufficient prestige to exercise control. If you think well of this idea, I will be glad to join with you in sponsoring a renewal of the effort to create a Joint Committee on the Intelligence Community.

With all best wishes, I am,

Sincerely yours,

J. W. Fulbright.

September 11, 1974.

Hon. J. William Fulbright,
Chairman, Senate Foreign Relations Committee, 1215 Dirksen Senate Office Building, Washington, D.C.

Dear Mr. Chairman: I am writing to reaffirm my request to you of July 18, 1974, that you initiate open hearings in connection with United States policy with respect to Chile during the Allende period.

As you know, Mr. William Colby, Director of the CIA, in recent newspaper reports, is reported as having stated that the CIA is an instrument of policy, that it does not make policy, and that in connection with the Agency's clandestine activities in Chile during the Allende period, the Agency was implementing the foreign policy of the United States. Hence, I believe that the issue rests squarely within the jurisdiction of the Senate Foreign Relations Committee: who made the policy which led the Central Intelligence Agency to undertake the extensive clandestine activities designed to subvert the Allende government.

In my opinion, an accounting to the American people and the Congress is in order and we should demand that accounting from Secretary of State Kissinger who, according to Mr. Colby, was the author of the policy toward Chile.

It is no longer acceptable for the Congress to acquiesce in State Department officials' coming before Congressional committees and making statements which, if not outright lies, are at least evasions of the truth. I urge that your committee, before which State Department officials have testified on this matter, reopen its inquiry in light of what we now know, and determine whether or not transcripts of their previous testimony should be transmitted to the Department of Justice for perjury.

Yours sincerely,

Michael J. Harrington.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Erlenborn (at the request of Mr. Rhodes), after 4 p.m. today, through June 26, 1975, on account of official business.

Mrs. Collins of Illinois (at the request of Mr. O'Neill), after 1 p.m., today, through Monday, July 14, 1975, on account of official committee business.

Mr. Diggs (at the request of Mr. O'Neill), from 3:30 p.m., today, until Friday, July 18, 1975, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Flood, for 30 minutes, today.

(The following Members (at the request of Mr. Gilman), to revise and extend their remarks, and to include extraneous matter:)

Mr. Kemp, for 30 minutes, today.

Mr. Hastings, for 5 minutes, today.

Mr. Miller of Ohio, for 5 minutes, today.

Mr. Cohen, for 15 minutes, today.

(The following Members (at the request of Mr. Harkin), to revise and extend their remarks, and to include extraneous matter:)

Mr. Ford of Michigan, for 5 minutes, today.

Mr. Meeds, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Fraser, for 10 minutes, today.

Mr. Koch, for 15 minutes, today.

Mr. Ford of Tennessee, for 5 minutes, today.

Mr. Leggett, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Harrington, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $2,965.

Mr. Moorhead of Pennsylvania, to extend his remarks, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,251.

Mr. Andrews of North Dakota, to extend his remarks in the body of the Record, following the remarks of Mr. Moorhead of Pennsylvania.

Mr. Wampler, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $695.

Mr. Frenzel, to revise and extend his remarks, prior to the vote on recommittal of the energy bill.

Mr. Cohen, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,042.50.

Mr. Gude, and to include extraneous matter.

Mr. Perkins in two instances.

(The following Members (at the request of Mr. Gilman) and to include extraneous material:)

Mr. Gilman in four instances.
Mr. Crane.
Mr. Steiger of Wisconsin.
Mr. Lent.
Mr. Erlenborn.
Mr. Guyer.
Mr. Peyser in two instances.
Mr. Thone.
Mr. Kasten in two instances.
Mr. Grassley.
Mr. Shuster.
Mr. Steelman.
Mr. Anderson of Illinois in two instances.
Mr. Bob Wilson in three instances.
Mr. Ashbrook in five instances.
Mr. Rhodes.
Mr. Cohen.
Mr. Bell.
Mr. Derwinski in two instances.
Mr. du Pont.
Mr. Buchanan.

(The following Members (at the request of Mr. Harkin) and to include extraneous matter:)

Mr. Simon in eight instances.
Mr. Jenrette.
Mr. Russo.
Mr. Carney.
Mr. Mikva.
Mr. Conyers in three instances.
Mr. Gonzalez in three instances.
Mr. Anderson of California in three instances.
Mr. Patten.
Mr. Byron in 10 instances.
Mr. Obey.
Mr. Mitchell of Maryland.
Mr. Macdonald of Massachusetts in two instances.
Mr. Jones of Tennessee.
Mr. Gaydos in 10 instances.
Mr. Rogers in five instances.
Mr. Diggs.
Mr. John L. Burton in two instances.
Mr. Mazzoli.
Mr. Symington.
Mr. Murphy of New York.
Mr. Hall.
Mr. Riegle.
Mrs. Burke of California
Mr. Zeferetti in two instances.
Mr. McCormack in two instances.
Mr. Harkin.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 6. An act to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purposes; to the Committee on Education and Labor.

ADJOURNMENT

Mr. HARKIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 36 minutes p.m.) under its previous order, the House adjourned until tomorrow, Friday, June 20, 1975, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1246. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles and services to the Federal Republic of Germany, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1247. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of April 30, 1975, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

1248. A letter from the Secretary of the Army, transmitting a report recommending deauthorization of certain projects, pursuant to section 12 of Public Law 93–251 (H. Doc. No. 94–192); to the Committee on Public Works and Transportation and ordered to be printed.

1249. A letter from the Assistant Secretary of the Air Force (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly, to the Committees on Armed Services, and Banking, Currency and Housing.

1250. A letter from the Secretary of Health, Education, and Welfare, transmitting the first annual report on the operation of the special pay program for medical officers of the Commissioned Corps of the Public Health Service, pursuant to 37 U.S.C. 313(e) (88 Stat. 96); jointly, to the Committees on Armed Services, and Interstate and Foreign Commerce.

1251. A letter from the Administrator, National Highway Traffic Safety Administration, Department of Transportation, transmitting regulations establishing uniform tire quality grading standards, promulgated pursuant to section 203 of the National Traffic and Motor Vehicle Safety Act of 1966 [15 U.S.C. 1423]; jointly, to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

Received from the Comptroller General

1252. A letter from the Comptroller General of the United States, transmitting a report that the discontinuation of the program of direct loans for the construction or acquisition of college housing and related facilities, and the resulting failure of the Department of Housing and Urban Development to obligate a portion of the public enterprise revolving fund "College Housing—Loans and Other Expenses," constitute a rescission of budget authority which has not been reported to the Congress by the President, pursuant to section 1015(a) of the Impoundment Control Act of 1974 (H. Doc. No. 94–193); to the Committee on Appropriations and ordered to be printed.

1253. A letter from the Comptroller General of the United States, transmitting a report that further progress is needed by the Farmers Home Administration, Department of Agriculture, in developing an adequate loan accounting system; jointly, to the Committees on Government Operations, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FLOOD: Committee on Appropriations. H.R. 8069. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–311). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 8030. A bill to increase the temporary debt limitation until November 15, 1975 (Rept. No. 94–312). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLAND: Committee on Appropriations. H.R. 8070. A bill making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–313). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of the XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEARD of Rhode Island (for himself, Mr. Won Pat, Mrs. Mink, Mr. Burgener, Mr. Yatron, Mr. Harris, Mr. Ottinger, Mr. Roe, Mr. Conyers, Mr. Russo, Mr. Waxman, Mr. Winn, Mr. Riegle, Ms. Abzug, Mr. Mazzoli, Mr. Conte, Mr. McHugh, Mr. Scheuer, Mr. Harrington, and Mr. Cornell):

H.R. 8028. A bill to prohibit discriminatory employment practices with respect to physically handicapped persons; to the Committee on Education and Labor.

By Mr. FINDLEY (for himself, and Mr. Railsback):

H.R. 8029. A bill to allow a credit against Federal income taxes or a payment from the

U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. ULLMAN (for himself, and Mr. Schneebeli):

H.R. 8030. A bill to increase the temporary debt limitation until November 15, 1975; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself, Mr. Clay and Mrs. Schroeder):

H.R. 8031. A bill to establish a Federal Employee Labor Relations Board to regulate Federal labor-management relations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FREY (for himself, Mr. Byron, Mr. Beard of Tennessee, Mr. Fulton, Mr. Risenhoover, Mr. Sebelius, and Mr. Long of Louisiana):

H.R. 8032. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. GONZALEZ (by request):

H.R. 8033. A bill to provide for the participation of the United States in the African Development Fund; to the Committee on Banking, Currency and Housing.

By Mr. HASTINGS (for himself, Mr. Coughlin, and Mr. Gilman):

H.R. 8034. A bill to assist in the settlement of medical malpractice claims through a Federal program of reinsurance and through voluntary arbitration under State laws, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI:

H.R. 8035. A bill to require that impact-resistant eyeglasses be issued under the medical program for members of the uniformed services on active duty; to the Committee on Armed Services.

By Mr. KASTEN:

H.R. 8036. A bill to expand the membership of the advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. KASTENMEIER (for himself, Mr. Scheuer, Mr. Moakley, Mr. Fraser, Mr. Rees, Mr. Stark, Mr. Mitchell of Maryland, Mr. Seiberling, Mr. Roybal, Mr. Brown of California, Mr. Conyers, Mr. Harrington, and Mrs. Chisholm):

H.R. 8037. A bill to provide immunity from prosecution and punishment to those persons who because of disapproval of the military involvement of the United States in Indochina during the period covering January 1, 1961, and ending May 1, 1975, resisted the draft, were absent from the armed forces without leave, or disobeyed an order, which order if obeyed could reasonably have led to the death of another human being, and for other purposes; to the Committee on the Judiciary.

By Mr. MIKVA:

H.R. 8038. A bill to amend title XVIII of the Social Security Act to provide for the furnishing of outpatient rehabilitation services; to the Committe on Ways and Means.

By Mr. MILFORD:

H.R. 8039. A bill for the appointment of special prosecutors; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 8040. A bill to repeal section 809 of the Military Construction Authorization Act of 1968 prohibiting the Secretary of Defense from selling, leasing, transferring or otherwise disposing of the lands constituting Fort DeRussy, Hawaii; to the Committee on Armed Services.

H.R. 8041. A bill to amend the Internal Revenue Code of 1954 to provide that domes-the distilled spirits may be withdrawn without tax from foreign-trade zones for use by foreign governments and their diplomatic personnel; to the Committe on Ways and Means.

By Mrs. MINK (for herself, Mrs. Burke of California, Mr. Harrington, and Mr. Solarz):

H.R. 8042. A bill to provide Federal programs of educational, employment, and other assistance to areas with heavy concentrations of foreign born persons; to the Committe on Education and Labor.

By Mr. ROUSSELOT:

H.R. 8043. A bill to repeal the Council on Wage and Price Stability Act; to the Committee on Banking, Currency and Housing.

By Mr. SCHNEEBELI (for himself and Mr. Conable):

H.R. 8044. A bill to amend the Internal Revenue Code of 1954 to revise the tax treatment of moving expenses; to the Committee on Ways and Means.

By Mr. BELL (for himself, Ms. Abzug, Mr. Badillo, Mr. Eckhardt, Mr. Murphy of New York, Mr. Rodino, Mr. Solarz and Mr. Udall):

H.R. 8045. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. DUNCAN of Tennessee:

H.R. 8046. A bill to amend the Internal Revenue Code of 1954 to provide that the rental value of a parsonage furnished to the surviving spouse of a minister shall be excluded from gross income; to the Committee on Ways and Means.

By Mr. EMERY:

H.R. 8047. A bill to amend title 5, United States Code, to correct inequities in the determination of rates of basic pay in conversions to the General Schedule of employees and positions subject to prevailing rate pay schedules; to the Committee on Post Office and Civil Service.

By Mr. ERLENBORN:

H.R. 8048. A bill to amend the Walsh-Healey Act to exempt certain transportation employees of private carriers of property by motor vehicle from the provisions of such act relating to maximum and overtime hours of labor; jointly to the Committees on Education and Labor, and the Judiciary.

By Mr. FORD of Michigan (for himself, Mr. Beard of Tennessee, and Mr. Bonker):

H.R. 8049. A bill to amend title 39, United States Code, to provide that certain publications of institutions of higher education shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself, and Mr. Karth):

H.R. 8050. A bill to provide for the Federal payment of State unemployment compensation benefits which are attributable to services performed by certain employees of State or local governments; to the Committee on Ways and Means.

By Mr. HECHLER of West Virginia:

H.R. 8051. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services and Banking, Currency and Housing.

By Mr. HELSTOSKI:

H.R. 8052. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

By Mr. KEMP (for himself, Mr. Broomfield, Mr. Carter, Mr. Cederberg, Mr. Del Clawson, Mr. Cohen, Mr. Davis, Mr. Edwards of Alabama, Mr. Emery, Mr. Gilman, Mr. Grassley, Mr. Hansen, Mr. Heinz, Mr. Hillis, Mr. Hutchinson, Mr. Hyde, Mr. Johnson of Pennsylvania, Mr. Latta, Mr. Lent, Mr. Lujan, Mr. Madigan, Mr. Mathis, Mr. Montgomery, and Mr. Myers of Indiana):

H.R. 8053. A bill to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. KEMP (for himself, Mr. O'Brien, Mrs. Pettis, Mr. Runnels, Mr. Sarasin, Mr. Sikes, Mr. Steelman, Mr. Vander Jagt, and Mr. Walsh):

H.R. 8054. A bill to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. LONG of Louisiana (for himself, Mr. Henderson, Mr. Steed, Mr. Whitehurst, Mr. Blouin, Mr. Young of Alaska, Mr. Nix, Mr. Bedell, Mr. Fulton, Mr. Bevill, Mr. Leggett, Mr. Andrews of North Carolina, Mr. Murphy of Illinois, Ms. Keys, Mr. Waggonner, Mr. Santini, Mr. Charles Wilson of Texas, Mr. Van Deerlin, Mr. Haley, Mr. Ichord, Mr. Jones of Oklahoma, Mr. de Lugo, Mr. Ryan, Mr. Vigorito, Mr. Downing of Virginia, and Mr. Dan Daniel):

H.R. 8055. A bill to amend the Federal Water Pollution Control Act relating to permits for the discharge of dredged and fill material, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. McDADE:

H.R. 8056. A bill to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. McDADE (for himself and Mr. McEwen):

H.R. 8057. A bill to amend the Small Business Act to include small business establishments primarily engaged in the production of cow's milk for purposes of obtaining loans to assist them in meeting the requirements established under the Federal Water Pollution Control Act; to the Committee on Small Business.

By Mr. MOAKLEY (for himself, Mr. O'Neill, and Mr. Burke of Massachusetts):

H.R. 8058. A bill to provide for the issuance of a special postage stamp in commemoration of the bicentennial anniversary of the Battle of Dorchester Heights; to the Committee on Post Office and Civil Service.

By Mr. MURPHY of New York (for himself, and Mr. Lent):

H.R. 8059. A bill to amend the Immigration and Nationality Act to facilitate the entry of visitors into the United States during its Bicentennial Anniversary, and for other purposes; to the Committee on the Judiciary.

By Mr. QUIE:

H.R. 8060. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, as amended; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 8061. A bill to encourage States to provide real property tax relief to low- and moderate-income individuals who have attained age 65; to the Committee on Ways and Means.

H.R. 8062. A bill to amend title XX of the Social Security Act to provide that no State shall be required to apply a means test, or limit benefits on the basis of federally prescribed income levels, in determining the individuals for whom education, transportation, recreation, socialization, or associated services may be provided thereunder, if such services are provided in a manner consistent with certain specified State programs; to the Committee on Ways and Means.

By Mr. SLACK:

H.R. 8063. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly, to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 8064. A bill to amend the Securities Investor Protection Act of 1970; to the Committee on Interstate and Foreign Commerce.

By Mr. FLOOD:

H.R. 8069. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

By Mr. BOLAND:

H.R. 8070. A bill making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

By Mr. ASHBROOK:

H.J. Res. 518. Joint resolution to establish a Joint Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. BIAGGI:

H.J. Res. 519. Joint resolution to provide for the appointment of George Washington to the grade of General of the Armies of the United States; to the Committee on Armed Services.

By Mr. FITHIAN:

H.J. Res. 520. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

H.J. Res. 521. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. KETCHUM:

H.J. Res. 522. Joint resolution to authorize the establishment of a Tule Elk National Wildlife Refuge, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MARTIN:

H.J. Res. 523. Joint resolution proposing an amendment to the Constitution of the United States relative to nondiscrimination in public education; to the Committee on the Judiciary.

By Mr. MARTIN (for himself, Mr. Mottl, and Mr. Taylor of North Carolina):

H. Con. Res. 317. Concurrent resolution to disapprove certain sections of the Department of Health, Education, and Welfare regulations relating to nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance applicable to athletic programs and grants; to the Committee on Education and Labor.

By Mr. MILFORD (for himself, Mr. Alexander, Mr. Derwinski, Mr. Gilman, Mr. Howe, Mr. Kasten, Mr. Ketchum, Mr. Krebs, Mr. Lagomarsino, Mr. Lent, Mr. Mann, Mr. Mazzoli, Mr. Runnels, Mr. Simon, and Mr. Winn):

H. Con. Res. 318. Concurrent resolution to establish a Joint Select Committee on Energy; to the Committee on Rules.

By Mr. WIRTH (for himself, Mr. Harkin, Mr. Badillo, Mr. Phillip Burton, Mr. Carr, Mr. Harrington, Mr. Rodino, Mr. Roe, Mrs. Schroeder, Mr. Solarz, Mr. Stark, Mr. Charles Wilson of Texas, and Mr. Weaver):

H. Con. Res. 319. Concurrent resoluution calling for a fair and equitable allocation of restricted-use outdoor recreational resources; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AMBRO:

H.R. 8065. A bill for the relief of Carmela Scudieri; to the Committee on the Judiciary.

By Mr. HARSHA:

H.R. 8066. A bill for the relief of King Heung Cheng; to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 8067. A bill for the relief of James U. Rollins; to the Committee on the Judiciary.

By Mr. MOTTL:

H.R. 8068. A bill for the relief of Radovan Velimanovic; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

155. By Mr. LENT: Petition of the Long Island Coalition for Life, relative to the establishment of a National Respect for Human Life Week; to the Committee on Post Office and Civil Service.

156. By the SPEAKER: Also, petition of the city council, Philadelphia, Pa., relative to the proposed "means test" for services to senior citizens; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

RADIO FREE EUROPE, RADIO LIBERTY, AND THE BOARD FOR INTERNATIONAL BROADCASTING

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. KASTEN. Mr. Speaker, since the early 1950's Radio Free Europe and Radio Liberty have been serving to bridge the information gap resulting from tight government control of the media in the Soviet Union and Eastern Europe. While satisfying the needs of the people of these countries for a truthful alternative source of information on events at home and abroad, the radios have been building a reserve of good will for the United States among their tens of millions of listeners. The usefulness of the radios has been most apparent in times of international crises such as the 1967 and 1973 Middle East wars, when the peoples of the Soviet Union and Eastern Europe were subjected to news blackouts and distorted reports by their own governments. At those times, the credibility of the radios was substantiated by the large rise in RFE and RL listenership.

In response to changes in U.S. policy and the international climate, the tone of the broadcasts changed over the years. In the late 1950's, the goal of the radios changed from liberation of peoples of the Soviet Union and Eastern Europe to liberalization of the systems under which they lived. Throughout the 1960's, the radios moved further from the cold war rhetoric of the 1950's. Under congressional auspices, CIA control of the radios was ended in 1971. Congress passed an act establishing the Board for International Broadcasting as an independent Government agency to oversee the operations of the radios in 1973. After thorough review of RFE/RL operations, large-scale measures were instituted to make the radios both more efficient and more economical. Further personnel cuts in 1974 and 1975 reduced staff totals by 30 percent from 1969 figures. The physical operations of the two radios are now being combined as a means of cutting administrative costs.

This year the President has asked Congress to authorize the appropriation of $65,640,000 for the operations of RFE, RL, and the Board for International Broadcasting in fiscal year 1976 and such sums as may be necessary in fiscal year 1977. While this amount represents an approximately $15 million increase over the 1975 appropriations, a substantial part of this increase reflects inflation and the continuing devaluation of the dollar against the West German D-mark. In fact, since the request was submitted, the position of the dollar has deteriorated still further. The remainder of the increase is to go to financing the termination of additional staff and to a modest upgrading of transmitting facilities in West Germany. There has been no modernization of technical equipment since 1964 and much of it is seriously outdated.

The Committee on International Relations has reported H.R. 4699 with an amendment authorizing the appropriation of an additional $5 million which may be used solely to counter the effect of any further devaluation of the U.S. dollar and another amendment striking supplemental authorizations for 1977.

The Soviet Union and some East European governments have branded the radios as cold war relics that are totally incompatible with East-West détente. Many of these countries have continued to jam and interfere with the broadcasts of RFE, RL, and other Western stations. However, as has been pointed out editorially by an overwhelming majority of the free press in the United States and abroad, it is not the broadcasting of news—rather, it is the jamming and suppression of news—that is a cold war relic incompatible with détente. This point, precisely, is being raised by the Western participants at the European Security Conference in Geneva. True and lasting détente requires a free flow of ideas and information across national frontiers. Radio Free Europe and Radio Liberty are serving to strengthen détente by increasing mutual understanding. Their functions are possibly even more important under present international circumstances. I am, therefore, supporting H.R. 4699.

TOWARD THE YEAR 2000

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SIMON. Mr. Speaker, Senator EDWARD KENNEDY spoke recently to the World Future Society and has suggested that his remarks to that group might become part of our dialog on Government structure. Here is a portion of Senator KENNEDY's remarks:

REMARKS BY SENATOR KENNEDY

We cannot navigate through the final quarter of the 20th century, without major institutional changes. In a time of accelerated change, all our institutions are under increased stress—religion, the family, the educational system—but there is no place where the impact is clearer than in the Congress. We must reshape our institutions to cope with our technological age.

There has been some congressional reform in recent years, which has opened up our hearings and committee meetings to the public and we recently loosened the filibuster rule, to 35 rather than ⅔ of the Senators present to shut off debate.

These are important steps, but we still have a long way to go to make the Congress responsive to the technological requirements of our age, and capable of dealing with the Executive Branch as an equal partner.

One of the greatest obstacles to an effective Congress is the pattern of conflicting, overlapping jurisdictions among committees.

Take the energy area, for example, we all accept the need for a comprehensive national energy policy; yet Congress has thus far been unable to act on a bill. In the House, the Ways and Means Committee handles the problem of oil import quotas, tariffs, and excise taxes on gasoline, the Science and Technology Committee handles Energy R.&D. and the Interior Committee handles natural resources, including coal and oil.

In the Senate, the Finance Committee handles energy taxation, the Commerce Committee deals with industrial production and use of energy, the Joint Atomic Energy Committee with nuclear energy, the Interior Committee with resources, and the Labor and Public Welfare Committee with basic research.

Yet none of these committees is equipped to deal with the very important foreign policy considerations that dominate the energy area. I spent the last ten days traveling through the Middle East discussing energy and foreign policy issues with leaders in those countries.

It's clear from these meetings that we cannot solve the U.S. energy problem without improved cooperation with the rest of the world. The idea of complete energy independence for the U.S. is an illusion.

The energy issue highlights the tremendous interdependence of our technological age and the need for a systemic approach to our problems. For solutions to the energy problem must be interwoven with solutions to the recession, the inflation, international economic cooperation, the quality of the environment, and the optimum utilization of our scientific and technical resources.

Unfortunately, the committee structure of the Congress, which was established in the 1940's does not have the flexibility to deal with interdependent systemic problems of this magnitude.

The health area in which I have been personally involved further illustrates the need for congressional reform and the reshaping of institutions throughout our society.

For example, the development and passage of progressive, comprehensive Federal health legislation has been seriously impaired by the outmoded and anachronistic committee structure. Jurisdiction over health legislation is divided among at least five committees in the House and Senate. This fragmentation of jurisdiction has given special interest groups opposed to necessary reform of our health care system a far greater opportunity to delay, deflect, and defeat necessary legislation than should be tolerated.

Notwithstanding these problems, we have made some progress. During the past two years, two important pieces of legislation have passed the Congress which recognize the growing necessity for increased public participation in health care institutions. The Health Maintenance Organization Act of 1973 requires at least ⅓ consumer membership in a health maintenance organization's policy making body in order to achieve Federal certification. The National Health Policy, Planning and Resources Development Act of 1974, requires that a majority of the policy making board be composed of consumers. Such public participation was unthinkable as recently as ten years ago, and in fact proscribed by many laws.

Social control over health technology is another field which will require increasing attention over the coming decades. For example, recent advances in genetic engineering make it possible to fuse together the genes of separate species. This is a breakthrough in biology comparable to the splitting of the atom in physics. It could greatly aid in the control of disease and increased agricultural productivity. But if pursued without proper safeguards, it could conceivably unleash major epidemics across the globe.

The Founding Fathers—Franklin, Jefferson, and others—had no fear of planning when they established the Republic. L'Enfant could not have laid out the capital along the beautiful lines we still cherish today, if he had been afraid to plan for the future. American pioneers could not have conquered the wilderness and created communities across the continent, if they had not come together and planned for a common future.

Yet the word planning evokes apprehension among our public figures. But effective planning does not lead to loss of personal liberty, rather to its enhancement. The most effective multi-national corporations succeed because of their long range planning. They set goals, and plan to achieve them. This is the kind of hard-headed planning we need in all parts of our society.

We have to openly assess future trends and options—not to lay out some precise master plan to be imposed on the public—but to honestly present the full range of "alternative futures," with their relative costs and benefits. A sort of "truth-in-packaging" for the future. Only in this way can our citizens make informed choices on the vital issues before us.

As aids in this effort, there have been two recent changes in the Congress designed to provide foresight as well as oversight. These are the Congressional Budget Office and the Office of Technology Assessment. As the first chairman of OTA, I would like to share our experience to date with you.

The impetus for OTA was congressional inability to assess major Federal programs involving complex technology. The executive branch, with its vast resources, would develop complex programs which Congress had no capability to properly evaluate. So when the time came to vote on issues such as the ABM, the SST, or the Space Shuttle, it was extremely difficult for Congress to marshall the facts and arguments effectively.

OTA is designed to bring to congressional consideration of technical issues the best technical expertise the Nation has to offer, along with the views of concerned citizens. To accomplish this, we have an operating office with a staff of sixty-five and a cadre of two hundred consultants. We have an active, outstanding advisory council, including a Nobel laureate in medicine, the presidents of the Nation's two leading universities, the executive vice presidents of two major technical corporations, and other leading thinkers in a variety of disciplines.

I am also drafting a bill for the establishment of an experimental futures agency. This would be an independent federal agency to serve as a national showcase for promising new technologies. These would be technologies: (A) on which the research had been largely completed, but on which further development was required to demonstrate its full potential; and (B) whose application cut across the responsibilities of other government agencies, so that no other single agency would be in a position to arrange for an adequate demonstration of the technology.

The mission of the experimental futures agency would be to demonstrate the potential of promising technological systems and stimulate their adoption in the private sector. Thus, this agency could sponsor the demonstration of an experimental community using solar power to meet its energy needs, recycling waste disposal for additional energy and organic farming, employing modular personal rapid transit, and advanced telecommunications to meet its educational and business communication needs.

Through this kind of a demonstration program, we could experiment with alternative futures, and show the public what is possible if we make the right choices today. I am confident that the nation's scientists and other professionals, working together with concerned citizens, could design experimental communities to show us what would eventually be possible for all Americans in all communities. Clean air and clean water—reliable personal rapid transit—computerized health services and educational systems available to all hospitals, clinics, and schools—underground utilities which can be modified without ripping up the streets—public safety systems which use advanced technology to assure safe streets and homes—and environmentally sound energy sources—all on a community scale attuned to human needs.

I've outlined some of the steps I believe we need to take to set the country on course to the year 2000. But what we need above all, is the courage and commitment to shape the future. In the words of Whitehead: "Modern science has imposed on humanity the necessity for wandering. Its progressive thought and technology make the transition through time from generation to generation, a true migration into uncharted seas of adventure. The very benefit of wandering is that it is dangerous and needs skill to avert evils. We must expect, therefore, that the future will disclose dangers. It is the business of the future to be dangerous; and it is among the merits of science that it equips the future for its duties."

SOLAR RESEARCH INSTITUTE

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. RHODES. Mr. Speaker, while H.R. 3474, a bill which authorizes appropriations for ERDA is under consideration, I would like to congratulate the Committee on Science and Technology for their extensive and competent review of the Nation's potential in solar energy research and development.

I think that the committee wisely noted that the Solar Heating and Cooling Demonstration Act and the Solar Energy Research, Development and Demonstration Act, which were passed last year, clearly signal the strong desire of the American citizenry to utilize solar energy technologies as soon as they become available on an economic basis. The committee felt that in order to implement the intent of these public laws quickly and efficiently it would be necessary to enlarge upon ERDA's budget request for solar research and development. Consequently, the committee took action and established authorization levels which approximately double ERDA's budgetary requests in the area of solar energy.

Mr. Speaker, I commend the committee for endorsing a program which has truly unlimited possibilities and promises great advantages to the consumer of the future. While Congress is attempting to address our energy needs, the committee's advancement of solar energy's role in "Project Independence" comes as a breath of fresh air.

In particular, Mr. Speaker, I would like to call attention to the committee's action regarding the Solar Research Institute. The Institute will serve as a focal point for solar research in such areas as heating and cooling of buildings, industrial process heating, thermal generation of electricity, photovoltaic conversion and storage of solar energy. In spite of the fact that ERDA did not request funding for the Institute, the Committee on Science and Technology recognized the crucial function that this Institute will serve in our overall solar program and authorized funding for the site selection, planning, building, and initial staffing of this center.

I think that it would come as no surprise that we Arizonans are advocates of solar energy but, Mr. Speaker, I do feel strongly that our solar energy program will soon take the lead in providing alternate energy resources of a clean, efficient and practically unlimited nature. I once again acknowledge the committee's efforts and recommend passage of the solar research authorizations to the Members of this House.

SENATOR HUBERT H. HUMPHREY DEDICATES WALTER P. REUTHER LIBRARY IN DETROIT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. CONYERS. Mr. Speaker, 5 years after his tragic death in an airplane crash, friends and colleagues of Walter Reuther gathered on May 23, 1975 at Wayne State University in Detroit to dedicate the Walter P. Reuther Library of Labor and Urban Affairs.

Walter Reuther had a lifelong interest in the history of the American labor movement. "It is only through careful documentation of our history," he wrote the presidents of UAW locals in 1962, "that an accurate account can be given of the UAW in our Nation's economic, political, and social life." Now permanently housed in the Reuther Library, the Archives of Labor History and Urban Affairs have grown to 20 million items, one of the largest and most comprehensive collections of its kind in the world. Students and scholars of labor history, as well as rank and file union members, have full access to its materials.

Following the introductory remarks by Leonard Woodcock, president of the UAW, Irving Bluestone, vice-president, and George E. Cullen, Jr., president of Wayne State University, Senator HUBERT H. HUMPHREY delivered the dedication address.

"If there was one single characteristic of Walter Reuther," Senator HUMPHREY remarked, "it was his continuous focus on the future. He always seemed to have the road ahead well mapped before most of us realized we were even on it." Walter Reuther's future-orientation was rooted in an abiding faith in the promise of America's founding and its original though still imperfectly understood constitutional principle of social change through the rule of law. It was this principle he struggled a lifetime to realize: At times testing its limits through movement politics, at other times joining the great dialog of law that is the Constitution, comprehending the past, present, and future.

Walter Reuther was a man of boundless compassion, rooted in an unwavering sense of justice. At his urging the UAW financed one of the first comprehensive studies of hunger in America which eventually focused national attention and galvanized congressional action. Standing in solidarity with striking sanitation workers in Memphis in 1968 he declared:

> I serve notice upon the Mayor of Memphis and the people who have to make this decision that they will not starve these santition workers into submission.

To those in the labor movement who criticized his involvement in Memphis. he replied:

> What we need is the power of human solidarity, the power built upon our common humanity because the only differences there are, are only skin deep. We are all children of God.

Walter Reuther had the ability to raise the most fundamental human issues in a way that illuminated a broader philosophical meaning. "We support civil rights as a matter of simple justice," he told the NAACP convention in Detroit in 1957. "We fight for civil rights to make them universal. You can be free only as you share freedom with the people you live with."

Perhaps Walter Reuther's greatest attribute was courage. Assassination attempts and threats on his life did not deter him. He told his followers—

> The struggle will be hard, but let us always remember that human progress has never been served to mankind on a silver platter. The history of the world shows chapter after chapter that men of faith and courage have had to fight to bring to fulfillment their dreams. The test of one's convictions is: do you stand up for the things that you believe when it takes courage?

Coretta King recalled at his funeral:

> He was there in person when the storm clouds were thick. We remember him in Montgomery. He was in Birmingham. He marched with us in Selma and Jackson and Washington.

Walter Reuther championed most of the significant and innovative social legislation during the 1960's. He was not a man content merely with pious rhetoric divorced from responsible action. He professed and acted to do something about the great issues of the day. Walter Reuther understood what the true priorities of this Nation ought to be: the right to decent employment for all able and willing Americans; equitable taxation and social justice; balanced economic growth which means correcting the imbalance of bloated military spending and anemic civilian spending; adequate and comprehensive social security; and the pursuit of world peace. He once asserted:

> These are not matters of special privileges, these are basic rights to which every American is entitled. And no American should be satisfied with less.

If Walter Reuther were alive today, he still would be on the front line in the struggle against economic reaction. The large-scale unemployment of the late 1950's led him to express views that are as timely today as they were then:

> Why is it that America can demonstrate the courage, the good sense, and the know-how to achieve full employment and full production making the weapons of war and destruction, but does not have the comparable will and courage and good sense to achieve full employment and full production making the good things of life for people in peacetime? We must reject the counsel of the men of little faith who would sell America short by preventing the realization of the full growth and the maximum potential of the American economy.

To him far more dangerous than budget deficits were job, housing, educational, and health care deficits, deficits in individual self-esteem, social morale, public confidence in government and human hope, and deficits in leadership.

Throughout his public life Walter Reuther was a conscience in government when that government acted irresponsibly, and its critic when its policies and practices proved ruinous to the Nation's well-being. He spoke sense to the American people and his spellbinding eloquence and persuasive power compelled them to listen. A gentle gadfly in the Halls of Congress, he once characterized its failure to enact civil rights legislation as "the longest sitdown strike in the history of America—80 years long." He was a superb legislative draftsman who left his imprint on the war on poverty, medicare, civil rights, minimum wage and labor legislation. He appeared before congressional committees more than a hundred times, tirelessly seeking to enlighten, persuade, and encourage action. Once after testimony before the House Agricultural Committee, its chairman, Congressman Harold Cooley, remarked:

> He made the best farm speech that I have heard in our committee room during the entire twenty years (of my service).

In his last public pronouncement—a telegram to President Nixon in the wake of American intervention in Cambodia—Walter Reuther expressed his public vision:

The problem, Mr. President, is that we cannot successfully preach nonviolence at home while we escalate mass violence abroad. We must mobilize for peace rather than wider theaters of war in order to turn our resources and the hearts, hands, and minds of our people to the fulfillment of America's unfinished agenda at home.

It can be said of Walter Reuther that he was one of America's Renaissance public men. The meaning of his life and work was captured in a eulogy by John Gardner:

> A friend of mine once said that the purpose of a free society is to produce great individuals, and in producing May and Walter Reuther this society justified itself many times over.

The Library dedication not only commemorated the greatness of Walter Reuther, it also was an occasion that once again called our attention to the stature of the distinguished Senator from Minnesota who shares so much in common with Walter Reuther. I wish to bring to the attention of my colleagues Senator Humphrey's address at the Reuther Library dedication. It exemplifies an approach to public life which was also Walter Reuther's, and one which is more than ever needed today.

The address follows:

Remarks of Senator Hubert H. Humphrey—Dedication of Walter Reuther Library, Detroit, Mich., May 23, 1975

I am deeply honored to participate in the dedication of this magnificent library of labor history and urban affairs to one of the great and good men of our lifetime—Walter P. Reuther.

For those of us who were lucky enough to have known, loved and worked with this giant of the American labor movement in the great struggle for social and economic justice in America, it is hard to believe that he has been gone for five years. Certainly the spirit of Walter Reuther lives today in all of us who called Walter our friend.

The film we have just seen reminds us of the great loss that each of us and the nation suffered with Walter's passing.

It is indeed appropriate that this great university has chosen to dedicate this archive of labor history and urban affairs—this new center of labor thought—to Walter Reuther.

In the minds of many of us, Walter Reuther—Detroit—the United Auto Workers—and Wayne State University are all intimately interwoven. This was Walter's school, Walter's home, Walter's community, Walter's people and the battleground for so many of Walter's greatest triumphs.

But even more importantly, this library reflects two of his greatest interests. First, he had a deep concern with the historic progress toward a better life for America's workers and their families. He saw labor's history not as a sentimental journey into the past, but rather as a source of insight toward a better America for our working people in the future.

Second, this center reflects Walter Reuther's clear perception that the well-being of working Americans is directly related and profoundly affected by the quality of life in the communities in which workers live and raise their families.

For generations to come, those who will lead organized labor and the constant evolution of its role in our continually changing world will come here to think, to exchange ideas, and to provide the roadmap for an effective labor movement for generations to come.

This center of labor history and thought will be on the frontier of labor action. Through its work the voice of America's workers will continue to be effectively heard and counted in the important public decisions of this nation.

This is indeed a most fitting memorial to a man who understood this process more precisely and valued it more highly than any American labor leader of our time.

When I think of Walter Reuther, my memory comes alive with scores of experiences.

I remember the friend, the loving family, the giant heart.

I remember the man of vision, the subtle intellect, the inspiring leader.

I remember a man of boundless energy and ever fresh enthusiasm.

But more than these, I remember Walter's tremendous concern and compassion for his fellow man and his unquestioned integrity.

Each of us has his own personal reminiscences of when Walter came into his life in a special way.

I remember the help and support he gave me as a young mayor in Minneapolis. The support of the Auto Workers was an important factor in making it possible for me to participate in public life. His encouragement and support in the great civil rights battles of the 50's and 60's gave many of us the strength to persevere in the struggle for equal justice for all Americans.

And how well I remember the fight Walter and I led at the 1964 Democratic Convention to recognize the Mississippi Freedom Democratic Party—the first major step toward ending discrimination in the delegate selection process of the Democratic Party.

But enough of looking back. If there was one single characteristic of Walter Reuther, it was his continuous focus on the future. As someone once said of Walter, he was the only man they had ever met who could reminisce about the future. He always looked so far ahead that the present held few surprises for him. He had already seen it.

Walter Reuther learned at the bargaining table that unless you focus your attention on the future, you can never catch up with the present. This became a basic principle in his negotiations and an experience that influenced his entire outlook throughout his life. He always seemed to have the road ahead well mapped before most of us realized we were even on it. And, this focus on the future served his people well. It was reflected year after year in the paychecks of every worker that Walter spoke for, as well as in the quality of the environment in which they lived.

Walter Reuther was truly one of the great men of our lifetime. As such, he has left our nation with a legacy all his own.

First, he has left America's auto workers with a strong, effective, progressive union to be a spokesman for their interests and to further their hopes and dreams for America.

Walter left a strong, vibrant organization and a cadre of able leaders. The United Auto Workers Union, under the outstanding leadership of Walter's successor, Leonard Woodcock, has done an extraordinary job of working for America's auto workers during the most difficult economic period in the union's history. As a member of Congress, I can tell you that Leonard Woodcock has, during these troubled times, been a persistent and outstanding spokesman for those programs and policies that must be enacted if we are to restore prosperity in this nation for all of our people.

Second, Walter has left us with an American labor movement that today fully accepts political and social action as a central responsibility. He realized that labor must struggle not only for the extra nickel or dime in the wage contract, but also for the needs of the workers and their families outside of the shop.

Perhaps more than any labor leader of our time, he brought his organization into the halls of Congress, to the state legislatures, and to the White House.

He brought the weight of labor into the balance on all of the great social, economic, and political issues of the day.

Walter Reuther was a leader in the field of political action. The United Auto Workers' education conferences were historic events in the development of political action and organization in this country.

How well I recall participating in these conferences. They were truly educational seminars in the realities of economics and politics. They accurately reflected Walter's commitment to work energetically within the system to change it profoundly.

He knew that a few additional dollars a week in a worker's pay check could be wiped out, if government adopted policies to push up the price of his housing, deprived his children of a good education, put decent health care out of the reach of his family, or subjected him to live in destitution when he retired. Walter Reuther saw as few have, before or since, how directly these decisions of government influence the lives of America's working families. For this insight and for this leadership, the working people of America will always be grateful.

Third, Walter Reuther taught American labor how to dream—how to set goals—how to participate in building an America in which their families and their children could prosper and progress.

Walter had a special talent, one that we could use more of, that enabled him to relate the special needs of his union to the broader needs of the nation. He was able to resolve what appeared to many to be insoluble conflicts in an intelligent and wise way. In a way that served both his union and his country well.

As a master at labor negotiations, Walter Reuther understood when to strike and when to accept an offer. He carried this perspective into the great social and political battles of our generation.

Walter Reuther never took the easy way out of a scrap in his life. He never "sold out," but he knew when to accept an offer.

He understood, as we all must, that intelligent compromise is not shameful, but respectful.

He understood that compromise was the lubricant that made the American system of participatory democracy work.

He understood that without it we would subject our people to political paralysis and economic and social stagnation.

Fourth, Walter Reuther instilled in American labor, and particularly in the UAW, an acute awareness of the need to think ahead. Today his union, under the leadership of Leonard Woodcock, is taking the lead in initiating an organization and a process to plan for the economic growth and development of our nation. This is exactly the far-sighted kind of commitment that Walter himself would have made if he were still with us.

I am fortunate indeed to have Leonard Woodcock and the great United Auto Workers Union as an ally in my effort in Congress to do for our nation what Walter Reuther did for your union—provide it with a focus on what lies ahead.

The Balanced Growth and Economic Planning Act of 1975, which we have proposed will fundamentally reform the federal government's management of economic affairs and greatly improve the performance of the economy.

The federal government has become the last bastion of unplanned activity in the modern world. All other industrial nations plan. Businesses, universities, foundations, unions, and families have learned that they have to plan in order to achieve their goals with the available resources.

The need for a democratic, and uniquely American, form of long-term national economic planning has never been more urgent.

We have lived too long with a stop and go, boom and bust economy.

We must begin to look ahead, calmly, intelligently, and systematically if we are to make progress toward meeting our nation's goals and, at the same time, deal successfully with the kinds of economic crises and international shocks that have occurred in recent years.

I urge all of you to join in the debate that is beginning on national economic planning—it is of great importance to every one of us.

These difficult times call for a resurgence in America of the Reuther spirit.

He would not rest a single day with the economy in its present condition.

With national unemployment at 12 percent.

With a work week that has shrunk to 36 hours.

With the real value of workers' paychecks way back to the 1964 level.

With 35 percent of this nation's great industrial capacity standing idle.

With GNP down 11 percent in the first three months of this year.

With 70 million of our people expected to be directly affected by unemployment some time this year.

America wants jobs, not welfare.

America needs work, not food stamps.

America needs growth and development, not recession and retreat.

Yes, we have a vast unfinished agenda for America. It is a national tragedy to be wasting our valuable human, industrial and natural resources with so much that needs doing.

We have failed to meet our national goal of a decent home for every American family.

Our cities are in desperate need of revitalization.

Our transportation system is grossly inadequate to the needs of a modern economy.

The nation's environment is threatened, and it must be cleaned up. Balance must be restored.

Quality health care becomes further removed from the grasp of millions of our families as its cost soars.

And, tremendous improvements are possible in the educational opportunities we provide for our children.

This is no time for the timid or the faint of heart.

These are times of great challenge to America.

These are times that require the bold, imaginative initiatives that we memorialize in the spirit of Walter Reuther, Franklin Roosevelt, Harry Truman, John Kennedy, and Lyndon Johnson.

We have great strengths in this nation, and tremendous potential that must be set free.

We have the most highly trained and able workers in the world.

We have the most advanced science and technology.

We have rich land and able farmers.

We have vast natural resources.

We have a democratic society that has been the envy of the world for almost two centuries.

Yes, we have so much.

That is why it is so frustrating to witness what is going on in America today—the lost pride, the lost confidence and the dwindling hope.

We are being robbed of those great traditions of adventure, pioneering, promise, opportunity, optimism, and faith in the future that have made America great.

A living memorial to Walter Reuther today is for each of us to dedicate ourselves again to these values—the essence of his spirit.

Walter used to say that any nation that can put a man on the moon and bring him back safely to earth can certainly put a man who has lost his job back on his feet.

Walter was certainly right. But it took a great act of the national will to reach the moon, and it is going to take the same kind of vision and will to get America back on its feet.

We can, we must, and we will do it.

HENRY CABOT LODGE—DIALOG ON CHANGE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SIMON. Mr. Speaker, one of those who has responded to the call for dialog on where we should go as a nation is a distinguished former member of the Senate, Henry Cabot Lodge, who has served the Nation with distinction in other capacities also.

He suggested to me that a portion of his book, "The Storm Has Many Eyes," deals with the need for change in government structure and might be included in this discussion and I am pleased to present his thoughts:

We should reform our system for electing the president and the vice-president so as to eliminate the very real present possibility that the candidate who gets the most popular votes might also lose the election—an event which has occurred in the past and which, were it to happen again, would dangerously shake public confidence. I believe that the best way to do this is to abolish the Electoral College and count the electoral vote in proportion to the popular vote.

The nomination of the president and vice-president also raises many questions: Should we continue the convention system, but require delegates to be elected in a nationwide primary held on the same day and under federal law (they are currently all chosen under state law)? Or should we abolish the convention entirely and embark on a nationwide direct primary? The irritation caused by occasional crudities at some conventions should not blur the fact that the convention is a device which has served us well. It provides a forum—and a well-understood procedure—for settling the major party nominations in time for the election so that a change in the office of chief executive (always a tricky business in any country) can take place in an orderly way. When one man has an overwhelming lead for the nomination—as Franklin D. Roosevelt did in 1936—the convention is the place where this fact can be registered and acted on. When there is a contest—as between Eisenhower and Taft in 1952, for example—the convention provides the place for settling the contest. When there is a deadlock, the convention becomes a true "college" where the party's leading men can meet, talk, and evolve a compromise. Examples of this are the Republican convention of 1920 where Senator Warren G. Harding emerged from the deadlock between General Leonard Wood and Governor Frank Lowden and, the Democratic convention of 1924 where John W. Davis emerged from a deadlock of more than one hundred ballots between William G. McAdoo and Governor Alfred E. Smith. Two more different men than the hapless Harding and the distinguished Davis never lived, but each was the choice of their party's senior men in the attempt to end the deadlock.

Closely connected with the election of the president is the election of United States senators and members of the House of Representatives. Should we, as has been suggested, increase the term of members of the House from two to four years—so that it would be coterminous with that of the president? If so, should we limit the number of terms a member could serve, say, to two terms—that is, to eight years—thus ending a member's service in the House and, of course, ending his seniority? Would this change not bring government closer to the people? And should similar changes be considered for the tenure of senators?

These questions are all closely interrelated. Each one has its complications and each one is fundamental. They have brought me to the conclusion that there is a pressing need for hearings to be held by the appropriate congressional committees soon. The purpose of these hearings should be to inform and alert public opinion to alternate methods of choosing presidents, vice-presidents, senators, and representatives. The hearings should be as public, as dramatic, and as interesting as possible. The list of witnesses should include political scientists, campaign managers, and office holders. Such hearings, if conducted with imagination, would have a stimulating effect on public opinion. Without public support, attempts to solve problems as fundamental as these will surely fail: Most of them require amending the Constitution, which means a two-thirds vote of both houses of Congress and ratification either by three-fourths of the state legislatures or by three-fourths of state conventions called especially for the purpose. Truly enlightening hearings can create a climate which will make action possible. Action on these vital matters underlies progress in other fields.

The president should also be authorized to veto specific items in appropriation bills. This authority exists in virtually every modern government. In the United States, however, the president must either veto the whole appropriation bill if there is only one feature which is clearly objectionable, thus paralyzing the government, or he must let the objectionable portion also become law.

The Constitution should be amended so that appointments made by the president in the executive branch would stand unless rejected by a two-thirds vote. This would give the president power and responsibility, while still retaining enough congressional check.

The major costs of campaigning for president should (I repeat) be paid for by the government, so that public officials will not be under obligation to private persons. This, more than anything else, is what gives rise to the suspicion that government is the tool of special interests.

We must put the nation on the road to abolishing poverty—and not just depend on something trickling down from the economic activity at the top of the heap. Enactment of some form of guaranteed income would benefit the whole community because it would make society as a whole more contented and thus more stable. The goal would be for the employables to have work, for the unemployables to be treated decently, and for all to have proper housing and medical care—without bankrupting the rest of us.

ROLL CALL'S 20 YEARS

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. MANN. Mr. Speaker, where do people look for a list of this body's most senior Members—or to determine who has decided to resign or retire—or to read about the landscape architect who is responsible for the care of the miniature memorial forest on the Capitol grounds?

For 20 years, Members and staff of the Congress have been reading Roll Call, the newspaper of Capitol Hill, for this information. Founded by Sidney Yudain while he was an administrative assistant for a Connecticut Congressman, Roll Call has been a binding element for the sense of community shared by the more than 12,000 employees of the House and Senate, who make Capitol Hill their home away from home.

Roll Call has focused on issues and interns and pages and patriarchs alike in its endeavors to provide information for and about the people on the Hill. And, as an added fillip, Roll Call has included the often humorous aspects of politics and legislative decisionmaking, along with some biting satire.

I join in congratulating Mr. Yudain and the many fine writers and photographers who have contributed to Roll Call on this 20th anniversary of the newspaper of Capitol Hill.

IS OSHA EFFECTIVE IN REDUCING INDUSTRIAL INJURIES?

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, after 4 years of enforcement of the Occupational Safety and Health Act of 1970, few data-based studies have concerned the effectiveness of the act. When analyzing the effects of the act it is important to study the statistics objectively. I feel Drs. Ettkin and Chapman have done quite a good job in their study of the effectiveness of OSHA in the meat and meat products industry in Nebraska.

I want to share their study with my colleagues, and submit it for the RECORD at this point:

IS OSHA EFFECTIVE IN REDUCING INDUSTRIAL INJURIES?

(By Dr. Lawrence P. Ettkin and Dr. J. Brad Chapman)

The Williams and Steiger Occupational Safety and Health Act (OSHA) of 1970, which covers approximately 60 million workers in about 5 million workplaces, can be considered one of the most pervasive pieces of legislation affecting the American worker since the passage of the Wagner Act in 1935. OSHA has generated considerable controversy since its inception, and clearly exemplifies the Federal Government's intent to become more deeply involved in the area of industrial safety—an involvement which invites criticism, but has been justified in terms of accident-related costs and humanitarian considerations.

Statisticians for the National Safety Council indicate that more than 14,000 civilian workers are killed annually in occupational accidents and another 2.2 million suffer disabling injuries.[1] In addition, it is estimated some 400,000 workmen are stricken each year by occupation-related illnesses.[2]

The economic costs of occupational deaths, injuries, and disease are also startling. George C. Guenther, former Assistant Secretary of Labor for Occupational Safety and Health, estimates losses due to work injuries and deaths could be as high as $1.5 billion in wages and $8.0 billion in GNP.[3] The National Safety Council estimates a $9.3 billion price tag for wage losses, insurance costs, medical costs, fire losses, lost time by uninjured associates, and the time necessary to investigate and report accidents.[4] As part of the insurance cost, the Social Security Administration estimates a cost of $4.82 billion to employers ing workmen's compensation coverage.[5]

However, it must be emphasized that the above figures are strictly estimates, since reliable data is currently not available. For example, the National Safety Council statistics are based primarily on voluntary reports of its members (including 95 percent of America's largest companies), who are among the country's most safety-conscious organizations. Thus, it is not surprising that a recent study conducted by California's Labor Department indicated that the actual toll of industrial accidents may be ten times the National Safety Council's estimates.[6]

It is evident that even if the cost of human pain and suffering is ignored, the present magnitude of economic costs resulting from job-related accidents, deaths, and illness is astounding. In fact, more disturbing than the current magnitude of accidents is the trend that became evident over the last few years. Data supplied by the Bureau of Labor Statistics from 1958 to 1970 indicate an increase in injury frequency rate of over 33 percent during that 12-year period.

To further emphasize the seriousness of the problem, it must be pointed out that the significant increase in injury frequency does not include any data relating to death or disablement resulting from industrial diseases. According to the Department of Health, Education, and Welfare's National Center for Health Statistics. "HEW estimates at least 390,000 new cases of disabling occupational disease each year and 100,000 deaths from occupationally-caused diseases."[7]

NEED FOR EVALUATION

Approximately five years have elapsed since the Occupational Safety and Health Act was passed and the agency to administer its provisions was created. This Act, whose first years of life have been as traumatic and turbulent as its creation, continues to be of major concern to many segments of the American economy. Considerable rhetoric and emotion is generated concerning the provisions and administration of the Act, but little, if any, objective evidence substantiating OSHA's strengths or weaknesses has materialized. Government administrators, legislators, union leaders, and business executives still have little in the way of conclusive data regarding the effectiveness of OSHA, as a piece of legislation whose provisions affect the vast majority of American businesses.

Because objective, comparable data specifically relating to industrial injuries and illnesses is not available since the passage of OSHA, most of the support and criticisms of the Act are centered around speculations and assumptions based upon incomplete or inaccurate data or data relating only to the number and nature of violations and penalties issued. For example, George Perkel, in an attempt to judge the enforcement of the Act, took data relating to violations and penalties for the period July 1, 1971, to January 31, 1972, and concluded that 79 percent of the establishments were in violation and that the average penalty was $23 per violation.[8] He then asks, "Can this be meaningful?"[9] Similarly, Alex Bilanow, in his review of the effectiveness of the Safety Act, relied upon the number of inspections, the number of establishments inspected, and the number of violations found and citations issued for his basic evaluation criteria.[10]

Reviews of the type mentioned above are not uncommon or unexpected since government documents issued for public consumption emphasize the inspection aspect of OSHA with little mention made of the actual reduction in injury rates.[11] Consequently, all of the evaluations of OSHA, to date, have concentrated on the number of cited violations and the total dollar amount of proposed penalties. This emphasis promulgates two basic problems: emphasis on the means of administration and the costs associated with compliance of the Act's provisions rather than on the intent of the law.

As logical as an evaluation based upon violations found and citations issued may seem, no statistical evidence confirms the relationship between penalties and the success of the Act. Ostensibly, it must be remembered that the objective of the Act is not to levy fines or issue citations, but rather to reduce significantly the number and seriousness of industrial injuries and illnesses through an aggressive campaign designed not only to make employers and employees aware of occupational safety and health but also to force management to concentrate resources to eliminate the actual causes of accidents in the work environment.[12]

Although officials of the Occupational Safety and Health Administration indicate that the law "appears" to be accomplishing its stated purpose, they are not ready to make the claim that the Act is significantly reducing the injury rate or visibly improving job standards.[13] Consequently, after four full years of operation, the question still remains: How effective is OSHA at reducing occupational injuries and illnesses?

The objective of this article is to provide individuals with a data-based evaluation of OSHA derived from actual injury statistics in one of the industries (meat and meat products) identified by the Act as a target industry for the initial application of safety standards.[14] Specifically, the purpose of this article is to answer the following question: Was there a significant reduction in the number of injuries in the meat and meat products industry in Nebraska since passage of the Occupational Safety and Health Act?

METHODOLOGY

Since the Act is so pervasive in nature, it was necessary to concentrate the study on a specific segment of American business. The decision was made to define the population under study as the meat and meat products industry in Nebraska. This was done for several reasons. Due to manpower and cost limitations it was necessary for OSHA administrators to establish a priority inspection system. Five industries with abnormally high accident rates were identified for initial concentration, and one of the "target industries" was meat and meat products. This industry was singled out because its injury frequency rate had increased from 25.2[15] in 1958 to 43.1[16] in 1970, an increase of 71 percent. This is 2.8 times greater than the 1970 average of 15.4[17] for all manufacturing organizations. Also, because of the concentrated enforcement effort in the meat and meat products industry, and its magnitude in Nebraska, it seemed appropriate to use this industry to investigate OSHA's effectiveness in reducing industrial injuries.

Accident statistics for the study were taken from Nebraska's Workmen's Compensation Court records. This source was chosen for several reasons. First, the data was stored on a fiscal year basis. Fiscal 1969 and 1970 were defined as pre-OSHA years, while fiscal 1971 coincided with OSHA's start-up year,[18] and fiscal 1972 represented the first complete year of operation. Thus, the court data was in line with OSHA chronologically.

The second reason for the collection of this particular data was the fact it represented the most complete and comparable source of information available. In theory one was dealing with a complete population of accidents for this four-year period.

According to section 48-144.01 of Ne-

Footnotes at end of article.

braska's Workmen's Compensation Law: ". . . In every case of injury occurring in the course of employment, the employer or insurance carrier shall file a report thereof with the compensation court. Such report shall be filed within five days in case of injury resulting in death and within fifteen days in case of all other injuries after the employer or insurance carrier has been given notice or has knowledge of any such injury." [19]

In addition, section 48-144.04 of the Act states: ". . . Any employer or insurance carrier who fails, neglects, or refuses to file any report required of him by the compensation court shall be subject to a penalty not to exceed one thousand dollars for each such failure, neglect, or refusal. It shall be the duty of the Attorney General to act as attorney for the state. In addition to the penalty, where an employer or insurance carrier has been given notice, or the employer or the insurance carrier has knowledge, of any injury or death of an employee and fails, neglects, or refuses to file a report thereof, the limitations in sections 48-137 and 48-128 shall not begin to run against the claim of the injured employee or his dependents entitled to compensation or against the State of Nebraska on behalf of the Second Injury Fund, or in favor of either the employer or the insurance carrier until such report shall have been furnished as required by the compensation court." [20]

Thus, the data assembled from Workmen's Compensation Court records theoretically represented a population rather than a sample, was chronologically comparable with OSHA and was based on a consistent reporting system. Table I represents a summary of the data collected for analytical purposes.

TABLE 1.—ACCIDENT AND EMPLOYMENT DATA

	1969	1970	1971	Total pre-OSHA	1972
Number of accidents[1]	4,762	5,287	5,750	15,799	4,007
Average number of employees[2]	10,867	11,933	11,983	34,783	12,583

Sources:

[1] Compiled from the Nebraska Workmen's Compensation Court records.

[2] Adapted from the Nebraska Department of Labor, Division of Employment, Supplements to the 32d to the 35th annual reports for the fiscal years 1969 to 1972.

The data were analyzed to determine if the proportion of accidents after OSHA was significantly less than the proportion of accidents prior to OSHA's passage. The data was first normalized as to the average number of employees per period studied. By assuming normalization, differences in employment levels and quantity of products processed would not appreciably affect the end result. After normalization, the following hypothesis was tested using an uncorrelated proportions test of significance: "Assuming only one accident per employee per year, the proportion of accidents per employee post-OSHA was lower than before, only by chance variation."

The statistical test selected was designed to test for significant differences in uncorrelated means; specifically, the nature and structure of the available data did not allow for the use of the correlated proportions test. It was recognized that many of the workers employed post-OSHA were also employed pre-OSHA, and thus a certain amount of correlation did exist. However, the use of the uncorrelated proportions test does give a more conservative significance test and therefore the "true" significance levels would be at least as affirmative as those actually computed.

Since secondary data was employed in the analysis, the reliability of the data was contingent upon the accident reporting system as specified in the compensation law. It is conceivable that certain inconsistencies in the application of reporting requirements by different companies could bias the data and result in either over or understating the number of injuries reported to the court.

Because of the possible problem of comparability of pre-OSHA (fiscal 1969, and 70) and post-OSHA (fiscal 1972) data, the same proportions test was applied to the data but under the following assumptions:

1. Pre-OSHA accidents were overstated by 5 percent and post-OSHA accidents were understated by 5 percent.
2. Pre-OSHA accidents were overstated by 10 percent and post-OSHA accidents were understated by 10 percent.
3. Pre-OSHA accidents were overstated by 15 percent and post-OSHA accidents were understated by 15 percent.

These assumptions were selected so as to affect the data and thus the evaluation of OSHA in the worst possible way. That is, by decreasing the pre-OSHA proportion of accidents and increasing the post-OSHA proportion of accidents.

RESULTS

As Table II indicates, the reduction in accidents after the passage of the Occupational Safety and Health Act is significant. The probability of this reduction being attributed to mere chance is less than .0001 and the hypothesis as originally stated must be rejected. Similarly, when the pre- and post-OSHA data were adjusted to account for any inconsistencies in the number of accidents reported, the differences continued to be significant at the p. is less than .0001 level:

TABLE II.—RESULTS OF PROPORTIONS TESTS

	Pre-OSHA proportion	Post-OSHA proportion	Difference	z value
Original data	0.454	0.318	0.136	26.4
Assumption No. 1[1]	4.31	.334	.097	19.0
Assumption No. 2[2]	.409	.350	.059	11.5
Assumption No. 3[3]	.386	.366	.020	3.9

[1] Pre-OSHA accidents overstated by 5 percent; post-OSHA accidents understated by 5 percent.

[2] Pre-OSHA accidents overstated by 10 percent; post-OSHA accidents understated by 10 percent.

[3] Pre-OSHA accidents overstated by 15 percent; post-OSHA accidents understated by 15 percent.

Note: Normalized accident statistics: 1 tail significance is less than .0001.

The dramatic and significant reduction in accidents is even more impressive if one examines the increasing trend that was evident prior to fiscal 1972. The meat and meat products industry in Nebraska improved from a high of 5,750 accidents in fiscal 1971 to 4,007 accidents in fiscal 1972; a reduction of approximately thirty percent in the year following implementation of OSHA regulations.

DISCUSSION

As one might expect, legislation as pervasive as OSHA will generate a number of proponents and opponents. Critics contend that many of the regulations force companies to spend money on measures that do not improve safety or efficiency in the work environment [21] and are extremely expensive to implement. However, in the authors' opinion, any support or criticism of the Act itself must be based upon an objective evaluation of how the application of specific provisions of the Act affect a company's injury frequency. It is not our contention that cost considerations are insignificant, but that cost factors are a function of effectiveness.

If OSHA is effective in significantly reducing industrial injuries, the intent of the law has been satisfied. Any cost-benefit analysis of the effectiveness must take into consideration the intangible benefits of a safe working environment and the human cost attributed to fatal and disabling injuries. As the introduction to this article stated, the actual, and probably very conservative, costs of individual accidents in terms of lost time, insurance, and other indirect costs are astounding; and these costs do not include the cost of human suffering.

The results of this study clearly indicate that the application of OSHA standards in the meat and meat products industry in Nebraska was a significant factor in substantially reducing the frequency of employee injuries. The reduction of accidents identified in this study coincided with an increase in total employment in the industry, further substantiating the apparent effect the application of OSHA standards had on reducing industrial injuries.

It seems evident that with management commitment this target industry in Nebraska was able to implement policies which were quite successful in reducing injuries. However, this should not be surprising, since a strict safety environment and the resulting reduction in the frequency of accidents is by no means new to the United States. The safety accomplishments of the Atomic Energy Commission and its industrial contractors and the National Aeronautics and Space Administration and its industrial affiliates have been outstanding, especially when one considers the new and hazardous inventions introduced in the operations of these two programs.[22]

As further evidenced, for many years industries in Canada, through the Industrial Accident Prevention Association and the Compensation Board, have sponsored a comprehensive safety and training program for their employees. As a result of this program, most industries today have a very low accident frequency rate. In fact, some plants engaged in hazardous work have completed up to three years of operation without a compensable injury.[23]

It thus seems fair to conclude that the achievement of safe working conditions requires the elimination of both unsafe physical conditions and unsafe practices. This result can only be achieved if top management makes safety a high priority objective and gives its wholehearted support to programs consistent with achieving this objective. Top management must declare themselves positively in favor of the program and follow up to see that every individual in the organization complies with the overall safety policies. The Occupational Safety and Health Act has instilled in management the necessary motivation to give their safety programs more than passive consideration.

Although there are definite problems related to the administration of certain provisions of the Act and there are substantial cost considerations in meeting OSHA standards, the intent of this controversial piece of legislation, at least in the industry studied, is being met. In the final analysis, any objective evaluation of the Act must concentrate on its effectiveness in reducing industrial injuries and illnesses. Once that question has been answered, concentrated effort should be made to reevaluate the scope of the Act, its safety standards, and the costs associated with administration and compliance.

FOOTNOTES

[1] U. S. Department of Labor, *The President's Report on Occupational Safety and Health* (Washington: Government Printing Office, May, 1972), p. 1.

[2] George C. Guenther, "The Significance of the Occupational Safety and Health Act to Workers in the U.S.," *International Labor Review*, January, 1972, p. 61.

[3] *Ibid.*

[4] U. S. Department of Labor, *Job Safety and Health*, No. 1 (Washington: Government Printing Office, Nov./Dec. 1972), I, p. 32.

[5] *The President's Report on Occupational Safety and Health, loc. cit.*

[6] Dan Cordtz, "Safety on the Job Becomes a Major Job for Management," *Fortune*, November, 1972, p. 113.

[7] "House of Representatives Starts OSHA Oversight Hearings," *ASSE Journal*, October, 1972, p. 16.

[8] George Perkel, "A Labor View of the OSHA," Labor Law Journal (August 1972), p. 517.

[9] *Ibid.*

[10] Alex Bilanow, "Is the Job Safety Act Succeeding?" *Journal of Commerce* (October 3, 1972).

[11] For example, refer to the U.S. Department of Labor's news release, Occupational Safety and Health Administration, USDL: 75–254 (June 14, 1973).

[12] For reference as to the scope and purpose of OSHA, refer to Section 2b, subsections 1 through 13 of the Occupational Safety and Health Act of 1970.

[13] Bilanow, *op. cit.*, p. 4A.

[14] For an indication of the injury frequency rate in the five "target industries," see U.S. Department of Labor, Occupational Safety and Health Administration, *The Target Industries—Profiles of Five Hazardous Occupations*, 1972, p.1.

[15] 1958 to 1969 data from U.S. Department of Labor, Bulletin No. 1705, Handbook of Statistics (Washington, D.C.: Government Printing Office, 1970), p. 333.

[16] 1970 data from U.S. Department of Labor, Report No. 406, "Injury Rates by Industry, 1970" *Bureau of Labor Statistics* (Washington, D.C.: Government Printing Office, 1970), p. 7.

[17] *Ibid.*

[18] The law was enacted in December, 1970, became effective in April of 1971, but there was a time delay before it became operational in a practical sense.

[19] *Nebraska Workmen's Compensation Law*, State of Nebraska, Nebraska Workmen's Compensation Court, as shown by the Reissue Revised Statutes, 1943 and the 1971 Supplement thereto, pp. 79–80.

[20] *Ibid.*, pp. 80–81.

[21] Kenneth A. Kaufman, "OSHA Enforcement: You Haven't Seen Anything Yet," *Iron Age*, December 23, 1971.

[22] Edward J. Kehoe, "Occupational Safety and Health Act Is Reviewed and Analyzed," *The National Underwriter*, pp. 8–9, May 28, 1971.

[23] William Dunford, P. E., "Collection Personnel Have Highest Accident Rate," *Solid Wastes Management* (April, 1973), Vol. 16, No. 4, p. 140.

ROLL CALL

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. O'NEILL. Mr. Speaker, the city of Washington is host to the people who serve this Nation in the Congress. Both Members and staff are from every State and city in this Nation. Washington is not our home but Capitol Hill is our community, a place where we live and work for the Congress and our Nation.

Our hometown newspaper in Washington has just passed a milestone. Roll Call, the newspaper of Capitol Hill, is celebrating its 20th anniversary. This weekly journal ties people from the 50 States and territories into a society. Roll Call informs us of the births and deaths, new jobs and retirements, electoral successes and legislative failures of the Members of the Capitol Hill Community. It is also the newspaper that every Member reads with a degree of anxiety. Our favorite stories are printed in Roll Call and our least favorite remembrances are usually in this newspaper as well. Roll Call's impact on the people of the Congress is evident in our conversations in our offices and on the floor each Thursday.

Roll Call is more than a newspaper. It sponsors our annual congressional baseball series. Annual awards for outstanding staff service to the Congress are made under the auspices of this journal. In sum, Roll Call is a vital part of our lives here in Washington.

Sid Yudain, the editor and publisher of our newspaper, deserves our thanks and congratulations. He has helped to bring all of us closer together in our congressional community. Sid has also been able to maintain an excellent staff of reporters and columnists to keep our weekly paper in business for the past 20 years. I join all the members of Roll Call's readership in looking forward to the 25th anniversary of Roll Call.

VICTORY FOR WHOM?

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. RUSSO. Mr. Speaker, I would like to bring to the attention of my colleagues the comments made by AFL–CIO President George Meany regarding the sorry state of America's unemployed people.

Mr. Meany's remarks about the unemployed are well taken, and I am certain that all of us who are concerned with the rights of the unemployed, the right of a man or a woman to work and provide for himself or herself and family would do well to note Mr. Meany's message:

> Victory for Whom?
>
> Unemployment is going in the direction that we have been saying for some time. It is up three-tenths of a percent in one month, which means that 360,000 more people were unemployed in May than April.
>
> It is significant that the figures come out a few days after a presidential veto on an emergency employment bill was sustained by a margin of five votes in the House of Representatives.
>
> These figures represent 8.5 million people officially unemployed. This as against the figure of 4.9 million people officially unemployed in August when Mr. Ford took office. So his Administration has managed to up the unemployment figure 3,600,000 people in a period of just nine months.
>
> To me, it adds up to a callous, almost inhuman disregard on the part of the national Administration for the misery and the suffering that goes with unemployment.
>
> I don't think these people in the White House running this show realize what it means to be unemployed.
>
> I don't think they realize what it means to a head of a family trying to send kids to school, trying to pay off interest on a mortgage, trying to pay taxes and trying to keep a roof over the head of his family, clothe and feed them.
>
> I don't think they realize what it means for that fellow to be completely out of work, without a job, and actually as time goes on without any hope for the future.
>
> The administration's own projection is that we are going to have 7.5 percent unemployed four years from now. I happen to think that this country can't stand that sort of unemployment. I don't think the social fabric of this country could stand it. I don't think the cities could stand it.
>
> The unemployment rate for black teenagers now is 39.9 percent—practically 40 percent. Now what does this mean to the cities? What does this mean to life in the cities? What does this mean for jobs? What does this mean for additional welfare families?
>
> We have a very simple theory that the government should stimulate the economy—that the government should add to the national debt temporarily in order to get people back to work. Because, in the final analysis, they are not going to lick this problem unless people get back to work. When you get a fellow back to work he starts paying taxes, he ceases to be a burden insofar as welfare and assistance from federal, state and local agencies is concerned. As long as he is unemployed he is not on the tax rolls, he is not bringing any revenue to the federal government, and he actually is a burden.
>
> There has to be a change in national policy, I think the very weight of events is going to compel a change. This idea that there is some kind of political victory every time the President vetoes a bill that would alleviate this misery, and it's sustained on political grounds over in the House or the Senate, that this adds up to a victory. It may be a victory for Arthur Burns. It may be a victory for the economists who are running this show.
>
> But it certainly is not a victory for the American people. It is not a victory for the economy, and it is certainly not a victory for the victims of this whole economic mess that we are in with the people who are without jobs.
>
> From AFL–CIO President George Meany's comments on the May unemployment figures at a press conference in Milwaukee.

DIALOG OF DEMOCRACY

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. GRASSLEY. Mr. Speaker, first, I would like to take this opportunity to commend Representative Simon for his initiation of his truly imaginative and innovative concept, a "dialog of democracy." At long last we in the Congress have a more or less formal opportunity to express our personal philosophies regarding the governance of this Nation and pressing issues of the day, and to develop imaginative proposals which might assist America in fulfilling her most cherished goals.

The structure of our governmental institutions, whether in the legislative, executive, or judicial branches, provides a framework within which decisions that affect all Americans can be made fairly and objectively, and in as enlightened manner as is humanly possible. Should this structure fail to provide for a free flow and exchange of ideas, our aspirations will forever be subservient to ignorance.

The committee system of Congress, to my mind, is an ideal structure for delegating legislative responsibility to Members. It provides a flexible and practical mechanism whereby the concerns of the Nation may be divided up into logical subject areas and assigned to those committees most able to deal with a given area. The committees can only work effectively, however, if each Member can educate himself regarding the complex and sophisticated matters that each committee must deal with on a daily basis. The work of today's committee is very specialized, and thus demands a great deal of a Member's time, as well as the time of his staff, if it is to be done properly and thoughtfully, and in the best interests of all the American people.

Over the past 199 years, since this Nation's inception, committees have changed in scope and number in order to meet pressing needs and to reflect major public concerns. The first standing committee, that on elections, was set up in 1789. Since then, the numbers and responsibilities of committees have grown tremedously. While during the first 10 years of the 19th century, six new standing committees were set up, by the mid-1880's, the House had established 34 standing committees. This number peaked at 58 in 1900. This growth and proliferation of committees, I believe, reflected an increased participation in governmental decisionmaking by a variety of interests, as defined in terms of occupations, ethnic origins, geographical considerations, and social groupings of citizens.

Over the years a number of major committee reform proposals have been enacted. The Legislative Reorganization Acts of 1946 and 1970 are the most recent major pieces of legislation in this area, though the last Congress also took significant action in this direction. The goals of these measures were to streamline the congressional committee structure and to clarify committee duties. In addition, it was hoped that the congressional workload would be decreased so that staff aids could spend more time focusing on the complex and specialized subjects each committee must deal with.

Today, there are 24 standing committees. Fortunately, it became clear to legislators of the first decade of this century that committees were mushrooming in number so rapidly as to become unwieldy. Unfortunately, however, the number of subcommittees has grown to make up for the decrease in the number of standing committees. This sort of proliferation is to be expected in a time of increasing specialization and an enormous expansion of scientific knowledge. But the result, to my mind, has been the negation of the positive effects of past reorganizations. Congressmen and their staffs are once again overextended. There is too little time to investigate any area covered by a committee very deeply, and there is an overabundance of meetings at which just a few Congressmen are in attendance. To exacerbate this problem, we see introduced daily volumes of legislation designed to meet the demands of interest groups which have a real stake in the life and functioning of particular committees. The inevitable result has been hastily passed laws and the creation of new governmental agencies, a result that might have been avoided had more time been spent to perform rigorous and indepth analyses of the problems under consideration.

For my part, I am a member of two active standing committees, Banking, Currency and Housing, and Agriculture, along with the Select Committee on Aging. In addition, I am on three subcommittees of the standing committees of which I am a member, as well as a subcommittee of the select committee. I consistently attend committee meetings and hearings at which only a few of my colleagues are present. And there is simply no way that I can attend all of the full committee and subcommittee meetings which demand my attention; prior appointments and floor action forbid this.

The only possible solution to this problem is a legislative mandate which prohibits members from sitting on more than one full standing committee at a time. Of course, the proliferation of subcommittees must be avoided, as well. While currently a Member may choose to join only one committee, political realities make this a highly dangerous action. If our goal as individual Members and representatives of the people is to learn as much as we can about specific highly specialized and often controversial areas, and to use the efforts of our staffs in as efficient and constructive way as is possible, then committee assignments must be limited. For those who feel that this might severely restrict their input into areas of importance to their constituents, I would recommend that more committee meetings at which colleagues only can express their concerns be held. This should be possible if the number of committee meetings per Member is cut down by the one committee restriction.

I have confidence that I am doing a good job; but I would always like to do better. A one committee limit would make me a better Congressman and would make this a better Congress. All Americans would benefit from such a legislative framework.

SUN FUN FESTIVAL—MYRTLE BEACH, S.C.

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. JENRETTE. Mr. Speaker, I would like to call the attention of this body to the annual Sun Fun Festival in Myrtle Beach, S.C., at which Washington Redskin quarterback Sonny Jurgenson was the honored guest. An estimated 250,000 people attended this annual event.

Miss Cathy Glass of Myrtle Beach was crowned "Miss Sun Fun," numerous golf and fishing tournaments were held, and the schedule of events ranged from an ice cream eating contest to a Miss Bikini Wahine Beauty Contest, won by Miss Peggy Seals of Marion, S.C.

The U.S. Thunderbirds performed at an air show and also flew over during the Sun Fun Parade, watched by 120,000 persons. Sailboat races were held and the visitors to the grand strand were reminded that it is not necessary to journey to Florida for plenty of beautiful white beaches and fantastic weather. There are 38,000 motel and hotel rooms available along the grand strand.

Other events included a watermelon eating contest and the South Carolina Heart Fund Golf Tournament finals.

The winner of the "Miss Surf" contest was Miss Mitzi Simpson of Surfside Beach.

The Sun Fun Festival this year was the biggest and best ever. The weather cooperated with us and it was a success beyond our expectations.

I congratulate the Greater Myrtle Beach Chamber of Commerce and each person who worked to make Sun Fun Week a great success.

WOULD BE FUNNY IF THEY WERE NOT TRUE

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. THONE. Mr. Speaker, a description of the burdens of Government paperwork that American businesses must bear sounds funny. It seems like a spoof. It is hard to believe that the Government is as unreasonable as it is. Details of Government overregulation of business would be funny if they were not true.

Both in last session and this session of Congress, I have sponsored legislation to provide for a temporary commission to study the Federal regulatory agencies, with the aim of reducing their burdens on Americans. I am pleased that President Ford is planning a national forum that will focus attention on the fact that Federal regulatory agencies sometimes are excessive in their demands.

A constituent of mine has eloquently summed up the burden of overregulation. He is a personnel manager for a major national corporation. He describes well how overregulation is driving consumer prices up. His letter follows:

> I understand President Ford plans a White House meeting late this month or early next month regarding the OVERregulation of business.
>
> This letter will be brief because I'm sandwiching it in between two EEOC form 100 reports, headquarters and consolidated triplicate, five 16-page preliminary USDL D-2 forms on five separate insurance programs in duplicate. Once I'm finished with those preliminary D-2's and prior to submitting final D-2 copies I can begin on preliminary USDL EBS-1 forms for those same plans. Then on to preparing for the OFCC annual desk audit and 14 pounds more of paperwork (I quit counting the pages on this job long ago), updating our Affirmative Action Program subject to the revisions of Revised Order 14. Once completed with that and prior to the three-day on site OFCC audit I can prepare our defenses for the "inadequacies" which the OFCC has been ordered to find by the GAO (OFCC has been entirely too conciliatory and cooperative with business according to GAO). If my defenses aren't acceptable I may have to delay the final EBS-1 forms, or at least let my

vigilance on OSHA slip a notch, or maybe I'll be late reporting on the Vietnam era veterans hired.

I wish the lines above came from a Bob and Ray comedy routine . . . the sad part is they're true. And it is stifling, and it is leaving little time for the creative kinds of work my employer deserves. And those are just the regulations that affect the Personnel Department.

The critical barrier to innovation which federal government regulations pose in other areas is even more inflationary and harmful. For example, in Research & Development. In the President's Economic Report on Government Regulations . . . "the rate of introduction of new drugs has fallen by more than 50 percent and the average testing period has doubled. It is not clear that the average efficacy of drugs introduced after 1962 is any higher than that of drugs previously introduced".

And the enforcement of the regulations we bear are based on threats, fear and anxiety—hardly a healthy, creative climate. Punitive, do-it-or-else orders force games-playing and require intensive monitoring but do not cause attitudinal change—only lip service to avoid punishment—cosmetic compliance.

How far out of step does our government plan to get before they understand that negative, punitive thinking does little to motivate social change in the long pull. We have treated our husbands, wives, children and dogs with more respect, regard and understanding for over 50 years.

I urge you to support the President's attempt to substitute common sense and logic for illogical, insensitive regulations and Federal Register thumping regulators.

TROOP CUTS: SECOND THOUGHT

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. OBEY. Mr. Speaker, during the recent House debate on the military procurement authorization, my colleague JIM OBERSTAR and I were among those who urged House opposition to an amendment which would have cut 70,000 troops from our Armed Forces stationed overseas.

The amendment lost by a vote of 95 to 311 this year. Last year it lost as well, but by a narrower margin of 163 to 240.

I want to emphasize that both Mr. OBERSTAR and I are strongly opposed to blank check military spending; that we support overseas troop cuts under normal circumstances; that we voted for every other amendment to cut money from the Defense budget; and that we voted against the bill on final passage.

In any year but this one we would have probably supported that amendment again. But this year until events have settled we opposed troop reductions as a signal to our Allies, already uneasy over the future course of U.S. policy following the debacle of Southeast Asia, that the United States is resolved to remain active in world affairs.

Mr. Speaker, the following article, which appeared in the May 31 National Observer describes the unique circumstances in which many of us found ourselves this year and I ask that it be inserted in the RECORD:

TROOPS CUTS: SECOND THROUGHTS

(By Mark R. Arnold)

When freshman Rep. James Oberstar of Minnesota came to Washington in January, he told an aide that one of his goals in Congress would be to reduce U.S. troop strength overseas.

"We're propping up too many right-wing dictators with our troops," he said. "This kind of thing got us into the trouble in Vietnam. It has to end."

But if Oberstar wants to bring home some troops, he no longer wants to do it this year. In a May 16 "Dear Colleague" letter he helped write, he reversed his position and urged members to reject any troop cuts in this year's defense-procurement bill.

Oberstar's change of heart is symptomatic of an abrupt shift in congressional sentiment toward the defense budget—a shift that appears to have given the Pentagon's record spending proposal an unexpected green light in Congress this year.

The reason for the changed outlook? "The Vietnam washout," says Oberstar, leaning back in his office armchair after the House decisively defeated a move to require a 70,000-man reduction in the 416,500 U.S. troops stationed overseas. He goes on to explain that the loss of Indochina makes it necessary for Congress to demonstrate U.S. "determination to remain an active force in world affairs."

FORD REQUEST TRIMMED

The Vietnam washout hung like an invisible cloud over the House chamber last week as supporters of the Pentagon's weapons-authorization bill beat back one challenge after another from defense critics.

To be sure, by the time the bill got to the floor, the Administration's proposal for $28.6 billion for weapons research, development, and procurement in the 12 months starting July 1 had been trimmed back to $26.5 billion by the House Armed Services Committee.

But the total approved by the panel was still 21 per cent more than Congress granted for this fiscal year. So Pentagon foes, their ranks swollen by last fall's elections, drafted an alternative defense budget.

They demanded an additional $2-billion cut. They also set their sights on eliminating funds for a number of individual projects, including procurement of parts for the controversial B-1 bomber, which is still being developed.

The doves lost on every count. But their biggest setback came on the troop-cut amendment.

Consider: Last year, a proposal to cut overseas troop strength by 100,000 was defeated 240 to 163. This year's 70,000-man troop-cut amendment was rejected 311 to 95. "We should have picked up 50 or more votes from the 75 Democratic freshmen; instead, we came out 68 votes behind," complains a strategist of the anti-Pentagon campaign.

One important difference was the influence of Majority Leader Thomas P. "Tip" O'Neill. O'Neill led the fight to reduce overseas troop commitments last year; this year he argued strenuously for retention of the troops. Because of the U.S. setback in Indochina, O'Neill told colleagues, the troop-cut amendment "is the right amendment at the wrong time."

Those were precisely the sentiments of freshman Oberstar, who began rethinking his support for reducing overseas forces in mid-May. "The idea that if people are anti-Communist we'll support them is what I was trying to stop," he says. But "reassuring those who may doubt where we stand seems more important right now."

MANSFIELD SWITCHES

Contributing to the defeat of the troop-cut effort were two-thirds of the freshmen Democrats—many of whom argued during their campaigns that the nation was overextended in its foreign commitments—and 77 veteran House members who had supported troop reductions in 1974. Explains one House aide: "Troop cuts are really a measure of what our commitments are. They are the things that signal our intentions to foreign governments."

In the Senate, where the defense procurement bill comes up the first week in June, Majority Leader Mike Mansfield will not reintroduce his perennial amendment to reduce overseas forces. "Just as the Administration is reassessing its situation [after Vietnam], so am I," says Mansfield. As of last week, no other senator could be found who would agree to offer such an amendment either. "This just isn't the year to be talking about pulling in our defenses," explains one dove.

Some lawmakers blame President Ford for much of the uncertainty about U.S. intentions. "By exaggerating the post-Vietnam danger of disunity," says Oberstar, "Ford's putting Congress in a position where it has to make good on his promises."

Maybe so. But an irony is that the end of the Vietnam War had been expected to embolden those in Congress who have argued for severe cuts in defense spending. Instead, at least temporarily, it appears to be their undoing.

INTRODUCTION OF LEGISLATION PROVIDING FOR OUTPATIENT REHABILITATION SERVICES FOR PERSONS ELIGIBLE UNDER TITLE XVIII OF THE SOCIAL SECURITY ACT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. MIKVA. Mr. Speaker, I have today introduced a bill which will rectify a longstanding oversight in the Medicare Act by recognizing outpatient rehabilitation facilities as providers under medicare. Enactment of this legislation would serve to make presently covered rehabilitation service more accessible to medicare beneficiaries.

My bill would make outpatient rehabilitation facilities eligible for reimbursement as providers under medicare for services which are now covered under part B only if provided by an outpatient department of a hospital. The bill acknowledges that a large portion of the capacity to provide high-quality outpatient rehabilitation services rests with rehabilitation centers which are independent of hospitals.

Under current law, medicare reimbursement of services provided by such facilities is limited to physical therapy services and to physical, occupational and speech therapy provided under arrangement with a home health agency. Thus, while outpatient rehabilitation facilities often provide the same scope and quality of care rendered to outpatients by a hospital, such facilities are not regarded as providers under title XVIII of the Social Security Act. The net effect of this is to provide coverage for medicare beneficiaries who are in a position to obtain such services from a hospital and to deny coverage to beneficiaries who look to a rehabilitation facility for identical care. There is no rational basis for such distinction. The bill I have introduced today would eliminate it.

Medical rehabilitation focuses on the restoration of a patient's ability to function and overcome the debilitating effects of injury or disease. Access to a program of comprehensive rehabilitation services should be an integral element of the medicare program. Typically, rehabilitation services are required to overcome disabling conditions produced by traumatic injuries, stroke, spinal core injuries, neurological disorders, and cardiac problems. Rehabilitation is often essential to avoid recurrent hospitalization on admission to a skilled nursing facility.

As mentioned previously, outpatient rehabilitation services are generally covered in a hospital setting, under general language in section 1861(s). To avoid any question in administration, my bill contains a definition of both outpatient and inpatient rehabilitation services. I wish to emphasize that this definition reflects those services which are now covered by medicare when provided to outpatients by a hospital. The inclusion of this definition is not intended to establish new benefits under medicare. It merely clarifies and specifies authorized providers. Further, this bill is consistent with a variety of amendments added to medicare in recent years which encourage the provision of covered services on an outpatient basis and which reduce the emphasis on inpatient care with its concomitant high costs.

The bill includes in the definition section of the medicare law a definition of inpatient rehabilitation services. That definition is necessary in order to clarify the appropriate level of rehabilitative care among inpatient care, nursing care, and outpatient care. Just recently two decisions in the Federal district courts were necessary to attempt to clarify this area. I do not believe that medicare beneficiaries should have to resort to the courts to receive that to which they are entitled. In these two cases, *Westgard* v. *Weinberger* (Civ. No. A-2-74-11, N.D.), and *Shiffer* v. *Weinberger* (Civ. No. 73-0-458, Neb.), chronically ill elderly people were denied reimbursement under medicare for rehabilitation care, because the intermediary and HEW overruled the judgment of the attending physician and the utilization review committee that inpatient rehabilitative care was necessary and not custodial. Thus, without clarity in the law, an intermediary could refuse to reimburse for outpatient care, because it should have been inpatient or vice versa or it could refuse to reimburse for inpatient rehabilitation care, though recommended by a physician qualified in rehabilitation, because someone felt the care should be outpatient care. Such confusion helps neither the patient nor the providers.

Mr. Speaker, outpatient rehabilitation facilities are typically community-based, nonprofit organizations similar in organization and governance to hospitals but which provide services on an outpatient basis. A number are affiliated with national organizations identified with physical restoration, such as the Easter Seal Society. Outpatient rehabilitation facilities are generally subject to State licensing and may be accredited by the Commission on the Accreditation of Rehabilitation Facilities. They should be recognized as providers under medicare.

Mr. Speaker, I urge speedy enactment of this important legislation.

OVERSIGHT ACTIVITIES—COMMITTEE ON SCIENCE AND TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. TEAGUE. Mr. Speaker, on Thursday, June 12, 1975, I initiated publication of a series of summaries of oversight activities scheduled for the 94th Congress, outlining the plan of the Committee on Science and Technology for discharging its responsibilities under the provisions of rule X of the Rules of the House of Representatives.

This is the sixth in the series on this subject and involves planned activities in areas of aviation and transportation research and development. In general terms, activities included under this category involve legislation and other matters relating to civil aviation research and development—includes NASA and Federal Aviation Administration aviation research and development programs; surface transportation research and development oversight—includes the Department of Transportation, Coast Guard, Federal Highway Administration, National Highway Traffic Safety Administration, Federal Railroad Administration, Urban Mass Transportation Administration research and development programs; and that part of the annual authorization for the National Aeronautics and Space Administration relating to aeronautical research and development.

A summary of scheduled oversight activities in this area follows:

AVIATION AND TRANSPORTATION R. & D. OVERSIGHT PLAN

SUMMARY

Legislation under consideration

NASA Fiscal Year 1976 Authorization (Feb.-June 1975) Aeronautics Part).

Airport and Airway Development Act of 1975 (May-June 1975) (R&D part which deals with most of the FAA's R&D program—rest of legislation being considered by Public Works and Transportation Committee).

Ground Propulsion Bills (July-November 1975) (These bills call for amending the NASA Space Act of 1958 to authorize and direct NASA to conduct research and to develop ground propulsion systems which would serve to reduce the current level of energy consumption).

NASA Fiscal Year 1977 Authorization (Oct-Nov 1975; Feb-June 1976) (Aeronautics part).

FAA Fiscal Year 1977 R&D Authorization (Oct-Nov 1975; Feb-June 1976)

Oversight

AIRCRAFT NOISE ABATEMENT R. & D.—JUNE 1975

The Committee has since 1964 been quite active in aircraft noise R&D. In addition to the annual NASA Authorization Hearings, a series of special oversight reviews has been conducted. The proposed review and hearings would be a continuation of the Committee's past activities. Among the major purposes of the review and hearings are the following:

(1) Review NASA and FAA long-range plans and programs in aircraft noise abatement technology.

(2) Determine how technology results are being used in the FAA's rule-making process.

(3) Determine the status of the REFAN and SAM retrofit programs.

AVIATION SAFETY—JULY-SEPTEMBER 1975

Aviation safety R&D has been highlighted in annual NASA Authorization reviews for a number of years. An oversight hearing—which was intended to be the first of a series—was held in July 1974. The proposed review and hearings would be a continuation of this series. The major purpose will be to:

(1) Review the aviation safety program of NASA and the FAA.

(2) Compare the civil and military accident investigation philosophies and procedures. Determine if changes taking place will result in the most effective and positive effects on safety in the public interest.

(3) Determine if there is a requirement in the civil aviation area for an organization comparable to the DOD Joint Task Group on Aircraft Survivability (which includes a major focus on military aviation safety).

The workload would require some outside personnel to assist Subcommittee staff. This assistance could be in the form of a special consultant or an agency personnel detailed.

REVIEW OF NASA AERONAUTICAL R. & D. OUTLOOK STUDY—JULY-NOVEMBER 1975

NASA began in October 1974 an overall study entitled, "Outlook for Aeronautics: 1980-2000." The purpose of the study is to examine future directions of civil and military aeronautical development in the U.S.—along with an identification of the technical programs which must be pursued by government and industry. The results of the study are intended to influence NASA planning for the period of 1980 and beyond.

Fourteen individuals of NASA, DOT and DOD have been assigned to the study project and have been interviewing individuals in government, industry and universities. A first draft of the report will be ready for congressional review early in July. The final report will be completed in October 1975.

The purpose of the review and hearings are to:

(1) Obtain a summary of the preliminary findings of the study in July.

(2) Obtain a summary of the final report in October.

(3) Use the results of the hearings and review to assess and evaluate NASA's aeronautical R&D program.

Special oversight

OVERVIEW HEARINGS: DOT R. & D. PROGRAMS—14-15 MAY

Two days of hearings are planned to acquaint Subcommittee Members with the Department of Transportation's R&D Programs. The format of the hearings will be as follows: an introductory overview will be given by the Acting Assistant Secretary for Systems and Technology which would be followed by a summary of the R&D programs of each major organization within DOT. Among the major purposes of the hearings are:

(1) Determine the amount and composition of DOT's R&D Programs.

(2) Determine the major objectives for which R&D is being accomplished within DOT.

(3) Determine how R&D dollars are allocated to the various components of DOT.

(4) Determine what are the major trans-

portation problems in which science and technology play an important part.

Joint legislative oversight

REVIEW OF NATIONAL AERONAUTICAL R. & D. FACILITIES AND PROGRAMS—APRIL 1975–OCTOBER 1976

A major proposed effort of the Subcommittee during the next 20 months would be a comprehensive review of the nation's aeronautical R&D facilities and programs. The magnitude of this task would be comparable to the Joint DOT—NASA Civil Aviation Research and Development (CARD) Study which required 18 months, $3½ million for contracts, and 50 man-years of "in-house" government personnel.

Among the major purposes of the review are the following:

(1) Attain a broad perspective of the nation's policies and programs concerning aviation.

(2) Understand the goals and objectives of the nation's aeronautical R&D programs.

(3) Determine the interrelationships between NASA, the FAA, the Department of Defense and industry in conducting aeronautical R&D.

(4) Determine if overall objectives are being pursued in an effective manner.

(5) Determine whether unwarranted duplication exists in agency facilities and programs.

(6) Determine if sufficient attention and resources are being devoted to aeronautical R&D facilities and programs.

Because of the scope and magnitude of the proposed review, the greatest part of the actual investigation and review work would have to be conducted by other than Subcommittee staff members. Subcommittee staff responsibilities would be largely concerned with directing and coordinating the work of others.

In addition to specific tasks and studies required of various agencies (e.g. NASA, DOT, DOD), a General Accounting Office team of 5–6 individuals would be needed for the 20-month period. Additionally, in certain areas special consultants would be required for varying periods (for example, in reviewing the proposed DOD-NASA National Aeronautical R&D Facilities Program which is estimated at several hundreds of millions of dollars). These individuals could be from industry, universities, and government agencies.

As outlined above, the scope of the review is national in character and necessarily involves the Department of Defense. Therefore, the Armed Services Committee would be involved and a joint approach to the review is needed by the Armed Services and Science and Technology Committees—and perhaps Public Works and Transportation.

THE FLAG SPEAKS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. LENT. Mr. Speaker, Scoutmaster Gus Katz of Wantagh, N.Y., has brought to my attention an inspirational poem which I insert in the Record at this point. The poem was written by adult Scout Sagamore Michael D. Chirillo.

I find this poem appropriate to the present, for it deals with that flag, not as a symbol of Government, or nationality, or power, but as a symbol of the spirit of the people who inhabit our Nation, who make up our Government, who are the basis of the power we have built in the last 200 years.

I am pleased to insert the text of this inspirational poem in the Record at this point:

The Flag Speaks Through the Soul of a Scout

(By Sagamore Michael D. Chirillo)

I am the American flag.
My people have put me high upon this pole,
For as they raise their eyes to me,
They see past me into the vastness toward God.

Although I am only a banner of cloth,
I am made of the dreams and blood of my people.
I was carved from the depths of despair,
Wrenched from tyrants' clasp.
For wherever I am raised, my people are.

Look to me all my people,
Then beyond me to God.
Ask Him to grant wisdom,
So freedom, equality and peace will reign wherever I fly.

STATEMENT IN SUPPORT OF ENLARGING THE MEMBERSHIP OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. KASTEN. Mr. Speaker, today I am introducing legislation to give locally elected school board officials a voice on the Advisory Commission on Intergovernmental Relations. The Advisory Commission was established in 1959 by Public Law 85–380, and at present is a 26-member, bipartisan body with representatives from the Federal Government, State government, county and municipal governments, and the public at large. According to the statement of purpose in the original enabling act, the Congress created the Advisory Commission on Intergovernmental Relations:

> Because the complexity of modern life intensifies the need in a Federal form of government for the fullest cooperation and coordination of activities between the levels of government and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

Mr. Speaker, one of the most volatile, controversial, and expensive functions of government is the provision of education for our children. It is volatile and controversial because it is a microcosm of the complex society in which we live, and because it is the governmental function which most directly affects all citizens, either as parents, as students, or as participants in the system—teachers, administrators, et cetera. Education represents a major investment of public resources, particularly at the State and local levels of government. In the current school year, State and local expenditures for public elementary and secondary education are estimated to total more than $55 billion. In fiscal year 1973, 5,992,000 people were employed in the field of education. Furthermore, education operates in an intergovernmental arena in which officials of each level of general government—Federal, State, and local—and of each branch of government—executive, legislative, and judicial—all play a role in shaping educational policies. But the ultimate responsibility for designing, financing, and administering an adequate educational system for our children rests on the shoulders of the locally elected school board members on whose behalf I am introducing this legislation.

In recent years, the Advisory Commission on Intergovernmental Relations has conducted studies and made recommendations that directly affect the operations of the public schools in the United States. These recommendations were made, however, without benefit of the knowledge and advice of those who are most familiar with the intergovernmental problems affecting education: locally elected school board officials.

Let me give you an example of ACIR's activities in the field of education. In January 1972, President Nixon announced that he was calling on ACIR to study and make recommendations for the nationwide reform of school finance. A special emphasis was placed on exploring a local property tax substitute such as a national value-added tax. ACIR had already recommended, in an earlier report published in 1969, that States assume as a long-range goal substantially full financial responsibility for the support of public elementary and secondary education. In the report issued in 1972, in response to President Nixon's directive, ACIR reaffirmed its earlier position, and declared further that intrastate school-finance equalization and property tax relief are State—not Federal—responsibilities. For this reason, ACIR concluded that there is no need to enact a Federal value-added tax to provide revenue for property tax relief and to ameliorate fiscal disparities among school districts within each State. Obviously, these policies would have far-reaching effects on the Nation's educational system, and yet they were recommended with no direct input from the school board officials who are most cognizant of their implications for schools and for the intergovernmental system.

The legislation that I am introducing today would assure that in the future locally elected school officials would have a voice in the deliberations of the Advisory Commission on Intergovernmental Relations as it studies intergovernmental issues that, directly or indirectly, affect elementary and secondary education. At this moment, ACIR is engaged in an ongoing evaluation of the general revenue sharing program. In fiscal year 1972, $1.3 billion of revenue sharing money—21 percent of the total—were spent on education, so obviously school board officials have a large stake in any decisions affecting this program. This legislation would allow locally elected school officials to take their place along with other locally elected officials when these decisions are made.

HISTORIAN, PRIEST, EDUCATOR

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. ERLENBORN. Mr. Speaker, being mere mortals, most of us can handle but one job at a time. A few of us can perform two with success. Those of us who can take on three roles simultaneously and perform well in each belong to a rare species of mankind.

The Reverend Daniel W. Kucera, president of Illinois Benedictine College in my district, showed in a recent speech to his board of trustees that he is among this distinct group. In that address, Father Dan, a priest turned educator and administrator conveyed a historical message I commend to my colleagues:

THE BICENTENNIAL: A NATION IN SEARCH OF MATURITY[1]

As our nation plans its Bicentennial Celebration, we find ourselves in a curious situation. Some celebration is clearly in order. No nation has made such a dramatic start and so rapid a rise to world prominence.

Yet, the desire to celebrate is patently absent. It would have been pleasant to hoist the flag and listen to stirring patriotic rhetoric, glorifying the great American dream. But the edge is off. Somehow we just don't have the heart for it all—and this baffles us. What has become of the good old U.S.A.?

Armed conflicts, world entanglement, yes even defeat, economic recession and political disarray surround us. We are painfully aware and naively shocked that there is a wholesale lack of affection for us around the world. Instead of unbent pride in past accomplishments and a resolute optimism for the future, we are confused and uncertain.

It suddenly dawns on us that our resources are not unlimited and that our vision of the good life is justifiably coveted by other peoples. The technology which propelled us into world prominence (albeit too soon perhaps) may be our very undoing, if left unmatched by a moral commitment and a more somber approach to what really should constitute our national purpose.

STERILE SELF-REFLECTIONS

If we continue to wring our hands and ask what has gone wrong, we will only perpetuate the sterile and self-serving accusations and counter accusations that have been so much a part of these past few years. What often passes for self-reflection and introspection, is indeed nothing more than an exercise in curiosity, abetted by the media, to see where the next scandal will break.

Should we not instead realize that a bicentennial, after all, is nothing much to celebrate. Two hundred years in the sweep of history is a short interlude, representing perhaps a couple of pages in the history books. Our own present condition could well be the signal that as a nation, we have completed our infancy and are now expected to face the confusing and sometimes unreliable world of reality. Instead of recriminations, might we not better spend our time contemplating our beginnings with a realistic view to what lies ahead and what is necessary to make the leap from childhood to adulthood?

THE PROBLEM OF GOVERNMENT

If we seek to classify the recent major concerns in our country, they seem to fall into two categories: government and technology. How are we to govern ourselves effectively and wisely, and how are we to become careful stewards of the great technological advancements of the past century?

If the bicentennial does nothing else, it ought to take us back to our history books to see what our founding fathers envisioned for our country. There is an abysmal ignorance of what our government is all about. One hears the high-sounding word "democracy' used with great frequency. When was the last time someone referred to our form of government for what it really is—a republic? And there is a significant difference between democracy and republic.

As a recent writer noted, "In a democracy, the will of the people is supreme. In a republic, it is not the will of the people but the rational consensus of the people—a rational consensus which is implicit in the term "consent"—which governs the people. That is to say, in a democracy, popular passion may rule—though it need not—but in a republic, popular passion is regarded as unfit to rule, and precautions are taken to see that it is subdued rather than sovereign. In a democracy all politicians are, to some degree, demagogues—they endeavor to ingratiate themselves with the electorate in every possible way. In a republic, there are not supposed to be such politicians, only statesmen—sober, unglamorous, thoughtful men who are engaged in a kind of perpetual conversation with the citizenry."[2]

How well these words fit our present condition. Are we not tinkering with what we think is democracy to the consequent neglect of our republican form of government? Under present conditions, our public officials need not any longer (although they claim to) "agonize" over decisions and vote their conscience. They have only to keep a sharp eye on the TV screen for the latest polls which through "random sampling" reflect the mood of the populace, and then piously fulfill the popular mandate accordingly.

A re-reading of our Constitution and the Federalist papers of Madison, Hamilton and Jay which expand the underlying concepts soon show how far down the road we have come from the incisive intent of the Founding Fathers to establish a workable Republic to safeguard the liberty of all citizens. It is a curious fact that the hallowed separation of powers in the federal government is now bent and distorted. The executive branch prepares legislative programs; Congress spends much of its time investigating; and some judicial decisions of late come dangerously close to expanded legislation. No wonder there is confusion, waste of motion and a serious lack of respect for governmental processes.

TECHNOLOGY: SERVANT OR MASTER?

As for our second problem, that of technology, one cannot fault the progress that has been made. We have done wonders scientifically and have produced a comfortable way of life which has now been exported to other parts of the world. In the process, however, (perhaps because of our youth) we have failed to keep pace with that scientific progress as far as our basic understanding of responsibility for its use. More than this, technology has been a convenient way of keeping busy, so that we have had precious little time to dig beneath the surface of our existence. In this regard, American education has been a notable failure in influencing the thought of the country. As a matter of fact, one looks with sadness on recent developments at the federal level in our so-called bureaucracy.

Perhaps unknown or unheeded by the vast majority of people and tolerated by educators who should know better, the federal government has reclassified the division of higher education in the United States Office of Education and gave it a new name—Post Secondary Education. A change of name may be of small import but then again it may be symptomatic of an underlying trend. What a sterile term this phrase "post-secondary education." It implies nothing more than additional years beyond the high school; it lacks any intuitive implication that subsequent years ought to be filled with intellectual development, moral and spiritual values and cultural nuances. Apparently, it is sufficient to provide the opportunity for everyone to be technically competent so as to perform a useful pragmatic service and earn a living. No matter that that same technician is also a citizen who must judge the competency of public officials as he confronts the ballot-box.

COMING OF AGE IN AMERICA

And so the two problems of how to govern and how to cope with technology really fuse into one. We have work to do; the situation is far from hopeless and perhaps much of what has happened recently has been the normal development of a young country and our over-reaction an understandable one. If we continue to look back we will stumble over and miss the next opportunity. The very confusion which engulfs us has the seed of many solutions if we are resolute enough and mature enough to seek them.

In the process, there will be need for some self discipline, candor and perhaps even change of direction. But this is common in all our own adult lives and should not be so bewildering to us collectively as an emerging adult nation. As Paul of Tarsus reminds us: "When I was a child, I used to talk like a child, and think like a child, and argue like a child, but now I am a man, all childish ways are put behind me."[3] So be it also for the United States of America. It is time to put aside our gadgets and go to work. May we grow in wisdom and understanding and demonstrate the courage to face ourselves that is inherently our legacy from the Founding Fathers of this great nation.

FOOTNOTES

[1] Address delivered at the 13th Annual Trustees' Dinner, May 10, 1975, at the Drake Oakbrook, by the Rev. Daniel W. Kucera, O.S.B., President of Illinois Benedictine College.

[2] Irving Kristol, "The American Revolution as a Successful Revolution," *The American Revolution: Three Views*, American Brands, Inc., New York, 1975, p. 50. (The Declaration of Independence speaks of governments deriving their just powers from the consent of the governed.)

[3] 1 Cor. 13: 11–13.

NATIONAL AWARENESS WEEK—JUNE 30–JULY 6

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. HALL. Mr. Speaker, the Easter Seal Society in the Fox Valley of Illinois and its executive director, Mr. Richard N. Merz, have brought to my attention that the week of June 30 has been designated as "National Awareness Week" by the National Easter Seal Society for Crippled Children and Adults and the National Paraplegia Foundation.

Estimates are that 1 out of every 10 Americans is handicapped. The purpose of Awareness Week is to help develop a deep commitment to guarantee that this segment of the population will receive equal access to employment, transportation, housing and recreation.

Recently, the Education of the Handicapped bill was favorably reported by the

Education and Labor Committee. As a cosponsor, I believe we are making a good effort in assuring that education is available to all youngsters. We realize that handicapped children have the same right to an education as any youngsters.

Mr. Speaker, I urge my colleagues to call upon their constituents during the July 4th recess to take cognizance of the unmet needs of our handicapped citizens and work to bring down the physical and mental barriers preventing many from leading a normal life.

FLAG DAY MESSAGE BY HON. HARRY MOYER, MAYOR OF LIMA, OHIO

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. GUYER. Mr. Speaker, the Honorable Harry Moyer, mayor of Lima, Ohio recently delivered the following speech in Lima on the occasion of the Lima Elks Flag Day:

FLAG DAY MESSAGE

The Stars and Stripes Flag of the United States of America! The worldwide hope of all peoples who, under God, would be free to live and do his will.

Upon its folds is written the story of America—the epic of the mightiest and noblest nation in all history.

In the days when peoples of the old world groveled in abject homage to the heresy of "The divine right of Kings" a new constellation appeared in the western skies, The Stars and Stripes, symbolizing the divine right of all men to life, liberty, happiness and peace under endowment by their creator.

To what man is given words adequate to tell the story of the building of this nation. That immortal story is written in blood and sweat, in heroic deeds and unremitting toil, in clearing of primeval forests and in burgeoning of vast wastes of prairies where once the wild coyote and buffalo roamed and the red man claimed his solitary reign. Onward swept this empire of the western world, spanning wide rivers heedless of its onward march, leaping vast mountain ranges, leaving in its path villages and farms, factories and mines, 'til at last this giant nation stood astride the continent of the west, from Atlantic to Pacific, grasping in either hand horizons of the rising and the setting sun.

This is the heritage of the people of these United States. It has been repurchased by each succeeding generation and must be rewon by each succeeding generation until the end of time, lest it too shall pass like the Medes and the Persians, and the ancient empires of Greece and of Rome.

No longer are the oceans, to our east and to our west, moats that securely guard our castle walls. Distance in space and in time is now effaced. East is west, and their intercommunication is instant. Rich argosies of the air now traverse oceans and uncharted skies and fleets of air artillery taking wings in the morning may, with swift and stealthy flight, by night rain death and destruction upon unsuspecting people thousands of miles away.

"The price of liberty is eternal vigilance." What was won at Lexington and Concord and Bunker Hill had to be repurchased at Ticonderoga and Yorktown.

What John Paul Jones achieved upon the high seas in the War of Independence had to be repurchased by Commodore Perry on Lake Erie in the War of 1812.

The prestige of Admiral Dewey's victory at Manila Bay in 1898 was rewon by the naval battles in the seas about the far distant archipelagoes and atolls of the Pacific, after the perfidious sneak attacks upon Pearl Harbor and Manila in 1941 had summoned our country to assume its role in World War II.

What our troops achieved under the Stars and Stripes at Chateau-Thierry and Flanders in World War I, their sons were required to repurchase in World War II in the bloody trek across Northern Africa, on the beachheads of Europe and in the Battle of the Bulge.

The flag our American boys raised at Iwo Jima was the same flag later raised in defense of far-off Korea.

This is indeed "one world" of many nations. Man's inventive genius has brought them closer together, but only in time and distance. Nearness is not oneness. Common ideals and principles alone can unite them.

The Stars and Stripes is the symbol of true world unity. "In God We Trust" is its motto.

The modern world in the vanity of its scientific and technological achievements may forget God; and when me forget their creator their own creations will be turned upon them. The atom and hydrogen bombs, the creations of modern science, encase the potential holocaust of nations.

Only love, true love of our fellowmen, can contain these world-destroying implements. The emblem and token of that love is the Stars and Stripes, symbol of the American way of life; obedience under law.

"Our Father's God, to thee,
Author of liberty,
To thee we sing.
Long may our land be bright
With freedom's holy light.
Protect us by thy might
Great God, our king."

COLGATE DARDEN ON DIALOG ON CHOICE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SIMON. Mr. Speaker, Colgate W. Darden, Jr., a former Member has recognized the merit of our discussing long-range choices and has contributed the following:

I believe our most serious difficulty arises out of what appears to be an inability on the part of the Congress to control Federal spending. In the past the levying of taxes sufficient to cover expenditures has operated as a check of sorts. In recent years we have come to rely upon printed money to bridge the gap. The result is that a Member of Congress has little chance of retaining his place unless he is willing to advocate increasing grants to one organized group or another. Spending without taxation has an ephemeral effectiveness. Pressure groups are dealt with while those who in the end must pay the bill are lulled into a false sense of prosperity until it is too late to combat the disease, or almost too late to cope with it. This is our present situation. Lack of proper attention to our financial affairs has brought on the major part of our present trouble.

I believe a Federal constitutional amendment, similar to that found in many of our State constitutions requiring expenditures to be covered by taxes, would prove useful to all concerned, the President, the Congress, and the people.

HIGHER EDUCATION RECONSTRUCTION FINANCE CORPORATION WOULD STABILIZE COLLEGE TUITIONS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. PEYSER. Mr. Speaker, many of our best institutions of higher education are currently struggling to maintain financial stability. Operating costs have climbed steadily over the last several years due to inflation. This has led to the closing or merger of 65 independent colleges between 1970 and 1974 and a doubling of tuition at private universities during the last 10 years.

While most of the schools which closed or merged during the last 5 years were small, usually developing, institutions, many of our most prestigious private universities—including Colgate, where I am a trustee, and Antioch, for example—are seriously threatened by the same situation. Most colleges and universities have been forced to increase tuitions and other fees. This has led to declines in enrollment and an excessive burden on middle-income students who are ineligible for student aid, and who cannot absorb the inflationary rise in college costs.

In response to this situation, I have introduced a bill—H.R. 7641—to help stabilize tuitions. The bill, known as the Higher Education Reconstruction Finance Corporation Act, would establish a private corporation, sponsored by the United States, to provide emergency financing assistance, in the form of low-interest loans, to institutions of higher education.

The loans would be fully secured by collateral pledged by the institution. I have every confidence that universities, which have recently been paying exorbitant interest on loans, will be able to fully repay these loans and consequently hold tuition down.

To be eligible for the loans, institutions would agree not to increase tuition or any other costs of instruction during the year in which the loan is made. Exceptions would be allowed in certain cases where loan requests exceeded the amount of loans received by the college.

Higher education is at a crossroads. In my own State of New York, the cost of a 4-year education at the State university at Albany is currently about $12,000. At current rates of inflation, it could cost about $25,000 in 10 years. At a private university in New York, the cost could top $50,000 in that time.

It is essential for the health of our educational system that our colleges and universities are not permitted either to decline in quality or to maintain a fragile financial stability by pricing all but the wealthiest students out of the particular benefits of higher education provided by our private colleges and universities. My bill provides an alternative to these undesirable, but very possible, outcomes. I hope it will receive widespread support.

A copy of the bill follows:

H.R. 7641

A bill to establish a Higher Education Reconstruction Finance Corporation, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Reconstruction Finance Corporation Act".

TITLE I—GENERAL PROVISIONS

STATEMENT OF PURPOSES

SEC. 101. It is the purpose of this Act (1) to establish a private corporation, sponsored by the United States, to provide emergency financing assistance to institutions of higher education in order to insure that all students have an opportunity to obtain a higher education at a reasonable cost.

DEFINITIONS

SEC. 102. For purposes of this Act—

(1) the term "academic year" has the meaning given it by rule prescribed by the Commissioner;

(2) the term "Board" means the Board of Directors of the Corporation, established by section 203(a);

(3) the term "chairman" means the chairman of the Board;

(4) the term "Commissioner" means the Commissioner of Education;

(5) the term "Corporation" means the Higher Education Reconstruction Finance Corporation established by section 201(a);

(6) the term "costs of education" has the meaning given it under criteria established by the Corporation;

(7) the term "extraordinary capital improvement" has the meaning given it under criteria established by the Board;

(8) the term "institution of higher education" has the meaning given it by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(9) the term "Secretary" means the Secretary of Health, Education, and Welfare; and

(10) the term "State" means the several States, the District of Columbia, Guam, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

TITLE II—HIGHER EDUCATION RECONSTRUCTION FINANCE CORPORATION

ESTABLISHMENT OF CORPORATION

SEC. 201. (a) There is established a corporation to be known as the Higher Education Reconstruction Finance Corporation.

(b) The Corporation shall maintain its principal office in the District of Columbia, and shall be considered to be a resident of the District of Columbia, for purposes of venue in any civil action. The Corporation may establish offices in such other places as it considers necessary or appropriate for the conduct of the business of the Corporation.

LOAN PROGRAM

SEC. 202. (a) (1) The Corporation may make loans to any institution of higher education. Any such loan shall be made in accordance with such terms and conditions as the Corporation considers necessary or appropriate to carry out the provisions of this Act.

(2) Any loan made under paragraph (1) shall be secured in a manner which the Corporation considers appropriate.

(3) The Corporation may, in accordance with rules and conditions which it prescribes, retain, or provide for the administration or liquidation of, any collateral accepted by the Corporation for any loan made under paragraph (1).

(4) Any loan made under paragraph (1) may be made by the Corporation directly upon promissory notes, through the discount or rediscount of obligations tendered with respect to such loan, or otherwise, in such form, in such amount, and at such discount rates, as the Corporation may approve.

(b) The aggregate amount of loans made under subsection (a)(1) to a particular institution of higher education shall not exceed 1 per centum of the total amounts of moneys available to the Corporation for the making of loans.

(c)(1) Except as provided by paragraph (2), any loan made under subsection (a)(1) shall be for a period not exceeding three years.

(2) The Corporation may extend the period within which repayment of any loan made under subsection (a)(1) shall be made, except that such extension shall not be for more than a five-year period after the date upon which such loan was made. Any such extension may be made by renewal, the substitution of new obligations, or otherwise.

(d)(1) No loan may be made by the Corporation for the purpose of initiating any program or activity which was not initiated before the date of the enactment of this Act.

(2) No loan may be made by the Corporation for the purpose of financing any extraordinary capital improvement, unless such loan is approved by the Board.

(e)(1) Except as provided by paragraph (2), any institution of higher education which seeks to receive a loan under subsection (a)(1) shall agree not to increase—

(A) the rate of tuition per credit hour at such institution; and

(B) any other costs of education to students at such institution;

during the academic year which begins during the calendar year in which such loan is made.

(2)(A) The Corporation may permit an increase in such rate of tuition or in such other costs based upon (i) the difference between the amount of the loan requested and the amount of the loan received by the institution of higher education involved; and (ii) the financial status of such institution, as determined by the Corporation.

(B) Paragraph (1) shall not apply with respect to any increase in the cost of any item if the Board determines that it would not be reasonable to take such item into account in establishing the rate of tuition or other costs of education to students during the academic year.

MANAGEMENT OF CORPORATION

SEC. 203. (a) There is established a Board of Directors which shall manage the Corporation. The Board shall consist of twenty-one members as follows:

(1) the Secretary;

(2) the Secretary of the Treasury;

(3) the Governor of the Federal Reserve Board;

(4) six appointed by the President from among representatives of banks or other financial institutions;

(5) six appointed by the President from among representatives of institutions of higher education; and

(6) six appointed by the President from among representatives of the general public.

(b) No more than nine of the members appointed under subsection (a)(4), subsection (a)(5), and subsection (a)(6) may be affiliated with the same political party.

(c) The President shall designate the Chairman of the Board.

(d) Any vacancy in the Board shall be filled in the same manner in which the original appointment is made. The members of the Board shall appoint a person to serve as an interim member of the Board until any such vacancy is filled.

FUNCTIONS OF BOARD

SEC. 204. (a) The Board shall meet at the call of the Chairman, except that the Board shall meet at least two times during each calendar year.

(b) It shall be the duty of the Board to determine the policies governing the management of the Corporation.

(c) The Chairman shall, with the approval of the Board, appoint and fix the compensation of such executive officers as he considers necessary to carry out the provisions of this Act. Such executive officers shall be appointed pursuant to the bylaws of the Corporation and they shall have such functions, powers, and duties as are established by such bylaws.

POWERS OF CORPORATION

SEC. 205. The Corporation shall have the power to—

(1) sue, be sued, complain in civil actions, and defend in civil actions, in the name of the Corporation and through attorneys for the Corporation;

(2) adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) adopt, amend, and repeal, acting through the Board, such bylaws, rules, and regulations as may be necessary to conduct the business of the Corporation;

(4) conduct its business, carry on its operations, appoint officers, and exercise its powers under this section, in any State, notwithstanding any qualification law or any other similar law in such State;

(5) lease, purchase, or otherwise acquire, and own, hold, improve, or otherwise use, any real estate, real property, or other property, or any interest in any such property;

(6) accept gifts or donations of services or property to assist in carrying out the functions of the Corporation under this Act;

(7) sell, convey, mortgage, pledge, lease, exchange, or otherwise dispose of the property or assets of the Corporation;

(8) appoint such officers, attorneys, employees, and agents, as may be necessary to carry out the functions of the Corporation, and to determine their qualifications, establish their duties, and fix their salaries; and

(9) enter into contracts, execute instruments, incur liabilities, and take such other actions as may be necessary to carry out the functions of the Corporation under this Act.

EXEMPTION FROM TAXATION

SEC. 206. (a) Except as provided by subsection (b), the Corporation, including all its property and assets, shall be exempt from any taxation imposed under any law of a State or local government in effect on the date of the enactment of this Act or hereafter enacted.

(b) The real property of the Corporation shall be subject to taxation under any law of a State or local government in the same manner as other real property similarly situated.

AUDITS

SEC. 207. (a) The accounts of the Corporation shall be audited for each fiscal year, beginning with the first complete fiscal year beginning after the date of the enactment of this Act.

(b) Any audit conducted under subsection (a) shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants or by independent licensed public accountants, licensed on or before December 31, 1975, who are certified or licensed by a regulatory authority of a State, except that independent public accountants licensed to practice by such regulatory authority after December 31, 1975, and persons who, although not so certified or licensed, meet, in the opinion of the Commissioner, standards of education and experience representative of the highest standards prescribed by the licensing authorities of the State which provide for the continuing licensing of public accountants and which are prescribed by the Commissioner in appropriate rules, may perform such audits until December 31, 1980.

(c) Any audit conducted under subsection (a) shall be conducted at any place where the accounts of the Corporation are kept. The representatives of the Commissioner shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary for purposes of the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians.

(d) A report of each audit conducted under subsection (a) shall be made by the Secretary of the Treasury to the President and to the Congress no later than six months after the close of the fiscal year involved. Each such report shall set forth the scope of the audit and shall include (1) a statement (showing intercorporate relations) of assets and liabilities, capital, and any surplus or deficit; (2) a statement of surplus or deficit analysis; (3) a statement of income and expense; (4) a statement of sources and application of funds; and (5) such comments and information as may be considered necessary to keep the President and the Congress informed of the operations and financial condition of the Corporation, together with such recommendations with respect to such operations and condition as the Secretary of the Treasury may consider advisable, including a report of any impairment of capital or lack of sufficient capital noted in the audit.

(e) A copy of each report made under subsection (d) shall be furnished by the Secretary of the Treasury to the Commissioner and to the Corporation.

DEPOSIT OF FUNDS

SEC. 208. (a) All moneys of the Corporation not otherwise in use may be (1) deposited with the Treasurer of the United States, subject to check by the Corporation or by any Federal Reserve bank of the United States; or (2) used in the purchase, for redemption and retirement, of any notes, debentures, bonds, or other obligations issued by the Corporation. The Corporation may reimburse any such Federal Reserve bank for the services of such bank, in accordance with rules and procedures agreed upon by the Corporation and such bank.

(b) The Federal Reserve banks of the United States shall act as depositories, fiscal agents, and custodians, for the Corporation to assist the Corporation in carrying out its functions under this Act.

ISSUANCE OF OBLIGATIONS

SEC. 209. (a) All obligations of the Corporation shall be lawful investments, and may be accepted as security for any fiduciary fund, trust fund, or public fund, the investment or deposit of which shall be under the authority or control of the United States.

(b) In order to furnish obligations for delivery by the Corporation, the Secretary of the Treasury may prepare such obligations in such form as the Board may approve. Any obligations so prepared shall be held in the Treasury subject to delivery upon order by the Corporation. The engraved plates, dies, bed pieces, and similar materials, executed in connection with such obligations shall remain in the custody of such Secretary. The Corporation shall reimburse such Secretary for any expenditures made in the preparation, custody, and delivery of such obligations.

REPORT

SEC. 210. The Corporation shall, as soon as practicable after the close of each fiscal year, transmit to the President and to the Congress a report of its operations and activities during the fiscal year involved.

AUTHORIZATION OF APPROPRIATIONS

SEC. 211. (a) There is authorized to be appropriated to the Secretary such sums as may be necessary for the making of advances to assist in the establishment of and the making of loans by the Corporation.

GOVERNMENT STRUCTURE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SIMON. Mr. Speaker, a distinguished former Member, Neil Staebler, has made some practical suggestions for our dialog on Government structure, and I am pleased to present his suggestions:

First. Any big institution develops built-in inefficiencies. This is well recognized in government and there are numerous devices designed to deal with the problem: The Committees of Congress in their budget and oversight responsibility, GAO, OMB, are very useful. But they all tend to get institutionalized, themselves. What may be desirable is a periodic and temporary resort to a new, supplementary device. Two such movements are currently visible within industry, either of which might be worth considering: (a) the movement pioneered by Likert, in which employees in a given small section analyze their work methods in the light of their objectives and volunteer suggestions for reorganizing their efforts; (b) the somewhat similar movement of systems analysis which has more of a top-down emphasis. There is a somewhat related movement which might be tried as an alternative to either of the above, pioneered by National Training Laboratories and concentrating on the effectiveness of interpersonal relationships up and down an organizational hierarchy.

There is enough evidence in the record of these various movements to indicate that employees can offer great insight into the manner of conducting departmental operations and can make suggestions which can greatly promote economy, efficiency, and the quality of service government renders to the public.

Second. Congress serves an ombudsman function for government, but it does not do it very systematically. Hundreds of complaints and suggestions pour into Congressional offices and many of them are acted upon by the recipient office. Why no go further? Why not set up an informal committee of Congressional Aides who will meet, at first experimentally, to analyze the complaints and suggestions they are receiving. These might then be collected on a broader scale and reported to the appropriate oversight committee.

Third. In connection with suggestion No. 2, it would appear desirable to take a particular look at the tone of governmental relations with citizens. Most letters sent to citizens by government departments are form letters or include paragraphs taken from a form book; in any case they are the product of the department's legal division. Many of them are excessively overbearing in making the points to the citizen inquirer. The Committee of Congressional Aides might give thought to this aspect of government relations with citizens, along with their attention to more substantive matters.

HOUSE SMALL BUSINESS SUBCOMMITTEE TO INVESTIGATE SHORTAGE OF HOME CANNING EQUIPMENT

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. CARNEY. Mr. Speaker, on Tuesday and Wednesday, June 24 and 25, the Commodities and Services Subcommittee of the House Committee on Small Business will hold hearings on the shortage of home canning equipment. During the past 2 years, there has been a nationwide shortage of home canning equipment. Many small businessmen have been unable to obtain an adequate supply of this equipment, especially replacement caps and lids, to meet their customers' demands. Likewise, many consumers have written to their elected U.S. Representatives expressing anger and frustration over the unavailability of canning jars and lids to preserve their garden-grown fruits and vegetables. The purpose of these hearings is to investigate the causes of this shortage, as well as the steps which are being taken to alleviate it.

Mr. Speaker, I am inserting in the RECORD several newspaper articles concerning the shortage of home canning supplies together with a letter I have recently received from the Federal Trade Commission relative to its efforts to monitor this shortage, for the information of my colleagues:

[From the Youngstown Vindicator, June 10, 1975]

UNION SEEKS ANSWERS—WOULD PROBE SHORTAGE OF LIDS FOR CANNING

Editor of The Vindicator, Sir:

With the current economic and energy crisis in our country today, the consumer and his family is forced to seek many ways to save money, cut household expenses and a way to feed his family cheaply while still maintaining a well balanced diet.

One method of combating the food expense issue is through the method of canning. The items to be canned are normally self-grown through gardens, farms and other outlets, not involving wholesale and retail grocery agencies.

In attempting to obtain the basic items needed to perform this canning function many consumers have discovered a great shortage of "lids." This shortage seems to be a very well controlled shortage (statewide) as was the gasoline, sugar and oil shortage experienced during the alleged crisis periods of the past.

Through complaint channels in our local union, consumer protection committee, an investigation was made in Mahoning, Columbiana and Trumbull County grocery stores, then to wholesale grocery outlets and finally to the manufacturers of the lids themselves.

The answers were shocking: a lack of steel was one, no machines were available to make the lids was another, and finally, that the consumers had brought them all up and the production standards were based on sales in prior years.

To purchase "lids" separately, is a near impossibility, but if you wish to buy the jar also, a lid will be affixed (for a slight charge). One grocery outlet in Trumbull County, hid what lids were available beneath the counters, to sell to preferred customers only, and then only if they were friends of the owner.

This situation, through the channels within the framework of our union and our committee, is being passed on to our representatives, state and federal, via letters and phone calls. More help is needed—we appeal to your right as an American consumer, "to can some corn" in your own kitchen, to write letters to your state and federal representatives regarding this situation.

The question of the availability of a "lid" to cover a jar versus a barrel of oil or a pound of sugar leaves many questions unanswered. The silent majority must again speak, even if it be for the lowly jar "lid."

AL GIFFORD,
Chairman, Consumer Complaint Committee, UAW Local 1112, Warren.

[From the New York Times, Nov. 4, 1973]

THE DISAPPEARING JARS

(By Nathaniel C. Nash)

Add one more shortage to the lengthening list: mason jars for home canning. Blame the fine summer weather, industrious home gardeners, soaring food prices and Government environmental requirements.

The key to the jar shortage is found in the shortage of soda ash, an essential raw material in glass making. The Environmental Protection Agency shut down a number of soda ash plants because of pollution. At the same time, the detergent industry was seeking increased soda ash to replace the phosphates prohibited by the Government agency.

This situation caused a glass shortage just as the demand by home canners was swelling 25 percent this year to a record 176 million mason jars. For the last two months jars have been in extremely short supply in hardware stores and supermarket chains around the country.

Harvey A. Shand, who operates a small general store in Patchogue, L.I., said, "I sold twice the number of jars as last year, and my stock has been depleted for three weeks."

Frank Tucker, vice president of the Pathmark division of the Supermarkets General Corporation, said, "Sales increased so tremendously that we could have sold four times as many as we did."

The number of companies making mason jars has dwindled to two: the Ball Corporation of Muncie, Ind., and the Kerr Glass Manufacturing Corporation of Los Angeles. They split the market about 50-50, with Ball stronger in the East and Kerr stronger in the West.

The mason jar, promoted in 1914 by the founder of Kerr Glass, Alexander H. Kerr, technically is any jar with a threaded neck and a screw-on top, as opposed to the more modern jar with a twist-on top. But the term "mason jar" is associated mostly with jars for home canning.

The Ball brothers in Muncie introduced glass dome lids, secured by wire clamps, but later switched to the two-piece metal cap widely used today.

[From the Wall Street Journal, Aug. 16, 1974]

NATION'S GARDENERS LIKELY TO BE JARRED BY LATEST SHORTAGE—DEMAND FOR PRESERVING JARS OUTSTRIPS SUPPLY; AGENCY SEES A WORSENING PROBLEM

WASHINGTON.—Many gardeners are slowly being jarred into the realization that yet another shortage exists—the jar shortage.

At the White House, Virginia Knauer's consumer-affairs office has been besieged by letters from housewives in Ohio, Kentucky, Georgia and California complaining they can't find preserving jars in their local stores.

The problem appears to be that demand is far outstripping supply.

Mrs. Knauer met yesterday with representatives of Kerr Glass Manufacturing Corp., Los Angeles, and Ball Corp., Muncie, Ind., the nation's top manufacturers of preserving jars, as well as with a representative of Bernardin Bottle Co., Evansville, Ind., a jar-lid maker. A spokesman said the representatives told Mrs. Knauer their factories are running six days a week, three work-turns a day, trying to keep up with the skyrocketing demand.

According to the jar makers, there are 6.5 million more gardeners this year, and demand is up 170%. The increase apparently is due to inflation-weary people having turned to growing some of their own food.

FEDERAL TRADE COMMISSION,
Washington, D.C., June 17, 1975.

Hon. CHARLES J. CARNEY,
Longworth Building,
Washington, D.C.

DEAR CONGRESSMAN CARNEY: This letter is in response to a June 9, 1975, phone call from Mr. Tony DiStefano of your staff. Mr. DiStefano inquired as to the current shortage of home canning supplies and we have agreed to inform you as to the results of our monitoring of this shortage to date. Mr. DeStefano seemed interested especially in what he termed a "tying" of the purchase of lids to the purchase of jars, and this matter will receive specific comment below.

The canning equipment shortage is nationwide and in some areas the lid shortage is at least a year old. During the 1974 season canning equipment manufacturers were experiencing severe shortages of raw materials, most notably soda ash, tin plate and natural rubber. Our reports show increased demand internationally for tin plate and domestically for soda ash. Further, two major synthetic soda ash plants had to be closed due to environmental restrictions.

In 1974 the raw materials shortages and production undercapacity were compounded by an unprecedented and unanticipated consumer demand. Inflation was largely responsible for a reported six million new home gardens in 1974; another six million is forecast for 1975. A historical perspective may help put the present shortage into a more meaningful context. Before inflation encouraged many families to grow their own produce for current and future consumption, the canning equipment industry appears to have been in sharp decline. One indication of this decline is the decrease in quantity of lids shipped from 14 million gross in 1955 to 8 million in 1973. Also, shipments for 1973 were 30.4 percent below those of 1972. Still another indication is presented by the report of the Glass Container Manufacturers Institute, *Glass Containers 1973/1974*, which shows that the number of lids shipped per hundred wide-mouth jars shipped went from 27.5 in 1960 to 13.47 in 1973. Suddenly in 1974 the declining canning equipment industry was confronted with a precipitously increased demand. This combination of a declining industry and unanticipated demand increase seems, on the basis of our present analyses, to account for the severe shortage of canning equipment for the 1974 season.

In addition, national inflationary pressures and energy problems acted to intensify the severity of the shortage. Our information shows that commercial food preserving companies simultaneously were experiencing shortages of metal and plastic containers which they customarily used and therefore the prices of those packaging forms increased. Both as a means of economizing and as a means of insuring an adequate container supply, commercial producers began to substitute relatively less expensive and more readily available glass containers. Thus, the already significant inadequacy of the container supply for home canning purposes was compounded by the diversion of these goods and their raw materials to the competing commercial food production sector.

Our monitoring of the canning supply market indicates that the outlook for availability of canning supplies during 1975 has improved substantially. The raw materials supply situation for the 1975 season may be alleviated somewhat due to efforts that we understand have been made by Mrs. Virginia Knauer's Office of Consumer Affairs to persuade raw materials suppliers to direct a greater part of their materials to canning equipment manufacturers. The manufacturers current report no materials shortage but do appear to be experiencing insufficient productive capacity due to the fact that they were unable to plan for major expansion. We understand that the capacity that is operating is being used to its fullest extent—24 hours a day, seven days a week, when conditions permit. Additionally, because of a softening in the plastics market, diversion of glass jars to commercial food processors may decrease as these firms again begin to employ plastic containers. The present weakening of the plastics market was reported in a December 26, 1974 *Wall Street Journal* article by Jeffrey Tannenbaum.

Data collected by the Office of Consumer Affairs gives further reason to expect that the supply situation is improving. This data indicates that the three major manufacturers of home canning supplies, Ball, Kerr, and Bernardin (which produces only lids and caps) have increased production by an overall of about thirty percent from last year's record production and that two new major entries into the market have been made by Anchor-Hocking and Owens-Illinois. Also, several smaller firms have entered the market. Therefore, it is anticipated that the total supply situation will have eased somewhat. Our monitoring suggests that manufacturers' planned production of the complete jar-lid assembly is for over four hundred million units but that projected demand for these assemblies is for only three million units.

Our forecasts for the supply of separate replacement lids are less optimistic but, at this stage, necessarily uncertain. Production of 1.6 billion lids is estimated for the 1975 season and demand forecasts range from .95 billion to 2.85 billion. Some manufacturers reportedly are concentrating more heavily on cap and lid production than on jars this year because the present demand is greater for the replaceable lids. Specifically, Ball, Kerr, and Bernardin report greatly increased lid production and an allocation to customers to assure fair national distribution. A Ball spokesman stated that current allocations are of a minimum quantity which can be guaranteed but that it is hoped additional supplies will become available from future production. The company reports doubled shipments of lids to southern areas during the first quarter of 1975 compared with 1974, and estimates that it makes available approximately 4½ times as many replacement lids as complete jar-lid units. Availability of replacement lids reportedly is nearly nine times that of the reusable screw bands. Bernardin reports having increased lid production facilities over 100%, and has entered into a venture with another manufacturer to offer complete canning units. A Kerr spokesman stated that the company produced complete jar-lid units before going into production of replacement lids in order to avoid employee layoffs but that it estimates an availability of 7 to 10 replacement lids for every complete unit. Additionally, the company has scheduled a new production facility for lids only to begin operation in or shortly after mid-May, 1975. The standard practice in the industry has been to ship first to the southern states with earliest canning seasons and then to follow the canning season around the nation. A Kerr representative did mention, however, that public pressure has forced the firm to abandon this logical practice to some extent.

I regard to Mr. DiStefano's concern that vendors of canning supplies possibly may be requiring customers to purchase jars as a condition of purchasing lids, this agency also has received numerous reports as to the unavailability of replacement lids independent of the jars themselves. Normally the sale of lids and jars together would not be interpreted as constituting any kind of antitrust violation because under the federal antitrust laws, the sale of an item consisting of two or more components usually is not illegal. The only circumstances under which antitrust consequences might arise would be if there were a significant foreclosure of potential suppliers of one or the other components as separate items of commerce. Since this situation does not appear to be presented in the current canning industry marketing practices, we do not believe that the federal antitrust laws can be relied upon to alleviate the problem. These laws generally acknowledge a vendor's right independently to make basic merchandising decisions such as those pertaining to product marketing and distribution. As long as a canning supply vendor autonomously determined that he did not have enough lids to market them as separate items, or decided on the basis of some other business related judgment to sell only complete units, his action would be encompassed within this basic right.

This office also has received reports in regard to market distortions and alleged illegal practices. Such complaints have included suggestions that distribution outlets at various levels may be withholding lids for the purpose of selling them at inflated prices when demand is greatest. Additionally, the charge frequently has been made that commercial canning firms and home canning equipment manufacturers have been agreeing to market home canning supplies in such a manner that the commercial canned good market will be expanded and receive enhanced profits which will be shared by these two industries. However, our current monitoring indicates that inventories of home canning supplies have been at record lows since the 1974 canning season and that factual substantiation is lacking for allegations regarding commercial-home canning industry collusion, for other charges of antitrust violations, and for reports of so-called black market activities.

The information collected by this agency, as summarized herein, indicates that the current shortage of canning lids is the predictable result of temporary and unanticipated economic phenomena and not related to antitrust violations which would warrant a major investigative and enforcement effort. Accordingly, there is no present plan to publish a formal study, but of course, our monitoring of the canning supply market and lid situation is continuing, and we would be most interested in receiving from you any information coming to your attention that would indicate a restraint of trade, exercise of monopoly power, or other antitrust problem.

Please be assured of our continuing concern for the problems currently presented to both consumers and businessmen by the canning supply market. Your efforts in having your staff contact the Federal Trade Commission concerning these problems are very much appreciated. We always are available to answer any further questions you may have.

Very truly yours,

James T. Halverson,
Director, Bureau of Competition.

CONYERS URGES GRAND JURY REFORM

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. CONYERS. Mr. Speaker, on February 6 of this year I introduced the Grand Jury Reform Act of 1975. I am convinced this legislation will help restore the grand jury to its original purposes: as a guardian of the rights of citizens against unwarranted prosecution by the State; as an instrument of citizen vigilance toward abuses of power and corruption in high places; and as a group of peers independently ferreting out violations of the law that threaten their community.

The grand jury has functioned at times as an instrument of justice and at other times as an agent of oppression. As is the case with all institutions, it has not been exempt from the tendencies toward corruption and decay. That the libertarian role of the grand jury, so evident during the prerevolutionary period and the beginnings of the Republic, has been perverted countless times has led some to call for its elimination.

Yet as I have argued on previous occasions, elimination or curtailment of the grand jury would require a constitutional amendment and threaten the protective fabric of the rest of the Bill of Rights. Such action would remove restraints on Government, the very situation which the fifth amendment was designed to avert. Furthermore, at a time when the confidence of the American people in their political and legal institutions is so diminished, it does not seem prudent or desirable to remove this organ of self-government.

Today when the reach of governmental activity into private and public life is so great, there is all the more need to restore the grand jury to its role of protecting individual rights. We must remedy the defects of the present system by establishing broad, uniform, and public standards that inform its work. We must put an end to abuses resulting from the wide-ranging discretion—oftentimes the arbitrariness—of prosecutors and law enforcement agencies.

Many defects in the existing system have been noted: the erosion of fifth amendment protections on behalf of witnesses and de facto defendants; the ways the secrecy of grand jury proceedings deprive the accused of their ability to challenge an improper indictment or to prepare an adequate defense; the unaccountability of grand juries to strict rules of evidence that apply in criminal trials; the use immunity laws that debase the Constitution; and more generally the virtual loss of grand jurors' independence to prosecutors and of the grand jury's capability to inquire into official misconduct. The Grand Jury Reform Act of 1975 establishes general rules and standards and provides for needed reform. I wish to share with my colleagues an article in the December issue of Trial magazine written by Fred J. Solowey, executive director of the Coalition to End Grand Jury Abuse. He cogently examines defects in the present system and areas in which reform is necessary:

THE GRAND JURY AND POST-WATERGATE AMERICA

Almost two and a half years have passed since that fateful morning in June, 1972 when burglars were apprehended in the headquarters of the Democratic National Committee, setting off a chain of events unparalleled in the history of the American Republic. The systematic and widespread grand jury war on dissent waged by the Nixon administration through its reactivated Internal Security Division (ISD) was relegated to an historical footnote as cataclysmic events, often centered around grand juries, decimated the ranks of the Nixon regime.

The story of the ISD grand jury inquisitions has been vividly told before (see Fassler and Winograd, "The Political Question," TRIAL Magazine, January–February 1973), and the pivotal role of this grand jury network in the political strategy of the Nixon Administration has been well documented (see Donner and Lavine, "From the Watergate Perspective," *The Nation,* November 19, 1973). Such writings as these, as important as they are, have been buried in an avalanche of more recent ironies.

A law-and-order Vice President found himself forced to resign from office by a grand jury indictment. After his resignation, Spiro Agnew charged, "As things now stand, immunity is an open invitation to perjury. In the hands of an ambitious prosecutor, it can amount to legalized extortion and bribery . . ." Mr. Agnew went as far as to say that if such things as reform of immunity laws would result, then "the suffering and sacrifice that I have had to undergo in the course of all this will be worthwhile."

Though he did not go quite as far as Agnew, John D. Ehrlichman found a new enthusiasm for grand jury reform in the midst of his legal problems: ". . . one of the things I would like to spend some time on after we're clear of all this is a reform of the grand jury system . . . To see it in operation here as it has been conducted has opened my eyes as to the shortcomings of it."

If this is not enough, we see John W. Dean III, the author of the 1970 legislation that helped launch the Administration's grand jury war on dissent through "use" immunity and special grand juries, bargaining to obtain a grant of immunity. We also see Robert C. Mardian, who as Assistant Attorney General personally directed the ISD campaign and who argued in the Keith case before the Supreme Court that the President has virtually unrestricted power to engage in domestic electronic surveillance for national security, indicted for his alleged role in the Watergate-related matters.

And the former President himself (at deadline an unindicted co-conspirator), told the Congress on April 23, 1969 that he "sought a modern general witness immunity statute under which witnesses in federal criminal cases could be compelled to testify under threat of a prison sentence for contempt . . .," because "control and reduction of crime are among the first and constant concerns of this administration." Nevertheless, as President, Nixon expressed the view on April 17, 1973 that "no individual, holding in the past or at present a position of major importance in the Administration, should be given immunity from prosecution."

The President and his men, who had made a mockery of the traditional purposes of the grand jury, twisting them to suit their own political purposes, could still have the following exchange in the Executive Office Building on March 22, 1973:

Haldeman: (Inaudible) Well, there is danger in a grand jury.

Dean: Well, there are no rules.

President: Well, grand juries are not very fair sometimes—

Dean: That's right.

Mitchell: (Inaudible)

Though such organizations as the American Civil Liberties Union (ACLU) and the National Emergency Civil Liberties Committee (NECLC) pressed the Nixon Administration's misuse of the grand jury as one of Nixon's impeachable offenses, the turn of events in the above situations made many others see the grand jury in a different light, and the need to reform and revitalize the grand jury as a distant, if not moot, concern. Such widespread views have more than offset the swelling of the ranks of grand jury reformers by former Administration officials.

The words "grand jury" appeared in headlines across the country, day after day, as the "Watergate" story unfolded. A US Court of Appeals October 1973 decision concerning delivery of White House tapes to the Watergate grand jury seemed to erase decades of erosion of the constitutionally-mandated functioning of the grand jury when it proclaimed that "if the grand jury were a legal appendage of the Executive, it could hardly serve its historic functions as shield for the innocent and sword against corruption in high places." A major liberal organization declined to join in the work of the Coalition to End Grand Jury Abuse, citing Watergate developments as ample reason to render unnecessary educational efforts about and reform of the grand jury system. And even from the ranks of the student movement came new thoughts on the grand jury. When a federal grand jury indicted Ohio National Guardsmen for their alleged role in the 1970 events at Kent State, a student who was permanently disabled during that incident spoke of his recovered faith in the grand jury system.

Though the grand jury developments associated with the amalgam we call Watergate, as well as such other events as the long-delayed Kent State indictments, perhaps offer helpful insights and point the way to what the grand jury system *can* mean to our troubled nation, a closer examination of some of these historic occurrences offers some different perspectives.

It has been the Watergate investigation, led by Archibald Cox and subsequently Leon Jaworski, more than anything else that has prompted a general affirmation of the current state of the grand jury system. Few recall the initial Watergate grand jury investigation, operating with the same grand jury and led by Department of Justice attorneys. In his extensively documented "Report to the Special Prosecutor on Certain Aspects of the Watergate Affairs," filed June 18, 1973, Charles Morgan, Jr., director of the Washington Office of the ACLU, offered a careful analysis of this investigation.

Among other findings, Morgan concluded that "the prosecutors portrayed G. Gordon Liddy as the man with ultimate responsibility for the crime when there was every indication to the contrary." His report paints a picture of leads not followed, important witnesses not called, and important areas of questioning not pursued. Indeed, a Department of Justice spokesperson stated on September 16, 1972 that the grand jury investigation was "over and there is virtually no prospect of further indictments." The Morgan report hardly jells with then President Nixon's October 6, 1972 comment that "the recently completed federal investigation of the break-in . . . made the 1948 investigation of Alger Hiss look like a Sunday school exercise," unless, of course, Mr. Nixon was offering startling new admissions about the investigation of Alger Hiss.

What is most important to understand is that only after an unprecedented ground swell of public pressure was the Special Prosecutor appointed. In contrasting the original with the Cox/Jaworski investigation, the decisive variable was the prosecutor. Indications are that in both situations, the grand jury generally followed the leadership of the prosecutor (though according to some reports, the Watergate grand jury, particularly under Jaworski, has been less docile than most grand juries). The critical and alarming point was that it took such a high degree of public pressure to make the wheels of justice begin to turn.

Similarly, a closer examination of the history of the Kent State investigation leads to a similar conclusion. The Department of Justice had closed the case, and only after three years of unrelenting pressure from the families of the four slain students and countless others, was the federal grand jury finally convened in Ohio. Moreover, great doubts remain as to whether the indictments engendered covered those ultimately responsible for what transpired in May, 1970.

Much has and will be written and said about Watergate. Perhaps as poignant remarks as any came from conservative Senator James Buckley of New York when he called for Mr. Nixon's resignation well in advance of most of his colleagues. He spoke of the "crisis of the regime . . . a disorder, a trauma involving every tissue of the nation" causing "a pervasive and undeniable sense of frustration and impotence that has become the dominant political mood." He warned that this "crisis of the regime . . . has shown no signs of receding . . . and has resulted in a widespread conviction . . . that it has done unique and perhaps irrevocable damage to our entire system of government."

Whether or not one completely agrees with Senator Buckley's analysis, that there is a crisis of confidence is beyond dispute (despite the strong support shown the Ford Administration in its first weeks). The American people have grown increasingly fearful about the state of their constitutional rights and increasingly distrustful of their elected and appointed officials.

It is in these areas that proponents of grand jury reform many of whom are banded together in the Coalition to End Grand Jury Abuse, see a vitally important role for the grand jury, both on the federal and local levels. (As of deadline the Coalition is composed of the ACLU, Department of Law Justice and Community Relations of the United Methodist Board of Church and Society, National Conference of Black Lawyers, NECLC, National Lawyers Guild, Unitarian Universalist Association and the Women's Division of the United Methodist Board of Global Ministries, and the Criminal Law Section of The Association of Trial Lawyers of America.)

First a look at the current situation of the grand jury is important in order to understand this projected role.

Called to mind are the words of the Court of Appeals (quoted above) when it noted that the grand jury is intended to be independent of the Executive, "a shield for the innocent," and a "sword against corruption in high places." Though there have been conspicuous exceptions in recent years, such as the 1974 Nevada Howard Hughes grand jury, few could disagree with the general appraisal of current grand juries offered by Federal District Judge William Campbell: "This great institution of the past has long ceased to be the guardian of the people . . . Today, it is but a convenient tool for the prosecutor . . . Any experienced prosecutor will admit that he can indict [or not] anybody at any time for almost anything."

Just as two and a half years of Watergate have done nothing to alter this basic situation, also unaffected is the "star chamber inquisition" potential in the unreformed grand jury system. The second Watergate investigation did show that effective investigation and indictment can occur without forcing immunity on witnesses and without wholesale violation of procedural rights and constitutional guarantees. Watergate also did serve to at least temporarily terminate the *systematic* use of the grand jury for political harassment, intelligence gathering and repression, as ISD had practiced it.

Watergate did not end political abuse of the grand jury or insure that such systematic efforts as the ISD campaign cannot be repeated in the future. Such Court decisions as *Calandra* (handed down by the Supreme Court January 8, 1974), which abolished the exclusionary rule for grand jury proceedings, make misuse of the grand jury all the more inviting.

And, lest it be thought that concern with grand jury abuse is the province only of left-wing dissenters, the comments of Los Angeles Police Chief Edward Davis in a 1974 speech, ought to be noted with care:

"Indictments are being generated, and (sic) in my opinion, under an unconstitutional law that is in effect a 20th-century legal rack and screw. The federal law advocated by the Nixon administration orders you to talk on the condition that they won't use what you say against you, with the option that if you don't talk, you go to jail. So your option is to talk or go to jail. You have no free choice. You really have no option. If this isn't a clear violation of the Fifth Amendment right against self-incrimination, I have never heard of one.

"Grand juries can and do listen to illegal evidence, and when my men were put through the federal grand juries in this city, it was the worst star chamber session you ever saw. Multiple prosecutors scattering themselves through the jury, throwing questions from left field and right field, where if it wasn't like the Spanish Inquisition, at least it was like the day when police with rubber hoses and spotlights in the faces of suspects got the truth out of them in that fashion."

What then ought to be the future of the grand jury? Some have argued that the lead of a number of states ought to be followed, and the federal grand jury be abolished by Constitutional amendment. Speaking on this issue (*Congressional Record,* March 14, 1974), Rep. John Conyers, Jr., chairman of the House Judiciary Subcommittee on Crime, noted two reasons why "it is better to strengthen the institution than to abandon it or curtail its role." First, noted Conyers, "Neither the Fifth Amendment nor any of the other Amendments of the Bill of Rights has been changed by as much as a word since adoption of the ten in 1791. I believe it would be a mistake to amend the Bill of Rights, particularly in a way which would remove restraints on the Federal Government which have been in effect 182 years."

Conyers' second point is particularly germane to the discussion at hand:

"There are only two institutions in our judicial system in which decision making authority is given to people independent of the Government. The trial jury is one; the grand jury is the other. I believe that it would be a mistake to eliminate the grand jury, or to minimize its role at a time when one widely recognized problem of American democracy is the increasing disaffection of American citizens with our political and legal institutions."

Conyers and 18 other Representatives have introduced H.R. 13491 (to be re-introduced early in the 94th Congress), which would provide sweeping reform and strengthening of the federal grand jury. The 19-page bill greatly strengthens the role of the grand jury by requiring the grand jury to vote on subpoenas, requests for immunity grants, and requests for contempt hearings. It requires that the grand jury be adequately informed of its powers and responsibilities (failure to do so being grounds for quashing a subpoena or dismissing an indictment). Perhaps most important in this regard, the legislation allows for independent grand jury inquiry (with court-appointed counsel) into alleged criminal activity by government officials.

The bill would introduce many procedural and evidential safeguards into the grand jury process. Witnesses would have the right to legal representation in the grand jury room, to seven days notice on subpoena and ten days notice on contempt hearings, to advisement of their rights to counsel and against self-incrimination, to not answer questions based on violations of their Constitutional or statutory rights, to have access to any prior statements they made to law enforcement officials, to inspect a full transcript of their testimony, and to be told of the subject matter of the investigation.

The Conyers bill also requires presentation of all exculpatory evidence the government has, bans indictment purely on hearsay evidence, limits contempt sentences to six months, while eliminating reiterative contempt, and prohibits post-indictment grand jury subpoenas to gather evidence for trial (the burden of proof being on the prosecutor).

Perhaps the most far-reaching provisions of the Conyers bill concern immunity laws. The bill abolishes "use immunity" and allows transactional immunity before courts and grand juries only with the consent of the witness. An exchange could still be made (as in Watergate) of immunity for testimony, but no longer could an immunity "grant" be used as a political or punitive club.

Whatever reforms the Congress enacts, a number of other things must be done as well. The understanding of the Founding Fathers must be renewed among 20th Century men and women as to the purpose of the grand jury and the important obligations and opportunities it vests in the people. Financial and other burdens must be removed to insure that citizens from all walks of life can serve on grand juries. Much more attention must be paid to the grand jury in law school curricula.

In states and counties across the country, where, for example, grand juries often are mandated to report on prison conditions, the grand jury can play a much more active role in redressing wrongs and protecting rights. Considerable reform is needed in the state systems without exception.

Back in 1774, "accuated by a zealous regard for peace and good order, and a sincere desire to promote justice, righteous and good government, as being essential to the happiness of the community," 22 Bostonians, including Paul Revere, found it necessary to refuse to serve on colonial grand juries dominated and manipulated by the Crown. Two hundred years later, "accuated" by the same concerns which have been magnified by the Watergate crisis, we must reclaim that wayward institution as the bastion of liberty it once was, and is intended to be.

WACCAMAW ARTS AND CRAFTS GUILD ART DISPLAY

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. JENRETTE. Mr. Speaker, the oil paintings of typical scenes in South Carolina on display in my office never fail to elicit favorable comments from visitors.

The paintings are striking examples of the regional art typical of the coastal area of South Carolina's Sixth District.

The paintings are on loan to me from the Waccamaw Arts and Crafts Guild of Myrtle Beach. The guild is an all-volunteer, nonprofit, chartered organization. Its purpose is to encourage an appreciation of the visual arts in the Grand Strand area.

Membership is open to practicing artists and crafts persons, as well as patrons. One of the goals is to establish a permanent art center.

The permanent art collection is housed at the Myrtle Beach Convention Center. It is available to area businesses and organizations for exhibition.

The collection consists of purchase awards chosen at the guild's annual spring show by judges. Award funds for such purchases are donated by interested citizens and area business leaders.

I commend the members of the guild for their great work in helping promote the arts.

I fully support their program and feel honored in having the opportunity to display these fine paintings in my office and I welcome my colleagues to come see these fine works of art.

DIALOG ON CHANGE: PRESIDENTAL NOMINATION

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SIMON. Mr. Speaker, the following remarks were prepared by Dr. Mike Robinson, associate professor of politics at Catholic University. They were sent to me as part of the dialog on change which I am please to say is starting to stir some interest. Dr. Robinson shows a willingness to do some fresh thinking in this area and he deserves our attention:

THE PRESIDENTIAL NOMINATING CAUCUS: AN IDEA WHOSE TIME HAS COME—AGAIN

The Presidency has turned sour because Presidential candidates are chosen so inopportunely.

Fortunately, for all of us, popular election of Presidents is still a grand idea. The villain in this drama is not the general election process. *The villain is the primary process.*

The primary system is a disaster. It costs too much; it takes too long; it makes pseudo-winners out of true losers. And, more importantly, the primary system has made the process of becoming President so dispiriting, so distasteful, that those who would become, shouldn't. The primary system has made it so that the nice guys, including the competent ones, stay out of the whole ordeal of running for President. Right from the start, the primary system means that only those who possess near psychopathic ambition and temperament will get involved and stay involved.

No primary system is worthwhile. No primary system gets around the major problems of exhausting multiple-campaigns, devastating intraparty warfare and, most importantly, a continually questionable presidential temperament in office. The problems with recruiting Presidents the way we do are more cosmic than they are cosmetic. Changing the primary system is, at best, a cosmetic reform.

So, I suggest we adopt a cosmic reform, one that is not only radical but also reactionary. I suggest we get rid of the presidential primaries and adopt the Congressional Caucus as the mechanism for nominating Presidents.

It has been exactly 150 years to the month since the House of Representatives last decided a Presidential election. That election was also the last in which the Congressional Caucus made a Presidential nomination. The Caucus did quite badly that year. Their nominee didn't even make the run-off election in the House and King Caucus has not been heard from since, at least not during a Presidential campaign. But I think it's time to bring the nominating Caucus back to life.

The Caucus is a tough idea to sell. It certainly flies in the face of our notions of popular sovereignty and 150 years of history. But I think this simple proposal, one in which the Democrats from the House and Senate nominate someone for President and the Republicans from the House and Senate nominate someone else, is an old-fashioned and effective panacea for most of the ills which have afflicted our presidential campaigns, and the national parties and the Presidency—ills which have even served to affect adversely national public policy since the coming of the modern primary system.

Obviously the Caucus would totally eliminate the necessity for primaries and would virtually eliminate the necessary for national party conventions. The greatest savings would accrue to the parties, not in saving dollars, but in avoiding conflict. The primary system forces the parties to fight within themselves for at least six months, but against the opposition for only three. And, as time and television close in on the big state primaries, the debate always grows more public and more acrimonious. Candidates within the same party attack each other publicly, and maliciously. Ironically, the closer the candidates politically, the more personal those attacks must become. This is the nature of the primary campaign. In 1968 and in 1972, the Democrats never really recovered from the primaries; and the Republicans have had their problems with primaries too. In terms of organizational strength, nothing could be more expensive to the parties than a presidential primary, nothing cheaper than a Caucus selection.

The Caucus would also give us better candidates—better in two ways. The Caucus nominee would be more competent intellectually and more mature emotionally. With less emphasis on the characteristics which produce a good primary candidate, the Caucus would be free to pick someone more given to cerebrating than to captivating, more concerned with information than image. Obviously, the Caucus could not ignore charm or telegenicity: there will still be a general election to face. But the Congressional Caucus would be more sensitive to the qualities of intelligence and leadership than the primaries have proven to be.

But the biggest benefits derived are in character and temperament, the primary system has given us too many emotional cripples, too many cases for psycho-history, too many Freudian misfits. The Caucus will not and cannot eliminate these cases altogether but *the Caucus system will not force as many emotionally sound prospects out of the field.* The Caucus system permits a civilized and well-balanced candidate to compete. The candidate needn't publicly, and for years at a time, attack one's colleagues on national television. And the Caucus system won't threaten to bankrupt a prospective candidate either.

The Caucus would serve as a filter, but not so dehumanizing or potentially bankrupting a filter. So those who have qualifications but who are too decent to backstab, too civil to grandstand or too modest of means to risk a fortune can play this game.

We should expect, whether we be liberal or conservative, that the Caucus would choose people with whom the Congressional parties could cooperate. But we shouldn't expect any political or social weaklings. Knowing that the general elections were still to be won, the Caucuses would choose individuals who were marketable, as well as serious and capable.

Everybody recognizes that with a Caucus system the vast majority of the nominees will come from Congress. But try to remember the last nominee, under any system, who wasn't from Congress. One goes back to 1952, to Eisenhower and to Stevenson, preprimary people. The Caucus, of course, would not be required to tap a Representative or Senator. Under unusual circumstances—such as those which prevailed in 1952—the Caucus might well tap a non-member. In today's ambiance that would more likely be a news anchorman or football star than a military hero, but it could happen. And, even if we gave the House and Senate delegations equal weighting in the Caucus, we might still, from time to time, get a nominee who is a member of the House of Representatives. Nothing like that has happened, under any system, since James Garfield won election in 1880, and even Garfield was Senator-elect at the time.

The truth is the Caucus would *expand*, not contract, the field of candidates. As it stands now, Senators and Vice-Presidents—generally former Senators themselves—are the only ones playing the game seriously and almost everybody, especially the 50 state governors, knows it.

The Caucus system has its own unique mechanism for balancing and adjusting the power relations between Congress and President. Congress gets the chance to select the contestants, the President gets the chance to raid the Congressional talent pool. Having known well the Caucus membership and having, no doubt, struck some deals, the President will obviously take some of the best of the Hill with him as cabinet, as advisors or as staff. By making Congress the farm team for the Cabinet and executive office, the Caucus system would not only increase the degree of cooperation between the two institutions, it would also reduce the likelihood of a President surrounded by non-career politicians, non-career politicians from J. Walter Thompson Inc. or a Disney Enterprises, etc.

The Caucus system is not a new idea but it is a shocking one to those of us who grew up in a political culture where primaries were "good" and party politics "bad". But neither its simplicity nor its antiquity detract from its real advantages. Return the nomination to the Congress, and we will get shorter and cheaper campaigns, more candidates with fewer neuroses or delusions, a greater sense of cooperation between administration and legislation, and an internalized check on the Imperial presidence—maybe even a revitalized Congress, one worth listening to.

HELPING OUR OLDER AMERICANS

HON. SHIRLEY N. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mrs. **PETTIS**. Mr. Speaker, recent articles in the major news magazines have indicated the difficult and trying time many of our older Americans are experiencing. It greatly disturbs me that those who have worked so hard throughout their lives should be faced with economic, health, housing, and transportation problems in the years when they should be enjoying the rest that they have earned.

Mr. Speaker, I would like to insert an article printed in the American School Board Journal, which discusses yet another aspect of senior citizens' lives which has been ignored—education. It is my hope that when Congress is considering programs for our older citizens that we also include educational programs as outlined in the following article:

HOW TO GET A SENIOR CITIZEN EDUCATION PROGRAM GOING

(By James J. Buckley, Jr.)

Here are two notions we school people ought to get straight: (1) Learning is a lifetime and lifewide process. (2) School districts can provide opportunities for positive, effectively designed, and flexible learning activities that offer to older people the capability to develop dormant interests and skills—as well as to help them cope with the problems and opportunities of retirement.

Because a senior citizen's needs are so much a product of his own unique set of circumstances and background, an educational program for him must be individualized far beyond the present concept of "individual learning." A communitywide assessment of needs is the first step in ensuring the success of an educational program for older persons. Assessment—done in a one-to-one interview situation—not only will alert senior citizens to education as an option but also will tell educational planners which learning programs these prospective scholars want. Results of the interviews generally fall into patterns of learning needs and provide a basis for gathering resources and personnel for the program.

With money available and needs assessed a school district can begin to match educational needs with appropriate learning programs. Conferences with each older citizen who wishes to return to school will simplify the matching process. A counselor trained in assisting the aged, a teacher, a nurse and an educational psychologist can assist at such conferences. The product of these conferences is a package of approaches toward satisfying the educational wants of any given adult "dropout."

The courses and program designed to meet the needs of older adults must be developed imaginatively with a lot of flexibility in content, time, setting, and accessibility. Design components for a senior citizen educational program are not terribly different—with a few exceptions, of course—from those of an effective K–12 program. Some points:

Courses should be held at varying hours of the day for six to eight week segments.

Courses should be imaginative in both content and instructional approach (senior citizens don't like dullness any more than do kids).

Evaluation of student work should be on a pass-fail basis (if indeed any evaluation is necessary at all).

Older citizens should be provided transportation to the courses on vehicles that are adapted for special needs of the aged.

Furnishings in the schools should be conducive to creating the best climate in which learning may take place.

Objecting to aid for the elderly may be akin to criticizing the flag or apple pie, but school board members and superintendents should be prepared to defend their senior citizen education program on several fronts.

The economy may be dictating that we restrict—rather than expand—each school district's educational bill of fare, but such a response is short-sighted. Many school districts have empty buildings; what's to be done with them? Declining school population is creating a surplus of teachers; what do we do with them? Why not convert the buildings to facilities for educating the aged, and provide inservice retraining for teachers who'll meet educational needs of those over 60?

Money for the program can come from several sources. State-level education leaders should be encouraged to support a senior citizens learning program by creating a reimbursement plan. A voucher plan, for example, can be designed to enable adults of low income and minimal previous education to re-enter the regular school setting. Such vouchers could be reimbursable when submitted by your school district to the state. As a result, the cost to a local district would be minimized.

Board members also may have to combat "educational ageism." The states and their municipalities may have limited the local mandate to educating *children*, but there is nothing that constitutionally bars public schools from providing educational opportunities for people beyond those grades. All those programs involving community use of schools show that public education and its schools are meant for far more than those under 18. And who is better deserving of extended educational benefits than those citizens who have borne the burden of the cost of education the longest?

School board members and administrators should begin planning that will answer the educational needs of the aged. Only when accessible, flexible and effectively developed educational opportunities are available can the learning needs of responsible late adulthood be satisfied. And isn't it about time we initiated such plans instead of waiting until we are forced into action?

UP GO THE PRICE TABS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. GAYDOS. Mr. Speaker, price tabs began jumping upward on gasoline pumps in my part of the country and, I suspect, across the Nation within hours after President Ford imposed his second $1 per barrel tax on imported crude oil.

The pump increases have ranged from a couple of cents in the first day to 5 and 6 cents now, sending the cost of "regular" to near the 60-cent mark at most stations in western Pennsylvania.

Thus, the driver making his daily runs to work and back, or setting out on his vacation, can blame the White House for bringing about the conditions which prompted this new drain on his pocketbook. So can the housewife charge the President with being responsible for the sudden increase in the cost of her drive to the shopping center.

My purpose, however, in bringing this sudden takeoff in gasoline prices to attention is not to condemn particularly the President, or to dispute his concern over the energy situation. It is to point out that the oil companies and their distributors and many of their retailers have jumped the gun again on price boosts.

The station or distributor that lifted its prices on the first word of the President's added import levy is guilty of taking advantage of the hapless customer by the reprehensible tactic of marking up inventory. And those in the oil business who now have done so can be faulted as much as were those merchandizers who were discovered pasting higher price tags over lower ones on products upon their shelves.

It will take many weeks, I am told, before the imported crude bearing the new Ford tax can be refined into gasoline and then transported to the distributors and thence on to the service stations. So how can these new price increases be explained except as being another example of a business using a governmental crisis measure to rip off the public?

In doing so now, the oil business is repeating its performance at the time of the OPEC embargo when price hikes sent its profits soaring many times over and when its profiteering added immeasurably to the overall inflation problem. Also, it is lining itself up again with the sugar gougers and the others who have plundered the market by exploiting national emergencies.

Many of us in Congress have tried over the years to hold true to the traditional American free enterprise concepts, believing they were the heart of our liberties and the catalysts in the past of national progress. But I warn now that, if this American way of business goes down the drain in these upset economic times, the blame will not be that of Congress, or the willing regulators in the administration, but that of those in the business community who have made a mockery of their ethical responsibilities.

Businesses have times of high profitability, of course—and properly so. But these times, in the free enterprise system, should come only when the businesses themselves create their own opportunities for making big money—through new inventions, good product promotions, clever marketing techniques, production efficiencies, et cetera.

In such cases, we can applaud their successes, feel good about their dividend increases, and even condone the fat bonuses paid their managers.

The new round of gasoline price increases are not the result, however, of any oil business smartness. They stem from the Nation's international headaches and the chance which the President's import levy provided. Taking place even before the effects of the levy possibly could be felt, these hikes fall into the category of gouging, pure and simple, and cannot be defended.

And it is this kind of gouging which, more than any other one thing, is turning millions of Americans against business at a critical time both for business and the country as a whole and lessening what once was an abiding American loyalty to free enterprise. I hear that young people are turned off these days on what they term "capitalism." It is not difficult to understand their thinking in view of the experiences of the last few years.

My warning is this. Business had better stop the gouging, or Government will be compelled to do something drastic about it. And if Government finds it necessary to act, then the new restraints on business will not be the responsibility of Government but of those in business who have seized every opening to cash in on the Nation's difficulties. These are the people threatening American free enterprise today—not the old-line Communists and Socialists.

AGENCY FOR CONSUMER ADVOCACY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. CRANE. Mr. Speaker, at a time when the vast regulatory bureaucracy of our Government is coming increasingly under fire for the debilitating effect it has on our economy, some of our number are trying to foist yet another regulatory agency on us. This is the proposed "Agency for Consumer Advocacy," as outlined in Senate bill 200.

Mr. Anthony Harrigan of the U.S. Industrial Council, a nationwide organization of businesses, points out that:

> Today there are more than 63,000 Federal employees on the payroll of regulatory agencies. This manpower costs the taxpayers more than $2 billion a year.

In a recent article Mr. Harrigan reports that one steel company recorded the loss of 4,000 man-hours due to its superintendents having to guide Government inspectors through its coal mines. Harrigan tells us that there are more than 5,000 different types of Federal forms to be filled out by businesses which reportedly require over 130 million man-hours per year to complete.

Yet there are those who say that what we need is still another Government agency to add its own monumental lists of forms and regulations.

Mr. Harrigan says:

> As a matter of fact, this new agency would be a harassing agency that would have the right to monitor and interfere in the formal proceedings of other regulatory agencies.

I sincerely hope that my colleagues in the Senate will realize that this proposed agency can only bring harm to the people it is designed to protect, the consumers. We must at once get down to the business of deregulating our economy rather than trying to think of new ways to strangle it in the hands of increased Government bureaucracy. Printed below in its entirety is Mr. Harrigan's article.

ANOTHER FEDERAL AGENCY

(By Mr. Anthony Harrigan)

The proposed "Agency For Consumer Advocacy"—Senate Bill 200—is nothing of the sort. It is another federal control bill.

It is incredible that such legislation should be foisted on the American people when the country already is suffering from regulatory overkill. The Daily Oklahoman recently commented that "Federal regulatory power is not only intrusive to a degree our parents would not have believed, but it is costly."

The initial cost is of the giant bureaucracy. Today, there are more than 63,000 federal employes on the payroll of regulatory agencies. This manpower costs the taxpayers more than $2 billion a year.

But this is only part of the cost. One steel company estimates that its superintendents spend 4,000 man hours a year guiding inspectors through its coal mines. There are more than 5,000 different types of federal forms to be filled out by businesses which reportedly require 130 million man-hours per year to complete.

Murray Weidenbaum, an economist at Washington University, estimates the cost of auto safety and emission standards at $3 billion a year. In a new book, he cites the endless harassment of companies by consumer protection agencies.

For example, he notes that one company in St. Louis produced 1,494 containers of windshield washer solvent that didn't have childproof caps or a label stating that the liquid "cannot be made nonpoisonous." The company was not allowed to affix new caps and labels. Instead, it was compelled to destroy all the containers.

While Sen. Abraham Ribicoff (D-Conn.), with strong assistance from consumer sensationalist Ralph Nader, pushes S. 200, the country is overloaded with consumer protection groups. The U.S. Chamber of Commerce recently pointed out that in the Washington metropolitan area alone there are no fewer than 38 private and 14 public consumer organizations, "national, local, alive and active."

Vast quantities of consumer protection legislation has been enacted in recent years. Much of this legislation is absurd. A columnist for the Oklahoman reports that "Federal agencies now specify how large toilet partitions must be, and how frequently spittoons must be cleaned." The Occupational Safety and Health Act (OSHA) rules specify the size, shape and number of toilet seats required in each restroom of a business office.

On top of all this Sen. Ribicoff and other supporters of S. 200 would impose a new agency to serve as an advocate "for consumers who have been victimized by marketplace irresponsibility."

As a matter of fact, the new agency would be a harassing agency that would have the right to monitor and interfere in the formal proceedings of other regulatory agencies. Creation of this agency would make possible freewheeling bureaucratic interference and harassment.

Who is to protect the consumer, the manufacturer, the shopkeeper, from bureaucratic interference and tyranny—from absurd and irresponsible demands? That's a question Americans should ask members of the House of Representatives who are considering this bill.

This bill isn't a "voice for consumers," as its proponents allege, but a new voice for power-seeking bureaucracy. It is the dream of the Naderites who oppose every productive enterprise and whose only ambition is to impose more regulations on the American people.

Is wildly proliferating government regulation, allegedly for the benefit of consumers, what the American people want? A recent poll by Opinion Research Corp. showed that American consumers, by a 75 percent majority, opposed creation of a new federal consumer agency. More regulation is not the wave of the future in this country, if the American people have their way. They are beginning to realize that super-regulation erodes their liberties and drastically affects the prices of the goods and services they desire.

If the House of Representatives is listening to the people, as distinct from the bureaucrats, it will reject the new "advocacy" agency bill.

TRIBUTE TO PAUL ROBESON IN DETROIT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. CONYERS. Mr. Speaker, it is sad but nevertheless true that this Nation often neglects to recognize its great men until years after their death. Some it never acknowledges at all. This almost happened to Paul Robeson, recognized as a giant everywhere in the world except in his own country.

In an effort to remedy this situation and to instill in young people a sense of his important contributions to history, a network of Afrikan History Clubs in Detroit and Buffalo, N.Y. presented a special salute to Paul Robeson in the MacKenzie High School auditorium in Detroit recently. I was deeply honored to serve as a speaker for this occasion.

The Afrikan History Clubs, Inc. was founded in 1973 in Detroit. One of the significant things about this organization is that it is composed primarily of elementary school students who are made aware of a sense of history at a very early age. Adults serve as honorary members and as guiding figures. Club leaders include: Tal James, Roberta Hatten, and Arlene Morrow; and among the founding members are Dr. Yosef Ben Jochannan, chairman, and Rosa Parks, honorary secretary.

Assisting in the special tribute presentation was the McFarlane Men's Club, a group of fathers of McFarlane Elementary School children, and other neighborhood men who are engaged in the commendable work of organizing, promoting, and supervising educational and recreational activities for children in the community. Officers of this group include: Bob Johnson, president; Carnell Tidwell, vice president; Pelham Jones, secretary; and Mitchell Daniels, treasurer. Many other people contributed to making the evening tribute a great success: Mrs. Elizabeth Hood, Councilwoman Erma Henderson, Dr. Arthur Jefferson, Dr. Charles Wolfe, John Pryor, Jon Lockard, Osel Yaw Akoto, Clarence Harris, and David Rambeau.

Paul Robeson, who recently celebrated his 77th birthday at his home in Philadelphia, was unable to attend the event due to failing health. But program participants made it seem as if he were really present as they spoke of his character and accomplishments.

Those attending were reminded that he was a Phi Beta Kappa scholar; the third black student to attend Rutgers University; a top student at Columbia University Law School; four-letter athlete and All-American in football; star of stage and screen; concert singer; world traveler and lecturer; and a man who was not afraid to speak out for unpopular causes and who championed the rights of oppressed peoples throughout the world.

Paul Robeson starred in 11 major plays in the United States and England, including his most famous role as Othello in the 1943–44 Broadway production. "Othello" ran for 296 performances and set an all-time record for any Shakespearean play on Broadway. The foremost British critic called him "the most notable Othello of the present century" and the American Academy of Arts and Sciences presented him awards for best acting and best direction in American theater. Music lovers in many countries swarmed to fill the auditoriums in which he sang.

Paul Robeson and his wife Essie experienced race prejudice continually in their American homeland despite their celebrity. With deep sadness they sought temporary residence in Europe where they were warmly received. They returned periodically to America for concerts and lectures. For 8 years during the 1950's the Robesons were forbidden to travel outside the United States. When the Soviet Union in 1952 awarded him its highest honor, the Stalin Peace Prize, Paul Robeson was denied permission to travel to accept the award, which was then presented to him in New York by Soviet officials. Finally, in June 1958, the Supreme Court invalidated the State Department ban on his travel. Living abroad once again, in 1963 the Robesons came home at last. Three years later, Essie his companion through the glory years and the years of trial died. He has lived in virtual seclusion ever since.

At home with his devoted sister, Mrs. Marion Forsythe, Paul Robeson wishes to be remembered as a man who dedicated his intellect and his art to the cause of his people and for justice for all people. He has not changed his mind about America's ills, though he does see signs of hope that someday a black person may "become a full American in every sense of the word."

In the past few years more and more attention has come to this extraordinary man who symbolizes the strength of black America. At least three Robeson biographies are now in preparation. His recordings are being reissued. His films are shown in museums. And young people like the students in the Afrikan History Clubs in Detroit are discovering with pride a leader of their people.

An illustration of this growing regard for Paul Robeson is that in the space of 2 months a local tribute to him in Detroit on April 25 was followed by an hour-long documentary on his life broadcast nationwide on educational television on June 3. I include in the Record at this point an analysis of the documentary which appeared in the Washington Star:

Robeson: Too Unique for a Documentary

(By Boris Weintraub)

Paul Robeson's career was so unlikely that if it had been written as a work of fiction, it would not have been believed. Consider:

Son of a former slave who became a Presbyterian minister. The third black to enter Rutgers in 140 years. A two-time football All-American, a 15-letter man. Phi Beta Kappa as a junior, valedictorian of his graduation class. A graduate of Columbia Law School. A brilliant actor in everything from "Othello" to O'Neill's "Emperor Jones" to mawkishly sentimental films. An equally brilliant singer, especially, but not only, when it came to interpreting spirituals; anyone who heard him sing would never forget it.

For all this, he would be remembered as one of the great originals of American life if he hadn't had the temerity to speak his mind about a lot of things: racism, African independence, communism, friendship with the Soviet Union in an age when the word détente was unfashionable.

A special one-hour presentation of "Interface" at 10:30 p.m. tonight on WETA–26, struggles in vain to come to grips with this unique American. Host Tony Batten pulls out all the stops: film clips, old recordings, stills and a lot of his sloganeering. The sloganeering is visual as well as verbal, with shots of lynch victims (in scenes not directly related to Robeson) used a couple of times in case the viewer missed them the first time.

The problem isn't that the difficulties faced by black Americans aren't as real as Robeson, and Batten, proclaim them to be; of course they are. Rather, it's that the subject of this show is so unusual an individual that attempts to deal with him in conventional political terms are meaningless.

Paul Robeson was a bigger man than that, and treating him as "just another" victim of racism misses the point.

What one longs for is some sort of explanation of how he was able to accomplish what he did, how a black man of his time could be so versatile, so talented and so persistent that he was able to conquer so many worlds.

Whatever one thinks of his political philosophies, he is an American who deserves to be remembered and recognized. But even more, he deserves to be studied seriously and critically, so that, at a woefully late date, we can begin to understand what the depth of his achievement was.

DIALOG ON CHANGE—GOVERNMENT STRUCTURE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SIMON. Mr. Speaker, the following statement was prepared by Mr. Don Hayworth, a former Member of Congress from Michigan. It has been excerpted from a manuscript being prepared for publication. It is one of the contributions I have received for our dialogue on change.

In the day, and in the spirit of Jefferson, it was assumed that only two qualifications were needed for elective office, either as legislator or in the executive branch: First, honesty, and second a passable degree of industry and intelligence. It could be summed up by saying that a man—and of course in those days it was never a woman—would qualify for office if he was a good citizen.

Two hundred years ago the quality of a man was pretty well known to his neighbors. They knew how he ran his farm, what kind of wagon he made, his life-long treatment of clients. It was neighbors who elected neighbors to office.

Today in making judgments between as many as a hundred candidates appearing on a ballot, the voter often has never met a single one, much less made a careful, comparative study of any two. One woman typified most voters when she wrote:

> I voted at every election for years; but I never felt I knew what I was doing; I expected I would learn; but I never did.

As in the early years of our Republic it is still generally assumed that the functions of a legislator might be filled by any realtor, insurance agent, lawyer or teacher who is able to get enough backing from friends, labor unions, minority groups, or the Farm Bureau to win nomination and election. Little attention is given the fact that his vote may be critical in the awesome responsibility of determining foreign policy or the economic well-being of the Nation.

I propose that candidates for Congress—this might well be extended to all candidates for political office, including State and local, legislative, administrative and judicial—should be required to take appropriate tests administered by the Civil Service Commission. Thus each political party might have, let us say, three individuals from whom to select a candidate. This selection could be made in a primary election as now generally held.

One of the great shortcomings of the American political system is the tendency of individuals to assume there is a simple answer to any of our problems. This of course begins in the electorate. Over the country the mentally unstable, the virtual illiterate, the rabid fanatic of the opposition party, the professional pessimist, the everlasting pacifist or the confirmed warmonger, the idiotic and the senile—they all rise in the name of democracy to tell the President how wrong he is and what he should do. Moreover such utter incompetents can force a President to listen—they can turn him and his party out of office.

Many otherwise estimable persons are irresponsible in assuming competence in foreign affairs. Outstanding doctors—who should realize the significance of expertness in formulating pronouncements—educators, clergy, industrialists—national leaders who command respect in their own fields—assume that their respective proficiencies endow them with prescience in international affairs. The Munich settlement of 1938 was wholeheartedly endorsed by leading philosophers, including Whitehead, Russell, Dewey, and Santayana. In love even the wisest can be pretty silly. So also in foreign affairs.

At the end of his service as President, Harry S. Truman wrote in a private letter:

> I really look with commiseration over the great body of my fellow citizens, who, reading the newspapers, live and die in the belief that they have known something of what has been passing in the world in their time.

After leaving office he was once asked his opinion on a certain act of Eisenhower. His reply was that he was not able to pass judgment because he did not have the information available to the President—a cold indictment of the irresponsibility of those who glibly rule on the quality of Presidential decisions. Eight years later Eisenhower parried a similar question with almost Truman's exact words. His clipping service had of course routinely put before him Truman's statement from the day's press. He had apparently been grateful for it, and tucked it away for future use.

Arthur Goldberg stated:

> Since leaving my post as Ambassador to the United Nations 3 years ago, I have tried to avoid second guessing our Government in matters such as this—the India-Pakistan war. Too many facts are unknown to anyone who no longer has access to the diplomatic exchanges which preceded the conflict.

In the spirit of the above three paragraphs let me suggest that the Congress might well make more use of expert abilities. Again, we have long since passed the Jeffersonian era when it was assumed any good citizen could write good law. Today we need not only experts, but teams of experts in many fields. For example, the Nation's railroads are in a tragic situation. This obviously demands national legislation, and it is inexcusably poor government to ignore the problem.

The Congress cannot provide expertise needed to formulate any such legislation. The Department of Transportation theoretically exists not for the purpose of writing law, but of administering law as written. In my opinion Congress should set up a commission, or provide funds and direction for an appropriate agency in the Department of Transportation, for the purpose of drawing up legislation to meet this problem. It might be well for four Members of the House and Senate—one from each party—to work on such commission or agency, acting as liaison with other Members whose constituents are vitally concerned. But when the bill is finally brought to the committees it should be widely assumed that few changes would be suggested.

BREEDER REACTOR PROGRAM

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. HARKIN. Mr. Speaker, the House is now considering the authorization bill for the Energy Research and Development Administration. The Des Moines Register, on June 18, 1975, published an editorial on the breeder reactor program, which would be funded under this authorization bill. The editorial was very instructive, and I would like to bring it to the attention of my colleagues.

The editorial follows:

SWITCH FROM BREEDER REACTOR

The Ford administration apparently is planning to slow development of the controversial "breeder reactor." Commerce Sectary Rogers Morton told reporters the administration intends to shift emphasis from development of the breeder to conventional atomic power.

Development costs were expected to exceed $10 billion. The government was willing to commit such a huge sum because of the breeder reactor's ability to make more efficient use of uranium in producing power and because it produces plutonium as a byproduct. Plutonium is usable as fuel for nuclear power.

Critics of the breeder reactor program cited the potential risks in operating the plants and the problems of radioactive waste disposal. They feared the administration was putting all its energy eggs in a nuclear basket and concentrating on developing a potentially hazardous nuclear system at the expense of non-nuclear alternatives.

The federal Energy Research and Development Administration's budget request for fiscal year 1976 included nearly $500 million for research and development on the breeder reactor. The agency asked for $311 million for research and development on fossil fuels, $57 million for solar energy, $28 million for geothermal energy, $23 million for advanced energy research and $32 million for energy conservation. The agency thus planned to spend more on the breeder reactor program than on all non-nuclear energy programs combined.

The administration's decision to give lower priority to the breeder reactor program is wise, considering the way the program has come to dominate federal energy research. The government could pump billions into the program only to find that it had created a monster. Meanwhile, other less hazardous energy sources would have been neglected because of excessive commitment to the breeder.

It makes sense to pursue a balanced energy research program and to give emphasis to such non-polluting, non-hazardous power sources as solar energy. We hope the administration's switch in direction on the breeder reactor program clears the way for a better-balanced program and will not merely mean more spending for conventional atomic power.

CIA MUST BE SALVAGED

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. BOB WILSON. Mr. Speaker, in recent months our intelligence community in general, and the Central Intelligence Agency in particular, have been subjected to varying degrees of criticism in Congress and in the media, with most of it severe. While it is true that any verified ventures beyond the statutory limits of the mission of the U.S. intelligence community should rightfully be scrutinized, at the same time it is true that in the process we should not spread vital secret information across the front pages for all to see, or even worse, dismantle our intelligence system in the process.

The intelligence function is indispensable to our well-being at home and abroad. We continue to live in a hostile world, and through our intelligence operations must know what other nations are doing. National security must include political security against subversion or terrorism against our citizens; it must include economic security against any threats to our economic well-being. Such data must not only be collected but professionally analyzed and judgments made on a variety of subjects beyond those of military significance. Intelligence assistance to negotiations around the world is critical and the Strategic Arms Limitations Agreements are perhaps the most typical example where such agreements rest basically on the identification of the subjects that must be negotiated.

Finally, Mr. Speaker, in the military area intelligence continues to make the major contribution to American decisions as to weapons systems and the requirements for an adequate defense posture. Thus, I believe the following editorial from the San Diego Union of June 13, 1975 will be of interest to our colleagues in arriving at a calm and unemotional determination of our intelligence requirements:

I include this as a portion of my remarks:

CIA MUST BE SALVAGED

The Rockefeller Commission has now laid out a record of derelictions by the Central Intelligence Agency. Some are more serious than others, and it is still hard to say how much it will be possible to reveal at a later time about the still-secret subject of alleged CIA involvement in plotting foreign assassinations.

The Commission's report already makes it possible to say that we are dealing with something more than illegalities or lapses of discretion within the CIA. Responsibility for these improprieties extends beyond the agency itself or any of its past or present personnel. It extends into previous Administrations and Congresses which have tolerated ambiguities in the mission of the CIA and may even have taken advantage of them. It extends into the White House, where some presidents yielded to the temptation to use the CIA for political purposes. This dereliction was compounded by the failure of CIA officials to resist. Thus we see the CIA, for all its mystique, exhibiting a weakness all too common in government bureaucracy.

The venture of the CIA into illegal domestic surveillance must be condemned, but the judgment of the public and the law must be tempered by an appreciation of the circumstances under which it occurred. For one thing, the incidents were not numerous considering the many opportunities which exist for the agency to misuse its intelligence apparatus. More important, activities which appear improper in hindsight could have appeared justified at the time they were authorized.

To the extent that the anti-war movement of the 1960s was an expression of opposition to a government policy, neither the CIA nor any other government agency had any business subjecting Americans connected with it to surveillance. However, to the extent that demonstrations and riots were perceived as a threat to national security and there were grounds for suspicion that they were receiving foreign support, the surveillance was appropriate, even if the CIA was the wrong agency to carry it out.

The Rockfeller findings do nothing to diminish the need for an agency like the CIA, with its responsibility for foreign intelligence clearly spelled out and with an effective relationship with agencies responsible for domestic security. The Commission has shown how an agency created in 1947 with a specific, bona fide purpose would slip into a role totally repugnant to our free society—that of a "secret police" snooping without judicial process on American citizens.

The congressional and Justice Department investigations now proceeding can clarify the extent to which the CIA breached its charter and pinpoint the responsibility. As for salvaging our government's ability to deal with international intelligence problems, the Rockefeller Commission's recommendations provide a way to restore strength to the CIA and keep it on the right track. We can hope that the latter effort is not waylaid by the pursuit of scandal for scandal's sake by those who have now cracked the door of CIA secrecy. We have already come dangerously close to damaging an agency which, whatever its transgressions, is an essential tool for our national survival.

TRIBUTE TO THE REVEREND H. SHAW SCATES

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. JONES of Tennessee. Mr. Speaker, I want to take the opportunity today to pay tribute to the Reverend H. Shaw Scates, stated clerk of the general assembly of the Cumberland Presbyterian Church. Dr. Scates has served long and well in many various positions in the Cumberland Presbyterian Church and has been dedicated to each of those positions.

On Monday, June 16, Dr. Scates officially retired from the stated clerk's office of the Cumberland Presbyterian Church. I have known Dr. Scates for many years and although he is retiring from this position, his life will not be a retiring one. Retirement will give him more time to serve the people in his own personal way.

The citizens of Tennessee, not only Presbyterians but the other denominations, sincerely appreciate all that Dr. Scates has done for the church throughout his long career.

Among his many outstanding services to the Cumberland Presbyterian Church, Dr. Scates served as a member of the board of education for the general assembly for 8 years, he served as executive secretary for the Cumberland Presbyterian General Council from 1971–75, and was chairman of the North American area, Alliance of Reformed Churches, from 1968–69.

I want to take this time to wish Dr. and Mrs. Scates a healthy, happy, and fruitful retirement.

HAZARDS OF AEROSOLS

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. ROGERS. Mr. Speaker, for more than 6 months now there has been a growing debate over the potential hazards in the use of aerosols which contain fluorocarbons as propellants.

On one side of the debate are scientific models which indicate fluorocarbons rise into the atmosphere, interact with the Sun's rays and deplete the ozone layer, which protects the Earth from the Sun's rays. If this is found to be true, there will be an increased incidence of skin cancer and the resulting weather modification will adversely affect plant and crop growth.

Those on the other side say these scientific reports are only models and have not proven out.

The Committee on Health and Environment is presently studying legislation which will provide for further scientific investigation of this situation.

I was pleased, however, to see that the Johnson Wax Co. has announced that as of June 17, it will no longer use fluorocarbons propellants in the production of its broad line of consumer products.

In making the announcement, Samuel C. Johnson, chairman and chief executive officer, said the action was taken, "in the interest of our customers during a period of uncertainty and scientific inquiry."

I commend Johnson Wax for this show of corporate responsibility. I would note that Johnson Wax does not expect to drop any line of its products because of this decision. Nor does this announcement make note of layoffs. We see here a firm which shares the concern of many Americans and one which has moved to a solution to the problem while not interrupting its normal business.

To the contrary, it proves that industry can come up with alternatives to fluorocarbon and I hope that other companies would consider such a move.

Mr. Johnson notes that this decision does not mean his company is convinced that the fluorocarbon problem has been proved to the complete satisfaction of the company's scientists. But he does say that Johnson's scientists do agree that the hypothesis may be possible.

And so they have decided to exercise caution. And for this, I commend Mr. Johnson for his concern.

COME ON FELLOWS, LET US PULL TOGETHER—OR ELSE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. ASHBROOK. Mr. Speaker, there were a number of interesting undercurrents in the House last week. Our new freshman liberals seem bent on having it both ways. They were elected on the reform argument but almost immediately reverted to the antiquated arm-twisting, united we stand or else strategy which would not win at any election in our country. They are liberal in everything except their recognition that there are a number of Democrats in this Chamber who vote their conscience rather than concensus or forced caucus-inspired positions.

I do not usually get embroiled in such matters. I feel the other side should be able to follow whatever course of action on its own internal disputes that it deems appropriate. However, when duplicity emerges it should be challenged.

When President vetoes some bill it is bad and an example of partisanship. When they ask for 100 percent opposition to the President's veto, that is good and not partisan according to their liberal logic. When not all Democrats go along with this position, they are to be castigated.

Partisanship is partisanship and they cannot have it both ways. When they ask 100 percent of the Democrats to override a veto, that is partisanship whatever they want to call it. No one on our side has ever tried to tell me how to vote. They might not like it and that is their right but no caucus or leader has ever or will ever dictate to me in areas where I perceive the national interest to be different than that of the Republican Party.

Some of the reformers even wanted to oust Speaker ALBERT. Some wanted retribution against recalcitrant Democrats who do not toe the line. All this, Mr. Speaker, while these on-the-job liberal learners are trying to tell everyone how to run this body.

In another area of reform, I will help

them out. Herewith I include the agenda letter for the secret meeting they proposed with Speaker ALBERT. Let the sun shine in.

The letter follows:

JUNE 17, 1975.

DEAR COLLEAGUE: The following are some of the ideas suggested for tonight's meeting with the Speaker.

1. Designated Spokesman: Whenever a critical issue arises to which there is a need for a public Congressional response, the Speaker should designate a spokesman to address the national media. This spokesman may be the Speaker himself, the Majority Leader, Whip, etc., or someone versed in the subject matter, i.e. Tom Foley on the farm bill veto, Patsy Mink or Mo Udall on the strip mining veto, Al Ullman on the energy bills, Henry Reuss on the expected housing bill veto, etc. This spokesman would be charged with setting the public record straight as to the Administration positions.

2. Roll Call Decisions: There should be a decision prior to each day's session as to those votes on which the Democrats will demand a roll call (in addition to any roll call requested by a member). The Republicans seem to know exactly the issues on which to call for a roll call, and those are generally geared to future political use. We should do the same.

3. Strengthening the Whip Structure: Several suggestions have been made which would strengthen the whip system. At present, many offices are not contacted when key issues are coming up. This is critical in cases of undecided votes, potential absenteeism, or misleading information on the issue.

4. Five-Day Work Week: The five-day work week rule should be inviolate, first, so we can structure our schedules accordingly, and second, so we can do more work now and avoid a crush at the end of the session.

5. Key Democratic Vote List: The leadership should decide which issues are top priority Democratic votes and inform the members accordingly. In the course of each session the leadership would select critical votes for inclusion on their list for compilation at the end of the session. These lists (hopefully restricted only to the most urgent and significant matters) would rate each member's support. On these issues the leadership would make it clear that members, if at all possible, hould accede to their request for support. COPE, UAW, Senior Citizens, and other lobbying groups use such a system to good effect.

We are sending this to you in advance of tonight's meeting to let you review these proposals; perhaps they will revive ideas to that you have entertained in the past.

Sincerely,

PAUL E. TSONGAS,
TIMOTHY E. WIRTH,
Members of Congress.

ROLL CALL ANNIVERSARY

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. McHUGH. Mr. Speaker, I would like to direct the attention of my colleagues to an extremely noteworthy occasion being commemorated this week on Capitol Hill. Twenty years ago, the Capitol's community newspaper, Roll Call, was founded under the leadership of Sidney Yudain.

During its two decades of publication, Roll Call has developed a reputation for its perceptive and intelligent portrayal of life within the Capitol community. Leaving the reportage of the day-to-day deliberations of Congress to journalists of a different stripe, Mr. Yudain and the Roll Call staff have sought to foster a greater unity of interests out of the many divergent lifestyles found on Capitol Hill.

Mr. Yudain's efforts as editor and publisher of Roll Call have done much to ease newcomers into the bustling pace of life on the Hill. Speaking as a first-term Member of the Congress, I would like to commend Mr. Yudain for the professional standards of his publication and say that I look forward to reading as many future issues as my constituents allow me to. As one whose staff includes many fresh faces on the Hill, as well as many capable veterans, I would like to express my appreciation to Roll Call for making the transition to life in Washington so much easier.

FREEDOM FOR BALTIC STATES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. GILMAN. Mr. Speaker, the Baltic States, Estonia, Latvia, and Lithuania, were independent nations until they were seized by Russian troops and absorbed as "republics" of the U.S.S.R. As we mark the tragic days of 1941 when the Soviet Union in their deliberate takeover, deported thousands of innocent citizens of the Baltic States, we are reminded that many people who remain behind the Iron Curtain have been deprived of their precious freedoms.

Estonia, Latvia, and Lithuania ruled at various times prior to 1918 by Danes, Swedes, Poles, Germans, and Russians always adhered to their own traditions, spoke their own language and cherished their own literature, despite violent attempts by the Soviet Union to undermine the strong spirit of nationalism ingrained in these proud peoples.

Estonia, Latvia, and Lithuania were part of the Russian czar's empire prior to World War I. With the deposing of the czar during the Russian Revolution of 1917, the Baltic States demanded their independence. The subsequent invasion by allied troops aided their cause.

The 1930's was a precarious time for the Baltic States. For survival they balanced uneasily between the forces of Russia and Germany. In 1939 Russia demanded military bases in the Baltic States. The States were powerless to act contrary to those demands. Finally, by 1940, there was a complete take-over by Soviet forces and the Baltic States were annexed to Russia. A German invasion in 1941 was thwarted by the Russian Army. From that period until the present, the Baltic States have remained under Soviet domination.

It is our responsibility, as a free nation, to continue to support the struggle for freedom that these countries have so courageously waged. We must not lose sight of the fact that the peoples of these countries are being denied their basic human rights. Accordingly, on Baltic States Freedom Day, it is appropriate and incumbent upon our Nation to demonstrate our concern for these nations and to encourage others to become aware of their plight.

YEAR-ROUND SCHOOL CONCEPT EXPLORED IN SAN FRANCISCO CHRONICLE EDITORIAL

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

JOHN L. BURTON. Mr. Speaker, I would like to call to the Members' attention an editorial in the June 8 issue of the San Francisco Chronicle that addresses itself to an experiment being carried on in the great State of California educational system. This experiment deals with the concept of year-round schools.

I would commend the editorial to the Members, and I would hope that Congress would see fit to move in this area as a means of saving local school districts, and all levels of government, moneys by virtue of adopting plans that would save many dollars in building and operational expenses, which is a matter of considerable importance in these times of inflated costs and tight budgets.

The editorial follows:

YEAR-ROUND SCHOOLS

California is leading a national trend toward year-round operation of the schools, a system already on trial in 26 other states with highly promising results, the State Department of Education reports. This state has 126 schools in 38 school districts using one of the various forms of the all-year concept, and 60 other districts are contemplating adoption of a reform that has demonstrated its worth in numerous ways. California's use of the system dates back to 1968 when the Unified School District of Hayward, across the bay, received special authorization from the Legislature—which has since become sufficiently impressed to enact, in 1973, a measure to assist school districts in financing the change-over from the nine-month school year.

This traditional nine-month-school year with midsummer-vacation was founded on the necessity of freeing children for farm work during the summer months, and the Department's report notes that: "Changing life-styles of the post-World War II era have made it increasingly clear that this reason no longer exists." In fact, it says: "The long summer vacation finds hosts of children and youths idle and bored. Often, the lack of available constructive activities is the cause of increased vandalism and drug use."

What is more, the so-called "forget factor" operates, causing teachers and pupils to spend valuable time at the outset of a new term in review because of the "loss of learning" during the long absence from the schoolroom. Elimination of this gap in formal training, the report suggests, permits more varied and enriched instruction.

The year-round system has many and varied forms. One divides pupils into four groups, with members of each group attending classes for 45 days and taking vacations of 15 days, and the groups so staggered that at any one time three are in school and one on vacation. All take the Christmas, Easter and mid-July vacations at the same time. Another version permits pupils to select any 175 days they choose to meet the state law's minimum requirement. Yet another uses the four-quarter plan and permits high school students to register for all four quarters and thus hasten graduation.

Any of these and the other variations now in use plainly save the school districts building and operation expenses, a matter of considerable importance in these times of inflated costs and tight budgets. What the educators justly regard as of greater importance is the proven competence of the year-round system to diminish truancy, improve attendance, decrease vandalism, reduce disciplinary problems and provide "a better balance of work, play and rest" for students.

The year-round school system, it is fair to say, is one more idea whose time has come.

PUBLIC BROADCASTING AND THE NEED FOR INSULATION

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. MACDONALD of Massachusetts. Mr. Speaker, I want to call the attention of my colleagues to a very thoughtful and timely article which appeared in the Washington Post on June 17, 1975. It is written by Douglass Cater and deals with the importance of broacasting which is insulated from political pressures.

As one who has been closely associated with the growth and development of public broadcasting since the Public Broadcasting Act of 1967 was enacted, I would like to underscore what Mr. Cater has written about the need for insulation. Public broadcasting should not be exposed to the uncertain whims of changing political ideologies. Its vulnerability to undue political influence exerted by control over its budget has been openly blatant on occasion.

I would like to repeat the statement which I made to the House during debate on public broadcasting 5 years ago:

> The objective of a long-range financing plan is to provide insulation from direct or indirect political pressure, however well-intended, that might compromise public broadcasting's programing in the minds of viewers and listeners.

H.R. 6461, the Public Broadcasting Financing Act of 1975, provides just such a long-range financing plan and deserves the support of all the Members of this body.

The article follows:

INSULATION THE PUBLIC AIRWAVES

(By Douglass Cater)

In recent weeks, public broadcasting advocates visiting Capitol Hill are being asked a difficult question: Why among all the government-supported programs should the Corporation for Public Broadcasting be voted five-year funding rather than be faced with the annual appropriation process? It is a ticklish matter to explain to a congressman that the intent is to insulate this non-commercial communication system from the politician. No elected representative likes the idea that he constitutes a threat in carrying out what he perceives to be his official duties. Members of the House and Senate Appropriations Committees, in particular, are allergic to any suggestions about relaxing their hold on the federal purse strings.

But there is an explanation that ought to convince congressmen that the issue of insulation is neither theoretical nor directed solely at them. So far, Congress has behaved with commendable restraint in watching over this flegling enterprise. The Nixon White House, on the other hand, lived up to the worst fears of political interference. White House aide Patrick Buchanan boasted on the Dick Cavett Show that Nixon vetoed the CPB authorization bill because he didn't like the public affairs programs on public television. Clay T. Whitehead, head of the Office of Telecommunications Policy delivered a stern message to the public broadcasters at their annual convention in 1971: No long-range financing unless they satisfied White House notions of how the system should be run. Tom Curtis, a Republican and congressman resigned as CPB Chairman with angry accusations that the President's men were engaged in backstage manipulations.

The threat has not passed now that Nixon and his associates have departed. From my own experience serving President Johnson, I can testify that President's men are constantly tempted to view broadcast programming almost solely in terms of whether it suits their image of the President's interest. That temptation is not likely to disappear.

The damage has been measurable. Added to its own problems, public broadcasting has been caught in the political tug-of-war over HEW appropriations with which it has been lumped. Three times, it has had to endure presidential vetoes and the hand-to-mouth funding of a continued resolution.

This is no way to run a corporation that, in the lofty language of its enableing act, is supposed to "assure the maximum freedom of the non-commercial educational television or radio broadcast systems. . . ." Well-meaning citizens groups are currently beseiging Congress to impose other program restrictions which will serve their own interests. Freedom cannot endure such a political regimen. Creativity has little chance to flower amid such uncertain expectations.

It took three years of patient nurturing, for example, to bring Sesame Street into being. Good programming for television, commercial or public, needs time, venture funding, and the constant willingness to risk mistakes.

Two arrangements can help provide the insulation that is needed. The first is to secure diversity in funding. (Under the matching provisions in the legislation now before Congress, 72 per cent must come from non-federal sources.) The second is to guarantee that federal funds are insulated in fact as well as theory. This was what prompted the Carnegie Commission in its original design for CPB to propose that a tax on TV sets be earmarked for the corporation's financing.

After long and painful negotiation, the compromise of five-year funding was reached. Now at last, both the White House and the congressional authorizing committees are in accord. The next month or so will bring the decisive test on whether the Appropriations Committees and Congress as a whole will accept this compromise. To delay decision until next session will undoubtedly embroil the legislation in election year partisanships. Of course, Congress and the President retain the power to cut off support for CPB any time it betrays its mandate. Beyond that, in my sober judgment, five-year funding is a non-negotiable compromise.

The time has come to determine whether Congress acted in good faith when it chartered the public radio and television system 8 years ago. Having played a midwifery role at the birthing of public broadcasting, I have reluctantly concluded that it would be wiser policy to terminate federal funding altogether than to continue the year-to-year subsidy which corrupts our public claim on the air-waves.

CONGRESSIONAL TRICK AND TREAT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SHUSTER. Mr. Speaker, since coming to the Congress nearly 3 years ago, I have been a critic of the spendthrift habits of this body. Despite our present economic woes, we seem determined to exacerbate this condition by engaging in even greater deficit spending.

I commend the President for his courage in vetoing unwise and dangerous pieces of legislation and certainly hope that he will exercise that veto power when considering the emergency housing bill.

An editorial in the June 18, 1975, edition of the Washington Star entitled "Another Pumpkin" describes our preoccupation with this economic masochism. I recommend this article to all of my colleagues and ask that they examine the evil that lurks behind the smiling face of that jack-o-lantern:

ANOTHER PUMPKIN

The Democratic-controlled Congress has developed a genius for coming up with measures likely to draw vetoes by President Ford. The latest is a $1.4 billion housing bill.

Like the jobs measure that was vetoed recently—a veto that the House failed to override—the housing bill has some good parts. And like the jobs bill, the housing bill has been overloaded with bad provisions. It deserves to be vetoed.

What started out as a bill to help unemployed homeowners avoid mortgage foreclosures turned into an unjustified subsidy for homebuyers. As originated by Representative Thomas Ashley, Democrat of Ohio, the bill provided for loans of up to $250 a month for 24 months, repayable at an interest rate not to exceed eight percent, for homeowners behind on their mortgage payments and threatened with foreclosure. This was a commendable legislative effort designed to ease the burden on the unemployed who have enough other problems trying to keep body, soul and family together. It would not be a handout—the loans would have to be repaid—but rather a humanitarian effort to help them over a very rough spot.

Unfortunately, on the other side of the Capitol, the senators decided to combine it with another proposal providing a mortgage interest subsidy for persons buying homes costing $38,000 or less. This calls for the government to pick up interest costs above six per cent for a period of six years or to provide an interest rate of seven per cent for the life of the mortgage. In lieu of the interest subsidy, the homebuyer could get a cash grant of $1,000 as part of the down-payment.

While the aim is commendable—to stimulate the housing industry—the subsidy would go to a select group of beneficiaries, which would be highly unfair to the majority of taxpayers who would have to pay the bill. In addition, it would add another big dose of red ink to the already staggering budget deficit. Congress already has provided one hefty and grossly unfair subsidy to home-buyers this year—the $2,000 tax credit that was part of the $22.8 billion tax reduction bill.

Instead of junking the interest subsidy and sticking with just the mortgage foreclosure loan feature, House and Senate conferees approved the bloated Senate bill, and it now has gone to the White House. Ford already has said he will veto it.

Even some of the House Democrats thought it excessive. Thomas Rees of California called it "overkill," and Representative Ashley wanted to know "why we insist on serving up these veto pitches the size of pumpkins." A good question. Maybe it has something to do with halloween.

DIALOG ON CHOICES: GOVERNMENT STRUCTURE

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, I wish to commend my good friend and colleague from Illinois (Mr. Simon) on initiating this "Dialog on Choices" series in the Extension of Remarks. I quite agree with the gentleman's remarks of June 3 that—

> The opportunity for the long range, reflective perspective is one that the structure of Congress is not designed to encourage.

I share the gentleman's observation and frustration that we are so precluded from carrying on such general discussions on great issues in what we fondly call, "the world's greatest deliberative body." This fact in itself is worth discussing under the first topic of the series, "Government Structure."

Here we are today, presumably initiating a great "dialog" on the future choices of our Nation, and yet communicating with one another, and hopefully beyond, through written inserts placed in the back of the Congressional Record. My dictionary defines "dialog" as:

> A talking together; conversation; interchange and discussion of ideas, esp. when open and frank, as in seeking mutual understanding or harmony; a written work in the form of a conversation.

Despite the revolution in communications technology in this 20th century, we still find ourselves forced too often to talk together and communicate our ideas through the same medium used by the authors of the Federalist Papers nearly two centuries ago—the printed word. My colleague has termed this "Dialog" a "modest modification of the Federalist Papers." It should be noted, though, that the Federalist Papers probably had wider readership than today's Extensions, being carried as they were in New York City's newspapers. I hope my other colleagues are not inhibited from contributing to this "dialog" by the comparison with the Federalist Papers, "modest modification" qualifications notwithstanding. They should be consoled by the following from Clinton Rossiter's introduction to an edition of the Federalist Papers:

> Conceived in the pressure of a great crisis in human events, written with a haste that often bordered on the frantic, printed and published as if it were the most perishable kind of daily news, The Federalist bore few marks of immortality at birth.

Now, if most of our Record remarks do not measure up to those standards, I do not know what does. But, I suspect if we brought back Hamilton, Madison, and Jay today and asked them how, using means available today, they would go about persuading the States to ratify the Constitution, they would unanimously agree to take it to the people via TV—using videotapes from the Constitutional Convention debates, accepting invitations to discuss the document on the Sunday talk shows, holding press conferences geared to the nightly news shows.

By the same token, I think this Congress could take a major step to bring us into the 20th century by providing for the broadcasting of House floor sessions and by setting aside, from time to time, blocks of time during the day or during prime time in the evening, for a general discussion of topics of critical national importance and interest. For example, last month, after our various committees had conducted preliminary hearings on energy legislation under their jurisdiction, the House could have set aside 3 hours of general debate on the dimensions of the energy problem and alternative solutions. From this discussion, open to all but drawing heavily on the expertise of relevant committees, the general membership and the public could be better informed of the problem and options. A followup debate on the same topic might be held a couple of weeks later after Members have had an opportunity to sift ideas from the initial debate as well as public responses. From this second debate, some type of consensus might emerge which would serve to better guide our committees in drafting energy legislation which would have broad-based understanding and support.

Such preliminary debates might make it more feasible for the Speaker to then utilize the existing House rule permitting him to appoint an ad hoc committee consisting of members from the various relevant committees having some jurisdiction over energy, to draft and report a comprehensive energy bill. At present this option is rejected by many on the grounds that such a comprehensive bill would be so complex, confusing, copious and open to such an infinite variety of amendments that it would sink under its own weight if we should ever conclude the amendment process. That may well be as things now stand. But it seems to me that broadcasting these general energy debates as I have proposed would help to make the so-called invisible crisis visible to the public and bring about the national consensus which is so essential to building a consensus within this House. That in turn would help to insure fewer and less frivolous, ill-informed and ill-advised amendments than might otherwise be the case. The pressure would be on for action on a national energy policy rather than simply reaction against the President's program or tunnel vision on economic considerations only.

The subject of this "dialog" is the structure of government. As important as it is to restructure the executive and legislative branches in response to our changing times and needs, I would submit that no amount of restructuring is going to bring us a step closer to resolving such problems as energy if the vital element of leadership is missing. The President has attempted to assert leadership in this area by bringing forward his own comprehensive energy plan. The Congress has every right and obligation to come forward with a better alternative if it can. This cannot and will not be done unless and until we exhibit real leadership by informing, educating, and leading the public—of building a national consensus that will permit us to enact a national energy program.

Former Presidential Press Secretary George Reedy, in a Washington Star interview on June 12, stressed the view that the role of the Congress is not to run the country—as some would like—but rather, in his words:

> To gather the consent of the American people to broad policy.

When asked whether he thought Congress was fulfilling that role, he responded:

> Yes, because right now I don't believe you can get a political consensus in this country, and Congress cannot establish a political consensus if it doesn't exist among the people. Congress can lead in shaping that consensus, but the base has to be there. I don't think the base is here right now.

I cannot agree fully that we are fulfilling our intended role by reflecting a lack of public consensus through inaction. It seems to me that greater emphasis must be placed on the second point in the Reedy quote, that is, that—

> Congress can lead in shaping that consensus.

And here, it seems to me, we have failed miserably. We tend to wait until a crisis is upon us and public pressures are overwhelming before we act. We tend to wait for the grassroots to push their own way up through the concrete floor of this Chamber rather than cultivate their growth by exposing them to the elements of enlightened leadership and education.

Perhaps it is naive to think it will ever be otherwise given the realities of politics and the risks of being so far out front that nobody is behind you. But I still feel it is possible for us to play a more active and constructive leadership role in building a national consensus on issues of great national importance without jeopardizing our political careers. But this will not be done until we establish better means to communicate among ourselves and with our constituents and then to move together in a concerted effort to shape necessary legislation.

By institutionalizing a mechanism for conducting general debates on great issues prior to the drafting of legislation, and by broadcasting these, I think we could make a great step forward in helping to shape a national consensus early on, as I outlined earlier using the example of energy legislation. Obviously, introducing the public at the last minute through the media to our debates on a specific bill, without adequate prior public education on the provisions of that bill, will not in itself suffice to contribute to consensus building. If anything, judging from our exercise of the last 2 weeks on the energy bill, it would probably only further confuse and frustrate the public.

Mr. Speaker, I wish I could take more time to address myself to the various aspects of Mr. Simon's topic of "Government structure." I have instead chosen to focus on a very narrow yet important problem which exists in this one branch of Government, and to make a very modest proposal which may contribute to resolving that problem. Rather than addressing myself to various structural reforms in Government which can and should be made, I have concentrated on what I consider a matter of overriding importance—the element of leadership in Government and its role in shaping a national consensus on great issues. Without that vital element, no amount of restructuring will make much of a difference. And, as the people's branch of Government, it should be our primary responsibility to exercise greater leadership in consensus building.

JUSTICE OWES CLAY PUBLIC APOLOGY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. CLAY. Mr. Speaker, on June 13, 1975, I received from Deputy Attorney General, Harold R. Tyler, Jr., a letter completely absolving me of charges of narcotics trafficking. Mr. Tyler stated:

> The Criminal Division has just concluded its inquiry into these allegations. I have reviewed the final report and I am now in a position to inform you that our investigation does not substantiate these charges. You will be pleased to know therefore that we are closing our files on this matter.

This was welcome news. But I would hope, however, that Mr. Tyler and the Attorney General are opening a new file to determine if Liam S. Coonan and John C. Keeney are guilty of any misconduct for the parts that they played in this unsavory event.

Mr. Speaker, though Mr. Tyler's letter was very straightforward, it raised grave questions about Liam S. Coonan, Attorney in Charge of the Organized Crime Strike Force in St. Louis. Was Coonan part of a conspiracy to smear? Did the paid informer commit perjury? If not, who is the William Clay that he referred to? What part did Keeney play? Was this part of a Justice Department strategy to harass Democratic politicians? All of these questions compel a searching and forthright investigation by Mr. Levi and his agency if for no other reason than to maintain a level of integrity commensurate with the rightful expectations of the American people. Mr. Speaker, I would like to commend to my colleagues an editorial by the St. Louis Post Dispatch in its June 17, 1975, edition and now insert it in the Record.

Smearing a Reputation

> The Justice Department has closed its three-year investigation into allegations of narcotics dealings on the part of Representative Clay, having informed the Congressman that its inquiry "does not substantiate those charges," but it would be compounding an injustice if that is the Department's last word on the subject. For whatever it may learn about Mr. Clay's conduct in other investigations which are continuing, the Department's handling of the narcotics allegations has been a disgraceful affront to the principles of fair play.
>
> To begin with, the charges were the fabrication of the Justice Department. A brief submitted by Liam Coonan, head of the federal Organized Crime Strike Force here, at the narcotics trial of former State Representative John Conley, stated that a paid government informer could testify that Mr. Clay was in the presence of a known heroin dealer and that the sale of drugs was discussed at the meeting in the fall of 1972. Furthermore, the brief stated that the following year, a federal undercover agent was told by Conley that Mr. Clay would "be able to help you out" concerning drug sales. Then at the trial itself, Mr. Coonan told U.S. District Judge James Meredith in a conference at the bench that an undercover agent had met Conley in 1972 "and William Clay was present, the Congressman, and there was a discussion there concerning narcotics."
>
> This, we would say, represents a fairly serious attempt by the Department to link Mr. Clay to the sale of drugs, and one would expect that there was nothing frivolous about implying that a U.S. Representative was a party to a felony. Indeed, Acting Assistant Attorney General John C. Keeney sent Mr. Clay a letter in January declaring that the brief "was a document prepared by the attorneys based on credible evidence."
>
> Well, a funny thing seems to have happened to that "credible evidence." It has disappeared; at least there is not enough of it to "substantiate those charges." Which raises the fundamental question of why Mr. Clay's name was inserted by the Government in its brief for a criminal trial. The result of that reckless act, for which the Justice Department owes Mr. Clay an apology, has been a smearing of the Congressman's reputation. Beyond an apology, Attorney General Levi should inform Mr. Clay and his constituents why a Government brief was put to so dishonorable a use.

FOREIGN AID AND THE EGYPTIAN DEBT TO THE SOVIET UNION

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. BUCHANAN. Mr. Speaker, in view of our present negotiations with Egypt and the delicate balance of peace in the Middle East, I wish to correct any erroneous impression which may have resulted from an article in the May 15 New York Times. The article states that in an interview published in the Lebanese weekly Al Hawadess, President Sadat was quoted as saying he would seek financial aid from the United States to settle Egypt's large debts to the Soviet Union. President Sadat in fact did not make this statement. I have obtained a translation of the interview with Al Hawadess and I quote from that translation. In discussing his financial negotiations with the Arab States, President Sadat said:

> We are in touch with our Arab brothers, not to pay our debts but to quickly strengthen our economy so that we will be in a position to discharge our obligation toward the Soviets and others. Our contacts are not confined to our Arab brothers. We are also in contact with the United States. This will be one of the main points in my meeting with President Ford in Salzburg.

It is interesting to note that the New York Times in an article published 3 days later on May 18 further reported that—

> Members of President Sadat's entourage categorically denied that Egypt intends to seek American financial assistance to settle Egypt's huge debt to the Soviet Union.

I quote further from that article:

> This is not what the President said or what he meant in an interview published by the Lebanese weekly Al Hawadess and quoted by the New York Times and other papers. . . . There is no connection between American financial assistance and the Egyptian debt to the Soviet Union, the sources said.

I think it is important to note the above excerpts from President Sadat's interview and those from the New York Times to establish what President Sadat actually said and to clarify a situation in which the use of U.S. foreign aid funds is discussed.

MINE SHAFTS WILL BE NUCLEAR SHELTERS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. BOB WILSON. Mr. Speaker, it is common knowledge that both China and Russia are quietly making provisions to provide fallout shelters for the entire population which, of course, is enormously greater than our own population in the United States. Yet we are doing very little in this field except to locate and mark potential fallout shelters in case of nuclear attack.

The Pentagon has a very dedicated Defense Civil Preparedness Agency which has plans for sheltering at least a portion of our population but Congress has very grudgingly given them not much more than peanuts to spend in this very important area.

All of us pray that nuclear war will never come. Experts tell us if it does over half the population could be saved if they remained under ground for a period of 7 days in fallout shelters, tunnels, et cetera.

With *Russia and China* outspending us 10 to 1 and shooting for the ability to put every person in a fallout shelter, are not we being a little foolhardy to not make comparable plans?

I include as a portion of my remarks a recent article by Phil Stanford which appeared in Parade magazine on this subject:

THE PENTAGON'S NEW PLAN—MINE SHAFTS WILL BE NUCLEAR SHELTERS

WASHINGTON, D.C.—Anyone who saw *Dr. Strangelove* several years ago will probably remember the mine-shaft gap. *Dr. Strangelove*, of course, was the funny movie about blowing up everything in a nuclear war, and the mineshaft gap was just another of its nutty jokes. In the film the United States was supposedly in grave danger of falling behind Russia in the number of mine shafts that could be used as fallout shelters.

Well, it isn't a joke anymore.

The Pentagon is currently developing plans to use abandoned mines as nuclear fallout shelters.

"Our estimates now," says a researcher for the Defense Department's Civil Preparedness Agency (DCPA), "are that under Crisis Relocation Planning criteria, there is a potential for sheltering 50 million people in level, dry and readily accessible mines."

Recently, in what was called a "feasibility study," Pentagon civil defense officials tested generator-powered lighting and ventilation equipment in a mine near Kansas City. "The fans," reported the DCPA, "moved sufficient air through the mine to support 80,000 people for an indefinite length of time."

The DCPA says it has already found space for "6 million people in some 2000 mines" around the country. Montana, Utah and Missouri are cited as states with lots of usable mine shafts. According to DCPA research, 70 per cent of the population of Missouri would fit into the state's mines and caves. A study in Pennsylvania, which is considered another prime location because of its coal mines, "demonstrated that the entire population of Pittsburgh could be sheltered in mines within 70 miles of the city."

"The very high quality of nuclear protection offered by America's underground mines has not been fully appreciated," concludes a report in an official DCPA publication. "Now, is the time to rectify that situation."

The plan to put people in mines and caves to protect them from nuclear attack is part of a new civil defense program called Crisis Relocation. Under Crisis Relocation, the populations of all U.S. cities and other "high risk" areas such as military installations would be evacuated to "low risk" areas during periods of "international tension."

ADEQUATE WARNING

The whole idea, of course, is based on an assumption that there will be some sort of warning before a nuclear attack. Since it takes intercontinental ballistic missiles only about 30 minutes to reach their targets, an evacuation of any kind would otherwise be impossible. "However," says a DCPA document, "most authorities have concluded that it is probable that a period of increased international tension will provide a period of strategic warning prior to an attack. Given two or three days and good plans, a successful relocation of population could be achieved." Secretary of Defense James R. Schlesinger is among those who believe that this is the most likely "scenario" for the outbreak of a nuclear war.

Crisis Relocation is part of a new strategic policy called Flexible Response. Nuclear strategy is naturally a very complicated business, but basically what Flexible Response means is that the U.S. is prepared to fight various kinds of limited nuclear wars with Russia instead of just one big war. According to those who believe in Flexible Response, this helps to deter any enemy from making limited attacks against the United States, because, presumably, the other side realizes that if they attack one of our missiles, we will attack one of theirs; if they attack two of our missiles, we will attack two of theirs; if they attack one of our cities, we will attack one of theirs, and so on.

The key word in Flexible Response is Options. According to Dr. Schlesinger, being able to move people out of cities—and thereby remove them as possible targets for enemy missiles—is an important strategic option.

If the Russians are able to evacuate their cities in time of crisis, the United States, he says, must be able to do the same. This year, in his annual message to Congress, Schlesinger said that the Russians have already developed extensive plans for evacuating their cities.

A WAY TO SAVE LIVES

He outlined two ways that Crisis Relocation might be used. Option 1, he said, would be for a Soviet threat against just our missiles. It would involve the "relocation of the population from high risk areas near key military installations and the protection of the rest of the population against fallout." This, he said, could reduce fatalities to "well under one million." Option 2 would be for an all-out Soviet attack. This would require "the evacuation of the bulk of the population from our major metropolitan areas" and could save as many as 70 million lives.

DCPA officials acknowledge that even if everything "worked perfectly," 50 to 135 million Americans would still die in an all-out attack. But they say those statistics only emphasize the importance of proper planning.

Most people probably believe that such ambitious civil defense plans went out in the 1960's, after the great fallout-shelter debate. Although Crisis Relocation obviously has the greatest implications for national strategic policy—and for the comfort and safety of tens of millions of Americans—so far it has received little public attention.

It is now possible, however, by assembling information from various official sources, to put together enough facts to form the basis for further discussion. These are the basic facts:

Crisis Relocation planning has been underway for at least a year now. Last year the Civil Preparedness Agency drew up a list of 400 "prime targets" in the U.S. (It was nothing fancy. Just a compilation of U.S. cities with populations of more than 100,000, plus likely military targets.) The DCPA also began work on computerized "allocation plans" for 10 pilot cities. The cities are Tucson, Ariz.; Great Falls, Mont.; Colorado Springs, Col.; Oklahoma City, Okla.; Macon, Ga.; Dover, Del.; Springfield, Mass.; Duluth, Minn., and Utica and Rome. N.Y.

The Pentagon acknowledges that it has now passed beyond making preliminary studies. In a little-noticed appearance in April before a Senate subcommittee, DCPA director John E. Davis testified that his department had finished work on "Phase One" for the 10 pilot projects and was now working on "operational concepts needed to carry out the movement of people and shelter and sustain them in safer locations." Secretary Schlesinger says that studies show it will be possible to keep them for up to two weeks. Davis asked Congress for $1.3 million to hire more people to work on thees plans.

This is how DCPA director Davis says the order to evacuate might be given: "All residents of City W with zip code XXXXX should proceed south on U.S. highway YY to the town of Z. More detailed instructions will be provided there." Civil Defense officials save already begun printing sample brochures to be handed out to evacuees. The brochure contains information on evacuation routes as well as helpful hints on how to survive a nuclear attack.

The Pentagon is now seriously considering using abandoned mines and caves as fallout shelters for the millions of people who will be evacuated during a crisis. "The potential of using mines as nuclear shelters is particularly attractive," says an official publication, "when viewing in the context of Crisis Relocation Planning—contingency planning to move people away from likely target areas to protective shelter in less dangerous areas over a period of two or three days during an intense international crisis. While many large mines are not located within or next to major metropolitan areas, they are close enough to be reached within two or three days by city dwellers."

By any luck at all we should be able to close the mine-shaft gap.

HAYSTACK: A SHARING OF CREATIVITY

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. COHEN. Mr. Speaker, last year I had the pleasure of focusing the attention of my colleagues in the House on the Haystack Mountain School of Crafts in Deer Isle, Maine, because of a particularly innovative approach the school had embarked on to explore black crafts culture. With the assistance of the State Department and the National Endowment for the Arts, Haystack was able to recruit African craftsmen to serve as instructors in the special crafts of their continent. Therefore, I was pleased that the Haystack School was recently featured in Topic, a magazine published by the U.S. Information Agency for distribution in Africa as part of our effort to tell America's story abroad.

I believe the success of this unique session on African crafts is of import to all people interested in breaking down the barriers to peace among men. As Artur Rubinstein said:

> The only hope to bring some harmony among the nations is through art. Art never wakens suspicions and after-thoughts, thus leading to treachery, to violations of the spoken and printed word. Diplomacy has failed us. Art . . . is the universal language of kinship and shared emotion; it creates love and respect between all creeds, colors, systems. In its image, all men are brothers—and equal.

In commending this article to my colleagues, I join with supporters of the arts in wishing the Haystack School continued success as it celebrates its 25th anniversary.

The article follows:

HAYSTACK: A SHARING OF CREATIVITY

(By Urmila Devgon)

It's the kind of place that's hard to put into words, perhaps because it means different things to different people. To some, Haystack is a creative crafts center where, for a few weeks each summer, new ideas are explored and the zest for artistic expression is rekindled. To others it is an escape from the hustle and bustle of the workaday world, a chance to commune with nature and, on this spruce-covered island off the rocky coast of Maine, to rediscover a simpler way of life. And it is a place for quiet contemplation, for renewal of the human spirit.

But most of all, the Haystack Mountain School of Crafts is a mood, a special feeling, a whole different frame of mind—a place of freedom and fulfillment where artist-craftsmen from many countries meet each summer to experiment, to share experiences and to expand their personal horizons in an atmosphere of contagious enthusiasm.

For the five Nigerians and one Tanzanian who taught African craft techniques during the 1974 session, aided by a grant from the National Endowment for the Arts (see TOPIC 88), Haystack was a memorable experience. Each came to teach: potter Abbas Magaji Ahuwan and textile artist Toyin Oguntona, both from Ahmadu Bello University in Zaria; Jimoh Buraimoh, mosaic artist, bead painter and metalsmith, Twins Seven Seven, painter and printmaker, Mrs. Nike Olaniyi, his wife, a weaver and dyer, all from Oshogbo; and Mwariko A. Omari, a woodcarver from Moshi, Tanzania. As the Tanzanian puts it, there is a deep feeling of giving, "to show people here that Africa still has a beautiful feeling of culture and art." But there is also a feeling of receiving for the Africans and for the others who participated in the Haystack experience—the gift of shared creativity.

"I like the lack of protocol," Oguntona said. "Everyone has a spirit involvement. There is freedom to do what you like. You do your own thing; you go your own way."

Buraimoh also felt what he described as the "freedom of movement and creativity" at Haystack. "People here really want to become artists," he said, "not because of the monetary part of it but because they are very anxious to be artists. When we met here, both black and white, it seemed as if we had been living together for a century."

Haystack is not so much a school as it is a catalyst of ideas and people. Ever since 1950, this innovative nonprofit educational program has encouraged a climate where diverse, even conflicting, opinion and expression reflect the differences in people—differences that do not separate them but that encourage individuality in the satisfaction of the creative impulse.

"You think sometimes that people are vastly different," commented American printmaking instructor Joe Ross, speaking of the Africans at Haystack, "but they really aren't when it comes to creativity. Everybody is working toward a certain end. There aren't really any barriers when it comes to creativity."

Originally a summer training and workshop program where professional craftmen could come and share techniques, Haystack now welcomes nonprofessionals and includes not only crafts but such related fields as mime and music. Although advertising is largely by word of month, there are far more applicants than the school can handle. About one-third of those at Haystack each year are returnees (the record is held by a Canadian couple who have attended for 13 consecutive summers). Those who come to Haystack, notes director Francis Merritt, are "people in all walks of life who want to examine themselves as individuals." They may be young or old (the minimum age is 18), rich or poor, male or female, black or white, novice or master, of any nationality. The only requirements, Merritt adds, are interest and intention.

What did Haystack mean to the African artists? "I found here that America is not only whites," Oguntona observed. "When you talk of America, you're talking of a sort of congregation of so many races. Here there is a spirit of brotherhood developing from these various units, especially the blacks." Seven Seven had a similar reaction. He called Haystack "a place where you forget whether you're an African or an American, or you're black or gray. Every one of us works together as a team. . . . I believe that people in art always are under the umbrella of peace, whether they are Chinese, Russian, Italian or African."

The spirit of Haystack impresses even the casual visitor. To go there just for a day or two is to experience the close bond of kinship that unites this community of artists. Mwariko Omart marveled at "the feeling of happiness." Mrs. Martha Wright, a young American potter, saw Haystack as "a very nourishing place for a craftsman. I don't get a lot of support in my everyday life in terms of what I want to be—a craftsman. And here is all the encouragement and support one could ever hope for."

Enrollment at Haystack ranges from 75 to 100 for several short sessions—generally three weeks each—held each year from late June to mid-September. Undergraduate and graduate credit can be arranged, and scholarships are available for those who have completed the equivalent of one year of graduate specialization. Simple, natural pine buildings, weathered to a soft gray and topped by single-pitched shingle roofs, serve as living quarters for participants and studios for ceramics, glassblowing, graphics, jewelry-making, photography and weaving. Walkways and decks link work and living areas, and a flight of stairs leads to the nearby seashore. Much of the activity is outside: Ahuwan conducting pottery sessions and Oguntona demonstrating batik dyeing on the open decks, Mwariko planning a new carving by a felled tree in the woods. Although classes are held five days a week, attendance is not required. The studios are always open for those who choose to work alone—and often the lights burn until the early hours of the morning as participants concentrate on a special project. Evenings at the main lodge are times of easy camaraderie. Relaxed groups may visit or play games (*Wari*, the African seed game, quickly "became" a favorite). Often there is a special program—a visiting lecturer, a folk drama produced by the Tanzanian woodcarver, songs, and dances by Seven Seven.

Adjusting to life at Haystack can take a while. Buraimoh was used to working alone; he needed a few days to become accustomed to working with a team. But soon he found he was communicating with the others in "the language of art." It was the human environment, he said, that "made me expose what is in me."

The African artists not only taught their students the traditional African craft methods but explained the significance of a piece of pottery or sculpture. "Somehow it's very inspiring and moving to hear about a pot that has traditions that go back long before this country was founded," Martha Wright discovered. "That's a very moving thing for a potter to know about."

Often improvising with the materials at hand, the Africans developed new ways of doing things. Oguntona found that various American substitutes gave almost the same effect as the Nigerian cassava-resist technique of dyeing. Ahuwan was able to devise a new method of ceramics firing—first with a kiln, then removing the pots and placing them on sawdust and covering them with cow dung to slow the firing process—that he feels almost duplicates the effect of traditional African firing. He calls his new method Afro-Raku: "It is a Haystack word that I hope is going to be in the potter's dictionary from now on."

Ahuwan's lasting impression of Haystack was the response of his students. They were quick to learn Nigerian pottery techniques and to adapt them to Western forms like the teapot. "I was most intrigued and encouraged by this ability to extract from what they had learned," he commented.

The African session, Director Merritt feels, was one of the richest in terms of human experience—and one of the most energetic in terms of productive work. It was followed by a special Afro-American session designed to encourage more American blacks to share in the vitality of the crafts movement. Between these two sessions, a one-week course linked the African and black American faculties, focusing on current craft ideas and trends in both cultures. Exhibitions, films, music, dance and poetry added to the enrichment of this bicultural offering.

Although the Afro-American session sought to show the similarities between the black American craftsman and his African counterpart, it also emphasized, according to its coordinator, Allen Fannin, that "while both share common craft beginnings and, to a great extent, a common motivation, the American black craftsman has his own unique culture. . . ."

The impact of Haystack's African session was both immediate and long range, for it was both a giving and a receiving experience. The opportunity to study with skilled African artist-craftsmen and to learn about the traditional background from which their work derives was a tremendous experience for young people like Martha Wright. But it did not end at Haystack. "In some way that I can't really foresee now," Mrs. Wright feels, "what I've learned here will show up in my work in the future."

SECONDARY BOYCOTTS AND THE CONSTRUCTION INDUSTRY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. ASHBROOK. Mr. Speaker, the Subcommittee on Labor-Management Relations of the House Education and Labor Committee is currently holding hearings on H.R. 5900. This bill would legalize common situs picketing in the construction industry.

The term "common situs picketing" is not a well-known or frequently used expression. It should be labeled for what it really is—a secondary boycott. In other words, H.R. 5900 is a bill to legalize secondary boycotts in construction.

Under current law, when a construction union has a dispute with a contractor on a construction site the union may establish a picket line and shut down the work of that contractor until the dispute is settled. Since there are usually many contractors and subcontractors on a construction site who are not involved in the dispute, most of the work at that site can continue.

If H.R. 5900 were enacted, however, the picket line would shut down the work of all contractors. Even those contractors and subcontractors not a party to the dispute—that is, secondary to it—would become ensnarled in the controversy.

Moreover, as now drafted, H.R. 5900 appears to allow a union engaged in a dispute with an employer on a job site to extend its picketing to other job sites where that employer is engaged. Furthermore, if H.R. 5900 becomes law, the secondary effect of a boycott could shut down an industrial plant in those instances where the plant is coextensive with the construction site.

Building trades unions should not be exempted from the ban on secondary boycotts. Neutral employers and employees should be protected from becoming embroiled in disputes in which they are not involved.

H.R. 6360—THE ENERGY BILL

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. DU PONT. Mr. Speaker, I voted against the Energy Conservation and Conversion Act (H.R. 6860). I could not support it because the bill has been reduced to meaningless pap by the actions of this body. This is especially disappointing to me since I had hoped that the House would produce a more effective bill than the political buck passing Senate version enacted some months ago. It is now a debatable question which body has produced the more ineffective bill to deal with our country's energy crisis.

During the course of debate on this bill Representative O'NEILL asked:

> Does the Congress of the United States have the guts to stand up and vote for America's future?

Well the answer is obviously no. What is not so obvious is why did we do it and what will be the result of our actions?

One of my colleagues was quoted as saying that his constituents do not believe there is an energy crisis. Well he is right, many people in the country do not believe that our energy problems are of crisis proportions. In response to a recent Gallup poll asking what people believed our top problem was, energy finished a woeful third at 7 percent behind inflation 60 percent—high cost of living—and unemployment at 20 percent. But regardless of this opinion sampling the problem is real. To pretend otherwise is to pervert our responsibilities as leaders. Are we to follow Disraeli's leadership formula when he said:

> I must follow the people. Am I not their leader?

By allowing our fear of hard choices to overcome our concern for our country's future we do our people a double disservice. We not only deceive them about the seriousness of the energy crisis, we also mislead them by not facing up to the realization that their other concerns—inflation and unemployment—are inseparably linked to energy supplies. You cannot bring down the cost of living or have full employment without coming to grips with the socioeconomic problems associated with our dependency on foreign powers for our energy needs.

Ironically, the proponents of a "do nothing" policy are afraid that oil tariffs, gas taxes, gas guzzler taxes, or whatever might be necessary would react negatively on our economy. They argue that it will cost jobs or add to inflation and in both respects delay economic recovery. What they fail to note is the potential for disaster if we cannot summon up the national will to demonstrate to the OPEC nations that we mean business.

To those who would drift on a sea of imported oil until we are swallowed by a whirlpool should our suppliers pull the plug, I pose the following questions. Does not our inept inaction tempt OPEC to actions such as their proposed oil price increases? How much will that outflow of billions of dollars cost us in inflation? How many jobs will be lost because people are not buying because their dollars purchase progressively less? The answer to the latter two questions is plenty.

If you do not believe this look at what has already happened to our economy in trying to compensate for overpriced oil. The most recent striking example of this is its contribution to the financial problems of New York City. Economist Eliot Janeway estimated that conservatively the additional oil costs to New York City for fiscal 1974 were $500 million and they will be that again for the upcoming fiscal year.

Instead of "biting the bullet" and enacting a sound energy conservation plan, we here on the floor of the House of Representatives passed a toothless bill which will reinforce the belief that given a choice between drift and decisionmaking we will take drift if it is popular.

I remain firm in my belief that we must embark on energy policy aimed at intelligent conservation of our resources combined with a search for alternative energy sources within our control. Perhaps some future actions of the House will pursue such objectives. When that time comes I will support the effort, but I did not vote for H.R. 6860 for it is a sham. We would better serve the public by not passing any bill, for at least then people would expect nothing. Under this bill, the public will expect something and get nothing.

H.R. 6860 is a bad bill, Mr. Speaker, and most of my colleagues know it. We ought to defeat it and begin anew.

BALTIC STATES

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. MOAKLEY. Mr. Speaker, let not a day pass that we, as Americans, do not recognize, savor, and protect our personal rights and liberties; and consistent with this democratic disposition let us not passively accept, but actively deplore infringements, flagrant or insidious, upon individual freedoms throughout the world.

As we dolefully acknowledge the 35th anniversary of the annexation of Estonia, Latvia, and Lithuania into the Soviet Union, our cognizance of personal freedoms need only be elementary to perceive the grave perpetrations which have victimized the innocent, freedom-loving people of the Baltic Republics.

Enslaved and deported to Siberian concentration camps, stripped of their basic personal rights, defrauded by paper promises, denied national self-determination, these people have been contemporary martyrs in their insuppressible quest and vow to freedom.

Mr. Speaker, such persecution is morally and socially noxious, pestilent to the principles and freedoms which we daily cherish.

Therefore, as my commemoration of this anniversary, I submit that we as Americans, unequivocally and unconditionally maintain a position of nonrecognition to the incorporation of the Baltic States as part of the Soviet Union; an incorporation which, in itself, is an injustice to the Baltic people and their beliefs.

LEGISLATION ADOPTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, AND WHERE NECESSARY, TRANSMITTED TO THE SPEAKER IN EARLY JUNE, 1975

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. DIGGS. Mr. Speaker, three additional acts have been adopted by the Council of the District of Columbia and transmitted to the Speaker for layover for 30 legislative days before becoming effective under the Home Rule Act—Public Law 93–198. They are Council acts 1–15, 1–16, and 1–18.

An additional Council act of an emergency nature took effect immediately on being signed by the Mayor, is in effect for only 90 days, and does not need to be transmitted to Congress. It is act 1–17.

Information in the committee files on these acts and other matters before the Council is available to any Member on request.

An explanation of the acts follows:

ACTS ADOPTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, AND WHERE NECESSARY, TRANSMITTED TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES IN EARLY JUNE, 1975

Act 1–15: Sponsor, Chairman of the Council Tucker (at the request of the Mayor). To extend the moratorium on conversion of rental unit properties into horizontal property regimes. Passed by the Council May 6, 1975. Signed by the Mayor on May 27, 1975. Bill number 1–73. Transmitted to Speaker June 3, 1975.

This act extends from May 31, 1975 to December 31, 1975 the moratorium on conversion of rental units to condominiums. Under special authority by Congress in Sec. 2 of P.L. 93–395, the old D. C. Council in 1974 adopted Regulation 74–26 declaring the moratorium with the May 31, 1975 expiration date. The Council expects to receive from the Mayor before July 1, 1975, comprehensive legislation on condominium regulation.

(Because this act does not take effect for 30 Congressional legislative days, under the Home Rule Act, the Council has also passed act 1–17, a 90 day emergency act, which took effect immediately and prevented the May 31 deadline from lapsing).

Act 1–16: Sponsor, Councilmembers Clarke and Douglas Moore. To declare the birthday of Dr. Martin Luther King, Jr., to be an official holiday. Signed by the Mayor on May 28, 1975. Bill number 1–2. Transmitted to the Speaker on June 10, 1975.

This act amends D. C. Code section 28–2701 by adding to the days listed in that section as legal holidays in the District of Columbia, January 15, Dr. King's birthday. Bills to the same effect have been introduced in recent Congresses.

The Council committee report accompanying this bill states that the cost to the District government will be $360,000 in holiday pay for essential workers and $2.5 million in loss of production.

Act 1-17: Sponsor, Council Chairman Tucker (at the request of the Mayor). To extend the moratorium on conversion of rental unit properties into horizontal property regimes. Adopted by the Council on May 27, 1975. Emergency act in effect for only 90 days. Identical to act 1-15. Emergency acts take effect when signed by the Mayor and do not have to be transmitted to the Congress for 30 day layover. Signed by Mayor on May 28.

The emergency situation, as stated in a resolution adopted by the Council at the same session this act was adopted, is that there is a grave housing crisis in the District of Columbia, particularly in regard to the supply of rental units available to persons of low, moderate and middle income, and especially to elderly persons, and that conversion of rental units into condominiums is irreversible once completed and would decrease the housing supply, increase cost and overcrowding in housing.

Act 1-18: Sponsor, Councilmember Spaulding. To extend the effective dates of the District of Columbia Public Postsecondary Education Reorganization Act. Passed by the Council May 27, 1975. Signed by the Mayor June 13, 1975. Bill number 1-75. Transmitted to the Speaker on June 17, 1975.

This bill postpones the effective date and all other dates in P.L. 93-471 for one year. For example, the Trustees for the new university were to be appointed by August 2, 1975. That date is changed to August 2, 1976.

The Council has under consideration Bill 1-115 which makes extensive changes in P.L. 93-471. A committee of the Council held hearings on March 7 and 8, 1975, on the subject.

(Because act 1-18 does not take effect for 30 Congressional legislative days under the Home Rule Act, the July 1, 1975 effective date of P.L. 93-471 will have passed before this act postponing that effective date takes effect. For this reason on June 10, 1975, the Council passed an emergency act identical to act 1-18. If signed by the Mayor or passed by the Council over a veto by the Mayor, the emergency act would take effect immediately and accomplish the purposes of act 1-18).

DIALOG ON CHANGE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. SIMON. Mr. Speaker, Lyle H. Boren, a former Member from Oklahoma, has responded to the call for dialog on long-range national needs with these suggestions:

> I believe, and I think the vast majority of the people believe that—The Federal bureaucracy should:
>
> 1. Be reduced in number and in personnel by at least 50%.
>
> 2. Should have no power to issue (via Federal Register) rules that have the force and effect of law.
>
> I believe, and I think the vast majority of the people believe that—national economics demands that:
>
> 1. Spending by Congress should be limited to the amount of money in any one year that taxes produce.
>
> 2. That every year at least 10% of the tax take should be used to reduce the national debt.

VISIT U.S.A. BICENTENNIAL ACT

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. MURPHY of New York. Mr. Speaker, many times during the past several years various legislative proposals have been advanced to eliminate unnecessary and cumbersome visa requirements imposed by our Government which inhibit foreign visitors from traveling to the United States, but unfortunately, in each instance, these proposals have not been enacted into law. During this year of preparation for the 200th anniversary of the birth of our great Nation, it is imperative that Congress pass and the President sign the Visit U.S.A. Bicentennial Anniversary Act which is designed to provide for the elimination of unnecessary visa requirements and, at the same time guard against the illegal entry of aliens.

Over a half century ago, as a World War I security measure, the United States began to require each visitor to obtain a visa from an American consul abroad. The requirements imposed by this prescreening process have been rendered obsolete by a major increase in tourism from abroad, a revolutionary reduction in travel time, and the fact that some 35 other nations—at the urging of the United States after World War II—require no visas from American tourists. In 1968, President Lyndon Johnson's Industry-Government Special Task Force on Travel stated that—

> The present entry procedures for vacation and business visitors to the United States are outmoded. They serve only to project an adverse image of this nation's willingness to receive foreign guests.

The imposition of these time-consuming entry requirements discourages tourism to the United States, imposes an unnecessary and increasingly expensive workload on our consulate staffs abroad, and gives foreign visitors the impression that this Nation is greeting them grudgingly rather than graciously.

At this critical point in our Nation's history, it is most urgent that the Visit U.S.A. Bicentennial Anniversary Act become law thereby increasing foreign travel to this country, improving our foreign relations through promoting a better understanding of America throughout the world, improving our balance of payments and strengthening the dollar, reducing the manpower requirements at foreign service posts in designated countries, facilitating the Immigration and Naturalization Service's implementation of immigration preclearance, and most importantly, allowing us to treat travelers from abroad more efficiently and hospitably.

The bill before us would empower the Attorney General and the Secretary of State to exempt, during calendar year 1976, nationals of foreign countries designated by the Secretary of State on the basis of reciprocity from the requirement to have a visa prior to entry into the United States while, at the same time, maintaining the existing statutory exemption for nationals of foreign contiguous territory or of adjacent islands and residents thereof having a common nationality with such nationals. To prevent abuse of the foreign visitor provisions, this bill specifies that: First, entry authorized by the act may not be for more than 90 days nor may such authorization be renewed or extended; and second, the status of the visitor may not be adjusted to that of an immigrant during his visit. It is clearly contemplated that implementing regulations would further specify that such a visitor would also be required to possess a valid passport good for a period of at least 6 months beyond the term of his visit, and the Immigration and Naturalization Service could require additional precautions, such as requiring nonrefundable roundtrip tickets and a certification by each visitor that he or she is not ineligible for admission under the provisions of section 212(a) of the Immigration and Nationality Act or other applicable provisions of the law. In short, the bill would greatly facilitate the entry of foreign visitors into the United States without lessening the security of our great Nation.

Elimination of the unnecessary and cumbersome barriers to the entry of foreign visitors to the United States is long overdue, and I urge that prompt and favorable consideration be given to this act to assure that such barriers to foreign visitors do not exist during our Nation's celebration of its Bicentennial anniversary.

AMERICA NEEDS MORE GAS—ZACHRY

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. COLLINS of Texas. Mr. Speaker, today in Congress many of our discussions center on energy. We all know that the best answer is for America to produce more oil, gas, and coal. We need to be less dependent on foreign imports.

I was looking through some old publications and found an interesting article written 20 years ago in 1955. This article was printed in the Progress magazine of the Southern Gas Association in May 1955.

The article was written by a gas distributor who was keenly concerned with seeing the producers develop more gas. The man who wrote the statement was C. H. Zachry, president of the Southern Union Gas Co. Here is a man who was concerned with having more gas to distribute. His conclusion, which was written 20 years ago, was deregulation of gas. You will be interested in reading some of the section of Zachry's penetrating analysis:

> AMERICA NEEDS MORE OIL—ZACHRY
>
> The assignment given to me is to look at the problems brought about by Federal regulation of the producer and to analyze their effect upon the distribution segment of the industry. Will the results of this regulation of the producers be beneficial or otherwise insofar as the distributors are concerned?
>
> In 1938, the United States Congress passed

the Natural Gas Act providing for Federal regulation of natural gas companies transporting natural gas in interstate commerce. This original law said—production and gathering not included! Congress reiterated the fact again in 1950 by passing the Kerr bill, (which was vetoed by President Harry Truman). The Federal Power Commission for sixteen years prior to June 1954 had held that it was not authorized under the law to regulate the field prices of producers. The present Supreme Court last June threw into the machinery, not only the well known monkey wrench but, I think, the whole tool chest when it rendered the famous Phillips decision.

The distribution companies have, during the past several years, sustained very substantial increased costs of rendering service to their customers. One of the important elements in their cost of service has, of course, been the increase in the cost of their gas supply. We natural gas distributors have found it necessary to present rate cases and to adjust our rates upward. Some have been forced to increase their rates several times in the past few years. How is the best way to solve these problem?

With producer prices controlled and supplies limited, it seems to me that the distributor might face a situation of dividing up a dwindling supply of natural gas and at higher prices.

In America, what causes a wanted commodity to command a high price?

Answer: "Scarcity."

Conversely, in our system of economy, how can we get a lower price?

Answer: "Increase production."

History tells us of many attempts by the governments of the world to control prices of commodities, nearly always with the highest of motives. Even as far back as 2,000 B.C. it was tried without success. In 301 A.D., Roman Emperor Diocletian, in trying to control high prices, issued a famous edict fixing maximum prices at which beef, grain, eggs and other commodities could be sold—with death to violators! Did this result in lower prices and full production? It did neither. Let's look at the history book: "After that the many oppressions which he had put into practice had brought forth a general dearth upon the Empire, then he set himself to regulate the prices of all vendible things. There was much bloodshed upon very slight and trifling account and the people brought provisions no more to market, and this increased the *dearth* so much, that at last, after many had died by it, the law itself was laid aside."

Sixty short years later Emperor Julian tried it again, this time on corn. Same good motive, same bad result. Historian Gibbon comments, "The consequences might have been foreseen and were soon felt. The proprietors of land withheld from the city the accustomed supply and the small quantities that appeared in the market were secretly sold at an advanced illegal price."

During the French Revolution, it was tried. History tells us: "The first result of the Maximum (price control law) was that every means was taken to evade the fixed price imposed, and the farmers brought in as little produce as they possibly could. This increased the scarcity and the people in the city were put on ration." Law repealed after year and a half.

Possibly old Adam Smith points it all up in his Wealth of Nations in 1776, referring to one of England's early attempts to repeal the law of supply and demand by government price-fixing. He said, "But there is one other thinge which wold helpe somewhat for the cheapness of victuals, and that is, if nyther the Lorde Mayour of London nor no other officer might have none authority to settle any price of victuals."

Did you notice one thing in common in each of the instances cited? "The people brought no more goods to the market."

The natural gas pipeline company and distributor are regulated, why not the producer? His answer is that the pipeline company and the distributor are Public Utilities and the producer is not.

According to the Bureau of Mines, the average value of gas in 1953 at the wellhead was 9.2 cents per MCF, approximately 20 per cent below the 1922 price of 11.1 cents. In the intervening 30 years, average wellhead prices dropped gradually to 6.0 cents in 1934 and on down to a low of 4.5 cents in 1940.

This in itself is eloquent testimony that a free competitive economy provides its own regulation and consumer protection.

We can answer that such competition has increased supplies of gas at cost, which, though higher, are still generally competitive with alternate fuels.

But doesn't logic bring us to the inevitable conclusion that our tried and true system of free enterprise offers the best means of obtaining our objectives? A free market means more and more production.

HEW NURSING HOME REGULATIONS UNFAIR

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. PEYSER. Mr. Speaker, each day 1,000 Americans become "aged." These proud individuals join the ranks of the Nation's elderly, who are too often unrepresented and ignored. It is our responsibility as representatives of all the people to stand up in their behalf and assume a role of leadership at times of injustice.

I would like to bring to the attention of my colleagues new regulations published in the Federal Register on December 17, 1974, pertaining to the Department of Health, Education, and Welfare's payment for reserved beds in long-care facilities under medicaid. The regulations provide that home visits may be taken up to six times annually and that they may not be taken more than twice per calendar quarter, but they stipulate that each visit may not exceed 3 days.

While I fully endorse the concept of home visitation, I strongly believe that this 3-day restriction imposes an undue hardship to nursing home residents and their families. It is imperative that those writing regulations for federally funded nursing homes understand the social and psychological problems involved in this issue.

Last week I wrote a letter to the Secretary of Health, Education, and Welfare, suggesting the Department amend its regulations to permit residents in long-care facilities the option to be away from the facility for a period not to exceed 6 days per calendar quarter and not to exceed the annual total of 18 days already established.

According to Dr. Keith Weikel, Commissioner of Medical Services Administration at HEW, there will be no economic impact as a result of this type of change, since the total amount of allowable visitation days in both the HEW regulation and my proposal are identical. Elderly residents in my district, Bronx and Westchester Counties, New York, living in nursing homes, have expressed an interest in combining at least 2 of the allowed 3-day visits. Traveling long distances make home visits impractical under the 3-day restriction and most of our elderly wish to be with their families at holiday time, for example, Christmas. It is unfair to prohibit the elderly this basic freedom of choice.

These regulations also state that medicaid reimbursements may be made to nursing homes while patients are away from the facility on "home visits." However, reimbursement is made only for those days during which there is a likelihood that the reserved bed would otherwise be required for occupancy by another patient.

The State of New York Department of Social Services has further complicated matters for the elderly by their narrow interpretation of these HEW regulations. Nursing home operators are being asked to certify that there were no vacancies in the facility in order to be paid for a bed retained for a "patient" who is visiting on a home visit. According to an administrator in my district, this has the effect of making every aged person, whose services are being paid for by medicaid, a prisoner in the facility.

I am not alone in urging that the HEW regulations be modified. The American Association of Retired Persons, representing 8½ million dedicated members, along with the American Association of Homes for the Aged both support my efforts to alleviate the burden placed on residents of long-term care facilities by the current 3-day limitation.

Mr. Speaker, I have to agree with a New York City administrator involved with the nursing home program. He said,

> This very strict, cruel, and punishing legislation must be changed.

We as Americans must continue to adhere to and strive for basic humanitarian principles of human decency and the dignity of the individual. On that basis, I ask all Members to support my proposal.

I am enclosing for the Record correspondence I have received on this subject, and a letter I have sent to Secretary Weinberger concerning this.

American Association of Homes
for the Aging,
June 13, 1975.

Hon. Peter A. Peyser,
U.S. House of Representatives
Washington, D.C.

Dear Mr. Peyser: On behalf of the American Association of Homes for the Aging, the national organization representing homes and facilities for the aging, I urge you to take whatever action you can to alleviate the hardship caused the 200,000 elderly residents of our homes by the Federal regulation which currently places a three-day limitation on home visits.

Our Association feels that the current regulation which imposes this limitation fails to take into account the fact that while families may not have resources to care for their aging family members on a full-time basis, many are able to accommodate them for short term visits not limited to three days. We believe that the therapeutic benefits of such visits to both the residents of long term care facilities and the families of these residents are an important component of long term care, so much so that many physicians include such visits as a part of a patient's plan of care.

A number of persons residing in our homes have expressed an interest in combining two or more of the allowed three-day visits either because traveling distances make home visits impractical under the three-day restriction or because of a desire to spend a longer period of time at home, particularly around holidays. The current regulations effectively prevent such visits from taking place.

Our Association is pleased to learn of your interest in this matter and would appreciate any action you could undertake to alleviate the burden placed on residents on long term care facilities by the current three-day limitation.

With best wishes.

Sincerely,

RICHARD A. SHORT,
President.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 11, 1975.

Hon. CASPAR WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: On December 17, 1974, The Social and Rehabilitation Service, Department of Health, Education, and Welfare, published in the Federal Register new regulations pertaining to the payment for reserve beds in long-care facilities under medicaid. These regulations state that medicaid payments may be made to nursing homes while patients are away from the facility on "home visits." (Home visits defined to include visits with relatives and friends and leaves to participate in State approved rehabilitative programs.) These home visits, although they may be taken as often as six times annually, may not be taken more than twice per calendar quarter, for a period not to exceed three days per visit.

While I have no reservations about the intent of this regulation, I am most concerned about the three day restriction imposed on patients for each visit away from the facility. I feel very strongly that this restriction places an undue hardship not only on the older people which it especially affects but also on their families. In many cases, a day must be allowed for travelling each way which leaves only one day for visiting.

Accordingly, I would like to suggest that the Department of Health, Education, and Welfare amend its regulations to permit residents in long care facilities the option to be away from the facility for a period not to exceed six days per calendar quarter and not to exceed the annual number of days already established, i.e., 18 days. This would, thus, eliminate the inequitable three day limit presently imposed.

I have talked to Commissioner Keith Weikel and he has stated to me that there will be no economic impact as a result of this type of change. It is certainly not our intention to create a problem for these people, who by the very nature of their being in nursing homes, have already been through many personal problems.

I have discussed this matter also with the American Association of Nursing Homes for the Aging and they are in wholehearted support of this proposed change. I have also personally heard from many elderly people in nursing homes describing in many cases, the pathetic situations that they are faced with due to the three day limitation.

I am hopeful that you will be able to immediately bring about a change in this regulation in order that many older people now in nursing homes could spend several days with their friends and families this summer.

Thank you again for your prompt attention to this matter.

Sincerely,

PETER A. PEYSER,
Member of Congress.

MINORITY BUSINESS AGENCY SHOULD BE SAVED

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. STEELMAN. Mr. Speaker, before I was elected to serve in Congress, I worked in the executive branch as executive director of the President's Advisory Council on Minority Business Enterprise. I am well acquainted with the excellent work done by the Office of Minority Business Enterprise—OMBE—and have been outspoken on the need for increased attention to and activity in the field of minority enterprise. In the Washington Star-News of Tuesday, June 17, 1975, James J. Kilpatrick devoted his column to a defense of OMBE and its activities. I would like, at this time, to commend Mr. Kilpatrick for his insight and eloquence on this subject, and to insert the full text of his article into the RECORD:

MINORITY BUSINESS AGENCY SHOULD BE SAVED

The House Appropriations Committee took dead aim the other day on the Office of Minority Business Enterprise and fired a blast intended to blow this little outfit clean out of the water. Let us hope the bombardment missed.

At least a hundred bureaus, agencies, offices and commissions must be administering programs intended to aid minorities. The most valuable, by far is OMBE. Most of the other agencies offer little more than Band-Aids and aspirin; they treat symptoms, not causes. OMBE's approach has greater meaning.

Created by executive order in 1969, OMBE operates out of modest offices in the Commerce Department. The agency has deliberately, and perhaps unfortunately, kept its profile low. Well known within the community of blacks. Spanish-Americans and Indians, OMBE seldom is publicized anywhere else. It has 245 employes and a $52 million annual appropriation. In a government that hires 2.5 million employes and spends $360 billion, OMBE is barely a footnote.

The agency exists for one purpose only—to assist blacks and other minorities who want to go in business for themselves. It loans no money, but it encourages, assists and provides professional advice to roughly 25,000 clients a year. OMBE is unabashedly pro-capitalism, pro-marketplace, pro-enterprise. To that extent, it is plainly a "conservative" outfit.

Perhaps that explains the recent assault The House Appropriations Committe, dominated by liberal Democrats, last year ordered its staff to make a special report on OMBE.

The committee staff could find scarcely one good thing to say about OMBE. It charged that OMBE was guilty of duplication, inefficiency, unimpressive achievements and general incompetence. The staff saw OMBE as an agency riddled by infighting and weakened by poor performers. OMBE had oversaturated such areas as New York and Chicago, and neglected other parts of the country.

A more charitable view might have acknowledged OMBEs problems as no more serious and no more novel than the problems of many other federal agencies in their start-up years. Plenty of mistakes doubtless have been made. But look at the record:

In 1969, there were 24 minority banks with $270 million in assets. Now there are 68 minority banks with assets of $1.3 billion.

In 1969, there were 43 minority savings and loan institutions. Now there are—1.

In 1969 some 450 minority businessmen and franchise companies with gross receipts estimated at $67.5 million. Now there are 2,450 such companies with receipts of nearly $400 million.

Six years ago, only 14 minority businessmen were known to have auto dealerships. Today there are 234 such dealerships with receipts of $585 million.

This same period has seen thousands of minority businessmen go into service stations, retail trade, trucking, cable television and construction. In 1969, the federal government made only $12.6 million in purchases from minority companies. In fiscal '74, the sum was $700 million.

It would be absurd, of course, to credit OMBE alone for this gratifying growth. The Small Business Administration has played an important role. The private sector has done much. Many factors have contributed.

But the Office of Minority Business Enterprise is an immensely useful catalyst. Within the minority community, it fosters those characteristics of ambition, incentive, industry and personal dignity that are essential to the long-range assimilation of minorities into the main stream of American life. When the day comes that the black banker is no longer a novelty, and the Chicano tire dealer is just another businessman, perhaps OMBE could be abolished. But that time is not now.

PROBLEMS OF SECURITY IN KOREA AND AMERICAN POLICIES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. DERWINSKI. Mr. Speaker, the International Relations Subcommittee on International Organizations, of which I am a member, recently held two hearings on human rights in the Republic of Korea. Of the witnesses who testified before this subcommittee many were highly critical of the present government of South Korea and some recommended a sharp reduction in American aid and withdrawal of American troops.

In fairness to the government of one of our allies, Mr. Speaker, I believe our colleagues should have the opportunity of reading a statement which presented a balanced view of the problem of human rights against national security. This statement, which I should like to insert in the RECORD at this time, was offered by Dr. Richard Walker, director of the Institute of International Studies of the University of South Carolina and an expert in East Asian affairs of long experience.

Dr. Walker points out that while all Americans are quite naturally concerned about the decline of civil liberties everywhere, in the case of foreign countries we must be careful not to interfere in the internal politics of that nation and also we must always bear in mind the particular situation that country may now be in. There is little doubt that South Korea is threatened by its Communist neighbor to the north; there is also little doubt, as all the witnesses before this subcommittee admitted, that a Communist takeover in South Korea would mean the extinguishment of all liberties in that country.

For those who are interested in a balanced and realistic view of what is now happening in Korea I recommend Dr. Walker's able assessment:

PROBLEMS OF SECURITY IN KOREA AND AMERICAN POLICIES

(By Richard Louis Walker)

Mr. Chairman and members of the Subcommittee on International Organization: It is a privilege for me to be able to share with you today some observations about the current situation in East Asia and in particular on the Korean Peninsula.

I believe I should point out that my interest in this area dates back more than thirty years, when I served there during World War II and that it has been the focus of my specialization and concentration ever since. Just a quarter of a century ago this month I was recalled to active service when North Korea launched an attack against the Republic of Korea on June 25, 1950, so I believe you can understand that I have an especial interest in the problem of security in Korea and in developments on that peninsula.

I have followed with intense interest your Subcommittee's Hearings over the past two years and had the opportunity to submit a statement for your record last year while I was in Hawaii conducting research on the problem of our security relations in the Western Pacific.

The subject which your Subcommittee has been considering is one which is of obvious importance in the world balance; our nation must express and sustain an abiding interest in the field of human rights. Our alliances and our policies, many of which are offered as alternatives to the positions of the Communist states, must at all times encourage the development of free institutions and the guarantee for fundamental human rights as goals.

Although human rights is a subject always timely, your Subcommittee in its current deliberations is confronted with a dilemma of which I know you are all too aware: Will undue emphasis and criticism at a particular juncture signal to the leaders in North Korea a decrease in our commitment to the Republic of Korea and invite actions which could prove fatal to the human rights of thousands of Koreans and their allies through war? We all recognize—and our own wartime crises and experiences have borne out—that some rights guaranteed in times of peace must be sacrificed at critical moments.

A current question in 1975, as it was in 1950, is how great is the crisis and threat to peace on the Korean Peninsula. In the wake of the disaster in Vietnam and based upon actions and statements from Pyongyang, it is my assessment that the threat to peace on the Korean Peninsula is serious indeed. The North Korean leader Kib Il Sung has been making statements designed to warn the American people against continued support for South Korea and to exploit whatever advantage accrues from the Communist victory in Vietnam. His statements bear a remarkable similarity to those made in 1950. For example, on April 18, 1975, in Peking, Kim Il Sung warned:

"If revolution takes place in south Korea, we, as one and the same nation, will not just look at it with folded arms but will strongly support the south Korean people.

"If the enemy ignites war recklessly, we shall resolutely answer it with war and completely destroy the aggressors.

"In this war, we will only lose the Military Demarcation Line and will gain the country's reunification."

In light of such statements we need to remind ourselves that for more than two decades we have had a truce but not peace in Korea. Insecurity has been the hallmark of the situation in the Republic of Korea. The North has consistently pledged to "liberate" the South, has taken numerous actions in defiance of the terms of the truce, and has had the consistent support and moral backing of Peking and Moscow for what it terms its "sacred task" of reunification. The political conditions which Kim Il Sung cites in 1975 for peaceful unification are precisely those which he attempted to force upon South Korea a quarter century ago.

The South has no similar backing from the United States, the United Nations, or Japan for a reunification with a forward policy and has been in a constantly defensive position. This one-sided game has tended to exacerbate a mood of insecurity and doubts about the commitment of the United States. One of our chief concerns has been to allay the doubts so that the leadership in the South can break out of what has become a siege mentality and consistently insecure position of almost total reliance on defense. The political dilemma and the difficulty for the further development of human rights in Korea must be put in perspective and proportion in a society where division, contests, contention, and disagreement which accompany our normal political processes, are taken as a sign of weakness.

Unfortunately, it is not always possible to guarantee that our allies will consistently and universally guarantee that the rights, which we Americans take for granted or wish to see enlarged, are available to their people. Even in that great fountainhead of most of our human and political rights, Great Britain, fundamental rights in Northern Ireland as well as occasionally in England itself, have been restricted because of the insecurities attendant upon IRA terrorism. Our own Civil War and the reconstruction aftermath in the South witnessed serious infringements of basic liberties.

I know that it is obvious to all of the members of this Subcommittee that in the case of the Republic of Korea, the relationship of insecurity and repression is a "chicken and egg" issue. I join with you in lamenting a number of the measures by the Park government which have seemed only to undermine its image, support, and viability at home and abroad. I join with many of our senior officials in the Executive Branch in searching and hoping to find a way to encourage the government of the Republic of Korea to break away from the downward spiral brought on by the siege mentality. I know that again and again the Embassy of the United States in Seoul and our military commanders have made representations and attempted to encourage a more positive feeling of self-confidence on the part of President Park and his government.

FEDERAL POWER COMMISSION

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. PERKINS. Mr. Speaker, unless the Federal Power Commission establishes a fair and equitable system of distributing available natural gas supplies this winter, thousands of industries and schools will have to close down for months, and many thousands of employees will be out of work. In my own area of Kentucky, it is proposed to put a 100-percent cutback in effect for industrial users for 5 months, and a 40-percent cutback for commercial users over the same period.

There is absolutely no reason for such a cutback, and in testimony delivered to a hearing of the Federal Power Commission on June 17, I gave my reasons why there is no legitimate reason for such a cutback.

Mr. Speaker, I include my short statement at the FPC hearing in the RECORD:

STATEMENT BY REPRESENTATIVE CARL D. PERKINS

I do not want to overload the hearing record with information already in the hands of the Federal Power Commission. I am sure the Commission knows that the proposed 100 per cent cutback to Eastern Kentucky users of natural gas, and the smaller but still extreme cutback to commercial users, for a five month winter period, would destroy the economy of the area.

There is a solution to this problem, and it is simply an equitable distribution, across Kentucky and across the Nation, of available natural gas. No single state or region of the country should be allowed to act like a dog in a manger, when the economy of the country is concerned.

If the nation is short 24 per cent of the natural gas it needs, to select an arbitrary figure, then all sections of the nation, and all segments of users, should be willing to absorb that deficit as equitably, rationally, and fairly as possible.

Of course, this must be based on a system which incorporates basic principles of conservation, as well as allocations determined by need.

All of this can be done, and done before this winter, if the Commission will determine that this is a nation of equal states, and they should share its resources equally.

Then, our homes will get the natural gas they need, our schools and public facilities will get the natural gas they need, and industries will get the natural gas they need. It may not be all they need, and it may not be all of the time, but it will keep us going until this problem is solved through development of commercial coal gasification plants.

Meanwhile, thorough investigation must be made into the actual amount of our natural gas and into how the major pipeline suppliers are controlling the flow of the gas. Many members of Congress are willing to personally cooperate with this type of inquiry.

FOOD FOR PEACE TAX OPTION ACT OF 1975

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. GILMAN. Mr. Speaker, I rise today to intrdouce the Food for Peace Tax Operation Act of 1975. This bill, an amendment to the Internal Revenue Code, would provide to the taxpayer an option to earmark $1 of his or her tax liability to the Commodity Credit Corporation, as established by Public Law 83–480, the Agricultural Trade Development and Assistance Act of 1954.

At a time when America's role in international affairs is being questioned and debated, many of our constituents have expressed a desire to directly participate in constructive, international humanitarian programs. By providing a governmental mechanism for such direct contributions, the United States serves notice that our Nation intends to fulfill its responsibilities as a world leader to those areas of the world in greatest need.

This amendment to the Internal Revenue Code can produce a substantial contribution to our food for peace program. It is hoped my colleagues will join with me in this endeavor to provide our Nation with an opportunity to express our concern for mankind.

Mr. Speaker, I request that the full text of this measure be inserted in this portion of the Record:

H.R.—

A bill to amend the Internal Revenue Code of 1954 to allow taxpayers to designate that $1 of their income tax be used to carry out the Food for Peace Program.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Short Title.

This Act may be cited as the "Food for Peace Fund Act of 1975".

Sec. 2. Designation by Taxpayer to Food for Peace Fund.

(a) In General.—Part VIII of subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to the designation of income tax payments) is amended by adding at the end thereof the following new section:

"Sec. 6097. Designation by Taxpayers to Food for Peace Fund.

"(a) In General.—Subject to the limitation in subsection (b), every taxpayer may, for the taxable year, designate that an amount not to exceed $1 shall be paid over to the Food for Peace Fund established by section 3 of the Food for Peace Fund Act of 1975.

"(b) Limitation.—The amount designated by the taxpayer under subsection (a) for the taxable year may not exceed the amount of the taxpayer's adjusted income tax liability for the taxable year.

"(c) Husband and Wife Filing a Joint Return.—In the case of a husband and wife who file a joint return under section 6013, each spouse may, for the taxable year, designate that an amount not to exceed $1 shall be paid over to the Food for Peace Fund, except that the sum of the amounts designated by both spouses shall not exceed their combined adjusted income tax liability for such taxable year.

"(d) Adjusted Income Tax Liability.—For purposes of this section, the adjusted income tax liability of the taxpayer for any taxable year is the amount of the tax imposed by chapter 1 for such taxable year (as shown on the return), reduced by—

"(A) the sum of the credits (as shown on the return) allowable under section 33, 37, 38, 40, 41, 42, and 44; and

"(B) any amount (or amounts) designated under section 6096 for the taxable year.

"(e) Manner and Time of Designation.—A designation under this section may be made with respect to any taxable year—

"(1) at the time of filing the return of the tax imposed by chapter 1 for such taxable year, or

"(2) at any other time (after the time of filing the return of the tax imposed by chapter 1 for such taxable year) specified in regulations prescribed by the Secretary or his delegate.

Such designation shall be made in such manner as the Secretary or his delegate prescribes by regulations; except that, if such designation is made at the time of filing the return of the tax imposed by chapter 1 for such taxable year, such designation shall be made either on the first page of the return or on the page bearing the taxpayer's signature."

(b) Clerical and Conforming Amendments.—

(1) The section heading for section 6096 of such Code is amended to read as follows:

"Sec. 6096. Designation by Individuals to Presidential Election Campaign Fund."

(2) So much of part VIII of subchapter A of chapter 61 of such Code as precedes section 6096 is amended to read as follows:

"Part VIII—Designation of Income Tax Payments to Certain Funds

"Sec. 6096. Designation by individual to Presidential Election Campaign Fund.

"Sec. 6097. Designation by Taxpayers to Food for Peace Fund."

(3) The item relating to part VIII in the table of parts for such subchapter is amended to read as follows:

"Part VIII—Designation of Income Tax Payments to Certain Funds."

(c) Effective Date.—The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1974.

Sec. 3. Food for Peace Fund.

(a) Establishment of Fund.—There is hereby established on the books of the Treasury of the United States a fund to be known as the "Food for Peace Fund" (hereinafter in this section referred to as the "Fund").

(b) Appropriations for and Deposits Into Fund.—There is appropriated to the Fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to amounts designated during each fiscal year to be paid over to the Fund under section 6097 of the Internal Revenue Code of 1954. Such amounts shall remain available to the Fund without fiscal year limitation. The amounts appropriated by this subsection shall be transferred monthly to the Fund by the Secretary of the Treasury. Proper adjustment shall be made to reflect the reduction in any amount previously designated under section 6097(b) of such Code by reason of any later designation under section 6096 of such Code.

(c) Expenditure From Fund.—Amounts in the Fund shall be available, as provided by appropriation Acts, solely for carrying out the purposes of title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721–1725). It is the sense of the Congress that amounts available from the Fund for such purposes should be in addition to (and not in lieu of) amounts which (but for the enactment of this Act) would have been available for such purposes.

CHAIRMAN FLOOD HONORED BY UNIVERSITY OF MIAMI SCHOOL OF MEDICINE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. PATTEN. Mr. Speaker, the chairman of the Appropriations Subcommittee on Labor/HEW has made a policy statement that I think warrants the consideration of every Member before he votes on health matters.

Dan Flood, who sits through days and days of hearings every year on biomedical research appropriations, and who knows more than any other Member in the House about the subject, was awarded an honorary degree at the University of Miami School of Medicine on June 1.

At that time he pointed out that he feels the American people are willing to spend more this year than last on biomedical research. He added:

> They are not fools. They don't think this year's dollar need come back the same year with a research product. But they do want results. And you and I had better give it to them—

He told the medical graduates and faculty.

The Chairman said:

> That is the mood of biomedical funding today.
>
> We need all the basic science we've paid for. But we must not scoff at the stratum of science which converts basic discoveries into useful remedies. That is a fantastically important stratum.

Those Members interested in the running debate on basic science versus applied science in Government programs will be rewarded, I am sure, in what they find in the full text of Mr. Flood's speech because in the full version the important nuances of this policy statement make a real contribution to understanding.

I therefore insert in the Congressional Record the text of Chairman Flood's Miami speech:

Commencement Address by the Honorable Daniel J. Flood Before the University of Miami Medical School on June 1, 1975

I suppose that an honorary degree from a school of medicine means that the patient has survived the surgery even though the surgeon never took Douglas Kelly's M–500 gross anatomy!

Or any other anatomy course!

However, I can assure you that I often think about various parts of the anatomy as I sit week after week, listening to witnesses testifying before my labor/H.E.W. appropriations subcommittee.

N.I.H. testimoy weighed more than four pounds for fiscal 1975 and we had education, welfare and labor on top of that.

One thing is coming through strong and clear in the testimony. It is this: The biomedical community says it doesn't like politics. Regrets are expressed about the politicalization of N.I.H.

If politics didn't build N.I.H., I don't know what did.

The great golden era of N.I.H. was when there was a cabal between Capitol Hill and Bethesda with the White House crying on the sidelines about its busted budget.

No one disputes that interpretation of history . . .

Just as no one disputes the fact that Mary Lasker is a lovely person who gives marvelous parties that always, by chance, include a few people interested in test tubes, pipettes, centrifuges and, yes, even now and then someone interested in a grant. No one disputes any of that.

I am not a scientist. But I do have a theory now and then. One of my theories of the moment is that, during the economic crunch of recent years there has developed a Tad More criticism of politics in science than we heard in the great golden era of N.I.H.

The simple, unavoidable truth is that there was politics and always will be politics in science.

We are dispensing public funds.

It would be wrong if we did all of that without considering politics.

Even if there were no Federal funding of science, there would still be political questions in science. Believe me, what you scientists do to a dog or a rat is a political element in my mail.

There are some who say that N.I.H. research is being eroded as some N.I.H. funds are robbed from fundamental, intuitive research and switched to control programs, or targeted research. Politics has intruded, they say.

If you take the cancer program as the Bete Noir, as people do who decry recent trends, then you find that more basic research is going on now than ever before in the history of the national cancer institute.

'Ah, Yes,' is the usual retort, 'but that is done at the cost of basic research in other institutes.'

It is true I have never taken M-500 gross anatomy, but I have spent 30 years in budgeting on Capitol Hill and I assure you that simple addition shows that all of N.I.H. and N.I.M.H. without the cancer program has increased its spending in recent years.

Or, if you want to take out the two institutes with recently enacted control programs, that is heart and lung as well as cancer, the charts still show an upward movement in funding of all the other institutes.

Sometimes the complaint is, yes, cancer is spending more on basic research, but the overall balance has been ruined.

The sheer dollars have gone up, but they have robbed basic research to pay for targeted research.

That, too, is wrong.

Science, a reputable journal, I dare say, proved that in an article a year ago which has gone unrefuted.

In my opinion, science men, oil men, farmers, airline operators and all the others who get money from the United States Treasury would be well advised to realize that they are heavily involved in the political process.

It would be unethical for me to appropriate taxpayers' money without keeping an eye on the return eventually reaching the taxpayer.

We on my committee don't demand immediate return in the form of life-saving remedies.

We know research results take time.

But we do expect that the entire apparatus be oriented toward eventual delivery of what the taxpayer paid for.

I agree with the new assistant Secretary for Health that there have been unnecessary delays in moving the excellence in basic research to the stage where it will do taxpayers some good. And he is straight out of N.I.H., as you know.

We need to do a complete science job.

That means, in addition to basic research, also clinical trials, prompt ones, definitive ones, trials that provide feed-back to the fundamental scientists.

We need to test the drugs, the biomedical engineering devices, the genetic warning systems and put them to work where they are proven effective and as soon as they are proven effective.

Let no one mistake the mood of my committee. We know full well the importance of basic, fundamental, intuitive, even ivory tower-ish research.

But we would be neglecting our oaths of office if we failed to put to work as fast as we can the fruits of what we've bought with the taxpayers' money.

If you have doubts about this, watch the fiscal 1976 appropriations that come out of my committee for N.I.H. We'll finish them in a week or so. You will find that basic research gets more money than it did last year; that biomedical science and training get more money than last year. . . .

The American people are willing to spend that money. But they are not fools. They don't think this year's dollar need come back the same year with a research product. But they do want results. And you and I had better give it to them. That is the mood of biomedical funding today.

We need all the basic science we've paid for. But we must not scoff at that stratum of science which converts basic discoveries into useful remedies. That is a fantastically important stratum.

And that is the message for the years, in case anyone asks you what Flood said at the otherwise pleasant commencement.

Now for some local color.

You know, both my wife and I are former actors—and some say about me that it is not all "former." But in working on this speech I took another look at my old favorite, the Bard.

One can find references to anything—even Miami—in either the good book or Shakespeare.

It was act five, scene one, Troilus and Cressida, where I found a reference to Miami and biomedical discoveries. Shakespeare said:

"Now, the rotten diseases of the south.

"The guts-griping, ruptures, catarrhs, loads o' gravel i' the back, lethargies, cold palsies, raw eyes, dirt-rotten livers, wheezing lungs, bladders full of imposthume, sciaticas, lime-kilns i' the palm, incurable bone-ache, and the rivelled fee-simple of the tetter, take and take again such preposterous discoveries!"

Yes, I am sure that you in Miami will take and take again such preposterous discoveries and will contribute to the cures to come.

And those cures will win you the enthusiastic support of the American people and of their Congress.

Dean Papper . . . honorable trustees . . . thank you for the degree you have bestowed upon me and the pleasure you have given me in this lovely city.

REPORT OF SUBCOMMITTEE TO REVIEW LIQUID METAL FAST BREEDER REACTOR

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. McCORMACK. Mr. Speaker, in continuance of my practice of keeping this body informed of the activities of the Joint Committee on Atomic Energy's Subcommittee to Review the National Breeder Reactor Program, I have the following report.

On Wednesday, June 18, the subcommittee in open session received testimony from invited witnesses on the subject of safety and environmental issues. During this session, there was presentation and discussion of information pertaining to the disposal of nuclear wastes, the problem of plutonium toxicity, the safety of breeder reactors, the relative safety and environmental aspects of coal-fired and nuclear power plants, and related environmental concerns regarding the use of breeder reactors. Testimony was presented by Dr. Warren Donnelly of the Congressional Research Service, Dr. David Rose of the Massachusetts Institute of Technology, Dr. Chester Richmond of Holifield National Laboratory, and Dr. Bernard Cohen of the University of Pittsburgh. I was pleased that Representatives JOHN B. ANDERSON, MANUEL LUJAN, JR., and TENO RONCALIO were able to attend and participate in the questioning of the witnesses.

My opening remarks and a summary of the material presented and the ensuing discussion follow:

OPENING STATEMENT BY HON. MIKE McCORMACK

Today the Joint Committee's Subcommittee to Review the National Breeder Reactor Program will receive testimony on the subject of safety and environmental issues.

In each of the Subcommittee sessions, we have invited witnesses, with a view toward obtaining testimony both pro and con on the issues. I regret to report that for today's session none of the witnesses, who in the past have been critical of the nuclear program, have accepted our invitation to testify. In particular, the Union of Concerned Scientists, whose principal spokesmen are Dr. Henry Kendall and Dan Ford, did not choose to testify. Dr. Arthur Tamplin, Natural Resources Defense Council, was invited, but he is overseas on extended business. An invitation was extended last week to Dr. Donald Geesamen, but he declined on the basis of inadequate time to prepare. Sheldon Novick of Environment Magazine was also invited, but declined for the same reason. I should also mention that Friends of the Earth requested an opportunity to testify, an invitation was extended but it was declined.

In order that the Committee members and the audience at today's hearing will have identified for them the claims and allegations of those who have been critical of the program, I have asked Dr. Warren Donnelly of the Congressional Research Service to begin the session with an objective listing of the issues as he understands them from his study of this subject area.

We will then hear presentations from Dr. David Rose of MIT, Dr. Chet Richmond of Holifield National Laboratory, and Dr. Bernie Cohen of the University of Pittsburgh and have an opportunity for questions and discussion.

I would also like to announce that it has become necessary to reschedule our June 19 Subcommittee session on the subject of Safeguards by moving it to tomorrow, Wednesday, June 18 at 2:00 p.m. At that time, we will hear testimony presented by Dr. Ted Taylor (International Research and Technology Corporation), Dr. Orval Jones of Sandia Laboratories, and Major General Edward Giller of Energy Research and Development Administration.

Dr. Donnelly, you may proceed.

SUMMARY

Dr. Warren Donnelly of the Congressional Research Service provided a review of the safety and environmental issues that have been raised in criticism of the breeder program. Dr. Donnelly noted that his testimony was based in part on information contained in response to a letter sent by the Subcommittee Chairman to about 90 government agencies, industrial firms, public interest groups and individuals. This letter asked 17 major questions on energy and nuclear power, and also examined the topics that would be discussed in his testimony.

Dr. Donnelly reported that the issues raised in criticism of the breeder program can be classified under the heading of safety, safeguards and environmental effects. Of these, the principal concern has been one of safety, specifically, that the probability of a catastrophic release of radioactive materials through the occurrence of a core disruptive accident or by intention is so high that the breeder should not be used as a source of electrical energy. Critics have stated that LMFBRs can explode with forces severe enough to rupture the protective enclosures. They do not believe that the safety analyses performed in reactor design or the protective features provided to prevent accidents or mitigate their consequences are sufficiently reliable.

The subject of safeguards was also cited as having been noted by some as a major reason for not developing a breeder economy.

Dr. Donnelly reported that the concerns in this area are the possibility that terrorists, political extremists, or criminals might successfully steal nuclear materials and use them in a crude bomb or radiological weapon, and that the prospects of sabotage of nuclear facilities with the resulting release of radioactive materials also increase as a breeder economy comes into widescale use. The costs of a safeguards program and its possible impact on civil liberties were also noted.

Dr. Donnelly reported that the environmental issues that have been raised against breeder reactors include concern over the toxic effects of plutonium on health and safety, the need for perpetual safe management of radioactive wastes, and the effects of small routine releases of radioactive wastes throughout the breeder's fuel cycle. A lesser level of attention has been given to waste heat and the impacts upon land and water use.

Other issues noted by Dr. Donnelly as having been raised by breeder opponents, although not necessarily safety or environmental concerns, include:

1. Insufficient technical promise, in that the anticipated fuel doubling time may be longer than estimated;

2. The possibility that sufficient uranium reserves may exist in the U.S. as to delay or abandon the need for the breeder;

3. The argument that breeder economics are unfavorable;

4. The suggestion that more desirable alternative energy sources can be developed instead of the breeder;

5. The suggestion that energy demand levels in the future may be lower than anticipated, thereby eliminating the need for the breeder; and

6. The contention that breeder reliability may be insufficient to warrant its use as an important source of electrical power.

Dr. Donnelly concluded his remarks by listing some of the organizations that have expressed the above views and noting some of the forums in which those views have been expressed.

Dr. Richmond's testimony focused on the potential health effects of plutonium and in particular on the "hot particle" issue. He noted the basis for the Natural Resources Defense Council's (NRDC) contention that the hazard from plutonium inhalation was much greater than assumed by various government agencies and also noted NRDC's proposal to reduce the exposure limit by a factor of 100,000. Dr. Richmond presented evidence and the results of much research in this area that does not support NRDC's claim. Dr. Richmond also quoted assessments from foreign medical research groups that refuted the NRDC claim of a too-high dose limit. Other evidence provided by Dr. Richmond was the experience of the 25 persons involved in the Manhattan Project 30 years ago who received over-exposures to plutonium. The hot particle theory would predict a total of 1,000 to 10,000 lung cancers among the group. Dr. Richmond stated that none had developed cancer.

The world-wide exposure from plutonium dispersed from atomic weapons tests was also noted as further evidence that the plutonium risk was being grossly overstated in the hot particle theory. Dr. Richmond concluded with a word of caution about the misuse of risk evaluations using the man-rem approach. He said that this concept had been sufficiently abused that the National Council on Radiation Protection (NCRP) chose to issue a statement noting a word of caution about the use of upper limit estimates of cancer risk at low exposure levels derived by extrapolation of data obtained from high dose and high dose rate experiments.

Dr. Rose's testimony centered around the environmental impact associated with the use of nuclear fuel and coal to produce electricity. In his initial remarks, Dr. Rose summarized the potential savings in energy use due to conservation and the long-term potential of fusion and solar power. With respect to nuclear power, Dr. Rose noted briefly several of the safety issues currently being investigated. Reference was made to the WASH-1400 report on light water reactor (LWR) risk assessment and he suggested that a similar assessment should be done for the LMFBR. Dr. Rose commented, however, that in his opinion, the LMFBR accident sequence will add little to the LMFBR hazard if one applies similar methodology to the risk analysis as was used for the LWR. Several comments were made on the potential for a nuclear explosion and what the upper limit for this type of accident might be.

Dr. Rose stated his belief that storage of nuclear wastes would be possible technically and that the real question was more a moral one, viz. should we obtain benefits from an energy source now for which future generations will have to pay the costs. Under questioning, Dr. Rose stated that the costs would not be that large and that the benefit to cost ratio justified this approach. Several methods of waste disposal were presented including burial in deep geologic beds and the use of advanced separation techniques for very long lived isotopes, such that recycling them into the reactor could be accomplished rather than burial. He concluded this portion of his presentation with the statement that the nuclear waste problem has been overemphasized by critics and misassessed by the AEC and contractors.

With respect to the hazards related to nuclear power, Dr. Rose noted that the greatest contributor to fatalities was from mining and milling of uranium ore. The reactor accident hazard was noted to contribute only 1/100 of the hazard from other sources.

The environmental picture for coal compared to nuclear was stated by Dr. Rose as being "more bleak." He noted that the present welfare payments to miners having black lung disease amounted to over 1 billion dollars per year. Also of concern was the "greenhouse effect" or the building up of CO_2 in the atmosphere, which will result in an overall warming trend of the earth's atmosphere.

Dr. Rose spoke to the lack of data on the hazards of sulphur oxide and nitrogen oxides. Dr. Rose closed his remarks with the interesting observation that the public in general had come to accept the social costs associated with the use of coal even though they are larger than those from nuclear power. One possible reason given by Dr. Rose was that the Government had spent considerable funds in attempting to measure public health costs associated with nuclear power whereas until recently, very little had been done to measure the similar hazards of fossil fuel power. Dr. Rose concluded from the evidence to date that the environmental comparison favors nuclear power.

Dr. Cohen's remarks centered around the issue of nuclear wastes. While no single one method has been chosen, Dr. Cohen expressed his belief that deep burial of wastes will be the eventual method used. Dr. Cohen compared the ingestion of plutonium to arsenic trioxide (a widely used pesticide in this country) and observed that plutonium is 50 times less poisonous per pound. In addition, he pointed out that annually we import 10 times more arsenic trioxide than the quantity of nuclear wastes that would remain after 500 years decay.

Dr. Cohen explained that wastes buried in deep geologic beds, even if exposed to water, would be leached very slowly; water itself moves very slowly through aquifers taking typically 1000 years to reach the surface. Wastes would move even more slowly due to the ion exchange process.

Dr. Cohen compared the risk of deep buried wastes to the exposure risk from radiation naturally occurring in the ground and concluded that wastes generated over a million years would still only contribute 0.4 deaths per year. This number was considered by Dr. Cohen also to be an upper limit.

The final issue discussed by Dr. Cohen was the burden we would place on future generations in caring for these wastes. Dr. Cohen noted that no care after burial was really needed, but if a country desired to watch the wastes, one person would have to travel around a 200 square mile area seeing that no one was drilling for oil or mining salt and collecting water samples every few weeks. This would mean, Dr. Cohen stated, that the burden for future generations would be a part time job for one person. Dr. Cohen concluded by comparing this insignificant burden to the burden we are placing on future generations by leaving them with no oil, no gas, and depleted hydrocarbons that are used as feed stocks for plastics, chemicals, etc.

A question and answer period of all the witnesses followed the prepared remarks. Dr. Cohen was asked what would happen if the containers in which wastes were buried suffered extensive corrosion. Dr. Cohen reported that in his analysis model, he didn't take any credit for the containers whatsoever. Dr. Rose was asked to amplify on remarks attributed to him that the Clinch River Breeder Reactor (CRBR) demonstration plant be delayed. Dr. Rose stated that there is no doubt that the breeder is needed. However, he believed that a study needs to be completed to see if there should be improvements in the CRBR plant design. He said he believed there could be a year or so delay in CRBR without too much disruption, but that a close option was to proceed now with the CRBR but still do the study. The management of CRBR, especially its top-heavy nature, was noted as a particular problem by Dr. Rose.

Dr. Richmond was questioned on the exposures from normal power plant operations. He noted that such exposures were well below natural background and somewhat similar to the exposure received from flying cross country in an airplane. Dr. Cohen noted that if one was considering moving away from a nuclear power plant, that even using the critics' numbers of risk, if one were to move more than 2 miles and thus increased his daily commuting distance to work by that amount, the additional risk of injury and death would be greater than staying next to the power plant.

In conclusion, this hearing served to highlight the several safety and environmental issues that have been raised regarding the breeder reactor, including presentation of information on both sides of each issue. These matters will be considered by the Subcommittee in its continuing review of the national breeder program.

THE NEED FOR ENERGY ALTERNATIVES

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mrs. BURKE of California. Mr. Speaker, there is no question that the controversies arising due to the Nation's energy problems need to be resolved with mindful judiciousness.

While there has been a great deal of discussion concerning the pros and cons of how effective an increase in the price of gasoline would be in conserving energy and curtailing our use of gasoline, one effect of any gasoline tax hike is clear. Such a tax is regressive and the greatest burden will be borne disproportionately by low- and middle-income people.

Clearly, we recognize that sacrifices have to be made in order to bring about an effective energy conservation program and decrease our dependence on imported oil. But these sacrifices must be shared equally. It would be an act of sheer irresponsibility for the Congress to adopt a regressive gasoline tax which shifts an unfair portion of the burden to low- and moderate-income people who more often than not have no alternatives at all in terms of limiting or reducing their energy consumption.

Curtailment of this Nation's gasoline consumption is a vital and necessary goal, both to our national economy and our national security. But to attempt to cut gasoline consumption by artificially forcing price increases through tax "disincentives" will place serious hardships on low- and moderate-income people who must rely on their automobile for basic transportation.

Personally, I am not convinced that increasing gasoline taxes will significantly reduce consumption. Some experts believe that higher gas prices will not have any curtailing effects at all. A report completed by the Los Angeles Regional Transportation Study—LARTS—in 1973 showed that increasing the price of gas 4.5 times would only reduce the vehicle miles traveled in Los Angeles County by 2 percent.

In an area such as southern California, where alternative methods of transportation virtually do not exist, people have no choice but to use their cars in getting to and from work—no matter what the price of gasoline may be. In Los Angeles County, for example, over 90 percent of the people rely on their personal automobiles for transportation. Furthermore, the average person in Los Angeles commutes 21.2 miles every day to and from work. Considering all this, the economic impact of a drastic increase in the price of gasoline is going to be devastating.

As we have seen, there are no easy answers to our energy problems. This realization then raises the question—what are the alternative solutions? I believe that the implementation of a national mandatory allocation program is a far more efficient and equitable method of restricting consumption.

Secretary of State Kissinger in his attempt to negotiate a long-range price agreement on imported oil has pointed out some of the dilemma we face immediately when we embark upon a project of total energy independence through utilization of alternative sources.

The substantial sources of alternative energy for power come from nuclear and geothermal plants. We know of many of the possible hazards of nuclear fission, but the big problem comes from the enormous capital outlay required for development of the alternative sources.

Not only do we recognize the large capital outlay we require for establishment of facilities, but also we face the fact that at least this time, the cost of alternative sources per unit is expensive—especially as compared with what we have traditionally paid for energy. This great expense places us again at the mercy of the OPEC nations. For as these nations raise the price of oil today, the greatest threat to a nation with a large investment in alternative sources is cheap oil.

The basic research has been done. Now these research and development efforts must be translated into practical applications to service the needs of our Nation's industry and its people.

For example, hydroelectric power, traditionally the least costly of any source, is not felt to be a future source of significance. Considerable promise is held for the "pumped storage" hydroelectric facility, but these capital intensive structures are far more expensive than the Grand Coulees and Glen Canyons of the past.

Coal gasification, another area of promise, is not yet working on the massive scale necessary to alleviate the natural gas supply problems we face. In the West, special problems with water supply mitigate against mine-mouth gasification projects in Utah, once felt to be a future source of relatively inexpensive power for California.

Geothermal fuel, now providing about 5 percent of the power needs for the city of San Francisco, is less expensive than any of the above methods. The ideal conditions found in northern California, which have made these low costs possible, do not apparently exist in many other areas of the world.

The era of the energy industry as essentially an equity industry is fast approaching an end. Soon they will be forced to turn to the debt markets to raise needed capital to expand to meet the enormous costs of the future. Current costs for power generation facilities, absent fuel costs, are estimated to be as follows by the Southern California Edison Co.:

Solar-thermal, $2,000 per kilowatt.

Nuclear, $500 per kilowatt.

Geothermal, $500–$700 per kilowatt under ideal conditions.

Coal fired, $500 per kilowatt.

Solar-energy cell, $20,000 per kilowatt.

Oil-gas fired, $250 per kilowatt.

Other alternative sources, such as tar sands and oil shale are expected to be even more expensive. Recent downward revisions have been made to the expected reserves off the Atlantic coast which once again underline the need for alternative sources. But these sources are going to be far more expensive than we have been used to paying. Enormous amounts of capital are going to have to be raised to meet the power needs of America.

What will happen if the Nation makes a large investment in the search for energy alternatives, and the price of oil is reduced in the face of the new competition? Will we say to consumers that they cannot convert? Perhaps this will be the great debate on the energy bill of 1985. Will we prohibit reconversion because the reutilization of oil as an energy source will leave us with large investments in nuclear plants and facilities?

These are the questions we must consider in making appropriate legislation on energy in 1975. Certainly, the decisions we have today will have great impact upon the future. I believe that our best hope in reducing energy consumption is to face the fact that we must develop viable energy and transportation alternatives.

We must concentrate on developing and improving the mass transit systems in areas where there is this need in order to offer people an alternative.

We must recognize the finite nature of the fuels on which we now rely. Clearly, the time has come when we must make a constructive effort to conserve energy. But this effort must be equitable if it is to be effective.

REFUGEES FACE NUMEROUS PROBLEMS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. WILSON. Mr. Speaker, the South Vietnamese and Cambodian refugees face numerous problems. Of primary consideration is the matter of their becoming self-sufficient and productive members of our society. Another is that of sponsorship—that is, someone to offer financial assistance, help in finding employment and be willing to guide the newcomer past the pitfalls present in adapting to a new and foreign society. And then there are the children, whose prospects for the future are clouded by doubt, insecurity and a sense of helplessness. Though the number of those volunteering sponsorship is still quite small, some praiseworthy Americans have stepped forward, offering to sponsor families or to assist the Vietnamese refugees however they can. Three news articles from the San Diego Union—one by Sports Editor Jack Murphy and another by staff writer Homer Clance—tell of such efforts, and I include these reports in the RECORD:

[From the San Diego Union, May 25, 1975]

REFUGEE CAMP AGLOW WITH HAPPY CHILDREN

(By Jack Murphy)

I hope this won't cause problems for Sgt. Sam Bass but, after seeing the effect he has upon the children in the Vietnamese refugee camp at Camp Pendleton, I am pretty sure the Marine Corps policy which discourages fraternization is never going to work.

What could you do if a beautiful Vietnamese child came running to you, his face alight with trust and offered you his hand?

Sam Bass took that little hand in his and the tall, trim Marine and the small Vietnamese boy walked along feeling very pleased with each other. Sam is a fullblooded Oklahoma Indian (Creek and Sac and Fox) who is assigned to the press center at the Pendleton refugee camp. He creates a stir among the children when he escorts newspapermen through the tent communities where thousands of new Americans have found shelter in an alien land.

It is a place where adults wait and wonder, fearing for the safety of those left behind, coping with the uncertainty of beginning anew in the great and mysterious land known as America. But it is also the place of children and they give it noise and laughter and a sense of purpose and hope.

Children hurling frisbees, and sliding down hills on swatches of carboard. Children kicking balls and climbing on skeletal jungle gym contraptions. Children wearing baseball caps and Marine issue jackets which fall around their ankles. Children in swings shouting with pleasure as a Marine pushes them higher and higher.

In Camp Eight a rugged staff sergeant is presiding over the chow lines where 2,000 people are being served a lunch of rice, noodles, broiled chicken, fish soup, peas, bread, corn, Jello and cookies, and he is thinking that man can't live on bread alone.

"They tell us not to fraternize," says the sergeant, "not to get friendly with the ladies or romp with the kids. That runs pretty strong against human nature."

He should know. Seven years ago he married a Vietnamese girl and now he is desperate to learn if his wife and daughter escaped during the evacuation of Saigon. Maybe they are in Guam.

"I'm hoping," he says, "I'm praying."

AN EYE-CATCHING PEOPLE

The Vietnamese are attractive people. The men are small and fit and youthful, whatever their age, the women have lovely complexions and an interesting effect on Sgt. Sam Bass, fullblood Indian from Okmulgee.

Sam has a good eye. He whistles softly as a Vietnamese beauty approaches with a plastic tub filled with laundry, so softly as not to be heard. "Wow!" says Sam.

In the tent cities of Camp Pendleton there are 18,000 refugees, among them doctors, lawyers, ministers, journalists, veterinarians, priests and the fellow who used to supervise traffic from the tower at Tan Son Nhut Air Base in Saigon. His name is Tran Van Khuong. He got out on the last day while shells were exploding on the runways.

"How does time pass?" a man asked Tran.

"Very slowly," comes the response.

With his wife and four children, Tran waits in Camp 6, Tent 7E for word of a sponsor, a friend in Oklahoma City. Nobody leaves the camp without a sponsor and security clearance.

Tran isn't much bigger than Willie Shoemaker, he's 40 and looks 30. He was trained in Oklahoma City and he ran the tower at one of the world's busiest airports.

"I'm eager to find work," he says, "is there a job for me in California?"

HELP OFFERED QUICKLY

A Marine is watching as children play on the swings in Camp Eight. He has helped construct the laundry lines between the long rows of tents; everywhere clothing scrubbed clean with brushes is drying in the sun.

"I went out to put up the lines and 30 Vietnamese rushed to help me," says the Marine. "Each morning I police up the area and four or five adults and a lot of kids do most of the work. This is very good for my morale but it bothers me because they need something to do, to pass the time."

The refugees sleep on their cots or read or write letters, drawing on each other for strength and companionship. They do not require much space and they have a strong sense of family. Some tents are occupied by as many as 20 people.

This does not encourage privacy. At the entry of one tent there is a hand-lettered sign: "Before Enter Knock or Yell." And there's a doorbell of sorts, a cluster of empty soft drink cans.

Primitive conditions, but the Marines have been efficient and kind; this camp has provided necessities and compassion.

"A labor of love," Lt. Col. Arthur Brill terms it. "Our overriding philosophy is that this is a first class country and these people deserve a first class welcome."

Sixty-seven per cent of the refugees are under 25, 23 per cent are 16 or younger. One child wears an MP arm band constructed of a styrofoam cup and shows it proudly. In return, he draws a salute from a Marine. That's the best kind of fraternizing.

[From the San Diego Union, May 25, 1975]

Refugees Again Weep With Joy

(By Homer Clance)

Camp Pendleton.—Tears of joy were shed for the second time within three days by the families of two South Vietnamese couples who were wed here Thursday.

The first tears came at the Thursday double wedding, the first in "Little Saigon," with the Rev. Peter Cho, a Vietnamese priest of the Franciscan order, officiating.

Yet uncertainty followed for the two couples and the 14 members of their families because they had no sponsors and did not know where they might be sent in this country.

SURPRISE PRESENT

The Rev. Martin McKeon, pastor of San Luis Rey Mission in Oceanside and also a Franciscan, dispelled those uncertainties with a surprise wedding gift yesterday.

The newlyweds and their families were gathered in Camp Area 5 on the pretext they had to attend a meeting.

Father Martin congratulated the two couples, saying he had heard about the wedding and came from his parish in Oceanside.

"We were worried how this sponsorship would go," he told them, with Father Cho acting as an interpreter.

SPONSOR YOU

"My parish wants to give you a wedding gift—we want to sponsor all of you," he told the group to a burst of applause.

"Our men are now looking for a home where you can all be together," he continued. "We will help you find work; we will help you go to school—this is our wedding present to you."

Father McKeon showed the family group a picture of the parish and told them it is 200 years old, then asked:

"Will you accept our invitation as your sponsor?" He heard a chorus of "yes," then told the group that forms are in the mail to him and just the paperwork is needed now.

VERY VALUABLE

The families called the sponsorship a "very, very valuable present."

The double wedding of Nguyen The Hung to Nguyen Thi Kieu Anh and Phuong Van Hai to Nguyen Thi Tuyet Oanh could only have occurred in the lives of those displaced by war.

A few days before their originally planned wedding, Hung, 25, and Miss Anh, 24, had to flee their native country. Hai, 19, and Miss Oanh, 18, Hung's sister, had not set a date when they fled.

The four newlyweds were attending the University of Saigon when they left Vietnam. Hung was a fifth-year medical student, while his wife was studying law. Hai and Miss Oanh were both studying economics and commerce.

The family includes seven students, three tailors, one typist and three farmers. They range in age from 8 to 61.

TRADITIONAL WEDDING

Father Cho said the couples requested a traditional Vietnamese Catholic wedding followed by an American reception. He was assisted by Lt. Cmdr. Evan Greco, a Navy chaplain.

Because Father Cho is a Franciscan, residents of Camp Area 5 named their parish St. Francis.

Meanwhile, 10,000 of the Vietnam refugees at "Little Saigon" on this Marine base remained without sponsors or awaiting certification of sponsors.

The total population as of yesterday stood at 17,862, with 180 Cambodian refugees expected overnight.

8,374 PROCESSED

The temporary relocation center has received 26,536 refugees thus far and processed 8,374.

Officials said the seven to 10 days originally required for security clearances for refugees has been reduced to some extent since initial screening begins in Guam.

There have been 14 babies born of refugees, but no deaths have occurred so far.

English classes are being conducted in all camp areas with Vietnamese instructors. The students are also getting a little historical and geographical background on their new country.

Basic knowledge, such as the value of U.S. coins and currency, how to board a bus, how to dial a telephone, and when and where to cross a street, is also being taught, officials said.

[From the San Diego Union, May 25, 1975]

John Wayne Offers Refugees Help

John Wayne has offered to help former South Vietnamese Vice President Nguyen Cao Ky get 17,000 acres of land in Arizona, Ky says.

Ky, who arrived in Washington yesterday to visit his wife, told reporters as he left San Diego that Wayne "wrote me a letter offering 17,000 acres in Arizona."

Wayne says *that is not quite accurate*. He told the Los Angeles Times he offered Ky help in acquiring land Wayne learned was available for purchase. But Wayne said he does not plan to buy it for the refugees.

Ky says he wants to establish an Israeli-style farming kibbutz for several thousand refugees. He say the refugees would be happier farming than attempting to resettle in large American cities.

"I received a letter from John Wayne, the actor, offering to help me get 17,000 acres in Arizona," Ky said before boarding an aircraft in San Diego for the flight east.

When he arrived in Washington, Ky said Wayne "wrote me a letter offering 17,000 acres in Arizona."

Wayne said he "acquainted Ky with a situation in Arizona where he might be able to acquire a bit of land for his people."

Wayne owns a ranch near the site Ky might obtain.

"I came up with a way he might come by the land," Wayne said, but declined to elaborate, except to say he would not give away his own land or purchase land for the refugees out of his own funds.

Ky said he would accept Wayne's offer for help and plans to visit the western movie star in a few days. Ky said he hopes to "give the Vietnamese a piece of land . . . to be self-sufficient in a short time."

Ky flew to Washington to be reunited with his wife after spending 18 days at Camp Pendleton. There was no fanfare for his Washington arrival.

He was accompanied by Jack Bailey of San Francisco, Ky's American sponsor. Ky, his wife and Bailey left for an undisclosed location in suburban Virginia, with Madame Ky in the driver's seat of their small car.

Ky said he would spend a week with his family before returning to California to assist one of his sponsors—Food for the Hungry, Inc—set up a private, temporary center for about 400 refugees in Auburn, Calif.

THE QUIET REVOLUTION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington report entitled "The Quiet Revolution":

A quiet revolution is underway in America. It may not be spectacular, and it may have escaped your notice, but it is changing life in America in dramatic, if even quiet ways. The revolution is in the impressive progress women are making toward full achievement of their rights.

This progress gained new momentum this past week as the House and Senate passed legislation that would allow women to enter the U.S. service academies and new regulations were issued by the federal government to require equal treatment for women in the nation's schools and colleges in vocational training, athletics, financial aid, and faculty hiring.

Although most of the attention in the area of women's rights has focused on the ratification of the Equal Rights Amendment, which now requires approval by 4 more states before 1979 to become a Constitutional amendment, a number of less noticeable, but significant, changes are taking place.

Women comprise approximately 40% of the nation's work force, and they are entering a number of occupations which were once open only to men, including such traditionaly male jobs as carpenter, police officer, and locomotive engineer. Women are also entering professional schools in unprecedented numbers. From the mid-sixties to 1973, the enrollment of women in law schools jumped from approximately 2,500 to over 17,000, and the percentage of women receiving medical degrees rose from 6.5 to 10 percent.

In higher education as a whole, enrollment of women rose by 120% from 1963 to 1973. In 1974 aobut 40% of masters degrees, up from 34% in 196, and 15% of doctors degrees, up from 11.6% in 1966, were earned by women. The number of women teaching colleges and universities, although far below the number of men, has also increased noticeably. We are moving toward a time when intellect, talent, and skill will be recognized and rewarded, regardless of the sex of the persons concerned, and the country will certainly benefit.

Many state legislatures are dealing effectively with problems confronting women. Legislation intended to protect women, but actually protecting jobs for men, has been challenged in over half the states. Indiana has made several changes in state law to remove sex distinctions which had previously denied women the full benefit of the law and, like other states, has passed legislation to encourage women to report rape incidents by protecting their personal life from unnecessary public disclosure. The chief aim of the changes in the laws concerning rape is to encourage women to seek police help in arresting their attackers and to enhance the chance of convicting them.

Women are also playing an expanding role in politics and government. More than 1,200 women ran for state or national office in 1974, and, as a result, the nation has 19 Congresswomen, one governor, one lieutenant-governor, and 466 state legislators who are women. These women are bringing fresh perspective and new vitality to the search for solutions to a whole range of state and national challenges.

In spite of these gains, pervasive sex discrimination continues to exist. Although women constitute 51% of the population and a growing share of the work force, they hold most of the lower-paying jobs in the economy and lag behind men in pay, earning approximately 60% of what men earn, and, whatever the type of job, women earn less than men on the average. The average woman with a bachelors degree who works full time earns about the same median income as a man who is a high school dropout. The female unemployment rate today is nearly 2% above the male unemployment rate.

There are a number of other sources of discrimination against women. Social Security discriminates against women both in terms of contributions and benefits. Women also have greater difficulty obtaining credit than men, and they face higher insurance costs for basic health, medical, and income disability coverage. In some states women's rights to establish independent businesses or to be a guarantor or a surety are restricted. The criminal laws of some states discriminate against women, for example, by making a sentence for a woman harsher than a man's sentence for the same offense. The admission policies of colleges and schools often require higher standards for women than for men. Even in government employment, women are crowded in the lower grades of the civil service and rarely found in the highest grades.

So the struggle for the fundamental dignity and individuality of each human being goes on, and more is happening and still needs to happen in the area of women's rights than most of us realize. These may be the times that try men's souls, but, no matter, because the quiet revolution cannot be turned back, and life in these United States will never be quite the same again.

CONGRESSIONAL MEDAL OF MERIT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. GILMAN. Mr. Speaker, it was my pleasure to recently award Congressional Medals of Merit to 31 outstanding high school seniors from throughout the 26th Congressional District.

The Congressional Medal which is awarded to students on the basis of outstanding citizenship, was presented individually during the schools' honors assemblies and graduations, marking the end of the academic year. Each school participating in the Medal of Merit program nominated as their recipient, an outstanding graduating senior who made some notable contribution to his or her school and community. The congressional award consists of a medal and a Congressional Certificate of Merit.

Mr. Speaker, I call to the attention of my colleagues the remarkable accomplishments of the following young people who demonstrated not only scholastic excellence, but a deep concern for their schools, their communities, and for the well-being of their fellow citizens:

Christine P. O'Connor, Albertus Magnus High School, Bardonia; Catherine Jean Flannery, Goshen High School, Goshen; Edmond Ashby O'Neill, John S. Burke High School, Goshen; Guy Edmond Anderson, James I. O'Neill High School, Highland Falls; Karen Atkins, Chester High School, Chester; Patricia U. Budziak, Mt. St. Mary Academy, Newburgh; Amy Leventeer, Clarkstown High School North, New City; Ruthann McManus, Marlborough High School, Marlboro; Marcus DeFlorimonte, Clarkstown H.S. South; Zigmund C. Nowicki, Middletown High School, Middletown; Cynthia E. Hoffer, Cornwall Central H.S., Cornwall; Linda Reyns, Minisink Valley H.S., Slate Hill; William L. Snyder, Epiphany Apostolic H.S., Newburgh; Brian De Stefano, Monroe-Woodbury Central School, Central Valley; Calvin Mendelsohn, Nanuet Senior H.S., Nanuet; Gregory Kimiecik, S.S. Seward Institute, Florida; Robert Flannery, Newburgh Free Academy, Newburgh.

Sheryl R. Jacobs, Spring Valley Senior H.S., Spring Valley; Mary Agnes McMenamin, North Rockland High School, Thiells; Carol Stella, Suffern High School, Suffern; Mark Stewart and Lynn Levine, Myack High School, Myack; Patricia Castelli, Tappan Zee Senior High School, Orangeburg; Thomas J. Magrino, Pearl River High School, Pearl River; Katleen Catrini, Tuxedo High School, Tuxedo; Lynn Ann Vogt, Pine Bush Central H.S., Pine Bush; Cheri Seacord, Valley Central High School, Montgomery; Arthur Goldweit, Ramapo Senior High School, Spring Valley; Jody Morris, Wallkill High School, Wallkill; Margaret Ann Raskoff, Warwick High School, Warwick and Mary Ann Werner, Washingtonville High School, Washingtonville.

FOR THE PEOPLE

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. MITCHELL of Maryland. Mr. Speaker, the Congressional Black Caucus this year began publication of a monthly newsletter, "For the People," which presents current information on programs and positions of the caucus. The newsletter is distributed to all black elected officials throughout the country, as well as to many public interest groups and private citizens.

I know that many Members of Congress are interested in the caucus' activities, and I am therefore presenting here the second issue of "For the People," published last month:

CONGRESSIONAL BLACK CAUCUS—FOR THE PEOPLE

Members: Yvonne B. Burke, Calif., Shirley Chisholm, N.Y., William Clay, Mo., Cardiss Collins, Ill., John Conyers, Mich., Ronald Dellums, Calif., Charles Diggs, Mich., Walter Fauntroy, D.C., Harold Ford, Tenn., Augustus Hawkins, Calif., Barbara Jordan, Texas., Ralph Metcalfe, Ill., Parren Mitchell, Md., Robert N. C. Nix, Pa., Charles Rangel, N.Y., Louis Stokes, Ohio, Andrew Young, Ga.

MEETING WITH PRESIDENT KAUNDA, REPUBLIC OF ZAMBIA

On April 20th, members of the Congressional Black Caucus met with President Kenneth Kaunda of Zambia, and expressed their support of the frank speech delivered by President Kaunda during a White House dinner in his honor on April 19th. President Kaunda's candor about iniquities in U.S. policy toward Africa may, in the view of the Caucus, "mark the beginning of a new era of U.S. sensitivity to the struggle for self-determination and majority rule by the people of Southern Africa."

President Kaunda requested the meeting of the Black Caucus members to renew old friendships and inform black America of the purpose of his visit. A broad range of issues were discussed, including President Kaunda's recent contacts with the South African and Rhodesian regimes, the position of the Organization of African Unity vis-a-vis the liberation movement, the linkage between the OAU and black Americans, Zambia's economic conditions, U.S. foreign assistance to Zambia, and the role of the U.S. business interests in shaping U.S. foreign policy towards South Africa.

Meetings with African dignitaries and State representatives are part of the Caucus' ongoing support of African liberation and progress.

FULL EMPLOYMENT FORUM IN FINAL PLANNING

In June, thousands of potential new workers will leave high schools and colleges to enter the labor force. How will the economy accommodate this influx? Will there be jobs for these new young workers at a time when many of their parents are unemployed? The chart below depicts the critical unemployment situation faced by the nation. Clearly, the goal of full employment—meaningful jobs, at a fair wage, for every citizen who is willing and able to work—can no longer be buried under a haze of misgivings, misinformation and inaction.

The Congressional Black Caucus believes that the time has come to focus on the question of a full employment economy. Full employment means a job for those willing and able to work. It means mothers and fathers who can support their families through work, not through inadequate and frequently demeaning government assistance programs. Full employment means an economy operating at full capacity, using the talents and skills of all its citizens.

The Congressional Black Caucus and the Joint Center for Political Studies, recognizing the crucial role of the jobs issue in developing a plan for national economic recovery, are co-sponsoring a major forum: Toward full employment, a viable economic goal. The forum will be held May 20th in the Rayburn House Office Building, Washington, D.C.

How do we move the nation toward full employment? What will it cost to bring about full employment? What are the social costs and implications of our current continuing high unemployment? What are the political chances, realistically, for passage of a Full Employment Act *this year*? These and other issues will be addressed by participants in the Forum.

Now in its final planning stages, the forum will be organized as an Ad Hoc Congressional Hearing. The two major objectives of this event are: 1) to present media decision makers and the working press with a more detailed perspective on who is really hurt by unemployment and a clear understanding of the economic, legislative and political implications of full employment; 2) to project the issue of full employment as a viable alternative to the nation's current and devastating joblessness levels.

The Hearing Panels will include members of the Congressional Black Caucus, other members of Congress in both the House and Senate, representatives of the Joint Center for Political Studies and several noted publishers and editors. Invited witnesses include: Mayor Coleman Young of Detroit; William Lucy, American Federation of State, County and Municipal Employees; Murray Finley, Amalgamated Clothing Workers; Eleanor Holmes Norton, Commissioner, Human Rights Commission of New York; Clarence Mitchell, NAACP; Renault Robinson, Afro-American Patrolmen's League, Chicago; Dr. James Comer, Psychiatrist, Yale University; Dr. Bernard Anderson, Economist, Wharton School of Business; Luncheon Speaker, Vice President Nelson Rockefeller.

U.S. POLICY TOWARD AFRICA: THE ROLE OF CONGRESS

(By Representative CHARLES C. DIGGS, Jr.)

As a member of the House Committee on International Relations and *chairman of its Subcommittee on International Resources, Food and Energy*, I have placed particular emphasis on addressing the problems of African nations—and correcting many of the inequities and inadequacies that have characterized U.S. policy toward Africa. The new subcommittee has jurisdiction over such areas of vital concern to majority-ruled Africa, as energy and natural resources, food and international commodity agreements, and disaster assistance. We will also continue the active interests and oversight activities of the former Subcommittee on Africa in such issues as the liberation of southern Africa.

In February, I and other Committee members, including Representative Cardiss Collins, participated in a study mission to Africa. All of us are aware of the economic problems facing our own country; however, our experiences during the study mission, brought into sharp focus the critical issues of starvation and food shortage which are matters of survival for Africa. Key events in our study included meetings with heads of government and leaders of liberation movements to review U.S. policy toward these nations; to discuss development and assistance needs; to assess the impact of the drought and global inflation.

In Zaire, President Sese Seku Mobutu conveyed his opposition, and that of a number of African leaders, to President Ford's nomination of Nathaniel Davis as Assistant Secretary of State for Africa. Mr. Davis, incidentally, was recently appointed, despite the vigorous protests of the Congressional Black Caucus (Vol. 1, No. 1 for the people, pg 6) and the growing constituency for Africa in this country. Other African countries and soon-to-be-independent areas visited during the mission included Angola, Mozambique, Zambia, Botswana, Swaziland, Tanzania, Somalia and Kenya.

The Subcommittee on International Resources, Food and Energy has planned a substantial schedule of hearings. Recent hearings on U.S. International Energy Policy focused on the direction of that policy particularly, in light of the failure of the recent preliminary Paris talks among oil-producing countries, industrial consuming countries, and non-producing developing countries. Key emphasis during these hearings was placed on the impact of U.S. policy on the developing countries. Our forthcoming hearings on *Food Problems of Developing Countries: Implications for U.S. Policy* provide an opportunity to examine such crucial issues as the current and proposed level of U.S. aid; fertilizer shortages; the distribution of U.S. food aid and foreign policy implications. During our study mission to Africa, I founded the level of U.S. aid inadequate in comparison to actual assistance needs and the level of aid accorded non-African states.

Future hearings will focus specifically on *U.S. Policy and Relations with South Africa*. In that regard, I have recently introduced a bill to prohibit the sale, exchange or transfer (direct or indirect) of nuclear materials or technology to any country which *has not* ratified the *Treaty on Non-Proliferation of Nuclear Weapons* (NPT). Last year, the U.S. Nuclear Regulatory Commission authorized the shipment of 83.4 pounds of highly enriched uranium to South Africa—one of 37 countries that *has neither signed, nor ratified* the NPT. South Africa now possesses enough uranium to produce seven nuclear bombs!

The principal objective of the NPT is to prevent an increase in the number of states possessing nuclear weapons or other nuclear explosive devices. As a basic step toward keeping this number in check, the NPT provides for strict safeguards to prevent diversion of nuclear fuel and reactors from peaceful uses—these are administered by the International Atomic Energy Agency (IAEA).

In summary

With respect to countries not party to NPT, safeguards apply only to the extent that the nation supplying nuclear materials is covered by them. The crucial question is whether all nuclear activities in South Africa are adequately safeguarded. If, for example, a government decides to divert nuclear materials from civilian to a military program, as becomes more possible with the growing international traffic in nuclear materials and technology, the IAEA inspections process may not yield clear-cut evidence of a violation. The legislation I have introduced, aimed specifically at those countries which have not yet ratified the NPT, would avert the danger of proliferation and dissemination of nuclear materials and technology, even for peaceful purposes, to those countries which are not party to the Treaty. The bill does provide for an exception, whereby the President can determine that the sale or transfer of nuclear materials or technology is essential to the national security of the U.S.—a determination that Congress must approve by concurrent resolution.

LEGISLATIVE UPDATE

Voting Rights Act Extension (H.R. 6219)—The full House Judiciary Committee has reported out by a vote of 27–7 a bill to extend the Voting Rights Act for an additional 10 years. The bill would also permanently ban literacy tests and broaden coverage to include many Spanish-speaking and other minorities. The Congressional Black Caucus has unanimously supported the provisions of this bill, which Congresswoman Barbara Jordan played a key role in drafting. The major issue, when the bill reaches the House floor, will be an amendment by Congressman Caldwell Butler (R-Va.) to add a new "bail-out" provision which would make it easier for States and localities to be exempted from the Act's requirements, and another amendment to remove coverage of Spanish-speaking. The Caucus opposes both amendments. In the Senate, the Judiciary Committee's Subcommittee on Constitutional Rights is presently holding hearings on the bill. It is important for citizens to inform their representatives, both in the House and the Senate, of their views on this legislation.

House Budget Resolution (H. Con. Res. 218)—The first Concurrent Budget Resolution passed the House on May 1 by a vote of 200–196. The resolution sets as a goal, an unemployment rate of 7.4 percent by the end of June, 1976. The Caucus views this goal as wholly inadequate *and* has been critical of the resolution's failure to make substantive changes in such areas as closing tax loopholes and reduction on the military budget. An amendment by Congressman Henry Reuss (D-Wis) calls for closing $3 billion in tax loopholes.

The House Budget Resolution projects fiscal 1976 spending at $368.2 billion, compared to $349.4 billion in outlays proposed by the Ford Administration's budget. Several members of the Caucus (Reps. Parren Mitchell, and Louis Stokes of the Budget Committee and Rep. John Conyers) have vigorously protested Congress' seeming timidity in the face of President Ford's deficit scare rhetoric. The House and Senate budget figures must be reconciled in conference. A second budget resolution will be considered in October.

Employment—The Public Services and Employment Act (H.R. 4481) passed the House on March 12th and the Senate on April 25th with amendments. This legislation provides for $5.94 billion for public services jobs and summer youth employment ($6.1 billion in the Senate version). The Director of the Office of Management and the Budget, James Lynn, has stated that he will recommend a Presidential veto. In that event, support for a veto override by Congress will be needed.

Committee hearings—Hearings have begun on several Caucus legislative agenda items, in addition to those on gun control and full employment mentioned in the April update, these include:

1) Universal Voter Registration (post Card Registration—H.R. 1686). Several days of hearings have been held before the Elections Subcommittee of the House Administration Committee to consider simplified means for voter registration.

2) Hatch Act Reform (H.R. 3000)—Congressman William Clay's Subcommittee on Employee Political Rights and Intergovernmental Programs under the Post Office and Civil Service Committee, has been holding hearings on this bill. The bill would permit federal government employees to participate in partisan politics.

3) Mobile Health Units Act (H.R. 2304). Two days of hearings have been completed on Representative Yvonne Burke's bill to provide health services for medically underserved areas. The hearings were before the Health and Environment Subcommittee of Interstate and Foreign Commerce. In addition, Congressman Andrew Young has introduced major health care legislation. The Comprehensive National Health Care Act of 1975 (H.R. 6283). It provides a national care system with broad benefit coverages for every person in the U.S. and would be financed through a 5% tax on unearned income (such as stock dividends) and on self-employment earnings; a 6% tax on employers' payroll; a 2% payroll tax on employees' wages.

A third health bill, The Health Revenue Sharing Act (H.R. 4925), has been reported out of the Interstate and Foreign Commerce Committee.

4) Mortgage Payment Deferral (H.R. 5388). This bill has been reported out of Banking Currency and Housing Committee and awaits scheduling for floor action. The bill provides for deferral of mortgage payments in cases of economic hardship.

Other current action—The Energy bills mentioned in the April Update are being marked up by the Ways and Means and Interstate Commerce Committee and will reach the House floor soon. . . . Congressman Dellums is pressing a troop cut amendment which would reduce excessive U.S. troop levels.

THE HAWKINS HEARINGS: A FIRST-HAND VIEW OF UNEMPLOYMENT

On February 25, Congressman Augustus F. Hawkins, Chairman of the House Subcommittee on Equal Opportunities, began the first of a series of hearings throughout the nation that focus on full employment. The hearings have provided Representative Hawkins and other members of his Subcommittee with a first-hand view of the devastating impact of unemployment in cities across the country. Hawkins has noted that the major objectives of the hearings are "to explain the concept of full employment as envisioned in legislation I have introduced (H.R. 50 The Equal Opportunity and Full Employment Act) and to examine the socio-economic implications of full employment and its immediate applicability in resolving the present economic crisis."

To date, hearing sites have included:

Washington, D.C.—February 25 and March 18.
Detroit, Mich.—March 24.
Los Angeles, Calif.—March 26.
Atlanta, Ga.—April 4.
Philadelphia, Pa.—April 11.
Santa Fe, NM.—May 2.

In each city, a diverse array of witnesses (including labor representatives, elected officials, civic and civil rights groups, economists, and public administrators) have testified on the scope of income deprivation and the growing social problems created by massive unemployment. During the Atlanta hearings, Reverend Arthur Langford, President of the United Youth Adult Conference, testified that: "A job, any kind of job helps keep our youth on the path of responsibility to themselves and their community. . . . Full employment of youth is essential to the concept of a healthy community. Note the sharp increases in crime rates among youth offenders. Yet, for $600, we can employ a youth during the summer and for $5,000 during the entire year." Langford noted that the estimated cost of incarcerating a youthful offender is $12,000 per year. The National League of Cities has recently estimated that cities will require $706 million to employ 1.2 million youth this summer. House-passed supplemental appropriations would provide $412.7 million for summer youth employment.

Detroit Mayor, Coleman Young testified that, "While the rest of the nation worries about recession, about six or seven or eight percent unemployment, Detroit looks squarely at depression, capital 'D' DEPRESSION, with 25 percent unemployment. . . . Back in the 1930s the nation mobilized its resources to deal with an agricultural crisis that made wasteland of rich farming country and uprooted whole populations from the countryside. We can do no less for our cities in the 1970s. A full employment, job guarantee program that provides meaningful work for our people is a critical step."

Inquiries on Congressman Hawkins' full employment hearings and legislation should be directed to the Equal Opportunities Subcommittee of the Education and Labor Committee, Rm. 619, U.S. House of Representatives Annex Bldg., Washington 20515 D.C.

TRIBUTE TO STEVIE WONDER

On May 12th, the Congressional Black Caucus held a private tribute luncheon in honor of Stevie Wonder, noted black singer, composer, musician, Stevie Wonder is one of many artists who have generously donated their time and talents in support of the Caucus. Wonder was presented a plaque containing the embossed, autographed pictures of Caucus members. In addition, he received oral and written tributes.

Congressman Charles B. Rangel, chairman of the Caucus noted that, "Stevie Wonder has expressed, through his dedication and music, the kind of humanism we seek to protect in the Congress." Stevie Wonder, a vigorous advocate for the Caucus, conveyed his high, personal regard for each member.

On May 10th, Stevie Wonder was honored by the Washington, D.C., community in its Fourth Annual Human Kindness Day. The event, hosted by Congressman Ronald V. Dellums and his wife Roscoe, focused on Stevie Wonder as an artist who actively works to advance the interests of black people. Mrs. Roscoe Dellums stated, "Stevie Wonder, a gentle and beautiful black man, has become an institution to the world of music. He is a symbol of courage to a people socialized in an arena of false vanity and greed. He has brought profound dignity, sensitivity and humanity to an often exploitive industry. He has made a proud black people even prouder, and his talent has forced America to stand up and applaud."

CAUCUS NOTES

Rep. Ronald V. Dellums, a member of the recently created Select Committee on Intelligence, in examining the CIA noted that: "Each of us must be very concerned with the delicate nature of the Central Intelligence Agency's role and I certainly have no wish to interfere with, or expose legitimate functions. However, I believe that any abuses must be corrected and there are legislative measures that must be taken to insure the proper safeguards, established to preclude action beyond Congressional mandate." Dellums, also a member of the House Armed Services Committee, has introduced legislation to strengthen Congressional oversight of the CIA (H.R. 343—Central Intelligence Agency Control Act, and H.R. 1267—Central Intelligence Disclosure Act. Both in the Armed Services Subcommittee on Investigations).

Rep. Robert N. C. Nix, has been named chairman of the International Economic Policy Subcommittee of the International Relations Committee. The Chairmanship will provide Nix an opportunity to examine the impact of international economic conditions on the American economy. "The Subcommittee will give special emphasis to examining: the role and impact of multi-national corporations on jobs and prices in the U.S.; foreign investments in the U.S.; and discriminatory practices in international finances", says Nix.

Rep. Yvonne Burke in a recent statement on the evacuation of 130,000 Vietnamese to the U.S. observed: "We also want to know what plans the Administration has for assimilating these evacuees in the economy . . . And what are these Vietnamese going to do for jobs, when eight million U.S. citizens are presently looking for work with no relief in sight . . . We watched the war on poverty turn to ashes because of Vietnam and Blacks have suffered most from the ravaging inflation started by that war."

Rep. Ralph Metcalfe, Chairman of the Panama Canal Subcommittee returned, on April 9, from a four-day fact finding mission in the Canal Zone. The U.S. and Panama are presently engaged in treaty negotiations on the future of the Zone. In oversight hearings conducted April 21 and 22, Metcalfe expressed optimism on continued close relationships between the U.S. and Panama. However, he voiced a number of concerns about improvement of working and living conditions for Panamanians residing in the Zone.

THE JOANNE LITTLE CASE

Representatives Yvonne B. Burke, Shirley Chisholm and John Conyers have called for Justice Department intervention in the murder prosecution of Joanne Little. Ms. Little, a 20-year-old black woman, is accused of the fatal stabbing of her Beaufort, North Carolina jailer, Clarence Aligood. Ms. Little maintains that her actions were in self-defense against a rape attempt by Aligood. The Beaufort County Superior Court has denied a pretrial motion to quash the murder indictment. Ms. Little faces the death penalty.

Representative John Conyers, chairman of the House Judiciary's Subcommittee on Crime has labelled the North Carolina legal system as, "perhaps one of the most oppressive in the entire country. Nearly 35% of the nation's prisoners on death row await execution in North Carolina, and the overwhelming majority of these inmates are black." Representative Chisholm, in a statement to members on the media on April 15, said: "A woman's right to defend herself during sexual attack, whether she is incarcerated or not, must be examined in light of such cases as Joanne Little's". Representative Burke noted, "We cannot conscionably ignore Joanne Little's assertions of self-defense, nor the allegations that other women have been subjected to sexual abuse while incarcerated. We believe there is sufficient reason to justify an inquiry into this situation."

THE RECESSION AND MINORITY ENTERPRISES

In June 1971, the Presidential Advisory Council on Minority Business Enterprise reported that, "Some black businessmen have, despite severe handicaps, been able to initiate and maintain successful businesses. But the overall picture is bleak, with blacks owning only a small percentage of American business assets—and not even a significant percentage of trade or service businesses in their own communities." Over the last six years, since the creation of the Office of Minority Business Enterprise within the Commerce Department, black ownership in business has increased. However, proportional representation of minority entrepreneurs remains an illusive goal.

The combined assets of all minority banks in the nation are less than 10 percent of the assets of any one of the twenty largest nonminority banks in the U.S. While the failure rate for all corporate firms in the country averages 0.5 percent per year, that of small and minority businesses is much higher. For example, using liabilities as a measure of size, we find that in 1973 only 3.7 percent of the firms with liabilities in excess of $1 million went out of business. However, 26 percent of the firms with liabilities ranging from $5,000 to $25,000 failed that year and nearly 42 percent of those firms with liabilities ranging between $25,000 and $100,000 went under. Needless to say, many small and minority firms are clustered in debt levels ranging from $5,000 to $100,000.

The current economic crisis has taken its greatest toll on those least able to bear the burdens and the black business community is no exception to that rule. According to a recent survey conducted by the Black Economic Research Center (BERC) in New York City, the average failure rate for black businesses during 1972–1975 may be 40.2 percent. The Research Center also estimated that over one-third of the black-owned firms operating over 1972 to date were less profitable in 1975 than in 1973 and many more will be on the brink of failure by the end of 1975.

Black businesses both in the North and South, are still concentrated in relatively low growth markets such as personal services and retail trade. Less than 8 percent of the non-minority-owned enterprises are concentrated in these areas, compared to nearly two-thirds of the minority businesses. In 1972, the Census Bureau reported that over 21,000 of the 32,000 'counted' minority-owned businesses in the nation were in retail trade or selected services.

The Congressional Black Caucus recognizes the crucial role of minority entrepreneurship in fostering positive economic development Parren Mitchell is introducing legislation that would place a moratorium on repayment of principle and interest on Small Business Administration loans. The moratorium is designed to assist many small businesses facing failure because of the current inflation and recession. The legislation encompasses all loans made after January 1, 1970 and the moratorium would be in effect over a two year period, or until such time as the President reasonably declares we are no longer in a period of recession. Parren Mitchell is also among several cosponsors of H.R. 5059, a bill designed to provide tax relief for small businesses—now before the House Ways and Means Committee.

A number of Caucus members (Representatives Yvonne **Burke**, Ronald Dellums, Shirley Chisholm, Charles Rangel, Harold Ford and Parren Mitchell) are among the cosponsors of H.R. 4888, designed to provide financial assistance for rent or purchase of replacement quarters by small businesses that must move because of federal or federally-assisted programs. The legislation, introduced by Joseph Addabbo (D-NY), is currently before the Small Business Administration Subcommittee. Status reports on legislation affecting minority economic development will be reported in future issues of For The People.

DR. CALVIN DELLEFIELD HONORED

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. PERKINS. Mr. Speaker, during the past 7 years, Dr. Calvin Dellefield has served with great distinction as Executive Director of the National Advisory Council on Vocational Education. This week he is resigning that post to take on new duties as assistant chancellor, San Francisco Community College District.

I would like to add my voice to those of his many friends and associates in expressing sincere appreciation for the great leadership which he has displayed during his tenure as Director of the National Advisory Council on Vocational Education.

The Advisory Council is generally conceded to be the most active and effective education advisory council in Washington, and the model against which all others are compared. This is in large measure due directly to the diligent efforts of Cal Dellefield, who was responsible for moving the Council from concept to reality. Under his direction the National Advisory Council on Vocational Education has been of great service to the Committee on Education and Labor. I especially want to express my appreciation for the fine testimony which the Council presented on several occasions during the past year, as the Subcommittee on Elementary, Secondary, and Vocational Education conducted its hearings on an extension of the Vocational Education Act.

Late last month, many of Cal's friends and colleagues joined in a testimonial dinner in his honor. I request to have inserted in the Record at this point the texts of three letters which were read on that occasion. They are from President Ford, Representative Al Quie, the ranking minority member of the Committee on Education and Labor, and U.S. Commissioner of Education Terrell Bell:

The White House,
Washington, D.C., May 27, 1975.

Dr. Calvin J. Dellefield,
Executive Director, National Advisory Council on Vocational Education, Washington, D.C.

Dear Dr. Dellefield: As you leave the National Advisory Council on Vocational Education after six years of distinguished and dedicated service, I welcome this opportunity to express my personal appreciation for the many, significant contributions you have made in the field of education.

During your tenure as the Council's Executive Director, and as an educational leader of national stature, you have had marked success in bringing to fruition the hopes and the goals of the Vocational Education Act of 1963 and the Vocational Education Amendments of 1968. The National Advisory Council, under your energetic and talented direction, has not only provided authoritative leadership in the expansion of American vocational education, but has also inspired the type of educational change and productivity which are so important in meeting the challenges of today and those of the future.

Our system of government relies upon the willingness of capable and devoted people such as you to serve when asked, and I am grateful for the confidence, inspiration and direction which you have provided. With sensitivity to the Nation's educational problems and a real determination to improve the well-being of all our citizens, you have served the country well and have earned our thanks and our admiration.

You may be sure you take to your new responsibilities my very best wishes for every success and happiness in the years ahead.

Sincerely,

Gerald R. Ford.

May 23, 1975.

Dr. Calvin Dellefield,
Executive Director, National Advisory Council on Vocational Education, Washington, D.C.

Dear Cal: I know that you must have mixed feelings as you prepare to leave Federal service to assume new and challenging responsibilities, but you should have no doubt at all about the esteem and appreciation of those of us in the Congress who have placed vocational education high on the agenda of national priorities. In your capacity as the first Executive Director of the National Advisory Council on Vocational Education you made a tremendous contribution to shaping an effective instrument of national policy consistent with the purpose of the Congress in creating the Council. In so doing, you must feel great pride and a deep sense of personal satisfaction in having helped to improve educational opportunities for millions of young people and adults.

For more than seven eventful years you have worked diligently to assist the Council in carrying out its mandate. In the process you have helped significantly to increase Congressional awareness of the problems, needs, and potential of vocational education. Your openness, candor, sensitivity to the needs of Congress for information has been genuinely appreciated. The relationships you have established here have been most helpful to the Committee on Education and Labor in keeping track of the progress of vocational education under the 1968 legislation and have helped lay a solid base for our deliberations on new legislation. I very much appreciate this aspect of your work, and I know that other Members share my feeling.

Again Cal, thank you for a good job well done. I wish you every success in whatever you undertake in the future, and happiness for you and your family. Your friends and family can be proud of the work you have done here.

Sincerely yours,

Albert H. Quie,
Member of Congress.

May 28, 1975.

Dr. Calvin Dellefield,
Executive Director, National Advisory Council on Vocational Education, Washington, D.C.

Dear Cal: In the light of the years we have known each other, both professionally and personally, it is with mixed emotions I write you today. Learning that you will leave your post as Executive Director of the National Advisory Council on Vocational Education, my first reaction was one of shock. You are so strongly and naturally a part and parcel of the very essence of the National Council's being, that I was confronted with a great sense of catastrophe.

Since the establishment of the National Advisory Council through the 1968 Vocational Education Amendments, you have brought the Council from the most embryonic of states to the national prominence of being recognized throughout the country as the most competent and active of advisory groups.

Council reports, now an integral part of national texts, studies, and the bases of articles in professional journals, all produced under your expert guidance and direction, have contributed immeasurably to improving the image, the status and the understanding vocational education receives today. Your national studies of duplication, the reports now being received from Project Baseline, and the exemplary development and implementation of the School-to-Work Project, are all to your credit. The hearings held in major cities by NACVE, addressing the most critical concerns in vocational education, the State and regional conferences and your presentations before national, regional, State, and local organizations, have all addressed the issues most necessary to improve our educational system.

You have spurred NACVE to become the foremost authoritative body in the field of vocational education. Under your leadership, the National Advisory Council has paved the way for open communications with State Advisory Councils in a cooperative effort to address the needs of American vocational education at all levels. You have established inroads of interchange with federal agencies, key government officials, the Congress and the White House.

I have reflected on the years you have spent with the Council, and the sympathetic bending which took place, as your personality reflected its problems and changes, and adapted and worked with them. Gradually, I realized that your contemplated move away from the Council is a reflected characteristic of the group, which is, by law, subject to constant change of membership, and that it is now our turn to bend to your decision.

It would be an understatement to say we wish you well in your new appointment as Vice Chancellor of the San Francisco Community College District. Again, you will work with a great many forces and problems, and without question you will put the full strength of your wisdom, character, and vitality into the new affiliation. There is no question but that you will be successful. You know that you have the firm support of all your many, many colleagues and friends in the educational community, whose respect and affection for you are very deep.

I cannot close without emphasizing how reluctant we are to see you leave the Council and the city of Washington. Your exemplary dedication, leadership, and far-reaching achievements have set the highest of standards and left an indelible mark on American education. You have been a great leader, advisor, and friend to us all. I feel sure I speak for everyone when I say goodbye, and Godspeed to you in the new work.

Finally, thank you for the priceless years you spent with us.

Sincerely,

T. H. Bell,
U.S. Commissioner of Education.

PARITY FOR THE AMERICAN-BORN, FOREIGN-TRAINED MEDICAL STUDENT

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. ZEFERETTI. Mr. Speaker, much has been written about the alarming lack of qualified physicians in America today. We have been made aware that the number of graduates from our country's medical schools has, so far, been insufficient to meet the need for adequate medical care of our growing population.

In the past few years, a number of solutions have been tested to resolve this problem, among them the licensing of foreign-born, foreign-trained physicians in order that they might practice in the United States. However, I wish to present to you another solution, one which deserves our equal attention and consideration. This solution deals with the granting of licenses to the American-born, foreign-trained medical school graduate who has heretofore been confronted with a myriad of problems when applying for an American license. The following statement was sent to me by Dr. Ephraim J. Felderman, a member of the Association of New York State Concerned Parents of the Universidad Autonoma de Guadalajara. I present it to you with the hope that it will provide a new insight into the growing problem of inadequate medical care and a solution worthy of our attention:

The need for an increased physician-manpower supply has been increasingly apparent in the United States during the last few years. And, a recent government-sponsored study entitled "Physician Manpower Selective Characteristics of Supply and Demand and Medical Training" has estimated that the current requisite physician population to meet the needs of the American population in 1975 would be in the order of 350,000 men and women. Yet, we could not possibly meet this need since we already have an estimated shortage of 50,000 to 90,000 physicians.

One can readily appreciate and understand the need for an increase in the physician manpower supply. But, to date, the American medical educational community has done little to help in meeting this need.

We do have a possible solution to this problem, in the form of the readily-available American-born, foreign-trained medical school graduates desiring to return to their native states to enter the mainstream of American medicine. But, these young men and women are finding the road beset with many obstacles. Many of these foreign-trained students are well qualified to practice their profession in the United States. It was only because of the acute shortage of American medical school places that they were forced to travel abroad for their medical education.

Among the many foreign medical schools who have American enrollees, the Universidad Autonoma de Guadalajara is one of the largest. And, it is from this school that American medical students, on their return to their domiciles in the States, have found the means for professional licensure procedurally erratic and frustrating.

Yet, during the past ten years or more, foreign-born, foreign-trained medical graduates have become a permanent source of supply for the ever-expanding United States physician manpower requirements. During the mid-1960's, there were 1,400 to 1,600 new licensees per year. And, during the ensuing years, the influx of foreign-born, foreign-trained medical graduates, who are for the most part emigrees from many under-developed and disadvantaged countries, has risen with an ever-increasing rate. Therefore, the question remains of why the foreign-born members of the medical profession have been given preference over the American-born with regard to licensing in the United States.

In March, 1975, the American Medical Association endorsed the "Fifth Pathway Program", which is specifically designed for American-born, foreign-trained medical graduates. In essence, it requires an additional year of clinical clerkship prior to entering post-graduate year of internship. Many states, including New York and New Jersey have enacted this important program into law. However, to date, the overall implementation of the Fifth Pathway Program has been sketchy.

Recently, a number of bills have been introduced in Congress to increase the number of physicians in the United States. One bill in particular, H.R. 3279 by Mr. Rosenthal, would be a great aid toward making it easier for many men and women to enter medical school and therefore fill a deficit in the physician population. However, it would, in addition, allow qualified alien doctors to enter into medical residency training programs in the U.S.

Therefore, even in Congress, we can see the awareness of the urgent problem of the lack of adequate medical personnel and a proposal of solutions. However, within our own country, we do have a ready available physician manpower source; the American-born, foreign-trained medical graduate. They can fill the vacuum in the medical field. And, they can do so particularly in foreign language areas of our country, including New York, the Havana of Florida, and the Spanish areas of Texas, New Mexico, Arizona, California and Illinois. These young men and women would be ideal candidates for licensing in those areas; they are fluent in Spanish and exceedingly competent in their native American tongue.

This resource should be utilized and encouraged through the means of student loans for those who are needy, thus enabling the highly motivated American-foreign medical graduate to receive his or her medical education and return to our country to render medical care.

Therefore, the Association of New York State Concerned Parents of the Universidad Autonoma de Guadalajara endorses the following:

Affording an easier method of entrance of the American-born, foreign-trained medical graduate into the practice of medicine in their own country.

A parity of licensure and status with their American-trained conferees.

Rendering federal aid or loans for these students who have financial difficulty.

The realization that there are many qualified aspirants who wish to enroll in medical school and until there are enough American seats available for training, American-foreign medical graduates should be welcomed and given every encouragement to enter the mainstream of American medicine.

REPORT OF SUBCOMMITTEE TO REVIEW LIQUID METAL FAST BREEDER REACTOR

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. McCORMACK. Mr. Speaker, in continuance of my practice of keeping this body informed of the activities of the Joint Committee on Atomic Energy's Subcommittee to Review the National Breeder Reactor Program, I have the following report:

Yesterday, the subcommittee in open session received testimony from invited witnesses on the subject of safeguards. During this session, there was presentation and discussion of information pertaining to the physical security measures designed to prevent the theft of nuclear materials or the sabotage of nuclear facilities, the costs of providing an effective safeguards program, the possible impacts on civil liberties of the safeguards program, and the Energy Research and Development Administration's program to develop safeguards commensurate with the eventual commercial use of breeder reactors.

Testimony was presented by Dr. Theodore Taylor of International Research and Technology Corp., Dr. Orval E. Jones of Sandia Laboratories, and Mr. Robert Tharp—for Maj. Gen. Edward B. Giller, USAF (Ret.)—of the Energy Research and Development Administration. I was pleased that Senator CLIFFORD P. CASE, Congressmen JOHN B. ANDERSON, MANUEL LUJAN, Jr., and ANDREW HINSHAW were able to attend and participate in the questioning of the witnesses.

Opening remarks for the session and a summary of the material presented and the ensuing discussion follow:

OPENING STATEMENT BY THE CHAIRMAN—JUNE 18, 1975

Today the Joint Committee's Subcommittee to Review the National Breeder Reactor Program will receive testimony on the subject of safeguards.

This session was initially scheduled to be held tomorrow, June 19th, but it became necessary for the Subcommittee to reschedule it for today.

I would like to announce that one of the invited witnesses, Mr. Gus Speth, of the Natural Resources Defense Council, was unable to participate because of a conflict, but has submitted a statement for the record expressing his views. Copies of this statement have already been distributed to all Committee members and subject to objection will be included in the record of these hearings.

Today we will receive oral testimony from Dr. Ted Taylor of International Research and Technology Corporation, Dr. Orval Jones of Sandia Laboratories, and Major General Edward B. Giller of the Energy Research and Development Administration.

SUMMARY

Dr. Taylor opened his remarks by restating his position that if one had 10 kilograms or so of plutonium, it would be conceivable that a group of terrorists or a person working alone could design and build a crude fission bomb. He noted that the amount of material required was only a small fraction of the present yearly amount of plutonium produced in the U.S. (5000 kg/yr.). Dr. Taylor noted, however, that there are no reprocessing plants currently in operation to separate plutonium from fission products and, therefore, the plutonium is in a very unusable form. He further stated that his remarks about designing and building a weapon assumed that the plutonium was available. This, Dr. Taylor stated, was the area where significant safeguard actions can be taken and which he believed could be successful in reducing the risk of theft and diversion to an acceptably low level. Dr. Taylor said that safeguards was an issue even without the breeder since LWRs also produce significant quantities of plutonium.

Dr. Taylor concluded with a few remarks on the potential costs of the safeguards programs. He said if it is assumed that extremely stringent safeguard measures are applied to an LMFBR fuel cycle module of 80,000 Mwe capacity, the safeguard costs would represent only about a 1.4% increase in the cost of electricity.

Dr. Jones testified on various physical security aspects of the safeguard question. He stated that safeguard risks can be viewed as the product of four multiplicative factors: (1) the frequency of attempted diversion or sabotage, (2) the likelihood of success, (3) the likelihood that the malevolent act will harm the public, and (4) the cost of such malevolent acts. ERDA is developing a balanced safeguards program in these four areas, Dr. Jones stated. A summary was then provided of various approaches being used. For transportation applications these included overview descriptions of safe-secure trailers, special escort vehicles and a nationwide communications system. The approach to security for permanent facilities using both passive and active deterrent techniques was described. Dr. Jones noted that many of the techniques being used or considered had come from military experience in shipping special nuclear material, but that much of it was also recent innovative ideas applicable to the civilian program itself.

Mr. Tharp (speaking from testimony prepared for delivery by Gen. Giller) summarized the history of the safeguards and security program that has been in use for fissionable materials since the mid-1940's. He noted how the upsurge of worldwide terrorism in the 1970's has pointed up the need to guard against possible attacks on nuclear facilities. Mr. Tharp reported that the general objective of nuclear materials safeguards is to prevent successful malevolent acts involving nuclear materials and facilities. The degree to which the general safeguards objective is met is measured in terms of protection of the public against risk of death, injury and property damage potentially arising from these acts. It was stated that this objective can be met through an indepth approach consisting of reducing the frequency of attempts to produce societal consequences, reducing the likelihood of adversary success when an attempt is made, and reducing the consequences of a successful act.

Mr. Tharp reviewed the operating experience in the safeguarding of nuclear material of date, which has not resulted in any harmful effects on the environment or populace. He discussed how this experience would form the basis for future safeguards efforts. Mr. Tharp also reviewed certain elements of the fuel cycle, such as transportation, which has particular importance as the most difficult portion of the fuel cycle to safeguard. The means by which existing ERDA safeguards programs are being expanded to meet nuclear fuel cycle needs were also examined. The use of material control and accountability procedures as well as physical security measures were examined in this regard.

Finally, Mr. Tharp reviewed the potential of nuclear energy parks (colocation of facilities) as a means of alleviating the safeguards problem. Various forms of colocation (e.g., reactors dispersed, but reprocessing and refabrication facilities colocated) were examined and the general safeguards benefits reviewed. This concept is still under study.

In conclusion, Mr. Tharp contended that ERDA's long experience in handling and transporting large quantities of plutonium, coupled with a viable R & D program, ensures effective safeguards for all future fuel cycles. He reported that the financial costs and impacts on civil liberties would not be overriding, and that there is no safeguards related reason to delay the further development of the LMFBR.

A question and answer period followed the presentations. One of the main concerns in the safeguards issue raised by anti-nuclear groups has been that the U.S. would have to create a virtual police state to protect the plutonium. The witnesses each presented facts to show this was not the case and that this claim by critics was an emotional appeal to raise doubts in the mind of the public. It was stated that for a fuel cycle involved in the production of 80,000 Mwe, there would be only 1400–1500 people involved in the security effort. Dr. Taylor compared this to the some 600,000 persons throughout the U.S. presently engaged in police activities. The conclusion was that there was no basis for the claim of a police state.

Another criticism often noted was that civil liberties of a major portion of our population would be infringed due to security clearances that would be required of workers in nuclear facilities. Gen. Giller noted that all the people that would be involved in nuclear power production who would need clearances would be a very small fraction of those needing clearances in ERDA, for example, and when one considers DOD, the number is small, indeed. Dr. Taylor noted that a reprocessing plant like Barnwell which is to be able to reprocess a significant amount of the fuel in the future, will employ only 300 people.

The question was asked of Dr. Jones if the special trucks being used for nuclear material shipments could be picked up by a helicopter—one, say, stolen from the military. Dr. Jones said it was possible, but besides the military efforts to recover the helicopter, the communications system in the truck would call for response action by recovery teams to be taken immediately. The question was also asked if high-energy lasers had been considered as a means for getting into the special trucks. It was suggested this be checked.

Dr. Taylor was asked what the hazard would be from a criticality accident during assembly of a homemade bomb. He stated it would be very risky but not so great as to be a deterrent.

A question was raised regarding the confidence one should have in the utilities, carriers, reprocessers, etc., in complying with all the government regulations and in one's ability to enforce the regulations. The numerous incidents of noncompliance in common carrier shipments of radioactive material were noted. Gen. Giller pointed out that shipments of radioactive material on a common carrier represent only a part of their business, whereas shipments of the type described for plutonium would involve trained personnel whose sole job was to safely transport this material.

Dr. Taylor commented on "spiking" of the fuel as a deterrent means. He felt that this approach would not come into use. He stated that the use of fission products as a means of spiking fuel and inhibiting its reprocessing would not be successful as the fission products could be separated out rather readily by chemical means. From a transportation point of view, Dr. Taylor stated that the shielding needed to make the shipment safe in normal conditions would add such weight that the heavy cask would be more of a deterrent than the radiation. In addition, Dr. Taylor noted that the cost of reprocessing would be increased drastically.

It was the general conclusion of this session that while the safeguards question would have to continue to receive proper attention, it did not present any basis for failing to continue the development of the breeder program.

SACRAMENTO UNION ARTICLE ON VIETNAM WAR VETERAN AND TREATMENT RECEIVED BY VIETNAM REFUGEES

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. JOHN L. BURTON. Mr. Speaker, as one who did not vote for the Vietnamese resettlement bill on the grounds that to do so would be to provide a higher level of benefits for the Vietnamese refugees than we do for many American people who are in similar economic straits, I would like to call to the Members' attention an article from the June 5 Sacramento Union setting out the plight of an American veteran of the Vietnamese war in relation to treatment received by refugees under the provisions of the Vietnam Resettlement Act.

The article follows:

WAR VETERAN IN SOUP LINE BUT REFUGEES ARE WELL FED

(By K. W. Lee)

Mike Vanslager stood in the ragged food line at dusk outside the Volunteers of America mission at 13th and I streets.

He was young. Unlike spent-out, middle-aged men wracked by life-long stooping and cheap wine.

Minutes later, the young man emerged from the mission feeding room and said cheerfully: "It was pretty good tonight."

The "pretty good" meal consisted of a cup of noodle soup and two slices of bread.

The night before it was a cup of water soup without taste. And that was the night the men protested in front of the mission against "earbanging," which in skid row language means listening to a religious sermon before getting a free meal.

As it turned out, the "earbanging" had been initiated by lay preachers last Thursday without authorization from the mission headquarters.

Vanslager, out of work since December, like other young men who are joining skid row life, has fought in Vietnam. A former Marine. Wounded twice by shrapnel while on patrol in the I Corps area in Vietnam.

At 29, the recipient of two Purple Hearts stood in the line as a recipient of soup and bread back home.

Hundreds of miles to the south, the dinner menu for Vietnam refugees was all-American at Camp Pendleton where Vanslager received boot camp training before he was shipped to Vietnam to fight.

That Tuesday night, the hospitable Marines fed the refugees: baked pork, steamed rice, buttered corn, cole slaw, bread, assorted cookies, coffee, tea or cold drink.

For breakfast, the refugees had oranges, oatmeal with raisins, baked sausages, scrambled or boiled eggs, bread, jam, coffee or tea.

The lunch menu: Potato soup, beef chop suey, steamed rice, buttered green beans, garden salad with french dressing, bread, assorted cookies, coffee, tea or cold drink.

The Vietnam veteran wasn't bitter about the better treatment the refugees were getting. "They need a new life here or somewhere. The Marines feed them good. I wish them luck."

The former Marine's real war began last December when he was laid off from a maintenance post at a Nevada casino.

"I've been on the road since looking for work. Hitchhiked a lot. I came here in late March. Registered with the state employment office for work. No job. Only casual labor, maybe one or two days if lucky. I slept in the weeds. Cold."

Bill Durant, director of the single men's center at 12th and F streets (telephone: 446-4517), reports that quite a few jobless Vietnam veterans have joined the skid row ranks although young people still make up a minority.

Durant says the Volunteers of America mission are "good people who are doing their best to help out—they give whatever they have." The single jobless men at his center understand the problems the mission faces, Durant said.

Earlier this month, Durant recalled wryly, his men telegraphed Secretary of State Henry Kissinger demanding refugee status. "A lot of people thought it was a big joke, but that is the reality here. We have Vietnam veterans like Vanslager who only get a cup of soup. We never heard a word from Washington."

Durant said he and his men don't and can't blame the Volunteers of America for the poor quality of food. "We (the single men's center) are in the same situation. I don't understand why the government can't provide the same commodities given to the refugee camp to groups like the Volunteers of America."

WILL GUN CONTROL END IN GUN CONFISCATION?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. ASHBROOK. Mr. Speaker, the June 16 issue of the Washington Post carried a column by William Raspberry on proposed gun-control legislation in the Nation's Capital with elimination of private gun ownership as the goal. Similar gun-confiscation legislation is also before the Crime Subcommittee of the House Judiciary Committee, and as a member of that subcommittee I can say that these efforts are very much in earnest. Some Members, realizing that confiscation will meet with strong opposition at this time, settle for some form of registration and licensing with confiscation the final target. They are, however, just waiting in the wings for an opportunity to hop on the confiscation bandwagon.

Washington, D.C., is an excellent case in point in the gun-control controversy. Former Council Chairman John Hechinger authored gun registration regulations which went into force in 1968. He is supporting legislation now before City Council which would ban the manufacture, sale, purchase, or possession of all handgunds and shotguns with rifles exempted.

Bill No. 1-42, now before the D.C. City Council, will "prohibit the manufacture, sale, purchase, transfer, receipt, transportation, possession, and ownership of handguns in the District of Columbia, except in certain circumstances." Section 3(b) reads:

> Except as provided in section 4, (section 4 covers law enforcement and other official exemptions) no person may own or possess any handgun or handgun ammunition within the District of Columbia.

Under section 5(b) we read:

> Whoever violates section 3(b) shall be fined not more than $2,000, or imprisoned not more than 2 years, or both.

Even more severe are the penalties for manufacturing, selling, buying, transferring, receiving, or transporting any handgun or handgun ammunition under this proposal. If this legislation is passed, a violator could be fined not more than $5,000 or imprisoned not more than five years, or both. I think the same thing would happen if we have Federal registration of firearms. It would be a stepping stone for confiscation no matter how it is glossed over or sold.

The above-mentioned Raspberry article follows:

WHAT ABOUT THE OLD GUN LAW?

John Wilson and Polly Shackleton, the principal sponsors of gun-control legislation now being considered by the D.C. City Council, know they have a tough road ahead of them.

I'm not sure former Council Chairman John Hechinger helped them much with his recent testimony. Hechinger wants what they want: a tough, enforceable bill that would virtually eliminate private handgun ownership in the District of Columbia, with the hope of starting a nationwide trend.

To illustrate the reasons for his support of the measure, the businessman-civic leader told of the recent armed robery of a Hechinger hardware warehouse. A company guard was shot and seriously wounded during the holdup.

The nervous bandits started shooting as soon as they saw the uniformed guards, then ran outside. Hechinger told a council hearing earlier this month.

Once outside, "one of the gunmen climbed on top of a car hood, and with two hands on the pistol fired away at one of the guards until he hit him."

It was a frightening scene, Hechinger said, and no less so because one of the bandits turned out to be only 14 years old.

The point of the recital was to show how dangerous it is to have handguns in circulation, where they can be available to hoodlums, robbers and killers.

Hechinger may have been thinking: How much better off we'd all be if the crooks had no guns. Some of those who heard or read his testimony may have thought: How much worse off we'd be if the gun-control people talk us law-abiding citizens into giving up our guns. Some people think they need guns to give them a fair chance against crooks.

Aside from those who want handguns for sports reasons, the major opponents of gun control legislation are those who fear it will work to the disadvantage of those who obey the law.

What is to be gained, they ask, by making it unlawful for a hold-up artist to own a handgun or even requiring him to register it? Is the man who willfully violates laws against robbery likely to obey laws requiring him to register his gun or give it up?

The answer is obvious, even if some of us are put off by the politics and tactics of the gun lobby and their sloganeering to the effect that "if guns are outlawed, only outlaws will have guns." It may be true, but, like most slogans, it sounds too dumb for some of us to want to identify with it.

That dumb slogan does speak to one of the most formidable objections to gun control, however, and the only reasonable response is: You have to start somewhere.

The city council legislation would start with a ban on the manufacture, sale, purchase or possession of all handguns and shotguns, except for use by peace officers. Rifles would be exempted.

Presumably, there would be adequate time for present gun owners to turn in their weapons, but after that, the bill would require full prosecution of every offense, with plea bargaining specifically forbidden.

Maybe legislation of that sort would make us all less likely to be shot, although there is some question about that. There is no question, however, that a lot of people who consider themselves law-abiding would feel considerably less safe if their guns were taken away.

Councilman David A. Clarke, whose judiciary and criminal law committee is conducting the hearings, understands the feeling.

"Certainly people possessing handguns for purposes of self-protection feel safer with a gun than without one," Clarke told a June 6 hearing.

But as Clarke also observed, it is hard to know "how many crimes are deterred by the potential victim's possession of a handgun."

Hechinger's view is that deterrence in the long term is best achieved by the elimination of handguns. The "legal" guns would be the first to go, of course. But then nearly all guns started off "legal." The former council chairman believes that a ban on manufacture, sale and possession would eventually dry up the source of illicit guns.

Hechinger was author of the 1968 gun registration regulations adopted here with little noticeable effect.

The problem, he said, is the failure of the mayor and police department to enforce the regulations. "Not only didn't they enforce them; they didn't even publicize them," he said.

If the city's executives were lax on gun laws, its judiciary was hardly better. Of 184 persons prosecuted and convicted for first-time gun possession in the first six months of last year, only 14 received jail sentences.

One judge, according to a report to the House District Committee last week, awarded a jail sentence to only one of 73 gun offenders convicted in his court.

It might be a good idea to try enforcing the old gun law before rushing to enact new ones.

HOUSE OF REPRESENTATIVES—*Friday, June 20, 1975*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Come unto Me all ye that labor and are heavy laden and I will give you rest.— Matthew 11: 28.

O God, our Father, in this opening moment of quiet reverence, help us to draw near to Thee in humility of heart and sincerity of spirit. With an awareness of Thy presence may we face the tasks of these days with creative minds and confident faith, scorning all hypocrisy and deceit in the assurance that all things great and good are based on gentleness, truth, and love.

We thank Thee that we are called to serve our country in such trying times as these. Grant unto us an inner greatness of spirit that we may play our full part as Thy faithful servants endeavoring to meet the demands of these challenging hours in our Nation's history.

In the spirit of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 499. Joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 499) entitled "Joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McClellan, Mr. Magnuson, Mr. Stennis, Mr. Pastore, Mr. Robert C. Byrd, Mr. McGee, Mr. Proxmire, Mr. Montoya, Mr. Hollings, Mr. Bayh, Mr. Young, Mr. Hruska, Mr. Case, Mr. Fong, and Mr. Brooke to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3130) entitled "An act to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Jackson, Mr. Haskell, Mr. Bumpers, Mr. Fannin, and Mr. Hatfield to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4005) entitled "An act to amend the Development Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Randolph, Mr. Cranston, Mr. Williams, Mr. Pell, Mr. Kennedy, Mr. Mondale, Mr. Hathaway, Mr. Stafford, Mr. Taft, Mr. Schweiker, Mr. Beall, and Mr. Javits to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 611. An act for the relief of Southeastern University of the District of Columbia;

S. 723. An act to amend title 28, United States Code, to provide that Madison County, Fla., shall be included in the northern judicial district of Florida;

S. 1549. An act to amend the Federal Rules of Evidence, and for other purposes; and

S.J. Res. 84. Joint resolution to authorize and request the President to proclaim October 1975 as "Hobby Month."

PROVIDING FOR THE PRINTING AS A HOUSE DOCUMENT "NOMINATION OF NELSON A. ROCKEFELLER TO BE VICE PRESIDENT OF THE UNITED STATES"

Mr. BRADEMAS, from the Committee on House Administration, submitted a privileged report (Rept. 94–314) on the concurrent resolution (H. Con. Res. 143) authorizing the printing of additional copies of the committee hearing, "Nomination of Nelson A. Rockefeller To Be Vice President of the United States," 93d Congress, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR THE PRINTING AS A HOUSE DOCUMENT OF A REVISED EDITION OF "THE CAPITOL"

Mr. BRADEMAS, from the Committee on House Administration, submitted a privileged report (Rept. No. 94–315), on the concurrent resolution (H. Con. Res. 215) providing for the printing as a House document of a revised edition of "The Capitol," which was referred to the House Calendar and ordered to be printed.

AUTHORIZING THE PRINTING OF A COMMITTEE PRINT ENTITLED "CHINA: A QUARTER CENTURY AFTER THE FOUNDING OF THE PEOPLE'S REPUBLIC"

Mr. BRADEMAS, from the Committee on House Administration, submitted a privileged report (Rept. No. 94–316), on the Senate concurrent resolution (S. Con. Res. 26) authorizing the printing of a committee print of the Committee on Foreign Relations entitled "China: A Quarter Century After the Founding of the People's Republic," which was referred to the House Calendar and ordered to be printed.

AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF SENATE HEARINGS ON PROPOSED CONSTITUTIONAL AMENDMENTS TO LIMIT ABORTIONS

Mr. BRADEMAS, from the Committee on House Administration, submitted a privileged report (Rept. No. 94–317), on the Senate concurrent resolution (S. Con. Res. 36) authorizing the printing of additional copies of Senate hearings on proposed constitutional amendments to limit abortions, which was referred to the House Calendar and ordered to be printed.

AUTHORIZING APPROPRIATIONS TO CARRY OUT THE STANDARD REFERENCE DATA ACT

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 37) authorizing appropriations to carry out the Standard Reference Data Act, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: That there is authorized to be appropriated to the Department of Commerce not to exceed $2,800,000 for fiscal year ending June 30, 1976; not to exceed $750,000 for the fiscal year transition period from July 1, 1976, through September 30, 1976; not to exceed $3,000,000 for the fiscal year ending September 30, 1977; and not to exceed $3,000,000 for the fiscal year ending September 30, 1978, to carry out the purposes of the Standard Reference Data Act (15 U.S.C. 290–290f; 82 Stat. 339).

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS PRESIDENT IS BUILDING A PLATFORM OUT OF VETOES

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I regret to see that the minority leader is not here this morning. I presume he is busy writing letters to the editor. I want to give him something he can put in a letter to the editor.

Mr. Speaker, President Ford has let it be known that he is going to veto two more bills, including one that Congress has not even passed yet. This is the consumer protection bill.

The other new veto will be the middle-income housing bill, which also provides mortgage help to homeowners who are out of a job.

This is what I call thinking ahead negatively. In the housing industry, things have been so bad for so long that last month's housing starts—which were low for May—came out looking like a big improvement in comparison. The fact is that unemployment in the construction industry is still 22 percent. The administration is not going to do anything about it, except veto a housing bill.

The President's six strategic vetoes so far this year have already had more adverse effects on our people than all 23 of his successful vetoes in the last Congress put together. If he keeps on at this rate, he is going to set a new record for the Republican administration.

President Ford is trying to build a platform of vetoes. In my opinion, we are only really dubbing him "King Veto." He is running on a full employment policy. When he makes predictions about a rosy turnaround in the economy, he is talking about from a big business, big money point of view. What he is giving the people is a rosy runaround.

AMERICAN PEOPLE HAVE NO FAITH IN BIG OIL

(Mr. HAYS of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS of Ohio. Mr. Speaker, in a recent survey by an opinion firm, a positive question was asked about the oil companies, being phrased something like this: "Don't you think the oil companies made an honest effort to provide the American people with gasoline at as cheap a price as possible?"

Mr. Speaker, 77 percent of the people said "No."

In another question, "Do you consider the oil companies to be good or evil?"

On that question, 72 percent said, "Evil."

Are the oil companies really trying to improve their image? Yesterday, they floated a story that gasoline production was down while crude oil stocks were up, and that it had dropped from some 83-percent capacity of the refineries to 79 percent last week. It looks as though they are trying to contrive another artificial gasoline shortage, and if they are able to do that, their score will not be 77 out of a hundred who do not think they are doing the right thing—it will be 100 out of a hundred.

CALL OF THE HOUSE

Mr. COHEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. YOUNG of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 322]

Addabbo
Ambro
Anderson, Ill.
Andrews, N.C.
Ashbrook
AuCoin
Badillo
Bell
Bergland
Blouin
Boggs
Breaux
Brown, Calif.
Buchanan
Burke, Fla.
Butler
Byron
Casey
Chisholm
Clausen, Don H.
Clay
Collins, Ill.
Collins, Tex.
Conlan
Conyers
Corman
Cotter
Crane
D'Amours
Danielson
Davis
Dent
Derrick
Diggs
Drinan
Erlenborn
Esch
Eshleman
Findley
Fithian
Flynt
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Fulton
Gibbons
Guyer
Hannaford
Harrington
Harris
Harsha
Hayes, Ind.
Hébert
Heckler, Mass.
Hillis
Howard
Jarman
Jenrette
Jones, Ala.
Jones, N.C.
Karth
Kastenmeier
Kemp
Landrum
Long, La.
Lott
McDonald
Macdonald
Mann
Mathis
Matsunaga
Meeds
Metcalfe
Mezvinsky
Mills
Mollohan
Montgomery
Neal
O'Hara
Pattison, N.Y.
Pepper
Price
Quie
Rose
Rosenthal
Ruppe
St Germain
Scheuer
Schulze
Sebelius
Seiberling
Simon
Solarz
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Thompson
Udall
Ullman
Wampler
Weaver
Whitehurst
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wylie
Young, Alaska

The SPEAKER. On this rollcall 322, Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE ADMINISTRATION TURNS ITS BACK ON THE NATION'S HOUSING NEEDS

(Mr. MOORHEAD of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the most recent statement from the White House that the President will veto the Emergency Housing Act of 1975 only confirms the fact that the current administration has adopted the anti-housing policies of the previous inhabitant of 1600 Pennsylvania Avenue.

Let us look at the record.

On January 5, 1973—moratorium.

It has been 23 months since HUD has approved one single new application for subsidized single family, multifamily, or conventional public housing.

It has been more than 11 months since the Congress produced the Housing and Community Development Act of 1974 and not one unit of section 8—leased housing, the new program created in the act—has been built for the poor and elderly of America.

I do not think I have to remind you that it is only 17 months until the next election and the American people of this Nation expect the Congress to write housing legislation that will meet the legitimate shelter needs of the Nation.

I urge all Members to vote to override the President's veto of the Emergency Housing Act of 1975.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A REPORT

Mr. EVINS of Tennessee. Mr. Speaker I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the public works for water and power development and energy research appropriation bill for 1976.

Mr. MYERS of Indiana reserved all points of order.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PERSONAL EXPLANATION

Mr. MAZZOLI. Mr. Speaker, I wish to explain my not voting on rollcall No. 314 during consideration of the energy bill on Wednesday. I was unavoidably detained, and had I been in the Chamber when the vote occurred I would have voted "nay".

I would like the RECORD to reflect this.

The SPEAKER. The gentleman's statement will appear in the RECORD.

PRIVACY COMMISSION TO HOLD FIRST MEETING ON MONDAY

(Mr. GOLDWATER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GOLDWATER. Mr. Speaker, I

wish to announce to the House that the Privacy Commission which was created by Public Law 93-579 has a full complement of members, and will be conducting its first meeting this next Monday at 11 o'clock in the Capitol in EF-100.

FURTHER LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I have asked for this time because there have been so many Members inquiring as to how late it is anticipated that we will work today.

May I say that I am sure the Members are aware of the schedule.

The first order of business today will be H.R. 3474, ERDA. This will be followed by H.R. 6799, the rules of criminal procedure, and we will continue to proceed under the 5-minute rule on that legislation.

That will be followed by H.R. 7001, the Nuclear Regulatory Commission, under an open rule with 1 hour of debate.

It is absolutely necessary and required that we complete these three pieces of legislation today. We have four other pieces of legislation that are pending for today's schedule. I repeat, it is absolutely necessary that we complete the first three items that I mentioned.

As to what time we will adjourn, we will rely upon the will of the House as to how much longer the House may wish to go on the other pieces of legislation.

AUTHORIZING APPROPRIATIONS FOR THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION FOR FISCAL YEAR 1976, AND FOR THE TRANSITION PERIOD ENDING SEPTEMBER 30, 1976

Mr. YOUNG of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 3474, with Mr. Roush in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Illinois (Mr. Anderson) had 3 minutes remaining; the gentleman from Texas (Mr. Teague) had 22 minutes remaining; and the gentleman from Ohio (Mr. Mosher) had 12 minutes remaining. Before the Committee rose, the gentleman from Ohio (Mr. Mosher) had yielded 10 minutes to the gentleman from Pennsylvania (Mr. Coughlin).

The Chair recognizes the gentleman from Pennsylvania (Mr. Coughlin).

Mr. COUGHLIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. Frey).

Mr. FREY. Mr. Chairman, this Nation is paying for its stupidity, its stupidity in not taking action when needed in the energy area, and especially in many of the areas covered by the ERDA bill. The morning paper indicated that recent estimates indicate we have only half the oil reserves once projected. There is no question that we are going to be paying more for energy. The basic question is for how long, and how much?

We have been unable in this House, although good people have tried, to come to some of the tough decisions in the oil areas. The Committee on Ways and Means failed yesterday, and I am afraid our Committee on Commerce is also going to fail. The bill in committee would cause us to rely on imported oil and hurt production. I would hope it would be vetoed. I have not generally supported increases in authorization bills this year. However, I do support the increase in this bill over the budget and am a little disappointed that it is not even more. If there is any area that we need to spend, if there is any area that we have to quickly develop new sources of energy, its here. The costs are going to come; the increases are going to come; and the screams are going to go up; we must get the answers—and get them quickly.

I only hope that we can approach this problem with some of the excitement of the Apollo program. Our national survival is at stake. Permanent solutions to our energy problem rest with our sources of energy or solar, nuclear, and ocean thermal.

I compliment the chairman of our committee Mr. Teague and Mr. Mosher (Ohio). The ranking member for the outstanding job performed. I has been a pleasure to work with them.

I support the bill, and I hope that the bill passes overwhelmingly as a symbol to not only the House but to the administration and that we are willing to support commonsense programs that have the potential to make us independent.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Coughlin).

Mr. COUGHLIN. Mr. Chairman, I previously served with my colleagues on the Science Committee and was an original member of the Task Force on Energy which is now in the Subcommittee on Energy Research and Development.

I congratulate both the Science Committee and the Joint Committee on the attention that they have devoted to the liquid metal fast breeder reactor, which I have viewed over the years with increasing concern. This year is perhaps the first time that we have really carefully looked at this program.

Mr. Chairman, I am not opposed to nuclear energy, but I think in considering liquid metal fast breeder reactor several points are very, very important because this is a monumental project. First, I think it is important to put this project into perspective.

This single project, the liquid metal fast breeder reactor, will account for almost one-third of this country's total energy research and development expenditure. That is for just this one project.

We will spend more money for this single project if this bill passes as now projected than for the entire fossil fuel research and development program. We are proposing to spend more money on this single project than we will spend combined for our research and development on solar energy, geothermal energy, advanced research and development, and energy conservation—more money on this one project than on all those projects put together.

It is a mammoth project. It is $10.7 billion, at present estimates, of the taxpayers' money and it is admitted that this project will not be commercial until 1990 or 2020 or in that era.

Where would we be in 2020 if we spent this kind of money on solar research? Where would we be in 2020 if we spent this kind of money on geothermal research. Where would we be in 2020 if we spent this kind of money on fusion research or on ocean thermal research.

Mr. Chairman, I cannot say where we would be, and the Members cannot tell me where we would be, and the Joint Committee cannot tell me where we would be because this question has never really been looked into. I submit the reason we created the Office of Technology Assessment was to provide us just exactly with this kind of evaluation.

Second, the liquid metal fast breeder reactor has been a disaster to date in terms of cost overruns. It has been a disaster in terms of schedule delays, and it has been a disaster in terms of maladministration. In fact, if the Department of Defense had an operation like this we would be all over them like a tent.

This program was originally estimated in 1969 to cost $3.9 billion. It is now up to $10.7 billion, a 300-percent increase. The General Accounting Office confirms that is not due just to inflation.

The target date for commercialization of the liquid metal fast breeder reactor has been pushed back from the 1980's to the 1990's.

One part of the program, the fast flux test facility at Hanford, Wash., has gone from $87.5 million in 1967 to $420 million now and the estimate is that it will end up at about $1 billion. That is just one part of the program.

Third, the current controversy centers over whether to proceed from the point where we are now at in the program, which is already fraught with these cost overruns and maladministration, to start a new part of the program, the Clinch River breeder reactor. This is a major crossroad in the program which, if we take it now, will irretrievably commit us to this program in the long run.

Whether we will become so committed is the question that is before us today.

The Members know the scenario and I

know the scenario. If we commit ourselves to the Clinch River breeder reactor today, we will be back next year and say we cannot stop the program now because we have too much money in it.

What are the facts on the Clinch River breeder reactor? ERDA adjusted its 1972 cost estimate of $700 million for Clinch River to $1.7 billion, and a recent General Accounting Office report suggests the figure will go up to $2.1 billion. Initial operations of the Clinch River breeder reactor have been pushed back for 3 years.

The General Accounting Office, our own investigatory agency, has termed the program as a "management arrangement which is potentially cumbersome" and a "potential risk to the project."

Is this the kind of program we want to proceed with today? Have the Members ever seen a $2.1 billion plant? What does a $2.1 billion plant look like? The most expensive plant I know of was the Rayburn Building, and that cost only $87 million. What does a $2 billion plant look like?

Even Prof. David Rose, of MIT, who is an advocate of the liquid metal fast breeder reactor, in testimony before the Subcommittee on Environment of the Committee on the Interior said:

> My first choice (to delay construction of the CRBR 1–2 years while carrying out a substantial review) rests on the belief that a better program will come from a thorough review, that time exists for the work, and that the delay will not lead to inadvertent dissolution of the present program. If I believed that the danger of inadvertent dissolution were significantly large, I would prefer the more expensive option (of proceeding with CRBR construction as planned plus substantial review) above.

Fourth, even the administration and ERDA are having some second thoughts about the Clinch River breeder reactor program.

On June 11, 1975, acknowledging that it did not have a formal decision from the President, the Energy Research and Development Administration proposed a reduction of $43 million in "operating expenses" and $17.5 million in "selected resources," and I am pleased that the committee has adopted the Administration proposals for these reductions.

ERDA admitted that it needed to strengthen overall program management and project control for the breeder program to enable the agency "to better predict and meet" its performance goals.

On June 6, 1975, the Wall Street Journal revealed that ERDA is preparing to contract with the National Academy of Sciences for a study of at least 18 months on "whether the futuristic powerplant is needed at all."

Fifth and finally, should we proceed with the Clinch River breeder reactor, another premature major commitment, when the following things are still to be completed:

First, ERDA's final Environmental Impact Statement on the breeder is not complete.

Second, ERDA's statement of Energy R. & D. priorities has not yet been submitted; the statement will reportedly contain a recommendation to cut the breeder budget.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOSHER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, third, ERDA has requested an 18-month National Academy of Sciences study of the breeder program.

Fourth, the Nuclear Regulatory Commission has ordered a moratorium on plutonium recycle until basic safety questions are resolved.

Fifth, the Joint Atomic Energy Committee Ad Hoc Subcommittee To Investigate the Breeder will not complete hearings until the fall of 1975.

Finally, the Subcommittee on Environment of the House Interior Committee expressed deep concern about this program on June 18, 1975.

For these reasons, I intend to introduce amendments that will do two things. The first amendment would limit the funding authorization to 1 year, and I hope this will be agreed to by the committee.

The second would prohibit for 1 year funds for on-site construction at Clinch River Breeder Reactor.

This issue is one of unprecedented complexity. If the studies are something other than cosmetic, it would seem prudent to await their conclusions before authorizing construction at Clinch River.

In the name of good government, not to mention commonsense, we should refrain from these massive expenditures until the relevant studies are available and we can intelligently evaluate the program.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I compliment the gentleman for his presentation.

Mr. Chairman, some of my colleagues may argue that the Coughlin amendments will have a number of harmful effects because they will delay the breeder program. Delay, they may argue, will cost us more and leave us without adequate supplies of energy.

I would like to point out to my colleagues that there are several benefits to restructuring the breeder program by delaying authorization for 1 year for the long-lead-time items for the Clinch River breeder reactor.

First, it would provide time for the better resolution of critical issues which bear on the risks and public acceptability of the breeder and nuclear power generally. The Nuclear Regulatory Commission—NRC—has recently stated that it intends over the next 3 years to address comprehensively the difficult question of safeguards against nuclear theft and sabotage. Involved in the NRC review is the question whether plutonium is too dangerous to be used commercially as a fuel, and the outcome could obviously be fatal to the LMFBR's prospects. Funding the development of breeder reactors assumes that plutonium could be used as a fuel. The Nuclear Regulatory Commission will not decide that issue for 3 years. Similarly, ERDA and perhaps NRC are now undertaking major reexaminations of the unsolved problem of long-term radioactive waste management. Again the outcome of these reviews could seriously affect the future viability of nuclear power and the breeder reactor.

The second benefit of delay at this time is that issues relevant to the economics of the breeder reactor could be better resolved. In several years we will have a clearer picture than we do now of future energy demand, of domestic and world uranium supplies, and of enrichment costs.

Delay would also permit the decision on whether to pursue the breeder into the demonstration plant phase to be made with greater information in hand on the prospects for solar, geothermal, clean fossil, fusion, and other energy technologies, and thus on the prospects for bypassing the breeder in favor of these options. Delay would permit this increased information to be assessed and the breeder evaluated without the pressures that an ongoing demonstration facility program—Clinch River breeder reactor—would create. Practically speaking, delaying the demonstration plant phase of the LMFBR effort at this time would free up funds for nonfission R. & D., would focus attention on nonfission programs, and would allow these programs to compete on a more equal basis with the LMFBR program in the future.

Finally, delaying the authorization of the funds for the long-lead-time items for the Clinch River breeder reactor would lay the groundwork for a much sounder breeder reactor effort tomorrow if it later appears that launching the push to commercialization of the breeder is desirable. The operating experience of the fast flux test facility, which tests fuels and components of breeder reactors, could be factored into future decisions; the questions of what type of demonstration plant, with what objectives, financed and managed by whom could be rethought; and a more mature ERDA would then be better in control of its enormous program and more certain of its objectives.

For all of these reasons, the decision on whether to launch the demonstration phase of the breeder reactor will be a better decision if it is made a number of years from now with the information and in the context that could then exist.

What are the costs of this approach? Only two have been seriouly suggested, and neither can withstand scrutiny. First, it has been argued that delaying the demonstration plant effort will result in postponing the date by which the breeder reactor could be available commercially beyond the present target date of 1990. And this delay, according to the AEC's cost-benefit analysis of the LMFBR program, will impose an economic penalty, in the form of higher electricity costs from nuclear power. This analysis holds up, however, only if one accepts the exaggerated and biased assumptions of the AEC's cost-benefit analysis. In this regard, EPA and many others find completely untenable the argument that a delay in the breeder program for a much shorter period of 5–10 years would impose an economic penalty. Yet even if there were such a penalty, it would be small and certainly worth the benefits outlined previously.

The second argument for continuing the present breeder program brings us to the heart of the real world issue. It is the contention that it would be disruptive to break up the team that has already been assembled to pursue the CRBR. Yet this is simply the argument of a bureaucracy trying to perpetuate itself; it has nothing to do with long-term public policy considerations which should govern ERDA's decisions of the critical LMFBR questions now before the agency. If the demonstration plant phase of the breeder program should be delayed, the past error of initiating that effort prematurely should not be perpetuated into the future. Strong ERDA leadership will be needed to undo the mistakes of the past. Moreover, we find little substance in the implicit assumption that the present organizational and financial arrangements for the CRBR deserve to be perpetuated. A better case can be made for the conclusion that the entire demonstration plant effort is in need of a thorough overhaul.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I congratulate my colleague, the gentleman from New York, for a very lucid discussion of this important segment here. The environmental consequences of going ahead with the Clinch River project would be catastrophic. To go ahead and proceed to spend the kind of money that is contemplated without even knowing what the consequences will be of entering into plutonium development would be the height of folly.

Mr. Chairman, I rise in support of the amendments to be offered by my colleague (Mr. Coughlin) and congratulate him on his fine leadership on this vital subject.

While I am pleased that ERDA has seen fit—as reflected in the amendment by my colleague (Mr. McCormack) to cut back on some of its authorization request for the liquid metal fast breeder reactor program and the Clinch River demonstration project, I cannot support legislation which will give ERDA a blank check for the future. The prohibition of use of funds for onsite construction or procurement of long-lead items is an entirely reasonable constraint coming, as it does, at a time when ERDA itself acknowledges it is not ready for such funds.

The LMFBR and Clinch River projects involve a tremendous commitment from our National Treasury. The cost overruns have been staggering. There have been difficulties with design. There have been problems with keeping the private sector involved in the project—which, when it was initiated, was supposed to prove commercial feasibility.

As it is presently drafted, this bill contains a blanket authorization for both the LMFBR and CRBR programs for the future. If we enact this bill without the Coughlin amendment, Congress will have abdicated a terribly important step in our budget-making process: authorization. This is not a question of how one regards the merits of the LMFBR program, or whether one is concerned—as I am—about the safety, environmental and national security questions related to a plutonium economy. Rather, it is strictly an issue of good government.

For a program with so many serious questions and problems, the least the Congress can do is to restrict the authorization to 1 year. Fiscal responsibility and good government can allow us to do no less.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I rise in support of Mr. Coughlin's amendment. This bill commits us irreversibly to the dangerous and costly breeder reactor, allocating to it one-third of proposed civil energy funds. Last year Congress mandated ERDA "to increase the efficiency and reliability of the use of **all** energy sources" and "to support the broadest range of energy policy options through conservation and use of domestic resources by socially and environmentally acceptable means." ERDA proposes to shortchange our other options with this unbalanced request before the relative merits and demerits of all the choices are fully known.

The breeder raises serious safety, environmental, and financial questions which should be answered before we go blithely ahead with it. For one thing, the crucial reliability of its core cooling system has yet to be established. For another, the breeder breeds plutonium, the most toxic substance known, which is the stuff of the atomic bomb, and which lasts for thousands of years. It has been established that any amount of radiation, no matter how minute, is harmful.

Human beings make mistakes. Nuclear energy would not allow us many. Will it take some cataclysmic accident to wake us up to this fact? The insurance companies know it; they refuse fully to insure us against nuclear damage.

The estimated cost of the breeder has tripled in half a decade to $10 billion. The high cost of nuclear power, partly because of technical safety and environmental problems, has pushed electric rates painfully high. Nuclear reactor construction is already down. Should we commit ourselves so quickly to a noncompetitive, financially draining technology? At this rate, what will the breeder cost by 1990, the earliest it is expected to be commercially introduced? Nuclear power plants currently operate at 54 percent of capacity rather than at the expected 80 percent; hardly an economical proposition.

Mr. TEAGUE. Mr. Chairman, I yield 10 minutes to the gentleman from Washington (Mr. McCormack) to close debate. The gentleman from Washington is chairman of the Joint Committee and chairman of the subcommittee on energy other than fossil fuels of the Committee on Science and Technology.

Mr. McCORMACK. Mr. Chairman, H.R. 3474 authorizes the funds for the Energy Research and Development Administration for fiscal year 1976 and the transition period. This Agency has the responsibility for the energy R. & D. programs formerly carried out by the Atomic Energy Commission, the National Science Foundation, the Department of the Interior, and the Environmental Protection Agency. Within the Federal Government, it is the single focal point for energy research, development, and demonstration activities. We depend on ERDA to fund research programs today that will give us new energy technologies tomorrow.

I have the unique pleasure of being a member of both the Committee on Science and Technology and the Joint Committee on Atomic Energy. As the chairman of the Subcommittee on Energy Research, Development and Demonstration of the Committee on Science and Technology, I have responsibility for all nonfossil, nonnuclear energy research, development, and demonstration. The major programs which this subcommittee has cognizance over are solar energy, geothermal energy, conservation, and physical research—the last being the basic research program of ERDA.

In addition, Mr. Hechler's subcommittee and mine have joint responsibility for ERDA's environment and safety program, along with Mr. Brown's subcommittee on Environment and the Atmosphere.

H.R. 3474 authorizes $4,624,156,000 for fiscal year 1976, an increase of $34,702,000 above the administration request. The sum of $85,963,000 was added to the request of $1,216,140,000 for the transition period. These totals include, of course, both nuclear and nonnuclear programs.

The bulk of these increases were associated with the programs for which my subcommittee has responsibility. The total increase for the nonfossil, nonnuclear R. & D. programs for fiscal year 1976 is $247,310,000, and the corresponding increase for the transition period is $62,225,000. These changes are truly dramatic. They represent doubling and in one case more than tripling the administration request.

My intention here this afternoon is to defend these increases. I hope to show to the satisfaction of my colleagues that the programs we have approved for ERDA in the Committee on Science and Technology are important to the future of this country. I intend to show that the increases which we have approved, although they are quite large by usual congressional standards, are reasonable. They are reasonable not only when measured against the need, but also when measured against the capability which exists in this Nation to effectively utilize these funds in the manner directed by this legislation.

I should like to point out first of all that these actions to increase the ERDA authorization were not taken blindly. My subcommittee held 7 days of hearings on this authorization bill. In addition a joint hearing on environment and safety was held with Mr. Hechler's subcommittee. We gave careful consideration to the testimony we heard from witnesses from ERDA and other Federal agencies, as well as representatives from private industry, universities, and other organizations. Subcommittee members and staff subsequently forwarded to ERDA over 250 questions to be answered for the record. The answers to these questions have been received and carefully analyzed in order to reach the decisions which we present to you today. This carefully constructed record fills six volumes of hearings, four of which are available here this afternoon while the others are still in printing at GPO.

Clearly, we have a carefully documented record. This record was further buttressed by a well done analysis of the ERDA budget and programs by the Office of Technology Assessment—OTA. Utilizing an ad hoc panel, expert consultants, and OTA staff members, a volume of issue papers addressing the fundamental questions raised by the ERDA budget was prepared for the Committee on Science and Technology and the Joint Committee on Atomic Energy, as well as the Senate Committee on Interior and Insular Affairs. This 84-page document has been published for the benefit of all Members of Congress, and is available here today.

Meetings with committee members and committee staff were conducted by participants in the OTA budget assessment during the 3 days before subcommittee hearings began. Other review sessions were held before mark up, and OTA staff experts colaborated with the committee staff in analyzing policy issues for the committee members.

The increase of almost $250 million for nonfossil, nonnuclear R. & D. programs is composed of many specific actions. Before going into the details of these actions, I should like to mention sections 101(c) and 102(c) of the bill. Sections 101 and 102 respectively, authorize funds for fiscal year 1976 and the transition period. Subsections (c) were added under the leadership of the ranking Republican member of my subcommittee, BARRY GOLDWATER, JR. The objective of these subsections is to insure that the increases which we have approved will in fact, be spent effectively and in a manner that will be closely coordinated with the requirements of prior legislation enacted by the Congress. The subsections require ERDA to submit an explanation of the specific allocations of appropriated funds as soon as possible after the authorization and appropriation process is complete.

ERDA is further required to demonstrate how this allocation is related to the reports required by the two major public laws affecting these nonfossil, nonnuclear programs—namely the Solar Energy Research, Development and Demonstration Act of 1974 (Public Law 93–473) and the Federal Non-Nuclear Energy Research and Development Act of 1974 (Public Law 93–577). I am convinced that the additional safeguard of the Goldwater amendment will assure the careful, responsible expenditure of these additional funds recommended for these important programs.

I should now like to review the increases recommended by the Committee on Science and Technology in the nonnuclear, nonfossil research areas.

SOLAR ENERGY

We recommend doubling the administration request for solar energy from $70.3 million to $143.7 million for fiscal year 1976, and from $20.4 million to $38.8 million for the transition period. This increase will permit ERDA to significantly expand its research, development and demonstration activities in all solar energy technologies.

The committee followed the guidelines set out by Public Laws 93–409 and 93–473, the Solar Heating and Cooling Demonstration Act of 1974 and the Solar Energy Research, Development and Demonstration Act of 1974, respectively. The recommended budget clearly reflects the prior expression of congressional desire to make possible the utilization of solar energy technologies as soon as possible—a desire which was incorporated into these public laws enacted during the last session.

The objective of this solar energy legislation is to bring solar energy technologies to commercial development as soon as possible. Commercial demonstration projects are to be undertaken in those solar energy technologies which have successfully completed development programs, and have met criteria related to technological feasibility, environmental impact, and other relevant characteristics.

The ERDA solar energy program will be carefully coordinated with that of the National Science Foundation—NSF—which expects to continue a modest research program in solar energy. The expected level of the NSF program for fiscal year 1976 is $6 million which includes $3 million in new funds and $3 million which was deferred from fiscal year 1975 program.

The major components of the ERDA solar energy program are: heating and cooling of buildings; solar thermal generation of electricity; photovoltaic conversion; wind energy conversion, bioconversion; ocean thermal energy conversion, solar energy resource analysis, solar energy storage, and the solar energy research institute. In addition to funding the operating expenses for these direct and indirect solar energy technologies, the committee also recommends the provision of plant and capital equipment to be used in these research, development, and demonstration activities.

It is well known that about 25 percent of all the energy consumed in this country is used for heating, cooling, and supplying hot water for buildings. The ERDA solar energy program for buildings and facilities has the overall objective of substituting as much solar energy for this purpose as possible, in the shortest time frame. To accomplish this objective, both a heating and cooling demonstration program and a supporting research effort have been established. The committee recommends substantial increases for solar heating and cooling. The increases total $13.9 million for fiscal year 1976 and $3.6 million for the transition period, bringing the total obligation levels to $39.9 million and $11.2 million respectively. This increase in funds will permit a broader demonstration program, one which we hope will include full participation by the public in order to demonstrate solar energy technology on as broad a geographical base as possible.

At the same time we are demonstrating this solar energy technology, however, we must keep in mind the need for constantly improving the state of solar heating and cooling technology. This means that a parallel program of supporting R. & D. must be carried out that will assure better, cheaper, and more reliable solar equipment in the future.

The generation of electricity from solar energy has long been a dream of mankind. Doing so by thermal conversion schemes is known to be feasible but not presently economically practical. Recent results indicate that a successful pilot plant for the thermal conversion of solar energy into electricity should be feasible around 1980. The committee's increase of $14.6 million for fiscal year 1976 and $3.8 million for the transition period are intended to provide adequate support for the development of this alternative as rapidly as possible during the following decade. These increases bring the total solar thermal budget to $27.8 million for fiscal year 1976 and $7.6 million for the transition period.

We are all indebted to NASA and the space program for the development of practical photovoltaic conversion devices. Almost all of our schoolchildren are aware of solar cells, and know that they can directly convert solar energy into electricity without moving machinery or the need for cooling water. The committee's increase of $15.7 million for fiscal year 1976 and $4.2 million for the transition, bringing the totals for photovoltaic conversion to $28.5 million for fiscal year 1976 and $7.9 million for the transition, will make possible a big step in bringing this technologically feasible process to an economic reality.

My colleagues on the floor today who grew up on the great plains of the Midwest no doubt remember windmills which were prevalent on so many farms early in this century. We have a lot of experience with windmills and there are many specialized needs which they can fill today. The increased funding of $6.1 million for fiscal year 1976 and $1.6 million for the transition period bringing the total program to $17.6 million and $5 million respectively for the two periods, will permit the demonstration of megawatt-sized, wind-energy conversion systems as well as further work on designs of economical small systems for rural applications.

It is clear that solar energy resources are indirect as well as direct in nature. Wind is one such example of an indirect solar resource. The conversion of cellulose, in the form of plants or farm and urban waste to useful fuels or electricity is another such example. In order to accelerate the development of these so-called bioconversion technologies, the committee recommends an increase of $2.9 million for fiscal year 1976 and $700,000 for the transition period bringing the totals for these periods to $6.5 million and $1.7 million.

The vast amount of energy contained in the water near the surface of our oceans represents another indirect form of solar energy. We know that this energy can be utilized—what we do not have is the technology to do so safely and economically. The committee's recommended increases of $8 million for fiscal year 1976 and $2 million for the transition period, bringing to total ocean thermal conversion budget to $11.2 million and $2.9 million respectfully, will permit ERDA to carry out a number of critical experimental studies and subsystem development in order to assure that an ocean thermal pilot plant will be constructed and in operation as soon as possible—probably by the early 1980's.

In order to effectively utilize solar energy, we need to know where and when it is best available and how to economically store and retrieve it. It is for these reasons the committee added $6 million for fiscal year 1976 and $1.6 million for the transition period to carry out solar energy resource analysis and solar energy storage activities. The administration had requested no funds for these purposes.

The Solar Energy Research, Development and Demonstration Act of 1974, Public Law 93–473, required the establishment of a Solar Energy Research Institute. The committee has included $3.25 million for fiscal year 1976 and $900 thousand for the transition period in order to bring this institute to a reality.

Finally, a large number of plant and capital equipment items are needed to carry out this vast solar energy R. & D. effort. The committee recommends $3 million to provide this equipment in fiscal year 1976.

GEOTHERMAL ENERGY

Geothermal energy has been used in many countries of the world for a number of years. In practice, it has been mainly the rare dry steam deposits which have been used to generate electricity. Last year Congress enacted the Geothermal Energy, Research, Development and Demonstration Act of 1974, Public Law 93–410. That law laid out specific goals for developing presently unused geothermal resources such as hot dry rock, geopressured zones, and hydrothermal systems.

It specifically set the goal of producing electricity from 1 to 10 megawatts per plant, in a 6 to 10 pilot or demonstration plants by the end of fiscal year 1980. The recommended committee increases of $33 million for fiscal year 1976 and $8.4 million for the transition period are specifically aimed at carrying out the requirements of this act.

With the increases which I just gave, the total ERDA budget will reach $56.4 million for fiscal year 1976 and $13.6 million for the transition period. The increase will permit initiation of construction and funding most of the total costs of two geothermal demonstration plants using presently unexploited types of geothermal resources. These funds will also undergird the resource utilization and supporting research activities necessary for the future development of geothermal energy technology.

According to ERDA, with the funding level made available in this bill, the two demonstration plants should come on line in fiscal years 1976 and 1977. In carrying out this aggressive geothermal development program, ERDA will not only coordinate its activities with but utilize the resources of the Geological Survey of the Department of the Interior and the National Science Foundation.

CONSERVATION

The part of the ERDA budget which received the most dramatic increase by the Committee on Science and Technology was energy conservation research, development, and demonstration. The ERDA request of $40.9 million for fiscal year 1976 was increased to $134.7 million. This represents an increase of $93.8 million. The ERDA request for $8.3 million for the transition was increased by $23.6 million to a total of $31.9 million. This increased funding will permit ERDA, for the first time, to initiate a significant energy conservation program in order to develop the new energy conservation technologies which we need today and in the future.

The major components of the ERDA energy conservation program are electric power transmission, energy storage, advanced transportation power systems, end use conservation, and improved conversion efficiency. As is self-evident from these titles, energy conservation includes not only the development of technologies that will permit us to use less energy, but finding ways to produce and use the available energy in a more efficient manner. In particular, the ERDA programs will be aimed at the more efficient conversion of energy from one form into another.

The committee did not increase the ERDA request for its electric power transmission program, since major programs are already underway within ERDA and private industry.

Energy storage was increased by $18.2 million for fiscal year 1976 and $4.5 million for the transition period. This brings the total energy storage budget to $28.2 million for fiscal year 1976 and $6.3 million for the transition period. Energy storage underlies the economical implementation of many new energy technologies. We need better storage systems for the solar energy and electricity. Before electric automobiles are practical on a large scale we must have better batteries. The increased ERDA energy storage budget will permit advances in chemical storage, underground pumped hydro, compressed air storage, fly wheel storage, thermal storage, super conducting magnetic energy storage, and other storage schemes.

About one-fourth of our total energy in this country is consumed in transportation. The committee increased funding for advanced transportation power systems by $14.1 million in fiscal year 1976 and $3.5 million for the transition period, bringing the total budget for these periods to $23.5 million and $5.8 million respectively. The increased funding will permit acceleration of alternative fuels utilization programs including methanol and methanol-gasoline blends.

New concepts associated with engines and components as well as entire transportation systems will be made possible during the coming year. The importance of these activities is emphasized by the fact that our transportation system utilizes petroleum products almost exclusively. This implies that increasing its efficiency can significantly reduce our demand for petroleum imports.

The largest increase approved by the committee in energy conservation is for end use conservation. This is probably the most highly leveraged sector of our energy economy, and is aimed at reducing the consumption of energy in commercial, industrial, and residential buildings. It will permit ERDA to carry out a significant program aimed at reducing the energy consumption of our appliances and lighting, our industrial infra structure including agriculture, and our utility system. Recognizing that all energy-saving technologies may not be easily categorized, and noting that some are almost certain to cross the boundaries of specific energy use sectors, additional funding is also made available for cross-sector end use research and development.

An important aspect of end use conservation is, of course, demonstrating the new technologies to the general public and our business community. The committee intends that this be carried out through demonstration programs utilizing an energy extension service, modeled on the agricultural extension service and other such activities already demonstrated to have great merits.

The total budget increase recommended by the committee for end use energy conservation is $38 million for fiscal year 1976 and $12.1 for the transition period. This results in total operating expenses of $53 million for fiscal year 1976 and $13.1 million for the transition period.

The final major program which ERDA supports in energy conservation is aimed at improved energy efficiency. The committee recommends an increase of $4.6 million for fiscal year 1976 and $1.1 million for the transition period, bringing the total budget to $6.3 million and $1.2 million respectively. This increased budget will permit the development and demonstration of both bottoming and topping cycles, a swell as hybrid power cycles, to increase our efficiency in producing electricity. Topping cycle research will not only include such things as thermyonics and alkali metal systems, but also fuel cells, including work on utility sized cells.

The committee recommends an increase of $9 million for fiscal year 1976 and $2.4 million for the transition period to provide the necessary plant and capital equipment for the various energy conservation programs.

PHYSICAL RESEARCH

We all know that basic knowledge is fundamental to advances in all energy technologies. To overlook basic research while generously funding demonstration activities would be the most short sighted policy that I can imagine. The ERDA physical research program represents a significant part of our national basic research effort. The committee approved an increase of $20 million for fiscal year 1976 and $5 million for the transition period to permit moderate increases in the materials scienced and molecular sciences programs. It is these basic research areas which are most closely related to the non-nuclear energy technologies supported by ERDA.

The increased research on the materials sciences will be aimed at solving those unanticipated technological problems related to strength and other properties of materials. Emphasis will be on not only high temperature properties of materials but also the physics and chemistry of surfaces, and the electronic properties of both single and poly crystalline materials. The need for this kind of effort was addressed at a recent survey of materials performed by the National Academy of Sciences, which specifically addressed the materials requirements of future energy technologies.

The increase the committee recommends for the molecular sciences will provide the additional support in such areas as photochemistry, and techniques for analyzing complex chemical systems. Advances in these areas of the molecular sciences are needed to utilize the potentially attractive new energy sources and conversion technologies.

The committee recognizes that these greatly expanded programs in nonnuclear, nonfossil energy technologies will require increased staff support. Consequently, the budget contained in H.R. 3474 includes an increase of $6.6 million for fiscal year 1976 and $1.7 million for the transition period for program support, the ERDA "overhead" account. Clearly ERDA needs to review its staffing requirements as a result of our actions, and then take steps to insure that adequate staff is available to insure that these programs are effectively managed.

ENVIRONMENT AND SAFETY

The committee increased the administration request for environment and safety research by $15.5 million for fiscal year 1976 and $3.9 million for the transition period. This brings the bio medical and environmental research budget—that most closely related to nonnuclear energy technologies—up to $197.7 million for fiscal year 1976, and $49.9 million for the transition period. This will permit expansion of health, environmental, biological, physical, and analytical studies.

The increases in energy resources extraction studies and health studies on nonpulmonary diseases, totaling $5.5 million for fiscal year 1976 and a corresponding amount for the transition period are being described by Mr. Hechler of West Virginia. I should now like to say a word or two, however, about the $10 million increase in the fiscal year 1976 and the $2.5 million increase in the transition period for new initiatives in environmental and safety research in support of non-nuclear energy technologies.

This across the board increase will permit a number of new research initiatives concerned with the problems associated with utilizing coal or solar, geothermal, and other new energy sources. The studies undertaken as a result of this increase will better prepare us for making rational determinations of environmentally acceptable ways of utilizing present and future sources of energy.

Many of our citizens are aware of environmental problems as well as health problems associated with fossil fuels such as coal and oil and nuclear fuels.

Although solar and geothermal are attractive environmentally. They also have potential problems, and these increased funds will permit studies to be undertaken early in the development cycle for these new energy sources. Specifically, the increase will support environmental studies of geothermal sources covering surface and ground water, soil, geology and associated ego systems in likely geothermal sites. Questions of brine depletion and reinjection on geological stability in ground water reservoirs must be determined before widespread use of these geothermal sources can be allowed. The increases provided by the Committee would also permit ERDA to undertake assessments of possible health, environmental, and social impacts of renewable energy sources such as wind, ocean thermal gradients, hydropower and others.

SCIENTIFIC AND TECHNICAL EDUCATION

The net result of the actions recommended by the Committee on Science and Technology will be the accelerated development of a number of energy technologies. This simultaneous development will no doubt put strains on our scientific and technical education system. Some knowledgeable observers of the development of solar and geothermal energy have stated that the limiting factor will, in fact, be the availability of trained scientists, engineers, and technicians to carry out the research development and demonstration as well as commercial implementation of these new technologies.

It is for these reasons that the committee established a scientific and technical education program, funding it at a level of $5 million for fiscal year 1976 and $1.2 million for the transition period. Technologies to be addressed by this education program specifically include those associated with the production of synthetic fuels, as well as solar, geothermal, and energy conservation. The need for these kinds of programs have been addressed in comprehensive reports issued by the Federal Government in the past.

The National Science Foundation has undertaken energy related science education programs already, and is to be commended for this poineering effort. Pursuant to the solar and geothermal acts already enacted, ample legislative authority exists for transferring a portion of these funds to the National Science Foundation, should this implementation plan seem desirable.

Mr. Chairman, I should like to take a moment now to address a rather dry subject—accounting methodology. The figures which I have quoted so far have been obligations. The legislative report in its discussion of the programs reported out by the Committee on Science and Technology, explicitly shows projected costs as well. The obligation figures are merely the sum of these costs and another category labeled "changes in selected resources." These changes in selected resources are mainly the differences from year to year between committed but uncosted obligations, often those associated with research contracts that extend for a year or more into the future.

I should point out that the selected resources account contains not only these and other goods and services on order, but also inventories and colateral funds and other deposits such an annuity funds and insurance colateral funds. The result of the Science Committee's action in specifying both obligations and costs by program means, I believe, that we and the Congress as a whole will have a better ability to track the expenditure of Federal funds in the future.

In no way do we intend to interfere with ERDA's efficient financial management system. The ERDA comptroller has done an excellent job in the past of providing financial management for the administration's far flung activities. On the other hand we are confident that this additional control will permit the Congress to become and remain better informed about the status and evolution of specific program elements in ERDA.

As many Members of this Chamber know, the administration is presently undertaking a review of its ERDA budget request. We all recognize that ERDA is a new agency, created only in January of this year, and that its budget as presented to the Congress was a "cut and paste job," taking figures from its predecessor agencies with little or no ability to pull them together in a coherent hold. I think it is a credit to the competent work of the Committee on Science and Technology that increases quite similar to those we are recommending to the House of Representatives today are now being considered by the OMB for possible transmittal to the Congress.

It is also worthy of note that the Senate Interior and Insular Affairs Committee has, in subcommittee, marked up the ERDA authorization bill also. Those subcommittee recommendations are similar, although generally larger than, the increases recommended by the Committee on Science and Technology. The energy R. & D. recommendations of the budget committee of this House were identical to those made to it by the Committee on Science and Technology.

Mr. Chairman, his budget is large. The increases which we recommend are large. I do not in any way mean to downgrade the signifiance of the budget figures which we have under consideration. However, the magnitude of the budget and the increases reflect the seriousness of the energy challenge which all of us face as a Nation. It is imperative that we develop new technologies to provide the energy our Nation needs in the future. We need this energy, in a manner which is compatible with a clean environment, to provide the jobs and the standard of living which our country has become accustomed to in the past and which we owe our children in the future. In order to accomplish these desirable economic and social goals, we have both to utilize new energy sources such as solar and geothermal, and use the ones we have more efficiently—that is to conserve energy in its use and conversion processes.

Research and development will not solve today's energy problems. Historically it has taken 20 to 30 years for new energy technology to have a significant commercial impact on our energy economy. I would be surprised if this pattern dramatically changes in the future. On the other hand, it is the only solution to the energy problem of tomorrow. It is not too early to make plans for the year 2000 because our children and our children's children deserve the inheritance of a stable society and sound economy. This can only be accomplished with adequate, secure supplies of energy.

Mr. Chairman, I strongly support H.R. 3474 authorizing appropriations to the Energy Research and Development Administration for the fiscal year 1976 and the transition period. It deserves the support of every Member of the House of Representatives. Thank you.

Mr. Chairman, I am going to wear both of my hats during this 10 minutes. The one hat is as chairman of the Nonfossil Nonnuclear Subcommittee of the Committee on Science and Technology, and then I am going to switch over and speak for a couple of minutes to the comments made by the gentleman from Pennsylvania.

Mr. Chairman, I want to start by congratulating Chairman "TIGER" TEAGUE and my colleagues on the Committee on Science and Technology for all of the work that has been done. This has been a very difficult job, to help bring an energy program to the floor.

I also wish to congratulate the gentleman from Ohio (Mr. MOSHER), the ranking minority member, and the gentleman from California (Mr. GOLDWATER), the ranking minority member of my subcommittee; the gentleman from West Virginia (Mr. HECHLER), and the gentleman from California (Mr. BROWN). I also wish to congratulate all the rest of the team who have worked so hard.

Mr. Chairman, I want to tell the Members very quickly just what we have done in this subcommittee with respect to the building of an energy program. I spoke of this to some extent yesterday. There has been a lot of talk around here about an unbalanced program. The statements are misleading and incorrect, and I would like to try to straighten them out. I want to tell the Members what we have done in the field of, for instance, solar energy.

In fiscal year 1971, all this country was spending on solar energy research and development was about $1.2 million. This year, we are spending about $50 million. The administration requested $70 million for 1976, and the committee has authorized $143.7 million in this bill. This means that in 5 years we have increased the funding for solary energy research and development more than 10,000 percent, more than a hundredfold increase for solar energy research in 5 years. The amount of money for solar energy will actually be more than for the Clinch River breeder in fiscal 1976.

In geothermal energy, we were spending about a million dollars in fiscal year 1972. This year, we are spending $28 million, and we have doubled that by requesting $56 million for 1976.

In the area of energy conservation, where there was almost no program a few years ago, we are spending about $25 million now. The administration request would have taken that to $41 million. We have increased it to $135 million, multiplying the amount we are spending this year by more than 5 times, more than a 500-percent increase in 1 year, in energy conservation.

The same sort of increases apply in materials and molecular science, the nonnuclear portion of our physical research program. In the environmental program, we have added more money, and for scientific and technical education and training.

Therefore, I want to point out to the Members that the increases my Subcommittee on Science and Technology has provided have been dramatic, to say the least. I want to repeat once more the numbers I gave the committee yesterday concerning the percentage of funds that are being provided in this bill for each area of energy research and development. I want to remind the Members that within the ERDA bill only 51 percent is actually for energy research and development. The rest is for the nuclear weapons and enrichment programs.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I thank the gentleman for putting into perspective the facts about this program and commenting on the emphasis on nonnuclear energy.

My subcommittee recommended large increases for geothermal energy, solar energy, and fast breeder energy, and much is being placed in nonnuclear fields.

But, I wish the gentleman would address himself to the importance of the Clinch River project. President Nixon came before Congress in joint session and emphasized the importance of the fast breeder reactor. President Ford has reconvened and reaffirmed his assessment on the importance of the fast breeder reactor. I would point out—it has not been pointed out as yet—that the Soviets have three demonstration reactors in operation; France has two demonstration reactors in operation; Great Britain has two demonstration plants in operation; Japan and Germany are developing their own version of the fast breeder concept. My point is that we should not move uphill one time and go down the hill the next.

When we have committed ourselves to a program, we should go forward. I hope the amendment to stop the fast breeder reactor program will not be accepted. There has been delay, but to entertain the idea of stopping the program at this time is unwarranted, and I hope the gentleman will address himself to this area.

Mr. McCORMACK. I thank the gentleman from Tennessee.

Let me again read these numbers.

For solar, geothermal, and fission, advanced systems, 21 percent; for fossil, 17 percent; for conservation, 6 percent; for fission, 29 percent; for nuclear fuels research, 4 percent; for supporting activities, such as environment and safety, physical research, and education, 23 percent.

The statements that this program is unbalanced are totally unrealistic, and not correct.

I want to point out that the gentleman from Pennsylvania said this program would cost $10.7 billion. This is an estimate for what the breeder program would cost for the next 45 years. That is the only program that has been costed out, or estimated, for the future. But even if we spend for energy research and development just at the rate we are spending today, with no increase at all, we will spend more than $100 billion in the next 45 years for energy research and development, and the breeder program will be less than 10 percent of it.

That is not an unbalanced program. We will have spent the same amount of money or more on fusion and on solar energy.

Contrary to the statements of the gentleman from Pennsylvania, much of the problem of cost overruns in the breeder program is due to inflation. We had testimony before my Committee on Science and Technology yesterday morning, through an official of Exxon involved in building oil refineries, that the price of high-quality valves has in 2 years increased 300 percent.

A nuclear powerplant is an array of valves, of pipes, of pumps, of highest quality, with the highest quality welding, using the best possible material. And this is where the major impact of inflation has hit, and it has hit on top of constantly increasing safety standards imposed by the Nuclear Regulatory Commission, as our technology has been developed.

The statement has been made that we will be committing ourselves to the breeder program. Nothing can be further from the truth.

The Clinch River plant is nothing but a research tool, it is just simply a test bed to test out this equipment, to see how it will work producing power using this system.

As the gentleman from Tennessee said, we are way behind the French, the Russians, and the British, and this is the one energy technology that will make this country self-sufficient. All we want to do is complete the research so we will have the information to make wise policy decisions.

The Clinch River project is a research installation, and after we build it and run it for a few years we should be able, in the 1980's, to determine what our policy should be as to whether we should go ahead with commercialization. This will be a joint decision by the Congress and the industry, but it will be made in the 1980's. Perhaps by that time a new technology will have been developed that is superior or cheaper, and if it is, we will want to go with that. But we obviously will not know what we are doing unless we conduct the research, and we cannot conduct the research unless we build the equipment.

This one research tool makes no commitment to the commercialization of the breeder program.

When we come to the 5-minute rule, I will present an amendment to this body which is consistent with the administration request to cut money from the breeder program for fiscal year 1976. This is because of program delays associated with the shift of organizational structure from the Atomic Energy Commission to ERDA and the Nuclear Regulatory Commission and with a reorganization of the project management for the CRBR.

In accordance with that delay and with literally hundreds of man-weeks of work in the last few months, the administration has come up with a revised budget that fits the fact that the program has been delayed, and we shall submit an amendment which will correspond to that delay but keep the program going without doing any damage to it.

Mr. Chairman, I want to point out that the amendment that will be offered by the gentleman from Pennsylvania (Mr. COUGHLIN) will simply gut the program. He says we will not take money away from research, but the Clinch River plant is the research program.

PARLIAMENTARY INQUIRY

Mr. ANDERSON of Illinois. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ANDERSON of Illinois. Mr. Chairman, under the joint time allotment procedure 1 hour of the time was allocated to the Joint Committee on Atomic Energy. I believe at the conclusion of debate yesterday there were 3 minutes remaining on my side of the aisle, and I wonder if at this time I could yield that 3 minutes to the gentleman from Washington (Mr. MCCORMACK).

The CHAIRMAN. The Chair will state that the gentleman has 3 minutes remaining. If the gentleman desires to yield his 3 minutes to the gentleman from Washington (Mr. MCCORMACK), he may do so.

Mr. ANDERSON of Illinois. Mr. Chairman, I desire to do so, and I shall ask the gentleman from Washington if he will yield.

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I want to congratulate the gentleman from Washington (Mr. MCCORMACK) on the statement he has just been making concerning the lack of wisdom we would show in adopting the amendment that has been discussed by the gentleman from Pennsylvania (Mr. COUGHLIN), who is also my friend and colleague.

I happen to know, as a member of the ad hoc committee on the liquid metal fast breeder reactor program, the subcommittee which is so ably chaired by the gentleman from Washington now in the well, that there is not any Member in this House on either side of the aisle who understands the liquid metal fast breeder reactor program better than he does. And I do not except myself, although I am a member of the ad hoc subcommittee. The gentleman simply knows what he is talking about.

The gentleman from Washington has just told this House that to adopt the recommendations, however sincerely offered, would mean that we would gut this program by cutting the $94 million in fiscal year 1976, and that is going to mean we would be put back at least 18 months on the program that is so essential to the future energy needs of this country.

There is a lot of misunderstanding on this subject. I would even say advisedly there is a lot of ignorance on this whole topic of the breeder reactor, because plutonium is created in that reactor. It is in the fission process that these fast protons are produced, and from that we get PTU-39, a very highly toxic substance. From this fact some people have gotten the idea that we are going to unleash on the world a plutonium economy.

The gentleman from Washington has made it clear that we have not reached the point where we have decided to commercialize the breeder, but for heaven's sake, let us not stop the program dead in its track, because this program is an essential research and development program.

Mr. Chairman, if I had the time, I would read a letter which was received from the Administrator of the program, Dr. Robert Seamans, the distinguished Administrator of ERDA, who is pleading with us in the House not to do what the gentleman from Pennsylvania (Mr. COUGHLIN) suggests we do.

We are going to cut the program by $17 million, which is a prudent move dictated by the slippage factor in the program, but I plead with the Members to listen to the gentleman in the well, who knows what he is talking about when he gives us advice on this subject.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for his statement.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I would like to ask the gentleman this question: Is it not correct that the intent of this amendment which the gentleman from Pennsylvania (Mr. COUGHLIN) is going to offer is to keep ERDA from continuing with any construction on the Clinch River breeder, but even without that amendment, is it not the intention of ERDA not to do any work at all as far as the Clinch River breeder reactor is concerned?

Mr. McCORMACK. Mr. Chairman, the intent is to go ahead with the foundations and other construction which does not fall under the environmental impact statement for the reactor itself.

Mr. FISHER. Mr. Chairman, in determining how to vote on the amendments offered by the gentleman from Pennsylvania (Mr. COUGHLIN) and the gentleman from Washington (Mr. MCCORMACK), we are confronted with a choice between environmental and fiscal caution on the one side and the desire to press forward with establishing a major new electric power technology on the other side.

To slow down spending on the Clinch River breeder research and demonstration program until more is known about the hazards involved, designs have been perfected, and alternatives are better understood would ordinarily make good sense, and would indicate a vote for the Coughlin amendment.

To move ahead vigorously and confidently, despite uncertainties, because electric power and energy generally will be in very short supply 10 and 20 years from now unless efficient nuclear development takes place would point to a vote against the Coughlin amendment. In further support of a "No" vote is a realization that U.S. reserves of uranium, the basic ore from which fission nuclear energy is derived, are limited, making the breeder type reactors even more essential for the future.

My considered judgment is that the Government should go ahead with this project without undue delay to a completion of the planned and already authorized research, development, and demonstration phase. Once this phase has been completed, a careful evaluation of its technologic, economic, ecologic, health, and other aspects should be undertaken as a basis for proceeding with, stopping, or modifying the liquid metal breeder reactor program. I do not regard a "No" vote on this amendment as anything more than a consent for the Clinch River demonstration project to move forward expeditiously to completion. Further steps beyond that should await the evaluation.

I do feel strongly the need for vigorous exploration and testing of all hopeful options for meeting the large energy requirements which will confront this Nation with increasing urgency in the years ahead. I trust ERDA and its contractors will exercise restraint in obligating funds for long-lead-time components until they are confident they can make good use of them. The regular congressional review of appropriations, the customary committee oversight of expenditures and GAO audits will help to insure such restraint.

The alternative to the Coughlin amendment which would delete some $94 million for on-site construction and long-lead-time procurement is the McCormick amendment which would save nearly this much without entailing interruptions and delays in the Clinch River work. There are risks and benefits no matter which alternative is chosen. All things considered I prefer the latter to the former amendment.

Although major attention has been given to the pace at which the country should get on with the breeder demonstration, it should not be forgotten that research into other sources of useful energy in the end may well prove to be equally or more significant. In particular, efforts for research and development of solar energy, nuclear fusion, geothermal heat, and other newer sources should be accorded high priority. Adequate supplies of energy from diversified sources are vital to a prosperous economy and a good life and will continue to be so.

Mr. AMBRO. Mr. Chairman, I recently joined several of my colleagues in expressing concern over the breeder reactor program. Engineering problems, management difficulties, and spiralling costs join the much discussed plutonium question in contributing to my hesitancy to endorse this program. And, I am definitely unwilling to give breeder reactor development the carte blanche backing asked for in section 106 of H.R. 3474. To suggest we abdicate our oversight function at a time when long-range decisions are being made is to ignore the need for representative participation in energy policy formation. Regular oversight, with the budget responsibilities that make it a meaningful process, contributes to the creation of policy that reflects the will of the people.

My reservations on the breeder reactor program have a component that was not mentioned in our joint statement. It deals with the picture for future energy we are shaping as we discuss the relative merits of this bill. We seem to be falling back into the patterns of 1954 when nuclear power was the great light on the energy horizon. That light was so bright that we could see nothing else. One of the largest wind generators built was operational in the 1930's. Old Sears catalogs had solar water heaters in them. And coal gasification is only new to the current crop of mining specialists. Their teachers had great hopes for it. But nuclear energy captured everyone's imagination and we have been stuck with that vision for almost 30 years now.

It is not a very productive vision, either. After 30 years, we now produce about 2 percent of our total energy needs from nuclear energy. But do not worry, we are told, there is great potential. There is also an energy crisis right now.

My fullest endorsement goes to the energy policy that recognizes no single element as "most important." It is time to remove the distinctions that occur when terms like solar energy, advanced energy systems, and nuclear energy appear as separate budget lines on a committee report. We must integrate our energy effort, creating a system of energy sources that complement each other. A wide-based power supply is less subject to disruption, whether those disruptions come from overseas oil producers or the correct concerns of environmentalists.

This bill is a starting point in an attempt to arrive at an integrated energy policy. Putting the oversight of research and development efforts in well-defined positions, like the Science and Technology Committee and the Joint Committee on Atomic Energy, gives us a chance to examine the range of alternatives open to us as we create an energy base capable of sustaining our way of life.

I think it is unfortunate that this new potential for drawing together a variety of programs has been sidetracked into the old stance of supporting nuclear energy—to the monetary disadvantage of other deserving programs. My faith in the evolving nature of the legislative process gives me hope that future bills will do more to even out our research effort and provide the balanced energy program this bill has failed to create.

Mr. DODD. Mr. Chairman, in the discussion of advanced power sources and energy-saving schemes which accompanies this debate over ERDA, a certain amount of confusion is understandable. The field of energy research is so broad, so complex, and, to many of us, so new, that we are lost in a swirl of projects, which necessarily compete with each other for the limited amount of funds we can appropriate. However, there are certain key guideposts which can help us find our way through the energy thicket.

One of the most important of these guideposts is time. How long will it be before a particular project begins to pay off, in tangible benefits to our energy-starved economy? This is not to say that long-range projects should be ignored or slighted—they are, after all, the key to the future of our children. But, in view of the energy crisis which confronts us today, I submit that we should pay particular attention to those projects with the potential for achieving practical results in the short run—which, in energy terms, means the next decade. One of the most promising of these projects is the fuel cell.

The fuel cell can provide an appreciable contribution to our energy supplies by the early 1980's. It is the most efficient method known for converting chemical energy to electricity. It is nonpolluting, and it is silent. Its usefulness and reliability has been proved during the space program, and then again in experimental efforts here on earth. With a little support—support which we can begin to provide here—it can pay off handsomely by providing substantial amounts of electrical power in a few years—just at the time when our need for such power will be the greatest.

What is a fuel cell? A fuel cell is an electrochemical device which converts chemical energy to electricity without combustion. Hydrocarbon fuel, from any source, is broken down into hydrogen and carbon dioxide in a processor, or reformer. The hydrogen is then combined with oxygen to produce water and direct electric current. The direct current can then be transformed into alternating current and "stepped up" to line voltage using techniques well known in the electrical power industry.

The fact that the fuel cell converts chemical energy directly to electrical energy, without having to go through the combustion process as conventional fuels do, is doubly advantageous. First, it is by far the most efficient source of electrical power known. A fuel cell can be as much as 50 percent efficient in converting stored chemical energy into electrical power. No other power conversion source can achieve efficiencies greater than 30 to 40 percent. Second, the absence of combustion means an absence of pollution-producing exhaust products, a fact which should be appreciated by everyone interested in providing clean air.

The fuel cell has the additional advantage of being able to run on any hydrocarbon fuel. The experimental units now in operation use natural gas. But fuel cells could be operated using heavier petroleum products. Ultimately, they could be designed to use synthetic natural gas made from coal—which would diminish our dependence on petroleum and its foreign owners.

The problem of plant siting, which has been so troublesome to conventional powerplants, would be greatly reduced with powerplants based on the fuel cell. Fuel cell units do not pollute, they do not greatly intrude on the landscape, and they do not need much space as compared to conventional powerplants. A 26-megawatt fuel cell unit can be located on just half an acre—and very few neighbors would object to it.

Until now, the fuel cell has been developed by the private sector of our economy—particularly by the Pratt & Whitney Division of United Aircraft Corp. Pratt & Whitney is justifiably proud of its efforts in bringing the fuel cell from a theoretical development, through the pilot plant stages—and through successful operation in the Gemini, Apollo, and Skylab space programs—to the brink of commercial success. The electrical utilities are now expressing an interest in fuel cells, to the point where they are helping to finance Pratt & Whitney's research program, and are providing down payments on operational fuel cell plants. Some of these plants are scheduled to go into operation as early as 1978, and the fuel cell should start providing a significant amount of the Nation's new power generating capacity by 1982.

With this successful record of private sector development, why should the Federal Government be involved? Because the Federal Government can provide the added thrust, and the added funding, which would hasten the success of this program. It should be the role of the Federal Government, and of ERDA in particular, to help these new technologies make the difficult transition from the laboratory and pilot plant to the commercially successful operation. And I can think of no wiser use of ERDA's funds than to assist the development of the fuel cell, which is so close to commercial success and can do so much to relieve our pressing shortage of electrical power. Mr. Speaker, I urge the approval of the funds included in the ERDA authorization bill for fuel cell research and development.

Mr. CONLAN. Mr. Chairman, continuation of solar energy programs started by Congress last year is a vital part of this ERDA bill.

Development of commercial solar technology to heat and cool homes and other buildings will save between 100,000 to 200,000 barrels of oil a day by the year 1985, in addition to being a cleaner and less expensive source of energy.

The first hospital demonstration of the use of solar energy for space and water heating will soon start at a 200-bed hospital serving Navajo Indians from the northern part of my district. This is a joint project supported by ERDA and the Department of Health, Education, and Welfare.

Other valuable solar energy projects planned under this ERDA appropriation include heating and cooling demonstration projects in homes, schools, mobile homes and trailers, and government buildings. Most of these projects involve private architects, engineers, contractors, and manufacturers in local communities, who will pool the finest talents in their fields.

The aim of this work is to develop and perfect economically competitive and environmentally acceptable sun-energy technologies.

A viable solar heating and cooling industry in the United States will relieve the demand on present fuel supplies, and at the same time contribute to economic growth—jobs and productivity—which will repay many times over the investment by the Federal Government.

Mr. ESCH. Mr. Chairman, I rise in support of the $7.72 million fiscal year 1976 obligation request to support ERDA's efforts on in situ oil shale technology. Moneys provided for under the legislation we are considering today must be used to lay the foundation for an environmentally acceptable and economically feasible oil shale industry.

The situation which exists today regarding U.S. oil shale demands that we make a serious commitment to go forward. Unfortunately, I must report that not one oil shale processing plant is in operation in the United States, nor has ground been broken for such a plant. This present situation ignores the enormous potential of oil shale to help solve our dependence on foreign oil sources.

Oil shale must be made a large part of our future national energy policy.

To help realize a viable industry in the United States, we must support ERDA and the Department of the Interior in their work on reducing the technical, economic, and environmental constraints which impede development of the U.S. oil shales. ERDA's work on technology is extremely important because it offers opportunities to reduce economic and environmental constraints.

One of the most attractive reasons for developing oil shale technology is the location of the deposits. Our Nation's deposits are located in areas which now must usually depend on foreign or other, national sources of oil or gas. However, with the development of in situ oil shale techniques, this dependence can be eliminated. The Western oil shale deposits encompass Colorado, Utah, and Wyoming. These deposits have been the subject of most of the research and development work so far. Our committee feels that the Eastern oil shale deposits should also be assessed and research activities on these shales funded to improve the state of the technology for their development.

The eastern deposits are estimated to contain more than 2½ trillion barrels of oil. For example, even if only 10 percent of this amount could be extracted it could supply the State of Michigan with petroleum for the next 750 years. The eastern deposits are located nearer to the heart of our industries and population centers. This means that skilled manpower and related industrial infrastructure are more accessible. Also the East has vast, well-managed water resources—a factor seriously challenging the viability of extracting the western reserves.

The western shale is itself really a mineral called marlstone. Upon treatment to extract the oil this mineral loses its structural strength and decomposes easily. This results in a significant sludge disposal problem. In contrast the eastern shale is a true clay and upon treatment it becomes stronger. Thus the residue of eastern oil shale is more environmentally manageable.

The eastern deposits have drawn the attention of State and local government and private enterprise for many years. They have worked together in developing an in situ method of extraction for these reserves. The in situ approach has been pursued because the eastern oil shale has a density of 10 gallons per ton. It would just not be practical to extract the oil by conventional surface recovery methods.

In situ, or underground processing, of oil shale offers many potential advantages over the technologies that will be employed on the public lands leased under the Department of Interior. As compared to mining and surface processing oil shale, for example, it is estimated that in situ production of shale oil would require:

Two-thirds fewer people to operate the process,

One-half the amount of water, and

One-third or less disposal of water oil shale.

Therefore the in situ process would go far in solving many of the objections to the deveolpment of oil from shale.

Mr. Speaker, we must develop technology for processing shale at a rate which will contribute significantly to our future energy supply without undue environmental damages. We must develop a technology for processing shale which will produce a barrel of shale oil at the least cost for the American consumer. The best means of achieving these objectives may prove to be the processing of oil shale in place with minimum surface deformation.

Recovery of oil from shale in an efficient, economic, and environmentally acceptable manner is a major objective of the ERDA program to develop the Nation's energy resources. The Committee on Science and Technology urges your strong support of this objective.

Mr. PRESSLER. Mr. Chairman, I rise in support of the ERDA authorization bill before us which obligates $50.39 million for fiscal year 1976 to support the low Btu gasification work of ERDA, and $63.36 million for fiscal year 1976 to support the high-BTU gasification work of ERDA. To close the growing gap between the demand and supply of natural gas, we must advance and use the technologies of producing a substitute natural gas from coal.

The principal objective of the ERDA high-Btu gasification program is the continued development of each of five different, but technically feasible, processes for the conversion of coal to high-Btu gas. The ERDA program recognizes the need to develop a suitable and compatible methanation process, to investigate the suitability of current state-of-the-art gasification systems, and to initiate support studies for the technology required to initiate the design of a demonstration plant and permit widespread commercial utilization of low-Btu gasification by the mid-1980's.

It is imperative that we further ERDA's work on fixed bed, entrained bed, and fluidized bed gasifiers. Different processes have been found to be optimum for different types of coal. Each of these processes involves unresolved problems. Only through a systematic approach which addresses itself to the resolution of the problems of each of the processes can the best process or processes be identified.

Mr. Chairman, I also wish to call your attention to the fine work that ERDA has planned in the area of low-Btu gasification. We should all support these efforts, because of the great benefits to be derived from a low-Btu gas, especially in providing a substitute fuel for use in our Nation's electric generation plants.

Low-Btu gas from coal offers one of the most promising methods of using coal as a utility fuel in an economic and environmentally acceptable manner. The technology promises a higher conversion efficiency than high-Btu gasification.

Utilization of low-Btu gas from coal is extremely critical for the future of electrical power generation in the United States. The shortage of electrical energy that this Nation faces over the coming years is due, not to a lack of fuel resources, but rather to our inability to convert these resources economically to electric power in an environmentally acceptable manner. Furthermore, we find that restrictions on sulfuroxide emissions have created a need for new processes capable of converting high-sulfur coals economically to an acceptable powerplant fuel, while complying with established stack-emission regulations.

To help reduce any deficiency in our power generation capability the Committee on Science and Technology urges your support of the ERDA work on low-Btu gasification technology.

We urge your support of the ERDA program which is designed: First, to develop at the earliest possible date one or more gasifier systems which are economically applicable for the use of coal as a substitute for oil or natural gas for power generation and industrial use, and second, to provide development of advanced structural materials, sophisticated processing equipment and supporting processes.

We must vigorously support ERDA in its efforts to develop a process or processes to a point at which sufficient design and engineering data are available for industry to construct a commercial-sized facility with acceptable risk.

Mr. FREY. Mr. Chairman, I rise in support of H.R. 3474, the fiscal year 1976 and transition period authorization for the Energy Research and Development Administration—ERDA. Our Committee on Science and Technology, of which I am a member, had responsibility only for the nonnuclear energy R. & D. portions of the authorization for ERDA and my remarks are limited to those provisions. H.R. 3474 truly represents a milestone in our Nation's history since it is the first budget of ERDA, the agency Congress created last year for the express purpose of focusing our national energy research effort in support of our goal of energy independence. The continued threat of OPEC price increases dramatizes the validity of our goal and the critical need to break our national dependence on imported foreign oil, as well as to act to conserve our depleting domestic fossil fuel reserves.

H.R. 3474 also represents a milestone in congressional support for nonnuclear energy R. & D. Our committee acted to double the solar and geothermal research authorizations and more than triple that for energy conservation. I strongly support these increases and, in fact, believe we could increase even more in selected programs which clearly offer the potential for a significant energy supply source in the predictable future. For instance, there is strong evidence that programs in hydrogen could be substantially expanded. I believe that this Nation must mount an energy R. & D. program compared to the NASA Apollo program. The technology research situations are analogous.

We, as a nation, have the capability to achieve energy independence and our technology can be the key which unlocks that independence. The question in U.S. energy research is not "if"; the question is "when?" and we here in Congress are controlling the funding throttle which can accelerate our technological advancement to provide the technology base required for domestic self-sufficiency. I cast my vote in subcommittee in considering the solar, geothermal and conservation for opening the throttle and moving with maximum effective speed in the ERDA research programs. While I sincerely believe that more can be done now, I also believe that H.R. 3474 makes a real beginning and therefore support the legislation.

One of the areas with great promise where the committee acted decisively was solar energy, where the ERDA request was doubled. Within the solar program area, the committee acted even more decisively to provide support for the ocean thermal energy conversion program. I strongly support that action, since I believe that ocean conversion represents a very real opportunity to acquire a secure and environmentally sound source of domestic energy.

Mr. Chairman, in the wake of our unparalleled energy dilemma, researchers in the United States are looking with renewed interest and a sense of urgency at nontraditional alternate energy sources. In this regard, the oceans could play an increasingly more important role in serving future energy needs of the United States. One of the last great sources of untapped, raw energy is the ocean. Its tides, currents, waves, and varying temperature differences all have enormous potential aside from energy stored in oil and gas deposits beneath the seabed. So far, however, the ocean is being given a lot less attention and research money than most other exotic sources of energy, with one exception: the extraction of energy from ocean temperature differences.

Mr. Chairman, in many parts of the world-ocean, covering 70 percent of our globe, temperature differences that exist between surface water warmed by the sun and deep water chilled at the poles may be as great as 40 degrees Fahrenheit. Such temperature differentials are a potential source of energy which, unlike that provided by fossil fuels, would be essentially pollution-free and renewable. Temperature differentials as energy sources know no difference in capability whether it be daytime in bright sunlight or in the dead of night. They know scarcely any seasonal variations in capability. No storage of energy is required; the oceans serve as a huge solar heat collector and do the storing for us. There is no significant land use requirement for this solar-driven energy process.

The engineering feasibility studies recently concluded for ERDA by two topnotch industrial teams have concluded that schemes for generating power from ocean temperature differences are, for the most part, based on available technology. Practically everything that has been done to make mechanical cooling—air-conditioning—work, applies directly to the ocean thermal power concept. The thermal-to-electrical energy conversion can be accomplished in several ways, but basically, by using warm surface water, engineers would boil a working fluid—something with a low boiling point such as ammonia or the commercial refrigerant Freon—to drive a turbogenerator. Cold, deep ocean water would be used to condense this fluid for recycling through the system. The end result is electricity, using a fuel no more expensive than sea water. Associated with such systems are the additional options of producing products such as protein, plant life, fresh water, minerals, chemical fuels, and fertilizers.

In FEA's Project Independence blueprint—November 1974—the Interagency Task Force on Solar Energy estimated that ocean thermal energy conversion—OTEC—could have an impact on U.S. energy requirements by the mid-1980's with substantial contributions by the end of this century amounting to anywhere from 65,000 to 260,000 megawatts of installed capacity.

One of the most advanced concepts for floating ocean thermal powerplant design is that of Prof. William Heronemous and his associates at the University of Massachusetts, Amherst. The concept was one of those evaluated by the industrial terms for ERDA. Professor Heronemous is a retired U.S. Navy captain with extensive experience in marine engineering and nuclear submarines. His plans call for twin hulls of reinforced concrete each of about 500 feet in length and 100 feet in diameter, joined into a semisubmersible catamaran structure, providing the basis for a 400 milliwatts powerplant. Of particular interest to the University of Massachusetts project team is the thermal energy potential of the gulf stream as it winds its way along our southeast coast.

On May 23, 1974, in testimony before the Energy Subcommittee of the House Committee on Science and Astronautics, Professor Heronemous explained that his ocean thermal plant concept was deliberately conceived to be sited in the swiftly moving gulf stream, because the flow replenishes the energy source for free, moving 30 million cubic meters per second of near-tropical water by our southeastern seaboard. He reported that in an 8,000 square mile area—15 miles across west to east and 550 miles long from Key Sombrero at the bottom of Florida, all the way up to a point 165 miles east of Charleston, S.C.—a temperature difference of at least 30 degrees Fahrenheit is available at any time of the year. University of Massachusetts estimates that as many as four thousand 400-milliwatts powerplants could be installed in this 15 by 550 mile swath, and be expected to produce at the rated capacity for at least 8,100 hours per year, or 92 percent of the time.

The total annual output of this grand scale "Gulf Stream Solar Sea Thermal Energy System" would be 13 trillion kilowatthours per year. And that Mr. Chairman, is almost 1½ times the projected U.S. power consumption for the year 200. These solar sea powerplants would have the capability of delivering energy in the form of electricity and/or a direct use fuel, hydrogen, the ideal direct use fuel for our future energy market.

OTEC research, until January 19, 1975, part of the National Science Foundation's research applied to national needs solar energy program, now resides within the Energy Research and Development Administration—ERDA. The OTEC program, a viable component of ERDA's solar energy research, development, and demonstration effort, is being directed by the Solar, Geothermal, and Advanced Energy Systems Office. In accordance with ERDA's first authorization which we are considering here today, programatic effort—operating expenses—for OTEC will increase nearly 40 times in fiscal year 1976 to $11 million from an fiscal year 1975 spending level of $0.3 million.

Of the unconventional alternate energy sources the ocean environment offers, the one with the most potential is ocean thermal differences. Ocean thermal energy conversion promises the biggest payoff in terms of energy production vis-a-vis, for example, waves, tides or currents. Ocean thermal powerplants can be expected to meet an appreciable portion of the future electric power demand of the U.S. mainland, Hawaii, Puerto Rico, and the Virgin Islands. Their contribution may be especially significant on a local or regional scale as a secondary source in augmenting the peak power capacity of conventional and nuclear base load facilities.

In the long run, Mr. Chairman, the exploitation of renewable environmental energy sources, ocean thermal differences included, rests in their economic competitiveness when all internal and external costs of conventional energy resources are properly assessed. The uncertain availabilities, shrinking supplies, and rising costs of fossil fuels, together with the increasing cost estimates for nuclear power generating facilities, are clear mandates for ERDA to move our alternate energy R. & D. programs forward with an due haste and vigor in pursuit of national energy self-sufficiency. I urge full support of funding for necessary R. & D. in order that we may realize the potential of ocean thermal energy conversion.

Mr. Chairman, I should also like to comment that much of this technology can be developed with existing national assets, such as the fine engineering research capability represented by our NASA laboratories and organizations. Also, NASA has an excellent capability in the management of the kinds of concerted and dedicated large scale projects which will form the foundation of our national effort in energy research. And, as we all know, some NASA capability is becoming available for support of these high priority national programs.

I am convinced that we as a nation cannot limit our energy research program sizes by research and management limitations in ERDA. We must harness all of our national research and management assets and capabilities such as NASA represents, in our quest for energy self-sufficiency. Surely if the experience in the manned space program proved one thing, it is that these United States can muster our Government and industry technical expertise and move decisively to achieve a stated goal. The Science and Technology Committee played a leadership role in that experience, and I believe we will do so in energy research with all our agencies. I urge my colleagues in the Congress to support this concept and the ERDA management to seize the initiative and cooperatively seek the assistance of all our agencies.

Notwithstanding my belief that we should have higher funding levels in several promising programs and my concern that we must use all available national assets in supporting the ERDA programs, I support this legislation strongly. I believe it is a well considered bill and that it will get us moving and give ERDA the start-up impetus to make real progress in the next fiscal year. I should also like to add my commendations to those of my colleagues for Chairman TEAGUE and our Energy Subcommittee leaderships. I am proud to have worked with them on this legislation.

Mr. FUQUA. Mr. Chairman, I rise in support of H.R. 3474, authorizing appropriations to the Energy Research and Development Administration for fiscal year 1975 and the transition period.

I was active in the legislative efforts which led to the establishment of ERDA. The House Committee on Government Operations, of which I am a member, worked hard to produce Public Law 93–438, the Energy Reorganization Act of 1974.

I have continued my intense interest in the success of ERDA through my work on the Committee on Science and Technology. I believe the effective consolidation of energy research and development in one executive agency is most important to the successful solution of our energy problems. To meet the future energy requirements of the Nation with advanced energy technologies, this Agency must be adequately funded in those areas where the national interest dictates expenditures for research, development, and demonstration programs.

The Committee on Science and Technology held extensive hearings on the ERDA budget, assembled by OMB and ably presented and defended by the newly appointed leadership of ERDA. During these hearings, and in subsequent oversight hearings in the solar energy research and development areas, it was readily apparent from the testimony of governmental witnesses and those from industry and academia, that there is a continuing need for acceleration of our solar energy programs.

It is generally agreed that solar energy, which is available in every part of the United States, is an inexhaustible, nonpolluting, energy source capable of meeting many of our needs. There was a consensus among the committee members and the witnesses that rapid substitution of solar energy for some of our fossil fuel imports depended on the funding of development and demonstration programs, not further studies and analyses.

The budget submission for fiscal year 1976 by ERDA for the total solar energy program was $70.3 million. It expected to incur costs of $57.1 million. The corresponding figures for the transition period were $38.8 million and $31.6 million.

The committee was well aware that these amounts are below estimates such as those assembled by a 21 agency task group that produced the NSF national plan for solar energy in Decemebr 1974. The Project Independence blueprint for solar energy also envisioned a much larger commitment in fiscal year 1976 to meet goals of having solar energy make a significant impact on energy supply in the early 1980's.

The committee members questioned the ERDA representatives during the authorization hearings to try to establish what level of funding could be productively used in fiscal year 1976 and in the transition period. We concluded that the solar energy programs should be greatly accelerated in comparison to the ERDA request. This will help assure that solar energy will come on line as quickly as possible. Rapid development of a solar energy industrial base will provide the means to reduce our national dependence on imported oil, and the resulting deficit in our balance of trade. In fact, we could become a world supplier of solar systems if we develop the best solar energy technology.

I am convinced that the capability of solar energy to meet many of our energy needs is well recognized by the Members of Congress. Passage of Public 93–409, the Solar Heating and Cooling Demonstration Act of 1974, and Public Law 93–473, the Solar Energy Research Development and Demonstration Act of 1974 last fall indicates the strong support we all have for the successful utilization of solar energy.

Mr. Chairman, it is imperative that the solar energy budget be increased as recommended by the committee. The total fiscal year 1976 budget of $143.7 million, with $38.8 million for the transition period, is the minimum we can afford. This budget will put the solar energy program on schedule, and permit us to use sunshine to fuel part of our Nation's energy requirement in the future.

Mr. Chairman, I would like to discuss some of the details of the solar energy program to acquaint the Members more clearly with the status and problems of the program. Solar energy can be obtained from several different processes such as heat from the direct and diffuse radiation from the Sun, electrical power from solar cells, from the wind, from ocean thermal gradients, and from solar thermal, using concentrators. Bioconversion of solar energy to fuels is another process. Development in all these areas would be adequately supported by the budget recommended to the House.

My own State of Florida pioneered in the use of solar heating for hot water many years ago and some of these systems are still working.

The University of Florida, at their solar energy center, has conducted research and demonstrated on a small scale how the Sun's energy can be used for heating in a number of ways, and also how this heat can be used for cooling, including the making of ice. Some of this effort has been conducted at the Kennedy Space Center with involvement by both State and Federal Governments, and industry and the universities. We are proud of what we have accomplished so far, and intend to do more to make solar energy a useful source for Florida and for the Nation.

Solar energy, of course, is not present all the time. It is necessary to find ways to store this energy so it can be used during darkness, or on days when the Sun's radiation does not reach the surface. Solar energy storage is a necessary accessory to the collection of the Sun's radiation. There are a number of principles that can be used to store energy; however research, and development and demonstration is needed to sort out the best techniques from the many that are conceivable. The committee recognized this need, and added funding—appropriation $3 million; costs, $1.5 million—for this purpose to the budget.

Another important need is for a nationwide resource analysis so that the best decision possible can be made as to where each of the solar systems can best contribute to our energy requirements.

For solar heat, it is easily recognized that Florida and the Southwest United States offer large periods of time of intense solar radiation. Northern States, particularly those with extensive cloud cover during parts of the year, may not be able to make as effective use of the direct radiation. Other States have a reputation for high and regular winds, many States can grow crops that convert sunlight into plant material suitable directly for burning fuel, or through chemical or biological processing, to liquid or gaseous fuels.

In summary, Mr. Chairman, solar energy is a great renewable natural resource. We need to begin to use as much of it as we can. Our problems with diminishing supplies of domestic and foreign oil and gas indicate that we should move rapidly to make solar energy available to every household and to every business in the whole country that needs energy in the form that the sun can supply and technology can transform. To do this, requires much research in some areas, other areas such as solar heating and wind energy require more development, and all of them, now or soon, will require demonstration so that the American public can convince themselves that solar energy is real, is workable, and can be afforded.

The solar energy portion of the ERDA budget recommended by the committee is well conceived and will contribute greatly to the continued solution of a portion of our energy needs. I recommend passage of H.R. 3474.

Mr. DRINAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania (Mr. COUGHLIN) which would delete $94 million for the Clinch River breeder reactor demonstration plant.

My objections to the breeder demonstration plant are based on both specific and general grounds. First, although the liquid metal fast breeder reactor has been billed as this Nation's highest priority energy research and development program, it has been plagued by cost overruns, time delays, and scientific questioning. Second, I feel that the people of this country and the Members of the Congress in particular should examine our energy priorities at this time, before we become irrevocably committed to a course of action which we might later regret.

I would first like to speak, Mr. Chairman, to the question of America's energy priorities. In the mid-1950's a commitment was made to the peaceful utilization of nuclear power as the major energy source of the future. This emphasis by the country's energy establishment has led to the ultimate result of a one-sided energy strategy. This is amply demonstrated by the fact that in the past 5 fiscal years, from 1970 to 1974, the average percentage of nuclear R. & D. funding has comprised 74 percent of the total Federal R. & D. budget for energy.

The uneven distribution of funds between nuclear and nonnuclear research and development has seriously affected America's search for energy alternatives. Until recently, promising sources of energy such as solar and geothermal technologies were largely ignored. I am pleased to say, Mr. Chairman, that this year's ERDA authorization does in part rectify some of the U.S. overdependence on nuclear power. The nuclear emphasis, however, is still altogether apparent.

The money now designated for ERDA's nuclear programs represents over 80 percent of that Administration's budget, amounting to several billion dollars. This compares to $143.5 million for solar energy, and $180.3 million for geothermal energy development. But if we look more closely at the nuclear authorization, we see that the largest cost item is the liquid metal fast breeder reactor program, at approximately $500 million. Included within this amount is $181.5 million for the Clinch River project.

I feel, Mr. Chairman, that the Congress should take a close look at the continuance of such a major program at this time before we find that a tragic mistake has been made. I am not prepared to evaluate the scientific basis for the nuclear breeder program, nor its step-child, the Clinch River project However, I am of the opinion that we in the Congress should definitely be aware of the major implications behind our continued support of such a program. Although I will support in large part the ERDA authorization which the House considers today, I do want to draw the line on the Clinch River reactor, delaying its further funding until I know that its construction is definitely in the best interests of this country's energy priorities.

The amendment which I am supporting would delete $94 million for the CRBR, delaying it for at least 1 year. In the upcoming year, I would hope that an authoritative study could be made detailing the advisability of continuing with the demonstration project. If the Congress is to authorize such huge amounts of money, then we should be sure that we are making the right decision.

The reason I am so concerned about this year's funding of projects like Clinch River can be attributed to the long-term commitments which we make by such present decisions. Although we are speaking in terms of a $94 million authorization now, we are really debating a de facto commitment to funding a program that will require at least $2 billion in future expenditures. Already the cost of the liquid metal fast breeder reactor program has tripled from $3.3 billion in 1969 to $10.7 billion at present. Indeed, estimates on the cost of the CRBR have jumped over 170 percent in the last 3 years.

Mr. Chairman, I am pleased that the Coughlin amendment requires a 1-year study by the Office of Technology Assessment of the nuclear breeder program. I feel that the OTA, as a scientific arm of the Congress, should become heavily involved in an evaluation not only of the breeder program, but in the entire question of nuclear power itself. The Congress does not have the scientific expertise to make judgments in these vital areas, and without unbiased evidence and knowledge, we are not able to make well-reasoned judgments.

I have also sponsored legislation, the Nuclear Energy Study Act of 1975, H.R. 7553, which would utilize the Office of Technology Assessment for this important evaluation role. Under my legislation, which has been cosponsored by 21 Members of the House, the OTA would conduct an independent 5-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards. Consequently, I endorse this amendment's OTA provisions, and I am hopeful that its approval might lead to the study which I have proposed in H.R. 7553.

Mr. Chairman, it is time to evaluate this country's future energy priorities. We cannot go on authorizing energy R. & D. funds without knowing where these decisions are taking us. It is for this reason that I oppose the full funding of the Clinch River breeder reactor at this time, as I am hopeful that the Congress will have a clearer idea of the wisdom of such a commitment at a later point in time. If in fact the breeder concept does not prove to be advisable, it would be well for the Congress to start saying no now.

Mr. DUNCAN of Tennessee. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Tennessee (Mrs. LLOYD). I commend her for offering this amendment, as it serves the same purpose of H.R. 1271, which I introduced on January 14, 1975, which would change the name of the Hollifield National Laboratory back to its original name, the Oak Ridge National Laboratory. It is something that thousands of people in Tennessee have requested.

The amendment also recognizes our former colleague, Chet Hollifield, by naming another facility at Oak Ridge in his honor. I urge all of my colleagues to support the amendment.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 3474, the ERDA authorization bill for fiscal year 1976, and the amendments offered by the gentleman from Pennsylvania (Mr. COUGHLIN).

These amendments meet a crucial need to stop and take a close look at our major nuclear energy program, the liquid metal fast breeder reactor—LMFBR—before we commit ourselves irrevocably to spending billions of dollars on a technology that may not, in the final analysis, be the most desirable for satisfying the Nation's future energy requirements. The amendments would do this, however, not by bringing the program to a screeching halt, but by delaying construction and long leadtime item procurement on the Clinch River breeder reactor—CRBR—the first large scale demonstration LMFBR. In addition, Mr. COUGHLIN's amendments would change the CRBR authorization to a 1-year, rather than an open-ended, authorization, insuring congressional review. By next year, we can expect the LMFBR environmental impact statement, ERDA's statement on energy R. & D. priorities, the Joint Committee on Atomic Energy's LMFBR review, and preliminary findings of the ERDA-commissioned National Academy of Sciences LMFBR study, plus additional work on alternative energy sources, will have provided Congress with the information necessary to make a rational decision on the CRBR.

I support these amendments, Mr. Chairman, as one who feels we should continue to develop fission-produced electrical energy. I simply do not want to see us locked in to a program which may be undesirable or unnecessary. The decision to concentrate on the LMFBR was made over 10 years ago, and Congress has undertaken no comprehensive review of the program since then. It has been plagued by schedule slippage and cost overruns. Once we begin construction and procurement for the CRBR, it will be very difficult to stop even if it should become clear that there are more attractive alternatives. Right now, we can see that there may indeed be a better way to go, and we ought to hold off on the CRBR until we are very sure that we are making the right decision.

Let me touch very briefly on a few of the factors that point to the need for a review.

The basic design of the CRBR is 10 years old, and will be about 20 years old by the time construction is complete. Midconstruction design changes have been a major cause of the cost increase on the fast flux test facility—FFTF—an element of the LMFBR program now under construction. If we build the CRBR, it ought to represent state-of-the-art technology. A thorough design review, incorporating advances made by other nations and improvements of our own, is clearly in order.

As planned, the CRBR is in many ways duplicative of the FFTF. This is partly a result of changes in the LMFBR program since it was originally planned. By making better use of the FFTF and other facilities, it may be possible to bypass the CRBR altogether in the development of a viable breeder. This alternative needs exploration.

The case for a breeder is predicated on the contention that without it, we will not have enough usable nuclear fuel to meet energy needs into the 21st century. This contention has come under increasingly forceful attack in recent months. Not only may our economically recoverable uranium reserves be larger than we have heretofore suspected, but other technologies such as the high-temperature gas-cooled reactor and the Canadian CANDU reactor make far more efficient use of their uranium fuel. With these reactors, it may be possible to stretch our uranium supply much further into the future than we thought, giving us more time to develop alternative nonnuclear technologies and fusion. If a breeder should become necessary, we would still have time to develop it.

Many respected authorities are claiming that the electricity demand projections on which the case for the breeder has been based are too high. These experts take the position that our electricity needs will be low enough so that the breeder will be unnecessary. In addition, many suggest that we have underestimated the contributions that can be made by coal, solar, and other nonnuclear forms of energy production. Congress should take the lead in encouraging both energy conservation and efficiency, and the development of nonnuclear energy technologies. While our record has not been good in the conservation area, I am pleased to note that in this bill we have increased funding for nonnuclear R. & D. over and above the administration request.

Finally, there is a whole range of safety concerns. Some of these have to do with nuclear reactors generally, but some relate specifically to the LMFBR. These include the possibility of catastrophic accidents unique to the LMFBR, the problems of reprocessing spent fuel, and our ability to safely handle increasingly large quantities of plutonium. The final environmental impact statements on both the LMFBR program and the CRBR are still incomplete. We would be irresponsible to go ahead with construction of the CRBR under these conditions.

Since R. & D. on the breeder and on the CRBR in particular would continue under these amendments, the program would not be crippled in any way. In fact, if the studies now in progress indicate that the CRBR is the right way to go, we could expect improvements as a result of the delay.

Fears that a delay will cause an irreparable loss of momentum in the CRBR project appear unfounded to me. A 1-year delay on construction and long-leadtime procurement, while R. & D. continues, would not have such serious effects. I would hope that the atomic energy industry would view this action as protective not only of the public interest, with which I trust the industry has some concern, but also as protective of the interests of the industry. Industry as well as the public would stand only to lose if we should commit ourselves beyond the point of no return to a program that turned out to be undesirable, uneconomical, and unnecessary.

Mr. Chairman, it may be that this Nation will need commercial liquid metal fast breeder reactors in operation before the turn of the century. Or it may not. If we do need them, it may be that construction of the CRBR as presently planned is the logical next step. Or it may not. We just do not know right now. I suggest that before we set ourselves irrevocably on that path, we ought to find out if we are headed in the right direction. Passage of Mr. COUGHLIN's amendments is the way to make that determination.

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of H.R. 3474. Only yesterday, we passed a bill which was described as an energy program, but which is sadly lacking. This bill, fortunately, has much more substance. In fact, passage of this bill is vital to the long-range energy needs of the Nation.

It is expensive—a total of $4.6 billion is authorized for 1976, which is almost 20 percent over the 1975 figure. But the increase is small compared to the $25 billion plus we are now spending for foreign oil imports. Five years ago we were paying $3 billion. Next year, who knows?

The money authorized by this bill is an investment, and it is only one payment. But it has to be made nonetheless. The programs which will be supported by this bill are vital to the future well-being and independence of the country. They range from coal gasification plants and geothermal demonstration projects to solar energy research and beefing up of nuclear power generation safeguards. Every avenue of energy development, along with appropriate environmental safeguards, will be explored under this program. The money we spend today, will be repaid in increased energy capabilities, increased national security, and a more favorable balance of trade. It will also provide new jobs, new technology, and new procedures for protecting the environment. I urge an "aye" vote.

Mr. GUDE. Mr. Chairman, in further reference to Congressman Coughlin's amendment on the Clinch River breeder program I would like to point out that on April 22 I signed, together with 27 other Members of Congress, a letter to Dr. Robert Seamans, Director of the Energy Research and Development Agency, in which we asked him to request for funding of the Clinch River breeder reactor program. My basis for signing this letter was that the promised environmental impact statement on the project was not complete and therefore the environmental impact of the breeder program was unknown.

Dr. Seamans replied to that letter on May 7, stating that, although the environmental impact statement had not been completed, he was continuing to request funding for the Clinch River breeder reactor program and promised that the NEPA process would be concluded before "ERDA undertakes any environmentally significant implementation of the congressional authorization."

I believe it is imperative that we in the Congress have the opportunity to review the environmental impact of this new phase of nuclear technology before we approve $181 million for it. If the environmental impact statement indicates that the breeder reactor program is environmentally hazardous, the Congress would look rather foolish having approved $181 million for such a program.

Mr. TEAGUE. Mr. Chairman, this concludes debate.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read by title the committee amendment in the nature of a substitute recommended by the Joint Committee on Atomic Energy and by the Committee on Science and Technology, now printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1976

SEC. 101. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2017), section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5915):

(a) For "Operating expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(1) FOSSIL ENERGY DEVELOPMENT.—

(A) Coal liquefaction, $97,562,000.

(B) High Btu gasification (coal), $63,364,000;

(C) Low Btu gasification (coal), $50,389,000:

Provided, That not less than 20 per centum of the funds appropriated pursuant to this subparagraph shall be used for in situ process.

(D) Advanced power systems (coal), $6,601,000.

(E) Direct combustion (coal), $38,096,000.

(F) Advanced research and supporting technology (coal), for the following:

(i) Advanced coal conversion process, $14,000,000;

(ii) Advanced direct coal utilization process, $5,000,000;

(iii) Advanced supporting research, $8,493,000; and

(iv) Systems studies, $11,900,000.

(G) Demonstration plants (coal), $37,000,000.

(H) Natural gas and oil extraction, $34,929,000.

(I) Natural gas and oil utilization, $1,797,000.

(J) Oil shale in situ processing, $7,720,000.

(K) Oil shale composition and characterization, $1,265,000.

(L) Magnetohydrodynamics and fuel cells (fossil fuels), $14,144,000.

(M) Program support for fossil energy, $10,946,000.

(2) SOLAR ENERGY DEVELOPMENT.—$140,700,000.

(3) GEOTHERMAL ENERGY DEVELOPMENT.—$53,270,000.

(4) CONSERVATION RESEARCH AND DEVELOPMENT.—Including improved conversion efficiency, $123,180,000.

(5) NUCLEAR ENERGY AND OTHER PROGRAMS.—$3,002,033,000, of which—

(A) $5,000,000 shall be made available for scientific and technical education;

(B) $8,600,000 shall be made available for general new programs in Environmental and Safety research in support of nonnuclear energy technology;

(C) $4,400,000 shall be made available as provided for in section 102 of this Act;

(D) $500,000 shall be made available for nonpulmonary health studies on miners and people living in areas subjected to a high incidence of sulphur oxides and trace elements; and

(E) $15,900,000 shall be made available for new program of physical research in molecular and materials sciences in support of nonnuclear technologies.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

FOSSIL ENERGY DEVELOPMENT

(1) COAL.—

Project 76–1–a, clean boiler fuel demonstration plant (A–E and long-lead procurement), $20,000,000.

SOLAR, GEOTHERMAL, AND ADVANCED ENERGY SYSTEMS DEVELOPMENT

(2) PHYSICAL RESEARCH.—

Project 76–2–a, accelerator and reactor improvements and modifications, $4,000,000.

NUCLEAR ENERGY DEVELOPMENT

(3) FUSION POWER RESEARCH AND DEVELOPMENT.—

Project 76–3–a, tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $23,000,000.

Project 76–3–b, 14 Mev intense neutron source facility, Los Alamos Scientific Laboratory, New Mexico, $22,100,000.

Project 76–3–c, 14 Mev high intensity neutron facility, Lawrence Livermore Laboratory, California, $5,000,000.

(4) FISSION POWER REACTOR DEVELOPMENT.—

Project 76–4–a, modifications to reactors, $4,000,000.

Project 76–4–b, sodium components test installation steam and feed-water system modification, Liquid Metal Engineering Center, Santa Susana, California, $7,700,000.

(5) FISSION POWER REACTOR DEVELOPMENT.—

Project 76–5–a, test reactor area fire main replacement, Idaho National Engineering Laboratory, Idaho, $2,200,000.

(6) NUCLEAR MATERIALS.—

Project 76–6–a, additional facilities, high level waste storage, Savannah River, South Carolina, $68,000,000.

Project 76–6–b, additional high level waste storage facilities, Richland, Washington, $35,000,000.

Project 76–6–c, supplemental N reactor irradiated fuel storage, Richland, Washington, $2,500,000.

Project 76–6–d, uprate electrical switchyards for Roane substation, Oak Ridge, Tennessee, $8,100,000.

Project 76–6–e, conversion of existing steam plants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio, $12,200,000.

Project 76–6–f, radioactive liquid waste system improvements, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $5,800,000.

NATIONAL SECURITY

(7) WEAPONS.—

Project 76–7–a, MK–12A MINUTEMAN III production facilities, various locations, $3,000,000.

Project 76–7–b, plutonium metallurgy building modifications, Lawrence Livermore Laboratory, California, $1,000,000.

Project 76–7–c, limited life component exchange facility, Charleston, South Carolina, $13,900,000.

(8) WEAPONS.—

Project 76–8–a, fire wall construction, Bendix Plant, Kansas City, Missouri, $2,000,000.

Project 76–8–b, fire protection improvements, Los Alamos Scientific Laboratory, New Mexico, $4,450,000.

Project 76–8–c, PHERMEX enhancement, Los Alamos Scientific Laboratory, New Mexico, $6,150,000.

ENVIRONMENTAL AND SAFETY RESEARCH

(9) BIOMEDICAL AND ENVIRONMENTAL RESEARCH.—

Project 76–9–a, modifications and additions to biomedical and environmental research facilities, $3,200,000.

(10) GENERAL PLANT PROJECTS.—$64,670,000.

(11) CONSTRUCTION PLANNING AND DESIGN.—$6,000,000.

CAPITAL EQUIPMENT NOT RELATED TO CONSTRUCTION

(12) CAPITAL EQUIPMENT.—Acquisition and fabrication of capital equipment not related to construction, for the following programs, a sum of dollars equal to the total of the following amounts:

(A) Fossil energy development, $538,000.

(B) Solar energy development, $3,000,000.

(C) Geothermal energy development, $3,120,000.

(D) Conservation research and development including improved conversion efficiency, $11,500,000.

(E) Physical research in molecular and materials sciences in support of nonnuclear energy technology, $4,100,000.

(F) Environmental and Safety research in support of nonnuclear energy technology, $2,000,000.

(G) Nuclear energy and other programs, $236,739,000.

(c) The Administrator of the Energy Research and Development Administration shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a detailed explanation of the allocation of the funds appropriated pursuant to paragraphs (1), (2), (3), (4), and (5)(A) through (5)(E) of subsection (a) of this section and the funds appropriated pursuant to paragraph (1) and subparagraphs (A), (B), (C), (D), (E), and (F) of paragraph (12) of subsection (b) of this section, reflecting the relationships, consistencies, and dissimilarities between those allocations, the comprehensive program definition transmitted pursuant to section 15 of Public Law 93–473 (42 U.S.C. 5564), and the comprehensive nonnuclear energy research, development, and demonstration program transmitted pursuant to section 6 of Public Law 93–577 (42 U.S.C. 5905).

SEC. 102. The Administrator shall conduct an environmental and safety research, development, and demonstration program related to fossil fuels.

SEC. 103. LIMITATIONS.—(a) The Administrator is authorized to start any project set forth in section 101(b)(2), (3), (4), (6), (7), or (9) of this Act only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administrator is authorized to start any project set forth in section 101(b)(5) or (8) of this Act only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Administrator is authorized to start any project under section 101(b)(10) of this Act only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently estimated cost of any building included in such project shall be $300,000: *Provided*, That the building cost limitation may be exceeded if the Administrator determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under section 101(b)(10) of this Act shall not exceed the estimated cost set forth in that section by more than 10 per centum.

(d) The total cost of any project undertaken under section 101(b)(2), (3), (4), (6), (7), or (9) of this Act shall not exceed the estimated cost set forth for that project by more than 25 per centum unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended: *Provided*, That this subsection will not apply to any project with an estimated cost of less than $5,000,000.

(e) The total cost of any project undertaken under section 101(b)(5) or (8) of this Act shall not exceed the estimated cost set forth for that project by more than 10 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended: *Provided*, That this subsection will not apply to any project with an estimated cost of less than $5,000,000.

SEC. 104. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 91–273, as amended, is further amended by (1) striking from subsection (b)(1), project 71–1–f, process equipment modifications, gaseous diffusion plants, the figure "$295,100,000" and substituting therefor the figure "$478,100,000"; and (2) striking from subsection (b)(9), project 71–9, fire, safety, and adequacy of operating conditions projects, various locations, the figure "$193,000,000" and substituting therefor the figure "$240,000,000".

(b) Section 101 of Public Law 93–60, as amended, is further amended by (1) striking from subsection (b)(1), project 74–1–g, cascade uprating program, gaseous diffusion plants, the figure "$183,100,000" and substituting therefor the figure "$259,600,000"; and (2) striking from subsection (b)(2), project 74–2–c, high energy laser facility, Lawrence Livermore Laboratory, California, the figure "$20,000,000" and substituting therefor the figure "$25,000,000".

(c) Section 101 of Public Law 93–276 is amended by (1) striking from subsection (b)(1), project 75–1–a, additional facilities, high level waste handling and storage, Savannah River, South Carolina, the figure "$30,000,000" and substituting therefor the figure "$33,000,000"; (2) striking from subsection (b)(1), project 75–1–c, new waste calcining facility, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, the figure "$20,000,000" and substituting therefor the figure "$27,500,000"; (3) striking from subsection (b)(3), project 75–3–e, addition to building 350 for safeguards analytical laboratory, Argonne National Laboratory, Illinois, the figure "$3,500,000" and substituting therefor the figure "$4,300,000"; (4) striking from subsection (b)(6), project 75–6–c, position-electron joint project, Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center, the figure "$900,000" and substituting therefor the figure "$11,900,000"; and (5) striking from subsection (b)(7), project 75–7–c, intermediate-level waste management facilities, Oak Ridge National Laboratory, Tennessee, the figure "$9,500,000" and substituting therefor the figure "$10,500,000".

(d) Section 106 of Public Law 91–273 is amended to read as follows:

"SEC. 106. LIQUID METAL FAST BREEDER REACTOR DEMONSTRATION PROGRAM—FOURTH ROUND.—(a) The Energy Research and Development Administration (ERDA) is hereby authorized to enter into cooperative arrangements with reactor manufacturers and others for participation in the research and development, design, construction, and operation of a Liquid Metal Fast Breeder Reactor powerplant, in accordance with criteria approved by the Joint Committee on Atomic Energy, without regard to the provisions of section 169 of the Atomic Energy Act of 1954, as amended. Appropriations are hereby authorized for the aforementioned cooperative arrangements as shown in the basis for arrangements as submitted in accordance with subsection (b) hereof. In addition, ERDA may agree to provide assistance in the form of waiver of use charges during the term of the cooperative arrangements without regard to the provisions of section 53 of the Atomic Energy Act of 1954, as amended, by waiving use charges in an amount not to exceed $10,000,000.

"(b) Before ERDA enters into any arrangement or amendment thereto under the authority of subsection (a) of this section, the basis for the arrangement or amendment thereto which ERDA proposes to execute (including the name of the proposed participating party or parties with whom the arrangement is to be made, a general description of the proposed powerplant, the estimated amount of cost to be incurred by ERDA and by the participating parties, and the general features of the proposed arrangement or amendment) shall be submitted to the Joint Committee on Atomic Energy, and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days, there shall be excluded the days on which either House is not in session because of adjournment for more than three days): *Provided, however,* That the Joint Committee, after having received the basis for a proposed arrangement or amendment thereto, may by resolution in writing waive the conditions of all, or any portion of, such forty-five day period: *Provided further,* That such arrangement or amendment shall be entered into in accordance with the basis for the arrangement or amendment submitted as provided herein: *And provided further,* That no basis for arrangement need be resubmitted to the Joint Committee for the sole reason that the estimated amount of the cost to be incurred by ERDA exceeds the estimated cost previously submitted to the Joint Committee by not more than 15 per centum. Notwithstanding the foregoing, ERDA, in each of its annual budget submissions, shall submit, for the information and review of the Joint Committee in the exercise of its oversight responsibility, the anticipated obligations and costs for the ensuing fiscal year for the project authorized under subsection (a) of this section.

"(c) ERDA is hereby authorized to agree, by modification to the definitive cooperative arrangement reflecting such changes therein as it deems appropriate for such purpose, to the following: (1) to execute and deliver, to the other parties to the definitive contract, the special undertakings of indemnification specified in such contract, which undertakings shall be subject to availability of appropriations to ERDA and to the provisions of section 3679 of the Revised Statutes, as amended; and (2) to acquire ownership and custody of the property constituting the Liquid Metal Fast Breeder Reactor powerplant or parts thereof, and to use, decommission, and dispose of such property, as provided for in the definitive contract."

SEC. 105. RESCISSIONS.—(a) Public Law 92–314, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73–5–d, modifications to TREAT facility, National Reactor Testing Station, Idaho, $1,500,000.

(b) Public Law 93–60, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 74–3–e, modifications to TREAT facility, National Reactor Testing Station, Idaho, $2,500,000.

(c) Public Law 93–276, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 75–13–a, hydrothermal pilot plant, $1,000,000.

TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR THE PERIOD JULY 1, 1976, THROUGH SEPTEMBER 30, 1976.

SEC. 201. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2017), section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5915):

(a) For "Operating expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(1) FOSSIL ENERGY DEVELOPMENT.—

(A) Coal liquefaction, $28,750,000.

(B) High Btu gasification (coal), $10,500,000.

(C) Low Btu gasification (coal), $12,650,000: *Provided,* That not less than 20 per centum of the funds appropriated pursuant to this subparagraph shall be used for in situ process.

(D) Advanced power systems (coal), $2,500,000.

(E) Direct combustion (coal), $14,900,000.

(F) Advanced research and supporting technology (coal), for the following:

(i) Advanced coal conversion process, $4,000,000;

(ii) Advanced direct coal utilization process, $1,000,000;

(iii) Advanced supporting research, $1,850,000;

(iv) System studies, $3,000,000.

(G) Demonstration plants (coal), $9,000,000.

(H) Natural gas and oil extraction, $8,930,000.

(I) Natural gas and oil utilization, $450,000.

(J) Oil shale in situ processing, $1,950,000.

(K) Oil shale composition and characterization, $300,000.

(L) Magnetohydrodynamics and fuel cells (fossil fuels), $2,300,000.

(M) Program support for fossil energy, $3,950,000.

(2) SOLAR ENERGY DEVELOPMENT.—$38,800,000.

(3) GEOTHERMAL ENERGY DEVELOPMENT.—$13,450,000.

(4) CONSERVATION RESEARCH AND DEVELOPMENT.—Including improved conversion efficiency, $29,033,000.

(5) NUCLEAR ENERGY AND OTHER PROGRAMS.—$890,201,000, of which—

(A) $1,250,000 shall be made available for scientific and technical education;

(B) $2,150,000 shall be made available for general new programs in Environmental and Safety research in support of nonnuclear energy technologies;

(C) $1,100,000 shall be made available as provided for in section 102 of this Act;

(D) $125,000 shall be made available for nonpulmonary health studies on miners and people living in areas subjected to a high incidence of sulphur oxides and trace elements; and

(E) $4,400,000 shall be made available for new programs of physical research in molecular and materials sciences in support of nonnuclear technologies.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the incremental amounts of the following:

FOSSIL ENERGY DEVELOPMENT

(1) COAL.—

Project 76–1–a, clean boiler fuel demonstration plant (A–E and long-lead procurement), $8,000,000.

SOLAR, GEOTHERMAL, AND ADVANCED ENERGY SYSTEMS DEVELOPMENT

(2) PHYSICAL RESEARCH.—

Project 76–2–a, accelerator and reactor improvements and modifications, $1,000,000.

NUCLEAR ENERGY DEVELOPMENT

(3) FUSION POWER RESEARCH AND DEVELOPMENT.—

Project 76–3–a, tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $7,000,000.

(4) GENERAL PLANT PROJECTS.—$15,900,000.

(5) CONSTRUCTION PLANNING AND DESIGN.—$1,500,000.

CAPITAL EQUIPMENT NOT RELATED TO CONSTRUCTION

(6) CAPITAL EQUIPMENT.—Acquisition and fabrication of capital equipment not related to construction, for the following programs, a sum of dollars equal to the total of the following amounts:

(A) Fossil energy development, $200,000.

(B) Geothermal energy development, $200,000.

(C) Conservation research and development including improved conversion efficiency, $2,900,000.

(D) Physical research in molecular and materials sciences in support of nonnuclear energy technology, $600,000.

(E) Environmental and Safety research in support of nonnuclear energy technologies, $500,000.

(F) Nuclear energy and other programs, $58,026,000.

(c) The Administrator of the Energy Research and Development Administration shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a detailed explanation of the allocation of the funds appropriated pursuant to paragraphs (1), (2), (3), (4), and (5)(A) through (5)(E) of subsection (a) of this section and the funds appropriated pursuant to paragraph (1) and subparagraphs (A), (B), (C), (D), and (E) of paragraph (6) of subsection (b) of this section, reflecting the relationships, consistencies, and dissimilarities between those allocations, the comprehensive program definition transmitted pursuant to section 15 of Public Law 93–473 (42 U.S.C. 5564), and the comprehensive nonnuclear energy research, development, and demonstration program transmitted pursuant to section 6 of Public Law 93–577 (42 U.S.C. 5905).

SEC. 202. LIMITATIONS.—(a) The Administrator is authorized to start any project set forth in section 202(b) (2) or (3) of this Act only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administrator is authorized to start any project under section 201(b) (4) of this Act only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently estimated cost of any building included in such project shall be $300,000: *Provided*, That the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under section 210(b) (4) of this Act shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

(c) The total cost of any project undertaken under section 101(b) (2) or (3) of this Act shall not exceed the estimated cost set forth for that project by more than 25 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended: *Provided*, That this subsection will not apply to any project with an estimated cost less than $5,000,000.

Sec. 203. Amendment of Prior Year Acts.—(a) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b) (1), project 71–1–f, process equipment modifications, gaseous diffusion plants, the figure "$478,100,000" and substituting therefor the figure "$510,100,000".

(b) Section 101 of Public Law 93–60, as amended, is further amended by striking from subsection (b) (1), project 74–1–g, cascade uprating program, gaseous diffusion plants, the figure "$259,600,000" and substituting therefor the figure "$270,400,000".

TITLE III—GENERAL PROVISIONS

Part A—Provisions Relating to Energy Development Other Than Fossil Energy Development

Sec. 301. The Administrator is authorized to perform construction design services for any Administration construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administrator, and (2) the Administrator determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

Sec. 302. Any moneys received by the Administration may be retained and used for operating expenses (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)), nothwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and may remain available until expended.

Sec. 303. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

Part B—Provisions Relating to Energy Development

Sec. 304. Funds appropriated pursuant to this Act for "Operating expenses" for fossil energy purposes may be used for (1) any facilities which may be required at locations, other than installations of the Administration, for the performance of research and development contracts, and (2) grants to any organization for purchase or construction of research facilities. No such funds shall be used for the acquisition of land. Fee title to all such facilities shall be vested in the United States, unless the Administrator determines in writing that the programs of research and development authorized by this Act shall best be implemented by vesting fee title in an entity other than the United States: *Provided*, That, before approving the vesting of title in such entity, the Administrator shall (A) transmit such determination, together with all pertinent data, to the Speaker of the House of Representatives, the President of the Senate, the Committee on Science and Technology of the House of Representatives, and the Committee on Interior and Insular Affairs of the Senate, and (B) wait a period of thirty days, unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action. Each grant shall be made under such conditions as the Administrator deems necessary to insure that the United States will receive therefrom benefits adequate to justify the making of the grant. No such funds shall be used under clause (1) of the first sentence of this section for the construction of any major facility the estimated cost of which, including collateral equipment, exceeds $250,000 unless the Administrator shall (A) transmit a report on such major facility showing the nature, purpose, location, and estimated cost of such facility to the Speaker of the House of Representatives, the President of the Senate, the Committee on Science and Technology of the House of Representatives, and the Committee on Interior and Insular Affairs of the Senate, and (B) wait a period of thirty days, unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

Sec. 305. Not to exceed one-half of 1 per centum of all funds appropriated pursuant to this Act for "Operating expenses" for fossil energy purposes may be used by the Administrator to construct, expand, or modify laboratories and other facilities, including the acquisition of land, at any location under the control of the Administrator, if the Administrator determines that (1) such action would be necessary because of changes in the national programs authorized to be funded by this Act or because of new scientific or engineering development, and (2) deferral of such action until the enactment of the next authorization Act would be inconsistent with the policies established by Congress for the Administration. No portion of such sums may be obligated for expenditure or expended for such activities, unless (A) a period of thirty days has passed after the Administrator has transmitted to the Speaker of the House of Representatives and the President of the Senate and to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a written report containing a full and complete statement concerning (i) the nature of such construction, expansion, or modification, (ii) the cost thereof, including the cost of any real estate action pertaining thereto, and (iii) the reason why such construction, expansion, or modification is necessary and in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

Sec. 306. Except as provided in section 304 and 305 of this Act—

(1) no amount appropriated pursuant to this Act may be used for any fossil energy program in excess of the amount actually authorized for that particular program by this Act,

(2) no amount appropriated pursuant to this Act may be used for any fossil energy program which has not been presented to, or requested of, the Congress,

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives, the President of the Senate, the Committee on Science and Technology of the House of Representatives, and the Committee on Interior and Insular Affairs of the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

Sec. 307. The Federal Nonnuclear Energy Research and Development Act of 1974 (88 Stat. 1878; 42 U.S.C. 5901) is amended by by adding at the end thereof the following new section:

"Sec. 17. The Administrator shall establish, develop, acquire, and maintain a central source of information on all energy resources and technology, including proved and other reserves, for research and development purposes. This responsibility shall include the acquisition of proprietary information, by purchase, donation, or from another Federal agency, when such information will carry out the purposes of this Act. In addition the Administrator shall undertake to correlate, review, and utilize any information available to any other Government agency to further carry out the purposes of this Act. The information maintained by the Administrator shall be made available to the public, subject to the provisions of section 552 of title 5, United States Code, and section 1905 of title 18, United States Code, and to other Government agencies in a manner that will facilitate its dissemination."

Part C—Other General Provisions

Sec. 308. The Federal Nonnuclear Energy Research and Development Act of 1974 (88 Stat. 1878; 42 U.S.C. 5901) is amended by adding at the end thereof (after the new section added by section 307 of this Act) the following new section:

"Sec. 18. The Administration is, upon request, authorized to obtain energy information under section 11(d) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 796(d))."

Sec. 309. When so specified in an appropriation Act, any amount appropriated pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may remain available until expended.

TITLE IV—OAK RIDGE HOLIFIELD NATIONAL LABORATORY

Sec. 401. The Holifield National Laboratory at Oak Ridge, Tennessee, shall hereafter be known and designated as the "Oak Ridge Holifield National Laboratory". Any reference in any law, map, regulation, document, record, or other paper of the United States to the Holifield National Laboratory or to the Oak Ridge National Laboratory shall be held to be a reference to the "Oak Ridge Holifield National Laboratory".

Mr. TEAGUE. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MRS. LLOYD OF TENNESSEE

Mrs. **LLOYD** of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. LLOYD of Tennessee:

Page 44, line 5, strike out "HOLIFIELD".

Page 44, lines 9 and 13, strike out "HOLIFIELD".

Page 44, after line 14, insert the following:

"SEC. 402. The Heavy Ion Research Facility under construction at Oak Ridge, Tennessee, is hereby designated as the 'Holifield Heavy Ion Research Facility'. Any reference in any law, regulation, map, record, or other document of the United States to the Heavy Ion Research Facility shall be considered a reference to the 'Holifield Heavy Ion Research Facility'."

Mrs. **LLOYD** of Tennessee (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentlewoman from Tennessee?

There was no objection.

Mrs. **LLOYD** of Tennessee. Mr. Chairman, the effect of this amendment is very simple. It will restore the traditional name of Oak Ridge to the National Laboratory, located at Oak Ridge, Tenn. Many Members may not even be aware that the name of this laboratory, probably the most famous in the Nation, was changed in the last Congress.

Last year, on the day before its adjournment, the Congress passed legislation renaming the Oak Ridge National Laboratory in honor of the former chairman of the Joint Committee on Atomic Energy, the Honorable Chet Holifield on the occasion of his retirement after 32 years in the House of Representatives.

The outstanding record established by Congressman Holifield in the years since his first election in 1942, is a tribute to his dedication to serve his constituency and the entire Nation. As one of the original members of the Joint Committee on Atomic Energy and as its long time chairman, Representative Holifield was certainly one of the pioneers of this Nation's efforts to develop the peaceful and productive uses of atomic energy.

Clearly, it was with the best of intentions that the Holifield National Laboratory bill we enacted. However, despite the tremendous popularity which Mr. Holifield has in the Oak Ridge community, it has been the feeling of virtually all my constituents that a more appropriate means of honoring Congressman Holifield could be found.

I cannot stress strongly enough that the widespread concern for restoring the historic name of Oak Ridge to the National Laboratory is certainly no reflection on the job done by Representative Holifield. The nearly 1,000 letters, telegrams, phone calls, and personal discussions I have had, are almost unanimous in their praise for Congressman Holifield. Rather, the controversy stems entirely from the strong sense of regional, professional, and historical pride in the traditional name of Oak Ridge.

In place of the joint committee's recommendation to partially restore the historic name of Oak Ridge to the National Laboratory, a recommendation which I have discussed extensively with residents and community and civic leaders in Oak Ridge, I would suggest at their request that Representative Holifield be honored by renaming the Heavy Ion Research Facility in Oak Ridge after him and that the Oak Ridge Laboratory name be fully restored.

Mr. **YOUNG** of Texas. Mr. Chairman, I rise in support of the amendment.

I would like to comment that the gentlewoman from Tennessee (Mrs. LLOYD), to my way of thinking, has struck a very nice balance between the magnificent service that our distinguished former colleague, Chet Holifield, has rendered to this program, as well as recognizing the great national pride which the natives of Tennessee in the Oak Ridge area have in the contribution that has been made to the program.

Mr. Chairman, I know of no objection to this amendment, and as far as our side is concerned we would be happy to accept the amendment.

Mr. **TEAGUE**. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Tennessee (Mrs. LLOYD). As far as I know there is no objection to the amendment from the Committee on Science and Technology.

The **CHAIRMAN**. The question is on the amendment offered by the gentlewoman from Tennessee (Mrs. LLOYD).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. M'CORMACK

Mr. **McCORMACK**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCCORMACK: Page 20, after line 16, insert the following:

"(F) Not more than $381,500,000 shall be made available for the overall Liquid Metal Fast Breeder Reactor Program and within that amount not more than $123,000,000 shall be made available for the Clinch River Breeder Reactor Demonstration Plant. The funds available because of the foregoing limitations shall be devoted to support efforts in other important areas of nuclear energy such as developing more uranium resources, alternate breeder concepts, improving the on-line availability of existing nuclear power plants, demonstrating safe and sound reprocessing of spent fuels, and developing methods for the long term storage of radioactive wastes."

Mr. **McCORMACK** (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Washington?

There was no objection.

The **CHAIRMAN**. The gentleman from Washington is recognized for 5 minutes in support of his amendment.

(By unanimous consent, Mr. MCCORMACK was allowed to proceed for 5 additional minutes.)

Mr. **McCORMACK**. Mr. Chairman, the amendment I am submitting today comes about as a result of several recent developments with respect to the liquid metal fast breeder reactor program. Nine months ago, when the fiscal 1976 budget for the energy research and development program was submitted to the Office of Management and Budget, it contained a total of $542.6 million in operating expenses for the LMFBR program, including the Clinch River demonstration plant. These figures were reported by the administration to the Joint Committee on Atomic Energy as part of their request, and several months ago the Joint Committee marked them up without modification. These figures are included in the bill that is before us today.

Several events have intervened since the markup which have persuaded the members of the committee that we should at this time propose new figures, and shift funds from the breeder program to other areas of nuclear energy research and development.

The first of these events has to do with the fact that the law creating the Energy Research and Development Administration calls for a report to be submitted to the Congress by June 30, 11 days from today, presenting a reevaluation of this Nation's energy research and development program by the new Administrator of the ERDA, with recommendations for program modifications.

These studies and negotiations within the Administration prior to the final presentation of this report have been going forward, and have quite inevitably leaked to the press, to the public, and to Members of the Congress, and the Joint Committee. This has placed the Committee in the awkward position of having marked up one set of numbers, but of having an updated set essentially available to everyone.

This would not have been so difficult, of course, if the bill had not been referred to two committees, but because it was it became almost impossible to take it back to both committees and rewrite and adjust it.

In addition, an internal study requested by the Administrator of ERDA, Dr. Robert Seamans, on the breeder, has been completed as part of the backup information on the breeder program. It raised several questions, particularly concerning timing and the ability of the ERDA to meet the schedule which was assumed when the budget was written 9 months ago.

The key feature in the delay of the breeder program during this period of time has revolved around a delay in publishing and evaluating the site environmental impact statement for the Clinch River breeder reactor, and for obtaining public comment on it. The delay, although unfortunate, can be attributed to no particular reason, but flows more generally from the estimated time required by the new agencies, the ERDA and the Nuclear Regulatory Commission to do their work.

As a result, startup of construction on the Clinch River Plant has been delayed from August 1975 until August 1976. Accordingly, the Administration has proposed during the last few days modifications in this authorization bill which will reduce the total authorization for the Clinch River breeder reactor by $50.4 million for fiscal year 1976 and the transition quarter and the liquid metal fast breeder reactor base program by $20.8 million for the same period. The original request for the CRBR was $181.5 million. This has been reduced to $131.1 million, a reduction of $50.4 million.

Similarly the liquid metal fast breeder reactor program has been reduced from $361.1 million to $340.3 million for a total of $20.8 million. Thus, the entire reduction amounts to $71.2 million.

The House members of the joint committee have been thoroughly briefed on this subject by the Deputy Administrator of the ERDA and his staff and believe that the proposed reductions embodied in this amendment are realistic. More importantly, these reductions in the CRBR program do not disturb the long-range purchase contracts or order commitments from major components of the CRBR. The total reductions in procurement are $31.4 million. This is for items that can be purchased in a stretched out program next year, accommodating the construction startup date of August 1976.

In addition, about $20 million in accompanying engineering expenses have been postponed until next fiscal year. The balance available of $62.7 million will still allow the purchase of such items as the reactor vessel, which has already been ordered, the intermediate heat exchangers, for which negotiations are underway, the large sodium pumps, the turbine generators, control rod drive mechanisms. None of these will be affected by any negotiations between ERDA and the NRC on the final environmental impact statement.

It is important, indeed, that such items as the forgings for the steam generators have a 2-year or 2½-year lead-time, and must be ordered at this time so that their delivery date will not cause delay in the future.

It is also important to understand that two-thirds of the $62.7 million remaining in the procurement budget for the Clinch River breeder reactor is for the continuation of existing order commitments and contracts. This is why they were left undisturbed in the program by our amendment, thus protecting against the inordinate cost of lawsuits associated with contract cancellations which might exceed all the savings involved in further postponements.

The reduction of $20.8 million in the liquid metal fast breeder reactor base program has been calculated by ERDA to be possible because of stretchouts in testing programs for certain components and materials. This will involve reductions in engineering technology and operation in existing test facilities.

Mr. Chairman, I am sure the Members can appreciate that this is a complex subject which does not yield itself to emotionalism or to snap judgments. The numbers we have presented are the result of many months of intense work and negotiation by the most competent team of scientists and engineers in the world. They will allow us to move forward with the Clinch River breeder reactor, which we must remember is simply a single research, development, and demonstration tool, and to do so with all deliberate speed. This Nation cannot afford uncalled-for or unreasoned delays in the breeder program. This amendment strikes a responsible balance between moving forward as rapidly as is reasonably possible consistent with all the requirements of safety, environmental protection, and fiscal prudence, and keeps the breeder program going forward to allow this Nation to obtain energy independence at the soonest possible date.

I want to remind the members of the committee that the CRBR is simply a test machine. It is not the whole breeder program. It is simply a device from which we learn what we must do when we go forward.

If I may just take a moment longer, I want to explain where the money will go, because this money will be shifted to other nuclear programs. That $71.2 million will go to light water technology, for performance-reporting analysis, for component development and testing, for light water reactor decontamination, for floating nuclear powerplants, for design and construction technology, and advanced safety design—$15.4 million will not fall in that category. The light water breeder will now get $46.9 million.

The gas-cooled fast reactor gets $9 million. The molten salt fast reactor, $5.8 million. The fuel cycle research and development program development, will now get $24.8 million technical engineering support, safeguards and environmental studies and conceptual design gets $23.7 million. The waste management program gets $51.4 million. These are areas into which this money will be distributed.

I hope Members will remember that the uranium-238 that this country has on hand today is of no value to us without a breeder program. The uranium-238 is, with a breeder program, equivalent to 5 times all the oil in the Arab world.

The breeder is the one mechanism to make this Nation energy self-sufficient in this country. It is the cleanest, safest, cheapest, most reliable, and most environmentally acceptable energy option available to this country during this century. This is what we will be stopping if we adopt the Coughlin amendment.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, many of us have received letters from various groups which say that the commercial potential is one of the reasons for continuing this research and development program, and yet these letters claim that there has been a lack of commercial interest in this project.

Can the gentleman comment on that?

Mr. McCORMACK. Yes. Originally, when the project was first conceived, before its estimate of total cost was known, there was a sort of general understanding it would be half and half participation between Government and industry. There was a $200 million commitment made by industry.

Mr. ROUSSELOT. Have they kept that commitment?

Mr. McCORMACK. Yes. In fact it is almost $260 million. About 2 years ago in this Chamber we provided the Federal Government would pick up the entire balance in this program because of the general problems and needs.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. Seiberling, and by unanimous consent, Mr. McCormack was allowed to proceed for 3 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, the gentleman made the statement, and so has the gentleman from Illinois, that the Coughlin amendment would gut this program. The gentleman from Illinois also made the statement it would delay by 15 months as far as the construction of the Clinch River plant is concerned. Would the gentleman explain to me how delaying construction of the Clinch River plant would gut the research program?

Mr. McCORMACK. The Clinch River plant is the heart and soul of the program.

Mr. SEIBERLING. But the gentleman said it would gut the program.

Mr. McCORMACK. If the gentleman will permit me I will explain. The Clinch River plant is the heart and soul of the research program. That is the point to which we have advanced at this time. Our goal is to have that plant on the line in the early 1980's, perhaps 1983. If the Coughlin amendment were adopted, and all long-range procurement, which takes from 12 to 30 months, were cut off, as it would be under his amendment, then we would have to wait until the 1977 appropriation bill for enactment into law sometime in the fall of 1976 before they would go back and pick the program up again. That is where it does so much damage.

I want to remind the Members that this Nation is already behind France, England, and Russia in this program. This is what the Coughlin amendment would set us back further.

Mr. SEIBERLING. What it would do would be to delay the program. The word "gut" is pretty strong.

Mr. McCORMACK. I think the word "gut" is realistic. This is the most important program we have before us in this country today. It is the one program that will make this country energy self-sufficient, and when we have someone come along and without analyzing it carefully, wants to just stop the program in its tracks for 18 months, that constitutes "gutting" it.

Mr. SEIBERLING. I would like to ask one further question. The gentleman made a plea against unreasoning criticism or action against this program. I would hope the gentleman's language would be equally reasonable and restrained. I think to delay a program is obviously not to gut a program, and to say there is no feeling on the part of a great many experts that this program should be delayed until the fast flux test facility work has been completed and other research work has been completed is hardly the same as saying we would gut the program.

Mr. ANDERSON of Illinois. Mr. Chairman, will he gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. If I might have the attention of the gentleman from Ohio (Mr. Seiberling), the gentleman has questioned the characterization of the gentleman from Washington that further cuts beyond those recommended by the amendment of the gentleman would be gutting or extremely damaging. I suppose we could define gutting in a number of ways.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(At the request of Mr. Anderson of Illinois and by unanimous consent, Mr. McCormack was allowed to proceed for additional 2 minutes.)

Mr. ANDERSON of Illinois. Mr. Chairman, in a letter I have, dated June 11, 1975, from the Honorable John O. Pastore, chairman of the Joint Committee on Atomic Energy, and signed by M. C. Green, the Comptroller, he says:

> The changes in funding that we are considering for the LMFBR program reflect prudent management actions to carry out the program more effectively. However, it is important to point out that further reductions would impair the viability of the program, as for example, in the loss of highly skilled technical personnel currently employed on the program.

I think when we talk about impairing the viability of the program, we come pretty close to what the gentleman from Washington suggested.

In addition to that, he says further:

> With regard to nuclear energy programs, we continue to support strongly the Liquid Metal Fast Breeder Reactor program (LMFBR) and believe that it will play an important role in the long-term energy independence strategy of the United States.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Mexico.

Mr. LUJAN. Is it not true that the amendment of the gentleman from Pennsylvania (Mr. Coughlin) in that the gentleman has researched very carefully those items that can be cut for the present time and not necessarily impair the program for that much. The delay is for 1 year so we can go ahead with the construction, but the additional $20 million that the Coughlin amendment speaks to are those long-term items, that if we were to cancel the commitments we have would end up costing the Federal Government maybe not the $20 million, but certainly an additional sum because of shut-down costs and then opening up again.

Mr. McCORMACK. The gentleman is quite correct. We would not only have the shut-down costs, but all the litigation for the contracts that had been placed and agreements signed. The gentleman from Pennsylvania in his amendment would prevent all long-range procurement. My amendment, on the other hand permits the accompanying engineering the testing program and long-range plans to go ahead.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I think it should be pointed out there would be an obvious impact on the morale of the design team for this complicated project if they know that we do not have enough faith in that project to commit a long lead time, it will have a disastrous effect in holding together the organization of the design team.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(At the request of Mr. Seiberling and by unanimous consent, Mr. McCormack was allowed to proceed for an additional 3 minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. SEIBERLING. The gentleman from Illinois responded to my comment with the further quotation from some of the experts in this field.

I would like to ask the gentleman from Illinois if he would advise whether or not Prof. David Rose of MIT is considered to be one of the experts in this field?

Mr. ANDERSON of Illinois. Indeed, he is. I listened to his testimony, I think it was 3 days ago before the ad hoc committee. I am well aware that some suggestions had been offered by the gentleman from Pennsylvania (Mr. Coughlin) that Professor Rose has some reservation about the design features. I think the gentleman from Washington has already made it abundantly clear that we are not freezing the design of this plant by authorizing the funds we are asking for in this bill. Design changes will continue to be made, the gentleman from Washington can correct me if I am wrong, in spite of the authorization of these long lead-time items.

Let me tell the gentleman that I had a member of my staff interview Professor Rose the other day when he was before the committee. He is so firmly in support of the liquid metal fast breeder reactor that he told my staff member that—

> If my comments and reservations on the design program are to be construed as opposition to this project, I would take those remarks back.

Mr. SEIBERLING. Mr. Chairman, if the gentleman will yield further, let us get Dr. Rose's comments precisely as he made them on May 24 before the Subcommittee on Energy and Environment:

> My first choice (to delay construction of the CRBS 1–2 years while carrying out a substantial review (rests on the belief that a better program will come from a thorough review, that time exists for the work, and that the delay will not lead to inadvertent dissolution of the present program. If I believed that the danger of inadvertent dissolution were significantly large, I would prefer the more expensive option (of proceeding with CRBR construction as planned plus substantial review) above.

That is his opposition to proceeding with construction of the plant. So, here we have Dr. Rose saying that delay would not produce the result mentioned.

Mr. McCORMACK. Mr. Chairman, I just want to say one thing, and I hope we will get this clearly in mind: I am personally well aware of the fact that there are scientists in this world who say, "OK, this program is to be done in one manner, but if I were running it, I would have to do it slightly differently."

That is what Dr. Rose is saying. He is saying, "I would do it slightly differently." I respect that. Every researcher walks into somebody's laboratory and says, "Gee, I like that but I would do it differently."

Let us not pretend that Dr. Rose's suggestion that he would do it differently involves cutting out all the long-range work.

Mr. SEIBERLING. The point I am making is Dr. Rose refutes the argument that delay is going to cut the program.

Mr. McCORMACK. The gentleman is misinterpreting what Dr. Rose is saying.

Mr. SEIBERLING. I just read it.

Mr. McCORMACK. He does not say that cutting long-range procurement would not delay the program.

Mr. SEIBERLING. He said delay would not cut the program.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(On request of Mr. Duncan of Tennessee and by unanimous consent Mr. McCormack was allowed to proceed for 1 additional minute.)

Mr. DUNCAN of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Tennessee.

Mr. DUNCAN of Tennessee. Mr. Chairman, I rise in support of the amendment.

Events over the past several years have underscored the need for the United States to develop as soon as possible new sources of domestic energy. Nuclear power is such a source, and is being increasingly counted upon to provide a major share of our electrical energy requirements in the years ahead. However, if nuclear power is to fulfill its full potential, it is essential that breeder reactors be developed through actual operation. These continuing funds are needed to assure completion of developmental work on the LMFBR as expeditiously as possible, in order to provide this Nation with a virtually limitless supply of energy.

The LMFBR program has received continuous support for many years from both the Congress and the administration. Time after time, reviews have been conducted—both within and outside the Federal Government—which have concluded that the breeder is essential if nuclear power is to achieve its full promise of providing a dependable, long-term energy source. To cite one recent example, Frank Zarb, Administrator of the Federal Energy Administration recently stated:

> The successful development of breeder reactors is a significant and perhaps critical

element in the strategy of meeting this Nation's growing demand for electrical energy.

One matter should be kept in perspective: this program is a long-term research and development effort. A key objective of this effort is to find acceptable solutions to the safety and environmental concerns which have been raised. Part of this program involves the construction and operation of a demonstration breeder powerplant on the Clinch River in Tennessee, but this plant is not scheduled to come on line until 1982. To meet this completion date, it is essential that there be no disruption in the ordering of long lead-time items for the plant. The large-scale development of breeder plants—if proven to be economic, safe, reliable, and environmentally acceptable—would not occur until the 1990s.

In summary, I strongly urge that my colleagues support the LMFBR authorization recommended by the Joint Committee. This represents a reduction of $50.4 million for the Clinch River Breeder Reactor and a reduction of $20.8 million for the balance of the breeder reactor program, making a total reduction of $71.2 million. This brings the authorization into conformity with the new figures proposed by the FEA Administrator for this Nation's nuclear energy program for fiscal year 1976. At a time when this Nation is faced with the real possibility of major energy shortages, I feel it would be irresponsible to cut off the promising energy option of the liquid metal fast breeder reactor.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that both of my amendments be considered en bloc. One applies to fiscal year 1976 and the other to the transitional quarter.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. OTTINGER. Mr. Chairman, reserving the right to object, will the gentleman explain what the two amendments are? Is the only difference that one is for the transitional quarter and the other for the fiscal year?

Mr. McCORMACK. Yes, that is the only difference. There are different numbers. I will respect the unanimous-consent request of the gentleman from Pennsylvania (Mr. Coughlin) for the same provision for his amendments.

Mr. OTTINGER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. McCormack: Page 34, after line 2, insert the following:

"(F) Not more than $89,900,000 shall be made available for the overall Liquid Metal Fast Breeder Reactor Program and within that amount not more than $8,100,000 shall be made available for the Clinch River Breeder Reactor Demonstration Plant. The funds available because of the foregoing limitations shall be devoted to support efforts in other important areas of nuclear energy such as developing more uranium resources, alternate breeder concepts, improving the on-line availability of existing nuclear power plants, demonstrating safe and sound reprocessing of spent fuels, and developing methods for the long term storage of radioactive wastes."

Mr. McCORMACK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, printed in the Record and considered en bloc with the first amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MYERS of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to engage the gentleman from Washington in colloquy, if he would discuss with me the problems of the breeder reactor. There are some of us who have reservations about the reactor, as the gentleman knows. Some of the problems we have with it are waste disposal, management of that problem, and some of the safety problems, among other technical difficulties.

My question is this: If we go with the Coughlin amendment and have the delay, during that period of delay do we actually have the ability to learn the critical answers we need to know before we commit ourselves to the total program anyway, or would we still be faced at the end of that 16 or 18 months with those major unanswered questions which we would have to pursue and make a commitment much like what we are considering today?

Mr. McCORMACK. I will try to answer the gentleman's question. If the program goes on, as we contemplate, the Clinch River plant would come on the line, as I say, perhaps in 1983. We would then have a chance to operate it for a few years so we would learn from it, and would then make our decisions.

Long before 1983—as a matter of fact, within the next 24 or 36 months, at the very most—we are going to have all of the environmental impact statements written and all of the technology completed on waste disposal, on the fuel cycle, and on the questions that have been in controvesry during recent months. The technology is 99 percent complete in these areas. What is holding us up now is the final drafts of the necessary environmental impact statements.

Mr. MYERS of Pennsylvania. But if we went to the Coughlin amendment and we delayed it 18 months, would we still have substantial unanswered questions? Would we then have to make the commitment that we are being asked to be made today?

Mr. McCORMACK. I do not think there will be any significant question surface that cannot be answered completely before the Clinch plant is even halfway completed.

I think the delay involved in the Coughlin amendment would serve no purpose whatsoever in answering the question, but it would be catastrophic to this country so far as energy self-sufficiency is concerned.

Mr. MYERS of Pennsylvania. The Coughlin amendment would still leave us with having to answer a lot of questions, and my interpretation of the gentleman's answer is that the delay is not going to afford us the ability to have clearcut technical answers laid on our laps.

Mr. McCORMACK. The delay serves no purpose whatsoever so far as getting additional answers is concerned, so far as I know.

Mr. MYERS of Pennsylvania. I have one more question I would like to ask the gentleman. If we go forward with the gentleman's proposal, and if we find that it is an inappropriate or undesirable program, how much money will be lost, in comparison to if we took the route of the gentleman from Pennsylvania (Mr. Coughlin)?

Mr. McCORMACK. It depends on when the cutoff comes. If we accept the Coughlin delay, the plant will cost more because of inflation. The total investment would cost us more, and a cutoff time decision would have to be made later. It would cost us more under the gentleman's amendment. As I said before, we might have a totally different technique for breeding fission material from uranium 238 by 1985, and we could drop the entire LMFBR program. We do not know. So we have to go ahead now.

Mr. MYERS of Pennsylvania. Is the gentleman reasonably satisfied that the program—within its present narrow scope—of waste management is not a difficult problem to handle?

Mr. McCORMACK. The technology of waste management is as safe as anything we do. It is simply not a technological problem.

Mr. MYERS of Pennsylvania. Control of the fuel is not a problem in this particular project?

Mr. McCORMACK. No; that is not a problem either. As a matter of fact, the fuel fabrication for the Clinch River plant is ahead of schedule.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Pennsylvania. I yield to the gentleman.

Mr. MOSS. I thank the gentleman for yielding.

Mr. Chairman, my point is merely going to be made that the gentleman's question quite clearly is answered by saying that the Coughlin amendment would stop, delay, and we would have to start over to develop the technology to give the answers that the program of the committee intends to seek. It would be a definite delay.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. Myers of Pennsylvania was allowed to proceed for 1 additional minute.)

Mr. MYERS of Pennsylvania. Mr. Chairman, I will ask the gentleman from Washington (Mr. McCormack) this: His amendment is providing no long-range commitment by Congress to this program; is it?

Mr. McCORMACK. Not at all. It is simply providing a cut in these funds for this year.

Mr. MYERS of Pennsylvania. And ERDA will have to come back for further funding?

Mr. McCORMACK. The gentleman is correct. The ERDA must obtain authorization and appropriations for this program each year.

Mr. MYERS of Pennsylvania. Mr. Chairman, I thank the gentleman.

AMENDMENTS OFFERED BY MR. COUGHLIN TO THE AMENDMENTS OFFERED BY MR. M'CORMACK

Mr. COUGHLIN. Mr. Chairman, I offer amendments to the amendments offered by the gentleman from Washington (Mr. McCormack) and I ask unanimous consent that they may be considered en bloc.

The Clerk read the first amendment as follows:

> Amendment offered by Mr. Coughlin to the amendments offered by Mr. McCormack: Page 20, after line 16, in the amendment offered by Mr. McCormack, immediately after the first sentence, insert the following: "No funds authorized to be appropriated under this Act shall be expended for on-site construction of the Clinch River Breeder Reactor Demonstration Plant, or expended or committed in any contract for procurement of any plant component, related items, or of long lead items for such plant."

Mr. OTTINGER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Eighty-one Members are present, not a quorum.

The Chair announced that he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Clerk has reported only one of the two offered amendments. The Clerk will report the second of the two amendments at this time.

The Clerk read as follows :

> Amendment offered by Mr. Coughlin to the amendments offered by Mr. McCormack: Page 34, line 2, in the amendment offered by Mr. McCormack, immediately after the first sentence, insert the following: "No funds authorized to be appropriated under this Act shall be expended for on-site construction of the Clinch River Breeder Reactor Demonstration Plant, or expended or committed in any contract for procurement of any plant component, related items, or of long lead items for such plant."

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania (Mr. Coughlin) that the amendments be considered en bloc?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Will the gentleman from Pennsylvania yield to the gentleman from Washington for the purpose of a parliamentary inquiry?

Mr. COUGHLIN. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Washington will state his parliamentary inquiry.

Mr. McCORMACK. Mr. Chairman, my parliamentary inquiry is this: The amendments that are being considered as read are the first two amendments, is that correct?

The CHAIRMAN. That is correct.

Mr. McCORMACK. I thank the gentleman.

Mr. COUGHLIN. The amendments that have been offered would simply for both the coming fiscal year and the transition period, prohibit the use of funds for onsite construction or for procurement for the Clinch River breeder reactor.

This would not in any way gut the liquid metal fast breeder reactor project. It would not in any way cut out any further research and development funds.

As Professor Rose pointed out, this would not stop the program, this would not stop progress on the program and, as a matter of fact, the Environmental Protection Agency on April 27, 1975, said that the breeder program could be delayed for 12 years without undermining the program.

As I pointed out to my colleagues during the general debate, this is a massive program, and this is a crossroads in the program that we are considering right now.

This single project, as I pointed out, accounts for one-third of the total research and development budget for this whole country. It accounts for more money than we are putting into the entire fossil fuel research program. It accounts for more money than we are putting into the combined research and development for solar energy, geothermal energy, advanced research and development and energy conservation. It is a mammoth project.

The program so far, as I pointed out in the general debate, has been a disaster in terms of cost overruns and in terms of scheduled delays. The program originally estimated to cost $3.9 billion is now $10.7 billion—$10.7 billion.

The Clinch River breeder reactor which we are considering has an estimated cost that has gone up from $87 million to close to $1 billion.

Is that the kind of program that we want to proceed without further investigation? This is a major step because once this is settled, once we are committed to this project you know and I know that each year after this we will be back here, and they will be saying we have all this money sunk in the project, we have to go ahead with it now.

We know that the General Accounting Office has termed Clinch River a management arrangement which is potentially cumbersome and a potential threat to the whole project. Is this the kind of operation we want to proceed with?

We know that experts have testified that the project can be delayed without hurting the program. We know that the administration itself and ERDA itself are having some second thoughts.

I am aware, and it is important, that funding for the program has been reduced, but I believe, my colleagues, that we will be mistaken if we look back years from now and do not say we took this step made today sure that this whole program will be a cost effective producer of electrical energy.

We have many studies that are still to be completed for this program. Should we proceed with another premature program when the following things are incomplete: ERDA's environmental statement is incomplete. ERDA's statement on energy research and development priorities has not yet been submitted. That is due almost immediately. The 18-month study of the National Academy of Sciences on the breeder program is not completed. It has just been requested. The Nuclear Regulatory Commission's study has said that they voted a moratorium on plutonium recycling until basic safety questions are resolved. The Joint Atomic Energy Committee said, of course, that its investigation will not be finished until next fall. Why are we saying we have to go ahead now, when it is not necessary?

This issue was one of unprecedented complexity, and if these studies that we are commissioning are to be something other than cosmetic, it certainly seems prudent to await their conclusions before authorizing the construction of the Clinch River breeder reactor. In the name of just plain commonsense, in the name of just prudent fiscal management, this is the time to look at this program, which has been billed as our No. 1 energy priority, to make sure that we are really on the right track.

Mr. Chairman, I yield back the remainder of my time.

Mr. YOUNG of Texas. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the quickest way to kill a program is to love it to death. If we could just be fortunate enough to have those people who are against nuclear energy come forward and simply recognize the fact that they do oppose this form of energy, our issue would be clear, and we could dispense with the matter forthwith.

We have here a statement that this project, the breeder reactor is going to cost something like $10 billion. The estimate of $10 billion is but an estimate and applicable to the year 2020, at a time when this country, if we continue our voracious consumption of energy that we have had through these last years, will be on its knees thanking Congress that we had the foresight to spend that money to keep people from freezing to death, and to continue to clothe and let this country work and make a living. We are talking about the very heart of the future energy program of this Nation.

Mr. Chairman, I took the precaution yesterday to read into the Record letters from the administration, first of all, letters from our chairman, the gentleman from Illinois (Mr. Price), who is ill and indisposed. These letters are in the Congressional Record right under the Members' seats at pages 19793–19794, and I ask the Members simply to reach down and read what the facts are.

Mr. Chairman, the gentleman from Illinois (Mr. Price) asked that we support this. The Energy Research Administrator, Dr. Robert C. Seamans, appeals to the Members of Congress to go ahead with this legislation; do not change it; go ahead with it as it is written. He said he has nothing in his report June 30 that is in conflict with this legislation. He says that if we do not go ahead now, this legislation may undergo irretrievable damage. It is right there in the Record. Read it right there at the page I have given the Members.

What about the environmental impact? Also in the Record is a letter from Russell Train, the head of the EPA organization, and in that he says that while he wants to take a look at these things before they go commercial, he recommends that we go ahead, that the Congress go ahead with this test and demonstration program. I am glad to see some of the Members are going ahead and looking at the Record.

There is a letter from James T. Lynn, dated yesterday, the Director of the Office of Management and Budget. Let me read the last paragraph.

> Whatever action the Congress may take on the breeder program within the bounds of the proposed ERDA reduction, the key point is the necessity for the Congress to move as soon as possible with the ERDA authorization and appropriations bill so that the nation's accelerated energy R&D effort may proceed expeditiously.

That is signed by James T. Lynn, Director.

In addition to that, of course, the utilities that are charged with the responsibility of producing this electricity support this measure. But let me read a telegram that came across my desk—and I am sure the Members'—this morning from Charles H. Pillard, international president, International Brotherhood of Electrical Workers:

> On behalf of the one million fifty thousand members of the International Brotherhood of Electrical Workers I urge your support of the amendment to H.R. 3474 ERDA authorization bill sponsored by the House Members of the Joint Committee on Atomic Energy. It is equally important that all other amendments be opposed. The breeder reactor program must not be delayed if future energy supply of the Nation is to be assured.

What do we have? We have all responsible officials of the Government supporting this project. We have industry supporting it. We have the labor organizations supporting it. Mr. Chairman, in my 20 years here I have never seen such an array of responsible people asking us to do our responsible duty.

Mr. LUJAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in reading over the amendment that the gentleman from Pennsylvania has offered, we see the first part of the amendment and I would imagine no one has any opposition to it because it says that no funds authorized to be appropriated under this act shall be expended for onsite construction of the Clinch River breeder reactor demonstration plant.

We are not going to do that anyway. In discussions yesterday it was pointed out ERDA does not intend to even take down one single tree in order to do any site preparation during this year.

It is the second part of the amendment that really does—well, I will not use the word "gutting" because there has been some objection to using that word but I will say irreparable harm it will do—irreparable harm to the program. The entire budget has been reviewed very, very carefully and there have been some items taken out. Some of those items are $20 million for engineering of the LMFBR, $31 million for deferral of procurement for items that can be deferred, and $22 million for engineering on supportive programs, not the LMFBR itself but programs which are related to it.

The amendment by the gentleman from Washington (Mr. McCormack) also includes an additional $4.6 million for the further study of safety programs, and I am sure no one would disagree with the fact that we need additional moneys there.

The big problem we face here and the difference between the amendment offered by the gentleman from Washington and the one offered by the gentleman from Pennsylvania is that the gentleman from Pennsylvania keeps talking about long lead items and he talks to us about fiscal responsibility. What fiscal responsibility is there in canceling contracts for long-term items that are going to result in the Government having to spend money to cancel those programs? There are going to be suits brought by people on some of the items that are under contract already. So I think it is foolishly saving money. We will end up having it cost us more in the future.

So, Mr. Chairman, I would hope that the Members of the House will study very carefully the items that the gentleman from Pennsylvania talks about. If the Members look at that final provision of cutting the long lead items off, they will come to the determination that his amendment ought to be opposed.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, are some of these long lead items that have been contracted for, are those in terms of the capital items of the Clinch River breeder reactor?

Mr. LUJAN. Yes. My understanding is that those are some of the parts that take a long time to get and so they have to be contracted for a long time ahead.

Mr. HARKIN. And those contracts have already been let?

Mr. LUJAN. It is my understanding that there have been some contracts signed for some of the parts that would be needed in the breeder.

Mr. HARKIN. Is that not Government funds?

Mr. LUJAN. Well, who else?—not just Government funds. I might tell the gentleman, there are some Government funds, but the gentleman knows that the public utilities put up $25 million every year also as their contribution, so some of their money and some of the Federal Government money is being used.

Mr. HARKIN. My reading of Public Law 91-273 states quite specifically that the Government is to spend no money, zero money, on contracts for capital items. If contracts have already been let, then something is happening outside the law of 91-273.

Mr. LUJAN. The Congress made that decision years and years ago to go ahead with the research.

Mr. HARKIN. Public Law 91-273 says:

> Provided that such assistance shall not include the furnishing of end capital items of this demonstration plant excluding items which the Commission may deem necessary for research, development, or testing in light of its liquid metal fast breeder reactor base program.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

(At the request of Mr. Harkin and by unanimous consent, Mr. Lujan was allowed to proceed for 2 additional minutes.)

Mr. HARKIN. Mr. Chairman, my question again is that there is that sentence that such assistance shall not include funds for any capital items for this demonstration plant, excluding development, testing, et cetera.

So I am saying that in the law it states quite specifically that the Government cannot contract for any these capital items; but if I understand the gentleman correctly, we have already contracted for them and I do not understand how that can happen.

Mr. LUJAN. That is my understanding also, those items can be contracted for, to be delivered at some date beyond the 1 year.

Mr. HARKIN. Then whoever the Government official that wrote this contract is, he is acting outside the purview of the law, it has to be.

Mr. LUJAN. Well, I do not see that they would, because as I stated before, this Congress a long time ago included—and as a matter of fact, gave first priority—in the generation of electricity, to the liquid metal fast breeder reactor, and we have authorization to continue on with the project. The only thing, we have to come back every year and open up the discussions for authorization for the moneys to buy those items.

So I suppose that they use that authority to go ahead and place the items, but then they must come back to the Congress every year. Of course, they cannot spend any money. No money can be spent that is not authorized or appropriated, but they have the authority to continue the research and development program, at least for the liquid metal fast breeder reactor.

Mr. HARKIN. But if the law is that no funds shall be used for that purpose, how can a Government official enter into a legal contract obligating the Government to pay for those items? I simply do not understand that.

Mr. EVINS of Tennessee. Mr. Chairman, I move to strike the requisite number of words.

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield to me for a unanimous consent request?

Mr. EVINS of Tennessee. I yield to the gentleman from Texas.

Mr. YOUNG of Texas. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto cease in 20 minutes.

Mr. OTTINGER. Mr. Chairman, I reserve the right to object.

Mr. YOUNG of Texas. Mr. Chairman,

I ask unanimous consent that all debate on this amendment and all amendments thereto cease in 30 minutes.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Tennessee?

Mr. **SEIBERLING.** Mr. Chairman, I object.

The **CHAIRMAN.** Objection is heard.

MOTION OFFERED BY MR. YOUNG OF TEXAS

Mr. **YOUNG** of Texas. Mr. Chairman, I move that all debate on this amendment and all amendments thereto cease in 30 minutes.

The **CHAIRMAN.** The gentleman from Texas moves that all debate on the McCormack amendment and all amendments thereto cease in 30 minutes.

PARLIAMENTARY INQUIRY

Mr. **FRASER.** Mr. Chairman, a parliamentary inquiry.

The **CHAIRMAN.** The gentleman will state it.

Mr. **FRASER.** Mr. Chairman, will 5 of the 30 minutes be taken by the gentleman who has already been recognized?

The **CHAIRMAN.** The Chair would advise the gentleman that it would follow the time of the gentleman in the well, who has previously been recognized.

Mr. **FRASER.** So it will be a total of 35 minutes, or 30?

The **CHAIRMAN.** It would be a total of 30 minutes, which would be divided among those standing and asking for recognition, which would follow the 5 minutes of the gentleman in the well.

Mr. **FRASER.** I thank the Chairman.

PARLIAMENTARY INQUIRY

Mr. **OTTINGER.** Mr. Chairman, a parliamentary inquiry.

The **CHAIRMAN.** The gentleman will state it.

Mr. **OTTINGER.** Mr. Chairman, I thought the reservation was on the Coughlin amendment. Is it on the Coughlin or the McCormack amendment?

The **CHAIRMAN.** The Chair understood the motion of the gentleman from Texas to include the pending amendment and all amendments thereto.

The pending amendment is the amendment offered by the gentleman from Washington (Mr. McCORMACK), together with the amendment offered by the gentleman from Pennsylvania (Mr. COUGHLIN) and all other amendments which may be offered to the amendment offered by the gentleman from Washington.

Mr. **OTTINGER.** I thank the chairman.

PARLIAMENTARY INQUIRY

Mr. **HARKIN.** Mr. Chairman, a parliamentary inquiry.

The **CHAIRMAN.** The gentleman will state it.

Mr. **HARKIN.** Mr. Chairman, as I understand the motion on the floor now, it is to cease debate on all amendments to the bill itself?

The **CHAIRMAN.** The gentleman does not properly state the proposition now before the committee. The gentleman from Texas (Mr. YOUNG) has moved that all debate on the McCormack amendment and all amendments thereto cease in 30 minutes.

Mr. **HARKIN.** I thank the chairman.

The **CHAIRMAN.** The question is on the motion offered by the gentleman from Texas (Mr. YOUNG).

The motion was agreed to.

The **CHAIRMAN.** The Chair will announce the list of those Members standing at the time the motion was made after recognizing the gentleman from Tennessee, who has been recognized for 5 minutes.

Mr. **EVINS** of Tennessee. Mr. Chairman, I rise in support of the McCormack amendment and in opposition to the Coughlin amendment.

Mr. Chairman, the Subcommittee on Public Works Appropriations, which I chair, has reviewed this matter thoroughly, as has the Joint Committee on Science and Technology. We have already, in our proposed bill, made reductions in various breeder reactor programs of $35 million, so we are cutting it by $35 million. When the McCormack amendment is adopted, there will be further reductions. This is in line with what Dr. Seamans and the budget office has recommended.

The Coughlin amendment would go much further and propose a reduction of $94 million. This goes too far. I am opposed to the part of the Coughlin amendment which would provide for annual review and annual appropriations. This is what we do at the present time; we have a 1-year annual review. But, I am opposed to the section of the Coughlin amendment which would cripple, if not kill, the fast breeder reactor demonstration program.

The Clinch River program is a test program, a demonstration program, and certainly we must have procurement and construction of long-lead-time items. The Coughlin amendment would be a threat to the future of America because it appears that nuclear power is the only immediate alternative to conventional power sources. As we all know, supplies of oil, gas, and uranium are limited, and the liquid fast metal breeder reactor would provide additional supplies of fuel for powerplants.

I repeat and I emphasize that the United States is not ahead at this time in research and development in the fast breeder reactor program. Russia has three demonstration breeder plants in operation; France has two demonstration plants in operation; Great Britain has two fast breeder plants in operation; Japan, Germany, and Belgium are developing their own versions of the fast breeder concept.

Here today we face a motion to kill or seriously cripple and delay development of the first liquid metal fast breeder demonstration plant in the United States. President Nixon has said earlier, in his special energy message to the Congress, that he endorsed the development of the fast breeder technology concept as a matter of high national priority. President Ford has affirmed and reaffirmed his support of the program. This project is budgeted as high priority because of the energy crisis.

The electric energy demands of this Nation are doubling—I repeat—doubling every 10 years, and nuclear power is the only short-term answer we have to this problem.

It is true that the fast breeder program has had some slippage and there have been some delays, but the $94 million cut proposed by the gentleman from Pennsylvania (Mr. COUGHLIN) goes too far; it goes too deep; it is too drastic; it is not in the national interest.

The program can be slowed to adjust to the pace of the technology development without the meat-ax approach.

This proposed cut just does not make sense.

This program has been recommended by two Presidents.

ERDA is moving forward with research and development on an orderly basis.

And the development of the demonstration plant is being carried out by a consortium—including Government and private industry, working together, in the public interest.

Other new sources of energy are years away in terms of being on line.

The fusion process is not expected to be perfected for practical use for at least 45 years.

The practical application of solar energy on a major scale is years away—until after the turn of the century.

Geothermal power production is not capable of providing power in sufficient quantities to have an impact on national energy requirements.

As we know, oil and natural gas are limited in quantity, and recent studies indicate reserves are smaller than previously believed.

Coal and nuclear energy are the only two major sources of power that are available. We should not be frightened by emotional appeals or diverted by scare tactics from our obligation to advance the best interests of this country.

The fast breeder demonstration plant is needed to prove this technology, to develop the necessary safeguards, and to refine all aspects of this technology.

We are faced with an energy crisis. We considered an energy bill yesterday and for the past several weeks, and now we should move forward and not move backward. We should not go up the hill one day and down the hill the next. We should follow a consistent course. We should not by our action here today reverse a national policy and national commitment.

We are moving forward with research and development on all possible sources of new energy, nuclear fusion, MHD, solar, geothermal, the fast breeder. All possibilities should be pursued.

The Coughlin amendment would slow down the program. We must achieve our goal of energy self-sufficiency.

I appeal to the Members, do not kill this demonstration plant. What we do here today may have a direct bearing on the Nation's ability to meet its energy needs for the foreseeable future.

I urge that the Coughlin amendment be defeated.

Mr. **DUNCAN** of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. **EVINS** of Tennessee. I yield to my colleague from Tennessee.

Mr. **DUNCAN** of Tennessee. I thank the gentleman for yielding. I would like to associate myself with his remarks.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania (Mr. COUGHLIN).

Events over the past several years have underscored the need for the United States to develop as soon as possible new sources of domestic energy. Nuclear power is such a source, and is being increasingly counted upon to provide a major share of our electrical energy requirements in the years ahead. However, if nuclear power is to fulfill its full potential, it is essential that breeder reactors be developed through actual operation. These continuing funds are needed to assure completion of developmental work on the LMFBR as expeditiously as possible, in order to provide this Nation with a virtually limitless supply of energy.

The LMFBR program has received continuous support for many years from both the Congress and the administration. Time after time, reviews have been conducted—both within and outside the Federal Government—which have concluded that the breeder is essential if nuclear power is to achieve its full promise of providing a dependable, long-term energy source. To cite one recent example, Frank Zarb, Administrator of the Federal Energy Administration recently stated that:

> The successful development of breeder reactors is a significant and perhaps critical element in the strategy of meeting this Nation's growing demand for electrical energy.

One matter should be kept in perspective: This program is a long-term research and development effort. A key objective of this effort is to find acceptable solutions to the safety and environmental concerns which have been raised. Part of this program involves the construction and operation of a demonstration breeder powerplant on the Clinch River in Tennessee, but this plant is not scheduled to come on line until 1982. To meet this completion date, it is essential that there be no disruption in the ordering of long lead-time items for the plant. The large-scale development of breeder plants—if proven to be economic, safe, reliable, and environmentally acceptable—would not occur until the 1980's.

In summary, I strongly urge that my colleagues support the LMFBR authorization recommended by the Joint Committee. This represents a reduction of $50.4 million for the Clinch River Breeder Reactor and a reduction of $20.8 million for the balance of the breeder reactor program, making a total reduction of $71.2 million. This brings the authorization into conformity with the new figures proposed by the FEA Administrator for this Nation's nuclear energy program for fiscal year 1976. At a time when this Nation is faced with the real possibility of major energy shortages, I feel it would be irresponsible to cut off the promising energy option of the Liquid Metal Fast Breeder Reactors.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. Yes, I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Chairman, I would like to associate myself with the remarks of the gentleman in the well.

The CHAIRMAN. The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, several of my colleagues have mentioned that it is unwise for this body to authorize funds for the long leadtime items for the Clinch River Breeder Reactor while the program is undergoing review within the administration. I concur with this view and I support the amendment of the gentleman from Pennsylvania.

Crossing the threshold from a research program into a demonstration facility phase by authorizing the funds for the long leadtime items for the Clinch River Breeder Reactor—the first of the breeder reactors to be built on a demonstration scale—will have a number of serious repercussions that I would like to briefly outline.

First, and most immediate, authorizing funds for the long leadtime components for the Clinch River Breeder Reactor gives rise to private organizations and public bureaucracies with deep psychological and financial commitments to developing and deploying the breeder. Such groups tend to view their private interests as synonymous with the public interest, and the single-minded pursuit of their objectives, thus rationalized, makes it extraordinarily difficult for public officials to obtain unbiased assessments and to act free of unwanted pressures.

It is not my purpose to conjure up an image of a monolithic phalanx or sinister cabal of breeder promoters. But this Congress cannot help being aware of the pressures ERDA is already under to continue the current effort to achieve early commercialization of the breeder reactor—these pressures are clearly reflected in Dr. Seamans' April 23 letter to Senator Pastore—and of the fact that these pressures will increase as the program grows. Indeed, it is fair to say that once purchase of long leadtime items and construction of the Clinch River Breeder Reactor is underway, it will be essentially impossible to halt or redirect the overall program because of the attendant political realities.

Thus, the first risk of authorizing the funds for the long-lead-time items for the Clinch River breeder reactor is that this action will spawn its own self-perpetuating complex of public and private interests that will make objective assessment or modification of the breeder reactor program increasingly difficult.

A second danger inherent in continuing the breeder reactor program effort in its current form is that its costs, and cost overruns, will cut deeply into the funding available to other options. The current estimate of the breeder program costs to completion—$8.4 billion—though high in itself, does not include substantial cost items, for example, while only $300 million is in the present budget as the Government subsidy for the near commercial breeder reactors, the actual subsidy required could be several billion dollars. Nor does the $8.4 billion reflect the fact that major cost overruns are inevitable. Nothing in the history of the breeder program, and little in the history of complex Government-sponsored development efforts generally, inspires confidence that cost projections will be realized.

The final danger inherent in continuing the present IMFBR program is that the end product will be a reactor system with truly unprecedented public acceptability problems. The whole concept of fission power is presently under vigorous attack here and abroad, to the point that it is reasonable to question its long-term viability. The reasons for public concern are not difficult to find: questions relating to the safety of the nuclear fuel cycle are dominated by unresolved issues and uncertain and potentially unacceptable risks:

The probability and upperbound consequences of a major reactor accident are questions of sharp dispute;

The issue of whether plutonium and similar materials can be adequately and acceptably safeguarded from theft, and nuclear facilities and shipments protected from sabotage, is now conceded to be an open one which will take several years to decide;

Thirty years into the nuclear age there is still no plan for the long-term storage of high-level radioactive wastes.

These issues are in addition to the serious questions which have arisen regarding the economics and reliability of nuclear plants.

The introduction of the LMFBR would heighten the overall risks of nuclear power by introducing a new range of major accident risks, including the core disruptive accident, and by moving the country deeper into the nightmarish plutonium economy. Breeder technology would thus heighten what is already a major public acceptability problem. If present trends continue, it can be predicted with assurance that deployment of LMFBR's commercially will be met with widespread and intense public concern and opposition.

These three factors are interrelated. A decision in the coming months to continue with the CRBR project and the priority LMFBR program would lock ERDA into a long-term commitment to developing the reactor. It would tie up a major share of the agency's budget, thus holding back the development of preferable nonfission options. Then, having spent enormous sums, the country would find itself with a reactor which must eventually be used only because of the great public and private investments in it and our failure to have developed appropriate alternatives. The error would be compounded because any attempt to deploy the breeder widely would raise the energy-environment confrontation to an unprecedented intensity. ERDA's gift to the Nation would then be not an acceptable source of abundant energy but rather a running sore—a continuing source of national divisiveness and disappointment.

I strongly urge this House to support the Coughlin amendment. This amendment will prevent a premature commitment of billions to a program which may be unnecessary, which may prevent the development of alternative energy sources, and which may because of its inherent dangers be unacceptable to the public.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, I rise in support of the Coughlin amendment.

Mr. Chairman, I strongly believe that this bill represents tragically misguided energy research and development priorities. More money is included for certain highly questionable nuclear projects than for all the nonnuclear research and development programs combined. As one who feels that these nonnuclear alternatives hold the greatest promise for safe, efficient and economic energy sources in the long run, I may have to oppose this bill unless, through amendments, the nonnuclear priorities are substantially increased vis-a-vis the breeder and other nuclear programs.

I am particularly concerned about funds for solar energy development. Considerable evidence suggests that this may be our best energy source in the long run, not to mention one of our safest and cheapest. Unfortunately, I suppose, the major energy companies have so far found it difficult to obtain leases or franchises on this resource. I am certain it will not take them long to devise a way, but until they do, solar power seems destined to technological neglect. It is not that people do not want solar power—it is simply that the big businesses involved do not want it, at least not yet. In the meantime, the task falls to us in Congress. We have before us an opportunity to improve the situation considerably, by voting to increase the solar share of this budget.

Part of the difficulty stems from the lingering presumption that solar energy is somehow unrealistic or impractical on a large scale. This misconception seems to have a great deal to do with the fact that the major feasibility studies done on solar energy have been conducted by firms such as General Electric and Westinghouse—companies with a big interest in nuclear energy. The conclusions have tended to be disparaging at best. Governmental feasibility studies, on the other hand, have been more promising. The highly respected Paley Presidential Commission in 1952 declared solar to be a better alternative than nuclear. The Atomic Energy Commission itself concluded in a 1973 report that solar funding for 1976 ought to be about $190 million, considerably more than ERDA or the Science and Technology Committee are suggesting. In the same vein, David Freeman of the Ford Foundation's Energy Policy project has stated that—

> Solar energy . . . is no longer an esoteric source of energy, and it is worth a commitment similar to that given any other major source.

When the major energy suppliers tell us that solar technologies cannot be relied upon for "large-scale" energy systems, we ought to pause and wonder. Do we really want "large-scale" systems? Are not they a primary cause of the mess we are in right now? Is not one of the beauties of solar power the fact that it could move us in the opposite direction, away from over-concentrated energy systems and toward decentralized, small-scale but widespread systems? Solar and other such energy firms can move us away from our present "Buck Rogers" approach.

The potential benefit of solar technologies for the average American and the middle income family must not be underrated. Even the simplest applications of this technology, such as heating and cooling, which are essentially ready to go right now, could do wonders as far as giving the American family a big voice in its energy budget, as hundreds of owners of solar homes across the country can testify. More complex technologies, such as the conversion of solar energy to electrical power, hold even greater promise.

As far as the overall contribution to our energy needs, reliable estimates indicate that solar energy could supply 30 to 35 percent of our total requirements within 25 years, if the research and development is begun now. Other studies suggest that a 60-percent reduction of residential use is possible with full solar development. Solar power is clean and safe. It is eminently realizable in the near future. It promises to be quite inexpensive, and is not depletable. Its costs cannot rise, and, perhaps most importantly, sunlight cannot be withheld from the public by any cartel or corporation.

Contrast this with nuclear power. I refer specifically to the liquid metal fast breeder reactor, since it so clearly dominates this budget authorization. It has been my understanding for years that Congress would have an opportunity, prior to construction of any plants, to review in full the breeder program. Such a review would only seem wise, given the tremendous cost overruns, the numerous time delays, the disconcerting questions of safety and national security, and the fact that ERDA itself has requested an 18-month study on whether the Tennessee Clinch River demonstration plant is even needed at this time.

Nonetheless, the Joint Committee on Atomic Energy wants to go ahead with the purchase of long-term capital items for the construction of the Clinch River breeder reactor, despite the lack of a final environmental impact statement, despite the fact that the committee's own review of the program is incomplete, and despite the fact that the fast flux test facility, originally scheduled to be in operation before the production decisions on the Clinch River facility so as to provide the latter with crucial information and technology, has itself fallen years behind schedule. As has been pointed out, this authorization bill severely limits the funds available for the development of alternative systems by locking us into this singularly expensive and unproven program.

The amendment offered by the gentleman from Pennsylvania would do three very sensible and reasonable things. It would change this program's authorization from an open-ended one to a single year authorization. It would require a complete study of the project by the Office of Technology Assessment. Finally, it would delete construction and long-term procurement funds from the bill. It would not "gut" the bill, nor would it cut funds for research and development.

ERDA has claimed that the breeder will produce 50 percent of our projected electricity demand in 2020. But solar, geothermal, fusion, conservation, and other energy sources can provide upward of 80 percent of that demand, according to conservative estimates by the AEC and the National Science Foundation. Moreover, many of these technologies can be productive in the near future, while the breeder will not even be economically competitive in this century.

The Environmental Protection Agency has concluded that the breeder program could easily be delayed 4 to 12 years without a setback in its future productivity. All we ask is that there be a 1-year delay in the purchase of expensive long-lead-time items. Any other course of action would amount to a de facto commitment to go ahead with the construction of this breeder plant, before Congress has the chance to study the facts and make a balanced, sensible decision. I urge my colleagues to support this amendment and to oppose the authorization bill if its priorities are not restructured today.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. Mr. Chairman, there have been terms used this afternoon by the opponents to the liquid metal fast breeder reactor here such as "haste," and "premature commitment," suggesting that we are jumping into this program without adequate research.

The facility at Clinch River itself is part of the research, and there has been much research going into a very, very much needed program to provide our energy for the future.

This Nation does not have an energy shortage today, but by action we might take here this afternoon we could create a very severe shortage or disaster in energy supply for the future, causing mass unemployment and massive slowdowns and cutbacks in our economy as well as in the severe impact upon the lives of all of us.

Mr. Chairman, I think it would be a disaster to slow down this very much needed program.

(By unanimous consent, Messrs, MOFFETT and SHARP, Ms. CHISHOLM, and Messrs. DODD, HAYES of Indiana, FISHER, PATTISON of New York, TSONGAS, BEDELL, MILLER of California, and EDGAR yielded their time to Mr. HARKIN.)

(By unanimous consent Mr. DANIELSON yielded his time to Mr. MCCORMACK.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, for the past several years the liquid metal fast breeder reactor—LMFBR—has dominated the Federal energy research and development program. Total R. & D. for the LMFBR is now estimated at $10.6 billion, a threefold cost increase from the original estimate made in 1969. A combination of inflation and unanticipated technological complexities have created the increase.

Breeder reactors produce more fissionable fuel than they consume and would therefore conserve uranium resources. Owing to uncertainties as to the extent of domestic uranium reserves and in electrical power growth projections and because of competing demands on the energy budget by only recently perceived needs to develop alternative energy sources, there is disagreement both within and outside the Government as to when the LMFBR is worth the investment. At issue is, should we pour by far the largest share of all our energy eggs into the breeder basket?

In the near future Congress will be asked to authorize a significant new phase in the breeder development—the Clinch River breeder reactor—CRBR—demonstration plant at a cost to the Government of $1.5 billion. The debate on this decision centers on whether or not this design will prove to be economically or environmentally acceptable as an energy option.

The LMFBR has enormous potential as a source of electricity. It is possible that savings in fuel costs and in uranium use could amount to tens of billions of dollars early in the 21st century which would more than compensate for the development costs we are now incurring.

On the other hand, because of added costs associated with the sodium coolant and reactor geometry, ERDA estimates that capital costs for commercial breeders would exceed those for existing light water reactors by about $100 per kilowatt capacity in unescalated 1974 dollars—or a 20-percent difference. There is also the question of the Government's role in subsidizing breeders after the CRBR project and further cost increases resulting from design changes and safety requirements. It is therefore not at all clear that a breeder economy will outpace other energy economies—even after several decades of operation.

Several more questions come to mind. On the one hand, ERDA and the utilities project an annual electrical energy growth rate of 6 to 7 percent per year—doubling time 10 to 12 years. At this rate, by the turn of the century, few would disagree that in the absence of the breeder or the rapid development of an alternative energy technology, a lot of uranium and coal would have to be mined and burned. Bypassing the breeder might then take its environmental toll—both in land use and in the atmospheric pollution from using coal.

On the other hand, many people believe that the 6-percent rate is far too high—that efficiency and conservation in energy systems need not require a fourfold increase in our electricity consumption between now and 2000.

The extent of domestic uranium resources is another crucial question. On the one hand, we are urged to proceed quickly with the breeder because of dwindling uranium supplies and, on the other hand, we do not know how much uranium we have. Some studies suggest that we do have adequate uranium resources to significantly delay the onset of the breeder. The Environmental Protection Agency's evaluation of ERDA's proposed final environmental statement on the breeder, states that:

> A delay of 4 to 12 years might be accommodated without significantly reducing the uranium conservation value of the breeder.

There is widespread doubt that the breeder would become economically competitive at the time ERDA anticipates because of large capital costs and a continuing abundant supply of low-cost uranium to fuel light water reactors. Further studies are required to better assess our uranium resources.

Another question concerns the use of plutonium, which the breeder produces and uses as fuel. In spite of its enormous potential as a virtually inexhaustible man-made fuel, several doubts have arisen about the economics, safeguards, high toxicity, and reprocessing technology of a plutonium economy, which is a necessary precursor to and consequence of a breeder economy. The Nuclear Regulatory Commission—NRC—has recently proposed a ruling in which the recyling of plutonium through existing reactors would be suspended pending further efforts in obtaining adequate safeguards. One purpose of the CRBR is to prove that commercial breeders could be licensed with a requirement for adequate safeguards. Yet other plutonium-producing facilities, as yet unlicensed, are being delayed subject to the final NRC ruling. There is a question as to whether CRBR should be exempt from the ruling and in any case, it would seem prudent to sort out these problems before committing too heavily to the development of a plutonium breeder economy.

Also to be considered are other long-range energy alternatives. It is a historical reality that solar and fusion power have lagged behind fission power. Breeder technology is probably the next important step in fission and it is coming to the demonstration phase. By its very nature, the demonstration phase of a program costs more than its more embryonic phases—hence the large budget. But all too often, an inertia of Government and industrial investments result in the deployment of systems which become economically and environmentally unsound. Environmentalists are urging us to consider other long-range energy alternatives but efforts in that direction could become mitigated by our current emphasis on the LMFBR if we are not watchful. Even other nuclear fission options should be considered—for example a uranium-thorium economy which the Canadians are developing.

Finally, there are questions concerning the Clinch River project itself. Although a demonstration project is an important step in developing commercial breeders, we are being asked to authorize a program before getting results from Clinch River's predecessor, the fast flux test facility—FFTF—which is scheduled to begin operation less than 3 years from now. Completion of the FFTF was originally scheduled for 1972 which would have allowed sequential design from the test reactor to the demonstration reactor. The FFTF, first estimated in 1966 to cost $87 million, has escalated to $933 million, more than a tenfold increase. The CRBR, first estimated in 1973 to cost $700 million, has escalated to $1.7 billion. And there have been several management problems in the FFTF and CRBR. A recent GAO report describes the CRBR management arrangement between ERDA and the utility as "complex and potentially cumbersome" and "represents a potential risk to the project." According to the GAO, many of these management problems remain unsolved and ERDA has agreed.

Further cost overruns could plague the Clinch River project if there are too many design changes during construction—as has been the case with the FFTF. Dr. David Rose, an eminent nuclear physicist from MIT, who is in favor of developing the breeder, has suggested a delay to improve the design of the CRBR.

We have a difficult decision to face. What is primarily at issue now is a question of the timing of the breeder—not of whether or not we should have it. We obviously need more data before we can make a go-no-go decision.

Most people will acknowledge that the LMFBR is an energy option which might be adopted late in this century or early in the next. It, therefore, behooves us to answer as many of these hard questions as possible before making a commitment to a demonstration plant. Of course, we cannot expect to get a complete inventory of final, definitive answers and we are going to have to take some risks at the development stage. But a lot of important data will become available in the near future and it is clear we can find out a lot more. For example, we look forward to the imminent release of the final environmental impact statement on the LMFBR, ERDA's energy R. & D. policy statement, and forthcoming congressional hearings. These will be significant first steps in evolving a sound long-range national energy policy.

Also needed, however, are outside, independent reviews on such questions as central station electrical power growth, uranium resources, costs, and benefits of long-range energy alternatives, reactor design, management, and examination of foreign results. Such studies are essential in giving us a better grasp of the breeder option.

For these reasons, unless ERDA presents us with a policy change next month which would accomplish the same objectives, good government practice would suggest that we continue funding breeder R. & D. while delaying, for 1 year, the construction, long lead items and engineering design of the Clinch River breeder reactor. In fiscal year 1976 this would amount to a decrease of $94 million. During the year we should allow ourselves the opportunity to increase our R. & D. commitments to long range energy alternatives besides the LMFBR. But the LMFBR program would continue vigorously—with $400 million for it in the budget of fiscal year 1976 and still much more than we are investing in solar energy and conservation. Effort should be directed toward the rapid completion of the FFTF facility which should provide valuable information about the viability and performance of LMFBR's. If the studies indicate an urgency for a commercial LMFBR program, we should commit ourselves to its full-scale demonstration as a national goal.

In this way, we can better assure ourselves of an environmentally and economically sound energy future and a well-paced, well-managed program.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I rise in support of the Coughlin amendment, and request unanimous consent to revise and extend my remarks.

Thank you, Mr. Chairman. I have followed this debate from a perspective that the decisions we make today will have a crucial impact, an undetermined number of years from now, on our ability to function as a nation. During debate on the Energy Conservation and Conversion Act of 1975, every Member in this Chamber has become more sensitive to the urgency of our dwindling domestic resources of energy. This dwindling supply, compounded by this Nation's increasing demand for energy, requires that we evaluate honestly all options at our disposal.

It will take courage to advocate a conservation plan for Americans because we know that there is no way that it will be painless.

The corollary to conservation is increased energy production. As we authorize research and development funds for ERDA, we have to step back and dispassionately evaluate the merits of every dollar of expenditure. I personally believe that our investment in energy research is painfully inadequate. For a nation which annually appropriates a hundred billion dollars for defense, it seems a folly to me that we are willing to sit back casually when our internal defense, an economy based upon cheap energy, is threatening to disintegrate. I believe that a realistic appropriation for energy research is an essential investment in America.

We are debating today, Mr. Chairman, an authorization of over a half billion dollars for the breeder program. In contrast, we are considering an investment of only $143 million for solar energy programs. Other alternative energy sources which have demonstrated more than marginal potential such as fusion and geothermal energy have not fared as well.

While optimistic estimates place the breeder as commercially competitive with the light water reactor in the 1990's, it may never be commercially viablle for many years into the 21st century.

There is little argument today that the breeder reactor is technically feasible. The question is whether it is economically feasible. (The breeder will never become a reality as long as it is economically advantageous to continue building light water reactors.)

Mr. Chairman, the economic feasibility of the breeder will in no way be affected by a 1 year delay in constructing the Clinch River breeder. For that matter, I do not see a significant effect in delaying construction for the 4 to 12 years recommended by the Environmental Protection Agency last April, a recommendation by an agency usually faced with strong political pressure to defend administration positions. What will have a strong impact on the economic feasibility are the supply of uranium and the electrical demand of the United States. We need reliable data to project these two functions to better analyze the advantages of proceeding with the LMFBR program. The Coughlin amendment will act as an important buffer to the conflicting reports all of us have been exposed to.

Mr. Chairman, the liquid metal fast breeder program has been shrouded in controversy almost since the time we in the Congress knew what the acronym LMFBR stood for. In theory, the LMFBR has the potential to make us energy independent. In theory, the LMFBR could virtually put an end to coal mining which ravishes our land, pollutes our air and poisons thousands of miners. In theory, the breeder can convert a useless stockpile of nonfissionable uranium into what may be the precious metal in the 21st century—plutonium. But in practice, Mr. Chairman, the LMFBR may be a safety and security hazard which we may not be able to cope with.

Mr. Chairman, before I came to Washington for the 94th Congress, I frankly had not been aware of the LMFBR controversy. Since that time. I have compiled a number of books and pamphlets, reports, and leaflets on this emotional issue. I have attended some briefings, and I have had a number of discussions with my staff on whether I should support or oppose this program. I am sorry to say that the reference material which I have seen has principally reflected the special interests of two extreme lobbies. I find it difficult to support the doctrines of either side, and my instincts are that the "truth" lies somewhere in the middle.

I would be amazed if there is a single Member in this Chamber who has not been aware of the battle taking place for our votes. The volume of reports and rebuttals to reports, and even rebuttals to the rebuttals have crystalized in my mind that it is too difficult at this time to objectively evaluate the merits of the LMFBR program. Every Member can vote on the Coughlin amendment and rationalize his vote either way with a pile of analyses. For me, this has caused a great personal agony, because I consider the decision to build the Clinch River plant an almost irreversible step.

Mr. Chairman, I will support the Coughlin amendment not because I am antinuclear, but because I do not feel that there is a reliable report that I can have confidence in before I cast my vote for what will inevitably be a $10 billion program. ERDA has made the LMFBR the No. 1 priority, and I am far from convinced that it should be.

Can we honestly put aside the potential of alternative sources of energy such as solar or geothermal? Can we even push aside other reactor designs with promise in favor of the LMFBR? Are we voting on emotion, or are we considering the information we have? In the final analysis, the controversy is not one of nuclear-antinuclear, but one of dollars and cents. We will find ways to overcome the threat of core meltdowns and loss of coolant accidents. We will develop a system to guard against the diversion of plutonium. But if electrical demand does not rise as much as 6 percent each year, or if uranium reserves discovered increase as a result of a further incentive to search, then the safety and security arguments are academic. If a light water reactor is cheaper to build and operate than an LMFBR, then no matter how many billions of dollars the Federal Government commits to the program, the LMFBR is a white elephant. The Coughlin amendment in no way inhibits research and development on this program which may be needed. Not a single job will be lost by deleting construction funding. What the amendment does do is delay for a single year the program and provide a definitive study on parameters which we must be able to gage with more accuracy than we have now before we can make intelligent decisions, based on data free from the manipulations of special interest groups.

If the LMFBR ever does become viably commercial, I do not foresee a 1-year delay as having any negative impact. The positive impact of this amendment may brighten our future.

ERDA's emphasis on the breeder as the road to energy independence may well become a self-fulfilling prophesy, Mr. Chairman, because we are neglecting other promising technologies. We have not provided incentives for more exhaustive uranium explorations. The technological breakthroughs which could provide a safer, cleaner, more efficient, and more economical alternative to nuclear energy may come too late to reverse the machinery of nuclear dependence and the risks associated with that dependence.

Mr. Chairman, I urge my colleagues to support this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, I have read the committee report, and I want to commend the committee for the frankness of the statements contained in it.

With five major studies still pending, it seems to me that to commit ourselves to all these items is like saying, "We are going to hold up the design of an airplane, but we are going to order the engine, the wings, the gasoline tank, and the control system."

The gentleman from Washington (Mr. McCORMACK) says that there will be design changes in the next 24 months. That is the kind of thing we are looking for, but how can we have design changes if we have already ordered the components?

I would like to call attention to the fact that the cuts we have here are not in accordance with the wishes of the committee, but of the executive branch. Our hope is that the committee will be scrutinizing this program very carefully, and that it will consider reductions in the light of a recommended slowdown of this program.

There are serious questions about the pace and priority of our fast breeder reactor program. Of particular relevance here is the adequacy of domestic uranium resources as well as projections of future electricity needs.

There are equally serious questions about the cost effectiveness of the entire program and about the proposed management of the Clinch River demonstration plant.

There are uncertainties about plutonium recycling, a process necessary to the breeder program, as well as doubts about the design of the Clinch River plant, particularly the safety aspects.

All these questions are under active study. ERDA will report to the Congress on June 30 on the Nation's energy priorities. The final environmental impact statement on the breeder program will be completed about July 1. The General Accounting Office, which has reported on costs and management of the program, has not yet completed an issue paper, also due next month, "on the broad range of promises and uncertainties of the total breeder program."

The Nuclear Regulatory Commission—NRC—currently has under review the recycling of plutonium in existing light-water reactors. A decision is expected in late 1977 or early 1978. If the NRC should decide against plutonium recycling on grounds of health, safety, or safeguards, this would have grave implications for the LMFBR since the same criteria would apply.

In addition ERDA has in the past few weeks requested an 18-month study of the whole program by the National Academy of Sciences.

It would be premature to take action now on a new, perhaps irrevocable, phase of the program before all the evidence is in.

The principal arguments for a crash schedule to get the breeder on line are: first, that if we rely solely on conventional light-water reactors, our uranium supplies will be depleted in 25 to 50 years; and second, that the only way to meet increased electricity demand consumption in the next century is through the breeder.

But the extent of our uranium supplies is not certain. A recent AEC study recommended "an aggressive, accelerated effort . . . to better define the likely availability and producibility of economic uranium resources in the United States . . . [and] that the LMFBR program should be reassessed as additional resource data becomes available."

The Environmental Protection Agency—EPA—in its April comments on the draft environmental impact statement on the breeder, noted that the AEC's energy demand projections were much inflated. EPA pointed out that uranium would not be consumed in light-water reactors as rapidly as the AEC had projected, and therefore the need for early introduction of the breeder was lessened.

ERDA Administrator Robert Seamans was quoted in the press, earlier this month, as saying:

> The project has built up too rapidly, and we don't yet have a management team in place to properly handle it. We would like to divert some money to put more effort in support of research to improve the operation of our present-day nuclear reactors.

And, in fact, at ERDA's request, the committee has recommended a reduction of $50.4 million for the Clinch River plant. This reduction, however, still leaves considerable funding—more than $40 million—which could be used for site preparation and procurement of long-lead items for construction of the plant. Once these funds are approved, it will be difficult to change the direction of the breeder program.

Mr. Chairman, I think we should support the Coughlin amendment, which would clearly provide no real threat to our energy supplies and would make sure that what we are doing is the best possible thing.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee (Mr. Quillen).

Mr. QUILLEN. Mr. Chairman, I rise in opposition to the Coughlin amendment and heartily endorse the Clinch River breeder reactor project.

It is a demonstration project. When this was in the formulation stage before any site was selected, I recommended that it be in my district because it is a safe project.

Mr. Chairman, it is necessary to get it under way for the benefit of the people of this Nation to make us self-sufficient energy-wise.

We must not violate our duty today. We must vote down the Coughlin amendment and proceed full speed ahead with this very fine demonstration project.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. Blouin).

(By unanimous consent, Mr. Blouin yielded his time to Mr. Harkin).

PARLIAMENTARY INQUIRY

Mr. RONCALIO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. RONCALIO. Mr. Chairman, time consumed in a parliamentary inquiry will not be charged against the man who raises it; is that so?

The CHAIRMAN. That is true.

Mr. RONCALIO. I thank the Chair.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Fish).

(By unanimous consent, Mr. Fish yielded his time to Mr. Coughlin).

Mr. FISH. Mr. Chairman, I am persuaded by the arguments we have heard today that a vote for the Coughlin amendment is in the public interest.

(By unanimous consent, Mr. Nolan yielded his time to Mr. Harkin.)

Mr. NOLAN. Mr. Chairman, I rise in support of the Coughlin amendment.

The Chair recognizes the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the McCormack amendment.

(By unanimous consent, Mr. Rousselot yielded his time to Mr. Anderson of Illinois.)

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Seiberling).

Mr. SEIBERLING. Mr. Chairman, one need not be anti-nuclear to have serious doubts about the breeder reactor. Indeed, even if it were a perfect invention—and it is not—the breeder may not even be needed by the time it is commercially available. By the year 2020, conservative estimates by the Atomic Energy Commission and the National Science Foundation show that the potential contribution of solar, geothermal, fusion, other energy sources and conservation could, if properly funded, produce 80 percent of the Nation's electrical energy demand. This compares more than favorably with ERDA's estimates that the breeder is needed to produce 50 percent of the projected electrical energy demand in 2020.

From a cost standpoint, the supposed economical advantages of the breeder reactor are also in serious doubt. The cost of the total program has skyrocketed—tripling from $3.3 billion in 1969 to $10.7 billion—with little to show for it than paper promises, design failures, and unresolved health, safety and environmental problems.

Moreover, the Nuclear Regulatory Agency says it will take at least 3 years to decide whether plutonium is safe enough to be used as a reactor fuel—and by that time probably $2 billion or more will have been spent on developing the plutonium producing breeder reactor.

Once the long-lead time items are contracted for, the commitment will have been made and it will be difficult, and expensive, to make substantive changes in the program.

Mr. Coughlin's amendment gives us an alternative by providing that no funds shall be expended for on-site construction of the CRBR demonstration plant or for procurement of long-lead time items for the plant.

This amendment would thus answer more than just the money question. By delaying construction of the plant for at least 1 year, there would be time for current studies on the CRBR to be completed and time for Congress to evaluate these studies. Delay in this case would not weaken the breeder program, as the necessary R. & D. will still be allowed to continue.

As Mr. Coughlin has pointed out, the question is essentially one of timing. While not jeopardizing the future of the program, we could prevent contractual arrangements which might later result in loss of jobs, greater disruption of the program and further reluctance to admit mistakes.

Considering the enormous cost and the inherent dangers of the breeder reactor, it is vital that Congress take a hard look at the program on an annual basis.

The liquid fast metal breeder reactor is not just a nuclear reactor by another name. By transforming more uranium into plutonium than it uses, the breeder unavoidably produces large quantities of man-made radioactive materials that could be destructive to life for thousands of years.

Plutonium, which is basic to the breeder, is fiendishly toxic. A millionth of a gram has been shown capable of producing cancer in anmials. Only last week a new scientific study reported that plutonium from nuclear testing is in the soil and oceans all over the globe and may be getting into our food chain and hence into human beings, with as yet unknown but possibly fatal consequences for all mankind.

There is grave potential for widespread poisoning of the earth resulting from accidential and/or deliberate releases of plutonium. Because these breeders use highly enriched plutonium packed very tightly, it is possible under accident conditions for a breeder reactor to explode. Present light water reactors, on the other hand, cannot explode. Plutonium is also suitable for the fabrication of nuclear weapons, a process which is not technically difficult once the nuclear material is in hand. The amount to make a nuclear weapon is small, from 10 to 20 pounds, about the size of a softball. The possibility of acts of sabotage and terrorism against nuclear facilities and shipments is very real.

The possible dangers and costs of a plutonium economy are so grave that we simply cannot afford to make any basic mistakes.

Given the serious nature of these problems, and given the crossroads we have reached in the breeder program, there is still time for Congress to evaluate what role the breeder will play in our Nation's energy future. We need that time, and Mr. Coughlin's amendment would assure that we have it.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico (Mr. Lujan).

Mr. LUJAN. Mr. Chairman, it astonishes me, really, how we can sit here and some decide that we should not go on with the liquid metal fast breeder reactor, or any breeder reactor, for that matter. We have no alternative.

I do not look forward to spending some ten or perhaps twenty billion dollars on developing a new type of reactor but I have sat for hours and hours on different committees, and looked at the problem to see how we could meet the energy needs of this country without going into a breeder program and, frankly, Mr. Chairman, having examined all of the alternatives, it seems to me that the only way that we will be able to provide for the energy needs of this country is to go ahead with the breeder reactor program.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Ottinger).

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico (Mr. Lujan).

Mr. OTTINGER. Mr. Chairman, failure to adopt the Coughlin amendment would be like taking a flying leap into a swimming pool with the intent of finding out later whether there is water in it.

There are serious environmental problems involved with the liquid metal fast breeder reactor—LMFBR. There are problems of safety, problems of disposal of the waste, problems with handling plutonium, as the gentleman from Ohio (Mr. Seiberling) pointed out. There are studies going on at present on an environmental impact statement to assess these problems. I think to go ahead with the program without having the environmental answers that are necessary would be the height of folly.

I disagree with the interpretation of the gentleman from Texas (Mr. Young) of the letter from the Environmental Protection Agency Administrator. Mr. Train stated clearly that there are serious environmental problems with the LMFBR that need to be resolved and that development of the breeder can be delayed until resolution of these problems. Indeed, his letter when issued caused quite a sensation for this very reason, because he said that our power needs had been considerably overstated. On this basis, he concluded that no harm would be done by delaying the Clinch River decision 12 to 14 months while environmental answers are obtained. This is clearly what should be done.

I strongly urge adoption of the Coughlin amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Horton).

Mr. HORTON. Mr. Chairman, it is very important that we vote for the McCormack amendment and oppose the Coughlin amendment.

The Joint Committee on Atomic Energy is very much concerned and aware of the problems of the breeder program. We have a special committee appointed under the chairmanship of the gentleman from Washington (Mr. McCormack), that has spent many hours already and will continue to spend many more hours reviewing this program. I think it would be foolhardy for us to terminate or materially affect this program before concluding our study. I think it is very important for us to find all sources of energy. We cannot rely upon solar or geothermal energy but must depend upon coal or nuclear at this time.

So I urge the Members to vote against the Coughlin amendment.

Mr. Chairman, this amendment proposes the deletion of long-lead funds for the construction of the first fast breeder reactor demonstration plant.

Since I am a recent member of the Joint Committee on Atomic Energy, I have taken the time to study the history of a number of the nuclear programs. This included the civilian reactor program.

In the late 1950's and early 1960's, the executive and legislative branches of the Government, along with representatives of industry, scientific organization, and members of the public generally, delved into the questions of our long-range energy supply requirements. This review culminated with a report entitled "Civilian Nuclear Power—A Report to the President, 1962." Fundamentally, the report addressed itself to the question of whether or not this Nation needed a supplemental source of energy. The object of the study also was to determine what new resources of energy were feasible for development. It was found that we did need a supplemental energy source and the only practical source which could meet our enormous long-range needs was nuclear. The breeder, of course, was a fundamental part of the program since it was clearly recognized that without the attainment of the breeding reaction our uranium resources would be inadequate to fill the bill.

These findings were the subject of extensive public hearings. Representatives of Government, industry, the educational community, and public in general testified to the findings and conclusions of the report. These hearings were published by the Joint Committee on Atomic Energy in 1962. All witnesses agreed to the findings.

After completion of this comprehensive review, our Nation proceeded with the development of nuclear energy. The fission nuclear reactor was made the priority effort in our nuclear program. The administration, with the support of Congress, also supported work on other systems including the nuclear fusion reaction and development work on the upgrading of coal—by far our most extensive resource or fossil fuel—as an energy fuel.

One of the most comprehensive plans ever prepared for a technology program was developed for the fission energy program. The program plan consists of several volumes with all steps necessary to attain the final and ultimate goal of the program which is the commercialization of the breeder.

We have been following this program as well as we could. We are now in the final phases of the effort which is the construction of a demonstration plant. This phase, as it is in any field of technology, is very expensive. We are hopeful that other energy technology fields, such as fusion energy, can also be brought to the demonstration phase, expensive though it will be, since this phase is indicative of the attainment of the goal of the effort.

This preamble was for the purpose of getting to the reason for my opposition to the amendment. The amendment would definitely defer the demonstration plant phase since it would hold up the long-lead-time procurements which, by definition, control the completion of the job.

In my view, it would be most imprudent to interrupt an effort, identified as critical to our future energy supplies, until additional studies are carried out. This would be most undesirable in this instance since, in addition to involving a critical matter—energy—it involves a particular program which has received a great deal of study, planning, review, and attention for over a decade and has progressed to a very advanced stage of technological development as a result of over two decades of work.

On the other hand, I want to make my views completely clear concerning the rights and obligations of members to review major technical programs, such as the breeder, to obtain the information they need. Studies of this nature are in progress in both the legislative and executive branches of the Government. This is, and should be, a continuing process. But these activities certainly cannot be utilized to, a priori, stop ongoing programs involving, by their nature, long periods of effort. If this were done every time a study were started because someone came up with a question, the options for benefits from such efforts would be automatically foreclosed for the citizens of this Nation. There may be instances where a particular problem concerning an ongoing effort would justify a holdup until the problem was explored, but I certainly do not believe a cost overrun or slippage in a schedule on a project this complex justifies a halt to progress on the project.

I would like to briefly comment on another justification which was given to delay the breeder effort. This the suggestion that we increase our dependence on foreign nations—the United Kingdom, France, West Germany and the Soviet Union—who have major development programs on the breeder, for this technology. Our breeder program is coordinated with foreign nations to the maximum degree practicable, but it would be most imprudent to increase our dependence to a degree where we would not truly possess and control all phases of the technology—especially the commercial manufacturing and demonstration phase which is directly related to the design and construction of a demonstration plant. Certainly we have learned the lesson of dependence on foreign energy supplies in the case of petroleum. In addition to attaining technological independence in all phases of the breeder, it is critically important that we attain the goal of practical utilization of the breeder at an early date since, by stretching out our independence on the present commercial reactors, we could also become dependent on foreign uranium supplies to fuel these plants. In summary, it would be unwise not to exert our best efforts to attain the program objectives of the breeder project—a virtually limitless supply of energy for which we would not have any foreign dependence.

It would be especially ironic if we did anything to forgo leadership in this technical field since we have been pioneers in the development of peaceful uses of nuclear energy. Irrespective of the critical importance of this particular technology—primary energy supply—there are too few technologies remaining in which we lead, to forgo this one.

I am aware of the reports of the major efforts being devoted to the development and commercialization of the breeder in such countries as England, France, West Germany, and the Soviet Union. I believe it is critically important to obtain the facts on such efforts to assure our program utilizes the lessons which have been learned in the foreign programs and to assure that the program we follow truly reflects the international situation in this field. In my view, the members of Congress, especially those having specific responsibilities in the critical field of energy, should obtain more firsthand information on the approaches leading foreign nations are taking to solve the same problem we face. A number of members of the Joint Committee on Atomic Energy plan to inspect some of the foreign breeder reactor development facilities during the forthcoming 4th of July recess for this purpose. I plan to participate in this effort to the maximum extent my schedule will permit. I am sure that firsthand information on developments in leading nations of the world will help the Congress as a whole in sifting out the facts concerning the critical area of the breeder reactor in the solution of the energy problem. Unfortunately, the time available during the forthcoming recess does not permit an inspection of all the major international efforts in the breeder reactor field since nearly all major industrial nations have significant programs in the field. The Joint Committee group will attempt to inspect only the major European efforts in the forthcoming recess. I hope that other major national programs can be reviewed in the near future to obtain the maximum value from such an effort.

In summary, it is my view that to take any action to forego every reasonable step to complete our efforts on the breeder program would be most imprudent and self-defeating. The position which the breeder now holds in our program to attain true energy independence is too critical to our future welfare and security to justify any other position. If any of the competent and responsible reviews now in progress, or to be conducted in the future, indicate that any changes in this position are necessary, modifications can be made if our evaluation indicates they are in order.

This Congress should not put America in the position of having to forego the option of fission-produced electric power a decade from now. To keep this crucial option viable, the research and demonstration plant phases of the breeder program must have our support today.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. WRIGHT).

(By unanimous consent, Mr. WRIGHT yielded his time to Mr. YOUNG of Texas.)

The CHAIRMAN. The Chair recognizes the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Chairman, I must admit that most of my friends are on the other side of this matter, so I appeal to my friends, my old friends. Please understand that if we pursue the Coughlin philosophy, we will be back in here in 6 months, Mr. Chairman, wanting a moratorium on all nuclear power generation. That is what the Ralph Nader's people asked for several months ago. Please understand that the United States of America must not find itself now legislating that its nuclear chemists and its physicists are less able and competent, Mr. Chairman, than are the chemists and physicists of Germany and France and of Japan and of England, all of whom have ongoing breeder demonstration programs.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. YOUNG of Texas yielded his time to Mr. RONCALIO.)

Mr. RONCALIO. Mr. Chairman, we only have one breeder research demonstrator, the liquid metal concept. We have not pursued the molten salt breeder. We have not pursued the high temperature gas breeder. Thus the LMFBR program is all we have on deck at present.

This problem arose when someone said to President Nixon 3 years ago, "perhaps we can leap-frog the liquid metal fast breeder reactor." There is no way to leap-frog the breeder. There is no way to face the problems of the future without some faith in the men of the scientific community of this Nation, the men who brought about synthetic rubber, who put a man on the moon in 8 short years.

America can still prevail. But have some faith, ye of little faith. Stay with us in this program. We are not irrevocably committed in design; we are not irrevocably committed to foreclosing the safety requirement dictates of Ralph Nader or Dr. Edward Teller or anyone else. But let us move ahead.

Mr. Chairman, I urge a vote against the amendment before us.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. I rise in support of the Coughlin amendment.

This amendment provides the Congress with what will most certainly be its final opportunity to judge whether our Nation's major effort in energy research and development ought to be committed and committed overwhelmingly to the development of the Liquid Metal Fast Breeder Reactor to help meet our future energy needs.

Once the ground is broken, once the funds are committed, once the manpower is put to work, a change of course will be difficult, and virtually impossible. Despite the fact that we do not yet know, nor will we know, until June 30 of this year what ERDA's final energy R. & D. policy will be, despite the fact that ERDA's final environmental impact statement on the breeder is not complete, and despite the fact that ERDA has itself requested an 18-month NSF study of the breeder program, despite the fact that the Nuclear Regulatory Commission has ordered a moratorium on plutonium recycling until basic safety questions are resolved, despite all of these things, we are today asked to commit us irrevocably, in my opinion, to a most imprudent and irresponsible course of action.

The breeder concept is supposedly attractive because it generates electric power and because it produces or breeds more nuclear fuel than it consumes, but the only thing the breeder has bred thus far are cost overruns and unanswered questions about its economic potential.

Let me cite for the Members some breeder economics. The Clinch River project was originally projected to cost in the neighborhood of $2,000 per-kilowatt-hour to construct. Recent cost estimates put the breeder at approximately $4,625 per-kilowatt-hour to construct, and it is expected to go even higher. If we take the plant capacity factor into consideration, assuming that the plant has a plant operating factor of 90 percent—which none of them have and which none of them probably ever will have—taking it at its highest level, 90 percent, if it costs $5,000 per-kilowatt-hour to build it, then it will cost to the consumers from capital alone, 95 mills per kilowatt hour. By comparison, the AEC projects that the total electricity cost for either coal-fired or conventional nuclear plants in 1982 will be in the range of 25 or 30 mils per kilowatt hour.

By comparison the cost today of imported oil is about 40 mills per kilowatt hour. So even if our breeder operates at a 90-percent capacity factor it is going to cost 95 mills per kilowatt hour.

I will enter these facts into the RECORD:

Breeder Economics

The Clinch River Breeder Reactor project, under construction by ERDA, was originally projected to cost in the neighborhood of $2000/kw to construct. Recent cost estimates put the breeder at approximately $4625/kw to construct, and it is expected to go higher still.

If a breeder is ever used commercially, the customers of its power will have to pay for its capital cost, its fuel cost, and its operation and maintenance costs through their utility bills. Assuming that both fuel and O & M costs are zero, listed below are the costs/kilowatt-hour which consumers will have to pay for capital alone from breeder-produced electricity:

Capacity factor	Mills per kilowatt-hour cost attributable to capital [1] from—	
	$4,000 per kilowatt	$5,000 per kilowatt
90 percent	76.0	95.0
85 percent	80.5	100.6
80 percent	85.5	106.9
75 percent	91.2	114.0
70 percent	97.7	122.1
65 percent	105.2	131.5

[1] Assumes 15 percent annual fixed charge, the figure used by the ERDA in calculating electricity costs.

By comparison, the Atomic Energy Commission projects that total electricity costs for either a coal-fired or a conventional nuclear plant in 1982 will be in the range of 25–30 mills/kilowatt-hour. Also by comparison, the costs of burning imported oil today are no more than 40 mills/kwh.

It is clear from these statistics that the massive cost overruns on the breeder reactor have priced the breeder completely out of the commercial utility market. If clean and economical sources of power are to be developed for the future, research efforts should be directed into other, more promising fields.

Do we have any alternatives? Yes, we do. We have the alternatives of the ocean thermal energy conversion program at a fraction of the cost of the breeder program. We do not have all the attendant waste programs. We do not have the problems of huge cost overruns. This is something that can be built today.

I will insert a fact and comparison figure on the ocean thermal system and the breeder system:

Are There Alternatives to the Plutonium Breeder Reactor?

Later this month, Congress will debate the 1976 ERDA budget. A large part of previous federal energy research and development expenditures have been for the plutonium breeder reactor. This has defeated the efforts to develop other promising sources of energy. The breeder proponents have justified this approach by asserting that there is no alternative to the breeder. The most recent challenge to this assertion comes from testimony by Robert Douglass of TRW Systems, a California engineering firm, who described an electrical energy generating system known as Ocean Thermal Energy Conversion (OTEC) to Congressman Morris Udall's Subcommittee on Energy and Environment on June 5. According to his testimony TRW predicts that commercial, competitive ocean thermal power plants can be developed sooner and cheaper than the plutonium breeder can be developed.

OCEAN THERMAL ENERGY CONVERSION VERSUS THE PLUTONIUM BREEDER REACTOR

What is it?

OETC: A floating platform in the ocean which uses the difference in temperature between the surface water and deep water to generate electricity.

Breeder: A plutonium fueled nuclear reactor which uses the energy released in the splitting of plutonium nucleus to generate electricity.

How much will it cost?

OTEC: Total R & D costs are estimated at $.5–$1 billion.

Breeder: Total R & D costs are estimated at more than $10 billion.

How much are we spending on it now?

OTEC: $391,000 each to TRW and Lockheed Ocean Systems for feasibility studies.

Breeder: $450 million in 1975 and $490 million requested for 1976.

How much power can it produce?

OTEC: TRW estimates 30,000 megawatts electrical capacity installed by 1990. That is about what nuclear plants produce now. The ultimate resource is estimated at 700,000 MW in the Gulf of Mexico alone.

Breeder: It is doubtful that there will be any commercial breeder reactors by 1990.

How much R & D is necessary?

OTEC: TRW says the technology is available now, but commercial success will require development of an aluminum condenser to replace the titanium one currently considered. This is a comparatively simple technical problem.

Breeder: Numerous extremely difficult technical problems still plague the breeder, including its economic justification, safety, waste storage, siting, and fuel reprocessing to name a few.

WHAT PROBLEMS ARE INVOLVED?

Problem: Long term radioactive waste storage.

OTEC: None.

Breeder: Large quantities of radioactive wastes are generated which must be stored for up to 250,000 years.

Problem: Accident risks.

OTEC: None beyond the plant itself. Accident damage could be repaired due to the absence of radioactivity in the plant.

Breeder: Large accidents could cause tremendous and permanent damage by radiation, radioactive contamination, and loss of the investment in the plant.

Problem: Insurance.

OTEC: Insurable.

Breeder: Current nuclear fission reactors are not fully insurable and there is no indication that the breeder reactors will be more insurable than the current generation of uranium reactors.

Problem: Environmental impact.

OTEC: No known problems, but requires more investigation.

Breeder: Numerous difficult technical problems including heat discharge, possible leakages of wastes in the fuel cycle, and waste disposal.

Problem: Siting.

OTEC: No apparent problems due to the vast open ocean areas available.

Breeder: Very difficult problems because these plants must be located away from population centers, but close to power grids and cooling water.

Problem: Cost overruns.

OTEC: Even if cost overruns were 100%, the entire program would cost less than a single component of the breeder program, viz. the Clinch River Breeder Reactor now estimated at $2.1 billion.

Breeder: Cost overruns have been enormous. The Clinch River Breeder Reactor was originally projected to cost $700 million. The latest estimate (GAO) is $2.1 billion. The Fast Flux Test Facility (FFTF) was originally scheduled to cost $87 million and is now up to $993 million.

Problem: Sabotage.

OTEC: Effects of sabotage would be confined to the plant.

Breeder: Effects of sabotage could be disastrous and could affect the public outside the plant boundaries. If terrorists obtain just 10–20 pounds of plutonium, it will be possible to fabricate a nuclear bomb that probably would explode.

Problem: Fuel hazards.

OTEC: Fuel for OTEC is free and innocuous, since it is just ordinary seawater.

Breeder: Plutonium is among the most hazardous substances known and will be required in large quantities if the breeders become a commercial reality.

In summary, the plutonium breeder reactor funding should be drastically reduced and the funds released should be used for developing clean, safe, and reliable alternate energy sources.

Congress was first presented with the breeder program at a cost of $3.3 billion but it is now $10 billion and it may go even higher.

The Government's share of the Clinch River project is now put at $1.7 billion while private industry utility companies that are involved are only contributing $250 million, and if this bill is passed they will not have to put in one other single cent for this program.

It is my understanding, and I will read a letter that shows, these same private industry officials threatened to abandon the project altogether unless the taxpayers were forced to pay the total cost overrun. The letter is dated March 10, 1975, and it is from Mr. Seamans to Senator PASTORE. A few minutes ago here I engaged in a conversation with the gentleman from New Mexico about a subject which is addressed in this letter. There have been contracts let in violation of the law. Now what we are asking to be done here on the floor today is to change the law to conform with the illegal activities. This is what Mr. Seamans says:

> Thus the authorizing legislation—

That is Public Law 91–273—

> continued to contemplate strictly defined and limited Government assistance to the project—

That is the Clinch River project—

> As these negotiations progressed—

That is negotiations by the AEC, Commonwealth Edison, and other private industries—

> several key aspects of the proposal emerged as conditions precedent to consummation of a definitive cooperative arrangement. These included:
>
> 1. The utility financial contributions both of the utility industry as a whole independent of TVA and Commonwealth Edison were to be limited in amount.
>
> 2. Neither TVA nor Commonwealth Edison nor the utility industry was willing to

> underwrite any of the additional risk of financial contribution or liability.
>
> 3. The AEC was to expressly assume the "open end" risk of all project overruns and other financial risks.

Listen to the next paragraph:

> However, neither the authorization on nor the statutory criteria was changed to recognize these very basic changes from the ground rules on Government assistance incorporated in the legislation and criteria authorizing the project . . .

The next paragraph says:

> Specifically the specified forms of financial assistance set forth in the authorization legislation and statutory criteria were intended, in general, to preclude use of Government dollars for end capital items in the plant.

After considerable discussion between these different people and these basic conditions were accepted and definitive contracts for the project were executed, the contracts were executed in violation of Public Law 91–273 which stated explicitly the Government was not to spend any money on end use capital items. Now we are being asked to take that language out of the bill.

On page 208 of the committee report there is this sentence:

> *Provided*, That such assistance shall not include the furnishing of end capital items of this demonstration plant excluding items which the Commission may deem necessary for research, development, or testing in light of its liquid metal fast breeder reactor base program: *And provided further*, That such assistance which the Commission undertakes specifically for this demonstration plant shall not exceed 50 per centum of the estimated capital cost of such plant:

The Coughlin amendment should be adopted.

Mrs. MINK. Mr. Chairman, I rise in strong support of the Coughlin amendment because it will provide additional time to explore what I view as a most attractive possibility—the possibility of leapfrogging the breeder in favor of preferable nonnuclear alternatives. We are all aware of the widespread concern that already exists both here and abroad regarding the hazards of nuclear power. These concerns, unfortunately, would only be heightened by the deployment of breeder reactors and the widespread reliance on plutonium fuel. Because of these concerns, and the very real factual basis underlying them, it is vital that we vigorously pursue those energy options which offer the possibility of limiting and perhaps eliminating our reliance on nuclear fission power.

A convincing case has been made by the Natural Resources Defense Council and others that the breeder reactor may not be needed at all. In its report "Bypassing the Breeder," which appears in the June 1975, issue of Environment magazine, NRDC makes the point that extensive reliance on the breeder reactor cannot be realistically expected until after the turn of the century and that at that time it is realistic to expect that a variety of preferable alternatives can be available if we begin now to insure that their development is adequately funded.

One of the promising options is solar energy, a category which includes solar heating and cooling, solar thermal conversion, photovoltaic conversion, ocean thermal energy, wind and wave energy, and bio-conversion. The 1973 report of a distinguished panel of experts assembled to assist the AEC prepare the 5-year energy R. & D. plan requested by President Nixon reached this conclusion:

> Through widespread application of these technologies it is estimated that 10% to 30% of the Nation's required input BTU's can be provided by solar energy by the year 2000 and as much as 50% by the year 2020.

An earlier study by the National Science Foundation and NASA addressed specifically the contribution solar energy could make to supplying electricity and concluded, in an estimate that it did not believe was the highest possible, that solar energy could supply 20 percent of our electricity requirement by the year 2020.

And lest it be thought that solar electricity is a distant promise, an article in Science magazine concluded last June that—

> It seems inescapable that solar power in the form of photovoltaic cells (thought to be one of the most difficult solar technologies) could become a reality well before the end of the century.

Mr. Chairman, there are alternatives to the plutonium breeder reactor. A large part of the previous Federal energy research and development expenditures have been for the plutonium breeder reactor. This has defeated the efforts to develop other promising sources of energy. The breeder proponents have justified this approach by asserting that there is no alternative to the breeder. The most recent challenge to this assertion comes from testimony by Robert Douglass of TRW Systems, a California engineering firm, who described an electrical energy generating system known as ocean thermal energy conversion, OTEC. According to his testimony, TRW predicts that commercial, competitive ocean thermal powerplants can be developed sooner and cheaper than the plutonium breeder can be developed.

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How much R. & D. is necessary?

OTEC: TRW says the Technology is available now, but commercial success will require development of an aluminum condenser to replace the titanium one currently considered. This is a comparatively simple technical problem.

Breeder: Numerous extremely difficult technical problems still plague the breeder, including its economic justification, safety, waste storage, siting, and fuel reprocessing to name a few.

Another possibility is the extensive development of our geothermal resources. The 1972 Cornell Workshop on energy and the environment concluded that—

> Geothermal energy alone is capable of meeting all American power requirements for several centuries if the hot dry rocks resource proved to be practical.

Fusion energy is clearly more speculative than the preceding, but the AEC recently predicted an operation fusion demonstration plant by 1995 and "commercial introduction of fusion power plants on a significant scale beginning in the early 21st century." If these projections are correct, fusion power is not too far behind the breeder in possible commercial application.

It is likely that our abundant supplies of coal will be relied on for several decades as a significant powerplant fuel. Thus, quite apart from nuclear power questions, the development and enforcement of environmentally and socially responsible techniques for mining and utilizing coal must be an essential and high priority objective.

I believe the Coughlin amendment to postpone the push to commercialize the breeder reactor deserves our support. The amendment now before us would give us an opportunity to consider this option carefully and without the constraint of having prematurely committed ourselves to construction of the Clinch River demonstration plant.

PREFERENTIAL MOTION OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. EDGAR moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. EDGAR. Mr. Chairman, I make this motion to get more time to talk about this very important matter. Some of us are very frustrated by not having the opportunity to speak on the House floor. Several of us shared the time with the gentleman from Iowa (Mr. HARKIN). We rise in support of the Coughlin amendment. We feel very strongly that the gentleman from Iowa (Mr. HARKIN) has pointed out many of the important features of this program that have to be taken into consideration and we feel very strongly that we should delete this item from the budget.

Mr. Chairman, I yield the continuation of my time to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, is the gentleman yielding to me?

Mr. EDGAR. Yes. I yield to the gentleman in the well.

Mr. HARKIN. Mr. Chairman, in other words, what is happening is that definitive arrangements were made and, obviously, I do not know the contents, but contracts were let by Government officials that would provide basically that the Government is going to fund the whole darn thing. That is not what is written specifically into Public Law 91-273. What we are asking to do again is strike that language.

PARLIAMENTARY INQUIRY

Mr. SYMMS. Mr. Chairman, I demand regular order.

The CHAIRMAN. The Chair is following regular order.

Mr. SYMMS. It is regular order to seek recognition through a preferential motion?

Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SYMMS. Is it regular order to seek recognition under a preferential motion?

The CHAIRMAN. The Chair will state that under the parliamentary procedure the entire bill is under debate. The Chair is following regular order.

Mr. EDGAR. Mr. Chairman, I continue to be concerned about the importance of this bill. I think we are pointing out that many of these considerations have to be made.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I want to repeat the one sentence of the letter from Mr. Seaman to Senator Pastore:

> Definitive contracts for the project were executed. However, neither the authorization nor the statutory criteria was changed to recognize these very basic changes.

In other words, they preempted the law and now they want to get an end run around us, to make legitimate their actions.

Mr. Chairman, I want to address myself to this 50-percent cost sharing of the project. When Public Law 91-273 was first passed, there was no language that required the utility industries to come up with any money; but in 1971, the gentleman from California (Mr. Hosmer), the ranking minority member of the Joint Committee, offered an amendment which was adopted on the floor to limit the amount and extent of Government involvement in the Clinch River project. It limited the Government to 50 percent of the cost of building that plant.

Now, what the industries are telling us, what will happen if we pass this bill striking this language, is they do not want to put their money in it. They want out from underneath it. They want the taxpayers of the country to bear the entire burden of building this plant.

Now, if the private industries do not think they are going to make any money off of it, I do not see that we should go ahead with it.

Remember this; I have heard that the utility industries cannot do it because it is too expensive. I would remind the Members that just a short time ago private industries raised $6 billion for the Alaska pipeline because they knew they were going to make money on it.

To me the response of Mr. Seamans' letter expresses very clearly industry's reaction to the breeder potential. If they are unwilling to support it, I do not see why we have to.

Now, we are again being asked to push this thing through with more and more taxpayer dollars. We hear that all of the scientists are in favor of it, but I would remind the Members that Hannes Alfuén, 1970 Nobel Prize winner in physics, does not agree that this is an acceptable alternative.

I certainly recognize that the breeder may be an important energy electrical source which might be supported later on. However, the conflicting testimony we have heard, the conflicting evidence, the conflicting testimony of scientists point to the fact that we ought to adopt the Coughlin amendment at this time.

Mr. EDGAR. Mr. Chairman, I commend the gentleman in the well for his excellent statement, and commend him for what he has been speaking to us about in support of the Coughlin amendment. I appreciate the opportunity to have the gentleman from Iowa (Mr. Harkin) speak to the real issues. I urge support for the Coughlin amendment.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the last word, and I rise in opposition to the preferential motion.

Mr. Chairman and members of the Committee, there is more than symbolism involved here in the fact that we are now debating a motion to report this bill back to the House with a recommendation that the enacting clause be stricken, because, if the opponents of the breeder project have their way, they do far more than simply delay for 18 months or 2 years on the demonstration plant.

What they want to do is kill this project. This is merely one tactic that they are using here today. I do not challenge the sincerity of the gentleman from Pennsylvania (Mr. Coughlin), but I hope his amendment is not adopted. I hope we agree on the $70 million cut proposed by my colleague from Washington (Mr. McCormack), because that will allow us to proceed in an orderly fashion with this program in what would truly be a prudent fiscal manner.

I find it a little bit ironic——

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I am not going to yield to anybody in view of the refusal I have had over here consistently to yield to me.

Incidentally, before I go into something else, I want to tell the gentleman from Iowa (Mr. Harkin) why I wanted him to yield at a specific point. He has been up here and quoted endlessly from a public law passed in the 91st Congress imputing some illegal conduct to the Energy Research and Development Administration in seeking to carry out contracts to purchase long-lead-time items.

The reason I wanted the gentleman to yield is that I was going to quote to him from Public Law 92-84, passed in the succeeding Congress, which said:

> Provided that such assistance shall not include the furnishing of end capital items of this demonstration plant excluding—excluding—items which the Commission may deem necessary for research, development or testing in light of its liquid metal fast breeder reactor base program.

These are long-lead-time items that would be contracted in connection with the base program to support the liquid metal fast breeder reactor program. That is the answer to the gentleman's question.

Let me say that I find it more than ironic that the very day after the UPI carried this story:

> Government geologists slashed their estimates of America's Atlantic offshore oil riches by a dramatic 80 percent Thursday, and said the entire nation may have only half the undiscovered oil and gas resources thought to exist a year ago.

I find it a little bit ironic that 24 hours later, we are seeking to kill on the floor of this House the kind of project that would serve to make up for that deficit in our fossil fuel resources and put to use the nuclear power base of this country to generate the energy that we are going to need in the future.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the distinguished gentleman from Washington (Mr. McCormack).

Mr. McCORMACK. Mr. Chairman, I want to thank the gentleman for yielding to me and I associate myself with his remarks in opposing the amendment offered by the gentleman from Pennsylvania.

I want to point out to all the Members who are trying to kill this bill right now that if this bill is not passed today, the continuing resolution must revert back to the appropriation figure for 1975 for solar energy, geothermal energy and energy conservation. If this occurs, all we bring into this program for this year is going to slide back until the new appropriations bill is finally passed sometime this autumn.

I think it is important to understand this. Any attempt to sabotage the breeder is going to carry with it all of the solar and geothermal energy plans for the next 6 months because the continuing resolution must be passed at once. That is why this bill is on the floor at this time. I think the Members should understand that.

Mr. ANDERSON of Illinois. In conclusion, before my time has completely expired, let me quote from something Dr. Seamans, the Administrator, wrote to the chairman of the Joint Committee.

> Every national energy plan, whether by the Administration or by the Nation's energy community, has been structured to provide an ever growing role for nuclear fission power in meeting the demands of the Nation for an assured and reasonably priced supply of electric power.

That is the whole purpose behind the breeder program. If our supplies of uranium run out, as our committee has heard from very expert testimony will happen in the early 1990's, if we do not have a breeder program going, as they do today in West Germany, in France, in the Soviet Union and in Great Britain, we simply are not going to be able to use that alternative source of energy that is going to be so necessary to our Nation's needs.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I wish to withdraw my motion.

Mr. ROSTENKOWSKI. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The question is on the preferential motion offered by the gentleman from Pennsylvania (Mr. EDGAR).

The preferential motion was rejected.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for three-fourths of a minute.

The Chair recognizes the gentleman from California (Mr. MOSS).

(By unanimous consent, Mr. MOSS yielded his time to Mr. MCCORMACK).

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Chairman, with all due deference to my colleague from Illinois (Mr. ANDERSON), this amendment is not to kill the fast breeder reactor program. It is not to gut the program.

When all of the smoke is cleared away, the question is really this: Is this Congress going to plunge ahead blindly with a program which has had huge cost overruns, which has been questioned by the General Accounting Office, which is the object of a number of studies which have yet to be completed, which is a $10 billion program, a $10 billion expenditure of the taxpayers' money—are we just going to plunge blindly ahead with that, or are we going to await the completion of the studies that are now underway to determine whether this liquid metal fast breeder reactor program will ever be a cost-effective source of energy for this country?

Mr. Chairman, the reasonable course is to examine the program.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman.

Mr. GUDE. Mr. Chairman, I want to commend the gentleman for his statement, and I congratulate him on his leadership. I support him and his amendment. The fact that there have been astronomical cost overruns and there are pending much needed studies should indeed give the House pause before continuing the liquid metal fast breeder reactor as proposed in this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, let me say to my friend from Pennsylvania (Mr. COUGHLIN) that I do not believe he really does want to kill this program. I would suggest, from some of the debate I have heard from some of his allies here on the floor, that there are numerous of his allies who do have that very deep-seated desire, and I think that, wittingly or otherwise, unwittingly perhaps, he is aiding and abetting the course they are pursuing.

I know the gentleman and some of my environmentalist friends are disturbed by this amendment.

Mr. Chairman, I merely want to quote from a letter that was signed by Dr. Train on the 21st of May in which he said:

> We support the Administration's plans to develop this technology because we consider the LMFBR to be a viable candidate among the alternative nuclear and nonnuclear technological options . . .

What he was talking about in that earlier statement about timing related to the commercialization of the breeders, but I can assure my colleagues that Dr. Train and the Environmental Protection Agency fully accept the necessity of proceeding with a demonstration plant to see whether or not this technology should ultimately be commercialized for our Nation's energy needs.

(By unanimous consent, Mr. TEAGUE yielded his time to Mr. MCCORMACK).

The CHAIRMAN. The question is on the amendments offered by the gentleman from Pennsylvania (Mr. COUGHLIN) to the amendments offered by the gentleman from Washington (Mr. MCCORMACK).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. COUGHLIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 136, noes 227, not voting 70, as follows:

[Roll No. 323]

AYES—136

Abzug
Ambro
Armstrong
Aspin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Bonker
Brademas
Brodhead
Burke, Calif.
Burton, John
Burton, Phillip
Carr
Chisholm
Cohen
Conte
Cornell
Coughlin
Delaney
Dellums
Dingell
Dodd
Downey
Drinan
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Fish
Flood
Florio
Ford, Mich.
Forsythe
Fraser
Gilman
Goodling
Green
Gude
Hall
Harkin
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Hughes
Jacobs
Jeffords
Jordan
Kastenmeier
Keys
Koch
LaFalce
Lehman
McCloskey
McDade
McHugh
Madigan
Maguire
Matsunaga
Melcher
Meyner
Mikva
Miller, Calif.
Miller, Ohio
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mottl
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
Ottinger
Pattison, N.Y.
Pressler
Rangel
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rooney
Rosenthal
Roybal
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Smith, Iowa
Solarz
Spellman
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Studds
Thompson
Thone
Tsongas
Vander Jagt
Vander Veen
Vanik
Waxman
Weaver
Whalen
Wirth
Wolff
Yates
Yatron
Zeferetti

NOES—227

Abdnor
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Boland
Bolling
Bowen
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Conable
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
de la Garza
Derwinski
Devine
Downing
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Esch
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fisher
Flowers
Foley
Fountain
Frey
Fuqua
Gaydos
Giaimo
Ginn
Goldwater
Gonzalez
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hanley
Hansen
Harris
Hastings
Hébert
Hefner
Henderson
Hicks
Hightower
Hinshaw
Holland
Holt
Horton
Howard
Howe
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Kindness
Krebs
Krueger
Lagomarsino
Latta
Leggett
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McCollister
McCormack
McDonald
McFall
McKay
McKinney
Madden
Mahon
Martin
Mazzoli
Milford
Mills
Mineta
Mitchell, N.Y.
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nichols
O'Brien
O'Hara
O'Neill
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Pritchard
Quie
Quillen
Randall
Rees
Regula
Rhodes
Risenhoover
Roberts
Robinson
Rogers
Roncalio
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Santini
Satterfield
Schneebeli
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thornton
Traxler
Treen
Ullman
Van Deerlin
Vigorito
Waggonner
Walsh
White
Whitehurst
Whitten
Wiggins
Wilson, C. H.
Wilson, Tex.
Wright
Wydler
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—70

Addabbo
Ashbrook
AuCoin
Bell
Bergland
Brooks
Burke, Fla.
Casey
Clay
Collins, Ill.
Collins, Tex.
Conlan
Conyers
Corman
Cotter
Davis
Dent
Derrick
Dickinson
Diggs
Erlenborn
Eshleman
Fithian
Flynt
Ford, Tenn.
Frenzel
Fulton
Gibbons
Hannaford
Harrington
Harsha
Hawkins
Hillis
Jarman
Jenrette
Jones, Ala.
Jones, N.C.
Karth
Ketchum
Landrum
Lott
McClory
McEwen
Macdonald
Mann
Mathis
Meeds
Metcalfe
Mezvinsky
Michel
Mollohan
Montgomery
Neal
Pepper
Price
Railsback
Rose
Schulze
Sebelius
Simon
Steelman
Steiger, Ariz.
Stephens
Taylor, Mo.
Udall
Wampler
Wilson, Bob
Winn
Wylie
Young, Alaska

So the amendments were rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Price against.

Mr. Ford of Tennessee for, with Mr. Dent against.

Mr. Fithian for, with Mr. Casey against.

Mr. Harrington for, with Mr. Brooks against.

Mr. Frenzel for, with Mr. Mollohan against.

Mr. Conyers for, with Mr. Pepper against.

Mr. Hawkins, for, with Mr. Fulton against.

Mrs. Collins of Illinois for, with Mr. Derrick against.

Mr. Diggs for, with Mr. Jones of Alabama against.

Mr. Udall for, with Mr. Macdonald against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Washington (Mr. McCormack).

The amendments were agreed to.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the U.S. Energy Research and Development Administration today made a very significant announcement concerning the development of new natural gas supplies from the eastern gas shales. A cost-sharing $4.2 million contract calls for the drilling of experimental wells in the State of West Virginia.

The House Conservation, Energy, and Natural Resources Subcommittee, which I have the honor to chair, recently focused public attention on the potentiality of natural gas production from the Eastern Devonian shales. The ERDA project, which will be done in cooperation with the Columbia Gas System Service Corp., will concentrate on massive hydraulic fracturing to release the gas found in these shales.

Columbia Gas was one of our witnesses when the subcommittee examined this resource on May 8. The company told us at that time that the eastern oil shales contained an estimated 500 trillion cubic feet of natural gas. The gas shales cover a vast area of our country including Kentucky, Ohio, Michigan, Illinois, Indiana, Alabama, Tennessee, Pennsylvania, New York, and probably a number of other States. We hope to have that testimony published in the near future, and I hope you will become aware of the great significance of possible natural gas and even oil supplies which can be developed from these shales.

I wish to commend Dr. Robert Seamans, the Administrator of the Energy Research and Development Administration, and all of his colleagues for moving quickly to develop this potentially important new supply of natural gas. I think this demonstrates that ERDA can move rapidly ahead with rather bold and daring programs and I hope the Agency will continue to do so.

This development is especially significant in light of the fact that America faces an absolutely devastating natural gas shortage this coming winter, which our subcommittee is now investigating from the standpoint of Federal preparedness to deal with it.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, I commend the gentleman from Pennsylvania for calling the attention of this body to this contract which will be performed in Mingo County, W. Va., in my congressional district. I am very pleased that the gentleman from Pennsylvania has given publicity to this excellent contract from the Energy Research and Development Administration for R. & D. in massive fracturing techniques to stimulate shale gas from the Devonion shale formations. It is another reason why we should vote this bill which is pending on the floor today. I am highly pleased that today—June 20, 1975, which is the 112th anniversary of West Virginia's admission to this Union—this major contract is being announced in my congressional district.

Mr. MOORHEAD of Pennsylvania. The gentleman will agree with me that is the reason I am making this announcement at this time, but I should like to point out to the gentleman that these gas and oil shales occur not only in West Virginia but also other States such as Kentucky, Ohio, Michigan, Illinois, Indiana, Alabama, Tennessee, and Pennsylvania, and I am happy to say New York, and probably other States, so we hope the experiment in the gentleman's district in West Virginia will be merely a beginning and that as the gentleman said it will be another reason why we should pass this bill today.

Mr. MOSHER. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. MOSHER. Mr. Chairman, I am pleased that the gentleman emphasizes the importance of this project in which ERDA and the private industries will join. It just happens that yesterday on the floor my colleague, the gentleman from Ohio (Mr. Ashbrook) and I had a colloquy in which we emphasized the importance of this project, and the gentleman knows we in Ohio welcome it very strongly.

Mr. MOORHEAD of Pennsylvania. As the gentleman knows, we are facing a devastating shortage of natural gas this winter. While I do not think this particular project can help this winter, it will certainly help in the future winters to relieve this serious energy crisis which faces this Nation.

Mr. MOSHER. That is what we all hope.

Mr. MOORHEAD of Pennsylvania. I thank the gentleman for his comment.

AMENDMENTS OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Ms. Abzug: On page 19, line 24, strike out "$123,180,000" and insert in lieu thereof "$154,180,000, of which not less than $84,700,000 shall for for end-use conservation programs."

On page 33, line 10, strike out "$29,033,000" and insert in lieu thereof "$38,033,000, of which not less than $22,100,000 shall be for end-use conservation programs."

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. ABZUG. Mr. Chairman, the effect of the amendments before us would increase the sum of money authorized in this bill by $40 million, $31 million for fiscal year 1976 and $9 million for the transition period for the funds provided for the so-called end-use conservation. lieve the end-use conservation methods are the quickest and easiest methods to save our energy resources.

As I said earlier, the purpose of this amendment is to add $40 million to the authorization for the end-use conservation programs. I would like to call to the attention of the House to the fact that the FEA had recommended that $165 million be spent for the end-use energy conservation program during fiscal year 1976. I do not know why the committee reduced that, because I believe that in this area if we strengthen our efforts, we can get the quickest and easiest way to save energy, even as we develop programs in other fields.

In certain areas of end-use conservation, the technology is already available, but has not been applied. Authorizing sufficient funds for its application will remedy this situation. For example, 15 billion gallons of oil is consumed annually for air conditioning. Dr. John Holdron of the University of California energy and resources program estimates that by increasing the efficiency of air conditioning units merly from 7 to 10 percent we could save 4.5 billion gallons of oil every year. Also through improved installation and design we easily could save one-third of our energy use devoted to heating our buildings. This would result in an estimated savings of 36 billion gallons of oil annually. The impact of applying these end-use methods in these two areas would mean a reduction of almost half of the 96 billion gallons of oil we import annually.

In its report, the Committee on Science and Technology and the Joint Committee on Atomic Energy express the hope that such end-use conservation will contribute to a rapid reduction of the current wide-spread energy waste.

The $40 million I am proposing to add will be applied in a very practical way to the energy we already produce more efficiently. In view of the recommendations of the Federal Energy Administration, in view of our very serious problems, and even though I support all of the nonnuclear capacities of energy research and development, I believe that under-financed and under-authorized funding in this area would be a serious mistake. We have an opportunity here in a quick and easy way to conserve our energy.

I would urge that any savings that may accrue from the breeder reactor amendment that was just passed be used to add $40 million to the end-use conservation program and I urge support of this amendment.

Mr. McCORMACK. Mr. Chairman, I rise in reluctant opposition to the amendment offered by the gentlewoman from New York.

Mr. Chairman, I am sure that the desire of the gentlewoman from New York is well intentioned, and she clearly is using figures published some time ago by the Federal Energy Administration. The fact is, however, that we were spending only about $25 million for conservation

R. & D. during fiscal year 1975. Now, the program from which she is quoting assumed that we would be spending $88 million. In short, the conservation program was not yet in full operation.

The figures the gentlewoman is quoting assumed an increase from fiscal year 1975 to fiscal year 1976 of about $78 million to about $166 million. But, the program was not initiated in a manner consistent with the report. So, what we have to do is work from where we are.

We took the report with the present expenditure at a level of about $25 million, and the Administration request of only $41 million, and we added $94 million to it. That is much more of an increase than the gentlewoman from New York is quoting as being recommended for fiscal year 1976 over fiscal year 1975. We are literally going from about $25 million in 1975 to about $135 million in fiscal year 1976.

That is more than a fivefold increase. While I sympathize with the concept and I obviously recognize that this is one of the most important parts of the energy program because it does contain the biggest percentage increase of any other portion of the program, I seriously question whether we can put into place the program the lady wishes.

We have put this money in the authorization bill, but we already have a letter from the Administration saying that their new program for fiscal year 1976, which will come to us on June 30, is below this level. We also know that the Appropriations Committee is going to come in substantially below this level.

I think the problem lies with the mechanics of the proposed program. End use conservation programs involve putting thousands of people in the field; in agriculture, in industry, in agricultural extension offices, in helping people in individual homes learn how to save energy. It is going to be a difficult mechanical operation and I just do not think it can gear up as fast as the lady wishes.

For that reason, I reluctantly oppose the amendment.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I thank the chairman of the committee for yielding to me. I would agree with him and agree with the gentlewoman from New York that this is a very important part of this program. We received much testimony in support of many areas that we can begin looking into for acquiring conservation.

As the gentleman stated, we have tripled the amount that was previously requested. I think we have somehow or other got to be reasonable in our approach to all of these things we are doing.

After all, this is a new agency. They are just now beginning, and I express concern that we may be appropriating more money than they can intelligently and efficiently and economically provide for.

I would suggest that we leave it with this figure, see how they do this first year and come back over our oversight hearings over the year. We can better evaluate whether, in fact, it would substantiate additional money, so I would reluctantly oppose the amendment.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I am almost intimidated by all this reluctant opposition, but I am not really, because I denote some sympathy with my position. Therefore, I would like to make this additional point.

The reason this program should be much more highly financed than even what I am proposing is that it can be immediately put into effect. It does not require a great deal of research and it does not require complicated technology. Moreover, it has the added factor of being able to put into employment a lot of people who do not have the highest of skills. It has a double purpose more than any other section of this bill.

It seems to me that if we have any savings in the bill from the amendment which was just passed, offered by the gentleman from Washington, on the breeder reactor, we should allocate that here because it has this double purpose. We could put people into the field immediately. It does not require research and development. It would result in an immediate savings of energy.

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from New York (Ms. Abzug).

The question was taken; and the Chairman announced that the noes appeared to have it.

The question was taken; and on a division (demanded by Ms. Abzug) there were—ayes 16, noes 41.

So the amendments were rejected.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words.

I rise to ask a question of the chairman of the committee.

Mr. Chairman, as we have discussed, it is my understanding that the ERDA's fiscal year 1976 budget includes an estimated increase in revenues of $30 million from sales of steam from the nuclear reactor in Hanford to the Washington Public Power Supply System. The existing contract between ERDA and the supply system provides for a steam payment of $22.5 million a year. This contract expires in the fall of 1977. ERDA and the supply system are currently negotiating a new contract which, among other things, could change the amount paid for steam.

The Joint Committee on Atomic Energy, on page 54 of its report on H.R. 3474, states in its comments on ERDA's budget that the revenue estimates appear reasonable. In view of the existing contract between ERDA and the Supply System and of the current negotiations on a new contract, ERDA's estimated revenues are just that—estimates. If ERDA is to receive additional revenues for steam made available to the supply system, any such increase will depend on the contract negotiations. I understand that the Joint Committee recognizes that ERDA's estimate of revenues could be reduced as a result of the negotiations.

Is that the understanding of the chairman?

Mr. YOUNG of Texas. Yes.

Mr. McCORMACK. I thank the gentleman.

AMENDMENT OFFERED BY MR. COUGHLIN

Mr. COUGHLIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Coughlin: On page 28, line 21, immediately after "authorized" insert "for the period consisting of the fiscal year ending June 30, 1976 and the interim period following that fiscal year and ending September 30, 1976".

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I will yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, we on this side have no objection to the gentleman's amendment. We will support it.

Mr. MOSHER. Mr. Chairman, that is true on this side also.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Coughlin).

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. RICHMOND

Mr. RICHMOND. Mr. Chairman, I offer amendments, and I ask unanimous consent that they may be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. Richmond: Page 19, line 20, strike the figure "$140,700,000" and insert in lieu thereof the figure "$194,800,000".

And on page 33, line 6, strike the figure "$38,800,000" and insert in lieu thereof the figure "$48,700,000".

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RICHMOND. Mr. Speaker, I rise in support of my amendments to H.R. 3474.

These amendments would raise the authorization for solar energy research and development from $140.7 million to $194.8 million.

According to previous estimates by the subpanel XIX report of December 1973, to AEC and the Mitre Corp., this increase is needed to support solar energy research at an accelerated level. I believe a proven practical resource like solar energy deserves a major national commitment. I believe this amendment will demonstrate our commitment.

Many citizens groups support this increase. To date, Consumer Action Now, Common Cause, the Environmental Policy Center, National Interveners, and the Sierra Club are all in favor of this amendment.

Solar energy is one of our best hopes for the fulfillment of our energy needs. An aggressive program implemented now can provide savings of 1 to 1.8 million barrels of oil per day by 1985, according to estimates by the Federal Energy Administration. Thereafter savings will multiply.

The technology required for solar heating and solar hot water is available now. The technology required for solar air conditioning is almost ready. Even today total investment costs favor solar energy, even though solar energy equipment has not yet achieved the low costs mass production will certainly provide.

For example, if we could project a low 5-percent annual escalation in conventional energy costs, payoff calculations show that solar energy equipment is economical. Projections based on heating oil rates of 40 cents a gallon and electrical costs of 3.5 cents per kilowatt-hour show that a single family residence in the Northeast part of the United States could pay for its solar equipment within 14 years. However, electricity now costs 4 cents per kilowatt in the Northeast, so it is even more practical.

In the middle United States an all-electric home would have its solar energy equipment paid for in under 10 years, based on today's utility rates.

Finally, in California, an all-electric home would have its solar energy costs paid off in 9 years at present rates.

Once solar energy equipment is paid for, the energy received each day is completely free. That means a lifetime expense of home energy can now be amortized in 9 to 14 years.

Most importantly, the installation of solar energy conversion devices transforms the homeowner from an energy consumer into an energy producer. Rather than drain our natural resources, the solar energy producer becomes a contributing energy supplier, not only a consumer.

Mr. Chairman, there are many other programs besides home heating which may be practical but have not received funding for demonstration projects or advanced production. For example, ocean thermal energy conversion has been thoroughly explored on a theoretical basis; it now needs a demonstration project. Limited numbers of photovoltaic cells, which can provide 100 percent energy independence, are being handmade. With mass production of these cells we could remove preventive cost barriers thereby making widespread utilization possible.

Presently solar energy is only 3.12 percent of the total ERDA authorizations. This amendment would increase that to 4.15 percent of the total. Although this money for solar energy is trivial compared to nuclear authorizations and the total ERDA budget, it is a needed shot in the arm for those in research and development in this growing field.

Solar energy will not take decades to develop, and the Federal Government will soon regain whatever expenditures it makes today through income taxes and royalties obtained from manufacturers of solar equipment. In addition, millions of dollars will be saved as a result of increased research, since millions would otherwise be spent on foreign oil and on pollution control devices needed for the use of that oil.

The same solar equipment as it is developed and which pays royalties to the Government also requires thousands of employees for its manufacture. These jobs are needed and are there if we want to encourage them.

Solar energy must be pushed. We cannot afford to rely on just one or two energy sources as the final solution to our energy needs. We must expand our sights to include a diversity of sources.

The most practical, the cleanest, and the cheapest alternative energy source is solar energy. The Congress must endorse this proven technology by giving solar energy funding at an accelerated level.

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. RICHMOND. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, I rise in strong support of the gentleman's amendment.

Mr. Chairman, I strongly support the amendment to increase the authorization for the solar energy activities of the Energy Research and Development Administration. I am convinced—as are many of my constituents—that some of the solar technologies, particularly solar heating and cooling and wind generation of electricity, are ready now. With only a modest effort by the Federal Government to encourage their use, and with a little more development work to reduce costs of these systems, we should see a major increase in their use throughout the United States. I believe we must make this Federal commitment now.

Mr. Chairman, the Solar Energy Task Force prepared under the direction of the National Science Foundation for the Project Independence Blueprint identified wind energy conversion as the solar technology likely to produce the greatest savings in petroleum by the year 1990. That same report recommended an expenditure of $18.8 million on wind energy conversion in fiscal year 1976. The Science and Astronautics Committee has authorized only $17.6 million for wind energy conversion. My own belief is that this House should insist on authorizing at least the $18.8 million recommended in the Solar Energy Task Force report.

Since wind energy conversion was identified as the most likely solar technology to produce significant savings of oil and gas by 1990, I find it particularly discouraging that ERDA still has only one person, Mr. Louis Divone, working full time to manage the Federal wind program effort. During fiscal year 1975, ERDA received over 300 applications for grants to participate in the Federal wind energy program.

The extremely large attendance at the ERDA/NSF Conference on Wind Energy Conversion Systems held in Washington earlier this month indicates to me that the number of applicants for participation in the program can be expected to be significantly higher in fiscal year 1976. This work load, on top of maintaining overall management of the ongoing program, is clearly too much for one person. I urge in the strongest possible way, Mr. Chairman, that ERDA act promptly to designate and fill enough staff positions in the Wind Energy Conversion Branch to manage this program.

And I urge my colleagues to pass this amendment, to give ERDA additional notice that this Congress insists that a proper proportion of ERDA's efforts be spent on wind energy conversion and the other very promising solar energy technologies.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. RICHMOND. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's yielding.

Could the gentleman tell us where he plans or would suggest that this additional funding, if it is supplied, be spent?

Mr. RICHMOND. I believe it should be spent on basic research.

Japan, a country we physically rebuilt a few years ago, now has 2 million homes using solar energy. Israel gets a large part of its energy through solar energy.

We find that solar energy is being developed throughout the world and that we are far behind on solar energy technology and uses.

I say that there are many, many areas which ERDA could step into and expand.

We are only asking for 4 percent of ERDA's budget, which is a very, very small amount compared to what they spend on everything else. I think solar energy is the best, the cheapest, and the cleanest method of supplying energy.

The CHAIRMAN. The time of the gentleman from New York (Mr. RICHMOND) has expired.

(On request of Mr. SEIBERLING and by unanimous consent, Mr. RICHMOND was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. RICHMOND. Yes, I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I would like to commend the gentleman from New York (Mr. RICHMOND) for his amendment.

The gentleman from Washington (Mr. MCCORMACK) cited earlier the increases that have taken place in the budget for solar energy research and development. Yet, the fact is that the amount that we are devoting even in this proposed budget is much, much smaller than for nuclear fission energy or even for the liquid metal fast breeder reactor.

Therefore, this is one effort to get our priorities in line with realities.

Mr. Chairman, I certainly share the gentleman's views as expressed. I compliment him, and I support his amendment.

The CHAIRMAN. The time of the gentleman from New York (Mr. RICHMOND) has expired.

(On request of Mr. ROUSSELOT and by unanimous consent, Mr. RICHMOND was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. RICHMOND. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. I say this to the gentleman: By my question I did not intend to appear antagonistic. I am seriously considering supporting the gentleman's amendment because I, too, believe that this is an increasingly important area for proper research and development.

Does the gentleman believe that this additional authorization would enhance the some 4,000 solar energy test homes, pilot-project homes, that are going to be set up throughout the country in the next 2 or 3 years? Would much of this additional authorization go to the enhancement of that effort?

Mr. RICHMOND. Yes. In answer to the gentleman, $33 million would be for stepped-up solar heating and cooling demonstration program. That is a very, very small amount to spend on research, I am sure the gentleman will agree.

Mr. ROUSSELOT. I appreciate the gentleman's answer.

Could the gentleman tell us whether he has supplied for the record somewhere how he feels this additional authorization he is requesting by his amendment could be allocated? Has he done so or has he a specific proposal for it?

Mr. RICHMOND. It is very simple. $33 million for stepped-up solar energy heating and cooling demonstration.

The sum of $20 million for solar heating and cooling R. & D., an increase of $6.9 million over the request.

The sum of $35 million for the thermal conversion of solar energy into electricity.

The sum of $35 million for direct conversion of solar energy into electricity through the use of photovoltaic devices.

The sum of $25 million for wind energy conversion.

The sum of $8 million for converting organic wastes into fuel.

The sum of $15 million for using temperature differences in ocean water to generate electricity.

The sum of $4 million for solar resources analysis.

The sum of $4 million for solar energy storage.

The sum of $4 million for a Solar Energy Research Institute.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. RICHMOND. Yes, I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I want to compliment the gentleman from New York (Mr. RICHMOND) for presenting the amendment.

I realize that it is very difficult to suggest to the House that there should be an authorization above that recommended by the committee, but sometimes the collective minds of the House are as good, if not even better than those of the members of the committee, with all due respect to the ability of the committee members and that of the experts.

What we are really saying, I think, in this amendment is that we have many difficulties in the development of the nuclear aspects of our energy technology, as has been described very fully in the debate, especially with respect to the breeder.

We are saying that we have here a form of energy that has been and is very technologically sound. It would be very important and essential to show a move forward in our commitment to really find an alternate method of supplying energy. This is really an effective way to do it.

There are many people who support further research and development projects on solar energy, and I think we should grant this increase, just as I thought we should have granted the increase to the end-conservation aspects of this bill.

Mr. Chairman, I compliment the gentleman.

Mr. TSONGAS. Mr. Chairman, I rise in support of the amendment, and I move to strike the requisite number of words.

Mr. Chairman, I am a member of the Subcommittee on Energy and Environment of the Committee on Interior and Insular Affairs, and we have spent a number of weeks hearing testimony on nuclear energy and solar alternatives.

During those hearings, listening to the testimony, we came to realize and to accept the need for nuclear energy, and indeed to accept the need for the breeder reactor.

The rationale for the breeder is really quite simple. In the 1980's we want to have the breeder for a final alternative decision, and the technology that has to be researched and developed for the breeder reactor would take place before that, along with the other forms of energy, so that by the 1980's if necessary we would have the breeder reactor as an alternative energy source.

I think this is a sound rationale, but the rationale also applies to the alternatives, we do not only have the breeder, we do not only have the fusion process, we also have solar and solar derivatives.

What we have read so far—and is related in the news stories of yesterday about the diminished expectations of offshore oil—only goes to prove that particular point.

The figures that have been brought out in this amendment were not simply taken out of the sky; these are the result of the committee working together with the staff and the projections of the Mitre Corp., which is a research and development think tank located outside of Boston. After the figure was arrived at my staff contacted many of the people in the route 128 and MIT area, and asked them whether the figures we are projecting were realistic, and the response we got back was that it was realistic. Indeed, we were told that more could be done. And the reason is quite simple. In nuclear energy there are a limited number of people who have the degrees, technology and expertise through the country to be involved in this field. That is not true as to solar and solar derivatives, and the number of people and number of disciplines are much greater, and the involvement can be much quicker.

Let me give the Members an example of what I think was referred to as to where the money could be spent. In the hearings we heard testimony by TRW relative to the concept of ocean thermal energy, they testified that they had developed this process and are ready for a prototype. Their testimony indicated they can develop a prototype and a working model that will generate the same kind of electrical energy as a light water reactor, the same turnout of energy, yet without the resulting problems of safety and the resulting problems of pollution.

So it is important that we develop all the alternatives possible, and I think that the amendment offers the way to move in that direction. All we are asking, for example, is to carry on with the breeder so that that alternative can be made available, and that is within the budget the committee has come up with, and I would commend the committee for their commitment to the alternatives.

There is $180 million that has been designated for geothermal research, and $143 million for solar and solar derivatives.

If we compare geothermal with solar or solar derivatives we are talking about a ratio of 1 percent geothermal to perhaps 15 or 20 percent solar or solar alternatives. So if we are going to spend $180 million which may give us 1 percent, then I think it makes good sense to spend $190 million for something that will give us many times more.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. TSONGAS. I am happy to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding, and I would like to rise in support of this amendment. I think it offers more hope than almost anything else we have heard this afternoon.

There are 2 women in my district who have 14 patents in the field of solar energy, and are treating part of the town's sewage in a plant built by the local carpenter, using solar energy only. There are many projects like this, which can be developed in the field of solar energy, without danger to the public and the people who are doing the work. I heartily support this amendment.

Mr. TSONGAS. I thank the gentlewoman.

Let me conclude by saying when our committee began its testimony in the hearings, I had serious doubt about the capacity of solar and solar derivatives. There are not the dangers involved with nuclear energy. In listening to experts say what can be in terms of solar and solar derivatives, I think we have an obligation, as we do with the breeder, to make those alternatives available by the 1980's. If we are going to fund geothermal to the tune of $180 million, let us do it. If we are going to fund the breeder to the tune of $527 million, let us do that also. But let us put money not only in fossil fuel but in solar and solar derivatives. There are no problems with the environment. The environmental damage is minimal.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WEAVER. Mr. Speaker, I move to strike the requisite number of words, and I rise in support of the amendments for increasing the authorization for solar research development.

My colleagues, the gentleman from Massachusetts (Mr. TSONGAS) and the gentleman from New York (Mr. RICHMOND), already have articulated the basis for our support.

In hearings before the Energy and Environment Subcommittee and the Interior Committee, I heard extensive testimony on alternative energy resources. Mr. Chairman, I intend to explain how OTEC works, because I feel that if this source of energy were well understood, we would be funding it in much greater amounts. But I would like to mention first that as a builder, I see a great future for solar panels. I am putting solar heating panels in my house, and I believe I will save money in the long run.

A gentleman from Oswego, Oreg., has written me about a wave-action device which he has patented, which gets energy from wave action by revolving a gear. He cannot even get a small grant to develop this device which could be eventually a great source of energy. But so enamored are we with the nuclear that we cannot spend a few thousand dollars for these new Edisons.

To get to OTEC, OTEC is ocean thermal energy conversion. It can lead to at least 5 percent of our total energy needs in the year 2000. The TRW representative before our committee said that a pilot plant would cost approximately $200 million, that it would be an energy source at $2,000 a megawatt, and they would hope to get it down to $1,500 a megawatt.

We heard today discussion on the fast breeder reactor in terms of $4,000 or $5,000 a kilowatt. That would require 95 mill rates. OTEC would produce electricity at 35 mills, 5 mills of which would be operational, and that 34 could be reduced to 20, possibly even 15 mills a kilowatt-hour. This could be one of the finest sources of energy. Here is how it works.

It sits in tropical waters. One has to have a 32-degree differential between the deep water and the ocean surface. The surface water is pumped in, heats through titanium energy converters, heats ammonia, the ammonia expands, drives turbines, and then the cool water is brought up from the ocean, and it cools the ammonia, and the cycle begins again. Roughly 30 percent of the energy is required for the pumps to put the water in, but there is 70 percent of the energy left over. It is a very simple process.

Somehow in this world I see the simpler the process, the cheaper for mankind. There is almost no environmental concern for OTEC. And here we sit, forgetting this source of energy, not funding it in adequate amounts.

Mr. Chairman, we must develop this alternative, and we must develop the others. It is our intent with this amendment to have ERDA move as quickly as possible to the construction of prototype and demonstration plants in ocean thermal development, in wind energy development, and in other areas, to move forward the date—and this is critical—when these alternatives will come on the line and help meet our Nation's energy demands.

When we consider that we are so far behind in these alternate energy sources, and consider that with the liquid metal fast breeder reactor it is impossible to bring electricity from that source in for 20 years, until 1995, then we must not scoff at these alternatives. My guess is, my conviction is, that they will be producing more energy in this country than this LMFBR in 20 years.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I have been sitting here trying to decide one way or another whether to support this amendment or not. I look at the fact that we already have $145 million in it. I have been trying to search my mind because I do not very lightly like to agree with an amendment that is going to add another $50 million roughly for some type of research, but actually the only objection I have found so far is the $50 million and I think perhaps, upon thinking it over, the $50 million would be very well spent, and I intend to support the amendment.

Mr. WEAVER. I thank the gentleman.

Mr. GOLDWATER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment, not in opposition to solar energy as an alternative source to fossil fuel. It has great potential as was pointed out in many days and perhaps weeks of hearings before our committee, but the question that comes to my mind is: Are we going too far in this Congress?

We are throwing money at things, because they politically have sex appeal and not because they are responsible or have any kind of economic commonsense. There is only so much that we can do in a period of time. Let me point out what our committee has done.

We are so concerned about accelerating solar research and development, that the committee took an administration request of $13 million for solar thermal research and increased it by $14,550,000, for a total of $27,750,000. In the area of photovoltaic, the administration requested $12.8 million. The committee increased it by $15.7 million for a total of $28.5 million. On wind energy conversion, the administration requested $11.5 million. The committee increased it by $6.1 million. On bioconversion to fuels, the administration requested $3.6 million. The committee increased that by $2.9 million. On resource analysis, solar storage, and solar institute, the administration requested not a dime. The committee increased or added money amounting to over $9 million.

So in fact when we get down to it, I think the committee has reflected the concern of Members that we do accelerate, that we do progress in the area of solar research and development. The administration requested $70.3 million. The committee increased that amount by $73.4 million, for a total of $143.7 million.

I might remind the Members that it was in 1971 when we were spending only $1 million on solar energy. Last year, in 1975, we were spending $50 million. For 1976 we have almost tripled that amount to over $140 million.

I am for solar energy, the Members are for solar energy.

Let us be for the taxpayers at the same time. Let us take some responsibility and some accounting for these moneys that we are authorizing to develop this exotic source of energy.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I regret to say that I honestly disagree with the gentleman on this subject. I know we are both extremely interested in the development of solar energy; but is it not true that even though a few years ago we were only spending $1 million on this full program for solar energy, that the Congress itself has accelerated its interest in development solar energy?

Mr. GOLDWATER. That is correct.

Mr. ROUSSELOT. And in the next 4½ years or so we are talking about 4,000 solar pilot projects in homes throughout the country. Would not the adoption of this amendment be a very clear signal to the administration that we are very serious about the development of this type of activity? They say it is highly important that in the appropriation process we only appropriate those dollars for those things that the administration feels they can actually spend in any given year; but the point is that if, in fact, the research began to unfold in a positive and constructive way, that this authorization could be utilized.

Mr. GOLDWATER. Mr. Chairman, let me answer the gentleman. I think we have made it crystal clear that by tripling last year's amounts of money we are making our intent very clear.

The reason I oppose this increase is that through our hearing process it was fairly well demonstrated that ERDA, this new agency, was going to have to work very hard to effectively obligate the $70 million increase that the committee proposed.

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. Tsongas and by unanimous consent, Mr. Goldwater was allowed to proceed for an additional 2 minutes.)

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. Mr. Chairman, for the first time in my career, I associate my remarks with those of the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, I hope the gentleman will have many more such occasions.

Mr. TSONGAS. There is a dispute among the scientists how much money can be used. If the gentleman in the well is correct, if the amendment passes and there is further development possibility and if, indeed, we are wrong—our advisors do not say we are wrong—then the logic the gentleman from California raises comes into play, that it would not be spent. There are 12 other technologies here and the people in science are strongly for it, not only in these figures, but in the prior figures, and all we are asking is that we give it a chance to come into play.

Mr. GOLDWATER. If that was the case, I would support it; but it was pretty well demonstrated that the ERDA Committee did not have any trouble gearing up for the solar heating and cooling demonstration with the amount of moneys we spent last year.

The CHAIRMAN. The time of the gentleman from California has again expired.

(At the request of Mr. Rousselot and by unanimous consent, Mr. Goldwater was allowed to proceed for an additional 2 minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman.

Mr. ROUSSELOT. To finish up on the thesis of the gentleman, what the agency is capable of doing, my understanding is because of the action of Congress they now are, in fact, gearing up to be extremely more active in the whole field. Many of these contracts are let to private individuals and companies and people with capability of development in this field. It is not all done by the agency itself; so it is not a matter of gearing up with a lot of bureaucrats. It is a matter of contracting out to capable corporations and groups to carry on this kind of work.

I am sure my good colleague knows there are many in California that are beginning to realize this is an important field for development and they are able and willing to come in and bid on the kind of research and development in which I know the gentleman in the well is extremely interested.

So I cannot see the harm in adding to the authorization $50 million as a clear indication that in this time of need to provide new sources of energy development we can meet the challenge that our President has constantly brought to our attention, to not be so dependent on foreign sources of oil. I think that this is a constructive amendment.

I think that this is a constructive amendment, and I cannot understand why my colleague, who I know is terribly interested in this field, will not support this amendment.

Mr. GOLDWATER. The gentleman full well knows, and I am very much surprised at him, because he has preached to us many times about fiscal responsibility.

Mr. ROUSSELOT. Absolutely, and I still do.

Mr. GOLDWATER. I commend the gentleman for his support for solar energy, and I point out to the gentleman that in his supporting an increase of money, he does not know that there are programs that can economically take advantage of that increase.

Mr. RONCALIO. Mr. Chairman, I move to strike the last word and I rise in support of the amendment.

Mr. Chairman, I will not take 5 minutes, but I think it is appropriate that I speak as a member of the Joint Committee on Atomic Energy in support of this amendment.

I think it is the better part of our legislative procedure that we do so. I do not see any great difference between the goals of the proponent and opponent of the amendment, the gentlemen from California, Messrs. ROUSSELOT and GOLDWATER. We are talking about whether the amount is $50 million or $20 million for a goal which all of us know is necessary.

Why do we not, then, give the conferees, the gentleman from Texas (Mr. TEAGUE) and the gentleman from Texas (Mr. YOUNG) and their fellow managers, an opportunity to go into conference with the Senate and determine the amount and let them have the right to recede, if necessary, for a few million dollars, rather than have the Senate tell us again what is to be spent.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, let me just give the gentleman a couple of examples. We are told here that they cannot use any more money. Two examples come to mind immediately.

ERDA at the moment is looking for bids for prototype solar powerplants. They should go into at least two types. This additional $50 million could provide the money to go into that extra powerplant.

In Sandia Laboratory they have a concept of a community type solar project where, on top of a shopping center, they will put the collectors, and that will be sufficient to provide for three or four hundred homes in this one shopping area. ERDA has not seen fit to fund it in a proper amount. So, those are just two examples of where this extra $50 million could be used.

Mr. RONCALIO. I thank the gentleman.

Let me say to those who voiced a fiscal concern about the legislation, that they must keep in mind that we have saved better than $80 million here this morning. Let us allocate some of that amount to the necessary and inevitable fact that we must proceed with a crash program in solar research.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. Mr. Chairman, also the fact is that we really, as a Congress, did not become wholly conscious of the tremendous potentiality in this whole field of solar energy until fairly recently. I think, now that we know it is possible and that we have seen some substantial results beginning to occur, with homes being built that can, in fact, exist on solar energy, we should now drive through and keep this program on a more accelerated basis.

Mr. RONCALIO. I thank the gentleman.

Mr. EMERY. Mr. Chairman, I move to strike the last word, and I rise to speak in favor of the amendments.

Mr. Chairman, I am sure this subject has been discussed sufficiently this afternoon, but there are two or three points I would like to make.

First of all, solar energy is being rapidly shown to be a practical alternative for both home heating and for some industrial uses.

In fact, even on the fogbound coast of Maine, in the town of Bar Harbor, the College of the Atlantic has constructed an experimental solar house which has proven itself to be efficient and effective. Certainly, if a solar heating facility on the coast of Maine can be effective, then the potential exists, perhaps in much greater capacity in other parts of the country—the Midwest, the South, and Southwest—where the number of hours of sunshine yearly far exceed that on the coast of Maine.

Secondly, I would like to mention that there are especially two areas in which experimentation, research and development of solar energy must be conducted.

The first is with the thermodynamic characteristics of solar heating—heat transfer systems for home heating.

The second is the direct conversion of solar energy to electricity.

The first is the form that is most commonly used for solar heating units as we know them now, transferring heat from solar panels on the roof of a building to an internal heating system.

But the second may well be an alternative for those in this Chamber who are not enthusiastic about nuclear power. Most of the sunlight that falls on the Earth is wasted. It is an incredible amount of energy. And if we can find an effective and efficient way to convert that tremendous amount of energy to useful electricity, we may find that, for all time, our electrical requirements can be met with the most convenient, inexpensive and the most environmentally sound source of energy that is possible.

Mr. Chairman, I would like to suggest to those who question the spending of this $50 million for solar energy research that that might be a very desirable area in which to invest additional moneys for research.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, I think the point brought out here today by the gentleman from California (Mr. MOSS) is very telling. This amendment does not hinge upon the ability of ERDA to do something with this money. It hinges upon the ability of ERDA to start contracting with those companies who have put up their own money for the purpose of investigating the possibility of the potential of solar energy.

Mr. Chairman, in our Committee on Energy and Environment in the Committee on the Interior, we had testimony from Lockheed and from TRW that they are ready to go with a design of the ocean thermal gradient system and what we have found there is that this Government is committed to a system which both of those companies have come back and said it has a potential of 30,000 megawatts by the year 2000, which is identical to what we have now in nuclear energy.

There have been two contracts for $390,000, and I think that is an inferior amount of money.

Somebody said that solar energy will not get ERDA's attention until you can put a meter on the Sun so the utilities can bill you for it. I think that is what we have seen, where utilities come in and they can add to their rate base and they will get ERDA's attention.

But here we have a lot of small companies involved in this, companies that have not received attention.

We have had testimony time and again in that committee that the outlet of that money is available, and we have those firms in California, and elsewhere, that rely on this as a source of energy. By the year 2000 it has an immediate potential of some 15 percent of our energy needs. That is more than any other source of energy we talked about here. I think it deserves that kind of commitment. I think it is very important that we are talking about the availability of the Government to provide the capital that is not there because the financial community has turned its back on solar energy. I think that is pointed out by the report of the Arthur D. Little Co., which says that packaged solar heating systems could be available within 3 years if they could be provided with capital. But right now the utilities are not interested in looking to provide the capital for this source of energy.

So, Mr. Chairman, I rise in support of the amendment. I think it is a well thought out amendment. It has the support of many members in the scientific community.

Mr. HARKIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, in terms of whether or not they can use the money, I would like to point out that we are not ramming this money down their throats. This is just an authorization. The appropriation will come later. Right now this is an authorization.

I would like to point out that 2 years ago Dixy Lee Ray came out with a report, called the Ray report, which was a 1973 National Science Foundation 5-year budget for solar energy development.

Ms. Ray recommended two solar energy budgets. One was an accelerated budget, and the other was a minimum budget. The accelerated budget provided $188.9 million for fiscal year 1976, which is very close to the figure the amendment offered by the gentleman from New York raises this funding level up to. The minimum budget in the Ray report was $67.5 million for fiscal year 1976.

In other words, the budget for solar energy that ERDA came to us for relative to fiscal year 1976 barely met the minimum suggested budget that was outlined 2 years ago.

So I say that the amendment is a good one. I think it will give a clear indication to ERDA of the way we want to go in this country.

Mr. Chairman, I feel that later on, when the measures from the Committee on Appropriations come along, we can also increase those to at least approach the accelerated program outlined in the Ray report of 2 years ago.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, I am quite cognizant of the fact that this amendment is well-intentioned and sincere. However, I would insist that it is not well considered.

The gentleman from Iowa (Mr. HARKIN) has just now quoted the Ray report, and what he says is true. It is true that the Ray report recommended for fiscal year 1976 a minimum program of $67 million and a maximum program of $180.9 million. The fact is, however, that for 1975 it also recommended a minimum program of $50 million and a maximum program of $106 million. We actually are spending slightly below the minimum program today.

What the committee has done is to take the authorization level more than half way from the minimum to the maximum proposed originally in the Ray report. But the Ray report has been updated. There has been a joint national energy plan prepared, coordinated by the National Science Foundation, and it is printed in the ERDA authorization hearings before our committee, in February 1975. That up-dated report recommends for fiscal year 1976 for solar energy a total of $154.8 million.

The authorization that we have before us in this bill brought by the subcommittee is almost exactly what that report recommends as being responsible for fiscal year 1976. We have authorized $143.7 million for ERDA, $6 million for the National Science Foundation, and $2.8 million for program support, for a total of $152.5 million, as contrasted to the $154.8 million. The numbers which are in our bill are very close to the numbers in the national plan.

Mr. Chairman, we know that the administration is coming in with lower numbers; we know that the Committee on Appropriations is coming in with lower numbers.

What the gentleman has done is this: he is taking the numbers of the committee and adding $50 million, and prorated it somehow among the programs already in existence. I want to point out to the Members what these programs are.

I want to point out, first of all, that for this fiscal year we are spending a total of about $50 million for solar energy, and we have authorized $150 million for fiscal year 1976. We are proposing in the bill to treble our solar energy program, and are doing that in the face of the fact that the ERDA organization is still having trouble getting organized, and they are still coming to us and saying there is no way they can spend that money we are authorizing, that they cannot spend what the committee proposes.

Mr. Chairman, the committee proposes for heating and cooling $40.4 million; for solar thermal conversion, $8.5 million; for photovoltaic research, to $9.5 million; for wind energy $18.1 million; for bioconversion studies, $6.5 million; and for ocean thermal gradients $11.2 million.

Now, these figures are not numbers just pulled out of the sky.

These numbers came about as a result of 3 weeks of intensive work, first with the Office of Technology Assessment, going through the budget very carefully and making these recommendations, and then with the help of the Office of Technology Assessment and the committee staff and ERDA personnel, going through each program to determine what the maximum amount was that they could use during this fiscal year in an all-out program from where we were at that time.

They have been trying to gear up for this.

Let me assure the Members of the House that no matter what we do here today, if we accept this amendment, which I think would not be responsible, that it is not going to change anything at all. It is not going to change what the appropriation numbers are going to be. It is not going to change what we can spend. I think there is a point of responsibility in this matter. I think that the committee, in tripling its program, has made its case very well for a strong solar energy program, and I think that coming along and spending $50 million on top of it is not a good and a responsible thing to do.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. Is it not true, though, with respect to much of this kind of research, that ERDA puts out a request or proposal and asks industry, universities, and others to come in and bid on what they think they can do in this field? What is the harm in upping this so that we can encourage greater numbers of people and groups that have capability to be interested in this, especially when Congress is declaring very strongly, and I know the committee is, its interest in increasing research and development in the field of the use of solar energy?

Mr. McCORMACK. I think that for the very reasons which the gentleman has expressed in the consideration of other bills on this floor there is every reason to believe that additional spending would be wasted, simply because we would be attempting to provide more money than can be responsibly used by the ERDA during fiscal year 1976.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I reluctantly take the floor in view of the popularity here of wanting to vote right away, but I rise in opposition to the amendment because the amendment makes an assumption that too often we make, wherein that by spending more money, we can solve any problem, or that in this instance, if we authorize greater expenditures, we can develop a new energy system.

I do not think that we have the knowledge here on this floor really to make that decision, with the exception, maybe, of the gentleman from Washington (Mr. McCORMACK) who just spoke, who is an authority in this particular field.

On April 16, before the Subcommittee on Appropriations that funds ERDA, Dr. Teem, who is the Deputy Administrator for Solar, Geothermal, and Advanced Energy Systems, was testifying.

I asked him the question: Would it be wise for us to spend more money on solar energy because there are those who criticize that we are not spending enough money on solar research?

Dr. Teem replied:

> We believe this is a well-planned and well-balanced program for support of solar energy.

He went on:

> We do believe that this program will be making progress and that we have balance among the various efforts in the program.

He said, in essence, that more money was not needed, that they do have a balance, this is a well-thought-out program, and progress is being made.

As several people have said, we are tripling our solar efforts already in this bill. I think it would be a mistake at this particular time just to throw more money at something that has yet to be developed.

Mr. RICHMOND. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. Yes, I yield to the gentleman from New York.

Mr. RICHMOND. I would just like to remind the gentleman that a perfectly good research organization has recommended allocations in excess of $194.8 million. Our own former Atomic Energy Commission recommended $194 million.

I think it is the duty of the Congress to lead, not to follow, and I think Congress should tell ERDA what we want, not have ERDA tell us what it wants.

I think we in America should go ahead on solar energy and not get behind Japan and any other countries throughout the world.

I think this additional $50 million will help tremendously to speed ERDA on the entire solar energy effort. Remember, solar energy is free and clean.

Mr. MYERS of Indiana. I am sure the gentleman from New York (Mr. Richmond) can find support in this country for any position he might want to take. Dr. Teem and his agency have the responsibility for developing the solar system and I will vote with their recommendations in this instance.

For my part, I will vote against the amendment.

Mr. MYERS of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I am happy to yield to my colleague, the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Chairman, if we are so far behind these other countries, why, then, is it not easier to just transfer the technologies they have developed rather than committing ourselves to additional millions of dollars for researching those same approaches?

Mr. MYERS of Indiana. That is a good point.

The **CHAIRMAN.** The time of the gentleman has expired.

The **CHAIRMAN.** The question is on the amendments offered by the gentleman from New York (Mr. Richmond).

The question was taken; and on a division (demanded by Mr. McCormack) there were—ayes 43, noes 31.

So the amendments were agreed to.

AMENDMENTS OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendments offered by Ms. Abzug: On page 33, line 12, strike out "$890,201,000" and insert in lieu thereof "$666,276,000."

And on page 20, lines 1 and 2, strike out "$3,002,033,000" and insert in lieu thereof "$2,422,093,000."

Ms. ABZUG. Mr. Chairman, I ask unanimous consent that the two amendments may be considered en bloc.

The **CHAIRMAN.** Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. ABZUG. Mr. Chairman, those Members who are extremely interested in budget cutting should be interested in these amendments. Unlike the previous two amendments, these call for a deletion of funds.

We are being asked to support this bill, which authorizes $800 million for new nuclear warhead production and testing. The testing figure of $201,500,000 represents an increase of nearly 25 percent over last year's authorization.

It goes along, I believe, with the ominous suggestions of Defense Secretary Schlesinger. It indicates that he wishes to change what has been our nuclear posture to date, which has been essentially one of deterrence.

I find the recent testimony and statements made by Secretary of Defense Schlesinger positively frightening. They suggest that he seeks to change the direction of our deterrent nuclear defense posture to one which encourages the consideration of limited nuclear war, and one which very clearly is moving in the direction of first-strike capability.

I believe that this kind of development raises the real risk of the possibility of nuclear war.

That is why I rise, as I have on previous occasions, to oppose the development of more nuclear warheads. It seems to me that we should be rather fearful of what is being proposed here.

I know most Members read the Washington Star. Just yesterday, the Star carried this headline which reads: "Doomsday Fears Spark New Interest in Mass Evacuation." This little article describes a large-scale civil defense program, providing serious pleas for mass evacuation. The Defense Department is surveying available shelters, including such exotic locations as deep mines and caves. A lot of the fellows left the floor just now to go play handball or paddle ball, or whatever else they play in that particular cave. But the fact is that unless this floor begins to address itself to the question of where we are going in the development of the nuclear effort, then we, indeed, are participating in bringing about that doomsday much more quickly than most of us have realized.

What we are dealing with here is an enormous idiocy. We have, first of all, a Nuclear Nonproliferation Pact. We have various limited nuclear test ban treaties. The very testing that is being proposed here, I suggest to the Members, is a violation of law. Its authorization of hundreds of millions of dollars violates the law under which we are a party with other nations of this world. What are we afraid of? No one—no one in all of the debate I have heard on the floor of this House, or in debate that has been held elsewhere—has ever challenged the fact that we have over 8,000 strategic nuclear warheads, while the Soviet Union possesses less than 3,000. The basic fact is that we have the preponderance of nuclear megatonnage, and the Soviet Union is already ringed with our missile bases. The constant testing and production of nuclear warheads, whatever the amount that we need, accelerates the arms race, accelerates the potential for our creating that nuclear confrontation which will make it easy for us to stop debating about whether we should have 4-day sessions or 5-days sessions. I charge this administration and Mr. Schlesinger with developing a nuclear war strategy, a strategy which flies in the face of what we seek on the face of it to accomplish in the SALT talks. This strategy will not create security for this country, but insecurity for this country and insecurity for the world. We do not need any additional warheads.

ERDA is supposed to develop alternate forms of energy. The whole nuclear weapons question does not belong in this bill in the first place. But I would urge the Members of this House to seriously consider the whole issue of producing yet more nuclear warheads, which we do not need for our defense. We are up to here in nuclear warheads; we are drowning ourselves in nuclear capability; we are drowning ourselves in nuclear delivery systems as well as warheads. We must begin to make a change and this is the time.

I urge the Members to support the amendment.

The **CHAIRMAN.** The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. Dellums, Ms. Abzug was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I certainly yield to the gentleman from California.

Mr. DELLUMS. I thank the gentlewoman.

I think that history will record that the gentlewoman has tried with brilliance and with sincerity to warn the American people and warn this House on a very vital, critical, and even dangerous question. I think that history will record that the gentlewoman has spoken brilliantly to too many Members of this Congress who have not seen fit to heed the warning of the gentlewoman from New York.

I will simply say that I will support her amendment. I hope that all Members of this House would understand clearly and carefully what the gentlewoman is pointing out and the extraordinary danger of the United States changing the nature of its nuclear policy to one of first-strike capability.

I thank the gentlewoman.

The **CHAIRMAN.** The time of the gentlewoman has expired.

Mr. YOUNG of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I reluctantly and with regret rise in opposition to the amendment offered by the gentlewoman from New York.

Mr. Chairman, this question of weapons and testing, and so forth, has been gone over so many times. As I say, it is with reluctance that I oppose the amendment because I think idealistically we all favor a time and a period in this world when we could do away with these weapons. But unfortunately that time has not come. For that reason, I must oppose the amendment.

Mr. JOHN L. BURTON. Will the gentleman yield for a question?

Mr. YOUNG of Texas. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentleman for yielding.

I am just wondering what we are doing in a bill that deals with energy resources and research, why we are having a weapons provision in here. Would that not better be placed in another place? It is difficult for me to combine solar energy for homes and nuclear weapons for war in one bill. I wonder how that provision is in this legislation and not in an armaments bill?

Mr. YOUNG of Texas. I would advise the gentleman the matter came about through the reorganization bill dealing with the AEC.

The CHAIRMAN. Does the gentleman yield the floor?

Mr. YOUNG of Texas. Yes.

Mr. LUJAN. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I am told the reason the weapons are in this bill is because they are under the jurisdiction of ERDA. That is proper and I am sure the gentleman from California would prefer it that way because by doing this we keep civilian control over these nuclear weapons and we do not turn that over to the military. That is the system that was devised and the system we have kept to. That is the reason why the authorization for weapons is in this bill.

Mr. JOHN L. BURTON. I thank the gentleman.

Mr. LUJAN. Mr. Chairman, if I may use my time I would like to explain my opposition to this amendment.

Mr. Chairman, the amendment is to do away with production and surveillance of weapons. We have heard it argued that in this world we can kill everybody 20 times or 30 times over, whatever it is, and that we would need no more weapons.

The fact of the matter is we are not engaged in simply making more weapons for the sake of making them. We are engaged in the business of perfecting them for many reasons. One reason, and I am sure there would be no disagreement with it, is that we make these weapons so that not just anyone can go in and steal them because of the terrorist problems we have. So we have got to do research on weapons in order to deny the use of these weapons to anyone who might be wanting to use them for any kind of blackmail.

The second portion of this is under the surveillance, basic surveillance of the stockpile. We have to every once in a while go in and see if these weapons we have work. So if we took money away we would not be able to do that.

So all in all it is part of our keeping as strong as we possibly can and by keeping as strong as we possibly can we insure peace in this world.

I thank the chairman.

Mr. OTTINGER. Mr. Chairman, I move to strike the last word.

I intend to support the amendment offered by the gentlewoman from New York. Although I do think we have to maintain the adequacy of our nuclear defenses, I disagree strongly with the development and proliferation of tactical nuclear weapons presently contemplated by this authorization and the Department of Defense.

But the thing that really concerns me is combining nuclear weapons research and energy research in the Energy Research and Development Administration. ERDA has quite enough of an assignment, probably the most important task of any executive agency, developing alternative sources of energy. I think it is just inconsistent to have that agency, which has badly needed funds and resources and expertise for energy research and development functions, also responsible for the weapons. It diverts attention and managerial time from energy to weapons. I do not want to see them in the Defense Department either, and I do hope we can find a different depository for the weapons function in time. I think inclusion of weapons in ERDA is a serious inconsistency and does damage to our very vital effort to try to obtain energy self-sufficiency and energy independence within this country.

If we strike the money for weapons from the bill, then the committee will have to resolve this problem. Weapons research will have to be separated from ERDA and from the ERDA authorization bill.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I just want to point out that this amendment does not move all the weapons' work out of ERDA. This simply takes the money away from production of weapons and surveillance. We still have over $2 billion for weapons work in ERDA, even if this were to pass.

Mr. JOHNSON of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to direct some questions to the chairman of the committee, the gentleman from Texas, or the gentleman from Washington, either one.

In regard to this problem the gentlewoman from New York has raised, it seems to me the gentlewoman has raised this question this year and in years before and I have never heard an answer.

The gentlewoman said we have approximately three times the number of nuclear warheads that the Russians have and when we go through the debate about the delivery systems, the MRV, the MIRV, the Trident and all the other missiles and all the weapons we have, we debate this every year. Is it not true we have a widespread nuclear warhead superiority over the Soviet Union?

Mr. YOUNG of Texas. If the gentleman will yield, Mr. Chairman, it would be impossible to answer that, unless we knew precisely the amount of the arsenal of the nation that the gentleman mentioned. I, for one, do not know and I do not think anybody else does, either.

Mr. JOHNSON of Colorado. Are we spending an additional $1 billion for nuclear warheads when we do not know if we need them or not?

Mr. YOUNG of Texas. We know that we cannot afford to sit back and do nothing. We do have a certain amount of knowledge, such as the largest nuclear warhead that has been exploded in the world has been exploded by the nation the gentleman mentioned.

Mr. JOHNSON of Colorado. I have been reading the committee report this year and I cannot make heads or tails from reading the report exactly what is going to be done. Are there going to be new nuclear warheads developed under this $1 billion appropriation?

Mr. YOUNG of Texas. It is continuing research, development and improvement.

Mr. JOHNSON of Colorado. So there will be additional warheads developed under this program this year?

Mr. YOUNG of Texas. To make them more effective and more accurate.

Mr. JOHNSON of Colorado. Can the gentleman tell me how many more warheads will be developed under this program?

Mr. YOUNG of Texas. I will be candid with the gentleman. I cannot. If I did know, I would not tell the gentleman because it would be such a classification that I could not respond.

Mr. JOHNSON of Colorado. Is that classified information?

Mr. YOUNG of Texas. Yes, it is.

Mr. JOHNSON of Colorado. Will the gentleman tell me, I have read some place in the newspapers or from a report, that we have approximately 7,500 to 8,000 deliverable nuclear warheads. Is that classified information?

Mr. YOUNG of Texas. I am not familiar with what the gentleman has read or where the gentleman has read it. I have read similar statements. I do not know whether they are accurate or not.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Chairman, the information on the number of warheads we have is as follows: There are in the United States 1,054 missile vehicles, 550 of which—this is not classified—by 1976 will be MIRVed. Those are just our ICBM's.

There are more than 500 SLBM's that will be MIRVed by 1978.

The Soviet Union has approximately 1,400 vehicles.

We have a numerical superiority, in terms of reentry vehicles over the U.S.S.R. The Soviet Union at this point has more launchers. We have more warheads.

Mr. JOHNSON of Colorado. Will the gentleman respond to this question? Could the gentleman tell us if we have a 3-to-1 nuclear warhead superiority, what is the reason for continuing to develop more nuclear warheads?

Mr. DOWNEY of New York. I am not an expert. I can tell the gentleman about the numbers, but I cannot tell the gentleman about the qualitative changes. I would be as interested as is the gentleman in finding out what they are.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from New Mexico.

Mr. LUJAN. It is necessary to continue the research and developments of weapons to make them safer.

As I said earlier, if a terrorist group were to pick up one of these weapons or something, we have to deny access to them.

There is research which goes on all the time aimed toward preventing people from getting their hands on one; and second, if they do happen to get their hands on one, to see that they cannot use it.

Mr. JOHNSON of Colorado. I do not argue with that, but the gentleman has not answered the question when I asked how many more warheads are we developing under this program, if we are developing any? Do we have to continue on in the blind without really knowing what we are doing?

Mr. LUJAN. I cannot speak of numbers to the gentleman other than to tell him that the numbers will not increase. They will become better.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

(On request of Mr. Roncalio and by unanimous consent Mr. Johnson of Colorado was allowed to proceed for 2 additional minutes.)

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Chairman, I believe I can throw some light, possibly, and supply some answers for the questions asked by the gentleman from Colorado. I prefer to believe that our position vis-a-vis Russia is not one of superiority, but one of equivalence, and equivalence is the basis for the discussions in the strategic arms limitation talks going on now.

Last month, I was privileged to attend a conference with the Russians, with the U.S. Ambassador, Stanley R. Resor, regarding the mutual and balanced force reductions which could include reduction of atomic weapons, nuclear warheads, for the cannons now located in central Europe for possible use against the Warsaw Pact countries. To offer an amendment to cut off all funds for weaponry now is, in my opinion, foolhardy.

None of us can, I believe, give the gentleman information on numbers. That will not be as important as are the number of launchers in a particular case. The Russians ask how many Poseidon and Polaris submarines we have and the positions of the fixed sites and facilities. I am talking about strategic, not tactical, weapons. Equivalence in destruction to the 20th or 30th power has been achieved.

This authorization includes funds for the PAL systems to assume foolproof functioning of both strategic and tactical weapons in the field. To vote for this amendment will be to tie the hands of our negotiators in Geneva and Vienna. I hope that I have thrown some light on a matter that is of more importance than mere numbers.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I just want to indicate that the gentleman, my esteemed colleague from Wyoming, did not throw very much light on the subject. He is talking about a wholly different subject.

What this amendment deals with is production and testing of nuclear weapons. I submit that this continued testing is an actual violation of the limited test ban treaty, and the concern expressed on this subject by the Arms Control and Disarmament Agency supports my view. I submit that the production of additional warheads is not meeting the problems, but is aggravating it.

The CHAIRMAN. The time of the gentleman from Colorado has again expired.

(On request of Ms. Abzug and by unanimous consent Mr. Johnson of Colorado was allowed to proceed for 3 additional minutes.)

Ms. ABZUG. Mr. Chairman, if the gentleman will yield further, I would like to point out that if we are, indeed, engaged in SALT talks, and trying to find a way in which we can have mutual weapon reduction, the way to do it is not to increase the number of warheads we already have. Such an increase can only be motivated by a change in midstream of our nuclear deterrent strategy.

No one has ever denied the fact, and it has been repeated today, that we have a superiority, an overwhelming superiority, in the numbers of nuclear warheads, and an enormous capacity for accurate targeting of our missiles. We have been discussing this issue during our consideration of other legislation, where it was, indeed, appropriate. I think it is terrible that we should be discussing this issue in a bill seeking to create alternate sources of energy.

We are just refueling the arms race. I would urge that we not confuse an issue by shattering our basic nuclear deterrent policy.

Mr. JOHNSON of Colorado. So far the answers to the questions I have raised indicate that we do have an absolute 3 to 1 superiority in deliverable nuclear warheads. We do not have superiority in delivery systems. Therefore, we are going to continue to develop more nuclear warheads. That does not make a whole lot of sense. That is the way the debate is left, and that is all we understand right now.

I am going to support the gentlewoman's amendment when more justification is presented.

Mr. STARK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment, and I urge even those who will not support it to think thoroughly about the words of the gentlewoman from New York, because we get so little chance in these Chambers to deal at a level beyond the third-grade intellect with real normative problems, and we get so little chance to cast votes that may be meaningful far beyond our years here and the years of the people we represent in this country.

Technological research in the nuclear field is marginal, at best. We waste more money for fewer results. And if you want to follow the string all the way to the end, to the blind logic, the committee will tell you the information is classified, although those of you who care enough can go ahead and read it. Probably it is classified because they really do not have much to tell, except that there is a fear. Follow that to the end: Let us build a doomsday machine. Instead of $8 million, let us spend $8 billion. You could then push the button and blow the Earth apart in watermelon-sized pieces, and then you can indicate to the Russians and say, "If you do not behave, we will blow the world apart," that is about as sensible as voting for this amendment.

Nobody wants to go too far. Yet, nobody wants to stop. You talk about fear, how about fear of what is happening in this country to the elderly, and talk about what is happening in this country because we do not have enough jobs, or fear of what is happening because we cannot educate people meaningfully, or fear because we do not know how to deal with peace. We do not really know what makes people get along very well, and we are not spending any money on that.

If we talked about those fears, then the Members might have some occasion to spend $800 million for weapons that nobody can even suggest that we need.

Mr. Chairman, I urge the Members to think for awhile about the normative decision we should be making. A normative decision is a decision of what we ought to do. And the real question really is: Ought we to build stronger weapons when we now have the nuclear capability of destroying half the world? And, obviously, our supposed enemies, or suspected enemies, have the capability of destroying half the world. It would take hundreds of years to rebuild the world, if we can survive.

Instead, we should support this amendment and send it back to the committee and say, "We want you to come forward with a nuclear policy that makes some sense; makes some sense for establishing a world in which we can eliminate at lease this technological fear," then there may be a little time and a little money and natural resources left to deal with the important problems of this world, problems such as how we can keep our air clean and how we can have enough resources available if we do not blow the world apart first.

I urge the Members to think about your children and your grandchildren, who may not be here unless you support the amendment of the gentlewoman from New York.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as is often the case, the gentlewoman from New York has put her finger on an issue which might otherwise slide by many of us. This bill is labeled "Authorizing Appropriations for the Energy Research and Development Administartion." We are all concerned about energy. I think when we set up the ERDA and included weapons research in its mandate, few of us thought we would be doing what we are doing now.

Yet here we are, dealing with a combined energy bill and weapons bill.

Mr. Chairman, I am used to getting "cans of worms" around here in the form of legislative mish-mashes. That is what we frequently are presented with. We often get something that has features in it that nobody likes, and yet we all end up voting for it in order to get the features we consider necessary. But I think it is an outrage that when we come to deal with an energy bill, we find out we are dealing also with a weapons bill. At the very least, it ought to be handled as separate authorizations.

Since the only way we can deal with that in the circumstances is to strike out the weapons provisions, I am going to support the amendment offered by the gentlewoman from New York (Ms. ABZUG). I recognize that the problem of weapons and weapons development is a very complex one and one that requires a great deal of care and forethought. But that is something we are not going to get on this issue on the basis of the committee report which accompanies this bill.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I want to commend the gentleman for his remarks and associate myself with them.

I am very grateful to the gentlewoman from New York (Ms. ABZUG) for offering this amendment. Otherwise there would have been no discussion of this measure in this bill on the floor, for the simple reason that this country is so concerned about the energy problem that the weapons part of this bill was included and it simply slid through.

Mr. Chairman, I thank the gentlewoman and the gentleman in the well very much for bringing this to the attention of the Committee.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I would like to ask the gentleman: How did the gentleman vote on the bill which created ERDA?

Mr. SEIBERLING. I voted for ERDA, and I begin to think that I have been had.

Mr. McCORMACK. Mr. Chairman, I would like to point out to the gentleman that I was on the floor at that time and debated against the bill, and if I am not mistaken, the gentleman was so intent on splitting the Atomic Energy Joint Committee that he did not care about anything else. All the gentleman wanted to do was to hang the AEC in effigy. He has now accomplished that, and we now see what the result of his actions was.

Mr. SEIBERLING. Mr. Chairman, I do not accept the gentleman's characterization of my motivations in voting for ERDA. If the gentleman will recall, I made a very strenuous effort to lay down some specific guidelines as to what ERDA's mandate was to be, and I believe the gentleman from Washington was one of those who argued against my position.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, in the discussion the gentleman pointed out that the weapons provision ought to be separated from the energy provision. I would suggest that rather than voting against this amendment, the way to indicate our desires is to communicate with Dr. Robert Seamans or with Secretary Schlesinger, because at the moment they have been directed to put together a study as to whether the weapons provision should remain in ERDA or whether the weapons issue should be controlled by the Department of Defense.

I would suggest that would be the way to do it, that we should communicate our feelings to either one of these two gentlemen, because shortly they will have to make their recommendations as to what should be done.

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman for his contribution.

Let me say that I am not objecting at this point to ERDA's having weapons as well as energy under its jurisdiction. What I am objecting to is that as a result of that we end up in the posture where we have both weapons and energy in the same authorization bill, which I think is an outrage and a mistake. I think we ought to do something within this House to correct that problem in the future.

We are talking about a $1 billion weapons program in this authorization.

In response to the very cogent questions asked by the gentleman from Colorado, let me simply say that at the present time the United States has in its arsenal 30,000 atomic weapons, each one of them of Hiroshima size or greater destructive capability, many of them made with plutonium.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. SEIBERLING) has expired.

(By unanimous consent, Mr. SEIBERLING was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, we have already been debating about plutonium in the breeder reactor debate, and I made the point that a millionth of a gram of plutonium is fatal. A gram itself is a very tiny, almost microscopic quantity.

So if we are talking about plutonium weapons and we are talking about the possibility of using them—and I might say that I see in today's paper that the Secretary of Defense is talking about using them tactically in wars with small nations—then we are talking casually about spreading fallout from plutonium-made weapons all over the world. These are weapons that can destroy all of humanity.

Mr. Chairman, we ought to be debating weapons policy as a separate issue apart from energy.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. SEIBERLING) has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio (Mr. SEIBERLING) be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. LUJAN. Mr. Chairman, reserving the right to object, I exercise that right in order to be able to see whether we can arrive at a consensus. We could go on all afternoon on this business that is really unrelated to the subject, whether we have weapons under this bill or not.

I withdraw my reservation of objection.

Mr. Chairman, I ask unanimous consent that all debate on this amendment cease at 3:15 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

(On request of Mr. McCORMACK and by unanimous consent, Mr. SEIBERLING was allowed to proceed for 2 additional minutes.)

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. Yes, I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I just want to say to the gentleman in the well that I stood on the floor of the Washington State Legislature in 1957 and pleaded for a moratorium on nuclear weapons testing because of the danger of fallout. I do not take a backseat to anybody in this country on that subject, but I think we have to keep this matter in perspective.

To say that a microgram of plutonium is fatal is unmitigated nonsense.

We have released into the atmosphere of this world more than 5 tons of plutonium, without counting the recent Chinese and French tests. Every one of us is carrying plutonium in his body. Plutonium has shown up as a carcinogen in test animals, but there are several dozen people in this country, military and scientists, who have absorbed in their body considerably more than a microgram of plutonium more than 20 or 30 years ago and have been under constant surveillance since that time and have shown no ill effects whatsoever.

We have to protect in every way we can against plutonium, and we have to do everything we can to protect against nuclear nonproliferation or the use of such weapons. I could not agree more with the gentleman on that subject, but we should not get this question out of perspective.

Let us not make statements that are not true. Untrue statements used on this floor have been used as a weapon against the nuclear energy industry by irrational and irresponsible people.

Mr. SEIBERLING. Mr. Chairman, I hope the gentleman from Washington is not including me in that category.

Mr. McCORMACK. I am not including the gentleman from Ohio in that category.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for approximately 1½ minutes each.

(By unanimous consent, Mr. OTTINGER yielded his time to Mr. SEIBERLING.)

The CHAIRMAN. The gentleman from Ohio (Mr. SEIBERLING) will be recognized for 3 minutes.

Mr. SEIBERLING. Mr. Chairman, I would like to ask the gentleman from Washington (Mr. McCORMACK) if it is not true that laboratory tests have shown that in animals one-millionth of a gram of plutonium is fatal.

Mr. McCORMACK. No, it is not true.

It has been shown that quantities of plutonium in this level do cause lesions. Ultimately, some of those animals may have died.

This is no reason for saying that a microgram is fatal to human beings.

Referring to human beings, there have been several instances in which human beings have carried much more than a microgram of plutonium in their bodies without having any ill effect over 20 or 30 years.

In test animals it has been shown that lesions with various complications have developed because of ingestion of plutonium.

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman.

I feel somewhat comforted, let me say, in knowing that one may get cancer from plutonium but it may not be fatal.

However, what I am saying basically is this, that I think this kind of debate is appropriate. I do not pretend to have all the answers on this subject, but it is the kind of debate that should take place on a bill to cover weapons and military strategy, and should not be part of a bill to cover nuclear energy research and development.

Mr. Chairman, that is why I think the amendment of the gentlewoman from New York is quite appropriate.

If we can strike the weapons parts of this bill out, then the committee can proceed to come in with a separate bill to cover weapons procurement, and we can have a debate on weapons policies. But most of the Members of the House, particularly those who are not present and listening to this debate, do not even know that this is in the bill. I would be willing to bet any amount of money on that. And when they come in here and vote they will not know that they are voting for $1 billion for weapons procurement for the next 15-month period.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY of New York. Mr. Chairman, this debate has been long and confusing, and it has ranged from strategic priorities to cancerous lesions on mice. There is one thing I would like to find out. In the last paragraph on page 46 of the committee report, about seven lines up, it says that as advanced development in nuclear weapons technology is a foundation of our future national security, this deferral of advanced development, if continued, is a mortgaging of our future. And then it goes on to say that we should provide reliable nuclear weapons, and I could not agree with that more, but I would like to know, in our Committee on Armed Services, we have not found that they are not safe, that they are not as secure, or that they are not reliable. I would like to know from someone on the committee what advanced technological developments we are making in this bill with respect to new weapons, or whether we are in fact improving our nuclear weapons so we can further our counterforce technology, if we are, then I must object to such a course of action, but if we are not doing that, but only improving the safety, security of nuclear weapons, I have no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. KAZEN).

(By unanimous consent, Mr. KAZEN yielded his time to Mr. MCCORMACK.)

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico (Mr. LUJAN).

(By unanimous consent, Mr. LUJAN yielded his time to Mr. ANDERSON of Illinois.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I must admit that we live in an imperfect world, and I could join with the gentleman from Ohio (Mr. SEIBERLING) and some of the other Members, in being less than satisfied with the procedure under which we deal with this highly difficult and complex issue. I would prefer to see it dealt with, frankly, in a separate bill than in this fashion under the 5-minute rule on a bill involving a host of other matters. I am hopeful the House will not adopt the amendment offered by the gentlewoman from New York (Ms. ABZUG), But I want to tell the gentleman from Ohio (Mr. SEIBERLING) and others, that I will give personally great consideration to what they have said about the necessity and the feasibility of trying to consider this matter under a different procedure, and in a way when perhaps more time would be allowed to go into the admitted complexities of a very difficult and critical issue.

But, in view of what I think is the importance of the decisions that have been made, and my respects for people on the committee, particularly the gentleman from Washington (Mr. MCCORMACK), and and gentleman from Texas (Mr. YOUNG), and the others, I would implore the Members not to take the very radical action of simply striking this entirely from the bill.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, as usual, when this motion has been made before, it has brought forth no answers. Therefore, we have a right to make certain assumptions, particularly that this section of the bill does indeed provide for the production of additional nuclear warheads. The reason for that, of course, is to change our current nuclear strategy, and sell us a counterforce strategy which many of us oppose.

The fact that this provision of the bill was confined to nuclear force suggests that its design was for purely political purposes. Last Monday's New York Times article on the administration's "selling" of the Cruise missile presents Mr. Schlesinger's strategy as a political device.

I do not want to sound dramatic, but I urge the Members, if they care about the continuation of humanity on this Earth, that it is time that we dealt radically with this issue. It is time we said we are going to act to defend ourselves in a very fundamental way. We have more than enough superiority to defend ourselves in the nuclear deterrent posture that we have developed over many years. To move now in this direction of supporting additional warhead production and testing, which violates international agreements, I think ill behooves the House at this time.

Mr. Chairman, I urge the Members for once to take a firm stand, and force those who are developing this policy change to come before us in an appropriate context and justify it. Vote for this amendment if you want to vote for a sane policy, not only nuclear, but national and international.

The CHAIRMAN. The time of the gentlewoman has expired.

The Chair recognizes the gentleman from Washington, Mr. MCCORMACK.

Mr. MCCORMACK. Mr. Chairman, I want to make it quite clear that I am just as disturbed as anybody in this room about the proliferation of nuclear weapons, about the problems of the armaments race, and about all of the problems associated with it. But I think this is the wrong time to be trying to make a case for the mixing of authorization of nuclear weapons and energy in this bill.

I want to recite for the Members what I said yesterday, when I read from my statement before the Committee on Government Operations in 1973 when the ERDA bill was being considered, and which I repeated on the floor of the House. When the ERDA was up for debate on the floor, I objected to putting a nuclear weapons program in. I quote them from the times I have previously addressed this matter.

> Mr. Chairman, the second major weakness of this bill—

That is the bill creating ERDA—

> as I see it, is that nuclear weapons research, development, and demonstration would be transferred from the Atomic Energy Commission, along with energy R and D, into the ERDA. I believe this to be highly inadvisable not only because the very large weapons budget would tend to blur the perspective of our energy effort and not only because of the distorted attention that such a large block in the budget might cause in the mind of management, but also because I believe very strongly that we must in every way that we can help the citizens of this country distinguish between safe, peaceful use of nuclear energy on the one hand, and nuclear weapons on the other.

I repeat that statement today, but we cannot change the situation today without completely destroying this bill. I think that it is completely in order for this Congress to work its will as far as recommending a separation of the weapons program form the energy budget. I think they should be separated, but this is no time and place to try it. We have all had the opportunity to study this bill, and I think that to try to divide it today would be totally inadvisable. For these reasons, among others, I oppose the amendment offered by the gentlewoman from New York.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentleman for yielding.

Would it not be possible even under those weaknesses in the ERDA legislation to come out with two bills from the gentleman's committee, one dealing with domestic energy research, and the other dealing with war research?

Mr. McCORMACK. I do not think this year. I think next year we could do it, but there is no way to do it this year.

Mr. JOHN L. BURTON. If the gentleman will yield further, he cannot have a committee meeting and have another bill?

Mr. McCORMACK. Not in the time frame, no, we cannot.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I thank the gentleman for yielding.

Is not, the fuel in the weapons that are retired from the weapons inventory reused after processing in civilian-type reactors.

Mr. McCORMACK. Yes, it is.

Mr. MYERS of Indiana. If the gentleman will yield further, there are several reasons to keep these together in ERDA. There is research being done by defense such as laser fusion that would be applicable to the civilian side of this program for better and more energy.

Mr. McCORMACK. Certainly there are all numerous areas of interface between weapons research and energy research, and the laboratories that do weapons research also do energy research. In fact, some of the best solar weapons research also do energy research and coal energy research in the last 5 years has been done in the atomic energy laboratories bootlegging weapons research funds.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Texas (Mr. YOUNG) to close debate on the pending amendments.

Mr. YOUNG of Texas. Mr. Chairman, I join in the views stated by my colleagues on the committe. I urge defeat of these amendments, and I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from New York (Ms. ABZUG).

The question was taken; and the Chairman announced that the "noes" appeared to have it.

RECORDED VOTE

Ms. ABZUG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 102, noes 246, not voting 85, as follows:

[Roll No. 324]

AYES—102

Abzug
Anderson, Calif.
Badillo
Baucus
Beard, R.I.
Bedell
Biester
Bingham
Bonker
Brodhead
Broomfield
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Carr
Chisholm
Conyers
Cornell
D'Amours
Dellums
Downey
Early
Edgar
Edwards, Calif.
Fascell
Fisher
Ford, Mich.
Fraser
Goodling
Grassley
Gude
Harkin
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holland
Holtzman
Howard
Jacobs
Johnson, Colo.
Karth
Kastenmeier
Keys
Koch
Krebs
Leggett
Lehman
McCloskey
McHugh
McKinney
Maguire
Matsunaga
Mazzoli
Melcher
Meyner
Mikva
Miller, Calif.
Mink
Mitchell, Md.
Moakley
Moffett
Mosher
Nedzi
Nolan
Nowak
Obey
Ottinger
Pattison, N.Y.
Pressler
Pritchard
Rangel
Rees
Richmond
Riegle
Rodino
Rosenthal
Roybal
Russo
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Skubitz
Solarz
Spellman
Stark
Stokes
Studds
Tsongas
Vander Veen
Vanik
Waxman
Weaver
Whalen
Wirth
Yates
Young, Ga.

NOES—246

Abdnor
Alexander
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ahsley
Aspin
Bafalis
Baldus
Barrett
Bauman
Beard, Tenn.
Bennett
Bevill
Biaggi
Blanchard
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Conable
Coughlin
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
de la Garza
Delaney
Derwinski
Devine
Dingell
Dodd
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Emery
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fenwick
Findley
Fish
Flood
Florio
Foley
Fountain
Frey
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harris
Harsha
Hastings
Hefner
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holt
Horton
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jeffords
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kazen
Kelly
Kemp
Krueger
LaFalce
Lagomarsino
Latta
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lujan
McCollister
McCormack
McDade
McDonald
McFall
McKay
Macdonald
Madden
Madigan
Mahon
Martin
Milford
Miller, Ohio
Mills
Mineta
Minish
Mitchell, N.Y.
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nichols
Nix
O'Brien
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Quie
Randall
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson
Roe
Rogers
Roncalio
Rooney
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Ryan
Santini
Satterfield
Scheuer
Schneebeli
Sharp
Shipley
Shuster
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steiger, Wis.
Stratton
Stuckey
Sullivan
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Ullman
Van Deerlin
Vander Jagt
Vigorito
Waggonner
Walsh
White
Whitehurst
Whitten
Wiggins
Wilson, C. H.
Wilson, Tex.
Wolff
Wright
Wydler
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—85

Adams
Addabbo
Ashbrook
AuCoin
Bell
Bergland
Blouin
Burke, Fla.
Casey
Clay
Collins, Ill.
Collins, Tex.
Conlan
Conte
Corman
Cotter
Crane
Davis
Dent
Derrick
Dickinson
Diggs
Erlenborn
Eshleman
Fithian
Flowers
Flynt
Ford, Tenn.
Forsythe
Frenzel
Fulton
Giaimo
Gibbons
Green
Hannaford
Harrington
Hays, Ohio
Hébert
Howe
Jarman
Jenrette
Jones, Ala.
Jones, N.C.
Ketchum
Kindness
Landrum
Long, La.
Lott
McClory
McEwen
Mann
Mathis
Meeds
Metcalfe
Mezvinsky
Michel
Mollohan
Montgomery
Neal
Oberstar
O'Hara
O'Neill
Pepper
Pettis
Price
Quillen
Railsback
Risenhoover
Rose
Schulze
Sebelius
Shriver
Sikes
Simon
Steelman
Steiger, Ariz.
Stephens
Symington
Taylor, Mo.
Udall
Wampler
Wilson, Bob
Winn
Wylie
Young, Alaska

So the amendments were rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Price against.

Mrs. Collins of Illinois for, with Mr. O'Neill against.

Mr. Ford of Tennessee for, with Mr. Pepper against.

Mr. Diggs for, with Mr. Casey against.

Mr. Harrington for, with Mr. Mollohan against.

Mr. Clay for, with Mr. Dent against.

Mr. Metcalfe for, with Mr. Hébert against.

Mr. Fithian for, with Mr. Sikes against.

Mr. O'Hara for, with Mr. Derrick against.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. RHODES was allowed to speak out of order.)

ANSWER TO CHARGES OF CONGRESSIONAL INACTION

Mr. RHODES. Mr Chairman, this morning, when the House went into session, the majority leader, the distinguished gentleman from Massachusetts (Mr. O'NEILL) took the floor, as he has frequently done in recent days, to present his usual diatribe on the subject of congressional inaction and Presidential veto.

The majority leader made a special point, as he has done several times, of the fact that I was not present to hear his remarks. I believe I owe him an explanation. I wish he were here. I note that he did not vote on the last amendment, so I assume he has left Washington for his home, and I wish him a happy weekend.

At the time the majority leader was presenting his partisan views, I was concluding a meeting at my office with the new chairman of the Governors' Conference, the Honorable Robert Ray of Iowa. Governor Ray is in town to meet with congressional leaders, as well as the President, to discuss some of the problems facing the States.

And I might say that I have had that appointment for quite some time. I did not realize the House would be meeting at 10 o'clock, otherwise I might have changed the appointment. But since I had the appointment, I thought I should keep it. With all due respect to the gentleman from Massachusetts, my judgment was that it was more important for me to hear Governor Ray's analysis of State problems than it was for me to be present to hear the majority leader's partisan discourse, which is becoming increasingly predictable. In fact, I believe I could give each one of them for him.

I would also like to say to the majority leader, as well as to all my friends on the majority side of the aisle, that while I am proud that by sticking together the Republican minority and the President have been able to spare the Nation some truly bad legislation, I have been saying all along that Government by veto is no way to run the country. The House Republican leadership has been calling on the majority to agree to join with us in a "consensus" arrangement. We have said that the American people do not deserve stalemate. They did not vote for stalemate. They expect Congress to act.

We have expressed our willingness to work with the majority on legislation to enact at once these things upon which we have agreed and put aside for the moment areas of disagreement. In response, all we get is partisan rhetoric from the other side.

I would like to make a suggestion. When the majority leader determines that he has something positive to say, when he desires to address himself and his party to the importance of ending the stalemate and getting something done, I hope he will inform me. I assure him that I will make it a special point to be here to listen. If I am not on the floor, he can call me. If he does not know my extension number, it is 50600, and whenever he calls me and asks me to be present on the floor because he has something to say, I assure him I will be here.

Mr. McFALL. Mr. Chairman, will the minority leader yield?

Mr. RHODES. I yield to the majority whip.

Mr. McFALL. Mr. Chairman, I wish the gentleman had made his speech yesterday. It would have made it a lot easier for us to pass that bill, and we would have a basis for an energy policy in the country.

We got only 31 Republican votes; there were 110 Republican votes against it. It would have been nice if the minority leader would have made his statement yesterday.

Mr. RHODES. Mr. Chairman, I will say in answer to my good friend, the gentleman from California, as I said yesterday, that I think you really have to work hard to louse up a bill so badly that even Members who are for energy had to vote against it. We are all for energy.

The Republican side has been consistent. I am just sorry that the majority finds it not possible to bring out a bill that can receive the support of the House on such an important subject.

Mr. McFALL. Mr. Chairman, if the gentleman will yield further, the gentleman was at the White House last Thursday morning in a meeting in which the President of the United States asked all of us to work together and to cooperate to get an energy policy for the country.

Mr. RHODES. Yes, I was. I was amazed that after the gentleman from California and I agreed, as well as others, that we should keep the rhetoric low on that subject and try to come up with some sort of an agreement, the majority leader came down here right after our meeting and made his speech, in which he not only struck aside our proffered hand but said he did not want to work with Republicans. I do not know what sort of statesmanship that is.

Mr. McFALL. The gentleman knows what the President said to us. He said:

> Let us get the bill over to the Senate, and then we can sit down and try to reach some kind of an agreement on what kind of an energy policy we will have.

That bill is a good bill, and I certainly think that if the Members on the other side had cooperated and were willing to cooperate in the spirit that the minority leader evidences today, then more of them would have voted for the bill yesterday, as the President certainly expressed his willingness to have them do last Thursday.

Mr. RHODES. Mr. Chairman, I think the gentleman misunderstood the President. He was not talking about that bill as it passed the House; he was talking about working together to get a bill which would be acceptable to all of us, which we could have done.

Mr. McFALL. Mr. Chairman, if the gentleman will yield further, I sat and listened to the President, just as the minority leader did, and I do not want to quote the President any more than he does. But certainly the President expressed the desire that we pass a bill and get it to the Senate so that we can work together to get an energy policy for this country.

Mr. RHODES. I agree.

Mr. McFALL. And certainly the Members on the Republican side expressed no willingness to do that.

Mr. RHODES. Mr. Chairman, the gentleman from California, of course, knows full well that in the debate on the bill and in the handling of the amendments we were not dilatory We did our best to expedite the business of the House, as I hope we always shall.

I am confident that my good friend, the gentleman from California, and I could get together, and we could probably get an energy bill put together in a very short time.

Mr. YOUNG of Texas. Mr. Chairman, I ask unanimous consent that all debate on the committee amendment in the nature of a substitute and all amendments thereto terminate at 4 o'clock p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. GOLDWATER. Mr. Chairman, reserving the right to object, will the Chair inform the committee how many amendments there are pending at the desk?

The CHAIRMAN. The Chair will advise the gentleman that there are 10 amendments at the desk.

Mr. GOLDWATER. Mr. Chairman, I do not want to object, but it does not seem fair to the House that we can consider 10 amendments inside of 20 minutes. That is allowing 2 minutes per amendment. That does not seem to appear reasonable.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. GOLDWATER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

MOTION OFFERED BY MR. YOUNG OF TEXAS

Mr. YOUNG of Texas. Mr. Chairman, I move that all debate on the committee amendment in the nature of a substitute and all amendments thereto terminate at 4 o'clock p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas (Mr. YOUNG).

The question was taken; and on a division (demanded by Mr. HARKIN) there were—ayes 112, noes 51.

Mr. GOLDWATER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for approximately 1 minute each.

AMENDMENT OFFERED BY MR. GOLDWATER

Mr. GOLDWATER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GOLDWATER: Page 43, line 6, before the period, insert the following ": *Provided*, That any such proprietary information obtained by compulsory process by any Federal agency shall not be subject to the mandatory disclosure provisions of 5 U.S.C. 552 and further, where the Administrator so finds, any proprietary information obtained by other means shall be deemed to qualify for exemption from mandatory disclosure under 5 U.S.C. 552(b)(4)".

Mr. DINGELL. Mr. Chairman, I reserve a point of order against the amendment offered by the gentleman from California (Mr. GOLDWATER).

The CHAIRMAN. The gentleman from California (Mr. GOLDWATER) is recognized for approximately 1 minute.

Mr. GOLDWATER. Mr. Chairman, would it be possible for us not to take up the time of this body to have the ruling on the point of order?

The CHAIRMAN. Does the gentleman from Michigan (Mr. DINGELL) wish to pursue his point of order?

Mr. DINGELL. Mr. Chairman, if the gentleman wishes, I will pursue the point of order at this time.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make a point of order against the amendment.

Mr. Chairman, the amendment is, among other things, not germane.

The CHAIRMAN. The Chair would advise the gentleman from Michigan that the time limit pertains to the clock, and not to minutes.

Mr. DINGELL. Mr. Chairman, I have asked to be heard on the point of order.

The CHAIRMAN. And the Chair recognizes the gentleman on the point of order, and in doing so gently reminds the gentleman of the factor of time.

Mr. DINGELL. Mr. Chairman, the amendment offered by the gentleman from California (Mr. GOLDWATER) is not germane to the legislation before us, and I am prepared to be heard on the point of order at the pleasure of the Chair.

The CHAIRMAN. The Chair has recognized the gentleman from Michigan to make his point of order.

Mr. DINGELL. The point of order is that the amendment is not germane. The amendment appears to relate to the language of the bill at page 43, line 6. In point of fact, the amendment seeks to amend the Freedom of Information Act, 5 United States Code 552, which is cited therein. It might appear that the amendment is subject to a number of different meanings. I can think of at least two at the moment, and perhaps three or four others. The first instance is that any proprietary information received by compulsory process by any Federal agency shall not be subject to the mandatory disclosure provision sof 5 United States Code 552—and I am literally quoting from the language of the amendment—and that being so, the amendment is defective as seeking to amend legislation not presently before the House and not within the jurisdiction of the particular committee that is presenting the legislation before us, and relating to entirely different matters.

It is possible that it refers to earlier legislation or, rather, refers to earlier clauses and sentences of the legislation before us. It is also possible that the legislation that the Amendment would have the law amended is that once proprietary information had fallen into the hands of the Federal Government by compulsory process and had, through any methodology whatsoever, arrived in the hands of ERDA, that the original Federal agency which had ownership or custody of that information would thereupon be sterilized in making that information available pursuant to the provisions of 5 United States Code 552, the Freedom of Information Act.

In either the first instance or in the second instance the amendment seeks to amend legislation not properly before us at this time, the Freedom of Information Act, which is not under the jurisdiction of the committee or which, by notice, has not properly been available to the Members as to the offer of this amendment.

The amendment is, therefore, in my view, on at least two of the three interpretations violative of the Rules of the House, and violative of the rules of germaneness, and is subject to a point of order.

The CHAIRMAN. Does the gentleman from California (Mr. GOLDWATER), desire to be heard upon the point of order?

Mr. GOLDWATER. I do, Mr. Chairman. I rise in opposition to the point of order.

Mr. Chairman, I would point out to the gentleman from Michigan that if the gentleman will read the amendment it refers to not all proprietary information, but any such proprietary information, specifically narrowing it to ERDA as this particular bill addresses itself.

This amendment does not seek to amend the Freedom of Information Act, but merely to apply the Freedom of Information Act. It is, in essence, a limitation upon ERDA and as specifically authorized by the Freedom of Information Act under subsection (d), subsection (3). That this section, in other words, the Freedom of Information Act, does not apply to matters that are specifically exempted from disclosure by statute. The other statute is what, in essence, I am speaking. It is not an amendment to the Freedom of Information Act, but in essence is a limitation on the activities of ERDA, and merely applies the regulations of the Freedom of Information Act.

The CHAIRMAN. Does the gentleman from Texas (Mr. ECKHARDT) desire to be heard upon the point of order?

Mr. ECKHARDT. I do, Mr. Chairman. I rise to speak on the point of order.

The amendment states that any such proprietary information obtained by a compulsory process by an Federal agency shall not be subject to mandatory disclosure under the Freedom of Information Act. Such information refers back to the sentence immediately preceding the amendment in the bill on page 43, beginning in line 2:

> This responsibility shall include the acquisition of proprietary information, by purchase, donation, or from another Federal agency.

So if information is obtained from another Federal agency, and that Federal agency has obtained such by compulsory process, such purports to say that such information, wherever it may appear, is excluded from the effect of the Freedom of Information Act. The Freedom of Information Act provides that each agency in accordance with published rules shall make available for public inspection and copying any information of the type described here which appears in a final opinion or statement of policy on administrative staff manual or instructions to staff, et cetera. If that information has ultimately found its way to ERDA, it becomes such information, and under the terms of the amendment would, thus, be insulated from the Freedom of Information Act wherever it might appear. That, I think, clearly alters the Freedom of Information Act which specifically states in its last clause that the exceptions to the Freedom of Information Act do not authorize withholding of information or limit the availability of records to the public except as specifically stated in this section.

This adds another exception, and that is the exception of information that has passed into the hands of ERDA.

If the language is ambiguous, or if it is reasonably subject to more than one construction, and if a reasonable construction of the language alters another act, then it is the burden of the person offering the amendment to clarify the amendment to make absolutely certain that the amendment does not affect the other act.

The gentleman has not done so. The language is, therefore, subject reasonably to the construction of changing processes of other agencies and is, therefore, not germane.

The CHAIRMAN (Mr. ROUSH). The Chair is prepared to rule on this rather difficult question which confronts the committee at this time.

The burden of sustaining the germaneness of the amendment lies with the author. In the opinion of the Chair, the author of the amendment has not sustained that burden, and it does appear to the Chair that the amendment as presently offered would possibly mean that this restriction on the information would apply wherever the information might reside not just within ERDA. The amendment is, therefore, ambiguous and could be construed to go beyond the scope of the bill before the committee at this time.

The point of order is sustained.

AMENDMENT OFFERED BY MR. GOLDWATER

Mr. GOLDWATER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GOLDWATER: Page 43, strike out the sentence beginning on line 2.

Mr. GOLDWATER. Mr. Chairman, this particular act authorizes the data bank. It also authorizes ERDA to have access to proprietary information. Because of my other amendment, which tended to tighten up the disclosure of proprietary information and further define the Freedom of Information Act, I have to resort to striking this permissive language. In order to have the cooperation of industry in ERDA's quest for energy, they must feel a protection, and because of the cloudiness of the exemptions under the Freedom of Information Act due to recent court rulings, there is no clear protection of proprietary, confidential information. Therefore, Mr. Chairman, I would urge support of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the purpose of the central source of information, which is not a data bank as the gentleman from California indicated, is simply to enable ERDA as any other agency to establish a central and authoritative source of information as a basis for making intelligent decisions on the research and development of its projects within its jurisdiction.

The particular sentence is important to section 307 because it states that ERDA must, where necessary, acquire by purchase, donation, or from other Federal agencies, proprietary data needed by ERDA to carry out the purposes of the Federal Nonnuclear Energy Research and Development Act.

I therefore oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. GOLDWATER).

The question was taken; and on a division (demanded by Mr. GOLDWATER) there were—ayes 20, noes 64.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GOLDWATER

Mr. GOLDWATER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GOLDWATER: Page 43, line 9, after the period, insert the following sentence: "*Provided*, That the Administrator shall not duplicate the existing energy resources and technology information analysis and data processing capabilities, facilities or organizations of any other Federal agency."

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. MYERS).

(By unanimous consent, Mr. MYERS of

Indiana yielded his time to Mr. GOLDWATER.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. GOLDWATER.)

Mr. GOLDWATER. Mr. Chairman, this authorization authorizes ERDA to establish and maintain a central source of information, in other words a data bank. I am not opposed to the collection of information by ERDA for their purposes but it appears to me that it is unduly duplicative. It has been pointed out by a recent study that there currently are 43 separate data banks collecting information on energy, over 257 separate programs of collection of information.

Mr. Chairman, I would like to take this opportunity to fully develop my concerns with section 307 and discuss the remedies I propose with this amendment and the others we will be discussing. The amendment now under consideration would strike the sentence in the section which requires the Administrator to acquire proprietary information. The amendment which was just subject to a point of order would have clarified the intent of Congress to adequately protect proprietary information, however it is acquired. Let me begin by generally exploring the nature of my concern with the current language.

Section 307 would amend the Federal Nonnuclear Energy Research and Development Act of 1974 to establish a "central source of information on all energy resources and technology—for research and development purposes." The section was originally recommended by the Fossil Fuels Subcommittee as a result of concern developed during the authorization hearings regarding the accuracy and validity of energy resource numbers available from other agencies and the availability of information on existing technology. Although obviously well intentioned, I am concerned with several aspects of the basic concept and its implementation in the current language of section 307 and associated report language.

PROPRIETARY INFORMATION

Section 307 states that "the responsibility of the Administration, ERDA, to implement the data bank shall include the acquisition of proprietary information, by purchase, donation, or from another Federal agency, when such information will carry out the purposes of this act—the Federal Nonnuclear Energy R. & D. Act." The section continues, "the information maintained by the Administrator shall be made available to the public, subject to the provisions of 5 U.S.C. 552 and 18 U.S.C. 1905." Both the direction to acquire proprietary information and the restriction on disclosure imposed by the cited statutes were well intentioned in their original concept. The committee report states that ERDA is not directed nor allowed to acquire proprietary information which is "closely held and not for sale." Unfortunately, however, the current language of the section creates the very real possibility that ERDA might be required by court action to divulge and thereby compromise proprietary information in an action under the Freedom of Information Act, 5 U.S.C. 552. The situation is materially worsened by section 308, which would have the effect of allowing ERDA to obtain and place in the data bank confidential and proprietary information from the Federal Energy Administration which had been acquired by subpena.

The committee staff explored this possibility in individual discussions with the ERDA General Counsel and with representatives of the Freedom of Information Committee in the Justice Department's Office of Legal Counsel, and finally a meeting including the committee staff. Member staffs and attorneys from ERDA and Justice. It was apparent that ERDA's General Counsel was unable to interpret the legal intention of the committee regarding acquisition and protection of proprietary information because of the section's language. The General Counsel specifically was unclear as to the intended meaning of "proprietary" and suggested that the committee define it in its report. In fact, the General Counsel by memorandum suggested a definition based on the court test in National Parks and Conservation Association against Morton discussed below.

In suggesting the possible definition, however, the memorandum reaffirmed ERDA's concern by concluding—

> Our furnishing of this definition does not indicate the Administration's concurrence in the language of Section 307. . . . In our opinion, the purpose of this sentence as currently worded remains obscure.

Equally apparent was the Justice Department's analysis that there was no predictable protection of any legitimately confidential or proprietary information, because of the current state of the law under 5 U.S.C. 552.

The thrust of the basic legal analysis supporting this concern was conducted with the assistance of the Justice Department and is reasonably straightforward. The Freedom of Information Act (5 U.S.C. 552) generally requires disclosure of all Government records upon request. There are a number of exemptions to the required disclosure. One of the exemptions, section 552(b)(4), exempts trade secrets and commercial or financial information which is privileged or confidential. Current Justice Department guidelines require disclosure of information even if within an exempt category, unless there is a strong justification for withholding—and Justice agrees. In the most recent case on point, *Charles River Park* v. *HUD* Civil No. 73-1930, the District of Columbia Circuit Court of Appeals on March 10, 1975, indicates that there should be withholding if an exemption applies—citing 18 U.S.C. 1905—thus potentially altering the Justice guidelines.

Even so, qualification for exemption (b)(4) can be difficult. In *National Parks and Conservation Association* v. *Morton,* 498 F2d 765 (1974), D.C. Circuit Court stated that (b)(4) applied if it could be shown that disclosure was either likely, first, to impair government's ability to obtain necessary information; or second, to cause substantial harm to competitive position of person providing the information. The Court toughened the qualification in *Petkas* v. *Staats,* 501 F2d 887 (1974) by refusing to accept a government assurance of nondisclosure in a regulation requiring information, where filing the information was conditioned on confidentiality. The Cost Accounting Standards Board regulation in the case required defense contractors to submit disclosure statements setting forth their accounting procedures, and the suit was to obtain public disclosure of the statements filed by Lockheed, ITT, and General Motors. The court held that the government assurance and the corporations' respective filings conditioned on confidentiality were not determinative, and remanded the case for testing by the national parks tests above. The Office of Legal Counsel, Justice Department advises that, as a result of the above cases, government protection of proprietary R. & D. information and its withholding under exemption (b)(4). In a Freedom of Information Act, FOIA, suit is very unpredictable, at best.

Further, 18 U.S.C. 1905 does not appear to have any effect in a FOIA suit. The statute, if applicable, would impose criminal penalties on government officials who disclosed confidential information in the possession of the government. At best, then it is a deterrent to unauthorized disclosure, but it only takes effect after the disclosure and the damage to the business concern. 18 U.S.C. 1905 has been virtually ignored by the courts in FOIA suits, except in the recent Charles River Park case above, because of a general exemption contained in the statute, "unless otherwise provided by law." Courts generally have interpreted the quoted passage as exempting disclosure under the Freedom of Information Act. Section 1905's penalties, therefore, would not be applied to an official who discloses proprietary information in response to a freedom or information suit.

The resulting possibility of divulging proprietary information should not be taken lightly. Dr. Seamans, ERDA Administrator, communicated his very real concern regarding the same possibility in a discussion of another section of the bill dealing with information dissemination, which was subsequently stricken in markup. He stated we are concerned that the language of the section may be construed in such a way as to prevent ERDA from accepting and utilizing proprietary information from industry which may be related to our programs. Equally as important is the possible interpretation of this section in such a way as to make industry reluctant to share proprietary information with us.

A recent Harvard Business Review article by Mr. Roger M. Milgrim, "Get the Most Out of Your Trade Secrets," volume 52, No. 6, November-December 1974 at page 105, reinforced the importance of trade secrets from the perspective of American industry. Mr. Milgrim, a New York attorney who had specialized in trade secret law and authored the standard legal text in the field, forcefully argues the need to protect our Nation's trade secrets. As he states:

> The cornerstone of many an enterprise's success, trade secrets often represent significant investment and confer important competitive advantage. Failing to understand or adequately protect them is playing Russian roulette with five loaded chambers. The odds are discouraging.

Mr. Milgrim goes on to argue that trade secrets, as a result of a May 1974 Supreme Court decision, are an increasingly attractive alternative to patents. He also documents their importance for licensing to foreign technology licensees and the resulting contribution to U.S. balance of payments, a contribution which he suggests may be as high as $1 billion per year. Mr. Milgrim offers one particularly relevant example of such licensing which is germane to our consideration of energy research, when he suggests at page 106 that recent events in world energy may heighten interest in U.S. technology:

> New notions of cost justification to ensure scrupulous use of limited energy. . . . For example, a new type of value that precisely regulates liquid flow can improve fuel metering so much that it saves tons of fuel on a jet's takeoff and landing. Results in other applications are equally dramatic. But as recently as two years ago, potential users of the valve showed little enthusiasm for an innovation that required even slight changeover effort and expense. Not surprisingly, the valve manufacturer has recently experienced a new-found interest in both purchasing its product and becoming licensed under the manufacturing trade secret.

The message is clear. Trade secrets—technical proprietary information—are of crucial importance to many American businesses. Dr. Seamans' concern that the threat of disclosure might serve to make industry reluctant to share its proprietary information is obviously well founded.

Despite the obvious seriousness of the concern over this issue, we are asked to legislate without any formal review of these arguments. There were no hearings, and however inadvertent or well intentioned, we are left with no adequate vehicle for legislating from a knowledgeable foundation on this issue at this point. Lest the Congress continue to legislate in a vacuum in this regard, and thereby enact a provision with all the potential or unclear direction which the ERDA General Counsel raised, for possible mandatory disclosure of proprietary information which Justice raised, and for resulting serious impact of ERDA's entire energy research program which Dr. Seamans raised, I strongly urge that the House, at a minimum, amend or strike the proprietary information portion of the section. If we must have a data bank, I urge that we insure that it will not serve to harm the ERDA relationship with industry.

I am not alone in suggesting that we in Congress act in such Freedom of Information issues. A June 13, 1975, article in the Washington Post, entitled "Freedom of Information," by Mr. Robert Blanchard, chairman of the communication department at American University, concluded that Congress must act to apply FOIA. He stated:

> The legislative and oversight powers of Congress provide the best means of balancing the dilemmas of secrecy and publicity. Congress, after all, is the creator of most agencies whose information is sought by the press and public. It has the powers of subpoena and the purse. Its procedures and publicity powers are quicker, more efficient, and relatively more flexible than the courts. It is the most representative branch.
>
> This means, of course, that appropriate committees of Congress must deal with freedom of information, and such related issues as privacy, on a continuing basis.

I agree with Mr. Blanchard. We should act now.

Let me summarize these points for you. I remain particularly concerned about the section 307 proprietary issue. The best legal advice available to us, that of the ERDA General Counsel and the Justice Department's Legal Counsel, strongly suggests that the current language in the section could result in mandatory disclosure by ERDA of legitimate proprietary information. At a minimum, the section results in a complete lack of predictability regarding ERDA's handling of such information. Such a result could seriously inhibit industry's willingness to share the fruits of its own independent energy research with ERDA. Others may disagree with the details of this legal analysis, but I feel strongly that we in Congress should positively act to resolve this issue and not throw it unresolved into ERDA's hands, and ultimately to the courts. ERDA's energy research must be done cooperatively with industry, just as we have always done in the space program with NASA. I am afraid that the current section 307 seriously threatens that cooperation.

My alternate amendment would serve to preclude that result by simply striking the sentence directing ERDA to acquire proprietary information. The original amendment on which I lost the point of order would have served to remedy the situation in a much more positive manner for both the data bank and the general operation of ERDA in discussions with industry. I should like to briefly explain how the latter amendment would have had the desired effect in order that the Members can better understand why striking the sentence in the absence of the safeguards is important. The first part of the provision, "Provided that any such proprietary information obtained by compulsory process by any Federal agency shall not be subject to the mandatory disclosure provisions of 5 U.S.C. 552" would expressly indicate that Congress does not want any proprietary or confidential information or trade secrets which have been obtained by subpoena or other compulsion disclosed.

Legally, it would have the effect of insuring that such information would be exempted from disclosure. Specifically, the language would legally qualify such information for exemption from disclosure under exemption (b) (3) of the statute. That exemption exempts disclosure where another statute so provides. As a result, there could be no court-imposed disclosure if the information was acquired by compulsory process. We would thereby provide predictability where today there is none. I should note that the Justice Department assisted in the drafting of this language to insure predictability under court interpretation of the section.

The second part of the amendment continues, "and further, where the Administrator so finds, any proprietary information obtained by other means shall be deemed to qualify for exemption from mandatory disclosure under 5 U.S.C. 552 (b) (4)." This provision would allow the Administrator to make a finding, when appropriate, that information acquired by noncompulsory means is legitimately confidential and proprietary and therefore should be afforded the protection of exemption (b) (4) under the act. The ERDA finding authorized by this provision would create a strong foundation for protection of the information in the event of any suit under FOIA and section 307. ERDA thereby could review proprietary information which is voluntarily made available by a corporation without the threat of mandatory disclosure through the data bank. The provision would allow ERDA to balance its need to know what technology is being developed in industry with the need to protect the very industry which is responsible for the development of that technology.

Now, the finding by ERDA could be tested in court. The intent of this provision is to insure that the courts know that we in Congress want ERDA to protect legitimately proprietary information and have the authority to predictably do that. Hopefully, as a result, judges in their review of such findings would give ERDA that capability. The Justice Department also assisted in drafting this language and we are confident that the courts would respect a good faith finding by ERDA.

In the absence of these two provisions, the current language simply cannot be allowed to have the contrary effect, with its potential for destroying Government and industry cooperation in energy research. I urge your support for my amendment to strike the current language.

Let me take this opportunity to also advise my colleagues of two other basic concerns I have with this section. The concerns are in the area of duplication of existing energy information data banks and the ambiguity of the language in terms of our intended scope in enacting the section. I will subsequently address each with amendments.

DATA BANK DUPLICATION

Section 307 mandates a data bank of either fossil or all nonnuclear energy resources and technology, as discussed above. Under either interpretation, ERDA would be required to duplicate the existing data bank activities of many Federal agencies, particularly those in the Interior Department and the Federal Energy Administration. Then Secretary of the Interior Morton communicated his concern that the Section would result in duplication of the efforts of several agencies. Since there were no formal hearings on the need for a new data bank within ERDA, it is difficult to refute Secretary Morton's assertion, as well as those of other informed energy officials who have supported the view. In the absence of a clear need for an ERDA data bank, as supported in appropriate hearings, I cannot justify the basic concept of a data bank, regardless of scope. I urge my colleagues to support my efforts to preclude any duplication of existing capabilities, facilities or organizations.

Let me cite some figures for you on the existing data banks. Each of these was established and is being maintained in response to statutory direction to the agency to do so. The Interagency Task Force on Energy Information in its July 1974 report identified and described 46 separate agencies conducting one or more activities relating to or using energy related data. Those agencies were conducting over 257 separate programs which make direct reference to energy related data. Forty-three separate computerized data bases or data files containing some form of energy related data were identified. The task force recommended that there be a significant effort to coordinate and link the existing systems. A report on the progress of the task force is due this month.

Some of those existing systems are truly massive. For example, the Bureau of Mines has 109 people and a fiscal year 1976 budget of $2.34 million for fuels data collection and analysis. Duplicating the data bank would cost an estimated $8 to $10 million. The Federal Energy Administration has some 200 people working on energy data and the Federal Power Commission has 75 people starting up its gas and electrical power data bank at a cost of $2 million and a projected annual operating budget of $1.5 to $2 million. All of these efforts are in the fossil fuel-related information area.

To require or allow ERDA to duplicate these efforts is not only sheer folly, it is clearly irresponsible. Putting ERDA in the same business would undoubtedly result in hiring away those in the existing energy information organizations. The duplication would not only be fiscally wasteful, but it would also degrade the current capability.

Now, if there are problems with the adequacy or validity of the data, the more reasonable approach is to make those agencies do their job. ERDA should not duplicate those efforts. ERDA already is required by the Solar and Geothermal Research, Development and Demonstration Acts, Public Law 93–473 and Public Law 93–410, to establish information data banks in those two areas, where none now exist. ERDA originally projected a cost of $1 million in fiscal year 1976 to start up these data banks. ERDA now has advised that the cost will be revised upward in its June 30 plan. Clearly, expanding the requirement would result in greatly increased costs and a wholly unjustified drain on the resources required to implement the solar and geothermal plans. Duplication of other existing capabilities simply cannot be accepted. I urge your support for my amendment to preclude duplication.

AMBIGUITY

Section 307, as adopted in markup by the committee, was placed in part B of title III of the bill, entitled "Provisions Relating to Fossil Energy Development." As noted above, however, the section uses the language "information on *all* energy resources and technology" (emphasis added) and is in the form of an amendment to the Federal Nonnuclear Act. Unfortunately, the committee never considered the exact energy areas to be included in the resulting data bank, so that the ambiguity between the placement of the section and the language was never clarified. In fact, an amendment which would have placed the section in the general provisions part of the title was drafted but never offered. Clarification would have made the committee's intent express in providing guidance for ERDA as to the specific scope of the required data bank. And, as previous paragraphs indicated, the scope of the data bank can be quite important in further congressional considerations.

As a result, the committee staff requested comment from the House Legislative Counsel in an attempt to define the probable legal interpretation of the ambiguity. The Deputy Legislative Counsel advised that the question is a close one in this situation with reasonable arguments for both "fossil only" and "all nonnuclear." His memorandum included the following general conclusion—

> I know of no fixed rule for resolving inconsistencies of this kind. As long as either of the two possible answers is reasonable (or would be reasonable but for the inconsistency), it simply comes down to what Congress intended. Ideally the bill should be amended to make this intent clear or the committee report should explain it; but if neither course is open (and there is no other legislative history to fall back on) the answer would have to depend on someone's (presumably ERDA's) judgment. . . .

Although apparently inadvertent, the ambiguity which results from the section's current placement and language thereby legally can be interpreted to leave to ERDA's judgment the actual intent of Congress in establishing the data bank requirement. Since data banks generally are costly, and some recent energy data banks have cost tens of millions of dollars, such decisions should not be left to ERDA. Not only is such ambiguity legislatively irresponsible, but it also creates additional potential for the fiscal irresponsibility which the committee has attempted to prevent. I urge your support in addressing the ambiguity issue and expressly clarifying the intent of the Congress.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Moss).

(By unanimous consent, Mr. Moss yielded his time to Mr. Hechler of West Virginia.)

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Chairman, the committee strongly opposes this amendment. I call attention to page 3 of this morning's Washington Post, the headline of which reads: "Interior Kept Water Project Data From State Department." The article points out the very problem we are seeking to avoid for ERDA.

The State Department actions were affected by the failure of the Department of the Interior to provide it with information. ERDA should be given a capability to develop a central source of information for R. & D. purposes in conformity with ERDA's mission.

We might as well say there are 100 libraries in every department of the Government as to say there should not be a central source of information to collect information needed to make intelligent decisions.

The issue of concern to the committee is whether or not ERDA has an adequate information base upon which to make R. & D. decisions that will cost millions of dollars. At our subcommittee's hearings, I noted that there are wildly different guesses and estimates on the amount of reserves, their values, et cetera.

From the very beginning of the Arab oil embargo to now, Members of the House and Senate have been frustrated by the lack of reliable energy data in the hands of the Government. At our hearings, Dr. S. William Gouse, Jr., Deputy Assistant Administrator for Fossil Energy, testified:

> We certainly would be better off if we had more reliable information on what is out there. It is important for policymaking purposes to know what you can plan on, and right now it seems that this has become more uncertain than we thought it was. (Hearings, p. 43.)

Section 307 of the bill amends the 1974 Federal Nonnuclear Energy Research and Development Act by adding a new section directing ERDA to establish, develop, acquire, and maintain a central source of nonnuclear energy information on all energy resources and technology for R. & D. purposes. This section does not seek to displace any other agency's current energy data information system, but to give ERDA the capability to develop accurate and reliable energy data about reserves, et cetera, and not rely on other agencies for these data.

Section 307 also is aimed at making as much data as possible to the public, including the energy industry. This is particularly important in the area of advanced technology.

I think there is a crying need for better energy information at ERDA. Let us not restrict ERDA's ability to obtain these data.

The amendment of the gentleman from California woud seriously weaken section 307, and for this reason I oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Goldwater).

The amendment was rejected.

The CHAIRMAN. All time has expired. Are there further amendments?

AMENDMENT OFFERED BY MR. HARKIN

Mr. HARKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Harkin: On page 30, line 23, strike out the closing quotation mark, insert the following:
>
> "(d) Such assistance which ERDA may provide specifically for the Liquid Metal Fast Breeder Reactor powerplant authorized in subsection (a) of this section shall not exceed 50 per centum of the estimated cost of such plant."

The CHAIRMAN. The Chair would inquire whether or not this amendment fits into the Record under the rules, so it is to be given equal time?

Mr. HARKIN. No, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. Harkin).

PREFERENTIAL MOTION OFFERED BY MR. HARKIN

Mr. HARKIN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HARKIN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

POINT OF ORDER

Mr. McCORMACK. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. McCORMACK. Mr. Chairman, we have already ruled on this an hour ago. The identical motion was voted on and voted down.

I make the point of order that it is out of order.

Mr. YOUNG of Texas. Mr. Chairman, further to the point of order, there has been no substantial change to the bill in the interim.

The CHAIRMAN. The Chair would advise the two gentlemen making the point of order that since the motion was last offered, the committee amendment which is being read as an original bill has been substantially amended and, therefore, the point of order does not lie.

The gentleman is recognized for 5 minutes.

Mr. HARKIN. Mr. Chairman, this amendment simply does this. It sets a middle-ground course between the Coughlin amendment and the committee position.

What my amendment does is go back to the original law as it was enacted and ask that the utility companies and private industries come up within 50 percent of the capital cost of the construction of the Clinch River breeder reactor.

Now, in the initial bill this law was printed——

POINT OF ORDER

Mr. ROUSSELOT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROUSSELOT. Mr. Chairman, does the gentleman not have to speak to the preferential motion?

The CHAIRMAN. The Chair would advise the gentleman, as he advised another gentleman awhile ago, that debate on the preferential motions opens the entire bill to debate.

Mr. ROUSSELOT. What does the rule say, Mr. Chairman?

The CHAIRMAN. The Chair has ruled that the gentleman is following regular order as provided by the precedents and the gentleman is recognized.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

Mr. HARKIN. I do not yield.

Mr. McCORMACK. My point of parliamentary inquiry is, does not the gentleman have to relate to his motion in some manner? He is not even remotely relating to his motion.

The CHAIRMAN. The Chair has listened to the gentleman in the well and it seems to the Chair that the gentleman in the well is debating within the parameters of the bill which is before the Committee, and the point of order is overruled.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. Yes, I will yield to the gentleman from Wyoming.

Mr. RONCALIO. If a limit were to be put upon ERDA that not more than 50 percent of the public funds should go into the cost of the plant, and the other 50 percent come from utilities limited to $125 million, where does the sponsor of the amendment recommend that the balance come from?

Mr. HARKIN. Under the present committee position, it would come from the Government. The Government is going to have to find it.

Mr. RONCALIO. Precisely, but if the utilities come up with that money, the gentleman knows they will ultimately charge it to consumers. They will increase charges for electricity. But, in the case of getting a bigger share of industry participation, I would say to the gentleman that I have tried—unsuccessfully, the Joint Committee was unable to get more utility funding. No one can get any money out of them.

Mr. HARKIN. I just want to say that the original bill says:

> Such assistance which the Commission undertakes specifically for this demonstration plant shall not exceed 50 percent . . .

Under the Coughlin amendment, the Government would fund nothing of the Clinch River breeder reactor, and the private utilities would have had to pay for the whole thing. That amendment lost. Now, we are in the position of striking out this language. What will then happen is that the Government will have to pay every single, solitary cent for the building of the Clinch River breeder reactor.

The Government, I agree, should have to fund, as it said, the initial amount for research, development, and engineering, but I want to make sure that the public utilities and the private industries in this country have a commitment to this project. I want to see them stay involved in it, and if they do not even want to stay in it to the tune of 50 percent of even building the building, I think that has a message loud and clear to us. They do not think that they are going to reap any benefits from it.

To sum up, all my amendment does is to keep the private utilities in the program. They initially agreed to the 50 percent. All my amendment does is to keep them in on that 50 percent basis. Remember the private utilities came up with $6 billion for the Alaska pipeline because they thought they would reap some benefits from the project. If they thought there was going to be profitable returns from the breeder, they would invest in it.

I urge adoption of my amendment.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the motion.

PARLIAMENTARY INQUIRY

Mr. HARKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The Chair has recognized the gentleman from Washington. Does the gentleman from Washington yield to the gentleman in the well for a parliamentary inquiry?

Mr. McCORMACK. For a parliamentary inquiry only, Mr. Chairman.

Mr. HARKIN. Mr. Chairman, was my 5 minutes taken up by all the parliamentary inquiries that went on?

The CHAIRMAN. The gentleman's time has expired.

The Chair recognizes the gentleman from Washington (Mr. McCORMACK).

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the motion. I would like to point out to the members of the committee that under the contract for the construction of the Clinch River plant, industry will be putting up about $258 million. This is the contribution of private industry. This is the position that was taken by this Congress and confirmed by this Congress in previous sessions.

Mr. Chairman, the purpose of any such motion or amendment, really, is just simply to sabotage the Clinch River plant. It is one more attack upon it. I would like to point out that there is no more logic to this amendment than there is in requiring private industry to go 50–50 for solar energy or geothermal energy or any other form of energy research and development in the ERDA program.

What is sauce for the goose is sauce for the gander. We have held off requiring environmental impact statements for solar energy and geothermal energy, even though there are people in this country who have constantly harassed the Government and dragged out these nuclear programs by coming in with nitpicking lawsuits, and harassing and delaying the programs. They have gotten away with this, but the fact is, the same thing can be done in solar energy, in geothermal energy, in energy conservation, fusion and other programs.

I think it is about time that we lay our cards on the table here. Let us stop this silly harassment and get down to producing energy.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I would just like to add for the record my high regard, my high respect for my subcommittee chairman, the gentleman from Washington (Mr. McCORMACK), and the committee chairman, the gentleman from Texas, "TIGER" TEAGUE. They have worked hard and long on this bill, and they have taken the lead in our energy research and development program.

Earlier today my motives were questioned by a gentleman on the other side of the aisle. I would like to respond to that by saying that my motives in bringing these amendments to this bill are based upon the deepest convictions of mine, based upon research and investigation, that the course of action upon which we are embarked is not in our best interests. My disagreement with my subcommittee chairman is just another example of how individual people in a free society may disagree on substantive issues. It also shows that reasonable people can disagree without being disagreeable.

Mr. McCORMACK. I thank the gentleman for his kind remarks. In spite of my admiration for him, I want to say that I urge my colleagues to vote against the motion.

The CHAIRMAN. The question is on

the preferential motion offered by the gentleman from Iowa (Mr. HARKIN).

The preferential motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. HARKIN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HARKIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

The amendment was rejected.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

PARLIAMENTARY INQUIRY

Mr. McCORMACK. Mr. Chairman, I have a parliamentary inquiry.

Mr. DINGELL. Mr. Chairman, I do not yield to the gentleman for that purpose.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. McCORMACK. What is the amendment?

The CHAIRMAN. The amendment has not been reported yet.

The Chair does not recognize the gentleman from Michigan. The Chair now recognizes the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I will wait until the amendment is read.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: On page 38, line 4, strike all through the period in line 12 and renumber the succeeding sections.

The CHAIRMAN. Has the gentleman caused his amendment to be published in the RECORD?

Mr. DINGELL. Mr. Chairman, my amendment was printed in the RECORD of June 18, 1975, at pages 19618–19619.

Mr. Chairman, my amendment would strike section 301 of the bill.

Section 301 would allow ERDA to spend millions on the design of projects whenever it transmits a bill to Congress authorizing the project. I understand that the rationale for this provision is that if ERDA is allowed to do this it will save time and could immediately begin construction when Congress enacts the bill and funds are appropriated.

However, the requested bill may never be enacted or even considered by Congress. In such case, the dollars spent for design would be lost. This is an outrageous provision.

ERDA suggests that they would only use the authority in emergency uses. I am sympathetic with this, but I note that this section is much broader. It is not limited to emergency situations. I suggest that if such emergency authority is needed that separate legislation be proposed that carefully spells out this authority.

Congress should not authorize an expenditure on the basis of an agency submitting some legislative proposal to the Congress.

I urge approval of my amendment.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

I would like to point out that this provision has been part of the law for the A.S.C. It allows the Administrator of ERDA to carry out certain urgent projects.

Since 1970, there have been three such instances out of a very large number, where this process has been followed.

This type of procedure was used once after a fire in a large plutonium complex at Rocky Flats, and once for a leak in a waste tank at the military storage facility at Hanford. In each case the AEC came in for funds, but they went ahead and did the conceptual design so they would be able to tell the Congress what the cost would be.

That is what this provision is for, and under the law the ERDA must keep the Congress fully and currently informed of what it is planning and doing. They must come in and tell us what they are doing before they do it, and they must get the approval of the committee before they do it.

In addition to that, the funds come from the ERDA's appropriated funds. To say that this is backdoor spending is totally incorrect. The money used comes from appropriated funds, and, in addition to that, it is nothing like 7 percent of the cost of the budget. It is simply for conceptual design.

To agree to this amendment would simply be to prevent the Administrator from having the authority he needs to do the urgent architectural work, engineering work, and conceptual design in matters of urgency under the supervision of the joint committee.

Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: On page 38, line 22, strike the period and insert a colon and the following: "*Provided*, That such moneys shall be authorized for such expenses in annual authorization Acts."

The CHAIRMAN. The Chair will again inquire as to whether or not the gentleman's amendment has been published in the RECORD.

Mr. DINGELL. Mr. Chairman, my amendment is printed in the RECORD of June 18, 1975, at pages 19618–19619.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, my amendment is printed in the RECORD of June 18, 1975, at pages 19618–19619.

Current law (31 U.S.C. 484) provides that absent specific authorization, all revenues received by an agency must be converted to miscellaneous receipts of the U.S. Treasury.

Section 302 would provide a blanket authority, without guidelines, to ERDA to apply revenues to all ERDA activities funded with operating expenses. It is derived from the nuclear authorization because the agency does receive considerable revenues from its uranium enrichment and other activities.

I really believe that this money should go to the Treasury and not to ERDA. I do not like such back-door financing methods. But I will not propose to change that today.

Such blanket authority gives no annual control of the use of this money to Congress. My amendment would take care of this by requiring that the money not be used by ERDA without being first authorized by dollar amount in annual authorizations.

I urge adoption.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I think we may have a basis for agreement on this amendment.

Mr. DINGELL. Mr. Chairman, I am happy to hear that. We certainly did not have it on the previous amendment.

Mr. McCORMACK. Mr. Chairman, I am sure the gentleman understands each amendment presents its own set of conditions.

In the committee report and in the appropriations bill the revenues to ERDA from the previous year are factored in, so that, for instance, in the report on this bill before us we have an item of revenues applied, minus $675,670,000.

That is revenue from uranium enrichment, and it is also from the sale of steam from the N reactor in Hanford, and possibly a few other similar items.

Mr. DINGELL. The gentleman is probably right about what the committee is doing, but this type of thing is remarkable practice. It does not reflect any practice that I have ever heard of as being good legislative practice. It strikes me as being rather slovenly to let these agencies down there just keep money and spend it in any way they want.

Mr. McCORMACK. My point is that what really happens is that this money is credited to the agency, and it comes out in the authorization bill as a credit against the authorization. The same thing happens with respect to the appropriation.

As I see it, what the gentleman is recommending is no different from what we are doing now because we do not line-item in the authorization bill anyway. We simply provide a block amount of money for the nuclear programs.

Mr. DINGELL. I thank the gentleman, that at least as far as this authorization goes, we have to have the funds authorized.

I propose to come back and try to stop this next year because I regard this as extremely slovenly budgetary practice. At least we could try to tie these people down to a little more responsible budgetary practice and see that they pursue a more rational and reasonable pattern of authorization and appropriation.

Mr. McCORMACK. That seems to be exactly what we are doing today, right now. Revenue is coming into the ERDA from the operation of these plants. It is being credited to the ERDA and there is a bookkeeping entry, both in the appropriations and in the authorization bill.

Mr. DINGELL. Can the gentleman from Washington (Mr. McCORMACK) cite any other agency that gets the kind of treatment which ERDA gets under sections 301 and 302?

Mr. McCORMACK. I cannot answer the gentleman's question with certainty.

Mr. DINGELL. The answer is that no other agency, not even the Department of Defense, gets this kind of treatment.

Mr. McCORMACK. That is the gentleman's point of view, and I will not try to respond to it in one way or the other.

Mr. DINGELL. I believe that it is outrageous that they can keep their money and then spend it.

What the gentleman tells me as to what the practice is is probably rather nice, but what the language of the bill says is quite different. I think it is outrageous.

I really think that this committee has a greater responsibility than to come in with a bill like this which permits this slovenly practice. All manner of rascality is being authorized. Whether the practice is as bad as this says, I am not prepared to say. I am happy that the practice is different from what the language of the legislation says.

In any event, we ought not to afford these people down there this kind of invitation to rascality.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Dingell: On page 42, between lines 19 and 20, insert the words, "Part C—Other General Provisions".
>
> And on page 43 strike line 15.

The CHAIRMAN. Again the Chair an amendment concerning the holding of the gentleman from Michigan (Mr. Dingell) been printed in the Record?

Mr. DINGELL. The answer to that question, Mr. Chairman, is yes.

Mr. Chairman, I have an amendment that is printed in the Congressional Record of June 18.

My amendment is a technical amendment which makes it clear that section 307 of the bill which amends the Federal nonnuclear statute is not limited to just fossil energy. The committee report and the language of section 307 make it clear that such provisions cover all nonnuclear energy. My amendment is consistent with that, and I urge its adoption.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, I thank the gentleman from Michigan for yielding.

The committee has examined this amendment, and as far as we can see it provides more consistency across the board on the scope of section 307. The language of section 307 is an amendment to the Federal Nonnuclear Act which covers all nonnuclear energy programs, not just fossil energy. On this side of the aisle we are willing to accept the amendment.

Mr. DINGELL. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment relating to conflicts of interest.

The Clerk read as follows:

> Amendment offered by Mr. Dingell: On page 44, between lines 4 and 5 insert the following:
>
> "Sec. 310. No Federal employee performing any function or duty under this Act or any other law administered by the Energy Research and Development Administration and referred to in this Act shall have a financial interest in any firm or business actively engaged in nuclear and nonnuclear energy research and development activities. Whoever knowingly violates the provisions of the above sentence shall, upon conviction, be punished by a fine of not more than $2,500, or by imprisonment for not more than one year, or both. The Administrator shall (1) within sixty days after enactment of this Act publish regulations, in accordance with 5 U.S.C. 553, to implement this Section and to establish the methods by which the provisions for the filing by such employees and the review of statements and supplements thereto concerning their financial interests which may be affected by this Section, and (2) report to the Congress on March 1 of each calendar year on the actions taken during the preceding calendar year under this Section."

The CHAIRMAN. The Chair will again inquire of the gentleman from Michigan if the gentleman's amendment was put in the Congressional Record?

Mr. DINGELL. The answer is "Yes," Mr. Chairman; the amendment was printed in the Congressional Record.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. DINGELL. Mr. Chairman I offer an amendment concerning the holding of financial interests by Federal employees administering this act and other laws mentioned in this act in firms or businesses including corporation partnerships and associations actively engaged in nuclear and nonnuclear energy research and developemnt.

My amendment directs that ERDA implement this requirement by regulation. Such regulations would define the type of financial interests such as ownership in an R. & D. company including stock ownership, that would be prohibited and those that would be permissible. The regulations would also set forth a procedure by which an employee who suddenly inherits stock in an R. & D. company would inform the Administrator and then be given an opportunity to dispose of it.

In 1879, Congress enacted 43 U.S.C. 31, which states:

> The Director and members of the Geological Survey (of the Interior Department) shall have no personal or private interests in the lands or mineral wealth of the region under survey, and shall execute no surveys or examinations for private parties or corporations.

According to a March 3, 1975, report by the Comptroller General—FPCD-75-131—entitled, "Effectiveness of the Financial Disclosure System for Employees of the U.S. Geological Survey," which I requested, the Geological Survey has uniformly interpreted the above statute to mean that:

> No USGS employee may own an interest in oil or mining enterprises.

Despite this interpretation the GAO found on March 3, 1975, page 5:

> A supervisory mining engineer has owned stock since 1968 in seven mining companies (four operating in the United States and three in foreign countries).
>
> A supervisory petroleum engineer in New Mexico has owned oil and gas interests in New Mexico and Texas since 1971.
>
> An administrative geologist owned stock in 12 companies with oil or mining interests.
>
> A supervisory petroleum engineer, empowered to suspend oil company operations on leased lands if operations were not properly conducted, has owned stock in Mobil Oil Company, Standard Oil of California, and Standard Oil of New Jersey since 1971.

In essence, the GAO found that the Interior Department is not effectively enforcing the 1879 law or the President's 1965 Executive Order 11222 on financial disclosure by Government employees, in part, because the law and Executive order have no teeth. There are no enforcement provisions. If it is violated, the violator gets a slap on the hand.

I note from a March 10, 1975, letter to Senator Henry M. Jackson, that the Geological Survey has belatedly taken administrative steps to enforce the 1879 law, but I stress it has no teeth—see Congressional Record of March 17, 1975, pages 6486-6487.

If the Congress in 1879 believed such a prohibition essential, then imagine what it would believe today in the light of recent scandals.

I want to prevent future scandals. Federal employees administering this law will be able to have financial interests, and so forth, in many corporations, but not those with interests in research and development operations. I think this is appropriate.

My amendment is identical in substance to section 201(f) of the surface mining legislation approved by the Congress.

I urge adoption of my amendment.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from California.

Mr. MOSS. Mr. Chairman, I want to congratulate the distinguished gentleman from Michigan in offering this amendment. I think it is very essential that it be included in the bill.

I might add that in addition to the report the gentleman has cited, we have also caused to be issued reports by the General Accounting Office on other agencies, such as the Federal Power Commission, where we found major conflicts of interest, and where these conflicts exist the public is not well served.

Mr. DINGELL. I thank the gentleman.

Mr. MOSHER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. MOSHER. I thank the gentleman for yielding.

Mr. Chairman, I share the concern of the gentleman in the well, and I sympathize with what he is trying to do here.

Although it seems to me that this amendment is drawn in such general terms that I have difficulty in making sure what its practical or what its real effect might be, I think I have to oppose it for the record for interpretive purposes.

What about the machinist working at a bench at the Lewis Research Center in Cleveland, on a contract under ERDA?

Mr. DINGELL. He would be covered for the same reason, however, as everybody on a nonpolicy level, because I do not know who is going to get information there that is going to enable them to run out and benefit themselves. I do not know whether the machinist is going to be able to do that, or whether the secretary in the office, or whether the metallurgist, or the architect under the employ of ERDA is going to get this information. I think we just ought to treat them all alike and lay down guidelines. I say we cannot speculate regarding stocks, shares, and possessory interests in businesses engaged in nuclear and nonnuclear research. I think we protect them by giving them guidelines. I think we protect the country by giving them guidelines. We are protecting other energies.

Mr. MOSHER. If the gentleman will yield further, what about mutual funds? It seems to me the way this is drawn it is just an impossible amendment for me to support. There are literally hundreds of corporations involved here, and literally thousands of people as far as secretaries and such employees.

Mr. DINGELL. I say to the gentleman but if he will permit me, if he will ob- in companies directly involved in that kind of activity. Second of all, it directs administrators to set out guidelines and report to the Congress on what he has done, and setting out the guidelines, then he will appropriately advise, amplify, and clarify any ambiguities that would exist with regard to the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TEAGUE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this same amendment was offered to the energy bill in the Committee on Ways and Means and was defeated. I think probably nearly everyone in this room will agree with what the gentleman from Michigan is attempting to do. But my information is that this is a very sweeping revision of our conflict-of-interest laws. It covers, for example, a secretary's inheriting a share of stock, which would be immediately in violation of this law.

Mr. Chairman, I hope this amendment will be voted down. I hope the gentleman will refine it and come back at a later date.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the gentleman for yielding.

I subscribe to his opinion that this amendment should be rejected. This amendment does affect inheritances of stock, mutual funds, or whatever might be involved. It does not speak to just nuclear research, it speaks to any other program that ERDA might administer. It is a very broad and far-sweeping amendment, and the net effect is simply to be sure that they will have no employee who knows anything at all about the matter of energy. That is the damning feature of it. One is not going to be thing about what he is doing, and the amendment ought to be rejected.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I was about to ask the gentleman from Michigan, the proponent of the amendment, whether he had ever taken this proposition to the House Committee on the Judiciary. It is my recollection that at least under the rules of the House defining committee jurisdiction, normally that would be the appropriate committee to consider conflict-of-interest legislation.

I sympathize with his objective, like the gentleman from Ohio (Mr. Mosher). I think it is a desirable end to try to reach, but I, from my experience as a lawyer, would suggest that conflict-of-interest legislation is highly intricate. The framing of such legislation, and the interpretation that could be reached by the courts, is one that is fraught with a great deal of peril unless the language is very precise and very carefully worked out. I would urge the gentleman to pursue this matter but to pursue it in the form of a specific bill that could be taken to that committee and hopefully reported out for the consideration that it deserves.

Mr. DINGELL. Mr. Chairman, I want to thank the gentleman, if the gentleman from Texas will yield, and just observe that the language of the amendment is really quite clear. It does not relate to the knowledge people have; it just relates to conflict of interest, and if the gentleman has got all that much sympathy, I would urge him to vote for the amendment.

Mr. TEAGUE. Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The amendment was rejected.

The CHAIRMAN. There being no further amendments to the bill, the question is on the Committee amendment in the nature of a substitute, as amended.

The Committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Roush, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, pursuant to House Resolution 554, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the Committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. McCORMACK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 317, nays 9, not voting 107, as follows:

[Roll No. 325]

YEAS—317

Abdnor
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baldus
Barrett
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Delaney
Derwinski
Dingell
Dodd
Downey
Downing
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fenwick
Findley
Fish
Fisher
Flood
Florio
Foley
Ford, Mich.
Forsythe
Fountain
Fraser
Frey
Fuqua
Gaydos
Gilman
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harkin
Harris
Harsha
Hastings
Hayes, Ind.
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kelly
Kemp
Keys
Koch
Krebs
Krueger
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lujan
McCloskey
McCollister
McCormack
McDade
McDonald
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meyner
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi

Nichols
Nix
Nolan
Nowak
Obey
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Randall
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Roberts
Robinson
Rodino
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schulze
Seiberling
Sharp
Shipley
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Steed
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—9

Bedell
Conyers
Dellums
Holtzman
Miller, Calif.
Ottinger
Rangel
Schroeder
Stark

NOT VOTING—107

Abzug
Adams
Addabbo
Archer
Ashbrook
AuCoin
Baucus
Bell
Bergland
Blouin
Burke, Fla.
Carter
Casey
Clay
Cochran
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Crane
Daniels, N.J.
Davis
de la Garza
Dent
Derrick
Devine
Dickinson
Diggs
Drinan
Erlenborn
Eshleman
Fascell
Fithian
Flowers
Flynt
Ford, Tenn.
Frenzel
Fulton
Giaimo
Gibbons
Ginn
Hannaford
Harrington
Hawkins
Hays, Ohio
Helstoski
Jarman
Jenrette
Jones, Ala.
Jones, N.C.
Kasten
Ketchum
Kindness
LaFalce
Landrum
Long, La.
Lott
McClory
McEwen
Mann
Mathis
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Mikva
Milford
Moffett
Mollohan
Mottl
Neal
Oberstar
O'Brien
O'Hara
O'Neill
Pepper
Pettis
Pickle
Price
Quillen
Railsback
Rhodes
Risenhoover
Roe
Rose
Sebelius
Shriver
Sikes
Simon
Slack
Staggers
Steelman
Steiger, Ariz.
Stephens
Symington
Taylor, Mo.
Udall
Walsh
Wampler
Wilson, Bob
Winn
Wylie
Young, Alaska

So the bill was passed.

The Clerk announced the following pairs:

Mr. Price with Mr. Pepper.
Mr. Addabbo with Mrs. Collins of Illinois.
Mr. Sikes with Mr. Mollohan.
Mr. O'Neill with Mr. Gibbons.
Mr. Risenhoover with Mr. Corman.
Mr. Blouin with Mr. O'Hara.
Mr. Bergland with Mr. Stephens.
Mr. Jenrette with Mr. Fulton.
Mr. Fithian with Ms. Abzug.
Mr. Derrick with Mr. Landrum.
Mr. Drinan with Mr. Giaimo.
Mr. Ford of Tennessee with Mr. Symington.
Mr. Udall with Mr. Mezvinsky.
Mr. Slack with Mr. Collins of Texas.
Mr. Staggers with Mr. Conable.
Mr. Hays of Ohio with Mr. Conlan.
Mr. Diggs with Mr. Fascell.
Mr. Flynt with Mr. Carter.
Mr. Simon with Mr. Archer.
Mr. AuCoin with Mr. Dickinson.
Mr. Clay with Mr. Harrington.
Mr. Adams with Mr. Conte.
Mr. Casey with Mr. Ashbrook.
Mr. Cotter with Mr. Crane.
Mr. Davis with Mr. Cochran.
Mr. Neal with Mr. Bell.
Mr. Flowers with Mr. Erlenborn.
Mr. Mottl with Mr. Burke of Florida.
Mr. Oberstar with Mr. Helstoski.
Mr. Baucus with Mr. Eshleman.
Mr. Dominick V. Daniels with Mr. Devine.
Mr. de la Garza with Mr. Frenzel.
Mr. Dent with Mr. Jarman.
Mr. Ginn with Mr. Jones of Alabama.
Mr. Hannaford with Mr. Jones of North Carolina.
Mr. Hawkins with Mr. Kasten.
Mr. LaFalce with Mr. Kindness.
Mr. Long of Louisiana with Mr. Mann.
Mr. Lott with Mr. Mathis.
Mr. McClory with Mr. Milford.
Mr. Melcher with Mr. McEwen.
Mr. Metcalfe with Mr. Meeds.
Mr. Michel with Mr. Moffett.
Mr. Mikva with Mrs. Pettis.
Mr. Pickle with Mr. O'Brien.
Mr. Quillen with Mr. Railsback.
Mr. Rhodes with Mr. Rose.
Mr. Roe with Mr. Sebelius.
Mr. Shriver with Mr. Steiger of Arizona.
Mr. Steelman with Mr. Taylor of Missouri.
Mr. Walsh with Mr. Wampler.
Mr. Bob Wilson with Mr. Winn.
Mr. Wylie with Mr. Young of Alaska.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REFERRAL OF VETO MESSAGE ON H.R. 5357 TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the veto message on the bill, H.R. 5357, to authorize appropriations to the Secretary of Commerce for the promotion of tourist travel, be referred to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON DEPARTMENTS OF STATE, JUSTICE, COMMERCE, JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1976

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. CEDERBERG reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONTINUING APPROPRIATIONS, 1976

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 499) making continuing appropriations for the fiscal year 1976, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 5, line 25, strike out "and".

Page 6, line 3, strike out "1975." and insert "1975;".

Page 6, line 4, strike out "The" and insert "the".

Page 8, line 5, strike out "and eleventh" and insert "eleventh, and twelfth".

Page 11, after line 4, insert: "for activities under the heading Job Opportunities program pursuant to title X of the Public Works and Economic Development Act (Public Law 93-567, December 31, 1974), in addition to amounts made available elsewhere in this joint resolution and otherwise, an amount of $375,000,000, to remain available until December 31, 1975: *Provided*, That not to exceed $1,120,000 may be used for administrative expenses: *Provided further*, That $1,000,000 shall be available until expended, and shall be transferred to 'Regional Development Programs,' Regional Action Planning Commissions, to carry out programs authorized by title V of the Public Works and Economic Development Act of 1965, as amended;".

Page 12, line 2, after "law" insert: "and the School Breakfast program".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman from Texas (Mr. MAHON) tell us if the Senate version of this continuing resolution adds on even more dollars to the one that passed the House?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, the other body added additional funds in an amendment, the amount being $375 million for the Economic Development Administration. That is the job opportunities portion of the vetoed jobs bill insofar as EDA is concerned. But the jobs bill provided a total of $5.3 billion, and this bill provides a total of about $2.4 billion.

Mr. ROUSSELOT. So the total amount of dollars roughly over the budget will now be a half a billion dollars, if we combine that with the amount in the continuing resolution that passed the House?

Mr. MAHON. Well, it will be, I believe, somewhere in that neighborhood.

Mr. ROUSSELOT. Mr. Speaker, my understanding is that the bill that passed the House was roughly $225 million to $230 million over the budget.

Mr. MAHON. The gentleman is talking about the continuing resolution that passed the House?

Mr. ROUSSELOT. Yes.

Mr. MAHON. I believe that is correct.

Mr. ROUSSELOT. Is that correct?

Mr. MAHON. I believe so.

Mr. ROUSSELOT. So that then means the total amount by which this now exceeds the budget is a half a billion dollars?

Mr. MAHON. Mr. Speaker, that is approximately correct.

This is the problem: We are trying to get the continuing resolution to the President. We have tried to work out a compromise. We have been in touch with the other body, and we have been in touch with the White House. We are hopeful that everyone can agree, even though reluctantly, to this action.

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, suppose we were forced to come back to consider this bill next week, at a time when there could be a more thorough and complete debate on the subject rather than doing it by unanimous consent; would that cause any great tremors in the Federal bureaucracy?

Mr. MAHON. Well, it could do that, because if we have to go to conference, this would, of course, slow us down and make it impossible without some modification of the rules.

Mr. ROUSSELOT. Does the gentleman mean slow down the spending?

Mr. MAHON. I mean slow down the action on the continuing resolution. It would have no effect on the spending.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to ask the gentleman from Texas (Mr. MAHON) if the action of the Senate in any way alters the decision of the House to abolish the Federal Metal and Nonmetallic Mine Safety Board of Review?

Mr. MAHON. Mr. Speaker, if the gentleman from California will yield further, it does not. The answer is "no."

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr Speaker, reserving the right to object, it is my understanding that if this course of parliamentary procedure is pursued, there will be, of course, no conference and no resulting conference report.

It is my recollection that the House report on this continuing resolution contained language which made it clear that the Committee on Appropriations did not consider the levels of funding set in the resolution as mandatory spending levels, but rather as ceilings, and that the agencies funded were definitely not to construe the resolution as requiring them to spend all the money appropriated. One hopes that they would not.

In the absence of a conference report, is that the true state of affairs?

Mr. MAHON. Mr Speaker, if the gentleman will yield, I will say that the gentleman is correct. The levels of continuing authority provided are ceilings. It is not mandatory. That has been the longstanding philosophy of such authority contained in continuing resolutions.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Yes, I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I thank the gentleman for yielding.

I discussed the matter with the chairman, and it is not my intention, as ranking member of the committee, to object to agreeing to the Senate amendments for the simple reason that we know what we are faced with here.

Even if we were to go to conference, we would come back in disagreement. There is no question about that.

This is the way that we can expedite this.

I just wanted to get from the chairman a clear understanding that it is his opinion, as chairman of the Committee on Appropriations, that the report language contained on pages 3 and 4 of the House report is the language under which this resolution will operate.

Mr. MAHON. If the gentleman will yield, I agree completely with the gentleman.

I will read the language to which the gentleman refers on page 4:

> Accordingly, the rates of operation for programs and activities under the resolution are to be interpreted as ceilings and not as mandatory spending levels. This is absolutely necessary in order to preserve congressional prerogatives in the course of the regular authorization and appropriation process.

Mr. CEDERBERG. That is the position of the chairman of the committee. It is also my position because under a continuing resolution this is the only position to take. Is that correct? Is this not the manner in which a continuing resolution must operate?

Mr. MAHON. The gentleman is completely correct in both instances. We have had such resolutions for many years and the continuing authority conveyed by them has been on the basis of minimal rates in order to preserve the options of the Congress in arriving at final funding decisions in the usual manner. In my judgment, the language of continuing resolutions and in reports for years have made this amply clear.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas (Mr. MAHON)?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the legislation just concurred in.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

TO AMEND SECTION 1113 OF THE SOCIAL SECURITY ACT

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6698) to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for U.S. citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

> Page 2, after line 15, insert:
>
> SEC. 3. (a) Section 8(a)(1) of Public Law 93-233, as amended, is amended by striking out "18-month period", where it appears in the matter preceding the colon and in the new sentence added by such section, and inserting in lieu thereof in each instance "30-month period".
>
> (b) Subsections (a)(2), (b)(1), (b)(2), (b)(3), and (e) of section 8 of such public law, as amended, are each amended by striking out "18-month period" and inserting in lieu thereof "30-month period".
>
> Amend the title so as to read: "An Act to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for United States citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case, and for other purposes."

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon that the Senate amendments be considered as read and printed in the RECORD?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder whether the distinguished chairman of the Committee on Ways and Means could explain what I understand to be a totally nongermane amendment that the Senate has tacked onto this bill.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, the basic bill, H.R. 6698, is the same as it was when it passed the House. It authorizes temporary financial assistance to U.S. citizens and their dependents who have been returned from foreign countries. The bill provides limitations as to amount of money and time. It is urgent because a substantial number of U.S. citizens were evacuated from South Vietnam.

The amendment which was added by the Senate would continue the eligibility of supplemental security income beneficiaries under existing law until June 30, 1976. Existing provisions are scheduled to expire on June 30, 1975, the last day of this month. This is urgently needed legislation which I believe is supported by a large majority of this House. The provisions which would be extended would make eligible all supplemental security income beneficiaries in the 45 States where the Federal Government has not substituted cash for the value of the food stamp bonus. It would maintain all the existing provisions with respect to those five States.

We are not entirely satisfied with existing policies under which supplemental security income beneficiaries purchase food stamps. However, the solution to this problem has proved to be a complex one and we are not yet ready to recommend a new policy. We are entirely in accord with an extension. Similar legislation, H.R. 6850, has been introduced in the House by the chairman and a number of members of the Public Assistance Subcommittee of the Committee on Ways and Means, and represents the thinking of those members, who have responsibility in this area. I have delayed in asking the House to take this bill up since legislation containing somewhat similar provisions has been before the Committee on Agriculture. The chairman of that committee advises me that on June 19 the committee approved a resolution expressing its support of H.R. 6698, with the amendment of the Senate.

I hope that the House will accept this amendment and avoid a June 30 deadline which is of urgent concern to the States.

The President's budget attributes no cost to the amendment. The administration favors it.

Mr. BAUMAN. Mr. Speaker, I would ask the gentleman from Oregon if my understanding is correct that this nongermane amendment by the other body does not change, but only extends the present existing law so far as the relationship of the SSI beneficiaries' eligibility for food stamps?

Mr. ULLMAN. That is correct.

Mr. BAUMAN. I thank the gentleman.

Mr. VANDER JAGT. Mr. Speaker, further reserving the right to object, Mr. Speaker—and I shall not object— I do want to say that H.R. 6698, as passed by the House several weeks ago, would reactivate a section of the Social Security Act permitting the Department of Health, Education, and Welfare to provide temporary aid to U.S. citizens, along with their dependents, who have been repatriated. Recipients of this assistance must be without resources and must be certified by the State Department as having returned because they are destitute or ill, or because of war or some other crisis abroad.

The bill limits both the total expenditures which can be made and the period of time over which assistance can be provided. To take care of a potentially heavy caseload resulting from the Southeast Asia situation, expenditures up to $8 million would be authorized from the time of enactment through September 30, 1976. For each year thereafter, expenditures would be limited to $300,000. And except in unusually critical cases, assistance could be provided for a period no longer than 90 days.

H.R. 6698 was passed in this Chamber by voice vote. No substantive changes in the bill were made by the other body, but an amendment was added which relates to the use of food stamps by recipients of supplemental security income, or SSI.

Under Public Law 92-603, which established the SSI program, recipients were not eligible for food stamps. But SSI benefits were adjusted upward to compensate for the loss of the food stamp bonus. A savings clause for the States also was included, providing that the Federal Government would assume a State's supplemental payment costs which exceeded its calendar year 1972 share of expenditures under the old program of aid to the aged, blind, and disabled. This assumption also covered an upward adjustment over January 1972 assistance levels to the extent necessary to offset elimination of food stamp eligibility.

In 1973, however, new criteria for determining food stamp eligibility were established in the Agriculture and Consumer Protection Act (Public Law 93-86).

Under this act, beneficiaries receiving less money under the new program, through SSI benefits and State supplementation, than they would have received, including the food stamp bonus, under the old program in December 1973, would be entitled to food stamps. But those receiving more under the new program would not be eligible for food stamps.

Reaction to the new law by State officials was adverse and vigorous. They pointed out that making individual determinations in these cases would pose severe administrative problems. For example, they would be required to determine the income of each applicant under a program which no longer was in existence.

In response, the Congress has twice enacted provisions to suspend the operation of pertinent portions of both Public Law 93-86 and Public Law 92-603. The net effect of the suspensions has been to permit SSI beneficiaries to receive food stamps in States where there had been no "cash out." In five States—California, New York, Massachusetts, Wisconsin, and Nevada—where provision had been made for a "cash out," SSI beneficiaries remain ineligible for food stamps, but are assured an offsetting cash payment comparable to the bonus value of food stamps.

H.R. 6698 as amended would provide a further, 1-year extension of this "grace period," which is due to expire at the end of the current fiscal year.

If we fail to act positively on this legislation prior to June 30, the States will face very difficult administrative problems under Public Law 93-86, and will incur heavy additional costs which otherwise would not be necessary.

It is obvious, of course, that we must find a lasting solution to this vexing and complex problem. In that connection, the Ways and Means Committee's new Subcommittee on Public Assistance has been conducting public hearings on the SSI program, and the food stamp issue is receiving particularly close attention. Because of this, I am confident that we will be able to develop and present to the House, within the time period permitted by the legislation before us, an equitable resolution of this problem.

Therefore, Mr. Speaker, I urge my colleagues to join me in support of H.R. 6698 as amended.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendments just concurred in.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

AUTHORIZING APPROPRIATIONS FOR NUCLEAR REGULATORY COMMISSION FOR FISCAL YEAR 1976 AND TRANSITION QUARTER ENDING SEPTEMBER 30, 1976

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 533 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 533

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7001) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Texas (Mr. YOUNG), is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, as was just read by the Clerk, upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7001) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes.

Mr. Speaker, H.R. 7001, which the

adoption of this resolution will bring under consideration, will authorize the appropriation of $219,935,000 for fiscal year 1976, and $52 million for the transition period for the Nuclear Regulatory Commission. This authorization would be a 44 percent increase over the NRC's fiscal year 1975 budget, and would permit NRC to hire 333 personnel, raising its personnel ceiling to a total of 2,339.

Mr. Speaker, upon the conclusion of the consideration of the rule, it is my intention to move that the House take up this bill in the House as in the Committee of the Whole under the 5-minute rule and, since the bill is the same as the Senate bill S. 1716, to move by unanimous consent to take that bill from the Speaker's table and to ask for its immediate consideration.

Mr. Speaker, I yield to the distinguished gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, House Resolution 533 is a simple 1-hour open rule to make in order consideration of the bill, H.R. 7001, the authorization for the Nuclear Regulatory Commission. This authorization for the NRC amounts to $219.9 million in fiscal 1976 and $52 million for the transition period, July through September of 1976.

The bill made in order by this rule H.R. 7001, authorizes funds for the Nuclear Regulatory Commission for fiscal year 1976 and for the transition period ending September 30, 1976. Members will recall that the Energy Reorganization Act of 1974 terminated the existence of the Atomic Energy Commission, and all the licensing and regulatory functions of the Atomic Energy Commission were transferred to the Nuclear Regulatory Commission.

This bill authorizes $219,935,000 for fiscal year 1976, and $52,000,000 for the transition period. This funding level is in accordance with the administration's request.

The NRC is one of the two products of the Energy Reorganization Act of 1974 in which we dissolved the Atomic Energy Commission and divided its functions between the NRC and ERDA. The NRC concerns itself with all the licensing and related regulatory functions formerly exercised by the AEC. The bill was reported from the Joint Committee on Atomic Energy by a voice vote and there are no minority views in the committee report.

The rule providing for consideration of the NRC bill was passed by a voice vote in the Rules Committee. I urge adoption of the rule.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the "ayes" appeared to have it.

Mr. YOUNG of Florida. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 281, nays 1, not voting 151, as follows:

[Roll No. 326]

YEAS—281

Abdnor
Alexander
Ambro
Anderson, Ill.
Andrews, N.C.
Annunzio
Armstrong
Ashley
Aspin
Baldus
Barrett
Bauman
Beard, R.I.
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Boggs
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Byron
Carney
Carr
Chappell
Clancy
Clawson, Del
Cleveland
Cohen
Conyers
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Delaney
Dellums
Derwinski
Downey
Downing
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fenwick
Findley
Fish
Fisher
Flood
Florio
Foley
Ford, Mich.
Fountain
Fuqua
Gaydos
Gilman
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harkin
Harris
Harsha
Hastings
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Ichord
Jacobs
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kelly
Kemp
Keys
Koch
Krebs
Krueger
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lujan
McCloskey
McCollister
McCormack
McDade
McDonald
McFall
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meyner
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Montgomery
Moore
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nolan
Nowak
Obey
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Poage
Pressler
Pritchard
Quie
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Roberts
Robinson
Rodino
Roncalio
Rooney
Rosenthal
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Seiberling
Sharp
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Stark
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, N.C.
Thompson
Thone
Thornton
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki

NAYS—1

Pike

NOT VOTING—151

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Archer
Ashbrook
AuCoin
Badillo
Bafalis
Baucus
Beard, Tenn.
Bedell
Bell
Bergland
Blouin
Boland
Breaux
Brinkley
Burke, Fla.
Burton, John
Butler
Carter
Casey
Cederberg
Chisholm
Clausen, Don H.
Clay
Cochran
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Crane
Daniels, N.J.
Davis
de la Garza
Dent
Derrick
Devine
Dickinson
Diggs
Dingell
Dodd
Drinan
Early
Erlenborn
Eshleman
Fascell
Fithian
Flowers
Flynt
Ford, Tenn.
Forsythe
Fraser
Frenzel
Frey
Fulton
Giaimo
Gibbons
Ginn
Goldwater
Hannaford
Harrington
Hawkins
Hays, Ohio
Hébert
Hefner
Helstoski
Henderson
Hutchinson
Jarman
Jeffords
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Okla.
Kasten
Ketchum
Kindness
LaFalce
Landrum
Long, La.
Lott
McClory
McEwen
McKinney
Mann
Mathis
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Mikva
Milford
Moffett
Mollohan
Moorhead, Calif.
Mosher
Mottl
Neal
Nichols
Nix
Oberstar
O'Brien
O'Hara
O'Neill
Pepper
Pettis
Pickle
Preyer
Price
Quillen
Railsback
Rhodes
Risenhoover
Roe
Rogers
Rose
Roush
Sebelius
Shipley
Shriver
Sikes
Simon
Slack
Staggers
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Symington
Taylor, Mo.
Teague
Traxler
Udall
Vander Jagt
Walsh
Wampler
Whitten
Wilson, Bob
Winn
Wylie
Young, Alaska
Young, Ga.
Zeferetti

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Price with Mr. Butler.
Mr. Addabbo with Mrs. Collins of Illinois.
Mr. O'Neill with Mr. Mollohan.
Mr. Sikes with Mr. Gibbons.
Mr. Risenhoover with Mr. Corman.
Mr. Blouin with Mr. O'Hara.
Mr. Bergland with Mr. Stephens.
Mr. Jenrette with Mr. Fulton.
Mr. Fithian with Ms. Abzug.
Mr. Derrick with Mr. Landrum.
Mr. Drinan with Mr. Giaimo.
Mr. Ford of Tennessee with Mr. Mezvinsky.
Mr. Udall with Mr. Collins of Texas.
Mr. Slack with Mr. Conable.
Mr. Staggers with Mr. Conlan.
Mr. Hays of Ohio with Mr. Fascell.
Mr. Diggs with Mr. Carter.
Mr. Flynt with Mr. Archer.
Mr. Simon with Mr. Dickinson.
Mr. AuCoin with Mr. Harrington.
Mr. Clay with Mr. Conte.
Mr. Adams with Mr. Ashbrook.
Mr. Casey with Mr. Crane.
Mr. Cotter with Mr. Cochran.
Mr. Davis with Mr. Bell.
Mr. Neal with Mr. Erlenborn.
Mr. Flowers with Mr. Burke of Florida.
Mr. Mottl with Mr. Helstoski.
Mr. Oberstar with Mr. Eshleman.
Mr. Baucus with Mr. Devine.
Mr. Dominick V. Daniels with Mr. Frenzel.
Mr. de la Garza with Mr. Jarman.
Mr. Dent with Mr. Jones of Alabama.

Mr. Ginn with Mr. Jones of North Carolina.

Mr. Hawkins with Mr. Kasten.

Mr. Hannaford with Mr. Symington.

Mr. LaFalce with Mr. Kindness.

Mr. Long of Louisiana with Mr. Mann.

Mr. Lott with Mr. Mathis.

Mr. McClory with Mr. Milford.

Mr. Melcher with Mr. McEwen.

Mr. Metcalfe with Mr. Meeds.

Mr. Michel with Mr. Moffett.

Mr. Mikva with Mrs. Pettis.

Mr. Pickle with Mr. O'Brien.

Mr. Quillen with Mr. Railsback.

Mr. Rhodes with Mr. Rose.

Mr. Roe with Mr. Seiberling.

Mr. Shriver with Mr. Steiger of Wisconsin.

Mr. Steelman with Mr. Taylor of Missouri.

Mr. Walsh with Mr. Wampler.

Mr. Bob Wilson with Mr. Roush.

Mr. Wylie with Mr. Young of Alaska.

Mr. Zeferetti with Mr. Anderson of California.

Mr. Andrews of North Dakota with Mr. Bedell.

Mr. Badillo with Mr. Boland.

Mr. Breaux with Mr. Bafalis.

Mr. Beard of Tennessee with Mr. Brinkley.

Mr. John L. Burton with Mr. Dingell.

Mr. Dodd with Mr. Shipley.

Mr. Cederberg with Mr. Don H. Clausen.

Mrs. Chisholm with Mr. Early.

Mr. Forsythe with Mr. Mosher.

Mr. Nichols with Mr. Fraser.

Mr. Nix with Mr. Frey.

Mr. Goldwater with Mr. Hébert.

Mr. Pepper with Mr. Preyer.

Mr. Hefner with Mr. Henderson.

Mr. Hutchinson with Mr. McKinney.

Mr. Jeffords with Mr. Vander Jagt.

Mr. Teague with Mr. Steiger of Arizona.

Mr. Traxler with Mr. Steed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that the bill (H.R. 7001) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes, be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman could give us some illumination as to what the program for the rest of the day is going to be.

The gentleman from Massachusetts (Mr. O'Neill) earlier today stated that we were going to stay here and finish several very important bills. I notice he and nearly 30 Democrat freshmen, who wanted a 5-day workweek failed to answer the last rollcall.

I wonder if the gentleman could tell us, before he gets this permission, exactly what is left?

Mr. YOUNG of Texas. This will be the conclusion of the legislation program for the day and for the week. This will be the last bill. We are trying to finish as quickly as we can.

Mr. BAUMAN. I thank the gentleman. We should not move too fast. We want to be deliberate in our consideration of this bill. We want all the freshmen Democrats to understand everything thoroughly.

Mr. YOUNG of Texas. I certainly agree with the gentleman.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. YOUNG OF TEXAS

Mr. YOUNG of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Young of Texas: on the first page, immediately after line 2, insert: "Title I".

And also on the first page, line 3, strike out "That there" and insert in lieu thereof the following: "Sec. 101. There".

And also on the first page, immediately after line 8, insert the following: "Title II

"Sec. 201. Section 201(a) of the Energy Reorganization Act of 1974 is amended—

"(1) by inserting '(1)' immediately after 'Sec. 201.(a)'; and

"(2) by adding at the end of such subsection the following:

" '(2) The Chairman of the Commission shall be the principal executive officer of the Commission, and he shall exercise all of the executive and administrative functions of the Commission, including functions of the Commission with respect to (a) the appointment and supervision of personnel employed under the Commission (other than personnel employed regularly and full time in the immediate offices of commissioners other than the Chairman, and except as otherwise provided in the Energy Reorganization Act of 1974, (b) the distribution of business among such personnel and among administrative units of the Commission, and (c) the use and expenditure of funds.

" '(3) In carrying out any of his functions under the provisions of this section the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

" '(4) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

" '(5) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining upon the distribution of appropriated funds according to major programs and purposes.' "

Mr. YOUNG of Texas. Mr. Speaker, as is stated by the amendment—it is quite clear—this amendment simply sets out the duties and responsibilities and the authority of this newly created position of chairman of the regulatory commission.

Mr. Speaker, I urge the adoption of this amendment.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman from Texas yield?

Mr. YOUNG of Texas. Yes, I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

Mr. Speaker, the minority Members have had an opportunity to examine this amendment that was adopted by the other body, which the gentleman, as I understand, is now proposing so that the House passed bill will be conformity to the Senate passed bill and without need for any conference.

Mr. YOUNG of Texas. That is correct.

Mr. ANDERSON of Illinois. Mr. Speaker, we have no objection to the amendment.

Mr. YOUNG of Texas. Mr. Speaker, I urge the adoption of the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Texas (Mr. Young).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. YOUNG OF TEXAS

Mr. YOUNG of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Young of Texas: On page 1, line 7, insert the following: "Change $219,935,000 to $222,935,000 and change $52,000,000 to $52,750,000."

Mr. YOUNG of Texas. Mr. Speaker, I urge adoption of the amendment.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Texas. Yes, I yield to the gentleman from Illinois.

Mr. DERWINSKI. I thank the gentleman for yielding.

Mr. Speaker, these 131 positions that were just mentioned, how many are in the supergrade category?

Mr. YOUNG of Texas. I just do not have that information. They are field representatives, field operatives, for the purpose of examining the nuclear plants, and so forth, for the protection and safeguard of the public. Whether they are supergrades or not, I could not say.

Mr. DERWINSKI. Mr. Speaker, if the gentleman from Texas will yield, let me say, of course, that we recognize the need for services of this kind, but we have had a growing proliferation of supergrade slots in agencies and departments, and we had hoped somehow or other to keep a handle on this through the Subcommittee on Manpower and Civil Service of the Committee on Post Office and Civil Service. We do not like to have this runaway situation develop in this fashion.

Mr. YOUNG of Texas. Mr. Speaker, I am advised that these 131 employees would be on the order of Grade 14, and that number would not be excessive.

Mr. SYMMS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I would like to ask the gentleman from Texas (Mr. Young) this question:

Is it not true that it is only in the United States where it takes 14 years to build a nuclear reactor, and in most of the other countries they can build one in 4 or 5 years, because they have so much less regulation?

Mr. YOUNG of Texas. Mr. Speaker, the normal construction time that we have been given is 8 years.

Mr. SYMMS. That is for construction, but I am talking about the time used to fight out all the regulations.

Mr. YOUNG of Texas. Mr. Speaker, will the gentleman yield further?

Mr. SYMMS. I yield to the gentleman from Texas.

Mr. YOUNG of Texas. Mr. Speaker, I think I know what the gentleman means. He is speaking of the regulatory problems and the environmental reports and that sort of thing?

Mr. SYMMS. Yes.

Mr. YOUNG of Texas. Yes; that can

be very time consuming. It can result in litigation also.

Mr. SYMMS. Mr. Speaker, what I am concerned about is this: Will this amendment not add more bureaucrats and regulators and result in further slowing down this process?

Mr. YOUNG of Texas. Mr. Speaker, I might assure the gentleman that is certainly not my understanding of it. To the contrary, it would furnish more Federal employees, to be sure, but that would result in guaranteeing that there are no dangers that some of the environmentalists envision.

Mr. SYMMS. Mr. Speaker, I would like to ask the gentleman this also:

Is there not already a 25-percent increase in funding in the legislation the way it came in here, as far as regulatory standards on reactors are concerned? The gentleman is asking for still more now, in addition to the 25 percent you are asking for?

Mr. YOUNG of Texas. Yes. If the gentleman will yield further, Mr. Speaker, I will say that there is a 25-percent increase in new authorizations and new functions and responsibilities for the Commission.

Mr. SYMMS. Mr. Speaker, does the gentleman think there is any possibility that the cost overruns on the breeder reactors we were talking about in the bill that preceded this one in the House could have a result on some of the increased regulatory standards? Is there any possibility this might be contributing to cost overruns?

Mr. YOUNG of Texas. Mr. Speaker, I am not sure that I understand the question.

Mr. SYMMS. Mr. Speaker, we are increasing the standards. We have increased the standards and made it more restrictive so we had zero tolerance, which is an admirable goal, of course, probably not practical but admirable. Now we are hiring more people and getting more regulators to put to work on this and thereby increasing the cost of the operation.

Could this not also cause cost overruns when, say, some power company is trying to build a nuclear generator?

Mr. YOUNG of Texas. Mr. Speaker, if the gentleman will yield further, I do not think it would necessarily cause any cost overruns, I will say to the gentleman.

Mr. SYMMS. Mr. Speaker, is it true that sometimes they actually have changed the standards when the ongoing project was under construction?

Mr. YOUNG of Texas. There is always that possibility. Those things are constantly under review. It is possible that can happen, but this is certainly not designed to cause cost overruns.

Mr. SYMMS. Mr. Speaker, I have one other question I would like to ask the gentleman from Texas if I may.

I have looked through the report the best I can, and I can find nowhere where it says there is any money going to any international organizations.

To the gentleman's knowledge, are there any funds from this going to the United Nations or to any other international organizations?

Mr. YOUNG of Texas. Not to my knowledge. Apparently the staff concurs with me in that view.

Mr. SYMMS. It is the gentleman's understanding that there is no money provided for the United Nations?

Mr. YOUNG of Texas. The gentleman is correct.

Mr. SYMMS. Mr. Chairman, I thank the gentleman very much.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I noted with interest the concern the gentleman from Idaho expressed about the leadtime required in constructing these reactors.

I merely want to call the gentleman's attention to the language of the report in the bottom paragraph on page 7 and continuing over on page 8, that the 50-percent increase this authorization would carry in funding for the standards development effort could lead to very substantial improvements in that regard, because as we improve standards in this field, then the number of issues that have to be considered by the licensing authorities can be reduced, and that could lead to a reduction in the amount of time that would be required in the whole cycle of the licensing process.

I think that some improvements can be made, because of the funding made available or authorized under this bill.

Mr. SYMMS. Mr. Speaker, I thank the gentleman.

The SPEAKER. The question is on the amendment offered by the gentleman from Texas (Mr. Young).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer an amendment.

The Clerk read as follows.

Amendment offered by Mr. Long of Maryland: On the first page, immediately after line 8, insert the following:

"Sec. 2. Unless the President determines that the national security requires such license or authorization, and makes a report of such determination to the Congress (which report shall be available to every Member of the Congress) at least 60 days prior to the issuance of such license or authorization, the Nuclear Regulatory Commission shall not use any of the funds herein authorized to license or otherwise authorize any export of nuclear fuel or nuclear technology—

"(1) to any country which furnishes or agrees to furnish uranium enrichment or nuclear fuel reprocessing plants to a country not a party to the nuclear nonproliferation treaty; or

"(2) to any country which is not a party to the nuclear nonproliferation treaty and which develops either any enrichment or reprocessing plant without concluding an agreement with the International Atomic Energy Agency or Euratom by which all present and future nuclear facilities are made subject to safeguards established by either such agency against diversion of nuclear material."

Mr. LONG of Maryland. Mr. Speaker, my amendment would require that no funds in this bill be used by the Nuclear Regulatory Commission to license nuclear fuel or nuclear technology exports to two sorts of countries, both representing dangers that are clear and present: First, to countries like France and West Germany, which provide or agree to provide uranium enrichment of nuclear fuel reprocessing plants to countries not parties to the Nuclear Nonproliferation Treaty; and second, to countries like India or South Africa which develop uranium enrichment or nuclear fuel reprocessing plants and do not, at least, put all their nuclear facilities, both present and future facilities, under international nuclear safeguards administered by the International Atomic Energy Agency. These safeguards are designed to prevent the diversion of nuclear material for use in nuclear weapons.

However, my amendment would not tie the President's hands on foreign policy, because it would allow him to waive the export ban for national security reasons. If the President exercises this waiver, he must report his determination to Congress at least 60 days before the export license is issued. That gives Congress a reasonable time to legislate and marshal public opinion against a nuclear export, if it feels such action to be required.

My amendment calls on the administration to deny U.S. exports of nuclear supplies of both fuel and technology to those who encourage the spread of these enrichment and reprocessing plants which lead directly to nuclear weapons, through their ability to produce weapons-grade uranium and plutonium.

The distinguished chairman of the Joint Atomic Energy Committee, Senator Pastore, has called on the administration to use "every available diplomatic avenue" to prevent the spread of enrichment and reprocessing plants. The just-concluded meeting in London of nuclear suppliers has presumably been one of these "dilpomatic avenues." My amendment gives the President the congressional backing he needs to succeed in this diplomatic effort.

The administration says that it opposes my amendment, because it is redundant since the Joint Committee on Atomic Energy already has oversight over international nuclear agreements.

I do not think that the world has very much longer to go, and it might be worthwhile to listen to something which could slow down its destruction.

In response to the administration's objections, we already have nuclear agreements with France and Germany under which we supply nuclear fuel and technology too them. Thus, I see little we could do to pressure these countries, other than to revise or revoke these agreements through legislation.

Note that my amendment would help, not hurt, our nuclear industry. I know a lot of people here who would like to say "all right, we will have the destruction of the world, but at least let us make some money on it in the meantime."

But I might point out that the U.S. nuclear export industry lost the contract to Brazil, because Germany was allowed to offer Brazil something that our own industry was not allowed to offer—enrichment and reprocessing plants. Thus our nuclear industry lost a $4 to $8 billion contract, because it is operating at a competitive disadvantage. If the Members do not worry about the future of the world, we might think at least on the profits of the industry. That is very fashionable these days.

Although it is true that my amendment does not solve all the problems of nuclear proliferation, it is a significant first step, and it addresses the immediate danger, the exporting of complete nuclear fuel cycles. If utilized by the administration my amendment could help in forging a comprehensive system of international nuclear controls and safeguards by helping to stop the export of enrichment and reprocessing plants.

We do have leverage over France and Germany, and that leverage consists of the fact that we are and will be, until at least 1980, the principal exporter of enriched nuclear fuel for nuclear powerplants around the world. Without our nuclear fuel, France and Germany would have to shut down their power reactors within a year. Many would be shut down within a few months.

The Director of the U.S. Arms Control and Disarmament Agency recently noted in congressional testimony that—

> The U.S. cannot provide comprehensive international nuclear controls alone . . ., but it can, as the first and foremost nuclear nation, take the lead. In fact, it is my opinion that the United States is the only nation that can do that.

Here is a chance for the United States to take the lead and for the President to work in partnership with the Congress toward a truly bipartisan goal in foreign policy—the prevention of nuclear holocaust.

I ask the House, the Congress, and the President to support my amendment and have the United States take the lead toward a safer world.

Mr. YOUNG of Texas. Mr. Speaker, I rise in opposition to the amendment offered by the gentleman from Maryland (Mr. LONG) and I will be very brief.

The chairman of the joint committee, the distinguished Senator from Rhode Island, Senator PASTORE, has had this matter under consideration, and he has stated in a statement to the Senate that I hold in my hand that the policy issue involved, such as is raised by the proposed amendment is of such substance that it deserves full debate on its merits as a matter of national policy. So Senator PASTORE said that he believes this policy issue ought to be considered carefully and in detail.

The State Department's position on the matter is one of direct opposition in that we do not control the policies of other nuclear countries. And if we stepped out of this field of supplying Israel and other nations that are not signatories to the nonproliferation agreement with these materials, we not only would lose business, but we would lose the opportunity to have an influence over them in the nonproliferation directly as a customer or person doing business with them.

ERDA, the Energy Research and Development Administration, indicated heavy opposition in a statement, Mr. Speaker, in which, in summary, ERDA believes the proposed amendment to H.R. 7001 should not be adopted, because it will not serve to advance the policy of the United States with respect to nonproliferation of nuclear weapons.

What ERDA is worried about, Mr. Speaker, is that we would have no influence or in any way be able to influence the safeguards within those countries.

Mr. Speaker, I urge the rejection of the amendment.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Texas. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, is it not true that our leverage would be substantial on both Germany and France, because they depend on us for both the licensing of our technology, and for the overwhelming bulk of their nuclear enriched fuel materials, and will do so until 1980?

Mr. YOUNG of Texas. Mr. Speaker, France has a great capability of their own. They have the enriching capacity.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Texas. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I think in answer to the question posed by the gentleman from Maryland (Mr. LONG) that contrary to what he has implied, this would give us less leverage. I would call to his attention that earlier this week a meeting was held—I do not recall whether it was in Paris or in Brussels—over in Europe, attended by two of the very highest officials of both the Defense Department and the Arms Control Agency. They met with representatives of the Soviet Union, of France, of Western Germany, of Great Britain, the principal countries of the world that are involved in the export of nuclear fuel materials or nuclear technology. The purpose of that meeting was to get an agreement that we would not—any of these countries—engage in the further transfer of technology of this kind to countries who are not signatory to the Nonproliferation Treaty.

I have just been told that this meeting was held in London earlier this week. I was correct in the nations and characterizing their participation as being at the highest level. But my point is that if we now simply unilaterally adopt a provision of the kind the gentleman suggests, we are dropping out of the game. We are not going to do anything. I do not think that is going to have the desired effect of getting these other countries, whom we want very much to join with us in a cooperative arrangement and agreement, likewise to ban the export of technology of this kind to countries that are not signatory to the NPT, or countries that will not accept assurances or safeguards provided through the International Atomic Energy Commission.

I say I sympathize with the gentleman's objective, but I think in view of those negotiations now going on, it would be damaging from the standpoint of that effort to simply go ahead today and say this country is not going to permit any further export of that technology. That is not going to get the agreement of the Soviet Union, France, or Western Germany or Great Britain.

The SPEAKER. The time of the gentleman has expired.

Mr. ECKHARDT. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I hesitate to say I move to strike the last word after the gentleman's dire prediction of the destruction of the Earth, but I do support his amendment. It seems to me that no reasonable argument has been advanced against this amendment. All in the world the amendment says is that if the President is not confronted with a situation which he can better negotiate himself and needs to negotiate immediately because of national security reasons that the matter will be submitted to us. Of course, the executive, these administrative agencies oppose it. They always oppose any power that Congress may seek to exercise which will limit them.

All the gentleman's amendment does, as I read it, is to provide that the matter must be reported to Congress at least 60 days prior to the issuance of such license or authorization if any of these goods are to be sent to any country which furnishes or agrees to furnish uranium enrichment or nuclear fuel to a country not a signatory of the Nuclear Nonproliferation Treaty, or to any country which is not a signatory of the Nuclear Nonproliferation Treaty, which develops these processes and distributes them to other countries that will not join. That seems entirely reasonable. Everyone says they are for it, but they want the executive department to do it, and they want to leave it to the full discretion of the executive department without requiring it to report to Congress.

The gentleman from Maryland and I have been concerned for a long time and have taken this floor many times to try to prevent the wanton, unrestricted distribution of these dangerous substances. When we control as much of them as we do, why should we not use our clout to require the other nations to join the Nonproliferation Treaty.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I thank the gentleman for yielding.

Is it not true that if we keep on going at the rapid rate that we have been going. By about 1985 or 1990, approximately every tiny national entity will have the capacity to make nuclear weapons and we could be hit by a nuclear weapon and not even know where it came from?

Mr. ECKHARDT. That is right. There could be no protection against these dangers because the most irresponsible nations without the least knowledge of what the danger is could cause, as the gentleman has said, the destruction of our civilization.

Mr. LONG of Maryland. France is apparently moving in the direction of possibly giving the nuclear capability to all the various countries in the Middle East, and it is quite possible that a small country like Israel could be hit by a nuclear weapon and not even know which of a half dozen nations had done it.

Mr. ECKHARDT. I agree.

I ask for support for the amendment.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I merely want to say I would respectfully disagree with the distinguished gentleman from Texas (Mr.

Eckhardt) that it is only the State Department and the Energy Research and Development Administration and the Nuclear Regulatory Commission who are opposed to this amendment. They are of course. That is true. But we call the attention of the gentleman to the speech that was delivered by the distinguished chairman of the Joint Committee, the senior Senator from Rhode Island, on April 17 this year, in which he dealt with the suggestions which are being made by some that the United States no longer export nuclear technology. I quote from that speech:

> It would only result in two things, neither of which is desired: less effective international safeguards for the control of the peaceful atom and greater deficits in our balance of payments.

I think the way to approach this problem is to make greater efforts than ever to achieve truly international control to safeguard agreements for the export of this kind of technology. I do not minimize for a moment the danger of exporting the complete nuclear fuel cycle to a country like Brazil which would be giving them a capability of manufacturing an atomic bomb, but I would suggest there is a better way to reach this question.

On the 6th of June the senior Senator from Minnesota, Senator Mondale introduced a resolution which addressed itself to that question, Senate Resolution 188. The resolving clause of that resolution suggests and urges that the President seek an immediate international moratorium on the transfer to nonnuclear weapons countries of nuclear enrichment and reprocessing equipment and technology to permit time for the negotiation of more effective safeguards against the proliferation of nuclear weapons capability.

I think that work has already begun in the conference I referred to earlier in our colloquy with the gentleman from Texas (Mr. Young), the meeting that began in London earlier this week.

We are aware, very much aware of the danger to which the gentleman points, but I would suggest that rather than a unilateral cutoff at this time of the transfer of that technology and equipment, that we should pursue with unflagging zeal the efforts that are now being made to negotiate this same agreement among a broad spectrum of countries and if necessary adopt a resolution putting together on record our feeling that it is very important that we go ahead with that task.

Mr. LONG of Maryland. That is exactly the purpose of my amendment, to put the Congress on record as saying this is very important and we should act. We have seen again and again these attempts at diplomatic action on the highest level and we know how very little they accomplish. We are the Nation that is doing most of the exporting and licensing. Countries like France and Germany are exporting our technology knowledge abroad. We give them most of the materials and reprocessing processes by which they can continue to operate and independently export that stuff. Why do we not get started, instead of saying that we should give it to somebody else and hope somebody else will do it? I hope the House will adopt my amendment, because I think it is necessary to act now to safeguard the future of all of us.

Mr. ANDERSON of Illinois. I hope the amendment is not adopted to this bill. I think this is not the place for it. We are not the offending country in this regard. There is some reason to believe that some countries such as France especially and also West Germany have been taking some action with respect to Brazil.

But the way to achieve international cooperation is not to invoke unilateral cutoff by this country. It is to increase international cooperation; that can best be done through the medium of the conference that is now already taking place.

The SPEAKER. The question is on the amendment offered by the gentleman from Maryland (Mr. Long).

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. LONG of Maryland. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 117, nays 139, not voting 177, as follows:

[Roll No. 327]

YEAS—117

Ambro
Armstrong
Aspin
Baldus
Bennett
Biaggi
Blanchard
Bonker
Brademas
Brodhead
Brown, Calif.
Broyhill
Burke, Calif.
Burton, Phillip
Carr
Chappell
Cohen
Conyers
Cornell
Coughlin
D'Amours
Dellums
Dingell
Downey
Duncan, Oreg.
Duncan, Tenn.
Eckhardt
Edwards, Calif.
Eilberg
Emery
Evans, Ind.
Fish
Fisher
Florio
Foley
Gonzalez
Gude
Hall
Hamilton
Hanley
Harkin
Harris
Hayes, Ind.
Hechler, W. Va.
Hicks
Holland
Holtzman
Howard
Hughes
Jacobs
Jordan
Kastenmeier
Kemp
Keys
Koch
Krebs
Krueger
Leggett
Lehman
Levitas
Long, Md.
McHugh
McKay
Maguire
Martin
Matsunaga
Miller, Calif.
Miller, Ohio
Minish
Mink
Moakley
Moore
Murphy, N.Y.
Nolan
Obey
Ottinger
Passman
Patterson, Calif.
Pattison, N.Y.
Pike
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Rodino
Rosenthal
Roybal
Russo
Sarbanes
Scheuer
Schroeder
Sharp
Smith, Iowa
Snyder
Solarz
Spellman
Spence
Stanton, James V.
Stark
Stokes
Studds
Sullivan
Talcott
Tsongas
Van Deerlin
Vanik
Vigorito
Waxman
Weaver
White
Whitehurst
Wirth
Yates
Yatron
Young, Fla.

NAYS—139

Abdnor
Alexander
Anderson, Ill.
Annunzio
Barrett
Bauman
Bevill
Biester
Bingham
Boggs
Bolling
Bowen
Breckinridge
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Carney
Clancy
Clawson, Del
Cleveland
Daniel, Dan
Daniel, R. W.
Danielson
Delaney
Derwinski
Edwards, Ala.
Evins, Tenn.
Findley
Flood
Ford, Mich.
Fountain
Fuqua
Gaydos
Gilman
Goodling
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hastings
Heinz
Henderson
Hightower
Hillis
Hinshaw
Holt
Horton
Howe
Hubbard
Hungate
Hyde
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Kazen
Kelly
Lagomarsino
Lloyd, Calif.
Lent
Lloyd, Tenn.
Lujan
McCloskey
McCollister
McCormack
McDade
McDonald
McFall
Macdonald
Madden
Madigan
Mahon
Mazzoli
Mills
Mitchell, N.Y.
Montgomery
Moorhead, Pa.
Morgan
Murphy, Ill.
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nowak
Patten, N.J.
Perkins
Peyser
Poage
Pressler
Pritchard
Quie
Regula
Roberts
Robinson
Roncalio
Rooney
Rostenkowski
Rousselot
Runnels
Ruppe
Ryan
St Germain
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Shuster
Sisk
Skubitz
Smith, Nebr.
Stanton, J. William
Steed
Stratton
Stuckey
Symms
Taylor, N.C.
Thompson
Thone
Thornton
Ullman
Vander Veen
Waggonner
Whalen
Wilson, C. H.
Wilson, Tex.
Young, Tex.
Zablocki

NOT VOTING—177

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Ashbrook
Ashley
AuCoin
Badillo
Bafalis
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bergland
Blouin
Boland
Breaux
Brinkley
Burke, Fla.
Burton, John
Butler
Carter
Casey
Cederberg
Chisholm
Clausen, Don H.
Clay
Cochran
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Crane
Daniels, N.J.
Davis
de la Garza
Dent
Derrick
Devine
Dickinson
Diggs
Dodd
Downing
Drinan
du Pont
Early
Edgar
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Fenwick
Fithian
Flowers
Flynt
Ford, Tenn.
Forsythe
Fraser
Frenzel
Frey
Fulton
Giaimo
Gibbons
Ginn
Goldwater
Gradison
Green
Hannaford
Harrington
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Hutchinson
Jarman
Jeffords
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kasten
Ketchum
Kindness
LaFalce
Landrum
Latta
Litton
Long, La.
Lott
McClory
McEwen
McKinney
Mann
Mathis
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Mineta
Mitchell, Md.
Moffett
Mollohan
Moorhead, Calif.
Mosher
Moss
Mottl
Murtha
Neal
Nichols
Nix
Oberstar
O'Brien
O'Hara
O'Neill
Patman, Tex.
Pepper
Pettis
Pickle
Preyer
Price
Quillen
Railsback
Randall
Rhodes
Risenhoover
Roe
Rogers
Rose
Roush
Sebelius
Seiberling
Shipley
Shriver
Sikes
Simon
Slack
Staggers
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Symington
Taylor, Mo.
Teague
Traxler
Treen
Udall
Vander Jagt
Walsh
Wampler
Whitten
Wiggins
Wilson, Bob
Winn
Wolff
Wright
Wydler
Wylie
Young, Alaska
Young, Ga.
Zeferetti

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SCHEUER

Mr. SCHEUER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHEUER: Insert the following after line 8, page 1: "The Nuclear Regulatory Commission shall not license any shipments by air transport of plutonium in any form, whether exports, imports or domestic shipments; *Provided however*, that any plutonium in any form contained in a medical device designed for individual human application is not subject to this restriction. This restriction shall be in force until the Nuclear Regulatory Commission has certified to the Joint Committee on Atomic Energy of the Congress that a safe container has been developed and tested which will not rupture under crash and blast-testing equivalent to the crash and explosion of a high-flying aircraft."

Mr. SCHEUER. Mr. Speaker, this amendment has one very narrow purpose. It is to prohibit the transport by air of plutonium, the most toxic substance ever devised by the mind of man, until such time as the Nuclear Regulatory Commission certifies to the Joint Committee on Atomic Energy that they have developed a container for plutonium that is capable of withstanding the impact and the explosion of a high-flying aircraft accident without rupturing. It seems to me that this amendment should be unanimously adopted by this body.

Mr. Speaker, plutonium—the most toxic substance on Earth—is being shipped by air in containers which do not at the present time have the capability of withstanding the impact at terminal velocity and explosion effect of an aircraft accident.

There is nothing in this legislation or in the committee report which requires the Nuclear Regulatory Commission to expand its safety regulations on the subject of a safe container; nor is the NRC quoted anywhere in the report as claiming that it will expand its safety regulations in the regard.

Mr. Speaker, we have had two accidents involving aborted aircraft missions carrying weapons containing plutonium that contaminated the environment.

In Thule, Greenland, after such an accident the United States was required to fill 6 dozen tanks each containing 25,000 gallons of ice, snow, and water, and transport them out of the region. A similar accident happened over Spain, where we had to clear the topsoil off 6 acres, and clear the vegetation off of an additional 600 acres.

These accidents took place at a combined cost of almost a half billion dollars to the U.S. Government, Mr. Speaker; and thanks be to God, they happend over totally uninhabited areas.

If we had an aircraft accident in the metropolitan area of New York involving a container of plutonium weighing approximately 20 pounds, about the size of a football, it would require the evacuation of the entire metropolitan area of New York comprising 22 million people, about one-tenth the population of the United States, at a cost and an inconvenience that is totally incalculable. At least several hundred thousand lives would be lost and the cost of decontaminating the area over a period of 12 to 18 months would be astronomical.

Mr. Speaker, I suggest that many Members of this Congress and millions of their constituents are being subjected to this horrendous risk. Plutonium is currently being flown in and out of not only Kennedy Airport in New York City, but also in and out of the Detroit, Los Angeles, and San Francisco airports as well.

We do not at present have a plutonium container capable of withstanding the impact of an aircraft accident without rupturing.

Mr. KOCH. Mr. Speaker, will the gentleman yield?

Mr. SCHEUER. Yes, I yield to the gentleman from New York.

Mr. KOCH. Would the gentleman comment on what would occur if that same plutonium fell into the Mississippi River?

Mr. SCHEUER. I can only state that if such an accident were to take place in the Midwest it would be horrendous, indeed just horrendous as such an accident would be in any other portion of the United States, particularly if it were to take place in an inhabited area.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Idaho.

Mr. SYMMS. Does the scope of the gentleman's amendment also include military aircraft which might be carrying nuclear weapons?

Mr. SCHEUER. No, it does not include weapons. It includes the transport of plutonium. It does not include the transport of weapons.

Mr. SYMMS. Does the gentleman have any information on the risk factor of other means of transportation, where it is going more slowly, so that there is a bigger chance of some accident happening because it would take longer to transport a weapon?

Mr. SCHEUER. The time factor involved in sea and land transportation of plutonium which increases the danger during transport has to do largely with the increased opportunities for terrorism, sabotage, and theft. Impact is not the problem there. In other words, we currently have containers that will withstand almost any predictable accident on land or at sea.

The SPEAKER. The time of the gentleman from New York (Mr. SCHEUER) has expired.

(By unanimous consent, Mr. SCHEUER was allowed to proceed for 2 additional minutes.)

Mr. SCHEUER. To continue, Mr. Speaker, we presently have a container that has passed the test of being dropped from 30 feet onto a steel plate. This would be the equivalent of an accident on land or at sea. But, in tests the container ruptured on being dropped from 130 feet onto a steel plate.

A drop of 130 feet per second onto a steel plate is nowhere near the equivalent of the blast, explosion, and impact effect of a crash at terminal velocity of a high-flying aircraft.

Therefore, we say, let us continue the transportation of plutonium by land, continue it by sea, but let us cease the air transport of plutonium until the interested Federal agencies have developed a container which can withstand the possible crash of a high-flying aircraft without rupturing, without spilling out this most toxic substance that mankind has ever developed.

Mr. YOUNG of Texas. Mr. Speaker, I rise in opposition to the amendment, and I will be very brief.

Mr. Speaker, as much as I regret to do so, I must oppose this amendment, not that it does not have merit, but on the procedural situation that we have, this amendment and several others that Members would like to have taken up cannot be done if we are going to comply with the requirement that we pass this Nuclear Regulatory Commission bill finally tonight in order to comply with the continuing appropriations.

Mr. Speaker, the Nuclear Regulatory Commission is holding hearings on this very question at this very time. I would suggest to the gentleman from New York (Mr. SCHEUER) that I think his amendment has high merit, and I could not say otherwise, but I would suggest to the gentleman that, according to the information I have, the Nuclear Regulatory Commission has an agreement that each time before any of these materials that the gentleman from New York is so greatly opposed to are shipped, they will let the gentleman know personally before they ship any of these materials.

Mr. SCHEUER. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Texas. I will yield to the gentleman in just a minute.

Mr. Speaker, my suggestion is that the House do reject this amendment, and we will convene hearings on this and some other amendments that Members would like to be offering at this time.

Now I yield to the gentleman from New York.

Mr. SCHEUER. Mr. Speaker, let me say that I do not wish to be informed about the shipment of nuclear materials by air in unsafe containers, I wish to stop the shipment of nuclear materials is unsafe containers by air until such time as we do have safe containers. I do not think it will be very long.

The Nuclear Regulatory Commission is aware of this problem, and they are working on the problem. I think within a matter of not very many more months they will be able to certify to the Joint Committee on Atomic Energy that such safe containers are available.

I understand that it might take a day or a day or two longer to have this bill passed with this amendment. I believe the Senate would adopt the amendment in conference. We are not talking here about the matter of convenience. How can we weigh the convenience of this House or the Senate in delaying for a day, or a day and a half, or two days, against the awesome reality of catastrophe and devastation that would impact this country in the event of an accident? I say that is a risk that we cannot afford to take.

Let me suggest, Mr. Speaker, that the outstanding expert in our Government, our air crash survivability analyst, Mr. Irving Pinkel, who has worked with the

AEC and other agencies for 37 years, points out that probability discussions are not acceptable when dealing with something as deadly as plutonium. If there is a 1-in-2-million chance of an air crash, the crash could occur on the 2 millionth flight, but it also could occur on the second flight.

In the case of plutonium, Mr. Pinkel says that the magnitude of the risk is so great so as to completely distort the probabilities.

Mr. YOUNG of Texas. Mr. Speaker, I sympathize with the gentleman from New York, but I refuse to yield further.

I ask that the amendment not be accepted at this time.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Texas. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Speaker, as much as I sympathize with the motives of the author of this amendment, I must oppose it for a number of reasons—primary of which is that air transportation is the safest mode available.

Statistically, the chances of a serious accident involving ship, rail, or truck is much greater than a serious accident involving an aircraft. In fact, the very safest method of transporting anything is by air.

But, even agreeing to that—that air transportation is the safest—we all know that accidents happen, and that no means of transporting a commodity is foolproof.

Currently, under the Transportation Safety Act of 1974, it is illegal to ship nuclear material on a passenger air carrier, except for very small, minute quantities of material which are used for medicinal purposes or for research. Thus, any nuclear material which is used for any other purpose must be transported by airfreight companies—if it is to go by air.

But, even then on a cargo aircraft, first, the regulations limit the quantity to only a very small amount—an amount which the experts say would not cause any chain reaction, fusion, or explosion. And, second, the regulations require packaging—even that small amount—in such a way that the package would withstand air crashes, and would not endanger the lives of those who might be near a crash.

And finally, why transport this material by air rather than transport it by rail, truck, or ship? Very simply—time. The lifespan of some of these materials is extremely short; for example, iodine-131 used to diagnose thyroid conditions can only last 8 days; technicium-99, also used in medical diagnosis, is only good for 6 hours.

Under the amendment, if this were shipped in a device designed to apply to several people, then it would be prohibited. Under the amendment, a hospital supply company in Chicago could not ship a quantity of this material to the many hospitals and clinics in Los Angeles unless it were "contained in a medical device designed for individual"—not general—application.

In addition, this amendment would prohibit the air shipment of the special nuclear products for purposes of research.

Mr. Chairman, if we adopt this amendment, we are not providing additional protection to the public; we are, instead, denying a certain percentage of the public access to materials which could help save lives. I oppose this amendment, and urge my colleagues to reject it.

Mr. VANIK. Mr. Speaker, I am pleased to support the amendment of the gentleman from Maryland (Mr. Long) to require a Presidential determination of national security interest before authorizing the export of nuclear fuel or nuclear technology to any country which is not a party to the Nuclear Non-Proliferation Treaty or not bound by international agreement.

The amendment gives the President discretionary authority he does not want but it is a responsibility he should have.

It is indeed regrettable that legislation of such grave importance is considered so late in the legislative schedule of the week.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the amendment.

The previous question was ordered.

The question is on the amendment offered by the gentleman from New York (Mr. Scheuer).

The question was taken, and the Speaker announced that the "noes" appeared to have it.

Mr. SCHEUER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 165, nays 79, not voting 189, as follows:

[Roll No. 328]

YEAS—165

Ambro
Baldus
Bennett
Biaggi
Biester
Bingham
Blanchard
Boggs
Bolling
Bonker
Brademas
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burton, Phillip
Carney
Carr
Cohen
Conyers
Cornell
Coughlin
Daniel, R. W.
Danielson
Delaney
Dellums
Derwinski
Dingell
Downey
Duncan, Oreg.
Duncan, Tenn.
Eckhardt
Emery
Evans, Ind.
Eilberg
Edwards, Calif.
Fish
Fisher
Findley
Florio
Foley
Ford, Mich.
Gilman
Goodling
Grassley
Gude
Guyer
Hagedorn
Hall
Hamilton
Hanley
Harkin
Harris
Harsha
Hayes, Ind.
Hechler, W. Va.
Hicks
Hinshaw
Holland
Holtzman
Howard
Hughes
Jacobs
Johnson, Colo.
Johnson, Pa.
Jordan
Kastenmeier
Kazen
Kelly
Kemp
Keys
Koch
Krebs
Krueger
Lagomarsino
Lehman
Lent
Levitas
Lloyd, Calif.
McCloskey
Ryan
Russo
McCollister
McDade
McHugh
McKay
Macdonald
Madden
Maguire
Martin
Matsunaga
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Moore
Moorhead, Pa.
Myers, Pa.
Nedzi
Nolan
Nowak
Obey
Ottinger
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pressler
Pritchard
Quie
Rangel
Regula
Reuss
Richmond
Rinaldo
Rodino
Rosenthal
Roybal
Ruppe
Long, Md.
Sarasin
St Germain
McCormack
Sarbanes
Scheuer
Schroeder
Schulze
Sharp
Skubitz
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Stark
Stokes
Studds
Talcott
Taylor, N.C.
Thompson
Tsongas
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
White
Wilson, C. H.
Wilson, Tex.
Wirth
Yates
Yatron
Young, Fla.

NAYS—79

Abdnor
Anderson, Ill.
Annunzio
Armstrong
Barrett
Bauman
Bevill
Bowen
Breckinridge
Brown, Ohio
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Chappell
Clancy
Clawson, Del
D'Amours
Daniel, Dan
Edwards, Ala.
Evins, Tenn.
Flood
Fountain
Fuqua
Gonzalez
Haley
Hansen
Hastings
Henderson
Hightower
Hillis
Holt
Horton
Howe
Hubbard
Hungate
Hyde
Ichord
Johnson, Calif.
Jones, Tenn.
Lloyd, Tenn.
Lujan
McDonald
McFall
Madigan
Mahon
Mazzoli
Mills
Montgomery
Morgan
Murphy, Ill.
Murphy, N.Y.
Myers, Ind.
Natcher
Passman
Patman, Tex.
Patten, N.J.
Poage
Roberts
Roncalio
Rooney
Rostenkowski
Rousselot
Runnels
Santini
Satterfield
Schneebeli
Shuster
Sisk
Snyder
Stratton
Stuckey
Sullivan
Symms
Thone
Waggonner
Whitehurst
Young, Tex.
Zablocki

NOT VOTING—189

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bergland
Blouin
Boland
Breaux
Brinkley
Burke, Fla.
Burton, John
Butler
Carter
Casey
Cederberg
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Crane
Daniels, N.J.
Davis
de la Garza
Dent
Derrick
Devine
Dickinson
Diggs
Dodd
Downing
Drinan
du Pont
Early
Edgar
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Fenwick
Fithian
Flowers
Flynt
Ford, Tenn.
Forsythe
Fraser
Frenzel
Frey
Fulton
Gaydos
Giaimo
Gibbons
Ginn
Goldwater
Gradison
Green
Hammerschmidt
Hannaford
Harrington
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Helstoski
Hutchinson
Jarman
Jeffords
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kasten
Ketchum
Kindness
LaFalce
Landrum
Latta
Leggett
Litton
Long, La.
Lott
McClory
McEwen
McKinney
Mann
Mathis
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Mitchell, Md.
Moffett
Mollohan
Moorhead, Calif.
Mosher
Moss
Mottl
Murtha
Neal
Nichols
Nix
Oberstar
O'Brien
O'Hara
O'Neill
Pepper
Pettis
Pickle
Pike
Preyer
Price
Quillen
Railsback
Randall
Rees
Rhodes
Riegle
Risenhoover
Robinson
Roe
Rogers
Rose
Roush
Sebelius
Seiberling
Shipley
Shriver
Sikes
Simon
Slack
Staggers
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Symington
Taylor, Mo.
Teague
Thornton
Traxler
Treen
Udall
Ullman
Vander Jagt
Walsh
Wampler

Whitten
Wiggins
Wilson, Bob
Winn
Wolff
Wright
Wydler
Wylie
Young, Alaska
Young, Ga.
Zeferetti

So the amendment was agreed to.

The result of the vote was announced as above recorded.

(By unanimous consent Mr. ANDERSON of Illinois was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. ANDERSON of Illinois. Mr. Speaker, I ask for this time for the purpose of inquiring of the distinguished acting majority leader as to the program for next week.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, in response to the gentleman's inquiry, when we finish this bill, at the conclusion of the legislative business for the week, I would ask that when we adjourn today, we adjourn to meet on Monday next.

Mr. Speaker, the schedule for the week is as follows:

Monday, District day, no bills. Then, we will have the following bills:

H.R. 6799, Rules of Criminal Procedure amendments, votes on amendments and bill; H.R. 6676, Credit Uses Reporting Act, open rule, 1 hour of debate; H.R. 5358, Railroad Safety Authorization, open rule, 1 hour of debate; H.R. 7500, State Department Authorization, open rule, 1 hour of debate; H.R. 6334, Peace Corps Authorization, with an open rule and 1 hour of debate; and House Concurrent Resolution 292, Joint Committee for U.S. Bicentennial.

On Tuesday, we will have H.R. 8030, temporary debt limitation increase, subject to a rule being granted. We will have eight unanimous-consent bills from the Committee on Ways and Means.

Then, we will have H.R. 8070, HUD-independent agencies appropriations for fiscal year 1976; followed by the public works appropriations, fiscal year 1976.

On Wednesday, we will have H.R. 4485, Emergency Housing Act, a possible veto override. Then, we will have H.R. 8069, Labor-HEW appropriations, fiscal year 1976.

Thursday, State-Justice-Commerce judiciary appropriations, fiscal year 1976.

Conference reports may be brought up at any time. Any further program will be announced later.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague yielding to me. Could the majority whip tell us if the Credit Uses Reporting Act has actually received a rule? I do not recall that occurring.

Mr. McFALL. I can inform the gentleman that it has.

Mr. ROUSSELOT. No, I do not believe that it has.

Mr. McFALL. The gentleman from Illinois is on the Rules Committee, and he recalls.

Mr. ROUSSELOT. The rule has not been adopted on the floor.

Mr. McFALL. The rule has not been adopted.

ADJOURNMENT OVER TO MONDAY, JUNE 23, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. LUJAN

Mr. LUJAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUJAN: In title II, add a section 202 as follows:

Section 201(c). Subsection 201(c) of The Energy Reorganization Act of 1974 is amended by deleting the period at the end of the subsection and adding the following text: "; and except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term."

Add a section 203 as follows: Section 201 (c) is amended to include the following: "For the purpose of determining the expiration date of the terms of office of the five members first appointed to the Nuclear Regulatory Commission, each such term shall be deemed to have begun July 1, 1975."

Mr. YOUNG of Texas. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I will be glad to yield to the gentleman from Texas.

Mr. YOUNG of Texas. Mr. Speaker, we have no objection to the amendment. We will accept the amendment.

The SPEAKER pro tempore (Mr. McFALL). The question is on the amendment offered by the gentleman from New Mexico (Mr. LUJAN).

The amendment was agreed to.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 233, nays 2, not voting 198, as follows:

[Roll No. 329]

YEAS—233

Abdnor
Ambro
Anderson, Ill.
Annunzio
Armstrong
Baldus
Barrett
Bauman
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Boggs
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Carney
Carr
Chappell
Clawson, Del
Cohen
Conyers
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Delaney
Dellums
Derwinski
Dingell
Downey
Duncan, Oreg.
Duncan, Tenn.
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
Evins, Tenn.
Findley
Fish
Fisher
Flood
Florio
Foley
Ford, Mich.
Fountain
Fuqua
Gilman
Gonzalez
Goodling
Grassley
Gude
Guyer
Hagedorn
Haley
Hamilton
Hanley
Hansen
Harkin
Harris
Harsha
Hastings
Hayes, Ind.
Hechler, W. Va.
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Ichord
Jacobs
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kelly
Kemp
Koch
Krebs
Krueger
Lagomarsino
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Lujan
McCloskey
McCollister
McCormack
McDade
McFall
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Matsunaga
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Montgomery
Moore
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nolan
Nowak
Obey
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Poage
Pressler
Pritchard
Quie
Rangel
Regula
Reuss
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roncalio
Rooney
Rosenthal
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sharp
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Stark
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, N.C.
Thompson
Thone
Tsongas
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
Whalen
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki

NAYS—2

Long, Md.
McDonald

NOT VOTING—198

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bergland
Blouin
Boland
Breaux
Brinkley
Brown, Calif.
Burke, Fla.
Burton, John
Burton, Phillip
Butler
Byron
Carter
Casey
Cederberg
Chisholm
Clancy
Clausen, Don H.
Clay
Cleveland
Cochran
Collins, Ill.
Collins, Tex.
Conable

Conlan
Conte
Corman
Cotter
Crane
Daniels, N.J.
Davis
de la Garza
Dent
Derrick
Devine
Dickinson
Diggs
Dodd
Downing
Drinan
du Pont
Early
Edgar
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Fithian
Flowers
Flynt
Ford, Tenn.
Forsythe
Fraser
Frenzel
Frey
Fulton
Gaydos
Giaimo
Gibbons
Ginn
Goldwater
Gradison
Green
Hall
Hammerschmidt
Hannaford
Harrington
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Helstoski
Hutchinson
Jarman
Jeffords
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kasten
Ketchum
Keys
Kindness
LaFalce
Landrum
Latta
Leggett
Litton
Long, La.
Lott
McClory
McEwen
McKinney
Mann
Mathis
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Mitchell, Md.
Moffett
Mollohan
Moorhead, Calif.
Mosher
Moss
Mottl
Murtha
Neal
Nichols
Nix
Oberstar
O'Brien
O'Hara
O'Neill
Pepper
Pettis
Pickle
Pike
Preyer
Price
Quillen
Railsback
Randall
Rees
Rhodes
Riegle
Risenhoover
Roe
Rogers
Rose
Roush
Sebelius
Seiberling
Shipley
Shriver
Sikes
Simon
Slack
Snyder
Staggers
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Symington
Taylor, Mo.
Teague
Thornton
Traxler
Treen
Udall
Ullman
Vander Jagt
Walsh
Wampler
Whitten
Wiggins
Wilson, Bob
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Young, Alaska
Young, Ga.
Zeferetti

So the bill was passed.

The Clerk announced the following pairs:

Mr. Price with Mr. Fulton.
Mr. Addabbo with Mrs. Collins of Illinois.
Mr. O'Neill with Mr. Mollohan.
Mr. Zeferetti with Mr. Gibbons.
Mr. Sikes with Mr. Corman.
Mr. Risenhoover with Mr. O'Hara.
Mr. Blouin with Mr. Stephens.
Mr. Jenrette with Ms. Abzug.
Mr. Fithian with Mr. Landrum.
Mr. Derrick with Mr. Giaimo.
Mr. Drinan with Mr. Mezvinsky.
Mr. Ford of Tennessee with Mr. Collins of Texas.
Mr. Udall with Mr. Conable.
Mr. Slack with Mr. Conlan.
Mr. Staggers with Mr. Fascell.
Mr. Hays of Ohio with Mr. Carter.
Mr. Diggs with Mr. Archer.
Mr. Flynt with Mr. Dickinson.
Mr. Simon with Mr. Harrington.
Mr. AuCoin with Mr. Conte.
Mr. Clay with Mr. Ashbrook.
Mr. Adams with Mr. Crane.
Mr. Casey with Mr. Cochran.
Mr. Cotter with Mr. Bell.
Mr. Davis with Mr. Erlenborn.
Mr. Neal with Mr. Burke of Florida.
Mr. Flowers with Mr. Helstoski.
Mr. Mottl with Mr. Eshleman.
Mr. Oberstar with Mr. Devine.
Mr. Baucus with Mr. Frenzel.
Mr. Dominick V. Daniels with Mr. Jarman.
Mr. de la Garza with Mr. Jones of Alabama.
Mr. Dent with Mr. Jones of North Carolina.
Mr. Ginn with Mr. Kasten.
Mr. Hawkins with Mr. Symington.
Mr. Hannaford with Mr. Mazzoli.
Mr. Bergland with Mr. Roush.
Mr. LaFalce with Mr. Mann.
Mr. Long of Louisiana with Mr. Mathis.
Mr. McClory with Mr. Milford.
Mr. Melcher with Mr. McEwen.
Mr. Michel with Mr. Meeds.
Mr. Mikva with Mr. Moffett.
Mr. Pickle with Mrs. Pettis.
Mr. Quillen with Mr. O'Brien.
Mr. Rhodes with Mr. Railsback.
Mr. Roe with Mr. Rose.
Mr. Shriver with Mr. Sebelius.
Mr. Steelman with Mr. Steiger of Wisconsin.
Mr. Walsh with Mr. Taylor of Missouri.
Mr. Bob Wilson with Mr. Wampler.
Mr. Wylie with Mr. Winn.
Mr. Andrews of North Dakota with Mr. Young of Alaska.
Mr. Badillo with Mr. Anderson of California.
Mr. Breaux with Mr. Bedell.
Mr. Beard of Tennessee with Mr. Boland.
Mr. John L. Burton with Mr. Bafalis.
Mr. Dodd with Mr. Brinkley.
Mr. Cederberg with Mr. Butler.
Mrs. Chisholm with Mr. Don H. Clausen.
Mr. Forsythe with Mr. Early.
Mr. Nichols with Mr. Fraser.
Mr. Nix with Mr. Frey.
Mr. Goldwater with Mr. Hébert.
Mr. Pepper with Mr. Preyer.
Mr. Hefner with Mr. Mitchell of Maryland.
Mr. Hutchinson with Mr. McKinney.
Mr. Jeffords with Mr. Vander Jagt.
Mr. Teague with Mr. Steiger of Arizona.
Mr. Traxler with Mr. Steed.
Mr. Shipley with Mr. Kindness.
Mr. Alexander with Mr. Andrews of North Carolina.
Mr. Ashley with Mr. Beard of Rhode Island.
Mr. Aspin with Mr. Byron.
Mr. Brown of California with Mr. Clancy.
Mr. Philip Burton with Mr. Cleveland.
Mr. Downing of Virginia with Mr. Esch.
Mr. Edgar with Mr. du Pont.
Mr. English with Mr. Gradison.
Mrs. Meyner with Mr. Heinz.
Mr. Leggett with Mr. Latta.
Mrs. Keys with Mr. Hammerschmidt.
Mr. Evans of Colorado with Mr. McClory.
Mr. Karth with Mr. Moorhead of California.
Mr. Jones of Oklahoma with Mrs. Fenwick.
Mr. Evans of Indiana with Mr. Lott.
Mr. Gaydos with Mrs. Heckler of Massachusetts.
Mr. Green with Mr. Ketchum.
Mr. Hall with Mr. Mosher.
Mr. Litton with Mr. Wydler.
Mr. Metcalfe with Mr. Treen.
Mr. Moss with Mr. Snyder.
Mr. Murtha with Mr. Randall.
Mr. Pike with Mr. Rees.
Mr. Rogers with Mr. Seiberling.
Mr. Thornton with Mr. Ullman.
Mr. Whitten with Mr. Wiggins.
Mr. Wolff with Mr. Wright.
Mr. Young of Georgia with Mr. Riegle.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 7001.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1716) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. There is authorized to be appropriated to the Nuclear Regulatory Commission to carry out the provisions of section 261 of the Atomic Energy Commission to carry out the provisions of section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974: $222,935,000 for fiscal year 1976 and $52,750,000 for the period from July 1, 1976, through September 30, 1976.

TITLE II

SEC. 201. Section 201(a) of the Energy Reorganization Act of 1974 is amended—

(1) by inserting "(1)" immediately after "SEC. 201. (a)"; and

(2) by adding at the end of such subsection the following:

"(2) The Chairman of the Commission shall be the principal executive officer of the Commission, and he shall exercise all of the executive and administrative functions of the Commission, including functions of the Commission with respect to (a) the appointment and supervision of personnel employed under the Commission, other than personnel employed regularly and full time in the immediate offices of commissioners other than the Chairman, and except as otherwise provided in the Energy Reorganization Act of 1974, (b) the distribution of business among such personnel and among administrative units of the Commission, and (c) the use and expenditure of funds.

"(3) In carrying out any of his functions under the provisions of this section the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

"(4) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

"(5) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining upon the distribution of appropriated funds according to major programs and purposes.".

MOTION OFFERED BY MR. YOUNG OF TEXAS

Mr. YOUNG of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YOUNG of Texas moves to strike out all after the enacting clause of the Senate bill S. 1716, and to insert in lieu thereof the provisions of H.R. 7001, as passed by the House, as follows:

TITLE I

SEC. 101. There is authorized to be appropriated to the Nuclear Regulatory Commission to carry out the provisions of section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974: $222,935,000 for fiscal year 1976 and $52,750,000 for the period from July 1, 1976 through *September* 30, 1976.

TITLE II

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(2) by adding at the end of such subsection the following:

"(2) The Chairman of the Commission shall be the principal executive officer of the Commission, and he shall exercise all of the executive and administrative functions of the Commission, including functions of the Commission with respect to (a) the appointment and supervision of personnel employed under the Commission, other than personnel employed regularly and full time in the immediate offices of commissioners other than the Chairman, and except as otherwise provided in the Energy Reorganization Act of 1974, (b) the distribution of business among such personnel and among administrative units of the Commission, and (c) the use and expenditure of funds.

"(3) In carrying out any of his functions under the provisions of this section the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

"(4) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

"(5) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining upon the distribution of appropriated funds according to major programs and purposes."

The Nuclear Regulatory Commission shall not license any shipments by air transport of plutonium in any form, whether exports, imports or domestic shipments; *Provided, however*, That any plutonium in any form contained in a medical device designed for individual human application is not subject to this restriction. This restriction shall be in force until the Nuclear Regulatory Commission has certified to the Joint Committee on Atomic Energy of the Congress that a safe container has been developed and tested which will not rupture under crash and blast-testing equivalent to the crash and explosion of a high-flying aircraft.

Sec. 202. Subsection 201(c) of the Energy Reorganization Act of 1974 is amended by deleting the period at the end of the subsection and adding the following text: "; and except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.".

Sec. 203. Section 201(c) is amended to include the following: "For the purpose of determining the expiration date of the terms of office of the five members first appointed be deemed to have begun July 1, 1975.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7001) was laid on the table.

THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Illinois (Mr. Crane) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, Federal intervention in areas which are not rightly the Government's province result inevitably in administrative bungling and lack of foresight. In the case of the Occupational Safety and Health Act of 1970, more commonly known as OSHA, this has amounted to outright harassment.

Ever since it became effective in April of 1971, OSHA has clearly demonstrated the truism that Federal takeover of individual responsibilities is the worst possible way to achieve the desired result. Enforcement of the act has tended to aggravate rather than relieve the problem to be resolved and resulted in business closedowns, unemployment, and rising costs to the consumer.

It is impossible to disagree that reducing the number of work-related accidents is an important and, certainly, desirable goal. But the attainment of that goal is most effectively accomplished by those individuals who have a vested interest in keeping the worker safe, healthy, and on the job—namely, the employer and employee themselves. Federal regulation that consists of widesweeping national consensus standards is simply unsuited to do the job which is rightly the responsibility of the individual.

The arbitrary and unnecessary burden imposed by OSHA regulations has drawn complaints from all facets of the business world. These regulations are lengthy and tedious, lacking in uniformity, and fail to distinguish between serious health hazards and mere trivia. As Prof. Murray L. Weidenbaum puts it in his recent study on Government Mandated Price Increases, "Most citizens will support the agency's efforts to eliminate work environments which are associated with lethal hazards, but will wonder, in exasperation or even alarm, why the agency wastes its time promulgating and rescinding a variety of standards concerning the specific dimensional requirements for partitions between toilets."

Some OSHA rules even appear to be contradictory. An example given by Professor Weidenbaum is an OSHA regulation that mandates backup alarms on vehicles at construction sites. Yet simultaneously it requires some employees to wear earplugs as a protection against noise, thus making it extremely difficult to hear the alarms.

The sheer bulk of the regulations is intimidating to many small businessmen. Equally unnerving is that businessmen with no legal or scientific training are unable to understand the OSHA regulations and cannot afford to hire a staff of experts to interpret them. OSHA itself provides next to no help to businessmen trying to decipher its standards.

Assuming a business has succeeded in understanding the regulations, attempting to comply with them is a whole other problem in itself. The entire effectiveness of the OSHA regulations is based on enforced compliance; that is, compliance which is the result of citation, penalty, threat of inspection, or threat of penalty.

At the time OSHA was passed, the Secretary of Labor, J. D. Hodgson, recognized that although effective enforcement of the act was essential, it alone could not do the job. He stated that cooperation throughout all levels of government and voluntary compliance of both employers and employees were essential ingredients for success.

Dr. Frederick Williford in his recent monograph on the subject of OSHA, asserts that "In a free society with limited police powers, compliance with the law is based primarily on individual acceptance of the law as just and reasonable and on the citizens' voluntary compliance. Individuals' voluntary compliance with OSHA is absolutely necessary in light of OSHA's limited police powers."

Despite the clear need for voluntary compliance, the administrative trend within OSHA has been toward heavy emphasis on enforced compliance. This fact is obvious in view of OSHA's organizational structure, budget allocations, and policy. Dr. Williford reports that in 1973, 35 percent of OSHA's budget was allocated for enforcement, while only 5 percent of the budget went to training, education, and information, the closest thing OSHA has to a strategy of voluntary compliance.

Even if an individual does desire to bring his business into compliance with OSHA regulations, he would be unable to receive assistance or consultation from an OSHA representative. The regulations include a restriction against onsite consultation provided in advance of an official inspection. In other words, all inspections are unannounced, surprise visits by OSHA inspectors who have no-knock authority to enter a place of business, issue citations, and even close down a plant that they judge is not safe to operate. It is therefore impossible for a business to have an inspector visit its workplace without the possibility of being slapped with a citation for some infraction of the OSHA rules and regulations.

Professor Weidenbaum records a suggestion made by one regional office of OSHA that companies could send photographs of their premises to be reviewed off-site by the OSHA inspectors—in this way, the inspector cannot issue a citation for what he does not actually "see."

The OSHA regulations create other problems. The structure of the standards seems to leave the final responsibility of safeguarding the well-being of individual workers with the employer. Professor Weidenbaum gives as an example one case that involved providing ear muffs to workers as a protection against high noise levels. An OSHA officer held that merely making the ear muffs available was not enough. They had to be worn. Furthermore, the final responsibility assuring their use rested with the employer—otherwise the employer would be committing a violation. Therefore, the entire burden of assuring a safe working environment is placed on the shoulders of the employer, rather than delegating some of the responsibility to each individual worker.

A related problem created by the enforcement principle of the OSHA regulations is that as the citation and penalty system is now set up, there is no assurance that, once the citation has been issued and the fine paid, compliance will continue. The enforcement procedure in total is not only unreliable but inefficient in that it inequitably distributes the responsibility for compliance with health and safety standards and provides no iron-clad guarantee that standards will be adhered to.

The whole subject boils down to defining the purpose of the Occupational Safety and Health Act. Obviously, the original intent of the act was to produce a higher level of job safety. Despite this fact, the remedial aspects of the law have been overshadowed by its punitive aspects, and it would appear that the act does more to punish the businessman by seeking out the most costly means of meeting the statutory requirements than it does to promote job safety.

It is often difficult for an industry to distinguish clearly between funds it invests to meet Federal regulations and moneys it puts into real production equipment, especially with no "economic impact" statements available to judge the effect of health and safety regulations. Nevertheless, a survey by McGraw-Hill Publications' Department of Economics estimated that investments by industry in health and safety equipment will rise from $2.5 billion in 1972 to $3.4 billion in 1977. In some cases, an industry's investment in health and safety constitutes a substantial percentage of its total capital outlay. In 1973, Business Week reported that 8 percent of the textile industry's investments and 12 percent of the steel industry's investments and 12 percent of the steel industry's investments in 1972 were related to health and safety.

As an example of the high cost of Government controls, Professor Weidenbaum cites a recent study commissioned by OSHA. The study estimates that "it will cost American industry an aggregate of $13.5 billion to bring existing facilities into compliance with the current OSHA noise standard of 90-A scale decibels—dbA. If the more stringent standard of 85 dbA is adopted—and this is the recommendation of the U.S. National Institute for Occupational Safety and Health—the compliance cost is expected to increase to $31.6 billion."

It has been estimated that the cost of business in general has increased 10 to 30 percent due to OSHA regulations. Without a doubt, a large portion of the increased cost is translated into increased commodity prices, and it is the consumer who must inevitably pay the high price of Government controls. For example, Engineering News Record reported in August 1972, that OSHA regulations mandated a $4,315 increase in the base price of a new Caterpillar D-9 tractor.

Investments in health and safety may be considered to some extent as investments in employee productivity since the intent of such investment is to reduce the number of man-hours lost as a result of disability. In his study, Professor Weidenbaum points out that in making investments, an economist is not only concerned with the actual amount of capital to be invested, he also considers the alternative uses to which the capital could be put. That is, he must take into account the "opportunity cost" of his resources.

Paul McCracken, in the University of Michigan Business Review, explains opportunity cost this way:

> Resources used in one direction are then not available to be used elsewhere. Whether they should be so used, therefore, depends not only on whether the intended use is "good," but on whether it is better than the uses to which the resources could otherwise be put.

With this thought in mind, it is interesting to note that for many industries the time lost due to injuries and illness off the job is far more than that resulting from on-the-job hazards. Professor Weidenbaum lists the example of Exxon who has estimated that nonjob-related diseases account for 96 percent of time lost due to disability. If we assume that this is an average figure for industry in general, then it would seem that expensive OSHA mandated investments apply to only 4 percent of absenteeism resulting from disability.

Another interesting effect of the OSHA regulations, discussed by Professor Weidenbaum, is the "announcement effect." This phenomenon has been noted by economists for many years in the area of taxation and Government spending. It consists of individuals anticipating and preparing for a change in the Government's fiscal policy while the change is still being considered and before it is actually enacted. Anticipated changes in Government regulatory programs may produce similar results. In some cases, just the threat of impending encroachment on an industry by OSHA has caused small businessmen to close down their businesses.

In the words of Professor Weidenbaum:

> The Occupational Safety and Health Act is one of those regulatory innovations whose objectives are so worthy that critics are put on the defensive to prove that they are not devoid of human compassion.

In the case of OSHA, though, the law has lost sight of its original objective: That of creating a safer working environment.

One of the most tragic aspects of the act is that since its enactment statistics show that work-related accidents have increased. In 1970, before OSHA, 2,200,200 on-the-job accidents were reported for the entire year. In 1972, after OSHA went into effect, 3,100,000 accidents were reported for only a half-year period. This fact proves most convincingly the ineffectiveness of the act.

The OSHA regulations have become overly voluminous and complex with language barely understandable by even a scientist or a lawyer. But the biggest complaint of all concerns the harshly punitive nature of the law and the indirect power it gives to the Department of Labor literally to put a company out of business.

The fact is, as William S. Lowe, chairman of the board of A. P. Green Refractories Co., told a House committee on environmental problems, that OSHA "is presently creating more concern within the small business community than any other legislation passed in recent years." The result of OSHA's activities—and of other new Federal regulatory efforts as well—is to increase the overhead expenses of most manufacturers. But in the end, it is not just small businessmen who need to be concerned, but all taxpayers, for higher costs to producers will inevitably result in higher prices; thus conveniently handing the increased costs to consumers.

Dr. Williford provides a concise analysis of the economic effect of OSHA regulations:

> The economic impact of new standards and the economic cost of compliance with existing standards relate directly to increasing price levels, productivity, profit levels, and employment. Recognition must be given to the fact that the cost of complying with OSHA is an increase in the cost of doing business. Such increases, in most cases, will be passed on to consumers in the form of higher prices for products produced. Obviously, these price increases feed inflation.

The Occupational Safety and Health Act of 1970 embodies no new concepts in the field of occupational health and safety. It did not create the concept of job safety; it merely extended the Government's say on the matter to all facets of the business and industrial community.

Ever since its enactment, the demand and public pressure for the reform or appeal of the OSHA law has been ceaseless. The law is simply too general and inflexible to cover effectively the millions of different individual working situations which occur day to day. Government regulation of this form, which spends hundreds of millions of taxpayer dollars on a poorly conceived program, convincing only in its ineffectiveness, is unpardonable. OSHA must be repealed.

SUPPORT MOUNTS FOR ENACTMENT OF THE JOBS CREATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, support continues to mount for passage of the Jobs Creation Act.

This important tax reform legislation is designed to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy. It is done without additional reliance on Government. And, it is done through the removal or lessening of disincentives to capital formation now found in our tax laws.

NEARLY 80 COSPONSORS

I am joined in the bipartisan and nationwide cosponsorship of this importation legislation by Mr. Archer, of Texas; Mr. Armstrong, of Colorado; Mr. Ashbrook, of Ohio; Mr. Bauman, of Maryland; Mr. Beard, of Tennessee; Mr. Broomfield, of Michigan; Mr. Brown, of Ohio; Mr. Burgener, of California; Mr. Carter, of Kentucky; Mr. Cederberg, of Michigan; Mr. Clancy, of Ohio; Mr. Del Clawson, of California; Mr. Cohen, of Maine; Mr. Conlan, of Arizona; Mr. Crane, of Illinois; Mr. Robert W. Daniel, Jr., of Virginia; Mr. Davis, of South Carolina; Mr. Derwinski, of Illinois; Mr. Devine, of Ohio; Mr. Dickinson, of Alabama; Mr. Duncan, of Tennessee; Mr. Edwards, of Alabama; Mr. Emery, of Maine; Mr. Esch, of Michigan; Mr. Eshleman, of Pennsylvania; Mr. Frenzel, of Minnesota; Mr. Gilman, of New York; Mr. Goldwater, of California; Mr. Goodling, of Pennsylvania; Mr. Grassley, of Iowa; Mr. Guyer, of Ohio; Mr. Hagedorn, of Minnesota; Mr. Hansen, of Idaho; Mr. Hastings, of New York; Mrs. Heckler, of Massachusetts; Mr. Heinz, of Pennsylvania; Mr. Hillis, of Indiana; Mrs. Holt, of Maryland; Mr. Hutchinson, of Michigan; Mr. Hyde, of Illinois; Mr. Johnson, of Pennsylvania; Mr. Kasten, of Wisconsin; Mr. Ketchum, of California; Mr. Kindness, of Ohio; Mr. Latta, of Ohio; Mr. Lent, of New York; Mr. Lott, of Mississippi; Mr. Lujan, of New Mexico; Mr. McClory, of Illinois; Mr. McCollister, of Nebraska; Mr. Madigan, of Illinois; Mr. Martin, of North Carolina; Mr. Mathis, of Georgia; Mr. Michel, of Illinois; Mr. Milford, of Texas; Mr. Montgomery, of Mississippi; Mr. Moore, of Louisiana; Mr. Myers, of Indiana; Mr. O'Brien, of Illinois; Mrs. Pettis, of California; Mr. Pressler, of South Dakota; Mr. Quie, of Minnesota; Mr. Quillen, of Tennessee; Mr. Robinson, of Virginia; Mr. Rousselot, of California; Mr. Runnels, of New Mexico; Mr. Sarasin, of Connecticut; Mr. Shuster, of Pennsylvania; Mr. Sebelius, of Kansas; Mr. Sikes, of Florida; Mr. Spence, of South Carolina; Mr. Steelman, of Texas; Mr. Steiger, of Arizona; Mr. Symms, of Idaho; Mr. Thone, of Nebraska; Mr. Treen, of Louisiana; Mr. Vander Jagt, of Michigan; Mr. Waggonner, of Louisiana; Mr. Walsh, of New York; and Mr. Whitehurst, of Virginia. In addition, Mr. McDonald, of Georgia has introduced the measure without title III. This is nearly 80 Members of the House.

PROVISIONS OF THE PROPOSAL

The Jobs Creation Act would help substantially and dramatically to create jobs in the private sector of our economy. It would encourage additional savings and investments by individuals, stimulate home construction and plant expansion, cause major new equipment purchases, assure an increase in real purchasing power by the work force, and help assure the continuity of family businesses and farming operations. It would, consequently, begin a major nationwide shift from tax-consuming jobs to tax-generating jobs and would reduce unemployment compensation and similar aid through a reduced need for them—and all without dependency on new or expanded Federal grants or loan programs.

The proposed act consists of the following provisions:

First, it allows an exclusion from gross income of qualified additional savings and investments made during a tax year—an exclusion up to $1,000 or $2,000 for a married couple filing a joint return.

Second, it eliminates the present system of double taxation of common dividends by excluding dividends paid by domestic corporations from gross income.

Third, it grants a $1,000 exclusion from capital gains for each capital transaction qualifying.

Fourth, it grants an extension of time for payment of estate taxes where the estate consists largely of small business interests.

Fifth, it increases the estate tax exemption for family operations to $200,000.

Sixth, it amends the corporate normal tax rate and increases the corporate surtax exemption, including provisions for reduced taxes for small business, to give an effective corporate income tax reduction in the range of 6 percent.

Seventh, it increases the investment tax credit to 15 percent and makes it permanent.

Eighth, it allows taxable year price-level adjustments in property and allows increases in class life variances for purposes of depreciation—the latter increasing the asset depreciation range—ADR—from 20 to 40.

Ninth, it provides for a complete write-off in 1 year of required but nonproductive pollution control facilities and equipment.

Tenth, it provides for employee stock ownership plan financing, giving our work force a bigger stake in the productivity and profits of corporations.

Surely, this bill alone will not accomplish all that must be done to assure an adequate investment of job-creating capital over the next decade, but it is the important first step.

To avoid frustration of this bill's purposes we must also start concentrating on means to reduce Government deficit spending—because the borrowing that deficit spending necessitates pre-empts private capital needs out of the available money markets. We need to require more stable and less inflationary monetary policies. We must reduce the massive degree of Government regulation which requires businesses to turn otherwise productive uses of capital into nonproductive uses and prevents competition. And, we must stimulate personal savings.

While some Members may not individually endorse every single provision we all agree that we must begin these steps toward greater capital formation if we wish to help preserve our free and prosperous way of life.

AMERICA IS FALLING BEHIND IN CAPITAL INVESTMENT AND GROWTH

During the 1960's the United States had the worst record of capital investment among the major industrialized nations of the free world. Correspondingly, our records of productivity growth and overall economic growth during this period were also among the lowest of the major industrialized nations. As other nations have channeled relatively more of their resources into capital investment and have acquired more modern plants and equipment, they have eroded our competitive edge in world markets. The logical consequence of such patterns has occurred: The loss of jobs in the American work force. That the present recession—including the high level of unemployment—is a direct consequence of our Government's economic policies and tax-and-spend-and-tax programs of the past years is an inescapable conclusion.

INVESTMENT AND PROSPERITY MUST GO HAND IN HAND

It is time this Nation—and this Congress—be more fully concerned with the relationship between capital investment and prosperity. History shows that true prosperity, measured in real and constant terms, is a direct consequence of increases in capital investment per capita. Yet in terms of constant 1958 dollars, the gross nonresidential fixed investment per person added to the civilian work force in our country has declined by an appreciable 17 percent in the past 18 years, down from $49,500 to $41,000.

America is losing its prosperity. It is losing the spirit essential to encourage a full economic recovery. It is forfeiting reliance on the forces of a free economy and the marketplace as the surest means of recovery, substituting for it a false belief that Government deficits can do it for us. There is no basis for that belief in recorded history.

THE FEBRUARY 5 STATEMENT ON FREE ENTERPRISE ALTERNATIVES

On February 5 of this year, I had the honor of leading a colloquy on the House floor, through which 30 Members presented a statement on alternative economic policies. For us, we drew the line beyond which we would not go in seeing the continuing erosion of individual economic freedom in this country—an erosion of freedom occasioned by once-gradual, now-accelerating intervention by Government in the economic affairs of the people. That statement read, in part:

> We believe that solutions to our dual economic problems of inflation and recession lie in returning decision-making to the people through the forces of the marketplace—letting the people decide what to produce, sell, and buy, and at what price levels. The pricing mechanism of the marketplace, derived from the interaction of supply and demand, is a more efficient, productive and stable regulator of the economy than government can ever be. No government agency or official is as capable of making such decisions as are the people through the voluntary exchange of goods and services. To believe otherwise is to deny the basic tenets of democracy and liberty.
>
> We also believe increased productivity—not compulsory rationing, allocations or regulations and controls—is the basic answer to our problems. We believe prosperity to be related directly to the amount of capital invested in increased production. We believe over-concentration on consumption, fostered by government policy, has led to inadequate attention to the production which results in improved efficiency, more jobs at higher pay, and more goods at less cost.

Finally, we believe our economic ills—from heavy inflation to rising unemployment, from high interest rates to inadequate capital formation, from exorbitant fuel costs to anticompetitive regulatory practices—have one root cause: Policies of Government, principally those of the Federal Government which cause or contribute to inflation.

We, therefore, propose the following: Controlling the runaway growth of Government and the soaring increases in Federal expenditures and deficits, in an effort to better balance the budget. This would reduce the need for Government borrowing from the capital markets and would put a brake on the inflationary expansion of the money supply.

The enactment of job-creating, accelerated capital formation techniques, sufficient to insure the full productive capacity of this country and the millions of jobs which would flow from such full capacity.

It is in furtherance of that statement that we offer for the consideration of this Congress—and the people it represents—the Jobs Creation Act.

INCREASES IN PRIVATE INVESTMENT AVOID DEPENDENCE ON GOVERNMENT

An increase in private investment is the key to avoiding dependency on Government. As a matter of fact, that dependency deprives our economy of the means of assuring such private investment growth. There can be no rise in the absolute standard of living without increases in private investment in plant and machinery, and there can be no increase in that private investment when Government continues to take massive percentages of the peoples' livelihood in the form of direct taxes and indirect inflation.

Real economic benefits flow from adequate capital investment—increased wages, growth in additional investment, higher return to investors, improved production efficiency and the lowering of costs stemming from such efficiency, and an increase in goods and services.

Yet, as I indicated a few moments ago, America is falling behind in its investment rate. The amount of money added to our industrial plant for each person added to the labor force in the 1970's is 22 percent below what was invested between 1956 and 1965, as an example. As another example—one drawing a foreign parallel—while we have been drifting, France and Germany have doubled their industrial capacity and Japan has tripled its.

If this rate continues, there will be a capital shortfall of $1,500,000,000,000—$1.5 trillion—over the next 10 years in what it will take to just stay even at the standard of living we now enjoy. This shortfall means we will be underinvesting $400 million each and every day for a full decade.

To supply the world with enough oil by 1985, the petroleum industry alone needs to spend over $220 million per day. Investment of $370 billion over the next 10 years will be required for refineries and other processing facilities, tankers, pipelines, the vast market distribution system, and the costly equipment needed to achieve and maintain environmental standards. Capital needs and exploration for that industry are another $400 billion. And, the industry will have to pay $400 billion more as returns on investment, payment of debts, and the making of additions to working capital.

If we find the capital to make up for the potential shortfall of $1.5 trillion, we could reduce poverty by 10 million people, create 20 million new jobs, 30 million new housing units, and a 75-percent increase in the standard of living. This is an objective well worth the pursuit of the Congress and the Nation.

INVESTMENT IS WHAT CREATES JOBS

In simplest terms, investment is what creates jobs.

If a company adds 100 extra jobs to its payroll, here is what it means for a community: 351 more people, 97 more households, 79 more children, $1,036,000 additional personal income per year; $490,000 more in bank deposits; $565,000 more in retail sales per year.

Sixty-eight workers employed in nonmanufacturing, as follows: 21 in wholesale and retail trade, 3 in construction, 17 in professional services, 11 in transportation, commercial, and utilities, 5 in business and personal services, 6 in finance, insurance and real estate, and 5 in other industry.

The $565,000 more in retail sales per year breakdown as follows: $119,000 in groceries, $43,000 in eating and dining places, $59,000 in department stores, $30,000 in clothing and shoes, $89,000 in auto dealers, $41,000 in gas stations, $23,000 in lumber yards and building material dealers, $19,000 in drug stores, $26,000 in furniture and home furnishings, and $116,000 in other stores.

What it all adds up to is one thing: More jobs.

PUBLIC SERVICE JOBS ARE NOT THE ANSWER TO UNEMPLOYMENT

A study released last month by the American Enterprise Institute for Public Policy Research of Washington, D.C., and authored by Alan Fechter, a senior research economist at the Urban Institute, shows convincingly why reliance on the tools of Government—public service employment programs and public works programs—are no answer. For every full $1 billion in such program money spent, no more than 50,000 jobs are created, and they are not permanent. If this Congress went out and spent $8 billion—as some have proposed—in additional public service employment this year, it would reduce unemployment by only 400,000 or a total reduction of only about one-half of 1 percent in the unemployment rate.

There has to be a better way. There is a better way. It is reliance on our massive $1.4 trillion per year economy to recreate these jobs, which it can do if the choking, strangling hands of Government policy and control are taken off that economy.

I have already enumerated the provisions of the Jobs Creation Act, and its projected impact on the economy. As I indicated, it will not do the job alone, but it is a crucial first step. Most of those cosponsoring the measure have also cosponsored other bills to carry into effect the other components of an economic recovery program—lessening expenditures and reducing the deficit, stabilizing monetary policy, reducing regulatory controls, et cetera.

The Jobs Creation Act will help to accomplish these objectives by reducing Government's tax demands on individuals and business.

THE PEOPLE PAY ALL TAXES

And, if there is anything which is certain about taxes, it is that the people pay all taxes. They pay some taxes directly: Individual income taxes, sales taxes, gasoline and fuel taxes, gift and estate taxes. They pay others indirectly through higher prices they pay for goods and services they purchase: Corporate income taxes, real estate and sales taxes paid by businesses, and so forth. But, they pay them all.

Against this background—that the people ultimately pay all taxes—I think it is enlightening to recount the taxes paid by just one corporation—a corporation which last year had to file over 2,000 tax returns. That corporation, and ultimately the consumers of its products, paid 44 separate taxes, as follows:

Federal: corporation income tax, social security tax, unemployment insurance tax, stamp taxes, motor vehicle use tax, motor vehicle fuel tax, and Federal aircraft use tax.

State: corporation income tax, corporation franchise tax, capital stock tax, corporation business license tax, corporation filing tax, corporation excise tax, intangible property tax, unemployment insurance contributions, workmens compensation, installment loans tax, sales finance company license tax, gross receipts tax, repossessions sales license tax, retail sales license tax, wholesale business license tax, sales and use taxes, motor vehicle fuel tax, motor vehicle license fees, business and occupation tax, disability benefit tax, highway use tax, corporation qualification fees, real property transfer tax, and mortgage recording tax.

Local: sales and use taxes, personal property tax, real property tax, corporation income tax, retail business license tax, wholesale business tax, occupancy tax, financial business license tax, business and occupation tax, motor vehicle registration fees, real property transfer tax, water taxes, sewer taxes.

THE EFFECT OF HIGH CORPORATE TAXES

We should begin to reduce the heavy tax burdens borne directly by the corporations and ultimately by the people. And, we should reduce them, for high corporate taxes mean a number of things.

First. They must pass along these taxes to the consumers in the form of higher prices. Almost all corporate income comes from sales. The only way to recover the costs of taxes is through what they charge for goods and services. If corporate taxes were reduced, prices all of us pay could be reduced.

Second. They have less net dollars to spend for inventory replacement, replacement of equipment, purchase of new equipment, and expansion of plant facilities. That means a loss of jobs in two ways. It means the construction trades which build the plants will not be building them, so unemployment in the construction trades goes up or does not go down. It also means the loss of jobs in the company that wanted to replace its equipment or the deferral of plans to create new jobs because additional, new equipment and facilities have not been bought or built.

Third. The companies paying these high corporate taxes do not have sufficient funds to pay higher salaries to their employees or to increase the share paid by the company to retirement and pension funds or to increase other fringe benefits. This means less income to the work force.

Fourth. The companies are left with less funds from which to pay dividends to those who own shares of stock in the companies—and that is millions of people—little people, middle-class people,

working men and women, retired people, widows—who depend upon dividends to maintain their standards of living.

The Jobs Creation Act is addressed to this problem.

PROJECTED LOSSES IN TREASURY REVENUE CAN BE OFFSET

A question can be raised concerning the projected loss of revenue to the Treasury which would result from the enactment of the bill. That is a legitimate question, for we should all have concern over the deficits created by government expenditures in excess of its revenue. Crowding out of investment capital would be a result, and that would be counterproductive to the purposes of this legislation.

Several points are in order.

The sponsors of this legislation are on record in support of reduced Federal spending. In addition to advocating this revenue-reduction bill, we have, individually and often collectively, pointed out areas where spending should be cut and we have voted to make those cuts. It is our hope the growth of government can be reduced, and we will work toward that goal.

There is much evidence that the losses in revenue will be substantially offset by additional, other revenues generated through increased productivity and jobs. That will reduce the loss. In addition, Federal expenditures will decrease through enactment of the bill, principally through people moving from tax-consuming unemployment and similar government-sustained benefits to tax-generating jobs. That will reduce the loss even more.

On April 21 the Economics Division of the Congressional Research Service, Library of Congress, prepared an analysis of projected losses in revenue which would result from enactment of the bill—without any offsets from additional economic activity. The following table summarizes that analysis:

PROJECTED LOSSES IN REVENUE[1]

[In billions of dollars]

Section	Subject	Projected annual loss
101	Tax credits for qualified savings and investments.	$5–13
102	Exclusion from gross income of amounts received by an individual as dividends from domestic corporations.	7
103	Limited exclusion of certain capital gains	(2)
104	Extensions of time for payment of estate tax where estate consists largely of interest in closely held business.	(3)
105	Interests in family farming operations	.2
201	Adjustments of corporate normal tax rates	1.2–1.5
202	Increase in investment credit	6
203	Increase in corporate surtax exemption	.8
204	Taxable year price level adjustments in property.	7.3
205	Increase in class life variance for purposes of depreciation.	1.2–1.5
206	Alternative amortization for pollutional control facilities.	.1
301	Employee stock ownership plan financing	(4)

[1] Does not take into account increases in revenue generated through increased economic activity arising from enactment of legislation.

[2] Estimate combined with sec. 204 estimate.

[3] Negligible.

[4] Cannot be computed because no way to ascertain the degree of participation.

Mr. Speaker, these provisions would, in summary, reduce individual paid taxes within a range from $12.2 billion to $20.2 billion, and would reduce corporate taxes in a range from $16.6 billion to about $17.2 billion. The total investment-creating and job-creating tax reduction would be from $28.8 billion to $37.4 billion.

Let me now turn to how these cuts would be specifically offset.

The act has been made the subject of analyses by the Chase Manhattan Bank of New York City.

The analysis indicated increased economic activity would add about $75 billion to the overall gross national product each immediate year. This would entail additional Federal Government revenues of about $25 billion. The process, however, would not completely occur within the first year, and it would take 2 years for the full effects of the tax cut to be felt. The tax cut would be, therefore, about $60 billion, with offsetting revenues of about $25 billion. This would leave about $35 billion in total revenue losses for the first 2 years.

The analysis then points out that there would, however, be an impact on Government spending too. Unemployment insurance payments, for example, would be lower, as would welfare payments, especially on food stamps. Transfer payments for unemployment programs would probably drop by a cumulative total of $15 billion, and food stamp expenditures could be reduced by an additional $2.2 billion. The net impact would be a cumulative deficit over the 2-year period of $17.8 billion, or $8.9 billion per year.

Yet, even these losses may be totally overcome. We have an excellent recent corporate tax cut parallel from which to make this judgment.

Several years ago the Canadian Government cut its corporate taxes drastically. The effective rate of taxation was reduced from 49 percent to 40 percent, amid cries that it would bring about a substantial decline in revenue to the treasury. Yet, because of the substantial increase in productivity and jobs generated by the tax cut—through the removal of disincentives to investment—there were no losses in revenue. Instead of the $450 million net loss projected at the time of its enactment, a $250 million surplus was generated. This Canadian experience is dealt with quite extensively in remarks which I made in the CONGRESSIONAL RECORD, volume 120, part 31, pages 41907–41908.

We know what this bill will do. It will create jobs, cause additional home construction and plant expansion, cause major new equipment purchases, and so forth. All of this will automatically generate additional revenue for the Treasury in the form of corporate taxes paid on increased business activity. This will happen because of the expanded volume of business activity—not because of the continuance of too high an effective tax rate—and because people who were on unemployment and other forms of relief go back to work.

COMMITTEE ON WAYS AND MEANS TO HEAR TAX REFORM TESTIMONY STARTING NEXT WEEK

Mr. Speaker, we, the cosponsors of this measure, intend to pursue its enactment actively.

The House Committee on Ways and Means has announced the convening of extensive hearings on tax reform measures. This would, of course, include bills such as the Jobs Creation Act; the Accelerated Capital Formation Act introduced by Mr. FRENZEL of Minnesota, myself, and many others; the Capital Recovery Act introduced by Mr. WAGGONNER of Louisiana and Mr. ARCHER of Texas and of which I am honored to join in cosponsorship; and other measures designed to achieve the same ends.

Those hearings will commence next Monday, June 23; will run through July; and, will begin again in September after the August recess.

But, if any member of the public wishes to request to testify before the committee on tax reform—including the Jobs Creation Act—the cutoff date for receipt by the committee of those requests is next Thursday, June 26—only 1 week.

I am informed through the chairman (Mr. ULLMAN) that all requests should be submitted to John M. Martin, Jr., Chief Counsel, Committee on Ways and Means, room 1102, Longworth House Office Building, Washington, D.C. 20515, telephone number 202-225-3625. It is of crucial importance that this be done and in a timely fashion.

Mr. Speaker, if we are to preserve economic freedom in our society—and there cannot long exist any type of freedom without economic freedom—then we must begin now to reduce the overwhelming burden of taxes placed on our Nation's productive capacity. This bill is the crucial first major step in that direction. If we truly cherish individual freedom of choice in the economic lives of the people, we will enact this bill and do so very soon.

THE REVISED TEXT OF THE BILL

The text of the bills introduced on May 21 has been made subject to about 20 clarifying and technical amendments. They are, nonetheless, of importance.

The text of the bills introduced yesterday, H.R. 8053 and H.R. 8054, are the revised, "clean" versions. It is important for those who are following this legislation closely that all future references to the Jobs Creation Act be made to the bills introduced yesterday, and not to the previously introduced measures.

In order that all Members, as well as the Committee on Ways and Means, to which it was referred, and the public, know specifically what the provisions of the new, "clean" bill are and will do. I am, at this point, including the full text of yesterday's bills:

H.R. 8053 AND H.R. 8054

A bill to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Jobs Creation Act of 1975".

SEC. 2. TABLE OF CONTENTS.—

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—INDIVIDUAL INCOME TAXES

Sec. 101. Tax credits for qualified savings and investments.

Sec. 102. Exclusion from gross income of amounts received by an individual as dividends from domestic corporations.
Sec. 103. Limited exclusion of certain capital gains.
Sec. 104. Extensions of time for payment of estate tax where estate consists largely of interest in closely held business.
Sec. 105. Interests in family farming operations.

TITLE II—CORPORATION TAXES

Sec. 201. Adjustments of corporate normal tax rates.
Sec. 202. Increase in investment credit.
Sec. 203. Increase in corporate surtax exemption.
Sec. 204. Taxable year price level adjustments in property.
Sec. 205. Increase in class life variance for purpose of depreciation.
Sec. 206. Alternative amortization for pollution control facilities.

TITLE III—EMPLOYEE STOCK OWNERSHIP PLAN FINANCING

Sec. 301. Employee stock ownership plan financing.

TITLE I—INDIVIDUAL INCOME TAXES

TAX CREDITS FOR QUALIFIED SAVINGS AND INVESTMENTS

SEC. 101. (a) IN GENERAL.—Subpart A (relating to credits allowable) of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"SEC. 43. INCREASED SAVINGS AND INVESTMENTS BY INDIVIDUALS.

"(a) IN GENERAL.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 10 percent of the amount of qualified savings deposits and investments such individual makes during such year.

(b) LIMITATION.—The credit allowed by subsection (a) for a taxable year shall not exceed $1,000 ($2,000 in the case of a joint return under section 6013).

(c) DEFINITIONS.—For the puroposes of this section—

(1) QUALIFIED SAVINGS DEPOSITS AND INVESTMENTS.—The term qualified savings deposits and investments means—

(A) amounts deposited in a savings deposit or withdrawable savings account in a financial institution:

(B) amounts used to purchase common or preferred stock in a domestic corporation; and

(C) amounts used to purchase a bond or other debt instrument issued by a domestic corporation.

(2) FINANCIAL INSTITUTION.—The term "financial institution" means—

(A) a commercial or mutual savings bank whose deposits and accounts are insured by the Federal Deposit Insurance Corporation or otherwise insured under State law;

(B) a savings and loan, building and loan, or similar association the deposits and accounts of which are insured by the Federal Savings and Loan Insurance Corporation or otherwise insured under State law; or

(C) a credit union the deposits and accounts of which are insured by the National Credit Union Administration Share Insurance Fund or otherwise insured under State law.

(b) TECHNICAL AMENDMENT.—The table of sections for such subpart A is amended by adding at the end thereof the following:

"Sec. 43. Increased savings and investments by individuals.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified savings deposited and investments made after December 31, 1974.

EXCLUSION FROM GROSS INCOME OF AMOUNTS RECEIVED BY AN INDIVIDUAL AS DIVIDENDS FROM DOMESTIC CORPORATIONS

SEC. 102. (a)(1) Subsection (a) of section 116 (relating to partial exclusion of dividends received by individuals) of part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended to read as follows:

"(a) EXCLUSION FROM GROSS INCOME.—Gross income does not include amounts received by an individual as dividends from domestic corporations.".

(2) The section heading of such section 116 is amended by striking out "PARTIAL EXCLUSION" and inserting in lieu thereof "EXCLUSION".

(3) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 116 and inserting in lieu thereof the following:

"Sec. 116. Exclusion of dividends received by individuals.".

(4) Section 643(a)(7) of such Code is amended by striking out "partial exclusion" and inserting in lieu thereof "exclusion".

(b) The amendments made by the first subsection of this section shall apply to taxable years beginning after December 31, 1974.

LIMITED EXCLUSION OF CERTAIN CAPITAL GAINS

SEC. 103. (a) IN GENERAL.—Part III (relating to items specifically excluded from gross income) of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by—

(1) redesignating section 124 as section 125, and

(2) inserting immediately after section 123 the following new section:

"SEC. 124. LIMITED EXCLUSION OF CERTAIN CAPITAL GAINS.

"(a) GENERAL RULE.—In the case of a taxpayer other than a corporation, gross income for the taxable year does not include an amount equal to the net section 1201 gain resulting solely from the sale or exchange of securities, to the extent that such amount does not exceed $1,000.

"(b) EXCEPTION.—Subsection (a) does not apply to a taxpayer who is subject to the tax imposed under section 1201(b).

"(c) DEFINITIONS.—

"(1) NET SECTION 1201 GAIN.—The term 'net section 1201 gain' has the same definition it has under section 1222(11).

"(2) SECURITIES.—The term "securities' has the same meaning it has under section 165(g)(2).".

(b) TECHNICAL AMENDMENTS.—

(1) Section 1202 of such Code (relating to deductions for capital gains) is amended by adding at the end thereof the following new sentence: "No amount of such excess shall be allowed as a deduction under this section to the extent such amount is excluded from gross income under section 124.".

(2) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 124 and inserting in lieu thereof the following:

"Sec. 124. Limited exclusion of certain capital gains.

"Sec. 125. Cross references to other Acts.".

(c) EFFECTIVE DATE.—The amendments made by this section apply to sales or exchanges of securities occurring after December 31, 1974.

EXTENSIONS OF TIME FOR PAYMENT OF ESTATE TAX WHERE ESTATE CONSISTS LARGELY OF INTEREST IN CLOSELY HELD BUSINESS

SEC. 104. (a) Elimination of Requirement of Undue Hardship.—Section 6161(a)(2) (relating to extension of time for paying estate tax) of subchapter B of chapter 62 of the Internal Revenue Code of 1954 is amended by striking out "undue" before "hardship".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply only with respect to estates of decedents dying after December 31, 1974.

INTERESTS IN FAMILY FARMING OPERATIONS

SEC. 105. (a) IN GENERAL.—Part IV (relating to taxable estates of citizens or residents) of subchapter A of chapter 11 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"SEC. 2057. INTERESTS IN FAMILY FARMING OPERATIONS

"(a) GENERAL RULE.—For purposes of the tax imposed by section 2001, the value of the taxable estate shall be determined by deducting from the value of the gross estate the lesser of (1) $200,000, and (2) the value of the decedent's interest in a family farming operation continually owned by decedent or spouse during the 5 years prior to the date of his death and which passes or has passed to an individual or individuals related to him or his spouse.

"(b) SUBSEQUENT DISQUALIFICATION RESULTS IN DEFICIENCY.—The difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been paid on that transfer had the interest in a family farming operation not given rise to the deduction allowed by paragraph (a) shall be a deficiency in the payment of the tax assessed under this chapter on that estate unless, for at least 5 years after the decedent's death—

"(1) the interest which gave rise to the deduction is retained by the individual or individuals to whom such interest passed, and

"(2) the individual or any individuals to whom the interest passed resides on such farm, and

"(3) such farm continues to qualify as a family farming operation.

"(c) DEATH OF SUBSEQUENT HOLDER.—In the case of the subsequent death of an individual to whom the interest in a family farming operation has passed, his successor shall be considered in his place for purposes of paragraph (b).

"(d) DEFINITIONS.—

"(1) FAMILY FARMING OPERATIONS.—A 'family farming operation' is a farm—

"(A) actively engaged in raising agricultural crops or livestock 'for profit', within the meaning of section 183, and

"(B) over which the owner or one of the owners exercises substantial personal control and supervision.

"(2) RELATIONS.—An individual is 'related' to the decedent or his spouse if he is that person's father, mother, son, daughter, grandson, granddaughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, or in the absence of any of the above his next of kin.".

(b) The amendments made by this section shall apply to taxes imposed by section 2001 after December 31, 1974.

TITLE II—CORPORATION TAXES

ADJUSTMENTS OF CORPORATE NORMAL TAX RATE

SEC. 201. (a) Adjustments of Corporate Normal Tax Rate.—Section 11(b) (relating to the normal tax imposed on corporations) of part II of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended to read as follows:

"(b) NORMAL TAX.—The normal tax is the amount determined in accordance with the following table:

“If the taxable income is:	The normal tax is:
Not over $1,000,000	20% of the taxable income.
Over $1,000,000 but not over $10,000,000.	$200,000, plus 20.25% of excess over $1,000,000.
Over $10,000,000 but not over $100,000,000.	$2,000,000, plus 20.5% of excess over $10,000,000.
Over $100,000,000 but not over $1,000,000,000.	$20,000,000, plus 20.75% of excess over $100,000,000.
Over $1,000,000,000	$200,000,000, plus 21% of excess over $1,000,000,000.

For purposes of applying the percentages and amounts of tax set forth in the preceding table in the case of a corporation which is a component member of a controlled group of corporations (within the meaning of section 1563), the taxable income of the other component members of such group shall, under regulations prescribed by the Secretary or his delegate, be taken into account.”.

(b) The amendments made by this section shall apply to taxable years beginning after December 31, 1974.

INCREASE IN INVESTMENT CREDIT

SEC. 202. (a) Increase of Investment Credit to 15 Percent.—Paragraph (1) of section 46 (a) (determining the amount of the investment credit) of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended to read as follows:

“(1) GENERAL RULE.—

“(A) FIFTEEN-PERCENT CREDIT.—Except as provided in subparagraph (B), the amount of the credit allowed by section 38 for the taxable year shall be equal to 15 percent of the qualified investment (as defined in subsection (c)).

“(B) TWELVE-PERCENT CREDIT.—In the case of property—

“(i) the construction, reconstruction, or erection of which is completed by the taxpayer before July 1, 1975, or

“(ii) which is acquired by the taxpayer before July 1, 1975,

the amount of the credit allowed by section 38 for the taxable year shall be equal to 12 percent of the qualified investment (as defined in subsection (c)).

“(C) TRANSITIONAL RULE.—In the case of property—

“(i) the construction, reconstruction, or erection of which is begun by the taxpayer before July 1, 1975, and

“(ii) the construction, reconstruction, or erection of which is completed by the taxpayer after June 30, 1975,

subparagraph (B) shall apply to the property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection before July 1, 1975, and subparagraph (A) shall apply to such property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection after June 30, 1975.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1974.

INCREASE IN CORPORATE SURTAX EXEMPTION

SEC. 203. (a) IN GENERAL.—Section 11(d) (relating to surtax exemption) of part II of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out “$25,000” and inserting in lieu thereof “$100,000”.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1561(a) (as in effect for taxable years beginning after December 31, 1974) (relating to limitations on certain multiple tax benefits in the case of certain controlled corporations) of part II of subchapter B of chapter 6 of the Internal Revenue Code of 1954 is amended by striking out “$25,000” and inserting in lieu thereof “$100,000”.

(2) Paragraph (7) of section 12 (relating to cross references for tax on corporations) of part II of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out “$25,000” and inserting in lieu thereof “$100,000”.

(3) Section 962(c) (relating to surtax exemption for individuals electing to be subject to tax at corporate rates) of subpart F of part III of subchapter N of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out “$25,000” and inserting in lieu thereof “$100,000”.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1974.

TAXABLE YEAR PRICE LEVEL ADJUSTMENTS IN PROPERTY

SEC. 204. Section 1016(a) (relating to adjustments to basis) of part II of subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended—

(1) by striking out the period at the end of paragraph (22) and inserting in lieu thereof a semicolon; and

(2) by adding at the end thereof the following new paragraph:

“(23) in respect to any period after December 31, 1974, before making any other adjustments of basis under this subsection, for an amount which is equal to the difference between—

“(A) the basis of the property, as determined under section 1011, before adjustment under this section, multiplied by the ratio which the prices index (average over a taxable year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics) for the taxable year in which the property is sold or otherwise disposed bears to the price index for the taxable year in which the property was acquired, or for the calendar year 1974, whichever is later, and

“(B) the basis of the property as determined under section 1011 before adjustment under this section.”.

INCREASE IN CLASS LIFE VARIANCE FOR PURPOSES OF DEPRECIATION

SEC. 205. IN GENERAL.—Section 167(m)(1) (relating to class lives for purposes of depreciation) of part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out “20” and inserting in lieu thereof “40”.

(b) EFFECTIVE DATE.—The amendment made by this section applies to property acquired or the construction of which is begun after December 31, 1974.

ALTERNATIVE AMORTIZATION PERIOD FOR POLLUTION CONTROL FACILITIES

SEC. 206. (a) IN GENERAL.—Section 169 (relating to amortization of pollution control facilities) of part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by—

(1) striking out “60 months” in subsection (a) and inserting in lieu thereof “60 months or 12 months”,

(2) striking out “60-month period” in subsection (a) and inserting in lieu thereof “60-month or 12-month period”, and

(3) striking out “60-month period” in subsection (b) and inserting in lieu thereof “60-month or 12-month period”.

(b) EFFECTIVE DATE.—The amendments made by this section apply to any new identifiable treatment facility (as defined in section 169(d)(4) of such Code) acquired or the construction, reconstruction, or erection of which is begun after December 31, 1974.

TITLE III—EMPLOYEE STOCK OWNERSHIP PLAN FINANCING

EMPLOYEE STOCK OWNERSHIP PLAN FINANCING

SEC. 301. (a) The Internal Revenue Code of 1954 is amended by adding the following new section 416 at the end of subpart B of part I of subchapter D of chapter 1:

“SEC. 416. EMPLOYEE STOCK OWNERSHIP PLAN FINANCING

“(a) DEFINITIONS.—

“(1) ‘Employee stock ownership plan’ means a technique of corporate finance described in section 4975(e)(7) that utilizes stock bonus plans, or stock bonus plans coupled with money purchase pension plans, which satisfy the requirements of section 401(a) and are designed—

“(A) to invest primarily in qualifying employer securities;

“(B) to meet general financing requirements of a corporation, including capital growth and transfers in the ownership of corporate stock;

“(C) to build into employees beneficial ownership of qualifying employer securities;

“(D) to receive loans or other extensions of credit to acquire qualifying employer securities, with such loans and credit secured primarily by a commitment by the employer to make future payments to the plain in amounts sufficient to enable such loans and interest thereon to be repaid; and

“(E) to limit the liability of the plan for repayment of any such loan to payments received from the employer and to qualifying employer securities, and dividends thereon, acquired with the proceeds of such loan, to the extent such loan is not yet repaid.

“(2) For purposes of this section, the term ‘employer securities’ means securities issued by the employer corporation, or by an affiliate of such employer.

“(3) For purposes of this section, the term ‘qualifying employer securities’ means common stock, or securities convertible into common stock, issued by the employer corporation, or by an affiliate of such employer.

“(b) SPECIAL DEDUCTIONS.—

“(1) In addition to the deductions provided under section 404(a), there shall be allowed as a deduction to an employer the amount of any dividend paid by such employer during the taxable year with respect to employer securities, provided—

“(A) such employer securities were held on the record date for such dividend by an employee stock ownership plan; and

“(B) the dividend received by such plan is distributed, not later than 60 days after the close of the plan year in which it is received, to the employees participating in the plan, in accordance with the plan provisions; or

“(C) the dividend received by such plan is applied, not later than 60 days after the close of the taxable year, to the payment of acquisition indebtedness (including interest) incurred by the plan for the purchase of qualifying employer securities.

“(2) Notwithstanding the limitations of section 404(a), there shall be allowed as a deduction to an employer the amount of any contributions paid on account of a taxable year (as described in section 404(a)(6)) to an employee stock ownership plan, provided such contributions are applied to the payment of acquisition indebtedness (including interest) incurred by the plan for the purchase of qualifying employer securities.

“(3) For purposes of sections 170(b)(1), 642(c), 2055(a) and 2522, a contribution, bequest or similar transfer of employer securities or other property to an employee stock ownership plan shall be deemed a charitable contribution to an organization described in section 170(b)(1)(A)(vi), provided—

“(A) such contribution, bequest or transfer is allocated, pursuant to the terms of such plan, to the employees participating under the plan in a manner consistent with section 401(a)(4);

"(B) no part of such contribution, bequest or transfer is allocated under the plan for the benefit of the taxpayer (or decedent), or any person related to the taxpayer (or decedent) under the provisions of section 267(b), or any other person who owns more than 25 percent in value of any class of outstanding employer securities under the provisions of section 318(a); and

"(C) such contribution, bequest or transfer is made only with the express approval of such employee stock ownership plan.

"(c) Treatment of Participants.—

"(1) Qualifying employer securities acquired by an employee stock ownership plan through acquisition indebtedness incurred by the plan in connection with the financing of capital requirements of the employer corporation or its affiliates must be allocated to the accounts of the participating employees to the extent that contributions and dividends received by the plan are applied to the payment of such acquisition indebtedness (including interest), in accordance with the terms of the plan and in a manner consistent with section 401(a)(4).

"(2) Upon retirement, death or other separation from service, an employee participating under an employee stock ownership plan (or his beneficiary, in the event of death) will be entitled to a distribution of his nonforfeitable interest under the plan in employer securities or other investments allocated to his account, in accordance with the provisions of such plan. If the plan so provides, the employee (or beneficiary) may elect to receive all or a portion of the distribution from the plan in—

"(A) employer securities, other than qualifying employer securities;

"(B) cash;

"(C) a diversified portfolio of securities;

"(D) a nontransferable annuity contract; or

"(E) any combination of the above.

"(3) An employee stock ownership plan may provide for the required repurchase of qualifying employer securities from an individual receiving a distribution thereof if all other such outstanding employer securities, whether or not acquired through the plan, are subject to repurchase from nonemployee shareholders under similar circumstances.

"(4) Upon receipt of a lump sum distribution, as described in section 402(e)(4)(A), from an employee stock ownership plan, an individual may exclude from gross income that part of the distribution which consists of employer securities or other assets, if income producing, held or reinvested within 60 days in income-producing assets of equivalent value, for the purpose of providing that individual with dividends or other forms of realized current income from such assets. Upon subsequent sale or disposition of any employer securities or other assets distributed by an employee stock ownership plan, to the extent that proceeds realized from such sale or disposition are not reinvested within 60 days in income producing assets, the total amount of such proceeds (or the fair market value of any such securities or assets that are transferred without adequate consideration) shall be treated as ordinary income to the individual.

"(5) An employee receiving a distribution under paragraph (b)(1)(B) of this section shall be subject to taxation under section 402(a)(1), and the provisions of section 116 shall not apply to such distribution.

"(6) A contribution by an employer which is deductible under paragraph (b)(2) of this section, or a contribution described in paragraph (b)(3) of this section, shall not be included in the meaning of annual addition under section 415(c)(2).

"(7) No contribution to an employee stock ownership plan may be allocated for the benefit of any participant if the value of the total accumulation of employer securities and other investments under the plan for the benefit of that participant equals or exceeds $500,000, less the amount of any such accumulation for that participant under any other employee stock ownership plans.

"(d) Special Provisions.—

"(1) The acquisition or holding of qualifying employer securities and the incurring of acquisition indebtedness by an employee stock ownership plan shall be deemed to satisfy the requirements of section 404(a)(1) of the Employee Retirement Income Security Act of 1974 provided that—

"(A) the requirements of sections 408(b)(3) and 408(e) of such Act are satisfied; and

"(B) the same standards of prudence and fiduciary responsibility that corporate management must exercise with respect to its shareholders are satisfied.

"(2) Upon application by an employee stock ownership plan, the Secretary of the Treasury or his delegate shall issue an advance opinion as to whether a proposed transaction involving that employee stock ownership plan will satisfy all the requirements described in paragraph (1) of this subsection, and any such opinion shall be binding upon the Secretary.".

(b) Payments by an employer to an employee stock ownership plan as defined in section 416(a)(1) of the Internal Revenue Code of 1954, for the purpose of enabling such plan to pay acquisition indebtedness incurred for the purchase of qualifying employer securities or other contributions to such plan shall not be treated as compensation, fringe benefits, or deferred compensation payments for the purposes of any laws, Executive orders, or regulations designed to control, establish guidelines, or otherwise stabilize employee compensation or benefits, but shall be treated as the equivalent of debt service payments made in the normal course of financing the capital requirements of that employer.

PERSONAL EXPLANATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Miller) is recognized for 5 minutes.

Mr. **MILLER** of Ohio. Mr. Speaker, I asked to be recognized to explain my absences on June 16 and 17. Due to the death of my mother, Mrs. Clarence E. Miller, Sr., I was unable to be present for House business. Had I been present I would have voted in the following manner:

H.R. 1607, granting exemption to newspapers from Federal lottery prohibitions; same as for TV and radio—yea.

H.R. 7767, increasing the rates of disability compensation for disabled veterans and increasing the rates of dependency and indemnity compensation—yea.

H.R. 7222, increasing the contribution of the Federal Government to the costs of employees' group life insurance—nay.

On acceptance of resignation of Representative Nedzi as chairman and member of the House Select Committee on Intelligence—nay.

H.R. 7545, to increase the temporary debt limitation—nay.

Amendment to H.R. 7545, decreasing the level of the temporary limit from $216.1 billion to $199.99 billion—yea.

Amendment to H.R. 7545 to delete "temporary" from the description of the debt ceiling—nay.

House Resolution 535, previous question on the rule for H.R. 7545, increasing the temporary debt ceiling—nay.

House Joint Resolution 499, making continuing appropriations for fiscal year 1976—nay.

Amendment to H.R. 6860, Energy Conservation and Conversion Act, to strike title IV, Energy Conservation and Trust Fund—yea.

Motion to instruct conferees to insist on the House-passed provisions for congressional review of National Science Foundation grants—yea.

On June 16, by unanimous consent of the House, I was granted a leave of absence for these 2 days.

FRESHMEN CONGRESSMEN OBLIVIOUS TO FISCAL RESPONSIBILITY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Derwinski) is recognized for 5 minutes.

Mr. **DERWINSKI**. Mr. Speaker, with the session now in its sixth month, most of us have been exposed to the purifying flames of free-flowing oratory from some of our new Members. I have been particularly impressed with the forensic skills of a select group of freshmen Members of the majority. Give them an issue, and they quickly surround it. However, on closer examination one discovers that there is a rather wide chasm between what they are saying and how they are performing.

As you know, the House was almost evenly divided on spending, revenue, and deficit targets which were to provide congressional guidelines on the budget for the Federal Government for fiscal year 1976. Finally, on May 1, on a 200-to-196 rollcall vote, the House approved budget guidelines with a staggering $70 billion projected deficit. On June 16, the House, by a much wider vote margin—225 to 175—turned down a recommendation to increase the national debt ceiling to enable the Government to handle its borrowing requirements for fiscal year 1976.

Those two rollcalls illustrate a tortured kind of logic which seemingly is in vogue with many members of the Democrat freshman class. Forty-nine freshmen members of the majority who voted in the staggering deficit turned right around and voted against increasing the debt limit. That kind of action is an affront to commonsense. It is a kind of logic which is oblivious to fiscal responsibility. It turns on the premise that you can spend and spend and spend and not worry about the consequences, so long as you manage to position yourself on both sides of the vote ledger.

In dealing with deficits, options are limited. You can retrench, tax, or borrow. But sooner or later, you have to balance the books. I certainly do not enjoy voting for a higher debt ceiling, but we do have commitments for debts which have to be paid. That means another debt ceiling bill will have to be brought to the floor. It also means our modern-day "forty-niners" will have an opportunity to concentrate on the vein of fiscal responsibility. They have not fooled anyone with that pyrite they have been pushing.

ENVIRONMENTAL HEALTH ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, I am introducing today the Environmental Health Act of 1975—a bill which clarifies the burden of proof in certain environmental health litigation. My distinguished colleague from Wisconsin (Mr. OBEY) has joined with me as the principal cosponsor.

The legislation provides that once a reasonable risk of a threat to public health is established by parties requesting a halt to polluting activities, the burden would then be on the defendant to prove that the relief requested is not justified.

The need for the legislation, which was introduced in the Senate by Senators NELSON, HART, and PERCY, was illustrated most convincingly by a 1974 appellate court decision in the Reserve Mining case. That company dumps iron ore tailings contaminated with asbestos fibers into Lake Superior. Medical evidence strongly suggested that drinking this asbestos-contaminated water created a serious risk of cancer. But the court initially ruled that Reserve's actions could continue because the certainty of health hazard had not been proven.

While a subsequent opinion by the court was more consistent with environmental health law, our legislation would insure that such activity is halted before there are dead bodies to bring into court. In the Reserve case, as well as other current and potential environmental health litigation, absolute proof is nearly impossible to obtain. Provable incidence of cancer may take 20 to 30 years. In some instances, evidence is only available from animal tests.

We are increasingly faced with situations in which a risk to public health exists, but the ultimate harm to human health is impossible to quantify. The Environmental Health Act clarifies the power of the courts to put a stop to such threats before, and not after, the harm has been done.

The legislation requires a showing by the plaintiff of a reasonable risk of a threat causing death, serious illness or disease, or irreparable physical harm. In that case, if the defendant cannot show that the health risk is nonexistent or negligible, or that the benefits of continuing the pollution outweigh all the risks involved, including those to public health, he must halt the polluting activity. The principle is already incorporated in the Pesticide Control Act, passed in 1972. The same principle is also recognized in the recent Federal task force report on possible ozone damage by aerosol spray cans.

The bill is carefully and specifically drawn. It clarifies, but does not change, present substantive law. It affects only those areas under the jurisdiction of the Environmental Protection Agency. It applies only where injunctive relief—not monetary damages—is sought. It shifts the burden of proof only where serious scientific and medical data is presented. The courts retain the responsibility to balance all physical and economic considerations against the public's need for equitable relief.

We are not dealing with frivolous or merely speculative risks. Where there is clear evidence of a serious health risk due to environmental pollution, it must be the responsibility of the polluter to prove that his action is not dangerous. In such cases, uncertainty should be resolved in favor of protecting the public health.

The complete text of the Environmental Health Act follows:

H.R. 8078

A bill to protect individuals against conduct creating serious potential environmental health hazards

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Environmental Health Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(A) "Administrator" means the Administrator of the Environmental Protection Agency;

(B) "discharging, emitting, or manufacturing" shall include, but not be limited to disseminating, dispersing, distributing, producing, processing, disposing of, or any other meaning which each of these words has under any Act administered by the Administrator, and shall include causing to discharge, emit, or manufacture;

(C) "a reasonable risk" means a risk where the possibility of harm or injury is not negligible; and

(D) "threat to public health" means a threat causing death, serious illness or disease, or irreparable physical harm.

PRESUMPTIONS

SEC. 3. In any proceeding requesting equitable relief pursuant to any statute administered by the Administrator or instituted at the request of the Administrator, other than a suit for review of a Federal administrative action, a showing by a party that any person is engaging in a course of conduct of discharging, emitting, or manufacturing any substance, where such conduct presents a reasonable risk of being a threat to public health, shall give rise to a rebuttable presumption that a threat to public health exists warranting the granting of such equitable relief as is deemed appropriate to protect the public against such threat.

BURDEN OF PROOF

SEC. 4. In any proceeding—which requests equitable relief pursuant to any statute administered by the Administrator or instituted at the request of the Administrator, other than a suit for review of a Federal administrative action—where a showing is made giving rise to a presumption under section 3 of this Act, the person engaging in such course of conduct of discharging, emitting, or manufacturing shall have the burden of proving—

(A) that in fact no threat to public health exists or that the risk of any such threat is negligible; or

(B) that the physical and economic considerations in favor of such course of conduct outweight all costs incident to the conduct, including any possible threat to public health.

DISCLAIMER

SEC. 5. Nothing in this Act shall in any way affect the burden of proof with respect to the question of whether a violation of any statute administered by the Administrator has been committed.

APPLICABILITY

SEC. 6. To the extent this title would otherwise apply, it shall apply in all proceedings pending at the time of its enactment, unless a court determines that its application in such a pending proceeding would prejudice the rights of a party.

GAO REPORTS IRS TELEPHONE ASSISTANCE TO TAXPAYERS CAN BE IMPROVED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, on June 10, the General Accounting Office issued a report to the Joint Committee on Internal Revenue Taxation entitled "Telephone Assistance to Taxpayers Can Be Improved" (GGD-75-69). A better title would be "Telephone Assistance to Taxpayers Must Be Improved."

The study reviewed taxpayer assistance operations at the Washington, D.C. National Office and at telephone centers in six districts: Austin, Detroit, Greensboro, Omaha, Portsmouth, and Seattle. Basically, the GAO found that:

> IRS needs to improve its monitoring of telephone assistors (a) to insure the accuracy and courtesy of their answers and (b) to use more effectively the evaluative information which monitoring can provide to management.

Therefore, GAO recommended that IRS guidelines should be revised to first, require periodic monitoring of all telephone assistors by supervisors; second, specify factors for managers to consider in determining the frequency of monitoring; and third, emphasize monitoring in the early weeks of the filing period when the volume of citizen calls is the highest.

These recommendations are the result of findings by the IRS and the GAO that telephone assistors were incorrectly answering 18 to 20 percent of the questions put to them. It is interesting that this error rate is at least 10-percent higher than the rate found by local supervisors.

It is understandable that there will always be some level of error—particularly in an area as complex and confusing as the tax code. But an error rate of 18 to 20 percent is totally unacceptable. It is particularly inexcusable in that the IRS is the one urging taxpayers to phone, rather than visit, local IRS offices.

This error rate in the 1974 tax year is similar to the error rate discovered by the staff of the Oversight Subcommittee of the House Ways and Means Committee this spring.

In early February, I requested the subcommittee staff to begin calling certain IRS offices—local offices around the Nation, not the toll free numbers studied by the GAO—and posing certain tax questions provided to me by the Library of Congress. The questions were relatively simple questions—the type that middle-income taxpayers might well ask—and we did not ask for a dollar calculation, only a yes or no on whether the item in question was deductible. The staff was able to make about 124 calls to 17 different offices in as many States.

I am most concerned by the high level

of wrong answers. My staff received 32 wrong answers out of the 124 calls made. This represents an accurate rate of only 75 percent. In at least 20 of these 32 wrong answers, the IRS agent did not probe for further details to clarify the initial question. These were not trick questions; however, they were, as I noted earlier, simple questions. In all cases they contained enough information in the initial questions for a correct ruling. On 10 occasions, questions were referred to a technician or scheduled for a callback.

I would like to point out that when returns prepared by private tax return preparers at a cost to the taxpayer are audited, the error or "change" rate is approximately 80. The change rate for all returns audited is about 76 or 78 percent. Thus there are an enormous number of errors in tax returns—a sure sign that the Congress must simplify the tax laws.

The IRS is usually right. and it is free—nevertheless, I believe it must do better.

The GAO report also noted that there are technical problems with the telephone assistance program. For example, in 1974, the Portsmouth, N.H., and Austin, Tex. districts had busy signal rates of about 20 percent. This was nearly double the IRS's internal standard of minimum service. Not only is there a serious problem with busy signals, but a high percentage of calls are placed on "hold" and then "lost" when the taxpayer gives up waiting and hangs up. For example, in the Austin district, 16.8 percent of all calls were lost when the taxpayer hung up. In Austin, 80,000 or 56 percent of the 143,366 calls which were placed on hold were lost. In Austin, when lost calls are added together with busy signals, as many as one-third of the people calling were not serviced.

In addition, equipment malfunctions were experienced by four of the six districts studied by the GAO.

The Oversight Subcommittee experienced similar problems in its telephone survey. Out of 124 calls, 31 calls were placed on "hold" before being connected with an agent. These delays ranged from half a minute to 8 minutes. Delays of 6 to 8 minutes were not uncommon. On one occasion, the IRS office closed while keeping the phone on "hold" for 14½ minutes. However, once the calls were connected with an agent, calls were only delayed three or four times while the agent researched the answer.

Mr. Speaker, what most concerns me about the GAO report is the assumption that just because a report has been made, the problem will be solved. The GAO states that:

> Because the IRS has already taken corrective action in accordance with our proposals, we are making no recommendations (to the Congress) in this report.

The GAO met with the IRS in early December to review its report. At that time the IRS told GAO that it would be making a number of changes to improve the level of service in the 1975 tax filing season. GAO accepted these changes and apparently felt that the 1975 year would be better "since IRS has already taken corrective action."

Yet the Oversight Subcommittee, with one person making sampling calls for an hour a day, found that the situation was still serious and perhaps no better than it was in the 1974 tax filing season.

It is obvious that if we want this program to continue and to have the confidence of the public, we in the Congress will have to insure that additional corrective actions are taken. I am asking to meet again with the Assistant Commissioner for Accounts, Collection, and Taxpayer Service and the Director of the Taxpayer Service Division to determine what additional steps the service will be taking for next year—and whether those actions will be more effective than last year's.

POSSIBLE VIOLATIONS OF ANTI-DUMPING ACT OF 1921

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Dent) is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, today I have asked the Secretary of the Treasury to begin a sweeping and immediate investigation of possible violations of the Antidumping Act of 1921.

In recent testimony before the Subcommittee on Labor Standards, instances of suspected violations of the Antidumping Act were brought to its attention, specifically with reference to Volkswagen and the Ford Capri. Similarly, before the auto industry task force of the Committee on Banking, Currency, and Housing, testimony implicating Volkswagen and British-Leyland was heard.

Additional investigations by the subcommittee lead to the conclusion that its suspicions were well founded, and further, that these findings warranted the attention of the Secretary of the Treasury, not only with respect to direct violations of the Antidumping Act, but also with respect to less obvious administrative practices that at a minimum prevent proper enforcement of the law, and possibly constitute a direct violation of it. Included in this latter category are three specific areas to which the Secretary, in pursuing this petition, is respectfully asked to direct his investigation. They include:

First. Classification and value determination of small pickup trucks;

Second. Customs Service's ready acceptance of foreign manufacturers' information about auto value; and

Third. Discrepancy between invoice and dutiable value, as well as unexplained low duty assessment.

A copy of the petition is submitted for the Record so that the seriousness of this subject will not go unpublished. I respectfully call the attention of my colleagues to this issue. It is abreviated by necessity because of the printing costs.

Committee on Education and Labor, Subcommittee on Labor Standards,
Washington, D.C., June 20, 1975.

Hon. William E. Simon,
Secretary of the Treasury,
Washington, D.C.

Dear Mr. Secretary: In compliance with Customs Regulations of the United States, Section 153.26, the following is submitted in requesting an investigation of suspected dumping of automobiles in violation of the Anti-dumping Act of 1921.

Sincerely,

John H. Dent,
Chairman.

Parts (A), (B), and (C)

DESCRIPTION OF MERCHANDISE, COUNTRY OF ORIGIN, AND PRODUCER/EXPORTER

Motor vehicles, small economy models:
Austin, Britain, British-Leyland.
Datsun, Japan, Nisson Motor Corporation.
FIAT, Italy, FIAT Motor Co., Inc.
Honda, Japan, Honda.
Renault, France, Renault, Inc.
Subaru, Japan, Fuji Heavy Industries.
Toyota, Japan, Toyota.
Volkswagen, Germany, Volkswagen.

Motor vehicles, other major non-captive models:
Alfa Romeo, Italy, Alfa-Romeo.
Audi, Germany, Volkswagen.
Austin-Healey, Britain, British-Leyland.
BMW, Germany, Bayerische Motorem Werke AG.
Jaguar, Britain, British-Leyland.
Mazda, Japan, Toyo Kogyo.
Mercedes Benz, Germany, Dainler-Benz.
MG, Britain, British-Leyland.
Peugot, France, Peugot.
Porsche, Germany, Volkswagen.
SAAB, Sweden, SAAB.
Triumph, Britain, British-Leyland.
Volvo, Sweden/Canada/Belgium, Volvo.

Motor vehicles, captive makes:
Capri, Germany, Ford of Europe.
Colt, Japan, Mitsubishi/Chrysler.
Opel, Germany/Belgium, General Motors in Germany.

Motor vehicles, Canadian models:
Hornet, Canada, American Motors.
Gremlin, Canada, American Motors.
Dart, Canada, Chrysler.
Cordoba, Canada, Chrysler.
Charger SE, Canada, Chrysler.
Valiant, Canada, Chrysler.
Ford, Canada, Ford Motor Company.
Torino, Canada, Ford Motor Company.
Pinto, Canada, Ford Motor Company.
Maverick, Canada, Ford Motor Company.
Marquis, Canada, Ford Motor Company.
Meteor, Canada, Ford Motor Company.
Chevrolet, Canada, General Motors.
Chevelle, Canada, General Motors.
Monte Carlo, Canada, General Motors.
Skyhawk, Canada, General Motors.
Nova, Canada, General Motors.
Starfire, Canada, General Motors.
Pontiac, Canada, General Motors.
Le Mans, Canada, General Motors.
Manza, Canada, General Motors.

Small pickup trucks:
Ford Courier, Japan, Ford Motor Company.
Chevy Luv, Japan, General Motors.
Toyota Hi Lux, Japan, Toyota.
Mazda Rotary, Japan Toyo Kogyo.
Mazda 1600, Japan, Toyo Kogyo.

Part (E) Injury to Industry

It has been the experience of the Subcommittee on Labor Standards, within its jurisdiction in the area of the impact of imports on American employment, to extensively hear testimony relevant to the nature of job displacement by high levels of import penetration. While the opinions of the Members of this Subcommittee have differed with respect to the philosophy of government action in preserving jobs lost as a consequence of international trade arrangements, it has been with little doubt that the Members received testimony attesting to the fact that above a certain level (7–10%) of penetration, imports negatively impact the affected domestic industry's workforce.

The doldrums of the domestic auto industry are obvious and certainly do not lend themselves to simplistic solutions or singular causes. However, the question of deleterious injury caused by the excessive importation of foreign small cars obtrudes itself into the sales picture of the auto industry, particularly with respect to the prices at which foreign small cars are being retailed on our domestic market. Imported autos (including a conservative estimate of 10% for Canadian imports) represented 32% of the overall market at the end of April 1975. At the same time that imports were rising to record shares of the market, Detroit sustained its lowest April sales record in fourteen years. Even the United Auto Workers, traditionally unperturbed by the prevalence of imports, has petitioned for trade adjustment assistance, as provided by the Trade Act of 1974, for 39,000 Chrysler Corporation employees who have suffered layoffs because of increased Canadian-produced Chrysler imports. The UAW petition also points out that "overseas auto imports have gained an expanded share of the U.S. Market, causing further unemployment". Moreover, so basic is auto production to the American economy that the impact of unemployment is unfortunately not confined to autoworkers, but instead precipitates additional unemployment in feeder industries like iron and steel, rubber, textiles, electrical machinery, fabricated metal products, to name a few.

The issue of the increased share by imports of the overall vehicle market on employment in the auto industry is serious in itself, but becomes more so if violations of the Antidumping Act of 1921 are prevalent and foreign manufacturers compete unfairly by selling their cars at less than fair value in an effort to maintain and expand their position in the American marketplace.

Additional Areas of Investigation

In recent testimony before the Subcommittee on Labor Standards, instances of suspected violations of the Antidumping Act of 1921 were brought to its attention, specifically with reference to Volkswagen and the Ford Capri. Similarly, before the Auto Industry Task Force of the Committee on Banking, Currency, and Housing, testimony implicating Volkswagen and British-Leyland was heard. (Excerpts from that testimony are herein provided for your use.)

Additional investigations by the Subcommittee lead to the conclusion that its suspicions about Antidumping Act violations were well founded, and further, that these findings warranted the attention of the Secretary of the Treasury, not only with respect to direct violations of the Antidumping Act, but also with respect to less obvious administrative practices that at a minimum prevent proper enforcement of the law, and possibly constitute a direct violation of it. Included in this latter category are three specific areas to which the Secretary of the Treasury, in pursuing this petition, is respectfully asked to direct his investigation.

1. *Classification and value determination of small pickup trucks:*

The following small pickup trucks—

Ford Courier, Made in Japan for Ford Motor Company.

Chevy Luv, Made in Japan for General Motors.

Toyota Hi Lux, Made in Japan for Toyota.

Mazda Rotary, Made in Japan for Toyo Kogyo.

Mazda 1600, Made in Japan for Toyo Kogyo. are imported to the United States without the rear bed assembly. Because of a determination by the Customs Service that these trucks are not trucks, but chassis/cab (692.20), these vehicles without beds are assessed a 4% duty instead of the 25% duty assessed to trucks (692.02). The trucks that the Customs Service terms "chassis/cab" arrive at the docks in a completed condition except for the rear bed. (These beds, valued at $150.00 are shipped separately and are also assigned a dutiable rate of 4%.) The trucks are driven off the vessel to a storage area where the rear bed is attached to the truck body with eight bolts in a process that takes about 15 minutes. The completed truck is then ready for delivery to distributors in the U.S. (Pictures are attached.)

It is hoped that the validity of such a clasification is re-examined with view towards a classification consistent with what the vehicle is—a truck—and that proper duties are assigned as soon as possible.

2. *Customs Service's acceptance of foreign manufacturers' information:*

It is apparent that there is ready acceptance by Customs of foreign manufacturers' data concerning their vehicles, particularly with respect to cost of production (COP) figures, even though evidence suggests that the information may be in error. Customs investigations in this area are infrequent, and a general policy of "looking the other way" emerges. Since the COP is an integral determinant in duty assessment, it is mandatory that COP be as accurate as possible.

If, in fact, COP's are generally understated, then foreign cars are entering this country with a duty rate less than that stipulated by law.

3. Discrepancy between invoice value and dutiable value; unexplained low duty assessments:

A pattern of determining a dutiable value far lower than the invoice value (which represents the retail price in the country of origin) of the merchandise is apparent. There is evidence to suggest that this activity occurs with respect to, but not limited to, the following:

1. The dutiable value of British-Leyland parts is assessed at a rate approximately 82% less than the invoice value. (which is supposedly the retail price in Great Britain)

2. The dutiable value of British-Leyland cars is assessed at a rate approximately 50% less than the invoice value.

3. The dutiable value of Volkswagen parts is assessed at a rate approximately 45% less than the invoice value. (which represents the retail price in Germany)

4. The dutiable value of Volkswagen autos is assessed at a rate approximately 17% less than the invoice value.

It is our understanding that these dutiable rates are determined at Customs Service headquarters and distributed to regional and district customs offices via *Form 35, Value Information* for collection enforcement.

The practical effect of this is the entry of cars in the American market at a dutiable rate far less than that provided by law, thereby creating a situation where foreign manufacturers have an unfair, competitive price advantage over domestic producers.

The above delineations are not intended to restrict Treasury's investigations, but rather to point out the areas, in addition to dumping, in which the Subcommittee finds clarification necessary.

[From the Washington Post, Feb. 15, 1975]

VW Has Losses On U.S. Sales

(By Joe Alex Moore)

Bonn, February 14.—Volkswagen is losing money on every car it sells in the U.S. in a desperate effort to hold onto its share of a dwindling automobile market.

This was confirmed today by Volkswagen officials in Woltsburg. They declined to go into details, but said, "We are taking losses on all models."

The facts were dramatically brought to light in a publicity campaign launched recently by Volkswagen of America to introduce the company's new subcompact called the Golf in Europe and the Rabbit in America.

Volkswagen set a price tag of under $3,000 on the American version, which includes such things as reinforced bumpers and American specifications, all of which cost extra money plus overseas transportation.

A German who wants to buy the cheapest version of the car has to pay $650 more than the going price in the U.S. and he gets a smaller engine to boot. That includes an 11 per cent added value tax, but even taking this away, he still pays $250 more than his American cousin.

Asked how VW expected to make money this way, one official said the American price was pegged to market conditions and competition there. But after confirming this meant Volkswagen was selling at a loss in the U.S., he stressed that the American dealers were not losing money in this peculiar situation.

Volkswagen officials declined to speculate how long this unusual situation could be allowed to continue. The firm is expected to announce record losses for 1974, due not only to the oil crisis and slumping sales but also the costly introduction of new models, such as the Rabbit-Golf.

Certainly it will be one of the first topics on the agenda of the firm's new boss, Toni Schmuecker, who took over this week. Schmuecker is known as a ruthless rationalizer, and he has already predicted that VW, second largest employer in Germany, will have to shrink to meet the new situation.

Traditionally, the U.S. market has absorbed up to one-third of Volkswagen's production, but the rising costs of production here plus the chaos of international currency relationships over the past six years has cost the company its competitive edge in the U.S.

VW sales in the U.S. slumped almost 30 per cent in 1974 to a total of 334,515 cars. Sales in the American market were more deeply cut than overall; in the past year the company produced 1,239,700 cars, off 15 per cent from 1973 totals.

[From Automotive News, Mar. 3, 1975]

Vanik Asks U.S. Probe of VW Rabbit Pricing

Washington.—An investigation into whether Volkswagen is selling its Rabbit in the U.S. at prices lower than for a comparable Golf in Europe has been requested by Rep. Charles Vanik, Ohio Democrat.

In a letter sent to the Treasury Department, the State Department and the International Trade Commission (formerly the Tariff Commission), Vanik suggested that the domestic industry "may be subject to unfair competition from foreign manufacturers, especially from VW."

Vanik cited a recent newspaper article about a substantial price differential between the Rabbit and the Golf—perhaps as much as $250 to $650, which includes an 11 percent value-added tax. Yet, said Vanik, the Rabbit should be more costly here because of import duties, transportation costs, safety equipment and a larger engine.

Vanik believes this may be a violation of both the General Agreement on Tariffs and Trade and the Anti-Dumping Act. Vanik sees such a pricing policy, if it exists, as an "attempt by the German industry to maintain employment above and beyond the normal market conditions of fair competition."

Vanik said VW is "trying to export unemployment abroad by creating an artificially low price for the Rabbit." According to Vanik, "If the reports are accurate, then increasing levels of unemployment in the American automobile industry can be directly attributable to the pricing policy of Volkswagen. Accompanying such unemployment, of course, is an enormous cost to the Treasury in reduced tax receipts and increased unemployment benefits."

Vanik—while expressing concern in getting the lowest price and the most efficient cars—is afraid that unfair competition may even destroy public support for the Geneva negotiations and "irreparably damage American support for generally lower tariff rates."

VW says the Rabbit was meant to make a profit. Its price was set last fall when the U. S. dollar was worth 2.60 deutschemarks. Now the dollar equals 2.30 DM. In any case, it is not VW that would be losing money, but

Volkswagen of America, a wholly owned subsidiary but an American corporation.

VW also noted that other companies operating in West Germany may also have had their prices affected by the dollar losing ground vis-a-vis the deutschemark.

Arthur Railton, VWoA vice-president, told Automotive News that VW sells vehicles to VWoA at a profit. VWoA pays for them in deutschemarks which it bought about three months in advance at somewhere between 2.6 and 2.3 but expected the dollar to increase in value.

Once VWoA has paid, it must then await money in dollars from dealers and this time the dollar continued to sink. Railton described the situation as a "singular occurrence that came about because of floating dollars contrary to all expectations."

But he added that all importers face a similar situation and if "dumping" occurs, it is not due to VW's pricing policy but to unpredictable changes in currency rates.

Railton also noted the time lag between the manufacturer sale to the importer in one currency and the importer sale to the dealer in another.

The Rabbit, priced retail at $2,999 has a 1,471-c.c. engine equipped with a catalyst. That price includes dealer markup and handling. The cheapest Golf at retail includes dealer handling and transportation, with a 1,100-c.c. engine and is priced at 7,450 DM.

Adding the value-added tax brings that to 8,275 DM. Using an exchange rate of 2.6 DM, the 8,275 translates into $3,182; subtracting the value-added tax makes that $2,866. But using the rough current value of 2.3 DM per dollar, the Golf's price would be $3,597 counting the value-added tax and $3,240 without it. However, the proper way to compare German vs. U.S. prices would be at shipside in a foreign port and at wholesale prices, especially since dealer markup in Germany is higher than here.

The Treasury Department has not yet decided whether charges against VW warrant an investigation, but it acknowledged that it has complaints other than Vanik's against VW.

Generally, it does consider wholesale prices rather than retail selling prices, and in a previously considered charge of dumping of Japanese cars, the telling feature in deciding against a charge of dumping was the great difference in dealer markup between the two countries.

The treasury does not need a domestic industry complaint and can in fact initiate its own investigation.

EXCERPTS

(Excerpts from testimony of Ronald Glantz, vice-president of Mitchell Hutchins, Inc., automobile industry analyst, before the Auto Industry Task Force of the House of Representatives Committee on Banking, Currency, and Housing, April 11, 1975)

"I would also like to take this opportunity to comment on the one factor that I think has had a more profound impact on American jobs and on Detroit's ability to finance new products than anything we have discussed so far. And that is the tremendous increase in the share of the domestic market taken by imports.

"New car sales last year were 765,000 units higher than in 1964, yet domestic-type new car sales fell by 168,000 units during this period. In other words, imported car sales almost tripled, increasing from 484,000 units to 1,417,000 units. Imports took 16 percent of the market in 1974, and a record 20.5 percent of the market in the first quarter. Obviously Detroit's sales, earnings and balance sheets would look considerably better if it had supplied these sales, rather than foreign manufacturers.

"My analysis of the rise in import market share indicates that the fault lies primarily with Detroit for not providing the American consumer with smaller and more energy-efficient cars. For example, imports had a higher share of the small car market in the first quarter of 1975 than they did in the previous quarter, despite price reductions of American cars as a result of the rebate program. There is persuasive evidence that government discussion of gasoline taxes in January and February caused the consumers to buy foreign cars rather than domestic cars, because foreign cars typically obtain better gasoline mileage. The consumer anticipated taxes on gasoline and reacted accordingly.

"Recent announcements out of Detroit indicate that the industry is finally preparing to build these cars. While it is true that overseas manufacturers have had a price advantage for the majority of the last 10 or 15 years, I doubt that this has been the case since the February 1973 devaluation of the dollar. *There is persuasive evidence that some foreign manufacturers are pricing their exports on an incremental rather than fully-costed basis, which I believe violates dumping provisions of certain of our trade regulations.* (emphasis added)

"It is my belief that Detroit is now able to make a car for less money than a similar car made overseas, once the cost of shipping and tariffs are taken into consideration. However, in the meantime, it is entirely possible that import penetration will continue at record levels for another year or two. . . .[1]

Mr. HANLEY. It is interesting to note also, that American Motors, which is committed to the production of the efficiency automobile, is in distress along with its counterparts.

Mr. GLANTZ. I would like to comemnt on this.

I think perhaps, 10, 15, 20 years ago you did have price leadership in this industry which permitted the various participants to earn a reasonable return. However, I do not think that has been true for the last five or eight years—ever since the imports became an important factor.

In the case of American Motors, it does not have to compete in price with, say, at $7,000 Cadillac; it has to compete in price with a $3,000 Volkswagen. *The fact that imports have been as inexpensive as they have been, relative to American cars, in recent years has hurt the profitability of smaller cars, and, of course, therefore, impacted American Motors quite a bit.* (emphasis added)

". . . at the present time there are really seven major competitors in the automobile industry. In addition to General Motors, Ford and Chrysler, VW, Toyota and Datsun, in March all outsold American Motors. . . . VW, Toyota and Datsun all out-sold American Motors. Volvo you have building in Chesapeake, Virginia at this time, and Toyota has opened up a facility to make truck bodies. So there are more than four manufacturers participating in this market.

Mr. BROWN. In discussing imports and the effect on the domestic market, it was interesting in our panel yesterday, only American Motors advocated tariff quotas on imported cars—temporary. General Motors, Ford and Chrysler representatives all said that they did not support quotas or tariffs, but would rather have us do what we could to make sure that markets were opened up for them—foreign markets, overseas.

Mr. GLANTZ. The reason for that, I think, is reasonably—is related to the fact that General Motors, Ford and Chrysler all have extensive manufacturing operations overseas, while American Motors does not.

Mr. BROWN. I would think that was the real crux of the discussion.

Mr. GLANTZ. I would like to stress something that was on the last page of my report.

There is evidence that foreign manufacturers are dumping cars in this country. British Leyland just testified before the House of Commons to that effect when asked to justify the fact that a Marina cost $300 more in Britain than it did in the United States. And I think this Committee could also look into the question of whether there are violations. (emphasis added)

Mr. BROWN. That is not a serious competitor in this country. What about the three serious competitors? Is there any indication of dumping?

Mr. GLANTZ. I cite the British Leyland example because this is management admitting himself that dumping is going on. It is also reasonably well known that the Volkswagen Rabbit is being sold in this country at a lower price than in Germany.

Mr. BROWN. How can that happen? Because obviously it is dumping?

Mr. GLANTZ. It is dumping, obviously.

Mr. BROWN. Well there is not an immediate—I think the technical terminology is they do an appraisal——

Mr. GLANTZ. I think you should ask that question of the Department of the Treasury. . . .[2]

* * * * *

Mr. GLANTZ. Volkswagen did a very extensive study of the subject and concluded that it made sense to build a car plant in this country, and management was overruled for reasons which had nothing to do with the cost of production.

I think following the various devaluations of the dollar that it is less expensive to build a car here than overseas.

Mr. KELLY. In your presentation you were very careful to point out that American cars are competitive once the cost of shipping and tariff is taken into consideration. If we are that competitive, why do we have to take into consideration transportation and tariff? Why do we not simply say that Detroit will make a car for less money than a similar car made overseas and put a period after that?

Mr. GLANTZ. The answer to that is it does cost more to build a car in this country than in many other countries, but once you take into account shipping and tariffs, we are cheaper. I think there is considerable evidence that the extremely rapid post-war growth in the automobile industries in Europe and Japan left those countries with typically more modern plants.

In addition the generally more rapid growth overseas has allowed those industries to pursue more stable growth rates in inflation operating at a higher rate of capacity . . . (emphasis added) [4]

Mr. BLANCHARD. In a recent study, the economists estimated that every time there is a 250,000 unit sale drop in autos, 57,000 people lose their jobs. . . .

Mr. GLANTZ. That also includes the after market. It would really take quite a long time before you did get that kind of a ratio. . . . It is conceivable that the majority of the jobs lost in the automobile industry would arise in some other form.

But, in the short-term, it could be extremely adverse.

Mr. BLANCHARD. Particularly for anyone who represents suburban Detroit. The job will not be there. There may be another job in Arizona or Houston. The impact on our city could be very traumatic.

Mr. GLANTZ. I agree with you 100 percent. What I wanted to point out in my testimony is the short-term impact would be extremely adverse, and as you pointed out, there would be huge dislocations. . . .[5]

FOOTNOTES

[1] Hearing transcript, pp. 211–212.

[2] *Ibid.*, pp. 226, 227, 228.

[4] *Ibid.*, pp. 234, 235.

[5] *Ibid.*, pp. 248, 249.

CONGRESSIONAL CAMPAIGN FINANCING ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey, Mr. MAGUIRE, is recognized for 5 minutes.

Mr. MAGUIRE. Mr. Speaker, I am introducing today, with Mr. McHugh of New York, the Congressional Campaign Financing Act of 1975, a bill which would establish public funding for congressional elections. Adoption of this legislation—which Senator Mondale also is sponsoring in the Senate—will enable us to do for net year's congressional elections what we have already had the foresight to do for the Presidential election.

One of the singular inequities of our democratic system has always been the undue influence of money—the ability of the wealthy few to dictate to the rest of us who we may choose for public office. A single donor can make possible the initial publicity critical to any candidate's campaign. Where so few can wield so much power, there is always the potential for abuse.

The bill we are introducing would establish public financing on a 1-to-1 matching basis for House and Senate races—both primaries and general elections. To receive public funds for a House race, a candidate would have to raise at least $10,000 in private contributions of less than $100. The public financing would be provided from the same $1 income-tax checkoff which is now used to finance Presidential campaigns.

While a small number of large donations can distort the range of choices provided in our electoral system, there is no doubt that a significant number of small donations may be one of the best indications of widespread support for a candidate. A matching system preserves the power of the average person in this country to help in selecting his or her candidates and Representatives, while minimizing the arbitrary financial power of small cliques to determine who shall have the means to run for public office within our democratic system.

Congress has already recognized the need for public financing and campaign spending controls by passing legislation last year providing for public financing of Presidential elections and imposing expenditure ceilings on campaigns for all Federal elective offices. The matching system established in this bill is identical to that already in effect for Presidential primaries. But while the Presidential law provides an option for total public financing for the general election, our proposal would continue the matching system through the general election for congressional campaigns.

The campaign spending and contribution limits imposed for next year's congressional campaigns are a major step in the direction of reform. House campaigns are now limited to $70,000 in either primary or general elections, and individual contributors are restricted to $1,000. But public financing is still lacking.

The bill we are introducing today, retains the existing ceilings on expenditures and contributions. In addition, it provides public funding for congressional campaigns on a one-for-one matching basis, both in primary and general elections. By collecting at least $10,000 in contributions of less than $100 a candidate must be able to prove initially that he has widespread support. Once he succeeds in doing this, he becomes eligible for matching funds for all contributions of $100 or less. And any candidate who has succeeded in meeting this requirement in the primary election becomes automatically eligible for matching funds in the general election.

The retention of a matching system rather than complete public financing in the general election, provides the flexibility necessary to cope with the divergent character of political contests in different congressional districts. Congressional races frequently produce strong independent candidates, or, at the other extreme, one-party races where the primary is the crucial election. Under the matching system in this bill, a party label does not guarantee a candidate public financing, nor does independent status make it impossible for him to compete with the major party contestants.

In addition, this approach is less costly, and it avoids some of the potential constitutional problems of the complete public financing approach. The estimated cost of congressional races in 1976 under this bill would be $74 million—$19 million for Senate races and $55 million for House races—the estimated costs using total public financing would be $134 million—$34 million for Senate races and $100 million for House races. And the person who wishes to express himself by contributing to a campaign is not prohibited from doing so under a matching system—a possible first amendment violation problem for the total public financing approach.

The Federal share of the congressional matching funds will be provided through the $1 checkoff—the same method presently used for obtaining Presidential matching funds. This year almost a quarter of those filing Federal income tax returns indicated that they wanted $1 placed in the checkoff fund. While this is still somewhat short of the amount needed to totally finance such a system, it indicates tremendous growth in public awareness of and interest in the checkoff since the 3-percent success rate of 1972. Money from the checkoff fund would be provided preferentially to the Presidential campaigns, with the surplus then available for congressional campaigns.

We need an election system which allows and encourages as many people as possible to participate in the electoral process. The person who wants to make a small contribution to the candidate he supports is certainly participating in that process. In the past, the overwhelming power of the large contributor has tended to erode that participation, both by minimizing its effect, and by discouraging any action by the person who might have felt that his dollar or $10 contribution would make no difference in a world of giant donors. Matching, combined with contribution ceilings, is the equalizer.

There is much concern after the events of the last 3 years that people have become indifferent to the political process, and that they no longer care to participate; if true, this would clearly represent the greatest possible danger to our system of Government. But that indifference may well result only from a feeling of futility. There is no better way to get people involved again than to make clear to them that what they do makes a difference. We can achieve this by making Government more open and responsive. And we can achieve this by giving people more power over choosing who will represent them. This means allowing the many, not the few, to take the steps which make a candidate viable. And it means not allowing private wealth the influence in our political process it has enjoyed in the past. The partial public financing approach taken in this bill will, I believe, significantly aid in reestablishing this democratic balance in our electoral system.

REMOVING THE CUBA EMBARGO: CONGRESSIONAL-EXECUTIVE COOPERATION NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Bingham) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, the Subcommittee on Trade and Commerce, and the Subcommittee on International Organizations have been holding joint hearings for several weeks reassessing the complete U.S. trade embargo on Cuba which has been in effect since 1963. The subcommittees have under consideration H.R. 6382, a bill I introduced which would repeal statutory authority for a total embargo. Several additional days of hearings on this issue will be held in the weeks ahead.

On June 11, representatives of the Departments of State, Commerce, and Treasury appeared before the Subcommittees to review the administration and impact of the embargo and express the views of the administration with respect to revision of our embargo policy. Assistant Secretary of State William D. Rogers took the position that Congress should stay out of this matter. "Congress should speak to the rules of the game," he said, "but it should not try to play each hand."

Assistant Secretary Rogers suggested further that H.R. 6382 would "mandate premature dismantlement of the present ban on Cuban trade"—that it would "open the U.S. market to Cuban imports and permit quite free export from the U.S. to Cuba without regard to the other circumstances of our complex relationship" with our Cuban neighbors. Finally, the Assistant Secretary resorted to the State Department's favorite cliche—congressional action would "take away an important element of Executive discretion in the conduct of our foreign relations."

Mr. Speaker, the State Department has only rarely and rather grudgingly been willing to share responsibility with Congress in the making of foreign policy. It is particularly surprising, however, that it should reject partnership with Congress in revising our policy toward Cuba. In his proclamation imposing the embargo, President Kennedy cited as his authority for taking such action section 620(a) of the Foreign Assistance Act of 1961 (Public Law 87-195). That provision of law specifically authorizes the President to impose a complete embargo on Cuba. The imposition of the embargo, then, was a product of joint action by the Congress and the executive branch. In light of that, I find it hard to accept the administration's position that total or partial removal of the embargo should now be left exclusively to the executive branch without guidance from the Congress. If the executive branch relied upon authority from Congress to impose the total embargo, it should welcome congressional action aimed at removing it.

The position taken by the executive branch with respect to removal of the embargo is certain only to prolong it. The State Department appears to take the position that revision of the embargo can be considered and undertaken only as part of a broader negotiating agenda of "interrelated and sensitive national-interest issues" which includes compensation for expropriation of U.S. property, prisoners in Cuban jails, and Cuban activities with respect to Puerto Rico and intervention elsewhere in the hemisphere. Cuba, on the other hand, has consistently taken the position that some revision in the embargo policy must be undertaken before negotiations can begin on these other matters. The result is likely to be an impasse which will prolong the problems of Cuban-American relations, rather than beginning to resolve them.

Mr. Speaker, appropriate action by the Congress could break this impasse and get the process of normalizing our relations with Cuba started without in any way undercutting or restricting the strong negotiating posture which the executive branch will admittedly need to protect American interests and achieve equitable resolution of the difficult problems that remain between our governments. While H.R. 6382 removes the specific statutory authority for the current complete embargo on trade with Cuba, it would in no way reduce or inhibit general statutory authority granted by the Congress to the Executive to control foreign assests and exports. These general authorities—under the Trading With the Enemies Act and the Export Administration Act of 1969—have, in fact, been used to implement the embargo since 1963 and could continue to be used to implement something less than a total embargo.

The practical effect of H.R. 6382 would be to withdraw specific congressional authority under section 620(a) of the Foreign Assistance Act of 1961 and various executive regulations for a complete and total embargo of Cuba. It would not, however, prevent the executive branch from maintaining more limited trade controls against Cuba under its general statutory authorities in this area. It would not, for example, prevent the executive branch from placing Cuba in the so-called "Y" category which currently governs our trade relations with most of Eastern Europe, the Soviet Union, and the Peoples Republic of China, or any one of a number of other categories of limited embargo which we use in dealing with other nations. It would, of course, in no way restrict the executive branch from maintaining an embargo on trade with Cuba in strategic materials—an area in which the executive branch has broad discretionary powers which would be unaffected by H.R. 6382. It would not result in a flood of imports that would disrupt our domestic markets or our trade relations with other nations, since it would in no way reduce the relatively high tariffs applicable to the products of nations lacking most favored nation status.

I find it quite inconsistent that the administration should throw up the need to settle U.S. claims against Cuba as an obstacle to removing the total embargo. We have yet to settle our claims against the People's Republic of China, but that did not prevent us from removing our total embargo on trade with China. Removal of the total trade embargo against China did not lead to a vast volume of trade between the two countries. It did not constitute approval by the United States of the Government of China. We still have major disagreements with that Government, as we do with the Government of Cuba. Nor has removal of the total embargo on China reduced our chances of settling outstanding financial claims between the United States and China. Such claims can and will be settled as part of a United States-China trade agreement that would give China preferred access to our markets as a "most favored nation." Such an agreement with China will be reached only after long negotiations. In the meantime we conduct a modest amount of trade with China in an atmosphere which makes improvements in our political and commercial relations feasible. Removal of our total embargo on Cuba would, in my judgment, have a similarly modest but constructive effect.

Mr. Speaker, there is other evidence of the administration's apparent desire to prolong the Cuban problem by needless diplomatic posturing. The State Department refuses to acknowledge conciliatory gestures on the part of Cuba because these gestures are not accompanied by direct contacts between the two governments which would permit the intent of Cuban actions to be made clear. The latest such gesture—the return of $2 million in hi-jack ransom money and the State Department's response to it—are described in press reports included below.

"The process of improving and normalizing relations, is first and foremost a process of negotiation," Secretary Rogers told our subcommittee, "That negotiation can only be conducted by direct contacts between representatives of the two governments concerned. It cannot be done indirectly through third part intermediaries, or through public statements to the press." The process of normalization is certainly one of negotiation. The problems and disagreements to be resolved are difficult ones. The negotiations, under the best of circumstances, are likely to be long and arduous. They must, of course, be conducted by the executive branch and conducted directly with the Cubans. At this stage, however, there is no useful purpose to be served by making the process any longer and more arduous than need be by adhering to diplomatic formalities and setting conditions that constitute obstacles to negotiation and direct contact.

Mr. Speaker, action is needed by the Congress that can get this standoff between our Government and the Cuban Government off dead center—that will allow the long process of negotiating our differences and restoring normal relations to get started by clearing away obstacles the executive branch seems determined to create. Such action by the Congress need not and should not undercut our bargaining position. It should only mandate sufficient movement and change in our position to permit the process of bargaining to begin. That, Mr. Speaker, is the intent and—I believe—the effect of H.R. 6382.

Mr. Speaker, the whole matter of trade with Cuba is presently complicated by the existence of a multilateral embargo, to which the United States is a party, by the Organization of American States. The executive branch feels committed to the OAS position, and rightly so in my view. The OAS, however, is expected to lift the multilateral embargo at its July meeting in Costa Rica, at which time the United States will be free to reexamine and revise its own policy.

I have asked Assistant Secretary Rogers to appear again before the subcommittees following the Costa Rica meetings to report in detail any actions taken. In the meantime, I am prepared to work with the State Department to review the provisions of H.R. 6382 in hopes of arriving at a formula for joint congressional and executive action that will permit negotiations to get underway between the United States and Cuba soon after any change in the OAS policy. In particular, I am willing to review any specific provisions which the executive branch may consider unduly restrictive or potentially damaging to the U.S. position in future negotiations. The provisions of the bill, for example, relating to asset controls may need to be clarified.

The $30 million of Cuban assets in this country hardly constitutes, it seems to me, a major bargaining chip, particularly when American claims against Cuba are in excess of $1.5 billion. But there may be some usefulness in retaining some controls on assets for purposes of future negotiations.

In summary, joint action by Congress and the executive branch on this matter is both necessary if we are to make progress without undue delay on the Cuban problem, and appropriate under our Constitutional system of shared responsibilities in the field of foreign policymaking. Executive flexibility and discretion must be preserved, but not to the point of permitting needless footdragging. Congressional action should have the effect of assuring prompt negotiations, but not to the point of weakening the American negotiating posture. Hopefully the Congress will approve H.R. 6382 with that in mind.

The report follows:

[From the Washington Post, June 17, 1975]

Castro Will Return $2 Million Ransom

Cuban Premier Fidel Castro has agreed to release a $2 million ransom paid by Southern Airways for the return of a plane and passengers hijacked in 1972, Sen. George McGovern disclosed yesterday.

Castro announced the latest in a series of conciliatory moves toward the United States in a letter to McGovern and said he found reasonable arguments for return of the ransom.

McGovern (D-S.D.) met with Castro in Havana last March and discussed the ransom with the Cuban leader, A plea for the return of the money also was made by Sen. John J. Sparkman (D-Ala.), chairman of the Senate Foreign Relations Committee.

Last Friday, McGovern received a letter presumably delivered by the Czechoslovak embassy, which represents Cuban interests in the United States. The letter states:

"Finding Sen. Sparkman's argument to be reasonable and having in mind even more the actions of the senator [McGovern] against the unjust blockade imposed upon our country and the interest that you demonstrated in this case during your recent trip to Cuba, we have communicated to Sen. Sparkman the decision that the Revolutionary Government of Cuba of giving a positive answer to that request."

The Southern Airways DC-9 jet was hijacked in November, 1972, and forced to fly to Havana, where the passengers and crew were released in return for the $2 million ransom.

The Castro government took the money from the hijackers and immediately wrote out a $2 million check to Southern Airways.

However, the money was unavailable to the airline because the check was drawn on the Cuban government's account with Chase Manhattan Bank in New York—an account that the U.S. government froze in 1961 in retaliation for Castro's expropriation of American property in Cuba.

When he met with Castro, McGovern carried his own plea and a letter from Sparkman urging that the money be returned as an element of efforts to normalize U.S.-Cuban relations.

Last year, following Havana visits by Sens. Jacob K. Javits (R-N.Y.) and Claiborne Pell (D-R.I.), Castro agreed to release three Americans being held in Cuban prisons on marijuana smuggling charges.

Javits and Pell urged the United States to begin steps that could end in a thawing of relations with Havana.

After his visit, McGovern said Castro had made it clear that he would be willing to begin the thaw if the United States took the first step by removing its embargo on the shipment of food and drugs to Cuba.

A meeting of the Organization of American States has been set for July 6 in San Jose, Costa Rica, to discuss means to lift the embargo on Cuba. The U.S. has endorsed the move.

[From the New York Times, June 18, 1975]

U.S. GREETS PLAN TO RETURN RANSOM BUT CHIDES CASTRO

WASHINGTON, June 17 (UPI).—The State Department welcomed today the news of Cuba's plan to return a ransom to a United States airline but sent a broad hint to Premier Fidel Castro that it might be better if he communicated with the State Department through diplomatic channels rather than through Congressmen.

Senator George McGovern, Democrat of South Dakota, yesterday announced Cuba's decision to return $2-million obtained by highjackers from Southern Airways in 1972.

The move was interpreted as a gesture by Cuba toward reconciliation with the United States. But a state department spokesman, Robert Anderson, said that there was no way for the United States Government to assess Cuba's motives in returning the money.

He said that it would be preferable to discuss matters such as this "between governments rather than through individual Senators and Congressmen" as this channel "gives no opportunity to evaluate what the other side has in mind."

TOWARD A CONGRESSIONAL ENERGY POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. KRUEGER) is recognized for 5 minutes.

Mr. KRUEGER. Mr. Speaker, in the next few weeks, Congress will be finalizing its energy program. The development of energy policy, much like the development of new energy sources, requires long lead times; if we have not acted in haste, let it at least be said that we have acted well.

As a member of three subcommittees dealing exclusively with energy matters, my own education in energy matters has proceeded vigorously. When at times I feared we were involved in too much detail, I simply recalled the lack of adequate planning in the past and the administration's frequent failure to analyze the implications of its current proposals.

Indeed, part of the reason for some of the seeming delay regarding energy legislation is that, whereas committees dealing with areas such as defense, agriculture, and banking, have long experience and expertise, committees on energy are newer. The urgency of energy legislation has come to the fore only in the last 2 years; and therefore there has not yet developed a tradition of major energy legislation comparable to that offered by other committees.

Currently, we have before us several major energy proposals. Considered separately, each retains its merit; when considered together, these proposals constitute a program we can all be proud of.

In this statement, I will sketch what I perceive to be the paradigm of Democratic—no, bipartisan—congressional action that can emerge. Though such a synthesis may suggest presumption, I acknowledge that this program could not be before us without the countless manhours of investigation, advocacy, and compromise by most of the Members of this House. As is appropriate for a Member who has sought to specialize in order to maximize his contribution, the last and most vital facet of this program—the reform of oil pricing policy as has been considered by the Interstate and Foreign Commerce Committee—will receive a more careful attention in this statement. However, I strongly endorse all aspects of the program here outlined.

I. AUTO FUEL EFFICIENCY

The Ways and Means measure has disappointed some because it provided no panacea. Perhaps there were some Members who equate decisiveness with the enactment of one single measure. Such hope was unrealistic. Nevertheless, the Ways and Means bill provided several crucial measures. The most prominent provision is that mandating auto fuel economy standards. Nobody seems to deny the discretionary nature of a considerable amount of automobile gasoline consumption. The need for a more fuel efficient sales mix of automobiles, belatedly recognized by the auto industry, is validated by majorities on both sides of the aisle.

While the administration has undertaken a dialog with auto manufacturers on this issue, it has failed to specify concrete statutory language. Under the Ways and Means language, we would make a national commitment to improve fuel efficiency by more than 40 percent in automobiles. Undoubtedly, this proposal will cause some hardship for those people desiring the luxury standards of the past; because gas guzzlers would be in decreased supply, their prices would rise. Yet the time has clearly caught up with this need for reordered priorities.

This aspect of H.R. 6860 alone commends the positive House action on the bill.

II. ERDA: THE DEVELOPMENT OF ALTERNATIVE ENERGY SUPPLIES

Today we approved authorizations for the Energy Research and Development Administration. This program is the most extensive national commitment for programed technological development since the inception of our space effort. The ERDA program includes a massive commitment to our most underutilized resource base, coal. The high risk, research intensive efforts of private industry in the fields of coal liquefaction and gasification will be accelerated by the ERDA effort. The authorization subcommittees wisely approved huge increases in our funding of research in solar energy and conservation technologies—we will be asked to authorize over a quarter of a billion dollars for these programs alone. Increased funding will be requested, and should be granted, for such programs as geothermal energy development and the enhanced recovery of oil and gas. Currently, our geothermal resources are neglected and we are unable to recover, due to technological constraints, over two-thirds of oil-in-place in our proven reserves.

The huge outlays requested in H.R. 3474 could conceivably be questioned on fiscal grounds. Few members have voted more consistently than I for decreased Federal expenditures. Yet these ERDA expenditures, instead of jeopardizing the capital base of our Nation, will actually enhance this base. Just as every major corporation in this country incurs debt obligations in order to advance beneficial investments, so must we accept the fiscal burden in this crucial area of energy research. ERDA is a keystone of our Nation's long term energy policy.

III. DEVELOPMENT OF NAVAL PETROLEUM RESERVES AND THE CREATION OF A STRATEGIC PETROLEUM RESERVE

At present, the most promising means to increase immediate shortrun domestic petroleum supply involves the careful development of our naval petroleum reserves as envisioned in H.R. 49. Development of these resources could yield over 160,000 barrels per day in increased domestic production within a span of a few months. NPR-4 in Alaska holds vast potential promise, in the neighborhood of over a million barrels per day, and has not yet been explored, doing little good for anybody. Efforts made to develop these and offshore resources with tough environmental safeguards should be expedited.

The long-term need for strategic petroleum storage will be fulfilled by strategic petroleum reserves—a concept that has originated in the other body over the last few years and has been advocated by the administration and a broad spectrum of economists. Instead of the inefficient storage of oil in place that can only be recovered slowly—as in the current naval reserves—these strategic petroleum reserves will be located in easily accessible salt domes available for use during embargo. Cost/benefit analyses of the reserve concept show the program to be overwhelmingly desirable—not only in terms of mitigating the economic repercussions of embargo, but in deterring an embargo by lessening the possible success of embargo. The strategic petroleum reserve concept will be offered in the Commerce Committee bill, H.R. 7014 and possibly as an amendment to H.R. 49. This matter deserves the overwhelming support of Congress.

IV. OIL PRICING REGULATION

All measures which address the objective reality of the increased value of energy inevitably lead to the reformation of our primary energy market, the market for domestic petroleum and refined products. The Ways and Means bill was constrained by jurisdictional limitations from addressing this issue head-on.

It is perhaps useful to recognize the position of oil and gas in our total energy consumption. Roughly 78 percent of this Nation's total energy is currently supplied by oil and gas. Roughly 15 percent by coal, 4 percent by hydroelectric, and 1 percent by nuclear—nuclear energy last year provided only slightly more energy than firewood.

Since almost all the major rivers that might provide hydroelectric energy have been dammed, we could not expect much increase there. More safe nuclear energy is on the way, but the leadtimes are very great and we cannot expect any large increase in our energy supplies from nuclear sources for 10 to 20 years. The first major contributions from breeder reactors are not expected until about the year 2000.

Clearly coal is going to be an energy source of increasing importance, but, in addition to the environmental hazards, both for users and miners, we face the problem of equipment conversion from oil and natural gas to coal. Further, railways must be improved before coal could be easily shipped and slurry pipelines cannot be constructed overnight.

As a result of the ERDA authorizations which we voted today, this country will have access to solar, geothermal, wind, and other more exotic forms of energy in the future. But, these sources are not yet economically competitive and cannot supply more than our hopes for the next year or two. Their real service is still a decade or so away. We must support the development of and we must simultaneously realize the limitations of these sources of energy.

Thus, whatever our hopes for other sources of energy are in the future, we return to heavy reliance on oil and gas for the next decade.

OIL PRICING

No one can deny the fact that our energy decisions inevitably deal with the question of oil pricing; OPEC alone, and our increasing import dependence, insure us of this. The heart of the energy problem, the question all energy legislation seeks to address, is America's import dependency. Dependence on foreign oil involves the exportation of American jobs and equity. The United States loses the "multiplier" effect of domestic investment—the positive impact of domestically recycling investment funds spent for exploration and development.

The strategic implications of the massive shift of economic power to the OPEC states is awesome as the United States faces challenges in the Middle East, is maintaining the "Western" alliance, in securing our vital ties to the Japanese people, and in dealing with the economic challenges of the underdeveloped world. Chronic drains on our balance of payments create an untenable situation for the American consumer and worker as the price of imports is forced up while the ability to export diminishes.

Two additional aspects of the problem cannot be ignored. First, the United States is trying to take the leadership in an initiative by oil importing nations to secure increased bargaining power vis-à-vis the OPEC states. As the world's largest consumer of oil with a potentially vast source of indigenous supply, the United States must be acutely aware of its global responsibilities for conservation and full utilization of domestic supplies. The Organization for Economic Cooperation and Development has recently released a study showing that the U.S. per capita energy use in terms of oil equivalent tons is 9.06 in contrast to: Japan, 3.21, Australia, 4.62, France, 3.54, Germany, 4.75, and the United Kingdom, 4.35. Yet, while these countries pursue aggressive demand restraint measures, the United States persists in artificially depressing oil prices. We must face this responsibility.

CURRENT ATTITUDES

Second, the Congress must take into account the implications of current administration attitudes. For better or worse, the President consistently focuses major concern on the question of petroleum pricing. If a satisfactory solution to this problem is not forthcoming from the Congress, the possibility of unilateral Presidential action is obvious. The administration does, at times, appear unreasonably intransigent, as in FEA Administrator Frank Zarb's June 16 letter to Chairman STAGGERS criticizing the oil pricing plan adopted by the Subcommittee on Energy and Power—see summary at end.

Yet, if Congress will face the issue of the need to increase domestic petroleum production, we stand on much more solid economic and political grounds than if we were to opt for solutions that fail to address the import and production questions. A failure to achieve executive/congressional compromise based primarily on congressional neglect of inducing increased domestic production, would jeopardize the crucial extension of the Emergency Petroleum Allocation Act—the authority for any price control—which is due to expire at this summer's end. The President is well aware of the increasing public mandate for decisive energy action. A Louis Harris poll, reported the Philadelphia Inquirer on May 5, found that the American people favored an end to Government control of oil and gas prices by a margin of 46 to 31 percent.

In order to fully appreciate the significance of the oil pricing question, we must examine historical trends in pricing and supply. Real oil prices and exploration activity declined from the mid-1950's to the early 1970's. From 1957 to 1973, the real domestic oil fell by $1.09 per barrel. The number of firms in the industry declined by almost 10,000 in this period. From 1955 to the early 1970's, the number of crew months used on exploration and the number of active drilling rigs both declined by almost two-thirds.

Ironically, the price decreases that resulted in these explorations and development declines were largely attributable to the influence of cheap foreign oil. According to a recent impressive study by Economist Robert Nathan, the economic costs of finding oil during this period far exceeded the price of oil.

When the Nixon administration phased the country with price controls, oil was included; crude petroleum is the only commodity still under the phase IV price control structure.

DRILLING ACTIVITY

Due to the increases in uncontrolled oil prices since the oil embargo, drilling activity has boomed. The number of active rigs increased from an average of 975 per month in 1971 to 1,194 per month in 1973 to more than 1,600 per month today. From 1973 to 1974 alone, oil well drilling increased by 28.9 percent. Comparing January through April 1975 with the corresponding 1974 period, oil well completion in the United States jumped by 49 percent. The cost of producing oil soared during this period while the average find per exploratory well declined.

Oil production involves a leadtime of 3 to 5 years. The legacy of the pre-embargo industry stagnation continues to haunt domestic production. However, only through increased drilling activity now can we expect increased production in the future. From 1972 to 1974 alone, the line miles of seismic exploration more than doubled, reaffirming the crucial role of price as a regulator or exploration activity.

Just last month, the benefits of this increased activity began to reverse the tide of production declines. Production in Texas has begun to rise. Though new tax restrictions endanger drilling activity, the return to market prices can maintain and stimulate production. It is important to note that 85 percent of all this new drilling activity is attributable to independent firms. Market pricing is vital in retaining a competitive market because smaller firms do not have integrated operations with which to subsidize production operations. Any restrictions on new oil pricing will disproportionately disrupt independent firms which produce approximately half of all new oil.

CURRENT TWO-TIER PRICING SYSTEM

Problems have occurred because of the conceptual and structural deficiencies of the current oil pricing system. The two-tier nature of the system—charging two different prices for the same commodity—has caused numerous problems. A cost-equalization plan—the "entitlements program" designed to protect refiners with large allotments of uncontrolled oil—has resulted in the averaging of imported oil costs with the costs of controlled domestic oil. This system has the effect of decreasing significantly the net cost of imported oil to the refiner and consumer, thereby inflating the demand for foreign oil. The two-tier system amounts to a subsidy for OPSC; if we must spend $12 per barrel for the marginal barrel of oil it is far better to spend it in the United States rather than in Saudi Arabia.

Any proposal, such as the one advocated by Mr. Eckhardt, which creates an artificial price ceiling on domestic oil will result in the cost-equalization dilemma: either we continue some variant of the "entitlements program"—whereby refiners of domestic oil must pay hundreds of millions of dollars to imported crude refiners—and continue to subsidize OPEC, or we scrap the "entitlements program" and create vast regional disparities in the retail price of refined products.

The serious defect in the structure of the two-tier pricing system as presently constituted is the failure to recognize the significance of normal field declines when defining "old" oil, while attempting to compensate for this failure by creating an irrational system of removing controls on "released" oil. Old oil, under current regulations, is defined on the basis of 1972 production levels; yet oil fields naturally experience production declines. Producers are discouraged from increasing old oil field recovery through the use of enhanced recovery techniques because the additional expensive oil would have to sell at the unrealistic price of $5.25 per barrel. The enhanced recovery problem is very significant. Today we normally recover less than one-fifth of the oil from the ground in proven discoveries. The remaining four-fifths stays in the ground unless secondary recovery techniques are applied, which, on an average, bring production up to 26 percent. Tertiary production can enlarge production to about 33 percent. Currently, about 40 percent of domestic production is derived from enhanced recovery techniques. The U.S. Geological Survey stated yesterday that higher prices could increase eventual recovery by 50 percent.

As time progresses, the gap between the 1972 production level from a property and the real declining production from the property widens. Oil that is produced to fill this gap should not be regulated at the prices intended as ceilings on primary production from old fields.

Producers are allowed to release from old oil controls an amount equal to the production from oil fields exceeding the 1972 production levels. This system of "released" oil undoubtedly provides an incentive from producing above 1972 levels. However, this is a clumsy, costly way of creating an acceptable incentive structure. It tends to discriminate against those firms newly engaged in oil production and to increase the price of oil where such increases are least warranted.

Economist Charles L. Schultze of the Brookings Institute explained the following needed changes:

> Oil production from a property which has been fully developed in the past tends to decline each year, as the pressure gets progressively less. On the average in the United States, the decline rate is about 12 percent a year. Hence, in 1975 an old property will produce at about 68 percent of its 1972 base. By installing secondary recovery projects, the production from old properties can be increased. However in most cases secondary recovery methods will not raise 1975 production by an amount sufficient to exceed the 1972 base—to over 100 percent of the 1972 level. As a consequence additional oil produced from secondary projects will not be able to qualify as new oil, and hence will only command the $5.25 old oil price. In other words, the current artificial definition of 'old' oil discourages production of additional oil from secondary recovery projects. One way to avoid this problem is to define old oil as 1972 production less 12 percent per year, and also to do away with the concept of released oil. The revised definition of old oil would then be based on the facts of the oil producing industry.

The result of the establishment of a decline adjustment factor with the elimination of "released" oil will vary from firm to firm. Firms such as Exxon claim that the net revenue result is negative. But the system does place the emphasis where it is appropriate—higher prices to producers are only allowed at the margins of production: New and enhanced recovery oil.

None of the numerous economists that have testified this year before the Subcommittee on Energy and Power or the Ways and Means Committee has advocated price ceilings or new taxes of any sort on currently uncontrolled oil. This is not to say, however, that Congress should not guarantee what economic theory dictates—a substantial part of profits should be reinvested.

The February 1975 "Congressional Program of Economic Recovery and Energy Sufficiency" prepared by Democratic Task Forces working in both Houses claimed:

> The oil price control program should be modified also to create sufficient incentives to produce all oil that can be recovery economically through secondary and tertiary recovery, substantially increasing the amount of oil ultimately produced from the average field. Perhaps the most effective plan would be to include some decontrol treatment for secondary and tertiary recovery as "new" oil.

Having passed the Ways and Means bill yesterday, moving on ERDA today, and considering H.R. 49 next week, the House will have taken three large steps to increased self-sufficiency. The Committee on Interstate and Foreign Commerce is currently considering the oil pricing issue. Whatever the resolution of the issue in that committee, the oil pricing question as outlined in my remarks should certainly be the keystone of any comprehensive program. We all agree that energy legislation is one of the most critical areas of legislation faced by this Congress. It is an issue too important to be determined by prejudice or partisanship, by emotion or short-term popular solutions. If the Congress is to be seen as an equal branch of Government, its members must be willing to cast some difficult votes.

I hope that the energy issue will be of sufficient importance to merit the attention of Members in the days ahead, and I shall be providing some information for the record to assist in our formulating an appropriate energy policy—one that might merit support from the Congress, the President, and the Nation.

THE KRUEGER OIL PRICING PLAN:

A SUMMARY

First. Insure that new enhanced recovery production is treated as new oil by defining "old" oil production as that production from fields producing in 1972 that is less than some decline factor for the field. A reasonable decline adjustment would be 12 percent per year.

Second. Oil produced from a field producing in 1972 currently produced in amounts less than or up to a decline adjustment factor—1972 production levels less 1 percent per month since May 1972—would be priced as "old" oil under current regulations—at a national average of $5.25. This is the only oil to which a ceiling price would apply. This oil is priced as it would be under current regulations.

Third. Oil produced from a field producing in 1972 currently produced in amounts greater than the decline adjustment factor—1972 production levels less 1 percent per month since May 1972—but less than the 1972 production level would sell at the market price. This oil would be subject to an inflation minimization tax equal to 90 percent of the difference between $5.75 per barrel and the market price. The $5.75 base would be increased at the rate of one-half percent per month. Under current regulations this oil would be priced at $5.25 if it were produced at all. Market pricing is necessary in order to stimulate enhanced recovery from old oil fields while eliminating the two-tier pricing system. The tax recycled to consumers counters the adverse impact of the price rise on low- and middle-income consumers.

Fourth. Oil produced from properties that have been brought into production since 1972 and oil produced from properties producing in 1972 at levels in excess of 1972 production levels would continue to sell at the market price but would be subject to a production maximization tax equal to 90 percent of the difference between $7.50 per barrel and the market price. The $7.50 base would be increased at the rate of one-half percent per month. The producer is allowed a credit against this tax liability equal to the total of qualified exploration and production investments. This provision retains the current pricing for this oil but increases potential liability to insure that the producer plows back his revenues into further production.

Fifth. The category of released oil is eliminated.

Sixth. Tertiary production is freed from price controls and windfall profits taxation.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. Moffett) is recognized for 5 minutes.

Mr. MOFFETT. Mr. Speaker, I was unavoidably detained today and consequently was unable to vote on roll No. 325, final passage of fiscal year 1976 energy research and development administration authorization. I ask that the Record show that, had I been present, I would have cast a nay vote, based on my conviction that the priorities in this measure are in need of drastic reordering. I object to the overemphasis on funds for nuclear programs—particularly the breeder reactor—and underemphasis on nonnuclear energy alternatives.

PERSONAL EXPLANATION: OVERRIDE OF SURFACE MINING ACT OF 1975

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, I was in Detroit holding gun control hearings as chairman of the Judiciary Crime Subcommittee and was unable to vote to override the President's veto of the Surface Mining Control and Reclamation Act of 1975. I wish to reaffirm my commitment to strict environmental protection controls in the area of strip mining and pledge to continue to actively oppose any future bills that is weaker than the vetoed one.

The purpose of the act was to prevent further damage to the environment resulting from strip mining and to restore those lands which have been already mined. The coal industry would have been required to shoulder the cost of restoring these lands. Though only 3 percent of our coal resources can be strip mined, the coal industry has increasingly relied on surface mining. The industry claims this method is faster, cheaper, safer, and more efficient than underground mining. What they really mean is that strip mining is far more profitable.

In the long run, however, underground mining is not only more productive of our energy resources but also is more protective of our environment. There presently exists mine safety technologies for underground mining. Great Britain has had safe mines for years. Yet since the 1950's the mining industry has resisted technological innovations that would have spared the lives of thousands of coal miners who died in mine explosions.

In 1973 coal contributed to only 18 percent of the Nation's energy supply, whereas petroleum and natural gas contributed about 77 percent. Yet coal is the most abundant of our energy resources. As petroleum prices climb and oil reserves become depleted, this country will have to return to coal as a prime source of energy.

It is time the Government assumes responsibility for an overall energy program that does not jeopardize broad public interests such as the consumers' need for cheap, efficient energy and the need to protect our environment. At all levels government has catered to the profits and conveniences of the coal and oil industries. The mindless destruction of the Nation's land resources must cease.

The need for Federal regulation of strip mining is evidenced by the fact that 80 percent of all coal mined in the Western United States is recovered from the surface of public lands managed by the Federal Government. If the Government manages this land as a national trust, how is it that it permits its spoilage? This suggests that the Federal Government is either indifferent to environmental protection or else working in collusion with private interests. I wish to remind my colleagues that this Nation exists for the benefit of its people and their living environment and not for the aggrandizement of corporate profit.

U.S. ASSISTANCE TO LATIN AMERICA

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, frequently it has been suggested that the United States does not pay enough attention to Latin America and that a sign of this is the declining level of U.S. assistance to the area. On previous occasions I have pointed out that this is simply not the case. Overall assistance flows to Latin America have increased to an alltime high and the United States continues to play a prime role in supporting the development programs of our hemisphere neighbors.

The following chart details the flow of assistance to Latin America from fiscal years 1961 to 1974. In reading the chart it should be remembered that as a deliberate policy the United States in recent years has increasingly channeled U.S. funds through such international institutions as the World Bank and the Inter-American Development Bank. The United States continues to be the leading contributor to both these institutions and has played a major role in seeking large contributions to them from third countries in order to increase funds available to Latin America.

I express my appreciation to the Agency for International Development for preparing the chart in response to my request.

The table follows:

SUMMARY OF TOTAL ECONOMIC ASSISTANCE TO LATIN AMERICA—BY MAJOR DONOR GROUP

[Net commitments in millions of U.S. dollars; fiscal years 1961–74]

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	Preliminary 1974
Total official U.S. economic assistance	838.0	897.7	911.0	1,130.0	898.0	969.2	1,085.2	1,025.4	665.4	726.4	576.7	[6] 1,065.6	[6] 944.6	[6] 1,150.2
A. AID	253.7	478.7	542.0	603.0	523.1	638.3	556.9	496.9	290.4	377.7	260.6	338.0	314.4	[7] 232.8
(1) Loans	143.9	358.8	393.9	511.3	399.8	506.3	466.9	414.3	210.1	280.5	167.8	244.5	224.7	165.4
(2) Grants	109.8	119.9	148.1	91.7	123.3	132.0	90.1	82.6	80.3	97.2	92.7	93.5	89.7	67.4
B. Other development assistance[1]	147.3	358.6	308.3	361.3	231.2	203.4	98.4	229.1	114.0	185.5	132.4	139.0	121.9	107.8
Subtotal, US/ODA	401.0	837.3	850.3	964.3	754.3	841.7	655.3	726.0	404.4	563.2	393.0	477.0	436.3	340.6
C. Eximbank, CCC, OPIC, PTA (=Econ)	437.0	60.4	60.7	165.7	143.7	127.5	429.9	299.4	261.0	163.2	183.7	588.6	508.3	809.6
International organizations	262.7	626.2	373.4	437.7	527.5	837.8	774.8	833.2	1,035.6	1,467.1	1,428.8	1,583.6	1,600.0	2,196.9
D. Banks	221.8	582.2	325.4	384.4	467.5	756.9	720.8	778.9	980.2	1,415.6	1,360.4	1,503.4	1,537.3	2,144.4
(1) IBRD and IDA	157.4	438.1	132.3	260.7	223.5	372.2	271.7	381.3	466.4	714.0	704.2	926.5	610.9	948.3
(2) IFC (=Econ)	3.1	7.7	10.0	5.5	10.2	22.4	11.5	12.2	24.6	33.5	41.7	40.6	61.7	131.7
(3) IDB: OC and FSO[2]	61.3	136.4	183.1	118.2	233.8	362.3	437.6	385.4	489.2	668.1	614.5	536.3	864.7	1,064.4
E. Other (UN; EEC)[3]	40.9	44.0	48.0	53.3	60.0	80.9	54.0	54.3	55.4	51.5	68.4	80.2	62.7	52.5
OECD/DAC—excl. dependencies[3,4]	86.5	156.1	204.6	195.3	231.3	211.7	190.1	237.4	169.2	224.3	173.8	216.7	*216.7	*216.7
Grand total economic	1,187.2	1,680.0	1,489.0	1,763.0	1,656.8	2,018.7	2,050.1	2,096.0	1,870.2	2,417.8	2,179.3	2,865.9	2,761.3	3,563.8
Total development assistance (ODA)[5] (excl. Ex-Im and IFC)	747.1	1,611.9	1,418.3	1,591.8	1,502.9	1,868.8	1,608.7	1,784.4	1,584.6	2,221.1	1,953.9	2,236.7	2,191.3	2,622.5
Ratios:														
A. Total U.S. economic as percent of grand total	70.6	53.4	61.2	64.1	54.2	48.0	52.9	48.9	35.6	30.0	26.5	37.2	34.2	32.3
B. US/ODA as percent of total ODA	53.7	51.9	60.0	60.6	50.2	45.0	40.7	40.7	25.5	25.4	20.1	21.3	19.9	13.0
C. AID loans as percent of total AID and bank loans (excl. IFC)	39.7	38.4	55.5	57.4	46.6	40.8	39.7	35.1	18.0	16.9	11.3	14.3	13.2	7.6

[1] Food for Peace; Social Progress Trust Fund of the Inter-American Development Bank (IDB/SPTF); Peace Corps, Inter-American Highway.

[2] Adjusted to U.S. fiscal year basis.

[3] U.N., EEC, and DAC data are for calendar years.

[4] DAC data exclude flows to dependencies and flows from the United States. Data are gross disbursements. 1961 through 1968 data include Official Development Assistance (ODA) and Other Official Flows (OOF); 1969 and later data include ODA only.

[5] ODA equals Official concessional aid for development purposes.

[6] U.S. figures for 1972, 1973, and 1974 are gross commitments.

[7] AID for 1974 excludes approximately $23,000,000 operating expenses.

*Estimated.

PENSION REFORM LEGISLATION

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, despite administration protestations that the recession has "bottomed out" and that we will soon see the effects of economic recovery, I remain unconvinced. Each day, it seems, we read of another industrial plant closing down somewhere, hundreds of employees being thrown out of work, unemployment benefits running out, and more stories of personal tragedy and hardship.

The impact of this sad state of affairs was brought home to bear in my home county of Westchester when the Anaconda Wire & Cable Co. recently announced it would close its doors in Hastings-on-Hudson, N.Y. Despite protests from loyal employees who had spent most of their adult lives working at the plant, despite the action of local public officials to try to negotiate with Anaconda to keep the plant open, and despite a highly successful petition drive to express public support for the Anaconda employees, management was not swayed. The decision to close the plant was irreversible and over 300 people were thrown out of work.

Over 200 of these were the members of local 404 of the International Union of Electrical Workers, many of them with long terms of service for Anaconda. Many were over 50 and had terms of service as long as 30 years. Where are these men to go now to get work? In these times, it is unlikely that many of them will find work.

The financial burden of this crisis could have been alleviated somewhat if the pension plan under which these workers were covered provided for some form of immediate payment of benefits. But as things stood, only 71 of the 226 employees were fully vested and eligible for immediate payment of benefits. The remaining 155 are without any source of income—except unemployment—because neither the pension plan nor ERISA, the Pension Reform Act which Congress passed last year, provides any protection for these men.

I am introducing a bill today to amend ERISA. My bill would amend ERISA and the IRS Code to provide that persons aged 55 or over who are fully vested under a pension plan shall be entitled to pension benefits when their employment is terminated by their employer. I believe that men such as these loyal Anaconda employees are entitled to this protection. The key provision of my bill states that—

> A participant who has attained the age of 55 and has a nonforfeitable right to 100 per cent of his accrued benefit derived from employer contributions may elect that payment of his benefits under the plan shall begin not later than the 60th day after the close of the plan year in which he is separated from his service by the employer. The benefits received by a participant making an election under the preceding sentence may be paid in the form of an annuity or as a lump sum distribution but in either case, such benefits shall not be less than the benefits to which the participant would be entitled at the normal retirement age, actuarially reduced under regulations prescribed under this subsection.

This is the least we can do for those Americans who are being unemployed during this recession and who cannot find work elsewhere because of their age. It is a small measure of help and hope, not only for the employees of Anaconda in Westchester but for many millions of American men and women.

The text of the bill is included for reference:

H.R. 8086

A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to provide that persons aged 55 or over who are fully vested under a pension plan shall be entitled to pension benefits when their employment is terminated by their employer

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENT OF EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Section 1. Section 206(a) of the Employee Retirement Income Security Act of 1974 is amended by inserting the following at the end thereof: "Notwithstanding the foregoing provisions of this subsection, each pension plan shall provide that a participant who has attained the age of 55 and has a nonforfeitable right to 100 percent of his accrued benefit derived from employer contributions may elect that payment of his benefits under the plan shall begin not later than the sixtieth day after the close of the plan year in which he is separated from his service by the employer. The benefits received by a participant making an election under the preceding sentence may be paid in the form of an annuity or as a lump sum distribution but in either case, such benefits shall not be less than the benefits to which the participant would be entitled at the normal retirement age, actuarially reduced under regulations prescribed under this subsection."

AMENDMENT OF INTERNAL REVENUE CODE

Sec. 2. Section 401(a)(14) of the Internal Revenue Code of 1954 (relating to requirements for qualified plans that payment of benefits begin on a certain date) is amended by inserting the following immediately after subparagraph (C) thereof: "Notwithstanding the foregoing provisions of this paragraph, a trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that a participant who has attained the age of 55 and has a nonforfeitable right to 100 percent of his accrued benefit derived from employer contributions may elect that payment of his benefits under the plan shall begin not later than the sixtieth day after the close of the plan year in which he is separated from his service with the employer by the employer. The benefits received by a participant making an election under the preceding sentence may be paid in the form of an annuity or as a lump sum distribution but in either case, such benefits shall not be less than the benefits to which the participant would be entitled at the normal retirement age, actuarially reduced under regulations prescribed under this subsection."

EFFECTIVE DATE

Sec. 3. The amendments made by this Act shall apply in the case of plan years beginning after the date of the enactment of this Act or at such later date as may be provided by section 211(c) of this Act.

CANADIAN CONCERN EXPRESSED ON GARRISON DIVERSION PROJECT

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, yesterday my colleague, Mr. Moorhead of Pennsylvania, who chairs the Government Operations Committee's Subcommittee on Conservation and Natural Resources, exposed attempts by the Department of the Interior to withhold information pertinent to the controversial Garrison diversion project.

I share Mr. Moorhead's concern with this intolerable action by the Department. I am also concerned with its likely impact on our relations with our neighbors in Canada. The Canadians have expressed serious concern about the Garrison diversion project and its potential impact on Canadian resources; in fact, the Canadian Government has requested the Government of the United States to halt construction of the project.

I recently received a letter from Dean Whiteway, a Member of the Canadian House of Commons from Selkirk, Manitoba, in which he said:

> The Garrison Diversion Project of North Dakota in its final development phase will have serious implications on the waterways of Manitoba, namely, Souris River, Assiniboine River and the Red River. As a Member of Parliament for the Federal Riding of Selkirk, Manitoba, I am somewhat apprehensive and concerned.

Two recent newspaper articles from Canada, one from the Winnipeg Tribune, the other from the Toronto Globe and Mail detail some of the Canadian concerns. I would like to share the two articles with my colleagues, and ask that they be printed in their entirety in the Record.

Sauve Say Scheme Is Madness—Pressure In United States Needed To Stop Garrison Plan

New York.—Environment Minister Jeanne Sauve said Saturday that strong public pressure is needed in the United States to stop construction of the controversial Garrison irrigation project in North Dakota.

The whole scheme is madness, Mrs. Sauve said after addressing the Earthcare Conference on The Environment.

"We have protested it very vociferously . . . all the way up the line to the State Department."

The National Audubon Society, one of the sponsors of Earthcare, recently published an article in its official magazine saying that a human and environmental disaster is unfolding in North Dakota as a result of the project.

It's time for the U.S. Congress, the Ford administration and the American people to stop it, wrote Alvin Josephy, an authority on water resources who was commissioned by the society to do a study of the effects of the project. The first phase of construction started in 1967.

Mr. Josephy noted that the project will produce saline runoff water that will pollute five rivers, including the Souris and Red Rivers that flow into Manitoba, in violation of the 1909 Canada-U.S. boundary waters treaty.

The Bureau of Reclamation the prime mover in the construction, has perpetrated land acquisition practices on farmers that are "bringing human tragedy on a wholesale scale, ruining farms, crippling the livelihood of their owners and subjecting long-established families to nightmarish injustice," wrote Mr. Josephy.

Mrs. Sauve called such criticism of the project "the ammunition that precisely we need."

"We feel, and many Americans feel, that it's just madness," Mrs. Sauve said.

"And this probably is our greatest guarantee that it won't occur. The project is madness even for the United States, even more so than to Canada.

"I think precisely these actions, and this course on which the Bureau of Reclamation seems to be probably in the long run are going to be the kind of things that's going to help us most to get that project stopped."

Asked if she thought the project has to be stopped, or can it be modified without shifting the damage from one sector to another? She replied: "Our position is that they (the Americans) can do what they want to do in the United States. But they cannot do anything that will in any way endanger the Canadian environment in terms we define . . . We feel very much that the Garrison diversion project as it now stands would be intolerable on the Canadian side.

"The main thing is the degradation of our waters which would be fed back into our system once they have gone through these regions. These waters would be returned in a state of degradation that we couldn't deal with."

Authorized by Congress in 1965, the Garrison diversion unit is supposed to divert water from behind the Garrison Dam on the Missouri River through a network of more than 3,000 miles of canals and pipes for distances of up to 250 miles to irrigate 250,000 acres of land in northern and eastern North Dakota.

Deceit in Garrison Report: Group

A Winnipeg environmental group claims it has a copy of a confidential U.S. government document that shows some U.S. officials are using "secrecy and deceit" to keep Canadians in the dark about the Garrison irrigation project in North Dakota.

In a statement released at a news conference today, the Prairie Environmental Defense League charged that Gilbert Stamms, Commissioner of The U.S. Bureau of Reclamation, in an April memo to an Interior department official, condoned secrecy in Garrison environmental studies that are "vital to Canadian interests."

The league also claims the memo indicates the reclamation department hopes to get funding approval for construction of the Velva canal between the Missouri and Souris rivers as early as June, 1976.

The league said that if that happens, the canal—the last link between the Souris River and return flows from the irrigation project—could be completed by as early as 1977, "not 1981, as has been previously forecast."

Environment Minister Sidney Green said that although he had not officially received a copy of the league's statement, he was familiar with its position. "And there is nothing new in it."

League chairman George Heshka said the Stamms memo "completely negates" assurances from Gov. Arthur Link of North Dakota to Mr. Green that "construction is not projected in the Souris Loop until after 1980."

And he charged that the memo "proves the U.S. is entering International Joint Commission negotiations with deceit and underhandedness under the cloak of open conferences."

In the memo, Mr. Stamms said the reclamation bureau—which is promoting the $500-million project—"wholeheartedly concurs" with a recommendation that studies of "various alternatives to the handling of the return flows to the Souris River . . . be informal and not made available to local interests nor to the Canadians."

"To do otherwise would be very damaging to the United States position in the negotiations" over Garrison, Mr. Stamms states.

The memo also makes reference to possible construction of "brine disposal sites (some in Manitoba)" as one of the alternatives to be studied.

Mr. Heshka, in a letter sent Tuesday to Premier Ed Schreyer, said the brine disposal sites "have been kept secret from Canadians and have not entered into negotiations."

"It is imperative that Canada be informed as to the exact nature of these plants and disposal fields and that environmental impact assessment studies be convened to determine their impact in Manitoba."

Mr. Heshka also said in his letter that the Stamms memo, a copy of which was sent to Mr. Schreyer, shows the reclamation bureau "not only promulgates, but condones, secrecy in environmental studies which are vital to Canadian interests and which have been promised by the U.S. state department."

Mr. Schreyer was unavailable for comment Tuesday.

CHILD AND FAMILY SERVICES ACT OF 1975

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I have just recently had the opportunity to submit testimony to the joint hearings being held by the Senate Labor Subcommittees on Children and Youth and Employment, Poverty and Migratory Labor, and the House Select Committee on Education on proposed legislation to provide financial assistance to State and local governments to improve and expand day care and other services to children and their families.

Since this area represents, in my opinion, one of the most important parts of our current legislative program, I am inserting into the Record my testimony on behalf of the Child and Family Services Act of 1975.

I am encouraged by the action the subcommittees are taking on this proposal, and I sincerely hope that the 94th Congress will have the occasion soon to enact a comprehensive and substantive day care program to serve the many families throughout the country that are vitally in need of such services.

Child and Family Services Act of 1975

(Testimony of Hon. Richard L. Ottinger of New York at Joint House-Senate Hearings, Thursday, June 19, 1975)

Mr. Chairman, I am happy to have the opportunity to share with you and the other members of the House and Senate subcommittee my views on the needs for comprehensive child care legislation in the 94th Congress.

When I returned to the House this year, after an absence of four years, one of my first legislative proposals was the Comprehensive Child Development Act of 1975 (H.R. 1350). This bill had been authored and introduced in the previous Congress by Congressman John Brademas and my predecessor, Congressman Ogden Reid and because this is a subject very dear to his heart, I felt committed to try and continue the fine work he started in this area. My bill is virtually identical to H.R. 2966, of which I am also a cosponsor.

There are serious deficiencies in the quality of day care services available in the U.S. today, and those licensed facilities that do exist across the country cannot begin to meet the crying demand for such services, particularly in view of present economic circumstances in which both parents in many families are either choosing to or being forced to work in order to keep pace with the rising cost of living. As more and more mothers of small children return to work, the need for group facilities grows more acute every day. This problem is particularly severe in low and moderate income areas, where families simply do not have the financial resources to pay the established fees for individual child care and must rely on group facilities where economies of scale result in considerably reduced rates for their children.

The bills you have under consideration at this time contain sweeping new provisions for delivering adequate child care services and strengthening the role of the family as a basic unit of our society. It is particularly important that this legislation provides for early childhood education and development, not just custodial services. All studies indicate that a child's future is most influenced by his early childhood environment. It is therefore vital that this legislation contemplates such proposals as health care both to children and expectant mothers, family counseling services, educational programs for young people and their parents, food and nutritional services, special attention to the unique needs of children from racial and ethnic minority groups and migrant workers' families and many other important provisions.

It is also important that child development centers be available to all income groups, the more affluent paying in accordance with their ability. This will avoid centers becoming ghettoized, permit access to middle income families who greatly need them and provide for economic viability of the centers.

Both H.R. 1350 and H.R. 2966 would establish within the Office of the Secretary of Health, Education, and Welfare an Office of Child and Family Services to coordinate all programs of this type administered by the Department and to assume the responsibilities of the present Office of Child Development. Both bills would also create a Child and Family Services Coordinating Council to insure that the activities of the various offices operate in an orderly and complementary fashion and to recommend priorities for Federal funding of research and development in these areas.

In my own district in Westchester County, New York, there has been established the Day Care Council of Westchester, Inc., a non-profit, membership corporation concerned with expanding and improving day care for children in the County. The Council strives for the integration of education, social service, health and recreation programs which serve the best interests of children and help to strengthen family life. This group has recently found that there are at least 9,000 children in the area who are seeking day care who are not now getting it, and there are at least 20,000 more who would be eligible if it were available. In the 30 non-profit day care centers now in operation in Westchester there are approximately 1,900 children enrolled. Nearly every center has a waiting list, and the various proprietary facilities in the County are simply too expensive for those families that are most in need of their services. There are 76,809 married women now working in Westchester, and close to 9,000 of these have children under the age of six. In 1973 some $38 million was spent for AFDC in the County. Many of the mothers receiving this form of public assistance would become taxpaying members of the workforce if adequate day care facilities were available.

This brings up another important point with respect to day care, and that is the most unrealistic income criteria that is presently used in determining eligibility for services. Mrs. Inez Singletary, Executive Director of the Day Care Council of Westchester has pointed out to me that this is one of the most serious problems with respect to day care in our County and that there are simply too many mothers who leave public assistance and are then forced to return because the salaries they receive when they take jobs disqualify them for day care services. I believe that the requirements these bills place on prime sponsors would help to alleviate this problem through the special provisions made for children from disadvantaged circumstances.

Mr. Chairman, as you know, in 1971 the Congress succeeded in passing comprehensive day care legislation, only to have it vetoed by then-President Nixon. I believe the 94th Congress has a serious obligation to develop a national policy and commitment on day care and to establish proper vehicles for the coordination and implementation of services. The gains that can be made by future generations due to the stimulation and motivation provided by good day care programs are impossible to calculate. I am pleased to be able to participate in these hearings, and I pledge my complete cooperation to you in the effort to enact the Child and Family Services bills.

RETIREMENT OF DON McBRIDE, DIRECTOR OF THE TENNESSEE VALLEY AUTHORITY

(Mr. ALBERT (at the request of Mr. MINETA) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, for nearly 30 years, it has been my privilege to know and to work with one of the Nation's outstanding experts on water resources, Mr. Don McBride, who retired last month as a director of the Tennessee Valley Authority.

Don served three Oklahoma Governors before coming to Washington with Senator Robert S. Kerr in 1949, and subsequently went to work for Senator Mike Monroney following Senator Kerr's death in 1963. In a larger sense, however, Don McBride has served the entire Oklahoma congressional delegation, as well as the delegations of neighboring States. His thorough grasp of technical details, combined with practical political sense and an unfailing willingness to help, have made Don an indispensable participant in the development of Oklahoma's water resources. The results of his efforts will redound to the benefit of many generations to come.

I am pleased to salute Don McBride, and I want to share with my colleagues three articles about him which appeared recently in the Duncan Banner, the Tulsa Tribune, and the McAlester News-Capital:

[From the Duncan Banner, June 5, 1975]

AN HONOR JUSTLY DESERVED

Friends and former associates of Don McBride gathered in Tulsa the other day to honor the retiring director of the Tennessee Valley Authority. Few persons in public service have ever deserved such recognition more.

Mr. McBride, long-time right arm of the late Sen. Robert S. Kerr, contributed above and beyond the call of duty to water resources development in Oklahoma. He was a walking encyclopedia on the subject for years. McBride's knowledge and Senator Kerr's ability to put it to use made them an unbeatable team.

The occasion honoring McBride was sponsored by the Arkansas Basin Development Association. Every area in the state where there has been water resources development could have qualified as a co-sponsor. McBride's contribution to Oklahoma's water programs has been that far-flung.

[From the Tulsa Tribune, May 28, 1975]

CONGRESS LINED UP TO ENDORSE OKLAHOMA'S McBRIDE

(By Joseph E. Howell)

"It's hard to believe any man can be that good."

This was the observation of the late Sen. Ernest Gruening (D-Alaska) nine years ago as the Senate Public Works Committee unanimously approved the nomination of Don McBride of Oklahoma as a member of the Tennessee Valley Authority for a term expiring this month.

Members of Congress packed the committee room and turned what had been billed as a hearing into a McBride testimonial.

The Tribune's Washington correspondent reported the wife of one senator said she had never seen anything like it, even when a cabinet officer was up for confirmation.

Sen. Mike Monroney, Oklahoma Democrat for whom McBride had worked since the death of Sen. Robert S. Kerr in 1963, said virtually all of Oklahoma's water projects had "Don McBride's thumb-print on them."

Sen. John McClellan, Arkansas Democrat, said he had found it not only advisable but absolutely necessary to consult with McBride on water projects.

Sen. James B. Pearson, Kansas Republican, described McBride as a "neighbor" and said "He's a good man."

Democrat Rep. Carl Albert, then House majority leader and now Speaker, said he knew of no man he could recommend with greater enthusiasm.

Republican Rep. Page Belcher from Tulsa praised President Lyndon B. Johnson for "rare judgment and foresight" in nominating McBride.

The other Oklahoma House members and Rep. James W. Trimble, Arkansas Democrat, testified in a group.

"We hate to lose you, Don," said Trimble. "TVA's gain is Oklahoma's loss," said Rep. Ed Edmondson, an Oklahoma Democrat.

One Washington correspondent said committee members were forced into trying to outdo the witnesses.

They included Jennings Randolph, D-W. Va., the committee chairman; Caleb Boggs, R-Del.; Joseph Montoya, D-N.M.; and John Sherman Cooper, R-Ky.

In the more than 17 years he had been an aide to an Oklahoma senator, McBride, who will be honored in Tulsa May 30 for his work on Oklahoma projects, had won the respect of members of Congress from other states. How this came about is an Oklahoma story.

Before going to Washington when Kerr entered the Senate in 1949, McBride had been a water engineer for the state of Oklahoma under three governors and had finally worked up to chairman of the Oklahoma Planning and Resources Board.

In these jobs he had encountered dust storms, droughts and floods, controversies between public and private power, the struggle between the railroads and those who wanted barge navigation to force lower freight rates, need for water supplies both for municipalities and for irrigation, and the problem of much water too salty for either.

He had helped plan his state's water resource development and he had learned to cope with the baffling ways of the federal bureaucracy.

When Senators from other states came to Kerr for help to do in their states what they saw happening in Oklahoma, Kerr referred them to McBride, who was skilled in technical aspects of both civil engineering and Washington politics.

Helping one another is a basic ingredient for success in the halls of Congress, and McBride was one of Kerr's best helpers.

McBride believes the key to Oklahoma's leadership in the water resource field lay in the creation in 1949 and 1950 of the Arkansas-White-Red River Interagency Committee which made a $7 million, 23-volume report on the three river basins.

"We in the Oklahoma Planning and Resources Board were doing our dead level best to get the water resources of the state developed," McBride recalled recently.

"We had been trying to work with the Corps of Engineers, with the Bureau of Reclamation, and with the Soil Conservation Service, and we found in those agencies that there was a lot of petty jealousy.

"We would go to one agency to try to get something done and they would say they would do it if we would keep one of the other agencies out of the way, and so on and so forth.

"We determined that the best way that we could possibly make this thing work and get the optimum benefit out of it was to form an organization, have it legalized by the Congress, and set up an agency in which the governors of each of the seven states of the area and each of the federal agencies would be represented.

"Then we could put them together around a table and instead of having those petty jealousies, we would work out a plan for development of the resources of the area.

"We had quite a time getting local support because there were people who thought the total program should be with the Soil Conservation Service.

"There were others who thought the God of Water was the Corps of Engineers. There were still others who thought the way to do this was to do it through the Bureau of Reclamation which had the authority under the oldest law that existed in connection with water resource development in Oklahoma.

"This agency (AWR) was created by the first piece of legislation that Sen. Kerr introduced in the Senate.

"He had as co-sponsors all but two of the senators in the seven states affected. He had the support of every one of the seven governors so we did not have a whole lot of trouble.

"Harry Truman was president and he lauded Sen. Kerr for this idea. The senator sat down and talked to him prior to introducing the bill.

"Not directly, but indirectly the Arkansas-White-Red Interagency Committee has done more to develop the soil and water resources of this vast area in Oklahoma, Arkansas, Kansas and Colorado than any other single piece of legislation with which I am acquainted.

"I am very happy that I had the privilege of drafting that first act."

Persons close to the history of the Arkansas River navigation project believe that a budget decision in 1964 assured completion on schedule and headed off what might have been a long delay in making navigation a reality.

What McBride did in that situation provides another illustration of his workmanship.

"The budget came up and we found that we were going to lack $14 million, actually $15 million, of keeping the Arkansas River on schedule, and $15 million less than the capability of the Corps of Engineers." McBride relates.

"Senator Kerr had died. John McClellan had more or less assumed the leadership of the (Oklahoma and Arkansas) delegations in connection with the Arkansas River.

"I went to Senator McClellan. I told him what the situation was and told him how important it was for us to get that money if we were going to keep the project on schedule.

"He agreed. He said 'You get together the facts. You be sure that every one of these facts is coordinated with the Corps of Engineers and the Bureau of the Budget.

" 'When they will say that the facts that you put together are correct, then we will put the whole bundle together into a report and we will go down and talk to the President about it.'

"As a result I worked for several weeks getting together things like the escalation of land values, the escalation of construction costs, the loss of benefits, and we put these things together in a report.

"After it had been fully reviewed by McClellan, he made an appointment with LBJ and every member of the Arkansas, Kansas, and Oklahoma delegations went to the White House. I was privileged to go along, and we submitted our case.

"Elmer Staats, who was then director of the Bureau of the Budget, was there at the right hand of the President, and the President asked Staats if he had seen this report. He said he had.

"The President asked him if it was factual, and Staats said he would have to admit that it was.

"After McClellan had made his presentation, the President then asked each member of the delegation their opinion. Of course, it was unanimous.

"So he reached under the blotter of his desk, and pulled out a request for a supplemental appropriation. It included $14 million for the Arkansas project."

Never again was the completion date threatened.

[From the McAlester News-Capital, June 1, 1975]

A WARNING FROM THE NATION'S TOP WATER EXPERT

Don McBride, who was called "the third senator from Oklahoma," retired this month from a lifetime of promoting water development.

McBride, who was Sen. Robert S. Kerr's water advisor, started in the 1920's, shaping the legislation for upstream flood control, and going out to buy the land for the first flood control projects for the Oklahoma Conservation Commission.

In 1935 he was a member of the first Oklahoma Water Resources Board, which has authority over all water in the state.

He went with Sen. Elmer Thomas, as a source of technical information on water development, and later with Senators Kerr and Monroney.

During these years, Oklahoma changed from a dust bowl to a land of lakes, with more inland water than any other state.

After the death of Senator Kerr, McBride was selected as a director of the Tennessee Valley Authority.

But at a dinner honoring him Friday night in Tulsa, Don McBride did not look back, but forward.

What has been built are tools for developing tourism, industry, and development of our rural areas, he reminded. We are scheduled for growth, and if we do not have the proper planning, we will "grow like Topsy," he warned. Then somebody somewhere will have to unravel it, like a ball of yarn.

There are still tributaries on the Arkansas Waterway to be built, like the canal into Lake Eufaula, he reminded, and there are adequate water supplies to be planned for every community in the state.

The people who attended this meeting are in every type of business, but they have taken time from their business to promote the water development which has changed Oklahoma.

There were six persons from the Lake Eufaula area there to hear McBride's warning—three from McAlester.

But this top water expert in the nation had important words for this area. We had better take note of them, for the good of our area's future.

If we are too busy with our business or with local politics, or just filled with apathy, the consequences are going to be serious ones.

THE NEED FOR A STRENGTHENED ENERGY CONSERVATION AND CONVERSION ACT

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GUDE. Mr. Speaker, I supported H.R. 6860, the Energy Conservation and Conversion Act of 1975, on final passage with considerable reluctance. My concern is not with what is included in the bill, but rather with what has been taken out. When debate on this bill began, I said:

> We must quite simply enact stiffer conservation measures that will have the ultimate effect of changing lifestyles—I certainly hope the House will face up to its responsibility and adopt amendments to put some real teeth in this energy bill.

Unfortunately the House has failed in this effort and has quite deliberately gutted the bill by removing its strongest parts. First, efforts to increase the gasoline tax to a level which would have some effect on consumption failed. Second, even the modest tax which was included in the bill from the beginning was removed. Third, efforts to stiffen the tax on gas-guzzling autos failed, and with that failure went any hope of obtaining significant reductions in gasoline consumption.

I had hoped the committee could make another effort to produce a reasonably strong measure and therefore voted to send the bill back to committee. As the House refused to go along with even this final effort to produce a good conservation measure I reluctantly supported the measure for the few good provisions which remained. As I initially feared, the victory in this energy debate in the House has gone to those who believe we can solve our problems without sacrificing anything and those who believe we can conserve energy without anyone changing his behavior. The result is a setback for our efforts to move toward energy independence, which means continued dependence on Arab oil.

What Congress has shown with this bill, as well as with other legislation this spring, is that it is very good at passing out goodies—tax cuts, rebates, incentives, increased benefits, and so on—but that it is very bad at taking any hard, controversial actions which may be necessary. There is a proper role for tax incentives and credits, and I supported a number of those which are included in this bill, particularly those concerning solar energy, and in fact offered my own amendment to one of the solar sections. I believe these incentives to be an important element in our effort to develop alternative sources of energy. Fledgling industries, particularly the solar energy industry, need this kind of support to rapidly expand the market availability of their products. At the same time, however, it should have been clear that incentives to alternative energy sources is only half the total picture. The other half is conservation of conventional sources, and it is with this half that H.R. 6860 has failed miserably. Good sense demands that both parts of the energy conservation and conversion effort should go hand in hand, but the unfortunate fact remains that the conservation part of this bill has largely disappeared, leaving only the conversion incentives. Efforts to send the bill back to committee failed, and I have voted for the bill on final passage to indicate my support for those provisions still left in it. I continue to feel, however, that the Congress has not fulfilled its responsibility in regard to the nation's energy policy, and I intend to continue pressing for the adoption of real conservation measures, including some of those which were rejected in this bill.

I hope that consideration in the Senate can lead to a strengthened bill.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. BAFALIS (at the request of Mr. RHODES), on June 23, on account of personal reasons.

Mr. DOWNING of Virginia, for 3 days next week, June 23, 24, and 25, on account of official business.

Mr. FORSYTHE (at the request of Mr. RHODES), after 5 p.m., today, and the week of June 23, on account of official business.

Mr. MCCLORY (at the request of Mr. RHODES), on June 23, on account of official business.

Mr. NEAL (at the request of Mr. O'NEILL), for today, on account of official business (tobacco hearings of House Agriculture Committee in his district).

Mr. PEPPER (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. RONCALIO, for Monday, June 23, 1975, on account of official business in his district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHULZE) to revise and extend their remarks and include extraneous material:)

Mr. CRANE, for 5 minutes, today.

Mr. KEMP, for 60 minutes, today.

Mr. CLEVELAND, for 15 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. DERWINSKI, for 5 minutes today.

(The following Members (at the request of Mr. MINETA) to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. FRASER, for 10 minutes, today.

Mr. VANIK, for 10 minutes, today.

Mr. DENT, for 30 minutes, today.

Mr. MAGUIRE, for 5 minutes, today.

Mr. KOCH, for 5 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

Mr. KRUEGER, for 5 minutes, today.

Mr. MOFFETT, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. WON PAT, for 60 minutes, on July 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Kemp, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the Record, and is estimated by the Public Printer to cost $1,529.

(The following Members (at the request of Mr. Schulze) and to include extraneous matter:)

Mr. Crane in two instances.

Mr. Derwinski in three instances.

Mr. Esch.

Mr. Beard of Tennessee.

Mr. Gilman.

Mr. Archer.

Mr. Grassley.

Mr. Guyer.

Mr. Kasten.

Mr. Lent.

Mr. McCloskey.

Mr. Ruppe in two instances.

(The following Members (at the request of Mr. Mineta) and to include extraneous matter:)

Mr. Anderson of California in three instances.

Mr. Gonzalez in three instances.

Mr. Solarz in three instances.

Mr. Edgar.

Mr. Fuqua in two instances.

Mr. Harkin in two instances.

Mr. McDonald of Georgia in two instances.

Mr. Mikva.

Mr. Rosenthal.

Mr. Simon.

Mr. Harrington in four instances.

Mr. Sarbanes.

Mr. Maguire.

Mr. Ashley in two instances.

Mr. Oberstar.

Mr. Zeferetti.

Mr. Dodd.

Mr. Mazzoli.

Mr. Rangel.

Mr. Traxler.

Mr. Bonker.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 611. An act for the relief of Southeastern University of the District of Columbia; to the Committee on the Judiciary.

S. 723. An act to amend title 28, United States Code, to provide that Madison County, Florida, shall be included in the northern judicial district of Florida; to the Committee on the Judiciary.

S. 1549. An act to amend the Federal Rules of Evidence, and for other purposes; to the Committee on the Judiciary.

S.J. Res. 84. Joint resolution to authorize and request the President to proclaim October 1975 as "Hobby Month"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. MINETA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 11 minutes p.m.), under its previous order, the House adjourned until Monday, June 23, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1254. A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend section 4346(d) of title 10, United States Code, to permit the Secretary of the Army to prescribe the oath to be taken by appointees to the U.S. Military Academy; to the Committee on Armed Services.

1255. A letter from the Administrator, Federal Energy Administration, transmitting the first annual report of the Administration, pursuant to section 15(c) of the Federal Energy Administration Act of 1974; to the Committee on Government Operations.

1256. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed rulemaking governing operation of the Special Projects Act, pursuant to section 431 (d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1257. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a determination that it is in the security interests of the United States to furnish additional military assistance to Jordan during fiscal year 1975, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended (88 Stat. 1801); to the Committee on International Relations.

1258. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting the biennial report for 1973–74 on horse protection enforcement, pursuant to section 11 of the Horse Protection Act of 1970 (15 U.S.C. 1830); to the Committee on Interstate and Foreign Commerce.

1259. A letter from the Administrator, Federal Energy Administration, transmitting a report covering the period January–March 1975, on imports of crude oil, residual fuel oil, refined petroleum products, natural gas, and coal; domestic reserves and production of crude oil, natural gas, and coal; refinery activities; and inventories, pursuant to section 11(c)(2) of Public Law 93–319; to the Committee on Interstate and Foreign Commerce.

1260. A letter from the Chairman, Commission on Revision of the Federal Court Appellate System, transmitting the Commission's report of recommendations for change in the structure and internal procedures of the Federal courts of appeal system, pursuant to section 6(2) of Public Law 92–489, as amended; to the Committee on the Judiciary.

1261. A letter from the Administrator of General Services, transmitting the 1974 status report on public buildings projects authorized for construction, alteration and lease under the Public Buildings Act of 1959, pursuant to section 11(a) of the act [40 U.S.C. 610(a)]; to the Committee on Public Works and Transportation.

Received From the Comptroller General

1262. A letter from the Comptroller General of the United States, transmitting a report on the removal of field windbreaks in the Great Plains, the potential problems if removals continue, and actions which the Department of Agriculture should take to discourage removals; jointly, to the Committees on Government Operations, and Agriculture.

1263. A letter from the Comptroller General of the United States, transmitting a report on national standards needed for residential energy conservation; jointly, to the Committees on Government Operations, Banking, Currency and Housing, and Ways and Means.

1264. A letter from the Comptroller General of the United States, transmitting a report on an examination of the operations of the Environmental Financing Authority from October 18, 1972, through March 31, 1975, pursuant to section 12(o) of Public Law 92–500 (H. Doc. No. 94–194); jointly, to the Committees on Government Operations, and Public Works and Transportation and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 143. Concurrent resolution to authorize the printing of the hearing on Nomination of Nelson A. Rockefeller to be Vice President of the United States; with amendment (Rept. No. 94–314). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 215. Concurrent resolution providing for the printing as a House document of a revised edition of "The Capitol" (Rept. No. 94–315). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 26. Concurrent resolution authorizing the printing of a committee print of Committee on Foreign Relations entitled "China" (Rept. No. 94–316). Referred to the House Calendar.

Mr. BRADEMAS: Senate Concurrent Resolution 36. Concurrent resolution authorizing the printing of additional copies of Senate hearings on proposed constitutional amendments to limit abortions (Rept. No. 94–317). Referred to the House Calendar.

Mr. SLACK: Committee on Appropriations. H.R. 8121. A bill making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–318). Referred to the Committee of the Whole House on the State of the Union.

Mr. EVINS of Tennessee: Committee on Appropriations. H.R. 8122. A bill making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes. (Rept. No. 94–319). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California (for himself, Mr. Anderson of California, Mr. Carr, Mrs. Chisholm, Mr. Downey of New York, Mr. Maguire, Mr. Mann, Mr. Richmond, and Mr. Riegle):

H.R. 8071. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mr. BROYHILL (for himself, Mr. Sebelius, Mr. Thone, Mrs. Lloyd of Tennessee, Mr. Henderson, Mr. Rose, Mr. Quie, Mr. Preyer, Mr. Hastings, Mr. Harrington, Mr. Ottinger, Mr. Mazzoli, Mrs. Collins of Illinois, Mr. Martin, and Mr. Pressler):

H.R. 8072. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders and clinical staff of community mental health centers; to the Committee on Ways and Means.

By Mr. ESCH:

H.R. 8073. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

Mr. ESCH (for himself, Mr. Duncan of Oregon, and Mr. Matsunaga):

H.R. 8074. A bill to establish a national adoption information exchange system; to the Committee on Education and Labor.

By Mr. FISH:

H.R. 8075. A bill to amend the Immigration and Nationality Act to provide for the refusal of nonimmigrant visas in certain instances; to the Committee on the Judiciary.

H.R. 8076. A bill to repeal the provision of law which prohibits the importation into the United States of certain furskins which are the product of the Soviet Union or Communist China; to the Committee on Ways and Means.

By Mr. FITHIAN:

H.R. 8077. A bill to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself and Mr. Obey):

H.R. 8078. A bill to protect individuals against conduct creating serious potential environmental health hazards; to the Committee on the Judiciary.

By Mr. GREEN:

H.R. 8079. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

H.R. 8080. A bill to provide for the addition of Colonial Germantown in the city of Philadelphia, State of Pennsylvania, to Independence National Historical Park; to the Committee on Insular Affairs.

H.R. 8081. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans Affairs.

H.R. 8082. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself and Mr. Matsunaga):

H.R. 8083. A bill to provide joint and survivors' annuity benefits under private pension plans based upon the participant's vested benefit; jointly to the Committees on Education and Labor, and Ways and Means.

By Mrs. KEYS:

H.R. 8084. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians in Indian Claims Commission dockets 153 and 135 and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. NOWAK:

H.R. 8085. A bill to amend the Land and Water Conservation Fund Act of 1965 to permit the conversion of outdoor recreation property to enclosed or indoor property; to the Committee on Interior and Insular Affairs.

By Mr. OTTINGER:

H.R. 8086. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to provide that persons aged 55 or over who are fully vested under a pension plan shall be entitled to pension benefits when their employment is terminated by their employer; jointly to the Committees on Education and Labor, and Ways and Means.

By Mr. PRESSLER:

H.R. 8087. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes; jointly to the Committees on Education and Labor, and Veterans' Affairs.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 8088. A bill to amend title 37, United States Code, relating to special pay for nuclear qualified officers, and for other purposes; to the Committee on Armed Services.

H.R. 8089. A bill to amend section 404(d) of title 37, United States Code, relating to per diem expenses of members of the uniformed services traveling on official business; to the Committee on Armed Services.

By Mr. SHIPLEY:

H.R. 8090. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 8091.—A bill to amend the Motor Vehicle Information and Cost Savings Act to provide authority for enforcing prohibitions against motor vehicle odometer tampering, to authorize appropriations and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. SULLIVAN (for herself, Mr. Leggett, Mr. Forsythe, Mr. Dingell, Mr. Anderson of California, Mr. Pritchard, Mr. de la Garza, Mr. Studds, Mr. Lent, Mr. Patterson of California, and Mr. Emery):

H.R. 8092.—A bill to extend the authorization for appropriations to carry out the Endangered Species Act of 1973; to the Committee on Merchant Marine and Fisheries.

By Mr. VANDER JAGT:

H.R. 8093.—A bill to amend title 18 of the United States Code to increase the penalty for committing certain crimes with a firearm or while unlawfully carrying a firearm; to the Committee on the Judiciary.

By Mr. WHITE:

H.R. 8094.—A bill to amend title 5, United States Code, to grant court leave to Federal employees when called as witnesses in certain judicial proceedings; to the Committee on Post Office and Civil Service.

By Mr. ASHLEY (for himself, Mr. Stephens, Mr. Rees, Mr. Adams, Mr. Bennett, Mr. Brinkley, Mr. Brown of California, Mr. Dellums, Mr. Derrick, Mr. Dodd, Mr. Flynt, Mr. Giaimo, Mr. Hechler of West Virginia, Mr. Jenrette, Mr. Jones of Oklahoma, Mr. Levitas, Mr. Long of Louisiana, Mr. Matsunaga, Mr. Miller of California, Mr. Mills, Mr. Minish, Mr. Moakley, and Mr. Murphy of Illinois):

H.R. 8095. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. REES (for himself, Mr. Ashley, Mr. Stephens, Mr. Anderson of California, Mr. Downing of Virginia, Mr. Flood, Mr. Ford of Michigan, Mr. Howe, Mr. Murphy of New York, Mr. Nix, Mr. Nowak, Mr. Pattison of New York, Mr. Perkins, Mr. Preyer, Mr. Rooney, Mr. Rose, Mr. Rostenkowski, Mr. Roush, Mr. Runnels, Mr. Seiberling, Mr. Sikes, Mr. Sisk, Mr. Stark, Mr. Symington, and Mr. Thompson):

H.R. 8096. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. ASHLEY (for himself, Mr. Rees, Mr. Stephens, Mr. Van Deerlin, Mr. Waggonner, and Mr. Yatron):

H.R. 8097. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. BOWEN (for himself and Mr. Sisk):

H.R. 8098. A bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator with the consent of the farmer, and for other purposes; to the Committee on Ways and Means.

By Mr. CLEVELAND:

H.R. 8099. A bill to amend the Communications Act of 1934 with regard to the renewal of broadcast licenses, and for other purposes; to the Commitee on Interstate and Foreign Commerce.

By Mrs. HECKLER of Massachusetts:

H.R. 8100. A bill to provide financial assistance to regulated electric utilities to reduce the increases in electric utility rates caused by increases in the price of residual oil; to the Committee on Interstate and Foreign Commerce.

H.R. 8101. A bill to impose a tax on windfall profits by producers of crude oil; to the Committee on Ways and Means.

By Mrs. HECKLER of Massachusetts (for herself and Mr. Peyser):

H.R. 8102. A bill to restrict changes in the standards for slaughter cattle and carcass beef; to the Committee on Agriculture.

By Mr. HICKS (for himself and Mr. Davis):

H.R. 8103. A bill to amend title 10 of the United States Code to apply to persons eligible for contract health care the patient payment provisions which apply to members of the uniformed services on active duty and their dependents; to the Committee on Armed Services.

By Mr. JONES of Oklahoma:

H.R. 8104. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. McKINNEY (for himself and Mr. Wolff):

H.R. 8105. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

By Mr. ROUSSELOT:

H.R. 8106. A bill to assist cities and States by amending section 5136 of Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. RUPPE:

H.R. 8107. A bill making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

By Mr. SPENCE:

H.R. 8108. A bill to amend title II of the Social Security Act to establish more effective procedures for the conduct of hearings, and the appointment of hearing examiners, with respect to claims under such title XVIII of such act; to the Committee on Ways and Means.

By Mr. ROGERS (for himself and Mr. Carter):

H.R. 8109. A bill to amend title XIX of the Social Security Act to extend the protection against the loss of medicaid because of the 1972 increase in social security benefits, and to extend the exemption of Puerto Rico, Guam, and the Virgin Islands from certain requirements relating to choice of provider; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON:

H.R. 8110. A bill to amend the National Labor Relations Act, as amended, to expedite its processes and strengthen its remedies; to the Committee on Education and Labor.

By Mr. COUGHLIN (for himself, and Mr. Biester):

H.R. 8111. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

By Mr. D'AMOURS:

H.R. 8112. A bill to amend Public Law 874, 81st Congress, to provide that children of parents employed on Federal property who attend school in a State contiguous to the State in which such property is situated may be counted for purposes of determining the aid entitlement of the local educational agency having jurisdiction over such school, and for other purposes; to the Committee on Education and Labor.

H.R. 8113. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. Rodino, Mr. Cohen, Mr. Dodd, Mr. Downey of New York, Mr. Edwards of California, Mr. Gilman, Mr. Gude, Mr. Heinz, Mr. Lehman, Mr. Mazzoli, Mr. Mezvinsky, Mr. Mineta, Mr. Murphy of Illinois, Mr. Rees, Mr. Rooney, Mr. Rosenthal, Mr. Ryan, Mr. Seiberling, Mr. Studds, Mr. Tsongas, Mr. Charles Wilson of Texas, Mr. Wolff, Mr. Won Pat, and Mr. Yates):

H.R. 8114. A bill to amend title 18 of the United States Code to prohibit certain forms of economic coercion based on religion, race, national origin, sex, or certain other factors; to the Committee on the Judiciary.

By Mr. MAGUIRE (for himself and Mr. McHugh):

H.R. 8115. A bill to amend the Internal Revenue Code of 1954 to provide for public financing of congressional primary and general elections; to the Committee on House Administration.

Mr. MILLER of California (for himself, Mr. Anderson of California, Mr. Brodhead, Mr. Corman, Mr. Dodd, Mr. Fithian, Ms. Jordan, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Reuss, Mr. Risenhoover, Mr. Roncalio, Mr. Shipley, Mr. Sisk, Mr. Stark, and Mr. Wirth):

H.R. 8116. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

Mr. SMITH of Iowa (for himself, Mr. Conte, Mr. Bergland, and Mr. Hungate):

H.R. 8117. A bill to make loans available for small businesses in the petroleum and petrochemical industries and to preserve and protect such small businesses; jointly to the Committees on Small Business, and Interstate and Foreign Commerce.

Mr. SLACK:

H.R. 8121. A bill making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

By Mr. EVINS of Tennessee:

H.R. 8122. A bill making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

By Mr. McDONALD of Georgia (for himself, Mr. Ashbrook, Mr. Symms, Mr. Satterfield, Mr. Whitehurst, Mr. Kindness, Mr. Dickinson, Mr. Rinaldo, Mr. Dan Daniel, and Mr. Montgomery):

H.J. Res. 524. Joint resolution to stop the loan of three landing craft (LCM-8's) to Panama, and for other purposes; to the Committee on Armed Services.

By Mr. DODD (for himself, Mr. Ambro, Mr. Baucus, Mr. Bedell, Mr. Blanchard, Mr. John L. Burton, Ms. Chisholm, Mr. Dellums, Mr. Fraser, Mr. Harris, Mr. Harkin, Mr. Hechler of West Virginia, Mr. Holland, Mr. Hubbard, Mr. Levitas, Mr. Miller of California, Mr. Mineta, Mr. Moffett, Mr. Scheuer, Ms. Schroeder, Mr. Sharp, Ms. Spellman, and Mr. Symington):

H. Con. Res. 320. Concurrent resolution to provide for the adjournment of the House of Representatives from July 3, 1975, to July 8, 1975; to the Committee on Rules.

By Mr. NOWAK:

H. Con. Res. 321. Concurrent resolution to seek the resurrection of the Ukrainian Orthodox and Catholic Churches in Ukraine; to the Committee on International Relations.

By Mr. GREEN:

H. Res. 556. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on International Relations.

By Mr. LENT:

H. Res. 557. Resolution expressing the sense of the House of Representatives that the flags of all Federal buildings shall be flown at half-staff in honor of our men captured and missing in action; to the Committee on the Judiciary.

By Mr. MAGUIRE (for himself, Mr. McCloskey, Mr. Pattison of New York, and Mr. Roe):

H. Res. 558. Resolution to provide for the establishment of a Federal administration to acquire, rehabilitate, and maintain the track, roadbed, and associated fixed facilities of Northeast and Midwest railroads; to the Committee on Interstate and Foreign Commerce.

By Mr. NOWAK:

H. Res. 559. Resolution designating January 22 as Ukrainian Independence Day; to the Committee on Post Office and Civil Service.

By Ms. SCHROEDER:

H. Res. 560. Resolution to provide that Members of the House of Representatives and certain employees of the House, except in certain cases, may not be reimbursed for the difference between the cost of first-class air travel accommodations and the cost of other air travel accommodations; to the Committee on House Administration.

MEMORIALS

Under clause 4 or rule XXII, memorials were presented and referred as follows:

192. By the SPEAKER: Memorial of the Legislature of the State of North Carolina, relative to a study of proposed national scenic bicycle trails; to the Committee on Interior and Insular Affairs.

193. Also, memorial of the Legislature of the State of Louisiana, relative to the elimination of hazardous railroad crossings; to the Committee on Interstate and Foreign Commerce.

194. Also, memorial of the Legislature of the State of North Carolina, relative to an investigation into activities of private industry with respect to coal; jointly, to the Committees on Rules, and Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HICKS:

H.R. 8118. A bill for the relief of Chin-Ho An; to the Committee on the Judiciary.

By Mr. McKINNEY:

H.R. 8119. A bill for the relief of Fernando Alves Macos; to the Committee on the Judiciary.

By Mr. VAN DEERLIN:

H.R. 8120. A bill for the relief of Gregorio Nagrampa, Jr.; to the Committee on the Judiciary.

SENATE—*Friday, June 20, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. Dale Bumpers, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God our Father we pause in the morning hour to speak to Thee and to hear Thee speak to us. As we draw near to Thee wilt Thou graciously draw near to us that we may more perfectly love Thee and more faithfully serve Thee. Show us Thy way through the thorny maze of problems which confront us. Meet us and guide us in the common tasks of the day. Light up the dark areas, smooth the rough places, clarify the ambiguous situations and sharpen our judgments in accord with Thy will.

Bless with righteousness and justice the Nation we serve. Breathe through the things that are seen the peace of the unseen and eternal.

We pray in Christ's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., June 20, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Dale Bumpers, a Senator from the State of Arkansas, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. BUMPERS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, June 19, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today until the hour of 10:30 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 114, 203, and 206.

FAIR MARKETING OF PETROLEUM PRODUCTS ACT

The Senate proceeded to consider the bill (S. 323) to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Fair Marketing of Petroleum Products Act".

DECLARATION OF POLICY

Sec. 2. Competition, nondiscriminatory practices, and equal access to supplies for all retailers and distributors are essential to the fair and efficient functioning of a free market economy. Gasoline and other petroleum products should be produced, distributed, and marketed in the manner most beneficial to the consumer. It is the policy of the Congress to assist consumers and marketers of petroleum products to achieve these goals.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(1) "commerce" means any trade, traffic, transportation, or exchange (A) between any State and any place outside of such State, or (B) which affects any trade, traffic, transportation, or exchange described in subparagraph (A) of this paragraph;

(2) "controlled" means having actual or legal power or influence over another person through any means other than a contractual relationship;

(3) "distributor" or "distributorship" means a person engaged in commerce in any State in the marketing of petroleum products through the sale, consignment, or distribution of such products to wholesale or retail outlets (whether or not such person owns, leases, or in any way controls such outlets) (A) under a petroleum products franchise, or (B) independent of a petroleum products franchise;

(4) "major market shareholder" means a refiner who is not an "independent refiner" or a "small refiner", as those terms are defined in section 3 of the Emergency Petroleum Allocation Act of 1973 (15 U.S.C. 752);

(5) "petroleum products" means gasolines and diesel fuels for use in motor vehicles, distillates used as heating fuel, and kerosene;

(6) "petroleum products franchise" means any agreement or contract—

(A) which grants to a specified retailer or distributor the authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by a specified refiner or distributor who is also a party to such agreement or contract; or

(B) which grants such a retailer or distributor the authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract,

for the purpose of engaging in the distribution or sale of petroleum products for purposes other than resale. The term shall also apply to the relationship by which a refiner or a distributor supplies a retailer with petroleum products, or by which a refiner supplies a distributor with petroleum products under regulations promulgated pursuant to the Emergency Petroleum Allocation Act (15 U.S.C. 751 et seq.), if a petroleum products franchise, as defined in this paragraph, was in effect between such retailer and such distributor (or such refiner), or between such distributor and such refiner, at any time during calendar year 1972;

(7) "refiner" means a person engaged in commerce in the refining of petroleum products;

(8) "retailer" or "retail establishment" means a person or place at which one is engaged in commerce in any State in the sale of any refined petroleum product for purposes other than resale (A) under a petroleum products franchise or, (B) independent of a petroleum products franchise; and

(9) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone.

PROTECTION OF FRANCHISED DEALERS

Sec. 4. (a) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a petroleum products franchise unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby, except for good cause. Such notification shall be in writing and shall be sent to such distributor or retailer by certified mail not less than 90 days prior to the date on which such petroleum products franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or to terminate (together with the reasons therefor); the date on which such action shall take effect; and a statement of the remedy or remedies available to such distributor or retailer under this Act, including a summary of the applicable provisions of this Act.

(b) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a petroleum products franchise unless the person whose franchise is terminated failed to comply substantially with any essential and reasonable requirement of such petroleum products franchise or failed to act in good faith in carrying out the terms of such petroleum products franchise, or unless such refiner or distributor withdraws entirely from the sale of refined petroleum products in commerce for sale other than resale in the United States.

LIMITATION ON MARKETING ACTIVITIES

Sec. 5. Except as otherwise provided, a person who is a major market shareholder shall not, after the date of enactment of this Act, commence the operation of any distributorship or retail establishment the personnel of which are under the control of such person or under the control of an entity controlled by such person if, as a consequence of such commencement, a fraction whose numerator is the number of distributorships and retail establishments controlled by such person following such commencement and whose denominator is the total number of such person's distributorships and retail establishments would be larger than the largest fraction computed in such manner on the basis of the numbers applicable to any date prior to such commencement and occurring during the five years preceding April 1, 1975. Such person may exceed such fraction if—

(1) he is unable to find a qualified franchisee to operate a specified retail establishment or distributorship within a reasonable period of time, if such establishment or distributorship is not located within the market area of an existing franchise of such person; or

(2) the retail establishment or distributorship involved is required by applicable State law to be operated by personnel under the control of such a person.

CIVIL REMEDY

Sec. 6. (a) If a refiner or distributor engages in conduct prohibited under section 4 of this Act, a retailer or a distributor may maintain a civil action against such refiner or distributor. A retailer may maintain such an action against a distributor or a refiner whose products, with respect to conduct prohibited, under any provision of section 4 of this Act, he sells or has sold, directly or indirectly, under a petroleum products franchise. A distributor may maintain such an action against a refiner whose products he purchases or distributes or whose products he has purchased or has distributed.

(b) A person injured by, or likely to be injured as a result of, conduct prohibited by section 5 of this Act may maintain a civil action in accordance with subsections (c) and (d) of this section to enforce compliance with, or to enjoin any violation of, section 5 of this Act.

(c) A civil action under this section may be brought, without regard to the amount in controversy, in the district court of the United States for any judicial district in which the person against whom such action is maintained resides, is found, or is doing business. No such action shall be maintained unless it is commenced within three years after the cancellation, failure to renew, termination, or modification of the applicable petroleum products franchise, or within three years after the date on which the violation of section 5 of this Act last occurred.

(d) The court shall grant such relief as is necessary or appropriate to remedy the effect of conduct that it finds to exist if such conduct is prohibited under section 4 or 5 of this Act. Such relief may include, but is not limited to, declaratory judgments, mandatory or prohibitive injunctive relief, interim equitable relief, and actual and exemplary damages in an amount equal to three times the damages suffered as a result of such action. Notwithstanding the foregoing, damages, in the case of actions based on failure to renew a petroleum products franchise shall be limited to actual damages, including the value of the dealer's equity. The court may, unless such an action is frivolous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant.

(e) The Attorney General of the United States may bring a civil action against any person who is engaged, or is about to engage, in any act or practice that is prohibited by section 5 of this Act. Such an action shall be brought in an appropriate district court of the United States. Such court shall have jurisdiction over such action and shall provide appropriate relief. Such court may grant a temporary restraining order, or a preliminary or permanent injunction without bond.

RELATIONSHIP TO OTHER LAWS

SEC. 7. (a) Nothing in this Act shall be deemed to convey to any individual, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions under the antitrust laws.

(b) As used in this section, the term "antitrust law" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies, approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes," approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) No provisions of this Act shall be construed as limiting or in any way affecting any remedy or penalty that may result from any legal action or proceeding arising from any acts or practices that occurred—

(1) prior to the date of enactment of this Act;

(2) outside the scope and purpose, or not in compliance with, the terms of this Act; or

(3) subsequent to the repeal of this Act.

SEPARABILITY

SEC. 8. If any provision of this Act, or the application of such a provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such a provision to any other person or circumstance, shall not be affected thereby.

Mr. MANSFIELD. Mr. President, on behalf of Senators PEARSON, EAGLETON, and BUMPERS, respectively, I call up three individual amendments and ask for their consideration en bloc. All these amendments have been cleared.

The ACTING PRESIDENT pro tempore. The amendments will be stated.

The legislative clerk read as follows:

The Senator from Montana, on behalf of Messrs. BUMPERS, EAGLETON, and PEARSON, proposes certain amendments.

The amendments are as follows:

On page 11, line 4, insert "(a)" after "Sec. 5.".

On page 11, line 4, strike "Except as otherwise provided, a" and insert in lieu thereof, "A".

On page 11, line 15, insert "for any major market shareholder" after "computed".

On page 11, line 16, strike "prior to such commencement and".

On page 11, between lines 17 and 18, insert the following:

"If the commencement by a person who is a major market shareholder of a distributorship or retail establishment the personnel of which are under the control of such person or under the control of an entity controlled by such person results in an increase in the fraction computed in the manner prescribed in this subsection for such person (but does not result in exceeding the largest fraction permissible under this subsection), such person may not commence such operation if—

"(1) prior to such commencement such distributorship or retail establishment had been operated as a petroleum products franchise, unless the franchisee (A) had failed to comply with any reasonable requirement of such franchise or to carry out the terms of such franchise in good faith or (B) had mutually agreed with such major market shareholder to terminate such franchise; or

"(2) such distributorship or retail establishment is within the market area of an existing franchise of such major market shareholder and such distributorship or retail establishment would be in substantial competition for the customers that are served by such existing franchise.

"The limitations imposed by this subsection shall not apply if the distributorship or retail establishment involved is required by applicable State law to be operated by personnel under the control of such major market shareholder.".

On page 11, delete lines 18 through 24, and on page 12, delete lines 1 and 2, and insert in lieu thereof the following new subsection:

"(b) A person who becomes a major market shareholder after the date of enactment of this Act shall not commence the operation of any distributorship or retail establishment the personnel of which are under the control of such person if, as a consequence of such commencement, a fraction whose numerator is the number of distributorships and retail establishments controlled by such person following such commencement and whose denominator is the total number of such person's distributorships and retail establishments would be larger than the largest fraction computed pursuant to subsection (a) of this section or the fraction computed in such manner on the basis of the numbers applicable on the date such person became a major market shareholder, whichever is larger. The limitations imposed by this subsection shall not apply if the distributorship or retail establishment involved is required by applicable State law to be operated by personnel under the control of such major market shareholder".

On page 8, line 7, strike "franchise;" and insert in lieu thereof, "franchise, if such distributor is also a refiner;".

On page 10, line 20, strike the words "essential and".

Mr. PEARSON. Mr. President, as reported by the Committee on Commerce, section 5 of S. 323 would prohibit any major oil company from commencing a direct sales distributorship or retail establishment if it would result in the company having a higher ratio of direct sales operations to franchises than it had at any time during the 5 years preceding April 1, 1975. While this section permits major oil companies to exceed this ratio in certain instances, I believe this limitation on marketing activities is somewhat arbitrary. The provision would limit the marketing activities of some major oil companies more than others, since the degree of limitation is dependent upon the past activities of the particular company. The practical effect of the provision is to give those majors which have already increased their direct sales operations a competitive advantage over those which have not. Thus, it would discriminate among the oil companies affected.

The purpose of my amendment is to put all of the major oil companies on an equal footing. Under the amendment, the ceiling ratio which would be applicable would be largest computed for any major oil company during the 5 years preceding April 1, 1975. Therefore, every major would be subject to the same fractional limitation.

In keeping with the bill's purpose of protecting franchised dealers, the amendment provides certain limitations on the commencement of the additional direct sales operations permitted by the amendment. A major market shareholder may not commence such an additional distributorship or retail establishment if, first, prior to such commencement it had been operated as a franchise and the franchisee had complied with the terms of the franchise, or second, if it would be in substantial competition with one of the major market shareholder's existing franchises.

Finally, since it is possible under the definition of "major market shareholder" that a refiner who is not a major oil company may become one after the date of enactment of S. 323, my amendment provides that such refiner would be subject to the same fractional limitation or the ratio of direct sales operations to franchises that the refiner had on the date it became a major oil company, whichever fraction is larger.

I believe that the amendment I am proposing is responsive to the purpose of the bill while removing a discriminatory aspect of section 5. I hope this amendment is acceptable to the manager of the bill and I urge its adoption by the Senate.

Mr. MOSS. Mr. President, the Fair Marketing of Petroleum Products Act is designed to protect franchised dealers of petroleum products from the arbitrary termination, cancellation, or nonrenewal of their franchises by their supplier. To achieve this purpose, the bill prohibits the termination, cancellation, or nonrenewal of a petroleum products franchise unless the affected franchises failed to comply substantially with any essential and reasonable requirement of the franchise, or unless the supplier withdraws entirely from the sale of petroleum products in commerce. The bill also provides a limitation on marketing activities in order to restrict major market shareholders in the unfair expansion of distribution and retailing operations with personnel under their direct control.

The concept embodied in this legislation has been developed in the course of hearings and legislative proposals before various committees of Congress for more than a decade. The bill synthesizes the objectives of three bills which were considered in the 93d Congress by the Senate Commerce Committee, S. 1599, S. 1694, and S. 1723.

For a number of years, the Subcommittee on Antitrust and Monopoly, the Small Business Committee, and similar House Committees have held hearings on the need for franchise protection for branded dealers of petroleum products. The Committee on Commerce has similarly considered such legislation and comparable legislation affecting other types of franchises, including Automobile Dealer Day in Court, which was reported by the Committee's Subcommittee on Automobile Marketing and subsequently enacted into law in 1956.

This bill is based upon a concern that independent petroleum products dealers are being inequitably treated by their oil company suppliers. The bill is designed to assist these small businessmen to gain needed protection.

According to both the National Congress of Petroleum Retailers and the Society of Independent Gasoline Marketers of America, approximately 90 percent of the Nation's service stations are independently operated, usually under lease or rental agreements with petroleum companies.

Under these arrangements the independent dealer buys his products from the oil company and then is responsible for marketing, maintenance, sales of accessories, and a variety of related activities.

In addition to the normal rigors associated with operating a small business, independent dealers face serious difficulties in dealing with their major oil company suppliers. Dealers have no control over the pricing policies of their suppliers. As a result, the pricing policies of one oil company may result in a dealer finding himself uncompetitive with other retailers in his area.

The most significant concern expressed, however, lies in the total control over the dealers through lease and rental agreements exercised by their suppliers. These agreements generally contain provisions for the sale of oil company products such as tires, batteries, and accessories. Many dealers have alleged resulting harassment by their oil company suppliers if the dealer does not increase sale of oil company products, comply with changing credit policies of the supplier, display materials to the satisfaction of the supplier or if he carries products produced by suppliers other than those of the lessor.

Generally the provisions of lease or rental agreements allow an oil company to terminate the agreement on extremely short notice. This is a particularly difficult situation for a dealer to face considering that upon termination, there is no restoration of the equity, good will, or other investments which the dealer has made in his facility.

S. 323 provides that petroleum distributors and petroleum refiners may not arbitrarily cancel, fail to renew, or terminate a franchise unless several conditions are met. These conditions are as follows: first, the franchise failed to comply substantially with any essential and reasonable requirement of the franchise; second, the franchise failed to act in good faith in carrying out the terms of the franchise; or third, the franchisor withdraws entirely from the sale of refined petroleum products for sale other than resale in the United States.

Additionally, the legislation provides that even in the event of termination, the supplier is required, except for good cause, to notify the distributor or retailer in writing by certified mail not less than 90 days prior to the date that the franchise is to be cancelled or not renewed. The notification must contain a statement of intention to terminate with the reasons therefor, the date on which such action will take effect, and a statement of the remedy or remedies available to the distributor or retailer.

The legislation further provides that a retailer with a franchise agreement can bring a civil action against the distributor or refiner who has engaged in conduct prohibited by the act. Similarly, a distributor could bring an action against a refiner who has engaged in conduct prohibited by the act. Civil actions may be brought in the U.S. district court if commenced within 3 years of the cancellation, termination or failure to renew the franchise. The district court would be empowered to grant the necessary relief, including declaratory judgment and injunctive relief. The court could grant an award for exemplary damages equal to three times the damages suffered as well as reasonable attorney and witness fees unless such suit is found to be frivolous.

The legislation is not designed to so insulate retailers or distributors that they may hold such franchises in perpetuity. There are set forth appropriate defenses which will permit a franchisor to terminate, cancel or fail to renew the agreement when there is just cause. These conditions are that the franchisee failed to comply substantially with the essential and reasonable requirements of the franchise, or the refiner or distributor supplier withdraws entirely from the sale of petroleum products in commerce for retail sale.

It is not expected that the legislation would burden the courts. A review of the litigation that has been brought under the "Automobile Dealers Day in Court" statute (15 U.S.C. 1221) indicates, according to the National Automobile Dealers Association, that on the average, 25 cases are reported each year. Considering that there are more than 30,000 automobile dealers to whom this legislation applies, and in view of the significantly greater damages which would occur, it appears that actions are brought in approximately one-tenth of 1 percent of the potentially eligible cases.

The bill also provides a limitation on marketing activities in order to preserve further the viability of the independent segment of petroleum products distribution and retailing. This limitation would prevent a major market shareholder, as that term is defined in section 3 of the bill, from commencing the operation of a distributorship or retail establishment through personnel directly under the control of a major market shareholder or its subsidiary, if such commencement would result in the ratio of the major market shareholders company operated facilities to all of that company's retail establishments and distributorships exceeding the highest ratio computed on the same manner during the 5 years preceding April 1, 1975.

However, provisions are made to permit a major market shareholder to exceed the ratio. These conditions would be, first, that the major market shareholder is unable to find a qualified franchisee to operate the facility within a reasonable period of time and the proposed company operated facility is not located within the marketing area of an existing franchise of the major market shareholder, or second, the retail establishment or distributorship proposed to be operated with company personnel must be so operated by reason of State law, such as along certain turnpikes.

Senator PEARSON, the ranking member of the Commerce Committee, has prepared an amendment to section 5 which will alter the terms slightly, but will result in equitable treatment of major market shareholders. As a result, I am willing to accept the Pearson amendment to section 5.

The amendment which Senator PEARSON proposes is a logical compromise of section 5 of the bill and would insure fairness and equity to all major market shareholders subsequent to enactment of this bill.

As I understand the amendment, section 5 would now permit an increase in the number of company operated facilities by each major market shareholder, up to the largest fraction of such facilities held by any major market shareholder during the 5 calendar years preceding April 1, 1975. In order to determine the largest fraction of company operated facilities to total company facilities, major market shareholders who were not in business as of April 1, 1975, would not count. However, among the major market shareholders in business as of that date, the highest fraction which any of those companies had during the preceding 5 years would be the fraction to which all firms could increase their share of company operated facilities.

The amendment provides, however, that for those major market shareholders increasing their share of company operated facilities, that increase must be conducted in the orderly manner prescribed in paragraphs 1 and 2. In effect this would insure that predatory and unfair competitive practices would not occur as the major market shareholder increased its ratio to the maximum permissible fraction.

The amendment also provides that a company which is not a major market shareholder on the date of enactment, would follow certain procedures were it to become a major market shareholder. Lastly, the amendment would permit exceptions to these Federal controls if, by season of State law, a particular facility was required to be operated by company personnel. This would be the case, for instance where State law requires service stations along turnpikes to be operated by the company, and not by leasee or franchised dealers.

Mr. President, the intent of this legislation is to provide protection to petroleum product franchisees against arbitrary and unreasonable acts by their suppliers.

In the definition section of the bill "distributor" is defined as a person who supplies products to wholesale or retail outlets either under a petroleum products franchise or independent of a petroleum products franchise.

A number of independent marketers of gasoline have brought to my attention and to Senator EAGLETON's attention the inequity which might be brought about as a result of such a broad definition. Specifically, some gasoline marketers sell under their own brand name and are not associated with a refiner by way of a petroleum products franchise. Their position is that since they receive no supply protection under the bill as reported, it would be unfair to require them to meet the same obligations as a major oil company operating franchised retail outlets.

This amendment which Mr. EAGLETON offers is completely consistent with the intent of the bill. It would make clear that only those distributorships in a franchise relationship with their suppliers would be subject to liability to retailers unless the distributorship was also a refiner. If a marketer who distributes gasoline is not assured supply under this legislation, then it would seem not only reasonable, but necessary for Congress to make clear that he is not forced to meet certain conditions that are beyond his control. For instance, if a distributor who is not under a franchise with a refiner and is not a refiner himself were to be shut off from his source of supply, then he, when similarly terminating retailers, would be subject to liability under the bill. This amendment would remove the liability to which the independent distributor is subject.

This amendment is acceptable to the ranking minority member of the committee, Mr. PEARSON, and I urge its adoption.

Mr. President, the amendment offered by the Senator from Arkansas is a relatively simple amendment which would delete the words "essential and" from the requirements of section 4(b). Although the committee report refers to adhesion contracts as ones which provided that any requirement of a franchise agreement was reasonable and essential, the effect of the Bumpers amendment would be to simplify the test which would have to be met prior to a termination or cancellation. Clearly this is in line with the committee's intent, and I urge the adoption of the Bumpers amendment.

I am informed that the ranking member of the Commerce Committee is in agreement.

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. If there be no further amendment to the proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time and passed, as follows:

S. 323

An act to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Fair Marketing of Petroleum Products Act".

DECLARATION OF POLICY

SEC. 2. Competition, nondiscriminatory practices, and equal access to supplies for all retailers and distributors are essential to the fair and efficient functioning of a free market economy. Gasoline and other petroleum products should be produced, distributed, and marketed in the manner most beneficial to the consumer. It is the policy of the Congress to assist consumers and marketers of petroleum products to achieve these goals.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "commerce" means any trade, traffic, transportation, or exchange (A) between any State and any place outside of such State, or (B) which affects any trade, traffic, transportation, or exchange described in subparagraph (A) of this paragraph;

(2) "controlled" means having actual or legal power or influence over another person through any means other than a contractual relationship;

(3) "distributor" or "distributorship" means a person engaged in commerce in any State in the marketing of petroleum products through the sale, consignment, or distribution of such products to wholesale or retail outlets (whether or not such person owns, leases, or in any way controls such outlets) (A) under a petroleum products franchise, or (B) independent of a petroleum products franchise, if such distributor is also a refiner;

(4) "major market shareholder" means a refiner who is not an "independent refiner" or a "small refiner", as those terms are defined in section 3 of the Emergency Petroleum Allocation Act of 1973 (15 U.S.C. 752);

(5) "petroleum products" means gasoline and diesel fuels for use in motor vehicles, distillates used as heating fuel, and kerosene;

(6) "petroleum products franchise" means any agreement or contract—

(A) which grants to a specified retailer or distributor the authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by a specified refiner or distributor who is also a party to such agreement or contract; or

(B) which grants such a retailer or distributor the authority to occupy premises owned, leased, or in any way controlled by a part to such agreement or contract,

for the purpose of engaging in the distribution or sale of petroleum products for purposes other than resale. The term shall also apply to the relationship by which a refiner or a distributor supplies a retailer with petroleum products, or by which a refiner supplies a distributor with petroleum products under regulations promulgated pursuant to the Emergency Petroleum Allocation Act (15 U.S.C. 751 se seq., if a petroleum products franchise, as defined in this paragraph, was in effect between such retailer and such distributor (or such refiner), or between such distributor and such refiner, at any time during calendar year 1972;

(7) "refiner" means a person engaged in commerce in the refining of petroleum products;

(8) "retailer" or "retail establishment" means a person or place at which one is engaged in commerce in any State in the sale of any refined petroleum product for purposes other than resale (A) under a petroleum products franchise or, (B) independent of a petroleum products franchise; and

(9) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone.

PROTECTION OF FRANCHISED DEALERS

SEC. 4. (a) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a petroleum produtcs franchise unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby except for good cause. Such notification shall be in writing and shall be sent to such distributor or retailer by certified mail not less than ninety days prior to the date on which such petroleum products franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or to terminate (together with the reasons therefor); the date on which such action shall take effect; and a statement of the remedy or remedies available to such distributor or retailer under this Act, including a summary of the applicable provisions of this Act.

(b) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a petroleum products franchise unless the person whose franchise is terminated failed to comply substantially with any reasonable requirement of such petroleum products franchise or failed to act in good faith in carrying out the terms of such petroleum products franchise, or unless such refiner or distributor withdraws entirely from the sale of refined petroleum products in commerce for sale other than resale in the United States.

LIMITATION ON MARKETING ACTIVITIES

SEC. 5. (a) A person who is a major market shareholder shall not, after the date of enactment of this Act, commence the operation of any distributorship or retail establishment the personnel of which are under the control of such person or under the control of an entity controlled by such person if, as a consequence of such commencement, a fraction whose numerator is the number of distributorships and retail establishments controlled by such person following such commencement and whose denomination is the total number of such person's distributorships and retail establishments would be larger than the largest fraction computed for any major market shareholder in such manner on the basis of the numbers applicable to any date occurring during the five years preceding April 1, 1975. If the commencement by a person who is a major market shareholder of a distributorship or retail establishment the personnel of which are under the control of such person or under the control of an entity controlled by such person results in an increase in the fraction computed in the manner prescribed in this subsection for such person or under the control of an entity controlled by such person results in an increase in the fraction computed in the manner prescribed in this subsection for such person (but does not result in exceeding the largest fraction permissible under this subsection), such person may not commence such operation if—

(1) prior to such commencement such distributorship or retail establishment had been operated as a petroleum products franchise, unless the franchisee (A) had failed to comply with any reasonable requirement of such franchise or to carry out the terms of such

franchise in good faith or (B) had mutually agreed with such major market shareholder to terminate such franchise; or

(2) such distributorship or retail establishment is within the market area of an existing franchise of such major market shareholder and such distributorship or retail establishment would be in substantial competition for the customers that are served by such existing franchise.

The limitations imposed by this subsection shall not apply if the distributorship or retail establishment involved is required by applicable State law to be operated by personnel under the control of such major market shareholder.

(b) A person who becomes a major market shareholder after the date of enactment of this Act shall not commence the operation of any distributorship or retail establishment the personnel of which are under the control of such person if, as a consequence of such commencement, a fraction whose numerator is the number of distributorships and retail establishments controlled by such person following such commencement and whose denominator is the total number of such person's distributorships and retail establishments would be larger than the largest fraction computed pursuant to subsection (a) of this section or the fraction computed in such manner on the basis of the numbers applicable on the date such person became a major market shareholder, whichever is larger. The limitations imposed by this subsection shall not apply if the distributorship or retail establishment involved is required by applicable State law to be operated by personel under the control of such major market shareholder.

CIVIL REMEDY

Sec. 6. (a) If a refiner or distributor engages in conduct prohibited under section 4 of this Act, a retailer or a distributor may maintain a civil action against such refiner or distributor. A retailer many maintain such an action against a distributor or a refiner whose products, with respect to conduct prohibited under any provision of section 4 of this Act, he sells or has sold, directly or indirectly, under a petroleum products franchise. A distributor may maintain such an action against a refiner whose products he purchases or distributes or whose products he has purchased or has distributed.

(b) A person injured by, or likely to be injured as a result of, conduct prohibited by section 5 of this Act may maintain a civil action in accordance with subsections (c) and (d) of this section to enforce compliance with, or to enjoin any violation of, section 5 of this Act.

(c) A civil action under this section may be brought, without regard to the amount in controversy, in the district court of the United States for any judicial district in which the person against whom such action is maintained resides, is found, or is doing business. No such action shall be maintained unless it is commenced within three years after the cancellation, failure to renew, termination, or modification of the applicable petroleum products franchise, or within three years after the date on which the violation of section 5 of this Act last occurred.

(d) The court shall grant such relief as is necessary or appropriate to remedy the effect of conduct that it finds to exist if such conduct is prohibited under section 4 or 5 of this Act. Such relief may include, but is not limited to, declaratory judgments, mandatory or prohibitive injunctive relief, interim equitable relief, and actual and exemplary damages in an amount equal to three times the damages suffered as a result of such action. Notwithstanding the foregoing, damages, in the case of actions based on failure to renew a petroleum products franchise, shall be limited to actual damages, including the value of the dealer's equity. The court may, unless such an action is frivolous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant.

(e) The Attorney General of the United States may bring a civil action against any person who is engaged, or is about to engage, in any act or practice that is prohibited by section 5 of this Act. Such an action shall be brought in an appropriate district court of the United States. Such court shall have jurisdiction over such action and shall provide appropriate relief. Such court may grant a temporary restraining order, or a preliminary or permanent injunction without bond.

RELATIONSHIP TO OTHER LAWS

Sec. 7. (a) Nothing in this Act shall be deemed to convey to any individual, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions under the antitrust laws.

(b) As used in this section, the term "antitrust law" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) No provisions of this Act shall be construed as limiting or in any way affecting any remedy or penalty that may result from any legal action or proceeding arising from any acts or practices that occurred—

(1) prior to the date of enactment of this Act;

(2) outside the scope and purpose, or not in compliance with, the terms of this Act; or

(3) subsequent to the repeal of this Act.

SEPARABILITY

Sec. 8. If any provision of this Act, or the application of such a provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such a provision to any other person or circumstance, shall not be affected thereby.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUGH SCOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REVISION OF THE JURISDICTION OF THREE-JUDGE COURTS

The Senate proceeded to consider the bill (S. 537) to improve judicial machinery by amending the requirement for a three-judge court in certain cases and for other purposes.

Mr. HRUSKA. Mr. President, I rise in support of S. 537, the bill to amend the requirement for a three-judge court in certain cases, which was introduced by the distinguished chairman of the Subcommittee on Improvement in Judicial Machinery, Senator BURDICK. Senator BURDICK is to be commended for his splendid efforts in drafting and processing a number of pieces of legislation to ease the tremendous burdens which are presently upon our Federal court system.

From my vantage point, on the Judiciary Committee and Senator BURDICK's subcommittee, the heavy work load which our society has imposed upon the judicial system has become readily visible. It has become apparent to me that the demands on the courts will continue to increase, as they have been in recent years, rather than decrease in the years ahead.

The bill before us will be a key reform. It is not, of course, the single solution to the overload in our courts, and Senator BURDICK's subcommittee is presently working diligently on several other bills on this topic, including those to increase the number of Federal judgeships and to revise the circuit courts of appeals boundaries. However, S. 537, if enacted, will certainly provide a significantly beneficial impact on the judicial system.

The subject bill is identical to S. 271 which passed the Senate in the 93d Congress but was unfortunately not acted upon in the House. The elimination of the three-judge court is one of the reforms long urged by Chief Justice Warren E. Burger. At the American Bar Association meeting in February 1975, the Chief Justice stated:

> Three-judge district courts should be substantially reduced or eliminated and direct appeals to the Supreme Court should be eliminated. These changes would confirm and restore the Supreme Court's power, established by law 50 years ago, to select for review only the most important cases of broad general importance.

The bill before us would eliminate the requirement of a three-judge court in cases seeking to enjoin the enforcement of State or Federal laws on the grounds of unconstitutionality. The requirement would be retained, however, when required by act of Congress or in a case involving congressional reapportionment or the reapportionment of any statewide legislative body. The bill also clarifies the operations of three-judge panels in those instances where the procedure is retained and guarantees the right of State intervention in suits seeking to enjoin a State law on the ground of unconstitutionality.

Mr. President, I strongly urge my colleagues to support this measure.

The bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2281 of title 28, United States Code, is repealed.

Sec. 3. That section 2284 of title 28, United States Code, is amended to read as follows:

"§ 2284. Three-judge court; when required; composition; procedure

"(a) A district court of three judges shall be convened when otherwise required by Act of Congress, or when an action is filed challenging the constitutionality of the apportionment of congressional districts or the apportionment of any statewide legislative body.

"(b) In any action required to be heard and determined by a district court of three judges under subsection (a) of this section, the composition and procedure of the court shall be as follows:

"(1) Upon the filing of a request for three judges, the judge to whom the request is presented shall, unless he determines that three judges are not required, immediately notify the chief judge of the circuit, who shall designate two other judges, at least one of whom shall be a circuit judge. The judges so designated, and the judge to whom the request was presented, shall serve as members of the court to hear and determine the action or proceeding.

"(2) If the action is against a State, or officer or agency thereof, at least five days' notice of hearing of the action shall be given by registered or certified mail to the Governor and attorney general of the State. The hearing shall be given precedence and held at the earliest practicable day.

"(3) A single judge may conduct all proceedings except the trial, and enter all orders permitted by the rules of civil procedure except as provided in this subsection. He may grant a temporary restraining order on a specific finding, based on evidence submitted, that specified irreparable damage will result if the order is not granted, which order, unless previously revoked by the district judge, shall remain in force only until the hearing and determination by the district court of three judges of an application for a preliminary injunction. A single judge shall not appoint a master, or order a reference, or hear and determine any application for a preliminary or permanent injunction or motion to vacate such an injunction, or enter judgment on the merits. Any action of a single judge may be reviewed by the full court at any time before final judgment."

SEC. 4. The analysis of chapter 155 of title 28, United States Code, is amended to read as follows:

"Sec.
"2881. Repealed.
"2882. Repealed.
"2283. Stay of State court proceedings.
"2284. Three judge district court; when required; composition; procedure."

SEC. 5. (a) Section 2403 of title 28, United States Code, is amended—

(1) by inserting the subsection "(a)" immediately before "In" and

(2) by adding at the end thereof the following new subsection:

"(b) In any action, suit, or proceeding, in a court of the United States to which a State or any agency, officer, or employee thereof is not a party, wherein the constitutionality of any statute of that State affecting the public interest is drawn in question, the court shall certify such fact to the attorney general of the State, and shall permit the State to intervene for presentation of evidence, if evidence is otherwise admissible in the case, and for argument on the question of constitutionality. The State shall, subject to the applicable provisions of law, have all the rights of a party and be subject to all liabilities of a party as to court costs to the extent necessary for a proper presentation of the facts and law relating to the question of constitutionality."

(b) The catchline to section 2403 of title 28, United States Code, is amended to read as follows:

"§ 2403. Intervention by United States or a State; constitutional question"

SEC. 6. Item 2403 of the analysis of chapter 161, of title 28, United States Code, is amended to read as follows:

"2403. Intervention by United States or a State; constitutional question."

SEC. 7. This Act shall not apply to any action commenced on or before the date of enactment.

EXPENDITURES LIMITATION INCREASE FOR THE COMMITTEE ON THE BUDGET

The resolution (S. Res. 189) increasing the limitation on expenditures by the Committee on the Budget for the procurement of consultants, was considered and agreed to, as follows:

Resolved, That section 2 of S. Res. 406, Ninety-third Congress, agreed to October 10, 1974, is amended by striking out "$5,000" and inserting in lieu thereof "$30,000".

VISIT TO THE SENATE BY A MEMBER OF THE MEXICAN DELEGATION TO THE MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE

Mr. MANSFIELD. Mr. President, the Senate is, indeed, fortunate to have as a guest at this time a distinguised statesman from the neighboring Republic to the south, a man who has made his mark in the affairs of that great nation. I refer to an old friend, Senator Louis Farias of Mexico, who was largely responsible, for the Mexican point of view during the time that Presidents Kennedy and Lopez Mateos were in office, to bring about the beginnings of Mexico-United States interparliamentary conferences. This year we completed the 15th of those interparliamentary conferences, and this year, as always, Senator Farias was among the delegates and the participants in that conference.

He has been a strong right arm in the affairs of his country. He has been a great advocate of the continuation of Mexico-United States interparliamentary conferences. He has contributed a great deal to better understanding between our two countries, and we are honored that Senator Farias is with us at this time.

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. HUGH SCOTT. Yo extendo mis felicidades y bienvenidos, y por mis colegios tambien, al muy distinguido y honrado Senador del Partido Revolucionario de Mexico.

I may say in English that we also wish him well in our language. We are delighted to have him here.

I extend my good wishes and welcome, and for my colleagues as well, to the very distinguished and honorable Senator of the Revolutionary Party of Mexico.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed beyond the hour of 10:30 a.m. with statements therein limited to 5 minutes.

REQUEST FOR PERMISSION TO HOLD COMMITTEE MEETINGS ON MONDAY, JUNE 23 and TUESDAY, JUNE 24, 1975

Mr. ABOUREZK. Mr. President, I ask unanimous consent that hearings which I have scheduled for the Indian Affairs Subcommittee of the Committee on Interior and Insular Affairs for Monday and Tuesday, June 23 and 24, be exempted from the order that no committee meetings be held at the hour at 9 o'clock.

Mr. HUGH SCOTT. Mr. President, reserving the right to object—and I would not in propria persona object—but there are Senators who have indicated that they are opposed to committee meetings and I would, therefore, respectfully suggest that the Senator defer his request until some approach can be made to the Senators. I speak only to protect their interests. I would have to object for that reason only.

I would rather extend the courtesy to the Senator. I personally do not see any need for meeting at 9 in the morning, but we do not control that over on this side of the aisle.

Mr. ABOUREZK. I would like to say one thing to the Senator. Hearings begin Monday and the out-of-town witnesses are going to start traveling tomorrow, at least the ones we know of, and we have to know one way or the other today, I guess.

So if the Senator feels insistent upon objecting, I believe he should do it now. But I would also like to know if the Senator would offer me the courtesy of letting me know which Senators on his side are objecting so that I might respond appropriately.

Mr. HUGH SCOTT. Well, privately I can do that and give the Senator some indication as to who some of the Senators are. I may not be able to cover them all because they pop up like that from time to time.

Mr. ABOUREZK. Well, I would like to return the favor sometime.

Mr. HUGH SCOTT. I would be glad to tell him very privately.

Mr. ABOUREZK. Very well.

Mr. HUGH SCOTT. And with the consent of these Senators, those who have mentioned it to me.

Mr. ABOUREZK. Yes.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. HUGH SCOTT. I am constrained to object, although tears subdue me.

The ACTING PRESIDENT pro tempore. Objection is heard.

THE NEED FOR ENACTMENT OF THE 200-MILE ECONOMIC RESOURCES ZONE

Mr. STEVENS. Mr. President, I call my colleagues' attention to another piece of distressing evidence of the vital need for the immediate enactment of the 200-mile economic resources zone and other protections of our country's fish stocks from foreign encroachment.

Last week U.S. Coast Guard Alaska fishing summary, which records the number of foreign vessels fishing in Alaskan waters, shows that 552 Japanese fishing vessels were within 200-miles of the Alaskan shoreline.

This number is an increase of 200 Japanese vessels from the same time last year and an increase of 140 from last week.

Once again, this shows that foreign encroachment of our fisheries is continuing to multiply, while Alaska's fish stocks are rapidly becoming depleted, and Alaskan fishermen are finding it harder and harder to make a living from the sea.

The Law of the Sea Conference, held in Geneva this year, again failed to protect these precious fish stocks through international agreement.

In addition, a draft document for the Conference contains a provision which would allow the Japanese to continue to fish for Alaska salmon on the high seas, even if the Conference does finally manage to establish a 200-mile zone and to enact a prohibition on high seas fishing for species spawned in another country's rivers and streams—such as Alaska salmon.

The justification for this continuing exploitation of my State's fisheries resources is that Japan would undergo "economic dislocation" by the prohibition on high seas fishing for anadromous species.

But Japan has been fishing in Alaskan waters, depleting our stocks, and creating a substantial "economic dislocation" on Alaskan fishermen for years.

It is long past time that we thought of our own fishermen first. Japan must be stopped from further encroachment on our fisheries before it is too late.

First, we must act now to unilaterally establish a 200-mile economic resources zone. If we do this now, the Law of the Sea Conference will still have one more chance at next year's March session to enact an international agreement before next fishing season. But at the same time, the other countries will be put on notice that a 200-mile zone will be in effect here without regard to a final agreement by the Law of the Sea Conference.

Second, we must put ourselves on record that we will not accept or approve any law of the sea treaty which includes a provision allowing Japan or any other country to continue to fish on the high seas for Alaska salmon or any other anadromous stocks that face depletion. While the "economic dislocation" provision would now only affect Japan, I am sure that if it appears that this section will be in the final treaty, it will be an open invitation to other countries to use it to their advantage—and our disadvantage—by starting this high seas fishing now so they can claim economic dislocation later.

CRACKDOWN ON BEGGARS

Mr. LONG. Mr. President, I was gratified to read in a recent edition of the Baton Rouge State-Times a story out of New Orleans that Municipal Judge Eddie L. Sapir intends to crack down on the growing problem of winos and drifters in that beautiful city.

Judge Sapir, who is a former New Orleans city councilman, said about 400 of these winos and drifters are preying on tourists and others by begging from them.

I can attest from my own recent experiences in New Orleans that beggars have become a chronic problem, especially in the historic French Quarter. It is a problem that can be solved most easily by strictly enforcing the city's loitering, begging, and other misdemeanor laws, which Judge Sapir said he intends to do.

Mr. President, I must commend Judge Sapir for his attitude and lend my voice of support to him. Too frequently, major cities have closed their eyes to such conditions which only cause visitors and residents to avoid downtown areas and thus become a factor in businesses losing customers. Shoppers avoid downtown stores and gravitate to the suburbs when they feel harassed or endangered.

Judge Sapir said he intends to enforce the loitering, begging, and other misdemeanor laws to the fullest with jail sentences. He also wants to return such winos and drifters to their own communities.

I concur that such strict enforcement can help free overworked policemen to concentrate on serious crimes, make downtown shopping in New Orleans more attractive, and thus improve the economy of the city.

I ask unanimous consent that the State-Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CRACKDOWN ON BEGGARS VOWED BY NEW ORLEANS JUDGE

NEW ORLEANS.—Municipal Court Judge Eddie L. Sapir says he will crackdown on winos and drifters by sentencing them to maximum penalties whenever they violate the law.

Sapir, a former city councilman, said Thursday the city had a hard core of about 400 beggars who often preyed on tourists and other visitors. He said tough enforcement of loitering, begging and other misdemeanor laws could help solve the problem.

He said New Orleans must break its reputation for treating such violations lightly.

"Other big cities have taken them off the streets with serious jail sentences or forced them to return to their own communities," Sapir said.

He said New Orleans could benefit in several ways.

"First, it is going to allow the police to concentrate on the really serious crimes and not have to worry about these 400 or so people. It's going to help the tourist business also. These winos, beggars and drifters often preyed on tourists and drove them away from the merchants' stores."

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. BUMPERS) laid before the Senate a message from the President of the United States submitting the nomination of Daniel J. Boorstin, of the District of Columbia, to be Librarian of Congress, which was referred to the Committee on Rules and Administration.

MESSAGES FROM THE HOUSE

At 10:20 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 1434) to extend the authorization for the Federal Election Commission, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 37) to authorize appropriations to carry out the Standard Reference Data Act.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PERCY, from the Committee on Government Operations, with an amendment:

S. 1774. A bill to reorganize the executive branch of the Government by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring the functions and powers of such Board to the Secretary of the Interior (togetehr with supplemental views) (Rept. No. 94–217).

Mr. PERCY. Mr. President, on behalf of the Committee on Government Operations, I am submitting a Committee Report on S. 1774, a bill to reorganize the executive branch of the Government by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring the functions and powers of such Board to the Secretary of the Interior.

Mr. President, I want to express my appreciation to our chairman, my distinguished colleague, Senator RIBICOFF, for his support in speedily achieving the purpose of this legislation and for extending to the ranking minority member the privilege of filing the report on his bill, S. 1774, on behalf of the committee.

The Metal and Nonmetallic Mine Safety Review Board first opened its doors in 1971, and since that time has never had a single case to review. Its annual reports to Congress and to OMB are virtually empty—there is no business to report, no actions taken, and no meetings held, save one each year to discuss the contents of the Board's annual report.

To make the issue even clearer, the board duplicates the functions of another administrative unit in the Department of Interior; namely, the Office of Hearings and Appeals.

What we have here is an important example of waste and inefficiency in the Federal Government. Our colleague in the House, Mr. HECHLER of West Virginia, has diligently pursued the abolition of the Board for nearly 2 years. Yet it was a combination of an Associated Press story and a CBS News report on the candid and honest remarks of Jubal Hale, the Executive Secretary of the Review Board in calling for abolition of his job, that finally motivated action by the Congress to eliminate this waste and inefficiency. I think it was a productive effort on the part of the fourth estate, the media, to put sunshine on the fact that there are operations in the Government that simply have to be changed. It represents a healthy relationship between the media and the Congress that I wholeheartedly encourage and support.

I want to take this opportunity, as well, to commend Mr. Hale, the Executive Secretary of the Review Board, for his outstanding attitude and action. After reporting to the executive and congressional branches on the inactivity of the Board and the uselessness of his own job and getting no response, he did what he had to do. He went public. And he did it, in my view, in a fine way. I would hope that others in the Government will take courage from the example set by Mr. Hale and make efforts to identify and eliminate inefficiency in their own jobs.

Mr. RIBICOFF. Mr. President, first, I want to commend my distinguished colleague from Illinois for introducing this measure and bringing it to the attention of the Government Operations Committee. Senator PERCY has always been a champion of economy in Government. Few are able to match his zeal in finding and eliminating waste of the taxpayers' money.

Just about everyone is now aware of the central feature of the Federal Metal and Nonmetallic Mine Safety Board of Review: since its inception in 1971, it has not had a single case to review. Its only activities to date have been administrative in nature. Chosing an official seal and preparing its annual one page report to Congress have consumed most of its official time and efforts. While the cost of maintaining this useless Board has not been very high relative to other Federal agencies—about $200,000—this is an awfully high price for the Government to pay for absolutely nothing in return.

More than the money involved, however, is the symbolic aspect of this Board. Its continued existence testifies to the inability of the legislative and the executive branch to abolish agencies that have no useful function and no benefit to the people of this country. The House has already acted; it is time for the Senate to do the same.

Finally, I want there to be no misunderstanding concerning the nature of this measure. S. 1774, as reported by the Government Operations Committee is an interim reorganization bill whose sole purpose is to abolish this superfluous Board and avoid waste of federal funds. On the other hand, testimony before the Committee urged that thorough inquiry into omnibus mine safety legislation be commenced at the earliest time. Such legislation has been introduced by Senator WILLIAMS as S. 1302 and is now pending before the Committee on Labor and Public Welfare. This committee on Labor and Public Welfare. This committee hopes that the Labor Committee can begin action on S. 1302 in the near future.

By Mr. HATHAWAY, from the Committee on Labor and Public Welfare, with an amendment:

S. 1608. A bill to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes (Rept. No. 94-218).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. FONG:

S. 1983. A bill for the relief of Ma. Rosario B. Tesoro Albano, also known as Ma. Rosario B. Tesoro. Referred to the Committee on the Judiciary.

By Mr. GARY W. HART:

S. 1984. A bill to establish an Office of Foreign Policy and National Security Analysis for the Congress to enable the Congress to more effectively fulfill its constitutional responsibilities and deal with legislation in the fields of foreign and defense affairs. Referred, jointly, by unanimous consent, to the Committee on Armed Services and the Committee on Foreign Relations.

By Mr. TOWER:

S. 1985. A bill to encourage the direct marketing of agricultural commodities from farmers to consumers. Referred to the Committee on Agriculture and Forestry.

By Mr. FONG:

S. 1986. A bill for the relief of Zosima Batoon. Referred to the Committee on the Judiciary.

By Mr. MOSS (for himself and Mr. GOLDWATER) (by request):

S. 1987. A bill to strengthen staff capabilities for providing advice and assistance to the President with respect to scientific and technological considerations affecting national policies and programs. Referred jointly, by unanimous consent, to the Committee on Aeronautical and Space Sciences, the Committee on Commerce, and the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GARY W. HART:

S. 1984. A bill to establish an Office of Foreign Policy and National Security Analysis for the Congress to enable the Congress to more effectively fulfill its constitutional responsibilities and deal with legislation in the fields of foreign and defense affairs. Referred, jointly, by unanimous consent, to the Committee on Armed Services and the Committee on Foreign Relations.

Mr. GARY W. HART. Mr. President, in my efforts to mobilize the resources available to fulfill my responsibilities as a Senator and a member of the Armed Services Committee, I have been struck by the lack of an independent, legislative branch capability which can provide members and committees of Congress adequate and timely studies, analyses and evaluations in critically important areas of foreign and national security affairs. To correct this serious deficiency, I am today introducing a bill to establish a Congressional Office of Foreign Policy and National Security Analysis.

Creation of a congressional office which takes an integrated view of our foreign and defense policies is all the more imperative because there is every indication that the executive branch does not do so. To the contrary, the evidence strongly suggests that our State, Treasury, and Defense Departments do not work together, even on such important matters as international arms sales, disarmament, relations with the Soviet Union, international trade, and defense budget requests. The Congress should not share this shortcoming with the executive branch. One branch of Government must take a broad view of foreign and defense policies and integrate them into an overall national policy. Our recent Senate debate about defense authorization was a first step in this direction—establishment of this office will be another.

There are legitimate concerns inherent in the creation of yet another congressional agency. Many of you will undoubtedly raise questions such as: Why do we need such an office? What will it do? Won't it compete with and possibly duplicate the work of existing congressional entities? Let me address these points.

The Congressional Research Service does a good job in furnishing the Congress general information, background data, answers to specific questions, and research reports on foreign and national security affairs. In addition, our Foreign Relations, Armed Services, and other committees and their staffs provide us with useful hearings, legislative and oversight reports and responses to specific inquiries.

Most of us also have assistants on our personal staffs who cover foreign and defense affairs. This existing capability of the Congress is valuable.

However, existing congressional machinery has inherent limitations in dealing with foreign policy and national security matters. First, since it is geared primarily to the legislative process and to the flow of business before the Congress in a particular week or month, it takes a short-term view and does not probe deeply enough into underlying causes and future problem areas. Second, the existing congressional machinery treats our foreign and defense policies on a piecemeal basis and as separate and distinct entities rather than relating them to one another. No attempt is made to integrate them into an overall national policy.

These limitations are understandable and do not reflect poorly on our existing congressional machinery. Nevertheless, we still lack the type of long-term, in-depth and wide-ranging analyses, studies, and evaluations of foreign and national security affairs which the Congress needs to adequately and thoughtfully meet its constitutional and legislative responsibilities.

The Congress often receives executive branch analyses and studies of foreign affairs and national security matters. The Congress also receives such studies from private individuals and organizations. In fact, it is at times inundated with them.

However, we must appreciate that the executive, as well as outside individuals and organizations, will, in most cases, tell us what they want us to know and what serves their particular points of view. They are not necessarily unbiased and objective in their view, or working to serve the particular needs and interests of the Congress.

In sum, the Congress has a real and urgent need for foreign policy and national security analyses; its present machinery does not meet this need; and it cannot and should not rely exclusively on the executive branch or outside organizations and individuals to do so.

In equipping ourselves to more effectively deal with foreign policy and national security affairs, we should create a congressional office of minimum size and maximum responsibility and effectiveness. To achieve these goals, this bill establishes an office that will—

Be responsible to a board, composed of Members of Congress—from the Foreign Relations, International Relations and Armed Services Committees—who will, first, oversee its operations and control its size; second, prevent duplication of the work of other congressional agencies; and, third, provide expertise in foreign policy and national security affairs;

Make extensive use of outside, independent sources on a temporary or intermittent basis and utilize existing executive and congressional resources to avoid the necessity of a large, permanent staff and provide a more diverse outlook; and

Employ an advisory council to link it to the outside world, and to provide expert advice and evaluation.

In conclusion, I urge your support of this bill to establish a Congressional Office of Foreign Policy and National Security Analysis. I am convinced that this Office is essential for Congress to constructively reassert itself and more meet its constitutional responsibilities in the areas of foreign policy and national security affairs.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a bill to establish an Office of Foreign Policy and National Security Analysis for the Congress, introduced earlier today by the distinguished Senator from Colorado (Mr. Gary W. Hart), be referred jointly to the Committee on Armed Services and the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. TOWER:

S. 1985. A bill to encourage the direct marketing of agricultural commodities from farmers to consumers. Referred to the Committee on Agriculture and Forestry.

FARMERS MARKET ACT OF 1975

Mr. TOWER. Mr. President, I am introducing today the Farmers Market Act of 1975, a bill designed to encourage the direct marketing of agricultural commodities from farmers to consumers. This is a modest proposal, in terms of investment by the Federal Government, but it will have significant impact on the prices received by farmers, and the prices paid by consumers, for farm products.

There are more than 2½ million farms in the United States today, representing a farm population of almost 10 million people. Of the 2,183,000 farm families, 72 percent receive an income from farm sources of less than $15,000 per year. My bill is designed to aid those small farmers by providing programs within the Department of Agriculture which will assist and encourage the development of farmers markets and other innovative direct marketing techniques. The history of farmers markets in Texas and elsewhere in the Nation shows that such direct marketing of farm produce increases the farmer's return for his toil, and at the same time reduces the cost of food for consumers.

In addition, consumers are able to obtain farm products of higher quality for their food dollars. Increasingly, the consuming public is coming to recognize that the price paid for marketing of agricultural commodities is not only monetary; the consumer loses freshness, nutrition and flavor by purchasing food which has been processed and packaged for display in an ultramodern supermarket.

Before the advent of today's gleaming supermarket system, open markets were the primary method of distributing agricultural products from farmers to consumers. Today, such farmers markets, and derivations of the concept of direct farmer-consumer marketing, can serve as a valuable, and economically viable, alternative to the shopping center supermarket. In Texas, where roadside vegetable and fruit stands, and huge open farmers markets in Dallas, San Antonio, and elsewhere, are a way of life for farmers and consumers. The returns for both farmers and consumers are great.

In San Antonio, for instance, the farmers market is located in the heart of the city and daily offers vegetables and fruits, along with other goods, which are delivered fresh each morning. Consumers annually purchase $5–6 million of this high-quality produce at a substantial savings—as much as 50 percent less than supermarket prices. At the same time, the prices small farmers receive for their produce are greater than those offered by processors.

Mr. President, the reason for this dual advantage is no great secret—the advantage of direct farmer-consumer marketing is that the costs of the middleman are eliminated. These marketing costs, which stand between the farmer's income and the consumer's costs, represent 60 percent of every food dollar. That 60 percent represents money spent by consumers which never reaches the farmer. But where does that 60 percent go? Mr. President, I think my colleagues would be interested in knowing the answer to that question. The Department of Agriculture's Economic Research Service recently prepared a graphic illustration of the distribution of marketing costs, and I ask unanimous consent that this table be printed in the Record at the conclusion of my remarks for the benefit of my colleagues.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. TOWER. Now, Mr. President, that is 60 cents of every dollar that could be shared by farmers and consumers under my bill. Potentially, farmers markets can double the prices received by farmers and reduce costs for the consumer by 20 percent. But however the middleman's take is divided up between farmer and consumer, they both benefit, and their respective shares are subject to the dictates of the free enterprise system, not the wage demands of food processing employees, or the corporate profits of conglomerate marketing firms.

The Farmers Market Act of 1975 is not limited to assisting the development of traditional farmers markets. The innovative thrust of this bill involves pilot programs sponsored by USDA which would foster new techniques of direct marketing of agricultural commodities. Some of these techniques are already underway on a limited scale in some parts of the country. This bill seeks to set up, monitor, and later evaluate such programs on a systematic basis. Ultimately, cooperative arrangements between farmers and consumers offer potentially greater income to farmers and savings to consumers.

I believe that the farmers and consumers of Texas, and the entire country, will benefit from the information and technology which will be generated from these pilot programs. I would hope that the best minds at the Department of Agriculture will be put to the task of developing these pilot projects, and to the task of using the information gained from this small experiment to the benefit of all consumers and farmers.

Mr. President, I said, by way of introduction that my bill is a modest proposal. The Farmers Market Act authorizes appropriations of $5 million for the program, and such sums as are necessary to conduct the annual survey, and compile the annual report, as required. These sums are insignificant in comparison to the number of Americans who will benefit from the Farmers Market Act. More importantly, the people who will benefit from this bill are precisely the people caught in the middle. Neither the farmer nor the typical consumer is poor enough to qualify for direct assistance, from the Government, or wealthy enough to take advantage of major tax write offs. I think it is time Congress took action to help this great middle class of America. I believe the Farmers Market Act is a step in the right direction.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1985

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Farmers Market Act of 1975".

FINDINGS AND PURPOSE

Sec. 2. (a) The Congress finds that—

(1) Direct sales from farmers to consumers

of fresh or processed farm produce and commodities can improve the markets of and financial returns to farmers, assist small-scale farmers in becoming economically viable, and improve the quality and reduce the cost of agricultural commodities to consumers;

(2) Because of increased agricultural input costs, consumer preferences for fresh or natural foods, increased prices of food marketed through conventional retailing channels, and other reasons, there is an enhanced interest among farmers and consumers for direct farmer-to-consumer marketing channels;

(3) There is a need to provide information, technological assistance, and other assistance to individuals and groups undertaking the direct marketing from farmers to consumers; and

(4) There is a need for planning, incentives, and other assistance to develop farmers markets that can facilitate, on a continuing basis, the interface of farmers as sellers and consumers as buyers for their mutual benefit.

(b) It is the purpose of this Act to foster and promote, through appropriate means and on an economically sustainable basis, the development and expansion of both traditional and innovative approaches to direct marketing of agricultural commodities from farmers to consumers. To accomplish this objective, the Secretary of Agriculture (hereinafter referred to as "the Secretary") shall initiate and coordinate a program designed to facilitate direct marketing from farmers to consumers for their mutual benefit, through establishment of farmers markets and other innovative marketing arrangements.

DEFINITION

SEC. 3. For purposes of this Act, the term "farmers market" shall mean any marketplace (including, but not limited to, roadside stands, city markets, and vehicles used for house-to-house marketing of agricultural commodities) established and maintained for the purposes of enabling farmers to sell (either individually or through a farmers organization directly representing the farmers who produced the commodities being sold) their agricultural commodities directly to individual consumers, or organizations representing consumers, in a manner calculated to lower the cost and increase the quality of food to such consumers while providing increased financial returns to the farmers.

SURVEY

SEC. 4. The Secretary shall provide, through the Economic Research Service of the United States Department of Agriculture, or whatever agency or agencies within the Department of Agriculture the Secretary considers appropriate, a continuing survey of existing farmers markets in each State. The initial survey, which shall be completed no later than one year following the date of enactment of this Act, shall include the number and types of such markets in existence, the volume of business conducted through each such market, and the impact of such markets upon the financial returns to farmers (including their impact on improving the economic viability of smaller farmers) and food costs to consumers. This survey shall be updated every two years.

FARMERS MARKETS

SEC. 5. The Secretary shall provide that the Extension Service of the United States Department of Agriculture conduct and facilitate activities designed to foster farmers markets, including, but not limited to—

(1) The designation of a State extension marketing specialist in each State as responsible, on a continuing basis, for the purpose of initiating, encouraging, or coordinating activities related to farmers markets or to the development of such marketing methods within the State;

(2) The sponsorship of regional and statewide conferences which are designed to facilitate the sharing of information (among farm producers, consumers, and other interested persons or groups) concerning the establishment and operation of farmers markets;

(3) Cooperation and coordination with the State departments of agriculture, the land-grant colleges or universities, and the county agricultural agents of each State for the purposes of conducting studies of farmers markets within each State, compiling the laws and regulations of each State, county or other relevant political subdivision which pertain to and govern the operation of farmers markets within those States, counties, or other jurisdictions, formulating drafts of enabling legislation needed to facilitate such markets, determining feasible locations for additional facilities for such markets, and preparing and disseminating through appropriate means (including mass communication media and conferences as described in paragraph (2) of this section) practical information on the establishment and operation of such markets; and

(4) The providing of technical assistance (by State extension specialists, county agricultural agents, or others) for the purpose of assisting interested individuals or groups in the establishment of arrangements for farmers markets.

INNOVATIVE METHODS OF DIRECT MARKETING FROM FARMERS TO CONSUMERS

SEC. 6. (a) The purpose of this section is to foster the development of innovative farmer-to-consumer marketing arrangements and networks designed to encourage the interface of farmers and consumers, including organized farmers and consumers, on a sustainable basis, for the purpose of facilitating direct marketing of agricultural commodities.

(b) To achieve the purpose of this section, the Secretary shall foster activities to encourage and assist the establishment by farmers and consumers, individually and collectively, of—

(1) Bona fide cooperative enterprises, for the benefit of farmers and consumers, which are designed to enhance a sense of identification, participation, and an economic stake in the enterprise on the part of individual farmers and consumers;

(2) Arrangements for organizations of farmers and consumers, acting jointly or otherwise, to contract with processors for the preparation of farm commodities which require processing prior to their sale directly from farmers to consumers;

(3) Methods of cooperation among farmers involved in direct marketing of agricultural commodities to consumers within a State or across State boundaries, including the development of—

(A) Facilities at which farmers may pool their agricultural commodities for the purpose of having them sold directly to consumers;

(B) Methods for moving agricultural commodities from one marketing area to another for the purpose of affording greater balance of supply and demand; and

(C) Methods whereby marketplaces engaged in direct marketing from farmers to consumers may legally associate with one another for the purpose of developing a common label by which they can market their agricultural products, and for other purposes.

(c) Within three years of the date of enactment of this act, the Secretary shall establish and maintain, under the auspices of the farmer cooperative service of the United States Department of Agriculture, at least five distinctively different projects involving the formation of innovative methods of direct marketing of agricultural commodities from farmers to consumers. These projects shall be established, for a period of two years each, in different regions of the United States, and shall be concerned with different economic and social situations. In carrying out such projects, the Administrator of the farmer cooperative service—

(1) Shall consult and cooperate with the bank for cooperatives, the extension service of the United States Department of Agriculture, and State Departments of Agriculture; and

(2) Is authorized, for the purpose of administering projects developed under this section, to enter into contracts with, and make grants to, public or private non-profit agencies or organizations, agencies of a State government or a political subdivision thereof, or a combination of such political subdivisions; the Administrator is authorized to prescribe and amend regulations which are necessary to administer effectively such contracts and grants.

ANNUAL REPORT

SEC. 7. The Secretary shall periodically review the activities carried out under sections 4, 5, and 6 of this act and shall report to the Committee on Agriculture, United States House of Representatives, and the Committee on Agriculture and Forestry, United States Senate, within one year of the date of enactment of this act, and annually thereafter, with respect to the effectiveness of this act. The Secretary shall include in such report at least a State-by-State summary of the results of the survey conducted under section 4 of this act, a summary of the activities and accomplishments of the extension service in the development of farmers markets during the previous year, and a description of activities carried out by the Secretary during the previous year to develop innovative farmer-to-consumer cooperative marketing arrangements (including a review and status report, specifying degree of attainment of predetermined project goals of the pilot projects required under section 6.(c) of this act).

AUTHORIZATION OF APPROPRIATIONS

SEC. 8 (a) For purposes of carrying out the provisions of sections 4 and 7, there are to be appropriated such sums as are necessary.

(b) For purposes of carrying out the provisions of section 5, there is authorized to be appropriated $1,000,000 for each of the fiscal years ending June 30, 1976, September 30, 1977, and September 30, 1978.

(c) For purposes of carrying out the provisions of section 6, there is authorized to be appropriated $2,000,000 for the period beginning with the date of enactment of this act and ending September 30, 1978.

Exhibit 1

Conponents of bill for marketing farm foods 1974 [1]

	Percent
Transportation [2]	7
Business taxes	4
Advertising	3
Depreciation	3
Rent	3
Labor costs	46
Packaging	12
Corporate profits [3]	6
Interest, repairs, etc	4
Other [4]	12

[1] Preliminary data.

[2] Intercity rail and truck.

[3] Before taxes.

[4] Residual includes such costs as utilities, fuel, promotion, local for-hire transportation, insurance.

By Mr. MOSS (for himself and Mr. GOLDWATER) (by request):

S. 1987. A bill to strengthen staff capabilities for providing advice and assistance to the President with respect to scientific and technological considerations affecting national policies and programs. Referred jointly, by unanimous consent, to the Committee on Aeronautical and Space Sciences, the Committee on Commerce, and the Committee on Labor and Public Welfare.

Mr. MOSS. Mr. President, I send to the desk a bill which Senator GOLDWATER and I introduced at the request of the President. It would create an Office of Science and Technology Policy in the Executive Office of the President, and I ask unanimous consent that the bill be referred jointly to the Committee on Aeronautical and Space Sciences, the Committee on Commerce, and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 795

At the request of Mr. KENNEDY, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 795, a bill relating to suspending all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman.

S. 1115

At the request of Mr. DOMENICI, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 1115, a bill to amend the Federal Nonnuclear Energy Research and Development Act of 1974, so as to authorize research, development, and demonstration in the field of ground propulsion systems.

S. 1426

At the request of Mr. CHURCH, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of S. 1426, a bill to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorization of appropriations contained in such act, to prohibit discrimination on the basis of age, and for other purposes.

S. 1479

At the request of Mr. WILLIAMS, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 1479, to protect the economic rights of labor in the building and construction industry.

S. 1618

At the request of Mr. ABOUREZK, the Senator from Maryland (Mr. BEALL), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Louisiana (Mr. LONG) were added as cosponsors of S. 1618, a bill to establish a Folklife Center in the Library of Congress.

S. 1652

At the request of Mr. STONE, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 1652, a bill to amend the Internal Revenue Code of 1954 to provide that no interest is payable on income tax deficiencies in the case of returns prepared by the Internal Revenue Service until the expiration of 30 days after notice to the taxpayer of such deficiency.

S. 1798

At the request of Mr. BUCKLEY, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1798, a bill to amend title 3 of the United States Code.

S. 1804

At the request of Mr. HANSEN, the Senator from Arizona (Mr. FANNIN) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 1804, a bill to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs.

S. 1927

At the request of Mr. BIDEN, the Senator from Maryland (Mr. MATHIAS) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 1927, the Equal Credit Opportunity Act Amendments of 1975.

SENATE JOINT RESOLUTION 90

At the request of Mr. DOMENICI, the Senator from Idaho (Mr. MCCLURE), the Senator from Colorado (Mr. GARY W. HART), and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of Senate Joint Resolution 90, a joint resolution to authorize the President of the United States to designate "National Ski Week".

S. CON. RES. 46

At the request of Mr. HELMS, the Senator from Alabama (Mr. ALLEN), the Senator from North Carolina (Mr. MORGAN), the Senator from Nevada (Mr. LAXALT), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Nebraska (Mr. CURTIS), the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Arizona (Mr. FANNIN), and the Senator from Idaho (Mr. MCCLURE) were added as cosponsors of Senate Resolution 46, relating to nondiscrimination on the basis of sex in education programs.

AMENDMENTS SUBMITTED FOR PRINTING

EMERGENCY COMPENSATION AND SPECIAL UNEMPLOYMENT ASSISTANCE EXTENSION ACT OF 1975—H.R. 6900

AMENDMENTS NOS. 598 AND 599

(Ordered to be printed and to lie on the table.)

Mr. LONG submitted two amendments intended to be proposed by him to the bill (S. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes.

AUTOMOBILE FUEL ECONOMY AND RESEARCH AND DEVELOPMENT ACT OF 1975—S. 1883

AMENDMENT NO. 600

(Ordered to be printed and to lie on the table.)

Mr. JACKSON. Mr. President, on May 5, 1975, the Subcommittee on Energy Research and Water Resources of the Senate Interior and Insular Affairs Committee took testimony regarding automotive research and development efforts. As the hearing progressed, it became evident that present and potential research programs hold great promise for the development of energy-efficient vehicles.

Among areas of investigation are more efficient or alternate propulsion systems, transmissions, and aerodynamic designs. The hearing demonstrated that there are many factors which contribute to the efficiency of a vehicle, all of which may be varied and relate to other vehicle characteristics. The research is complex, but predictions indicate substantial savings in fuel economy for new vehicles by 1980 or sooner.

Unfortunately, it will take several years to replace enough of the existing vehicles with more efficient vehicles so that greater economy is reflected in our total use of energy for transportation. There are about 100 million cars and light trucks in the United States today. The useful life cycle of an automobile is about 10 years. A good vehicle sales year would replace about 10 percent of existing vehicles. However, high new-car costs, high interest rates, and general economic conditions could slow down the purchase of new vehicles, thereby prolonging the use of the more inefficient vehicles. This would slow the beneficial effects to the fuels problem which would accrue from the change to more efficient vehicles. Many vehicle owners, particularly those of modest means, will continue to use their presently owned vehicles, or will have to purchase older used cars. Many millions of vehicle owners will not be able to afford economies available in new models. However, these same vehicle owners will be twice penalized as they will have to pay higher prices for fuel.

I am, therefore, sending to the desk on behalf of myself and the Senator from Idaho (Mr. CHURCH), the senior Senator from Oregon (Mr. HATFIELD), an amendment to S. 1883, the proposed Automobile Fuel Economy and Research and Development Act of 1975.

Our amendment to S. 1883 is intended to close an important gap in Federal vehicle research and development programs evidenced in the May 5 hearing record. Almost all existing efforts are directed toward new vehicle economy and those who can afford new vehicles. Nothing is being done to assist those who cannot afford new vehicles. Additionally, little appreciation is given to the enormous fuel savings that might be achieved should fuel saving technologies or devices be successfully applied to existing vehicles.

In the publication "Energy: Gone Today, Here Tomorrow?", a report to the

Society of Automotive Engineer's board of directors, it is recommended that the SAE "establish, document, and make available through appropriate channels to users of vehicular equipment the operational and maintenance practices that will enable them to obtain maximum energy economy from their vehicles." The report clearly documents that there are actions that can be feasibly taken to increase fuel economy for existing vehicles. A lower speed limit is only one. Radial tires, by reducing one component of rolling friction, can increase mileage by 5 to 10 percent. Under inflation of tires can reduce mileage by as much as 1 mile per gallon. Careful driver behavior, perhaps encouraged by a dashboard instrument indicating the mileage being achieved, can result in 50 percent more miles per gallon than poor driving. In addition, regular maintenance such as tune-ups, brake adjustments, and wheel alinement can contribute to substantial fuel savings. These measures could start saving petroleum products now and people need to be made more aware of their potential for saving fuel and money.

The heavy trucking industry has already undertaken a strong campaign for the demonstration of fuel-saving devices for their operators. A recent documented demonstration of methods to improve heavy truck efficiency resulted in a twenty-five percent increase in fuel economy. If this economy could be achieved for our entire vehicle fleet, we would realize a savings close to 80 million gallons of petroleum products per day or about 2 million barrels.

In addition to proven fuel saving actions, there is a "gray" area of potential efficiency improvements that need careful analysis and scientific evaluation. In nationally distributed magazines and catalogs, advertisements can be found for devices which promise varying improvements in fuel economy. It would be in the national interest to determine if, in fact, these claims can be verified. It would be important to consumers, particularly those unable to afford the expense of a new, efficient car, to have available a scientific and objective evaluation of such devices.

Our amendment would provide this service to the consumer. As an example, several ads in current catalogs made claims for increased fuel economy ranging from 6 percent to 10 miles per gallon. If these claims can be substantiated, the potential effects on national fuel consumption, if the devices were widely applied, would be substantial.

The proposed amendment directs the Administrator of the Environmental Protection Agency to undertake a program for the testing, evaluation, and demonstration of existing or prototype devices which may be used for increasing the fuel economy of existing vehicles. The test results of the device evaluated would be published in the Federal Register. Ultimately, vehicles combining various proven devices would be used to demonstrate the improvement of fuel economy with existing vehicles.

The complete text of the proposed amendment is as follows:

AMENDMENT No. 600

On page 5, line 8, strike out "and".

On page 5, line 14, strike out "." at the end thereof and insert in lieu thereof "; and".

On page 5, between lines 14 and 15, insert the following new paragraph:

"(12) 'retrofit device' means any component, equipment, or other device that is designed to be installed in a motor vehicle (as an addition to, as a replacement for, or through alteration or modification of, any existing component, equipment, or other device) for the purpose of prolonging the useful life of lubricating oils, increasing the fuel economy and/or improving the exhaust emissions of such vehicle.".

On page 12, between lines 15 and 16, insert the following new section:

"RETROFIT DEVICES

"SEC. 505. (a) DUTIES OF THE ADMINISTRATOR.—(1) Within 120 days after the date of enactment of this title, the Administrator shall promulgate procedures by rule in accordance with section 553 of title 5, United States Code, for evaluating and confirming fuel economy representations of retrofit devices.

(2) The Administrator, in accordance with procedures established under paragraph (1) of this subsection, shall test, or cause to be tested, as expeditiously as possible after the date of enactment of this title, all retrofit devices being marketed as to which representations are made concerning increased fuel economy.

3. (A) The Administrator, in accordance with procedures established under paragraph (1) of this subsection, shall test, or cause to be tested, prototypes of retrofit devices for which a written description has been submitted to the Administrator, and which show potential for increasing fuel economy. Procedures for testing such prototype devices may include a requirement for preliminary testing by a qualified independent testing laboratory: *Provided*, That if the Administrator finds that a prototype device for which a written description has been submitted does not show potential for increasing fuel economy, the Administrator shall state in writing, in a timely fashion, the reasons for such finding.

(B) The developer of such prototype device may subsequently request reconsideration of the Administrator's finding under subparagraph (A) upon submission of independent laboratory test results which appear to confirm the developer's representations concerning improved fuel economy. The Administrator may then test such device in accordance with procedures established under paragraph (1) of this subsection, make a new finding that such device does not show potential for increasing fuel economy with reasons stated in writing, or report the independent laboratory test results in accordance with the requirements of subsection (d) of this section.

(4) Each device qualifying for testing under paragraphs (2) and (3) of this subsection shall be tested to determine whether such device changes, and the extent of such change, fuel economy and exhaust emissions of a motor vehicle by comparison with an otherwise identical motor vehicle in which such device is not installed.

(d) REPORTING OF RESULTS.—The Administrator shall publish in the Federal Register a summary of all test data and the result of all tests conducted under this section, together with the Administrator's conclusions as to whether the retrofit device tested does, in fact, increase fuel economy without adversely affecting exhaust emissions. Such results shall also be submitted to the Secretary and the Federal Trade Commission. The Federal Trade Commission shall analyze such data and other information and take appropriate action whenever it shall determine that any retrofit device has been falsely advertised or represented in a manner that violates the Federal Trade Commission Act (15 U.S.C. 41 et seq.)."

(e) DEMONSTRATION.—There shall be established within the Environmental Protection Agency a program to demonstrate the potential for fuel savings when existing motor vehicles are equipped with retrofit devices. Such program shall demonstrate such potential on a range of vehicles representative of the current automotive fleet.

On page 12, line 18, strike out "505" and insert in lieu thereof "506".

On page 15, line 16, strike out "506" and insert in lieu thereof "507".

On page 17, line 4, strike out "507" and insert in lieu thereof "508".

On line 17, line 16, strike out "508" and insert in lieu thereof "509".

On page 22, line 2, strike out "509" and insert in lieu thereof "510".

On page 22, line 9, strike out "510" and insert in lieu thereof "511".

On page 23, line 21, strike out "511" and insert in lieu thereof "512. (a) SECRETARY.—".

On page 24, line 4, strike out " "." at the end thereof.

On page 24, between lines 4 and 5, insert the following new subsection:

"(b) ADMINISTRATOR.—There are authorized to be appropriated to the Administrator for carrying out the provisions of this title funds not to exceed $300,000 for the fiscal year ending June 30, 1976; not to exceed $150,000 for the transitional quarter ending September 30, 1976; not to exceed $2,000,000 for the fiscal year ending September 30, 1977; and not to exceed $2,000,000 for the fiscal year ending September 30, 1978.

FOREIGN ASSISTANCE ACT OF 1975—S. 1816

AMENDMENT NO. 601

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. KENNEDY. Mr. President, I rise to submit an amendment to the Foreign Assistance Act, S. 1816. This amendment, which parallels my earlier bill, S. 795, would place a moratorium on all sales of military equipment and related services to Persian Gulf states. However, at any time, the administration can submit a statement of policy regarding sales, credit sales, and guarantees made to such countries under the Foreign Military Sales Act. If the Congress by joint resolution approved that statement, the suspension could be lifted.

This amendment differs from my earlier bill in one respect: It places no time limit on the suspension of military sales, whereas the bill would have provided only for a 6-month limit.

I believe that the issue of military sales to the Gulf States is of sufficient importance that we in the Congress should insist on receiving a clear statement of administration purpose, however long it takes them to formulate one.

By submitting this suspension as an amendment to the Foreign Assistance Act, I believe there is a greater chance that this important matter can be acted upon by the Senate in a timely manner.

The importance of the gulf to us is clear. It is the source of most of the world's exportable oil; it is close to the Soviet Union; it is close to the continuing conflict between Israel and its Arab neighbors. Any one of these factors should make us deeply concerned to understand clearly our interests and overall policies, before embarking on something as risky as the indiscriminate and massive sale of arms.

Mr. President, the United States is aiding and abetting an arms race in that region—whether by design or by default. We are running incredible risks of reducing rather than enhancing security in the region. Those risks could entail an interruption of oil supplies; diversion of weapons to third countries; the compromise of U.S. weapons secrets; and most importantly, the possibility that the United States could once again be sucked into a distant conflict.

Do we have a policy to justify such a massive flow of the latest arms in our arsenal? Does the administration have a clear view of the overall U.S. interests in the Persian Gulf area? The relationship of arms to stability to peace? To regional cooperation? To the flow of oil?

I have been able to detect no such policy. Rather, it seems that arms are sold first, and an overall political and economic policy sought afterwards. This must not continue. We in the Congress should require the administration to give us and the American people a clear picture of our policies toward the Persian Gulf.

So, Mr. President, I urge adoption of this suspension. We need to seek clarification of our arms policies in the Gulf; to ask the tough questions that will reveal just what we are trying to do in that vital part of the world. We owe it to ourselves, to the people of the region, and to all mankind, to stop and think before it is too late.

At this time, Mr. President, I would also like to commend the distinguished Senator from Minnesota (Mr. HUMPHREY), for the hearings he held this week on military sales, as chairman of the Foreign Assistance Subcommittee on Foreign Relations. His leadership in this area is a vital service to the Nation.

I ask unanimous consent that my amendment to S. 1816 be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 601

On page 16, between lines 13 and 14, insert the following new section:

SUSPENSION OF ARMS SALES TO THE PERSIAN GULF COUNTRIES

SEC. 18. All sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), and all licenses with respect to the transportation of arms, ammunition, and implements of war (including technical data relating thereto) to Iran, Saudi Arabia, Iraq, Kuwait, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman, shall be suspended on the date of enactment of this Act until the President transmits to the Congress, and the Congress by joint resolution approves, a statement of policy regarding sales, credit sales and guarantees made to such countries under the Foreign Military Sales Act. The foregoing suspension shall include a suspension of the delivery of any defense article or defense service contracted for prior to the date of enactment of this Act and which has not been delivered before such date.

On page 16, line 15, strike out "SEC. 18" and insert in lieu thereof "SEC. 19".

ELECTRONIC FUNDS TRANSFER CONTROL ACT OF 1974—S. 1899

AMENDMENT NO. 602

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. McINTYRE (for himself and Mr. PROXMIRE) submitted an amendment intended to be proposed by them jointly to the bill (S. 1899) to establish certain temporary controls on electronic funds transfer systems, and for other purposes.

ANNOUNCEMENT OF MARKUP ON PRODUCTIVITY LEGISLATION

Mr. RIBICOFF. Mr. President, I wish to announce that a Government Operations Committee markup on legislation which would establish a National Center for Productivity and Quality of Working Life originally scheduled for June 24, will now be held at 11 a.m. on Wednesday, June 25, in room 3302 of the Dirksen Senate Office Building.

ANNOUNCEMENT OF HEARINGS—EXAMINATION OF PROPOSED SECTION 202 HOUSING REGULATIONS

Mr. WILLIAMS. Mr. President, as chairman of the Subcommittee on Housing for the Elderly of the U.S. Senate Special Committee on Aging, I wish to announce that my subcommittee will continue its hearings entitled "Examination of Proposed Section 202 Housing Regulations" on June 25, 1975, in room 5302 of the Dirksen Senate Office Building beginning at 10 a.m.

The initial hearing on this issue was held on June 6, 1975, at which time we heard testimony from national organizations representing senior citizens and from national organizations representing senior citizens and from experienced nonprofit sponsors who are anxious to continue building housing for the elderly. Because of prior commitments that conflicted with that date, no presentation was made by the Department of Housing and Urban Development. However, HUD Secretary, Mrs. Carla A. Hills, has accepted our invitation to testify on June 25. Our hearing will center on her testimony and the issues surrounding the proposed regulations.

ADDITIONAL STATEMENTS

RELIABLE STANDARDS IN GRAIN EXPORTS

Mr. STENNIS. Mr. President, I am indignant and regretful at the recent indications that there may be corruption in the grain export trade. There are reports in the news of indictments and convictions in New Orleans, indictments being returned in Houston, and investigations underway in other areas.

These events deal with grain shipments, but they affect all of agriculture. We are an exporting Nation, and our economic future is tied to agriculture to a very great extent. Our agricultural exports last year, for example, represented $21 billion in our balance of trade. Of each 4 acres in crops, we export the product of 1 acre.

Let me say at the outset that I do not mean these remarks as any kind of a wholesale criticism of the people who work in the grain trade, whether they be Federal employees or private citizens, whether they are involved in ship inspection, grain inspection or sampling, grain elevator and terminal operation, ship operation, or any other aspect of the business. As in any other American business, they are, in the overwhelming majority, honest people who work hard and take pride in their product.

Nevertheless we know that for as long ago as 1969 there have been complaints from grain customers abroad. They have cited deficiencies in grading, in cleanliness, and in quantity, and they have brought up the possibility of bribery as a cause of some of these deficiencies.

The subject is beginning to receive national and international attention. The honest, hard-working people who are in this business need to have their reputations protected from being tarnished by the misdeeds of a few, and if there are those who profit by criminal actions they must be found and brought to justice. In other words, it is time to dig out the facts, and if there is anything wrong with the system, or wrongdoers operating within the system, correct the situation fast.

For this reason, Mr. President, I am particularly pleased that hearings have been initiated by the Senate Agriculture Committee on this subject. It is too important a subject to wait. Many nations in this world depend upon us for the grain to feed their people. When they contract with the United States for grain they should expect to pay a fair price, and in return they should expect to get full, fair value that they know they can rely upon. If they do not get it they have been cheated—there is no other word for it—and the reputation of the United States and all its products, agricultural or otherwise, will suffer.

So the problem is larger than one of possible criminal actions by individuals at our ports. It is larger than the flow of dollars and tonnages in the grain trade. It is larger than agriculture itself, and bears directly upon the international reputation of our Nation. I view it as a very urgent and serious matter.

As my colleagues know, grain inspectors and samplers are not Federal employees. They are, however, licensed by the Agricultural Marketing Service of the Department of Agriculture, and their work is subject to check by the Department. This is required under the U.S. Grain Standards Act.

Besides the Grain Standards Act, and the regulations issued by the Department of Agriculture, the grain exporting system has, of course, its practices and customs, established over the years, just as does any business. The whole system needs to be looked at, in my view. We are seeking to identify wrongdoers, if there be some, so that their criminal actions, which are harmful to citizens here and abroad, can be stopped. We are also seeking a sound and reliable system that will assure us and our customers of reliable grain standards in export trade.

If there are conflicts of interest built into the system, as press accounts indicate there may be, then they must be eliminated. If it is both legal and profitable for a shipper to add unusable fillers to an otherwise high grade shipment of grain, to bring it down until it just meets the minimum grade requirement, then something is wrong. If the fine for misgrading a shipment is less than the profit that can be made by so doing, then the system is faulty.

The United States is presently engaged in international negotiations with the other major industrial nations to meet the economic problems caused by the oil cartel, and these negotiations are considering as well the creation of international grain reserves. Under these circumstances it is essential that other nations have no doubts that when they trade for American grain they will get fair value in terms of quantity, grade, and cleanliness.

Mr. President, we raise a great deal of grain in Mississippi, and we hope to continue to raise more and more each year. However, this is not just a grain problem. It affects all of agriculture, and our total reliability in international trade. It is absolutely essential that the United States set its house in order in this matter, and do so fully and openly so that the process can be observed by the international community with whom we trade.

AMERICAN ITALIAN BICENTENNIAL COMMISSION

Mr. DOMENICI. Mr. President, as the Bicentennial approaches, we should all pause to recall the many different groups of citizens who risked their lives and sacred honor to help this Nation achieve freedom. We sometimes think of only one group or nationality as the prime driving force behind the battle for independence.

However, we should not forget that citizens of many nations joined in the struggle. Among these citizens were the Italian Americans, of which I am a representative. Not only did an Italian discover this continent, but Italians and Italian Americans have played a great part in the growth and greatness of this Nation.

I would be remiss if I did not mention the American Italian Bicentennial Commission, Inc., of Washington, D.C. I wish to commend the dedicated members of the Commission for their work in developing and conducting programs to highlight the contributions made by Americans of Italian origin to this country.

My parents were typical of the Italians who came to this land. They came with high hopes that this land would give them the freedom to make as much of themselves as they could. They were not disappointed. Their success, and whatever success I have been able to gain in this land, testifies to the opportunity this Nation has offered. My parents, and other Italian Americans, have in turn been more than willing to bear their share and more of the burden of protecting this freedom and making this Nation even greater.

LEAA ADVISORY COMMITTEE SCHOOLED IN HOW TO THWART THE LAW

Mr. METCALF. Mr. President, the Federal Advisory Committee Act imposed some fairly tough requirements on the Government's farflung network of citizen advisory committees, and one of these was that each advisory committee meeting be open to the public unless it is "concerned with matters" which the Freedom of Information Act exempts from mandatory public disclosure. In effect, it converted the Freedom of Information Act into an open-meeting law.

It is therefore astonishing and ironic to find an official of the Law Enforcement Assistance Administration counseling an advisory committee on how to thwart the open-meeting provisions of the Federal Advisory Committee Act.

This happened May 7 at the first meeting of the Organized Crime Task Force to the National Advisory Committee on Criminal Justice Standards and Goals. Here is the background:

Chartered April 10, the National Advisory Committee is a re-creation of the group of the same name which existed in 1972–73 and produced criminal justice standards and goals reports dealing with the courts, police, corrections, community crime prevention, and other areas. It was the most expensive of the 1,439 advisory committees in existence in 1972, costing $1,750,000.

Re-creation of the National Advisory Committee launches the second phase of the standards and goals effort, but this time the reports are to be produced by individual task forces dealing with organized crime, civil disorders and terrorism, juvenile delinquency, and so on. It is expected to be a $2 million enterprise taking 18 months.

On May 7 the Organized Crime Task Force met in public session with William T. Archey, Acting Director of the Policy Analysis Division in LEAA's Office of Planning and Management, and other LEAA officials. According to the transcript of the meeting, Archey explained how the requirements of the Federal Advisory Committee Act and the Freedom of Information Act would affect the operation of the task force. Then a member of the task force asked a question, leading to this exchange:

> Mr. Byrne. I understand the press are going to be in here in all of our deliberations except when we notify you a month in advance that we want it closed?
>
> Mr. Archey. First, this is the only meeting required to be in Washington. All other meetings can take place wherever Jack Kehoe wants to have them take place, which poses you much less of a problem, much less of an issue. You will find that the first meeting attracts generally some public interest and some media interest, but I think after the first meeting, you won't find that.
>
> Mr. Rubinstein. Well, the transcripts are available if the meetings are closed up.
>
> Mr. Archey. Yeah. But, I am saying that also when a meeting is closed, there is no requirement also for minutes to be public on a closed meeting.
>
> Mr. Byrne. Is there some federal law that requires this?
>
> Mr. Archey. Yes, two federal laws. One is the Federal Advisory Committee Act that pertains to Jack and all of the staff directors. It is quite explicit, quite. You know I am in a difficult position on that myself because I understand what you are saying and——
>
> Mr. Byrne. We are all in a difficult position here if the press are going to be present.
>
> Mr. Archey. Well, again, I think, Garrett, at this point in time the first meeting is the one that the press exhibits some interest, after that it doesn't. At least that's been historically the case with all our advisory committees, even the original commissions weren't. Also, as I am saying, the committee is not going to have to meet in Washington all the time anyway.
>
> Mr. Byrne. It is a job getting over here.
>
> Mr. Kohn. We could have all our good, honest-to-goodness discussions over the lunch hour while the stenographer is gone. (General laughter.)
>
> Mr. Archey. I hate to be talking about how the hell we get around this because that puts me in a rather difficult position. But at the same time, I would suggest henceforth you have dinner meetings which can be picked up as a result of the grant and which do not have to have minutes and are not of public record. That is what we did with one group already, where they met the night before at a dinner meeting. You can conduct business as long as you have a business agenda of some sort, but that does not apply because it says something about dinner meetings as different.
>
> Now, I suppose if the dinner meeting would last seven or eight hours, that, you know, that is—I am not going to get into that side of it. . . .

Mr. President, the suggestion that the task force hold dinner meetings to avoid public scrutiny is offensive but not novel—indeed, a recent study by the Foreign Affairs Division of the Congressional Research Service found "partially closed meetings, premeetings, luncheons and other private sessions during 1974 of the advisory committees under the State Department." Perhaps LEAA is simply following the lead of the State Department.

Nor it is unique to schedule meetings outside of the Washington, D.C., vicinity in hopes of minimizing press coverage, although LEAA may be using this ploy on a grander scale than other agencies. Consider these upcoming sessions:

The Organized Crime Task Force will meet June 24 and 25 at the Parker House Hotel, 60 School Street, Boston.

The Juvenile Delinquency Task Force will meet June 27 and 28 at the Howard Johnson O'Hare, 8201 West Higgins, Chicago.

The Private Security Task Force will meet July 10 and 11 at the Marriott O'Hare, 8535 West Higgins, Chicago.

All three of these meetings will be open to the public, not counting any unannounced dinner meetings or discussions "over the lunch hour while the stenographer is gone."

The superb irony in the May 7 meeting was that later the task force discussed the problem of communicating with businessmen and the public about organized crime. Here is a tidbit from the transcript of the meeting, with a member of the task force observing:

> We can't expect the press to communicate what government does, what government's problems are unless we teach them to understand the subtleties that are not so obvious of the organized crime problem. We have to start teaching the press as we teach our police officers and our prosecutors to understand organized crime. They have got to become equal partners in the teaching and training process.

Amazingly, no participant remarked on the contradiction of excluding the press from task force deliberations while making the press "equal partners in the teaching and training process."

Further, the meeting was newsworthy. A task force member observed that the Defense Department is "spending millions and millions of dollars buying goods and materials from organized crime," at the same time that the Justice Department, Internal Revenue Service and others "are spending the same damn taxpayer dollar trying to fight the very people that are being financed by the administrative branch of the Government, giving them Government business."

Mr. President, the transcript shows Mr. Archey commenting that a "Senator Peterson" was starting oversight hearings on advisory committees that very week. I do not know who "Senator Peterson" might be, but I do know what Mr. Archey thought of the idea, because he added:

> Now, I am wondering about what, you know, what keeps one busy but believe it or not, he is having oversight hearings on the issue of advisory committees.

I should point out, with all due respect to "Senator Peterson," that my Subcommittee on Reports, Accounting and Management will be holding oversight hearings on advisory committees in the near future, and that it may be possible to give LEAA, a first-hand example of what advisory committee oversight is all about.

Mr. President, I ask unanimous consent to have printed in the Record a roster of members of the Organized Crime Task Force and a list of those present at the May 7 meeting.

There being no objection, the material was ordered to be printed in the Record, as follows:

Organized Crime Task Force

Benjamin Zelenko, Esq., Weisman, Celler, Spett, Modlin, Wertheimer Law Firm, 1025 Connecticut Avenue, N.W., Washington, D.C. 20036.

Victor Rosenbloom, Professor of Law and Political Science, Northwestern University, 357 E. Chicago Avenue, Chicago, Ill. 60611.

Garrett Byrne, District Attorney, New Court House, Pemberton Square, Boston, Mass. 02108.

Jonathan Rubinstein, 168 Congress Street, Brookyn, N.Y. 11201.

Honorable Judge Robert W. Warren, U.S. Eastern District Court, 517 E. Wisconsin Avenue, Milwaukee, Wis.

Bud Purdy, Director, Dade County Department of Public Safety, 1320 14th Street, N.W., Miami, Fla. 33125.

John F. Kehoe, Jr., Chairman, Commissioner of Public Safety, 1010 Commonwealth Avenue, Boston, Mass. 02215.

Special Prosecutor Maurice Nadjari, New York Office of Special Prosecutor, No. 2 World Trade Center Building, 57th Floor, New York, N.Y. 10047.

John J. Mullaney, Executive Director, New Jersey State Law Enforcement Planning Agency, 3535 Quaker Bridge Road, Trenton, N.J. 08625.

Mr. Aaron M. Kohn, Managing Director, Metropolitan Crime Commission, 1107 National Bank of Commerce Building, New Orleans, La. 70112.

Rex Armisted, Attorney General's Office, Organized Crime Division, Post Draw 7, Lula, Miss. 38644.

Organized Crime Task Force,
Law Enforcement Assistance Administration,
Washington, D.C.,
May 7, 1975.

Members present John F. Kehoe, Chairman; Garrett Byrne; Benjamin Zelenko; Victor Rosenbloom; E. Wilson Purdy; Aaron M. Kohn; Jonathan Rubinstein; Judge Robert Warren; Maurice Nadjari; and John J. Mullaney.

Speakers: John Herzig; William Archey; John Golden; and Steven Cooley.

STEVENS PRAISES NEW YORK TIMES PIPELINE ARTICLE

Mr. STEVENS. Mr. President, the New York Times is to be congratulated for printing the accurate and informative article on page 1 of its June 16 issue, filed from Fairbanks by reporter Wallace Turner, which explodes some of the myths about jobs on the Alaska pipeline.

Ever since the work on the pipeline began, Alaska has been flooded with people from around the country who have heard misleading stories of the job opportunities there. The vast majority of these people go home disappointed and broke.

Anyone thinking of going to Alaska to look for a job should read today's Times article and learn that Alaska's weather will be the least of their worries if they go there trying to find work.

Outsiders will find that pipeline hiring rules give preference to Alaskans, maintain quotas of Alaskan Natives and provide for hiring through unions, all of which means non-Alaskans only very rarely can find a pipeline job.

In addition to this, the housing vacancy rates in Alaska's largest cities are very close to zero, and when housing can be found it costs more than anywhere else in the United States. New arrivals often find themselves sleeping in their cars if they do not know someone in town to stay with.

This housing crisis combined with the extremely high cost of living and an overall unemployment rate which, despite the pipeline, is still well above the national average, should be enough to convince anyone that they should not come to Alaska expecting jobs or prosperity.

What may seem at first like an exciting new frontier can turn very rapidly into just another desolate, crowded city with even less housing and less opportunities than the places people are coming from.

The influx of outsiders hoping to find jobs in Alaska has put a severe strain on the Alaskan economy and on the State's social services which cannot support many more misinformed people.

Alaskan officials and residents have tried very hard to make this situation clear to those on the outside, but little of it has gotten through. Alaska always welcomes visitors who want to see the many beautiful and unique areas of our great State; but those who plan to stay should have a job, a good salary, and a home assured before they come.

This message was clearly outlined in the New York Times today, and I sincerely hope that other members of the media will follow suit to tell the outside the true story of the negative economic impact created by the great "boom" in Alaska.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Jobs on Alaska Pipeline Are Vain Goal for Many

(By Wallace Turner)

Fairbanks, Alaska, June 12.—Misleading publicity fed into a depressed national labor market has enticed hordes of people who cannot afford it to become losers this summer in the great Alaska pipeline job sweepstakes.

Thousands have been drawn here by news articles and glowing statements of opportunities in commercial newsletters that pictured high salaries available to anyone willing to endure the climate and isolation of the pipeline construction camps. Many who arrive here, often financially overextended, find frustration and financial disaster instead of big-paying jobs.

Those who take the bait find the following obstacles between them and the big money:

A 1972 law gives *preference* in pipeline hiring to Alaska residents. Some argue that this is illegal, but the law is there and it is being observed.

All the hiring is done through unions, which have priority systems that are based on taking care of the hometown crowd first. Union membership outside Alaska means nothing except in a few, isolated instances.

An out-of-state applicant without influence is at the bottom of the hiring list, and could stay there throughout the time it takes for the pipeline to be built.

A year ago, Alaska's unemployment rate was 12.5 per cent. Even though 17,000 people are working on the pipeline now, the unemployment rate is still 9.2 per cent.

GAINS IN WORK FORCE

Three years ago, the work force in Fairbanks numbered 16,000; now it is 21,450.

Pipeline work is not concentrated here, but is spread all along the 798-mile route. Pipeline workers are hired in Anchorage as well as here.

No one in the government has compiled a

tally of those who came up here to be defeated by the system. Hundreds have come up, gone broke, and made the long trip back home. Claims for unemployment insurance, which follows a worker who may have earned it in another state, have risen 109 per cent here. Last month, applications for employment service assistance were up 24.5 per cent in the Fairbanks office.

Somewhat similar effects have been recorded in Anchorage, which is not on the pipeline route, but, as Alaska's largest city, is very involved in what is happening.

State welfare officials seldom see or talk to the losers in the pipeline sweepstakes. Once in a while, the welfare agency will send someone back home at state expense.

One of these was a welfare mother who had taken her check, borrowed money and bought tickets to Fairbanks for herself and her children. She said she was told that there were jobs available that paid $1,000 a week, and she wanted one.

The problem is different with those such as 38-year-old Gene Scheets, a neatly dressed man wearing a trimmed beard, who talked while waiting for a job interview in the state unemployment office here. His story of deprivation and quiet desperation is a common one here, interview officers said.

"I haven't worked in seven months," he said. He still gets $90 every Friday as unemployment compensation from his last job as a truck driver in Woodland, Calif.

His wife and two children still live in Woodland, existing on what he can send them and stretching it with food stamps, he said. He drove his car up the Alaska Highway.

"I sleep in it," he said. "Cook in the car on a little alcohol burner. I get a shower for $1 in a laundry. I read a lot. I brought a stack of science fiction books up here with me."

Mr. Scheets was a member of the International Brotherhood of Teamsters back home, and he registered with the union here when he arrived last April. But all he has is a D card, the lowest category there is, and he has never had a chance to bid for a job even though he goes to the union hall every time jobs are offered for bids.

HIGHER PRIORITY

David Bloom, 21, home for the summer here from Arizona State University, has a C card as an Alaskan resident. Because he worked as a teamster last year, he has a higher priority. He expects to pick a job near here, avoiding the isolation of the bush camps, and take home $550 a week.

The job freeze-out occurs throughout pipeline areas. In Anchorage, Clarence Boogher, 51, a union car enter from Mount Holly, N.J., expected to get a pipeline job easily. But he has been living in a camper in a trailer park for two months, with no job in sight.

Three union electricians moved into a motel room in Anchorage on Jan. 2, sharing the $190 a week rent and the cost of food they cooked in a small kitchen. Five months later, two of them went out on jobs, and the third moved into a small trailer to continue to wait for a job assignment.

Finding a place to sleep is a frightfully complicated task for someone waiting for a pipeline job. Steve Talbot drove up with friends last April, and parked their trailer in the then bitterly cold camp area next to the fairgrounds.

For the last two months, he has been a part-time manager of the campground, collecting $3.50 a night from other campers and living free himself. He will give up the pipeline dream in September and return to Michigan.

But Roger Betts of Seattle has only arrived, and pays his $3.50 a night to pitch his tiny tent in the camp, where there are many other campers. He still believes he will get a job.

Some people seek help from the Salvation Army or the Fairbanks Rescue Mission, but those facilities are not so full now because many are camping out or sleeping in cars during the mild summer season.

"They can sleep out if they can stand the mosquitoes," said Susan Holloway, who with her husband manages a dormitory that was created by the owner of a small two-bedroom home.

In the bedrooms, people sleep at all hours in double-decked beds. There are 10 beds in one room and six in another. While Mrs. Holloway talked, a 4-year-old boy asked when his mother would be awake. She has a night job somewhere in town, the landlady said.

The sleepers pay $40 a week for a bed. The property takes in from $600 to $900 a week, Mrs. Holloway said. She and her husband, both in their 20's and with two small children, came here from North Carolina this spring.

Steve Enochs, a dormitory tenant, drives a cab for about $400 a week while he waits for a pipeline kitchen job at $900 to $1,000 a week. He hopes his father, who is on the North Slope, can clear the way for him.

Established residents endure long "visits" from job-hunting relatives. A couple with a one-bedroom apartment have had the wife's cousin with them for months. The husband recently took a nonunion construction job at $350 a week gross, not enough to live on alone in this city's super-heated economy.

The cost of living in Fairbanks is 32 percent higher than in Seattle.

Families are divided. Catherine Feldman, who recently arrived from Florida, will not see her husband for eight weeks. Last week, he finally got a pipeline job—after waiting since November—for $1,200 a week, but her job in a public agency is about to end.

Even those who are both union members and Alaska residents are not always able to get a pipeline job. One such is Mary Harper, a waitress and culinary union member for six years. Her husband is working on the pipeline and she wants to go into culinary union job on the pipeline.

"My friend, the cocktail waitress, is on the list to go out," Mrs. Harper said. "But I'm not. She said she had a friend with influence."

MEDICARE-MEDICAID ADMINISTRATIVE AND REIMBURSEMENT REFORM

Mr. TALMADGE. Mr. President, it appears less and less likely that we will be working on national health insurance legislation this year.

This is true for a number of reasons. First, Congress completed a major overhaul of medicare and medicaid with passage of Public Law 92–603 at the end of 1972. Many of us, I believe, think that the executive branch should be given some time to begin implementation of these far reaching changes in medicare and medicaid before passing a massive new program.

Second, we in the Congress have our hands full working with the twin problems of inflation and recession, and the closely linked energy problems.

It seems to me—and I know it also seems that way to a number of other Senators—that at a time when inflation is straining the economy and efforts to deal with recession are making additional budgetary demands, passage of a massive piece of domestic legislation such as national health insurance might be inappropriate — particularly a program which involved early implementation and spending.

All of this does not mean that we cannot begin to make some vitally needed changes now to the benefit of the $30 billion medicare and medicaid programs—changes which would also be necessary under any national health insurance program.

In my capacity as chairman of the Subcommittee on Health of the Committee on Finance, I requested the Comptroller General of the United States, with the assistance of the staff of the committee, to undertake an inquiry into alleged fraud and abuse of the medicaid program in Illinois, as well as the administrative system for medicaid in that State. This inquiry was broadened as time went by so that it, in fact, developed findings which, to a greater or lesser degree, can be applied to medicaid generally.

It is clear that there is widespread fraud and abuse in medicaid. Fraud and abuse, however, are symptoms of the cause, which is basically ineffective and inadequate administration of the programs at both Federal and State levels. My initial reaction was to work on developing legislation designed to correct, to the extent possible, administrative deficiencies, and to assure effective investigation of fraud and abuse and timely action to correct those situations. We are, in fact, now drafting a number of legislative approaches designed to achieve effective administration and investigation, as well as to resolve some of the reimbursement and related problems in medicare and medicaid, and some of the more arbitrary and inequitable regulations which have been promulgated by HEW. I will get specific about some of these in a moment.

I want to emphasize that none of the proposed changes are "frozen in concrete." They are all intended to deal with real problems. Hopefully, the hearing process will lead to refinements and modifications enhancing equitable and effective solutions to those problems.

I anticipate formal introduction of this legislation prior to or immediately following the August recess. I would also expect the Subcommittee on Health of the Finance Committee to begin hearings on these proposals within a reasonably short time after submission of the bill.

Now you can appreciate that the concern in proposing any changes in reimbursement and administration would be to assure effective administration and control of the program while, at the same time, avoiding any further inflation of health care costs. Let me describe areas on which we are now drafting legislation.

FEDERAL AND STATE ADMINISTRATION

In the Federal administrative area we seem to have people running off in all directions making different decisions affecting the same doctor or hospital, or nursing home. We have the Medical Services Administration in the Social and Rehabilitation Service, doing an inadequate job with medicaid. We have the Bureau of Health Insurance of the Social Security Administration responsible for medicare, and the Bureau of Quality Assurance responsible for Utilization Review and the PSRO program. In the forthcoming bill, provision will be made to establish a new combined Administration for health care financing, headed by an Assistant Secretary for Health Care Financing, which would take the Medical Services Administration from the Social and Rehabilitation Service, take the Bureau of Health Insurance from Social Security, the Bureau of Quality Assurance, and the Office of Long-Term Care, and combine them into one entity. This should at least achieve uniformity of policy and administration at the Federal level as well as an ability to achieve accountability. The Assistant Secretary for Health, of course, would still be responsible for health resources development under this approach toward reorganization.

Within the new Agency there would be established a central fraud and abuse control unit. The central fraud and abuse control unit would have overall responsibility for: First, monitoring activities designed to deal with fraud and abuse at various program levels, and second, initiating and conducting direct investigation of fraud or abuse in any of the Social Security Act health care programs. This unit would also provide investigative support and assistance to U.S. Attorneys, upon their request, in the development of fraud cases. While authorized to initiate inquiries on its own, the unit could also serve to assist State investigative activities when requested by a State. The fraud control unit should be adequately staffed and a fairly large number of trained investigators should be assignable to help clean up "crisis" situations such as those which have recently been revealed in Illinois and New York.

To enhance and facilitate prosecution in fraud cases, we would authorize the general counsel of HEW to prosecute civil fraud cases where the Department of Justice has failed to act in timely fashion following referral of such cases to U.S. Attorneys.

The efficiency of State medicaid administration varies widely—characteristically, it is lax and does not meet the Federal requirements for proper program operation. Unfortunately, the Medical Services Administration—the Federal medicaid agency—is also weak and lacks credibility due primarily to: First, the lack of uniform program performance standards, and second, the lack of effective sanctions on poor-performing States. This is because the penalty for noncompliance is a total cutoff of Federal medicaid matching—an extremely drastic action. GAO and the HEW Audit Agency have repeatedly cited these widespread failings, essentially to no effect.

Under the legislation now being drafted, the Secretary of Health, Education, and Welfare would be required to conduct annual onsite evaluations of each State's medicaid administrative structure and operation to determine whether a State, first, was making proper payments in timely fashion for eligible persons, and second, maintained reasonably current data necessary for timely evaluations. A formal, uniform Federal performance standards index would be established. Where a State's system or its operation of the system was found deficient measured against this Federal program accountabiilty system, it would have a reasonable period of time to correct the problem. At the request of a State with deficiencies, HEW would provide or arrange for technical assistance at Federal expense. Following a finding by the Secretary that a given State's administrative operation was reasonably efficient, the Comptroller General would render an opinion as to whether the Secretary's procedures for making that finding in the State were adequate. Failing that finding by the Secretary or affirmative opinions by the Comptroller General, no Federal matching funds would be available for a State's medicaid administrative costs until the problem was actually straightened out. However, in the case of a State properly operating its program and exceeding the basis performance standards, Federal matching toward administrative costs—other than eligibility determination costs—would be at 75 percent instead of the present 50 percent Federal share. This approach places pressure upon a State to correct its administrative deficiencies—as well as incentives to efficient operation—but does not cut off Federal matching funds for medical services to the poor.

CARRIERS—INTERMEDIARIES

At present, medicare uses intermediaries to serve as the Government's agent in dealing with hospitals and skilled nursing facilities and uses carriers as agents in dealing with physicians. Much of this constitutes an inefficient and uncoordinated arrangement and it is inconsistent with the way private health insurance—other than some of the Blue Cross-Blue Shield plans—ordinarily operates where one company pays both doctors and hospitals. Further, some of the carrier and intermediary areas are either too small or too large for efficient and economical operation. Additionally, there are problems in terminating and replacing inefficient carriers and intermediaries which arise from general administrative reluctance to "rock the boat" as well as political pressures which are generated by the incumbent carrier or intermediary. Finally, there is the recurrent problem connected with the selection of the site and contractor for data processing services—including whether data processing should be done "in-house" by the carrier or intermediary or whether it should be subcontracted.

The bill will include language providing that, to the maximum extent possible, over a period of time, carrier and intermediary responsibilities would be assumed by a single agent, instead of the present dual arrangement.

Carrier and intermediary areas would be expanded or consolidated wherever necessary to promote efficient and economical operation.

By statute, an objective and competitive process would be established for the selection in each area of the carrier-intermediary believed capable of doing the best job as agent of the Government in terms of: Overall quality of service, accountability, efficiency, and economy. The Comptroller General would render an opinion as to whether the selection procedure conformed to statutory requirements.

This process would include determination as to the appropriate site—in-house or subcontract—of carrier-intermediary data processing activities, taking into account the goals of overall quality of service and accountability, as well as efficiency and economy. Where subcontracting was determined appropriate, bona fide competitive bidding procedures would be required.

REIMBURSEMENT OF HOSPITAL, SKILLED NURSING HOMES, AND DOCTORS

Under laws and regulations governing the medicare program, hospitals, and skilled nursing facilities are reimbursed for their "reasonable costs" of providing covered care. Nothing beyond "costs" is theoretically payable.

The present "reasonable costs" procedures are not only inherently inflationary—because there are no effective limits on what costs will be recognized as reasonable—but also contain neither incentives for efficient performance nor true disincentives to inefficient operation. Absent any kind of opportunity to secure unrestricted working funds, hospitals and nursing homes will continue to press for undifferentiated reimbursement "plus"—such as cost plus 2 percent—factors unrelated to whether one hospital should get more money while another should get less. They all want to get these "pluses" without individual justification.

On the physicians' reimbursement side, there are inequities between payment to comparably qualified rural and urban doctors; excessive payments to certain specialists unrelated to their actual efforts—such as those radiologists, pathologists, and anesthesiologists who get a fixed percentage of all hospital, X-ray, and laboratory charges—as well as substandard medicaid payments which have discouraged many doctors from taking care of medicaid patients with, as a result, the care of those patients often being provided in much more costly hospital outpatient departments. In addition, there are other relatively lesser reimbursement problems which we will also seek to resolve.

The bill will include requirements as to appropriate means of classifying and categorizing health care facilities so that "apples" can be compared with "apples." Once this is established—even in part—the Secretary of HEW would be authorized to implement performance-based reimbursement systems on an area-, region-, or nationwide basis. Performance-based reimbursement is designed to provide the efficient hospital providing good care with reasonable incentive payments above their actual costs as a means of rewarding and stimulating efficiency. The objective of these approaches will be to reward efficient hospitals and skilled nursing facilities and restrict reimbursement to inefficient facilities. The key here is to assure true comparability of hospitals. The American Hospital Association and the Social Security Administration, as well as other organizations, are working at our request to develop proper methods of classification and comparison. Any performance-based reimbursement approach must: First, not result in windfall profits; second, not result in the curtailment of necessary patient care or manipulating patient flow—that is, taking only "easy" cases; third, provide that the Comptroller-General formally review and comment on the proposed performance-based reimbursement prior to any general usage by HEW; and fourth, be designed to provide, over the long term, a brake on the inflationary spiral of hospital costs.

Changes in the calculation and types of costs recognized as reasonable which we expect to include are: First, changing the allowable return on net equity—equity reasonably necessary to the provision of care—in for-profit facilities to twice the rate of return on current hospital insurance trust fund investment instead of the current return of 1½ times—this would bring the return closer to the after-tax return of competing investments; second, to avoid abuse and excessive payment under medicaid where facilities are bought, sold or leased—as has occurred in New York and elsewhere—we will require usage of the medicare tests in determining the reasonable value of such facilities which will be recognized for purposes of calculating depreciation, interest, and allowable lease expense; third, a specific payment factor in the reimbursement formula would be authorized toward the reasonable costs of closing or converting hospital or skilled nursing beds determined to be surplus where the facility has an approved budget and plan for closing or converting those beds; fourth, a limited amount of direct capital assistance from medicare would be authorized in the form of loans to a facility which cannot secure such capital on a reasonable basis and where the use of such funds can reasonably be expected to result in moderated or reduced operating costs; fifth, where there is a demonstrated and approved need for reasonable working capital which cannot be otherwise obtained or obtained readily by the facility at reasonable interest rates, the legislation will authorize loan assistance from medicare funds; sixth, through a technical amendment to present law, we will preclude usage of "factors" as purchasers of discounted medicare and medicaid billings; seventh, to avoid excessive reimbursement for the costs of consistently low-occupancy facilities, general usage of an "assume occupancy" level in hospitals and skilled nursing facilities would be required consistent with levels ordinarily experienced in well-run institutions. Thus, if efficient hospitals in an area usually operate at average occupancy rates of 90 percent, a hospital with average occupancy of only 50 percent would not have payment made by medicare and medicaid for costs which are unreasonable in terms of occupied bed costs; however, an exception process would be included to take care of those necessary rural or other institutions where the low occupancy is acceptable because of the need to have that institution's range of services available to its community; eighth, direct payment by medicare and medicaid to public hospitals providing covered care would be required as to avoid the cash-flow problems which can result from delay in local or State appropriations processes; ninth, to permit reasonable restraint upon soaring and manipulable hospital outpatient department costs, as well as to cut paperwork significantly, my bill will authorize payment for those costs by medicare and medicaid on other than on item-by-item and patient-by-patient basis. These outpatient costs would be compared, for overall reasonableness, between comparable facilities providing similar services to a reasonably comparable patient mix—that is, patients with essentially the same range of complaints and illnesses. Costs which are excessive and unjustifiable would not be recognized as reimbursable on a basis similar to the limits which now apply to routine hospital inpatient costs.

Under the legislation being drafted, hospital-based medical specialists—such as certain radiologists, pathologists, and anesthesiologists—would be eligible under medicare-medicaid for fee-for-service—or other reasonable fixed compensation agreed upon with a hospital—for services which they personally render or which are provided under their direct personal supervision. For their administrative and general supervision of an X-ray, laboratory, or anesthesia department, the hospital could compensate them on a basis comparable to what a salaried radiologist, pathologist or anesthesiologist receives for comparable time and work. No percentage, lease, or direct billing arrangements would ordinarily be recognized for medicare or medicaid reimbursement purposes. GAO and others have described the extremely large amounts paid to those radiologists and pathologists who are paid a fixed percentage of the gross charges of an X-ray or laboratory department in a hospital.

So as to assure continued availability of medical services to medicaid recipients and to ease the movement of patients from doctors' offices because of artificially low medicaid payments to physicians in some States to high-cost hospital outpatient departments, we will, in addition to the present maximum limit on medicaid payments, seek to establish a minimum payment requirement. Medicaid payments for outpatient medical care should be not less than 80 percent of the medicare reasonable charge for similar care or service.

To ease the sharp disparity which sometimes exists in medicare payments to doctors in rural and urban—and sometimes within urban areas—who are comparably qualified and providing similar services, we will propose that where the difference is 50 percent or greater between the rural doctor's usual charge for an office visit and the comparable charge of an urban physician, and where the rural doctor has agreed to accept medicare payments as full payment, medicare pays 100 percent of his reasonable charge instead of the present 80 percent. The effect would be reduced billing and collection costs as well as bad debts for the rural doctor while, at the same time, his charges for nonmedicare patients would not be increased.

Where an allergist prepares a reasonable supply of antigens which are then forwarded to the patient's primary care doctor for administration at proper intervals, my bill will provide that the allergist be directly compensated for the reasonable charge of preparing and supplying the antigen. Of course, the administering physician would not be paid for the cost of the antigens again, but only for administering or dispensing the medication. The purpose of this recommendation is to avoid any allegations of "fee-splitting" or confusion of medical roles.

LONG-TERM CARE

Presently, with respect to skilled nursing and intermediate care facilities there are statutory and regulatory barriers to equitable reimbursement, administration and timely enforcement. My bill will seek to deal with these problems by:

First. Providing that the Secretary of Health, Education, and Welfare be the final certifying officer with respect to eligibility of skilled nursing and intermediate care facilities to participate in either medicare or medicaid. This is similar to an amendment approved by the Finance Committee and the full Senate in 1972 but which was only partially accepted in conference.

Second. The courts have hampered effective and timely suspension of facilities which do not comply with health and safety requirements. Appropriate statutory provision would be made authorizing timely termination with, of course, provision for hearing and appeal.

Third. The Department of Health, Education, and Welfare has, by regulation, limited the right of patients to leave a facility to not more than six visits a year. This is theoretically intended to deal with the issue of whether the patient is sick enough to require institutional care. The real answer to the problem is effective admissions and followup review to assure proper patient placement. The question of frequency of the patient's home visits should then be left to the judgment of the attending doctor. By statute, any limitation on a patient's ability to leave the facility for reasonable periods of time would be barred.

Fourth. Present law requires States to reimburse facilities by July 1, 1976, on a reasonable cost-related basis. Draft HEW regulations preclude a profit factor from inclusion in such reimbursement. Such exclusion would be contrary to the understanding of the committees when that provision was included in H.R. 1. Specific statutory language will be added clearly indicating that at a State's option, a reasonable profit factor may be included in payments to for-profit facilities.

Additionally, the Health Insurance Benefits Advisory Council would be terminated, as it is no longer of significance to policy development for medicare and medicaid.

Present law excludes anyone with an ownership interest in a facility from engaging in review activities with respect to that facility. An exception would be made in the case of those doctors who have only nominal ownership interests.

Section 235 of H.R. 1 provided 90-percent Federal matching for State development of data systems for their medicaid programs. An additional requirement is that States must provide an explanation of benefits paid to each medicaid recipient. GAO and the States recommend, and I will follow their recommendation, that the statute be amended to require the explanation of benefits only on a sample basis rather than to every recipient. Further, as originally intended, the new State data systems should have backup capacity compatible with medicare processing so that, in the event of national health insurance or inability to secure a proper medicare agent in a State, a totally new and costly system would not be required.

H.R. 1 included provisions designed to assure appropriate operation and prevention of abuse by HMO's under medicare. Similar requirements were included by the committee and Senate in H.R. 3153 with respect to medicaid HMO's, but were never considered in conference. The HMO medicaid requirements included in H.R. 3153 will be reintroduced in order to prevent abuses such as those which have occurred with some of the medicaid HMO's in California.

Mr. President, in addition to the provision which I have previously described, we are also exploring the possibility of an approach designed to provide malpractice relief to qualified hospitals and doctors. I am not sure that we will be able to come up with a provision, but I thought the Senate might want to know that we are on the track of what might be a workable and equitable approach.

These potential changes which I have described are among several which, while not designed to save the world, might assist in doing a better and fairer job in terms of the Federal health care program responsibilities. Of course, as time goes by, a number of these may be modified and additional approaches incorporated, but it seems to me most important that we begin to make a series of changes which are necessary not only in terms of the existing medicare and medicaid programs, but will be required, as I have said, in any national health insurance program.

POLICY OF THE NATIONAL GOVERNORS' CONFERENCE REGARDING CRIME REDUCTION AND PUBLIC SAFETY

Mr. HRUSKA. Mr. President, the National Governors' Conference recently held its annual business meeting in New Orleans, La. At that meeting, the Governors adopted a number of resolutions setting forth policy in important areas of national concern.

Of particular note were the policy statements of the Governors relating to crime reduction and public safety. I feel that the action taken was quite significant and merits the attention of my colleagues in the Congress.

The first policy statement on crime reduction and public safety reaffirms the confidence of the National Governors' Conference in the Law Enforcement Assistance Administration program. The Congress was urged to form a partnership with the Governors in working to strengthen LEAA, and any reduction in the authorized LEAA budget was opposed. Also strongly endorsed was the establishment by the States of standards and goals for the criminal justice system, a process in which LEAA has taken a leadership role.

In a related area, a policy statement was also adopted which recognizes that certain basic standards are needed to assure the confidentiality and security of criminal justice information. The Governors' Conference urged action on legislation establishing minimum standards for the development, structure, and operation of criminal justice data systems.

Mr. President, because of the importance of the National Governors' Conference policy statements which I have mentioned, I ask unanimous consent that the full text of the resolutions on the Law Enforcement Assistance Administration, Criminal Justice Standards and Goals, and Criminal Justice Information Systems, be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. In other action, the Governors again went on record in favor of implementation of legislation which would improve the juvenile justice system and upgrade juvenile delinquency prevention efforts. Positions were taken in opposition to organized crime and the entrance of illegal aliens into the country, while increased action was urged in the area of drug abuse prevention. The importance of State-city cooperation in the fight against crime and the revision of State criminal codes was noted. A policy was also endorsed favoring adoption of the Uniform Extradition Act, as proposed by the National Conference of Commissioners on Uniform State Laws. The Governors reiterated their opposition to proposals for a National Institute of Justice, which was felt could lead to unnecessary and undesirable Federal supervision of State court activity.

Finally, Mr. President, the Governors took note of the problems of victims of crime, by calling for legislation which would provide compensation for innocent victims of violent crime. It was felt such legislation would reduce the financial burdens on victims of crime, encourage full reporting of crime, and assure cooperation with police. Recognition of the plight of victims of crime is particularly important at a time when, because of the number of repeat criminal offenders, a person is more likely to become a victim of a crime than a criminal.

Mr. President, the Congress has recognized in the past that crime is essentially a local problem that must be dealt with by State and local governments if it is to be controlled effectively. The Federal Government can and should continue in a useful role in this area by assisting State and local governments in their efforts to strengthen and improve law enforcement and criminal justice at every level. The Congress has been given valuable guidance as to necessary legislative action, and I commend the National Governors' Conference for its interest and direction in the area of crime reduction and public safety.

EXHIBIT 1

NATIONAL GOVERNORS' CONFERENCE RESOLUTIONS

CRIMINAL JUSTICE STANDARDS AND GOALS

The National Governors' Conference considers the establishment of standards and goals for the criminal justice system essential to the achievement of a meaningful reduction in crime and delinquency. To facilitate this process, the National Governors' Conference urges each State and unit of local government to begin evaluation of its law enforcement and criminal justice system. The Governors in conjunction with the individual State Planning Agencies are urged to take the lead in this effort.

The National Governors' Conference endorses the goal of reducing in ten years the rate of high-fear crime by 50 percent from its 1973 level. As used in this context, high-fear crime refers to homicide, rape, aggravated assault, burglary and robbery committed by people who are strangers to their victims.

To reach this goal, the Governors pledge their best efforts and leadership to improve and reform the criminal justice system.

CRIMINAL JUSTICE INFORMATION SYSTEMS

Recognizing that certain basic standards are needed to assure the confidentiality and security of criminal history data, the National Governors' Conference urges development of legislation establishing minimum standards for the development, structure and operation of criminal justice data systems. The legislation should define the kind of information to be contained in the system, provide for the inclusion of dispositional data, opportunity for review and expungement of outdated or inaccurate data and sanctions for the misuse of confidential information. Access to individually identifiable information should be strictly limited. States should, however, be permitted to exceed such minimum standards through their own legislation and to have such standards prevail over less restrictive federal or sister state standards.

In the case of automated data systems, States should be permitted to determine whether information should be stored in a shared or dedicated facility.

Any federal legislation pertaining to the privacy and security of criminal justice data should expressly provide for full participation by States in the development and promulgation of regulations and in the administration of the act.

ADMINISTRATION AND IMPLEMENTATION OF THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT

The National Governors' Conference commends the Law Enforcement Assistance Administration for its extensive and helpful cooperation with the States in implementing the Omnibus Crime Control and Safe Streets Act of 1968 as amended by the Crime Control Act of 1973. Its actions in fostering the development of qualified staff at the street level, providing wide latitude to the States in developing plans for improving the entire criminal justice system, promoting a spirit of cooperation between the various criminal justice disciplines, and generally supporting the state partnership required in a block grant program sets an outstanding example that could well be emulated by other federal departments.

Therefore, the National Governors' Conference expressly reaffirms its confidence in the LEAA program and urges the Congress to form a partnership with the Governors in working to strengthen the LEAA to assure effective inter-governmental action to deal with one of the Nation's most serious domestic problems.

The Governors' Conference is concerned that proposed reductions in the budget for the programs of the LEAA may adversely affect the progress that has been made in improving law enforcement and reforming the criminal justice system. Thus, the Conference urges restoration of the reductions and appropriation of the full amount authorized by Congress in the Crime Control Act of 1973.

METHODS OF CONSERVING ENERGY

Mr. NUNN. Mr. President, voluntary energy conservation has been grossly underemphasized in our discussions on how to solve our national energy problems.

We talk a lot about tax increases and other means of raising the price of energy, especially imported crude oil and gasoline, in the hopes that higher costs will lower consumption.

We talk a lot about developing new and alternative sources of energy in hopes that we will be less dependent on foreign crude oil 10 or 15 years from now.

We also talk a lot about rationing or allocation programs in hopes that they will somehow reduce energy consumption without overly damaging any single segment of our economy, such as the tourist industry.

But we have not talked a lot about voluntary energy conservation—the one method of reducing energy consumption which can work right now without the many adverse effects of these other methods.

I had the honor of serving as chairman of oversight hearings on energy conservation in the Committee on Government Operations in April.

I was astounded by the testimony of many Government and private witnesses at those hearings about the many methods of conserving energy which are available right now. They need only to be used by every American to reduce our consumption of energy immediately.

For the most part these methods cost nothing or are very inexpensive. In almost every case they result not only in energy being conserved, they also save money for the practitioner.

Mr. President, I have compiled a list of the methods mentioned at our hearings, and I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

METHODS OF CONSERVING ENERGY SUGGESTED AT OVERSIGHT HEARINGS ON ENERGY CONSERVATION BEFORE THE U.S. SENATE COMMITTEE ON GOVERNMENT OPERATIONS, APRIL 16, 17 AND 18, 1975

The following methods of conserving energy were suggested to the Committee on Government Operations by witnesses from the Federal agencies involved in energy conservation and from private individuals, such as engineers and economists, who are familiar with this aspect of the energy problem.

Many of these methods can be applied today. Others are in the development stage and should be available within a very few years.

I. RESIDENTIAL CONSERVATION

A. Heating and cooling

1. Thermostat Setting

Thermostats should be set at 68 degrees or below during the winter and 78 degrees or above during summer. They should be reduced even further while asleep during the winter and raised during the summer.

Results: approximately 15 per cent energy savings over the old settings of 72 and 75 degrees.

2. Clock Thermostats

These control heaters and air conditioners by time rather than temperature, especially during peak load hours such as 2 to 10 p.m. For example, once the outside temperature reaches 85 degrees during the summer, air conditioning would be operated every 15 minutes instead of every time the inside temperature goes above 78 degrees. Results would be somewhat warmer surroundings, but it would cut the peak load demand on the power generating facilities.

3. Insulation

Good insulation can result in extraordinary savings, both in amounts of energy consumed and the money needed to pay for it.

For example, in a total electric home, foil floor insulation can result in more than a 50 per cent reduction in electric bills. In other words, insulation is self-amortizing, often within very short periods, and represents an excellent capital investment.

Foil floor insulation in an 1,800 square foot home costs about $125 installed. The resulting savings run from $18 a year in a gas heated home in Atlanta to more than $200 a year for an electrically heated home in Minnesota.

4. Air Conditioners

Window units vary greatly in energy efficiency. Some models use half the electricity to do the same amount of cooling as others. Therefore, a carefully selected unit will pay for itself by keeping electric bills down.

5. New Developments

(a) Solar furnaces

These are being developed but are not economically feasible at the present for the average home-owner. A big problem with solar energy is *storage* of the energy for future use when the sun isn't shining.

(b) Heat pumps

Heat pumps involve less innovations, for the average window air conditioning unit can be turned into a heat pump. These use energy in the form of heat in the outside air to heat or cool the inside of a house or building.

B. Appliances

1. Time of Use

Clothes dryers, water heaters, dishwashers and other such appliances should be operated *late at night* whenever possible in order to reduce the overall peak load that occurs between 2 and 10 p.m.

2. Model Selection

Just as with the window air conditioners, many appliances are more energy-efficient than others. Therefore, judicious selection of models can result in savings.

C. Lighting

Fluorescent lighting uses less electricity than do standard incandescent bulbs. Fluorescent fixtures which fit standard sockets are available now, though not economically, and are a priority of ERDA. Otherwise, lights should be turned off when not in use.

D. Electrical rates

1. Unlike the rates for industry and business, which are based on the "declining block rate" principle in many jurisdictions, private residential rates are not structured according to time of day or the amount of energy used. Therefore, electricity used during the middle of the night costs the same as that used during the peak 2-to-10 p.m. period.

2. *Time-of-day* rates for homeowners would make it cheaper and more attractive to operate many appliances late at night rather than during peak periods.

3. *Main drawback* is that homes are equipped with meters incapable of distinguishing time of day. Therefore, every meter must be changed—resulting in a capital expense that must be borne, either by the power companies or the homeowner.

E. Adjustment of venetian blinds and draperies

Blinds and draperies should be closed in summer to keep light and heat out, and opened in winter to let heat in.

II. AUTOMOBILES

A. Speed limits

If enforced and obeyed, the 55-m.p.h. speed limit results in reduced consumption of gasoline and less deaths on the highways.

B. Car pools

1. A car with four persons commuting to work means that three cars are off the road—and not burning gasoline. They were very successful during the gas crisis of early 1974, but have not been used as extensively since then.

2. *DOT* and *AAA* have programs to assist in establishing car pools. Computers are used by some companies to assist their employees in joining car pools made up of persons who live near each other and who have similar working hours. These were used widely during the energy crisis in 1974, but the surplus of gasoline has reduced public awareness of the need to car pool.

3. Federal Highway Administration is working with the Advertising Council to develop a national media campaign to encourage car pools.

C. Size and weight of automobiles

1. Smaller and lighter cars use less gasoline. A small car which gets 27 miles to the gallon uses half as much gas as a large car which gets 14.

2. The 3 largest U.S. auto manufacturers have made voluntary commitments to President Ford to achieve a 40% fuel economy on their models by 1980.

D. Radial tires

Tires of radial construction reduce the amount of power it takes to move an automobile. For a while several auto manufacturers were including radials as standard equipment on their models, but since these tires are more expensive than regular types, they were dropped in order to lower the price of automobiles. Even though they are more expensive, the gasoline savings must be considered as part of the price.

Radials represent a gasoline savings of 5 to 10 per cent and will almost pay for themselves over the lifetime of a tire.

E. Tuneups

Regular maintenance and tune-ups every 12,000 miles help keep automobile engines energy-efficient. An out-of-tune engine uses more gas.

F. Traffic lanes and signals

Local jurisdictions can adjust traffic signals to facilitate the flow of traffic and reduce idle time for engines. Lanes can be set aside for buses only to speed up mass transit flow and encourage its use.

G. Driving fewer miles

Less miles means less fuel. Federal agencies, such as GSA, DOT, and DOD have made significant savings by reducing the amount of time planes are in the air, and the distances steamed by the Navy's ships.

H. Methanol

1. Used as an additive to gasoline, methanol (wood alcohol) can reduce the amount of gas required to run an automobile. Automobiles can be easily modified to burn a mixture of gasoline and methanol.

2. Methanol can be produced from wastes, such as municipal wastes and the left-overs from logging operations. If all of our municipal wastes were used to produce methanol, we would cut our gasoline consumption by 10 to 15 per cent.

3. Drawbacks:

(a) There are not enough production facilities either to produce enough methanol or to make it economically competitive with gasoline.

(b) Methanol has an affinity for moisture, which increases maintenance requirements.

(c) Wastes must be burned to produce methanol, which presents an air pollution problem that must be balanced against the benefits of gasoline conservation.

I. Road construction

Sulphur can be substituted for asphalt in constructing streets and highways. Asphalt is made from petroleum. This can save an estimated 10 to 26 million barrels of crude oil a year.

J. Nongasoline vehicles

Use of electrical vehicles is growing where feasible. Drawback is one of storage of energy since most models cannot store enough in their batteries to permit high speed or long range driving.

K. Devices

1. Warning device that buzzes when 55 m.p.h. is exceeded is being tested by GSA.

2. Acceleration indicators tell when engine is running most efficiently.

3. Vapor injectors, which inject water to reduce gasoline consumption are available.

III. BUSINESS AND INDUSTRIAL CONSERVATION

A. Buildings

GSA has experienced 30 per cent energy savings in *existing federal buildings* by turning down the thermostats, reducing lighting, and other easily applied methods. GSA has prepared a publication listing 300 methods that can be applied.

GSA estimates that 50 per cent energy savings can be realized in *new buildings* by efficient design and new types of heating and cooling equipment. GSA has a publication highlighting 185 ideas for energy conservation in new building design.

B. Reduction of peak loads

1. *Computers* have been developed by Rich's Department Stores and Lockheed-Georgia which control certain equipment during peak load periods. Both companies have experienced savings sufficient to pay for the computer system in very short time periods, and Rich's licenses its system to IBM for sale.

2. *Use of equipment* can be planned, such as Lockheed's use of certain high-energy testing equipment at times when the rest of the plant is relatively idle.

3. *Scheduling* of holidays and work can be done to spread out the load over a period of time. Also, deliveries can be scheduled to reduce amount of fuels required for vehicles.

C. Electrical rates

The usual "declining block rate" structure in which industries paid less if they used more energy is giving way to other methods. Georgia Public Service Commission, for example, now uses a rate structure which charges less for high users up to a point; when that point is reached, the rates jump back up. The intent is to discourage consumption beyond a certain amount of electricity, especially during peak-load periods.

D. Lighting

1. Flourescent lighting can be installed to use less electricity than standard incandescent bulbs. Also, lighting can be reduced in non-essential locations where safety is not a factor.

2. Amount of light can be reduced overall and centered on specific work areas where more intensity is needed.

3. Rescheduling cleaning operations to daylight, such as early morning, saves on energy used for lighting.

E. Employee activities and suggestions

1. Energy-saving suggestions can be solicited from employees, and then followed-up on by management. Information can be distributed, so that workers will realize the importance of saving energy.

2. Turn off lights, heat, water when not needed, and minimize the number of outside door openings.

SOLAR ENERGY IN USE TODAY

Mr. FANNIN. Mr. President, in the State of Arizona, we have been improving the technology for and using solar energy over many years. Our universities have been involved in many different programs for solar development and have become focal points of the Nation for studies in solar architecture, and for solar heating and cooling exploration.

Today, in my series on the present use of solar energy, I would like to offer somewhat of a history of the research undertaken by the University of Arizona's Environmental Research Laboratory. Besides heating and cooling of buildings, ERL has engaged in solar distillation of seawater, controlled environment greenhouses, and the experimental production of marine shrimp in controlled environments. As a result, the mayor and city council of Tucson and the board of supervisors of Pima County have now contributed funds to the laboratory for the development of a series of buildings utilizing solar heating and cooling.

Arizona is proud to be a leading light in the field of solar energy development and to have such strong academic and community support. I ask unanimous consent that information on the environmental research laboratory, which I mentioned above be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

BACKGROUND

The University of Arizona Environmental Research Laboratory was, until 1967, the Solar Energy Laboratory of the Institute of Atmospheric Physics. It was located in a solar-heated and night-radiation cooled office/laboratory building on the Tucson central campus. This 1,440 square foot structure was placed in full operation in 1959 and monitored and evaluated continuously for several years. The solar collector was a water circulating system built into the roof which was used during summer months to reject heat to the night sky. Heated or cooled water was stored in an insulated tank with a conventional heat pump used to raise or lower the water temperature additionally when necessary. The water was circulated through ceiling panels in the building for heating or cooling. The experimental laboratory was judged useful as a research tool and teaching aid, but the technique of energy conversion and use as well as the type of materials used (roof and ceiling of copper sheet with built-in water tubes) was not regarded as practical or economical even at that date.

Concurrently (1960), heat transfer studies at the Solar Energy Lab led to an experimental low temperature solar distillation plant on campus in 1962, funded by the Office of Saline Water. After successful testing, a larger scaled solar powered desalting plant was designed and built in 1963 under OSW sponsorship at the Laboratory's experimental station on the Mexican coastal desert at Puerto Peñasco, Sonora, on the Gulf of California. This plant reached design capacity (3,000 gallons/day) and maximum efficiencies in 1965. It was converted the following year to operate on the waste heat rejected by the station's small engine-generator sets. In this mode, sponsored by the Rockefeller Foundation and others, the humidification cycle desalting plant was operated another eight years. This was well beyond the time necessary for data generation, but the plant had become the sole source of daily drinking water for the Mexican shrimping village.

By 1967, studies indicated that a most efficient and cost productive use of solar radiation and high cost desalted water in desert regions would be the development of controlled-environment greenhouses for vegetable production, and such were added to the power/water station at Puerto Peñasco. The Laboratory staff was accordingly augmented by the addition of plant scientists and technicians.

The successes at Puerto Peñasco led subsequently to a larger integrated power/water/greenhouse complex designed and built by the Laboratory for the Persian Gulf sheikhdom of Abu Dhabi and various applications of the greenhouse components only in the U.S. and the Middle East. The largest of the latter is located in Tucson and operated by Superior Farming Company of California.

Also by 1967, the Laboratory's missions had altered to the point that the University changed its name to the Environmental Research Laboratory. With NSF funding, a new and larger laboratory/office complex was built for ERL off-campus at Tucson International Airport. Here more space has been available for the increasing number of experimental buildings and greenhouses. In addition, the location has proved perhaps uniquely convenient for demonstration projects and site visitors: ERL's adjacency to the airport terminal places the Laboratory 42 seconds by automobile or six minutes via walking from the exit doors for disembarking passengers.

Unfortunately, the "old" solar heated Laboratory on campus was demolished in subsequent years for construction of the University's new Medical Center.

Beginning in 1973, when ERL as an activity was removed from the Institute and created a separate department of the University, the experimental station on the Gulf of California was converted from a desalting/greenhouse complex to a shrimp hatchery and series of controlled-environment raceways for production research with this high economic value species. Crustacea pathologists and nutritionists as well as marine biologists were added to the ERL staff. Solar radiation is employed in the enclosed raceways to stimulate the growth of selected algae for oxygen generation via photosynthesis to enhance the shrimp environment.

SOLAR ENERGY

ERL neither had nor solicited any funding for solar energy applications (other than greenhouse research) since the solar operation of the desalting plant in Mexico. During most of this eight-year period, however, at University expense, ERL maintained a modest but continuous overview of solar energy developments and literature. Beginning in 1973, a Ph. D. metallurgist/engineer on the ERL staff was assigned full time to this overview and to the task of devising practical applications, particularly in the category of home heating/cooling. A close contact was developed between ERL and local government and industry groups late in 1973 when, to increase public understanding of the "energy crunch" and its alternatives, ERL formed a University/community group called "Project POWER". This ad hoc organization stimulated (among other things) a rejuvenated interest in University and local government circles for the use of solar energy. Tucson, after all, used to call itself "The Sunshine Capital of the World".

In 1974, entirely with University funding, ERL began to build the first of the five new experimental solar heated buildings listed below. The interest generated by each led to the addition of the next.

Angled-collector experimental lab

This 600 square foot building at ERL utilizes an angled rooftop hot air collector of wire screens behind a single glazing of glass. Warm air is ducted through a porous ceiling and, via a heat exchanger, stores thermal energy in a 2,000 gallon underground storage tank for nighttime use. Summer cooling is achieved by a separate two-stage evaporative cooler. In either mode, rejected air from the building is drawn out at floor level and carried upward through hollow exterior walls for discharge at ceiling level, thus adding to the effective insulation of the interior. This experimental lab is used for office, conference and demonstration space.

Near this structure are test beds for other experimental solar collector panels. These include the window-collector as well as water circulating collectors behind different types of glazing.

Window-collector experimental lab

Also being built with funding developed by the University, this 1,200 square foot two-story structure is in final design by some of the faculty of the University College of Architecture in cooperation with ERL engineers. It will be located in the forecourt of ERL at the airport. This prototype structure will be the first to employ the window-collector in a large, two-story array. Interior spaces will be used for offices and demonstration areas as well as recording instrumentation, etc. Designed as a flexible research tool, the building can be modified in various ways. One unusual feature, for example, will be a rearrangeable loft floor which can make the second story of the Window Collector Lab either a south-wall mezzanine, a north-wall mezzanine or a full second floor. This has required some ingenuity in the design of air-handling and other mechanical systems but will greatly enhance data collection. A below-grade concrete rock storage area will be used for heat-storage and an associated two-stage evaporative cooler will provide summertime cooling.

Window-collector prototype home

With a $5,000 grant from the Pima County government, ERL is assisting a Tucson area quality builder and developer in modifying the design of one of his stock floor plans to include solar heating via modifications of the window-collector. The builder (John Miller Homes, Inc.) will construct the north-facing territorial-style home at his own expense and seek to develop cost-saving improvements in the window-collector, which will enclose a south-facing patio and increase the floor-space of the home to nearly 3,000 square feet. Other Tucson builders will receive similar ERL "extension service" support as necessary.

A suburban Tucson City fire station

A new fire station to be located in the general vicinity of ERL and Tucson International Airport is ready to be let out to architectural bid for design. The City government, extremely interested in the use of solar energy, has voted a $28,760 grant to ERL so that University engineers and architects may assist city architects and the selected commercial architect in incorporating the window-solar collector or other solar designs and attendant mechanical systems in the fire station design. Cost/time criteria will be developed by the project team to compare the anticipated cost-efficiencies of the design against the more easily projected building and operating costs of a conventional fire station of similar size. The City is prepared to proceed with construction of the solar-heated station as soon as possible (early 1976) provided that building and operating cost projections are not wildly out of phase with "ordinary" projections.

The City government of Tucson is also interested (as is ERL) in the potential of solar heating larger public buildings. The City administration is in preliminary planning for a large new central library and has asked ERL to explore the possibility of federal assistance in funding part of such a structure.

Of equal or greater interest to ERL is the City of Tucson's desire to have the Laboratory actively investigate the potential of designing future public housing for low income families with solar heating; and, of more immediacy, the feasibility of retrofitting for solar heating approximately 600 of the City's existing housing units.

Attached greenhouse experimental collector

In November, 1974, ERL submitted to the National Science Foundation a proposal for "Residential Environmental Control Utilizing a Combined Solar-Collector Greenhouse." In program shifting between federal agencies, this proposal now appears to be part of the ERDA-ARS project "Solar Heating and Cooling of Greenhouses and Rural Residences" being administered through the USDA-ARS Rural Housing Research Unit in Clemson, South Carolina. ARS-Clemson notified ARL (letter dated March 31, 1975) of proposal acceptance.

The gist of this proposal was to modify one of the existing attached greenhouse chambers at ERL's main laboratory building to isolate it and adjacent office spaces from the Laboratory's total energy environmental control system. The greenhouse chamber would be used as a solar collector for the office spaces as well as for food production. An evaluation would be made of the economic feasibility of developing such units for residential applications to save on fossil fuels, enhance the quality of life and make some contribution to food supply.

ERL's present scale of effort in these solar energy related activities, supported by the various small grants and by the University's own funding, is approximately at the following annual level: 30 man-months engineering; 12 months attached-chamber horticulture; 3 months architecture; 24 months graduate research assistance; 24 months technical, shop and construction assistance; and 11 months of administrative and clerical support.

FETAL EXPERIMENTATION: A DISSENTING VIEW

Mr. BUCKLEY. Mr. President, as you know, I submitted an amendment to H.R. 7724, the National Research Service Awards and Protection of Human Subjects Act, now Public Law 93–348, which would have prohibited the Department of Health, Education, and Welfare from funding in whole or part any research or experiment to be performed upon a living fetus or infant. This amendment was modified by a perfecting amendment which made the ban only temporary, pending study and recommendation of a Commission. This Commission, the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, has completed its report on fetal experimentation.

At this time, I want to place in the Record the dissenting views of a member of that Commission, the distinguished professor of law, David W. Louisell. In its eloquence, its insistence upon the rights of all human beings, and its impassioned pleas for human experimentation guided by principle, Professor Louisell's statement is a remarkable document, and I have written to Secretary Weinberger to urge that Professor Louisell's opinions be given serious and favorable consideration.

Mr. President, I ask unanimous consent that Professor Louisell's statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Dissenting Statement of Commissioner David W. Louisell

I am compelled to disagree with the Commission's Recommendations (and the reasoning and definitions on which they are based) insofar as they succumb to the error of sacrificing the interests of innocent human life to a postulated social need. I fear this is the inevitable result of Recommendations 5 and 6. These would permit nontherapeutic research on the fetus in anticipation of abortion and during the abortion procedure, and on a living infant after abortion when the infant is considered nonviable, even though such research is precluded by recognized norms governing human research in general. Although the Commission uses adroit language to minimize the appearance of violating standard norms, no facile verbal formula can avoid the reality that under these Recommendations the fetus and nonviable infant will be subjected to nontherapeutic research from which other humans are protected.

I disagree with regret, not only because of the Commission's zealous efforts but also because there is significant good in its Report especially its showing that much of the research in this area is therapeutic for the individuals involved, both born and unborn, and hence of unquestioned morality when based on prudent medical judgment. The Report also makes clear that some research, even though nontherapeutic, is merely observational or otherwise without significant risk to the subject, and therefore is within standard human research norms and as unexceptional morally as it is useful scientifically.

But the good in much of the Report cannot blind me to its departure from our society's most basic moral commitment: the essential equality of all human beings. For me the lessons of history are too poignant, and those of this century too fresh, to ignore another violation of human integrity and autonomy by subjecting unconsenting human beings, whether or not viable, to harmful research even for laudable scientific purposes.

Admittedly, the Supreme Court's rationale in its abortion decisions of 1973—*Roe v. Wade* and *Doe v. Bolton*, 310 U.S. 113, 179—has given this Commission an all but impossible task. For many see in that rationale a total negation of fetal rights, absolutely so for the first two trimesters and substantially so for the third. The confusion is understandable, rooted as it is in the Court's invocation of the specially constructed legal fiction of "potential" human life, its acceptance of the notion that human life must be "meaningful" in order to be deserving of legal protection, and its resuscitation of the concept of partial human personhood, which had been thought dead in American society since the demise of the *Dredd Scott* decision. Little wonder that intelligent people are asking: how can one who has no right to life itself have the lesser right of precluding experimentation on his or her person?

It seems to me that there are at least two compelling answers to the notion that *Roe* and *Doe* have placed fetal experimentation, and experimentation on nonviable infants, altogether outside the established protections for human experimentation. First, while we must abide the Court's mandate in a particular case on the issues actually decided even though the decision is wrong and in fact only an exercise of "raw judicial power" (White, J., dissenting in *Roe* and *Doe*), this does not mean we should extend an erroneous rationale to other situations. To the contrary, while seeking to have the wrong corrected by the Court itself, or by the public, the citizen should resist its extension to other contexts. As Abraham Lincoln, discussing the *Dredd Scott* decision, put it:

"(T)he candid citizen must confess that if the policy of the government upon vital questions affecting the whole people, is to be irrevocably fixed by decisions of the Supreme Court, the instant that they are made, in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having, to that extent, practically resigned their government, into the hands of that eminent tribunal." (4 Basler, The Collected Works of Abraham Lincoln 262, 268 (1963))

Thus even if the Court had intended by its *Roe* and *Doe* rationale to exclude the unborn, and newly born nonviable infants, from all legal protection including that against harmful experimentation, I can see no legal principle which would justify, let alone require, passive submission to such a branch of our moral tradition and commitment.

Secondly, the Court in *Roe* and *Doe* did not have before it, and presumably did not intend to pass upon and did not in fact pass upon, the question of experimentation on the fetus or born infant. Certainly that question was not directly involved in those cases. Granting the fullest intendment to those decisions possibly arguable, it seems to me that the woman's new-found constitutional right of privacy is fulfilled upon having the fetus aborted. If an infant survives the abortion, there is hardly an additional right of privacy to then have him or her killed or harmed in any way, including harm by experimentation impermissible under standard norms. At least *Roe* and *Doe* should not be assumed to recognize such a right. And while the Court's unfortunate language respecting "potential" and "meaningful" life is thought by some to imply a total abandonment of *in utero* life for all legal purposes, at least for the first two trimesters such a conclusion would so starkly confront our social, legal, and moral traditions that I think we should not assume it. To the contrary we should assume that the language was limited by the abortion context in which used and was not intended to effect a departure from the limits on human experimentation universally recognized at least in principle.

A shorthand way, developed during the Commission's deliberations, of stating the principle that would adhere to recognized human experimentation norms and that should be recommended in place of Recommendation 5 is: No research should be permitted on a fetus to be aborted that would not be permitted on one to go to term. This principle is essential if all of the unborn are to have the protection of recognized limits on human experimentation. Any lesser protection violates the autonomy and integrity of the fetus, and even a decision to have an abortion cannot justify ignoring this fact. There is not only the practical problem of a possible change of mind by the pregnant woman. For me, the chief vice of Recommendation 5 is that it permits an escape hatch from human experimentation principles merely by decision of a national ethical review body. No principled basis for an exception has been, nor in my judgment can be, formulated. The argument that the fetus to be aborted "will die anyway" proves too much. All of us "will die anyway." A woman's decision to have an abortion, however protected by *Roe* and *Doe* in the interests of her privacy or freedom of her own body, does not change the nature or quality of fetal life.

Recommendation 6 concerns what is now called the "nonviable fetus *ex utero*" but which up to now has been known by the law, and I think by society generally, as an infant, however premature. This Recommendation is unacceptable to me because, on approval of a national review body, it makes certain infants up to five months gestational age potential research material, provided the mother who has of course consented to the abortion, also consents to the experimentation and the father has not objected. In my judgment all infants, however premature or inevitable their death, are within the norms governing human experimentation generally. We do not subject the aged dying to unconsented experimentation, nor should we the youthful dying.

Both Recommendations 5 and 6 have the additional vice of giving the researcher a vested interest in the actual effectuation of a particular abortion, and society a vested interest in permissive abortion in general.

I would, therefore, turn aside any approval, even in science's name, that would by euphemism or other verbal device, subject any unconsenting human being, born or unborn, to harmful research, even that intended to be good for society. Scientific purposes might be served by nontherapeutic research on retarded children, or brain dissection of the old who have ceased to lead "meaningful" lives, but such research is not proposed—at least not yet. As George Bernard Shaw put it in *The Doctor's Dilemma:* "No man is allowed to put his mother in the stove because he desires to know how long an adult woman will survive the temperature of 500 degrees Fahrenheit, no matter how important or interesting that particular addition to the store of human knowledge may be." Is it the mere youth of the fetus that is thought to foreclose the full protection of established human experimentation norms? Such reasoning would imply that a child is less deserving of protection than an adult. But reason, our tradition, and the U.N. Declaration of Human Rights all speak to the contrary, emphasizing the need of special protection for the young.

Even if I were to approach my task as a Commissioner from a utilitarian viewpoint only, I would have to say that on the record here I am not convinced that an adequate showing has been made of the necessity for nontherapeutic fetal experimentation in the scientific or social interest. The Commission's reliance is on the Battelle Report and its reliance is misplaced. The relevant Congressional mandate was to conduct an investigation and study of the alternative means for achieving the purposes of fetal research (Pub. Law 93–348, July 12, 1974, Sec. 202 (b); National Research Act).

As Commissioner Robert E. Cooke, M.D., who is sophisticated in research procedures, pointed out in his Critique of the Battelle Report: "The only true objective approach beyond question, since scientists make [the analysis of the necessity for nontherapeutic fetal research], is to collect information and analyze past research accomplishments with the intention of *disproving, not proving* the hypothesis that research utilizing the living human fetus nonbeneficially is necessary." (Italics in original). The Battelle Report seems to me not in accord with the Congressional intention in that it proceeds from a viewpoint opposite to that quoted, and is really an effort to prove the indispensability of nontherapeutic research. In any event, if that is its purpose, it fails to achieve it, for most of what it claims to have been necessary could be justified as therapeutic research or at least as non-invasive of the fetus (e.g., probably amniocentesis). In view of haste with which this statement must be prepared, if it is to accompany the Commission's report, rather than enlarge upon these views now I refer both to the Cooke Critique and the Battelle Report itself both of which I am informed will be a part of or appended to the Commission's Report.

An emotional plea was made at the Commission's hearings not to acknowledge limitations on experimentation that would inhibit the court-granted permissive abortion. However, until its last meeting, I think the Commission for the most part admirably resisted the temptation to distort its purpose by pro-abortion advocacy. But at the last meeting, without prior preparation or discussion, it adopted Recommendation 12 promotive of research on abortion techniques. This I feel is not germane to our task, is imprudent and certainly was not adequately considered.

Finally, I do not think that the Commission should urge lifting the moratorium on fetal research as stated in Recommendation 16. To the extent that duration of the moratorium is controlled by Sec. 213 of the National Research Act, the subject is beyond our control and we ought not assume authority that is not ours. This is matter not for us and not, ultimately, for any administrative official, but for Congress. If the American people as a democratic society really intend to withdraw from the fetus and nonviable infant the protection of the established principles governing human experimentation, that action I feel should come from the Congress of the United States, in the absence of a practical way to have a national vote. Assuming that any representative voice is adequate to bespeak so basic and drastic a change in the public philosophy of the United States, it could only be the voice of Congress. Of course there is no reason why the Secretary of DHEW cannot immediately make clear that no researcher need stand in fear of therapeutic research.

As noted at the outset, the Commission's work has achieved some good results in reducing the possibilities of manifest abuses and thereby according a measure of protection to humans at risk by reason of research.

That it has not been more successful is in my judgment not due so much to the Commission's failings as to the harsh and pervasive reality that American society is itself at risk—the risk of losing its dedication "to the proposition that all men are created equal". We may have to learn once again that when the bell tolls for the lost rights of any human being, even the politically weakest, it tolls for all.

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, back in 1948, even before the adoption of the genocide convention, 166 organizations, representing a quarter of a billion people all over the world, appealed to the United Nations to outlaw mass murder. Yet to this day the Senate has refused ratification.

The American Civil Liberties Union, a national organization of more than 250,000 members devoted to the protection of the Bill of Rights, strongly supports ratification.

Basic personal liberties guaranteed by the Constitution cannot be set aside by any provision of a treaty. The convention does not supersede State laws nor require the United States to accept the jurisdiction of any international tribunal that might be established to try persons accused of genocide.

The convention is a measure that may save millions of lives in the days ahead. No one can say whether or not genocide will again threaten the peace, but enforcement of the convention will give the world a means of preventing and suppressing such a threat should it arise.

Former Chief Justice Earl Warren said in 1968:

> We as a nation should have been the first to ratify the Genocide Convention . . . Instead we may well be the last.

Mr. President, I again express support and urge ratification of the Genocide Treaty.

HOUSE ACTION ON ENERGY

Mr. DOLE. Mr. President, the House has finally completed its action on the Energy Conservation and Conversion Act of 1975 and the overwhelming Democrat majority is hailing it as a great leap forward and a basic foundation for a national energy policy. Others have called it meaningless, nonpolicy, and a marshmallow.

No matter what any of us call this highly touted and long-awaited legislation, it is a mere shadow of what could have been. The public must certainly be disappointed at this toothless measure.

The Senate, Mr. President, must now take a very responsible attitude to weld more meaningful action onto this weak structure. The bill does absolutely nothing to encourage domestic production and little to hold down present consumption levels. The so-called heart of the bill is to impose import quotas which are roughly equal to the amount we are now importing. Even if this should be effective in the future, all it accomplishes is a decrease in supplies without taking into account the special needs of many Americans. Chaos at the pump and cold homes is no long-term answer.

If this is not enough of an insult to the people and a disregard for our way of life, the House Commerce Committee has agreed to legislation that will decrease the price of new oil and raise the price of old oil to a regulated price at about $8.50 per barrel. Taken together with the action that the House has passed, this would cause our domestic production to decline even further than it has and lower supplies to a mere trickle of what we now have.

I agree that this is conservation, albeit in a shotgun fashion, but it does not seem to me to be the most realistic way to approach the problem. We need to increase our domestic supplies and reliability of our own production. We need to release the naval petroleum reserves for production. We need to encourage research for new energy and increase production of old.

Just what does this new legislation actually boil down to? Meaningless quotas is the keystone of the measure. A virtually nonfunded energy trust fund to further research. Penalties on automobile companies which fail to meet established mileage standards that they probably would have met anyway due to the pressures of the marketplace. Tax credits for conversion to other energy sources. And taxes on business use of oil that exempts utilities, transportation, and a host of other users.

Our task, Mr. President, is as great as ever. By default, the President is going ahead with his program and it is now up to the Senate to attempt to find solutions and compromises that the public will accept and that will show the world that we are indeed concerned about dwindling supplies. American ingenuity has long been respected. We must show, if only to ourselves, that we are able to solve our own problems. It is time to get on with it as swiftly as possible.

CAMPAIGN EXPENDITURE LIMITS

Mr. BUCKLEY. Mr. President, on May 14 the supreme court of the State of Oregon handed down a decision striking down campaign expenditure limits imposed by the legislature of that State on political campaigns as unconstitutional.

The case in point, Warren Deras against Clay Meyers, secretary of state of the State of Oregon, is most interesting in that the questions raised by the plaintiff are almost exactly the same questions being considered by the Circuit Court of Appeals here in the District of Columbia in a suit that I and a number of others have filed in order to test the constitutionality of the campaign reform measures we passed last year.

In Oregon, too, the legislative branch moved with dispatch to give the people "reform" in the wake of Watergate. The question of constitutionality was never seriously debated; and as a result, we now have a decision by the State of Oregon's highest court suggesting that the reformers' zeal may have gotten the best of them.

I ask unanimous consent that the Oregon opinion in this case be printed in the RECORD, as I think many will find it both interesting and instructive.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

[In the Supreme Court of the State of Oregon, In Banc]

WARREN DERAS V. CLAY MYERS, SECRETARY OF STATE OF THE STATE OF OREGON, APPELLANT AND CROSS-RESPONDENT

Appeal from Circuit Court, Multnomah County.

Clifford B Olsen, Judge.

Argued and submitted February 7, 1975.

Lee Johnson, Attorney General, Salem, argued the cause and filed briefs for appellant and cross-respondent.

Warren Deras, Portland, argued the cause and filed briefs pro se.

Kenneth J. Guido, Jr., Washington, D.C., and Charles H. Habernigg, Marcus Wood, and Rives, Bonyhadi & Drummond, Portland, filed a brief amicus curiae representing Common Cause.

Morton A. Winkel, Portland, filed a brief amicus curiae representing the American Civil Liberties Union of Oregon, Inc.

Hans A. Linde, Eugene, filed a brief amicus curiae representing the Oregon Newspaper Publishers Association.

O'Connell, C. J.

Affirmed in part; reversed in part; remanded.

O'Connell, C. J.

Plaintiff seeks a declaratory judgment holding unconstitutional ORS 260.027 and ORS 260.154 which limit the amounts which may be expended in support of or in opposition to candidates for public office in Oregon. Plaintiff, a candidate for State Representative, who wished to expend funds on his behalf and to support and oppose the candidacies of others without regard to the limits imposed by the statutes and regulations, sought to have them declared invalid infringements upon his rights to free expression and equal protection of law guaranteed by the Oregon and federal constitutions. Defendant, as Secretary of State, is charged with the administration of the statutory scheme under attack.

The circuit court entered a decree holding unconstitutional ORS 260.154, which limits the freedom of anyone to expend funds in support or opposition of a candidate without the candidate's consent, but upholding as constitutional ORS 260.027, which limits the amount of expenditures in support of or in opposition to a candidate. Defendant appeals from that part of the decree declaring ORS 260.154 unconstitutional. Plaintiff cross-appeals from that part of the decree declaring ORS 260.027 constitutional.

ORS 260.027(1) provides as follows:

"(1) No political treasurer or combination of political treasurers shall make or authorize any expenditure that will cause the total amount expended in support of or opposition to a candidate to exceed, with respect to any primary, general or other single election:

"(a) For congressional and state-wide offices, 15 cents times the number of registered voters eligible to vote for the office on the date of the previous general election;

"(b) For all other offices except legislative offices, 25 cents times the number of registered voters eligible to vote for the office on the date of the previous general election or $1,000, whichever is greater; and

"(c) For the offices of State Senator and State Representative, 25 cents times the average number of registered voters on the date of the previous general election in all of the senatorial and representative districts, respectively, in the state."

ORS 260.154 provides:

"(1) No person or political committee shall make expenditures in support of or in opposition to a candidate except the candidate or an opposing candidate. However, a person or political committee may make expenditures in support of a candidate if the consent of the candidate is previously obtained, or in opposition to a candidate if the consent of one or more other candidates for the same office is previously obtained.

"(2) A person or political committee which receives contributions or makes expenditures in support of a single candidate, or in opposition to one or more candidates with the consent of a single candidate, is not subject to ORS 260.035 to 260.162 but such contributions and expenditures are conclusively deemed to be those of the candidate on whose behalf they are made.

"(3) Any person or political committee other than a person or political committee described in subsection (2) of this section which receives contributions or makes expenditures in support of or in opposition to a candidate with his consent or the consent of any opposing candidate is subject to ORS 260.035 to 260.162. All expenditures by any such person or candidate shall also be considered to be contributions to and expenditures by the candidate who has consented to them and shall be reported by the candidate as well as by the person or committee making the expenditures.

"(4) Expenses incurred by a person or political committee on behalf of more than one candidate shall be allocated between such candidates on a reasonable basis.

"(5) Expenses incurred by a political committee, not allocable to any particular candidate or candidates, including expenses incurred in solicitation of funds intended to be contributed to candidates to be designated later, shall not be considered expenditures in support of a candidate for purposes of subsection (1) of this section or ORS 260.027."

Stated in condensed form, ORS 260.027 imposes a monetary limit upon the total expenditures that can be made in support of or in opposition to a candidate for public office. ORS 260.154 prohibits any expenditure in support of or in opposition to a candidate unless the person making the expenditure is a candidate or is acting with the prior consent of the candidate. To enforce these monetary limits, authority to make the expenditures is vested in a "certified political treasurer" who may be the candidate himself or a person designated by the candidate, or the treasurer of a "political committee."[1]

The parties are in agreement that ORS 260.027 and ORS 260.154 are so interwined in a single legislative scheme for the regulation of campaign expenditures that they must stand or fall together.

It is generally recognized that limits upon candidate expenditures are for the most part unenforceable unless coupled with candidate control over the activities of those who would support him or oppose his rivals. For this reason, we agree with the parties that the legislature intended to enact a single scheme embodied in the two statutes.[2]

We are faced, then, with the initial question of whether the legislature may exercise its authority to regulate the conduct of elections[3] by limiting the rights of individual citizens to spend money in an effort to persuade their fellow citizens of the merits or demerits of electoral candidates without violating the prohibitions contained in Article I, §§ 8 and 26 of the Oregon Constitution.[4]

Article I, § 8, provides:

"No law shall be passed restraining the free expression of opinion, or restricting the right to speak, write, or print freely on any subject whatever; but every person shall be responsible for abuse of this right."

Article I, § 26, provides:

"No law shall be passed restraining any of the inhabitants of the State from assembling together in a peaceable manner to consult for their common good; nor from instructing their Representatives; nor from applying to the Legislature for redress of grievances (sic)."[5]

If we hold that either of these provisions of the Oregon Constitution are violated by the statutes in question, it would not, then, be necessary to discuss the effect of the federal constitution (First Amendment) because in such case it would not come into play.

Defendant concedes that the statutes restrict freedom of expression but, it is argued, that the restrictions are only "incidential" or "nominal." This is a part of an argument which is predicated upon the theory that freedom of expression and other constitutional freedoms must be balanced against valid legislative objectives and if the latter outweighs the former, the constitution must yield. It is asserted that since the regulation of free speech under the statutes is "merely nominal" as compared to the pressing need to modify our campaign methods by controlling campaign expenditures, the constitutional prohibitions are inapplicable. It is contended that this result can be reached not only under the "balancing test" but also by the application of the "compelling interest" test under which legislation is regarded as valid only to the extent that it is necessary to support a compelling governmental interest. Whether logic will permit the proposition that an unqualified constitutional prohibition against law restraining freedom of expression can be overridden by a law directly restraining freedom of expression is a question we need not examine.[6] Assuming that a process of weighing constitutional interests against legislatively defined interests can be indulged in, we are of the opinion that the public interests served by the adoption of ORS 260.027 and 260.154 are clearly outweighed by the citizen interest protected under Article I, §§ 8 and 26.

We have not overlooked defendant's emphasis upon the evils which have flowed from the unregulated expenditure of campaign funds. Defendant's assertion that "the integrity of government" is imperiled by our present campaign practices is nothing more than a statement of defendant's impression of the magnitude of the evil which attends the uncontrolled expenditure of campaign funds. There is no evidence in this case, nor any data in the studies on campaign expenditures discovered in our research, which would lead to the conclusion that our system of government is imperiled by the free expenditure of funds in political campaigns. Conceding for the purposes of this case that limitation and control of campaign expenditures is of great importance in the catalogue of our social and political needs, the good it proposes to accomplish must be weighed against the danger which it generates in restraining our citizens from freely expressing their views on candidates for public office. In weighing these competing interests, one must recognize the importance of the electorate's liberties of expression of opinion and assembly in the over-all system of government established by our state and federal constitutions. These rights have been termed the "cornerstone of democracy" and so important as to require "breathing space" and protection even from the "chilling effect" of overbroad and ambiguous statutory restrictions. The "classic formulation"[7] of the fundamental nature of freedom of expression in our government was given by Mr. Justice Brandeis in his concurring opinion in Whitney v. California, 274 US 357, 375–76, 47 S Ct 641, 71 L Ed 1095, 1105–06 (1927):

"Those who won our independence believed that * * * freedom to think as you will and to speak as you think are means indispensable to the discovery and spread of political truth; that without free speech and assembly discussion would be futile; that with them, discussion affords ordinarily adequate protection against the dissemination of noxious doctrine; that the greatest menace to freedom is an inert people; that public discussion is a political duty; and that this should be a fundamental principle of the American government. They recognized the risks to which all human institutions are subject. But they knew that order cannot be secured merely through fear of punishment for its infraction; that it is hazardous to discourage thought, hope and imagination; that fear breeds repression; that repression breeds hate; that hate menaces stable government; that the path of safety lies in the opportunity to discuss freely supposed grievances and proposed remedies; and that the fitting remedy for evil counsels is good ones. Believing in the power of reason as applied through public discussion, they eschewed silence coerced by law—the argument of forces in its worst form. Recognizing the occasional tyrannies of governing majorities, they amended the Constitution so that free speech and assembly should be guaranteed."

If, as Mr. Justice Brandeis observes, the very structure of our government rests upon freedom of expression, its direct infringement by statute can be justified, if at all, only by purposes rising to the level of importance of the preservation of the government itself.[8] None of the legislative goals put forward by defendant in support of ORS 260.154 and ORS 260.027, even if they would in fact be served by such a drastic remedy, rise to anything resembling that order of magnitude.

First, we cannot accept defendant's view that the prohibition in the statute against expenditures without consent of the candidate constitutes a mere "incidental" or "nominal" restriction on expression. Defendant deems the restriction "nominal" because it does not prohibit "personal appearances, debates, press releases, and other means of discussing issues and communicating with voters." It is difficult to take seriously a contention that these limited outlets for the expression of one's views in a political campaign in this modern day would not seriously impair the opportunity to communicate with the electorate. Even personal appearances, debates, and press releases are not self-generating and if they are to constitute a substantial channel of communication, normally money must be expended to make them come about.

In any event, under the best of circumstances a relatively small fraction of the public can be reached by these limited means and thus the citizen who wishes to carry his message throughout the state is seriously impeded. Moreover, the statutory prohibitions have the practical effect of depriving an advocate of the distinct advantages, including that of greater permanency which the written word in various forms has over the more transient media of personal appearance.

Defendant would have us treat the constitution as permitting the legislature to cancel out these interests in unfettered communication in favor of the public interest in a better system of campaigning for public office. Defendant's argument does little to enlighten us as to the specific evils of uncontrolled campaign expenditures or the specific benefits accruing from the system designed by ORS chapter 260. The evils associated with Watergate are recited to show the need for renovating campaign expenditure practices. We fail to see how these evils are relevant to the need for controlling campaign expenditures. The "break-in," the bribery, the "wire tap," the use of government servants for private political ends, the "cover up," the various "dirty tricks," and the other moral and legal deviations characterizing "Watergate" had little or nothing to do with the fact that large sums of money were available to a political party.[9]

Footnotes at end of article.

The purpose of ORS 260.027 and ORS 260.154 was not to limit contributions so as to strike at the dangers of politically motivated burglary, or spying, or defamation, or the other Watergate evils, but simply to limit the expenditure of money for communication purposes in a political campaign. The legislation was aimed at the evils deemed to arise from the influential effect of money, both in the influence which money could buy for the contributor and the greater exposure which money could buy for the better financed candidate.

It is argued that "permitting a candidate to saturate the airways and the press with his campaign material can result in his 'buying' an election no less than a candidate who corrupts the election process directly." There is no doubt that the expenditure of money in a campaign may have an influence on the result of the election. However, the importance of money as compared to other factors influencing elections is a question upon which there is a difference of opinion.

The various scholarly studies on campaign financing, although recognizing that money is a significant factor, point to other factors having an equal or greater effect on the outcome of elections, including "the predisposition of voters, the issues, group support, incumbency, chances for electoral victory, sympathy on the part of the mass media, and a collection of other factors (religion, divorce, color).[10] Because these latter factors are generally overlooked by the proponents of controlled campaign expenditures, "the importance of money is almost universally exaggerated." [11]

The same is true with respect to defendant's assertion that "the foremost danger of excessive money * * * is the 'buying' of candidates." Here, again, there is a strong conviction by those who have made a study of campaign financing that the buying of candidates through large contributions has not constituted a major evil in elections.[12] For example, Winter, *Watergate and The Law*, pp. 9, 14 (1974) characterizes the available evidence as follows:

"The available evidence does not support the view that money is more than one of a number of factors affecting the electoral process or that it exclusively supports a narrow range of ideas on public policy. * * *

"Matched against this array of respected scholarship is little more than the impressionistic assertion that some kind of 'correlation' exists between legislative or executive decisions and campaign contributions. To this it may be said that since contributions are rarely given at random or to one's political enemies, the existence of this correlation is no answer to the conclusions given here. If anything, the fact that conservatives support conservative causes or candidates, or that liberals support liberal causes or candidates, suggests that the candidate and causes create [attract] the money, and not the other way round."

Assuming that the "purchasing" of elections and candidates by wealthy contributors is such an evil, there is still the question of whether a limitation on expenditures would serve in any significant way to eradicate the evil. In a study sponsored by the American Enterprise Institute for Public Policy Research, the view is taken that "limiting the use of private money in election campaigns will hardly decrease the influence of affluent people, for direct access to resources easily converted to political purposes is concentrated among various sectors of the well-to-do." The study goes on to observe that "[w]hile the power of those who rely on contributions will decline, that of at least three groups in society will be increased: (1) pressure groups which operate 'issue' (rather than 'political') campaigns; (2) political activists with free time, and (3) those who control the media. All three, however, represent wealth in one form or another." [13]

Defendant does not press the contention made in the amicus curiae brief of Common Cause that limitations on campaign expenditures can be justified on the ground that they help to equalize the advantages between candidates. However, in weighing the good and the evil in a scheme of limiting campaign expenditures, we cannot overlook the fact that such limitations favor candidates with familiar names, incumbents, and those with leisure time.[14]

Overarching all of the foregoing considerations is the inescapable fact that the limiting legislation closes or impedes important channels of communication on public issues and thus denies citizens freedom of expression where the protection of that constitutional right is the most necessary to preserve our system of government.

Defendant asks us to cast this constitutional protection aside to meet alleged evils which are described in broad generalities and unsupported by reliable evidence. The interests described in Article I were not intended to be swept away by this kind of speculation.

Defendant points to several U.S. Supreme Court cases which, it is contended, are support for the view that limitations on political campaign contributions and expenditures have been held to meet federal constitutional requirement where governmental interests of no higher order than those served in the present case were involved.[15]

Plaintiff counters with the argument that the cases relied upon are distinguishable from the case at bar on various grounds, principally because the federal legislation does not directly proscribe the means of expression as the Oregon statutes do but limits expression merely as an incident to the preservation of some other legitimate interest of society.[16]

We do not need to decide whether the U.S. Supreme Court decisions can be so distinguished from the one before us. The cases relied upon by defendant were tested under the federal constitution which, as we have already noted, is not controlling where this court is of the opinion that our constitution should provide a larger measure of protection to the citizen.[17]

In addition, it is now well established that not even a compelling state interest in the regulation of the non-communicative aspects of expression can justify infringement of fundamental rights when less drastic means to the desired end are available. Shelton v. Tuck, 364 US 479, 81 S Ct 247, 5 L Ed2d 231 (1960). For example, the evils sought to be reached by ORS 260.027 and ORS 260.154 could be treated by providing some form of public subsidy for campaign expenditures.[18] In the words of Mr. Justice Brandeis:

"* * * If there be time to expose through discussion the falsehood and fallacies, to avert the evil by the processes of education, the remedy to be applied is more speech, not enforced silence. Only an emergency can justify repression." Whitney v. California, *supra* 274 US 357, 377 (1927) (Brandeis, J., concurring).

In disposing of defendant's contentions predicated upon balancing legislative objectives against the constitutional guarantees of Art. I, our detailed examination of the effect of the uncontrolled expenditure of funds in political campaigns has, perhaps, obscured the emphasis we intend to make in disposing of this case.

Our apparent preoccupation with the comparison of the good and bad effects of the statutes in question is not to be taken as the recognition of a principle that proof of desirable and needful legislation is enough to override constitutional mandates. As we said at the outset, it is possible that sound analysis in the interpretation of constitutions does not permit any balancing whatsoever between a constitutional provision and a statute which directly impinges upon it. But, as we have demonstrated, even accepting the balancing test as sound, the evidence adduced by defendant to show the need for the limiting statutes is so unsubstantial that his own test is not met.

Plaintiff further cross-appeals from the trial court's refusal to award him attorney's fees. Although plaintiff concedes that as a general rule American courts will not award attorney's fees to the prevailing party absent authorization of statute or contract, he correctly points out that courts of equity have the inherent power to award attorney's fees. This power frequently has been exercised in cases where the plaintiff brings suit in a representative capacity and succeeds in protecting the rights of others as much as his own.[19] We recognized this equitable exception to the general rule in Gilbert v. Hoisting & Port. Engrs., 237 Or 130, 384 P2d 136, 390 P2d 320, *Cert. denied* 376 US 963 84 S Ct 1125, 11 L Ed2d 981 (1964),[20] a substantially similar case to the one at hand. In *Gilbert*, the plaintiffs sued the union of which they were members to require fair and democratic elections. We allowed the plaintiffs attorney's fees at both trial and appellate levels because

"* * * The preservation of the democratic process in the functioning of unions is a matter of primary concern, not only to union members but to the public as well. * * * Those members of the union who in good faith seek to preserve the internal democracy of their union should not have to bear the expense of a successful suit." 237 Or at 138.

It is beyond dispute that the interest of the public in preservation of the individual liberties guaranteed against governmental infringement of the constitution is even stronger than that present in *Gilbert*. Correspondingly, plaintiff in this case, at least as much as the plaintiffs in *Gilbert*, should not be required to bear the entire cost of this litigation the benefits of which flow equally to all members of the public. Therefore, the case must be remanded for the determination and award of reasonable attorney's fees.

We hold ORS 260.027 and ORS 260.154 violate the prohibition of Article I of the Oregon Constitution and are void.

Therefore, that portion of the decree holding ORS 260.027 constitutional is reversed, and that portion holding ORS 260.154 unconstitutional is affirmed. The case is remanded for determination of plaintiff's reasonable attorney's fees.

Affirmed in part, reversed in part and remanded.

Tongue, J., specially concurring.

I agree with the result reached by the majority, but not with all of the statements made by it in its application of the "balancing test" to the constitutional issues presented in this case.

following propositions, among others:

In the application of that test the majority relies not so much upon previous decisions by courts and upon recognized texts on constitutional law as upon statements made by the authors of various books and treatises on politics, campaign financing and related subjects. Upon the basis of such authorities the majority seemingly subscribes to the

"* * * the buying of candidates through large contributions has not constituted a major evil in elections"

and

"* * * The 'break-in,' the bribery, the 'wire tap,' the use of government servants for private political ends, the 'cover up,' the various 'dirty tricks,' and the other moral and legal deviations characterizing 'Watergate' had little or nothing to do with the fact that large sums of money were available to a political party."

Footnotes at end of article.

I cannot subscribe to these propositions. The fact that large campaign contributions may not completely "buy" most candidates is not sufficient, in my opinion, to remove the taint of improper influence. And the large sums of money not subject to any public accounting provided the means for much of the attempted "cover up" which was perhaps the greatest shame of Watergate.

In my opinion, the result reached by the majority is inescapable without the necessity of embarking upon a discussion of the question whether, as stated by the majority, "assuming that the 'purchasing' of elections and candidates by wealthy contributions is such an evil," a "limitation on expenditures would serve in any significant way to eradicate the evil."

Under the terms of ORS 260.154 no citizen would be permitted to even buy post cards and stamps to mail to his friends, to his customers or clients, or to others in the same occupation, business, church or other organization in support of or opposition to a candidate unless the consent of a candidate has first been obtained. Clearly, this is an invalid limitation upon the constitutional right of freedom of expression and one that cannot be justified as "nominal" or "incidental."

As stated by the majority, "the parties are in agreement that ORS 260.027 and ORS 260.154 are so intertwined in a single legislative scheme for the regulation of campaign expenditures that they must stand or fall together."

It follows from this agreement by the parties that because ORS 260.154 is invalid we must also invalidate ORS 260.027 as part of that "single legislative scheme." It does not necessarily follow, however, at least in my opinion, that the legislature may impose no regulations, restrictions, or limitations upon the financing of political campaigns.

FOOTNOTES

[1] ORS 260.027, 260.035–260.037.

[2] *See* ORS 174.040 (3).

[3] Unlike the Congress which is dependent for legislative authority upon a constitutional grant, the state legislative power is plenary. Thus state legislation is valid unless contrary to constitutional limitation. Jory v. Martin, 153 Or 278, 285, 56 P2d 1093 (1936).

[4] The amicus brief of Common Cause argues that ORS 260.154 and 260.027 should be construed to regulate "the contributions received and expenditures made by members of their [candidates] official campaign organizations only * * * ," thus avoiding the constitutional problems raised if the statutes are construed as limiting all contribution and expenditures. We find no basis for the construction urged by Common Cause. The statutes clearly draw within the regulatory net all those who would make contributions or expenditures for public office, regardless of their connection to a candidate.

[5] The First Amendment to the Constitution of the United States, binding upon the states through the Fourteenth Amendment, similarly provides:

"Congress shall make no law * * * abridging the freedom of speech or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

[6] The amicus curiae brief for the Oregon Newspaper Publishers Association argues that the enactment of such a law would necessarily be incompatible with the constitutional guarantee: "Of necessity the issue must be, to paraphrase the constitutional words, whether the Oregon Legislature in enacting ORS 260.027 and 260.154 has passed a law restraining the free expression of opinion, or restricting the right to speak, write, or print freely on any subject whatever, or restraining Oregonians from assembling together to consult for their common good, to instruct that Representatives, or to petition for redress of grievances. No intermediate 'tests' are needed, nor are they helpful insofar as they suggest that if the government can persuade the court of the desirability of its law, the law is constitutional. Legislatures by hypothesis consider the laws they adopt desirable and even necessary. But irrespective of whether judges personally agree or disagree with that legislative judgment, it is the very purpose and function of constitutional limitations to prohibit the enactment of laws that legislators and judges may both deem desirable."

[7] New York Times Co. v. Sullivan, 376 U.S. 254, 270, 84 S. Ct. 710, 11 L. Ed. 2d 626 (1964).

[8] See Gitlow v. New York, 268 652, 45 S. Ct. 625, 69 L. Ed. 1138 (1925).

[9] "The Watergate break-in did not result from the Republicans' having 'too much cash.' While campaign money financed the break-in, the individuals involved did not happen upon the scheme while searching for ways to spend excess cash. The capability and inclination to embark on such undertakings was established independently of the campaign and its supply of money." Winter, *Watergate and The Law*, p. 14 (1974) (citation omitted).

[10] Alexander, "Links and Contrasts Among American Parties and Party Subsystems" in Arnold J. Heidenheimer, ed., *Comparative Political Finance: The Financing of Party Organization and Election Campaigns* (Indianapolis: Heath, D.C. and Co., 1970), pp. 103–104. See also, Winter, *Campaign Financing and Political Freedom*, p. 8 (1973): "For all the heat generated by allegations about private campaign money, there is no body of settled scholarship to support them. No one denies that contributions sometimes play an undesirable or even corrupting role. But no system is without friction and, where the system involves money, whether it be taxation, welfare or campaign contributions, there will be abuses. Contrary to the allegations so widely heard, however, serious scholars are generally in agreement that money is only one factor influencing elections and that its impact is not, on balance, either decisive or harmful."

[11] Winter, *Campaign Financing and Political Freedom*, p. 2 (1973). Winter further observes that "Horror stories illustrating the misuse of campaign money abound; but precisely because they horrify, they may obscure more than they illuminate." *Ibid.* p. 3.

[12] See e.g., A. Heard, *The Cost of Democracy* (1960), p. 6: "And it has been repeatedly demonstrated that he who pays the piper does *not* [his emphasis] always call the tune, at least not in politics. Politicians prize votes more than dollars.

"Contrary to frequent assertions, American campaign monies are *not* [his emphasis] supplied solely by a small handful of fat cats. Millions of people now give to politics. Even those who give several hundred dollars each number in the tens of thousands.

"And the traditional fat cats are *not* [his emphasis] all of one species, allied against common adversaries. Big givers show up importantly in both parties and on behalf of many opposing candidates." As quoted in Penniman and Winter, *Campaign Finances—Two Views of the Political and Constitutional Implications*, p. 20 (1971); D. Adamany, *Financing Politics: Recent Wisconsin Elections* pp. 231–233 (1969).

"* * * May not those who contribute or raise money in large amounts thereby gain influence not available to others? Aware that the answer to this question is not a simple one, we would say, 'Yes, but not overly much.' What contributors or fund raisers (the financial middleman) get to begin with is access to centers of decision-making. Control over money certainly makes it easier to get in and present one's case. Men of wealth, however, are likely to have substantial economic interests which would provide them with good access whether or not they made contributions. If not significant interest feels disadvantaged by what these contributors want, they may well be given the benefit of the doubt. But in matters of great moment, where the varied interests in our society are in contention, it is doubtful whether control over money goes very far with a President." N. Polsby and A. Wildavsky, *Presidential Elections: Strategies of American Electorial Politics*, pp. 39–40 (2d ed. 1968).

See also, Bottomly, Corrupt Practices in Political Campaigns, 30 B U L Rev 331, 369–370 (1950); The Brookings Institution, *Paying for Politics*, p. 7 (Brookings Research Report 125, 1972).

[13] Winter, *Campaign Financing and Political Freedom*, p. 11 (1973). In addition, it should be noted that the truly outrageous examples of the sale of political favor in recent times have been illegal on other grounds and have been totally outside the system of political contributions and expenditures which these statutes seek to regulate. Spiro Agnew's receipt of regular bribes from Maryland contractors, for example, lends no support for the regulation of political expression because the money was never intended by either its donors or the recipient to be used for political purposes, and would thus fall outside the scope of such statutes. The same is true of other notorious instances of purchasing political influence such as Teapot Dome, etc.

[14] Winter, *Watergate and The Law*, pp. 11, 21 (1974).

[15] Burroughs v. United States, 290 US 534, 54 S Ct 287, 78 L Ed 484 (1933) (holding that the Federal Corrupt Practices Act of 1925, which limited expenditures by candidates and prohibited contributions by corporations was within the power of Congress and not reserved to the states by Art. II, § 1 of the U.S. Constitution); Pipefitters Local Union No. 562 v. United States, 407 US 385, 92 S Ct 2247, 33 L Ed2d 11 (1972) (*impliedly* upholding federal prohibition of political contributions by union from funds *involuntarily* contributed by members); United States Civil Service Commission v. National Association of Letter Carriers, 413 US 548, 93 S Ct 2880, 37 L Ed2d 796 (1973) (holding Congress can constitutionally forbid federal employees from engaging in acts of political management and campaigning); and Broadrick v. Oklahoma, 413 US 601, 93 S Ct 2908, 37 L Ed2d 830 (1973) (holding political activities of state employees are constitutionally subject to state regulation).

[16] The brief of amicus curiae for the Oregon Newspaper Publishers Association distinguishes the U.S. Supreme Court cases from the present case as follows: "Burroughs and Cannon v. United States, 290 US 534 (1933), held that enactment of the Federal Corrupt Practices Act of 1925 was within the delegated powers of Congress; it did not deal with the First Amendment claims at issue here. A number of cases deal with laws that are designed to insulate from political influence certain kinds of persons, e.g. civil service employees, United States Civil Service Commission v. National Association of Letter Carriers, 413 U.S. 548 (1973); Broadrick v. Oklahoma, 413 U.S. 601 (1973), or certain kinds of sources of funds, e.g. union dues, *see* Pipefitters Local Union No. 562 v. United States, 407 U.S. 385 (1972), or corporations, regulated utilities, or banks, *see*, e.g., United States v. First National Bank of Cincinnati, 329 F. Supp. 1251 (1971). In cases like these, not only must the distinction be kept in mind between *expenditures* made on expressing a political position and political *contributions* to be used by the recipient however he chooses; they also hinge on the characteristics and roles of particular donors. Thus, whatever one thinks of the Hatch Act sustained in *Letter Carriers, supra*, the decision holds only that government can require civil

servants to refrain from active politics while in the civil services as one of the obligations of government employment. Its premise is that civil servants should carry out the political views of elected policy makers, not their own * * *."

It is also significant that in each of the cases which have upheld direct limitations upon political activity because of its political content, the regulation was directed either to an economic entity or to a particular class of individuals rather than to individuals. In at least two of these cases the Supreme Court denied that similar restrictions upon the political activities of *individuals* would be permitted under the First Amendment. In Pipefitters Local Union No. 562 v. United States, *supra* 407 US 385, it was noted that unions may still make donations out of segregated funds created by voluntary contributions of their members. And in Broadrick v. Oklahoma, *supra* 413 US 601, 616, the court expressly stated that the activities of state employees which were constitutionally subject to regulation by the states, "if engaged in by private persons would plainly be protected by the First and Fourteenth Amendments."

[17] This would be true even if our constitution contained the same language as the federal constitution. The difference in the language of the Oregon and federal constitutions may also be pointed to as indicating an intention to provide a larger measure of protection to free expression under the Oregon Constitution. The California Constitution, which contains language similar to Oregon Constitution, Art. I, § 8, was so construed in Wilson v. Superior Court of Los Angeles County, 119 Cal Rptr 468, 532 P2d 116, 120 (1975), where the court said: "A protective provision more definitive and inclusive than the First Amendment is contained in our state constitutional guarantee of the right of free speech and press."

[18] *See,* D. Adamany, *Campaign Finance in America,* pp. 232–233 (1972). The statement in text should not be taken as an expression of an opinion as to the effectiveness of public subsidy or its desirability, but only that it is likely to be at least as effective as direct restrictions and is less clearly subject to constitutional attack.

For discussion of various subsidy proposals, see H. Wells, *Government Financing of Political Parties in Puerto Rico* (1961); H. Wells & R. Anderson, *Government Financing of Political Parties in Puerto Rico*: A Supplement to Study Number Four (1966); Penniman & Winter, *Campaign Finances,* pp. 25–22, 69–70 (1971); Winter, *Watergate and The Law,* pp. 29–34 (1974).

[19] *See,* Falcon, Award of Attorney's Fees in Civil Rights and Constitutional Litigation, 33 Md L Rev 279 (1973); Nussbaum, Attorney's Fees in Public Interest Litigation, 48 N Y U L Rev 301 (1973); Note, 24 Hastings L J 733 (1973).

[20] *See also,* Hall v. Cole, 412 US 1, 93 S Ct 1943, 36 L Ed2d 702 (1973).

CHILD AND FAMILY SERVICE HEARINGS

Mr. MONDALE. Mr. President, today the Senate Subcommittee on Children and Youth, the House Select Subcommittee on Education and the Senate Subcommittee on Employment, Poverty, and Migratory Labor held joint hearings on the Child and Family Services Acts, S. 626 and H.R. 2966.

We were fortunate to have at this hearing a highly impressive and respected group of witnesses which included: Representatives PARREN MITCHELL and GUNN MCKAY; Dr. Rhoda L. Lorand, associate professor, Long Island University; Dr. Earl S. Schaefer, profesfessor, University of North Carolina at Chapel Hill; Dr. Bettye Caldwell, professor and director of the Center for Early Development and Education; and Dr. Urie Bronfenbrenner, professor, Cornell University.

Because our subcommittees have already received a large number of requests for copies of the testimony, I ask unanimous consent that a copy of each statement be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MONDALE. I urge my colleagues and members of the public to review carefully the testimony we received today.

EXHIBIT 1

STATEMENT OF THE HONORABLE PARREN J. MITCHELL

Mr. Chairman and Members of the Subcommittees, I know that time is of the essence for this hearing. Therefore, I shall make only a very brief opening statement, so that my colleageus who are to testify will have sufficient time and also to preserve as much time to respond to questions you may have.

There has been a growing recognition by the States of the importance of schooling that begins prior to the customary age of six. In the last three decades, 37 States, Puerto Rico and American Samoa have given State financial support to kindergarten programs in the public schools. Nine States (Arizona, California, Connecticut, Florida, Maine, Maryland, Massachusetts, Rhode Island and West Virginia) have mandated that optional kindergartens be made available to all five-year-olds. Thirteen States have provided support for pre-kindergarten programs.

I have introduced a bill, H.R. 5702, the "Preschool Children Educational Assistance Act." It authorizes the expenditure of $150 million for school-based educational programs for four-year-old children in the 50 States and outlying areas. Each State's entitlement would be determined by the number of four-year-olds in the State so that the ratio of the State's allocation to the total funds appropriated would be equal to the ratio of the number of the State's four-year-old children to the total number of four-year-olds in the States and outlying areas. The bill is specific in detailing such things as the necessity of parent participation in program planning and other aspects which I feel are necessary to insure quality education.

Educators in recent years have increasingly become aware that the early years are the critical years in the development of each individual. Studies of child development have concluded that, as Dr. Benjamin Bloom has stated, "To a very great extent a child's experiences at the beginning are critical determinants of his entire life." Dr. Bloom estimates that as much as 50 percent of mature intelligence is developed by age four and an additional 30 percent between ages four and eight. Similar findings have been made by Drs. J. McVicker Hunt, H. M. Skeels, Lois-Ellin Datta and others.

Dr. Datta states: "Before they enter first grade, most children have developed all of the basic motor skills they will ever learn, many of the linguistic and cognitive skills, and have established their temperamental and social characteristics." For some children, these early years are severely circumscribed by economic and social handicaps so that development is impeded during the very time it should be accelerating.

When I introduced my bill, some Members expressed confusion as to why the bill was needed. The confusion largely surrounds the possibility of a conflict between my bill and the Brademas-Mondale "Child and Family Services Act." As a co-sponsor of the Brademas-Mondale legislation, I am particularly concerned over the perception of such conflict. Therefore, let me attempt to more clearly outline the intent of the "Preschool Children Educational Assistance Act."

As you may be aware, on July 1, 1975, the first phase of a two-phase consolidation of titles III and V of the Elementary and Secondary Education Act will take effect. As you may also be aware, many, if not most, State departments of education which give funding assistance to innovative preschool educational programs do so under the authority of title III. The funding of such programs is modest, but represents an attempt to begin to address the need for early childhood education.

It is now the fear of many of these departments that the consolidation of titles III and V will bring pressures to bear on that new "pool" of funding (no longer subject to the restrictions of current title III funding), which will push early childhood education programs out. The new pressures will be legitimate ones, for example, programs for the handicapped and potentially ones with more political clout than early childhood programs.

The Brademas-Mondale bill will, when passed, effectively address the problem of establishing early childhood programs. However, several State departments of education have requested an "interim measure," a bill calling for modest funding, solely for fiscal year 1976, to enable the current level of State assistance to continue until the funding levels of more comprehensive legislation become effective.

In closing, I would like to emphasize that the programs funded by this bill are educational programs, not day care programs. As a former director of the Community Action Agency in Baltimore, Maryland, I am a strong advocate of day care programs run by technically competent, community and private organizations.

Again, my bill can in no way be construed as a substitute for, or as a detraction from the Brademas-Mondale "Child and Family Services Act." I fully support the expeditious passage of that bill. However, understanding as I do, the time involved in committee and full House consideration of comprehensive legislation, I again urge your support of a short term, "one shot" authorization bill.

STATEMENT OF REPRESENTATIVE GUNN MCKAY

MAYBE DAY CARE ISN'T THE ANSWER

Millions of women across the United States are increasingly breaking away from their homes and status as "house wife" in search of outside employment. Statistics show that from 1940 to 1972, the number of women in the labor force more than doubled, from 13.8 million to 32.9 million. The number of working mothers has also increased from 1.5 million to almost 13 million. As a result, today's working parents are faced with the new responsibility of arranging adequate child care for their youngsters. It is not surprising then, that demands for expanded day care and other government sponsored child care programs have recently been echoing throughout the Congress. The debate on day care, however, should not focus only on freeing mothers for employment, but also on the consequences of institutionalized care to children and their families.

We are, undoubtedly, witnessing an immense social change in this country. However, the implication of this new era to the family and society as a whole are still uncertain and obscured. One of the problems lies with the lack of sufficient research regarding the family and its ability to withstand mounting outside pressures. Much of the information we do have indicates that the effects of institutional day care centers on children and their families is harmful. Yet, the social climate seems to favor jumping rashly into a nationally supported day care program. Dr. Craig Peery, Assistant Professor for the Department of Family and Child Development at Utah State University, has compared this to using massive doses of X-ray to treat tonsilitis. He says we might achieve some short range benefits (like reducing pressure from militant mothers), but 20 years from now we are likely to find we have created cancer in our children, but this time, cancer of the personality.

We should no longer construct or evaluate policy for children's programs on the basis of tentative research and questionable assumptions. Dr. Edward Zigler, in testifying before the Senate Finance Committee, admitted that, "We do not know nearly as much as many experts say we know." Dr. Zigler was a former director of the U.S. Office of Child Development and is now a professor of psychology and director of the child development program at Yale University. Dr. Dale Meers, who is also a highly qualified and widely recognized authority on day care concurs with this opinion. He believes, "that given the present state of our ignorance about psychiatric damage, massive day care programs appear all too much like Pandora's box." His advice to all those who think day care is unproblematic is to review the literature. (e.g. Escalona and Leitch, 1952; Skeels, 1964; Mcv. Hunt, 1964; Bloom, Davis and Hess, 1965; A. Freud, 1965)

Experts in the field are far from unanimous in their recommendations regarding day care. There are those who are not only skeptical about the alleged virtues of day care, but who think it is harmful to both the family and child. Others are worried about exorbitant costs and government intrusion into personal liberties and matters concerning the family. For the Federal government to embark on an extensive program of day care now, given the extent of controversy among experts, seems to me unwise and premature.

Evidence of damaging implications does already exist. Experts have claimed that excessive emphasis on institutionalized child care may be damaging to children's psychological development and well-being. Doctors say the early years are especially critical and agree that for an infant, day care has more cons than pros. Dr. Laskin, a faculty member in the Department of Psychiatry at Downstate Medical Center, Brooklyn, thinks it is best that a child learn to trust one person and identify with one person in the early years. "Otherwise, as a teenager, he may not trust anyone."

A frequently quoted source in the field of child development, John Bowlby, holds a similar view. Dr. Bowlby works with the Institute of Human Relations in London and is President of the International Association for Child Psychiatry. He maintains that many of the commonest disturbances of attachment "are the results of too little mothering, or of mothering coming from a succession of different people." And these disturbances "can continue for weeks, months, or years—or may be permanent." Says Bowlby, "numerous direct studies make it plain that when deprived of maternal care, the child's development is almost always retarded—physically, intellectually, and socially—and that symptoms of physical and mental illness may appear . . . and that some children are gravely damaged for life." One example of such mental illness to which Bowlby refers is anaclitic depression. This is a universal phenomenon that toddlers suffer when separated from mothers for any appreciable length of time (Spitz, 1946). Other researchers, like Dr. Eleanor Galenson, director of the psychiatry department's nursery division at Einstein College, also support Bowlby's theories and suspect that adolescent physical ailments are the result of fear and anxiety rooted in the group situation of day care. Regarding day care specifically, Bowlby says, "Day care is a rather dangerous procedure which is almost certainly very extensive and very mistaken."

Studies by Dr. Mary Ainsworth, Professor of Psychology at Johns Hopkins University School of Medicine, seem to corroborate with those of Bowlby. In a study done at Johns Hopkins it was found that after just 5 months in a day care center, 20 toddlers, ages 2 to 3, exhibited more signs of anxiety than had a similar group reared at home. Dr. Ainsworth was involved in another study of children in which they took 1-year-olds and sent them through separation episodes of less than 9 minutes. Then, upon repeating the episode, they found that a significant degree of anxiety was experienced by the child. Two weeks later they subjected the same children to the same testing and found the anxiety levels even higher on separation. This tends to suggest that the child does experience anxiety with separation from that home environment.

Results from a study done at Syracuse University reveal that early day care experience may slow acquisition of some adult cultural values. One possible explanation given for this is that substitute care impedes socialization in general. Bowlby (1973) and others (Blehar, 1973; Stayton, Hogan, and Ainsworth, 1971) also suggested that the repeated separations that attend substitute care lead to disruption of the mother-child relationship, which in turn hinders the socialization process.

A child development specialist at Einstein College believes that an infant placed with numerous others in a center may begin to react badly to large numbers. This may also carry over to later life and cause an inability to adapt to group situations. Inherent here also is the fact that depersonalization can readily take place in institutions. This is always a chronic potentiality in group care of children.

Another psychiatrist strongly opposed to day care centers is Dr. Judith Kestenberg, a director of the Social Center for Parents and Children in Long Island. She objects to making an infant adapt to two different worlds, the familiar home and the day care center. Furthermore, developmental anomalies are likely to occur in proportion to the extent that the rearing environment differs from the original "environment of evolutionary adaptiveness," according to Dr. Bowlby. The "environment of evolutionary adaptiveness" essentially means the home.

A "common-sense" justification of day care supporters has recently been refuted. They believed that children who are exposed to a variety of adults would affiliate more readily with strangers than those sheltered and raised in the nuclear family. However, it was found that day care children are more avoidant of strangers. Two researchers, Tizard and Tizard (1971) found that young children reared in residential nurseries were more afraid of strangers than home-reared children. Similarly, Heinicke and Westheimer (1965) also discovered that during a separation, children were highly fearful of persons they had seen only months before. The clinical experience to date does provide dramatic evidence of the apparent psychological damage incurred in early and prolonged institutional care.

Dr. Urie Bronfenbrenner, Professor of Human Development and Family studies at Cornell University, states that as parents, especially mothers, spend more time at work and community activities, children gravitate to peer group settings. This, in turn, fosters pessimism about the future, a negative attitude about themselves and friends, irresponsibility, and antisocial behavior.

Still other observers have found even more alarming results. They believe day care to be adding to the fragmentation and eventual breakdown of the family because it builds a substitute for the family. Day care takes away some important family responsibilities. Up until recently, the emotional, psychological and physical rearing of children was considered the province of the family. Now, many parents have left this responsibility to institutions such as day care. Parents and children are spending less and less meaningful time together. This is especially significant because evidence shows that human beings who grow up most stably, self-reliant and cooperative, are those who throughout infancy, childhood, and adolescence have had constant parental affection and support in times of stress.

In light of these and similar findings, how can we advocate support of day care without more thorough research? Certainly, we need to probe deeper into these allegations of family disintegration from day care before we can intelligently decide to substantially increase funding for day care facilities. We just don't know enough about the effects of generalized institutional child care on the family or future society to rationally support a national program. Much of the evidence we do have suggests that institutionalized day care would be harmful to the children which it is supposed to serve.

I believe the family should have primary responsibility for child rearing, and that we should intervene only when the family is unable to meet their obligations. As Dr. David Crane, a psychiatrist from Indiana puts it, "If the family-oriented school of thought loses the argument on Capitol Hill, so too, will the vast majority of American families who strive to rear their children in an atmosphere of personal attention, love and respect, and not consign them to concessions of strangers whose interests are primarily business."

I realize that some parents, especially single parents, have no choice but to work and therefore must make some arrangements for child care. It would be wise in this regard to amend welfare legislation to encourage rather than penalize low income parents, single parents in particular, who wish to remain in their homes or work only part-time in order to care for their children. Where child care services must be provided—alternatives to institutional day care should be fully explored. One alternative is to have another adult family member attend to the child in their own home. The value of the "extended family" and in having an aunt, grandmother, or other relative care for a child can, in fact, strengthen the family unit. This arrangement, although most psychologically beneficial to the child, is obviously not available to many families.

A similar approach receiving considerable attention lately is "family day care." Under the family day care system, one trained child care specialist takes several children into her home for half or full-day periods. This method lessens the emotional strain of a strange environment and at the same time, provides a central figure for attachment and stability. I believe that family day care is closest to the child's experience in his own family because a child has the opportunity to form a continuous relationship through the day with the family day care mother or father. Available evidence indicates that most private family day care arrangements are quite satisfactory and are much better than critics contend.

What American children need is a combination of good family life and supplemental services that help them grow in a family setting. There are many things that can be done through the family. If the family is to retain its important place in society, then we must make a concerted effort to institute these programs which reinforce the family and its influence to American society. The available evidence indicates that home-based programs are more economically feasible, as well as highly beneficial. We should not be building substitutes for the family. Good programs supplement the family, not supplant it.

Assistance should be made to the family to help that person in need—inside of their own home. Scientific evidence clearly names the home as the superior early educational and psychological environment. Therefore, programs in which child development aides visit the child's home, work with the mother, and help her provide a more growth-promoting atmosphere should receive greater emphasis. "Home Start" is one of these programs. Aides supply through home visits, educational, health, nutritional, and social services directed toward enabling children participating in the program to attain their maximum potential. The healthier child care programs are essentially family-oriented and keep the child in close proximity with a home environment. Dr. Bronfenbrenner found that the success of children's development programs were positively correlated with the degree to which parents were accorded high status and actively involved in the program. When primary responsibility for the child's develepoment was assumed by professionals and the parent relegated to a secondary role, the programs were less successful.

Today's problems of child care must be investigated and researched to find a more suitable, healthy approach. We cannot continue to pressure the American family in ways that will seriously threaten its ability to function as our society's primary socialization unit. We have to learn more about the behavioral aspects of families if we are to continue building a viable and stable society for tomorrow. There are still some basic questions about men's psychological and social development, especially in the family context that remain unanswered. We now need this information to meet the needs of present, as well as future families' child care problems and to fight against family disintegration. Therefore, I advocate development of a coordinated research effort on the living patterns and needs of American families and households. We also need to improve and develop as fully as we can, the science of evaluating these programs. To quote Dr. Sheldon White, professor of psychology at Harvard University, "Research is needed to more definitely understand the potential and present effects of day care on children. In its absence, substantial investment in developmental day care appears inadvisable."

STATEMENT OF REPRESENTATIVE GUNN MCKAY

I am pleased that the importance of the family is receiving renewed attention in Washington, as evidenced by these joint hearings. Families are our most important social unit and it is essential that we focus our attention on the problems which interfere with healthy family life.

There is no substitute for a healthy family. We have never discovered any other way to produce responsible human beings except through the family. Families are the most significant stabilizing influences in society, the most effective means of transmitting values, and are the key agency of socialization. The reason that the family can do the socialization job as well is because the internalization of certain fundamental norms of right and propriety depends upon natural affection and the need for familial approval which makes socialization ultimately possible. When the family breaks down, social control by external means, political and social, becomes much more difficult. Many of the social problems we now face are the result of family instability and weakened family ties and will not be solved without achieving quality family life. The strength of our nation clearly depends on the strength of the family.

Sadly, actual patterns of life in America today are such that families often come last. Present government programs often tend to fragment and undermine the family. Society has dangerously downgraded the most import work of all—that of being good parents. Fathers and mothers are spending less and less time with their children. Four out of ten marriages this year will end in divorce.[1] The percent of children living in divorced families has almost doubled in the last decade.[2] The result of this family breakdown is increasing alienation, negativism, teenage alcoholism and drug abuse, delinquency, violence, youthful runaways, crime, suicide and unhappiness.

We must reorder our priorities at all levels of American society so that families come first.[3] This should be a major concern of all institutions—government, business communities, schools, and churches. Most importantly, individual parents must make stronger commitments to place their families first in their lives. In this reordering process, there is a limit to which the federal government can constructively do. Indeed, in dealing with something as individual and private as the family, federal involvement should be used with great care, never circumventing essential family freedoms. There are, however, important things which the federal government should do to assist and promote healthy family life.

In proposing the Child and Family Services Act, the sponsors are attempting to provide solutions to some serious problems facing a number of American families. There is much to commend in the proposal. The statement of findings and purposes properly recognizes that "the family is the primary and the most fundamental influence on children" and suggests that "child and family service programs must build upon and strengthen the role of the family." By creating an Office of Child and Family Services to administer the Act and to assume the responsibilities of the Office of Child Development, the Act makes a useful reorganization. Coordination which could be provided by the proposed Child and Family Services Coordinating Council is badly needed. Some of the service programs contemplated—such as family counseling, prenatal care, nutritional services, treatment of various medical, physical and mental problems of children—are necessary. Also important is the guarantee of voluntary participation in programs and the involvement of parents in the planning of programs.

Despite these worthwhile proposals, I have two basic criticisms of the bill. First, although the bill professes to "build upon and strengthen the role of the family," several features of the bill are contraproductive to this goal. I believe that too often social programs, in attempting to solve specific problems, build substitutes for the family rather than assisting the family to help the person in need when that is possible. I think this is often the case with day care centers and headstart programs, which receive heavy emphasis in the bill.

I have already alluded to the consequences of children and parents spending less and less meaningful time together. During the first six years of life, particularly the first three, the one-to-one relationship between parent and child is especially important for the child's development. As parents spend less and less time with their children, these children are placed in or gravitate to peer group settings. These children tend to be pessimistic about the future, negative about themselves and friends, rate lower in responsibility and leadership, and are more likely to engage in antisocial behavior. The more serious manifestations are reflected in rising rates of youthful ranaways, school dropous, drug abuse, suicide, delinquency, vandalism, and violence.[4]

Despite these findings, the Act would place heavy emphasis on programs which take children out of the home. I realize that in some cases both parents may have to work, or the head of a single parent household may have to work, but this should be discouraged when there are still young children at home. Already one in three mothers with children under six are working outside the home [5] and the number of children enrolled in day care centers doubled between 1965 and 1970.[6] Welfare legislation should be amended to encourage rather than penalize low income parents, especially single parents, who wish to remain in their homes or work only part-time in order to care for their children.[7]

To force a mother from a home where the father is already absent is to invite further costs to society in delinquency, crime, drug abuse, and remedial education.[8] Day care centers are no substitute for the family and cannot compensate for inadequate mothering or substitute for continuing stimulation within the home. Programs, in which child development aides visit the child's home, work with the mother, and help her provide a more growth-promoting environment for the infant, need further exploration.[9]

The commendable objective behind headstart programs is to take children from economically deprived homes, who have an environmentally acquired learning disadvantage, and "catch them up" with other children. Again, however, to remove the child from home at too early an age may have more disadvantages than advantages. Several studies indicate that early school learners actually drop behind other later starting students after a while. Many researchers are now saying that at a certain age, development at home is more important than an educational development at a school or a preschool situation. Dr. Urie Bronfenbrenner, Professor of Human Development and Family Studies at Cornell University, concludes that both parent education and children group programs and home tutoring were unsuccessful, but programs working with parent and child simultaneously, usually in the home, were quite successful. The success of the programs were positively correlated with the degree to which parents were accorded high status and actively involved in the program. When primary responsibility for the child's development was assumed by professionals and the parent relegated to a secondary role, the intervention was less effective.[10]

A second criticism is that I do not believe that the proposed legislation goes far enough to elevate the importance of the family as a unit in American society.

The proposed programs are designed to alleviate some real needs of some economically disadvantaged children and parents, but there is insufficient emphasis on the need to strengthen families as a whole throughout all of American society. In making this criticism I realize that this bill is not intended to solve all family problems, but I do think that it could be amended to meet larger areas of need. I make the following recommendations to provide several potential amendments to the Act and to serve as a springboard for

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Footnotes at end of article.

discussion of what else can be done, both in and out of government. Some of the legislative ideas I intend to incorporate in a bill for introduction next year. Most of these recommendations have been previously discussed in the Hearings before the Subcommittee on Children and Youth and the White House Conference on Children.

What is needed is a national effort, a campaign if you will, to emphasize the importance of the family. Congress could set the example by passing resolution declaring that the family is the most important unit of a free society and that it is national policy to promote the stability and well-being of the American family. The federal government could seek to persuade other institutions to adopt policies conducive to healthy family life. Other institutions—churches, business, communities, schools, media, civic groups, and of course families—are essential to their effort. Perhaps a national family holiday would help bring a proper focus.

In federal legislation and policy, insufficient priority is given to the family, and most programs to help children are not family centered. In fact some programs, in an attempt to alleviate problems, are hurting the family. This needs to be reversed. I support the idea of the creation of an Office of Child and Family Development within the Department of Health, Education and Welfare (it would assume the functions of the existing Office of Child Development).

The office would serve as an advocate for the family within the federal government. As such, it would have the responsibility to monitor the impact of federal programs and regulations on the family and make appropriate reports thereon to Congress and the Executive. The Office would also be charged with administering important family programs and coordinating federal policy with respect to the family. Finally, the Office would be responsible for research on family problems.

For its part, Congress should also monitor legislation for its impact on the family. Committee reports should include a discussion of the effects of legislation on the family if there will be a significant impact.

Schools, perhaps with incentive from the federal government, should provide courses in family education. We say our schools are to prepare our children for life, but do virtually nothing to prepare students for the only role which will be played by nearly everyone—being a member of a family. Required courses in human development and family relations should be made available for girls and boys in both junior and senior high school.

Leaders of the advertising industry should join with representatives of the mass media to develop and give wide exposure to a nationwide campaign designed to enhance the status of families in American life, to provide concrete examples of family-oriented activities and programs, and to show how much activities can be fun for both children and their parents.[11]

I believe these actions would reap positive benefits, but it must be recognized that there is a limit to what the federal government, as well as other institutions, can do. More importantly, parents must make the decision to put their families first. Supporting assistance from other institutions, such as government, is necessary, but ultimately the greatest effort must be put forth by families if the trend of family disintegration is to be reversed.

FOOTNOTES

[1] *Hearings on American Families: Trends and Pressures, 1973,* Before the Subcommittee on Labor and Public Welfare, 93rd Congress, 1st Session, at 181 (1973) (Hereinafter *Hearings on American Families: Trends and Pressures, 1973.*)

[2] *Hearings on American Families: Trends and Pressures, 1973,* at 135.

[3] *White House Conference on Children,* at (1970).

[4] *Hearings on American Families: Trends and Pressures, 1973,* at 138.

[5] *Ibid,* at 148.

[6] *Ibid,* at 138.

[7] *Ibid,* at 174.

[8] *Ibid,* at 106.

[9] *White House Conference on Children,* at 173 (1970).

[10] *Hearings on American Families: Trends and Pressures, 1973,* at 163.

[11] *White House Conference on Children,* at 250 (1970).

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Statement of Dr. Rhoda Lorand

As Senator Buckley observed on an earlier occasion "The basic concern of this committee—the well-being of America's children—is a concern which we all share. Yet there is considerable controversy as to what in the long run will best enhance their well-being and as to what may in fact, be harmful to it."

It appears to me that The Family Services Act of 1975 contains some fundamental contradictions. On the one hand it intends to help children have a full chance to participate in American life, yet it makes no provisions for rescuing the tragic children whose parents or guardians are too emotionally disturbed themselves to either recognize the need for help or to request it. The poet, Ned O'Gorman, who has run a nursery school in Harlem which he started nearly ten years ago and which is privately supported, eloquently and movingly describes the lives of a few of such children in the June 1st N.Y. Times Sunday Magazine. "They came to us out of torments that would make stones weep," he says. I would like to insert the entire article into the Record of these hearings.

Day-care facilities and other home and health services would not be requested by many other parents in addition to the drug-addicted, alcoholic or mentally ill adults described by Mr. O'Gorman. There are many immature and inadequate mothers who leave babies, todlers, and pre-schoolers alone at night (indicating that night-care centers might be one of the most valuable services to provide for the poor), and other mothers who even find it too difficult, for example, to find the motivation to arise in the morning and bring a pre-schooler to a day-care center situated within their own housing project. The result is that the child is a prisoner in a crib most of the day while the mother remains asleep, circumstances which greatly retard its cognitive development and its future school performance.

These are the children who are cheated of a full chance in American life and it would seem that our first priority should be to formulate plans to rescue these youngsters however difficult and complex the task assuredly will be. I would think that the one billion-eight-hundred-fifty million dollars requested for the first three years of operation of The Child and Family Services Act of 1975, would be better spent on rescuing these children, who, if left in the conditions in which they now live, will begin to prey on society at an early age and will spend the major portion of their ruined lives in penal or mental institutions at great cost to taxpayers. However difficult and complex the task assuredly will be, it ought to command top priority for concerned and compassionate citizens as well as for the merely practical—if one computes the cost to the nation of their probable future assaults upon society, and eventual incarceration.

Secondly, *the bill* emphasizes the wish to strengthen family life, yet there is an unmistakable emphasis on the promotion of day-care as a beneficial experience for children. While no one will deny that for certain children even the most ordinary day-care facility is preferable to the only alternatives available to them, there appears to be a complete ignoring of the voluminous clinical evidence that young children develop best when in the care of their mothers (assuming the mother is reasonably normal) and that the emotional sustenance provided by the mother's loving care and interest are indispensable to cognitive growth. In other words what is ignored is the clinically proven fact that physical, cognitive, emotional, and social development take place concurrently and are most interdependent during the earliest years of a child's life. It is therefore a great mistake to encourage women to leave their pre-schoolers in institutional day-care and take employment. The June 1975 issue of Psychiatric Annals is devoted to the mental health of children. Findings of value to this committee are reported therein. "The most effective Head Start program studied used the mother's presence in the classroom and parents in every phase of program development and implementation to provide effective learning for the child." According to the author, child psychiatrist Dr. I. N. Berlin, "the reporting of such research has still not essentially altered the parents' role in most current Head Start programs" and he notes that it is difficult to overcome the prejudice of administrators and teachers who see parents in an adversary and not a collaborative role. It is not unreasonable to conclude that the reason for the failure of Head Start to fulfill its intended goal of improving a child's learning ability is that most have done nothing to help mothers become more involved with their pre-schoolers. Referring to the "unachieved potential in maternal and infant programs" Dr. Berlin notes that it is very difficult to help fellow health professionals to become concerned about the psychologic developments of the child and to recognize that part of their job is to enhance the mothering skills of these young women. "The success of such early intervention programs in a few instances makes it clear that legislation that turns programs over to the usual medical agencies and departments, without close review of their work to help them change their approach, tends to undermine the full potential impact of such a program." He describes the extraordinary differences between the mothers and babies who were part of a well-coordinated program where the mothers were helped to understand the importance to their child's development of cuddlings, talking, singing and playing with the infant by showing them films of non-stimulated infants, for example. It was possible to later observe these subjects when they became kindergartners "They were the most alert, curious, friendly physically active and joyous in their approach to others (p. 40).

Since it is plainly this kind of beginning which gives children a chance to realize their maximum potential, I would hope that this is what concerned legislators would stress.

Another highly significant program, which is raising the IQ of pre-schoolers by 15 points on an average is reported on in the current CARNEGIE QUARTERLY. The initial project largely funded by the NIMH. With additional support from Carnegie Corp. and other foundations it is now being duplicated and monitored with about 900 children in 30 places ranging from an Indian reservation to an industrial city. The children who have experienced this program have fewer behavior problems, which is not surprising since they are happier and learning is not fraught with frustration. "Moreover, the second child in a family who enrolls in the program, averages 81.9 points higher than the first child—to the Carnegie Foundation it suggests enhanced "Parenting skills"—I would add it indicates also the results of stimulation from a more knowledgeable and active older sibling. *The Verbal Interaction Project*, as it is called has been singled out by the American Institutes for Research in the Behavioral Sciences as one of only 10 projects out of several hundred compensatory education programs across the country that could be labelled "successful," and was chosen as a model program by the U.S. Office of Education. Mothers are shown how to be involved from the start in working with their children with games and reading to them and questioning them. I would ask that a brochure describing the project be included in the RECORD.

This is the direction that our efforts should be taken—to enhance the mother-child relationship and mothering abilities—the proven basis of learning ability and emotional well-being, not in the direction of institutional care.

The provisions of the legislation under consideration today seem to be based on misinformation or an inadequate knowledge of the emotional—cognitive development of the child, and its connection with the parent-child relationship.

The bill is presented as a measure designed to help the poor and marginal families, yet the children who are destined for private schools will not be excluded.

The privacy and rights of parents will be safeguarded, the bill assures, but there are at least two provisions which give carte blanche to the Secretary to install any problem or take any action which in his opinion furthers the spirit of the legislation.

The problem is to be voluntary. If the poor do not apply will they be subject to subtle or overt coercion or will those in command be satisfied with fulfilling the requests for services of more fortunate applicants?

The primary purpose of the bill, it is said, is to give children of mothers who are forced to work, the opportunity to develop to their fullest potential and that one must avoid subjecting children to "mind-numbing custodial care." This means that the children must be cared for by people who like and enjoy youngsters, who understand what to expect of children at each age from infancy on, who are patient, kind, reliable, honest, conscientious and dependable and with whom the child can establish a long-term relationship. Whatever efforts are made in day-care centers to stimulate a little child's intellect will only be effective if the child likes the adult who is interacting with him. Otherwise he will turn away and may be completely turned off learning because it will be associated in his mind with the unpleasantness of contact with a disliked individual.

As if the above were not a tall enough order to fill, the proponents of the bill plan to combine it with the amelioration of the unemployment problem in depressed and deprived areas. As many of the local people as possible will be hired as para-professionals in child-care and for other positions which may bring them into frequent contact with the children. The sad fact is that many of these people, having themselves been treated with a combination of harshness and neglect as children have been rendered quite incapable of treating children in any other way, because there is a compulsion in all of us, clinical evidence reveals, to handle children in the way we ourselves were handled. It is an early and indelibly etched pattern which can usually only be altered by intensive therapy or through experience on a sustained basis warmth and kind consideration from an authority, who unconsciously represents a new parent figure.

One cannot be too careful in the choice of one's parent. Mark Twain observed—and the same applies to the hiring of parent surrogates. A child's cognitive abilities are stimulated and enhanced by contact with people who make him feel happy. He is motivated to know more about them and the world they represent. He identifies with them, tries to live up to their demands on him in order to please them.

The child who is hurt, neglected, unhappy or frightened withdraws into himself and tries to know as little as possible about the paingiving world around him, or else may feel the need to continually attack it in order to overcome his feeling of helplessness or to express his rage and disappointment because of emotional frustration. Such attitudes are vitally important components in learning disabilities. The need to not know and the presence of unmanageable quantities of rage are among the prime causes of learning blocks.

"Every parent knows the importance of the first 5 years of life" Senator Mondale said in his address to the Senate. Would that every parent did know this and acted on it. (As a matter of fact there are many parents, especially among the uneducated but also within the ranks of Women's Lib who have no real understanding of the crucial importance of that early period.) He continued: "We know that these beginning years are the formative years—they are the years in which permanent foundations are laid for a child's feelings of self worth, his sense of self-respect, his motivation, his initiative, and his ability to learn and achieve." This statement is clinically valid, but can the Senator possibly believe that a day-care center is capable of supplying the long-term love and discipline which enable the child to gain mastery over his instincts? Only as a result of such mastery does he have at his disposal the energies of sublimated drives which enable him to become a self-controlled, law-abiding, achieving little citizen. These accomplishments are an important source of his sense of self-worth and self-respect, all of which began as he viewed himself in terms of the beaming expression of love and joy with which his mother viewed him.

Over and over again it has been demonstrated that that which gives a child the greatest chance to achieve his maximum potential in life—a stated goal of this bill—is the opportunity to spend his first five years in the loving care of a normally devoted mother, yet, the Senator quotes with approval statements of the Director of the Women's Bureau of the U.S. Department of Labor who, in arguing strongly for day-care for all classes of women's requirements claims that it is of importance to middle class women to be able to upgrade their standard of living. She adds, that "Women with professional and technical skills can continue to contribute their skills and talents to fill the needs of our society in health, science, business and industry, politics and other fields. Day-care in fact, is a boon to women of all economic levels who want the freedom to choose for themselves their own life style and decide for themselves how they can best contribute (translation: how much they are willing to give) to the well-being of their families." Certainly none of these women can be considered poor and in need of government assistance, yet it appears that the proposed facilities will be at their disposal.

Those statements represent the position of the universal-day-care proponents and of Women's Lib (often one and the same) many of whose members openly express their belief that child care and homemaking are the most degrading of all human activities. . . . How goes this square with the statements of appreciation of the importance of the family and the desire to strengthen family life which are emphasized in the bill as well as in the Senator's introduction? The mother will be freed to make a contribution to the world of work while neglecting the opportunity to enhance the development and happiness of her own babies, toddlers and preschoolers. The younger her children are, as clinical studies have definitely proven, the more damaged they will be emotionally, developmentally and cognitively by the impersonality and the changing personnel characteristic of institutional care. Where the mother is unable to function, daytime "foster home" care with a small family on a continuous basis is the only safe arrangement for the child's development during its earliest years.

In addition, a great many of the provisions and the programs of this legislation already seem to be contained in various welfare services provided under the Social Security Act. A recent New York Times article discusses these programs and the failure of a number of States to meet their requirements and regulations. I ask that excerpts from the article be printed in the RECORD at this point.

(Excerpts from the New York Times)

Taking into consideration the following facts: that a recent HEW survey of 607 day-care centers in 9 different states revealed that a staggering 70% "failed to meet Federal health and safety requirements" (children's lives were actually endangered in some of them); that 40% "failed to meet the minimal but essential Federal standards for staff-child ratios": that the former Director of HEW's Office of Child Development, Dr. Edward Zigler observed that in "many instances we are paying for service that is harmful to children": that Senator Mondale himself concedes that the conditions in [examples of] the day-care centers are "an absolute disgrace with tragic and profound effects on children and families" (all quotations from the Congressional Record, op. cit. p. S1637). Is it not wise to plan a massive increase in the number of these institutions before making a rigorous and exhaustive study to pinpoint the causes and sources of the corruption, inefficiency, the heartless and dangerous neglect of the children, and to determine whether it is in fact possible to eliminate such abuses if we are going to have an astronomical number of these centers, even if 5% of the total funding is spent "monitoring and enforcing standards." The most flagrant abuses may be reduced but where will all the needed conscientious and incorruptable monitors and enforcers be found?

Assuming for the sake of argument that they are available, can individuals whose character defects permit them to cheat, neglect and endanger the health of the children they have been hired to nurture and protect, be monitored into becoming conscientious and caring? No more than irritable, impatient, hostile, sarcastic, punitive and spiteful people can be monitored into becoming the patient, kindly, tolerant and understanding caretakers needed by the children if they are to feel safe and happy and if they are to be helped by the center to lay those "permanent foundations which will result in the child's developing feelings of self worth, self-respect, motivation, initiative," etc.

Everyone contemplating the provisions of the Family Services Act of 1975 owes it to himself to read the article by former Representative Edith Green entitled "The Educational Entrepreneur" (The Public Interest No. 28, Summer 1972) excerpts from which are appended. The article presents in detail some of the shocking facts uncovered as a result of her investigation of the Office of Education.

We are entitled to ask what reasons there are for believing that the proposed Office of Child and Family Services will be any less liable to "the inefficiency, confusion, waste, breakdown and corruption (active or passive)" which Representative Green found to characterize the functioning of the Office of Education, or that the proposed Office of Child and Family Services will acquire the services of professionals and agencies any less guilty of corruption and "rampant commercialism and profiteering" than those patronized by the powerful Office of Education. It would appear that The Child and Family Services Act of 1975 can readily become a monumental example of what Rep. Green calls "the education-poverty-industrial complex". Are the individuals at HEW who will administer this Act fundamentally different in any way from those at the Office of Education?

In his sponsoring address to the Senate, Mr. Mondale, in stressing the imperative need, in his opinion, for institutionalized child-care, cited statistics on the disappearance of the extended family, which left mothers without the needed help in caring for their children while they were at work. There seems, however, to be an information gap. According to the University of Michigan's Institute for Social Research which surveyed 5,000 families in 1973, "only 8% of the families with young children and working mothers took their children to either a day care center or a nursery school. About half used some method which involved another family member as a sitter, and nearly a quarter either had husbands who worked a split-shift so that they could share in the responsibility of child care, or had a job which they could do at home. *Almost half of the families interviewed did not pay anything for child care, including families in both low and high income strata.* [Emphasis added.] Most of this 'free' care was provided either by parents or other relatives and might involve what amounts to a nonmonetary exchange system.

"Contrary to the fears of some employers who balk at hiring mothers because they fear sitting arrangements will break down, the study found that child care was not only inexpensive, it was also reliable. Even those who used the least reliable methods and lived in circumstances most conducive to disruptions had an average of only one or two breakdowns in child care a year." (ISR Newsletter, p. 7, Institute for Social Research of the University of Michigan. Winter 1975. P.O. Box 1248, Ann Arbor, Michigan 48106)

Recently the TODAY show featured an account of a cooperative day-care center in which parents, as well as grandparents, took turns caring for the children, at no cost to anyone. Of course there are neighborhoods where this system cannot work because there are too many troubled people. They are the ones who do require government assistance and other services which they usually reject, such as psychotherapeutic help. But it is a tremendous asset to a child's development to have parents who keep full responsibility for his well-being and are able to enter into and maintain cooperative relationships with other parents. It enhances the parents' sense of self-worth and the child identifies with the excellent self-image of the parent, thereby enhancing his own self-image. Too many well-meaning social planners and legislators fail to understand this. While bemoaning the decline in the authority of the family, they promote all sorts of measures which deprive the parents of authority or encourage them to yield it to others. Instead there should be widespread encouragement of cooperative ventures through government citations of merit and widespread publicity. All available funds should be used for the intensive care of the deeply troubled people who really cannot function adequately without assistance.

The proposed attempt to offer comprehensive psychological testing and treatment is doomed to failure. The number of professionals qualified to offer such services is infinitessimal compared to the number which would be needed if this bill were to become law. There is much evidence that the uneducated poor tend to resent and reject psychological services. If available, the likelihood is that they would be requested mainly by the middle and upper middle class parents, and it is important to keep in mind that this bill is promoted as aid to the poor. There may of course be a plan in the offing to train paraprofessionals to give psychological tests and provide therapy. Last year a program was begun to make therapists of the unemployed ethnic poor. There seems to be no limit to the programs of dubious value which can find support from the Federal government.

I would agree that instead of building sterile, day-care centers for the separation of children from their mothers that the funds be spent on keeping mothers and children together and on enhancing the mother-child relationship, and with it the happiness, self-esteem, and the learning potential of the child.

H.R. 2966 AND S. 626, THE CHILD AND FAMILY SERVICES ACT OF 1975

(Statement of Earl S. Schaefer, Professor of Maternal and Child Health, University of North Carolina at Chapel Hill)

I am Earl S. Schaefer, Professor of Maternal and Child Health, at the University of North Carolina at Chapel Hill, a developmental psychologist with 22 years of experience in research on the influence of families and the professions upon child development. I am very grateful for this opportunity to offer my support for improved services for children and families. My goal today is to present a point of view, derived from ten years of research on early intervention, on the most cost-effective way of providing these services. I would like to summarize that point of view and also request that two papers that further develop it be entered into the record of this hearing. The first paper—which has a title that represents more of a hope than a reality—"Child Development Research and the Educational Revolution: The Child, The Family and the Education Profession" presents a very different perspective from that held by some of the educators who have appeared at these hearings. The second paper—"The Scope and Focus of Research Relevant to Intervention:-A Socio-Ecological Perspective"—also presents a perspective on research and professional services that is relevant to planning programs for children and families.

The evolution of my opinions about the most effective way to influence child care and child development began with research findings that the level of intellectual functioning of children from every social group is established during the first three years of life. At that time, several major studies also found that schools are unsuccessful in changing the level of functioning initially developed and subsequently maintained by family and community. From the early research I developed a hypothesis of the need to provide intellectual stimulation during the second and third year of life in order to stimulate intellectual development. Although I had published research that showed the influence of parental behavior upon intellectual development, my lack of faith in parents and in our ability to work with parents led to the development of a child-centered tutoring program at the home. In that infant education research project, tutors went into homes with a major goal of providing enriched experience and language stimulation for the child. Evaluation of the Infant Education program showed that beginning tutoring at 15 months of age was rather late because some children already showed the effects of early deprivation. When we ended the tutoring at three years, the differences in behavior and mental test scores between the tutored group and the control group suggested that the tutoring had a significant effect upon the child's development. However, a three year follow-up showed no long-term effects upon the child's academic skills. From my infant education experience I concluded that we had begun relatively late, that we had ended our work too soon, and that we had the wrong focus—upon the child, rather than upon working with the parents.

The contrast between my child-centered program and Levenstein's parent-centered program suggests that working with parents is far more cost-effective even on a short-term basis, but far more effective on a long-term basis. We saw children in over three hundred visits in the home over a 21 month period. Levenstein worked with parents in the home for approximately thirty-two visits over a seven month period. Her work with parents, which involved fewer visits over a shorter time period, had a short-term effect equivalent to our longer and more intensive child-centered program. The evaluation of our child-centered program found no significant long-term effects on academic skills. The follow-ups on Levenstein's parent-centered intervention are relatively good, suggesting that working with parents can produce enduring changes in parental education and child development.

Reviews by Bronfenbrenner and by Lazar and Chapman of the effectiveness of early parent-centered intervention and of programs to influence parenting skills also suggest that providing support for parental care is a more effective way of fostering the development and well-being of children. Characteristics of family care of children, as contrasted to characteristics of professional and institutional care, may explain the greater effectiveness of strengthening and supporting families. Characteristics of family care include: priority, duration, continuity, amount, extensity, intensity, pervasiveness, consistency, and responsibility. Thus the family has an early, continuing, and cumulative impact upon child development that cannot be replaced by schools or day care centers. Equality of educational opportunity cannot be provided by day care centers or schools alone. Strengthening and supporting family care and education of the child is a far more effective way of influencing child development than child-centered education or day care. Of course, adequate day care of children of working mothers is important, but adequate parental care of children is even more essential.

Many current and proposed programs to provide services for children are based upon a class room perspective or professional and institutional perspective on child care and education. This perspective assumes that the the best way to provide care or education for the child is to bring the child under the direct care or supervision of professionals, preferably in a day care center or classroom. The major goal is to provide direct services to children that supplement family care and education. The importance of the family for child development and the success of parent-centered early intervention suggest a contrasting life time and life space, or ecological perspective, that emphasizes the child's interactions with his family and community. The ecological perspective suggests that strengthening and supporting family care of the child would be more cost-effective than providing direct care and education for the child.

Although the current U.S. Commissioner of Education, T. H. Bell, supports schools that work with parents and communities, many educators do not share that perspective. Perhaps a professional institutional perspective has led to recommendations that family services be removed from the proposed legislation. The ecological perspective suggests that the family services component should be strengthened rather than eliminated. The lack of understanding by some educators of the importance and of the needs of families also suggests that the administration of child and family programs should be assigned to an agency or agencies that have active research, demonstration, and training programs that focus upon families as well as the isolated individual child. Although coordination of the programs that influence families and children is desirable, the contributions made by a number of government agencies to intervention, child development and family research suggest that diversity of effort should be continued. Different approaches determined by the different roles of several agencies have probably contributed more than a single program could have offered. For example, intervention research that has provided a basis for the Home Start program of the Office of Child Development has been funded by the National Institute of Mental Health, the National Institute of Child Health and Human Development, as well as by the Office of Child Development itself.

Although my major goal today is to support an emphasis on family services, I recognize the need for quality day care for many children. However, I fear that community planning for child care may often provide for group day care only. The relative effectiveness of different types of services and the principle that parents have options, alternatives and freedom of choice of child care suggest that every community should also provide family services and psychological and economic supports for parental care of children. My concern is that providing a subsidy for group child care without providing equal financial benefits for parents who choose to care for their own children or choose to make other child care arrangements may be a form of economic coercion. Offering a mother food, health services, and education for her child in group day care without offering comparable assistance for child care in the home can be viewed as a form of both psychological and economic coercion: either the mother uses the group day care that is provided by the community or receives no assistance in child care. My awareness of this problem was increased by the fact that the cost of group day care for a single child in some cities is greater than the welfare payment for a family of four. Establishing the principle that adequate support for family care be provided, as well as adequate support for group day care, would influence the development of future child and family services.

I suggest that the Child and Family Services Act support the development of options, alternatives and choices for parents in child care and education. The Office of Child Development is developing alternatives in early education in the Head Start and Home Start programs and has found the Home Start program of one family visit a week is as effective as a Head Start program in influencing child development. I suggest that the Child and Family Services Act mandate the provision of such options and alternatives in every participating community and mandate that equal financial support be provided for different child care choices by parents.

My evaluation of research achievements during the ten years since the beginning of Head Start is that we have learned much that is of both scientific and social significance. What we have learned suggests that a major goal of both research and the professions that provide services to families and children is to develop a comprehensive support system for family care and education of children. Research on family influences on child development and early intervention shows both the necessity and the feasibility of increasing both maternal and paternal acceptance and involvement in the care and education of the child. The research findings strongly suggest that strengthening and supporting parental involvement will contribute more to the health, education and welfare of children than programs that supplement, and occasionally supplant, family care of the child.

Statement Prepared for the Senate Subcommittees on Children and Youth, and on Employment, Poverty and Migratory Labor, and the House Select Subcommittee on Education

My name is Bettye Caldwell, and I am Professor of Education at the University of Arkansas at Little Rock and Director of the Center for Early Development and Education. The Center represents one miniscule effort in one particular setting, touching the lives of only a few children and families, to accomplish some of the objectives that are inherent in the Child and Family Service bills, S. 626 and H.R. 2966. Consequently it is entirely natural that I would heartily endorse the bills and urge their support and passage.

Any concerned citizen is always certain to be pleased and honored to be invited to appear before such a Committee, for it signifies an opportunity to experience the thrill of participatory democracy. Yet, in another way, the invitation to appear today serves to reinforce a feeling of failure to help accomplish something of utmost importance for our country—the passage of a bill which would help to ensure the optimal development of today's children who will be, of course, the citizens of tomorrow. For I first appeared before a similar Committee in the House of Representatives in 1969 and have appeared several times since then. And here it is, the middle of 1975, and we still have no comprehensive legislation of the sort needed to help our children and familities through turbulent social times and difficult financial times. I ask myself how that can be, when, during this period, we have been flooded with information which highlights the intense need for such a bill. Information such as:

Higher infant mortality rates in our country than in 12 other countries.

A poverty childhood for about one out of every six or seven children in the country.

Lack of access to a private physician or other acceptable form of medical care for large numbers of infants and children (and mothers and fathers).

An increase in the divorce rate of approximately 25% in the last five years.

A sharp increase in the number of children born in one-parent families and likely to be so reared during childhood (rates ranging from about 1 out of 15–20 in some areas up to 1 out of 5 in others).

A dramatic rise in the number of births to mothers younger than 20 (rate increasing at five times that for all other births in Texas), with many of these mothers not having finished high school.

Alarming statistics on child abuse, with far more unreported than reported cases undoubtedly occurring, and with neglect comprising the underneath part of the abuse-neglect iceberg and thus being far more common and more pernicious.

At least one-third of mothers with children under six working, with about three-fourths of those mothers working full-time and with four-fifths working out of sheer economic necessity.

Licensed day care facilities are available for fewer than one out of four of the young children whose mothers work.

One could go on and on citing such dismal statistics, but to do so is painful and embarrassing. I hate the thought that representatives of other nations, less affluent and presumably less "developed," might read them and reflect on how these things can be true in our society. How can such conditions exist in a country which generally boasts of its concern for children?

It seems to me that ours is indeed a country that has concern for its children, but it is also a nation which strongly values personal autonomy. And these two values can occasionally come into conflict. That is, we sometimes appear hesitant about developing plans which would help the children for whom we have concern out of fear that any action would represent an invasion of the domain of the family to make such plans and take such action. But in such an avoidance of planning and of action, we are implicitly defining "family" as "adults," which is not the case. The family is a system, and whatever affects part of it will, to some extent, affect all of it. When a father loses his job, the mother and the children are affected. When a mother takes a job, or is unable to find one, the children and the husband (if there is one) are affected. When a child does not develop properly because of inadequate nutrition, poor health care, or lack of stimulation, the parents are affected. And, of course, when the family is affected, all of society becomes involved in one way or another. For children and families and communities are all interdependent. We cannot afford to suppress our concern for children out of fear that any manifestation of such concern would weaken family autonomy, for concern for part of the system actually represents concern for it all. And the protection of autonomy need sometimes mean no more than making a greater variety of services available so that families can exercise their autonomy in utilizing them. At present, our services to children and families are too few, too inaccessible to those who need them most, and, all too often, available too late to be of maximum help.

HOW THESE BILLS CAN HELP

The bills currently being discussed by this Committee would represent a major step in the direction of giving families and children the kind of help needed to obliterate some of the depressing statistics cited above. I say this for the following reasons:

1. *S. 626 and H.R. 2966 are family-based bills.* The language of these bills, their letter and their spirit, all recognize the primacy of the family as a major influence in the life of a child. As I interpret the bills, they will provide for services which will strengthen families and will make the task of parenting (and also presumably the task of "childing") easier. There are several important semantic developments associated with the bills which signify a more mature level of thinking about the types of services needed in this country—the very title of the bills themselves ("Child and Family Services Act"), and the proposed change of name for the current Office of Child Development to the "Office of Child and Family Services" represent examples of this maturing. The philosophy that services to be provided under this act will be undertaken as a "partnership of parents, community, private agencies and State and local government with appropriate supportive assistance from the Federal Government" says in effect that the adequate protection of our human resources cannot be assured unless we are all involved in the task. This total involvement is essential, and its presence in the bills is commendable.

2. *Services will be available to all families who request such services.* Much of the legislation passed to benefit children and families is of the categorical type, with stringent restrictions placed on utilizations of appropriated funds. Although these bills specify certain proportionate priorities (e.g., 65% economically disadvantaged), the eligibility requirements are not so binding as to exclude any group of families desiring to participate. This means that ethnic, social class, and cultural mixes will be more possible and more likely to occur in programs established under the bills. We do not need new programs that set one group of children and adults apart from other groups. Proposed patterns of funding allow for payment of services according to family income, and this should facilitate the utilization of services provided under these bills by families at all economic levels. Although there are obviously some children and families who need services more than other families do, if a service program is to be comprehensive it should be available to everyone who desires service rather than leave some groups at the periphery, resentful at not being included.

3. *A variety of services will be available.* This is a most important aspect of the proposed bills, for there is no one exclusive pattern of service needed by families in today's complex world. Mentioned in Section 102 of the Senate version of the bill are: part-day or full-day child care in different settings; health, social, and recreational activities; family services, including pre-parent education, which I consider vital and essential; social services; prenatal and other medical care; special programs for children from ethnic groups; nutritional services; screening and diagnosis; programs designed to ameliorate handicaps; extension of early childhood programs upward into the elementary grades; and coordination of programs with those operated by other agencies. This anticipated program diversity should be stressed in all news releases about the bills, for all too many people seem to interpret the proposed programs as involving only child care.

Lest that comment be misinterpreted, I hasten to stress just how important the child care services which would be made available through the bills actually are to families in America. We know from the findings of Mary Dublin Keyserling's important survey of day care facilities in America such things as the fact that:

Most working mothers with young children do not have access to quality day care but must use what is available, which is often essentially custodial care.

Most mothers who work do so because of economic necessity, and debates about whether mothers "should" or "should not" work are often irrelevant to the economic realities of the family situation.

Low income families are usually hit hardest by a shortage of good day care.

Unsubsidized day care is beyond the reach of all but a few working parents.

The type of day care available to moderate income families is most likely to be proprietary and to be in centers not always offering developmental services.

Family day care homes are often arranged on an informal basis and are beyond any sort of public monitoring process which could help ensure quality.

Day care services, because of either neighborhood realities or restrictive eligibility requirements, are often almost totally segregated racially, ethnically, and economically.

Even though community consciousness about day care has been rising in recent years, resulting in constantly improved community training programs and standards, the "facts" about existing day care facilities highlighted in the Keyserling study have not changed drastically since the publication of the report. During this time, however, more systematic studies relating to carefully organized and operated day care programs have been published, and we can now chronicle a few facts that relate to the effects on children of participating in quality day care programs. I stress the word "quality" and hasten to indicate that by that term I am referring to programs which attempt to involve families and to offer a wide array of developmental services. Unfortunately, it is only such programs that get formally evaluated, for only those people involved in an attempt to create quality programs are likely to be willing to submit to the objective scrutiny required for a formal evaluation. It should be noted here that all the studies referred to dealt with group day care, not family day care. Ages of children involved will be referred to in discussing the different generalizations. From such studies at least the following tentative generalizations can be offered:*

(1) Children in quality day care can develop competence in skills considered adaptive and beneficial to themselves and society. In all the R&D programs in which evaluative data have been published, children either show cognitive gains or else remain on a par with children from comparable backgrounds who are not in day care. In general one can say that the more the day care environment represents additional stimulation and enrichment in relation to the daily environment in which the child would otherwise function, the greater the likelihood that gains will be found associated with day care participation. It is extremely important to comment that not a single published study has shown a decline in the functioning level of children in day care. This is true for groups entering day care prior to or after the age of three. This finding should offer considerable reassurance to those who feared that day care was in some way similar to institutional (residential) care. From the vantage point of the young child, they are apparently entirely different experiences.

(2) Children in quality day care can be kept healthy. We know that advances in immunology have made bringing infants and children together into groups less hazardous than used to be the case. But as yet we have no immunizations which protect us from respiratory viruses and infections—the most typical illnesses in young children. However, infants in day care do not appear to have significantly more of these "minor" illnesses than do children being cared for in their homes.

(3) Children in day care need not lose their attachment to their own mothers. To date the author knows of two published and at least two unpublished studies dealing with this question—a most important one. Only one of the four research studies has shown any negative consequences associated with day care participation; in the other three, day care children appeared as attached to their mothers as were the control children. This is a most important area of research, and many more studies of this sort need to be done before definitive statements can be made. As things now stand, proponents of day care tend to cite the study (Caldwell and her associates) which found no differences between the day care and the home-reared children, and opponents of day care tend to cite the study (Blehar) which reported differences. In these two studies combined, only 81 children were included—a number that is far too small to use as a basis for establishing social policy. In the monitoring of programs called for under the present bills, it is hoped that this extremely important developmental area will receive considerable attention.

(4) Young children who participate in day care do not become emotionally disturbed. To people knowledgeable about how happy children lucky enough to be enrolled in quality day care generally are, such a "null hypothesis" statement must sound strange. This generalization is included only because of the assumption made by many that day care would duplicate the emotionally depriving conditions which prevailed for many years in residential institutions. Studies done in day care settings, in which daily reunions with significant family members occur, generally cover the same range of emotional functioning likely to be found in any group of children of comparable age from a comparable family background.

(5) There is not necessarily a clash between the values espoused in homes of children in day care and those values which guide the operation of quality day care programs. One frequently hears the charge leveled that in our early intervention programs we are trying to "impose middle class values on people with other value systems." By and large this charge is totally false, as most parents want similar things for their children—essentially an opportunity to develop their full potentials and to be happy in their daily lives. Apparently the values for children and families imbedded in the philosophy of most child care centers are the values which most parents endorse and strive themselves to exemplify in their own child care routines.

To summarize this section, I would not attempt to claim that these findings would necessarily be replicated if, in the research which produced the data, just "any" day care programs had been evaluated; I repeat that, in so far as we now know how to define quality, those data refer to quality programs. However, the findings do indeed reassure us that, if we strive for quality and demonstrate a willingness to study, to work, and to train that child care can provide a much-needed service to families without in any way jeopardizing the development of the children. Although few efforts have been made to evaluate the effects of quality day care upon families, there is little doubt but that the findings would be equally reassuring. This is especially true for families with limited resources—perhaps most valid for those who represent the one-parent family situation. Many such parents report that day care "holds their family together," and undoubtedly without quality child care many more children would be in foster placement or offered for adoption, or even more tragic cases of child abuse or neglect would occur. In many ways, it represents a concerned society's attempt to develop a viable substitute for the now almost extinct extended family. Thus in thinking about day care, we need to conceptualize it as a family service, not as a totally child-oriented service.

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*For detailed documentation of these findings, see the author's paper, "Child Development and Social Policy."

Before leaving this section commending the bill for the diversity of planned services which would be available under its auspices, I should like especially to comment on the importance of allowing funds from the bill to be expended to develop programs of pre-parent or parenting education. This type of service should receive top priority today. Such programs need to be offered under a variety of auspices—public school (junior high and high school), prenatal clinics, well-child clinics, churches, community organizations, and so on. The most powerful message that has screamed at us for all the social science literature of the last decade has proclaimed, "The family constitutes the most important environment in which a child will ever function." In view of this, it is essential that this message reach young people both before they become parents and repeatedly afterwards, always with the refrain, "What you do with, for, and to your child is terribly important; don't take this assignment lightly; prepare yourself for it in every way possible."

Earlier in this statement I mentioned the sharp increase in incidence of births to girls under 18–19 years of age. One of our stereotypes is that "young mothers make the best mothers," and, to be sure, some young mothers may be among the "best" mothers. But we also have data (deLissovoy) to indicate that young parents, mothers and fathers, often enter the child-care "profession" with gross misconceptions of what is involved, what their roles will be, and what they can expect of their children. Many young parents in this study had inaccurate expectations as to when certain landmark behaviors should appear and thus made unrealistic demands on their young children. Also many of them were found to be harsh and unyielding in their discipline, with this due in some part to their tendency to underestimate when a child could be expected to understand language. Thus parents were frustrated, and children often overly punished, because the parents lacked knowledge which could easily have been gained in a high school course in child development.

There are many other admirable features of the bills which relate to this feature of program variety and diversity. For example, I am pleased to see the bills state that the day care called for will include care "in the child's own home, in group homes, or in other child care facilities . . ." It is easy to fall into the trap of thinking "group care" when one speaks of "day care." Also it is encouraging to see that the child care provided under the bills may be "part-day or full-day." The needs of families shift from time to time, and a too-rigid plan of service will not meet the needs of all families or of the same family from time to time. For example, we speak of "maternal employment" as though it were for any given mother a continuous state of affairs. But there are jobs of shorter and longer duration, and there are employees who decide to change jobs but might have open times between. I have known of situations in which mothers who were "between jobs" withheld this information from the day care center attended by their children because the center served "only children whose mothers work full-time." Thus an interlude in which the mother and children could have been at home together was forfeited because of a rigid service pattern which perhaps because of program guidelines, could not be made flexible enough to adapt to the changing needs of families.

As a final comment in this section I should like to mention that we must not forget the importance of having some programs geared to the interests and needs of fathers as well as mothers. Please do not interpret that as a suggestion from me that the interests of fathers and mothers with respect to their family roles are all that different. Nevertheless, it is easy to drift into a vocabulary that is all female. Thus along with "services to expectant mothers who cannot afford such services" and "postpartum and other medical services to recent mothers" I would hope that there will be services to fathers, expectant and otherwise, and informational programs which remind us that fathers also play a vital role in the development of their children. It would be a mistake to overlook this as we plan for program diversity.

4. *The bills mandate community involvement.* One of the things we have learned about human service programs over the past decade or so is that such programs can neither be effectively designed nor implemented without counsel from and participation by the people who will be involved. Furthermore, we have also learned that parents and others who stand to gain the most from operation of quality programs will work hard to ensure quality and that they see interaction with child development professionals as one way of helping to achieve this quality. The establishment of Child and Family Councils at the national level, at the level of prime sponsorship in a given state, and at the level of program operation appears to me to be one of the best guarantees that programs funded under this bill will have an opportunity to impact children and families in positive ways.

5. *The bills take a stand for quality through the advocacy and the monitoring of program quality.* A spectre which apparently haunts many concerned people is that federal agencies will fund more child care and make only the most limited attempts to guarantee that this will be anything other than "custodial." This is the sort of fear which causes some people to withhold endorsement of programs for children and families—the fear that quality cannot be guaranteed. To be sure, quality cannot be achieved by legislation alone, but legislation can guarantee that concerned efforts will be made to achieve quality. With respect to child care which will be operated under these bills, endorsement of the Federal Interagency Day Care Standards provides a wedge for attempting to assess quality. However, as stressed in the previous section, many different types of programs are allowed under the provisions of these bills. How will quality be assessed in the parent education programs? In the health programs? In the functioning of the Child and Family Councils?

The bill has provisions for withdrawing support from a program or from a prime sponsor if evidence is forthcoming that quality is not being achieved. Yet a great deal more thought needs to be given to this critical area. In Head Start and other types of early childhood programs we have had to recognize the hazards associated with program evaluation which relies too completely on readily available techniques; sometimes assessments were made of behaviors in which we were not particularly interested merely because techniques which would measure these behaviors were available. Then we found ourselves in the untenable position of having to defend data to which we had no major social commitment and of trying to make policy decisions about gains (or lack of them) in irrelevant dimensions. And, as part of this research trap, we often failed to try and make any assessments of what I have come to call program fidelity—the extent to which an operational program actually resembles its on-paper description. Monitoring of program fidelity is as important as, if not more important than, an attempt to monitor program effectiveness; neither should be neglected as final plans are approximated.

6. *The bills make provision for research and demonstration projects and training activities.* In commenting on this aspect of the bills I shall be brief and merely compliment the authors for specifying that some of the funds to be appropriated should be allocated to training and to research and demonstration projects. In the same way that quality is ensured by having Child and Family Councils, so will new growth and program improvement occur only if a certain portion of effort is allotted to research and development. Furthermore, it is good to see this as part of the basic structure of the legislation. This means that prime sponsors will recognize the importance of such activities if quality is to be improved, much as industrial leaders recognize that a certain portion of their resources must be allocated to research and development. It should also encourage the adoption of a wholesome attitude which says in effect that all operational programs should constantly assess their needs and try to evaluate their achievements in order to be oriented to ways of improving service quality through internally-initiated action rather than through some sort of outside push.

SOME QUESTIONS ABOUT THE BILLS

Having read through earlier versions of these bills and having identified areas in which the current versions appear to me to be vastly improved, I have little to say about areas in which I might like to see them changed. In fact, I cannot identify any area needing improvement (except that I would like to see funding projected at a higher level). However, there are a few areas in which I feel clarification is needed either in terms of the language of the bills or in terms of the implications for effective implementation of the intent of the bills.

One such area relates to the coordination of services to children and families. The language of the bills makes it clear that there is no intent to infringe upon Head Start funding or to reduce in any way the extent of the Head Start programs to children and families. Yet how these programs might interact is not made clear. Furthermore, little is said about programs for children and families operated by other federal agencies, especially Title IV–A of the Social Security Act (soon to be superseded by Title XX) and programs funded under the Elementary and Secondary Education Act, especially Titles I and III. Plans for achieving coordination between and among such programs may already be in existence, but, if so, this is not evident in the language of the current bills.

Another area needing clarification, at least for me, is the definition of "prime sponsor." This term always gives me trouble when I think of anything other than some official state organization as being the prime sponsor—and such can apparently be the case. Especial clarification is needed when one thinks about the start-up or planning period before a prime sponsor shall have been designated for a given area. Who can take such responsibility until this designation has been made? I hope that this has been left somewhat ambiguous in order to let many different kinds of organizations find themselves in the written description of prime sponsor, for I should like to see such programs offered under a variety of auspices. Also further clarification is needed about how prime sponsors can contract with other organizations to offer services. Apparently other non-profit agencies may provide some of the services called for in the bills, whereas private-for-profit groups may not. In such a provision recognition needs to be made of the fact that many so-called proprietary (for profit) child care programs operate on such a low margin that they can barely continue operation. The myth that most of these dedicated people are merely out to "take advantage of" children and families is a myth and nothing more and should not be perpetuated by any sort of legislation. Perhaps this impression could be corrected by an indication of willingness to permit such programs to offer contracted services provided they file some kind of financial statement which shows no evidence of excessive profits.

Although one might mention other possible questions about the proposed legislation, these are the major areas which I perceive as needing clarification. * * * With an emphasis upon preventive programs, we can nurture both our concern for children and our traditional respect for parental autonomy. The services called for in this bill are preventive and supportive, and as a professional in the field of child development, as a parent, and as a citizen I hope to see them become a reality in the near future.

Who Cares for America's Children?

(Testimony before a Joint House-Senate Hearing on the Child and Family Services Act of 1975[1] by Urie Bronfenbrenner and Cornell University)

Mr. Chairman. In preparation for this session, I reviewed my previous testimony to Congressional hearings on this same subject. The statements go back over a decade, and they do not make pleasant reading. I sound like a broken record about broken families and broken children.

But there is an important difference. For example, in 1969, in testifying before the House Committee on Education and Labor, I began by trying to explain the difficult position in which I then found myself as a scientist. "Suppose," I said, "that you were an astronomer studying the solar system, and, as you examined your own observations and those of your colleagues, you began to see some clear indication that the solar system was falling apart." My predicament was how to convey to non-scientists the reality and gravity of the phenomena I was observing?

Mr. Chairman, today I no longer have that problem. The disturbing signs that, six years ago, could only be detected by an astronomer looking through a telescope, can now be seen by the naked eye. I am submitting with my testimony material I prepared as a member of the Committee on Child Development of the National Academy of Sciences. (Exhibit A) The report documents graphically, so that all can see, the changes that have taken place over the past quarter century, for American families and their children, mainly and most rapidly since 1968. There are some seventeen graphs. Even more important than the sharp rise or fall that each shows individually is the picture that emerges when one puts them all together. The pattern is unmistakable. Let me give you some of the highlights.

As many more mothers have gone to work (now over half of those with school-age children, one-third with children under six, and 30% with infants under three; two-thirds of all those mothers are working full-time), the number of adults left in the home who might care for the child has been decreasing to a national average of two. Chief among the departing adults has been one of the parents, usually the father, so that today one out of every six children under eighteen is living in a single-parent family. This is often not a temporary state, since, on a national scale, the remarriage rate, especially for women, is substantially lower than the rate of divorce in families involving children, and this differential has been increasing over time. A significant component in the growth of single-parent families has been a sharp rise in the number of unwed mothers; more young women are postponing the age of marriage, but some of them are having children nevertheless.

All of these changes are occurring more rapidly among younger families with younger children and increase with the degree of economic deprivation and urbanization, reaching their maximum among low income families living in the central core of our largest cities. For example, among families with children under 18 and incomes under $4000 (and these contain 6 million children, almost a tenth of the national total), the proportion of single parents rose over the past six years from 42% in 1968 to 67% in 1974. In central cities, the rate of family disruption for this low income group was substantially higher, over 80%, for Whites as well as Blacks.

The last represents a concrete instance of an important general finding. Although levels of labor force participation, single-parenthood, and other related variables are substantially higher for Blacks than for Whites, those families residing in similar economic and social settings show similar rates of change. The critical factor, therefore, is not race, but the conditions under which the family lives.

Among these conditions, low income, especially younger couples with younger children. This fact has an obvious implication, Mr. Chairman, for present economic and manpower policies. So long as they remain in effect, we can anticipate, as one consequence, ever higher numbers of young children with only one parent, almost always a mother, who must also be the breadwinner.

But "winner" is hardly the appropriate term. There is no more revealing, no more objective measure of our national indifference to children or to those responsible for their care than this: according to the most recent figures reported by the Nation Bureau of Labor Statistics, the median income, for the United States as a whole, of all single-parent mothers with children under six, income from all sources including wages, welfare payments, and regular contributions from relatives or other persons not living in the household, was less than $3600. Economic deprivation is even more extreme for single-parent mothers under the age of 25. Such a mother, when all her children were small (e.g., under 6) had to make do with a median income of only $2700. Yet there were more than 1.5 million mothers in this age group and they constituted one-third of all female-headed families with children under six. By way of contrast, the median income for the small proportion (less than 1%) of father-headed single-parent families with preschool children was $9500.

It is important to recognize, Mr. Chairman, that the trends I have been describing are not limited to low income families. They apply to all strata of the society. Middle class families, in cities, suburbia, and non-urban areas, are changing in similar ways. For example, in terms of such characteristics as the proportion of working mothers, number of adults in the home, single-parent families, or children born out of wedlock, the middle class family of today increasingly resembles the low income family of the early 1960's.

These, then, are the changes that have been taking place in the structure and status of the American family over the past quarter century. We are now ready for the next question: So what? Or, to be a bit more formal and explicit, what do these changes mean for the well-being and growth of children? What does it mean for the young that more and more mothers, especially mothers of preschoolers and infants, are going to work, the majority of them full-time? What does it mean that, as these mothers leave for work, there are also fewer adults in the family who might look after the child, and that, among adults who are leaving the home, the principal departer is one or the other parent, usually the father?

Paradoxically, the most telling answer to the foregoing questions is yet another question: Who cares for America's children? Who cares?

At present, as the members of this Committee know all too well, substitute care for children of whatever form—be it nursery schools, group day care, family day care, or just a body to babysit—falls so far short of the need that it can be measured in millions of children under the age of six, not to mention the millions more of school-age youngsters, so-called "latch-key" children, who come home to empty houses, and who contribute far out of proportion to the ranks of pupils with academic and behavior problems, who experience difficulties in learning to read, and who are dropouts, drug users, or juvenile delinquents.

But we are getting ahead of our story. We have seen what has been happening to America's families. Unfortunately, statistics at a national level on the state of the child are neither as comprehensive nor as accurate, but the available data do reveal a consistent pattern. Concomitant and consistent with changes in structure and position of the family are changes in indices reflecting the well-being and development of children. Youngsters growing up in low income families are at especially high risk of damage physically, intellectually, emotionally, and socially. There is also evidence of change over time: declining levels of academic performance, and rising rates of child homicide, suicide, drug use, and juvenile delinquency.

The presence of concurrent secular trends does not, of course, prove cause and effect, but to disregard the evidence is to risk awesome human and economic costs. Consider a similar pattern of research findings cited in the report I have submitted with my testimony: within the city of New York, the rates of infant mortality and prematurity differ dramatically from one health district to the next, and vary directly with the number of health personnel and services available to families living in each district. It is hardly necessary to wait upon scientific demonstration of the exact casual connnections in order to justify the need for and design a corrective program.

The same consideration applies to the data I have presented today in relation to the bill you now have before you. As responsible national leaders you have properly recognized the necessity to develop a cure before the disease becomes an epidemic. I have read the bill with mixed reactions of praise and pain—praise, because with a physician's care and wisdom, you have prescribed exactly the right medicines to cure this great national affliction—pain, because I fear that once again, other priorities will prevail. There will be those who will say that the medicine costs too much, that we cannot afford it, and that even if we could, we shouldn't let the patient have it. Providing family and child care services at national expense, so that argument runs, will inevitably take us down the road of creeping socialism to crushing communism, and the end of our freedoms. As one who has had first experience with the so-called socialist democracies, and is not exactly enthusiastic about them, I should like to respond to this criticism in due course.

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[1] Held in Washington, D.C., Dirksen Senate Office Building, June 19, 1975.

But first I wish to address a more responsible challenge, one that at least does not dodge the issue before us: the fate of the Nation's children and their families. There are professionals who sincerely believe, and some of them have testified before you, that the cure you have prescribed is worse than the disease, that providing child care and other services for working mothers and families under severe economic or social stress is actually destructive to families and children. Specifically, such measures will only further weaken the mother-child relationship, and thereby threaten the child's emotional security and subsequent personality development. This is a question that merits, and has received, serious consideration. In connection with the work of the NAS Committee mentioned previously, I was asked to review the available research evidence on the effects of the child's development of different types of care, in particular home care versus substitute care in group or family settings. I am submitting with my testimony a preliminary draft of the results of this inquiry (Exhibit B). The main points may be summarized as follows:

Well-designed comparative studies of the effects of different types of care are as yet few in number (there were only about a dozen that met the stipulated scientific criteria), and are limited to the first years of life. Nevertheless, there is enough consistency in the results to warrant tentative conclusions in three areas: cognitive function, emotional development, and social behavior. The findings give ground for reassurance and some concern.

1. In the intellectual sphere, studies to date have consistently failed to show any differences in performance between children raised by their own parents at home versus youngsters exposed to full- or part-time substitute care for extended periods either in group settings or family day care homes.

2. Concern about possible harmful consequences of substitute care for the child's emotional development arose originally out of the work of Bowlby, Spitz, and others documenting severe psychological deficiencies and behavior problems among children brought up in institutions. It is now generally recognized, however, that such debilitating effects, while real enough, come about only when physical and social deprivation have occurred to an extreme degree over an extended period of time. Hence the numerous studies on the effects of early deprivation on development of animal and human young [2] do not apply to effects of substitute care when it is provided, as it is in the majority of cases, in a stimulating physical environment by experienced caretakers, and involves only a temporary separation from the mother. More recent studies specifically addressed to the impact of home versus care on the child's emotional development have revealed some differences, but these have tended to be small in magnitude, short-lived, and mixed in terms of advantages or disadvantages attributable to one or the other setting.

On the one hand, there is consistent evidence that children with previous day care experience adjust more quickly to new group situations entailing separation from the mother, but these effects are observable only on the first day, and not thereafter. On the other hand, children exposed to full-day group care, compared to home-reared controls, showed greater emotional distress upon being left alone by the mother with an adult stranger in an unfamiliar room in a university laboratory. The artificiality of this experiment, however, together with the fact that observations were made only for a few minutes, raises doubts about the generalizability of the findings, and, in particular, about the original investigator's claim that the results demonstrate "qualitative disturbances in the mother-child relationship in day care children." Moreover, other research reveals that day care children do exhibit strong maternal attachments, and that, in addition to the mother, "a familiar caretaker becomes a significant attachment figure for the infant in day care as early as the first year of life." Some caution is indicated, however, about exposure of children, especially infants under three years of age, to extended all-day group care in the absence of sufficient personnel to permit "a relatively high degree of continuity and stability" in the staff members who care for each child.

3. The most clear and consistent differences between home-reared children and those exposed to group day care appear in the sphere of *social* behavior. Youngsters raised in group care interact more with their peers, are somewhat less responsive to adult discipline, and exhibit more aggression, both toward other children and toward adults. The evidence suggests, however, that such behaviors are not the inevitable products of all forms of group care, but are specific to American day care, which tends to give priority and power to the peer group, and allows greater freedom for aggression.

Finally, it should be emphasized that all of the foregoing differences, where they occurred, distinguished not between child rearing by own parents versus substitute caretakers, but between children reared in group versus home settings, the latter including family day care as well as home care by one's own parents.

But whatever the differences may be, and wherever they occur, they are not the real issue confronting America's families. The principal dilemma that parents face is not the choice of whether to enroll the child in group care, arrange for family day care, or keep him or her at home, but the necessity to find some form of substitute care in a reality situation in which relatively few resources are available. A third document submitted to the Committee (Exhibit C) contains figures on the number of children in the United States in families of low or marginal income, whose mothers work, or who live in single-parent homes. These are the children at greatest risk. There are 4 million of them under the age of six, plus another 1½ million latch-key children of school age, who come home every day to an empty house. The same document also summarizes the latest figures available on existing facilities for day care of all types, both public and private. As you know, the number of places in licensed or approved settings is only about a million, and most of these are occupied by children from intact, middle class families. In contrast, children at highest risk, like the majority of children receiving substitute care, are not to be found in these licensed facilities. A national survey, conducted in 1965, of "Child care arrangements of working mothers in the U.S." revealed that 46% of children under 14 covered by the survey were cared for in their own homes while the mother worked. Of these, 8%, or more than half a million, were cared for by another child under 16. Of all children of working mothers, 13%, or 1.6 million, were cared for by the mother at the place of work. Care outside the child's own home accounted for only 10% of the children of working mothers. This 10% consisted of 7% in family day care and 3% in group care, the "rarest of all arrangement."

Given the facts I have presented, Mr. Chairman, you can have little doubt about my views on the bill which you are now considering. I regard it as an absolute necessity. There is little in it with which I would take issue, but I do have some concerns.

1. First, I understand that you are under some pressure to designate public schools as the sole operating agents of child care programs. Viewed from a cross-cultural and historical perspective, schools in the United States are not well suited for this task. The responsibility of the school in our country has been the teaching of subject matter, typically with minimal interference from or involvement with the child's family. As a result, schools may find it difficult to reorient their organizational structure and characteristic modes of operation so as to be sensitive and responsive not only to the special emotional and social needs of the very young, but perhaps even more importantly, to the needs and rights of parents to monitor, influence, and participate in the program.

2. Similar cautions apply, perhaps with even greater force, to profit making agencies engaged in child care. In particular, the need for efficiency of operation invites the all-too-easy and readily justifiable solution of reducing adult-child ratios. Strict controls should be introduced, subject to parental initiative and enforcement, to prohibit these and other forms of abuse.

3. I would like to commend the authors of the Act for their sensitivity to the plight of those families who are left in a highly vulnerable position under our current welfare laws. I refer to families with incomes just above the poverty line who, as a result, are ineligible for needed health, child care and other services, but whose earnings are not sufficient to enable them to purchase these services in the open market. The definition of eligibility under the present Act in terms of the "lower living standard budget" determined annually by the Bureau of Labor Statistics represents a much needed, humane reform in our welfare practices.

4. I hope that my testimony has provided a concrete demonstration of the critical need for research data for any valid assessment of the needs of children and families, and for determining the most effective methods for meeting those needs. In this connection, I commend the authors of the bill for stipulating in Title III the authorization of research and demonstration projects, but I urge that, as in the provision of other essential special activities under the Act, a specified proportion of the total allocated funds be earmarked specifically and solely for such research activities. Further, I would re-emphasize the necessity explicitly to rule our funding of what I have in previous testimony characterized as "brand name research" in which "packaged programs," developed by different organizations, are pitted against each other in so-called evaluation studies designed to determine which package is "best." Apart from the abuses to which this strategy is particularly vulnerable, it suffers from a crucial scientific flaw; namely, it is impossible to identify which aspects of a program are responsible for its achievements or its failures.

My final concern sounds a sobering but realistic note. Despite the desperate situation confronting millions of our Nation's children and their families, the much needed legislation you have drafted ultimately faces the strong likelihood of a Presidential veto that the Congress will not be able to override. Given this prospect, I strongly urge the development of fallback legislation providing funds for innovation, demonstration, and testing of a variety of family support systems, including not only different types of child care services, but also measures, such as flexible work schedules that would enable parents who wish to do so to care for their children in their own homes. Wherever possible, such support systems should enlist the volunteer efforts of institutions and individuals in activities designed to enhance opportunity and status for parenthood in order to encourage and assist not only parents but all members of our society in the exciting and gratifying adventure of creating competent and compassionate human beings.

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[2] For a comprehensive review of the substantial body of research bearing on this issue, see Newton, G. and Levine, S., *Early Experience and Behavior*, Springfield, Ill.: Charles C. Thomas, 1968, especially the final integrative chapter by Bronfenbrenner.

In conclusion, I promised to return to the issue of economics and ideology, to speak to the charge that we cannot afford the costs of the proposed program, and that even if we could, we should refuse to do so lest we become a welfare state or worse. In reply I would call at the attention of the Congress and the Administration the commitment of the other industrialized nations of the world to children and families as contrasted with our own.

1. The United States is now the only industrialized nation, capitalist or communist, that does not insure health care for every family with young children.

2. The United States is the only industrialized nation, capitalist or communist, that does not guarantee a minimum income level for every family with young children.

3. The United States is the only industrialized nation, capitalist or communist, that has not yet established a nationwide program of child care services for children of working mothers.

Our refusal to meet what other modern nations regard as basic human necessities appears to be grounded in our determined resistance to communism or socialism in any form. Such principled but purblind opposition has driven us to pay an awesome price through our foreign policy in Viet Nam. We must not, for similar reasons, perpetuate a domestic policy which debilitates the Nation's families and, thereby, endangers the integrity of the next generation of Americans.

A NEW RUSSIA? A NEW WORLD?

Mr. BUCKLEY. Mr. President, I recently came across an article of special interest to anyone concerned about the relationship between our country and the Soviet Union. The distinguished English author and historian, Robert Conquest, writing in Foreign Affairs, offers a typically informative and scholarly examination of the possibility of change within the Soviet system. Conquest, whose book, "The Great Terror," is the definitive work on the barbarities of the Stalinist purges of the 1930's, tells us that if we expect the Soviet Union to evolve, that is, if we expect its rulers to grant some basic human rights to the Soviet people, then we must be strong enough to persuade those rulers that they cannot succeed in getting what they want by force and that signs of civilized behavior on their part will lead to cooperation in trade and cultural matters. Conquest points out, however, that current United States policies are not perceived by the Soviet rulers as ones demanding needed change within the Soviet system. Why should the Soviet rulers change if they can get what they want, such as favorable trade agreements, without changing? Conquest's article makes clear the need for a firm, consistent and vigilant policy on the part of the United States is our dealings with the Soviet Union.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NEW RUSSIA? A NEW WORLD?

(By Robert Conquest)

There is a growing feeling, in the West as well as in the Soviet Union itself, that there are prospects, growing prospects, of a "New Russia." There is a feeling, whatever the immediate state of Brezhnev's health, that the fairly near future must see a breakup of the logjam created by a top leadership all of whose members are aged around 70. But the impression, one feels, goes deeper than this. Russia is seen to be at a social and economic dead end. Forthcoming political changes must, in this view, lead to radical and beneficial change over the whole field.

In examining the possibilities, our own first thought in the West is naturally in what way developments in the U.S.S.R. of which there are any real prospects could affect the international scene; and in particular, of course, whether they might contribute to a firm and lasting peace. It is quite true that the internal and international attitudes of the Soviet leadership are closely interlinked—indeed, are aspects of a single worldview. And this again is bound to make us consider what actions, or policies, on the part of the West can best help to turn Moscow in a favorable direction.

The root of the problem of understanding this great central crux in foreign affairs—and one which needs to be insisted on with the utmost emphasis on account of the neglect and misapprehension which are all too common—is fully to grasp and to master the true nature of the Soviet political culture. A vast amount of well-intentioned comment in the West is almost totally vitiated by failure to study and understand the motivations of the Kremlin leadership. In large part this is no doubt due to a perfectly natural habit of extending the assumptions of one's own culture more or less automatically, as if they were universally applicable. In his Nobel Prize speech, Alexander Solzhenitsyn penetratingly noted that in the old days disparate cultures were physically separated. Men were "guided by their own experiences in their circumscribed localities, in their community, in their society and lastly on ther national territory. Then it was still possible for a single pair of eyes to perceive and accept some common scale of values."

The extraordinary differences between the polities of different parts of the world were known to, and astonished, only a handful of travelers. Nowadays (he remarked), mankind has become "united," not in the old natural way of communities, but rather simply in a crude physical sense, with instant communication of superficial information, while at the same time "people in various places apply their own tried and tested scale of values to events, and insist self-confidently and stubbornly on judging only by their own scale and never by anyone else's."

It follows that a powerful effort, both intellectual and imaginative, is required if we are to have a sound view of the true nature—and prospects—of the Russian system. I must confess—and it is an interesting fact, to put it mildly, that almost all those who have made a special study of the Soviet Union are substantially in agreement with me—that I have little confidence that these necessities are widely enough taken into account in all the political and media circles whose responsibility it is to form or propagate policy.

For the Soviet polity is one whose characteristics are almost extravagantly different from those of our own. Russia was, indeed, for centuries a very awkward member—to the degree that she was a member at all—of the Comity of Nations. I once noted in these pages the names of Marx and Engels among those who saw in Russia, from the time of Peter the Great, a general tendency not merely to expansionism but to "universal supremacy."[1] This tendency, only partly explicit in those days, was of course subsumed into the new Soviet-style universalism. Just as absolutism was replaced by totalitarianism, the roughly formulated claim to world supremacy became the hard notion that the only truly legitimate states were those founded on—and not deviating from—the Soviet model, a state of affairs only attainable in practice where Soviet troops are present, or can effect an entry.

Today we are used to the Soviet Union, and in spite of what, regarded in any depth, must be seen as an almost unbelievably aberrant and deviant politiical culture, we tend to treat it as just another foreign state, a powerful rival no doubt, but little more: a country whose rulers certainly conduct their internal affairs in a way we can only deplore, but who in the international field are to be regarded as more or less like anyone else. Even after a particularly evidential act, such as the invasion of Czechoslovakia, old habits of mind gradually restore the mistaken image. There is a residue of quite inapplicable "good sense," which insists that a new Russia has since emerged, or is emerging, or will emerge. Every verbal assurance, every minor real change, is taken as at least a harbinger of the desired result.

And indeed a real New Russia, in the sense implied, would indicate the total transformation of the world scene; would be the one single event which could bring true and lasting peace to our planet. Is it emerging? Will it emerge? Can we help it to emerge?

FOREIGN AFFAIRS

When we are considering these grand perspectives of world change, the state of Brezhnev's jawbone or Kosygin's windpipe may appear rather minor matters. But we must not fail to bear in mind that the whole system created by Lenin and Stalin had as its main political achievement precisely a mechanism, an Archimedean lever, whereby a single man or a small group could exert the political weight elsewhere available only to whole social classes. Even if the view is taken that a decisive evolution is due in the Soviet Union, the first break must occur at the top political level.

And so we must first turn to the balance of forces in the Politburo. The growing impasse, the lack of any natural method—even by Soviet standards—of transferring power to a fresh generation is largely due to the very collegiality of the present leadership. When Stalin died at the age of 73 he had already groomed for the succession a man 22 years younger than himself, Georgi Malenkov—and even the other possible contenders, Khrushchev and Molotov, were 14 and 10 years younger respectively. Khrushchev in his turn maintained a series of heirs-presumptive, Kirichenko, Kozlov and Brezhnev, 14, 14 and 12 years younger respectively. But both Stalin and Khrushchev were leaders who had achieved working supremacy, and also effectively eliminated all credible alternative of their own generation.

The present top five—Brezhnev, Kosygin, Suslov, Pordgorny and Kirilenko (aged 68, 71, 72, 72, and 68)—are in a different position. In spite of Brezhnev's general ascendancy, neither he himself nor any of the others has been able to bring to the fore a successor from the younger generation in the Politburo. None of the latter has the long experience and prestige in work at the highest level which Malenkov and Brezhnev had at the time of their successions. None has established the credibility and authority required—perhaps particularly required in present Soviet conditions.

This is not the place for detail speculation about the probable prospects of individuals.[2] It has been commonly taken that if Brezhnev were to be politically or physically incapacitated, Kirilenko would become the leading figure in the Party. But Kirilenko, is or has been, no more than a follower and rather pale echo of Brezhnev himself, right back from when he became his client in the Provincial Committee at Zaporozhe in the 1940s. Far from representing any "renewal," he is a less impressive figure even than Brezhnev, who has had his own difficulties in holding power. Such an appointment could be no more than a lame duck Brezhnevism. We are told, too, that the Brezhnevites favor Fedor Kulakov (born in 1918) as the eventual younger successor. But Kulakov, whose specialty is the unfortunate one of agriculture, has only been three years in the top leadership. On the face of it, Alexander Shelepin, who is the same age, is incomparably more credible—as, indeed, are several other younger men.

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[1] Footnotes at end of article.

Politics is, indeed, a devious art and one can envisage maneuvers in which weak leaders—or ones who are simply not given adequate powers—are accepted with a view to their fall being encompassed in short order. One can, indeed, envisage a scenario by which power *could* be transferred both smoothly and credibly: the takeover of the top party position by Mikhail Suslov, a senior of far longer experience and higher repute than Kirilenko, and not himself supposed to be ambitious for personal rule, who would mediate the succession of (say) Shelepin to the General Secretaryship and Kiril Mazurov (currently First Deputy Chairman of the Council of Ministers) to the Premiership. But, leaving aside the fact that a Suslov once in power might not after all want to give it up—a situation of which history gives us a number of examples—this (and any detailed discussion of the sort) depends on the relative health and longevity of the individuals of the present septuargenarian supremacy.

As perhaps the closest student of modern Soviet politics, Michel Tatu, has observed, anything is possible in a succession situation, including a political impasse and even a virtual collapse at the highest level, possibly involving military or police intervention, or some other form of coup. It is perfectly true that developments in the Communist countries contain possiblities of every conceivable sort. Who in 1953 would have predicted correctly any of the main events which followed in the Communist world—the Khrushchev speech, the Hungarian Revolution, the Sino-Soviet confrontation, the Rumanian defection, the Prague Spring. . .? And today there are political, national, intellectual and economic forces in the U.S.S.R. which but for the existence of machinery designed to contain them would be fully capable of destroying or totally transforming the political order.

But that machinery does exist and, created by the horrible genius of Stalin, it is powerfully adapted to its purpose. Of course a breakdown involving the overthrow of apparat rule would lead to a New Russia, whose nature cannot be predicted. But the power of the apparat—and its motives for sticking together—are so strong that we had best confine ourselves to the more probable, and more analyzable, prospects. My example of a Shelepin-Mazurov regime represents perhaps the strongest and most credible succession, but even a much weaker team would still find itself in charge of the Party apparat, the Committee of State Security—and the vast armed forces of the U.S.S.R. It would be, in short, essentially a continuation of the present system.

The difficulties of such an evolution are great. In the first place, the Party machine itself is a structure whose very purpose is bound up with the perpetuation of the present order. Even in the economic field—and contrary to the views of those in the West who imagine that "managerial" types are bound willy-nilly, through mere economic laws, to favor a more efficient and "convergent" structure—such technocrats (as Zbigniew Brzezinski has pointed out) have shown themselves highly conservative both politically and economically, since they are precisely the people trained for and experienced in operating the present inefficient system, and would lose by change. And the apparat (the managerial elite too) is recruited on principles which tend to ensure that the younger men promoted are the copies or toadies of their predecessors. From this point of view there is little use, for example, in looking to the bright new intake from universities, for it is the hide-bound careerist and Marxist-Leninst, who is secretary of his University Komsomol, who will be the one so recruited.

When we discuss the motivations of the Soviet leadership, we often hear comments roughly to the effect that "ideology" means little to them, and that their main motivation is the preservation of their power and of the system which gives it to them—as if the two factors were in conflict. The question of the relation betwen a man's actions and his formal beliefs is an old and difficult one and, as Lenin himself pointed out, it is impossible in any case to devise a "sincereometer." Again, there is a difference between the ingrained and automatic attitudes of the "ordinary" believer and the perpetual meditations of the theologian. No one, I imagine, thinks that Brezhnev recites the *Theses on Feuerbach* every night before retiring. The point is, rather, that "Marxist-Leninist" belief is the sole justification for him and his regime—and further, not simply belief in a particular political theory, but belief in the transcendental, overriding importance of that political theory. As George Kennan has remarked: "It is not so much the actual content of the ideology . . . as the absolute value attached to it."

But we can, in fact, document—and without much difficulty—the attachment to actual dogma of the Soviet leadership. The invasion of Czechoslovakia was a notable act of doctrinal discipline. Another striking example was the extraordinary and clearly long-considered advice given to the Syrian Communists in 1972, and leaked by nationalist members of the local leadership. In two separate sets of conversations, with Soviet politicians and theoreticians respectively, even the former group, two of whom have been identified as Suslov and Ponomarev in person, advised as the most scholastic terms on the impossibility, according to Marxist principles, of recognizing the existence of "an Arab nation." Or, to take a more important matter, the Soviet agricultural system is based on, and rendered grossly inefficient by, nothing but dogma.

The normal way of adapting in adult politics, at least on practical matters, is to keep the label while altering the substance. But when Gennady Voronov faintly adumbrated such an approach in the early 1970s, he was removed as a result. Again, the economy was some what reformed in the late 1960s, but only to the degree of taking up a measure of slack in the old system, rather than implementing such plans as the Liberman proposals, which might have been highly effective but only at the cost of a theoretically unacceptable relaxation of political control. As a Soviet economist remarked to a Western leftwinger, "I thought they understood, from their experience, that repressive measures would never achieve results, and that they were therefore ready to employ purely economic tools. Now I see there was nothing in it."[3]

But, indeed, to think in terms of "doctrine" is to give only a partial picture of the sort of process involved. The Marxist-Leninist language used by the ruling Party is not merely some sort of formula. It is the only way in which the leaders are able to represent to themselves the phenomena with which they deal. "Each language cuts out its own segment of reality. We live our life as we speak it. . . .": this fairly typical comment by a prominent student of language (George Steiner) is certainly applicable to the use in politics, from birth onward, of a particular political dialect. Soviet leaders are, it seems clear, simply unable to think in any other categories. Nor can we understand their outlook by "common sense" of our own style.

What, then, are the limits within which any apparatchik regime of the near future could vary its policies, both internal and external?

This raises the perennial Western press picture of "hard-liners." These (it is argued) are powerfully represented in the Politburo, and if we do not give in to the demands of the present leadership, these "harder" figures will take over and make things much worse. This is an old thesis, ever since Edward Stettinius warned Roosevelt that he should accede to Stalin's demands, since the latter was hotly pressed by a group of extremists who would otherwise overthrow him. Given that there are different attitudes among the current leadership to a certain extent—and given, too, that anyone seeking power will hold himself ready to attack any policies that have failed to produce results—nevertheless, so long as Brezhnev has in fact been able to obtain foreign policy advantages without giving anything in exchange, there is little that the "hardest" could object to. This is particularly so when we consider that internally he has exhibited a very high level of dogmatism and authoritarianism in all matters: on agriculture (as we have noted); on the persecution of heterodox thought; and in the suppression of certain "liberal" tendencies within the Party toward the national feeling of the peripheral peoples—as with the removal of Shelest and his supporters in the Ukraine.[4]

Thus a successor regime that continued the basic Brezhnev policies seems substantially the most likely outcome. At least so long as the Western response continues to give Soviet leaders the best of both worlds, we may expect no change in policies that are in effect the international and internal faces of a single attitude.[5]

There is, however, one possible scenario—within the evolutionary non-breakdown framework—for which there are parallels in Russian, and not only Russian, history. Radical change, of whatever type, has always been put into effect in Russia by unchallenged autocrats overriding their own traditional apparatus. This was true to a considerable extent of Peter the Great, truer still of the far more important reform of the 1860s by which Alexander II put through the Emancipation of the Serfs, and true (to the extent that they were successful, being incomplete in each case) of the Stolypin modernization in the first decade of this century, and of the Khrushchev episode itself. Thus it is at least possible to envisage the coming to power of a single man with enough insight and force of mind to impose on the Soviet Union the new deal it really needs. The difficulties are of course twofold: first, one does not see the candidate for this operation. And, moreover, as has been obvious over the past ten years, the apparat has grown particularly apprehensive—and vigilant—at the prospect of one-man rule.

There is one other evolutionary possibility: it is not by any means excluded that a new faction could come to the top using the "Khrushchevite" line. Of course, Khrushchev himself had no intention of dismantling Party rule. He was a typical interim

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figure who saw that there was something badly wrong with Soviet society and yet could not see any answers beyond the system. This led, internally, to a cycle of bold but superficial initiatives in every field. Yet his rule was, in Russian circumstances—as Solzhenitsyn has described it—a miracle. The attempt, in particular, to renew the Party itself, to reestablish truth as a possible criterion—however partially fulfilled—opened perspectives which might conceivably have led to better things, had Khrushchev himself been a better tactician.

As we have noted, however, Khrushchev's personal primacy is not very likely to be repeated, at any rate not soon. One would expect a Shelepin (let us say), even if he elected to play the Khrushchevian card in the future, to be more cautious and careful. Shelepin, Mazurov and others of the younger (late 50s) group seem in fact to be motivated in favor of at least a certain increase in economic and administrative efficiency; but, as we have noted, efficiency need not equate with liberalism and indeed such moves have in the past tended, on the whole, to go with harder internal policies. In any case, as a fresh style of motivation this does not amount to much. Nor, if we seek more broadly, is there any sign in or around the Central Committee (at least since the removal of Tvardovsky from candidate membership nearly a decade ago) of a genuine trend even by individuals in the direction of Communist-style "liberalism," such as occurred in the quite differently recruited Hungarian and Czechoslovak Communist Parties in 1956 and 1968. In short, the prospects for a radically favorable evolution among the ruling group or their visible successors are minimal, except under very heavy pressures indeed.

If we accept that Soviet principles are not changing, what are we to make of current Soviet foreign policy? Or rather, since the assembly of a huge armament and the avoidance of nuclear war have been part of that foreign policy for three decades, what are we to make of that specific tactic for which we employ the word "détente"?

In the first place, that (as has been frequently stated by Brezhnev himself and others) it is itself, from the Soviet viewpoint, "a form of struggle" with the West. We can note, too, that it is actually compatible with—indeed an aspect of—a policy of matching or overmatching the United States in arms. The novelty, insofar as it is a novelty, is not so much the utterance of pacific phrases or the conclusion of successful negotiations on particular issues.

These, of course, marked the era arbitrarily and verbally distinguished from the present by the horrid title of "cold war." Then, too, endless assurances of peaceable intent were present. There were periods of a comparative relaxation of tension, and even the reaching of agreement on issues of great danger, as with the ending of the Berlin blockade in 1949 or the negotiations ending the war in Korea in 1953 or the easing of the Berlin and Cuba crises in 1962. There were even periods of "cultural exchange" at more or less the present level. The true characteristics which mark, or appear to mark, the present period as different are first of all a measure of mutual agreement on arms limitation; and secondly a perfectly serious Soviet campaign for "trade."

The question of Soviet-Western trade, in fact, goes to the heart of the conflict of political cultures between Russia and the West. It is represented as something desirable for its own sake, and something in itself automatically contributing to the etsablishment of a long-term peace.

This correlation is an extraordinary naivety. Witness only the curious facts that Soviet-American trade declined considerably after the United States recognized the U.S.S.R. in 1933, and that Russian-German trade reached its highest points in 1913 and 1940 respectively. But over and above this, the mere prospects of Soviet-American trade, taken at the most commercial-traveler level, have always been absurdly exaggerated. The naivety I speak of has always been particularly strong among businessmen: Ronald Hingley of Oxford has noted of his various stays in Moscow that (apart from some scientists) Western businessmen there were incomparably top in misapprehension and general silliness about all that went on around them. And this seems to be true at a more formal level. The catalogue of ridiculous overestimates of trade with the Soviet Union since World War II, especially by business leaders, is a long one—as Walter Laqueur in particular has demonstrated.[6] As he notes, U.S. trade with the Soviet Union is bound to remain only a small fraction of U.S. trade with Canada, while West German trade with the Benelux countries, for example, will surely remain roughly ten times as great as West German trade with the Soviet Union.

Trade in the normal sense has not become and will not become a major factor, for the perfectly simple reason that *Russia has practically nothing the West needs* (and even the keenest trade-fans are no longer urging a natural gas deal by which the West would put itself even more abjectly at the mercy of the fuel producers). Of course, there is the odd million to be made here and there. But this is emphatically not a case of what is good for Corporation X being good for America. There are indeed innocent and constructive deals, like Pepsi-Cola's. But others tend to resemble Lenin's remark about Western hemp-manufacturers—that they would happily turn a fast buck by selling him the rope to hang them with.

When we come to the main crux of Soviet trade, we are considering a matter involving the profoundest historical and political-cultural considerations. For the Soviet quandary is one which has affected Russia for nearly three centuries. *Since Peter the Great, that country's rulers have sought the technology of the West with the purpose of arming and equipping a political culture based on totally anti-Western standards.* Indeed Peter, and Stalin after him, sought Western techniques with the greatest assiduity at the precise times when they were enforcing serfdom and autocracy on an unprecedented scale.

The trouble is, and always has been, that to obtain Western technology while rejecting the civic culture of the West is in the long run not satisfactory—a connection Marxists should be the first to admit. The newly imported techniques may render armaments superior for a certain time, as they did the Russian artillery industry in the 1320s, at a period of maximum political regression. But sooner or later these transplants wither on the vine. Now, at a time of quick technological change, Moscow once again seeks the fruits of—no this occasion—the Third Industrial Revolution: that is, electronics, computerization and so forth.

Having, back in the fifties, challenged the United States at the most sophisticated level of armaments—just the area in which they should not have provoked competiton—the Soviet leaders are in principle in a position from which there are few obvious ways out. Not only is there a built-in tendency to fall behind technically, but the Soviet economy is simply not strong enough to support the mere financial strain of the armaments with which they have equipped themselves. To maintain the present system, and keep it viable for the future, they need not only Western techniques but also what would ordinarily be regarded as "aid" of the type sent to backward countries: long-term credits at low rates and cheap agricultural products to buttress incompetent local agriculture. As the Liberal leader, Jeremy Thorpe, remarked on February 18 of Prime Minister Wilson's latest deal: "It is ironic that we are borrowing from the Shah of Persia and extending credit to the Soviet Union."

In both these spheres, clearly, the West is mainly engaged in equipping, or indirectly subsidizing, armaments directed against itself. As Lord Kennet, the Labour defense and foreign-affairs figure, has often pointed out, the Soviet economy could solve all its own problems but for its distortion through vast arms prdouction. Not only has a heavily disproportionate part of their economic effort been put into armaments, but it is also true that in their conditions the skills and resources put into the armaments effort have been totally diverted. There has been virtually no "spin-off" to the benefit of the civilian sector.

And, more important yet, the mere existence of an enormously powerful and efficient armament, including a ballistic missile system matching that of the United States, has its own logic. In Russia, as Max Hayward has pointed out, nothing works except, unfortunately, the armed forces and the KGB. This is an exaggeration, but not a gross one. The Soviet leadership find themselves in possession of vast and efficient fighting machinery, and little else worth boasting about. Governments incompetent at home but capable of demagogic expansionism abroad have traditionally—one might almost say automatically—turned to foreign adventure.

Thus, these huge armed forces constitute a factor in themselves. Their mere existence, and the absence of any other horizons for the Soviet leaders, certainly tend to attract those leaders—and any but the most clear-headed of their successors would have the same temptation—toward *using* this rare success, this actual resource. This would not indicate any wish actually to loose the nuclear weapon. (I speak now of the Soviet-Western rather than the Soviet-Chinese relationship, since the latter poses particular problems.) But they naturally tend to employ the political pressure of this military power: to use the threat of their armaments on what they would regard as weak sections of the surrounding world. Indeed, even apart from nuclear weaponry, there is no justification, even on a traditional Russian-expansionist view, for such vastly expensive items as their blue-water fleet. This has been justified by Gromyko himself, on the ground (reminiscent of William II of Germany) that Russia's voice must be heard the world over.

And if this situation continues, any "new" leaders in Moscow would find themselves with this same physical equipment and, if they wished to reverse or ameliorate the position, would have to take a major decision—against the grain not only of their universalist ideology but also of a vast established momentum, and in the absence of other successes—to reinforce their position.

In short, there is a direct and inescapable connection between the Soviet desire for trade and the acquisition of Western technologies—on their own terms—and the maintenance of an enormous military establishment which in itself tends to impel any Soviet leadership in the direction of thrusting, if not downright aggressive, foreign policies. And the question whether there can be an evolution in these foreign policies comes in the end to turn heavily on the Western response, particularly in matters of trade.

Even if there are virtually no economic concessions, as such, by which the U.S.S.R. could pay for Western economic assistance, the Soviet leaders could hardly expect in the long run—however lucky they have been in the short—to get something for nothing at all. And what is it that would be of substan-

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tial value to the West if we cannot find an economic pro quo?

It is in this light that the Jackson Amendment is to be regarded. And when we speak of that Amendment, we should note that it is only one of various initiatives in the West designed to secure at least the beginnings of progress toward an easier world. Just as Senator Jackson has sought to commence the erosion of the siege mentality and siege polity of the U.S.S.R. by asking freedom of emigration, so the European statesmen have, since Chancellor Brandt's speech of May 1970 in Kassel, regarded the free movement of ideas and people as one of the necessary bases for real peace. President Pompidou raised the issue clearly during Brezhnev's visit to France in 1971, and the Danish Prime Minister during Kosygin's visit to Denmark. And since 1973, the Germans, the Danes, the Dutch and other progressive Westerners have continually pressed it, particularly at Helsinki in the Conference on European Security and Cooperation. To the extent that there are now some useful results in this forum, it will be because the West has stood firm.

So we may take the Amendment as representing a whole attitude, widely shared, about the issue of a real détente, of a real progress toward an authentically peaceable state of affairs, rather than a mere truce covering a period of technical reequipment. Such an attitude goes to the heart of Soviet intentions. It is not merely a matter of trying to get some quid pro quo for economic aid—though even that is hardly illogical. Far more profoundly, it goes to the center of the whole question of the possibility of a lasting world peace. Represented by some as a mere moralistic exercise, it is nothing of the sort. It is not just our principles which are involved, but our interest too.

The recent Soviet rejection of the American trade terms—whether or not partly, or largely, influenced by the later reduction in the economic inducement of loan levels—merely shows that one's general analysis of Soviet motives was correct. The Soviets have, as it were, been flushed out into the open. And they are now in a position, one hopes, where they know they can no longer get something for nothing, and will seriously feel the various pressures which may make them, or some of them, begin to recognize the dead end of their total policy.

Basically, the West seems to be faced with a choice between two policies with regard to the Soviet Union. First, it can purchase a temporary and partial truce, by not merely accepting Soviet international and internal conduct as perfectly natural, but also giving it the equipment its system needs to maintain itself as it is, and to make it a far more powerful threat during the next phase. The other is, while giving no opportunity for desperate action, to show Soviet leaders that their current policies are a cul-de-sac which can produce neither empire nor prosperity nor political success even for them. To make it clear, in fact, that—whether under them or as a result of their disappearance—a New Russia must indeed emerge. And, on this latter view, there is a basic fallacy in the idea of economic or other aid to the Soviet Union while it maintains its position of total hostility to the West and all the West stands for.

As for the problem of armaments and arms limitations as such, it is in the interests of both sides, however considered, to reach a measure of agreement. Hence, to a quite important degree these can be considered a separate issue, with similar policies imposing themselves on the West from both "Kissingerites" and "Jacksonites." It is natural that Senator Jackson should be in the forefront of those urging that we should be working for a reduction rather than a maintenance of armaments levels on both sides.

But again there is a direct connection between Soviet decisions on arms limitations and their prospects for maintaining through external aid their present military-industrial system (dwarfing any such "complex" the United States has ever known). While rebuffing the West on human-rights issues and reaffirming the principles of struggle against all Western ideas, the U.S.S.R. may still take practical steps to avoid nuclear war, to ease situations of potential confrontation (such as the Middle East) and to limit arms—*if* it is made clearly in its interest to do so. The true Soviet economic interest does tend in the direction of some limitation of armaments. But only if the Soviet leaders see that the West is not going to bail out their economy as much in the future will that economic interest predominate in the face of the political-ideological drives that now prevail over it. Once again, as in the thrust for human rights, "détente"-style pseudo-trade cannot be seen as a pressure for peace. On the contrary.

The opposing argument, from what might be called low-level détente fanciers, has always been that trade, cultural exchange and all those things will erode the harshness of Soviet policy and gradually lead to a true entry of Russia into the Comity of Nations. Except in the minimal sense that a few minor Russian officials and citizens may indeed become politically civilized for these reasons, there is no sign of this—and little prospect of it either, as far as the Party and the State, the ruling caste and its ideology, are concerned.

This is not, of course, a flat condemnation of what Secretary Kissinger stands for. There is no reason to imagine that he is deeply deceived about Soviet motivation. The trouble seems to be rather that, in the first place, his brilliant skills as a negotiator are only relevant when it is a matter of getting the optimum result from a set of variables which a less adept man might mishandle. But the area within which this applies, fairly large between states with similar attitudes toward compromise, is severely limited when it comes to the Soviet Union. And there are always, alas, political and other pressures in the West, failures of nerve—and even more of knowledge—which are bound to exert pressures on Western negotiators not so much to provide the appearance of agreement when none has been reached, as to exaggerate, and represent as deep and substantial, accords which only skirt the superficies of the fundamental situation.

The main problem remains Western misunderstanding of basic Soviet attitudes and of the dynamics of the Soviet power structure—whether due to ignorance, or parochialism, or automatism of thought. Is it presumptuous for a London observer to feel that these tendencies are now particularly acute in the United States? At any rate it is instructive to read, on this side of the Atlantic, the impatient outbursts of those who have studied the Soviet Union professionally. I have cited Professor Laqueur and Dr. Hingley. I might equally have called on Professor Leonard Schapiro or Dr. Leopold Labedz, or half a dozen others. But I cannot resist quoting once again the sardonic comment of a renowned academic, Hugh Seton-Watson, who is noted for his restraint and amenity:

"What 200,000 Communist party officials, from Brezhnev down to the secretaries of party branches in factories or collective farms, tell their subjects is all camouflage: the *real* views of the Soviet leaders are what some nice guy from the Soviet delegation at the U.N. said over a quiet drink, or what an itinerant Midwestern scientist heard from some friendly academician in Novosibirsk."

Today, more than ever, there is too much of this kind of naive thinking. Even in theoretically serious circles debate has centered, in a manner more appropriate to teenage debating societies, around the simple labels, "détente" (good) and "cold war" (bad). Ac the current efforts to close or emasculate Radio Liberty indicate, it is suggested that international relations would be improved if Westerners ceased to express opinions, or draw attention to facts, unpalatable to the Soviet leadership—though not, of course, vice-versa.[2] Jacksonian, and European, attempts to verify whether the U.S.S.R. has really mitigated its adverse attitude to our general concepts and the norms of civilized international conduct are even more reprobated.

And, in the last analysis, the validity of Western policies cannot be separated from the atmosphere of public opinion that surrounds them. On a realistic basis there is a perfectly good case for a variant of the Kissinger policy of détente—so long as it does not give incentives to Soviet know-nothing dogmatism by unnecessary and unrequited concessions, and so long as it is not conducted under the pressure of uninformed opinion exhausted by unpleasant reality and incited to unrealistic hopes. A Western policy both encouraging to any potential Soviet tendencies to real accommodation, and discouraging to actual tendencies to long-term hostility, is clearly the best. But part—and perhaps the most important part—of such a policy must be the maintenance of vigilance, among the West's peoples as well as its politicians. In this respect, quite clearly, Senator Jackson's posture is sounder than that of the American administration.

Within the Soviet ruling group, as with any other, there are doubtless disagreements on matters of tactics. Internally, repression produces difficulties, and so does concession. Externally, in a given situation, there are arguments for advance, for retreat, and for standing still. But such divergences have little serious significance when it comes to the long-term prospects for world peace. They would be found, have been found, in the general staffs of countries totally committed to aggression. The basic problem is to convince the leadership *as a whole* that no chance to destroy or dominate the West will arrive. One component of any policy designed to do this must clearly be the maintenance of a system of armaments and of alliances which make *every* particular aggression unattractive. All the same, this is simply the establishment, by vigilance and strength, of a long truce. That is certainly better than nothing, but it does not in itself solve the longer-term question.

Can Russia evolve? Yes, of course. Extreme fanaticisms in power have evolved, though it has usually taken a considerable period. They have evolved under pressures of reality. Those with universalist plans have evolved in the direction of abandoning them (in practice at least) when it has become clear that the program was quite incapable of fulfillment. Clearly, in dealing with such men, it is minimal good sense for their potential victims to adopt policies which contain two elements: first, as powerful a guarantee as possible that such expansion cannot succeed; and second, a clear promise that if the totalist power presenting the threat will abandon such claims, dismantle the battlements of ideological siege, and turn its energies to the problems of peaceful industry, it will be welcomed in the most cooperative manner. But not otherwise.

FOOTNOTES

[1] Robert Conquest, "The Limits of Détente," *Foreign Affairs,* July 1968, p. 733.

[2] I have described at some length the personal backgrounds of those now in power, or

contending for power, in "Stalin's Successors," *Foreign Affairs*, April 1970, pp. 509–524.

[3] K. S. Karol, *New Statesman*, January 1, 1971.

[4] See Bohdan R. Bociurkiw, "Soviet Nationalities Policy and Dissent in the Ukraine," *The World Today* (Royal Institute of International Affairs), May 1974, pp. 214–226.

[5] See Wolfgang Leonhard, "The Domestic Politics of the New Soviet Foreign Policy," *Foreign Affairs*, October 1973, pp. 59–74.

[6] See *Negotiations and Statecraft*, Hearings before the Permanent Subcommittee on Investigations of the Committee on Government Operations, U.S. Senate, April 17, 1973, Washington: GPO, 1973, pp. 14–16.

[7] I think, to take only one example from thousands, of the recent major Soviet work on Britain, *Under the Shadow of the Monopolies, by Igor Biryukov*. One might have thought, too, that the attendance, and speeches, by Soviet Politburo members at the Congresses of French and other Western parties devoted to the overthrow of our system could just conceivably be called "intervention in internal affairs."

THE CONTINUING FIGHT FOR REA

Mr. McGOVERN. Mr. President, the Rural Electric Administration recently announced their intent to undertake another study of the criteria to determine the eligibility requirements for 2 percent, 30-year REA loans. Frankly, I am appalled by the REA's disregard for the intent of Congress.

Two years ago, in December 1973, the Nixon administration attempted to terminate the REA program. Through the efforts of cooperatives throughout the Nation and the hard work of many Members of this body, we were able to work out a compromise and retain this essential program.

In March of this year, Administrator Hamil issued proposed regulations in the form of a supplement to REA Bulletin 20–6 that would have forced the power supply systems to borrow under the guaranteed loan program from the open money market. In order to block this attempt, to disregard clear congressional intent, we were once again forced to introduce a sense of the Senate resolution. Fortunately, shortly after my resolution was approved by the Senate Agriculture Committee, Administrator Hamil revoked the proposed changes.

In spite of this recent clarification of congressional intent, Administrator Hamil continues his attempt to scuttle the program. This program has been one of the most successful programs ever devised by this Government, and I shal strenuously oppose this effort to circumvent the wishes of the Congress.

Mr. President, I ask unanimous consent that resolutions opposing the revision of REA 2-percent loan eligibility approved by the board of the directors of the Midwest Electric Consumers Association, the South Dakota Rural Electric Cooperatives, and the North Dakota Association of Rural Electric Cooperatives be printed in the Record. These associations have always represented the concerns of our rural citizens and I commend their resolution to my colleagues.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

Resolution: Opposing Revision of REA 2 Percent Loan Eligibility

Whereas, we are alarmed and perplexed to learn that yet another study of the criteria to determine eligibility for 2%, 35-year REA loans has been or is soon to be undertaken in the office of the REA Administrator even though such a study has not been authorized by Congress; and,

Whereas, the 2% REA loan program was put to the ultimate test only two years ago when by Presidential edict this program, so vital to rural America, was so cruelly and abruptly terminated by a press release to the Nation; and,

Whereas, it was by the strong and united effort of NRECA's members under the leadership of General Manager Robert Partridge and with the unwavering support of rural Americans everywhere, working through and with a friendly Congress, that this program, although modified, survived the test of Presidential abolition; and,

Whereas, while Congressional leaders and Congress generally have continuously reaffirmed their support for the REA 2% loan program, the Administration has failed to request 2% loan funds adequate to meet the needs of borrowers eligible under the present criteria; and,

Whereas, we view with alarm and fear that this new study will result in still another attempt to modify the eligibility criteria so as to further reduce the number of systems which are currently eligible, or to abolish entirely the 2%, 35-year loan program;

Now, therefore, be it resolved, that we, the Board of Directors of Mid-West Electric Consumers Association, assembled in regular meeting this 11th day of June, 1975, and as the strongest traditional supporters of this great national program for rural people, hereby express our deepest concern and total opposition to this study or any similar effort designed to further limit the eligibility of rural electric cooperatives for 2%, 35-year loans; and,

Be it further resolved, that NRECA through its Board of Directors once again unites its members to resist any attempt to further weaken, curtail or alter the present criteria for determining the eligibility of those systems now eligible as borrowers of 2%, 35-year loan funds; and,

Be it further resolved, that the National Association ask the REA Administrator to request adequate loan funds to meet the needs of all borrowers eligible for 2% loans; and,

Be it further resolved, that we request NRECA's Board of Directors to adopt a resolution similar to this and forward such resolution to the Administrator of REA.

Resolution

Whereas it was only through a massive effort of our National Association, in cooperation with its member systems across the nation that any semblance of a 2%–35 year REA loan program was reinstated following abolition of the program two short years ago, and

Whereas the 2%–35 year loan program, as reinstated, spells out very specifically the criteria to determine eligibility for 2%–35 year loans, and

Whereas the South Dakota Rural Electric Managers Association believes that such action could only lead to the eventual reduction in the number of eligible borrowers and conceivably in the phasing out of the entire 2%–35 year loan program,

Now therefore be it resolved that the South Dakota Rural Electric Managers Association go on record as being vigorously opposed to any efforts to alter the present criteria for such loans, and

Be it further resolved that this resolution be brought to the attention of the National Rural Electric Cooperative Association Board of Directors, Rural Electrification Administrator and all members of the South Dakota Congressional Delegation.

Resolution: Revision of Public Law 93–32

Whereas, Congress restored the Rural Electrification loan program through Public Law 93–32 May 11, 1973, setting forth minimum loan levels for both 2% and 5% requirements, and

Whereas, Information has surfaced that a study is being considered by the Rural Electrification Administration to revise P.L. 93–32 relative to the eligibility provisions for 2% interest loans, and

Whereas, The present provisions of P.L. 93–32, as approved by Congress, and during its limited period of operation, has proved to be acceptable in every respect, and

Whereas, Since the funding levels were intended as a floor, the Administrator should be requesting more funds to meet the needs of both the G&T and distribution cooperatives, rather than to reduce the availability of financing, and

Whereas, a downward adjustment in the eligibility of 2% financing is a contribution to the serious inflation already burdening the agricultural production in rural America;

Now therefore, be it resolved that NRECA, through its Board of Directors, take a determined stand against any attempts to debilitate or circumvent the provisions of P.L. 93–32 through alterations or revisions of the present criteria for determining the eligibility of borrowers to receive 2% 35-year loan funds.

Be it further resolved that all members of Congress are encouraged to defend the provisions of P.L. 93–32 since it has proved to be a workable system of financing for the Rural Electric Cooperatives.

Be it further resolved that a copy of this Resolution be made available to all National Directors of NRECA; Statewide Rural Electric Managers; Statewide Rural Electric Board Presidents; Robert Partridge; North Dakota's Congressional Members; Herman E. Talmadge as Chairman of Agricultural & Forestry; Sub-Committee on Agricultural Credit and Rural Electrification; the full Senate Appropriations Committee; Thomas S. Foley, Chairman of Agriculture Committee; and Sub-Committee on Agriculture and Related Agencies.

COMMENDABLE DECISION BY JOHNSON WAX CO. TO PRESERVE THE OZONE LAYER OF THE STRATOSPHERE

Mr. PACKWOOD. Mr. President, in this morning's Washington Post there appeared a very timely statement by Mr. Samuel Johnson, president and owner of Johnson Wax Co. Mr. Johnson titled his comments, which covered half a page in a prime position of today's paper, "An Open Letter to Consumers About Aerosols."

Mr. Johnson has discussed the status of the fluorocarbon emission issue and gone on to restate the recent position taken by the Interagency Task Force on the Inadvertent Modification of the Stratosphere—"which has concluded that there is a legitimate cause for concern."

While Mr. Johnson recognizes that many arguments are still being made back and forth over the severity of the ozone's reduction due to certain fluorocarbon emissions, he very laudably has moved his company ahead to insure that ourselves and our environment are protected by the ozone.

My colleagues, ladies and gentlemen, I rise today to express my deep appreciation for the decision by Samuel C. Johnson to remove all fluorocarbons from products manufactured and sold by Johnson Wax Co. in the United States. It is a bold decision at an appropriate time during the debate over aerosol spray can propellants which has and continues to heighten. My commendation goes forth this day with the hope that other companies engaged in the production and sale of aerosol products containing fluorocarbons will follow this wise path. The Nation should be encouraged by the initiative shown here today, for the problems which increased reduction of the Earth's ozone sun-screen will create are grave indeed.

Mr. President, I ask unanimous consent that Mr. Samuel C. Johnson's letter, which appeared in today's Washington Post, be printed in the Record for the benefit of my colleagues and those concerned over this issue.

There being no objection, the letter was ordered to be printed in the Record, as follows:

An Open Letter to Consumers About Aerosols From Samuel C. Johnson, Chairman, Johnson Wax, Racine, Wis.

Dear Customer: For 89 years my family and our company have endeavored to develop new, modern, efficient quality products.

Our company still is a family venture; I am the fourth-generation member to head it. We have four children who, I hope, will want to carry on the tradition.

AEROSOLS TODAY

About 25 years ago, modern technology brought to the American homemaker a familiar symbol of the age of ease and convenience. This was the aerosol can.

As you are no doubt aware, a lot of confusion, misunderstanding and anxiety has developed over the last few months about aerosols. Since we have been closely involved in their development over the past couple of decades and because we know a great deal about aerosols, I want to try to clear up some of the misapprehensions you may have about them.

FLUOROCARBONS AND OZONE

The most important problem right now is that some aerosol cans release a certain kind of propellant gas that some scientists feel may be damaging the upper atmosphere ozone layer around the earth.

Although this was a totally unforeseen concern, scientific investigation is constantly providing a vital public service by calling to our attention things about our environment that may present serious problems.

The particular aerosol propellant under question is fluorocarbon. It has several trade names, (e.g., Freon, Genetron, Ucon, Isotron). Some scientists feel that the possible impairment of the ozone layer in the upper atmosphere would permit greater penetration of the sun's ultra-violet rays with unforeseen effects on our health. Obviously this is a very serious concern; our own company scientists confirm that as a scientific hypothesis it may be possible but conclusive evidence is not available one way or another, at this time.

We concur that the pressing need is for reliable scientific investigation; this is being carried on by the Inter-Agency Task Force on the Inadvertent Modification of the Stratosphere which has concluded that there may be a legitimate cause for concern. In addition, the National Academy of Sciences has stratospheric investigations underway which are expected to be completed early next year. Additional investigations are being sponsored by aerosol manufacturers and suppliers.

NOT ALL AEROSOLS CONTAIN FLUOROCARBONS

In the meantime, it is important to note that not all aerosol products sold in this country contain fluorocarbon propellants. As a matter of fact, approximately half of all aerosols use other kinds of propellants, including hydrocarbons and carbon dioxide.

About 15 years ago, Johnson Wax invented what is known as the "water-base" aerosol system that permitted the use of propellants other than fluorocarbons in many household products.

As a result, we have been reducing our use of fluorocarbon propellants over a long period for a variety of different reasons, including the fact that our unique water-base formulations using other propellants are less expensive.

During the past three years, fluorocarbons have made up less than five per cent of the total propellants we use. And because we share the concern of our customers and others and since we are technically equipped to do so in our products, we have made a policy decision.

WHAT JOHNSON WAX IS DOING

Effective today, our company has removed all fluorocarbon propellants from our production lines in the U.S., and we are aggressively reformulating our product ingredients worldwide to achieve the same goal.

We at Johnson Wax are taking this action in the interest of our customers and the public in general during a period of uncertainty and scientific inquiry. We are taking this newspaper advertisement and other available means to tell our customers so that they may use our aerosol products with greater confidence.

In addition, we plan to inform the consumer by having information available within the next 30 days in stores where our products are sold and by changing as soon as possible the labels of our containers to carry the following statement:

Use with confidence

Contains no Freon or other Fluorocarbons claimed to harm the ozone layer.

Millions of Americans have learned that in order to have the advantages of aerosol cans, they have to exercise common sense, because the aerosol—like the automobile, or even a simple stepladder—can be dangerous if improperly used.

For example, the aerosol can does contain propellant gases under pressure. It could explode if carelessly placed down on a hot kitchen stove. Fortunately, these dangers are so well known that it almost never happens.

WHAT WE BELIEVE

We believe that aerosols are good and useful, or we wouldn't manufacture them. As a result, we will manufacture only those aerosols in the U.S. that *do not* contain fluorocarbons. They include:

Pledge furniture polishes.
Raid insecticides.
J/Wax automotive products.
Jubilee kitchen wax.
Favor furniture polish.
Glade air fresheners.
Edge protective shave.
Crew bathroom cleaner.
OFF! insect repellants.
Big Wally foam cleaner.
Klean 'n Shine multi-surface cleaner.
Glory rug cleaner.
Shout pre-spotter.

Our customers who have welcomed the utility of these products in the convenient aerosol form will continue to be able to depend upon them.

In closing, I want to assure you that we at Johnson Wax will do our best in the tradition of our family to ensure the effectiveness and safety of our products with the best materials available to us.

Sincerely,

Samuel C. Johnson.

GULAG ARCHIPELAGO WEST?

Mr. BUCKLEY. Mr. President, in recent weeks we have heard, in the Senate and elsewhere, arguments in favor of increased support for the military regime in Portugal. We are told that if we do not show support for this regime, we will be turning our back on what some have called "a continuing experiment in democracy."

Reports in the media tell a different story. We know that a Socialist newspaper has been taken over by leftist revolutionaries who proudly proclaim that the newspaper is "at the disposal of the revolution and the people." This sort of Marxist-Leninist jargon is simply another way of saying the domination of the press by leftist elements in Portugal is a major goal of the totalitarians who now hold so much power in that country. As if this suppression of free press is not bad enough, we also learn from newspaper reports that a radio station owned by the Roman Catholic Church in Portugal has been taken over by leftists. This hardly seems to me to be the kind of "experiment in democracy" that Americans should support, particularly since the military openly supports the most undemocraatic element in that nation.

Mr. President, earlier this year I warned that Portugal is drifting toward a Communist takeover. My warning was greeted with surprise in some quarters, particularly among those to whom any takeover by leftist totalitarians, for example, in Vietnam, is automatically given a seal of approval, if only by silence. I have listened in vain for protests against the documented assault on civil liberties by the ruling junta in Portugal, especially from those who were so eloquent in their protests of the relatively ineffective censorship of newspapers in pre-Communist Saigon. Let me add parenthetically I am still waiting to hear from Thieu critics a condemnation of the Communists in Vietnam for their total and absolute suppression of the opposition press and for their "reeducation" public torture sessions. I fear it will be a cold day in the nether regions before we hear critics of the failings of the Thieu government criticize the brutal regimes in Cambodia and Vietnam.

But for the moment I wish to draw your attention to Portugal. If anyone thinks that the increasing suppression of the opposition by leftist revolutionaries is any sign that Portugal will soon regain its "rightful place" in the "mainstream of liberal democratic countries," I would strongly suggest he heed the warning given by the Roman Catholic bishops of Portugal. The Washington Post, June 19, 1975, carried an article in which the following appeared:

> In a statement issued today in Fatima, Portugal's Roman Catholic bishops accused the ruling Armed Forces Movement of spreading "a climate of personal insecurity, intimi-

dation and anxiety about the future, which paralyzes the exercise of authority," according to Reuter. The bishops complained that the military, by promoting East Europe's totalitarian regimes as model societies, was taking a historical step backwards.

Mr. President, the time has come for Congress and the American people to realize that the Gulag Archipelago is in the process of setting up a western branch in Portugal. What we need now is strong condemnation of the Marxist revolutionaries and the military regime that now rule Portugal.

I ask unanimous consent that "Lisbon Violence Erupts Over Catholics, Paper" from the Washington Post, June 19, 1975, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

LISBON VIOLENCE ERUPTS OVER CATHOLICS, PAPER

(By Patrick Chapman)

Lisbon, June 18.—Crowds of demonstrators stoned Roman Catholics protecting the palace of Portugal's cardinal patriarch and troops repeatedly fired shots into the air as tension broke into open violence tonight.

Scores were injured as rocks, iron bars and sticks were hurled into an opposing crowd of Catholics in the day's second outbreak of violence.

This morning, security troops again removed the seals on the Socialist evening newspaper Republica, but they sided openly with the printers who are trying to take it over, allowing them into the building more than two hours before the agreed time.

When Socialist journalists and the paper's administrative staff arrived, the workers already occupied the premises, and they declared that the paper was now "at the disposal of the revolution and the people."

Tonight, groups on the revolutionary left demonstrated in support of a Catholic church-owned radio station, Radio Renascenca, that has also been taken over by its workers.

When the demonstrators arrived outside the cardinal's palace, 300 Catholics were in place to halt their approach. The Catholics held up paper crosses and rosaries. The demonstrators countered by singing the Communist anthem, the Internationale.

No more than a dozen troops were in place to try to keep the two groups of demonstrators apart. The leftists surrounded the Catholics on three sides, pinning them against railings outside the palace.

As the Catholics tried to squeeze behind the railings and into the palace through a narrow door, the demonstrators showered rocks and iron bars at them. Troops used their batons and fired about a dozen shots in the air.

Troop reinforcements arrived and filed between the demonstrators, but one soldier chanted with them while a hail of rocks and iron bars struck the last Catholics making their bloody escape inside the palace.

(In a statement issued today in Fatima, Portugal's Roman Catholic bishops accused the ruling Armed Forces Movement of spreading "a climate of personal insecurity, intimidation and anxiety about the future, which paralyzes the exercise of authority," according to Reuter. The bishops complained that the military, by promoting East Europe's totalitarian regimes as model societies, was taking "a historical step backwards.")

Violence had flared earlier outside Republica's office as angry Socialists gathered to hand out leaflets saying, "Freedom of the press was buried in Portugal today."

Workers inside the building who had started cleaning the press, unused since the paper was closed a month ago, brought papers outside and began to burn them in a yard. Journalists claimed that they were the office files and began to smash at wooden fences in an effort to get inside.

The workers threw a smoke bomb, and troops fired into the air. The workers and editorial staff threw rocks at each other, but the printers and production workers remained inside. They later left after being promised reentry Thursday by the military.

The violence highlighted the mounting tension as the Revolutionary Council, the country's ruling body, continued for the sixth consecutive day to discuss what path the revolution should take.

The political parties have not figured in the deliberations of the council, which are being held by its political commission at a navy barracks across the Tagus River from Lisbon.

The only substantive remark to come out of the meetings, which began last Friday, is that some ministers may be changed. However, speculation is high that the military authorities will decide to back revolutionary worker-soldier councils, thus bypassing the parties without directly outlawing them.

Portugal is divided between the democratic moderate parties, including the Socialists, and the Communists and the military authorities, who are backed by a whole substratum of revolutionary leftists.

Last night the press walked out of a debate in the Constituent Assembly—elected in April to draft a new constitution—when a deputy attacked the media's handling of the assembly's proceedings.

CONFIDENTIAL FINANCIAL DISCLOSURE

Mr. ROTH. Mr. President, 2 weeks ago, I introduced Senate Resolution 175 to require that confidential financial disclosure statements of Senators or Senate employees be furnished in the event these statements are subpenaed in connection with any criminal case or grand jury proceeding in a State or Federal court in which the Senator or employee is a defendant.

This resolution has been cosponsored by Senators Case, Church, Hollings, Javits, Mansfield, Stafford, and Stevenson.

Senate Resolution 175 is a response to the Senate's action in late May in not permitting the Comptroller General to comply with a subpena for the financial disclosure statements of former Senator Gurney.

If the confidential financial disclosure procedure is going to have meaning, certainly those statements should be made available to a competent court in connection with a criminal case. As the Wilmington Morning News pointed out in an editorial this morning—

> If the confidential financial records must remain confidential even when they are necessary in a criminal court case, then there is no point in having that law.

To maintain confidentiality in this case asserts a legislative privilege as sweeping as the last administration's claims of executive privilege. Roscoe Drummond pointed out in the June 11 edition of the Christian Science Monitor that if the prosecutor in the Gurney trial took his subpena to the Supreme Court, it is likely that the Senate, like the former President, would be told that "there is no absolute, unqualified privilege of immunity from judicial process."

Drummond suggested the Senate should change its own mind before this happens. I urge this be done by giving prompt attention to Senate Resolution 175.

Mr. President, I ask unanimous consent that the editorial from the Wilmington Morning News and the column by Roscoe Drummond be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Christian Science Monitor, Wed., June 11, 1975]

CONGRESS' DOUBLE STANDARD

(By Roscoe Drummond)

Washington.—It is less than a year since leading members of Congress accused President Nixon of "obstructing justice" in refusing to turn over to the courts his tapes of confidential White House conversations.

It is less than a year since congressmen accused the President of hiding behind "executive privilege" in refusing subpoenaed material to the House Judiciary Committee then considering impeachment.

It is less than a year since the United States Supreme Court ruled unanimously that "executive privilege" does not cover criminal proceedings and that Nixon must yield to Judge Sirica the 64 tapes requested by the prosecutor.

And now Congress is doing exactly what it said Nixon was wrong in doing:

Under the guise of "congressional privilege" it is shielding itself and obstructing justice in the trial of a former senator, Edward J. Gurney of Florida, on charges of bribery and conspiracy.

To do this the Senate has directed the Comptroller General of the United States, an employee of Congress, to refuse a subpoena from the Florida prosecutor for a copy of a "confidential" financial statement filed by Gurney while he was a senator.

If I ever saw an attempt to apply a double standard of ethics and law, this is one of the worst.

Congress contended that "executive privilege" must yield to the necessities of criminal justice. Now Congress contends that "congressional privilege" must yield to nothing.

This congressional defiance of the subpoena for information in the Gurney case is even more unjustified, more untenable than President Nixon's. Nixon took his position on unlimited "executive privilege" before the Supreme Court had ruled that such confidentiality is limited. Now Congress is trying to overrule the Supreme Court—or at least to ignore it—in propounding the doctrine of unlimited "congressional privilege."

It won't wash. Senators are doing themselves—perhaps in the hope that no one will notice—a grievous desservice by pretending that it will. Note these words from the Supreme Court in the case of United States vs. Nixon:

"We conclude that when the ground for asserting privilege as to subpoenaed materials sought for use in a criminal trial is based on the generalized interest in confidentiality, it cannot prevail over the fundamental demands of due process of law in the fair administration of justice. The generalized assertion of privilege must yield to the demonstrated specific need for evidence in a pending criminal trial."

Sen. Howard Cannon (D) of Nevada, chairman of the Rules Committee, tried to put the best face on the Senate's action by saying: "The surrender of a disclosure statement made in reliance on a Senate Rule which protects its confidentiality will jeopardize the whole system of senatorial disclosure."

That's pure buncombe—or, more accurately, impure buncombe.

By clear implication the Supreme Court dealt with this point in these words:

"Neither the doctrine of separation of powers, nor the need for confidentiality of high-level communications . . . can sustain an absolute, unqualified presidential privilege of immunity from judicial process under all circumstances."

The prosecutor in the Gurney trial should take his subpoena case to the Supreme Court which would almost certainly tell Congress that "there is no absolute, unqualified [congressional] privilege of immunity from judicial process."

Or better yet, the Senate should repeal its cover up.

[From the Wilmington Morning News, June 20, 1975]

Privilege's Shield Is Back

Congress was up in arms when former President Nixon sought the shield of executive privilege to deny Watergate prosecutors material considered relevant and essential.

Mr. Nixon's desperate effort was a coverup of a coverup, and ultimately he was overruled by the U.S. Supreme Court.

Yet not even one year has elapsed since Mr. Nixon's departure from the White House and we find Congress pleading legislative privilege and denying to federal prosecutors material considered relevant to the trial of one of its alumni, former Sen. Edward Gurney, R-Fla.

Mr. Gurney, who was a strong defender of Mr. Nixon on the Senate Watergate Committee, is on trial on charges of bribery, and the prosecution wants the financial records he filed on Capitol Hill as required by the law. But those records stay private unless the Committee on Standards and Conduct decides otherwise, and the Senate has taken the stand that the material can be used only by the committee. So the prosecutor's subpoena in the Gurney case is having as much, or as little, effect as the prosecution subpoenas were having on Mr. Nixon until the Supreme Court compelled him.

There really should be no objection on the Senate's part, and there is no need for a battle royal between branches of government.

Sen. William V. Roth Jr., R-Del., has moved to have the Senate honor the subpoena and has picked up important support.

What the ultimate outcome will be is hard to see at this time, but it isn't hard at all to see what any resistance will do to the not-very-high prestige of Congress and its members.

Mr. Nixon had at least some justification for arguing that if presidential aides' confidential conversations are disclosed, future presidents will find their aides unwilling to offer candid advice.

In the Gurney case, the intent of the disclosure law and the aim of the prosecution subpoena are the same. If the confidential financial records must remain confidential even when they are necessary in a criminal court case, then there is no point in having that law. As Sen. Roth warns, such an attitude is going to fuel public clamor to compel all public officials to lay bare the minutest details of all their finances whether there is any compelling public need or not.

In the case of the United States vs. Nixon, the Supreme Court said: ". . . when the ground for asserting privilege as to subpoenaed materials sought for use in criminal trial is based on the generalized interest in confidentiality, it cannot prevail over the fundamental demands of due process of law in the fair administration of justice. The generalized assertion of privilege must yield to the demonstrated specific need for evidence in a pending criminal trial."

Someone on Capitol Hill should be able to remember, and understand, that.

NATIONAL HEALTH INSURANCE

Mr. BIDEN. Mr. President, each of the past few years has been referred to as "the year of national health insurance." Quite obviously the phrase has been inaccurate, but the need for such a program is only too real.

Although the introduction of numerous national health insurance bills in the Congress has indicated recognition of the need, we have done little to insure affordable health care, accessible health care, and quality health care for Americans who are currently spending over $100 billion a year for health and medical care.

In this regard, on June 17, the Washington Post carried an editorial, "Insuring the Nation's Health," which suggests that—

> It may turn out that the only possible course is to abandon the idea of a comprehensive bill and, instead, continue to improve the present patchwork.

The Post editorial points out that because major policy questions of financing, coverage, committee jurisdiction, and others have delayed enactment of comprehensive health insurance, the best approach may be a "patch-by-patch" strategy which permits Congress to address itself to one issue at a time.

Mr. President, this Nation needs the protection offered by health insurance. If we cannot now realistically consider comprehensive health insurance, then we should at least move to meet specific needs.

I commend the editorial to my colleagues, and I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Insuring the Nation's Health

This country seemed, as recently as a year ago, to be on the verge of enacting a national health insurance plan covering most medical costs for everyone. Last January congressional leaders were talking optimistically of early enactment of a health insurance bill. But by now it is clear that the whole proposal is going nowhere at all this year. Whether there is any chance of enactment even in the years beyond depends on finding persuasive answers to a series of large questions. Some of those questions concern financing, but by no means all of them. There is a spreading opinion, in Congress and in the country, that simply providing more money, training more doctors and building more hospitals will not necessarily improve health care for Americans.

To use an analogy that practically everyone will find offensive, the health insurance issue is a bit like the rescue of the Penn Central. In both cases, all right-thinking people can agree that the service is essential and something has to be done. But in both cases any comprehensive solution involves a sufficiently large number of billions of dollars to induce extreme caution. Even if the money can be found, Congress does not want merely to continue obsolete service to places where no one wants to go. In health care as in railroading, there is the matter of featherbedding. Some studies have suggested that, for example, as much as one-third of the surgery done in this country is avoidable. It is evident that any insurance plan is going to have to include mechanisms to protect the patient from too much of the wrong sort of care, provided simply because it was available.

The fading of the current health bills illustrates the broad change that has recently overtaken national attitudes toward large social programs. Part of this change is obviously owed to the recession. But another part of it is a reaction to the great wave of social legislation of the 1960s. Many of these innovative laws turned out to carry costs and consequences far beyond anything predicted for them. The experience of the past decade is making the country cautious now about fundamental changes in the health care system. Medicare and Medicaid have been enormously valuable to the country, but they have also been enormously more expensive than their authors originally estimated. They have raised the questions of review and control that are going to have to be answered before the larger insurance plan goes into law.

Americans are currently spending a little over $100 billion a year for health and medical care. That figure has doubled in the past eight years, with a rising demand for these services compounded by an inflation rate much higher than the average for the economy. Out of that total, some $40 billion is public money, mostly Medicare for the elderly and disabled, and Medicaid for the poor. The rest is private money, and enactment of a comprehensive health insurance program means shifting some or even all of that $60 billion a year to federal administration.

Although President Nixon had supported a health insurance bill, President Ford decided last winter not to revive it. With the economy in a recession and the budget already running an extremely large deficit, he ruled against any bill this year. Health outlays, under a federal insurance program, would be the kind of expenditure that the Ford administration has denounced as uncontrollable. The budget deficit has become one of the most sensitive numbers in Washington politics. The painful surge of inflation over the past two years has made voters highly attentive to it, and the new budget procedures now require Congress to vote explicitly on a deficit. Most of Congress appears to have joined the President in his reluctance to add another large new unknown factor into the federal budget at this moment.

Beyond all of the large questions of public policy, the path of any health insurance legislation is further impeded in Congress by a sharp dispute over committee jurisdictions. Earlier this year, when the House Ways and Means Committee wrote a bill to provide health insurance benefits to the unemployed, the Commerce Committee protested that its territory was being invaded. The affair has now settled into a stalemate. If the House leadership ever chooses to resolve this tangle, it will be confronted with a much more serious controversy over financing these benefits. All of the present tax and premium proposals are dubious, to one degree or another. The technical difficulties in funding this limited protection for the unemployed is serving to dampen enthusiasm for proceeding with the much larger bill for general coverage of the whole population.

It may turn out that the only possible course is to abandon the idea of a comprehensive bill and, instead, continue to improve the present patchwork. Since the scale of the future system is extremely difficult to forecast accurately, perhaps the patch-by-patch strategy will turn out to be the wisest in the end. It permits Congress to address itself to one issue at a time.

The greatest immediate needs are catastrophic coverage for everybody, and basic care for rural areas. Even families with very good health insurance policies know that there is always a limit to the coverage. Even the most prudent family can be threatened with disaster by one terrible illness. But huge though the costs can be in individual cases, the price for catastrophic coverage is not large for the country as a whole. As for rural areas, experience with Medicare and Medicaid shows that merely making insurance money available is not enough to guarantee reasonable access to modern medical care. Meeting specific needs like these, one at a time, may well take the country toward adequate health insurance faster than a stalled argument over a comprehensive bill that now seems farther than ever in the distance.

PRESIDENT FORD'S GUN CONTROL PROPOSAL

Mr. KENNEDY. Mr. President, President Ford's plan to reduce crime is clearly a long awaited and sorely needed expresion of initiative from an administration that has avoided one of the most serious issues in our society for too long.

Even the President's specific proposals designed to deal with the problem of some 25,000 gun deaths each year signal a unique and welcome attempt by the administration to come to grips with the senseless proliferation of handguns in America today. We will not control handgun crime without effective and appropriate leadership from the very highest levels of Government. It is up to the Congress to work with the administration to obtain controls on handguns that will begin to eliminate the abuse of those deadly weapons. For that reason, I applaud the President's intentions to strengthen provisions of the 1968 Gun Control Act and his plan to add 500 agents to the Bureau of Alcohol, Tobacco, and Firearms.

But for those of us who have sought measures that can deal directly with the need to control 40 million civilian owned handguns, the President's proposal still seems far off the mark. Banning "Saturday night specials" may be a politically appealing ploy to appease those who oppose effective gun controls. But I would seriously question the effectiveness of the administration's use of a formula to identify acceptable guns on the basis of melting point, or safety features. What difference does it make to a gunshot victim whether the weapon used against him had a melting point of 1,500 or 3,000 degrees?

The deadliness of a handgun is characterized by its concealibility, the ability to fire quickly, and the sheer impact of its presence. There is simply no place in our society for any weapon that can instill in one person the power over others that is so readily available when a gun is in hand.

The President says he is "unalterably opposed to Federal registration of guns or the licensing of gun owners." But he would require a waiting period for gun dealers to verify that potential purchasers are legally eligible to own one. That is a first step toward licensing. And it is an approach included in the measure I introduced in the Senate on April 17 which requires the registration of all handguns and the licensing of all handgun owners.

For too long the American people have been misled about the problem of controlling firearms. Some have succumbed to brainwashing by those with ulterior motives of one sort or another. Some have merely chosen sides in an artificial confrontation where there need be no sides. And some have yielded to demagogic appeals and to panderings to emotion.

Within the Congress and the administration, we have the power to remove the smoke screens from people's eyes and the cobwebs from their minds, to put the demagogs in their place. And since these are within our power, they are our obligation if we are to be true to ourselves and to the American people.

It is my hope that we shall obtain effective results in this serious matter soon enough for all Americans to realize significant reductions in the abuse and misuse of handguns.

SO LONG, CONVERTIBLE

Mr. McGEE. Mr. President, with the demise of the American automobile with the convertible top, I reflect on the good old days. In 1965, my distinguished colleagues Senator Moss and Senator Church and I could be seen departing from a day's work at the Capitol, driving off into the sunset in our yellow convertibles. That was then, and time marches on.

That time, it appears, has done away with another American tradition—the convertible—a symbol almost as strong as motherhood and apple pie.

How nice it would be again to tour the Nation with the top down.

I ask that an article in the Washington Star, entitled "So Long Convertible," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

So Long Convertible

(By Harry Atkins)

Detroit.—Once, in a happier America, hair blowing in the wind, we toured the highways and the byways of the nation with the top down.

We saw movies with Andy Hardy and his college chums packed into a bulging convertible, and we dreamed and parked high in the hills with the stars blinking above and the city lights below. And we were Jimmy Stewart and June Allyson, or were we Clark Gable and Carole Lombard? Romance was alive in the land.

And America was in love with the convertible. But, alas, no more.

Too many things conspired against it. City air got dirtier. Speeds got higher and rollovers increased. Gas went up and joy-riding went down. Thieves slashed the canvas and stole the cigarette lighter or the radio.

And so this year we note with mourning that Chevrolet, Pontiac, Oldsmobile and Buick are halting production of their few convertible models, leaving only a high-priced Cadillac soft top alone on the American-made market and priced out of reach of all but a few.

"It's a dying breed," said a man from Chevrolet.

American Motors dropped the convertible in 1968. Chrysler followed in 1971 and Ford in 1973.

The truth is they just don't sell. In 1963 convertible sales hit their peak—540,000 cars or 7 percent of total sales. But this model year, with General Motors alone in the field, convertibles accounted for only half of 1 percent of company sales.

"Air conditioning killed us," says a man from GM. "People want air conditioning and it doesn't make sense to order it in a convertible." Three-quarters of GM cars last year had air conditioning.

But what the heck, everything has changed. A lot of people would probably think it corny today to sit in an open car on a starry night and dream about the future. Or maybe it's the discomfort of the sun beating down, and the wind undoing what the hair dryer and the hair spray have done.

You can see the contrast by looking back to June 1923 when the Saturday Evening Post (my God, even it's gone) ran an ad for the sporty Jordan Playboy Roadster.

"Somewhere west of Laramie," it said, "there's a bronco-busting, steer-roping girl who knows what I'm talking about . . . the Playboy was built for her. . . . Built for the lass whose face is brown with the sun. . . . There's a savor of . . . laughter and lilt and light—a hint of old loves—and saddle and quirt . . . with the spirit of the lass who rides, lean and rangy into the red horizon of a Wyoming twilight."

Wow! But that kind of prose is out of style, too.

The American car was born open, but gradually style closed in. And oddly that gave the convertible a new status. While doctors and bankers encased themselves in steel and glass, cutting out the sound of the road, the dreamers dreamt of openness, the sporty, dashing fighter pilot in the open cockpit.

Ultimately Detroit got clinical about the convertible. Chrysler ordered a study, and it found that a convertible in the window lured more men into the showroom. Why?

The study decided that men looked at the convertible as they would at a mistress. But when it was time to buy, the fickle male put his money on the four-door sedan, just as he once married the girl next door.

Detroit doesn't expect too many complaints, except "maybe from parade people," says a man from GM. "I don't know where they're going to get cars for their beauty queens to sit on."

So it's hail and farewell to the flashy red convertible, and to Andy Hardy, and running boards and rumble seats, and the golden girl of the West, and Clark Gable and Carole Lombard, and starry nights and city lights and romance on the town.

HEARINGS ON FOOD AND POPULATION

Mr. HUMPHREY. Mr. President, on June 13 the Senate Subcommittee on Foreign Assistance conducted its second day of hearings on the future of foreign assistance. On that day, we heard expert testimony from witnesses on the problems of the global food shortage and world population growth, and the actions which the United States might take within the context of its foreign assistance programs to deal with them.

The hearings reinforced my conviction that the problems of food and population are almost inseparable. It is not enough for us to provide food assistance. Indeed, absent serious multilateral and international efforts to slow the growth in world population, we could not perform this task, even if we wished to. Furthermore, our task in providing assistance should not simply be to feed the hungry mouths of the world, but also, through both our bilateral and multilateral programs, to enable the developing countries of the world to increase the quality and quanity of their own food production, and to improve the welfare of their populations.

I think that my colleagues will find the remarks of our witnesses on the impact of continuing population growth on the quality of life and on the problems which confront us in expanding world agricultural supplies particularly interesting. I want to commend Dr. Elizabeth Connell, Ms. Julia Henderson, Dr. John Mellor, Dr. Martin Abel, and Dr. Sterling Wortman for their efforts to elucidate the actions which we might take to deal with the issues of food and population in the context of our foreign assistance programs.

Mr. President, I ask unanimous consent that my opening remarks and the prepared statements of our witnesses be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement by Senator Hubert H. Humphrey, Chairman, Subcommittee on Foreign Assistance, June 13, 1975

We begin today our second hearing on the future of foreign assistance. We will be dealing with the issues of food and population within the context of American foreign assistance programs.

These two issues are of vital concern to the Congress as we endeavor to explore ways to improve foreign aid programs in a period of rapid economic and political change.

It is my sincere hope that these hearings will contribute to the public's growing awareness of the critical need to deal with global food and population problems.

I do not need to recite the very startling facts and figures to show that we have much work to do to slow world population growth and provide adequate food supplies for the world's people.

I believe that the American people are beginning to understand our unique role in the process of dealing with the global population explosion and the increasing incidence of malnutrition and starvation among the world's poor. Americans are beginning to realize that our own economic well-being is ever more dependent on solving the problems we will be discussing today. Dealing with global food and population issues involves more than a moral responsibility. The price of food in our supermarkets, the availability of resources for our future industrial growth, are related to the ability of the affluent and poor nations to work in a cooperative framework to solve these problems.

Our first witnesses today will be Miss Julia Henderson and Dr. Elizabeth Connell. Miss Henderson is Secretary-General of the International Planned Parenthood Federation and Dr. Connell is with the Rockefeller Foundation.

I regret that the Subcommittee will be unable to hear from Dr. Russell Peterson of the Council on Environmental Quality and Dr. R. T. Ravenholt of A.I.D. These gentlemen were invited to participate in this population panel. Unfortunately, the executive branch has recently decided that it will not permit government witnesses to appear in panels with non-government witnesses.

I disagree with this policy. I question the legality of the executive branch determining the format of Congressional hearings. I find support for the executive branch's position in neither the doctrine of executive privilege nor in the doctrine of separation of powers.

Rather than permit Dr. Peterson and Dr. Ravenholt to appear separately outside of the panel, I have postponed their participation pending a formal statement from the Administration on whether it will continue to insist that they not appear before this Subcommittee in the format we desire. I have written to the Counsel to the President today. I will ask that my letter to him as well as other material relating to this matter be inserted in the hearing record.

The Need for Improving U.S. Foreign Agricultural Assistance Programs

(Statement prepared for the Foreign Assistance Subcommittee of the Senate Foreign Relations Committee, Martin E. Abel, Department of Agricultural and Applied Economics, University of Minnesota.)

Mr. Chairman, I want to express my appreciation to you and other members of the Subcommittee for the opportunity to express my views on the very important topics of world food and U.S. foreign agricultural assistance efforts.

The world food situation continues to be precarious. We sit on a razor-thin margin between adequate supplies of food and acute shortages.

Recent studies done by the U.S. Department of Agriculture and the Food and Agricultural Organization of the United Nations project to 1985 that, on a global basis, growth of world food production would keep pace with growth in demand. While these aggregate views of the world may appear comforting, they should be interpreted with considerable caution. A more cautious view becomes prudent when one looks at some of the assumptions and conclusions of these studies in somewhat more detail.

The projections show that grain import needs of the developing market economies will grow from an average annual level of between 15 and 20 million tons in the 1969–71 period to between 70 and 85 million tons in 1985, or about a fourfold increase in import requirements.

Grain production is assumed to grow faster than demand in the developed and centrally planned countries, resulting in sufficient food to meet the future import needs of the developing countries.

Incomes are assumed to grow at reasonably rapid rates in both developed and developing countries.

Agricultural technological change is assumed to continue at historic rates of growth in developed and developing countries.

It is assumed that a substantial amount of unused agricultural land in several countries could be brought into production at a modest cost.

Weather conditions around the world are projected to be "normal."

The future world food situation and especially that in the developing countries would look much less comfortable if some or all of the following plausible conditions were to prevail.

The developing countries could not obtain the large projected import needs because of either a lack of purchasing power or inadequate food assistance programs by the developed countries.

The rate of technological advance did not continue at historic rates, but at a somewhat slower pace.

New land can be brought into production only at much greater costs and would require high and stable prices for agricultural products over a long period of time to make these additional investments profitable.

Weather conditions become less favorable, as many scientists are predicting.

In my judgment, there is no room for complacency about the world food situation during the next ten years. And if one projects rapid rates of population growth in the developing countries beyond 1985, the world food situation will be even more difficult to deal with in a reasonably satisfactory manner. The need to emphasize agricultural development and food production is greater than ever. And the challenge to the United States to help meet these needs remains as great as ever.

Furthermore, history should teach us that there are no lasting miracles or panaceas in increasing food production. It is an arduous task requiring long-term commitments of nations and individuals. While there is much we have yet to learn, years of experience with agriculture around the world have taught us many things about the necessary ingredients for rapid agricultural growth and for bringing the benefits of this growth to the mass of the people.

It is important that nations take seriously the development of their agriculture in terms of assigning a high priority to increasing food production and providng a favorable political, economic, and technical environment.

There is a high return to be gained from investing in a variety of educational and skill improvement programs, ranging from the development of scientists with modern research skills to improving the ability of farmers to use new methods productively.

For many parts of the world, increased production must come primarily from increasing yields per acre. This requires a constant stream of new agricultural technology adapted to the physical, cultural, and economic conditions in specific areas. More emphasis should be placed on developing and supporting viable research efforts at national and international levels.

More will have to be done to improve the productivity of soil and water resources. Three aspects of this area are important: (1) investments in land and water resource development, (2) research on the technical aspects of soil and water productivity, and (3) institutions that improve the efficiency with which these resources are managed.

There is a need to develop policies and programs at national and international levels that permit large numbers of people to participate and share in the proces of and increased benefits from expanding agricultural production.

Agricultural production is subject to unpredictable disturbances of nature and man—droughts, floods, earthquakes, pests, wars, and capricious foreign relations among nations. Instability in the world food situation requires reserve stocks of food (grains) if nations individually and collectively are to mitigate the destabilizing effects of these inevitable, but unpredictable, disturbances.

The United States has been a leader in sharing its food abundance with the world and providing technical and financial assistance to the developing countries. Our assistance efforts were, and still are, to a large extent geared to a world in which liberal relations and development efforts between the United States and individual less developed countries were feasible and desirable.

While the United States should continue bilateral foreign assistance programs, we also should give increasing recognition to the need for and desirabiliy of cooperation among nations and private organizations, whether through formal international organizations or through more informal mechanisms of cooperation.

Politically, some countries may find it more acceptable to receive assistance from multinational organizations than from individual countries like the United States. The need to promote growth in agricultural production should transcend bilateral political considerations. Almost all countries have a claim on world food supplies and can exercise that claim through international trade. In at least this sense, the food situations an all countries are potentially linked. The change in the policies of the Soviet Union, which led to large purchases of grain in world markets and severe escalation of grain prices, is a dramatic example of how the food situations in all countries can be interrelated.

Technologically, we must view all nations as potential participants in and beneficiaries of the creation of new agricultural technology. The work of the various International Agricultural Research Centers has dramatically demonstrated this point. Ideas and research materials come from many countries, are developed and tested in a still larger number of countries, and are available to all nations.

Economically, events of recent years have demonstrated how the welfare of all nations is inextricably linked. Whether we are talking about food, petroleum, the resources of the sea, or the environment, we cannot always rely on the activities of individuals or small groups of countries to behave in ways that will promote increased food production in a large number of countries, particularly in the developing countries. Matters such as the development of food reserves to maintain a reasonable degree of price stability and meet the emergency needs of developing countries, the production and distribution of fertilizers among nations, and the production and distribution of petroleum, to name a few, have important international dimensions and will require a cooperative approach if the best interests of the developing countries are to be served.

A challenge facing the United States and other nations is to develop more effective international approaches to many aspects of the world food problem.

What, then, should be some of the priority considerations in U.S. foreign agricultural assistance programs?

First, the United States should give clear recognition to the long-run nature of the food, population, and rural development problems in the developing countries and be willing to dedicate itself to work over a period of several decades toward the solution of these problems. Our efforts and dedication should not oscillate between complacency caused by a few good crops and panic caused by crop failures. Our focus should be on the realities of the long-term trends and what can be done to make these trends more favorable.

The United States should play a leadership role in creating and maintaining food reserves sufficient to yield a reasonable degree of price stability and to meet emergency food needs in developing countries. Numerous countries would benefit from these reserves, and those who can afford it should be expected to bear their fair share of the costs. The United States should provide leadership in the establishment of a system of grain reserves because of the benefit we would derive in terms of food security and more stable prices, and because we have considerable experience with the management of grain stocks that is relevant to other countries who should share in the food reserve effort.

The U.S. foreign assistance programs should make a major, long-term commitment to the development in the poorer nations of trained manpower, and the institutional structures needed to use this manpower effectively in increasing argicultural output, in promoting rural development, and in slowing the rate of population growth. The developing countries must have the capacity to solve their own problems. I want to emphasize the long-term nature of such efforts. Programs to create instant experts will not be successful. Past U.S. foreign assistance programs assigned a high priority to training and institutional development in developing countries. In recent years, our efforts along these lines have diminished significantly. They should be accorded a much higher priority.

The United States should continue to be supportive of the system of international agricultural research as well as efforts to improve the research capacity in individual developing countries. The generation of a steady stream of new technology adapted to local conditions is essential for progress in solving national and international food problems. More effort is needed in this area. The United States should be in the forefront of expanding agricultural research world-wide.

In my judgment, we have paid insufficient attention to developing and improving the quality of soil and water resources in developing countries. Experience shows that exploitation of the yield potential of new crop varieties depends a great deal on the physical environment in which they are grown. Fertile soils and well-managed water resources contribute greatly to increasing yields and can spread the benefits of new technology to larger numbers of people. U.S. foreign assistance efforts in this area should be coordinated with similar efforts carried out by international organizations, such as the World Bank and FAO, and with other national foreign assistance programs.

The generation of new agricultural technology and improved techniques for managing soil and water resources will have its maximum effect on increasing food production when incentives favor their widespread adoption. Unfortunately, many countries do not have either the capacity or the will to adopt economic policies conducive to more rapid rates of agricultural development. These policies include not only those which impinge directly on agriculture, but also those in the nonagricultural sectors which affect agriculture through influencing supplies of modern farming inputs or the availability of markets for farm products. In addition, international trade policies of rich and poor nations alike should be rationalized to discriminate less against the exports of developing countries and to increase the supplies of agricultural inputs.

The United States can do much through its foreign policy and foreign assistance efforts to help remedy many policy difficulties. First, our foreign technical assistance efforts should stress, even more than they do now, the development of policy formulation and implementation capability in the developing countries. Second, our own financial assistance programs and those of other countries and international organizations should be designed to support meaningful policy changes. And third, the U.S. should play a leadership role through a variety of international channels in promoting international trade relations that remove discriminatory barriers against exports from developing countries.

Finally, we must redirect our foreign assistance efforts in ways which will mobilize the best talent available in the United States to work on solving the world's food and population problems. We need to create an environment in which the best minds in government, in universities, and in private organizations can find a secure and rewarding long-term career in our foreign agricultural assistance efforts. In my judgment, such an environment cannot be created as long as our interest in world food and population vacillates like the weather and as long as our efforts are closely tied to ephemeral political interests.

POPULATION AND FOOD ASSISTANCE*

(By John W. Mellor, Cornell University)

Explosive population growth is surely one of the most pressing problems now facing the world community. As demonstrated at the Budapest World Population conference it is also one of the potentially most devisive issues between the rich and poor nations. The population problem is intricately interwoven with the problems of health and nutrition and of food supplies and food aid. In this context I wish to make six points of relevance to todays hearings.

First, specific programs targeted to family planning and reduced birth rates can be highly effective, but only in an environment in which target groups perceive opportunities for improved welfare for their children.

Second, the most important element of increased welfare for the poor is improved health. The most serious and basic cause of poor health amongst the low income people of the world is insufficient calories. Thus increased production of grain as epitomized by the "green revolution" is the first condition of improved welfare for the poor.

Third, increased production of grain will not automatically provide the poor with sufficient employment and income to purchase that grain at remunerative prices. Thus agricultural production policy and welfare policy both demand facilitation of employment growth.

Fourth, we now know reasonably well the broad outlines of the requisites for effective agricultural production strategies for low income nations. The keys lie with trained manpower and complex institutional development. The United States is well placed to greatly assist in those efforts. Even at best, however, such processes are slow. And, thus a program of technical assistance for agricultural production may usefully be supplemented with food aid to tide over the lag period and to meet short run deficits arising from inclement weather. The promise of food aid may thus encourage nations to opt for a high employment, broadly participatory strategy of growth, with its attendant rapid increase in demand for food, despite the domestic risks attendant on such a strategy.

Fifth, particularly in the short run, a rural oriented, high employment strategy of growth also requires massive capital investment in transport, power, fertilizer and irrigation. Thus capital assistance can also accelerate pursuit of such a strategy thereby reducing the time and privation required to achieve broadly participatory growth with its attendant increased welfare and reduced population growth.

Finally, whether a nation chooses such a strategy depends very much on its perception of the risks it entails with respect to its political base and to preservation of its existing level of welfare. United States foreign policy generally, and its aid policy specifically can greatly affect perceptions in these areas and hence the choice of economic growth strategy.

STATEMENT BY JULIA HENDERSON, SECRETARY-GENERAL OF THE INTERNATIONAL PLANNED PARENTHOOD FEDERATION BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS

You have asked me to speak on the role of voluntary private organizations in the United States population assistance effort. May I say first that the largest international voluntary body in this field, the International Planned Parenthood Federation, which I represent here today, has origins which long antedate the interests of the United States Government in helping countries to solve their population problems. The IPPF, which is a Federation of 84 voluntary national Family Planning Associations, has its roots in the pioneering work of Margaret Sanger in this country, Elise Ottesen-Jensen in Scandinavia, Marie Stopes and Helena Wright in Britain, Lady Rama Rau in India, Senator Kato in Japan and many others. In the 1920's and 1930's they represented an important sector of the Women's Liberation Movement of their day. We have published a chronicle of their activities for our 21st Anniversary

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*Testimony prepared for the subcommittee on Foreign Assistance of the Foreign Relations Committee, United States Senate, June 13, 1975.

Conference in 1973 which we call "Be Brave and Angry"—a favourite quotation of Elise Ottesen-Jensen, daughter of a Norwegian pastor with seventeen children. She lived bravely, suffering, as Margaret Sanger did, innumerable trips to jail, constant clashes with the law and, perhaps even worse, the ridicule of her contemporaries and indifference or open opposition of the medical profession.

The Family Planning Association of India, under the leadership of such forthright women as Lady Rama Rau, answered the call of their sisters from both East and West to convene a conference in Bombay in 1952 to organize the International Federation. You may be interested to know that it was attended by Jeanette Rankin, the first woman member of Congress, with her sister, Mrs. Edna McKinnon of the Chicago Planned Parenthood Association. From the beginning, these far-sighted women understood that the IPPF had to espouse *two aims*, mutually supportive: the first, to promote family planning in the interests of health and welfare of the family and, second to promote the knowledge of the consequences of a rapid population growth. They saw family planning as a practical approach to helping those countries which suffered from imbalance of population and natural resources. These aims were embodied in the Constitution in Stockholm in 1953, and through a number of revisions in structure and detail they have remained a solid foundation of our work. When we had no money at all, the Family Planning Associations provided services through volunteers and continually agitated for reform of legislation which prevented free access to contraceptives. We have constantly sought to exert pressure for changes in Government policy and for the provision of family planning services to all who desire them. This, of course, is the traditional role of a voluntary organization, based on peoples' needs and sensitive to the social and cultural climate in which they work. Lest I be considered a female chauvinist, I must add that by the end of the 1950's, a number of distinguished and dedicated business and professional men like Hugh Moore, General Draper, Cass Canfield and Rufus Day joined the Movement and much of our rapid expansion in developing countries, enlisting leading medical men, bankers, lawyers and publicists, are the direct fruit of their endeavors. Today our strength lies in the fact that we are Brazilians trying to change Brazil's policies, Indonesians pressing for a change in age of marriage in Indonesia, Muslims working in Arab countries, and Catholics working through their own voluntary family planning associations in the Latin American and Southern European countries.

As an international organization, we have exerted our influence not only country by country but as an international organization in the halls of the United Nations and all of the relevant Specialized Agencies. From 1954, when I was given responsibility as a United Nations official for the Population Division, I knew the IPPF as an unrelenting pressure group for an active population policy and programme in the United Nations.

The eventual victory in 1966 and the establishment of the United Nations Fund for Population Activities owe a considerable debt to the dedicated volunteers who haunted the halls of the UN, WHO, UNESCO and the FAO. We are proud today to see the fruits of this partnership of bi-lateral and multilateral agencies both at the international level in more than 40 countries with coherent policies concerning population growth and many more who have instituted family planning programmes. We know, however, from our participation in the World Population Conference in Bucharest last year that our work is far from finished. We rejoice in the consensus of the Government delegates that family planning information and services should be made available to all people, but we know from our own Study of Unmet Needs in Family Planning in the 105 countries, that not more than 5% of the women of the families in Africa have any knowledge of effective ways to control their own fertility nor have they any services available. The number of women reached in other developing regions of the world is still a very small proportion of those who need and want such information. As long as this is true, our national family planning associations must continue not only to provide education and services themselves where they are not otherwise available, but to press Governments to live up to the commitments they have made at the World Population Conference in Bucharest.

Bucharest was not an unqualified success. Governments were unwilling to set a target date for the provision of full-scale services and universal knowledge. In spite of the fact that our national affiliates were represented in 51 national delegations to the Conference, the IPPF failed in its own bid to achieve what it considered to be a central clause of the draft World Population Plan of Action which would have made information and services available to all who desire them by the end of the Second Development Decade and not later than 1985.

These circumstances strengthened IPPF resolve to press for the extension of services and supplies beyond the conventional clinic and medically-bound programmes and beyond the more accessible urban populations and into the remoter rural areas where needs are greatest and where most of the populations of the developing countries still live.

IPPF is uniquely placed to experiment with new approaches. Many of our Associations, within the limits of their own resources, available health services, cultural and professional attitudes, drug legislation and other factors, have tested the prospects for making contraceptive advice and supplies as readily available as household products. Medical research has shown that modern contraceptive methods are generally safe, with risks of side-effects that are most insignificant in comparison to risks of unwanted pregnancies. The vast majority of people who need contraceptives are clients or consumers rather than patients in need of medical care. We need clinics as back-up services and to provide over-all maternal and child health services but not to distribute contraceptives.

Extending Family Planning Services

The IPPF has developed a *programme of "community-based distribution"* in order to demonstrate in a wide range of countries that, by using a variety of local channels, including commercial marketing, contraceptive supplies and services can be brought to all who are prepared to use them. Projects already established in Thailand, Sri Lanka, Colombia and North-Eastern Brazil will be extended to several more selected countries by the end of 1975. At the regional and central levels of the Federation, the IPPF sifts the evidence of successes and failures, provides the policy guidelines, monitors the results and distills the experience into manuals of practice and the transfer of experience through seminars, workshops and field observation exchanges.

Pro Familia, the IPPF affiliate in Colombia, began its experiment in cooperation with the Coffee Growers' Federation in the state of Riseralda and expanded it rapidly to six other predominantly rural states and later to urban areas. Distributors include shopkeepers, teachers, housewives and heads of women's clubs, all of whom have been given special training for the job. In two years the programme has reached 21% of women of fertile age living within reach of a distribution post. The continuation rate of 82% after 12 months is among the highest in the world and no health risks from distribution of the pill have been observed.

The programme in North-Eastern Brazil which began with 10 communities in August 1973 has expanded to all 150 townships of the state of Rio Grande do Norte. There are more than 200 distribution posts, with teachers, government officers and their wives and many other community leaders acting as suppliers to supplement the work of auxiliary health personnel.

Remarkable success has been achieved in Thailand where, under the direct support of the central IPPF Community-Based Distribution Department, a special project began in 1974 with full government backing. Two thousand village distributors in 24 districts were trained and put to work last year; a project to recruit teachers throughout the country also to act as distributors is now under way.

Associated with this approach has been the gradual *recruitment and training of paramedical personnel* to take their parts in the programme at appropriate levels to relieve the pressure on hard-pressed and expensive doctors. Midwives, nurses, health auxiliaries and even traditional untrained local midwives and medicine men are being brought into pilot projects in an attempt to design a new system for medical supervision and referral which makes the best use of available resources. In this area, as in all new experimental approaches, pilot projects, policy and the transfer of experience combine to advance the work and produce internationally-acceptable standards from which governments can later benefit. In 1971, the IPPF Governing Body noted that auxiliary medical personnel, as a result of their day-to-day link with the communities they serve, are particularly suitable for administering the provision of contraceptive services and called upon Associations "to explore all possible ways of maximizing this potential and to pay particular attention to the role of trained auxiliary medical personnel in offering both contraceptive advice and clinical services."

One important obstacle to this extension of services has been opposition from the medical profession, but in Barbados, Chile, the Philippines and elsewhere, projects have demonstrated that intra-uterine devices, for instance, can be inserted safely by trained para-medical personnel and as the results have become known, doctors have shown by their own cooperation that they will support such an effective partnership.

These initiatives are examples of the way in which the national Family Planning Associations belonging to IPPF *have always moved ahead of governments, preparing opinion for change and demonstrating the feasibility of innovation.* Already these efforts have demonstrated that highly traditional local cultures can be far more receptive to contraceptive services, supplies and information than is envisaged in the legislations of their countries. The Federation is therefore promoting action by all its affiliates to mobilize pressure for the *reform of laws and regulations* which inhibit the ready availability of the means of fertility control. It has been fortunate to have among its volunteers jurists of international repute who can guide this work.

RURAL EXTENSION AND INTEGRATION OF DEVELOPMENT PROGRAMS

The worldwide *Survey of Unmet Needs in Family Planning*, carried out by IPPF in 1973, confirmed the fears that people in rural areas almost everywhere in the world were deprived of information and services. This finding coincided with the growing recognition that family planning and population activities were too remote from other development work. In a guideline to Associations the IPPF Management and Planning Committee advised that 'we should draw closer to other organizations working in the same or related fields and in every country we should aim at creating the spread of family planning or at least to break down the obstacles to it.'

Associations in the Indian Ocean Region have taken the lead in *rural development projects*. In India the Family Planning Association based a project on the Allahabad Agricultural Institute. It pioneered a broad community education programme in rural areas near Mysore and is engaged in a training programme at the Sri Venkateswara University to stimulate integrated activities particularly in the area north of Madras with a catchment of 11 million people. In Pakistan the Association is closely involved in the Shadab (green) Project near Lahore, a successful pilot scheme intended to bring together all elements of the development process into a self-help system for 184,000 rural people. There are experiments in many other countries. Many opportunities for integration with the work of other organizations arise from IPPF's work as an international organization at the level where much of the advance planning, levels of technical assistance and lines of cooperation are mapped out.

In cooperation with management and labour unions, many Family Planning Associations have initiated *industrial projects* to provide education and services. The Family Planning Organization of the Philippines operates 92 clinics under the Agro-Industrial City Health Office Project which reaches manufacturing and industrial workers and heavy urban and rural concentrations of populations. Ghana has deployed fieldworkers to deliver lectures to factory workers; Mauritius has organized mobile clinics to tour industrial and can-growing concerns; Tanzania has a programme of group meetings for factory workers; Egypt conducts courses for workers' leaders. Other examples could be cited, including experiments in Latin America, such as El Salvador and Venezuela.

The drive to extend knowledge and services through all these channels has heightened awareness of the complicated relationship between population factors and economic and social development and has focused attention on such crucial elements as the status of women. Because its own roots are deep in the movement for the emancipation of women and its earliest pioneers were leaders in the campaign in many countries for improved conditions for women, the IPPF has been particularly well-placed to press, through its national associations, for legal and social changes which will allow women the right of decision-making about pregnancy and family size and will bring about the conditions whcih will motivate them to plan their families and, in turn allow them to take advantage of the benefits to be derived from responsible parenthood. In International Women's Year every affiliate of the Federation has carried out some special activity in this direction and many have made pace-setting advances in changing the laws of their countries and the attitudes of their political and cultural leaders.

Projects aimed specifically at young people were launched in 1974 in the Philippines, Indonesa, Laos and Malaysia and other projects are being organized in five other countries which attended an IPPF youth workshop in Singapore in 1973. Similar projects are being developed in other parts of the IPPF system on the basis of this experience, which has revealed a thirst for knowledge amongst young people and a readiness to engage in self-help projects.

Lack of trained personnel has been identified in two surveys as one of the main obstacles in the way of increasing the effectiveness of national Associations. IPPF organized a training consultation in February this year at which national and regional trainers decided on means to improve individual training programmes and on strategies to be applied in the training field. Current programmes provide some training to about 25,000 persons a year in subjects such as surgical techniques of contraception, basic techniques, family planning education, management and administration.

Closely related to these efforts is the Federation's current emphasis on assisting its national associations to become competent in planning, work programming, budgeting and reporting on implementation and evaluation; and at the same time equipping itself to make the best possible use, both for itself and for the benefit of governments and other organizations, of the flow of more reliable and complete information which should result.

The IPPF takes full advantage of two fundamental characteristics of its structure—its Volunteer members of boards, committees and all other policy making bodies; and its worldwide membership of indigenous national Associations. The volunteers come from every professional and private walk of life and they bring a wealth of experience and opinion, as well as their contacts and community influence. The national Associations range from those that have become partners in large state-supported family planning programmes to pioneer bodies still working for public understanding and political support.

PUBLICITY AND INFORMATION SUPPORT

Constant dissemination of information to bring about awareness of population problems and create an understanding of the requirements of adequate family planning services is a fundamental part of the work of the IPPF. Its information programme is aimed at people of influence all over the world, in all disciplines which are, or should be inter-related with population issues. Late in 1973 a quarterly magazine, *People*, began publication in three languages for a world readership. Its coverage of events and opinions includes every aspect of social and economic development, while at the same time it provides the latest information for family planning workers themselves on contraceptive technology, advances in education, training and communication, changes in law and policy and the international events which affect the work at every stage. Other publications put the tools of the trade at the disposal of medical and clinical workers, fieldworkers and educators, managers and administrators and others in key positions within the programme. The transfer of experience is vital for the growth of the IPPF, as is the technical assistance and financial support which fosters the movement in each country. Field visits, workshops, seminars and other activities are frequently used to stimulate confidence and a sense of adventure and to remove the barriers of ignorance and inexperience.

COOPERATION WITH OTHER INTERNATIONAL ORGANIZATIONS

The IPPF is well aware that it is no longer a single voluntary body crying in the wilderness for attention of governments and people to the population problem. We cooperate closely with other international voluntary agencies such as the International Council of Women, the Associated Country Women of the World, the International Y.W.C.A., the World Assembly of Youth, the International Cooperative Alliance, the trade union organizations, and professional bodies such as the World Medical Association, the International Councils of Nurses and of Midwives, and the World Organization of the Teaching Profession. We are especially keen that all these bodies should inform and discuss with their member associations the importance of family planning and of effective population policies. We follow up these international consultations by promoting national and local cooperation through our affiliates.

I have mentioned earlier the role we played as a pressure group on U.N. Agencies in the 50's and 60's and at Bucharest. Today our relationship is somewhat different—we act in close partnership with the UNFPA, the U.N. Population Division and the WHO, UNESCO, ILO and FAO. In some cases we are acting as an executing agency for a UNFPA project—as in Mexico, or paving the way for a future UNFPA project—as in Brazil. UNFPA is keenly interested in the results of our community-based distribution experimental projects to see whether they should urge governments to adopt this method of delivering family planning services. We have a partnership with UNESCO in the use of audio-visual resources for population education and education in family planning. We have long collaborated with ILO in their programme for workers' education in population and family planning and in education of trade union leaders and industrial managers. We have joint projects with WHO in introducing family planning services in community health schemes and are now working closely with FAO and the World Food Programme in introducing family planning into nutrition projects. We collaborated closely with the Population Crisis Committee in its successful endeavors in Rome last November to see that population and family planning concerns were included as a major factor in the food crisis and intimately connected with the improvement of nutritional standards in the developing countries.

COOPERATION WITH BI-LATERAL POPULATION ASSISTANCE PROGRAMMES

Since 1965, when the Swedish International Development Agency made the first governmental grant to the IPPF, we have become increasingly aware of the benefits to be gained through collaboration of multilateral and bi-lateral agencies extending population assistance. Today we are receiving grants from 24 governments, which provide the life-blood for the work of our associations in 70 developing countries, and 9 of these governments also provide bi-lateral assistance. Our relationship is not only one of donor and recipient agencies but a relationship of partners in the common cause of raising governmental awareness of population problems as an important factor in development and extending family planning education and services to improve the quality of life for people in the poorer countries. Our national associations have often provided the essential base for effective aid in a country, long before the governments were ready to accept such help. Even today many projects supported by bi-lateral funds are run by IPPF affiliates and enjoy the national sponsorship of respected volunteers such as Dr. Fernando Tamayo, our Federation President and leader of the Colombian *Pro-Familia* or Jae Mo Yang, President of the Korean Association, and many others. Our partnership also includes a continuing dialogue on the professional and scientific aspects of our work and exchange of our experience in the field.

I would like to say in this connection that we have enjoyed cordial and helpful relationships with the Office of Population of AID throughout the years since 1968 when the first U.S. contribution was made to IPPF. Even when our offices in London have been somewhat overwhelmed by the number and frequency of visits by AID auditors or GAO representatives to see that the American taxpayer's money is well spent, we have had the continuing support of the Office of Population which I sincerely wish to see alive and well for many years.

FINANCIAL SITUATION

This leads us to a consideration of the financial situation of the IPPF and other international population programmes.

Over the past decade the IPPF has furnished a reliable means to channel public funds to regularly constituted voluntary organisations in developing countries devoted to the cause of planned parenthood and, where applicable, to controlling the rates of population growth.

Because its donors have expressed confidence in the IPPF by assurances of sustained financial backing, the Federation has been able to seed these new activities, often on hostile ground, with the reasonable expectation that they could be nourished into healthy growth, set an example to the public and to governments, and lead to widespread, universal information and services. This has involved investment in skilled manpower, and equipment, and other infrastructure for which some guarantee of continuity has been required.

The financial viability of the IPPF and its grant-receiving associations and institutions in 71 developing countries is essential to assure a sustained pace of programme development leading to the commitment of governments and the development of state services. One of the most important landmarks in the history of the Federation was the decision of the United States Government to provide annual programme support to the IPPF on an increasing scale from 1968 to 1975. The principle of a 40% contribution in relation to the total income of the Federation was proposed in order to maintain the truly international character of the IPPF and to avoid too heavy dependence on any one source of income.

Accepting that this percentage would decline as other sources of revenue increased, following the greater awareness and commitment of other governments, IPPF nevertheless looked to the United States in 1975 for a grant of $12.5 million for general programme support based on the experience of 1974 when U.S. had contributed this amount in cash plus a generous contribution of contraceptives in kind. It was on this basis that the Federation drew up its world programme of work for 1975. Even taking account of the cutback in clinic services made possible by government programmes, and the reduction of other less cost-effective contributions from the private sector activities to national programmes, IPPF projected a total expenditure of $32 million in order to sustain the rate of progress and to enable the innovative programme of community-based distribution of supplies and services to get under way in selected countries. This programme was introduced in 1974 with the expectation that IPPF would receive the financial support to enable it to grow.

As a result of the United States decision this year to reduce its financial contribution to IPPF from $12.5 million to a first indication of $10 million and now to $8 million, IPPF faces the necessity to make severe cuts to its programme, the results of which will be severest in the countries of the Third World which are in greatest need and where initiatives were most promising. Paradoxically, in order to sustain cost-effective innovations like the community-based distribution programme, IPPF will have to reduce the operating funds of those newer associations which are struggling to get a foothold in countries where the first signs of government support or toleration have been aroused by the Bucharest Conference.

This situation would be even more disastrous if we had not had generous increases from the Scandinavian countries (Scandinavian contributions in 1975 amount to nearly $9,000,000), from U.K., Germany, Japan, and Canada. However, several of these countries are now close to the recommended level of foreign assistance in the Second Development Decade and we are put on notice that they cannot continue to make quantum leaps in contributions for this cause, however much they are convinced of the value of voluntary work in this field. I would therefore strongly recommend that your Committee authorize sufficient funds for Population Assistance to enable the U.S. AID to resume the position of leadership which it has held for nearly a decade—a decade in which there have been visible gains in awareness and genuine achievements in many countries in reducing the rate of population growth in accordance with their own policies and targets.

I have attached a chart showing the proportion of our grant-budget contributed by U.S. AID (cash and contributions in kind). I am not urging that U.S. contribute a larger share of our funds but that AID should be enabled to return at least to the 1974 level of contributions to IPPF in 1976 and to a significantly higher level in 1977.

At the same time, I would like to make a plea for your support for the UNFPA, which is our partner in promoting the expansion of governmental services in this field. Many donor countries are making two-thirds/one-third coordinated contributions to UNFPA/IPPF and some are giving equal amounts to the two organizations, indicating their belief that this critical problem can be solved only by joint efforts of governmental and voluntary bodies.

With the great tradition of voluntary effort in our country to lead the way in solving social, educational, and health problems, I am confident that the U.S. Congress will not waiver in its determination to support this great resource of dedicated volunteers and high quality professional staff to help solve one of the most critical problems of our generation.

APPENDIX A

SCHEDULE OF COMPARISON—AID GRANTS

	AID grant	Total income: Amount (thousands)	Total income: Percent
1968	2,059	$6,010	34.3
1969	3,826	8,813	43.4
1970	5,338	15,328	34.8
1971	6,242	20,512	30.4
1972	9,598	26,691	36.0
1973	12,351	36,499	33.8
1974	13,889	41,005	33.9
1975	11,889	44,093	27.0

STATEMENT OF ELIZABETH B. CONNELL, M.D., ASSOCIATE DIRECTOR FOR HEALTH SCIENCES, THE ROCKEFELLER FOUNDATION, BEFORE THE COMMITTEE ON FOREIGN RELATIONS OF THE U.S. SENATE, JUNE 13, 1975

I wish to thank you very much for giving me the privilege of sharing with you today a few thoughts of a physician deeply concerned about the effects of the rapid growth of the world's population but also and possibly even more important, about the effects it is having on the women bearing the children about which we talk so much, the children themselves, their families as a unit, and society as a whole.

I have been fortunate, perhaps sometimes unfortunate, during my professional career to see health care delivered to many different types of people amid many different settings. I first practiced medicine as a general practitioner for five years on the rockbound coast of Maine in a booming metropolis of somewhat less than a thousand people. There I took care of people of all ages, from newborns to sturdy 90 year old downeasterners. I delivered women of their babies under ideal circumstances in the aseptic brightly lit hospital delivery room. On one bitter cold night I also delivered a woman of her eighth child by moonlight on the front seat of an ancient snow-covered pickup truck, surrounded by her distraught husband and her seven fascinated children.

I next completed training in obstetrics and gynecology and began to practice as a specialist in New York City. It very soon became clear to me that one of the major unmet needs of women in the ghetto in which I was working was the provision of family planning services. I therefore instituted and gradually developed contraceptive clinics first in Spanish Harlem and then at Columbia University. During this time I became increasingly interested in looking at the same sorts of issues on an international level. As a member of the staff of The Rockefeller Foundation, I more recently have had the opportunity to see health care as it is practiced in many areas of the world.

Up to now I have carefully attempted to establish my credibility. I would now like to destroy it immediately by stating that I am also the mother of six children all of whom were planned, although very few people believe this. However, I must rush to add that this somewhat dubious and shortsighted objective was achieved long before I was aware of the fact that there was or ever could be a population problem so my level of guilt remains relatively low.

During the past twenty years and particularly during the last five to ten years there has been a growing concern about problems relating to the rapidly expanding population of our globe. Population matters, once the concern of only a handful of people, are now widely recognized as some of the most important issues of our time. The serious impact of rapid population growth has most often been viewed in a global sense. The people themselves who are involved in the creation of the population problem and must attempt to cope with the results of their unbridled fertility have less and less often been looked at as individuals and in fact have often been lost sight of in the enormity of the overall problem.

It is hard to comprehend the human tragedy encompassed by world statistics on diseases and early death among women and children. In some countries, one quarter of the babies born die before their first birthday. A baby girl born in Guinea can expect to live to age 28 and in Haiti to only 46. Although 97% of the infant girls born in the United States, Germany and Norway live to age 20, less than ¾ of the little girls born in Haiti or Bolivia will survive to that age.

It is my purpose today to look at what happens to women, their children and their husbands when family planning is not freely available. Because of time constraints, I have eliminated virtually all statistics from this presentation, but my formal report contains extensive data and a large number of references which I hope will be of help to you. It has often been suggested that the most effective way to reduce maternal and infant morbidity and mortality is to implement major social reforms which will result in improved nutrition, comprehensive medical care, adequate clothing and shelter, and a higher level of education. However, accomplishing this is a very time-consuming process and requires massive and long-term commitments of sophisticated and expensive human and physical resources. Since it is now well recognized that good health is critical if not absolutely essential for people to reach their full potential, achieving this has become a primary goal for many societies and countries. People, marvelling at what science has been able to accomplish, in recent years have had their expectations raised. Realistically, however, such hopes are inevitably dashed when the cost of reaching this goal immediately by social reform is calculated. On the other hand, by immediately implementing family planning programs where none now exist, people could voluntarily restrict the ages of child-bearing, space and limit births, and individual couples could insure for themselves and their children the lowest possible risks and the greatest possible health benefits.

It has been recognized for centuries that women are unwilling to bear unwanted children and have risked their lives to get rid of them by repeatedly submitting themselves to dangerous and frequently lethal illegal abortions. It is increasingly but more recently recognized that too frequent and too close pregnancies exact a large toll from both a mother and her infants. Let us look first at the mother. Running like a leitmotiv through all my experiences is the woman who has too many children too rapidly. She looks very much alike whether she is found under the snow-covered evergreens of New England or under the sun-drenched palm trees of Southeast Asia.

We are beginning to be able to document quite accurately the maternal aspects of the problem. For example, we know that grand multiparity, that is having six or more children, poses increased hazards for both mother and child. For many years, most obstetricians have paid little attention to the grand multipara, their only concern being that she might not make it to the hospital in time—like my lady of the moonlight delivery. Certain conditions such as toxemia, hypertension, rupture of the uterus, anemia, hemorrhage and infection, are much more common when multiple pregnancies occur, particularly when they follow each other very rapidly.

Maternal age is a major factor about which we must be concerned. Women having children before the age of twenty and women having babies after the age of 35 have much higher morbidity and mortality rates. Parity, the number of full term babies delivered, is also very important. The risk of having a first child is considerably higher than that attendant on the birth of a second child. After the third child, starting with the fourth and going up progressively with each succeeding birth the risk of material morbidity and mortality increases dramatically.

Even assuming that a woman's babies are born alive and she herself survives, this is only the beginning. Repeated pregnancies coupled with prolonged lactation severely depelete a woman's proteins, calcium and iron, the so-called maternal depletion syndrome. This results in damage to her babies, her own premature aging and often her death as a still relatively young woman.

Aside from these purely medical aspects, we are very much aware that the educational and career opportunities for women are related in most instances to the number of children they are forced to bear. It has been shown that maternal efficiency decreases markedly after the third or fourth child. Furthermore, women who are not over-burdened with children have more time for their own intellectual, professional and social development and are less apt to neglect and physically abuse their children. They are more apt to be able to reach their ultimate potential, a matter of concern to many of us, as witness the activities beginning very soon in Mexico City as these issues are examined in the context of International Women's Year. With the advent of effective contraception, women, for the first time in history, have been able to plan their lives, space their children, and look to their futures with confidence. How vividly I can recall the countless women whom I have seen in the course of my career—active, creative, productive for the first time in their lives cut down by an unplanned and unwanted pregnancy. This is a tragic thing to see especially when it befalls a women who has just begun to establish her identity as a human being in her own eyes and the eyes of her family.

We also now know the adverse effects of too frequent and too close pregnancies on children. When the interval between births is less than two years, prematurity rates and neonatal, infant and child death rates are markedly increased. For example, the death rate among seventh-or-later born children is almost twice the rate in second-born children during the reminder of the first year and rises abruptly to a sixfold increase during the second year. This association is seen in all social classes and is most marked in younger mothers. Children from large families are smaller and shorter than those born into smaller families and the addition of each now child adversely affects the development of his siblings.

Despite multiple racial differences, malnourished lethargic children look very similar to other such children seen anywhere else in the world, rather like brothers and sisters. One of the most severe forms of malnutrition was given the name of Kwashiorkor when it first described in 1935. What I did not learn until I was reviewing material for today is the derivation of the word. It is taken from West African tribal language and means "the disease of the deposed baby when the next one is born." Babies may begin to suffer from the effects of malnutrition long before they are born. It has been clearly shown that malnutrition retards the growth of the brain during the critical period of time before birth. We also know that children born to older mothers run a much greater risk of having congenital malformations and that mental retardation and cerebral palsy appear to be more frequent among children in large families.

It is clear that vocabulary and IQ's scores are highest when births are well spaced and lowest when they are close together. It has been suggested that these findings are due to the fact that parents are less interested in and pay less attention to the younger children in large families, depriving them of the emotional support and verbal stimulation given to the older ones. Boys from large families have been shown to form intense emotional attachments to their female teachers suggesting maternal deprivation. Problems of child behavior including juvenile delinquency are more common in children classified as unwanted by their parents and those born later in large families. The survival of the fittest that we have always talked about and believed in might perhaps more appropriately and correctly be called the survival of the fitter. It has been shown that the same conditions which kill 30% of the babies during their first year of life also damage another unknown percentage who do not die but live on with varying degrees of residual damage requiring the use of scarce resources.

Some unwanted children don't survive to develop abnormally or to become battered children. It has been noted in many areas where malnutrition is severe that girl babies die at a much higher rate than boys. Since this is the opposite of the normally observed pattern, it is clear that this is selective infanticide carried out by the mother when forced to decide how to use her limited food supplies. All of us who have gone through medical training have at some time been forced to confront babies abandoned to die and children badly beaten by distraught and over-burdened parents. I will never forget the sheer horror I felt as a young and somewhat naive first year medical student when I encountered on a slab in the morgue the charred remains of a newborn baby found in a trash can in an alley.

Not only the children are the victims of too large families. It has been observed that physical and mental illness are increased in both parents with increasing family size regardless of social class. The number of illnesses per person as well as the total per family increases with the addition of each new member.

It is axiomatic that under circumstances of unbridled fertility the multiple social and environmental problems that increasingly concern us multiply progressively. The ability to feed properly the children born to large families is severely taxed. For all social classes the amount of money spent for food increases with family size, but the amount per individual falls with the addition of each new family member. Proper housing becomes an escalating problem. The amount of medical care which can be gotten in the face of an expanding family becomes steadily less. In contrast to expenditures for food, the amount of money devoted to medical care decreases with increasing family size. This suggests that families must be forced to deprive themselves of care in order to pay for other more pressing needs. The opportunity for adequate education so necessary as a means to multiply other goals also declines as society produces more and more children clustered together in a very low age category.

In conclusion, I would like to emphasize that it is essential to go from the macrocosm to the microcosm to see the dire effects of excessive numbers of poorly timed pregnancies. The damage to individuals as well as to society as a whole from unwanted pregnancies is immense. Given an opportunity, most parents will control the size of their families. They, their children, and all of us will be the ultimate benefactors if they are given the means to do so.

PRESIDENT'S MESSAGE ON CRIME

Mr. MOSS. Mr. President, I note that the President submitted a message to the Congress yesterday on the subject of crime. While it will take a bit more time to analyze the message and the legislation in support of the message, one paragraph particularly struck a sympathetic chord. That paragraph reads:

> Since current Federal laws restrict the government's ability to attack consumer frauds, the statutes punishing fraud and theft should be revised to make Federal prosecution more effective. Pyramid sales schemes—clever confidence games, in other words—should be specifically prohibited. Federal jurisdiction over these frauds should be extended to enable the government to move against them on a nationwide basis.

I completely agree with the President. As a matter of fact, the Senate has been working in these two areas for some time and has made substantial progress. On May 15, 1975, the Senate passed S. 1509, the Pyramid Sales Act, which would prohibit pyramid sales transactions. On June 12, 1975, the Senate Committee on Commerce ordered reported S. 670 which is designated to create Federal jurisdiction over a number of particularly blatant consumer frauds. Clearly we are on the right track and I welcome the support of the President for these initiatives.

ROLL CALL

Mr. RIBICOFF. Mr. President, it is with pleasure that I join my colleagues in saluting Roll Call, Capitol Hill's own newspaper, on its 20th birthday.

Roll Call's two decades of success are particularly satisfying to me because the newspaper's founder and editor—Sidney Yudain—comes from my home State of Connecticut.

Mr. Yudain, who once served as special assistant to Connecticut Congressman Albert P. Morano, worked long and hard to make Roll Call the first Capitol Hill newspaper to succeed in the 186-year history of Congress.

He succeeded because he gave Roll Call's hometown readers what they want: An interesting local newspaper filled with analysis, personal chatter, entertainment, and news of importance to those working on Capitol Hill.

Mr. Yudain comes from a family where newspaper success is traditional. His deceased brother, Ted Yudain, a personal friend, served as managing editor of the Greenwich Times and the Stamford Advocate in Connecticut.

It is with pride that I wish Mr. Yudain and his staff a very happy birthday. I know that we readers look forward to many more years of hard work and dedication from Mr. Yudain and his staff as they continue to tell the story of Capitol Hill.

CAMPOBELLO ISLAND

Mr. MUSKIE. Mr. President, I have had the privilege and great pleasure of serving on the Roosevelt-Campobello International Park Commission since its formation in 1964.

My love for Franklin Roosevelt's beautiful, peaceful island grows with each succeeding visit. In its June 1, 1975, issue, the New York Times printed an article on Campobello by Lois Lowry, a freelance writer from Maine, who I suspect was touched by this idyllic and peaceful land.

To share her reflections with my colleagues, I ask unanimous consent that her article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 1, 1975]

WHERE F. D. R. SUNNED

(By Lois Lowry)

He never visited Campobello after 1939; and he has been dead, now, for 30 years. Yet the island off the Maine coast is as permeated with memories of Franklin Roosevelt as it is with the scent of salt and of pine. The people who live there and who knew him as a young and vigorous man, hiking the dirt roads and sailing in the windy coves, still talk of him as if he'd been gone just a short while. And those who never knew him at all, except through history books, come here in increasing numbers every summer to see his home and to explore the landscape that he loved.

It hasn't changed very much since the summers of the Roosevelts. The charm of Campobello Island relies on the kinds of natural phenomena that need neither maintenance, updating nor embellishment: the caves are still there, and the rugged pinnacles, and the peat bogs, and the windtorn hilltop trees. MacDonald's hasn't arrived yet. You can stand on the craggy peak at Friar's Head and look out through the fog to Thrumbcap Island, and if you're barefoot your feet will be stained blue from berries, and there won't be a plastic souvenir stand in sight.

Campobello Island, New Brunswick, lies just off the northernmost coastal point of Maine, joined to the United States by a bridge at the tiny Maine town of Lubec. From Gooseberry Point to the East Quoddy Head Lighthouse the island is about 12 miles long, and at its broadest part, from Snug Cove to Ragged Cove, only three miles wide. Shaped by the sea, shrouded in morning by fog that softens into afternoon sunshine, tangy with the scent of salt and herring, unrelentingly battered by the swirling tide of the Bay of Fundy (famous for the greatest known rise and fall of tides in the world—50 feet at the head of the bay), Campobello has undergone little visible change since it was settled by the English in mid-18th century. The only thing that changes here is the shape of the shore, which erodes and adjusts to the icy, unending movement of the ocean.

At the Campobello Gift House, gray-haired proprietor Gilmore (Giddy) Calder is accustomed to giving out free maps of the island, along with a few Campobello stories if he's not too busy. Behind him at the counter hangs a linen dish towel printed with a picture of the Roosevelt cottage.

"I've got 2,400 towels with the Roosevelt cottage on them," Giddy told me. "On Saturday a couple of years ago, we were busier than a dog with fleas. Everyone that came in I just gave them a map and started the spiel and ended up pointing to the towel. 'And this is the Roosevelt cottage,' I say. Finally one man said, 'Why would you tell me that? I was born there.' It was young Franklin Roosevelt, of course."

Although Calder is a name that one sees frequently on island mailboxes, for the small population has intermarried over the years and everyone seems to be someone's cousin or uncle or in-law, Roosevelt is the name that brought Campobello to the public attention. The play and movie "Sunrise at Campobello" depicted F.D.R.'s bout with polio that began here in 1921, one evening after he had joined other island residents in fighting a forest fire and then cooled off with a dip in the cold Atlantic at Herring Cove. He complained of chills and went to bed; after days of critical illness, he was carried from the island on a stretcher handmade by his friends, the fishemen of Campobello, and he never walked again.

Campobello people, though they speak with fondness and protective discretion about the Roosevelts, chuckle heartily about "Sunrise at Campobello." The "movie people "took Hollywood liberties with scenes and landscapes that could have made it on their own. Dissatisfied with the arrangement of the staircase in the Roosevelt cottage, they simply moved their cameras into a neighboring house for staircase scenes. Dissatisfied with the arrangement of Roosevelt's dock, they simply built a new one in a more picturesque setting. And finally, dissatisfied with the pattern of the universe, they simply rearranged the sun, and made it rise in front of the Roosevelt home, which faces west. The islanders, who have watched the sun set there all their lives, and seen it rise every morning on the opposite side of the island, still shake their heads in disbelief over that example of *cinéma vérité*.

Today the 34-room estate—visitors greet references to the "cottage" with a certain raise of the eyebrow—is open to the public, at no charge, as part of the international park now maintained jointly by the Canadian and United States Governments. Built of that comfortably uncertain architectural style common to another era when people had money, sought room to spread out and eschewed formality (at least for the summer), it sprawls amid flower-gardened grounds, overlooking a lawn that descends to the bay. Sightseers wrinkle their noses a little at the carefully-restored wallpapers in large floral prints no longer stylish—huge bouquets of violets in Eleanor's bedroom—but it is obvious that this is a home that combined a little elegance with a lot of casual comfort. Surely there must have been times when Eleanor sighed, "I do wish you kids wouldn't track sand in on the carpets."

Other restored homes in what was once an enclave of wealthy summer people are now preserved as guesthouses for dignitaries on vacations and conferences. Islanders have attended church with Lyndon and Lady Bird Johnson, have made patchwork quilts to order for the Muskies, have exchanged nods with Elizabeth the Queen Mother and have waved at Pierre Trudeau, with a baby on his back, wandering through their woods.

Linnea Calder's mother cooked for the Roosevelts in the days when the Roosevelt children used to hide in the front hall woodbox during games of hide and seek. Today, Linnea is the supervisor of the houses that comprise the estate. She knows the cottage from pantry to attic, and watches with interest and amusement the tourists who prowl the many rooms that she remembers noisy with the scampering, arguments and laughter of little Roosevelts.

In a sunny corner of the large kitchen, a pine table and chairs are arranged by a window. "Tourists," says Linnea, "look in here and say they can imagine the Roosevelts eating their breakfast. I don't say anything; but the Roosevelts were not ones to eat in the kitchen."

Though they knew the Roosevelts intimately, and though John Calder, a close friend of F.D.R., was invited to the White House as his guest, there is an aura of respect and distance about the relationship between the "island people" and "the others." What was Eleanor like? I addressed my question to one island woman, who smiled enigmatically in reply. "Well," she said finally, "I guess we're all just people, under the skin." But I sensed that among Campobello residents, Eleanor's skin was considered a little more inviolate than that of most folk.

Even in midsummer, Campobello breezes, directly from the Atlantic, can be chilly and damp. "If I were living here," I told Linnea Calder as we wandered through the Roosevelt living room, "I'd be standing in front of this fireplace all the time."

"The Roosevelts," she replied affably putting me in my place, "weren't ones to stand around."

And one senses vitality, even now. Huge megaphones still standing in the living and dining rooms were used to summon children in from their sailboats, and from the surrounding woods. Bedrooms are spartan and small, not conducive to curling up with a book; Campobello is a place where one does things: walks, bicycles, swims, rides horseback, picks berries, sails. Even the old gramophone that is still on the sunporch of the cottage ("Where's the volume control?" tourists ask Linnea) looks more utilitarian than suited to relaxed enjoyment. In one of Eleanor Roosevelt's letters to a friend, she announced that she was going to learn Spanish that summer, from recordings . . . if she could figure out how to use the machine.

The summer people who built their homes at Campobello in the early part of the century chose the place because of its isolated beauty and unspoiled serenity; and those who visit the island today go there for the same rewards. Night life on Campobello consists of glorious sunsets and the lonely cry of gulls. The International Park Commission that has purchased land covering the entire southern end of the island intends to keep things just that way.

Mudflats, tidal marshes, beaver dams, the sea caves at Whiterock Cliffs, the jagged and desolate pinnacles at Friar's Head, and the fragile ecology where sea and land meet are to be protected and preserved by the Park Commission. Changes brought by civilization consist mainly of trails for cross-country skiers and summer hikers, carefully primitive access routes to the rocky beaches and well-planned camping areas that preserve the isolated and roughhewn ambience that is enhanced by the mist and the calls of birds.

Spruce-fir forests that cover part of the uninhabited area of Campobello share the soil with wild roses, trembling aspen, white and yellow birches, mountain ash. Closer to the sea, marsh aster, seaside goldenrod, dune grass, beach peas and mountain cranberry dot the edges of the beaches. Marine moisture makes it possible for the lichen known as "old man's beard" to hang from the branches of trees, as if nature purposefully ornamented this place with eerie and tenuous brush strokes. Underfoot, wild strawberries, blueberries, huckleberries, raspberries, blackberries and bog cranberries keep the island jam jars filled all winter.

Campobello's year-round population, under 1,500 and not increasing, is centered in its two villages, seven miles apart. Welchpool, on the southern end of the island near the Roosevelt cottage and the International Park, is where fishermen's families live in flower-gardened, picket-fenced, weather-scarred homes reminiscent of their English heritage. They are clustered around their church, their post office, and the Campobello Public Library, which has a wood stove, a grand assortment of books ranging from new novels to "Sexual Politics" to "Making Money in the Stock Market," and which permits tourists to check out books during their stay.

On the north side of the island lies the village of Wilson's Beach. This is where the fishing boats come in, and the visitor with a camera will find the vessels tying up at sunset, and the gulls fighting for leftover bait. One may go inside the sardine factory, and watch the workers packing delicacies tightly into tins.

The camper looking for groceries at Keith's grocery store in Wilson's Beach will find them bilingually labeled, and though *Remplissage Sanitaire pour Boite a Chat* may sound if it should be on the menu at Maxim's, this is, after all, not a gourmet hideaway; and *Remplissage Sanitaire pour Boite a Chat* is, after all, only Kitty Litter. By such things one is reminded that Campobello is Canada—and by the fact that gasoline costs 74 cents a gallon (though Canadian gallons are slightly larger than American), and by the fact that one goes through customs to arrive on the island.

Crossing from Lubec, Me., by the F.D.R. Memorial Bridge, the traveler who drives past the little building without stopping, thinking it a gas station or hot dog stand, will find himself overtaken and greeted farther down the road by a uniformed officer of the Royal Canadian Mounted Police. Customs officers are looking for drugs, pistols or other cocealed weapons, and an inordinate amount of liquor. The tourist who is willing to state his place of birth and his citizenship, who can produce a recent rabbies vaccination certificate for his dog and who can say that he has only one bottle of wine in his camping gear without blushing red to his roots will get through customs in less than a minute and with a cheerful "Have a nice stay" from the official.

Crossing back, the visitor will go through United States Customs on the American side of the bridge, and declare and pay duty on anything over $10, for each day of stay, that he has purchased on the island. (For the traveler who has stayed more than 48 hours, $100 is duty-free.)

Motels on the island tend to be in keeping with the less than pretentious atmosphere that attracts tourists to begin with. Don't expect vibrating beds, room service or swimming pools. Don't expect *haute cuisine* in the island restaurants. But do expect lobster. This is an island of fishermen, and the bay here is filled with lobster, mackerel, sole, haddock, flounder, cod and herring.

William Owen was the original owner of the island, which was granted to him in 1767, and the Admiral Owen House, now owned by the Morrell family, stands grandly at Deer Point in Welchpool, overlooking the bay. Although they don't serve meals, a restaurant is within walking distance. Maintained by young artist Joyce Morrell, the Owen House is furnished elegantly in antiques, and if you should be assigned the little bedroom with the yellow patchwork quilt on the bed, you'll have a fireplace—though no electricity—in your bathroom.

During the filming of "Sunrise at Campobello," Greer Garson stayed at the Admiral Owen House, and somehow one can visualize her there, though perhaps more as Mrs. Miniver than as Eleanor Roosevelt. At the Roosevelt cottage, furniture is sturdy wicker and practical chintz; at the Admiral Owen House, waxed mahogany polished brass and Chippendale, livened by hanging plants and gossamer curtains filtering sunlight.

On Wednesday afternoons all year, some of the women of the village of Welchpool gather at St. Anne's Anglican Church to make quilts. Under a wall handing that proclaims "Among God's Best Gifts to Us are the People Who Love Us," thimbled fingers fly and create intricate patterns and designs that haven't changed for centuries. In mid-August, the quilts are displayed and sold to visitors.

During the summer, as many as 125,000 tourists pass over the bridge and through customs onto Campobello Island. Perhaps some of them are disappointed. Perhaps some shiver in the damp and the fog and are kept awake by the sound of the buoy bells in the night and wish there were a movie theater or a bowling alley.

Not me. I think back to the years when, as a teen-ager, I read my way through gothic novels and kept turning the pages back to follow the heroine along the rocky coastline on the inside cover map. I look at the map of Campobello Island and find Raccoon Beach, Whale Beach, Abraham's Plain, Brickkiln Cove, Bulldog Beach, Cranberry Point, Lost Pond and Skillet Cove. I look around me and see the fishermen mending their nets at Wilson's Beach, and the gulls diving for handouts when the boats come in. I listen to the island legends of shipwrecks, whirlpools and widows, and I feel as if I've had a brief vacation from the present, a trip somewhat back into time. Now and again, that's not a bad trip.

If you go to Campobello, remember that in summer Canadian time is one hour ahead of American. If you cross the bridge at 3 P.M., set your watch ahead to 4. Travelers reach Lubec and the F.D.R. Memorial Bridge to Campobello by going north on U.S. 1 to Whiting, Me., and turning east on State Route 189. Among places to stay on the island are the Friar's Bay Motor Lodge ($16–$20 a double room) and the Admiral Owen House ($8 a person) in Welchpool, and the Ponderosa Motel ($10–$20) and the Quoddy View Cabins ($12–$20) in Wilson's Beach. There are camping facilities at the Provincial Campground at Herring Cove. Places to eat are the Friar's Bay Restaurant for steak or lobster ($6–$10 a person for dinner) and the Ponderosa ($4–$7).

The Roosevelt Cottage is open from 9 A.M. to 5 P.M., Canadian time; no charge for admission. Guides are available for information but tours are not organized. The International Park Reception Center on the cottage grounds shows two free films to visitors. If you want to fish, ask around. Island folk are friendly, and although there is no regular charter boat service, chances are good that a fisherman taking a day off would arrange to take you out in his boat. Bicycles are a great way to get around on the island, but there are none for rent. A car ferry makes seven trips a day from Deer Point in Welchpool to Deer Island, New Brunswick, a 25-minute trip and a pleasant jaunt for a picnic. For information about Campobello, write New Brunswick Tourist Information, International Park Reception Center, Welchpool, Campobello, New Brunswick, Canada.—L.L.

IS THERE A CAPITAL SHORTAGE?

Mr. GARN. Mr. President, at the recent monetary conference in Amsterdam, Henry C. Wallich, a distinguished economist on the Board of Governors of the Federal Reserve System, questioned studies which arrive at the conclusion that there will be no shortfall of savings necessary to meet our needs for capital in the decades ahead.

According to Governor Wallich, there are good reasons for concern over capital adequacy. Failure to make the right decisions may lead to economic imbalance with the risk of more inflation, insufficient jobs, and disappointing living standards.

The problem of capital adequacy is particularly severe in the United States. Mr. Wallich presents figures that show the United States as having a savings rate well below that of most industrialized countries. For example, in the United States, savings relative to the GNP runs about 15 percent whereas in Japan it is close to 40 percent. This is particularly disturbing when one looks at our capital needs in the decades ahead.

Mr. Wallich points out that capital inadequacy has manifested itself in the United States in various forms. It has shown up in bottleneck situations with some industries having adequate capacity for high level operation of the economy and others not having enough capacity to supply the needs of consumers and other industries when they all operate at a high level. Next, an overall shortage of capital with respect to the labor force is possible, even if capacity is fairly evenly distributed among industries. There would then not be enough jobs to provide full employment even when industry is operating close to capacity.

Another test of capital adequacy is the rate of return on capital. Again, we see in the United States a serious decline in this rate of return. Mr. Wallich feels that a possible factor here is that average productivity has been depressed by adverse factors such as international competition, the strength of labor unions, inflation, widespread hostility to business, Government regulation, and taxation.

The problem, as Mr. Wallich sees it, is a longrun one. Here it becomes necessary to take into account, in addition to the possible inadequacies already existing, the emerging new demands for capital including environmental investment, health and safety investment, mass transit needs, and energy investment.

Because the great bulk of investment in the American economy is private investment, the largest part of which is made by business, Mr. Wallich's main concern is with the corporate sector. He questions whether corporations can continue to meet their capital needs through debt financing. He focuses on corporate profits as a source of future growth and jobs. However, a source of uncertainty is the declining corporate profits. This can be compounded by the apparent trend of the Federal as well as State and local budgets toward larger deficits. There is thus the real danger that businesses will be crowded out of the capital market.

Mr. Wallich points out that the studies that conclude that there will be no capital shortage appear to rely heavily on the assumption that the Federal budget will be in surplus and will be supplying capital to the private sector. He warns that the continuation of Federal financing patterns in recent years will do little to make this hope come true.

As a remedy to this situation, Mr. Wallich suggests that our tax laws be revised to strengthen the equity base of the corporations and facilitate internal financing.

Because of the importance of Governor Wallich's remarks to the International Monetary Conference in Amsterdam, I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Is There a Capital Shortage?

(By Henry C. Wallich)

Concern about an impending capital shortage has become widespread. A variety of studies of investment requirements over the next five or ten years, of the adequacy of private and public savings and financial arrangements for converting these savings into investment have already been completed. The generality of this concern attests to the importance of the issue.

There are indeed reasons for posing these questions. The experience of the last few years has confronted us with the limits of our capacity to produce. That same experience has shown us that there are limits to our capacity to finance. Meanwhile new demands are being made on our economies. Important decisions may lie ahead—to increase our efforts to provide resources or to cut back our aspirations. Failure to make the right decisions may lead to economic imbalance, with the risk of more inflation, insufficient jobs, disappointing living standards.

In examining the requirements for new capital, it becomes immediately apparent that the answer differs among countries. The rate of investment and of savings, relative to GNP, varies widely. It runs from about 15 percent in the United States to close to 40 per cent in Japan. Net savings differ even more dramatically, running from 5 per cent in the United States to 25 per cent in Japan. A flow of investment and saving that might be perfectly adequate in one particular country might bring the economy of another to a grinding halt. What matters is not the level of these flows, but their relationship to the structure of individual economies, to the levels maintained in the past, and to the requirements of a future that is bound to be, in large measure, a continuation of that past. For that reason, my comments are addressed principally to the United States. Some of the data appended, however, will aso serve to provide a comparison of the U.S. with other countries. (Tables 1 and 2).

TESTS OF CAPITAL ADEQUACY

Capital inadequacy can show up in various forms. First, it may manifest itself in bottleneck situations, with some industries having adequate capacity for high-level operation of the economy and others not having enough capacity to supply the needs of consumers and of other industries when they all operate at a high level. Frequently this is a problem of bottlenecks for raw materials and industrial materials. But it also affects more highly finished goods. In the United States there probably is a good deal of this capital inadequacy, as the shortage experience of 1973 and 1974 indicates.

It should be borne in mind, however, that the pattern of demand may shift and that the past is no exact guide to the bottlenecks of the future. In a worldwide economy, moreover, insufficient supplies in one country can often be met from abroad, unless the unusual synchronization of cyclical peaks experienced in 1973–74 is repeated.

Second, an over-all shortage of capital with respect to the labor force is possible, even if capacity is fairly evenly distributed among industries. There would then not be enough jobs to provide full employment even when industry is operating close to capacity. This condition, too, I believe to prevail in the U.S. as a result of inadequate past investment.

Capital capacity, in other words, seems to fall short of labor force capacity. This is a serious condition which labor has as urgent an interest to remedy as has business. The peak of labor force growth, reaching 2.4 per cent during the five years 1970–1974, seems to be behind us, but projections for the remainder of the 70's and for the early 80's still show labor force growth in the range of 1.6–1.8 per cent per year.

When capital shortages of the two types described so far are not present, one really cannot speak of a shortage of capital. That would be true not only of the United States, but of any other economy. However, a society can be dissatisfied with its total supply of goods, or with the rate of growth of that supply. Social strains, or inflation, could be evidence of such a condition. Alternatively, a society may be willing to accept a low rate of growth but may find itself falling behind economically and politically. This condition could be remedied by a more ample supply of capital, if the nation so chose. There is some doubt, however, how much of an acceleration of growth can be accomplished by increasing the supply of capital when other factors of production increase at an unchanged rate.

Another test of capital adequacy is the rate of return on capital. In the U.S. this rate of return has declined severely when properly adjusted for inflation. This would suggest that the demand for capital is low. However, the rate of return measures the average productivity of capital, not its marginal productivity. It is quite possible that average productivity has been depressed by the many adverse factors that have impinged on business—international competition, strength of labor unions, inflation, widespread hostility to business, government regulation and taxation. Meanwhile, the return on capital at the margin, i.e., for new investment, may nevertheless have risen. This would seem to be indicated by the willingness of business to borrow at very high interest rates and sell new equity even on adverse terms.

THE DEMAND FOR CAPITAL

In the U.S. there is no shortage of capital in the short run. There is enough excess capacity materially to increase production. But absorption of this existing excess capacity, important as it is, constitutes a short-run problem. Concern over the adequacy of the stock of capital and its growth through investment pertains to the medium and longer run. In that perspective, it becomes necessary to take into account, in addition to the possible inadequacies already existing, the emerging new demands for capital. Some of the investments for which demand is rising are of a kind that will not add much if anything to output. At the same time, there may be other areas of investment where prospective demands promise to abate.

Areas in which demand for capital is clearly rising include: (a) environmental investment, which is largely unproductive; (b) health and safety investment, which contributes to productivity at best indirectly; (c) mass transit, which promises to contribute to over-all growth by reducing the need for less efficient modes of transportation; and (d) energy investment, which will in some regards be a drag on the economy because relatively expensive energy will be substituted for cheap imported oil.

On the side of diminishing demand one may count: (a) investment in housing, as population growth slows down and as housing construction, owing to its very high cost, shifts increasingly from the customary single-family home to apartment house dwellings and mobile homes; (b) various forms of nonresidential construction such as schools, where a rapidly declining birth rate is reducing requirements; and (c) inventory investment, the need for which, one may hope, will be held down as better control methods are developed and as inflation abates.

The great bulk of investment in the American economy is private investment, and the largest part of this is investment made by business firms. Gross private domestic investment has been fairly stable historically in the neighborhood of 15 per cent of GNP, with a slight dip during the 1960's and a slight rise in the early 1970's. Within this total, business fixed investment has averaged close to 10 per cent of GNP, with a rising tendency over the last 10 years. This rising tendency becomes even clearer when the data are stated in constant instead of current dollars. Most of the areas of rising investment demand—environmental, health and safety, energy—are also in the business sector. Only inventory offers an opportunity here for an easing of demand.

Thus, it is business investment that must be our principal concern. Among the various studies of capital requirements there is a remarkable degree of agreement that nonresidential investments, as a fraction of GNP, will have to average 11½ per cent contrasted with an historic 10½ per cent. It is principally to take care of this increase that the necessary savings and financing techniques must be found. Taken by itself, this is not a very large amount. The demand side of the saving-investment process seems to generate no insuperable problems. This, however, is not so on the supply side.

THE SUPPLY OF SAVINGS

It is on the supply side of the saving-investment process that adverse change have occurred and where remedies need to be applied. Historically, savings rates in the United States, over the past 20 years, have fluctuated within a narrow band for both households and businesses. Personal savings have ranged from 3.4 to 5.7 per cent of GNP, business savings, including depreciation between 10 and 12 per cent. Typically, there has ranged around 15–16 per cent of GNP.

Consumer savings have been remarkably insensitive to inflation. Apparently, the frequently predicted tendency of inflation to diminish saving incentives has been approximately compensated by a desire of households to maintain some prudent relationships between wealth and income. In fact, the savings/GNP ratio has been near the top of its 20-year range for the past three years. There is little reason to expect it to rise further.

Business saving has suffered severaly from inflation. Inventory profits have been very high but these profits are of questionable value to their owners. They generate no cash flow, are not available for investment or dividends, and they do generate a tax liability. Likewise, an adjustment must be made for depreciation that is based on original instead of replacement cost. When these two adjustment factors are deducted from corporate profits, a case can be made that domestic nonfinancial corporations did not earn their dividends in 1974. In other words, this dominant component of the American corporate universe, excluding only financial corporations foreign subsidiaries, can be said to have negative net savings.

Some qualifications are required in making this case. Inventory profits, after all, are not althoghter valueless. Moreover, corporations also have some benefits from accelerated depreciation methods. Finally, since interest is wholly tax deductible, corporations have the advantage that the tax on the inflation premium is paid by the bonholder, not the corporation.

Inflation is not the only cause of declining business saving. The decline in the rate of return, which was mentioned earlier, can hardly be attributed to inflation alone. Hence there can be no assurance that an ending of, or, much less desirably, an adjustment to continued inflation would restore profits to their historic proportion of GNP. Yet a return to this historic proportion is one of the essential conditions of an adequate flow of savings. The other, and indeed crucial conditions, is a better saving performance on the part of government.

Historically, government has sometimes been a net supplier of savings, through debt repayment, and sometimes a net user. The saving or dissaving of the Federal government and of State and local governments sometimes have moved in opposite directions, partly compensating each other's effect on the total savings flow. During the last few years, both the Federal and State and local governments have been net borrowers.

In periods of recession, the danger that government borrowing may crowd out a substantial volume of private sector borrowing is small. The danger mounts, however, as recovery proceeds. Once full employment is reached, obviously any resources that government draws on to itself must lead to a reduction of resources available to the private sector, other things equal.

The stance of government at full employment, whether a net supplier or demander of savings, can be estimated on the basis of the high employment surplus or deficit. Since the early '70's, this computational variable has fluctuated around an average of approximately zero. At the present time, it shows a moderate deficit. The projection shown in the Fiscal 1976 Federal budget shows it rising rapidly to a level of $61 billion by 1980.

If this projection has probability, the outlook for an adequate flow of savings would be very good. The projection, however, is the result of its assumptions. Continued moderate inflation is expected to push taxpayers into higher tax brackets, and this substantial rise in the effective tax burden is not expected to be counteracted fully by tax cuts. Likewise, the projection assumes only moderate expenditure increases and few new spending initiatives.

History provides ample reason to question both assumptions. The effects of inflation on tax brackets have already been compensated repeatedly by tax cuts, principally in 1969 and 1975. A slowdown of government expenditures is more desirable than probable. Meanwhile, the trend of State and local affairs, where there is less fiscal flexibility, suggests that deficits in that sector will continue. A Federal surplus of some magnitude would therefore be required merely in order to get the public sector as a whole into a zero deficit position. A substantially larger surplus would be required to offset the shortfall of savings below expected investment in the private sector, once the economy returns to high employment.

CONSTRAINTS IN FINANCIAL MARKETS

The uncertainty about the future overall flow of savings noted in the previous section is compounded by constraints that may appear in the financial markets. For many years now, the capital structure of corporations has moved in the direction of a higher share of debt relative to equity. This appeared to be the way to maximize profits at a time when credit was readily available and borrowers' ratings went unchallenged.

The events of the last few years have changed that picture. Borrowing became less easy, and credit ratings were tested. In good part the consequence was not a shift toward more equity financing but toward more debt in short-term form as longer term financing became less easy. (Table 3). Now the need for a stronger equity component in corporate capital structures has become pressing. Yet internal generation of equity has become more difficult while external financing is suffering from the relatively low level of stock market prices.

Another change may affect the role of banks in the financial picture, which had expanded in recent years. Banks have become increasingly cautious, partly as a result of past over-expansion and mounting risk, partly because of a generally declining capital position. Thus the role of banks in the financing of investment may be more limited.

The stock market, too, has become a less productive source of funds, owing to diminishing buyer interest. Individuals have been net sellers of equities for many years. Of late, the interest of institutional investors also has shifted in some degree away from equities and toward bonds.

Another financial constraint is the level of the money supply. A rapid expansion of the money supply would run the risk of engendering inflationary expectations that by themselves might raise interest rates and choke off financing. A more moderate growth of the money supply, on the other hand, consistent with a gradual return to price stability, limits the banks' ability to contribute to the flow of financing.

REVIEW OF STUDIES OF CAPITAL REQUIREMENTS AND AVAILABILITY OF SAVINGS

Studies of capital adequacy, as noted earlier, abound. A few of them are compared in an attached table. Their selection implies no intention to downgrade others that are not mentioned. Those chosen predominantly arrive at the conclusion that there will be no shortfall of savings. That selection was made because this paper questions the conclusion.

After removing the multi-billion-dollar tags from the estimates by expressing all amounts as per cent of GNP, it appears that the investment requirements projected in the different studies are not very far apart, ranging from 15.5 per cent to 16.4 per cent of GNP. It is in the projection of savings that larger differences show up, the range being from 14.2 to 16.4 per cent of GNP.

There is surprisingly little difference among projections of business saving. The principal uncertainty, inevitably, attaches to projections incline toward a very small government surplus, combining Federal and State and local budgets. If the expectation of a State and local deficit is correct, this implies a more sizable Federal surplus.

The most extensive examination of investment requirements and savings flows is that by Duesenberry and Bosworth, about to be published by The Brookings Institution and summarized by Professor Duesenberry in his testimony before the Ways and Means Committee of the House of Representatives in January 1975. This study concludes that we can avoid a capital shortage, "but just barely." The basis for this conclusion is a substantial Federal surplus of 1.3 per cent, equal in the terminal year 1980 to $31.7 billion. For the private sector alone a deficiency of savings of one per cent of GNP, or $23.7 billion is arrived at. The Duesenberry-Bosworth study goes farthest in making the point that is common to all studies: avoidance of a capital shortage depends crucially on getting the Federal budget under control.

TAX REMEDIES

Several studies of capital requirements feature proposals for tax reform designed to increase the flow of saving. Typically they involve measures that would affect the distribution of income as well as reduce the Treasury's revenue. In the second regard, at least, such proposals may be counterproductive by increasing the Treasury's borrowing needs. A more moderate but perhaps less controversial device may be mentioned here. It focusses upon improving the capital structure of corporations.

Even if an improvement in budgetary posture makes over-all capital flows adequate, problems of corporate debt capacity and equity financing remain. The debt problem is in good part the result of the fact that interest is tax deductible while corporate profits retained or paid out in dividends are taxed to the corporation. A tax structure that would place the same burden on all three forms of disposing of net operating income—interest, retentions, and dividends—would avoid this bias and would facilitate and encourage equity financing. The tax rate could be so set as to produce the same revenue as the present tax structure, if a reduction of the tax burden of corporations should prove economically or politically impractical.

Such a tax structure could not be introduced overnight, because it would drastically change the relative position of corporations with high and low indebtedness. But it could be applied to corporate debt and equity created in the future, if the necessary safeguards against loopholes can be built in. Alternatively, the revised tax structure could be phased in gradually, giving firms an opportunity to modify their capital structure over time. The result, I believe, would be easier financing and stronger credit.

CAPITAL IMPORTS AND EXPORTS

There can be no doubt that there is at least a possibility of a serious capital shortage in the United States. Whether it will materialize depends very largely upon whether Congress can avoid deficits in the Federal budget and even achieve a surplus. Resolving the capital shortage problem by means of better budget policy would be by far the preferred solution. Should this solution not materialize, the United States will have to ask itself to what extent, if at all, it can still perform as a capital exporter. The United States ceased to be a net capital exporter when the current account went into deficit in the late 60's. The high cost of oil imports probably has had the effect of preventing the U.S. from becoming once more a capital exporter, although it should be noted that the U.S. current account deficit is small relative to what might be considered to be the appropriate share of the U.S. in the aggregate deficit imposed upon the oil-importing countries by the oil-exporting countries. As the oil problem comes into balance, the U.S. will have to ask itself very seriously whether it would be advantageous to remain a capital importer.

SUMMARY AND CONCLUSIONS

(1) There is a distinct possibility that a capital shortage may appear in the United States, once the economy moves back to a high level of economic activity.

(2) Higher demands for capital are ahead, mainly as a result of prospective increases in environmental, energy, health and safety, and mass transit investment. These increases probably will be compensated only in part by relatively modest declines in the share of housing and perhaps of inventory accumulation in total investment.

(3) The principal threat of a shortage of investment funds arises, not from increases in demand, but from uncertainty about the adequacy of savings. One source of uncertainty is the decline in corporate profits that becomes apparent once realistic accounting methods are employed. Another is the apparent trend of the Federal as well as of State and local budgets toward larger deficits.

(4) Studies that conclude that there will be no capital shortage appear to rely heavily on the assumption that the Federal budget will be in surplus and will be supplying capital to the private sector. Continuation of the Federal financing patterns of recent years would do little to make this hope come true.

(5) In addition to the possibility of an over-all capital shortage, business may experience constraints in its financing because of the existing heavy burden of debt, especially short-term. In order to strengthen the equity base and facilitate financing, it is suggested that the method of taxing corporations be shifted gradually, without loss of revenue, in the direction of taxing income used to pay interest while reducing the present tax on the portions of income used to pay dividends and retained in the business.

TABLE 1a.—GROSS SAVING, 1970–72, ANNUAL AVERAGE

	Percent of GNP	
	Japan	United States
Households:[1]		
Net saving	13.5	5.3
Depreciation	3.3	3.2
Corporations:		
Net saving[2]	5.8	1.5
Depreciation	8.6	5.8
Total private:		
Net saving[2]	19.3	6.8
Depreciation	11.9	8.9
Government:[3]		
Net saving	7.3	−1.0
Depreciation	1.0	
Statistical discrepancy	−1.2	−.4
Total gross saving	38.2	14.3
Total net saving	25.4	5.4

[1] Includes households, private unincorporated business, and private nonprofit institutions.
[2] Includes inventory valuation adjustment.
[3] Government and government enterprise.

Source: Henry C. and Mable I. Wallich, "Money and Banking in Japan," in "Asia's New Giant: How the Japanese Economy Works," Brookings Institution, forthcoming, 1975.

TABLE 1b.—HOUSEHOLD SAVINGS AS PERCENT OF DISPOSABLE INCOME 1960, 1970-7, FOR SELECTED INDUSTRIAL COUNTRIES

	1960	1965	1970	1971	1972
Japan	[1] 19.2	17.5	20.7	20.2	21.0
Germany	15.0	15.9	16.7	15.0	15.1
France	9.7	11.1	12.7	12.3	12.1
United States	4.9	6.0	9.0	9.0	7.2
United Kingdom	4.7	6.1	5.2	4.9	5.0

[1] 1961.

Note: Definitions differ from those underlying national statistics; ratios, therefore, also will not be the same as derived from national sources. Disposable income includes households and private nonprofit institutions serving households.

TABLE 2.—SAVINGS AND SAVINGS RATES IN SELECTED INDUSTRIAL COUNTRIES

	Savings as percent of GDP				
	Corporate	Government	Household	Total[1]	GDP[2]
Germany:					
1961	6.0	7.8	5.5	19.3	333.4
1965	4.5	5.0	7.7	17.3	462.0
1969	3.4	6.1	7.9	17.3	605.7
1970	3.7	5.8	8.4	18.0	687.0
1971	2.4	5.5	8.3	16.2	762.5
1972	1.9	4.6	9.1	15.5	834.6
1973	1.2	6.1	8.4	15.7	930.6
France:					
1961	3.3	4.0	6.4	13.7	328.2
1965	2.9	4.8	7.6	15.3	489.0
1969	4.6	4.9	6.8	16.3	722.8
1970	3.7	4.9	8.3	16.9	808.2
1971	3.9	4.5	8.2	16.6	898.9
1972	3.8	4.4	8.1	16.3	1,001.9
1973	3.7	4.3	8.6	16.7	1,146.2
United Kingdom:					
1961	4.4	.9	4.3	9.6	27.14
1965	4.9	2.3	4.2	11.4	35.35
1969	1.9	6.5	3.1	11.5	45.74
1970	.1	7.8	3.4	11.1	49.96
1971			3.2	11.9	55.65
1972	1.2		3.4	7.4	61.18
1973	NA	NA	NA	NA	NA
United States:					
1961	2.5	.9	4.0	7.6	525.7
1965	3.6	2.1	4.1	9.8	692.1
1969	2.0	1.9	4.6	8.5	927.9
1970	1.2	−.6	6.2	6.9	982.3
1971	1.7	−1.2	6.3	6.8	1,059.7
1972	2.2	−.1	5.1	7.2	1,161.9
1973	2.2	.6	6.2	9.1	1,297.5

[1] Savings excluding depreciation by OCED definitions.
[2] In billions of local currency.

Source: OECD, National Accounts, 1961–72; 1962–73, vol. 1.

TABLE 3.—AGGREGATE CAPITAL STRUCTURE OF NONFINANCIAL CORPORATIONS, 1965–74

[Billions of dollars]

Year	(1) Short-term debt	(2) Long-term debt	Equity	(1)/(2)	((1)+(2))/(3)
1965	172	176	404	0.975	0.864
1966	189	194	437	.978	.878
1967	198	215	471	.921	.879
1968	228	238	506	.956	.921
1969	259	261	551	.991	.944
1970	269	290	594	.927	.942
1971	278	321	645	.865	.932
1972	302	356	706	.847	.934
1973	349	394	765	.887	.971
1974	404	438	876	.922	.963

Source: Flow of funds section, Board of Governors of the Federal Reserve System, 1974.

TABLE 4.—COMPARISON OF STUDIES OF CAPITAL REQUIREMENTS

[In percent]

	NYSE	Duesenberry[1]	Friedman	DRI	N.P.A.
GNP growth	8.6	8.7	10.1	8.5	10.1
Inflation rate	5.0	3.0	6.2	4.3	6.0
Real GNP growth	3.4	5.5	3.7	4.0	3.9
Unemployment rate	NA	5.0	5.5	5.0	5.5
Long-term interest rate	NA	7.5	NA	8.0	NA
As percent of GNP:					
Gross pvt dom. rate	16.4	15.8	15.8	15.5	16.4
Nonresidential	12.1	11.6	11.5	11.4	12.3
Inventory	.4	.9	.8	.6	.6
Residential	3.9	3.3	3.5	3.5	3.5
Total savings	14.2	15.8	15.8	15.5	16.4
Business	10.5	10.2	10.8	10.7	11.7
Personal	3.9	4.7	4.9	4.6	4.9
Government:					
Federal	−.2	1.3	−.1	.4	.1
State		−.3			
Other[2]	NA	−.1	.2	−.2	−.3
Investment gap	[3] 2.2	0	0	0	0

[1] Refers to 1980, the end of projection period
[2] Statistical discrepancy less net foreign investment
[3] Represents an average annual gap of over $50,000,000,000 for the 12-yr projection 1974–85

POSSIBLE GASOLINE SHORTAGE FOR SUMMER OF 1975

Mr. JACKSON. Mr. President, recent trends in the statistics describing the operations of the domestic oil industry lead me to conclude that there is now a serious danger of a gasoline shortage this summer. Although the summer driving season has barely begun, our stocks of gasoline are already perilously close—less than 2 days' current consumption—to industrywide minimum tolerable levels. Gasoline stocks are now lower than they were at any time during the shortages of the summer of 1973 or at any time during the Arab embargo. Any surge in demand at this time, even by 1 to 2 percent is almost certain to bring on spot shortages unless refinery runs of gasoline are increased.

This situation has developed very quickly—and at a time when crude oil is plentiful in all parts of this country. Our inventories of crude oil have been—and still are—at alltime high levels for the industry.

The really ominous feature of this situation is that it is apparently the result of conscious decisions by the operators of domestic oil refineries. In this regard the trends in the statistics are compelling.

Only 3 months ago, our domestic inventories of gasoline amounted to over 240 million barrels—50 million barrels above minimum levels. Crude oil inventories were also high: approximately 270 million barrels. But at that time the rate at which U.S. refineries were operating was beginning to drop. Approximately a half million barrels per day less crude oil was run in refineries in March than in the January–February period. These reduced levels of utilization have continued in April, in May, and into June.

Crude oil imports were maintained, but the crude oil remained in inventory tanks. Meanwhile gasoline production dropped and the bottom practically dropped out of gasoline inventories. Gasoline inventories plummeted to the point where—based on the latest figures from the American Petroleum Institute—current inventories are under 200 million barrels. This is only 5 to 10 million barrels above the level of inventories which industry analysts believe is an absolute minimum. Below this level spot shortages begin to appear and the distribution system starts to break down. This level was not reached during the shortages of 1973 nor even during the embargo. Presumably it is only the fact that demand has been weak—because of the recession—that has prevented the current situation from causing real hardship. However, a great deal of high seasonal demand lies before us. If demand increases only a few percent, we will quickly need to come up with several million barrels of gasoline per month more than we are now producing in domestic refineries. The present gasoline inventories are just not available to supply this extra need.

Meanwhile the price of gasoline is rising. The President's tariff increases the pump price of gasoline—but the increases this pring have been even greater than are attributable to a $1 tariff. Between the winter of 1974–75 and today regular gasoline prices have moved steadily upward—from 53 cents per gallon to 57 cents per gallon on a national average.

Gasoline supply tightens, production and inventories fall, and prices rise. It is a story, which is very familiar to American consumers—and one which cannot and will not be accepted without some very specific explanations. I am insisting that a full and detailed investigation of this situation be begun immediately by the Federal Energy Administration. I ask unanimous consent that a copy of the letter I sent to FEA Administrator Frank Zarb be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JACKSON. The FEA should begin at once to determine:

First. The reasons for the gasoline stock drawdown;

Second. The inventories and level of refiner utilization—company by company—throughout the industry;

Third. The reasons for the current and continuing decline in refinery utilization;

Fourth. The inventories and production levels required to prevent the occurrence of shortages this summer; and

Fifth. The measures which must be taken to prevent any such occurrence.

Although, I scarcely feel this advice will be taken, I would like to say something about this situation to the oil industry. The past year and a half has been an enormously difficult period for Americans. Staggering unemployment, high prices, and the embargo-induced shortages are on everyone's mind. The last thing the American people need—and the last thing they are going to tolerate—is a new gasoline shortage contrived by the industry by accident or design, and a new round of price increases stimulated by scarcity which has no basis in substance. The industry is playing with fire in this matter—I hope they realize it.

Mr. President, I ask unanimous consent that recent press articles and some statistics illustrating the trends in refinery operations over the past 6 months which were compiled by the staff of the Committee on Interior and Insular Affairs be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. JACKSON. I hope my colleagues will note that the source of these statistics is the American Petroleum Institute. The FEA no longer provides a timely data series on petroleum operations. Although it is now June, the most recent FEA data available on refinery operations describes activities for March, when this trend was only beginning. Thus after all that has happened to this country in the area of energy supply over the past year we are still dependent on the energy industry for basic and timely data for the description of the energy situation. In my opinion, this is simply intolerable, and I suspect the American people are enormously tried of it as well.

EXHIBIT 1

COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
Washington, D.C., June 19, 1975.

Hon. FRANK G. ZARB,
Federal Energy Administration,
Washington, D.C.

DEAR MR. ZARB: I am deeply concerned about recent trends in the operation of domestic refineries which strongly suggest that the U.S. may be in for a severe gasoline shortage this summer.

On the basis of data published by the Federal Energy Administration and by the American Petroleum Institute (API), it appears that, in spite of plentiful supplies of crude oil, U.S. oil refineries have been running far below capacity in recent weeks. According to API data stocks of crude oil have been maintained at very high levels, and, as of June 13, 1975, 284 million barrels of crude oil were in inventory. Stocks of gasoline, on the other hand, have been falling from a level of 244 million barrels on March 7 to a level of 199.8 million barrels on June 13. This reduction in operations has thus taken place at a time when stocks of gasoline were falling sharply.

The most recent gasoline inventory level reported by the API is less than 200 million barrels—only 5 to 10 million barrels above the level which industry analysts regard as the minimum which can be tolerated without the onset of spot shortages. As you know, 10 million barrels of gasoline is less than two days' supply at current consumption rates. That the domestic inventory position should be this precarious at the beginning of the period of highest seasonal demand is very disturbing.

It is also disturbing to note that the drop in inventories and cutback in refinery operation is being followed by a rise in gasoline prices. The oil industry trade press has contained persistent reports that prices will be on the upswing this summer. The Oil and Gas Journal survey shows that there has already been a steady rise in the price of gasoline this spring, reaching 57¢ per gallon for regular in the most recent reports—over 4¢ per gallon above 1974–75 winter averages.

The implication that deliberate supply reductions are being implemented to raise prices will be drawn by many, whether such an implication is warranted or not. I am therefore asking that you prepare a report, on an urgent basis, describing the current situation, assessing the potential for gasoline shortages this summer, and setting forth the actions that the Administration has taken to prevent shortage conditions similar to those which we experienced in the spring, summer and fall of 1973. Your report should specifically consider:

(1) The reasons for the recent drawdown in gasoline stocks, including an estimate of the minimum level below which regional shortages will begin to appear, and an assessment of the gasoline inventories which will be necessary to prevent shortages during the summer of 1975;

(2) The reasons for the reduction in refinery operations over the past six months, including detailed data describing, for each of the 20 largest companies engaged in domestic refining—by name—their total refinery runs, gasoline production, crude oil and gasoline stocks and sales of gasoline through their own distribution system and to non-affiliated marketers and distributors. These operations should be compared with comparable data from 1972, 1973 and 1974;

(3) A description of Administration actions which have been taken to insure that adequate supplies of gasoline will in fact be available to consumers at reasonable prices this summer;

(4) The reason why it continues to be necessary for members of Congress and the public to rely on the oil industry and the trade press for current data describing the operations of the domestic energy supply system. The most recent FEA publication available to my staff is dated May, 1975 but contains data only through March; and

(5) A statement on the legislative authority that would be used to manage shortages in gasoline and heating oil if the price control and petroleum allocation authorities of the Emergency Petroleum Allocation Act are permitted to expire on August 31, or if Congressionally approved extensions of the Act are vetoed by the President as has been threatened by representatives of the Administration.

The questions raised by this issue are very serious. I therefore expect your report will be submitted to me on or before June 30.

Sincerely yours,

HENRY M. JACKSON,
Chairman.

EXHIBIT 2

U.S. REFINERY OPERATIONS, NOVEMBER 1974 TO JUNE 1975

For the week ending—	Crude oil						Gasoline		
	Imports [1]	Runs [2]	Input [3]	Percent [4]	Stocks [5]	Production	Production	Stocks	Yield [6]
Nov. 8, 1974	3.1	12.1	12.7	87.5	266	8.7	6.1	221	48
Nov. 15, 1974	4.3	11.9	12.4	85.8	273	8.6	6.2	221	49
Nov. 22, 1974	4.1	12.3	12.8	88.3	277	8.7	6.3	217	48
Nov. 29, 1974	4.2	12.9	13.4	90.9	273	8.7	6.6	220	53
Dec. 6, 1974	3.8	12.4	13.0	87.9	270	8.7	6.4	219	49
Dec. 13, 1974	4.0	12.2	12.7	86.2	272	8.6	6.1	216	48
Dec. 20, 1974	3.8	12.4	12.9	87.0	272	8.7	6.2	219	48
Dec. 27, 1974	3.7	12.7	13.2	89.5	267	8.7	6.7	219	51
Jan. 3, 1975	3.6	12.8	13.4	89.3	263	8.6	6.7	222	50
Jan. 10, 1975	3.2	12.4	13.0	87.1	262	8.6	6.6	224	51
Jan. 17, 1975	3.8	12.2	12.7	84.6	265	8.6	6.4	229	50
Jan 24, 1975	4.5	12.2	12.7	84.6	268	8.6	6.3	232	50
Jan 31, 1975	3.9	12.2	12.7	84.7	271	8.6	6.5	236	51
Feb. 7, 1975	4.0	12.1	12.6	84.0	274	8.6	6.4	238	50
Feb. 14, 1975	3.6	11.9	12.4	82.9	274	8.5	6.4	242	52
Feb. 21, 1975	3.7	12.2	12.7	84.8	272	8.5	6.3	244	49
Feb 28, 1975	4.4	12.0	12.5	83.6	279	8.4	6.2	242	50
Mar. 7, 1975	3.2	12.0	12.5	83.4	275	8.5	6.1	241	49
Mar. 14, 1975	3.3	12.0	12.4	82.9	277	8.4	6.1	240	49
Mar. 21, 1975	4.1	11.7	12.2	81.4	283	8.4	6.1	239	60
Mar. 28, 1975	3.7	11.7	12.2	81.5	287	8.4	6.0	238	49

Footnotes at end of table.

EXHIBIT 2—Continued

U.S. REFINERY OPERATIONS, NOVEMBER 1974 TO JUNE 1975—Continued

For the week ending—	Crude oil						Gasoline		
	Imports [1]	Runs [2]	Input [3]	Percent [4]	Stocks [5]	Production	Production	Stocks	Yield [6]
April 4, 1975	3.4	12.0	12.6	83.7	286	8.4	6.1	235	48
Apr. 4, 1975	3.4	12.0	12.6	83.7	286	8.4	6.1	235	48
Apr. 11, 1975	2.6	11.8	12.3	81.6	283	8.4	6.1	233	50
Apr. 18, 1975	3.2	11.7	12.1	80.6	285	8.4	6.0	229	50
Apr. 25, 1975	3.5	11.8	12.3	82.2	286	8.4	6.1	225	50
May 2, 1975	3.7	11.8	12.3	81.6	287	8.5	6.1	221	50
May 7, 1975	3.1	11.9	12.3	81.7	292	8.4	5.9	217	48
May 16, 1975	2.9	11.7	12.2	81.2	288	8.4	5.9	212	48
May 23, 1975	3.1	12.0	12.5	83.0	290	8.4	6.1	209	49
May 30, 1975	3.2	12.2	12.8	85.2	284	8.5	6.4	207	50
June 6, 1975	3.9	12.2	12.7	84.4	286	8.4	6.6	202	52
June 13, 1975	3.3	12.0	12.5	83.2	284	8.4	6.5	200	52

[1] Imports, runs, input and production measured in million barrels per day.

[2] "Runs" refers to crude oil input into U.S. refineries.

[3] "Input" refers to total liquids input to U.S. refiners—including crude oil, unfinished oils and natural gas liquids.

[4] Percentage of capacity operated calculated on the basis of total liquids input.

[5] Stocks are measured in million barrels.

[6] Gasoline yield measured as a percent of total liquids input.

Source: American Petroleum Institute Weekly Statistical Bulletin.

Prices of regular gasoline, national average

Month:	*Per gallon*
October 1974	53.11
November 1974	52.42
December 1974	52.77
January 1975	53.18
February 1975	53.55
March 1975	53.79
April 1975	54.58
May 1975	55.13
June 1975	56.67

Source: *Oil and Gas Journal.*

[From the Oil Daily, June 17, 1975]

DECLINE IN GASOLINE INVENTORY SHOCKING, SHORTAGE FEAR GROWS

(By Jim Drummond)

HOUSTON.—A further decline in U.S. motor gasoline inventories despite a production surge above the year-ago level surprised some marketers and increased the feeling of others spot shortages are ahead.

In fact, a spokesman for the Society of Independent Gasoline Marketers of America (SIGMA) said members already are experiencing supply curtailments on both the east and west coasts.

West coast allocations were said to be down to about 80% of SIGMA companies' needs. Curtailments on the East coast, mainly in New England, haven't been as severe, the spokesman said.

"Shortages haven't been noticeable in the Midwest yet, but we can feel them coming," he said. "We look for a pretty tight situation in July.

Latest American Petroleum Institute figures put the nation's motor gasoline stocks at 201,899,000 barrels down from 206,834, barrels a week earlier and from 223,663,000 barrels at the like date last year. It becomes difficult, or perhaps impossible, to supply all markets properly when the total drops beneath 200 million barrels, or so the theory goes.

An upturn in domestic gasoline output to 6,594,000 barrels daily from 6,419,000 b/d the week before failed to halt the inventory decline. Production a year ago came to 6,544,000 b/d.

Some SIGMA members had reopened service stations closed during the gasoline pinch that accompanied the Arab oil embargo. They may have to close some of them again and cut back sales through others, Oil Daily was told.

Demand doesn't appear to be the problem, the SIGMA man said. A recent bank study concluded it's down, chiefly because of bad business conditions and gradual replacement of big cars with small on the highways. It should be curbed further, he thought, when the latest $1 a barrel added to the excise tax is passed through as higher product costs:

"That's another 2½ cents a gallon, which means some gasoline pump prices probably will go to 60 cents a gallon from the 50's. When that happens, the public will become aware of it. The reaction probably will be to cut down driving."

Complicating the picture, said the SIGMA'er are new, blue-printed or proposed regulations: "Trying to fathom them is like trying to go to the washroom in a strait-packet."

[From the New York Times, June 19, 1975]

UNITED STATES MAY FACE A TIGHT GASOLINE SUPPLY

(By William D. Smith)

The United States may be facing the tightest gasoline supply situation since the Arab embargo, with the possibility of spot shortages in various sections during the summer if present production trends continue, industry statistics indicate.

The threat comes at a time when crude oil stocks, now at 283 million barrels, are high and when there is a plentiful supply of crude. There is also as much as 12 million barrels a day in surplus producing capacity throughout the world.

The amount of crude oil processed by the nation's refineries in the week ended last Friday dropped sharply. Gasoline production declined and so did refinery capacity in use.

Stocks of gasoline in the country fell to 199.8 million barrels in the week from 201.8 million barrels in the preceding week and 224 million barrels in the comparable week a year ago, according to the American Petroleum Institute, the largest industry trade association.

Tightness in supplies of gasoline develops when stocks reach a level between 195 million barrels and 197 million barrels, according to informed energy analysis.

Oil company executives blame the product alloctaion system of the Federal Energy Administration for the situation. They contend it makes the incremental production of gasoline—above the amount the refiner needs for himself—more costly than the price it will bring in the market. Incremental gasoline would almost certainly be produced from foreign crude oil, which now costs about $14 a barrel in the United States, compared with about $11.25 for uncontrolled domestic crude oil and $5.25 a barrel for controlled crude oil.

Critics of the oil industry contend that any gasoline shortage would result from attempts of the oil companies to increase the price of gasoline to consumers. Senator Henry M. Jackson, Democrat of Washington, has asked that the present product allocation regulations be extended to protect consumers.

The Emergency Petroleum Allocation Act of 1973 was passed to spread evenly the available supplies of both crude oil and petroleum products and involves controls on prices as well as mandatory exchanges and sales of oil supplies between companies.

Although statistical evidence is not complete yet, other reasons for the reduction in gasoline stocks may be the American consumer's return to a high rate of use of oil products and weakening conservation efforts.

John Lichtblau, head of the Petroleum Industry Research Foundation, an independent economic research organization supported by a number of oil companies, both small and large, commented:

"If shortages occur, the public will blame the industry and Government; the industry will blame the Administration and Congress; the Administration will blame the industry and Congress, while Congress will blame the industry and the Administration.

"Ascribing the blame is difficult and possibly a worthless exercise. Two things are certain though. If there were no allocation system there would be no chance of shortage and if there were no allocation system the price of gasoline would increase somewhat."

Oil executives were reluctant to discuss the growing tightness in gasoline supplies, reflecting fears that any talk about possible shortages might lead to an increase in "secondary" storage by industry and individual drivers, such as the continual topping off of automobile gasoline tanks that occurred during the Arab embargo. The "secondary" storage was a major cause of the shortage in some areas.

The sharp drop last week in the amount of crude oil processed by refineries was the principal technical reason for the decline in gasoline stocks. Processing was down to 12,034,000 barrels a day, compared with 12,207,000 in the preceding week and 12,320,000 in the comparable week last year.

Gasoline production dropped to 6,466,000 barrels a day from 6,555,000 in the preceding week and 6,556,000 in the comparable week of 1974.

The nation's refineries were operating at 83.2 per cent of capacity, compared with 84.4 per cent a week earlier and 90.3 per cent last year. The percentage of gasoline production from refinery processing has remained relatively constant.

LOWEST SINCE 1973

The present level of gasoline stocks is the lowest since the summer of 1973, when there were considerable spot shortages.

On March 1, 1974, when the Arab embargo was having its greatest effect on the United States, gasoline stocks stood at 226.5 million barrels. The embargo ended on March 18, 1974.

Stocks as of Feb. 1, 1974, following a period of wide-spread shortages stood at 215 million barrels. Analysts noted, however, that the winter months are not major periods of gasoline usage and that many of the shortages that occurred were the result of logistical problems rather than a physical lack of supplies.

Herbert Hugo, senior Editor of Platt's Oilgram, an industry trade publication, commented yesterday in Chicago that "the past year has ben a honeymoon for motorists, but that's about over now."

He added: "The demand has been growing everywhere except in the Midwest where supplies remained about even with last year's levels until the last couple of weeks when farmers were able to get back into the fields.

RISE OF 3 CENTS A GALLON

Mr. Hugo predicted that gasoline prices would jump at least 3 cents a gallon by the July 4th weekend based on an increased oil-import tax of $1 a barrel and the higher industry operating costs that can be passed along to consumers.

Some energy analysts expressed concern that if a gasoline shortage did occur and gasoline production was increased at the expense of other petroleum products, the country could face the winter with reduced supplies of home-heating oil.

They point out that the nation already faces an almost certain sharp reduction in natural gas supplies for the coming winter and that any heating oil shortages would worsen an already potentially serious situation.

UNEMPLOYMENT OF THE BLACK WORKER

Mr. HUMPHREY. Mr. President, I wish to point out to my colleagues two informative reports of the National Urban League on the black worker.

Both reports deal with the tragic unemployment situation of the black worker in our Nation today. Unemployment figures for the early part of 1975 indicate that the situation is continuing to deteriorate and may well become as severe as it was in the 1930's.

According to the reports, blacks accounted for almost all of the increase in unemployment in the Nation during the latter half of the first quarter of 1975. Black women and teenagers are being forced out of the job market due to discouraging job prospects, and of the 49,000 new officially unemployed workers between February and March, 47,000 were black, according to the report.

Black youth with no job experience are the most strongly affected by the lack of employment opportunities, since they can receive no benefits under the employment insurance program nor are they eligible for many newly created jobs due to lack of skills.

The May report concludes that:

> If this Nation, according to economists and public officials, is on the road to recovery, then the Blacks will remain in a recession long after the rest of the country has been restored to prosperity unless a genuine national commitment is made to improve the economic situation of all Americans.

Mr. President, I ask unanimous consent that these excellent and timely reports of the Urban League be printed in the Record.

There being no objection, the reports were ordered to be printed in the Record, as follows:

Unemployed Blacks Soar to 3 Million

HIGHLIGHTS

In the first quarter of 1975, black unemployment jumped to a record 2.9 million, according to the NUL Hidden Unemployment Index, raising the unofficial unemployment rate for blacks from 21.1 in the last quarter of 1974 to 25.8. Even the Labor Department count for blacks reached a record 1.5 million, pushing their official jobless rate to 14.2.

Blacks accounted for almost all of the increase in unemployment in the nation during the latter half of the first quarter of 1975. Of the 49,000 new officially unemployed workers between February and March, 47,000 were black.

Discouraging job prospects are forcing disproportionate numbers of black women and teenagers out of the labor market. While no less than 115,000 adult white women entered the labor force in the first quarter of 1975, 34,000 adult black women dropped out. And half of all black labor force dropouts were male teenagers, while one-third were adult women.

An estimated 50 percent or more of black poverty area workers are currently unemployed—with the unofficial unemployment rate for black teenagers in these areas much higher.

Young black Vietnam veterans were particularly hard hit. The official jobless rate for black veterans between the ages of 20–24 soared from 22.7 in the fourth quarter of 1974 to 30.0 in the first quarter of 1975.

Two-parent black families were especially affected during the first quarter of 1975. For, married black men with wives present, who traditionally have one of the lowest jobless rates, experienced a doubling in both their number out of work (from 172,000 to 338,000) and their unemployment rate (from 5.0 to 9.8).

The auto industry was hardest hit during the first three months of 1975, with the number of unemployed black auto workers doubling (from 30,000 to 58,000) and their jobless rate climbing from 15.6 to 30.8. Other industries with particularly high unemployment rates for blacks were construction (28.2), apparel (22.7), textiles (22.6), and food processing (18.5).

The sharpest rise in joblessness among black government workers in first quarter 1975 occurred among federal workers. Unemployment rates among black postal workers, for example, rose 8.0—four times the 2.1 jobless rate for white postal workers.

Four-fifths of the unemployed adult black men in the first quarter of 1975 had lost their jobs, compared to 50 percent of adult black women, 35 percent of black male teenagers and 21 percent of black female teenagers.

OVERALL TRENDS

The severe recisionary trends of 1974 continued unabated into 1975. Plummeting by 11.3 percent, the Gross National Product in the first quarter showed the largest annual decline in the nation's output of goods and services since the government began recording statistics on GNP in 1947. It was also the fifth consecutive quarterly drop in the GNP—the longest prolonged period of successive declines. And, although the 7.2 percent increase in consumer prices over the quarter indicated a slowing down in the annual rate of inflation, the purchasing power of American workers, nevertheless, continued to fall.[1] At the same time, the total number of unemployed workers soared by 48 percent—from 5.6 to 8.3 million from fourth quarter 1974 to first quarter 1975—one of the largest quarterly increases in joblessness ever recorded. And, as of March, 105 of the 150 major metropolitan labor areas were "substantially" unemployed (i.e., 6 percent or more), an increase of 31 areas from the 74 so designated in February and an all-time record since 1955 when these statistics were first recorded. But how did black workers fare during the first three months of 1975?

OFFICIAL BLACK UNEMPLOYMENT

The number of blacks with jobs decreased by almost half a million (436,000) during the first quarter of 1975, while the number of blacks without jobs increased by 329,000 to a record high of 1,453,000.[2] Or, in short, 107,000 blacks gave up looking for work and dropped out of the labor force entirely. The unemployment rate for blacks jumped to 14.2, up from a rate of 10.9 in the previous quarter.

White workers experienced more than a 50 percent increase in unemployment, from 4.5 to 6.8 million. Thus, white jobless rates increased by 2.9 to a post-World War record of 8.4 during the first quarter.

Almost all of the 103,000 increase in white joblessness occurred between January and February with only 2,000 fewer working in March than in February. In contrast, black unemployment accelerated between February and March. For, of the 49,000 new unemployed workers throughout the nation between February and March, 47,000 were black.

HIDDEN UNEMPLOYMENT

But even these already-high official unemployment figures for blacks and whites understate the actual extent of joblessness in the nation. Since the Labor Department definition of "unemployed" excludes discouraged workers (i.e., those who want a job now, but are no longer actively seeking one) and part-time workers who want full-time jobs, the National Urban League Research Department developed a Hidden Unemployment Index that incorporates both groups based on a formula developed by the U.S. Joint Economic Committee of Congress.

According to the NUL Hidden Unemployment Index, 15.4 million American workers were unemployed during the first quarter of 1975—an increase of about 4 million since the last quarter of 1974—while unemployed blacks increased by more than half a million (542,000). Thus, the unofficial number of unemployed blacks reached almost three million (2,934,000) during the first quarter of 1975—about double the official number (1,453,000). (See Table 1.)

Furthermore, the unemployment rate for blacks during the first quarter of 1975 was 25.8, up from 21.1 during the fourth quarter of 1974, according to the NUL Hidden Unemployment Index. Thus, while one out of every five black workers was out of work during the last quarter of 1974, one out of every four black workers was unemployed during the first three months of 1975! Over the same period, the unofficial unemployment rate for white workers rose from 10.8 to 14.7.

National unemployment figures also mask or hide the true picture of unemployment as it exists in different areas within the country. For instance, black residents of poverty areas are even harder hit by the recession than blacks elsewhere. While the official unemployment rate for black workers nationally was 14.2, the rate for black residents of poverty areas throughout the nation was 16.4 in the first quarter of 1975—up from 12.9 during the fourth quarter of 1974. Past surveys of unemployment in poverty areas suggest that the unofficial or "hidden" unemployment rates for blacks in poverty areas are about three or more times the official unemployment rates for blacks nationally. Thus, blacks in many poverty areas today are probably experiencing unofficial unemployment rates of 50 percent or more—with the unofficial jobless rates for black teenagers in poverty areas undoubtedly going much higher.[3]

HARD HIT GROUPS

Men were particularly hit hard in the first quarter of 1975. Black men accounted for three-fifths of the decline in employed blacks during the first three months of 1975 and three-fourths of the increase in unemployed blacks. The official number of employed black men decreased by 267,000, unemployed black men increased by 247,000. Thus, at least 20,000 black men gave up looking for work and left the labor force during the first quarter of 1975. The unemployment rate for black men jumped from 7.7 to 12.5—far above the

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Footnotes at end of article.

7.1 jobless rate for adult white men. (See Table 2.)

And, even married black men who traditionally have the lowest jobless rates among blacks were disproportionately affected during the first three months of 1975. In fact, the unemployment rate for married black men doubled—from 5.0 to 9.8—between the fourth quarter of 1974 and the first quarter of 1975.

Although the official unemployment rate of 11.3 for black women during the first quarter of 1975 was somewhat below that of black men, black women were also disproportionately affected by the recession. Both blacks and whites among women experienced sharp declines in the number with jobs and sharp increases in the number without jobs. But while at least 115,000 white women entered the labor force, at least 34,000 adult black women dropped out of the labor force during the first quarter of 1975.

In fact, black women accounted for one-third of all blacks who dropped out of the labor force during the first quarter of 1975, while black men comprised only one-fifth of the labor force dropouts. Clearly, black women were much more discouraged than either white women or black men about job prospects.

But black teenage males, whose official unemployment rate jumped to 38.1 during first quarter 1975, were even more discouraged than black women about employment possibilities. For the 52,000 black teenage males who left the labor force rather than continue actively seeking work, made up half of all black workers who dropped out of the civilan labor force during the first three months of 1975.

Black teenage females, who showed little change in labor force participation during first quarter 1975, nevertheless, experienced a sharp rise in their official unemployment rat—to 41.3, the highest jobless rate of any group of black workers. At the same time, both male and female white teenagers also had sharp declines in their labor force participation, as well as steady increases in their unemployment rates—to 20.3 and 17.4, respectively. Thus, the unemployment rates for black teenagers continued to be twice as high as the jobless rates for white teenagers.

Young black Vietnam-Era veterans also experienced a sharp rise in unemployment during the first of 1975. The official jobless rate for black veterans between the ages of 20–24 soared from 22.7 to 30.3 between fourth quarter 1974 and first quarter 1975. And, the unemployment rate for black veterans between the ages of 25–29 doubled—from 8.2 to 16.6 over this period. All in all, according to the official count, 100,000 black Vietnam-Era veterans were without jobs during the first three months of 1975. White veterans of the Vietnam War also experienced a sharp increase in unemployment, particularly among the youngest veterans.

LAYOFFS CONTINUE TO RISE

The number of unemployed black workers who were laid off their jobs nearly doubled—from 484,000 to 851,000—between fourth quarter 1974 and first quarter 1975. Thus, the proportion of all unemployed blacks who were laid off their jobs rose sharply from 43.1 percent to 58.6 percent between the last two quarters. A similar rise in job layoffs occurred among white workers. Thus, overall about three-fifths of the black and white workers who were unemployed during the first quarter of 1975 had been laid off their jobs. (See Table 3.)

But most of the rise in layoffs among blacks during first quarter 1975 was confined to adults. In fact, 89 percent of all unemployed blacks who had been laid off their jobs were adults and 60 percent of them were black men.

Between fourth quarter 1974 and first quarter 1975, the proportion of unemployed black men who were job losers rose sharply from 69 percent to 80 percent, while the proportion of job losers among unemployed black women jumped from 38 to 50 percent. Similar rises in job layoffs occurred among white men and women.

Black teenagers also experienced sharp increases in the proportion of job layoffs between the last two quarters. The proportion of unemployed black teenage males who were job losers rose from 20 to 35 percent between fourth quarter 1974 and first quarter 1975, while the proportion of unemployed black teenage females who were job losers rose from 15 to 21 percent.

DECLINE IN REENTRANTS

But, although black men were most likely to have been job losers, they were least likely to be re-entering the labor force. Adult black men comprised only one-fourth of the unemployed blacks who were labor force re-entrants during the first quarter of 1975, while adult black women accounted for about half of all unemployed blacks who were re-entering the labor force.

Nevertheless, the proportion of labor force re-entrants among unemployed blacks sharply declined between the last two quarters. Between fourth quarter 1974 and first quarter 1975, the proportion of unemployed black women who were labor force re-entrants dropped from 38 to 31 percent, while the proportion of re-entrants among black teenage males and females declined from 37 to 31 percent and from 35 to 28 percent, respectively, over this period. While the proportion of unemployed new entrants to the labor force remained relatively constant over the last two quarters for most groups of black workers, black male teenagers experienced a sharp decline from 37 to 29 percent.

The results are consistent with our earlier findings which showed that there was a disproportionate drop in labor force participation among adult black women and black teenagers, especially males. Thus, the rise in the proportion of black job losers is in large part due to the sharp withdrawal on the part of discouraged unemployed adult black women and black teenagers from the civilian labor force.

It should also be noted that the unemployed re-entrants and new entrants, as well as those who had to quit their jobs, are all ineligible for unemployment insurance (UI). Although the proportion of UI ineligibles among unemployed blacks declined from 57 to 41 percent between fourth quarter 1974 and first quarter 1975, the number of unemployed blacks ineligible for jobless benefits is still at one of its highest levels—602,000.

LONG TERM UNEMPLOYED

A major reason for the withdrawal of thousands of discouraged workers from the labor force is that many of them are staying unemployed for much longer periods of time. Between the fourth quarter of 1974 and the first quarter of 1975, the number of American workers unemployed for three months or more doubled—from one million to two million—causing the proportion of workers unemployed for 15 weeks or more to go from one out of five (18 percent) to one out of four.

Among black workers the number of long-term unemployed rose from 247,000 to 421,000, bringing the proportion of black unemployed for three months or more from one out of five (22 percent) to three out of ten (29 percent). White workers, on the other hand, were somewhat less likely than black workers to stay unemployed for long periods of time. Only one out of every four (24 percent) white workers unemployed during first quarter 1975, e.g., had been out of work three months or more. (See Table 4.)

While black teenagers were just as likely to be unemployed for three months or more (28 percent) as black adults (29 percent), white teenagers were less likely to be long-term unemployed (20 percent) as white adults (25 percent). But the overwhelming majority of long-term unemployed workers are adults, not teenagers. Four out of every five (78 percent) black workers unemployed for three months or more during first quarter 1975 were adults and half of these long-term unemployed blacks were men. Similar patterns held for workers who had been out of work for 27 weeks or more—many of whom would have exhausted their unemployment compensation had Congress not passed emergency legislation extending jobless benefits to 52 weeks or more.

Since the last quarter of 1974, the number of American workers unemployed for six months or more almost doubled (from 397,000 to 727,000), causing the proportion of workers out of work for half a year or more to rise to about one out of ten (9 percent) by first quarter 1975.

At the same time, the proportion of blacks unemployed for half a year or more rose to 11 percent. Black teenage males were most likely (13 percent) to be unemployed for six months or more, followed by black adult men (11 percent), black teenage females (11 percent) and black adult women (10 percent). But, once again, the overwhelming majority (75 percent) of the blacks who had been unemployed for half a year or more were adults.

If these long-term unemployment trends continue, a massive infusion of federal aid will be needed to assist the sharply increasing number of states whose unemployment insurance benefits reserves are being rapidly depleted.

INDUSTRIES WITH HIGH JOBLESS RATES

During the first quarter of 1975 black and white unemployment about doubled in many of the industries that were already reeling from the cumulative effects of recession and inflation. But the automobile industry was clearly the hardest hit during the first three months of 1975.

Between fourth quarter 1974 and first quarter 1975, the number of unemployed black auto workers doubled—from 30,000 to 58,000, while the number of unemployed white auto workers tripled—from 76,000 to 210,000. This resulted in a doubling of the unemployment rate for black auto workers (from 15.6 to 30.8) and a tripling of the unemployment rate for white auto workers (from 7.5 to 22.2), the highest jobless rates for black and white workers in any industry for that three-month period. (See Tables 5 and 6.)

The depression-ridden construction industry had the second highest rates of unemployment for both black and white workers. Since the last quarter of 1974, the number of unemployed black construction workers increased by more than 75 percent—from 86,000 to 153,000, as did unemployment among white construction workers (from 518,000 to 930,000). Thus, the jobless rates for black construction workers shot up from 16.6 to 28.2, while the jobless rates for white construction workers jumped from 9.6 to 18.3 over the last two quarters.

Blacks apparently were also laid off in disproportionate numbers in the apparel and textile industries during the first three months of 1975. The number of unemployed blacks in the textile industry, e.g., doubled (from 18,000 to 38,000)—resulting in a doubling of the jobless rate for blacks from 10.7 to 22.6. Likewise, unemployment among blacks in the apparel industry shot up from 28,000 to 48,000, bringing the jobless rate for blacks from 13.6 to 22.7 by first quarter 1975. Similar unemployment patterns occurred for white workers in the textile and apparel industries.

Unemployment in the food processing industry, which was one of the hardest hit sectors for blacks during fourth quarter 1974, apparently leveled off during the first quarter of 1975. Blacks experienced one of the smallest increases in unemployment (from 41,000 to 46,000) and jobless rates (from 16.9 to 18.5) between the last two quarters in the food processing industry.

Other industries in which blacks had two-digit official unemployent rates were business services (13.9), personal services (13.3), retail trade (13.6), wholesale trade (13.1) and primary metals (12.4).

UNEMPLOYMENT AMONG GOVERNMENT WORKERS

But while blacks were experiencing high levels of unemployment in the private sector, they were being laid off in disproportionate numbers in the public sector, as well. This was particularly true for blacks formerly on federal payrolls.

Between fourth quarter 1974 and first quarter 1975, the unemployment rate for black government workers at all levels went from 6.7 to 7.5, but the jobless rate for black federal government workers jumped from 5.6 to 9.0. This rise is due to a sharp increase in joblessness among black postal workers (from 5.3 to 8.0) and those formerly on other federal payrolls (from 5.7 to 9.7). Thus, black postal workers, e.g., now have jobless rates that are four times the jobless rate (2.1) of white postal workers. At the state level, however, black government workers continued to experience the lowest jobless rates (2.3) of any group of public employees.

Black local government workers, which was one of the hardest hit group of public workers during fourth quarter 1974, experienced a decline in unemployment since that time. The unemployment rate for black local government workers dropped from 11.2 to 6.4.

Some of this decline may be due to the rehiring and retention of local government workers as a result of the increase in public service job slots. But, it must also be noted that the unemployment rate of black local government workers is, nevertheless, three times the jobless rate (2.3) for white local government workers.

CONCLUSIONS

The unemployment situation for all American workers, but especially for blacks, was devastating during the first three months of 1975. Even the official unemployment figures are at their highest levels since the Great Depression of the 1930's. The rate of inflation has "normalized" at such a high level that the Bureau of Labor Statistics now estimates that a family of four needed $9,200 in the autumn of 1974 to maintain its *lower* standard of living! And prices have steadily risen since then.

Adult male breadwinners are being laid off their jobs in virtually all sectors of the economy at a record-setting pace and are remaining out of work for longer and longer periods of time. Women heads of households and working wives are being forced to drop out or stay out of the labor force, at a time when their contribution to the economic status of the family is most needed. And teenagers, especially blacks, are becoming so discouraged that thousands of them have given up actively seeking work—just when their supplemental economic support is vital to many low-income families.

Yet, many public officials and economists are declaring that the "worst is over," that we are "bottoming out" and "on the road to recovery."

If the nation is on the road to recovery, then past experience clearly indicates that the black community will remain in a recession long after the rest of the country has been restored to prosperity—unless a genuine national commitment is made to improve the economic situation of *all* Americans.

But, instead, many analysts are already asserting that the economy may have to stabilize at a six percent level of unemployment in order to avert a resurgence of inflation. They have yet to indicate what the "tolerable" official level of unemployment for blacks would be at this new level of "full" employment—11 or 12 percent?

It is imperative that the principles set forth at the Black Economic Summit meeting in the fall of 1974 be needed by all:

"There is no tolerable level of unemployment. One of the success measures of any economy or system of government is its ability to provide meaningful jobs in the public and private sector at an equitable and adequate wage for all citizens who are willing and able to work. Full employment is our goal." [6]

FOOTNOTES

[1] This is a seasonally adjusted percent.

[2] It should be noted that changes in labor force, employment, and unemployment from one period to another are net changes—i.e., the actual changes which occurred were actually in excess of the indicated net change. Thus, a decline of 100,000 in the number employed may be the result of 150,000 persons losing jobs and 50,000 persons finding jobs. This is especially true of those groups whose attachment to the labor force is less stable, e.g., women and teenagers. In periods of severe unemployment, the number of persons securing jobs will be fewer relative to those losing jobs.

[3] The National Urban League Research Department in its study, *Black Unemployment: A Crisis Situation,* using data from the Bureau of the Census 1970 special *Census Employment Survey* found that while the official unemployment rate for blacks in the United States was 8.2, the unofficial overall rate in the low income areas of our cities was already at 23.8. And, in the low income areas of a number of these cities the unofficial unemployment rate for black workers was well over 30.0. See also the work of Professor Bernard Anderson at the Wharton School at the University of Pennsylvania.

[4] The terms men and women as used in this report refer to adult workers 20 years of age or over. Teenagers include all those 16–19 years of age.

[5] The Bureau of Labor Statistics defines reentrants into the labor force as those persons who have previously worked at a full time job lasting two weeks or longer but who had dropped out of the labor force before beginning to look for another job. New entrants are persons who have never held a full-time job which lasted at least two weeks.

[6] The Black Economic Summit meeting, which was held in September 1974 in Washington, D.C., was convened by the major black national organizations and leaders to develop an economic agenda for the black community.

TABLE 1.—COMPUTATION OF NUL UNOFFICIAL UNEMPLOYMENT RATE

[Numbers in thousands]

	1st quarter 1974	4th quarter 1974	1st quarter 1975
TOTAL			
Unofficial unemployed [1]	10,520	11,524	15,423
Official unemployed	4,968	5,611	8,283
Discouraged workers [2]	4,316	4,480	5,345
Part-time unemployed [3]	1,236	1,433	1,795
Unofficial civilian labor force [1]	93,704	96,089	96,497
Official civilian labor force	89,388	91,609	91,152
Discouraged workers [2]	4,316	4,480	5,345
Unofficial unemployment rate	11.2	12.0	16.0
Official unemployment rate	5.6	6.1	9.1
BLACKS [4]			
Unofficial unemployed	2,085	2,392	2,952
Official unemployed	961	1,124	1,453
Discouraged workers	904	1,006	1,201
Part-time unemployed	220	262	298
Unofficial civilian labor force	11,049	11,356	11,443
Official civilian labor force	10,145	10,350	10,242
Discouraged workers	904	1,006	1,201
Unofficial unemployment rate	18.9	21.1	25.8
Official unemployment rate	9.5	10.9	14.2
WHITES			
Unofficial unemployed	8,433	9,132	12,470
Official unemployed	4,006	4,487	6,830
Discouraged workers	3,412	3,474	4,144
Part-time unemployed	1,015	1,171	1,496
Unofficial civilian labor force	82,655	84,733	85,054
Official civilian labor force	79,243	81,259	80,910
Discouraged workers	3,412	3,474	4,144
Unofficial unemployment rate	10.2	10.8	14.7
Official unemployment rate	5.1	5.5	8.4

[1] Numbers are not seasonally adjusted, but are the original unrevised BLS figures

[2] "Discouraged workers," according to NUL usage, includes all persons not in the labor force who "want a job now," while BLS includes only the subgroup who "think they cannot get a job."

[3] This group constitutes 46 percent of part-time workers who want full-time jobs, according to the U.S. Congress Joint Economic Committee formula.

[4] Blacks include other nonwhites.

Source: Prepared by the National Urban League Research Department from U.S. Bureau of Labor Statistics data.

TABLE 2.—OFFICIAL UNEMPLOYMENT RATES OF BLACK AND WHITE WORKERS BY SEX AND AGE STATUS

[Percent unemployed of total labor force] [1]

Type of workers	1st quarter 1974	4th quarter 1974	1st quarter 1975
Total	5.6	6.1	9.1
Black [2]	9.5	10.9	14.2
White	5.1	5.5	8.4
Adult men:			
Black	7.3	7.7	12.5
White	3.8	3.9	7.1
Married men:			
Black	4.7	5.0	9.8
White	2.8	3.0	5.7
Adult women:			
Black	8.0	9.6	11.3
White	4.8	5.5	8.0
Teenage males:			
Black	29.9	34.3	38.1
White	14.2	15.2	20.3
Teenage females:			
Black	30.9	38.0	41.3
White	13.6	14.9	17.4

[Number unemployed in thousands] [1]

Type of worker	1st quarter 1974	4th quarter 1974	1st quarter 1975
Total	4,968	5,611	8,283
Black [2]	961	1,124	1,453
White	4,006	4,487	6,830
Adult men:			
Black	374	399	646
White	1,698	1,780	3,201
Married men:			
Black	169	172	338
White	1,026	1,068	2,061
Adult women:			
Black	334	411	481
White	1,309	1,564	2,266
Teenage males:			
Black	142	169	167
White	551	612	785
Teenage females:			
Black	110	144	157
White	449	531	578

[1] Numbers are not seasonally adjusted, but are the original, unrevised BLS figures.

[2] Blacks include other nonwhites.

Source: Prepared by the National Urban League Research Department from U.S. Bureau of Labor Statistics data.

TABLE 3.—TYPE OF UNEMPLOYED[1] AMONG BLACK[2] AND WHITE WORKERS BY SEX AND AGE STATUS

[Percentage distribution]

	1st quarter 1974		4th quarter 1974		1st quarter 1975	
Type of unemployed	Black	White	Black	White	Black	White
Total unemployed: Percent	100	100	100	100	100	100
Job losers	48	50	43	47	59	61
Job leavers	15	15	10	15	7	10
Reentrants	25	25	31	27	22	22
New entrants	13	10	16	11	12	7
Adult men: Percent	100	100	100	100	100	100
Job losers	70	70	69	69	80	79
Job leavers	11	13	9	13	5	8
Reentrants	16	15	19	16	12	12
New entrants	2	2	3	2	3	1
Adult women: Percent	100	100	100	100	100	100
Job losers	40	42	38	41	50	53
Job leavers	18	19	14	18	12	12
Reentrants	31	35	38	37	31	32
New entrants	11	4	10	4	8	2
Teenage males: Percent	100	100	100	100	100	100
Job losers	31	33	20	29	35	41
Job leavers	13	13	6	15	[illegible]	9
Reentrants	27	29	37	29	31	25
New entrants	29	25	37	27	29	25
Teenage females: Percent	100	100	100	100	100	100
Job losers	13	23	15	14	21	24
Job leavers	18	14	5	15	4	12
Reentrants	31	27	35	27	29	30
New entrants	38	37	47	44	46	34

[1] Numbers are not seasonally adjusted, but are the original unrevised BLS figures.

[2] Blacks include other nonwhite.

Source: Prepared by the National Urban League Research Department from U.S. Bureau of Labor Statistics data.

TABLE 4.—PERCENT LONG-TERM UNEMPLOYED OF TOTAL UNEMPLOYED AMONG BLACK AND WHITE WORKERS BY SEX AND AGE STATUS

[Percent long-term unemployed][1]

Duration of unemployment	1st quarter 1974	4th quarter 1974	1st quarter 1975
15 weeks or more: Total	18.4	17.8	24.7
Black[2]	21.5	22.0	29.0
White	17.7	16.8	23.5
Adult men:			
Black	27.0	24.9	31.1
White	20.7	20.2	26.1
Adult women:			
Black	17.8	19.2	26.9
White	16.2	16.8	22.7
Teenage males:			
Black	18.7	22.9	25.9
White	15.8	11.5	21.7
Teenage females:			
Black	17.5	20.8	29.9
White	12.9	11.3	18.0
27 weeks or more: Total	6.8	7.1	8.7
Black[2]	7.5	9.3	11.1
White	6.6	6.5	8.2
Adult men:			
Black	8.0	13.8	11.3
White	8.6	9.5	9.5
Adult women:			
Black	7.9	7.1	10.2
White	5.4	6.2	8.7
Teenage males:			
Black	4.7	6.3	13.1
White	4.9	2.0	4.7
Teenage females:			
Black	8.2	6.0	11.4
White	4.5	2.9	3.8

[1] Numbers are not seasonally adjusted, but are the original, unrevised BLS figures.

[2] Blacks include other nonwhites.

Source: Prepared by the National Urban League Research Department from U.S. Bureau of Labor Statistics data.

TABLE 5.—UNEMPLOYMENT RATES OF BLACK AND WHITE WORKERS BY INDUSTRY

[Percent unemployed][1]

Industry	1st quarter 1974	4th quarter 1974	1st quarter 1975
BLACK WORKERS[2]			
Construction	15.2	16.6	28.2
Manufacturing	10.0	11.5	18.2
Durable goods	9.6	11.2	19.2
Primary metals	5.8	8.7	12.4
Automobiles	22.6	15.6	30.8
Nondurable goods	10.7	11.9	16.9
Food	16.1	16.9	18.5
Textiles	7.6	10.7	22.6
Apparel	10.1	13.6	22.7
Transportation	5.9	4.5	9.8
Trade	10.3	11.1	13.5
Wholesale	5.7	10.0	13.1
Retail	11.3	11.3	13.6
Finance	5.2	5.5	9.2
Private household service	5.2	7.3	4.6
Miscellaneous service	6.7	7.8	8.8
Business, repair	14.3	9.1	13.9
Personal service	8.6	10.8	13.3
Professional service	5.0	6.4	6.8
Public administration	5.4	6.7	7.5
Total Federal	6.4	5.6	9.0
Postal Service	5.5	5.3	8.0
Other Federal	7.0	5.7	9.7
State	4.7	2.6	2.3
Local	2.8	11.2	6.4
WHITE WORKERS			
Construction	10.2	9.6	19.3
Manufacturing	5.1	6.3	11.6
Durable goods	4.9	6.1	11.6
Primary metals	2.9	5.1	8.8
Automobiles	10.4	7.5	22.2
Nondurable goods	5.4	6.7	11.6
Food	6.7	7.2	10.5
Textiles	6.2	8.8	16.5
Apparel	8.2	9.8	18.0
Transportation	2.9	2.9	5.4
Trade	5.8	5.6	8.1
Wholesale	3.9	3.8	5.3
Retail	6.1	6.1	8.7
Finance	2.7	3.2	4.3
Private household service	4.4	3.2	6.0
Miscellaneous service	3.2	3.6	4.6
Business, repair	4.7	4.9	7.5
Personal service	4.6	5.1	6.6
Professional service	2.3	2.7	3.3
Public administration	2.2	2.3	2.9
Total Federal	2.4	2.6	3.5
Postal Service	1.3	2.2	2.1
Other Federal	2.9	2.8	4.1
State	1.5	2.7	2.5
Local	2.2	1.7	2.3

[1] Numbers are not seasonally adjusted, but are the origina unrevised BLS figures.

[2] Blacks includes other nonwhites.

Source: Prepared by the National Urban League Research Department from the U.S. Bureau of Labor Statistics data.

TABLE 6.—NUMBER OF UNEMPLOYED BLACK AND WHITE WORKERS BY INDUSTRY

[Numbers in thousands]

Industry	1st quarter 1974	4th quarter 1974	1st quarter 1975
BLACK WORKERS			
Total unemployed	843	940	1,292
Construction	85	86	153
Manufacturing	255	294	452
Durable goods	139	161	267
Primary metals	13	19	26
Automobiles	45	30	58
Nondurable goods	116	133	184
Food	40	41	46
Textiles	12	18	38
Apparel	23	28	48
Transportation	41	30	67
Trade	146	176	208
Wholesale	14	24	36
Retail	132	151	172
Finance	20	21	37
Private household service	30	38	24
Miscellaneous service	189	224	256
Business, repair	39	27	39
Personal service	33	41	48
Professional service	105	135	149
Public administration	37	47	53
Total Federal	29	23	39
Postal Service	9	7	13
Other Federal	20	16	26
State	4	2	2
Local	5	21	12
WHITE WORKERS			
Total unemployed	3,693	3,994	6,482
Construction	530	518	930
Manufacturing	1,001	1,233	2,245
Durable goods	574	720	1,348
Primary metals	35	63	104
Automobiles	101	76	210
Nondurable goods	426	513	897
Food	112	115	172
Textiles	52	66	121
Apparel	100	111	219
Transportation	151	152	284
Trade	934	966	1,370
Wholesale	125	117	166
Retail	810	849	1,203
Finance	119	141	191
Private household service	42	28	53
Miscellaneous service	632	737	949
Business, repair	123	128	206
Personal service	92	112	141
Professional service	322	397	483
Public administration	86	95	120
Total Federal	45	51	67
Postal Service	8	12	12
Other Federal	38	39	55
State	11	19	18
Local	30	24	35

Source: Prepared by the National Urban League Research Department from the U.S. Bureau of Labor Statistics data.

BLACK UNEMPLOYMENT REACHES RECORD LEVEL DURING 4TH QUARTER, 1974

HIGHLIGHTS

During the fourth quarter of 1974, the official unemployment rate for blacks rose to 10.9—their highest quarterly rate in 10 years, while the number of unemployed black reached 1.1 million—the highest number of jobless blacks ever recorded by the Bureau of Labor Statistics.

According to the NUL Hidden Unemployment Index, which takes into account the discouraged workers, the actual unemployment rate for blacks during the last three months of 1974 was 21.0—about double the official rate for blacks. And the actual unemployment rate for whites during the last quarter was 10.7—also double the official jobless rate for whites.

Local governments have been laying off black workers in disproportionate numbers. The unemployment rate for black local government workers during the fourth quarter with 11.2—more than six times the jobless rate of 1.7 for white local government workers.

Blacks had their highest jobless rates in the food processing (16.9) and construction (16.6) industries, followed by the auto (15.6) and apparel (13.6) industries. White workers, on the other hand, had their highest jobless rates in the apparel (9.8) and construction (9.6) industries, followed by the auto (7.5) and food processing (7.2) industries.

Black teenagers with a jobless rate of 36.0 had the highest unemployment rate of all groups of workers over this period. But black women, with an unemployment rate of 9.6, had the highest rate among all adult workers, followed by black men with a rate of 7.7. White adult women and adult men, on the other hand, had jobless rates of 5.5 and 3.9, respectively.

Adult black men, however, was the group most affected by job layoffs. More than two-thirds of the adult black men who were unemployed during the fourth quarter of 1974 had lost their jobs, compared to 38 percent of the unemployed adult black women.

But the majority (57 percent) of the black unemployed—640,000 in number—were ineligible for unemployment insurance because their unemployment did not result from direct job layoffs—an essential qualification for jobless benefits.

RECORD UNEMPLOYMENT

During the fourth quarter of 1974, an additional 72,000 black workers became unemployed, bringing the total number to 1.1 million—the highest officially recorded number of jobless blacks in any quarter since 1954—when the Bureau of Labor Statistics began to record unemployment by race.

At the same time, the black unemployment rate rose to 10.9 during the October-December quarter of 1974, the highest official rate of unemployment reached by blacks nationally in any quarter in the last 10 years and the highest fourth quarter rate since the 1961 recession, when it was 10.8. Thus, at the close of 1974, the unemployment rate for black workers continued to be twice that of white workers (5.5).

In addition to those without jobs, the number of black workers who wanted to work full-time, but could only get part-time jobs, increased by 75,000 over the year, bringing the total number well over half a million toward the end of 1974.

HIDDEN UNEMPLOYMENT

Although these official jobless rates for blacks are already at record levels, they still understate the actual extent of unemployment throughout the country. For the official definition of "unemployed" excludes such "hidden unemployed" as discouraged workers (i.e., those who want a job now but are no longer actively seeking) and the part-time workers who want full-time jobs. In order to derive a more reliable estimate of the extent of unemployment, the National Urban League developed a Hidden Unemployment Index, that incorporates both groups. According to the NUL Hidden Unemployment Index, the actual unemployment rate for blacks during the fourth quarter of 1974 was 21.0, just about double the official rates. Thus, a minimum of one out of every five black workers was unemployed at the close of 1974—and this figure was much higher in urban poverty areas.

HARD-HIT GROUPS

Among those hardest hit by the sharp rise in unemployment during the last quarter of 1974 were black workers in poverty sections of urban areas, where half of the metropolitan area unemployed black workers live. During the last three months of 1974, the unemployment rate for blacks in these poverty areas soared to 14.3 from a rate of 10.5 a year ago.

The already deplorable employment situation of black teenagers worsened. Well over one-third (36 percent) of the black teenagers in the labor force were without jobs during the last quarter of 1974.

But the overwhelming majority (70 percent) of the black unemployed are adults. And among the adult workers, black women had the highest jobless rate (9.6). Black adult men had the second highest rate (7.7) and white women were next with (5.5), while white adult men had the lowest unemployment rate (3.9). Even black married men, usually considered one of the most stable segments of the labor force, had a higher unemployment rate (5.0) than all adult white men (3.9). (Table 1)

LONG-TERM UNEMPLOYMENT

Not only were more black workers without jobs in the last quarter of 1974, but more black workers were unemployed for longer periods of time. Between the third and fourth quarters of 1974, the number of black workers out of work for three months or more increased by 76,000, while the number who had been unemployed for half a year or more increased by 25,000. (Table 2)

JOB LAYOFFS ON THE RISE

During the last three months of 1974, the number of unemployed black workers laid off the job increased by 148,000—bringing the total number of black job losers to half a million. Thus, the proportion of all unemployed blacks who were laid off jumped from 32 percent in the previous quarter to 43 percent.

Most of this increase in job losers occurred among adult black men. Two-thirds (69 percent) of the unemployed adult black men during the fourth quarter of 1974 had been laid off their jobs, compared to 38 percent of the adult black women, 20 percent of the teenage black males and 15 percent of the teenage black females. Thus, disproportionate numbers of black male breadwinners were laid off their jobs toward the close of 1974. (Table 3)

INELIGIBLES FOR JOBLESS BENEFITS HIGH

Contrary to the popular misconception that most unemployed workers receive unemployment insurance (UI), only persons who have been laid off their jobs can qualify.

But most unemployed workers, whether black or white, had not been laid off their jobs. They were either entering the labor force for the first time (such as young people and students), reentering the labor force (such as housewives returning to the paid labor force) or had quit their jobs. Although the number of these other types of unemployed workers declined during the fourth quarter, they still made up the majority (57 percent) of all unemployed black workers—but could not receive jobless benefits. Thus, at the close of 1974, 2.6 million unemployed white workers and 640,000 unemployed black workers were forced to depend on the generosity of relatives and friends or seek public assistance because they were denied benefits supposedly available to most of the unemployed. It is imperative that, at this time of deepening recession, jobless benefits be expanded to cover more of the currently ineligible groups of unemployed workers.

PRIVATE INDUSTRIES WITH HIGH JOBLESS RATES

Although the media has understandably focused on the high jobless rates in the construction and auto industries, blacks have their highest unemployment rate (16.9) in food processing. And larger numbers of black workers are unemployed in the food processing industry with 41,000 jobless blacks than in the auto industry with 30,000 jobless blacks. Even larger numbers of blacks are unemployed in the construction industry—86,000—and the unemployment rate is also very severe (16.6).

Among white workers, unemployment in the apparel industry with a rate for these workers of 9.8 outranks the automobile industry with a white rate of 7.5 in severity. And the 110,000 unemployed white workers in the apparel industry exceed the 76,000 unemployed white workers in the auto industry.

The apparel industry is also a high unemployment rate industry for blacks with a rate of 13.6 and food processing has an unemployment rate of 7.2 for its white workers. Thus, the food processing and apparel industries across the nation have been affected by the current recession and inflation to a much greater extent than is widely publicized.

The steepest rise in unemployment rates has occurred in the automobile industry. One year ago during the onset of the energy crisis, the black unemployment rate in this industry was 3.8 while today it is 15.6. In the same period of time, the white rate has risen from 1.9 to 7.5. Other private industries with high jobless rates for black workers during the last quarter of 1974 were: retail trade (11.3), personal services (10.8), textiles (10.7) and wholesale trade (10.0). (Tables 4 & 5)

UNEMPLOYMENT AMONG GOVERNMENT WORKERS

Although blacks make up only 15 percent of all government workers, they comprise about one-third of all unemployed government workers. While the unemployment rate for white government workers remained at about two percent between the third and fourth quarters of 1974, the jobless rate for all black government workers rose from 5.3 to 6.7.

But black government workers at the local level have been the hardest hit of all government workers. While the unemployment rate for white local government workers remained unchanged at 1.7 between the last two quarters of 1974, the unemployment rate for black local government workers shot up from 7.1 to 11.2—more than six times the jobless rate for whites.

Moreover, although blacks comprise only 12 percent of all local government workers in the labor force, they made up half (47 percent) of all local government workers who were unemployed during the fourth quarter of 1974—up from 38 percent during the third quarter of 1974.

Black unemployment at the federal and state levels, however, was not as acute as it was at the local level. Black federal workers had a jobless rate 5.6—about double the 2.6 jobless rate for white federal workers. And the black unemployment rate was lowest at the state level—2.6 for all black state government workers, about equal to the jobless rate for white state government workers.

POLICY IMPLICATIONS

The employment situation of the black worker is critical and unemployment figures for the early part of 1975 indicate that the situation is continuing to deteriorate. Already indications are that it may very well be as severe as it was during the depression of the 30's. Ira Reid, research director of the National Urban League at that time, based on a survey of cities across the nation, estimated that 750,000 black workers were out of work at the end of 1931 and that one and a half million blacks were out of work at the end of 1932. Even using the limited official definition of unemployment, black unemployed workers have already exceeded the million mark.

Many policy implications stem from our analysis of the data. Black workers are being disproportionately laid off their jobs by local governments at a time when Congress has passed legislation expanding the number of public jobs at the local level. If, as we have found, almost half of the workers who had previously been employed in local government are now out of work, certainly they should get their fair share of the new public employment jobs when they are handed out. Based also on the proportion of blacks among the long-term unemployed, they also deserve special consideration when these slots are filled. Yet it is already evident that many of these new public service jobs are not going to the long-term unemployed, blacks and other disadvantaged groups. Thus, they will once again be denied equal employment opportunities unless affirmative action commitments are enforced in both the public and private sectors.

Even more serious, perhaps, are those who will not be helped at all by the remedies presently proposed. We are speaking of the unemployed, and this affects blacks particularly, who have virtually no job experience or who have been out of the labor market for a time and who are now again trying to find work. They make up almost half of the black unemployed and yet they are not eligible for the benefits under the unemployment insurance program nor are they eligible for the newly created jobs. Yet these are the workers least likely to have any cushion to fall back on. Particularly youth who have never worked, are losing the valuable years of experience needed for progress in the world of work.

NOTES

(a) The numbers of unemployed and rates of unemployment generally used in this report are from the official numbers and rates provided by the Bureau of Labor Statistics (BLS) in the U.S. Department of Labor. According to this definition, only those people are considered unemployed who did not work during the survey week *and* who actively searched for work within the four week period preceding the survey *and* who were available for work (except for temporary illness) during that week. Those workers, ready and willing to work, who had become discouraged by their inability to find a job or who lacked the means to look, are not included. These numbers, therefore, underestimate the true extent of unemployment.

(b) In the NUL *Hidden Unemployment Index*, we seek to correct this deficiency. Based on a formula developed by the Joint Economic Committee of the United States Congress, we take into consideration both the "discouraged workers" and those who work part-time for economic reasons. For the number of "discouraged workers" we refer to those persons not in the labor force who indicated that they "want a job now." Official data in a 1970 survey of low income areas show that of those black workers not in the labor force who indicate some desire for a job, only about two fifths say they want a job now. The figure for "discouraged workers" is added to both the official labor force number and to the number of officially unemployed. Forty-six percent of the part-time for "economic" reasons are included to represent the amount of employment lost by them. The part-time workers are already considered in the official labor force figures and are, therefore, added only to the figures for the unemployed. The new rate of index is obtained by dividing the new total for the unemployed by the new total for the civilian labor force.

(c) In addition to recording the actual data, BLS adjusts its statistics to eliminate fluctuations due to seasonal factors. Because we are interested in examining trends in the actual number of unemployed people, regardless of the reasons for their unemployment, and because the seasonally adjusted data are subject to repeated revisions, it is our policy to use the original, unrevised statistics. Therefore, numbers and rates used throughout this report, for example, will reflect the unrevised, actual figures for the unemployed, not those which have been imputed to conform to seasonal factors established by past experience. The unadjusted figures may be lower or higher than the seasonally adjusted numbers of rates which are generally quoted by the media.

(d) Since employment and unemployment statistics on blacks, distinguished from other nonwhites, are not generally available from BLS for purposes of analysis, data in this report, unless otherwise indicated, are for blacks and other races (American Indians, Japanese, Chinese, Filipinos, Koreans, etc.). Usually, BLS data include Spanish-Americans in the statistics for whites.

TABLE 1.—UNEMPLOYMENT TRENDS OF BLACK AND WHITE WORKERS BY SEX AND AGE STATUS FOR SELECTED QUARTERS

[Percent unemployed]

Types of workers	4th quarter 1973	3d quarter 1974	4th quarter 1974
Total	4.4	5.5	6.1
Black	7.9	10.0	10.9
White	4.0	5.0	5.5
Adult men:			
Black	4.9	6.2	7.7
White	2.5	3.1	3.9
Married men:			
Black	3.4	3.9	5.0
White	1.9	2.1	3.0
Adult women:			
Black	7.7	8.6	9.6
White	4.0	5.4	5.5
Teenage males:			
Black	25.7	30.5	34.3
White	12.8	12.4	15.2
Teenage females:			
Black	30.5	33.8	38.0
White	12.5	14.7	14.9
Unemployed numbers (thousands):			
Total	3,958	5,115	5,611
Black	806	1,051	1,123
White	3,152	4,063	4,487
Percent black	20.4	20.6	20.0

Source: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 2.—LONG-TERM UNEMPLOYED AS PERCENT OF TOTAL UNEMPLOYED FOR BLACK AND WHITE WORKERS BY SEX AND AGE STATUS FOR SELECTED QUARTERS

[Percent unemployed]

Duration of unemployment	4th quarter 1973	3d quarter 1974	4th quarter 1974
15 weeks or more:			
Total	17.0	16.2	17.8
Black	21.1	15.9	22.0
White	15.9	16.3	16.8
Adult men:			
Black	31.4	20.6	24.9
White	20.6	24.2	20.2
Adult women:			
Black	18.2	15.0	19.2
White	15.8	15.6	16.8
Teenage males:			
Black	15.3	15.2	22.9
White	10.6	7.8	11.5
Teenage females:			
Black	12.6	9.6	20.8
White	10.1	7.6	11.3
27 weeks or more:			
Total	7.4	7.4	7.1
Black	8.9	7.5	9.3
White	7.0	7.4	6.5
Adult men:			
Black	14.0	12.6	13.8
White	10.5	12.9	9.5
Adult women:			
Black	9.3	6.9	7.1
White	6.4	6.2	6.2
Teenage males:			
Black	2.7	4.8	6.3
White	3.2	2.6	2.0
Teenage females:			
Black	3.0	2.5	6.0
White	3.6	2.1	2.9

Source: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 3.—TYPE OF UNEMPLOYED WORKERS BY RACE, SEX AND AGE STATUS, 4TH QUARTER 1974

[Numbers in thousands]

	Black	White
Adult men	399	1,779
Percent	100	100
Job losers	69	69
Job leavers	9	13
Re-entrants	19	16
New entrants	3	2
Adult women	410	1,564
Percent	100	100
Job losers	38	41
Job leavers	14	18
Re-entrants	38	37
New entrants	10	4
Teenage males	169	612
Percent	108	100
Job losers	20	29
Job leavers	6	15
Re-entrants	37	29
New entrants	37	27
Teenage female	144	532
Percent	100	100
Job losers	15	14
Job leavers	5	15
Re-entrants	35	27
New entrants	46	44

Source: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 4.—UNEMPLOYMENT RATES OF WORKERS FOR SELECTED QUARTERS BY INDUSTRY AND RACE

Industry	4th quarter 1969	4th quarter 1973	3d quarter 1974	4th quarter 1974
BLACK WORKERS				
Construction	6.2	10.3	13.6	16.6
Manufacturing	5.0	6.5	8.6	11.5
Durable goods	5.0	5.8	7.7	11.2
Primary metals	1.7	2.3	3.0	8.7
Automobiles	3.9	3.8	12.4	15.6
Nondurable goods	5.0	7.3	9.8	11.9
Food	4.8	8.7	13.1	16.9
Textiles	4.9	3.4	12.7	10.7
Apparel	7.0	10.4	11.7	13.6
Transportation	3.9	3.0	4.4	4.5
Trade	6.5	8.8	10.9	11.1
Wholesale	7.4	3.5	12.2	10.0
Retail	6.3	9.8	10.7	11.3
Finance	2.4	4.8	4.4	5.5
Private household service	4.0	5.7	5.7	7.3
Miscellaneous service	5.1	6.7	7.6	7.8
Business, repair	4.5	9.9	7.4	9.1
Personal service	7.3	6.2	6.7	10.8
Professional service	4.2	6.0	7.0	6.4
Public administration	3.8	5.3	5.3	6.7
Total Federal	3.8	4.6	4.8	5.6
Postal Service	3.1	3.1	2.0	5.3
Other Federal	4.3	5.3	5.9	5.7
State	3.6	7.0	3.0	2.6
Local	4.0	6.8	7.1	11.2
WHITE WORKERS				
Construction	4.3	6.1	6.1	9.6
Manufacturing	3.2	3.6	4.7	6.3
Durable goods	3.0	3.3	4.3	6.1
Primary metals	2.1	3.4	2.9	5.1
Automobiles	2.5	1.9	6.5	7.5
Nondurable goods	3.5	4.0	5.4	6.7
Food	4.3	4.5	6.2	7.2
Textiles	4.4	3.8	5.8	8.8
Apparel	6.0	6.0	9.6	9.8
Transportation	2.0	2.6	2.7	2.9
Trade	3.0	4.2	5.3	5.6
Wholesale	2.2	2.9	3.4	3.8
Retail	3.2	4.5	5.7	6.1
Finance	1.9	2.7	2.8	3.2
Private household service	2.3	3.6	4.5	3.2
Miscellaneous service	2.0	2.9	4.2	3.6
Business, repair	3.0	4.3	5.4	4.9
Personal service	3.3	4.7	5.0	5.1
Professional service	1.3	2.0	3.6	2.7
Public Administration	1.9	2.1	1.8	2.3
Total Federal	2.0	2.3	2.0	2.6
Postal Service	.9	.6	1.1	2.2
Other Federal	2.5	3.1	2.4	[illegible]
State	1.3	2.2	1.6	2.7
Local	1.9	1.7	1.7	1.7

Source: U.S. Department of Labor, Bureau of Labor Statistics

TABLE 5.—NUMBER OF UNEMPLOYED WORKERS FOR SELECTED QUARTERS BY INDUSTRY AND RACE

[Numbers in thousands]

Industry	4th quarter, 1969	4th quarter, 1973	3rd quarter, 1974	4th quarter, 1974
BLACK WORKERS				
Total unemployed	451	671	819	940
Construction	32	56	70	86
Manufacturing	116	165	224	294
Durable goods	68	83	112	161
Primary metals	3	4	6	19
Automobiles	6	8	27	30
Nondurable goods	48	81	111	133
Food	12	29	30	41
Textiles	6	6	24	18
Apparel	13	22	26	28
Transportation	21	20	30	30
Trade	76	127	167	176
Wholesale	15	8	29	24
Retail	62	118	137	151
Finance	6	17	17	21
Private household service	32	34	30	38
Miscellaneous service	121	188	221	224
Business, repiar	10	28	22	27
Personal service	32	24	25	41
Professional service	68	121	148	135
Public administration	22	38	38	47
Total Federal	14	21	20	23
Postal Service	4	5	2	7
Other Federal	10	16	18	16
State	1	6	2	2
Local	6	10	15	21

TABLE 5.—NUMBER OF UNEMPLOYED WORKERS FOR SELECTED QUARTERS BY INDUSTRY AND RACE—Con.

Industry	4th quarter, 1969	4th quarter, 1973	3rd quarter, 1974	4th quarter, 1974
WHITE WORKERS				
Total unemployed	1,926	2,762	3,494	3,994
Construction	196	326	349	518
Manufacturing	631	703	933	1,233
Durable goods	355	384	510	720
Primary metals	22	39	34	63
Automobiles	26	20	68	76
Nondurable goods	276	318	422	513
Food	67	76	101	115
Textiles	38	31	45	66
Apparel	75	74	115	111
Transportation	99	129	143	152
Trade	424	702	896	966
Wholesale	54	92	109	117
Retail	370	609	787	849
Finance	67	115	130	141
Private household service	27	38	44	28
Miscellaneous service	334	563	816	737
Business, repair	67	109	144	128
Personal service	70	99	112	112
Professional service	149	279	486	397
Public administration	74	80	76	95
Total Federal	41	43	40	51
Postal Service	5	3	6	12
Other Federal	35	39	33	39
State	7	15	10	19
Local	25	22	25	24

Source: U.S. Department of Labor, Bureau of Labor Statistics.

COMMISSIONER SHISKIN TESTIFIES ON UNEMPLOYMENT

Mr. HUMPHREY. Mr. President, on June 6 the Joint Economic Committee received testimony from Dr. Julius Shiskin, Commissioner of Labor Statistics, on employment and unemployment in May. The candor of Dr. Shiskin's testimony cast light on the real meaning of the increasingly bleak unemployment situation in the United States.

On the morning of the hearing, the Bureau of Labor Statistics—BLS—released the May labor force figures. They showed a continued increase in the unemployment rate for last month—specifically a jump from 8.9 to 9.2 percent. Dr. Shiskin testified:

> The unemployment situation continues to be extremely serious, with more than 8.5 million unemployed—the highest level since before World War II.

Unemployment was up amongst black women, white men, and teenagers. The average job-search is up half a week to 13.4 weeks.

Shiskin added:

> It should be recognized that when a recession has reached bottom and during the early stages of recovery, the economy is still operating at a relatively depressed level. Large numbers of people are unemployed, much industrial capacity is underutilized, and income and consumption are low.

Some employment statistics that tend to coincide with or marginally lead cyclical troughs were up last month suggesting that perhaps, as President Ford has put it, the economy is "bottoming out." But Dr. Shiskin quickly warned that—

> I would not base major policy on it . . . I would wait a few months to see if those increases continue.

Among the early indicators are the BLS' new diffusion index of industrial employment, initial claims for unemployment insurance, and involuntary part-time workers.

Employment for May was up slightly in certain selected industries, but the major gain was in the agricultural sector where there was a seasonally adjusted increase of about 300,000 workers. But seasonal adjustment techniques are less reliable for agriculture, Dr. Shiskin observed. Employment continued to decline in construction and manufacturing even though there was an increase in employment in the automobile industry.

Dr. Shiskin predicted it would be a "very rough summer for American youth," noting about 4.2 million are expected to enter the labor force looking for temporary employment in June.

On another front, Dr. Shiskin told the committee that BLS estimates every $1 tariff increase on a barrel of oil will result in a 2½-cent increase in the pump price of gasoline. He said BLS has not undertaken to correlate the tariff increase with unemployment, though CRS has done studies on this question.

The committee discussed with Dr. Shiskin the seasonal adjustment methods used by the BLS. Dr. Shiskin pointed out that next month's unemployment figures will understate true unemployment, because of an expected anomaly with the seasonal adjustment procedure. He promised to provide the committee with an alternate—and more accurate—estimate of unemployment next month. Also. Dr. Shiskin expressed continued support for excluding so-called "discouraged workers" who have given up searching for a job from the labor force, though he said he supports review of the question by a study commission to be chaired by Secretary of Labor John Dunlop.

This month's unemployment figures bring more bad tidings. More and more Americans are unemployed. Quite probably the economy is bottoming out in the sense that output is no longer falling, but for millions of unemployed it is a crash landing. A situation in which unemployment will remain excessive through the remainder of this decade and perhaps beyond is an emergency situation. It is politically, morally, and economically unacceptable from my point of view.

Dr. Shiskin's testimony is certainly the best indication we presently have of where we stand. Therefore, I commend it to my colleagues for their close scrutiny, and I ask unanimous consent that it be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Statement of Julius Shiskin, Commissioner of Labor Statistics, Before the Joint Economic Committee, June 6, 1975

Mr. Chairman and Members of the Committee: I welcome the opportunity to explain to the Joint Economic Committee certain features and implications of the comprehensive and complex body of data released at 10 a.m. this morning in our press release, The Employment Situation.

Many years ago a great American economist, Wesley C. Mitchell, observed that the various economic indicators do not move in tandem, but rather in sequences. The indicators which measure performance, such as GNP and industrial production, make up one cluster, which is preceded by other series, like new orders, construction contracts, and stock prices, which make up another cluster, and followed by others, such as capital expenditures and the level of inventories, which make up still another cluster. The timing of these sequences can vary for individual series, depending on whether the economy is beginning to turn down (cyclical peak) or pick up again (cyclical trough). Mitchell devoted his life to a study of the timing relations among economic processes, and he and his protege, Dr. Arthur F. Burns, set up the early National Bureau of Economic Research lists of leading, coincident, and lagging indicators.

As I indicated in my remarks last month, the various employment and unemployment indicators can be divided into similar groups. In fact, many of these series are included in the NBER lists. In general, the employment and man-hours series, which measure performance, are coincident indicators. Hours worked, the factory layoff rate, the factory accession rate, initial claims for unemployment insurance, and involuntary part-time workers who usually work full time tend to move early, though the leads at business cycle troughs are very short. The unemployment rate, the long-term unemployed, and discouraged workers tend to move late at troughs.

At this juncture, when many believe we are approaching or may have even reached a cyclical trough, it is especially useful to examine the recent trends in the employment and unemployment series classified according to their cyclical timing.

Greatest concern is with the unemployment figures, so I shall start with them. The new data which have become available this morning show that among these lagging indicators, the unemployment rate has risen sharply from a low of 4.6 percent in October 1973 to 8.9 percent in April and 9.2 percent in May. As was the case in most of the previous months, unemployment in May was fairly widespread, with increases in the unemployment rate for many of demographic, occupational, and industry groups.

The number of persons unemployed 15 weeks and longer—the long-term unemployed—rose from 2.4 million in April to more than 2.6 million in May, and the number unemployed 27 weeks and longer rose from about 950,000 in April to nearly 1.1 million. The average or mean duration of unemployment rose by one-half week to 13.4 weeks, the highest level in more than 10 years. Thus, all of these unemployment indicators, shown in Chart 1, which tend to lag at cyclical upturns, continued to rise in May.

Although unemployment continued to increase, total employment, as measured in the household survey, also began to rise, by 240,000 in April and then by more than 300,000 in May. Total nonagricultural employment remained about the same in May compared to April, with almost the whole rise coming in agricultural employment. The simultaneous rise in both employment and unemployment is explained by the large increase in the civilian labor force, nearly 700,000. The labor force participation rate also continued to rise, reaching an all-time postwar WW II high in May.

Total nonagricultural employment, as measured by the BLS establishment survey, appears to have risen slightly over the past two months. The employment decline in manufacturing industries has slowed markedly in April and May, with a decline of about 55,000 for the two months combined, compared with declines of 150,000 in March and more than 400,000 in both February and

January. Employment in service-producing industries rose a little again. The rise in State and local government employment in May—55,000—was about equal to rise in total nonagricultural employment. These data are shown in Chart 2.

Of the other measures of economic performance, the index of man-hours worked, the most comprehensive measure of employment activity, also appears to be inching up, although many durable goods manufacturing industries continued to decline.

With the sole exception of the workweek, which leveled off, all the employment-related indicators which tend to move early around business cycle troughs improved, as can be seen in Chart 3. (The more familiar term "leading" indicators has not been used here because these employment and unemployment series have short leads at troughs, or are coincident. However, they tend to turn up early compared to most indicators classified as coincident.) The BLS diffusion index of employment in 172 industries (which measures the proportion of industries with increasing employment) rose for the third month in a row, from a low of about 17 percent in February to 26 percent in March, 43 percent in April, and 54 percent in May. In May, more than half of the industries showed increases in employment, the first time since August 1974. The factory accession rate has now risen for 4 months in a row. The factory layoff rate, which tends to fall when the economy improves, has now declined for three months in a row. Initial claims for unemployment insurance are well below levels reached earlier in the year, and the weekly seasonally-adjusted series shows continuing improvement through the week ended May 24. The number of involuntary part-time workers who usually work full time declined for the third month in a row.

Average hours were about unchanged in May, as was the cyclically significant component, manufacturing hours. Overtime hours in manufacturing have been unchanged at 2.3 hours for 5 months in a row.

In summary, the employment indicators which tend to move early have been improving for several months now, and these cyclical trends are consistent with those of other leading indicators, such as new orders and stock prices.

The May data on employment and man-hours worked—measures of current employment performance—appear to be suggesting that the recession has reached bottom, and possibly that recovery has started. The unemployment situation, however, continues to be extremely serious, with more than 8.5 million unemployed, the highest level since before World War II. On the basis of past experience, it would still take some time for the unemployment rates to improve, since they tend to lag. However, corroborating data during the next few months are needed before we can be reasonably sure that recovery is actually under way.

It should be recognized that when a recession has reached bottom and during the early stages of recovery, the economy is still operating at a relatively depressed level. Large numbers of people are unemployed, much industrial capacity is underutilized and income and consumption are low.

An advance word of warning is desirable regarding our seasonal adjustment for next month. June is the most troublesome month for seasonal adjustment of the unemployment rate, as large numbers of students and graduates enter the labor force that month. The seasonal adjustment method we currently use will understate the unemployment rate if, as we expect, the number of young people who enter the labor market next month is not proportionate to the current exceptionally high levels of unemployment.

Methods of making seasonal adjustments are highly technical. We have prepared a short, explanatory note which I would like to include in the record, and I will be glad to make a copy available to anyone who wants one. It is, however, quite short and may not be fully explanatory to some. I would encourage anyone who wishes to know more about this problem to phone the BLS staff.

Please note that we have scheduled the release of both the June Wholesale Price Index and the June Employment Situation on Thursday, July 3.

I attach a copy of the special table showing seasonally-adjusted unemployment rates for detailed manufacturing industries in which this Committee has shown continued interest.

I will now be glad to try to answer your questions.

UNEMPLOYMENT RATES, DETAILED MANUFACTURING INDUSTRIES, SEASONALLY ADJUSTED

	May 1974	March 1975	April 1975	May 1975
Lumber	5.0	11.9	17.7	18.6
Furniture and fixtures	5.3	17.2	13.4	12.2
Stone, clay, and glass	5.0	9.6	10.9	12.3
Primary metals	2.7	12.0	12.0	10.7
Fabricated metals	4.6	12.4	10.9	13.8
Machinery	2.4	8.0	10.9	9.8
Electrical equipment	4.6	11.8	13.6	16.1
Transportation equipment	6.7	13.4	13.8	12.1
Automobiles	8.9	17.5	18.0	15.1
Other transportation equipment	6.1	12.8	14.7	13.5
Food and kindred products	7.1	9.2	9.2	10.0
Textile mill products	4.9	13.7	17.1	18.3
Apparel and other textile products	6.7	19.8	18.9	16.1
Printing and publishing	4.4	5.6	7.1	8.3
Chemicals and allied products	.9	7.3	5.6	8.0
Petroleum and coal products	1.4	5.4	1.8	5.9
Rubber and plastics products	7.3	14.6	15.2	13.6

MORE MONEY FOR MORE JOBS

Mr. WILLIAMS. Mr. President, yesterday the Senate passed without a single dissenting vote House Joint Resolution 499, which will continue existing appropriations levels for Federal programs operating in fiscal year 1975 into fiscal year 1976. This display of unity was earlier reinforced in the House on June 17, when it passed House Joint Resolution 499 by a vote of 400 to 16.

I was personally gratified by this strong showing of support by my colleagues. I am particularly gratified by the support for the labor-intensive public assistance programs which will be maintained as a result of this action. There has been a continuing struggle against an inert and hesitant administration, but our persistence has borne fruit. A stagnant economy, reinforced by the decisions of inflexible leaders, is not in the best interests of our society.

When President Ford vetoed H.R. 4481, the Emergency Employment Appropriations Act of 1975 on May 30, he did so without full examination of the effect of that action on the unemployment problem in this country. Even as his veto message was being distributed to the press, the Labor Department released the most current unemployment statistics.

Those statistics showed yet another increase in the already crushing level of unemployment, a level which the President evidently does not feel can be ameliorated by the expansion of public service jobs for the unemployed.

Following failure of the House to override the veto of H.R. 4481, an effort was started to appropriate the most needed employment funds in segments.

The first action came with the adoption of House Joint Resolution 492, the special emergency supplemental appropriations bill for summer youth employment. These funds were in the vetoed H.R. 4481. The unemployment rate among youths is currently double and triple that of adult workers, and the creation of 840,000 jobs nationwide, as provided in House Joint Resolution 492, will have a significant impact on lowering this ratio.

On Monday, June 16, I was pleased to be present at the White House when President Ford signed House Joint Resolution 492. Because of my longstanding commitment to the establishment of a jobs program for our Nation's young, the signing ceremony held special significance for me. In my own State of New Jersey alone, the funds provided under this measure will mean that nearly 26,000 jobs will become available for needy young people at a time when the need is greatest.

Now that Congress has established the momentum to support ongoing countercyclical measures to stabilize a plummeting employment situation, this forward motion must not be slowed. There is an urgent need for controlled large-scale Federal spending, and congressional agreement on this issue of fiscal policy has been incontrovertibly demonstrated through events of these past few days.

With the passage yesterday by both the House and the Senate of House Joint Resolution 499, more funds from the vetoed H.R. 4481 will be available to continue vital public assistance programs, including manpower and job-development programs.

Only an individual who has personally experienced the agony and feeling of helplessness which accompanies loss of one's employment can appreciate the full meaning of relief through the public service job program. Yet the President seems to have missed this point when he vetoed H.R. 4481. That action left local administrators hanging, literally at the wire, unsure if funds would be forthcoming to continue the services and programs already in progress.

I have received angry letters from officials across the country who must start laying off some public service employees, because the Federal funds needed to pay them are about to be exhausted, and there is no indication whether Federal assistance will continue. It is very difficult for an employer, faced with the unpleasant task of taking away an individual's job, to understand why their Government cannot act in a timely fashion so that local public needs can be accurately planned.

In response to the well-documented need for Federal assistance to the thousands of unemployed and disadvantaged citizens in our country, House Joint Resolution 499 restores a sizable portion of those funds lost through the veto of H.R.

4481. Included are $1.625 billion to maintain the existing public service employment levels at approximately 330,000 jobs; $30 million for jobs for the elderly; $119.8 million for college work-study jobs; $70 million for the WIN program; and $10 million for the Youth Conservation Corps.

In addition to this $1.85 billion supplemental appropriation, which I supported when it was first brought up under H.R. 4481, House Joint Resolution 499 provides an additional $375 million for the job opportunities program. This amount is provided in an amendment to the House-passed version of House Resolution 499, and I feel its inclusion on the continuing resolution at this time is necessary. The $375 million requested for the job opportunities program will bring to $500 million the total amount appropriated for the accelerated public works program authorized by existing law. The purpose of this program is to provide short-term employment opportunities while constructing facilities of lasting value to the community. This means 50,000 jobs to be created at a time when the need could not be greater and I urge prompt acceptance of this amendment in the House of Representatives.

Mr. President, the quick action by the Congress in passing the continuing resolution is clearly a triumph not for the Congress alone, but for those tens of thousands of American citizens who are going to benefit immediately from the job opportunities created.

I commend Senator Magnuson and the Appropriations Committee for their expeditious handling of this resolution. The road ahead is a difficult one, strewn with many pitfalls, but we have faced our duty clearly. Now that we have established the momentum for our public employment programs, we must not allow the administration's future recalcitrance to again stall those programs which will have important and direct bearing on the economic recovery of this Nation.

CORRUPTION IN THE GRAIN TRADE

Mr. CLARK. Mr. President, yesterday the Senate Subcommittee on Foreign Agricultural Policy opened hearings aimed at correcting the very serious problems in our grain inspection system—a system which Subcommittee Chairman Hubert H. Humphrey characterized as "an outrage."

Over the past several weeks, it has become increasingly apparent that our present grain inspection system is riddled with corruption and conflict of interest. The implications of this discovery are frightening—as Senator Humphrey pointed out:

> In 1974, the United States shipped 3.4 billion bushels of grain worth an estimated $12.5 billion. Exports of this volume are not to be taken lightly or for granted.

Senator Humphrey is to be commended for beginning these hearings on the grain inspection system. As a member of the Foreign Agricultural Policy Subcommittee, I look forward to working with him to develop legislation which will insure reliability and honesty in our inspection system.

Mr. President, I ask unanimous consent that Senator Humphrey's opening statement from yesterday's hearing be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY HUBERT H. HUMPHREY

The hearings which we are beginning today are of extreme importance to our agricultural economy, our exporters and of course the national economy.

In 1974, the United States shipped 3.4 billion bushels of grain worth an estimated $12.5 billion. Exports of this volume are not to be taken lightly or for granted.

The work at hand, in my view, is to quickly come to grips with the problem which has unfolded before us. We need to develop the facts and the dimensions of the problem.

I have introduced emergency legislation, S.J. Resolution 88, which will enable the Department of Agriculture to clear up this problem in an expeditious fashion.

It is certainly not the intention of this subcommittee to create waves for the American farmers or the export market; however, we also must avoid the possibility of a whitewash.

It has become clearer as the information of the investigation has unfolded that we are looking at a problem of longstanding. We also have been informed that many of the practices, which brought about this investigation, are longstanding and for many parts of the world the standard way of doing business.

We will need to draw from the ideas and suggestions of those people who have knowledge and background in the grain business. While the hearing today will involve government witnesses exclusively, we will certainly need to draw on outside expertise at a later date.

We will definitely want the witnesses today, as well as those who appear subsequently, to examine S.J. Res. 88 and give us their assessment and suggestions concerning this proposed legislation.

Are the authorities provided to the Secretary of Agriculture therein appropriate, and will they enable him to deal with this problem in an expeditious fashion?

Are there additional authorities which should be provided?

Finally, are the increased penalties included in S.J. Res. 88 adequate to serve as a deterrent to the continuation or the future resurgence of this problem?

Since the inspection problem was detailed as early as 1969 in the Browning Report and the current controversy surfaced well over a year ago, I would hope that the Secretary would explain what steps have been taken to clear up the problem.

While our main focus to date has been on the issue of grain exports and their inspection, it is clear also that we will have to at some point give consideration to the problem of internal grain shipping and the inspection and handling thereof.

This responsibility would come under the jurisdiction of the Subcommittee on Agricultural Production, Marking and Stabilization of Prices which is chaired by Senator Walter D. Huddleston. I have alerted Senator Huddleston to this possibility and we have agreed to coordinate the efforts of our subcommittees as may be required.

Our hearings also will have to look beyond the immediate question of grain inspection and examine the whole grain grading structure to determine whether changes are required to prevent the adulteration of our grain exports. In addition, we will need to look carefully at the process by which grain is weighed at the various steps along the way to the purchaser.

While our grain export system has suffered a serious blow, I am hopeful that these hearings can be helpful in dealing with the problem. I would suggest restraint by all parties involved so that we can get down to the very serious business at hand in finding answers to problems which are before us. There is too much at stake for all of us than to do otherwise.

The Federal law enforcement authorities have been pursuing active investigations in this field for some time. U.S. Attorney Gallinghouse in New Orleans has been particularly successful in obtaining indictments and convictions. This subcommittee will in no way compromise these investigations and prosecutions. I hope all other committees of the Congress will restrain themselves from seeking easy headlines on this issue.

However, I do hope that the Committee staff can work with the FBI, the U.S. Attorney's office, and the Justice Department on a confidential basis. I can assure you that any information provided to the staff will be kept confidential.

NURSING HOME OMBUDSMAN

Mr. MOSS. Mr. President, in 1972 the Department of Health, Education, and Welfare funded a series of experimental nursing home ombudsman projects.

These ombudsman programs have proved to be very effective in protecting the rights of the infirm elderly and in investigating nursing home complaints. Because of this experience I have introduced my bill, S. 1569, which would require that every State establish such a program.

It has also come to my attention that the Administration on Aging, which has jurisdiction of this program, plans to extend such programs to all 50 States on its present authority. This has caused concern that among the pilot programs, the lessons they developed may be lost.

Lt. Gov. Martin J. Schreiber of Wisconsin, the director of one of the most successful programs, wrote a letter which I include at the end of my remarks.

It is my hope that the Commissioner on Aging, Dr. Arthur Flemming will consider the comments and suggestions of experts like Lieutenant Governor Schreiber as he attempts to expand the program. I also hope that he will extend the funding of these most effective ombudsman projects.

I know something of the work of the Idaho project under the direction of Arlene Warner; of the Oregon model under the direction of Ruth Hocks; and the Massachusetts model directed by John Donovan.

All of these and other projects in Pennsylvania and South Carolina have made an excellent contribution to the improved health care of older Americans.

However, of all the nursing home ombudsman projects, I believe the national nursing home ombudsman project of the National Project of the National Council of Senior Citizens has been the most effective. This program is directed by Marilyn Schiff. Geriatrics magazine of May 1975 prints an interview with Ms Schiff. I ask unanimous consent to have it and the letter from Governor Schreiber printed in the Record.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Geriatrics, May 1975]

Ombudsmen Serve as "Environmentalists" for Nursing Home Patients

(By Marilyn A. Schiff, LL.B.)

(NOTE.—Ms. Schiff heads the National Nursing Home Ombudsman Project of the National Council of Senior Citizens. She was previously involved in consumer protection work with the Federal Trade Commission and was an attorney in the U.S. Department of Commerce.)

Ms. Schiff, what is the National Nursing Home Ombudsman Project?

The Project was funded in 1972 through a grant from the Department of Health, Education, and Welfare to the National Council of Senior Citizens for the purpose of improving the conditions in nursing homes. Briefly, it exists to provide a platform for consumer advocacy on behalf of nursing home patients, one of the few segments of our population ignored by the recent consumer movement.

We recognize that some nursing homes are well run, maintain good standards of care, and provide an ideal environment for people too feeble or sick to live alone and care for themselves. The very ill patients in these homes are treated gently by trained professional staff. Patients who are less ill receive help and care when needed but otherwise lead as normal lives as possible. These homes prove that good care and pleasant, stimulating environment are possible in a nursing home.

At the other end of the spectrum are the "horror story" homes, documented frequently in the press and, most recently, in the reports of Sen. Frank Moss's Subcommittee on Long-Term Care of the Special Committee on Aging. Staff members in these homes are untrained and overworked, and their frustration makes them forget they are dealing with human beings. Deliberate brutality sometimes occurs.

Most homes fall between these extremes. They are reasonably clean and provide some nursing care, although medical care is often inadequate. But at most facilities, therapy is rarely available, the environment tends to be stultifying, and there is no feeling of compassion. In such an atmosphere, patients lack stimulation and quickly begin to deteriorate and become disoriented. Our program is dedicated to helping *all* nursing home patients who need help.

How does the program effect improvements?

We try to do two things: help individual patients to solve their specific problems, and improve the overall quality of nursing home care. We have established a pilot program in Michigan to help individual patients. Staff-organized volunteers in Detroit, Menominee, and Lansing visit nursing homes on a regular basis, not to help patients directly but to learn about their concerns and work out solutions with the homes whenever possible and, when necessary, with the local or state governmental agencies. Local units learn of complaints in two ways: from people who phone or write us (and that may mean patients, relatives of patients, or occasionally the nursing home staff) and from our volunteer ombudsmen, who visit the same home once or twice a week.

We also function at the state level. Our state office is the first group in Lansing to represent consumers on issues relating to long-term care. The function of the state office is primarily to bring our concerns about better patient care to the attention of government regulators and to offer them our help in implementing better care. The state office also helps the work of the local units, both directly through problem solving and indirectly by giving access to information.

Finally, we work at the federal level. This includes liaison with HEW and with national provider and professional groups. We have been invited to speak at many local and national professional meetings to discuss nursing home conditions. We have been responsible in part for the attention focused recently on nursing home patients' needs. And we have sought to encourage other consumer-oriented groups to take a more active role in fighting for better nusring home care.

What types of complaints have ombudsmen received from patients and what has been done about them?

Complaints have ranged from the very serious, such as absence of obviously needed medical attention, improper use of drugs, poor nursing care, and the lack of therapy, to the relatively minor, such as lost dentures or eyeglasses that had not been found or replaced.

In one nursing home, a patient who had no teeth complained that the pureed food served him was totally unpalatable. The ombudsman found that the home's dietary personnel would place the entire contents of each meal in a blender and serve the patient the resulting melange of carrots, mashed potatoes, and chicken. The ombudsman suggested that the food would be more palatable if each item were pureed separately, so the patient could distinguish individual tastes. The nursing home adopted the suggestion. Such an issue may appear trivial but is very important to patients. Unfortunately, it took an outsider to effect the change; the home did not provide the kind of atmosphere in which the patient felt free to make the suggestion himself. (We did not ignore the lack of dental care—but that issue is far harder to solve.)

A patient's dependence on the home and his lack of power and choice in his life can make even small problems assume great significance. Of course the ombudsman's mere presence in the home has a psychologic impact, often sufficient to keep the staff alert and also aware of its obligations.

What have you done about government agencies' neglect in terms of inspections and crackdowns?

Quite a bit. When the program started in Michigan, most inspections there, as in other states, were conducted annually after notice had been given to the nursing home. The advance notice permitted the home to do a thorough cleaning, bring patient records up to date, and hire extra staff before the inspectors arrived. We set about to have the law changed and discovered in the process that Michigan law required that inspections of pet stores be unannounced! Using this contrast as the focus of publicity, we succeeded in having a bill enacted requiring unannounced inspections of nursing homes and providing for criminal penalties for health department inspectors who illegally warned a nursing home about a pending inspection.

The national ombudsman project was also largely responsibile for a change in federal nursing home regulations requiring that a registered nurse be on duty seven days a week rather than five as previously required. Those are just a few of the improvements we believe we can take credit for.

What problems are beyond the range of an ombudsman program?

The current system of nursing home regulation is totally inadequate. The ombudsman program by itself cannot change the system, but ombudsmen can suggest changes to legislators and regulatory bodies and rally support to see that changes get implemented.

Under current law, regulation of nursing homes is delegated to state agencies that, for the most part, do a very poor job of enforcement. The problem, as I see it, is not merely to prosecute the flagrant violators whose illegal activities may have been made public; we must also change the system so that these people and others like them cannot continue to make money from Medicare and Medicaid programs while providing poor care and living conditions. Of course there is no simple solution, but enforcement of standards should not be delegated totally to government regulatory agencies. Legislation should be adopted authorizing consumers to bring law-suits against nursing homes that do not meet standards.

We feel, too, that the law should require that nursing homes give access to anyone who may be interested in looking around; many already do this but others do not, particularly when there is some indication that the people who seek access may be critical of the facility.

A furter essential ingredient to regulation would be a requirement that books and financial records be open to the public. Nursing homes receive vast sums of money from the government through Medicare and Medicaid ($2.3 billion in 1973), but the taxpayers have no way of knowing how that money is spent. There are insufficient government auditors to check on nursing home claims. A concerned citizenry could supplement the government auditing programs if the financial information were available to them.

STATE OF WISCONSIN,
OFFICE OF THE LIEUTENANT GOVERNOR,
May 30, 1975.

Hon. FRANK MOSS,
Member, U.S. Senate,
Washington, D.C.

DEAR SENATOR MOSS: Knowing of your interest in the accomplishments of the Nursing Home Ombudsman demonstration project, and of your bill, S 1569, to require every state to establish an ombudsman program to investigate nursing home complaints, I am writing about a recent development which threatens both the existence and the fundamental effectiveness of the nursing home ombudsman concept throughout the nation.

The success of the ombudsman program, recognized by your committee, the Department of Health, Education and Welfare and the states where demonstration projects exist, has prompted the Administration on Aging in HEW to rapidly expand the scope of the program to include all 50 states. Ironically, however, rather than strengthening the ombudsman idea, this decision to promote precipitous expansion has given the profit nursing home industry a prime opportunity to mouth support for the ombudsman program while quietly maneuvering to destroy them as independent, aggressive watchdog agencies.

In recommending immediate nationwide expansion, HEW has neglected to provide for what we have found to be the single most important prerequisite of an effective ombudsman: functional independence and accountability only to citizens, not nursing home operators or other government agencies with conflicting interests. The present expansion plans may well produce more ombudsmen, but there is a strong possibility that these new programs will be buried deep in existing bureaucracies, some of which may themselves be responsible for the continuing problems which exist in our nation's nursing homes.

The profit nursing home industry has not failed to recognize this opportunity to rid themselves of an adversary. Already in Wisconsin, representatives of the profit homes are criticizing the location of the ombudsman program. This has led to their recommendation that the independent placement of the ombudsman, which has allowed it to investigate both nursing homes and regulatory agencies, be ended. Recent remarks by a national official of the profit home association, and reports from other ombudsman programs indicate that this Wisconsin ploy may have future national implications.

It is my strong belief that the recent HEW decision to expand must be examined. Clearly, the demonstration phase of the Ombudsman project has ended, because the projects have been highly effective. But for a national approach to be successful, we must formulate clear guidelines on how to make the ombudsman a viable part of government without turning into a toothless tiger in the bureaucracy.

I suggest a formal conference of the existing ombudsman programs, which the Wisconsin program would be glad to host. This conference would have as its sole purpose the development of recommendations for institutionalizing the nursing home ombudsman concept in government without paralyzing it.

Now that the demonstration phase is drawing to a close, we in Wisconsin are extremely concerned about the equally important step of deciding where to place this program in order to insure its viability as an on-going governmental institution.

We are already considering the question of permanent placement in state government and believe very strongly that the independence of the ombudsman must not be compromised. We feel a conference could prove extremely valuable in the debate over permanent placement and could help blunt the apparent tactics of the profit home industry.

Because of the urgent need to maintain the gains we have already made in improving health care for the elderly, I ask you to intervene to ensure that HEW's attempt at rapid expansion does not bring disaster for the ombudsman idea. Further, based on the recommendations of the proposed ombudsman conference, I would hope your committee would consider legislation to guide expansion which will be workable and concrete, not a hollow mistake.

Yours very truly,
MARTIN J. SCHREIBER,
Lieutenant Governor.

THE NEW HAMPSHIRE SENATORIAL CONTEST

Mr. **FANNIN**. Mr. President, the majority party in the Senate is in a terrible dilemma, not unlike a youngster who has reached into the cooky jar and got his hand caught. Wanting the cooky badly, he is reluctant to let go of it, but unless he does let go he cannot get his hand out without breaking the jar or bruising his hand.

Perhaps I should not be so worried that the majority party is insisting on procedures which will leave it bruised and considerably diminished in public esteem.

A series of votes along party lines will inevitably be interpreted by the public as the unprincipled use of political muscle by the majority to deny the rights of the minority.

Just as Watergate damaged not only the Republican Party but confidence in government in general, it will be the entire Congress which will suffer if the Democrats insist on seating Mr. Durkin and ousting Mr. Wyman.

The State of New Hampshire has told us that Mr. Wyman is a two-vote winner in the election. In all fairness, Mr. Wyman should be seated—he should have been seated 5 months ago. Since that time the issue has become more muddled rather than resolved.

This issue had not attracted a great deal of attention around the Nation up until this time. It had been viewed as a problem for New Hampshire and for the Senate with few implications for the Nation. That situation is changing. The inability of the Senate to deal fairly with this issue is serving to call attention to the fact that the Congress is failing to cope effectively with virtually all major problems facing the Nation today. If we cannot fairly resolve the election of a Member of this body, then what questions can we resolve?

As I have said, it is clear to me that the power to determine membership clearly indicates the power to call for a new election. The Senate would grow in stature by taking this course. The Senate would not be yielding any of its powers; we would not be setting any precedent which would require sending any future disputed elections back to the State. We would be admitting only that there are circumstances where the Senate cannot make a decision. This is simple honesty.

Mr. President, there are four commentaries which I want to have reprinted in the RECORD. One is from the Carroll County Independent of April 24 and another from the May 7 Manchester Union Leader. Since we are talking about choosing a Senator for New Hampshire, we should take into account some of the factors in that State. I would remind my colleagues once again that what we are doing is deciding who the people of New Hampshire want for their Senator, not who the Senate wants in the seat.

Another article I offer is James J. Kilpatrick's column which appeared in the June 10, 1975, Washington Star, and which is nationally syndicated. Millions of Americans share this view that the Senate is about to go through a charade, that the outcome already has been decided by partisan politics.

Another item is a column by Howard Flieger from the June 16, 1975, issue of U.S. News & World Report. This points out the inevitability that about half the voters in New Hampshire will feel cheated regardless of which way the Senate goes in trying to decide between Mr. Wyman and Mr. Durkin under the circumstances.

Mr. President, I ask unanimous consent to have these four commentaries printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Carroll County Independent,
Apr. 24, 1975]

THE SENATE SHOULD FACE REALITY

To residents of the other 49 states the struggle going on in the United States Senate to untangle the New Hampshire senatorial election may not seem important. It has far reaching implications, however, in that it is indicative of the failure of political leadership to realize the extent to which voters are growing to mistrust the party system.

Despite the cloak of Senatorial majesty which the Senators attempt to draw around themselves, this is an out-and-out party conflict.

However the Senate decides, it can only result in alienating a large number of New Hampshire voters.

In the sense that the implicit right of voters of a state to make their own choice as to representation in the federal government is being disregarded, thus a threat against the rights of all states.

In the sense that the workability of government depends upon mutual trust, the Senate now tends toward creating an atmosphere in which whomever is chosen will find it difficult to work with a large group of the constituency.

No matter how conscientiously the Senate committee members work, they cannot get around the impression held by many that the true intent of the voters of New Hampshire cannot be determined by quibbling over a few contested ballots.

It is time the Senators faced reality. The only sensible conclusion they can reach is that they can't satisfactorily solve this particular problem and that the only just solution lies with the voters in a new election.

[From the Manchester (N.H.) Union Leader,
May 7, 1975]

REALISM AND WYMAN-DURKIN

The U.S. Senate Rules Committee investigative team has come and gone.

It arrived in a storm of controversy within its own members and it departed on a more vigorous note of argument yesterday at Nashua.

Every time the Rules Committee looks a bit deeper into the can of worms more popularly known as the Wyman-Durkin race, the result is another series of unanswered questions.

The Democrat majority is adamant there will be no new election to resolve the now six-month old dispute. It insists that it will be able to determine the intent of the New Hampshire voters.

However, the fact is that by the first of next week, the Rules Committee will toss into the lap of the full Senate 27 ballots upon which the committee could not determine the voter's intent and at least a half dozen unresolved legal issues.

The Senate, not having had the benefit of exhibits, testimony, and evidence, is expected to somehow in its wisdom settle those questions.

Both the Democrat majority and the Republican minority have showed partisanship. They'll deny it in elequent Senatorial speeches but it's true. We've been there. We've seen it. To report otherwise would be a fraud.

Dr. Floyd Biddick, Senate parliamentarian emeritus, was replaced as chairman of the three-member Rules Committee panel that screened votes. Majority Counsel James Duffy was put "in charge" of the expanded four-member team that came to Manchester and Nashua. He was to represent the committee, but during recesses yesterday he and committee secretary Peggy Parrish huddled with the Durkin camp. Reddick attempted to visibly remain neutral.

James Schoener, minority counsel, huddled with Wyman. Miss Parrish, at times, seemed more in charge than did Duffy.

The point is let's end the partisanship and let the people of New Hampshire vote in private and give us a fair solution. The claim of adhering to high Constitutional principles has been thoroughly rendered invalid by the highly visible partisanship.

Look at it this way.

The Democrat majority in the U.S. Senate WILL steal the disputed Wyman-Durkin election for their party's candidate.

Unless.

Unless the Democrat senators can become convinced that the negative consequences of having defied and defiled the 17th Amendment's guarantee of the right of the New Hampshire citizenry to select their own U.S. senator outweigh the positive political benefits of being able to further pack certain powerful senatorial committees with Democrat partisans.

What if the shoe were on the other foot and the Republicans were in control of the U.S. Senate? Would they opt for the honorable course of returning the election to the people of New Hampshire?

Probably not.

This should be obvious to any American who can disabuse himself to the foolish notion that principle and integrity guide the actions of their representatives in Washington any more now than they did in the pre-Watergate era.

The intellectual dishonesty which marked the seemingly interminable "deliberations" of the Senate Committee on Rules and Administration was a harbinger of the dishonest farce that will now be acted out on a grand scale in the full Senate.

One need not be a cynic to conclude that the junior senator seat in New Hampshire will be stolen by the Democrat majority in the Senate. One need only be a realist.

Then there is no hope that the election will be returned to New Hampshire, which under the 17th Amendment to the U.S. Constitution has the right to have two senators "elected by the people" of the state?

We see only one hope.

If the Democrat senators, individually and collectively, can become convinced that The Great Ballot Burglary of 1975 will produce a scandal that will stink in the summer sun, repelling fairminded Democrats as well as Republicans, not only in New Hampshire but across the nation, if they can perceive that burglarizing an election could become a more damaging issue to themselves and to their party than the burglarizing of the Watergate hotel has been to the GOP, then—and only then—might they pursue the honorable course of allowing the people of New Hampshire to elect their own U.S. junior senator.

The one encouraging sign we see is that some of the national news media are beginning to awaken to the alarming consequences of stealing the voting franchise from the people of one small but sovereign state of the Union.

That awakening process could accelerate if the Republican National Committee suddenly were to give indications that it is alert to the long-range political benefits to the entire party that could accrue if the Democrat majority of senators persists in stealing the right of free men to elect their own representatives.

To be cynical about it, the Democrat senators could end up handing the Republican Party the Big Issue it needs to offset the lingering effects of Watergate.

(Similarly, the backlash of citizen resentment in New Hampshire itself, not only against the ballot burglary but also against the complicity in it of Senator McIntyre and the public endorsement of it by Democratic State Chairman Radway, could damage the party's image here for years to come.)

The Democrat majority of senators will vote to return the disputed Wyman-Durkin election to the people of New Hampshire only if they can become convinced that not to do so would harm (a) their own and (b) their party's political fortunes.

It's an exercise in complete futility to try to appeal to anything other than their political pragmatism.

Vote

(By James J. Kilpatrick)

The Constitution says, plain as day, that "no state, without its consent, shall be deprived of its equal suffrage in the Senate." But New Hampshire, whose ratification long ago brought the Constitution itself into being, is being denied what the Constitution guarantees it.

Since the 94th Congress convened in January, New Hampshire has had one senator only. The Granite State has been the victim of the Senate's delay. If the contested seat should now be awarded to Democrat John Durkin, the entire Congress will suffer from the Senate's shame.

This discreditable situation dates from last November, when Democrat Durkin and Republican Louis Wyman finished in a virtual dead heat. Wyman was at first declared the winner. On a recount, Durkin appeared to have won by 10 votes. Then the New Hampshire Ballot Commission, the state's highest authority, certified Wyman by a two-vote margin.

Durkin protested Wyman's certificate of election, as he had every right to do. The Constitution says that each house of Congress "shall be the judge of the elections, returns and qualifications of its own members." But it never was dreamed that the Senate would usurp the rights of the people themselves.

That is what is happening in the Wyman-Durkin contest. The people of New Hampshire have been forgotten altogether. The Senate Rules Committee has plodded through 46 meetings, lasting 200 hours, in a tedious effort to examine and to rule upon more than 900 individual ballots. Now the committee has sought the "sense of the Senate" on 36 questions it was unable to decide for itself.

This is a sham. The entire Senate cannot possibly pass intelligently on the contested ballots. The danger—and it is a grave danger to the Senate itself—is that the unresolved questions will be resolved by party-line votes. The Democrats now have 61 seats, the Republicans 38. By giving the seat to Democrat Durkin, the Democrats would gain still greater advantage in committee memberships.

The Senate Rules Committee already has left an impression of bias. The committee spent almost four months in a review of Durkin's evidence. Not until April 25 did it get to Wyman's evidence. His every substantive request was rejected.

Some of the contested evidence deals with Manchester voting machines that were out of whack. Thirty-seven ballots appear to be missing from Dover and Troy. In Nashua, at least two absentee ballots may have been illegally cast. Returns from 10 other cities are in doubt. Under these confusing circumstances, the Senate could not conscientiously award the seat to either candidate.

The fair thing to do is simply to send the issue back to New Hampshire. This should have been done months ago, when the magnitude of the irregularities became evident. The people themselves, in a new election, could make their own choice. It is scarcely conceivable that a second election would wind up like the first. One or the other surely would emerge a clear winner, free of taint or doubt, with a valid title to a place on the Senate's roll. This is the course of wisdom. The alternative is a course of folly.

[From the U.S. News & World Report]

Case of the Empty Seat

(By Howard Flieger)

The case of the missing Senator hardly ranks as a burning national issue.

Yet it has kept important members of that august body tied in a legal and political tangle since the first of the year.

In the end, it became the business of the entire U.S. Senate to try to decide who should be installed to fill the empty seat of the junior Senator from New Hampshire.

That State has had only one vote in this session of the 94th Congress instead of the two to which it is entitled and every other State has. From January to well into June, the Senate rocked along shy one member while both parties struggled with the problem of whether the vacant chair should be occupied by a Democrat or a Republican.

On the face of it, you wouldn't think the outcome could make all that much difference. After all, the Democrats already are in such lopsided control—nearly two to one—that the politics of one new member can't change things to any major degree.

But apparently it isn't that simple.

To go back a bit: In last November's election, the senatorial candidates in New Hampshire were Republican Louis C. Wyman and Democrat John A. Durkin. The results were so close—an unofficial victory for Mr. Wyman by 355 votes—that a recount was ordered to determine the winner.

The first recount by New Hampshire's secretary of state gave Mr. Durkin a 10-vote margin. But the State Ballot Law Commission reviewed disputed ballots and certified Mr. Wyman the winner by two votes.

Mr. Durkin appealed to the Senate, since, under the Constitution, each branch of Congress "shall be the judge of the elections, returns and qualifications of its own members."

Meanwhile, he asked that he be seated pending the outcome. But the Senate declined to seat either contestant until it could look into the matter. It has been looking ever since—its Rules Committee deadlocked on who should be awarded 27 disputed ballots, and on other legal and procedural issues.

Why should one Senate seat—important as it is to New Hampshire—be all that vital to the Senate? Even with one seat vacant the Democrats hold a 61–38 majority. On any party-line issue they can clobber the Republicans. So why worry about one vote more—or less?

An important reason may be the future structure of Senate committees. It is in these committees where much of the Senate's meaningful business is transacted.

Committees are set up under a complicated mathematical formula by which membership assignments are based on the political division of the entire Senate, plus the seniority of individual Senators.

Thus, if Democrat Durkin were seated, his party could gain a member on such powerful committees as Foreign Relations, Post Office and Civil Service, and Veterans' Affairs. If that happened and the committees were not enlarged, the most recently appointed Republicans would have to give up their positions because of the rule of last on, first off. That could dislodge such prominent Republicans as Senators Howard Baker of Tennessee and Bob Dole of Kansas.

The dilemma is that, no matter how the Senate decides, about half the voters in New Hampshire are going to feel cheated because the November election was so close nobody can say positively who really won.

An outsider would be justified in asking why the sensible solution wouldn't be to hold another New Hampshire election. There must be some vestige of life left in the old idea of States' rights. Public opinion polls show the States' voters favor such a solution. And, at the very least, it would get the matter off the desks of U.S. Senators at a time when there are more pressing national issues deserving of their time and attention.

NEW HAMPSHIRE ELECTION DISPUTE

Mr. MOSS. Mr. President, as a firm believer in democratic institutions and in the integrity of my colleagues, I support the duty of the Senate of the United States to resolve the contested New Hampshire election. The citizens of Utah, too, have confidence in this constitutional process. The seating of Senator Reed Smoot was one of the most bitter and protracted disputes in this century. It consumed 3 years. Eventually, like most other cases, it was decided on the Senate floor and accepted by all.

To reach a decision in the present case is a difficult and unwelcome task. Critics in and out of the Senate have questioned our powers and have attacked our mo-

tives. I do not believe, however, that our authority can be disputed; and I am confident that the Members of this body will judge the matter openly and fairly.

Article I, section 5 of the Constitution states that—

> Each House shall be the Judge of the Elections, Returns and Qualifications of its own Members . . .

The meaning is clear, and the Supreme Court, in Barry against United States ex rel. Cunningham (1929), confirmed it. The Court also upheld the Senate's prerogative to refuse to seat either contender pending final determination by the Senate of the election outcome. Such a vacancy, while it should not last indefinitely, is not a denial of equal representation. Consistent with these opinions, the Senate has not once declined to exercise its authority nor thrown up its hands and remanded the matter to the State.

The body has a conspicuous record of deciding fairly even in the most controversial and partisan cases. In challenges to general election results, since 1913, Republican majorities sustained Republican winners three times and Democratic winners seven times. Democratic Senates supported Republican winners in five cases and Democratic winners in four. In the three instances in which Senate action changed the previous election result, Republican majorities rejected Republican victors. Clearly, the Senate is not in the habit of stealing elections.

It is true that the present case, involving an extremely close election result and varying recounts, has no exact precedent. Novel procedures are required. It is important to emphasize, however, that these procedures will not deny nor diminish the expressed will of the people of New Hampshire. The Senators' role is that of judges, not electors.

The candidates had an opportunity to determine the ballots which they wished to challenge. The New Hampshire State Ballot Law Commission originally recounted 3,500 ballots, and they have been considered by the Senate Rules Committee. These ballots provided the measure of difference between the original recount and the result reached by the commission. I do not think it necessary to conduct a recount of all the ballots cast in the election. The dispute obviously centers on these 3,500 ballots.

After a process of elimination by both parties a stipulation was entered on the area of dispute which narrowed the issue to 750 ballots, of which 27 ballots remain to be decided, because of the committee's even division. This is the task of the entire Senate. It is not an inordinately onerous requirement and does not threaten to prolong the dispute indefinitely.

INTEGRATING WOMEN INTO MULTINATIONAL DEVELOPMENT ASSISTANCE PROGRAMS

Mr. PERCY. Mr. President, the United States has been called a nation of too many laws. Passing laws does not, in itself, solve problems. Too often laws are weakly applied or not applied at all. Without meaningful implementation, even the best intentioned, most carefully drafted laws are meaningless. I sponsored section 305 of the Foreign Assistance Act of 1974, which calls on U.S. representatives to international organizations to do everything they reasonably can "to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policymaking positions in such organizations." I am, therefore, very anxious to assure that the provisions of the law are set in effective operation.

On February 11, 1975, I wrote to the U.S. representatives to all of the international organizations to which the United States belongs, asking about the intentions of those organizations with regard to implementation of section 305. I have just received the last of the answers to my inquiry and I wish to share the responses with my colleagues.

While a number of agencies have adopted resolutions and amendments similar to section 305, no organization has a definite plan of action to integrate women into the development process, either in recipient countries or in the organizations themselves. While intentions may be good, real action is lacking. The intentions, in the form of resolutions and amendments, must now be translated into actual policies and activities.

Mr. President, my inquiry to these international organizations is just the first of a series of followup steps I intend to take to insure that section 305 of the Foreign Assistance Act of 1974 is applied effectively so that deficiencies in our development assistance programs where women are concerned can be alleviated. I will keep my colleagues informed of the progress being made toward assuring that section 305 is not just another of the too many laws effecting nothing.

I ask unanimous consent that the text of my letter to the international organizations as well as the responses I have received be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEBRUARY 11, 1975.

DEAR ——: As our representative to the United Nations, I think Section 305 of the Foreign Assistance Act of 1974 would be of particular interest to you. Section 305 directs our representatives in those international organizations of which the United States is a member to carry out their duties so as "to encourage and promote the integration of women into the national economies of members and recipient countries and into professional and policy-making positions within such organizations."

As the author of Section 305 I would very much appreciate knowing of your plans to implement this new provision of the foreign aid bill. You may be interested to know that AID has already issued a "Percy Amendment" policy directive, a copy of which is enclosed for your information, concerning our bilateral foreign aid programs. 1975, being International Women's Year, would be a fitting time to make United States policy consistent where women's equality is concerned, regardless of whether we are dealing with bilateral or multilateral aid programs.

Looking forward to hearing from you at your earliest convenience.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

DEPARTMENT OF STATE,
Washington, D.C., February 20, 1975.
Hon. CHARLES H. PERCY,
U.S. Senate,
Committee on Government Operations,
Washington, D.C.

DEAR SENATOR PERCY: Thank you very much for your letter of February 11, concerning Section 305 of the Foreign Assistance Act of 1974. I heartily congratulate you for your authorship of Section 305, and assure you that I will do everything I can to implement this important aspect of United States policy.

You may be interested to know that since 1973 one of my staff officers who is a woman has been an active member of our small delegations to meetings of the Intergovernmental Committee for European Migration. Old hands tell me this was a real breakthrough, as prior to that time, with one or possibly two exceptions, there had never been a woman expert on a U.S. Delegation to ICEM since ICEM was established in 1951!

With warm personal regards,

Sincerely,

FRANK L. KELLOGG,
Special Assistant to the Secretary for Refugees and Migration Affairs.

U.S. DEPARTMENT OF LABOR,
Washington, D.C., February 22, 1975.
Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter of February 11 calling my attention to Section 305 of the Foreign Assistance Act of 1974. As the United States Government Representative on the Governing Body of the ILO, which has so important a role to play in promoting the integration of women into the national economies of member countries, I agree with the importance of effectively representing United States Government interests in and support of ILO action in this field.

I am about to leave for Geneva for a two-week meeting of the ILO Governing Body. My first and immediate objective is to assure that the ILO program on women's affairs will be headed by an able and effective person, and we have nominated Ms. Carmen Maymi, Deputy Assistant Secretary of Labor and Director of the Women's Bureau for that post.

When I return from Geneva, I plan to be in further touch with you concerning ILO activities in this field.

Sincerely,

EDWARD B. PERSONS,
Associate Deputy Under Secretary, International Affairs.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO,
El Paso, Tex., February 28, 1975.
Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: You may be sure that your letter of February 11, 1975, relating to Section 305 of the Foreign Assistance Act of 1974, and for the "Percy Amendment" policy directive issued by the Agency for International Development is of particular interest to this Section.

Although this Commission, composed of a U.S. Section and a Mexican Section, does not have an international foreign aid or related program, we have a truly active program headed by a Federal Women's Program Coordinator who works under the Director of the Equal Employment Opportunity Program, to assure integration of women to the work of this Section. Our Equal Employment Opportunity Action Plan for Fiscal Year 1975 was approved by the Civil Service Commission and emphasizes goals that are consistent with the interest of your good amendment and, we believe, this agency's actions in respect to women's equality demonstrate a conscious concern on their behalf.

Thank you for this opportunity to respond to you on such an important matter.

Sincerely,

J. F. Friedkin,
Commissioner.

Office of the U.S. Permanent
Representative to UNIDO,
Vienna, Austria, February 28, 1975.
Hon. Charles H. Percy,
U.S. Senate, Committee on Government Operations, Washington, D.C.

Dear Senator Percy: I have received your letter of February 11, 1975, concerning the integration of women into the national economies of member and recipient countries of international organizations of which the United States is a member and into professional and policy-making positions within such organizations, as provided by Section 305 of the Foreign Assistance Act as amended.

This Mission will, in accordance with the spirit of Section 305 be alert to opportunities to promote the objectives of this amendment in the UN Industrial Development Organization. In this connection, the Assistant Secretary of State for International Organization Affairs has also brought to the attention of the Mission its responsibilities in this respect.

You may be interested to know that an opportunity to further the objectives of Section 305 may present itself during the Second General Conference of the UN Industrial Development Organization which is scheduled to convene in the near future in Lima, Peru. One of the purposes of the conference is to obtain international agreement to a Declaration on Industrial Development in the Developing Countries. There already exists general agreement among the member countries of UNIDO preparing for the conference that the Declaration should include a statement to the effect that the developing countries take steps to make possible the full integration of women into social and economic activities, in particular into the process of industrial development, on the basis of equal rights. The Mission has supported and will continue to support such statements.

The Mission has been alert to opportunities to advance the candidacies of women for professional-level posts in UNIDO. It has in recent months contributed to securing the appointment of a number of American women to such positions.

Most UNIDO activities in recipient countries take the form of technical assistance type projects and feasibility and pre-investment studies, the details of which are arranged between the recipient country and the UNIDO Secretariat. However, in reviewing UNIDO's activities in its governing body—The Industrial Development Board of which the United States is a member—the Mission will bear in mind the need to insure that its programs make adequate provision looking to full participation of women in national development.

Sincerely yours,

William J. Stibravy,
Minister, U.S. Permanent Representative.

U.S. Representative to the
Organization for Economic
Cooperation and Development,
Paris, France, March 3, 1975.
Hon. Charles H. Percy,
U.S. Senator, The U.S. Senate, Washington, D.C.

Dear Senator Percy: Thank you for your letter of February 11 concerning the Percy Amendment to the Foreign Assistance Act.

In response to the increasing policy concern in the U.S. about the economic role of women, the U.S. took an important initiative in the OECD in 1973. We proposed to the OECD's Manpower and Social Affairs Committee that a multi-country examination be undertaken regarding the role of women in the economy, focussing in particular on participation in the labor force, share of employment and unemployment, education and training, differences in economic status, child care problems, the role of parents in the home, and legislation and programs affecting the status of women in the labor force.

At former CEA Chairman Stein's suggestion, to give impetus to this examination, the U.S. sponsored a meeting in December 1973, of experts from several OECD member countries. What we sought and accomplished at this meeting was an exchange of country experiences, policies and measures related to the rapidly changing role of women.

As a result of the enthusiastic response within the OECD to the U.S. initiative, an Ad-Hoc Working Party has been established to conduct periodic reviews of the role of women in the economy. The next meeting of the Working Party is scheduled for July 15–18, during which the U.S. will be represented by a CEA senior economist. We expect that the Working Party will discuss social security, fiscal legislation, education and, possibly, child care.

In the Development Assistance Committee (DAC), the OECD's foreign aid coordinating group, the U.S. also has been successful in bringing to the attention of other members its interest in promoting a greater awareness of the role of women in the development process. Last fall the U.S. Representative to the DAC proposed that the Committee place the subject on its 1975 program of work. The proposal was well received by several members. During the recent meeting of foreign aid ministers, A.I.D. Administrator Parker followed this initiative by voicing his strong support for a special DAC meeting. The Committee has now scheduled a meeting on "the role of women in development" for September 1975.

The U.S. Mission to the OECD has taken an active interest in promoting the interest of women within member countries. We will continue to promote these activities and will make every effort to insure that the Organization allocates the appropriate level of resources commensurate with the high priority the U.S. and other member countries assign the role of women.

Please write if I can be of further assistance to you.

Sincerely yours,

William C. Turner,
Ambassador.

March 3, 1975.

Hon. Emile Van Lennep,
Secretary General, Organization for Economic Cooperation and Development, Paris, France.

Dear Mr. Secretary General: It is my pleasure to enclose herewith a copy of a letter from Senator Charles Percy regarding the U.S. commitment to the integration of women within national economies. I am also enclosing a copy of my reply to Senator Percy.

Since 1975 is "International Women's Year", I think it is particularly appropriate for me to reiterate my Government's commitment to the important tasks of the Working Party on the Role of Women in the Economy and to the DAC's work on the role of women in the development process. This is a high-priority activity in the U.S. view, and we look forward to the opportunity for a further productive examination of aspects of the problem at the Working Party's July meeting and at the DAC's September meeting.

Should you desire, I would be happy to discuss the matter further with you.

Sincerely yours,

William C. Turner,
Ambassador.

U.S. Permanent Representative
on the North Atlantic Council,
March 3, 1975.
Hon. Charles H. Percy,
U.S. Senate, Committee on Government Operations, Washington, D.C.

Dear Chuck: Your letter of February 11 arrived on February 24, at which time I was in Washington in connection with Secretary General Luns's visit to the United States.

I am grateful that you called my attention to Section 305 of the Foreign Assistance Act of 1974. Not only am I familiar with it; I champion its provisions at every opportunity. Our Mission to the North Atlantic Treaty Organization continues actively to seek the assignment of qualified women to our rolls and those of the NATO International Staff—a process which my predecessor, Donald Rumsfeld, began in 1973. As you know, however, we here in Brussels do not undertake recruitment ourselves. We request the Departments of State and Defense, and the U.S. Information Agency, to provide candidates to fill position vacancies as they occur.

To remind these agencies of our shared concern, I am taking the liberty of sending a copy of this letter to Secretary Kissinger, Secretary Schlesinger and Director Keogh.

With warm regards,

Sincerely,

David Bruce.

U.S. Mission to International
Organizations,
Geneva, Switzerland, March 4, 1975.
Hon. Charles H. Percy,
U.S. Senate
Washington, D.C.

Dear Senator Percy: Thank you very much for your letter of February 11 calling my attention to Section 305 of the Foreign Assistance Act of 1974 which directs those of us working as U.S. representatives to international organizations to encourage and promote the integration of women into professional and policymaking positions within such organizations.

Assistant Secretary William Buffum of the International Organization Affairs Bureau of the Department of State has already called our attention to this amendment and I have impressed the importance of this matter upon all of our staff, particularly those who act as liaison officers to specialized agencies of the United Nations. Each of such liaison officers have been directed to call the "Percy Amendment" to the attention of the respective secretaries serving the international organizations here.

Also, our Mission officer who is assigned the task of recruiting Americans for positions within the UN system has been directed to advise the personnel officer in the UN at Geneva of our concern. In addition our Mission officer will collect information as to the role, status, and potential for advancement for women within the UN system in Geneva. We already know that the statistics reveal that the percentage of women in responsible positions within the UN system is not very large and this great potential for contribution is being ignored.

All of our efforts in Geneva, of course, will be coordinated with those of the Bureau of the International Organization Affairs where Ambassador Buffum will continue to keep us alert to the problem I am sure.

Sincerely yours,

Francis L. Dale,
Ambassador.

P.S. On a personal note may I report to you that on February 25th Ambassador El Fattal, who has just arrived in Geneva as the new representative from Damascus, came to make a courtesy call on me. In the course of our conversation he commented that he had had the privilege of spending almost an hour with you while you were in Damascus on your recent Middle East trip. He expressed great admiration for your grasp of issues and then said that when you arrived you were probably 100% biased and that after you left you were probably only 40% biased. I thought you would be amused to hear, in this indirect way, how you have come up in the eyes of the Syrians. Continued best wishes to you.

Representative of the United States of America to the International Civil Aviation Organization.

Montreal, Canada, March 6, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: Thank you very much for your letter of February 11 with respect to Section 305 of the Foreign Assistance Act of 1974 as it pertains to U.S. representatives in international organizations.

I am aware of the many excellent efforts under way during the International Women's Year and regard Section 305 directive to be excellent guidance.

The Secretariat of ICAO in Montreal numbers some 500 people from 40 different nationalities. We are continually seeking to place more U.S. citizens in the Secretariat and in the UNDP aviation assistance programs overseas which are administered through ICAO. In this connection, you may be sure that I will take every opportunity to note the availability of qualified women candidates.

As a career woman in international affairs, I am very sensitive to the challenge that faces us regarding the role of women in our country and others—at the same time I know the particular difficulties that arise in connection with finding well-qualified aviation technicians among career women.

May I take this opportunity to commend your efforts in connection with equal rights programs and women's equality. You may be sure that your suggestions and comments will always be welcome.

Sincerely,

Betty C. Dillon,
Minister-Representative.

U.S. Department of Commerce,
Rockville, Md., March 7, 1975.

Hon. Charles H. Percy,
U.S. Senate, Committee on Government Operations, Washington, D.C.

Dear Senator Percy: With reference to your letter of February 11 concerning Section 305 of the Foreign Assistance Act of 1974, this is to assure you that I will take every step necessary to encourage and promote the integration of women into the national economies of member and recipient countries, and into professional and policy-making positions within such organizations. Specifically, in my many dealings with the World Meteorological Organization, I will encourage the Organization to take every opportunity to employ women in professional and policy-making positions. Incidentally, we have just been contacted by the WMO to assist their Secretariat in writing material suitable for publication to illustrate the careers available to women in the field of meteorology.

In furtherance of these goals, I am directing all NOAA components that are involved in any international activity, whether it be WMO related or another, to keep in mind the principles stated in Section 305 of the Foreign Assistance Act of 1974 and that in all of their activities every effort be made to further these goals.

I will also provide the necessary background information to the many United States governmental agencies and non-governmental organizations involved in WMO programs, of this new legislation and of my concern to see that these goals be furthered.

You may be interested to know that as Administrator of NOAA, I have initiated a similar campaign in behalf of women. A copy of one of my recent statements on this subject is attached.

Sincerely,

Robert M. White,
Permanent Representative of the United States to the WMO.

International Women's Year: Message From the Administrator

The United Nations has designated 1975 an International Women's Year in order to recognize and highlight the contributions women are making at every level of our society in all parts of the world. The President has issued a proclamation asking that we all work together to make 1975 an outstanding year for women in the United States, with special emphasis on support of the activities and observances to be arranged under the auspices of the United Nations.

In NOAA, we can be proud of the many contributions made by women. In 1975, we intend to turn the spotlight on the specific accomplishments of women in NOAA as part of our observance of International Women's Year.

More than that, I look forward to NOAA's developing and expanding career opportunities for women through aggressive recruitment and training programs in professional, technical and administrative disciplines. My commitment to equal employment opportunities for all NOAA employees is firm and I look forward to having you join me in making this an outstanding year in all aspects of our Affirmative Action Plan.

Dr. Robert M. White.

International Boundary Commission, United States and Canada,
Washington, D.C., March 10, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: In reply to your letter of February 11, will discuss the "Percy Amendment" with my Canadian commissioner counterpart.

We are a small organization employing seven full-time individuals. I thought you would be interested to know that my Administrative Assistant is a woman who is extremely capable.

The work of our commission is technical in nature, but we will certainly keep the "Percy Amendment" in mind in all our considerations.

Sincerely,

R. L. Herman,
International Boundary Commissioner.

Department of Health,
Education, and Welfare,
Rockville, Md., March 10, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: Thank you for your letter of February 11 calling to my attention Section 305 of the Foreign Assistance Act of 1974.

One of our first efforts in implementing this new provision occurred at the XIX Pan American Sanitary Conference, which met in Washington October 1974. The U.S. Delegation introduced a resolution, which the Conference adopted, recognizing the importance of 1975 as International Women's Year. One of its more important operative paragraphs called attention "to the importance of including women in policy formulating positions and when appointing public health administrators and other health officials in both international and national health programs." The full text of that resolution is enclosed.

Although a U.S. delegation has not selected as yet for the Twenty-eighth World Health Assembly, which will convene in Geneva, May 13, I assure you that we will direct the delegation to introduce and/or co-sponsor a similar resolution at the Health Assembly.

I might also mention that our Health Resources Administration is sponsoring an International Conference on Women in Health, which will be held this June. The purpose of this conference is to unite many of the world's most knowledgeable researchers from countries where women have played a major role in the health professions and in the delivery of health care, as well as where research has been conducted on the relationship of various societal factors to the status of women in the health professions. The objectives of the conference are to: (1) generate and present information on the status of women in the health professions on an international comparative basis, (2) study factors associated with variance in the status and use of women in the health professions in selected countries, and for the education and use of women in the health sector. The ultimate goals for the conference will be to identify areas for future domestic and international comparative research on this subject and to provide international comparative information useful for policy and program development within the Health Resources Administration. Madame Francoise Giroud, of France, will be keynote speaker.

Hopefully, with these initiatives, we can move ahead in encouraging the utilization of women in professional and policy-making positions.

Sincerely yours,

S. Paul Ehrlich, Jr., M.D.,
U.S. Member of World Health Organization Executive Board.

Resolution XXXII: International Women's Year, 1975

The XIX Pan American Sanitary Conference,

Recognizing the importance of 1975 as International Women's Year and the interest expressed by many Member Governments in its participation;

Nothing the official emblem adopted for the International Women's Year, consisting of a stylized dove (the biological symbol for women) and the mathematical sign for equality, which will be used on posters, banners, mastheads, postage stamps and other material connected with the activities of the International Women's Year;

Recognizing the importance of equality of women and men in all facets of human life but especially in the working environment;

Recognizing the importance of women in the promotion of peace, economic and social development plans, and population programs; and

Noting the need to improve the status of women in developed and developing countries alike,

Resolves:

1. To endorse the emphasis given by the United Nations in declaring 1975 as International Women's Year to the role of women in society and to the contribution women can make to the political, economic, and social sectors, of which health is included.

2. To call attention to the importance of including women in policy formulating positions and when appointing public health administrators and other health officials in both international and national health programs.

The Secretary of the Treasury,
Washington, D.C., March 24, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Chuck: Thank you for your letter of February 11, concerning Section 305 of the

Foreign Assistance Act, and the enclosure of AID's policy directive on the Percy Amendment applicable to their activities.

I am enclosing for your information a copy of the memorandum to the U.S. Directors of the International Bank for Reconstruction and Development' the Inter-American Development Bank, the Asian Development Bank and the International Monetary Fund instructing them to express to the Boards of those institutions the U.S. Government concern with providing equality of opportunity for women and insuring the increasing use of their talents in national development efforts and within the international financial institutions.

You will note that the Directors are to report to the Treasury Department on the actions the institutions have taken in this regard. We are following up with them to ensure that the institutions are fully and clearly aware of the United States views and interest in the full utilization of women's capabilities in national development efforts and in the Banks themselves.

I believe your action in authorizing this Amendment to the Foreign Assistance Act is a major contribution towards assuring that the international financial institutions are taking positive steps to improve the status of women in their member countries and on their own staff.

Sincerely yours,

William E. Simon.

Department of the Treasury,
Washington, D.C., February 7, 1975.

Memorandum

To: Messrs. Sethness, Porges and Beach.
From: John A. Bushnell.
Subject: The Percy Amendment in the Foreign Assistance Act of 1974.

Below for your information is the language of the Percy Amendment on the integration of women into national economies which was adopted by the Congress in the Foreign Assistance Act of 1974:

"Sec. 305. Integration of Women.—The President is requested to instruct each representative of the United States to each international organization of which the United States is a member (including but not limited to the International Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, and the Organization for Economic Cooperation and Development) to carry out their duties with respect to such organizations in such a manner as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policymaking positions in such organizations, thereby improving the status of women.

I am attaching for your information Mr. Percy's statement upon introducing the amendment as well as the text of a similar amendment applicable to the activities of the Agency for International Development, which was adopted in the Foreign Assistance Act of 1973.

You are hereby instructed (1) to make a statement at an appropriate time to your respective Boards of Directors on the U.S. concern that women participate fully in the tasks and benefits of economic development and that the managements of the Banks encourage and promote women into professional and policy-making positions within the Banks; and (2) to report to the U.S. Treasury Department actions which are taken by the Banks in this regard.

Statement by Mr. Reynolds

I should like to say a word on a subject about which I have long had strong feelings. It's women.

And more particularly, I should like—quite happily I might say—to bring to the Board's attention a recent amendment to the U.S. Foreign Assistance Act which is entitled "Integration of Women," and being named after the distinguished Senator who introduced it, is known as the Percy Amendment.

Quite simply, it calls upon U.S. representatives in international organizations, including the World Bank, to do everything they reasonably can "to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policy-making positions in such organizations, thereby improving the status of women." This follows upon a similar provision enacted a year earlier which applies—and more directly—to U.S. foreign assistance programs administered by A.I.D.

I don't wish to suggest—and I'm sure Senator Percy doesn't either—that somehow or other women in the past have made no contribution to economic activity. Their contribution, of course, has always been of enormous value—indeed indispensable—and their contribution to civilization even more so.

Nor do we wish to suggest any disparagement of the traditional roles of women as wives and mothers, which surely remain of critical importance in all societies.

But it does seem that in most societies there is a tendency to erect barriers, restrictions and limitations which bear particularly heavily on women, and thus prevent them from making full use of their potential capacities. And whatever justification there may possibly be for this under primitive economic conditions, there is *no* justification for it under the more modern technological conditions which this institution seeks to spread.

The fuller integration of women into modernizing economies can only speed and strengthen the development effort. It is essential to the goals of equity, equal opportunity and fair play which should guide the Bank in all activities. And surely it will serve the best interests—and brighten the lives—of both men and women.

My authorities fully recognize that responsibility for achievement of this goal rests with individual societies; that the people of the Bank's member countries display diverse social, cultural and family relationships; that any attempt to modify these relationships is a delicate matter which can only be attempted on the basis of knowledge and understanding of existing mores and manners; and that the role of development lending institutions can only be catalytic, supportive and collaborative.

Nonetheless, we would like to see the international development lending banks institutionalize in reasonable ways a conscious concern for women in their plans and operations—from concept and design through review, implementation and final evaluation. In the choice of plans and projects we would favor special consideration being given to those which provide for effective utilization of women. We hope too that these institutions will encourage and assist developing member countries in the collection of basic data on the role and status of women.

We also believe the Banks themselves should make serious efforts to improve their recruitment of competent, professional women, and to provide them with equal opportunities to enhance their skills through training, and to advance to policy-making positions. And here, Mr. Chairman, I view the World Bank record with special concern. For I note that in introducing his Amendment, Senator Percy presented data showing the percentages of women employed in professional capacities by the United Nations and related agencies. The World Bank isn't at the bottom, but we're not far from it. And at 9.99% we're close to 5 points below the average, and a very considerable distance behind those agencies which top the list at between 20 and 25%. I would hope that improving upon this record would occupy our close attention.

I don't require any immediate response to these remarks, Mr. Chairman, although I would welcome anything you or other members of the staff might wish to offer. I would, though, also urge that you consider whether it wouldn't be useful periodically to report to the Board on progress made in the Bank towards the closely related goals of fuller integration of women into national economies and increased employment opportunities for women in the Bank itself.

This is International Women's Year, and I understand that a conference on the role of women is to be held later on in Mexico City under U.N. auspices. I would hope that the Bank will play an influential role in that conference. A suitable occasion for the first of such reports might follow that conference.

Thank you.

U.S. Permanent Mission to the
Organization of American States,
Washington, D.C., March 24, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: I refer to your letter asking my plans for implementing Section 305 of the Foreign Assistance Act of 1974.

The U.S. Mission to the Organization of American States welcomes the latest Percy amendment which reenforces our policy of seeking to improve the status of women within the OAS itself and through various OAS programs in member states.

The Inter-American Commission of Women, a specialized organization of the OAS, is the chief mechanism through which we work to improve the status of women. The U.S. representative to the Commission, Mrs. Rita Z. Johnston, is Vice-Chairman of the Commission and is a very active participant in all Commission activities.

At the September Assembly of the Commission, the U.S. delegation pushed for a resolution calling for equality of job opportunities for women in the OAS. As a result the resolution passed and the OAS Secretary General has appointed a committee on fair employment practices. This committee, which includes Mrs. Johnston, has already begun to draw up a program which should improve the employment and professional opportunities available to women in the OAS Secretariat.

At recent annual meetings, the Inter-American Economic and Social Council and the Inter-American Council for Education, Science and Culture passed resolutions, strongly supported by the U.S. delegation, endorsing International Women's Year and supporting the work of the Inter-American Commission of Women. In addition, the resolutions supported the formation of an interdisciplinary group within the OAS Secretariat charged with studying ways to increase the participation of women in all OAS programs. This group has already begun to meet. The resolution of the Economic and Social Council also requested that all reports and programs include information on the status of women. Hopefully this request will be a mechanism for reminding decision makers, at all levels, of the need to increase the participation of women in all OAS programs.

We realize that resolutions, per se, do not solve problems. However, the U.S. Mission, using these resolutions as a starting point, will continue to work to improve the professional opportunities for women within the OAS, and to increase the participation of women in all OAS programs.

Sincerely yours,

William S. Mailliard,
Ambassador.

The Representative of the
United States of America
to the United Nations,
March 25, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: Thank you for your letter of February 11 inquiring about the Mission's plans to implement Section 305 of the Foreign Assistance Act, which extends the concept of the original "Percy Amendment" to multinational development assistance programs.

I know that you are well aware of what we accomplished during the last General Assembly, indeed you are the principal author of our successes in this area. For your further information I have attached a memorandum which I asked my staff to prepare. In it Bob Kitchen outlines the steps taken during the Assembly, and details the actions we have initiated since then. I hope that this memo is fully responsive to your inquiry, and I think you will find that we are continuing to press our efforts in this field vigorously.

In the coming months we intend to take advantage of International Women's Year to push for equality of opportunity in the secretariats of all United Nations agencies, and for greater participation of women in development. We hope to make progress in these areas during the upcoming sessions of the Economic and Social Council, the Seventh Special General Assembly scheduled for this September, and the 30th General Assembly which will open later that month. We will also, of course, be pursuing these goals during preparations for the World Conference of International Women's Year, and at the Conference itself.

I appreciate your continued interest in our work here at the United Nations, and I hope that you will let me know whenever we can be of further assistance.

Sincerely,

John Scali.

MEMORANDUM

To: Ambassador John Scali.
From: Robert W. Kitchen, Jr., Deputy U.S. Representative on U.N. Economic & Social Council.
Subject: Action Taken by USUN to Achieve the Objectives of the New "Percy Amendment"—Section 305 of the Foreign Assistance Act of 1974.

This memorandum lists the various actions taken by USUN to achieve the objectives of the new "Percy Amendment," Section 305 of the Foreign Assistance Act of 1974, which directs our representatives to international organizations "to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policy-making positions within such organizations."

I have divided it into two sections: action taken at the 29th General Assembly and action taken in 1975.

A. ACTION TAKEN AT THE 29TH GENERAL ASSEMBLY

1. GA Resolution 3274 (XXIX), International Women's Year, adopted December 10, 1974 (copy attached), recommends "that all Member States should include in their national development plans, if they have not already done so, goals and projects designed to train and equip women to make a greater contribution to, and to become more fully integrated in, the economic and social life of the nation."

This resolution further recommends that "Member States should establish, if they have not yet done so, as a priority measure for the International Women's Year, appropriate national machinery to accelerate the integration in development. . . ."

2. GA Resolution 3342 (XXIX), Women and Development, adopted December 17, 1974 (copy attached), is a wide-ranging resolution which among other things calls upon the UN system "to provide increased assistance to those programmes, projects and activities which will encourage and promote the further integration of women into national, regional and inter-regional economic development activities." In language paralleling that of Section 305, it recommends that all organizations concerned within the United Nations system "review their work and personnel programmes in order to assess their impact on the further participation of women in development and their integration in professional and policy-making positions. . . ."

3. CA Resolution 3352 (XXIX), Employment of Women by the Secretariats of Organizations within the United Nations System, adopted December 18, 1974 (copy attached), is almost identical with ECOSOC Resolution 1857 (LVI) which was authored by the United States and passed on May 16, 1974. It requests the Secretary-General as well as the executive heads of all organizations in the UN system to take all necessary measures to ensure "that an equitable balance between men and women staff members, particularly in senior and policy-making positions, including those of Under-Secretary-General and Assistant Secretary-General, be achieved before the end of the Second United Nations Development Decade at all levels. . . ."

This resolution also provides follow-up procedures by requesting the Secretary-General as well as the executive heads of all other organizations within the UN system to report to the 30th General Assembly on the steps they have taken to achieve this objective.

4. GA Resolution 3353 (XXIX), Amendments to Staff Regulations and Staff Rules of the United Nations, adopted December 18, 1974 (copy attached) had its origins in proposals submitted to the General Assembly by the Secretary-General.

These proposals were considered and then adopted by the Fifth Committee and subsequently by the General Assembly in Resolution 3353, which amended certain of the Staff Regulations applicable to the UN Secretariat. These amendments authorize the payment of travel expenses of staff members and their spouses and dependent children and also authorize the payment of repatriation grants to the spouses of internationally recruited staff members on separation from service under conditions established by the Secretary-General. By this resolution the General Assembly removed any earnings-related test from the eligibility of the husband of a staff member for the payment of travel expenses or repatriation grant. Previously, only the wife of a staff member was eligible for these benefits without the requirement of satisfying any financial criteria. Accordingly, married female staff members in the future will be entitled to reimbursement for their husbands' travel expenses on appointment, home leave, transfer and separation from service and to a repatriation grant on separation from service at the rate for a staff member with dependents on the same basis as male staff members.

B. ACTION TAKEN IN 1975

1. Commission for Social Development Resolution L.419, Equality of Opportunity for Women in the Total Development Effort, adopted January 23, 1975, was authored and cosponsored by the U.S. Delegation to that Commission. It urges all those responsible for the preparation and implementation of national and international development programs to make certain that women are given an equal opportunity to achieve their maximum potential as individuals and to make their maximum contribution to the economic, social and political development of their respective countries on the same terms as men; and that they receive their full share of the benefits of development. A draft of the resolution as it emerged from floor debate is attached. It has not yet been printed in final form.

2. Decision of the Governing Council of the UNDP, The Integration of Women in Development, L.298, adopted January 28, 1975 (copy attached), dealing with the administration of the U.N. Development Programme, was authored by the United States. It requests that the integration of women in development be a continuing consideration in the formulation of UNDP programs; it also requests the UNDP Administrator to instruct Resident Representatives to communicate this decision of the Governing Council to the governments of their host countries and to the Executing Agencies. Finally, it requests the UNDP Administrator to report on UNDP actions to integrate women in development.

3. Resolution of the Population Commission, L.117/Rev.1, Population, the Status of Women, and the Integration of Women in Development, as further amended, adopted February 28, 1975. This resolution urges U.N. bodies, Member States, and non-governmental organizations to take all appropriate action to assure that "the recommendations relating to the status of women stated in the World Population Plan of Action and in resolutions IV and XII of the World Population Conference are implemented; and in particular:

"a. To achieve the full participation of women where it does not exist in the education, social, economic and political life of their countries on an equal basis with men;".

This resolution was authored by the United States and at the Commission meeting, the U.S. Delegation led the floor fight for its adoption.

From this list you will see that in the past five months this Mission has been instrumental in obtaining passage of six resolutions and one decision which directly or indirectly markedly advance the goals establish in Section 305. When they address Member States, these resolutions can only exhort and recommend; but when they deal with the administrations of United States agencies, and especially their personnel policies, and of the U.N. Development Programme, you will note that they are specific and require follow-up action.

In addition to obtaining passage of the resolutions listed above, USUN brought additional pressure to bear to ensure equality of opportunity for women to compete for professional and policy-making positions within the U.N. Secretariats. During the last General Assembly, the United States Representative introduced a draft decision, in the Fifth Committee, cosponsored by Australia and Norway, which reads as follows:

"The Fifth Committee recommends to the Secretary-General that he take the initiative by encouraging the establishment within the Joint Advisory Committee, composed of members of the UN Administration and the Staff Council, of a sub-committee whose role would be to assist in ending any discriminatory employment practices which may exist, as between men and women, and to ensure equality of opportunity for all. In furtherance of these objectives, the sub-committee should give special attention to recruitment, training, and promotion practices. The Committee *also* urges the Secretary-General through the Administrative Committee on Co-ordination to recommend to the heads of all organizations within the United Nations system the implementation of similar initiatives within their respective secretariats."

The Under-Secretary-General for Administration and Management, while fully agreeing with the objectives of the draft decision, stated before the Fifth Committee that he had reservations about having that body address a directive to the Secretary-General involving the Joint Advisory Committee.

The United States Representative challenged the position of the Under-Secretary-General for Administration and Management and, in view of the assurance given to the Committee that action would be taken to implement the provisions of the draft decision, he withdrew the formal proposal on behalf of the cosponsors.

The Joint Advisory Committee agreed at its first meeting this year to place this item on the agenda for its next meeting, which is scheduled early this month. We have discussed implementation with the Under-Secretary-General and have been assured that action will be taken promptly.

International Joint Commission,
Washington, D.C., March 30, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: This is in reply to your letter of February 11, 1975, to Chairman Herter regarding Section 305 of the Foreign Assistance Act of 1974.

The International Joint Commission was established pursuant to the Boundary Waters Treaty of 1909 to handle matters relating to boundary waters along the United States-Canadian border and other matters of concern to both countries. While the Commission's staff is small, women are included at the professional level. Much of the Commission's work is carried out through international boards which are established for particular projects. Women have been appointed to some of our boards and have contributed substantially to the Commission's work. Whenever vacancies do occur, either on our staff or our boards, women are fully considered for appointment. This has been the commission's policy for some time, and you can be assured that it will continue.

Sincerely,

William A. Bullard,
Secretary, U.S. Section.

Embassy of the United States
of America,
Rome, Italy, April 14, 1975.

Hon. Charles H. Percy,
U.S. Senate, Committee on Government Operations, Washington, D.C.

Dear Senator Percy: I must apologize for some delay in replying to your letter of February 11, which I received on March 3, concerning the role of women in professional and policy-making positions. I have just finished three weeks of work in four conferences, and my deputy had been evacuated for medical reasons shortly beforehand. Nonetheless, I have been attentive to the substance of your letter and of the "Percy Amendment" and now have the time to report to you on favorable developments in Rome.

International Women's Year was an item of the agenda of the meeting of the Intergovernmental Committee of the World Food Program held in Rome from March 17–25. Helvi Sipila, UN Assistant Secretary General for Social Development and Humanitarian Affairs, who has particular responsibility for International Women's Year, addressed the meeting on the opening day, and the agenda item was discussed later in the session, the United States and many other delegations making statements. Mrs. Priscilla Boughton, Special Assistant to the Administrator of AID, was a member of the U.S. Delegation and represented the United States during most of this discussion. The head of our delegation, Deputy Assistant Secretary of State for International Organization Economic Affairs, Roy D. Morey, gave the item particular attention.

Earlier, I had attended a meeting in Geneva of the various representatives to international organizations, and had noted that many of them were giving particular emphasis to the role of women in those organizations. I concluded that this was of special importance in the field of Food and Agriculture, in which women should have particular interest and importance. Many important positions in the Food and Agriculture Organization are held by women, but there is certainly room for improvement. Women are particularly prominent in the home economics and nutrition sectors of the organization. Dr. L. A. Marin (American) for example is the highly competent chief of the Home Economics and Social Programmes Service. And women are not restricted to the home economics field. One activity particularly stressed in the World Food Conference was the development of an FAO Food Information and Early Warning System. This is headed by Mrs. Aneliese Binder (German), a highly competent economist who was previously the senior commodity specialist in cereals. These are of course particular cases, and it must be recognized that women do not play as important a role in FAO as they should. Many of the specialties in FAO are fields in which women have not been active in the past, but this situation is changing and well-qualified women are now available in many fields in which women were qualified previously.

I have come to know several of the women active in women's activities in FAO, and I am giving them a copy of the AID General Notice Attachment on the Integration of Women into National Economies, as well as sending copies to the Director General of FAO and the Executive-Director of the World Food Program.

Sincerely,

Christopher A. Norred, Jr.,
Counselor for FAO Affairs.

P.S. As this letter goes to the typist, we are involved in an FAO Ad Hoc Consultation on Pesticides. The one woman representative, Mrs. Anna R. George, Joint Secretary of the Indian Ministry of Agriculture, was elected Chairperson.

The U.S. National Commission
for UNESCO,
Washington, D.C., June 13, 1975.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: The U.S. National Commission for UNESCO is pleased to respond to your letter of March 3, 1975, to the U.S. Permanent Delegation to UNESCO requesting comments on Section 305 of the Foreign Assistance Act concerning the integration of women into the development process and its relationship to the activities of the United Nations Educational, Scientific, and Cultural Organization (UNESCO). Mr. Jones informs us that your letter apparently went astray and therefore has asked the U.S. National Commission for UNESCO to respond in his stead.

The enclosed statement summarizes the actions undertaken by the U.S. National Commission in implementing the terms of the Percy Amendment.

Sincerely yours,

John E. Upston,
Executive Director.

UNESCO and the Percy Amendment

From the outset, it should be understood that the terms of the Percy Amendment are entirely consistent with UNESCO's long-term efforts in the developing world to assure women equal access to education as an integral part of social and economic development. With passage of this amendment, the stage was set for action by the U.S. National Commission for UNESCO to develop a prototype resolution and program of action for use by UNESCO in launching its preparations for International Women's Year (1975).

Over a period of three months, the U.S. National Commission Task Force held a series of meetings with its non-governmental organization members including the American Association of University Women, the General Federation of Business and Professional Women, the United Nations Association, the National Council of Jewish Women and the Young Women's Christian Association, plus foreign affairs specialists in government, philanthropic foundations, academia and congressional staffers to draw up the resolution and action plan entitled: "UNESCO's Efforts Concerning the Improvement of the Status of Women." Reflective of the government's growing concern for the need to improve the status of women at home and abroad and supportive of U.S. foreign policy interests, as spelled out in the Percy Amendment, the resolution was adopted by the Department of State and presented to the 18th session of the UNESCO General Conference (October 15–November 21, 1974).

In Paris for a period of three weeks, more than 70 women and men from differing backgrounds participated in multilingual working group discussions at the end of which time some 25 countries agreed to co-sponsor the omnibus resolution. They include Afghanistan, Bangladesh, Belgium, Brazil, Bulgaria, Colombia, Costa Rica, Cuba, Dahomey, Ethiopia, German Democratic Republic, Hungary, Jamaica, Lebanon, Liberia, New Zealand, Philippines, Poland, USSR, Yugoslavia, Ghana, Venezuela, India, and Japan. As anticipated, the resolution underwent many modifications during the group sessions, but the final version basically bears the American imprint. Because the interests and sensitivities of almost a quarter of UNESCO's membership had been accommodated by the time the item reached the plenary, the resolution passed unanimously with only one country—Saudi Arabia—abstaining. The performance was an illustration of American democratic practice at its best, and the leadership role of the United States was commended by the UNESCO Secretariat and other delegates. In a communique issued shortly after the passage of the resolution, UNESCO pointed out that its adoption would "make sure that International Women's Year should be more than mere celebration and should lead to action in favor of real equality".

The resolution is a commitment by governments to act themselves to promote participation of women on an equal basis with men in the social and economic development process. Underlying the moral and humanistic concerns of the resolution is the conviction that the integration of women into the development process, like the planning and implementation of the development process itself, requires a unified, interdisciplinary, and multilateral approach which UNESCO by virtue of its mandate can and should provide within its fields of competence. To this end, the resolution invited governments to prepare programs designed to integrate women into development.

In addition, the resolution calls upon the Director-General of UNESCO to, among other things: (1) establish standards in collaboration with other UN organizations for the collection and reporting of data on the role and situation of women in UNESCO's fields of competence and to make provision in UNESCO's long-term program for the collection of such information; (2) assist member states, upon request, in preparing national strategies, programs and projects in UNESCO's fields of competence for the participation of women in the economic, social, and cultural fabric of national life, directed toward the achievement of maximum human potential; and (3) draw up a comprehensive UNESCO personnel plan for the equitable participation of women in the program, decision-making, and administrative functions of the UNESCO Secretariat.

As a result of this initiative at the General Conference, the United States was asked to prepare a comprehensive in-depth study on UNESCO's Contributions to Improving the Status of Women. The report was enthusiastically endorsed at the recent session of UNESCO's Executive Board (April 22, 1975), and a resolution was passed formally adopting it.

As further evidence of the impact and multiplier effect of this prototype resolution, a similar resolution was recently passed at the World Health Organization (WHO) which drew largely upon the text of the UNESCO resolution for its substance. It is clear that UNESCO's resolution can now serve as a blueprint for action in other specialized agencies of the United Nations system to further implement the spirit and letter of the Percy Amendment.

JUNE 16, 1975.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: In answer to your letter of February 11, 1975, regarding my responsibilities under Section 305 of the Foreign Assistance Act of 1975, I am pleased to be able to provide you with the following information.

At the Four Hundred Eightieth Meeting of the Board of Governors of the International Atomic Energy Agency, which met on Wednesday, June 11, 1975, there was passed a U.S.-sponsored resolution on the increased employment of women in professional posts of the Secretariat. The text of the resolution is as follows:

"The Board of Governors.

Recalling Resolution 3352 (XXIX) adopted by the General Assembly of the United Nations on 18 December 1974 on the employment of women by the secretariats of organizations within the United Nations system,

Requests the Director General:

(a) to give special consideration to the appointment of qualified women to policy-making and other professional posts on the staff of the Secretariat, bearing in mind the provisions of Article VII of the Statute; and

(b) to bring this resolution to the attention of all Member States in view of the proclamation of 1975 as "International Women's Year" by the General Assembly of the United Nations.

I am confident that the Director General of the IAEA will take additional actions necessary to fulfill the spirit and substance of this resolution. A number of actions pertinent to implementation have already been initiated by the IAEA Secretariat:

(1) On May 23, 1975, the U.S. Mission to the IAEA requested certain statistical information from the Secretariat regarding the employment of women on the Agency's staff, and on the Agency's hiring policies with respect to increasing the percentage of qualified women employed. In response, the Agency's Deputy General for Administration, Mr. John Ball, supplied the requested information in letters dated June 6 and June 10, and outlined the Agency's activities pursuant to United Nations General Assembly Resolution 3342 and 3352 of the XXIXth Session. Among these activities, summarized in the attached copies of the correspondence, was the establishment by the Staff Council of the Agency of a Committee on the Role of Women in the International Community (terms of reference for which are outlined in the attached Staff News No. 105, pp. 7-11):

(2) The Director General, citing the UN Resolutions, introduced the U.S. Draft Resolution for consideration by the Board and elaborated on the work of the above Committee. He said, "The Committee is presently preparing proposals particularly concerning recruitment and promotion policies concerning women and to the assignments given them within the Agency, as well as other actions that the Agency can take to improve the role of women in development of the peaceful uses of atomic energy throughout the world."

(3) The Director General announced that his Joint Advisory Committee had made a recommendation to eliminate differential treatment on the basis of sex from all relevant staff rules and,

(4) He announced that the IAEA would be represented at the World Conference of the International Women's Year to be held at Mexico City, June 19 to July 2, 1975.

In concluding his statement, the Director General noted that the International Atomic Energy Agency was working towards fulfilling the spirit and letter of the United Nations Resolutions on enhancing the role of women on the staffs of its various related organizations.

These policies and actions of the IAEA are responsive to Section 305 of the Foreign Assistance Act of 1975. The Director General will continue to receive the full support of our Mission in Vienna, as well as my personal support as United States Governor.

Sincerely,

GERALD F. TAPE.

THE CITIZENS' ACTION COMMITTEE

Mr. PERCY. Mr. President, while Congress and the administration continue to delay the formulation of a national energy policy, our energy situation worsens. Each month we grow more reliant on foreign sources of oil, and each month our domestic supply decreases.

In the heat of the debate on the steps we must take to protect ourselves from a disastrous shortage of energy in the future, we have lost sight of the real resources that we possess: The willingness of the American people to conserve energy, provided they are given access to the accurate facts of our situation and provided they feel that the entire Nation will not only join in but reinforce their conservation efforts.

I am pleased to share with my colleagues news that a nationwide voluntary effort to conserve energy is, in fact, in progress, and enlisting the support and active participation of over 40 of the country's national civic and service organizations who have taken it upon themselves to come to grips with our energy problem.

The group is called the Citizens Action Committee, Inc., a nonprofit, nonpartisan corporation working to mobilize citizen participation in constructive efforts to save energy. The committee's national membership represents the leaders of such groups as the American Bankers Association, the General Federation of Women's Clubs, the AFL–CIO, the NAACP, the Urban League, the Junior League, the League of Women Voters, the 4-H, the Boy Scouts, and so forth. The members represent a cross section of Americans who are deeply concerned about our energy situation. These national organizations have pledged their support and their vast national memberships to a unified citizens' effort engaged in a national program of public awareness coupled with action at the local level to bring about substantial reductions in the consumption of the country's limited supply of fossil fuels. It is the hope of the committee that energy programs will be developed at the local level, rather than originating in a series of mandates from Washington.

The committee was organized at the request of President Ford and he has pledged his continuing endorsement and support. White House staff is providing a full-time liaison person to work with the committee and assure direct, two-way communication with the President and his senior policy advisors as well as with the executive departments and agencies.

According to Ms. Valerie Ransone, the national coordinator of the Citizens Action Committee, local citizens action committees have been organized in 40 major U.S. cities in the last 6 months, on a budget of less than $7,000, privately donated.

The National CAC helps organize local CAC's in the country by tapping local resources.

It has created the information network—a feedback system developed by the national coordinator to disseminate energy information to local committees. Through the information network, local committees can "plug into" existing conservation programs that are circulated from one city to another.

Energy options programs are offered to local committees in the following conservation areas: industrial, residential, education, transportation, and utilities.

The local committees choose which programs they care to undertake as a community, and customize the national guidelines to meet local needs.

In turn, they feed back the results of their efforts to the national office and this information is circulated to other CAC's which may be tackling similar problems.

All segments of the community, civic, educational, industrial, and the local government, share the responsibility. The national CAC serves as the catalytic agent which is needed to coordinate and reinforce a national movement toward interdependency and public awareness.

Programs are being developed to utilize existing university facilities, resources, and expertise in bringing the people together over a problem that affects us all.

Other areas of the committee's activities include: conducting energy profiles of the 50 States, organization of new citizens' action committees on the local level, coordination between the national office and the local committee offices, and coordination between the committee and the various Federal departments and agencies.

Mr. President, the selfless efforts of this volunteer organization and its dedicated national coordinator, Valerie Ransone, deserve our support. They need and deserve the continued support of the President, and all the prestige that only his high office can provide.

Mr. President, I ask unanimous consent that a list of member organizations and a list of local citizens actions projects be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Organizations Represented on Citizens' Action Committee

(Local Chapters and Members Will Cooperate With Local Committee)

AFL–CIO.
American Automobile Association.
American Bankers Association.
American Medical Association.
American Newspaper Publishers' Association.
American Red Cross.
The Association of Junior Leagues.
Boy Scouts of America.
Council of Better Business Bureaus, Inc.
Credit Union National Association, Inc.
4H Clubs.
General Federation of Women's Clubs.
League of Women Voters.
Motor Equipment Manufacturers Association.
National Association of Broadcasters.
National Alliance of Businesmen.
National Association for the Advancement of Colored People.
National Association of Counties.
National Association of Life Underwriters.
National Association of Manufacturers.
National Association of Retired Persons.
National Audubon Society.
National Center for Voluntary Action.
National Congress of Parents and Teachers.
National Education Association.
National Governors' Conference.
National Newspaper Association.
National Urban League.
U.S. Chamber of Commerce.
U.S. Conference of Mayors.
U.S. Jaycees.

Local Citizens Action Projects

At the present time, you may want to assign No. 1 priority to energy conservation: The need is clearly evident. And a well organized, voluntary effort could produce significant results quickly.

A Citizens Action Committee can make the people of your community more conscious of the need to conserve. But more important, your programs can show people how to conserve effectively.

Most of us waste gas. Either we drive too often on non-essential trips, or we fail to keep our cars operating at peak efficiency, or we simply don't give driving much thought. Car pooling is one solution: It doesn't take a pocket calculator to figure out that if four persons commute to work in one car, three cars get a rest, don't use gas, don't suffer wear and tear. Yet only 25% of the country's automobile commuters car pool. Many companies and many communities have devised ingenious car pool arrangements that work. A brochure published by the U.S. Department of Transportation, "Car Pool & Bus Matching Guide" will give your Task Force a number of success stories. The AAA booklet, Gas Watchers' Guide, shows any number of ways to "make five gallons do the work of six."

The so-called "energy audit" is a simple and effective device for reducing the needless and costly uses of energy. You may be surprised at how much fuel you burn unnecessarily. Around the house, you could save: $54 a year with proper annual inspection and maintenance of your oil burner; $68.40 a year by installing storm windows and doors; $111 a year by insulating your attic; or $30 a year by turning down your thermostat 2 degrees.

You could save 10 percent of your fuel bill by caulking and weather stripping your doors and windows; 47 percent of your electric bill for air conditioning by setting it at 78 degrees during the summer; $50 a year by proper adjustment of the water temperature in your dishwasher.

You could also save $42 a year by waiting for a full load of clothes in your washing mashine and using cold water for the rinse cycle; $27 a year by making sure your refrigerator is really air-tight; and $12 a year if your water faucets don't leak.

It all adds up. Check the pamphlet from the Federal Energy Administration, "Tips for Energy Savers," and other publications listed on this list.

When commercial buildings are subject to energy audits and corrective procedures, here are some of the things that happen:

In San Francisco, $134,000 annually was saved in a 22-story building.

In New York, a 41-story building saved $384,000 a year.

In Atlanta, a 13-story building cut its fuel bill by $13,000.

Here is just a partial list of energy conservation projects, which if undertaken in an organized way by your local Citizens Action Committee, could make "Gas Watching," Car Pooling and Energy Audits truly effective.

GAS WATCHERS

Development of teaching aids and classroom projects for elementary grades as well as driver education.

Encourage and coordinate the participation of local gasoline distributors and retailers.

Urge strict enforcement of speed limits; seek the cooperation of the police department in encouraging fuel saving driving habits.

Seek additional distribution of the Gas Watchers' Guide.

Urge the local transit system to aggressively merchandise car pooling by bus.

Devise ways to make public transportation, where available, more attractive to commuters.

Undertake a local traffic flow audit and make appropriate recommendations.

Encourage proper engine maintenance.

Develop incentives for car pooling.

ENERGY AUDITS

Encourage "energy audits" of factories, office buildings, schools and homes.

Urge businesses to pledge themselves to specific energy reduction goals; establish awards criteria for those who meet or exceed their goals.

Coordinate advertising and publicity aimed at homeowners.

Undertake a review of city codes and regulations, with a view to eliminating requirements that waste energy and replace them with incentives to save energy.

Encourage home insulation.

Explore the many small, specific areas where energy can be conserved; taken together, they can make a sizable dent in energy consumption.

UAW URGES NURSING HOME REFORM

Mr. MOSS. Mr. President, since my Subcommittee on Long-Term Care began issuing its series of nursing home reports entitled, "Nursing Home Care in the United States: Failure in Public Policy," there has been increasing public awareness of the problems confronting U.S. long-term care facilities.

Organized labor has always been at the forefront of nursing home reform efforts but recently they have intensified their campaign. Last week, Mr. Leonard Woodcock, president of the United Automobile, Aerospace and Agricultural Implement Workers of America, made a very forthright statement on this subject. Clearly, Mr. Woodcock sees the current medicare and medicaid nursing home abuses in the context of the need for the Kennedy-Corman national health security bill. I ask unanimous consent to have printed in the RECORD a UAW press release with the headline, "Woodcock Urges Tough Laws To End Nursing Home Abuses," along with a full copy of his speech.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Woodcock Urges Tough Laws To End Nursing Home Abuses

WASHINGTON.—Charging that the majority of nursing homes put profits above the welfare of their patients, UAW President Leonard Woodcock today called for immediate legislative action to deal with the "outrageous" situation.

At the same time, Woodcock emphasized that the Kennedy-Corman Health Security Program is the only proposal now before Congress that provides grants to develop demonstration programs to help keep elderly and infirm persons in their homes and with their families.

"We must begin to develop viable alternatives to long-term institutionalization," he told delegates to the Legislative Conference of the National Council of Senior Citizens in Washington.

"Hundreds of thousands of chronically ill, most of them elderly, are in the 22,000 nursing homes in our country because more appropriate health and supportive services are not available.

"Ninety percent of the beds in these homes," he declared, "are operated first for profit, then for the patients."

Woodcock, chairman of the Committee for National Health Insurance, pointed out that congressional and state investigations "have revealed the shame of nursing home operators who frequently neglect and often mistreat patients."

He cited a recent report by the New York State Health Deparment which found "serious operating deficiencies" in two-thirds of the nursing homes in New York City."

"In Connecticut last year, almost half the proprietary nursing homes made profits of 50 percent or more for the year, with some homes having profits as high as 286 percent, and a spokesman for the Iowa Department of Health, in describing conditions in nursing homes in his state, told the New York Times, 'They're not saving lives. Most of their patients are dying.' "

Declaring that "this terrible situation" can no longer be tolerated, Woodcock called for:

Tough, uniform, national quality standards under Medicare and Medicaid, with ample enforcement funds.

Statutory limitations on profits permissible for private nursing homes.

A mandated ombudsman mechanism in every major city.

A top level national consumer review group operating at the level of the secretary of Health, Education and Welfare.

Legislative requirements that, in nursing homes with government subsidized patients, the patient or his next of kin have the right to see the medical record and to know the names and qualifications of persons giving care.

Subsidies to encourage the development of non-profit extended care facilities and a gradual phasing out of placement of government subsidized patients in "for profit" facilities.

In urging the NCSC to press for adoption of the program now, Woodcock pointed out "It would be far easier to achieve under the National Health Security Program which provides for universal coverage and would make available fully paid benefits to cover the entire range of health services.

"Health Security," he said, "would also take strong measures to attack the problem of substandard quality of care which is causing unnecessary hospitalizations, twice as much surgery as is needed and countless adverse reactions to drugs which are administered inappropriately or without need.

"National standards for providers would be developed and implemented. Hospitals would be given budgets that they would have to live with, and doctors would for the first time he held accountable for their fees and fee increases.

"Without such measures, health care cost increases will continue on the rampage," said Woodcock. "We spend twice as much per person as we did 10 years ago, and health care prices are going up twice up twice as fast as the Consumer Price Index.

"It is almost incomprehensible," he told the senior citizens, "that in a year in which we spent $23 billion for private health insurance, 41 million Americans under the age of 65 have no private insurance coverage.

"The fact of the matter is that we cannot afford not to enact Health Security," Woodcock declared. "Every year that we delay its enactment means more billions of dollars wasted."

[Address to Legislative Conference of the National Council of Senior Citizens, Washington, D.C., June 9, 1975]

National Health Insurance—Opportunity for Action Now

(By Leonard Woodcock, President, International Union UAW; Chairman, Committee for National Health Insurance)

As I look around this room I am again reminded of how wrong our society has been in setting an arbitrary age of 65 as a time for retirement. As millions of members who make up the National Council of Senior Citizens are demonstrating, the nation is the better for the dedicated responsibilities you are carrying out in public service not only in behalf of senior citizens but for all of us.

I am pleased to be here because I have known and admired your President, Nelson Cruikshank, for many years. He is an imaginative and able leader who changed his base of operations when he reached so-called retirement age but did not slow up the contributions he continues to make to progress in America.

I know I am talking to many of our own UAW members at this session. A majority of UAW retirees and their spouses are members of the 545 Retired Workers Chapters of our Union. These Chapters carry on varied vigorous and often venturesome programs of which we are indeed proud. Some 14 years ago our retired workers recognized that large and influential as our program was becoming, it was not enough. Far greater strength could be gained through joining with others of similar interests in a national movement of senior citizens. We are therefore proud to acknowledge that we were one of the founding organizations in your National Council.

I want to talk with you today about health care but you would understand that it needs to be seen in the setting of our society and our approaches to dealing with the very severe problems we now face.

1. The Need for Leadership

President Harry S. Truman once said:

"In periods where there is no leadership, society stands still. Progress occurs when courageous, skillful leaders seize the opportunity to change things for the better."

I am deeply concerned that in the face of the most serious economic problems in three decades our executive branch is not showing the necessary leadership required to move this country. This may well be because of the philosophic commitment largely to leave the free forces of the marketplace to eventually work things out. The young people of our country are having a re-birth of nostalgia as they look back to the music and the customs of the 1950's. I sometimes wonder whether our national administration is not suffering similar nostalgia as they attempt to recapture the economic philosophy of the 1920's and 1930's.

I worry too about the Congress. The people elected a new, more forward looking Congress last fall. It consists of younger people, almost all of whom place a high premium on human values in contrast with the acquisition of material goods, and I am troubled that this new Congress has not yet found the means of developing the discipline and devising programs of leadership which are within their grasp, and which would deal with some of the pressing concessions our country now faces.

2. ECONOMIC ACTION

This country needs more stimulus to revise the economy and get us to a full employment situation. I think you will agree with me that we need to say as loudly and clearly as we can that a recovery which includes in its plans the continuing unemployment of more than eight million people by the end of 1976 is intolerable and unacceptable.

We need a large scale, imaginative program of public service employment for those who need work and cannot find it.

We need reform of the unemployment compensation system with the development of national standards, higher benefits, a longer period of eligibility for benefits, and uniform application of eligibility standards.

We require early adoption of a national energy program. That leadership I referred to earlier is required in bringing Congress and the Administration together in agreeing on a program rather than the wasting of energy in attempting to lay the blame on who is responsible for the absence of a program.

We do not face a crisis in our Social Security system. But we will have one in the next few years if we do not provide now for needed restructuring of its financing which is rapidly becoming outdated.

We need imaginative new programs to encourage public and private housing. We know that in each of the post-war recessions the recovery of the housing industry has helped lead this Nation out of a recession.

3. NATIONAL ECONOMIC PLANNING

In citing but a few of the measures which need to be adopted to turn this country around, I have left to the end the long-range approach which would help us avoid in the future the type of instability and dislocations we are today experiencing. No reliable mechanism in the modern economy relates needs to available manpower, plant and materials. In consequence, we have shortages of housing, medical care, and municipal services, transportation, energy and numerous other requirements of pressing importance. We have not made it our business to foresee these critical problems and take the steps to forestall them. But in a modern economy, planning is not a matter of preference or ideology, it is one of immediate need.

Senators Hubert Humphrey and Jacob Javits have introduced in Congress a proposal developed by the Initiative Committee for National Economic Planning. It would create an Office of National Economic Planning which would be in a position to study our economic needs now and in the future. It would provide Congress and the executive branch with alternative plans for action—not only to predict hardship and disaster—but to guide the economy in a direction consistent with our national values and goals.

Almost every other industrialized and semi-industrialized nation has some sort of economic planning mechanism. The time is long past due for the United States to have this kind of mechanism which could read the signals and advise on the techniques for using our tremendous economic power to avoid recession after recession which so characterized post-World War II America.

4. THE HEALTH CARE SYSTEM

During the Depression of the 1930's we developed structures and mechanisms for the protection of families and workers which have kept things today from being a lot worse than they otherwise would have been. I am talking about programs such as Social Security and Unemployment Insurance, as well as job-creating programs which set the precedent for similar government action today.

Likewise, we should now seize the opportunity to develop new programs, not only to reduce the ill effects of future economic dislocations, but to improve the quality of life of all Americans here and now. One such urgently needed program is a system of national health insurance which guarantees to all Americans their right to a high quality of health care at a cost they can afford.

I know I do not need to tell a convention of senior citizens about the problems with our health care system. Eighty percent of you who are past the age of 65, and 90 percent of you who are over 70 experience some chronic medical condition. 43 percent of you, according to the government, have some limitation in activity. You see the doctor almost one-third more often than younger people. You are twice as likely to be hospitalized. And when you are in the hospital you remain some 50 percent longer than those in the general population.

Our goal as a society must not be simply to find more money for you to pay for longer and longer stays in hospitals and nursing homes. It must and can be to bring the achievements of modern medical science to bear on problems of the elderly to enable them to continue to function as contributing members of the society.

That's why we worked together to bring about the passage of Medicare ten years ago.

We knew the program was not perfect and expected that it would be strengthened over time. But the river of history here runs backward. Medicare has been weakened and diluted, as you well can bear witness.

Today those over 65 are paying $179 more out of their own pockets for personal health care than they paid before they had the protection of Medicare. This is bitter prescription medicine for those on largely fixed incomes. Part B premiums have more than doubled, out of hospital prescription drugs are still not covered, physicians' fees have increased and participating physicians who accept assignment have dropped in six years from 60 to 50 percent.

You who fought for Medicare were asked to accept half a loaf. Through increased deductibles, co-payments and premiums, your half a loaf has had slice after slice taken out of it so that your share becomes less, and those who sell you services take more and more.

Many of those who oppose national health insurance are quick to point to the shortcomings of Medicare. In fact, Medicare is a much needed but inadequate form of national health insurance. It has enabled many without resources to get necessary care and it has kept others from being financially wiped out.

But it has done nothing to cure most of the basic ills of our health care system. This is because those who wrote it agreed to compromises which assured the doctors and the hospitals and those who stood to profit from Medicare that nothing in the legislation could be used to change the system of delivery of health care. But this is where the problem is. This is where we need to concentrate if we are to eliminate the shortcomings of Medicare and make access to decent health services a matter of right for each and every one of us in America.

It is not necessary for me to present you with a detailed catalogue of the serious problems and weaknesses in our system of health care.

I have referred to the deficiencies in Medicare. You know all too painfully that the whole way in which we try to provide health insurance is marked by gaps and overlaps, by fragmentation and confusion, and all too many Americans fall between the cracks. It is almost incomprehensible that after all these years, and in a year in which we spent $23 billion for private health insurance, 41 million Americans under the age of 65 have no private insurance coverage.

Heart-rending evidence of the ill effects of such fragmented coverage is shown in the case of the millions of laid-off American workers who not only face a loss of income but also a loss of health insurance coverage. When a worker is laid off he does not have to take his children out of public schools; and he does not lose his right to police and fire protection. Why must he and his family lose the equally basic right to coverage for the treatment of illness and injury? Thirty million Americans who are losing their work-related private health insurance coverage this year have a right to an answer to this question.

Another problem which is not new to any of us is the skyrocketing inflation of the costs of health services. We spend twice as much per person as we did ten years ago, and health care prices are going up twice as fast as the Consumer Price Index.

Many are unable to gain access to the health care they need. Often this is because they are poor or don't have insurance. But all too often it is because there are not enough doctors where they live. And how many of you are sure you could get prompt and adequate medical care if you should need it at night or on a weekend?

And when we are able to get the health services we need, there is little way for us to know whether it meets the level of quality we have a right to expect. Even if the overall level of quality is good, the fact is that we hear of outrages almost every day which make us shudder. It is small wonder that we are facing a crisis in the area of medical malpractice insurance.

It was because of these familiar yet critical problems that we developed the proposal for National Health Security, which is sponsored by Senator Edward Kennedy and Congressman James Corman. It is designed to deal with these problems. That is why it enjoys the support of the National Council of Senior Citizens as well as the entire labor movement.

Of course many ask, why should we work for this Health Security program? Why don't we just expand and improve upon Medicare? Well the fact is that Medicare provides only insurance coverage, but does not deal with the problems of the health care delivery system. Medicare does not control costs; it does not improve quality; and it does not guarantee that the right kind of services will be available when needed.

Besides, we need a program which will guarantee the right to care for the whole population. Surely a sick five year old is just as entitled to receive care as a sick 70 years old. In addition, by including the whole population in a national health program, we follow the tested insurance principle once characterized by Winston Churchill as "The miracle of large numbers". The risk should be spread over the entire population, the young, the middle-aged and the elderly.

This is why the Health Security Program would cover the entire population. And Health Security would make coverage compulsory, like Social Security, so that those who have a lower risk will not opt out and leave the rest holding the high cost bag.

If we had such a universal program today we would not be faced with the grim specter of tens of millions losing their health coverage because the family breadwinner is out of work. Yet of the several national health insurance proposals now before Congress, only Health Security would prevent this dilemma. The others continue to rely upon employment-related coverage which has already proven to be disastrous.

Health Security also would make available fully paid benefits to cover the entire range of health services. No longer would senior citizens have to spend an average of $103 a year on necessary drugs. Regular physical exams would be covered. So would diagnostic services, as well as the treatment of illness in the appropriate setting. No more will you have to be put in the hospital unnecessarily because that was the only way the insurance would pay for it. And broad rehabilitation services would also be covered so that individuals could be restored to their maximum abilities. I stress this because the experts tell us large numbers of the elderly who are incapacitated need not be so, if timely rehabilitation services were available to them.

Under National Health Security there would be no more costly and unfair deductibles and co-payments. Right now those over 65 are paying over $400 a year out of their limited incomes for health care. It has been documented again and again that this deters many from seeking care they need. And how many today have had to dig into your savings or go without other necessities so you could pay your medical bills? The Administration calls this "cost consciouness". It call it "regressive and discriminatory taxation". It constitutes lack of understanding or callous disregard of the real needs of old sick people.

Financing of coverage under Health Security would be simple and fair. It would use the tested and accepted mechanism of Social Security financing combined with federal general revenues. This is how the original designers of Social Security foresaw that national health insurance, as well as basic Social Security, would eventually be financed. Medicare taxes would be integrated with Health Security taxes. There would be no separate Medicare program because all Americans regardless of age would be covered by the much more comprehensive Health Security benefits.

Health Security would use the leverage of funds to deal with the disorganization and dislocations of the health services system. Through control of the budget, over a period of time enough doctors and the right kind of services would be available in every community, including innercity neighborhoods and rural areas where so many of our elderly and our poor people live.

Special funds would be earmarked to increase resources for personal health services and to stimulate the development of new types of programs of service. For example, an area crying out for such special efforts is the outrageous situation which exists in our nursing homes.

Hundreds of thousands of chronically ill, most of them elderly, without access to decent extended health care or home health services, end up in the 22,000 nursing homes in our country. 90% of the beds are operated first for profit, then for patients. Two Congressional investigations and any number of state probes have revealed the shame of nursing home operators who frequently neglect and often mistreat patients.

The New York State Health Department reported this past February there were "serious operating deficiencies in two-thirds of the nursing homes in New York City". In Connecticut last year almost half the proprietary nursing homes made profits of 50% or more for the year with some homes having profits as high as 286 percent. A spokesman for the Iowa Department of Health in describing conditions in nursing homes in his State, told the New York Times, "They're not saving lives. Most of their patients are dying. . . ."

How long must we continue to tolerate this terrible situation?

The facts have been known for at least a decade, and very, very little has been done to change the situation. It cries for immediate action which would include:

(1). Tough uniform national quality standards under Medicare and Medicaid with ample enforcement funds.

(2). A top level national consumer review group operating at the level of the Secretary of Health, Education and Welfare.

(3). A mandated ombudsman mechanism in every major city.

(4). Legislated requirements that in every nursing home with patients paid for with government funds, the patient or his next of kin have the right to see the medical record and to know the names and qualifications of persons giving care.

(5). Statutory limitations on profits permissible for private nursing homes.

(6). Subsidies to encourage the development of non-profit extended care facilities. A gradual phasing out of placement of government subsidized patients in "for profit" facilities.

This kind of program is one close to your hearts and interests. I hope you will press for its adoption now. At the same time you should know it would be far easier to achieve under the National Health Security Program your organization and I are advocating.

Taking a longer range view, we must begin to develop viable alternatives to long-term institutionalization. Hundreds of thousands of persons are in nursing homes today because more appropriate health care and supportive services are not available. The Kennedy-Corman Health Security Program is the only proposal for national health insurance which addresses this problem.

Under Health Security, grants would be made available to assist the development of community programs of comprehensive health and personal services designed to the maximum extent possible to keep elderly and infirm persons in their homes and with their families. These would include home maintenance services, laundry services, nutritional services such as meals on wheels, physical and occupational therapy, and assistance with transportation and shopping. In addition, measures are included to ensure the long range financing of those programs which are shown to be successful.

This is just another of many examples in which Health Security attempts to meet the needs of people, rather than forcing the people into patterns of care more convenient and profitable for providers of services and insurance companies.

Health Security would also take strong measures to attack the problem of substandard quality of care which is right now causing unnecessary hospitalizations, twice as much surgery as is needed, and countless adverse reactions to drugs which are administered inappropriately or without need. National standards for providers would be developed and implemented. And doctors and other professionals would have to periodically bring their knowledge and skills up to date in order to continue to participate in the program.

Consumer involvement would be instituted at every level of administration of Health Security. Organizations like the Senior Citizens would be assured a meaningful voice, and encouraged to develop community health care programs. Health care is too important a matter to leave even to the most enlightened professionals, let alone the special interests.

Public accountability for the system would be guaranteed by public administration. This would follow the tested experience of almost every other industrialized nation, including Canada. It would also end the current chaos with 1800 private insurance companies selling different policies and using different procedures, and each trying to skim off the top for themselves as much as possible.

It is clear that the Health Security Program presents the only real solution to our health care crisis. However, we often hear the claim made that we cannot afford Health Security, that we who support it are looking for a pie-in-the-sky free lunch. For the most part, such misleading statements are made by those who are managing to profit from our present health care problems and who would prefer the status quo to social progress. They come from the same school as those who used to claim that Social Security was the opening wedge to Socialism.

The fact of the matter is that we cannot afford not to enact Health Security. Every medical economist knows that there would be very little difference in the total cost of the various national health insurance proposals in the short run. But over a longer period of time, only Health Security has the built-in administrative, budget and cost controls to put a lid on national health expenditures. For example, to reduce hospital waste.

THE SUDAN: OPPORTUNITIES FOR INTERNATIONAL COOPERATION IN DEVELOPMENT

Mr. PERCY. Mr. President, as a result of recent conversations with the Sudanese Ambassador, Dr. Francis Deng, I have become impressed with the great opportunities for American participation in the economic development of the Democratic Republic of the Sudan.

The Sudan has made significant strides toward the achievement of peace, unity, and political stability. The next item on the Sudanese agenda is economic development. The Sudanese Government, under the leadership of President Nimeiri, realizes that the development of the Sudan's untapped resources will require a large inflow of foreign capital, technology, and production and marketing know-how. Recognizing the role that the private sector must play in such development, the Government has made great progress in creating an atmosphere conducive to mutually profitable investment.

I would like to share with my colleagues and the American business community a few facts about the opportunity for American participation in the economic development of the Sudan, which have been provided to me by Ambassador Deng.

I ask unanimous consent that this information be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SUDAN

(As provided by the Sudanese Embassy)

THE COUNTRY AND ITS ECONOMY

Despite its relatively small population of 17 million, the Sudan is the largest country in Africa, covering an area of nearly one million square miles of largely untapped natural resources in the form of arable land, adequate water supply, animal wealth, fish, forests, and minerals. From independence in 1956 until only three years ago, the country was diverted from development by a devastating civil war which severely drained its limited financial resources. However, in 1972, the present government entered into dialogue with the Southern Liberation Movement, culminating in the Addis Ababa Agreement, which brought peace, unity, and stability to the Sudan.

With the war ended and stability established, the government has embarked upon a most ambitious program of accelerated development, giving priority to the agricultural sector where untapped resources are most abundant and the need greatest, both domestically and internationally.

According to the FAO, the Sudan is one of the three countries which promise the greatest potential for providing the world with food.

Of the country's 200 million acres of fertile soil, only 17 million acres are presently utilized. These lands vary in climate and character, and are capable of supporting cattle and growing sorghum and wheat, as well as producing sugar cane and other products. Cotton now contributes 50% of foreign earnings. Oil seeds and gum Arabic come next. But major efforts are being exerted to diversify agricultural production by growing large areas of wheat and expanding the production of sugar cane. By 1980, the Sudan will be able to export both wheat and sugar.

In the related field of animal resources and wildlife, the Sudan ranks second on the African continent. But while the Sudan has been an exporter of meat and hides, animal resources remain largely undeveloped. Fattening of cattle is found on a very limited scale and modern farming methods are still to be introduced.

Of equal importance as agriculture and related fields is the infrastructure and especially transport. To improve transportation, a highway system is being designed from the productive areas to the port and from the port to the large consumption centers in order to relieve the dependence on the railway system.

SUDAN'S INVESTMENT POLICY

From practical experience, the Sudan has learned the indispensability of the private sector and the need for creating an atmosphere conducive to private investment. According to the London-based "Africa" magazine of March 1975, Sudan's concessions to the private sector are an apparent volte-face which stems from the disastrous experience brought about by the socialization drive in 1969–70. Confiscated companies were handed back to their previous owners who were adequately compensated for the loss they had incurred. In the words of "Africa" magazine, "The Government went out of its way to demonstrate the sincerity of its new intentions."

The recently passed Development and Promotion of Agricultural Investment Act, 1975, stipulates a number of concessions and exemptions for private and particularly foreign investors in the sphere of agriculture. Projects especially favored are those involving rain-fed farming, mechanized cultivation, mixed farming, coffee and tea plantations, and utilization of animal resources and fish. Also given priority is the industrialized processing of foodstuffs for export.

Exemption of customs duty is granted for the import of necessary machinery and equipment. Concessions are granted in the form of unrestricted transfer of capital and profits. Business profit tax is exempt up to five years from the date of production. Thereafter, for the next five years, the first 30% of the capital is exempt and the next 30% incurs 50% of the tax specified.

The Development and Encouragement of Industrial Investment Act, 1974, which amended the Industrial Investment Act of 1972, provides for tax holidays, protection of sales, and a long list of other inducements to attract private capital, foreign as well as local. Like the Agricultural Investment Act, the Industrial Investment Act provides for exemption from tax for a period of five years and two additional five-year periods of conditional exemption. Most important are the provisions for the transfer of capital and profits out of the country and the guarantees against nationalization and confiscation.

SUDAN AS A MARKET

The Sudan is also a potential market for agricultural and industrial products as well as equipment for the necessary infrastructure. In addition to the growing local market, the country has a unique characteristic as a window to both the Middle Eastern and African markets.

While there is competition from Europe and Japan, the U.S. has a certain advantage over its competitors. According to the U.S. Department of Commerce annual of March 31, 1975, "Since capital-intensive agriculture is precisely where the U.S. excels (and the Sudanese know it), there is great potential for the sale of U.S. equipment and know-how in this field to Sudanese importers."

THE AVAILABILITY OF THE PETRO-DOLLAR

Being both African and Arab and because of its vast resources, especially agricultural, Sudan has become an ideal model for tripartite cooperation between raw material producing countries, the Arab oil producing countries and the technologically advanced countries.

According to the "Economist" of May 10, 1975, "The Arab Fund for Economic and Social Development has just completed a plan projecting a 5.8% yearly growth rate in the Sudan until 1980, and then an 8% rate of growth from 1980 to 1985. The Fund reckons that the Sudan's grain production could be doubled to five million tons by 1985, its sugar production could rise from 110 thousand tons to 810 thousand tons, half of that for export, meat from 350 thousand to 850 thousand tons." The plan needs one billion dollars from Fund members and an overall flow of capital of three to five billion dollars over the next ten years.

The World Bank, the U.S. Agency for International Development, and a number of European countries are also engaged in financing development projects.

CONCLUSION

In conclusion, investment in economic development in the Sudan will not only benefit the Sudan and private investors, but it could also pay long-range dividends in the struggle against world hunger.

ANNOUNCEMENTS FROM THE FEDERAL ELECTION COMMISSION

Mr. CANNON. Mr. President, I ask unanimous consent that certain announcements from the Federal Election Commission be printed in the RECORD.

There being no objection, the announcements were ordered to be printed in the RECORD, as follows:

FEC PUBLISHES INITIAL REQUESTS FOR ADVISORY OPINIONS

WASHINGTON, June 20.—Host city services to national conventions, national telethon costs, and retirement of debts from past Congressional campaigns are among the subjects of the first "Requests for Advisory Opinions" being published by the Federal Election Commission for public comments.

The new federal campaign financing law requires publication of all requests for FEC Advisory Opinions on a "specific transaction or activity" by officeholders, candidates or political committees. After a 10-day period for public comment, the FEC may issue the Advisory Opinion. Persons or committees receiving an Advisory Opinion are "presumed to be in compliance" with the campaign financing laws if they "act in good faith" in accordance with the opinion.

The requests for Advisory Opinions approved for publication at the Commission's meeting Thursday include the following:

1. *Convention Financing:* whether "in-kind" services provided by a host city for a national convention must be included in the national convention expenditure limit (re-

quested by both Republican and Democratic National Committees).

2. *Party Committee status:* numerous questions, posed by the Michigan Democratic Party, concerning political party committee responsibilities under the reporting and expenditure limitation provisions of the law.

3. *Office-holder services:* a request by the National Republican Congressional Committee for an opinion as to whether various services provided to incumbent officeholders, such as preparation of newsletters and questionnaires and reprinting Congressional Record statements are campaign contributions or expenditures.

4. *Telethon expenses:* whether financial transactions involved in preparing a nationally televised fund-raising telethon are considered expenditures under the financing law. (Requested by Democratic National Committee)

5. *and 6. Debt cancellation:* Whether current contribution limits are applicable to contributions made this year to satisfy debts incurred in campaigns from prior years when there were no such contribution limits. (10 requests for Advisory Opinions from numerous candidates or committees).

(Title 11, Federal Elections; Chapter II, Federal Election Commission—Notice 1975-4)

ADVISORY OPINION REQUEST PROCEDURE

The Commission announces that pursuant to Section 437(f) of Title 2, United States Code, the processing of Advisory Opinion Requests has commenced as of this date. Advisory Opinion Requests submitted heretofore will be published in the Federal Register and through other outlets. Such publication begins today. Advisory Opinion Requests are assigned an AOR Number (such as AOR 1975-1, published today) reflecting year of publication and sequence. Publication will be either in the form of the original submission or in an edited or paraphrased form, as the Commission deems appropriate. Where Advisory Opinion Requests are published in edited or paraphrased form, any interested person may inspect the original at the Commission.

Interested persons wishing to comment on the subject matter of any Advisory Opinion Request may submit written views with respect to such requests within 10 calendar days of the date of the publication of the Request in the Federal Register. Such submission should be sent to the Federal Election Commission, Office of General Counsel, Advisory Opinion Request Section, 1325 K Street, N.W., Washington, D.C. 20463. Persons requiring additional time in which to respond to any Advisory Opinion Request will normally be granted such time upon written request to the Commission. All timely comments received by the Commission will be considered by the Commission before it issues an advisory opinion. The Commission recommends that comments on pending Advisory Opinion Requests refer to the specific AOR number of the Request commented upon, and that statutory references be to the United States Code citations, rather than to the Public Law Citations.

(Title 11, Federal Elections; Chapter II, Federal Election Commission—Notice 1975-5)

ADVISORY OPINION REQUESTS

AOR 1975-1: NATIONAL POLITICAL PARTY CONVENTIONS

(The following edited Advisory Opinion Requests were submitted respectively by the Democratic National Committee and the Republican National Committee and are published together under a single Advisory Opinion Request Number with the consent of both requesting parties.)

"Dear Commissioners:

Request is hereby made for an advisory opinion of the Commission pursuant to Section 437f of Title 2, United States Code.

1. *Facts*—

The Democratic and Republican Parties ("Parties") plan to hold a Presidential nominating Convention ("Convention") in the summer of 1976. The arrangements for the Conventions will be handled either by the Parties directly or through an entity, possibly a not-for-profit corporation, created specifically for this purpose. In order to induce the Parties to hold these Conventions in their cities, the local authorities of various cities and states have offered the use of various municipal or state facilities or services in connection with the Conventions either for no charge or at reduced charges.

In addition, as a further inducement for the Conventions to be held in a particular city, local businessmen, including hotels in which persons connected with the Conventions will be housed, have offered to provide various other facilities or services in connection with the Conventions either at no charge or at reduced charges. These facilities or services may be provided either directly or through a local host committee or non-profit corporate entity, Chamber of Commerce, Junior Chamber of Commerce, or similar organization.

These inducements have traditionally been a significant element in the site selection process of the Parties. This site selection process has already commenced for both Parties. The facilities or services offered will include the following, among others:

(1) Use of an Auditorium or Convention Center, construction and Convention related services therein;

(2) Various transportation services, including the provision of buses and automobiles;

(3) Law enforcement services necessary to assure orderly Conventions;

(4) Use of convention bureau personnel to provide central housing and reservation services;

(5) Rooms in hotels for office use and sleeping accommodations for officials and staff connected with the Conventions;

(6) Transportation, accommodations and hospitality for committees of the Parties responsible for choosing the site of the Conventions; and

(7) Other similar Convention related facilities and services.

Further, hotels and other local businessmen, including corporations, may offer to defray a portion of certain expenses incurred in connection with the Conventions. The amount available to defray such expenses may consist, in part, of a portion of the sums paid to the various hotels by registered guests connected with the Conventions, without increasing the normal charge paid by such guests.

We understand that these inducements are similar to those which would be offered to any other organization similarly situated to induce it to hold a Convention of similar size and scope in the particular city.

We further understand that such inducements of goods and services, direct and indirect, historically have been provided to both Parties. Background information on this subject may be found in the studies of the Citizens Research Foundation, No. 14, *The Politics of National Convention Finances* and *Arrangements, and Financing the 1968 Election*, pp. 73-78.

In 1972, expenditures by the Parties for Conventions averaged approximately $1,750,000. The value of goods and services of the type described above is not included in that amount. It would be impossible to place an exact dollar figure on such items, but they are very substantial.

II. Section 610, Title 18, United States Code:

Section 610 of Title 18, United States Code, provided, in pertinent part, that:

It is unlawful for any National Bank, or any corporation organized by authority of any law of Congress, . . . or for any corporation whatever, or any labor organization to make a contribution or expenditure in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this Section."

The terms "contribution" and "expenditure" for purposes of Section 610 are defined in Section 591 of Title 18.

We believe that the transactions described above are at arms-length and do not constitute either contributions or expenditures within the above definitions of such terms. We have found no case decision or opinion interpreting Section 610 holding that transactions such as those described above were within the purview of this provision, nor do we perceive any reason why such transactions should be so prohibited. We do bring to your attention that the Internal Revenue Service ruled in 1955 that a contribution to a committee authorized to induce a national political Convention to the locality in which a taxpayer is engaged in a trade or business is deductible as a business expense, provided such contribution is made with a reasonable expectation of a commensurate financial return. (Rev. Rul. 55-265, 1955-1 CB 22.) We further note that the Department of Justice in an informal opinion dated February 21, 1974, stated under similar circumstances that such inducements were not in violation of Section 610.

It is therefore our opinion that arms-length transactions with the Parties made to attract the Conventions are not within the scope of Section 610.

III. Section 9008(d)(1), Title 26, United States Code:

Section 9008(d)(1), Title 26, United States Code, provides in pertinent part that the Parties ". . . may not make expenditures with respect to a Presidential nominating Convention which, in the aggregate, exceed the amount of ($2,000,000) . . ." The provision of goods and services as described above whether provided by local government bureaus, individuals or businesses should not be deemed "expenditures" of the Party for purposes of this section. In setting the expenditure limitation, Congress was presumably seeking to limit the amounts actually received and disbursed by the Parties and not to reduce this traditional participation in the Convention by the city, state and businesses which directly benefit from hosting the Convention. By including such items within the term "expenditures" it is conceivable that the particular city and its local businesses are in fact assisted by the Federal funding of Conventions to the extent that they are relieved of such responsibilities.

We are of the opinion, therefore, that the provision of such goods and services as described herewith are not "expenditures" under Section 9008(d)(1).

IV. Sections 9008 (e) and (g), Title 26, United States Code:

Section 9008(e) provides in effect that payments may be made to the Parties no earlier than July 1, 1975. Section 9008(g) provides in effect that the Parties shall file a registration statement with the Commission providing information similar to that required of other political committees under Section 433(b) of Title 2, United State Code. The Commission is then to establish procedures for determining the entitlement of the Parties to funds and then to certify said entitlement to the Secretary of the Treasury. Further, the Commission is authorized to examine and audit such entitlements at any time prior to December 21, 1976.

We propose that the Parties submit to the Commission by June 1, 1975, a projection of the cost of the Conventions based on their Convention experience in 1972. Based upon this preliminary projection, the Commission would then certify to the Secretary that each Party was entitled to the sum of $600,000 for payment on or shortly after July 1, 1975, assuming that the Commission satisfies itself as to the accuracy and reliability of the projection. A similar procedure would be followed so that an entitlement would then be certified to the Secretary for a like amount on December 1, 1975, and on May 1, 1976. (We would urge the Commission, in any case, to request of the Secretary that payments be made within 15 days of the Commission's certification.)

During this period of time, the Parties would submit to the Commission such reports, vouchers, invoices, etc., as the Commission may require to support the funds advanced to the Parties.

The certification of the last entitlement, if any, up to the $2,000,000 limitation, would be made as soon as practical within two weeks of the conclusion of the Conventions of the respective Parties and would be based upon actual expenditures made.

We are of the opinion that such a procedure would provide the type of financing required to responsibly manage the Conventions and would, at the same time, meet the Commission's responsibility to discharge its responsibilities under the law."

* * * * *

ROBERT S. STRAUSS,
Chairman,
Democratic National Committee.

[Addendum of May 15, 1975]

DEAR COMMISSIONERS: At a meeting on April 21, Commissioner Aikens had requested additional detail on the types of goods and services we will be negotiating for in the course of our Site Selection process. Subject, of course, to a favorable determination by the Commission on the requests submitted to you on the 21st, the following goods and services are among those that we will be seeking.

I would like to reiterate that these goods and services are commonly offered as an inducement for a convention to be held in a particular city. They are offered either directly or through a local host committee, non-profit corporate entity, Chamber of Commerce, Junior Chamber of Commerce or similar organization. We understand that these inducements are similar to those offered to other organizations to induce them to hold conventions of similar size and scope in their particular city.

CONVENTION HALL

The interior of a hall must be designed to meet the peculiar needs of a Presidential nominating convention. A specially designed podium must be constructed. On both sides of the podium, fixed tables for the press must be built.

The floor of a convention becomes so strung with wires for phones, audio equipment, television and radio that a false floor must be built on top of the normal flooring for the safety of the delegates, alternates and the many others who obtain access to the floor.

Camera platforms for television, newsreels and still photographers have traditionally been built by the parties, including one major central platform and several side platforms for different camera angles.

The seating plan for delegates and alternates is usually specially designed to assure adequate sight lines for them and wide enough aisles for their safety and convenience. In many instances, this type of set up may exceed the normal capabilities of a hall and extra materials and labor may be required.

The lighting for the floor and the podium at most convention halls is inadequate to meet the requirements of color television. Thus, additional lighting equipment must be brought in and installed. Air conditioning facilities in the hall may have to be bolstered to offset the heat generated by this lighting. Electrical power for these facilities, plus additional demands for electrical outlets for other convention equipment, can become a very substantial expense.

As noted by the Chairman at our meeting, all of the major contending cities appear to be prepared to waive all rental charges for the hall during the preparatory period of construction and installation, the days of the convention and a reasonable period thereafter to clear the hall.

Among the additional items that may be sought include, janitorial services after each session of the convention, decorations for the hall, offices within the hall, furnishings, equipment for the offices within the hall, microphones and a loud speaker system and the operation of this audio system.

Among the cities bidding for the conventions, the difficulty and expense of providing these goods and services would vary. For example, we understand that the convention center of one of the contending cities would not require the installation of a false floor due to the wiring system already installed in the hall. There are differences, too, in the source of support for providing these goods and services. In others, a tourist development authority, a Chamber of Commerce committee, or a specially organized non-profit committee may bear the major portion of these costs.

HOTELS

Another source of major aid to presidential nominating conventions has come from the hotels that house the guests of the convention and thus benefit directly from the convention. The housing of and office space for convention officials and staff is a major burden of convention operations.

Some staff for the convention customarily establish their office and residence in the convention city as early as January of the convention year. The number of such personnel increases as the months pass. Within two weeks of the start of the convention, the full regular staff of the National Committee, plus special convention staff, move to the convention city.

We would be seeking complimentary and reduced rate rooms from convention city hotels to meet some portion of these needs. This number of complimentary rooms sought would be related to the numbers of rooms actually booked by the convention at the particular hotel, possibly four complimentary room nights for each 100 paid room nights of occupancy.

The hotel which acts as headquarters for the convention would, in addition, be requested to provide office space, free use of its public rooms for meetings and caucuses and furnishings for these purposes, for example, chairs, tables, microphones, etc.

MISCELLANEOUS GOODS AND SERVICES

The Site Selection Committee is a 20-member sub-committee of the National Committee, charged with the responsibility of selecting the site for the convention. They held hearings in early April at which six cities made presentations. The Committee will next travel to a number of these cities at their invitation. The Committee will make an on the scene investigation of the cities' facilities. Among the expenses that these localities may offer to assume are the costs of transporting the Committee, housing and a number of hospitality functions such as luncheons, dinners or receptions attended by local civic leaders.

Because of tight time schedules, widely spread convention hotels and traffic problems that exist in every major city, a special shuttle bus system for delegates, alternates and other convention participants will be sought. It may be a totally free system; a flat fee might be charged to those using the system, at a minimum rate, subsidized from local sources. Further, some of the bids have offered to provide from local sources a limited number of private automobiles for transportation of convention officials.

The National Committee has the responsibility for approving all room reservations in convention hotels. This work load may be relieved to some extent by utilizing staff and facilities of the local convention bureau or hotel association.

SECURITY

The security within the convention hall is the direct responsibility of the National Committees. Security services within the hall have been paid for and managed by the National Committees. There is, of course, close coordination of this work with local law enforcement officials and with the Secret Service which now has certain responsibilities for the Presidential candidates.

Outside the convention hall, the Committees have no direct authority to provide or control security. This is, of course, the responsibility of the duly constituted law enforcement agencies of the city, county and state. Again, however, close coordination with these officials is sought to assure an orderly convention in which the elected delegates and alternates can discharge their duties without interference, yet providing ample opportunity for non-delegates to exercise their First Amendment rights. The effort to assure this delicate balance with such large numbers of interested people involved means that a substantial cost for law enforcement will be incurred by any city that hosts a national convention. In 1972, financial grants from the Lew Enforcement Assistance Agency were made to Miami Beach for both conventions. We do not know whether such grants will be available in 1976.

ANDREW J. SHEA,
Director, Democratic National Convention.

DEAR COMMISSIONERS: Pursuant to Section 437f of Title 2, United States Code, it is respectively requested hereby that the Commission issue advisory opinions with regard to the Presidential Nominating Conventions of the respective parties and the following recommendations are made relating to the following subject matters for consideration. The recommended advisory opinions are preceded by a statement of background information briefly describing Presidential Nominating Convention procedures.

PRESIDENTIAL NOMINATING CONVENTION PROCEDURES

The major political parties, the Democratic and Republican (Parties), traditionally every four (4) years hold Presidential Nominating Conventions (conventions). The next conventions will be held in the summer of 1976. Preparation for such conventions are already underway. The Site Committee hearings are being held and the process of determining the sites for the respective parties is underway presently.

The Site Committees of the respective parties have held hearings and have received proposals from would-be host cities and contemplate visiting certain bidding cities and will make a final determination of the recommended site to the respective National Committees thereafter for confirmation.

Traditionally the bidding cities, in an effort to encourage and induce the choice of their respective cities as a site for the Convention both directly and through convention and tourist attracting entities offer a variety of services and facilities, some at no charge and some at reduced charges. Such convention and tourist attracting entities in the local community or the state such as the Chamber of Commerce, Junior Chamber of Commerce, local Host Committee, non-profit corporate entities, organizations of local businessmen including those representing hotels in which Convention officials and personnel will be housed join the cities and states in offering such facilities and services.

In evaluating the respective site bids the Site Committee obviously takes into consideration such facilities and services as an important element in the site selection process. It is generally understood that such goods and services made available both directly and indirectly have historically been offered by the bidding cities and organization tourist attracting entities to the Conventions as a matter of history and precedent.

Examples of such inducing facilities and services offered on behalf of the bidding cities, states and connected entities are free use of auditorium or convention center facilities, and construction of interior platforms and seating arrangements therein; parking and staging areas for personnel and for the media; trasportation services including bus transportation for the Convention personnel and attendees as well as automobiles for Convention personnel and V.I.P.'s; law enforcement, ambulance and other needed public services; the loaning to the convention of tourist bureau personnel for housing, reservation and entertainment services; hotel facilities as well as convention hall facilities for office use of officials and staff of the conventions and hotels for sleeping accommodation for such officials; transportation, accommodation and hospitality for the site committees responsible for the selection of the site for the convention and numerous other facilities and services related to the convention.

Relating to such services and facilities supplied free or at reduced cost, it is observed that the 2 million dollar limitation for the conventions, in light of the approximate $1,750,000 average cost of the conventions for 1972 exclusive of such services and facilities and in light of increased costs that have occurred since 1972, unless such contributions of facilities and services are permitted, and not chargeable against the $2,000,000 limit, it is obvious that the limit will be inadequate. In addition, it is assumed that Congress having knowledge of the cost of the prior conventions contemplated that such continuing facilities and services would be permitted because otherwise the figure is unrealistic. In view of these facts and circumstances the following questions are asked and the following suggested opinions are proposed.

I. RELATING TO THE SELECTION OF THE CONVENTION SITE

The Site Committees of the Parties have held hearings and have heard proposals of the would-be host cities and are contemplating visitations to the respective sites under consideration, largely to take place before July 1, 1975, when payments may be received from the Federal Election Commission Fund. Traditionally, the interested cities have borne the cost of visits by the Site Committee members and all activities relating thereto. The remaining operating expenses of Site Committee have been borne by National Committee or other entity established to accomplish the objective of financing the National Convention. The expenses of the Site Committee are a necessary cost of holding a National Convention. It is therefore requested the following interpretations of the applicable statute be made.

Statute involved

26. U.S.C. 9008 (*c*) "Such (Federal) payments shall be used only—(1) to defray expenses incurred with respect to a Presidential nominating convention . . ."

Suggested opinion

The operating expenses of the site selection committees of the parties are "Convention expenses" within the meaning of 26 U.S.C. 9008(c) and reimbursement may be made to the parties or designated entity, pursuant to 26 U.S.C. 9008(e). However, it is recognized that many activities of the site committee take place in response to bid proposals and that it is customary that the bidder defray certain expenses of the committee relating to site inspections and negotiations relating to the selection of the site and this practice will be permitted to continue without charge against the $2,000,000 limitation under 26 U.S.C. 9008(d)(1) and will not be construed as "contribution" or "expenditure" as defined in 18 U.S.C. 591.

II. ASSISTANCE SUPPLIED BY THE CITIES, STATES AND TOURIST ATTRACTION ENTITIES

Cities and States and other Governmental entities thereunder seeking a Convention traditionally have supplied directly or indirectly a variety of services, facilities and other means of assistance to the Parties to attract conventions to their city. Included have been services and facilities previously discussed herein. In addition, convention bureaus, Chamber of Commerce, Host Committees non-profit corporations and similar organizations often provide facilities and services to the conventions as also previously discussed. Such facilities and services are provided equally to both major parties as well as to nonpolitical conventions which the cities, states and local entities wish to attract to their area. In view of this acknowledged historical precedent it is recommended that the Commission consider relating to the statute involved an opinion as follows:

Statute involved

26 U.S.C. 9008 (d) ". . . the national committee of a major party may not make expenditures with respect to a Presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled ($2 million)."

SUGGESTED OPINION

The cities, states, and other governmental entities of the United States are permitted to provide facilities and services in order to assist the Nominating Conventions of the parties in any manner within their means which has traditionally been supplied for such purposes, including but not limited to the use of Convention halls, convention hall improvement, parking and related facilities, police, fire, health and other public service facilities and services, transportation services, bureau convention personnel, rooms, and hotel and meeting hall facilities for convention staff. Services and facilities provided by public service and nonprofit organizations such as convention bureaus, Chamber of Commerce, Host Committees, nonprofit corporations and similar organizations are permitted to provide facilities, services and personnel to such conventions.

Other inducements, services or facilities that are customarily offered to other organizations seeking a convention site as an inducement to any convention of similar size and scope in a particular city involved, including inducements by hotels, hotel associations, or other local businessmen and/or business oriented associations, tourist attracting entities shall be permitted. Such services, facilities and funds made available to defray costs of the convention heretofore described shall not be considered "expenditures" under 26 U.S.C. 9008(d)(1) and therefore not subject to the $2 million limitation and further they shall not be construed as "expenditures" or "contributions" as defined in 18 U.S.C. 591.

* * * * *

MARY LOUISE SMITH,
Chairman, Republican National Committee.

April 22, 1975.

[Addendum of May 9, 1975]

DEAR COMMISSIONERS: On April 21, 1975, at the meeting of your Commission, certain members requested responses to questions, suggesting that answers be forthcoming from both major political parties. This, the response of the Republican National Committee (RNC) submitted through Counsel, it is hoped, will be of assistance to the Commission and will result in the earliest possible advice by the Commission to the two major parties relating to convention expenses and reimbursement therefore in that such expenses are presently being undertaken as the result of site Committee activities.

* * * * *

4. What goods and services are the two major parties likely to receive relating to the 1976 conventions and which of these can be accepted by the parties without being charged against the $2 million limit?

Answer: The RNC submits that the Commission should consider this question in the light of similar goods and services customarily made available to other non-political conventions in the light of the previous experience of both political parties and the intent and purpose of the Federal Election Campaign Act of 1971 as amended. This position was submitted to the Commission by both parties on April 21 and the Commission requested the specifics as related to the goods and services for expenditures contemplated by the two parties relating to the 1976 conventions.

The Democratic National Committee is submitting, after consultation with the RNC, a description of such services and the RNC generally subscribes to that submission as properly descriptive of such goods and services as an adequate response to the question.

* * * * *

WILLIAM C. CRAMER,
General Counsel.

(AOR 1975–2: The Michigan Democratic Party (Multi-Candidate Political Committees) (Edited))

DEAR SIRS: 1. It is my understanding that 18 U.S.C. Section 608(f) entitles state committees and their subordinate committees to make independent expenditures on behalf of a candidate for federal office in an amount up to $10,000 for a United States House of Representatives candidate and up to $.02 times the VAP for a United States Senate candidate.

In order to meet all of the reporting requirements of the federal law and those of our state laws the Michigan Democratic Party maintains two separate accounts—one for federal elections and one for state elections. My question to the Commission which I seek guidance on is this: Even though the moneys for federal elections are not kept in the official account of the Michigan Democratic Party, can they nevertheless be used to make the types of independent expenditures that are permitted for State Central Committees?

* * * * *

2. Section 608(f)(3) states that "A State committee of a political party, including any subordinate committee of a State committee" may not make an expenditure with regard to the election of a United States senator in Michigan of more than 2¢ times the

VAP or for a United States representative, $10,000. How are we to interpret the phrase "subordinate committee"? Michigan statute establishes in addition to a State Central Committee, 83 county committees and 19 congressional district committees of each major party. There are some interlocking relationships between these organizations and the state committee but these relationships do not extend to our controlling their decisions on the raising or expenditure of campaign funds. Are we required under this act to institute a new system of control such as requiring them to file with us so that we can make a consolidated filing of all of their federal election expenditures or are they to be treated as any other political committee and therefore limited to an expenditure of $1,000 on behalf of any candidate or are both they and the state committee permitted to make separate $10,000 expenditures? If they are not subordinate committees, I would presume the entire expenditure limit cited above would apply to the state committee. Since an interpretation that would require consolidated reports would result in the necessity for a great deal of explanation and re-organization within our party, I would urge a prompt response to this question.

3. Section 432(f)(2) and Section 433(e) and Section 434(2) all state that a political committee which is not a principal campaign committee "shall not file the required reports or statements with the Federal Election Commission" but instead with the appropriate principal campaign committee. Is there other language in the statute or legislative intent in the conference committee report that would indicate that these sections do not apply to state political party committees? A literal interpretation of this language would seem to indicate that we, as a state party, would have to file a complete statement of all contributions received and all expenditures made with every candidate whom we supported. If your answer to my first request also envisions the state party consolidating the reports of all of our local party committees, I believe you can immediately see the horrendous logistical problems such a requirement would create. It also appears to me the intent of this statutory language was to take care of those political committees who were supporting one candidate but were not the principal campaign committee. Since we support a number of candidates, I do not believe it would be practical to interpret the statute any other way but to have us file directly with your Commission. We will need an answer on this question well in advance of the first date on which we need to file.

4. Section 431(f)(4)(C) excludes from the definition of expenditures, communication by any membership organization to its members. Since we are a membership organization in Michigan and since the state party is not organized primarily for the purpose of influencing the election of any person to federal office, are our expenditures for our newsletter not an expenditure under the scope of the statute?

5. Does Section 437a. require the filing of reports by local political committees who do not receive contributions over $1,000 or make expenditures over $1,000 with regard to federal elections, to still report to the Federal Election Commission any moneys received or expended in a lesser amount which are used to influence the outcome of a federal election? Does the phrase "commits any act directed to the public" mean that such routine activities by a political committee as putting up a poster for a candidate for federal office must be translated into a dollar value and reported to the Commission? In the interest of not subjecting a large number of people to criminal prosecution for innocent actions, I suggest the Commission examine carefully the legislative intent behind this statute and write strict regulations regarding its interpretation.

* * * * *

MORLEY A. WINOGRAD,
Chairperson.

(AOR 1975-3: National Republican Congressional Committee (Multicandidate Political Committee) (Edited))

DEAR COMMISSIONERS: The National Republican Congressional Committee (hereinafter "NRCC"), a political committee as defined by 2 U.S.C. Section 431(d), hereby requests that the Federal Election Commission (hereinafter "FEC"), issue an advisory opinion pursuant to 2 U.S.C. Section 437(f) as to the legality of the transactions and activities described in this letter.

On the basis of the facts and law set forth in this letter, it is requested that the FEC advise the NRCC, a multi-candidate political committee as defined by 18 U.S.C. Section 608(b)(2), that the following services and property which it provides to Republican Members of the House of Representatives (hereinafter "Member"), are non-campaign in nature and, therefore, do not count against its $5,000 campaign contribution limitation to a candidate in any election (See 18 U.S.C. Section 608(b)(2)) and also do not apply to the Member's election expenditure limitations. (See 18 U.S.C. Section 608(c)(1)(E)). These services are:

1. The NRCC's preparing and printing newsletters, questionnaires and other printed matter to be mailed by Members under the Congressional frank.

2. The NRCC's reprinting of excerpts from the Congressional Record to be mailed by Members under the Congressional frank.

3. The NRCC's paying the cost of tabulating responses to questionnaires sent by a Member to his constituents under the Congressional frank including the cost of using a computer for such tabulation.

4. The NRCC's reimbursing a Member for the cost of newsletter paper purchased by the Member from the House of Representatives Stationery Room to be used by the Member in preparing materials to be mailed by the Member under the Congressional frank.

FACTS

The NRCC is a political committee as defined in 2 U.S.C. Section 431(d) and 18 U.S.C. Section 591(d) and also qualifies as a multi-candidate political committee pursuant to 18 US.C. Section 608(b)(2). The NRCC, which was founded in 1866, has traditionally provided various forms of support to Republican Members of the House of Representatives in connection with their fulfilling their duties as federal officeholders.

The NRCC provides to Republican Members of the House of Representatives a variety of services to assist the Members in fulfilling their duties as federal officeholders and in keeping their constituents informed on matters pending before the House. These services are not directed to a Member's campaign efforts. On the contrary, they permit a Member to provide citizens in his District with accurate and up-to-date information on the important issues in Congress as well as allowing the Member to receive and tabulate the opinions of his constituents on these same issues.

The monetary allowance which a Member receives from the federal government is not sufficient to cover the costs of these non-campaign services. The NRCC has for many years provided a certain percentage of these services in kind to Members.

The following services are among those which the NRCC has traditionally supplied to Members for non-campaign purposes:

1. The NRCC's preparing and printing newsletters, questionnaires and other printed matter to be mailed by a Member under the Congressional frank.

2. The NRCC's reprinting of excerpts from the Congressional Record to be mailed by Members under the Congressional frank.

3. The NRCC's paying the cost of tabulating responses to questionnaires sent by a Member to his constituents under the Congressional frank, including the cost of using a computer for such tabulation.

4. The NRCC's reimbursing a Member for the cost of newsletter paper purchased by the Member from the House of Representatives Stationery Room to be used by the Member in preparing materials to be mailed by the Member under the Congressional frank.

* * * * *

STEVEN STOCKMEYER,
Executive Director, National Republican Congressional Committee.

(AOR 1975-4: Democratic National Committee (Democratic Party Telethon) (Edited))

Dear Commissioners: On July 26 and 27, 1975, the Democratic National Committee will sponsor a fund-raising telethon, nationally televised over the ABC Network, for the benefit of the Democratic Party.

The telethon effort has developed over the last several years into a highly successful means of raising revenue to meet the operating costs of the Democratic National Committee and of participating State Committees, revenue which is generated for the most part through small individual contributions.

The arrangements for the production and financing of the telethon contemplate a variety of entities, and require certain transfers of funds, which are not typical of the normal operations of a political committee. We therefore request your cooperation in establishing guidelines for the reporting of the various financial transactions involved, and in responding to certain questions raised by the 1974 amendments to Title 18 of the United States Code.

TELETHON PRODUCTION

The actual production of the telethon show will be undertaken by the Democratic Telethon Production Committee (hereinafter "Production Committee"), a not-for-profit corporation organized under the laws of the State of California on May 28, 1975, solely for the purpose of assuming this function as an agent of the Democratic National Committee. The Production Committee will be reimbursed for any expenses which it incurs by the Democratic National Committee out of the gross receipts of the telethon.

Expenses incurred in production are obviously very substantial, and many of these costs must be met before any telethon proceeds, or even any pre-telethon solicitation proceeds, are received. For prior telethons, therefore, the production corporation secured its required "front-end" money through a bank loan, guaranteed by one or two individuals. When the corporation's expenses were reimbursed after the telethon by the Democratic National Committee, the loan was immediately repaid.

An attempt is being made in connection with this year's telethon to raise a portion of the funds necessary for production through pre-telethon dinners or other events. It is possible, however, that this effort will not generate sufficient funds to meet all production expenses. In that case, the Democratic National Committee may have to secure a bank loan, in an amount sufficient to cover the remaining costs of production. Although the telethons held over the last several years have generated funds substantially in excess of expenses, it is unlikely that a bank would lend any substantial amount for telethon purposes without a personal guarantee.

A question has been raised as to the use of this arrangement in light of the amendments to Title 18 set out in the Federal Election Campaign Act Amendments of 1974. Section 591(e) of that Title provides that the term "contribution" shall include the endorsement of guarantee of a loan, to the extent of the unpaid balance or a proportional amount thereof, when such loan is made "for the purpose of influencing the nomination for election, or election, of any person to Federal office," or for certain other purposes.

We believe that the definition of a "contribution" for purposes of Title 18, which is specifically limited to transactions entered into for the purpose of influencing the outcome of a Federal election, does not apply to a loan guarantee made simply for the purpose of facilitating production of the telethon.

If it becomes necessary for the Democratic National Committee to borrow money in connection with the telethon, the proceeds will be expended only for telethon purposes, and the loan will be repaid out of telethon proceeds. The loan proceeds will not inure to the benefit of any candidate, and no part of the proceeds will be used in connection with any Federal election.

AGREEMENT WITH PARTICIPATING COMMITTEES

Preliminary arrangements have been worked out between the Democratic National Committee and participating State Committees as to the division of responsibilities and the distribution of proceeds with respect to the election to the telethon.[1] Under the terms of agreement to be executed by participating State Committees and by the Democratic National Committee, the State Committees assume the responsibility for operating and financing state telephone centers. Costs of telephone installation and rental of space will be reimbursed by the Democratic National Committee. Any other expenses attributable to the operation of telephone centers will be borne by the State Committees.

State Committees are also, under the terms of agreement, responsible for planning and implementing at least one of two proposed pre-telethon programs, designed to encourage advance contributions. One of these options is a pre-telethon telephone solicitation effort. Individuals who are contacted by telephone will be requested to send contributions to the national telethon post office box number rather than to the State Committee. Costs incurred in this connection by State Committees will not be reimbursed by the Democratic National Committee. In lieu of, or in addition to, this program, State Committees may arrange to distribute pre-telethon pledge envelopes throughout the state. Contributions made by individuals using these envelopes will also be directed to the national telethon post office box. The Democratic National Committee will bear the costs of printing such envelopes and delivering them to each State Committee, but costs of distribution within the state will be paid by the State Committee.

State Committees may also, at their option, hold fund-raising dinners or other events in connection with the telethon. At this time it is anticipated that relatively few states will choose to conduct independent events. The financial arrangements for each event will be agreed upon on an individual basis between the Democratic National Committee and the State Committee. Costs of the event may be paid for by the State Committee or by the Democratic National Committee, and in either case costs may be met out of the proceeds of the event. In at least one instance, the costs of the event are to be borne by one or more individuals, who have undertaken to host the event. The terms of agreement as to distribution of proceeds will also vary from state to state. In some cases, pledge cards or envelopes will be distributed at the event, with contributions to be sent directly to the Democratic National Committee.

Where this is done, there will usually be no charge, or a minimal charge, for admission to the event. In other cases, the agreement may provide for funds to be raised directly through the sale of admission tickets by the State Committee or by the Democratic National Committee. Where either the State Committee or the Democratic National Committee has generated funds through ticket sales, there will generally be a subsequent division of the proceeds under the terms of the agreement.

The Democratic National Committee will provide several full-time regional telethon coordinators to work with State Committees in planning and implementing telethon programs. Each State Committee must assign at least two individuals to work full-time on telethon activities for at least a three-month period. The Democratic National Committee has also assigned several members of its regular staff to work on telethon matters on a full-time or part-time basis.

Telethon proceeds will be divided under a formula set out in the terms of agreement. Gross receipts which are directly attributable to the telethon itself will first be applied to reimburse State Committees for certain expenses relating to the operation of state telephone centers, and for certain other expenditures approved in advance by the Democratic National Committee. One-half of telethon receipts remaining after appropriate reimbursement will then be divided among the participating State Committees, in proportion to the percentage which each state contributed to telethon revenue. The Democratic National Committee will also transfer one-half of the funds attributable to the pre-telethon solicitation effort to participating State Committees, again in proportional amounts.

STATE TELETHON ARRANGEMENTS

Within the various states, as noted above, telethon activities will be carried on either by the state central committee, which in those cases would be a registered political committee, or by a separate state telethon committee, which in most cases registered in the course of the 1974 telethon as a political committee. Separate telethon committees are used in those states in which the state central committee itself, by the nature and scope of its activities, is not properly characterized as a political committee. In such cases, the state telethon committee will carry on all telethon-related activities, meet all expenses, and receive the state's share of telethon proceeds, and then will transfer the net proceeds after all obligations have been met to the state central committee.

Because the state telethon committee has no independent revenues, it will in certain cases be necessary for the state central committee to advance funds to the telethon committee to enable it to meet initial expenses. In this connection, the state central committee may itself have to secure a bank loan, and the bank may require that the loan be personally guaranteed by one or more individuals. When the state telethon committee receives its share of telethon proceeds, this loan will be repaid, along with any other outstanding obligations, before the final transfer of net proceeds to the state central committee is made.

The state telethon committee will report all expenditures, receipts and transfers, including the final transfer of net proceeds to the state central committee. In connection with prior telethons, we have received rulings from the supervisory officers that the final transfer from the state telethon committee to the state central committee would not affect the status of the state central committee as a non-reporting committee, assuming that the committee does not otherwise make contributions or expenditures, as defined by 2 U.S.C. 431 (e) and (f), in an aggregate amount exceeding $1,000 during a calendar year.

REQUEST FOR RULINGS

The Democratic National Committee and participating State Committees wish to comply fully with all reporting requirements which may be applicable to telethon transactions, and to observe all requirements imposed by Title 18 as amended. Rulings have been issued in prior years by the supervisory officers, setting out explicitly the respective reporting obligations of all committees. Copies of the 1974 telethon ruling request submitted on behalf of the Democratic National Committee, and of the responses of the supervisory officers, are attached. We ask the cooperation of the Commission in providing similar guidelines for the 1975 telethon, and in responding to the questions raised above covering the application of certain provisions of Title 18. In this regard, rulings are respectfully requested that:

(1) The endorsement or guarantee by any individual of all or a portion of any bank loan made to the Democratic National Committee for purposes of financing the production of the telethon will not be treated as a "contribution" as defined in 18 U.S.C. 591 (e)(1). Similarly, the guarantee by any individual of a bank loan made to a state central committee, either for use by the state central committee in financing its own telethon obligations, or to enable the state central committee to advance funds to a state telethon committee, will not constitute a "contribution."

(2) Since the telethon effort, with its division of responsibilities and its ultimate distribution of profits, is in effect a joint venture among the various State Committees of the Democratic party and the Democratic National Committee, the provision of staff support from one committee to another and the general coordinating efforts of the Democratic National Committee will not be treated as "contributions" from one committee to another, for purposes of either Title 2 or Title 18 of the United States Code. As described above, the Democratic National Committee will provide several regional coordinators, whose primary function will be to ensure that State Committees understand and fully meet their obligations under the terms of agreement. The regional coordinators, along with several regular Democratic National Committee staff members, will work with the State Committees in order to maximize the effectiveness of the telethon effort, and to protect the interests of the Democratic National Committee in connection therewith. Staff members employed by the Democratic National Committee will not, however, assume any of the State Committee's own responsibilities. The operation of telephone centers, the pre-telethon solicitation program, and any other state obligations will be carried on by State Committee staff or by volunteers.

(3) In the case of a state central committee which is not itself a reporting committee, the transfer of net telethon proceeds to such committee by the state telethon com-

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[1] Within each state, telethon activities will be conducted either by the state central committee or by a separate state telethon committee. The term "State Committee" will be used hereafter to refer to whichever committee within a state is charged with telethon responsibility. Specific reference will be made to the state central committee or the state telethon committee where appropriate.

mittee will not affect the state central committee's non-reporting status, assuming that the committee does not otherwise qualify as a "political committee."

(4) The Production Committee (which, pending issuance of a ruling on this question), has registered with the Commission as a political committee) will not be considered as an independent committee for purposes of the Federal Election Campaign Act, but will rather be treated as an agent or subsidiary of the Democratic National Committee. The Production Committee will keep detailed records of its receipts and disbursements, and the transmission of such records to the Democratic National Committee will be considered a condition for relating to the financial transactions of the Production Committee and will be included in the report filed by the Democratic National Committee.

(5) Contributions made as a result of or in connection with the telethon are contributions to the Democratic National Committee. Disclosure of all such contributions and other required information pertaining thereto shall, accordingly, be included in the report filed by the Democratic National Committee. Although the State Committees will not be required to include such contributions in their reports, it is acknowledged that in the case of a contribution which is made payable to a State Committee, and which must then be endorsed and transmitted to the Democratic National Committee, the receipt and transmission must be reflected in the State Committee report. In the case of any individual contribution received by the Democratic National Committee which is earmarked by the contributor for any particular committee or other recipient, the details as to amount and all details regarding the identification of the contributor must be shown in reports of both the Democratic National Committee and the recipient.

(6) In the case of states which have set up separate telethon committees, and in which the state central committee has made an initial advance to the state telethon committee to enable it to meet its expenses, this advance will be reflected in the state telethon committee's report as a loan from the state central committee, with a loan repayment in an equal amount. The loan transaction, like the final transfer of net proceeds, will have no effect on the status of the state central committee as a non-reporting committee.

(7) The Democratic National Committee will report as expenditures all expenses incurred by the Production Commitee, and will provide all detailed information which is required. The Democratic National Committee will report as an expenditure any reimbursement to a State Committee for approved expenses, and will report as a transfer of funds any payment to a State Committee of its share of telethon proceeds.

(8) Each State Committee will report as expenditures all expenses incurred with respect to the telethon, including expenses which are to be reimbursed by the Democratic National Committee. Each State Committee will report as transfers of funds to it the amount of any reimbursement received from the Democratic National Committee, and the final transfer of the state's share of telethon proceeds.

(9) In the case of a special fund-raising event, the expenses incurred in connection with such event will be reported by the committee which has incurred the expenses, whether this be the State Committee or the Democratic National Committee. When an individual has hosted an event, and has absorbed the costs incurred in connection therewith, the State Committee and the Democratic National Committee will each report receipt of a contribution from that individual. The amount of the contribution reported by each will be the percentage of the total costs incurred by the individual which is equal to the percentage of total proceeds which, under the agreement, that committee receives. The State Committee and the Democratic National Committee will each report as contributions all proceeds which they directly received, whether through use of pledge cards or through ticket sales. Any subsequent transfer of all or a portion of the proceeds of an event, either from the State Committee to the Democratic National Committee, or from the Democratic National Committee to the State Committee, will be reflected as a transfer on reports filed by both.

(10) Although the expenses incurred by the Democratic National Committee and by participating State Committees would appear to be "costs incurred with respect to the solicitation of contributions . . . through broadcasting stations," and thus would not be included within the general fund-raising exception to the definition of "expenditure," these expenses will not be incurred on behalf of clearly identifiable candidates. Thus, these expenses, even if they are technically classified as expenditures under Title 18, will not be counted against the applicable limitation for either contribution or expenditures made by the National Committee or any State Committee with respect to any candidate. [The Conference Report provides in this respect, at page 86, that "nothing in this provision of the conference substitute is intended to require multi-candidate committees to allocate among candidates amounts spent for fund raising activities . . ."]

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SHELDON S. COHEN,
General Counsel, Democratic National Committee.

CONTRIBUTIONS

AOR 1975–5: Contributions for Campaign Debts Incurred Prior to December 31, 1972 (Requests Summarized by the Commission):

Facts—Candidates who ran for federal office in 1970 and 1971 have outstanding debts remaining from their respective election campaigns. Solely to liquidate these past debts, the former candidates and their campaign committees have been accepting contributions from a variety of legitimate sources. The former candidates and their campaign committees wish to continue accepting such contributions if this is permitted by the Federal Election Campaign Act of 1971 as revised by the Federal Election Campaign Act amendments of 1974 (hereinafter referred to as the "Act").

Source: William B. Stanley. 12–13–74, Taft '71 Committee. 5–21–75.

Issues: 1) To what extent is the Act applicable to current contributions made solely for repayment of debts stemming from federal election campaigns which ended prior to December 31, 1971?

Source: William B. Stanley. 12–13–74, Taft '71 Committee. 5–21–75.

2) If 18 U.S.C. Section 608 is applicable to current contributions made solely for the repayment of debts stemming from a federal election campaign ending prior to December 31, 1972, are these contributions to be reported to the Federal Election Commission as relating to a prior election or should these be included within and counted toward the limitations provided for the next forthcoming federal election campaign?

Source: Taft '71 Committee. 5–21–75.

3) If 18 U.S.C. Section 608 is applicable to current contributions made solely for the repayment of debts stemming from a federal election campaign ending prior to December 31, 1972, is a distinction made between contributions by the candidate and his immediate family, and contributions by some other person?

Source: William B. Stanley. 12–13–74, Taft '71 Committee. 5–21–75.

Sources (A.O.R. 1975–5): William B. Stanley, 17 Meadow Lane, Box 1129, Norwich, Connecticut 06360.

Taft '71 Committee, through its Attorney, Richard Roberts ℅ Richard Roberts, Esquire Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202.

CAMPAIGN DEBTS

AOR 1975–6: Campaign Debts Incurred During the Period of January 1, 1973 through December 31, 1974, Inclusive (Request Summarized by the Commission:

Facts: Candidates for federal office in 1974 have outstanding debts remaining from their respective campaigns. If there is no conflict with the Federal Election Campaign Act of 1974 as revised by the Federal Election Campaign Act Amendments of 1974 (hereinafter referred to as the "Act"), several different approaches are proposed in order to eliminate the outstanding financial obligation:

(a) Former candidate wishes to personally pay her debts and the debts of her campaign committee.

Source: JoAnn Saunders. 2–3–75.

(b) Former candidates and their campaign committee wish to accept from other political committees contributions to be used solely to liquidate past campaign debts.

Source: Republican Congressional Boosters Club. 2–5–75, Representative Richard Kelley. 5–6–75.

(c) Former candidate wishes to cancel a debt owed to him by his campaign committee and, if appropriate, have the debt be treated as a contribution made in 1974. Creditor of a campaign committee wishes to cancel the debt owed him by the committee and treat it as a contribution made in 1974.

Source: Representative Richardson Preyer. 2–10–75, Democrats for Harlan. 5–22–75.

(d) A campaign committee owed a private survey organization two thousand dollars for 1974 election campaign services. In 1974, a private individual pledged to pay this amount in behalf of the committee, and executed a note in this amount in favor of the survey company. This pledge was duly reported by the committee to the previous supervisory officer in the report covering the last quarter of 1974. However, the survey company did not agree to accept the note in satisfaction of the committee's debt until after January 1, 1975.

Source: Hart for Senate Committee. 4–23–75.

Issues: 1) Is 18 U.S.C. Section 608 applicable to current contributions made solely to pay debts from a federal election campaign held during the period of January 1, 1973 through December 31, 1974, inclusive?

Source: JoAnn Saunders, 2–3–75; Republican Congressional Boosters Club, 2–5–75; Representative Richard Kelley, 5–6–75; Representative David Emery Committee, 5–14–75; James R. Soles, 4–30–75.

2) If 18 U.S.C. Section 608 is applicable to current contributions made solely for the repayment of debts stemming from a federal election campaign held during the period of January 1, 1973 through December 31, 1974, inclusive, are these contributions to be reported to the Federal Election Commission as relating to a prior election or should these be included within and counted toward the limitation provided for the next forthcoming campaign?

Source: Republican Congressional Boosters Club, 2–5–75; Representative Richard Kelly, 5–6–75; Representative David Emery Committee, 5–14–75.

3) If 18 U.S.C. Section 608 is applicable to current contributions made solely for the repayment of debts incurred during the period January 1, 1973 through December 31, 1974, inclusive, is a distinction made between contributions by the candidate and his immedi-

ate family and contributions by some other persons?

Source: JoAnn Saunders, 2-3-75; Republican Congressional Boosters Club, 2-5-75; Representative Richard Kelly, 5-6-75; Representative David Emery Committee, 4-14-75; James R. Soles, 4-30-75.

4) Is the 1974 Act applicable in a situation in which (a) a political committee owed a private research group $2,000 for 1974 campaign services, (b) an individual supporter of that political committee executed a promissory note in that amount in favor of the creditor in 1974, (c) the committee acknowledged the note as a pledge which was duly reported in the committee's report covering the last quarter of 1974, (d) but the note is not itself accepted by the creditor in satisfaction of the committee's debt until January 1, 1975?

Source: Hart for Senate Committee, 4-23-75.

5) If a creditor of a campaign is willing to cancel a campaign debt incurred during the period of January 1, 1973 through December 31, 1974, inclusive, does the cancellation constitute a personal contribution under 18 U.S.C. Section 608 and should it thus be treated as any other contribution to repay campaign debts?

Source: Representative Richardson Preyer, 2-10-75.

Sources (A.O.R. 1975-6): Democrats for Harlan, adopted request by Murray T. Johnson, c/o Democrats for Harlan, 236 Argyle Avenue, San Antonio, Texas 72809, by its request dated: 5-22-75.

Representative David Emery Committee, c/o Robert N. Pyle, 425 Cannon House Office Building, Washington, D.C. 20515, by its request dated: 5-14-75.

Hart for Senate Committee, c/o Harold A. Haddon, Esquire, Suite 1130, Capitol Life Center, 16th at Grant Street, Denver, Colorado 80203, by its request dated: 4-23-75.

Representative Richard Kelly, adopted request by Representative John J. Rhodes, c/o Honorable Richard Kelly, 1130 Longworth House Office Building, Washington, D.C. 20515, by its request dated: 5-6-75.

Representative Richardson Preyer, c/o Honorable Richardson Preyer, 403 Cannon House Office Building, Washington, D.C. 20515, by its request dated: 2-10-75.

Republican Congressional Boosters Club, c/o I. Lee Potter, Executive Director, 300 New Jersey Avenue, S.E., Suite 522, Washington, D.C. 20003, by its request dated: 2-5-75.

JoAnn Saunders, 2123 Alameda Drive, Orlando, Florida 32804, by her request dated: 2-3-75.

James R. Soles, 215 Vassar Drive, Newark, Delaware 19711, by his request dated: 4-30-75.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The ACTING PRESIDENT pro tempore (Mr. Bumpers). Under the previous order, the hour of 10:30 a.m. having arrived, the Senate will resume the consideration of S. Res. 166, which the clerk will state.

The legislative clerk read as follows:

A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The ACTING PRESIDENT pro tempore. What is the will of the Senate?

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 34 Leg.]

Baker
Bumpers
Byrd, Robert C.
Griffin
Mansfield
Mondale
Moss
Nunn
Pastore
Stennis
Stevens

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. ROBERT C. BYRD. Mr President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Allen
Bartlett
Beall
Biden
Brock
Brooke
Buckley
Byrd,
  Harry F., Jr.
Cannon
Case
Chiles
Clark
Cranston
Culver
Curtis
Dole
Domenici
Fannin
Fong
Ford
Garn
Glenn
Gravel
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Helms
Hollings
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Morgan
Muskie
Nelson
Packwood
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Maine (Mr. Hathaway), the Senator from Washington (Mr. Magnuson), the Senator from New Mexico (Mr. Montoya), the Senator from West Virginia (Mr. Randolph), and the Senator from Hawaii (Mr. Inouye) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Arizona (Mr. Goldwater), and the Senator from Oregon (Mr. Hatfield) are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the 30 minutes of debate on this issue begin today at 12:15 p.m. and that a vote on the amendment occur at 12:45 p.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO CONVENE AT 8:45 A.M. ON MONDAY, JUNE 23, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, it convene at the hour of 8:45 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BARTLETT ON MONDAY, JUNE 23, 1975

Mr. ROBERT C. BYRD. I ask unanimous consent that after the two leaders or their designees are recognized on Monday, Mr. Bartlett be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I understand that an order for Mr. Proxmire to be recognized on Monday has already been entered. I, therefore, ask that Mr. Bartlett be recognized after the two leaders or their designees and ahead of Mr. Proxmire.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. CANNON. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The question before the Senate is Division No. 2, which occurs on page 1, lines 7 through 12, of Senate Resolution 166.

Mr. GRIFFIN. May I ask the chairman to yield to me briefly for a clarification?

Mr. CANNON. Certainly. I yield.

Mr. GRIFFIN. Is it correct, however, that there is an amendment to that language pending?

The PRESIDING OFFICER. The amendment by the Senator from Alaska will not become pending until the hour of 12:15, by unanimous consent.

Mr. GRIFFIN. It is an amendment to that language, however, is it not?

The PRESIDING OFFICER. Yes; it will be.

The unanimous consent order is that we will resume consideration at the hour of 12:15 p.m.

Mr. CANNON. Mr. President, it is very difficult to separate these two issues, one from the other, so I shall probably be talking to some degree on the Stevens amendment as well as the issues set forth in what the Chair has announced as Division No. 2, although it is my understanding that that is the issue that is numbered (1) in the Senate Resolution 166. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CANNON. Mr. President, the issue raised in that particular issue, the question is—

(1) Is it the sense of the Senate that the committee should conduct a recount as requested by Mr. Wyman of the following precincts to determine the accuracy of the recount of the Secretary of State of New Hampshire: Gorham, Bedford, Somersworth Ward 1, Claremont Ward 2, Concord Ward 1, Hanover, New Market, Pelham, Salem, and Gilford?

Mr. President, in the amendment of the Senator from Alaska, he suggests that we go beyond these 10 precincts and recount the entire State of New Hampshire—all of the ballots, including the machines and the paper ballots. Both of these requests should be denied.

In the first place, on the Wyman request, as set forth in issue numbered 2, to go beyond the 3,500 ballots that were protested during the complete recount of the approximately 223,000 ballots conducted by the New Hampshire secretary of state, the 3,500 ballots have already been reviewed by the Senate Committee on Rules and Mr. Wyman suggested that we ought to have a recount of those 10 precincts. I wish to review briefly what the situation was in the State of New Hampshire.

In the first place, the recount that was held after the election, at the request of Mr. Durkin, as any candidate can request, was a recount of all of the ballots of the entire State of New Hampshire. That meant that the totals were taken off the machines, were rechecked, that the secretary recounted, physically recounted, all of the paper ballots in the State to determine the results.

During the course of that recount, thousands and thousands of those ballots—as a matter of fact, over 200,000 of those ballots—were never protested by anyone. The provision in the New Hampshire law is that if any person protested the ballot or the count, that protect would be noted on a slip—this is the procedure that was followed—would be noted on a slip and that slip attached to the particular ballot, and that would go on to the ballot law commission.

The secertary of state indicated on that slip how he had counted the ballot, and how the ballot was protested or by whom the ballot was protested. In some instances those ballots were protested by two people.

But, Mr. President, at the conclusion of that recount, there were only 3,500 ballots that had been protested by both of the parties that were to go to the Ballot Law Commission.

Now, the attorney general, Mr. Rudman, made it quite clear at a later point, and he was a member of the Ballot Law Commission, and when he was interviewed on a new program in January of 1975, after the action by the secretary of state, and after the action by the Ballot Law Commission, this was the statement that Mr. Rudman, the attorney general made:

> Now you have to understand there were two classifications of ballots. The ballots that you see here, about 180,000 ballots, were never protested by anyone. There were roughly 3,500 ballots that were in fact protested. Those ballots are under tight security. The tightest security imaginable at the State Police laboratory in the evidence safe. Now, at the conclusion of the Ballot Law Commission hearings it was stated on the record and agreed to by the parties that these ballots will be placed in a safe, warm, secure place where they wouldn't get wet or spoiled, or what have you, if there were any reason ever to look at them in the future. But they have never been protested by anyone.

That is a very significant point, Mr. President, those ballots were never protested by anyone, the over 200, roughly 220,000 ballots. He used the figure 180,000, I think, because that would have been the difference between the 180,000 plus the machine totals and the total of the 223,000, less the roughly 3,500 ballots that were protested.

I repeat:

> But they have never been protested by anyone. And I think for anyone now to come and say "well, we've got some problems with these ballots," that's just confusing the public and confusing the issue and I just don't think it's very forthright.

Now, that was the attorney general's comment.

Mr. President, at the time of that recount these ballots were all carefully examined, and they were counted, and counted in stacks, according to the testimony that is in the record; they were stacked up in numbers and then counted and tallied, and after the recount was over there were only 3,500 that were set aside that were protested by both of the parties to this proceeding. Those 3,500 were the ballots that are secure and have been secure throughout the proceeding; they are down here in the basement of the Senate Office Building, as well as all the other ballots, because we had them all brought down here, and now insofar as a recount of the entire State, including the machines, that is physically impossible for the reason that some of those machines have since been used on other elections. So it would be physically impossible to go and look and retabulate those machines.

Yesterday, we talked about the protest that was raised by Mr. Wyman and his forces to some of these machines in Manchester, to the 12 machines at the time in which Senator Brock got confused about the total and was confusing the 12 precincts with the 12 machines when he said there was a difference of some 1,400 or 1,500 between the ballots cast and the people checked off the checklist, and I pointed out at that time that he had failed to use an adding machine to tabulate his totals because the figure he used was precisely 1,000 less than the actual facts shown on his own exhibit. But now, at the time, at the request of the parties, the backs were taken off of some of those machines and the parties looked at them, Mr. Brown looked at them, as you saw the picture that I exhibited to the Senate yesterday, looking at the back of machine 1626 which they found was just a misreading error. The person who read off the machine had made an error of a hundred in misreading it off and that was corrected in the recount, and the Attorney General authorized the parties to take the backs off and examine any of these machines they wanted to examine, and both parties did examine the backs of some of those machines.

Mr. STEVENS. Mr. President, will the Senator yield right there?

Mr. CANNON. Several of those machines.

Yes, I yield.

Mr. STEVENS. My attention has been called to the hearing record on page 1344 of the affidavit of the secretary of state of New Hampshire who states in his affidavit that:

> During the recount of the New Hampshire U.S. Senate election ballots in November, 1974, precinct challenges were taken verbally by both contestants as indicated in Attorney Biggs letter of November 27 there were demands of that nature from both sides during the counting of the ballots.
>
> My response to all such requests was uniformly in the negative or we would never have been able to get through with the recounts. I would not recount a precinct on an allegation that the tally sheet was incorrect or for any other reason and I do not recall having recounted any precinct for a second time in my conduct of the recount on the November 5 Senatorial election no matter which side protested the precinct.

My question to the Senator from Nevada is, again using my own background, we automatically recount every precinct, and without a protest, because once the election is protested it is taken for granted that every action of the election is protested, and I am sure the Senator from Nevada has seen election night and the people who count ballots way into the morning hours and the errors that are made.

Now my question to the Senator from Nevada is, in view of that affidavit from the secretary of state that he did not recount for the second time any precinct, how can we now say that there was not, in fact, a protest from both sides as to a procedure? How can we now say that no one protested those other 200-some-odd ballots? They protested each precinct that was not recounted.

Mr. CANNON. I am delighted to answer the Senator's question, and I am sorry he was not on the committee or he would have known the answer to that. He would have gone through the process. But the Secretary of State made a complete recount of every precinct.

The record shows that in the manner and within the time authorized by the New Hampshire Revised Statutes Annotated, chapter 59, section 94, Durkin applied for, and I quote:

> A recount of all the ballots cast and recorded for such office.

That is exactly what was done by the secretary of state. What the secretary of state is saying in his affidavit there is that at times then the parties requested an added recount, a recount of a recount, and the secretary of state refused it, quite properly, under the law. That is what he is saying, that is what the law says, he had given them one recount and he said:

> I am not going to go back and recount them again.

That is exactly what happened, and if the Senator is under the misapprehension that the secretary of state did not recount the entire State, including every precinct, the Senator is simply wrong and he would have to check the record a little further to find that out.

Mr. STEVENS. The Senator is not only under that misapprehension, but, if the Senator will yield for another question, the Senator is under the impression that the secretary of state had not even looked at the votes on the machines and conducted a tally of the machine vote.

Mr. CANNON. That is the second misapprehension under which the Senator is proceeding, because the secretary of state did retally the machines, and that is where they discovered an error of 100 on No. 1626 because the person who read off the totals had read the incorrect total and had missed it by 100. It is sometimes easy to not see all of the figures on there. So that is the second misapprehension that the Senator is under. I would like to simply point this out to the Senator.

After the recount was over—and the recount was concluded November 26—then Mr. Wyman's lawyer came in and wrote a letter, and I am going to read that letter into the RECORD, dated November 27, 1974, directed to Robert L. Stark, secretary of state, clerk of the New Hampshire Ballot Law Commission, State House, Concord, N.H. 03301.

> DEAR MR. STARK:
>
> Re Wyman-Durkin Recount.

And, mind you, this is written the day after the recount is over and after Mr. Wyman had been declared to be a loser, not a winner; he had lost it by 10 votes, and Mr. Durkin had won it.

> I am writing to you in your capacity as Secretary of State and clerk of the New Hampshire Ballot Law Commission.
>
> I am the legal representative of Honorable Louis C. Wyman, presently United States Congressman, and candidate for the United States Senate.
>
> Pursuant to RSA 68:4 (II) I am writing to you to hereby appeal from your declaration upon recount—

And I repeat again "upon recount."

> that Mr. Wyman did not have the greatest number of votes.
>
> This appeal is from all rulings made by you as Secretary of State, on ballots protested during the recount and on all rulings related thereto, including but not limited to your rulings denying my protests and my request as follows:
>
> (1) to send for and examine an additional box from Gorham, allegedly containing additional ballots, and to recount once more those ballots presently in your possession from the town of Gorham;

Now, Gorham is one of the precincts at issue here in No. 1, but I may say that additional box from Gorham was examined and no problem was found, they believed there might have been additional ballots in it.

> (2) to once again recount the ballots from the Town of Bedford and determine the cause for an alleged change in the number of recounted ballots from said Town;

Bedford, again, is one of the precincts in this issue No. 2.

> (3) to once again recount the ballots from the Town of Claremont, Ward 2, and determine the cause for an alleged change in the number of recounted ballots from said Ward 2 in the Town of Claremont;

I may say that the request went to, obviously, every place where Mr. Wyman lost votes as a result of the recount. He wanted to have it recounted again to see if he could not regain it with a recount.

> (4) to once again recount the ballots from the City of Concord, Ward 1, and determine the cause for an alleged change in the number of recounted ballots from said Ward 1 in the City of Concord;
>
> (5) to once again recount the ballots from the Town of Gilford, and determine the cause for an alleged change in the number of recounted ballots from said Town;
>
> (6) to once again recount the ballots from the Town of Hanover, and determine the cause for an alleged change in the number of recounted ballots from said Town:

I hope the Senator is reading along as I give these towns or precincts to relate that to the towns and precincts that are set forth in issue No. 1 in the resolution because these are the same ones.

In every one of these, he says to once again recount. In other words, they had recounted it once, this is what the secretary of state had done in the process of total recount of the entire State.

> (7) to once again recount the ballots from the Town of Newmarket, and determine the cause for an alleged change in the number of recounted ballots from said Town;
>
> (8) to once again recount the ballots from the Town of Pelham, and determine the cause for an alleged change in the number of recounted ballots from said Town;
>
> (9) to once again recount the ballots from the Town of Salem, and determine the cause for an alleged change in the number of recounted ballots from said Town;
>
> (10) to once again recount the ballots from the Town of Somersworth, Ward 1, and determine the cause for an alleged change in the number of recounted ballots from said Ward 1 in the Town of Somersworth;

Now, Mr. President, those are the 10 specific requests for recount and they all relate to the items that are set forth in issue No. 1 in the resolution which the Chair has referred to as No. 2, I believe.

Mr. STEVENS. Will the Senator yield for a question?

Mr. CANNON. Well——

Mr. STEVENS. The letter the Senator is reading indicates there were 14 points, what happened to the other 4 points raised by the Senator?

Mr. CANNON. I am going into every point in this letter, I am going to put the whole letter in and answer each one of them.

So I am referring now to those 10 issues. Of those 10 I have gone through now, one of them was settled and that was the part of one-half of 1 where it says "to send for and examine an additional box from Gorham, allegedly containing additional ballots."

Now, that was satisfied, was accomplished, to Mr. Brown's satisfaction.

That left the request for a recount of these remaining 10 that are set forth, the issue No. 1 which is before us to vote on, to which the Senator has an amendment.

> (11) to review and determine the cause for an error of 100 in the City of Manchester, Ward 11;

All right, here is what they found. That was machine No. 1626, and I showed a picture of Mr. Brown examining the back of that machine here yesterday in the Senate, the picture of Mr. Brown, the lawyer for Mr. Wyman, examining the back of the machine to see if there was something wrong with it.

They found it was only a reading error, that they had misread the night of the election, misread it by 100 and there was a 100 difference.

So that was correct, item 11 in that letter has been resolved.

> (12) to once again recount——

And I point out again the language "to once again recount" because it had already been recounted once.

> (12) to once again recount the absentee ballots from the City of Nashua, Ward 4, and determine the cause for an alleged change in the number of recounted absentee ballots from said Ward 4, in the City of Nashua;

All right, now, as far as Ward 4 in the city of Nashua is concerned, the so-called McCarren ballot issue is the only one now remaining and we will go into that at a proper time.

> (13) to secure and count the writer-in ballots from the City of Exeter, for the office of United States Senate.

Now, that issue has been taken care of, the ballot law commission did that. They did that so that has been resolved.

Mr. STEVENS. I have been informed, maybe again I am under a misapprehension, as far as the Senator from Nevada is concerned, that the Secretary had not even counted the write-in votes on machines for which there had been a net of three for one. Is that incorrect?

Mr. CANNON. I am not sure about the net, but the basic premise that the Senator says is correct because since the year 1958, according to the rules of the ballot law commission, machine write-ins were not counted in an election if the name of the person was on the ballot because they said that one could have voted for them on the ballot itself and, therefore, there would be raised an issue of double voting if one had a write-in.

The ballot law commission then, at Mr. Wyman's request, went into this issue and I think determined that if one threw the lever over so one could write in, that it would lock out the vote for the individual and, therefore, the ballot law commission did count for Mr. Wyman those write-in votes, and those were the ones that were referred to in paragraph No. 13 of Mr. Bigg's letter.

> (14) to review your rulings on certain ballots marked "void" but signed by moderators who did not add their official designations as moderators.

That issue, again, was gone into and resolved by the ballot law commission.

Now, the balance of this letter states:

> I will anticipate notification of the date, time and place of hearing. I think it would be helpful if we could have a meeting before the commencement of the hearing to settle certain procedural questions in advance.
>
> Very truly yours,
>
> DORT S. BIGG.

Now, that was written to Mr. Stark, secretary of state, Clerk of the New Hampshire Ballot Law Commission.

So, as I say, we have pointed out here now that this is Mr. Wyman's letter of appeal after he had been declared the loser. These are the issues he raised.

He did not raise an issue of recounting all the State. Why? Because those 180,000 ballots were not protested by anyone, as Mr. Rudman said. They had been set aside. Both of them agreed they were clean on their face. They had been tabulated under the watchful supervision of Mr. Wyman's lawyer and Mr. Durkin's lawyer.

Mr. STEVENS. I have never stated to the contrary, I might say to the Senator from Nevada, but my amendment—and we are discussing peripherally both provisions, I take it, both my amendment and the provisions of section 1—is based upon the concept that I believe the Senate ought to start off fresh. Mr. Durkin protested this election, as far as the Senate is concerned.

Mr. CANNON. That is correct.

Mr. STEVENS. He is protesting the action of a Republican administration in New Hampshire, is that right?

Mr. CANNON. Yes.

Mr. STEVENS. He is saying that the total action of the State is wrong because "I should have been certified as the Senator-elect."

I am informed that after the secretary of state's action had been reviewed, and I understand Mr. Durkin now agrees, the write-in votes were counted which gave three votes to Mr. Wyman on a net basis, that there were seven ballots that were void, that had been counted by mistake for Mr. Wyman by the secretary of state, and that there were other ballots which resulted in a change of four, which were agreed to by Mr. Durkin's counsel. So the acknowledged, accurate recount by the secretary of state resulted in a net of four for Mr. Wyman, and that went to the ballot law commission. The ballot law commission actually reduced that by two, but came out with the concept that Mr. Wyman was the winner.

Mr. CANNON. The Senator is not correct on that assumption. Again, I hate to keep pointing out his erroneous misconception of this matter. I am sorry, as I said, that he was not on the committee and did not go into this matter fully enough to know.

The Senator implies that actually Mr. Wyman won the recount. He did no such thing. Mr. Durkin won the recount and he won it by 10 votes. He won it for a variety of reasons, some of which the Senator has referred to. The ballot law commission rules said up to and including this time, and it is in their written rules, that they could not count write-in votes where a man's name was on the ballot. Where a man's name was on the ballot, the ballot law commission's rules said you could not count them. That is why the secretary of state did not count them. The ballot law commission voted in contravention of their own rules to go ahead and count them, and they did count them.

The Senator should not say that Mr. Durkin did not win the recount because he did win the recount and it is certified by the Governor.

Mr. STEVENS. I understand what the Senator from Nevada is saying.

My attention is called to page 116 in the hearing record, where it says, "I think this is another area of agreement, that write-in votes on machines should be counted." That was the spokesman for Mr. Durkin. So that eliminates the question about the three ballots.

I am informed that the net of seven ballots that have been counted for Mr. Durkin by the secretary of state also was agreed to by Mr. Durkin's representative, that they were void and should not have been counted.

What I am saying is when the analysis of the secretary of state was reexamined, Mr. Durkin was not in fact the winner. That is the result of the State of New Hampshire.

The Senator quotes Mr. Rudman, the attorney general, who I understood was referring to individually contested ballots and not to the contest of the election as a whole. Mr. Durkin has contested the election as a whole, as I understand it, by presenting the matter to the Senate. That is what my amendment would do, it would bring about a total recount.

The Senator from Nevada says:

> Why should we recount all those ballots that no one has protested?

I think he has accurately demonstrated what we will find in that box. We will find human error in that box. I do not know where it will come out. But, as I have said before, every time I have seen a contested election when there was a recount done by a totally independent group there was, in fact, a substantial change, precinct by precinct, of the total election. I do not think that has been done since it has been here under the protest by Mr. Durkin.

Mr. CANNON. If the Senator is saying that there has not been a complete recount of the State since it has been here, he is absolutely correct. There has not been a purported recount. The committee voted by a majority not to recount the entire State. That issue was voted on in committee.

Mr. STEVENS. I understand that.

Mr. CANNON. We sort of left hanging one item. I responded to every portion of Mr. Bigg's letter of November 27, including my general reference to subparagraph 1 where he says "to send for and examine an additional box from Gorham allegedly containing additional ballots and to recount once more those ballots presently in your possession from the town of Gorham."

> On December 9, 1974, the Ballot Law Commission took oral testimony from election workers in the Town of Gorham. They also opened a ballot box which Mr. Wyman's attorney alleged would contain 100 straight Republican ballots not counted in the recount.

That was Mr. Wyman's contention.

What do you suppose they found?

> His own contention was shown to be totally without substance—the ballot box contained only constitutional question ballots.

That was the other part of that subparagraph 1. As I said, paragraphs numbered 1 through 10 of Mr. Bigg's letter of November 27, written the day after Mr. Durkin was found to be the winner, outlined those 10 issues——

Mr. STEVENS. Has the Rules Committee examined that box?

Mr. CANNON. No, we have not examined that box.

Mr. STEVENS. That was a protest that was raised.

Mr. CANNON. Mr. Brown conceded. It is in the record, in the transcript before the ballot law commission. Mr. Brown conceded that he was in error, that there was nothing in there except the con-con ballots. We have sent the con-con ballots back to the State. Mr. Brown conceded that, just as Mr. Brown conceded the 100 error on the machine, that he thought somebody had made a mistake there. Mr. Brown conceded that. I showed the Senator a picture, if he was in the Chamber yesterday, of Mr. Brown examining the back of that machine where it was opened up at his request. They examined the back and they found out it was a reading error at the particular time. What I am trying to point out here is——

Mr. STEVENS. I am sorry to say to the Senator from Nevada I did not see that picture. I would enjoy seeing it.

Mr. CANNON. I will be glad to show it to the Senator.

Mr. STEVENS. I will say to the Senator from Nevada——

Mr. CANNON. I am sorry we cannot put it into the RECORD. Photographs cannot be printed in the RECORD.

Mr. STEVENS. Will the Senator from Nevada permit me to ask a question at this point? I do not want to interrupt his statement regarding the letter because I think he is entitled to complete his review of that letter.

Is the Senator finished with that letter or could I interpose a question at this time?

Mr. CANNON. I was finished with the letter but not the balance of my statement, really.

The point that I am trying to make here is that even Mr. Wyman did not request that they go back and recount the entire State.

Mr. STEVENS. I am. I understand that. I am. I will go into that later during the time I will directly address my amendment. I think substantial people and organizations throughout the country have suggested this. I am the one who is suggesting that.

Again, my question to the Senator from Nevada is this: Would the Senator from Nevada agree that there have been some changes in the rules as far as this election is concerned since the day of the election? That is one of the reasons I am the only one who voted against that preamble, the resolve clause, but I believe this ought to be decided on the basis of what was the law on November 5. I think there have been changes.

Would the Senator agree that there have been some changes? He just remarked about one in terms of write-ins as far as the New Hampshire Ballot Law Commission. They have decided now they will count write-ins when before, by their rules, they said they would not count write-ins. Is that correct? Did the Senator state that?

Mr. CANNON. They did say in the rule for Mr. Wyman to count those write-ins on those rolls that were presented.

Mr. STEVENS. Did the Senator state

earlier in the debate I listened to that the Senate Rules Committee decided to count two ballots for Mr. Wyman that previously had not been counted?

Mr. CANNON. That is right.

Mr. STEVENS. They had not been considered?

Mr. CANNON. That is right. One of those two ballots had been carried around open in a purse, taken home by the election clerk and brought back. We did not want to disenfranchise anybody and we voted to count it.

It was a Wyman ballot. We also voted on one other, an absentee ballot, which both the secretary of state and the ballot law commission had refused, and we voted to count that for Mr. Wyman.

Mr. STEVENS. And have we not counted ballots that had the X at the bottom, which I am informed had never before been done under New Hampshire law?

Mr. CANNON. That I cannot tell the Senator, because when we examined these ballots we had removed from them how they had been counted by the secretary of state and the ballot law commission. I do not know what the rulings were on them.

I suspect that if Mr. Brown was arguing that we ought not to count them, and we counted them, that he was probably arguing Mr. Wyman's position, so that he felt it would probably lose a vote for him.

I might say that on ballot No. 22, which will be the first ballot to come before the Senate if and when we get to that point, on that issue, Mr. Brown argued that could be a "no" vote, and on that particular issue the committee split four to four, four saying it should be for Mr. Durkin and four saying it should be a "no" vote.

Then along comes ballot No. 36, a little later, precisely the same situation, and even Mr. Brown did not have the nerve to argue that that was a Wyman ballot, but some of the committee members voted to give that to Mr. Wyman. It was just Mr. Wyman instead of Mr. Durkin, and the ballot was given to him, and it was not a tie. It has Republicans and Democrats both, this time, voting to give it to Mr. Wyman. We did not have any Republicans voting to give it to Mr. Durkin on the first one. But it is precisely the same situation, and I will show it to the Senator when we get it up on the board.

Mr. STEVENS. I am hopeful we will not get to that. But the Senator from Nevada reinforces my position that there have been different rules applied to different ballots, and no group has recounted all of these ballots under the same rules and the same interpretation of the law. And I am talking about all the ballots, not just the 3,500.

Mr. CANNON. No, the Senator is wrong there, because the secretary of state counted all the ballots under the same rules applying to both candidates. But of that 3,500 that were protested before the secretary of state, there were only 400 of those presented to the ballot law commission, because those were the kinds of issues as to which they felt one or the other had a valid protest. They protested those, and the ballot law commission ruled one way or the other. I cannot tell the Senator how the ballot law commission ruled on them, although I have heard some of my colleagues say that as to the "skip-Louis" the ballot law commission voted to give them to Louis; but I have never seen that.

Mr. STEVENS. I am sure the Senator would agree that some of them would have had to have been counted, would they not?

Mr. CANNON. No. We do not know what the tally was. We do not have a breakdown of the tally of these ballots, to compare them against the ballot law commission base. We have voted to accept the ballot law commission base as a starting point.

Mr. STEVENS. On how many ballots? Does the Senator mean all the paper ballots except the 3,500?

Mr. CANNON. No, on everything. We have voted to use as our base the total figures announced by the ballot law commission, which had Mr. Wyman the two-vote winner. That is where he stands up to the point that we started dropping those ballots in the ballot box, and we do not know how he stands now. We have not the slightest idea, except that I do know he picked up two votes he did not have before, and those two were the absentee ballots which his lawyers requested that we examine and count, and we did, because we did not want to disenfranchise those people.

So I know he has two more votes now in that box than he had before this proceeding started. Beyond that, I do not know, because we did not have the slips on these ballots before us.

Mr. STEVENS. The Senator from Nevada is being very courteous in allowing me to interrupt him, but I am told——

Mr. CANNON. I woud like to get back just a little bit. Before the ballot law commission, on behalf of Mr. Brown——

Mr. STEVENS. Will the Senator answer one further question about the comment he just made?

Mr. CANNON. Yes.

Mr. STEVENS. I am told that the Governor and the Governor's Council rejected the recount on the basis that it was not completed by November 26. Is that correct?

Mr. CANNON. No; not on the basis that the recount was not completed by November 26, but on the basis that the entire proceeding, under the New Hampshire law, was not completed. The recount was concluded when the secretary of state concluded it, and on that basis he certified Mr. Durkin the winner, and the Governor sent his certificate down here. Several people have said the Governor never did certify him, but——

Mr. STEVENS. I would like——

Mr. CANNON. Just let me finish. He did it based on the recount. Under the New Hampshire law, you can take an appeal from the recount to the ballot law commission. There are only three States in the United States that have that type of procedure. In my State, the Senator's State, and a total of 47 States, once the recount is completed, that is it, except for an appeal to the U.S. Senate.

Mr. STEVENS. We can go to court, too.

Mr. CANNON. No; there is no appeal to the courts. The courts do not have jurisdiction.

Mr. STEVENS. Well, we can appeal to the courts in terms of certification as to the scope of the election. I agree, not as to the seating of the Senator, but as to the procedural aspects of the election. We have had court actions, and I think the Senator's State has had some court actions regarding whether or not all the ballots have been counted.

But in the notice, as I understand it, it was specifically stated, with regard to Mr. Durkin's certificate by the secretary of state:

> further stating that the Governor and Council make this certification aware of the rights of appeal to the State Ballot Law Commission contained in RSA 68.

In other words, that was not an unconditional certificate for Mr. Durkin; it is not the kind of certificate the Senator and I have.

Mr. CANNON. It just said they were aware of the fact that there was a right of appeal, which there was.

Mr. STEVENS. But there was an appeal lodged before this certificate was sent. It should not have been sent.

Mr. CANNON. The Senator will have to talk to the Governor about that. I had nothing to do with that.

Mr. STEVENS. I would like to talk to that Governor about a lot of things, but particularly about the fact that there was not an absolute complete recount of all these ballots in a public sphere or by an independent group.

We will get to that later, but I think that is the heart of the problem of lack of confidence about how we are proceeding here.

Mr. CANNON. Of course, the Senator knows his State prescribes how recounts are conducted, which is a little bit different from this, and my own State, I think, is slightly different from this as to how a recount is conducted. But the recount was conducted under the auspices of the State, and it was a complete recount. So the petition here was to recount a recount, but only in certain precincts. I will get back into that.

Let me talk about that for a moment. This is from the ballot law commission transcript, page 21, December 24, 1975:

> We request that this Commission completely review all of the ballots, used and unused, together with the other relevant election documents, of Gorham, Bedford, Gilford and Somersworth Ward 1, unless we can be afforded an opportunity to review certain of these documents to satisfy ourselves that less than a full review is necessary in order that justice be done.

That was Mr. Brown. Continuing to quote from the transcript:

> Chairman SNOW. Give us those again. Gorham and Gilford I got—what were the other two?
>
> Mr. BROWN. Gorham, Bedford, Gilford and Somersworth Ward 1.

This is Mr. Brown, Mr. Wyman's very capable lawyer, that gave us the picture of the back of the machine.

Mr. STEVENS. The back of that machine is not open.

Mr. CANNON. No, the back is open.

Mr. STEVENS. The little plate that shows the internal gears is still on.

Mr. CANNON. The Senator is more of an expert than I am.

Mr. STEVENS. But he could not tell anything from looking at the back of that machine.

Mr. CANNON. I do not think he could tell anything if it had been taken apart. I do not think you or I could either. But at the recount, they took the backs off the machines at the request of both of the parties. Mr. Wyman had requested they take the backs off of some of those machines, and we had requested they take the backs off of some of them, and the attorney general ordered it.

And they took the backs off of the ones that they requested, and the only other request that we had for taking the backs off was the request of Mr. Schoener, the great expert on voting machines, who works for our committee over here.

I doubt if he has ever seen any more of the inside of a machine than I have, and that he knows about as much about it.

Mr. STEVENS. Not the inside, but the back.

Mr. CANNON. He would not know as much about it.

Getting back to Mr. Brown, I want to get back to these, and I wish the Senator would check off that list of these 10 precincts, because he will find Mr. Brown says:

> Gorham, Bedford, Giford, and Somersworth Ward 1.
>
> The Commission will recall that in Mr. Bigg's appeal notice we listed several others.

Look at the rest of the list and they listed a total of 10 of them.

> We don't intend to pursue the others.

That is that same gentleman, Mr. Brown, this very fine, high-priced lawyer from New Hampshire, and he is a very fine gentleman, and made an excellent presentation before the committee.

He says:

> What is involved here with these four precincts is that responsible election officials and voters in each of these precincts are insistent to us that their original counts were valid and the counting errors occurred here during the recount. Logically, logically, this may actually be true. It is just as possible that people of good will working hard counting ballots can make an error in the State House as at the Town Hall. We, therefore, because of special circumstances in each of these four precincts, wish a further review.

Now, that is 4 of the 10 in this numbered section 1, so they requested a further review in the 4, and they waived all the others, when he says:

> The Commission will recall that in Mr. Bigg's appeal notice we listed several others. We don't intend to pursue the others.

Mr. STEVENS. The Senator from Nevada opposes, I assume, the existing section 1 of the resolution, a recount of even a portion of the ballots.

Mr. CANNON. Yes, I oppose that, yes.

Mr. STEVENS. He does that, I take it, from what he has just said, on the basis that the position of Mr. Wyman's representatives has been inconsistent as to some of those towns that are mentioned in section 1.

Mr. CANNON. Not only some of them; all of them.

I am going to give the Senator the reason if he will just wait here a moment. Now, Mr. Brown——

Mr. STEVENS. If I had been Mr. Wyman's counsel, I would have been arguing all along for a complete recount, and I am sure the Senator from Nevada knows that.

Mr. CANNON. I am sure the Senator from Alaska would have, but Mr. Brown's lawyer did not because he had gone through the recount process, and he had seen some 180,000 ballots that nobody had any protest to. They were clear on their face.

Mr. STEVENS. That is unfortunate.

Mr. CANNON. They were counted and stacked up on the table. We even went through the process of how they were counted, and they counted them in units and cross-stacked them on the desk.

Mr. STEVENS. That is unfortunate, because I will say to the Senator from Nevada that in my opinion it is unfortunate that some of us cannot be more in the position of being true judges rather than being advocates, because it seems we are turning out to be advocates in the Chamber.

Having been an advocate for people involved in problems regarding elections, I suddenly find myself not only in the position of being a judge and advocate but, as I understand the Senator from Nevada, he wants me to decide things that could not be decided by the Committee on Rules and Administration. It was tied on a 4-to-4 vote.

Mr. CANNON. I must say this member of the Committee on Rules and Administration did not have any trouble deciding it.

Mr. STEVENS. He is a good advocate.

Mr. CANNON Three members agreed with me and four members of the committee did not agree with me.

Mr. STEVENS. That is the real problem involved, is it not?

Mr. CANNON. That is why it is here. Let me finish this. We were talking about the four precincts.

The Senator has already heard Mr. Brown now waive his request and is satisfied with respect to the other precinct remaining, but he said:

> Those 4 I want to take another look.

All right. Now going to page 28:

> Mr. Brown. With the exception of four precincts that I mentioned—we don't anticipate having to go outside of the envelopes in which Mr. Stark and Mr. Kelley segregated out the ballots that are subject to protest, by all parties.

Now, what did Mr. Stark and Mr. Kelley do? They segregated all of the ballots out that both of the parties protested before the secretary of state so that they could go to the Ballot Law Commission.

Here is Mr. Brown, and he said:

> Now, the only thing that we anticipate having to do is to go into those four precincts.

This is after he had found out and had examined that box that he said had an error.

There were going to be 100 straight Republican votes in it, and all they were were con-con ballots, and he did not get anything out of it, and he examined it.

Now he says that—

> We do not anticipate having to go outside of the envelopes in which Mr. Stark and Mr. Kelley segregated out the ballots that are subject to protest by all parties.

Let us go over to December 20 because——

Mr. STEVENS. Mr. President, will the Senator yield for a question at that point?

Mr. CANNON. Would you let me just finish the sequence of this, because this ties it up very neatly, and I would like to be sure that the Senator understands it completely.

Mr. STEVENS. Very well.

Mr. CANNON. So then on December 20—that was December 4—and at that time Mr. Brown said that—

> There are only four of those precincts that have any problem. We want to take a look at those precincts, and outside of that in those envelopes that we have set aside all of the protests—and there were about 3500 that the parties protested—there is the whole story.

There is the whole story. There is nothing beyond that. Now, here is Mr. Brown——

Mr. STEVENS. That is my question I wanted to ask the Senator.

Mr. CANNON. Wait until I finish this now.

> Mr. Brown. So far as the precinct recount requests—and I had four of them—

This is to the chairman of the Commission.

> Chairman Snow. Gilford, Bedford, Somersworth Ward 1 in Gorham.
>
> Mr. Millimet. You didn't mention Somersworth.
>
> Chairman Snow. I was going to ask you about it.
>
> Mr. Brown. I am not pressing on any of those, but I may have some live testimony with regard to the Somersworth situation, depending upon how my brother's case develops, and I withdraw the request for the precinct reviews.

This is the other remaining 4 of the 10. He had waived the 6 of the 10 earlier:

> Chairman Snow. Gilford, Bedford, Somersworth Ward 1 and Gorham?
>
> Mr. Brown. Yes.

Mr. GRIFFIN. Mr. President, will the Senator yield to me?

Mr. CANNON. The Senator asked me to yield earlier.

Mr. STEVENS. My only request of the Senator from Nevada would be, being an advocate as he is and knowing Mr. Brown as he knows him as being a good advocate, in view of the changes that have been made, does the Senator not think that he would have anticipated further challenges if he had known that the "skip-Wyman" votes were to be challenged when the "skip-Durkin" votes had not been challenged or that the write-ins that were on the machines were going to be counted when they had not, in fact, been counted in the past or that they were going to count ballots that had the X below the list instead of a check or an

X above the list? Does the Senator not think that we could have anticipated Mr. Brown being a tricky, active advocate in challenging a great many of these ballots that are sitting over here in these boxes that go beyond the 3,500?

I know I would, and the Senator from Nevada certainly would, I am sure he would say he would.

Mr. CANNON. Does the Senator want my answer?

Mr. STEVENS. Yes.

Mr. CANNON. My answer is "No."

Mr. STEVENS. Why?

Mr. CANNON. I will tell you why, because when a lawyer is in there in a recount he is going to protest, just as Durkin said before the committee, he protested everything that moves, and that is absolutely right.

I am a lawyer, and I have been through a recount. I have been through a recount as a candidate. I know a little something about it.

When you go in there to have a recount, you do not say: "Well now, let us see. There are one or two of these that I am going to protest."

You protest everything that moves, if you have the slightest idea that you have a chance to win that, after you have a recount, you are going to protest it.

Mr. STEVENS. Does the Senator really believe there are no "skip-Durkin" ballots that were not challenged by the Wyman forces at the recount?

Mr. CANNON. I must say I find it very hard to believe that they would challenge one and not challenge any more.

Mr. STEVENS. What is the harm of looking?

Mr. CANNON. If they were there——

Mr. STEVENS. What is the harm of looking? What is the harm of going back and counting them all?

Mr. CANNON. This is simply the same type of a red herring that the Senator is suggesting here now that we go back and recount these. We have a recount of a recount, and once we do this, then we would have a request for another.

Let us have a second recount of the recount, because somebody maybe made a mistake there.

Mr. STEVENS. No, I am not suggesting the Senate recount them.

Mr. CANNON. These proceedings have to be brought to a conclusion at some point in time.

Mr. STEVENS. I am not suggesting the Senate recount these. I am suggesting, and I misread the comments of my friend from Rhode Island, but I am suggesting, and I will quote later the people from throughout the country that are suggesting the same thing that an independent group, not to be affected by the decisions to be made here, count these ballots completely.

There are Senators in the Chamber here that if the outcome of this is one way their committees are going to be reduced. There are Senators here that are going to be reassigned to new committees if this comes out a different way.

The Senator does not recognize the impact on my friend from Tennessee. I am informed that Senator BAKER—if I am incorrect—and I see the majority leader on his feet.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. STEVENS. If I am incorrect, the assignment of Mr. BAKER on the Committee on Foreign Relations was contingent on the outcome of this election.

Mr. MANSFIELD. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. MANSFIELD. May I say the leadership on this side met with the Republican leadership on that matter, and it was contingent on the outcome of the Wyman-Durkin contest. That is nothing secret. It was done in good faith with no acrimony and nothing to apologize for.

Mr. STEVENS. I am not saying that the Senator from Montana has anything to apologize for. I think it was a very wise decision. He can see the impact.

Mr. MANSFIELD. That was understood perfectly by Mr. BAKER at the time.

Mr. STEVENS. We also understand that if we do not support Mr. Wyman, Mr. BAKER loses his position on the Committee on Foreign Relations.

Mr. MANSFIELD. I do not know what the argument is there, because at the beginning of this session, the matter was thoroughly understood and appreciated and still is. I see no reason for bringing it up at this time. I see no effect it will have on this race, except as to committee assignments.

I hope some way could be found by which we could face up to this matter soon and settle it one way or the other. You can stall this for 6 months, if you want, and you are still faced by what the Senator from Alaska said yesterday. If that is the way it is going to be, that is the way it is going to be. I am not going to shed any tears. We will do the best we can. But someday, somehow, we will have to face up to this and make a decision.

I do not think it is in your best interests when you adopt stalling tactics, when you actually filibuster in a mild way, when you drag out the proceedings, when you refuse to listen to reasonable proposals for time agreements.

It is no skin off our nose, I say to the Senator from Alaska. If any nose is being skinned, it is his. We will just ride along and do the best we can, and the people can judge. But you have to make a decision sometime.

Mr. STEVENS. My nose seems to protrude a little longer than others, and it can get bruised.

Mr. MANSFIELD. Much longer.

Mr. STEVENS. I do not have any problems now at all. I am prepared to have those bruises, if I am convinced that the outcome of this protest made by Mr. Durkin is not going to be determined on partisan considerations.

My amendment would refer this matter to an independent group of lawyers, one picked by Mr. Durkin and one by Mr. Wyman, to settle the outcome of this election.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. MANSFIELD. Speaking of partisanship, there have been more Democrats voting with the Republicans on these questions than there have been Republicans voting with the Democrats. As a matter of fact, on the first vote, I think five Democrats crossed over to vote with the Republicans, and the Republicans presented a solid, unified front. Is that correct?

Mr. STEVENS. That is correct. I have the feeling, which I think is shared by some people on my side of the aisle, that the outcome of these eight issues and the 27 ballots is so organized that the decision is made. As a matter of fact, there is nothing in this resolution that seats either Wyman or Durkin. I am sure the Senator from Montana knows that.

Mr. MANSFIELD. That is correct.

Mr. STEVENS. The matter will go back to the Rules Committee, no matter what we do here.

Mr. MANSFIELD. The Senator is correct.

Mr. STEVENS. Talk about delay, it will go to the Rules Committee, and there will be more partisan debate and 4-4 votes, and it will be back here again later; and we will again have the acrimony that is building up in the Senate, until we listen to the counsel from people throughout the country who are saying the determination should be made by those who are not elected officials, in whom the people of the country and the people of New Hampshire could have a semblance of feeling that they are not partisan. If we cannot do that, then let us send it back to New Hampshire.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. MANSFIELD. The Senator is like Don Quixote. He is tilting at windmills; he is creating strawmen.

I have seen no acrimony on this side. Quite the contrary, it has been on the other side, I am sorry to say.

All we want to do is to bring this matter to a head, one way or the other, because we think New Hampshire is entitled to a second Senator. Postponing, dilly-dallying, and filibustering are depriving New Hampshire of that right.

I do not know how it is going to come out, but one or the other ought to give the go-ahead, so that we can have two Senators from New Hampshire, just as the other States have two Senators.

Mr. STEVENS. I have seen the comments, too. Does the majority leader believe that if the majority of the Senate follows the Senator from Nevada—and I have stated my admiration for him; I think he is a good advocate, and he has been through recounts——

Mr. MANSFIELD. He is a good chairman.

Mr. STEVENS. If the majority of the Senate follows the Senator from Nevada, as I presume they will, does the majority leader doubt that Mr. Durkin will be seated?

Mr. MANSFIELD. I do not know how the majority of the Senate is going to vote, because I have asked no other Senator as to how he is going to vote during this particular series of proposals. I do not intend to do so. We have taken no poll on this side. I do not intend to. What we would like to do would be to get the evidence, once and for all—and we have said it time and time and time again—and get this thing settled one way or the other, so that New Hampshire can have the two Senators they are entitled to, just as Alaska, Montana, Nevada, and Michigan.

Mr. GRIFFIN. May I comment on the majority leader's remarks?

Mr. CANNON. Do I have the floor, Mr. President?

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Mr. CANNON. I say to the distinguished majority leader that I do not have the slightest idea of how this election would come out if everyone followed the position I take on voting on these 35 issues. I say that advisedly, because we have roughly 900 ballots in that box down there, which we voted on without knowing how those votes impact on the decision of the Ballot Law Commission; and it will only be when we make that examination that we will really know.

There is one exception to that. As I have stated earlier, it refers to the two absentee ballots that we opened at Mr. Wyman's request, which both the Secretary of State and the Ballot Law Commission refused to open—said, "We can't do it under our law"—and at Mr. Wyman's urging we opened them. Knowing they would be for him, I said to Mr. Brown:

> Knowing the good lawyer you are, you certainly are not petitioning this—

Mr. GRIFFIN. That is nice, is it not? You take 12 and give 2 away.

Mr. CANNON. Furthermore, ballot No. 136 is precisely the same issue as ballot 22, which is before us here, and Mr. Brown argued that it should be a "no" vote on both No. 22 and No. 136; and we gave ballot 136 to Mr. Wyman. So there are three ballots that I know he has, and the rest I do not know about, because I do not know how the Ballot Law Commission decided those 900-odd ballots that are in the box.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. GRIFFIN. The chairman is talking about two or three ballots that were given to Mr. Wyman. He refuses to acknowledge that by disregarding the law of New Hampshire, he is taking 12 away in the skip ballot.

I say to the distinguished majority leader that one of the reasons why we are having problems here—and I cannot really believe that the majority leader would join in this course if he fully understood it, because I think he would believe that the Senate should take into consideration and recount the protests filed by both sides. We should not be in the position here of just looking at the protests of one side and not looking at the protests of the other.

The chairman's whole argument here this morning is that on some technicality or other, Mr. Wyman's attorney has waived the right for Mr. Wyman to call these things to our attention. We are not in the position here of trying to invoke some legal estoppel. We are trying to find out who won the election in New Hampshire.

We have said twice—the committee, in its resolution—that we would look at and consider the protests that were made at any stage of the proceedings. The other day, an amendment that I offered was adopted. The chairman supported it. In that amendment, we said that we were going to apply New Hampshire law, including the statutes and the case law, without prejudice, to protests filed at any stage of the proceedings.

Let me call attention to the fact, Mr. Chairman and Mr. Majority Leader, that even if the attorney for Mr. Wyman made some sort of technical error, as both Senators are trying to seize on and take advantage of, at the level of the ballot law commission, there was a letter on November 27, 1974, in which Mr. Wyman's attorney spelled out all these protests in detail. When the matter came to the Senate, they were again spelled out in detail. These protests were made.

Even the Washington Post is asking the Senate to give Mr. Wyman fair treatment in taking a look at and examining his protests. The committee has refused to do that.

I do not think that on this side we are going to be satisfied not to send this matter back to the people for a new election, unless this committee at least does its job in a fair way.

This committee has not done it. We are trying to get the Senate to do what the committee has refused, on a 4-to-4 vote, to do. There is no excuse not to recount these 10 precincts to find out whether the tally is correct, which is the matter in issue No. 1. Yet the chairman, of course, is going to refuse and try to argue on a technicality, somehow, that the Senate should not do that.

That is not fairness; that is not objectivity. That is not finding out what the people of New Hampshire did on November 5 in trying to elect a Senator.

Mr. CANNON. May I simply respond to the minority whip? He is completely misrepresenting the situation when he says the chairman is trying to stand on a technicality. The chairman is trying to stand on the fact that Mr. Wyman's lawyer investigated each one of those precincts, and he first waived all six of them. He said, "I want to check the other four further." And he checked the other four and he came back to the Ballot Law Commission and said, "I waive any further protest of those precincts." That is really what he said.

There are 10 precincts. He checked them out. He did everything that he wanted to do in connection with them before the ballot law commission. To suggest that this is a technicality because his lawyer did not do something or did do something is completely absurd.

Mr. GRIFFIN. Was this matter raised in the court, I ask the chairman?

Mr. CANNON. I do not know.

Mr. GRIFFIN. Did the court not say it was a matter for the Senate?

Mr. CANNON. I do not know.

Mr. GRIFFIN. Was it not a matter raised when Mr. Wyman came to the Senate?

Mr. CANNON. It certainly was raised when Mr. Wyman's attorney came to the Senate. Every issue under the sun was raised when Mr. Wyman's attorney came to the Senate. Whether he had gone through all those issues before the ballot law commission and resolved them to his satisfaction or not, I do not know. I cannot think of a single issue he did not raise before the committee.

Mr. MANSFIELD. Mr. President, I remind the Senate that the time limitation starts at 12:15. I hope the leadership on both sides will keep that fact in mind.

Mr. McCLURE. Mr. President, there is just one item that remains rather puzzling to me. Yesterday we spent a great deal of time talking about the election machines that had apparently malfunctioned, or where there was an obvious discrepancy in the counts on the various counters and the efforts that had been made to check. The chairman of the committee, in colloquy yesterday and again in the debate this morning, refers to the fact that the backs of the machines were opened in some instances and looked at, and he has presented a picture of the back of that machine.

I think the Senator from Nevada knows that there is a door on the back of the machine and inside of the back of the machine, there is also a plate that covers the mechanism. One can look at the counters when the door is opened, but one cannot look at the mechanism until that protective steel plate is taken off. The evidence that the Senator from Nevada has presented to us in regard to opening the back of the machine shows only that the doors were opened so that the counters could be looked at, but it does not indicate, and there is no evidence, that the protective steel plate was ever removed from any machine so the mechanism could be looked at.

Mr. CANNON. If the Senator will yield, he is making a misstatement. The record discloses that the attorney general ordered the back taken off the machines, as requested by the parties, for the secretary of state.

Mr. McCLURE. But that does not obscure the fact that on the back of the machine, the doors were opened and the counters were exposed, but the protective plate was never taken off so the mechanism could be examined, not even in those cases where there is an unexplained difference in the count on the various counters. I think it is misleading to indicate that the backs of the machines were opened and the mechanism was examined, when the facts are exactly opposite to that contention.

The doors were opened. The photograph that has been presented here as evidence would indicate that the doors were opened, but the photograph also proves that that plate that covers the mechanism was still in place and was not removed. I think it does not answer the question about the examination of those machines to indicate that the attorney general had ordered that the backs be opened, when, indeed, they were opened. They were opened on those machines and, as a matter of fact, the photograph which is indicated here is of machine No. 1626, a machine which was not even in question in the 12 that were listed as having the significant ballot function. So the photograph itself does not purport to deal with one of the 12 machines. I think that at some stage, it probably was correct that the backs of those machines, under the order of the attorney general, had been opened to look at the dials, but not to examine the mechanical linkages or to determine, if possible, what the mechanical malfunction within those 12 machines may have been.

Mr. **CANNON**. I say to the Senator that he is absolutely dead wrong, and if he would check the record, he would find that out, that the attorney general ordered the backs taken off of the machines, that they were taken off of the ones requested by the party; 1626 was not in those 12 machines. But the backs were taken off of those 12 machines as directed by the attorney general.

AMENDMENT NO. 597

The **PRESIDING OFFICER**. The Senators will suspend.

The hour of 12:15 having arrived the Senate will now resume consideration of the pending amendment by Mr. Stevens, No. 597.

Mr. **McCLURE**. Will the Senator from Alaska allow me about 30 seconds to respond?

Mr. **STEVENS**. Yes.

Mr. **McCLURE**. The Senator from Nevada is not correct, and I do not believe we should allow that statement to go unchallenged, so far as the record is concerned. There is no record that the protective plate was removed from those 12 machines and the mechanical linkage checked for the possibility of whether or not there was a breakdown of mechanical function.

Mr. **STEVENS**. Mr. President, I yield myself 12 minutes.

The **PRESIDING OFFICER**. The Senator is recognized.

Mr. **STEVENS**. Mr. President, the amendment that I have before the Senate would set up an independent group, one member to be chosen by Mr. Durkin, one member to be chosen by Mr. Wyman, those two to choose the third, and all three to be members of the American Arbitration Association, to conduct a recount of all the ballots and certify to the Senate the outcome of the New Hampshire election.

This type of action was called for by the Ripon Society, which is one of the Republican organizations for which I have a great deal of respect. It is a group, an independent group, of young people who do participate in our party activities but remain very, very independent. They have called upon the Senate to appoint a special panel of impartial judges to make recommendations to the full Senate on the contested New Hampshire election.

I ask unanimous consent that their release dated June 17, 1975, be printed in the Record at the end of my remarks to show their justification for taking this position.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **STEVENS**. Failing this procedure, the Ripon Society requests that the matter be sent back to New Hampshire for a new election.

The Trenton, N.J., Evening Times has a comment concerning this approach. It, too, states that a neutral panel of experts should be able to resolve such disputes without requiring the personal clerical services of U.S. Senators. I ask that their editorial, entitled "The Long Vote Count," of June 11, 1975, be printed in the Record after the previous article I referred to.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 2.)

Mr. **STEVENS**. Mr. President, I have a series of these, and maybe I can make just one unanimous consent request for all four of the items that I would like to place in the Record at the end of my comments.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **STEVENS**. The Baltimore Sun has stated in an editorial dated June 9, 1975, in part, as follows:

> To the second question—can the Senate confidently determine who won the election?—only this week's debate can provide an answer. The Rules Committee did a good job, though it might have done better by seeking the assistance of impartial arbitrators.

That is what I seek.

(See exhibit 3.)

Mr. **STEVENS**. In the Washington Post, in their editorial of June 10, 1965, they say, in part:

> At the same time, the Senate ought to set a firm time limit for such further inquiries and designate a neutral panel to add up the final count with a minimal controversy and delay.

(See exhibit 4.)

Mr. **STEVENS**. Now that again is my point. My friend from Nevada, and the distinguished majority leader, say that we are trying to delay. I say to the Senate a recount by an impartial panel such as this ought to be able to complete its work within a week.

As I pointed out, we have counted almost as many ballots in much less time than that, and they could report to the Senate and take us out of the position of deciding a tie vote in the Senate Rules Committee 4 to 4 on all of these eight issues. It could take us out of the partisan considerations that are here.

Let us spend the time between now and the recess that is scheduled for the deliberation on the very important issues pertaining to the conditions throughout the country and the work of the Senate that is important to every Senator and to every State, and we could have their report back, and the resolution that would be before us at that time would be to approve or disapprove the report of the arbitrators.

I would say to the Senator from Nevada that I think every Senator would have to think twice before deciding to take on a report from an impartial group such as this which had recounted all of the ballots and certified to the Senate in its opinion who was the Senator-elect from New Hampshire.

But if we do not adopt the procedure I have suggested what is going to happen is we are going to be around a long, long time, and I think it is unfortunate that that is the case.

I am particularly cognizant of the remarks made by the majority leader in terms of my nose getting a little scarred in a dispute such as this, and the remarks of others about who is going to get a red face.

I think the Senate as a whole is going to get a red face over this. We already know the people of this country think that Congress is in disrepute, and I do not see any reason why, in carrying out the constitutional duty of the Senate to be the judge of the election of its Members, who should become advocates, jurors, and actual participants by deciding how a masked ballot should be voted.

I am not judging whether the vote that was made by the New Hampshire electorate, as interpreted by their highest authority, is correct or incorrect. I am supposed to decide how it should be voted because I do not even know, as I look at these 27 ballots, how they were voted.

I think we should try to seek an independent group. Again, I ask unanimous consent to have the purpose to change this amendment in any way if it would accommodate the feelings of any Senator concerning the procedural aspects of the amendment. The point is I seek to have an impartial group count all the ballots and tell us, report to us and to the country, who won the election. I think that is as fair as it could possibly be and what should have been done in the first instance by the Rules Committee.

Exhibit 1

[Release from the Ripon Society, June 17, 1975]

Ripon Urges Impartial Panel in New Hampshire Election Fight

The Ripon Society, a national progressive Republican research and policy organization, has called on the Senate to appoint a special panel of impartial judges to make recommendations to the full Senate on the contested New Hampshire Senate election. Failing adoption of this procedure, Ripon favors a new election.

In a statement released today, the organization urges Congress to reform the way in which contested elections will be decided in the future.

Citing the "indecisive and partisan" manner in which the Senate has addressed this situation, Ripon states that many questions remain unanswered regarding the objectivity of the investigation.

Ripon suggests the selection of impartial arbiters, composed of individuals such as law school deans and retired judges, agreeable to both sides to examine the problem and offer recommendations.

Cautioning against the precedents a new election may set, the Ripon Society observes that this alternative may have to be adopted since the Senate has "all but foreclosed the possibility of a fair and impartial decision" in this controversy.

STATEMENT ON THE CONTESTED NEW HAMPSHIRE SENATE ELECTION BY THE RIPON SOCIETY

In view of the indecisive and partisan manner in which the Senate continues to consider the contested Senatorial election in New Hampshire, the Ripon Society believes that a neutral panel of respected and impartial outsiders should be enlisted to recommend to the Senate how this matter should be resolved. Otherwise, Ripon favors allowing New Hampshire citizens to recast their ballots in a new election.

During the period following the November election until early this year, calls for a new election were premature. It seemed reasonable to assume that the Senate would be able to declare a winner quickly and fairly. This, however, has not been the case. The matter has dragged on for months, continues to consume the Senate's valuable time and has only served to demonstrate, regrettably, that partisanship intrudes where impartiality should prevail. Apart from the merits of the arguments and positions advanced on behalf of Mr. Durkin and Mr. Wyman, the handling of this matter has raised any number of valid questions regarding the objectivity of the investigation. This includes discrepancies in votes totaled versus ballots issued, irregularities in the issuance of absentee ballots, evidence of recording errors in the counting of ballots from certain precincts, questions of departure from state law, possible malfunctioning voting machines, insufficient committee staff action in carrying out the investigation and inconsistencies in treating equally similar requests from each side. These questions have not been satisfactorily addressed, and, under current procedures, it is doubtful whether this can be expected.

Any further delay in this matter is unfair to the citizens of New Hampshire unless it offers a reasonable prospect for objectively resolving the issue. To this end, Ripon urges that the Senate secure the services of a panel of impartial arbiters—such as law school deans and retired judges—agreeable to both the majority and minority for the purpose of examining the arguments and evidence and then making a recommendation to the full Senate on how this should be settled. While its decision would not be binding, hopefully the thoroughness and objectivity of its investigation would argue convincingly for acceptance.

If the Senate is unwilling to adopt this procedure and if it is unwilling to recount all the ballots cast and not merely those which are contested, then the decision as to who will represent the people of New Hampshire in the United States Senate should be returned to the people of that state to decide for themselves in a new election.

The recommendation to send the election back to New Hampshire is not made lightly or without concern for the precedent it may suggest. Close elections—perhaps never as close as this one appears to have been—are bound to occur in the future, but their resolution cannot always lie in new elections. In this particular instance, however, the Senate has all but foreclosed the possibility of a fair and impartial decision.

If this episode argues persuasively for anything it is that Congress should act this year to devise a better method for deciding questions of contested elections and not wait until it finds itself in the middle of another such dilemma.

EXHIBIT 2

[From the Trenton (N.J.) Evening Times June 11, 1975]

THE LONG VOTE COUNT

Now and then a letter comes into this office from up New Hampshire way, complaining that New Jersey's Senator Williams and his colleagues on the Senate Rules Committee are spending an inordinate amount of time deciding the Senate election held last November in the Granite State. Some 223,000 Hampshiremen voted, and they still have no senator to show for doing their civic duty.

It was about as close an election as you'll ever find. Democrat John Durkin won the first recount by 10 votes; Republican Louis Wyman won the second by two. Senator Williams et al have spent hours poring over pencil marks on 3,500 disputed ballots. It's a situation that probably won't be repeated often, but there are several lessons to be learned from it:

The first is that voting machines or electronic voting by punch cards eliminate that sort of wrangling (Cumberland County and parts of Hunterdon County, still using paper ballots, please note).

The second is that New Jersey, the nation and the world have more pressing problems to occupy Senator Williams. Senators are constitutionally the judges of the qualifications of their colleagues, but a neutral panel of experts should be able to resolve such disputes without requiring the personal clerical services of United States senators.

If the Rules Committee can't come to a decisive conclusion quickly, the fairest resolution of the impasse is to call for a new election. New Hampshire has been without its second senator too long.

EXHIBIT 3

[From the Baltimore Sun, June 9, 1975]

NEW HAMPSHIRE'S OTHER SENATOR

Senate debate of what might be called the Case of the Missing Senator is scheduled to start at last this week. New Hampshire's November election results for U.S. Senate were so close that the Governor first gave the Democratic candidate a certificate, believing that he had won by 10 votes, then gave the Republican candidate a certificate, believing that he had won by two votes. Both have been claiming the seat since January.

The Republican, Louis Wyman, asked the Senate to let New Hampshire hold another election. The Democrat, John Durkin, said the Senate ought to be able to decide. The fact that the Senate has 61 Democratic members and 38 Republicans may have influenced each contestant. Politics aside, the constitutional obligation of the Senate is clear. Article I, Section 5 says, "Each House shall be the judge of the elections, returns and qualifications of its own members . . . ."

So the Senate has no choice but to try to decide whom the people of New Hampshire wanted for senator on November 5, 1974. Whether the way the Senate has gone about it so far has been a proper and responsible procedure, and whether the basic question can now be answered with any confidence, are different questions.

The Senate may well have set a dangerous precedent by not seating either candidate, thus leaving New Hampshire with only one senator. The governor of the state clearly believed that the certificate he issued to Mr. Durkin was invalid and that the one issued to Mr. Wyman was valid. The Senate could have seated Mr. Wyman without prejudice to Mr. Durkin until the Senate conducted its investigation.

To the second question—can the Senate confidently determine who won the election?—only this week's debate can provide an answer. The Rules Committee did a good job, though it might have done better by seeking the assistance of impartial arbitrators. Of some 850 disputed ballots, only 27 are still in dispute, thanks to a clever device that allowed senators to inspect ballots with the candidates' names masked. It may well be that when the masked ballots are counted the result will produce a decision that the public will see to be fair.

But if the will of New Hampshire's voters remains the least bit murky, we would prefer a new election to a court challenge that would raise grave questions about the separation of powers.

[From The Washington Post, June 10, 1974]

NEW HAMPSHIRE: THE LONG, LONG COUNT

More than seven months after the people of New Hampshire cast their ballots for U.S. Senator, the Senate is still trying to decide who won. The contest is so uncommonly close—Democrat John Durkin won the first state recount by 10 votes out of 223,000, and Republican Louis C. Wyman won in a limited re-count by two votes—that the outcome could obviously turn on any of a number of disputed ballots and alleged peculiarities in portions of the count. During four months of work and wrangling, the Senate Rules Committee did reach judgments on over 600 contested ballots. But the panel's conclusions have not been added up and announced, because those eight senators found themselves deadlocked on eight procedural issues and 27 individual ballots. The full Senate will be coming to grips with those problems this week.

The New Hampshire case is a severe test of the Senate's capacity to deal fairly and wisely with some very tough questions of elections law and policy. To start with, New Hampshire law and precedents permit voters to mark their ballots in very irregular and cryptic ways. Thus in a race in which every vote counts, it is often extremely hard to divine how some voters wanted their votes to be counted, Moreover, the state's procedures for handling absentee ballots, keeping tallies and guarding ballot boxes are alarmingly casual in some respects. Over and above these difficulties, the Senate review has been tarnished by partisanship, a factor which—however unseemly and regrettable—is inescapable to some degree in such affairs. Republicans are charging, with increasing heat, that the Senate's Democratic majority is trying to "steal" the election; Democrats respond that the Republicans have been trying to prolong and complicate the proceedings in order to buttress GOP demands that a new election should be held.

Aside from the partisan calculations involved, the idea of a new election does have considerable superficial appeal. The Rules Committee's difficulties, and the tangles that are likely to develop on the Senate floor, suggest that this election has become exceptionally snarled and that a generally accepted outcome may be very hard to reach even with the greatest injections of good faith. Moreover, it is quite arbitrary and unusual to have up to 99 senators squinting at individual ballots and resolving arcane points of state election law.

A re-run in New Hampshire might indeed be the ideal solution—if a true re-run could be held. But it is obviously impossible to ask the same people who voted last November to return to the polls and vote the same way again—but this time to mark their ballots plainly, please. That can't be done. A new election would be just that: a different contest with a different turnout under different political conditions. That is an extreme remedy that has traditionally been resorted to in this country only when a regular election has been proved to be invalid. In this instance that is not the case. The Senate has not yet completed the review, which is authorized by the Constitution and acknowledged by New Hampshire law. Some protests are still outstanding; no final tally has been made. It is still possible that, however narrow the margin, a conclusive outcome can be reached. This will admittedly involve some exercises of human judgment that will not, by the nature of things, be uniformly dispassionate, consistent and well-informed. But such judgments, with their inherent possibility of error, are an integral part of every vote-counting process—and, more to the point, they are obviously *contemplated* by the New Hampshire approach with its emphasis on determining the voters' intent.

This does not mean that the Senate should dispose of this case in an abrupt or peremptory way. In the interests of fairness, the Senate should direct the Rules Committee to pursue those of Mr. Wyman's protests that deal with allegedly missing ballots, confusing tally sheets and possible malfunctioning of some voting machines. If these protests are insubstantial, as Mr. Durkin claims, they can be settled rapidly. But if they do have merit, they could be material to the outcome of the race—or to the Senate's ability to name a winner at all. At the same time, the Senate ought to set a firm time limit for such further inquiries and designate a neutral panel to add up the final count with minimal controversy and delay. The people of New Hampshire, after all, have lacked one Senator since January. It is time for this election to be resolved.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I will yield myself 2 minutes.

First, may I say that the distinguished minority whip asked the question earlier as to the issue No. 1, the 10 precincts, if that was not raised in the courts and the courts said that was a matter for the Senate. I am advised by staff that issue No. 1 was not raised in the New Hampshire courts at any time nor were the issues set forth in Nos. 2 and 3 of the resolution. That is what my staff advises me.

With respect to the Senator's proposal, well, in the first place, I think I quite thoroughly covered the aspect of going back and recounting a recount. I think that this should not be done. There is no question but what the Senate has the legal authority to do it if they want to do it. But this is an invitation for future efforts, if there is a close election for the Senate to go back and recount a recount that has already taken place in the State, in the particular State, involved.

I think the issue here really ought to be the issue of the Senate to determine on the contested ballots whether the correct rulings were made, and by examining the ballots we ought to be able to determine that, and we ought not to go, in my opinion, beyond any issues that the parties were satisfied with when they appeared before the ballot law commission, because we are using the base of the ballot law commission as the start, with Mr. Wyman two votes ahead.

So when the parties were satisfied before the ballot law commission with the issues that were resolved there then, in my judgment, we ought to stop at that point. But we could make a determination of issues that were decided by the ballot law commission, such as the ruling on particular ballots, and see maybe they will come out exactly the same or they will come out far to the advantage of Mr. Wyman. We do not know that. We do not know that and we would not know that until the ballots were taken out of the box and counted.

Finally, Mr. President, on the constitutional question, the committee considered this question in committee as to whether we ought to, whether we might, delegate this to an impartial panel to make a decision. But we decided that if we did that we were then confronted—we would then be confronted—with the proposition that the matters would come back to the Senate and we would still have to make the decision as to whether or not that particular panel had acted correctly, in our judgment.

We cannot delegate the constitutional responsibility that is set forth. It says that the Senate shall. It does not say that it may, Mr. President, it says that it shall. That is mandatory language.

So after considering this quite thoroughly on a suggestion by one of the committee members that we do get an impartial panel to try to make the decision on the 3,500, Mr. President, not beyond the 3,500, because the committee voted not to go beyond the 3,500, but we did consider the independent panel question as to whether or not we should use them in connection with the 3,500, and the committee voted that down, feeling that this would be an attempted delegation of our constitutional authority and, therefore, we did not see fit to do it.

The question was raised, there was some implication earlier, that perhaps there was something faulty about the recount by the secretary of state.

I would simply like to point out that we would think that that would be by an impartial body, but the secretary of state is a Republican.

I have here a list and I ask unanimous consent that it be printed in the Record at this point.

There being no objection, the list was ordered to be printed in the Record, as follows:

People Employed by Secretary of State at the Recount

James J. Oullette, 4 Thomas Street, Concord, N.H.
Anthony F. Lomartire, 16½ South Spring Street, Concord, N.H., Republican.
Kenneth C. Smith, Sr., Box 3, Moultonborough, N.H., Republican.
Carl E. Farnham, 13 Conant Drive, Concord, N.H., Republican.
Eben Byron Bartlett, Jr., Meetinghouse Hill Road, Brookline, N.H.
Earle D. Hardy, Wagon Wheel Trail, Meredith, N.H., Republican.
Elizabeth Tozier, 10 Baker Street, Newton, N.H., Independent.
Carole Wile, Highland Street, Newton, N.H., Republican.
Carol H. Golden, Route 7, Box 266, Hutchins St., Penacook, N.H.
Helen Miller, 22 Shirley Park, Goffstown, N.H., Democrat.
Joyce M. Phelps, 12 Summer Street, Goffstown, N.H., Republican.
Jeanne B. Quimby, 43 West Street, Concord, N.H., Republican.
Susan French, Pleasant Street, Meredith, N.H., Republican.
Muriel D. Bailey, 64 Main Street, Goffstown, N.H., Republican.
Gabrielle Bourque, 106 South Street, Concord, N.H.
Martin R. Haller, RFD 1, Penacook, N.H., Republican.
Alfred J. Pearce, RFD 2, Laconia, N.H.
Robert J. Jewell, 2 Prospect Street, Concord, N.H., Republican.
Albert Wakefield, 40 South Mast Road, Goffstown, N.H., Republican.
Agnes Wakefield, 40 South Mast Road, Goffstown, N.H., Republican.
William M. Bailey, 64 Main Street, Goffstown, N.H., Republican.
Arnold B. Perkins, Box 125, Goffstown, N.H., Republican.
Gloria Church, P.O. Box 36, Exeter, N.H., Republican.
Mary M. Healy, 30 Union Street, Concord, N.H., Republican.
James Pelillo, 1 Knoll Street, Concord, N.H., Republican.
Jeffrey A. Meyers, 116 Stephana Lane, Waterbury, Conn.
John M. Bednar, 153 Ferry Street, Hudson, N.H., Democrat.
John H. Noble, 4 Grant Street, Concord, N.H., Republican.
Malcolm Richards, 39 Beacon Street, Concord, N.H., Republican.
Clarence E. Bartlett, Box 7, Gossville, N.H., Republican.
Ralph Cutting, 6 Roosevelt Avenue, Concord, N.H., Republican.
Joseph Musumeci, 248 East Side Drive, Concord, N.H., Republican.
William E. Sanborn, Deerfield, N.H., Republican.

TALLIED FIGURES FOR ATTORNEY GENERAL

George Lanigan, 76 Allison Street, Concord, N.H., Independent.
John Taylor, 86 North State Street, Concord, N.H., Republican.
John Fraser, 32 Essex Street, Concord, N.H., Republican.

Mr. CANNON. The list is of the people employed by the secretary of state to conduct the recount and, where it is known, their party affiliation is indicated.

In the first place, the secretary of state is a Republican, so I understand, and on this list of the people who worked and conducted the recount, there are two Democrats——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. CANNON. There are two Independents. There are six with no indication as to what their party is.

As a matter of fact, one of them, his address is not even in New Hampshire, so I would assume he would be probably objective on it. But, there are 26 Republicans. I think, considering New Hampshire, that is probably a fair representation.

There are 6 with no indication as to what the political party is, 2 Democrats, 2 Independents, and 26 Republicans.

Those were the people employed by the secretary of state to conduct the recount.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Alaska has 2 minutes remaining.

Mr. STEVENS. All right, I will take the remainder of my time.

The Senator indicates that issues 1, 2, and 3 were not before the court, were not raised before it. As I understand it, they were raised by the ballot law commission, or reserved to the ballot law commission, with the understanding that they would be presented in court, and the Supreme Court of New Hampshire ruled they cannot, in connection with the Senate election, although they could be raised in connection with any other election.

I read at the beginning of my statement yesterday the statement of Mr. Snow, the ballot law chairman, of the reasons why they did not go into these matters, because they felt that they would be taken up in court, and now they have not been.

But again, let me summarize as succinctly as I can, we can follow this procedure, we can submit these to an independent panel and have that panel report back to us, we will still be exercising our constitutional duty of being the judge of the election. We will no longer be participants, advocates and jurors, but we will be judges.

Beyond that, we would meet the objectives of the majority leader because it would be done much quicker than it is going to be done the way we are going now of debate that is taking almost a day on each single issue, eight of them, and then we are going to review 27 masked ballots, not knowing how they were ruled upon—do we know how they were ruled upon?

Mr. CANNON. I point out to the Senator again, this is another of his misconceptions, that there are not 27 masked ballots here to be ruled on. There are three masked ballots to be ruled on.

Mr. STEVENS. All right, three. I accept the Senator's statement.

It is my understanding we were not to be told how they were ruled upon by the Ballot Law Commission.

Mr. CANNON. The Senator is absolutely correct. Nor did we know in the 900-odd how they were ruled on by the Ballot Law Commission, but they were not masked.

Mr. STEVENS. Then how are we the judge of the election? We are becoming the ballot law commission, not the judge of whether they did it correctly.

The **PRESIDING OFFICER.** The Senator's time has expired.

The Senator from Nevada has 15 minutes.

Mr. CANNON. I am glad to yield to the Senator an additional 2 minutes if he wants it. I guess he does not.

Mr. BUCKLEY. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. CANNON. Yes.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that Tom Cole of my staff be granted privilege of the floor during the debate and all votes on this matter.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BUCKLEY. I thank the Senator.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield 2 minutes.

Mr. GRIFFIN. I thank the Senator for yielding.

I did not hear all of the argument made by the distinguished Senator from Nevada, the chairman of the committee, but I did hear again the argument that somehow or other the Senate should not take jurisdiction of some of these matters, even though they are obviously very important.

Whether this has been called to the attention of the Senate or not, I do not know, but let me read from section 68:11 of the Statutes of New Hampshire:

> It is hereby declared to be the legislative intent to provide no appeal under this section in the cases of contested elections for the offices of United States senator, representative in congress, state senator or representative to the general court in view of the constitutional provisions vesting in both houses of congress and both houses of the general court exclusive jurisdiction over the elections and qualifications of their respective members.

This is the reason that the New Hampshire court did not take jurisdiction over some of the matters Mr. Wyman is now asking the Senate to look at.

The legislature in New Hampshire and its statutes and the courts of New Hampshire deferred to the U.S. Senate and said that these are matters that can be properly raised before the U.S. Senate.

Now, we get to the U.S. Senate and we are faced with all kinds of legalistic, technical arguments that this or that right has been waived. Baloney. The U.S. Senate has exclusive jurisdiction to look at all the questions and to try to decide how the people of New Hampshire voted.

Whether or not Mr. Wyman had ever asked for a new election, or not, the U.S. Senate, if it wished to resolve this matter in this way, could declare the seat vacant and send it back for a new election.

Whether Mr. Wyman had ever asked for a recount of all the ballots or not, the United States, if it believed that was the right way to do it, could go ahead and say that we want a recount of all the ballots of the State.

There is no legal, technical reason we cannot do that. It is just that we do not want to do that, apparently.

So I am not at all impressed with the legalistic arguments.

It is very interesting to me, also, that we are faced with this kind of objection and resistance, trying to insist on legal technicalities and arguments, whereas in the committee, when we came to a matter of deciding a legal question and the committee tied, all of a sudden we were not acting as a court any more, at least in the eyes of some.

The **PRESIDING OFFICER.** The Senator's 2 minutes have expired.

The Senator has an additional 2 minutes.

Mr. GRIFFIN. I appreciate that, because my argument, of course, as the chairman knows, is directed at him.

He maintained that all of a sudden the Senate had plenary power, the Senate did not have to go by legalistic rules any more.

It seemed quite obvious to me that in the Senate Rules Committee if we tied on an issue that involved the law of New Hampshire by an appellate body, so to speak, that the tie would result in leaving the ruling of the New Hampshire authorities in place.

Oh, no. The chairman then argued, "No, we do not do that. The Senate has power and we can do anything we want."

Now when we get in here and want to recount the whole election, "No, we cannot do that because somewhere along the line we are precluded because of what happened before."

I do not see how we can have it both ways. Frankly, while I think there is great merit, and it is perfectly understandable, to bring the procedural occurrences to the attention of the Senate, I do not think it is any excuse or any reason for the Senate not to do what we think is right and necessary to decide and find out who won that election on November 5, and not on the basis of any legal technicalities.

Mr. CANNON. Mr. President, first I may say to my distinguished colleague that no one has suggested that the Senate does not have the legal authority to do anything they want in connection with this matter. There is no question but what we have the legal authority.

I do say that we would be shirking our constitutional responsibility if we were to agree to the amendment of the Senator from Alaska.

With respect to the decisions of the lower body, of the ballot law commission, this would absolutely be meaningless if the Senate were to be bound simply because the Rules Committee tied. The issue here is the Senate, not the Rules Committee. The Senate is the one which has to make these ultimate decisions, not the committee. We had no authority other than to make a report to the Senate. The Senate will make that determination. We have already said that we have seen us go beyond issues that were supposedly settled by the Rules Committee, but they have been raised by amendments here. We have acted on them.

This amendment which is before the Senate now is one that the Rules Committee settled by a majority vote. The Senator is suggesting that where the Rules Committee could not agree by a 4 to 4 tie, it ought to go back to a decision by the ballot law commission and use that as the best judgment on this matter.

I simply say to my colleague that that simply would be a complete shirking of our constitutional responsibility. The Senate has authority to do whatever it sees fit to do in this instance, but we have to bring a conclusion to these matters at some point in time. We are confronted with a situation here, as I have already pointed out, on issue No. 1, with these 10 precincts. Mr. Brown, the attorney for Mr. Wyman, investigated everything that he thought he had to investigate in connection with those precincts. As Mr. Wyman's attorney he was satisfied.

He first waived any further consideration of six of them after he had satisfied himself as to what took place. Then when he examined the others he came back and said, "I am satisfied with the rest of them."

Chairman Snow, the Republican chairman of the Ballot Law Commission, restated that to make absolutely certain. That is the way the situation lies.

How many times will he raise this question? Will he come back and say, "Gee, whiz, I have lost by a few votes in the recount by the Secretary of State and it is quite close here now. Maybe I better go back in and see if I can find something else."

This is the same situation we are confronted with on the Michaud and McCarren case, where they went out and went over the State to try to find something wrong, something that had taken place, so they could bring this election into question and bring it back here; going and seeing these old people and saying, "Are you sure you cast the ballot this way?" Or "Will you sign an affidavit for us?"

There is an affidavit in the record drawn by Mr. Brown, or one of his representatives, which a lady signed.

I say, Mr. President, that this amendment should be defeated. It would be an unconstitutional delegation of our power to authorize some other panel to make the decisions for us. That is not what the Constitution says. Furthermore, the complete recount has already been thoroughly considered by the committee and it has been voted down by the committee.

As Mr. Rudman said, nobody complained about those 180,000-odd ballots. So we have no necessity for a recount beyond the 3,500 ballots which the committee has considered.

The **PRESIDING OFFICER**. All time has expired. The question is on agreeing to the amendment of the Senator from Alaska. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. **STEVENS** (after having voted in the affirmative). Mr. President, on this vote, I have a pair with the senior Senator from Washington (Mr. Magnuson). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. **ROBERT C. BYRD**. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Maine (Mr. Hathaway), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Magnuson), the Senator from New Mexico (Mr. Montoya), and the Senator from West Virginia (Mr. Randolph) are necessarily absent.

On this vote, the Senator from North Dakota (Mr. Burdick) is paired with the Senator from Nebraska (Mr. Hruska). If present and voting, the Senator from North Dakota would vote "nay" and the Senator from Nebraska would vote "yea."

I further announce that, if present and voting, the Senator from Maine (Mr. Hathaway) and the Senator from West Virginia (Mr. Randolph) would each vote "nay."

Mr. **GRIFFIN**. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Hatfield) and the Senator from Nebraska (Mr. Hruska) are necessarily absent.

On this vote, the Senator from Nebraska (Mr. Hruska) is paired with the Senator from North Dakota (Mr. Burdick). If present and voting, the Senator from Nebraska would vote "yea" and the Senator from North Dakota would vote "nay."

The result was announced—yeas 34, nays 49, as follows:

[Rollcall Vote No. 233 Leg.]

YEAS—34

Baker
Bartlett
Beall
Brock
Brooke
Buckley
Case
Chiles
Curtis
Dole
Domenici
Fannin
Fong
Garn
Griffin
Hansen
Helms
Javits
Laxalt
Mathias
McClure
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Taft
Thurmond
Tower
Weicker
Young

NAYS—49

Abourezk
Allen
Biden
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Clark
Cranston
Culver
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hollings
Huddleston
Humphrey
Jackson
Johnston
Kennedy
Leahy
Long
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Ribicoff
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Stevens, for.

NOT VOTING—15

Bayh
Bellmon
Bentsen
Burdick
Church
Eagleton
Eastland
Goldwater
Hatfield
Hathaway
Hruska
Inouye
Magnuson
Montoya
Randolph

So Mr. Stevens' amendment (No. 597) was rejected.

Mr. **HELMS**. Mr. President, I send to the desk an amendment and ask——

Mr. **CANNON**. Mr. President, will the Senator yield while I make a motion?

Mr. **HELMS**. I yield.

Mr. **CANNON**. Mr. President, I move to reconsider the vote by which the amendment of Mr. Stevens was rejected.

Mr. **ROBERT C. BYRD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **HELMS**. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. Helms) proposes an amendment.

The amendment is as follows:

On page 1, strike out all of lines 7 through 12, and insert in lieu thereof the following:

"(1) Notwithstanding any other provisions of this resolution, the Senate seat from the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant effective July 1, 1975, unless, prior to such date, the Senate shall have seated either Mr. Durkin or Mr. Wyman."

Mr. **HELMS**. Mr. President, I ask unanimous consent that two members of my staff, Mr. Rom Parker and Dr. James Lucier, be accorded the privilege of the floor during the discussion of this amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **HELMS**. Mr. President, the 94th Congress is rapidly becoming the laughing stock of the Nation. As the cartoon by Mr. NacNelly on the editorial page of the Washington Post suggested this morning, the people of the United States have decided that this Congress has no jaws and no bite. We have no one but ourselves to blame. We cannot seem to get on with the real business of legislating. While the problems of energy, excessive spending, and inflation continue unabated, we are unable to come to grips with any of them. Instead we sit here day after day trying to decide an issue that the people of New Hampshire contend, and rightly so, in my view, is theirs, and theirs alone, to decide.

What are we doing here? We have 99 U.S. Senators trying to determine the accuracy of the recount in the Somersworth Ward 1, Clarement Ward 2, Concord Ward 1, and so forth. This Senator from North Carolina freely admits that he has no idea where Somersworth Ward is, with all due respect to the distinguished citizens of New Hampshire. If the Senator from North Carolina might be permitted a brief speculation, he wonders how many other Members of this august body have any idea where Somesworth Ward 1 is. And yet, we are supposed to be debating such issues with all of our combined sagacity and solomonic wisdom.

Furthermore, this is just the beginning, Mr. President. As we get further and further into matters which are themselves picayune but whose resolution may have great consequences for the people of New Hampshire—and for the integrity of the Congress—we will find ourselves drawn more and more into partisan debate. I hope I am wrong, but I already perceive increasing rancor on the floor of the Senate, and perhaps even personal hostility, as the overriding issue turns more and more upon trivialities, some of which are incapable of objective resolution at this point.

Mr. President, at this point I ask unanimous consent to have printed in the Record a chart I have prepared laying out the issues surrounding the 27 disputed ballots.

There being no objection, the chart was ordered to be printed in the Record, as follows:

Ballot number	*Nature of dispute*	*Wyman position*	*Durkin position*	*Committee position*	*New Hampshire law*
22	Voter marked an X for Durkin and wrote in name of Victor De Schuytner.	Should be a No vote, because double votes cannot be counted under NH law.	Should be a Durkin vote. Fault of ballot construction and instructions.	Durkin 4 No vote 4	"Double-marked ballot cannot be counted. *Stearns* v. *O'Dowd* (1911).
88[1]	Voter marked an X in the Wyman square, and a slash mark in the Chimento square.	Should be a Wyman vote, because the slash mark is not to be construed as a voting mark.	Should be a No vote, because double votes cannot be counted—an X and slash are valid voting marks under NH case law.	Wyman 4 No vote 4	"Double-marked ballots cannot be counted.
245[1]	Voter marked an X in the Wyman square, and an incomplete X in the Chimento square.	Should be a Wyman vote, because the incomplete X should be construed as an abandoned attempt to vote.	Should be a No vote, because double votes cannot be counted.	Wyman 4 No vote 4	"Double-marked ballots cannot be counted.
128	Voter marked an X in both party circles, and an X in the Durkin square.	Should be a No vote, because double-marked ballots count for no one.	Should be a Durkin vote, because even though, "a strict mechanistic application of the statute would declare this ballot a nullity," the intent of the voter should prevail.	Wyman 4 No vote 4	This is a double vote and cannot be counted. *Murchie* v. *Clifford* (1911).
288	Voter marked X's in squares of other candidates, both Democratic and Republican, but none for U.S. Senate. Below and the right of the Republican circle is a large double XX.	Should be construed as a constructive X in Wyman's box (straight ticket).	The stray mark is not an X, but an H turned on its side. It cannot be counted under NH law.	Wyman 4 No vote 4	An X which is outside but sufficiently close to the party circle is a straight ticket. *Attorney General* v. *Bartlett*. (1909).
120	Voter voted by slash marks in Democratic column and then drew a long vertical line through all of them.	Voter changed his mind and cancelled his votes.	The long vertical line is not a cancellation, but a cross in each box.	Durkin 4 No vote 4	No law directly at issue. Question is whether voter cancelled his vote.
127	Voter placed an X in candidates squares, but in Durkin square left a disputed marking.	Voter crossed out and cancelled his Durkin vote.	Voter placed a series of X's in the square to emphasize his vote for Durkin.	Durkin 4 No vote 4	No law directly at issue. Question is whether voter cancelled his vote.
205	Voter placed a marking in the Republican circle, an X in the box for Thomson and a cross in the box for Independent Party candidate George Evers (Register of Deeds).	The marking in the Republican circle indicates a straight ticket vote—a double X for emphasis.	The marking in the Republican circle is an obliterated vote. Voter changed his mind and cancelled his straight ticket vote.	Wyman 4 No vote 4	No law directly at issue. Question is whether voted cancelled his straight ticket vote.
308	There are uncancelled X's on the ballot, but in the Durkin box (and one other Democratic candidate) the voter blackened the squares (a cross with markings over it). Voter also placed an X in the Republican circle.	Voter cancelled his Durkin vote, and voted straight Republican.	Voter nullified his vote by marking Durkin box and straight Republican circle.	Wyman 4 No vote 4	No law directly at issue. Question is whether voter cancelled out his Durkin vote.
342	The voter left a smudged X in the Durkin box.	Voter cancelled his Durkin vote by erasing it.	The X has been inadvertently smudged and voter did not erase it.	Durkin 4 No vote 4	No law directly at issue. Question is whether voter erased (cancelled) his Durkin vote.
252 256 267 279 280 281 285 305 310 311 314 322[2] 324	12 of these 13 ballots are "skip Wyman" votes, whereby voter placed an X in the Party circle, X's in the Republican boxes, but left the Wyman box blank (and on some ballots other boxes as well.) One of these is a "skip Durkin" vote. #322.	All "skip candidate" votes should be counted, as there is no such thing as a "skip candidate" vote in New Hampshire law. NOTE: Skip candidate ballots were counted in the election, and Wyman is simply asking that the same rule be applied to all ballots.	None of these ballots should be counted, because the primary and controlling factor is the intent of the voter. "The voter's intent cannot be defeated by a technical or strict reading of the statutory directions for marking ballots."	Wyman 4 No vote 4 -------- Durkin 4 No vote 4	N.H. RSA 59:58 (Statute): the only method by which a voter may omit a candidate in the column where he has voted a straight ticket is by erasing or cancelling his name. An X at the head of the column is a "vote for all the names therein" *Barr* v. *Stevens* (1919). A vote by circle in one column nullifies a vote by candidate square in a single race in the other column. ***Murchie* v *Clifford*** **(1911).** ***Dinsmore* v *Mayor*** **(1911).** ***Stearns*** **v** ***O'Dowd*** **(1917).**

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[1] Similar ballots have been counted by the Committee, for both candidates.

[2] Skip Durkin vote.

Mr. HELMS. Mr. President, I do not believe that anyone has put the matters together on a single chart, so that the whole range of difficulties can be spread before the eye. This is a complete picture of exactly what will be taken up, item by item, later on, if we continue to plunge into this morass.

That is why I am proposing that we stop now, right at this first substantive issue, and take away the poisonous cup that we seem so intent upon quaffing. For, make no mistake about it, the issue will not be settled by our seating either Mr. Durkin or Mr. Wyman under the prevailing circumstances. Whichever one we seat would carry with him the burden of coping with the partisan rancor that is already deeply sown in this Congress. And this Congress, itself, will be deeply split as a result, not just on this issue, but also on the many issues of major importance that are being shunted aside.

My colleagues will note that this amendment is almost identical, in effect, to the amendment offered the other day by the distinguished Senator from Alabama (Mr. ALLEN), with one exception: Under my amendment, the seat for New Hampshire would be declared vacant effective July 1, instead of August 1. Although I supported my colleague's amendment, I think it may have allowed too much time for debate upon an issue that the people of New Hampshire want to resolve themselves, and which they are prepared to resolve promptly and fairly, and presumably to the satisfaction of everybody within the parameters of the way a political election is conducted.

Mr. ALLEN. Mr. President, will the Senator yield for a question?

Mr. HELMS. Mr. President, provided I do not lose my right to the floor, I am delighted to yield to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator for yielding to me.

As the Senator stated, the Senator from Alabama, on Tuesday, did offer an amendment which sought to declare a vacancy in this office, effective August 1, unless prior to that time the Senate had seated either Mr. Durkin or Mr. Wyman. He made that suggestion by way of amendment, recognizing the Senate's duty and responsibility to act in this matter, but feeling that a deadline should be set for the consummation of that action and feeling that August 1 would provide 6 weeks in which the Senate could consider its continuous deliberations on the matter, but feeling that 6 weeks added to the some 5 months that the Rules Committee has had the matter under consideration would be adequate.

The Senator from Alabama, with all due respect to the distinguished Senator from North Carolina, does not feel that 10 days is adequate time for the Senate to complete its deliberations; and, much as he would like to support his colleague's amendment, he wonders whether the Senator does not feel that this is cutting it a little fine, to make the deadline July 1.

Mr. HELMS. The Senator has raised a very important point, for which I thank him. I intend to address myself to that very point a little later in my statement.

Mr. President, many of my distinguished colleagues apparently fail to realize that every day we are in session, we are spending the taxpayers' money; and when we accomplish nothing, we are spending that money for nothing. I checked the figures this morning. If we eliminate the costs of the committee staffs, committee investigations, and personal staffs, it costs the taxpayers $289,055 for each of the 190 days we are in session in a fiscal year. So if we waste another 30 days on this issue, we will have spent $8,671,650 of the taxpayers' money, in resolving an issue that we can resolve by the end of June, if we will but do it. If we cannot resolve it by the end of June, we should turn the issue over to the citizens of New Hampshire and let them have another election, which they obviously desire.

Indeed, everything I have read indicates that the citizens of New Hampshire are ready to assume this responsibility, by a margin of 9 to 1.

In response to my distinguished friend, the Senator from Alabama, this Senator is perfectly willing to be on the floor of the Senate 18 hours a day, 7 days a week, if necessary, between now and June 30, if that is essential to solving this problem, or at least resolving it. Frankly, I do not think that will be necessary.

Moreover, I will make another proposal. It has been said that the majority is concerned that an outcome in which a Member of the minority party is seated will have a negative impact upon the distribution of committee assignments controlled by the majority party. I find it hard to believe that any Member of this body would allow such extraneous considerations to affect his judgment on this issue. Nevertheless, I make this proposal: If Mr. Wyman is seated—either by the U.S. Senate or by the people of New Hampshire in another election—and if it has a negative impact upon the committee assignments of the majority party in the Senate, I will surrender my assignments to two major committees, the Agriculture Committee and the Banking Committee, to help solve the committee problem, if that is the only roadblock to achieving an equitable judgment on this matter. It should never be whispered abroad in the land that considerations of power blocked an equitable resolution on this matter.

I, therefore, make a final plea: Let us back off from this mare's nest before we plunge in beyond our depth. My amendment will strike the language before us in lines 7 through 12 and substitute the proposal to declare the seat vacant by July 1, if the Senate cannot settle it before then. I further announce that it is my intention, if my amendment in the nature of a substitute for lines 7 through 12 carries, to offer a motion to table on each subsequent division, so that the will of the Senate can be carried out in a prompt procedural manner.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and the nays were not ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BUCKLEY. Mr. President, I will vote against the Helms amendment only because at the rate we are going, I do not believe it is possible to dispose of the substantive issues between now and July 1. I believe the election should be returned to New Hampshire; but if we are to examine specific issues here, we will need time within which to do so.

(The following colloquy occurred during Mr. HELMS' statement on his amendment and is printed at this point in the RECORD by unanimous consent.)

Mr. ROBERT C. BYRD. Mr. President, the Senate has already voted on this amendment, the only difference being that, in the amendment which has now been offered by the distinguished Senator from North Carolina (Mr. HELMS), the date on which the New Hampshire seat would be declared vacant would be as of July 1, 1975; whereas, the amendment, which was offered, I believe, by the distinguished Senator from Alabama and which made the same proposal, carried a different date, that being the date of August 1, 1975.

The Senate rejected the amendment of Mr. ALLEN. We are being asked now to vote on the same proposal with the exception that the amendment carries a different date, which is 1 month earlier than that which was included in the amendment of Mr. ALLEN.

The proposal, having been very fully discussed, therefore, on the previous occasion, I wonder if the distinguished Senator from North Carolina would agree to a vote on his amendment by 1:30 p.m. today?

Mr. HELMS. Mr. President, I respond by saying that that would certainly be adequate time for me. I do not want to be in the position of precluding the rights of any other Senator, but insofar as this Senator is concerned I will not object to his unanimous-consent request in that regard.

Mr. ROBERT C. BYRD. The distinguished Senator is always most cooperative.

I ask unanimous consent that the vote occur on the amendment by Mr. HELMS at 1:30 p.m. today.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, I object.

Mr. GRIFFIN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from North Carolina yield for a further unanimous-consent request under the same understanding as before?

Mr. HELMS. So long as it does not at this point involve a motion to table.

Mr. ROBERT C. BYRD. The Senator has my assurance, at least, it does not involve that at this point.

Mr. HELMS. Mr. President, I yielded only to the Senator from West Virginia, and I am grateful for his assurance—which, of course, is as far as he can go.

Mr. ROBERT C. BYRD. Mr. President, one way to insure that there be a tabling motion would be for the Senate not to agree to a time limitation on this amendment. In view of the fact that the proposal has been thoroughly discussed—there is nothing new about this except the date, and the Senate has already made its decision on the proposal—I ask unanimous consent that there be a vote on the amendment by Mr. Helms at the hour of 2 p.m. today, with the time to be equally divided between Mr. Cannon and Mr. Helms.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, reserving the right to object, understand that the Senator from West Virginia is trying to expedite moving on these matters, and I am certain that is absolutely correct, when it comes to the fact that the elements of this particular resolution have been debated. I think that, as a matter of fact, we would probably get to a vote quicker if we do not try to reach a unanimous consent on a time limitation than if we do.

Mr. ROBERT C. BYRD. The only problem is we can get it to a vote as soon as the Senator yields, if I can gain recognition, or Senator Cannon gains recognition, if we do not get an agreement, or send it to the table. But, in order to insure 1 hour of thorough discussion of a proposal that has already been discussed thoroughly, I thought if we could get a time agreement the Senator would be assured, at least as far as I am concerned, of an up-and-down vote on his proposal.

I am sure he would rather have an up-and-down vote than to have a tabling motion.

Mr. HELMS. If the Senator will yield, that is all that the Senator from North Carolina is interested in. I want the Senators to express themselves on this amendment after such few as are present have heard what I said in the remainder of my statement.

Mr. ROBERT C. BYRD. Yes.

Mr. HELMS. I would hope my colleagues would not object to the unanimous-consent request propounded by the distinguished assistant majority leader.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, reserving the right to object, I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I only observe that in objecting earlier I was merely reflecting that there are other Senators who are concerned about time agreements, that I am trying to represent, and who will at least have to be contacted. They are not in the Chamber, and it may well be, if we can check with those Senators, that we will be able to get an agreement along the lines that the Senator is asking for, maybe even to vote earlier.

Mr. ROBERT C. BYRD. Very well.

Mr. GRIFFIN. But I cannot agree at the present time.

Mr. McCLURE. Mr. President, further reserving the right to object, I think the Senator from West Virginia and perhaps the Senator from Nevada are proceeding under the assumption that it is going to take a long time to debate the issue unless there is a time limitation agreed upon. I just do not think that is necessarily true, particularly on this issue, which the Senator from North Carolina raises in his amendment. I, therefore, object.

The PRESIDING OFFICER. Objection is heard.

(This concludes the colloquy which occurred during the delivery of Mr. Helms' speech and which by unanimous consent was ordered to be printed in the Record at this point.)

Mr. GRIFFIN. Mr. President, I ask unanimous consent that there be a vote on the amendment offered by the distinguished Senator from North Carolina, now pending, at 2:15 p.m.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I shall not object, I wonder if the distinguished Senator would agree to vote on this, because time is wasting. This proposal has been adequately discussed, more than adequately discussed. I wonder if the Senator can vote, instead of at 2:15, at 1:45. We will save a half hour in that way.

Mr. GRIFFIN. In response to the Senator from West Virginia, among the other considerations which the Senator from Michigan is taking into account are some Senators who are downtown and who will not be able to be back here before 2:15.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. GRIFFIN. Yes.

Mr. ROBERT C. BYRD. One of the two Senators he has mentioned has just walked into the Chamber. I wonder if, perhaps the other Senator may be here also.

Mr. GRIFFIN. Let me check.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. By way of explanation, Mr. President, I wish to indicate that, as the distinguished acting majority leader knows, there were some Senators down at the White House for a rather important meeting. All those Senators except one, the Senator from Nebraska (Mr. Hruska), have returned. We advised him that we thought he probably would be safe about not missing a vote until 2 p.m. He is being detained there and being honored at a luncheon. He was the chairman of the particular commission that submitted a report to the President today, having to do with changes in the structure of the judicial system. In view of the circumstances, and realizing that the Senator from Nebraska would understand, I shall not hold up the Senate for his interest alone. It might, in fact, if the other Senators have returned. Therefore, if no one else cares to speak, we can vote on the amendment of the Senator from North Carolina.

Mr. ROBERT C. BYRD. Mr. President, I certainly wish to accommodate, and I am sure my colleagues on this side of the aisle wish to accommodate, the members of the minority, if at all possible and when possible. Therefore, I ask unanimous consent that the vote on the amendment by Mr. Helms occur at 1:45 p.m. today, and that the rollcall vote last for 15 minutes, which would give the absent Senator an opportunity to get here by 2 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. I thank the Senator. I think that will work.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that Mr. Weicker has an amendment. In order that the remaining 17 minutes before the rollcall vote may be utilized by the Senate, I ask unanimous consent that the pending amendment by Mr. Helms be temporarily laid aside until the hour of 1:45 p.m. today and that Mr. Weicker be recognized to call up his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. I thank the distinguished Senator from West Virginia. I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> Strike the existing language from line 7 through line 12 and insert the fololwing:
>
> "It is the sense of the Senate that the Committee shall recount any and all precincts at any time heretofore requested by either Mr. Wyman or Mr. Durkin in the proceedings to determine the results of the New Hampshire Senatorial contest."

Mr. WEICKER. Mr. President, I will be very brief as to this amendment; in fact, go beyond it and discuss the elements of section (1).

I think we are wasting a great deal of time on various amendments, at least to this first section. I think the time has been used more effectively by answering section (1) in the affirmative and then going ahead and counting the ballots.

The original section (1) states:

> Is it the sense of the Senate that the committee should conduct a recount as requested by Mr. Wyman of the following precincts to determine the accuracy of the recount of the Secretary of State of New Hampshire * * *.

Then it lists the various precincts. Well, now, if we had answered that question in the affirmative, the job literally could have been done by the time probably we got through voting on section (2).

Now, this is just typical of the delay that is going on right now; not a filibuster by Republicans—just throw that one out the window—but the delay that is being conducted by the rather illogical actions of this entire body.

All right. There was a determination of the body that the matter should not go back to New Hampshire, and we are going to hold it down here on the floor. Well, let us get to the business that is requested in the resolution.

Obviously, we are going to agree or disagree on the interpretation of the various ballots. However, where a simple request is made like this why not just go ahead and do it. It does not involve that much work at all. In any event, in order to be absolutely fair in the application of the section, what I basically have done here is to include Mr. Durkin into this section, saying any or all precincts that he complained of since the beginning of these proceedings should come up for a recount.

As I understand it, there were protests made by Mr. Durkin in New Hampshire, and all of a sudden those sort of disappeared in the possibility of a favorable decision being accorded by the Senate; Thus, those protests disappeared, leaving Mr. Wyman with his.

All right. Let us bring them right back in again and let us have all the protests in this regard acted upon. That is the essence of my amendment. It is an effort of trying to be fair to both parties.

As I understand it, at the outset there were about 46 protests, if I am not mistaken. Mr. Millimet, who is Mr. Durkin's attorney—this is the transcript before the ballot commission—said:

> What I would like to say doing with 46 other towns, if this is to be done, there is only one place that it legitimately be done. It is in the Senate.

This is Mr. Durkin's attorney stating that.

As I understand it, Mr. Wyman had 10 protests, so that would be a total of 56. I gather two of them are similar, so you would be talking about 54 precincts.

All I am proposing to my colleagues here today is the 54 precincts which both Mr. Durkin and Mr. Wyman protested at one time or another from the outset of the proceedings be recounted.

It is a simple proposition. Let us get on to section (2). Let somebody go ahead and start doing the counting of those 54 and, believe me, before we even spend another couple of days that job will be done. It will have been done fairly to both men. Let us not put our feet into concrete on whatever the Rules Committee decided, either in the majority or minority, since we are going to follow each on our own side of the aisle the actions of our colleagues on that committee. Let us bring a little original thought into these proceedings, and maybe we can break the logjam.

What I am suggesting here is not a matter of months or weeks at all. It would be a matter of days, and we could be arguing the other provisions of the resolution and, I might add, on some of these other resolutions again this similar treatment might be applied to them. But I want this thing out of here as fast as we can get it out of here, done the right way.

I still think the right way, the most logical way, the most relevant way, would have been to have the job done by the people of New Hampshire. But, OK, I can see right now we both are there nose to nose. Nobody is giving an inch, so the essence of this amendment is to take all the protests of Mr. Durkin from the beginning of the proceedings, all of the protests of Mr. Wyman in the sense of the precinct recount, put them together and say, "All right, let us have the recount take place."

I yield to the distinguished Senator from Idaho.

Mr. McCLURE. I thank the Senator for yielding. I think he makes a couple of very valid points that ought to be underscored. One is if we really want to expedite the proceedings here and get this to a resolution, as has been said many times, a very simple matter is to stop arguing about some fine points that can be settled very quickly, and this is one of them. Rather than taking the time to argue about it, it would be much easier to recount those ballots in those precincts. As a matter of fact, I suspect if we would adopt this right now they could be counted by next Monday, if we would have somebody working on it over the weekend, as I am sure we could.

The Senator from Nevada has, as a matter of fact, raised the issue a number of times that one party or another has waived his right to have the issues raised here because at some point in the past proceedings he said:

> I do not care about that any more.

Well, as a matter of fact, the fellow who is ahead in the current situation is not going to arise an awful lot of questions, and that has been true of each of the candidates at one time or another they have been ahead. Mr. Wyman was ahead at the time of the original count. Mr. Durkin was ahead at the time of the Secretary of State's recount. Mr. Wyman was again ahead after the ballot law commission. The man who is currently ahead is going to raise fewer questions about the proceedings than the man who is behind. So at each stage of the proceedings one of these two men was behind, and he was raising more questions. When he again got ahead he dropped some of those questions.

I think it is very natural under those circumstances that at one point or another one candidate or the other has said:

> I do not care to look at that any more.

What he is really saying is:

> I am ahead and let us let well enough alone.

But I think simply to raise narrow legalistic objections obscures the fact that the Senate is trying to deny to the people of New Hampshire the right to have made the selection either last November or again now and, just as I supported the Senator from Connecticut in his effort to send it back to allow them to make their decision, make it fully and completely and openly, so I support him now in trying to determine what they actually said on November 5 when they cast those ballots originally.

Mr. WEICKER. I appreciate the comments of the distinguished Senator from Idaho.

I would like to point out—and we might discuss this for a moment—if I am not mistaken the objection—this item comes to us on a 4–4 vote, I believe, of the Committee on Rules. I believe those who objected to the recount did so, because they felt that there were certain legal impediments to Mr. Wyman's protests back in New Hampshire. In other words, that he had not made timely protest.

Well, by the resolving clause which we passed the other day, in conjunction with the majority of the Rules Committee, we did away with any such objection. It was specifically stated on the record—and I will read the new resolve:

> *Resolved*, That the Senate, applying the law of the State of New Hampshire, including statutory law, common law, and New Hampshire case law, as of January 6, 1975, without prejudice to consideration of all the protests made by either party at any stage of the proceedings, shall vote separately on each of the following issues . . .

So we, by our action, removed that particular criticism.

What I am saying is what was valid in the committee—and there I do not even think it was valid because of the agreement to the Hatfield amendment where they would hear all the protests—but still assuming there would be disagreement on that point, we cleared it up on the floor of the Senate where it was clearly agreed, regardless of what the law said, any protests made either in New Hampshire or in the committee, anything up to this point—and even there it was a question as to whether a protest could not be raised right here on the floor—was OK.

So the objection that was registered in the committee as to this item is no longer valid. That being the case, what are we arguing about? There was a point of argument in the committee. It is no longer a point of argument on the Senate floor.

I would hope—as a matter of fact, I would be glad to withdraw my amendment if we could just go ahead and get agreement on section (1) and let them go and do their counting.

As a matter of fact, Mr. Wyman's rights are not greater by one iota as to the same right to recount as those of Dr. Durkin on these particular precincts or those which he had protested at any stage in the proceedings.

So I just do not know how you can be any more logical or fair. I am perfectly willing, if that is not satisfactory, if Mr. Durkin does not want to go through that exercise, then to let us vote on the resolution in light of what we did the other day, which was to the effect that we not allow a technicality to default any protest but just say, "Take the protest and go ahead and decide it."

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from Idaho.

Mr. McCLURE. I agree totally with what the Senator said. We did make that decision after quite a lot of debate about what was meant by the resolving clause by an amendment in the clause, the preamble to this entire resolution, that says what it is we are about. The Senate has already determined that.

The Senate has already determined that, but in spite of that fact the Senator from Nevada continually raises this question about somebody has waived his right to raise this question at some preceding time.

The Senator is also very correct in that the paragraph (1), issue No. 1, presented by the Rules Commitee on a tie vote, dealt only with Mr. Wyman's request for a recount, and the Senator from Connecticut is only extending that same right to whatever other protest may have been made by either party.

That means there are 44 other precincts that would be counted, because they were at one point or another questioned by Mr. Durkin.

I think it is an eminently fair solution.

Again, if we really want to resolve this question and stop this eternal talking about it, why not just count the ballots?

Mr. WEICKER. I think the Senator makes a good point.

I know there are those who are saying, why are Republicans filibustering the issue?

We are not filibustering anything.

I want to say, as I stated before, that the motion that came from the Senator from Connecticut, which was supported by several Democrats, would have gotten this matter out of the Senate by Tuesday of this past week, and that was rejected.

Here we are, not budging, either side. It is going right down the line as to the position our various parties took within the Rules Committee.

At least, let us show some initiative here.

Obviously, whatever formula it is they arrived at in the Rules Committee it is not working very well here on the floor of the Senate.

So, as a possible way of breaking this logjam, I am suggesting we make section (1) equally applicable to Mr. Durkin so that in no wise does he get finessed out in any solution such as we are trying to develop.

Count the ballots, get it all over with.

I do not think this is the best system, but the Senate decided they would not send it back. I will abide with the decision of the Senate and try to resolve it here on the Senate floor.

I think it is obvious we are not going to resolve it by following the exact formula as set forth in the resolution by the Rules Committee. It is not going to work. We know that. We know we do not want to send it back to New Hampshire, we voted on that.

I am now saying, let us try a third course, let us take section 1, make it so it applies fairly to both Mr. Durkin and Mr. Wyman.

This does not do anything for Mr. Wyman. It just puts Mr. Durkin in section 1. Let us have somebody go ahead and count those ballots, rather than decide whether or not they should be counted, especially in light of what we agreed on the floor of the Senate. Namely, that we would not go ahead and eliminate any protest for technical reasons. Any protest anywhere in the proceedings was valid and would be attended to.

Now, if we say that, let us go ahead and do it. Perhaps as we end this week, we can end it, having taken the first positive step in counting ballots and trying to determine a winner of the Senate election in New Hampshire.

Otherwise, we close the week and say that we cannot decide it, and we will not decide it.

In this way, we will say that at least we are doing better here and going ahead to assure these ballots are being counted.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The hour of 1:45 having arrived, the question is on agreeing to the amendment of the Senator from North Carolina. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. McGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) and the Senator from North Dakota (Mr. BURDICK) would each vote "nay."

On this vote, the Senator from Washington (Mr. MAGNUSON) is paired with the Senator from Nebraska (Mr. HRUSKA). If present and voting, the Senator from Washington would vote "nay" and the Senator from Nebraska would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Arizona (Mr. FANNIN), HATFIELD), the Senator from Nebraska (Mr. HRUSKA), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

On this vote, the Senator from Nebraska (Mr. HRUSKA) is paired with the Senator frfom Washington (Mr. MAGNUSON). If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Washington would vote "nay."

The result was announced—yeas 29, nays 52, as follows:

[Rollcall Vote No. 234 Leg.]

YEAS—29

Baker
Bartlett
Beall
Brock
Brooke
Case
Curtis
Dole
Domenici
Fong
Garn
Griffin
Hansen
Helms
Javits
Laxalt
Mathias
McClure
Packwood
Pearson
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Taft
Thurmond
Tower
Young

NAYS—52

Abourezk
Allen
Bentsen
Biden
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Clark
Cranston
Culver
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Jackson
Johnston
Kennedy
Leahy
Long
Mansfield
McClellan
McGee
McIntyre
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Ribicoff
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—18

Bayh
Bellmon
Burdick
Church
Eagleton
Eastland
Fannin
Goldwater
Hatfield
Hruska
Inouye
Magnuson
McGovern
Metcalf
Montoya
Percy
Randolph
Stevens

So Mr. HELMS' amendment was rejected.

The PRESIDING OFFICER. (Mr. LAXALT). The question recurs on agreeing to the amendment of the Senator from Connecticut (Mr. WEICKER). The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. I ask that the clerk read the amendment. I will say only this to my colleagues: I intended to spend only a very few minutes explaining what is involved here, and then yield to the Senator from Nevada, and then I hope we can go to a vote. But I ask that the clerk first read the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Strike the existing language from line 7 through line 12 and insert the following: "It is the sense of the Senate that the Committee shall recount any and all precincts at any time heretofore requested by either Mr. Wyman or Mr. Durkin in the proceedings to

> determine the results of the New Hampshire Senatorial contest."

Mr. WEICKER. Mr. President, let me briefly explain what this amendment would do.

It would, in effect, inject Mr. Durkin into issue No. 1. It gives to Mr. Durkin rights which he does not have under section (1). The purpose of the amendment is to have a recount, not only of those precincts requested by Mr. Wyman, but also those that have been protested by Mr. Durkin since the beginning of the proceeding.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. WEICKER. I yield for a question.

Mr. CURTIS. Has that not been done? Is it true that this matter has been brought here, and that of those precincts that either party wanted recounted there has been no recount?

Mr. WEICKER. That is correct. In other words, Mr. Durkin protested certain precincts in New Hampshire, but did not pursue the protest before the Rules Committee.

What I am saying here is that since the Senate will not send the matter back to New Hampshire, and I have been defeated on that, and since it is obvious that we are nose to nose, and we are going right down the path set by the Rules Committee and will get nowhere that way, I suggest that we break this logjam in a fair and equitable way, and in order to do that, I seek to include Mr. Durkin under section (1).

A total of 54 precincts is all we are talking about. Let us get to the counting, and by the time we get to the third section, on the count of the ballots, we will have it out of the way.

In the committee report on the Durkin position, Mr. Durkin opposes section No. 1 for the following reasons. I think if the Senate will give me ear, I can knock them down one by one, and show that they no longer are valid here.

Mr. HANSEN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WEICKER. Durkin says:

> This request by Wyman should be denied because:
>
> (1) There is no basis for this protest, as there is absolutely no evidence to support the bald assertion that the Secretary of State's tally sheet is inaccurate;

Those are all conclusions by Mr. Durkin. I admire them. But that is no reason for action. They are all conclusions.

Here is the essence of Mr. Durkin's protest:

> (2) No timely protest was made on these ballots during the recount conducted by the New Hampshire Secretary of State; as required by N.H. law;

Now, I remind my colleagues that here on the Senate floor we agreed a couple of days ago that even if under New Hampshire law at the time, timely protests have not been made, that would not apply when the matter sits before the Senate, but that in fact we would take every protest that had been made in New Hampshire and that had been made before the committee, and we would accord it a hearing right here.

So while there was a perfectly valid reason, I am certain, why the members of the Rules Committee voted against this in the Rules Committee, that was obviated by virtue of the dialog here on the Senate floor, wherein we agreed that we would listen to these protests and try to go ahead and dispose of them.

> (3) The Ballot Law Commission unanimously ruled that there was no basis whatsoever to recount again all the ballots from these three communities;

The ballot law commission stated they were not going to do it because it was the job of the Senate. All right, I concur. I would have preferred that it be done in New Hampshire, but the matter is here. Let us do something with it.

> (4) Wyman failed to exhaust his State remedies in that he did not request the New Hampshire Attorney General, under RSA 7:6-c, or the New Hampshire Supreme Court to look into the matter;

Again the same thing applies. We negated that approach, or said it would not be a deficiency, when we established the legislative record here on the floor of the Senate, and that anyone's protest would be considered timely.

> (5) The lack of security of these 180,000 ballots stored in the National Guard Armory shed has seriously compromised the integrity of every one of these 180,000 paper ballots.

There you go. That is exactly the reason why I seek to bring Mr. Durkin back in here, among others.

Let us take a look at both sides. It is not fair to Mr. Durkin, if that is the case, just to count Mr. Wyman's ballots. But it seems to me it is fair if we bring Mr. Durkin and take every one of his protests in this sense of issue No. 1, and do the ballot counting; and that ballot counting can be done, literally, before we start debate again on this matter at the beginning of next week.

To my colleagues on both sides of the aisle, I again repeat; we have said we shall not send this back to New Hampshire. Fair enough. It must be obvious to everyone that we are going right down partisan lines, nose to nose, and getting nowhere, by following the exact format set by the Rules Committee.

What I am trying to do here, if possible, is find a third way out, where we can start to count the ballots, start to achieve a result. By the introduction of Mr. Durkin's case, it applies equally to both, and then let us have the counting start. It is as simple as that.

Failing this request, we will continue to lock horns and get nowhere. But it is not a filibuster, on my part nor on the part of my colleagues, but rather an attempt to understand the issues; but most importantly, look, I will even drop my amendment and I do not think we will have another amendment to section 1, if I can get the distinguished chairman to agree to accept section 1 and let the counting start. I do not think it is fair to Mr. Durkin if you do it that way. But the objections that were registered in the committee disappeared in the legislative record set on this floor the other day. Have it one way or the other. Either accept section 1, have the recounting begin of the 10 precincts protested by Mr. Wyman or let us bend over backward, let us bring Mr. Durkin back in section 1 since circumstances have changed, and do the counting. Heavens sake, do something.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent that David Dunn be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. McCLURE. Mr. President, I ask unanimous consent that Tom Cantrell, of my staff, be accorded the privilege of the floor at all stages of the proceedings in this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, the Senator from Connecticut has mentioned one of the reasons outlined in the portion of the committee's report which is known as the Durkin position. On page 14 of that particular committee print, item No. 4, he protests the recount on the basis that Wyman failed to exhaust his State remedies in that he did not request the New Hampshire attorney general to look into the matter.

I think it is interesting in that connection to look at the statutes of the State of New Hampshire as to what is the authority of the attorney general. The attorney general's authority is not to recount but to investigate crime, and there was no allegation made at that time of any fraud or crime in these precincts. It was only a question of whether or not there was an accurate count. Therefore, the attorney general of New Hampshire had no authority to recount those ballots, and it would have been a useless thing for Wyman to have asked the attorney general to recount something which he patently had no authority to do.

I thank the Senator from Connecticut for yielding.

Mr. WEICKER. Mr. President, one last comment: I am prepared to vote or discuss this with the distinguished chairman of the committee because I think the wrong impression is being given by both sides. I think the Democrats are giving the impression of partisanship in this matter and are just going right down the line with the decisions of the Rules Committee. I think the Republicans are giving the impression of filibustering. The Senator knows, as well as I do, we want to arrive at a fair decision, and I said that in my opening comment the other day when I was presenting the Weicker amendment to send it back to New Hampshire.

I respect the integrity, the good faith, and the fairness of every person in this Chamber. But it is what comes across on the outside that counts. These are the two images that come across; First, that which refers to going straight through, regardless of what suggestions are made on the part of Democrats; second, which refers to delaying the action, as far as they can, on the part of the Republicans.

So that is the reason why I present another way. Just one last comment:

Mr. HOLLINGS. Mr. President, will the distinguished Senator yield?

Mr. WEICKER. I will yield in 30 seconds or even less than that.

Before the Ballot Law Commission, the attorney for Mr. Durkin stated as follows:

> I would like to say I am doing this with 46 other towns. If it is to be done, there is only one place it can legitimately be done, and that is in the Senate. This Commission's power is limited, as I stated so many times.

And so on.

So, at the outset, in his initial protests, the counsel recognized this was the proper place to count those precincts.

That is all I have done in this amendment, in order to have it apply to both parties fairly. It is to do exactly what his counsel requested in New Hampshire, that which got lost in the shuffle, for whatever reason, by the time it was argued before the Committee on Rules and Administration.

Mr. President, I yield to the distinguished Senator from South Carolina.

Mr. HOLLINGS. Mr. President, if the distinguished Senator from Connecticut will yield, I will ask the question. Just having wandered in, I determined sort of not to enter into this debate, but to try to obtain and study each ballot.

Quite frankly, I have studied the record and gone along with the chairman of the Committee on Rules and Administration.

I think he was eloquent and gracious when he confirmed Gerald Ford as Vice President. He was eloquent and extremely fair when he confirmed the present Vice President (Mr. ROCKEFELLER).

But somehow recently he has become very partisan on this score. I disagree with that.

Yet I have such a respect for the Senator from Connecticut. I think I heard him make the statement, that somehow the impression is coming across out in the public that this is being filibustered.

Is there any other impression that is supposed to be extended?

Mr. WEICKER. Exactly.

Mr. HOLLINGS. We can vote this thing up or down this weekend.

Mr. WEICKER. That is exactly the point.

Mr. HOLLINGS. Yes.

Mr. WEICKER. That is the point I am trying to make with the distinguished Senator from South Carolina.

I recognize, as does everyone in this Chamber, and have stated so on all occasions, the absolute fairness and integrity of the members, Republican and Democrat, of the Committee on Rules and Administration.

It does not make any difference what the Senator from South Carolina thinks or what I think. It makes a great deal of difference what the public thinks.

It also is a fact, and I state this to the distinguished Senator from South Carolina, on my honor as a Senator, that nobody is trying to filibuster this matter on this side. Yet because we are taking time with it, it is coming across as a filibuster. That is what is important, both to the image of my party and it would seem to be also important to the image of the party of the distinguished Senator from South Carolina as to the status in this matter being partisan or nonpartisan.

Mr. HOLLINGS. I make a comment that I am trying to agree on any time limitation. I am not sure.

Mr. WEICKER. This is on the time of the Senator from South Carolina.

Mr. HOLLINGS. What is the motion to say when one commences a particular issue in the Chamber of the U.S. Senate? What is the motion to say if it is not dissolved by August 1 and then send it back, or let us quit even considering it further? I mean that motion is nothing but anticipatory to a filibuster. That is an invitation to extend the date and filibuster. That is why the impression comes across that says:

> Look, you fellows over there are in for a long hot summer, and you might as well know here and now we are going to stay here until at least August 1, and if you want to cut it off at that time to go ahead and get that summer vacation and then vote along with us, so then we can plan our vacation, you can plan yours, and we will all go home August 1.

Mr. WEICKER. The distinguished Senator from South Carolina unfortunately picked on the wrong Republican, because I voted against the motion of the Senator from Alabama. I voted against the motion of the Senator from North Carolina.

Mr. BROCK. So did the Senator from Tennessee.

Mr. HOLLINGS. Go ahead.

Mr. WEICKER. Finish.

Mr. HOLLINGS. I am glad that the Senator from Connecticut picked on these people. Maybe the Senator and I both can pick on the others.

Mr. WEICKER. I specifically stated, if necessary, we ought to stay here through the Fourth of July recess and through the summer recess. It does not bother me at all, not at all. But what is of concern to me, and I am sure is of concern to the Senator from South Carolina, is that this matter be handled fairly in the right way and that that impression be given to the American people.

The party of the Senator from South Carolina and my party, are under attack as to our credibility, not just in this, but in every other matter, and it is coming across bad for both of us. That is the only reason why I am saying, in this matter here, we better start to look for some other way out other than the amending process, which is being used here, and going down the line, which is being used over there. It is getting neither one of us anywhere.

Mr. HOLLINGS. I apologize to the distinguished Senator from Connecticut.

I had no intent to ask for a particular rollcall, or I am not looking for a protagonist.

Again, the Senator from Connecticut and I on this side, are against a filibuster. Maybe we can bring it to a conclusion because we do have a natural gas bill on the calendar, we do have an automobile fuel economy bill on the calendar, we do have a coastal zero management impact fund for offshore drilling on the calendar, and we do have an energy policy to be developed in debate with both sides and ready to move forward in the U.S. Congress, not through the Ways and Means, but by the fiscal approach, by converting the coal and with conservation we have an energy policy.

We cannot get to an energy policy because of this blooming New Hampshire debate.

Mr. WEICKER. I say to the Senator that on Tuesday we could have sent this matter back to New Hampshire without debate right away and we would be at the other business of the Nation.

Mr. HOLLINGS. I would have been glad to have done that if the Republican Governor of New Hampshire had not certified Mr. Durkin on recount. I cannot ignore that. Does the Senator from Connecticut want me to ignore what the Republican Governor certified?

Mr. WEICKER. I want the Senator from South Carolina to follow the laws of New Hampshire, and that certification was conditional upon there being no appeal by the opponent, and there was such an appeal, and the appeal was upheld.

Mr. HUMPHREY addressed the Chair.

Mr. HOLLINGS. We do not accept conditional certifications in the Senate, and the Senator knows better.

Mr. WEICKER. The Senator from South Carolina believes in the concept of States rights, does he not?

Mr. HOLLINGS. Yes, I believe in the concept of States rights, and I believe in the concept of the Constitution that says that once having certified a winner in accordance with the law, then we have to make the judgment as to whether or not he was the winner. So that is what we are doing.

Mr. WEICKER. The law of New Hampshire is very specific as to certification, conditional and otherwise, and was followed to the letter. That is the law of New Hampshire.

Does Mr. Durkin have the right, regardless of the law of New Hampshire, to come down here and appeal? The answer is yes, he does. Then the judgment is in our hands. But the legal winner, according to New Hampshire law, is Mr. Wyman. But that was not the basis of the argument, to the Senator from Connecticut, of sending it back to New Hampshire. It was that, regardless of what New Hampshire says, regardless of what the Senate says, the fair way to handle it is to let the people of New Hampshire decide. I do not think the Governor should decide or the Senator from South Carolina should decide. The people should decide.

Mr. HOLLINGS. The Senator from Minnesota courteously yielded to me, and I will just say that I am glad that the Senator from Connecticut has joined against this filibuster. But we have had a decision by the people of New Hampshire; and I cannot, under the Constitution, ignore that decision, if there has been a proper recount and if that certification of Governor Thompson is correct, and one which is presently in the possession of the Secretary of the Senate. Why should I fritter it away without giving it every study, which has been done by the Rules Committee, and make a decision? Under the Constitution, I do not see any alternative.

Mr. WEICKER. I do not know the election laws of South Carolina, but I daresay that there must be some sort of appeal process in South Carolina. There usually it, in most States. Is there an appeal process in South Carolina?

Mr. HOLLINGS. Yes; there is.

Mr. WEICKER. What the Senator from South Carolina is saying is that the initial result is the final result and there is no appeal process.

Mr. HOLLINGS. The initial result made Mr. Wyman the winner but, after the recount, it made Mr. Durkin the winner, and that has been certified.

Mr. BROCK. Come on, Senator—let us not repeat a false statement too often.

Mr. PASTORE. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator from Connecticut has the floor. Does the Senator yield?

Mr. WEICKER. The Senator from Connecticut merely points out, so that the issue does not become clouded, that in New Hampshire there was an election and a winner was declared—a winner and a loser. It is perfectly proper for the loser to demand a recount from the secretary of state. That recount was made, and Mr. Durkin was declared the winner. Then, under the laws of New Hampshire, there is an appeal to the Ballot Law Commission. The Ballot Law Commission reversed the secretary of state's count and declared Mr. Wyman the winner. That was the final step under the election laws of New Hampshire, and a certificate was issued by the Governor of New Hampshire, which was the final certificate under the laws of New Hampshire.

Regardless of who is declared the winner, the fact is that it is subject to decision by the Senate. But under New Hampshire law, there was one winner—Mr. Wyman. That is not to say it is not subject to review by the Senate, because it is. I just want the record straight on that point.

Mr. HUMPHREY. Mr. President, I want to follow up on the comments of the able and distinguished Senator from South Carolina when he indicated, as was appropriately pointed out by the able and distinguished Senator from Connecticut, that there might be at least some delay in debate here; and if you want to put a handle on it, you might call it a filibuster. I know it can be argued as to whether that is underway or not; but I remember that somebody once said that if it walks like a duck and quacks like a duck and swims like a duck, you can presume it is a duck. [Laughter.]

We have had day after day of prolonged discussion, never getting to the issues that the Rules Committee brought out to be decided by the Senate. I think 27 ballots and 8 issues have to be decided upon by this body; and no one can deny that article 1, section 5, of the Constitution puts that responsibility upon the Senate. No one in the Senate is going to enjoy that particular decisionmaking process that he has to go through. I do not have the slightest idea as yet as to how I am going to vote on some of those issues.

These issues will have to be determined after careful analysis of what we hear in this debate, what the record reveals, what the facts are. I think that the presumption that everybody is going to jump one way or the other is entirely out of order. But this I do know: There is no escaping the responsibility and no escaping at least our attempt and our effort to fulfill that responsibility.

If, after all this is through, we cannot resolve this matter, then there is another question, as to whether or not we send it back to the people of New Hampshire. However, as I recollect, we had an election, and the people of New Hampshire did vote. The question is, what are the results of the vote? The Constitution provides for that. It provides for it without any question, as to what our responsibilities are. No matter what any State statute may be, the Constitution provides that the ultimate decision as to the election of a U.S. Senator, his qualifications and so forth, is to be determined here.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MUSKIE. Mr. President, I gather that the Senator is as frustrated as I am by repeated questions from people in New Hampshire as to why we do not send it back.

Mr. HUMPHREY. That is right.

Mr. MUSKIE. Questions raised by the amendment which the Senator from Connecticut offered a few days ago.

The real question is, when do we decide, and under what guidelines do we decide, any election in New Hampshire—the one that was held last November or the one that the Senator from Connecticut would like to decide? Do we say that every time an election is decided by a margin of 12 votes or less, or 10 votes or less, or 2 votes or less, the Senate shall consider it a tie vote and send it back? Or should it be 100 votes or less, or 200 votes or less?

In other words, is the Senator proposing to us that some margins are so close that they should be treated as tie votes, whether or not they are? If the people of New Hampshire want their elections decided that way, then they can adopt legislation saying so—saying, in effect, that any election decided by a margin of less than some number shall be treated as a tie vote, in order to avoid these sticky issues, so that the Senate will not be faced with these issues. Let us look at that.

Suppose New Hampshire adopts some legislation that says that any election decided by a margin of 50 votes or less shall be treated as though it were a tie and has to go back to the voters. Then we come to this question: Suppose the next election is decided by a margin of 51. And 50 being treated as a tie vote, we begin the process all over again. We begin to argue as to whether or not there was a one-vote margin above the 50.

The point I am making is that in 200 years, this is the closest election for the Senate in the history of the country. This is the one time when an election was so close that it comes down to a matter of a couple of dozen ballots, or thereabout.

What the Senator is saying is that because that rare instance has arisen, the Senate should abandon its constitutional responsibility——.

Mr. WEICKER. I wish the Senator would speak for himself. I wish the Senator would go ahead and quote himself. I did not say that.

Mr. MUSKIE. That is how I characterize what the Senator is saying.

Mr. WEICKER. The Senator is entitled to speak for himself but not to paraphrase the Senator from Connecticut.

Mr. MUSKIE. I have heard the Senator from Connecticut paraphrasing other Senators, characterising this side of the aisle and characterizing that side of the aisle. I do not think the Senator has any exclusive prerogative with respect to figures of speech.

I say that we have a constitutional responsibility, and the decisions of the Ballot Law Commission go to the Senate on appeal, if I understand New Hampshire law. But there is also a constitutional requirement. If it is said that because we are dealing with only a handfull of ballots about which Senators across the party line are arguing, we should send it back to New Hampshire without an attempt to resolve them, as though an election had not already been held, it seems to me that is an abandonment, to put it in my words. It is an abandonment of our constitutional responsibility.

I gather that this is what the Senator is asking.

Mr. HUMPHREY. Exactly.

Mr. MUSKIE. I have not made up my mind finally on these ballot issues. Frankly, given the time that the minority seems determined to spend on other questions, I have postponed a complete study of those issues on the assumption that I may never have to decide them, that we may grind down to New Year's Eve without having decided these questions. Frankly, I suggest that the provocation to partisanship with respect to those ballots does not come from just one side of the aisle.

I agree with the Senator from Connecticut that the image that is going out of this Capitol to the country is partisanship, delay, and filibustering, and all of those characteristics traditionally associated with the Senate of the United States and Congress. We are doing the institution no good. We could do the institution a great deal of good if we would just get down to the issues that have been brought to the body properly by an established committee of the Senate, decide them, and then determine whether or not a result has been achieved. If it has not and if we are unhappy with it, then we can carry the fight on from there.

On that one point, this image, I concur 100 percent with the distinguished Senator from Connecticut.

I commend him, incidentally, for his independence of mind, as reflected in his votes on some of the earlier procedural questions. What I am saying is not criticism of the Senator, but simply a comment on this constant question that has arisen—why does not the Senate send this back to New Hampshire? I think I have a responsibility here first. Once having discharged that responsibility, if no result is indicated, then I shall support a move to send it back to the people of New Hampshire. But to ask me to do it before I have had a chance to vote on the issues which have been properly brought to this floor by the Committee on Rules is something I am going to reject every time the issue is raised, in whatever form, by Members on that side of the aisle.

Mr. **HUMPHREY**. Mr. President, I thank the Senator from Maine for stating as eloquently and as forcefully as——

The **PRESIDING OFFICER**. The Chair advises the Senator from Minnesota that the Senator from Connecticut still has the floor.

Mr. **HUMPHREY**. No, I am sorry, Mr. President. I had the floor. The Senator from Connecticut had released the floor and I had been recognized in my own right.

Mr. **WEICKER**. Mr. President, it makes no difference, I am happy to yield to the Senator from Minnesota.

Mr. **HUMPHREY**. It is a matter of procedure, because the Senator from Minnesota had the floor in his own right.

The **PRESIDING OFFICER**. The Senator from Minnesota has the floor.

Mr. **HUMPHREY**. As I was saying, the Senator from Maine has given what I believe is eloquent and forceful testimony as to what this issue is all about. The answer here for the Senate is, first of all, to debate; second, to vote upon the eight issues that have been brought to our attention by the Committee on Rules and brought here for purposes of some reconciliation or decision and, secondly, the 27 contested ballots. On our way, we may not all agree. As has been said here, we may not be able to arrive at a definitive answer. Then is the time to consider what, if anything else, needs to be done. But there is no doubt that for better than 1 week, or at least several days, we have been arguing on things that are not directly related to the issues that the Committee on Rules has found that they could not resolve and that the Senate ought to resolve.

That is what I believe the issue is. One can say that it is not delay or—I do not like to use the word "filibuster," because I think it has been used too easily in the Senate. I think there is a necessity for full debate and a matter of this consequence, which is essentially a constitutional issue, a matter of this importance deserves very careful consideration. We cannot avoid that constitutional responsibility.

I add also that a new election, when the candidates are yet alive and have not been disqualified under law, would be an abridgement of our constitutional responsibilities. It is not as if an election were held and the one who had won it was either incapacitated or was killed or passed away. The candidates are here, both of them with all of their talents and capacities.

The election results were tabulated once, recounted, and a certification as to the winner was made. Then it was in dispute before the ballot commission and from the ballot commission, it came here to the Senate, which is the only place it can go. The Senate now has the responsibility, as the able Senator from Maine has said, to dispose of these issues one way or another. Up to now, we have not heard any discussion, really, of the issues.

It is a fact that many of us are not here on the floor of the Senate, for one reason. Why? It is just a waste of time when there are other things to do. But when we get down to where we are going to discuss the issues that are in contest, and the 27 ballots, I suggest that we have everybody here and that we listen to the entire debate.

But as long as there is going to be all of this monkey business, where we are going to be arguing about extraneous issues, where we are going to be seeing if we cannot send it back or this or that—I am not accusing anybody, they have their rights, but that does not get down to the issue.

I am of the opinion that once we get to the issues, the Senators will be here. And, Mr. President, there is not a Member of this body, knowing that all of us have been elected and all of us might one day or another, or some of us, at least, be faced with the same set of circumstances, who would not have upon his conscience the responsibility to listen to the argument and to vote according to his conscience.

I listened to the able Senator from West Virginia (Mr. ROBERT C. BYRD). BOB BYRD is about as able and decent a man as we are going to find, and he is independent in his judgment. He stood up here on the floor, time after time, and argued with his own majority party, argued against some of the positions that a majority of us in this party, on this side of the aisle, have taken. I do not think anybody controls the distinguished majority whip's vote, not one bit. And I do not think anybody owns mine, either.

In fact, I have told people who have come to see me that I shall vote it as I see it. That is one of the reasons I have not participated much in this debate—one time before—because I do not think this is a place where we make some kind of partisan stand as such. But if there are going to be procedural issues of delay, then we are going to take a partisan stand until we can get down to the issues brought up here by the Committee on Rules.

I think that the Senator from South Carolina made a very valuable observation. The distinguished chairman of the Committee on Rules handled all of the problems that related to the nomination of the former Vice President, Gerald Ford, now the President of the United States. There were some of us in this body who recommended a special committee, the Senators may recall. And the chairman of our Committee on Rules said, "Let us see if we cannot handle it; we will give an honest, solid hearing and we will report our results."

He handled it, and his Committee on Rules handled it. And everybody here stood up and praised the Committee on Rules and praised, particularly the chairman.

Then came the nomination of the distinguished Vice President, Mr. ROCKEFELLER, a highly contentious nomination. I was one who was for him, said so early. But the distinguished chairman of the Committee on Rules conducted those hearings. Those hearings were held over a period of time and he stuck with his job and brought in that recommendation, an overwhelming vote of confirmation.

I think if I can trust the chairman of the Committee on Rules as to who is going to be President of the United States, and as to who is going to be Vice President of the United States—and that is what it boiled down to—I think I can afford to trust some of his judgment, at least. At least I can afford to trust his recommendations, or at least I can afford to trust those issues that he thinks we ought to resolve. I think I can do that on the basis of one U.S. Senator from New Hampshire or any other State—not in any way to downgrade the importance of any Member of this body. But we have trusted and placed our faith in the procedures of the Committee on Rules on two of the most important issues in our history.

Never before in the history of this Republic have we had the set of circumstances that we have today, with a President and Vice President, both of whom have been selected under the 25th amendment, both of whom have had to be processed by the Committee on Rules, both of whom have had to look to the chairman of the Committee on Rules. And in both of those two instances, there is not a Senator here who will fault the chairman of the Committee on Rules or the procedures that the committee followed. Not one of us.

In fact, every one of us, privately or publicly, has praised the chairman and the committee.

Now we come down to a senatorial election in which the vote on a recount went to Mr. Durkin, in which the original vote before the recount went to Mr. Wyman, both good men. But, under the law, the recount was asked for and the recount gave it to Mr. Durkin, and that election was certified to the U.S. Senate. The procedures have been followed according to law, according to New Hampshire law, according to congressional precedent, and according to the Constitution of the United States which is above any statute, any statute. That is the binding law, that is the supreme law of the land.

As the Senator from Maine has said, until we have done our duty under article I, section 5, I believe it is, of the Constitution, until we have done our duty, we cannot in any way push this aside. We cannot say "away" or "begone."

The easy thing to do would be to do it. The easy thing to do would be to go back to New Hampshire and do it all over again. But that is not what we are here for, and I want to say if it went back to New Hampshire the circumstances in the months ahead are different from the circumstances at the time of the election. You cannot replay that. There are not even the same people there nor the same economic and political conditions.

I hope we can proceed with the regular order, and if we want to show that this body is responsible, if we really want to show the public that we know what we are doing and that we are very sincere in our responsibilities, I suggest that we call up the respective sections of the resolution that is before us and start to argue it, debate it. If it takes time, so it takes time. I am not opposed to the fact that it takes time to discuss each of the eight issues. But let us get them up.

I have got one other suggestion. If we really want to make sure we are not delaying, let us have an agreement upon time. We have agreed upon time on every conceivable bill around here. We have agreed upon time on the defense appropriations; we have agreed upon time on practically every measure.

If the time is 5 hours, 6 hours per issue or 5 hours, 10 hours per ballot, let us agree upon something, and then we can at least say to the public that we know what we are doing.

Senators will be able to schedule their time accordingly. We will be able to tell our people who come to see us, "Look, this is our responsibility. There is a 5-hour debate" or a 4-hour debate or a 2-hour debate "on a particular issue, and I want to be there and hear it." Because when those issues come up I think we ought to be here. I think we ought to be here, but if you never know when they are coming up, if you never know how long the debate is going to last, if you have no idea what is going to occur, you know what is going to happen, we are going to do as we always do. We will do what we have available to us in our offices, in our respective assignments. We will take care of what we need to do there and we will not be here.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PASTORE. I have been coming onto the floor for the past week, and I have not seen a ballot yet. Let me repeat, I have not seen a ballot yet. I have heard a lot about whether we should go back to New Hampshire or stay here in Washington, but I have not seen a single ballot and, as I understand it, that is the issue before the Senate now. There are certain ballots where there was a tie vote, and they have come back to get a decision before they can start counting, and I understand that the committee has not counted yet. They do not know who won and who lost. They want to find out what the Senate feels about these disputed ballots.

Once they have decided that, I understand they will go back and make a count. If you do not like the count then we will come back here. If it comes out even we will send it back for another election.

Mr. HUMPHREY. Exactly.

Mr. PASTORE. If it does not come out even we will stand up and say whether it is Wyman or Durkin. But give us a chance to say. That is all we want to hear. We want to reach a decision, and all we get is this gobbledygook about section (1) and section (2), and we are reading the statutes of New Hampshire. Let us look at the ballots.

I have been here for a week, and I have not see a ballot yet, and I would like to see what a New Hampshire ballot looks like.

Mr. CURTIS. Mr. President——

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I would be glad to yield the floor.

Mr. McCLURE. The Senator made a misstatement of fact, and I am sure he would not want to leave a misstatement in the Record.

The Senator, in his very eloquent remarks, said that we have not dealt with any of the issues yet.

Mr. HUMPHREY. That is correct.

Mr. McCLURE. That is not correct. The Senate yesterday dealt with issue No. 8 which is in the resolution. It was debated at length.

Mr. HUMPHREY. I stand corrected; the Senator is correct. I am speaking basically of what the Senator from Rhode Island has said about what are the fundamental issues about these ballots. We are supposed to make some advisory recommendations, some comment on those.

Mr. McCLURE. Mr. President, will the Senator yield for another question?

Mr. HUMPHREY. Yes.

Mr. McCLURE. The Senator suggested that we take the resolution and go through it.

Mr. HUMPHREY. I am for that.

Mr. McCLURE. The first eight issues do not involve looking at a single ballot.

Mr. HUMPHREY. All right, let us go at it then.

Mr. McCLURE. That, I think, is exactly what the Senator from Connecticut has said right now.

Mr. HUMPHREY. Let us start with issue No. 1 and run right on down, and then let us run down the ballots. Let us not make something that is uncomplicated, complicated.

The issues are there. They are there, and they can be voted upon.

Mr. CURTIS addressed the Chair.

Mr. HUMPHREY. I think the only thing here to do is to proceed accordingly.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. I would like to, if I might, respond to just a couple of points raised in this debate.

This amendment of the Senator from Connecticut has nothing to do with sending the election back to New Hampshire. It has nothing to do with sending the election back to New Hampshire, let me repeat. It has nothing to do with sending the election back to New Hampshire by August 1 or July 1 or by any other date.

Both the distinguished Senator from Minnesota and the distinguished Senator from Maine should understand that what the Senator from Connecticut is doing in this amendment is to have the matter decided by the U.S. Senate. I abide by the decision of my colleagues, which was made on Tuesday, not to send it back to New Hampshire.

What I have done here is to suggest that in section (1), not as a procedural matter but as a matter of substance, that those precincts requested by Mr. Wyman to be counted have added to them those precincts requested by Mr. Durkin, and that the counting process start and it proceed while we are deciding the other issues. That is what was requested, not an abrogation of our constitutional authority.

Point No. 2: Just to keep the record straight, and I think it is important even though sometimes what we say seemingly acts against us, if the distinguished Senator from Minnesota is going to refer to an election won by Mr. Wyman and a recount won by Mr. Durkin, then he ought to at least close the New Hampshire ring and say that the recount of the recount, which is by the ballot law commission was won by Mr. Wyman. That is a fair presentation of all the facts. It does not say it is not subject to review by the Senate but it is an accurate description of the facts to close the ring and give all the steps of the procedure.

To my distinguished friend from Maine, I would only ask this: If I am not mistaken, at the present time in a House election in Maine a protest has been filed. I would ask the distinguished Senator from Maine what the action of the House has been in that matter. If I am not mistaken, it is to seat the current winner, although they have not given up their right to make a final determination. Have we used the same procedure here in the U.S. Senate?

Mr. MUSKIE. May I say to the distinguished Senator from Connecticut in this case there were two certificates of election. The Durkin one arrived first, and the Wyman one arrived second. My recollection as to the details is not as sharp as it was at the time of that debate. But that circumstance did not obtain in the First District race of Maine at all.

Incidentally, I am not involved in that procedure, and I am not familiar with the issues that have been pursued.

May I say, in addition, in the Senate we did the same thing. We seated the distinguished Senator from Oklahoma, Senator Bellmon, even though his election was challenged. The Oklahoma Senate seat and the First District seat in Maine are comparable situations. This New Hampshire thing is an entirely different problem as I saw it then and as I still see it.

Mr. WEICKER. I am glad the distinguished Senator from Maine has raised the Oklahoma election, because that is the whole problem here because, in fact, we are dealing with a matter of numbers.

The distinguished Senator from Oklahoma (Mr. Bellmon), even though he was being protested, won his election by a fairly substantial margin of thousands, and yet we did the traditional thing, we went ahead and seated him without prejudice to Mr. Edmondson. But apparently there is a difference in the numbers game here. So we did not do that insofar as Mr. Wyman was concerned. There were only two votes. But the principle——

Mr. PASTORE. Mr. President, if the Senator will yield at that point——

Mr. WEICKER. I will not yield at that point. I will be glad to yield later to my distinguished friend, but let me finish the thought. The fact is there should have been no difference in treatment between Mr. BELLMON and Mr. Wyman. The difference came about not on any basis of principle but on the two votes and the several thousand votes there in the respective cases.

Had there been an element of consistency, both men should have been seated and to allow the appeals to go forth, just as in the case of Maine the Democratic House seated the Republican Congressman subject to the appeal of the Democratic loser. But this is what is so unusual about what is going on here. It is to defy both our tradition and logic and, obviously, the inference is going to be raised as to an element of partisanship there, and I stated before, as I stated at the outset, I know that that partisanship does not exist. But what I know and the image that is given are two entirely different things.

Mr. HUMPHREY. Will the Senator yield?

Mr. WEICKER. If I can just finish this point, then I will be glad to yield.

Mr. HUMPHREY. Just for a correction of the RECORD, with the distinguished Senator from Idaho and myself, if the Senator would.

Mr. WEICKER. I yield.

Mr. HUMPHREY. I know that the Senator from Idaho asked the question in good faith, and I attempted to answer it that way.

As I recollect, what we did the other day was to add a section 1-A which is similar to No. 8 in the issues, but 8 is still there, so that 8 has not been disposed of. The eight issues are still there.

I just consulted with counsel and I believe that is correct. The eight are still there to be voted on.

Mr. McCLURE. Will the Senator yield?

Mr. HUMPHREY. But may I say, if the Senator is prepared to stipulate that the vote the other day on 1-A is to take place of the issue No. 8, we would be very happy to accept it.

Mr. McCLURE. Will the Senator yield so that I may respond?

Mr. WEICKER. In order to clarify it, yes.

Mr. McCLURE. I thank the Senator for yielding.

I think the Senator may have misunderstood what I said because the Senator from Minnesota had indicated we never had dealt with the issues.

Mr. HUMPHREY. With the eight issues.

Mr. McCLURE. Not heard one word of debate, and I was saying he was in error on that question, because we had debated the issues contained in No. 8, there was a vote on that and the Senator from Minnesota voted on that.

Mr. HUMPHREY. Yes.

Mr. McCLURE. Is that not correct?

Mr. HUMPHREY. The Senator from Idaho is essentially correct, but we did not vote on No. 8. What the Senator from Minnesota is saying is, we had not voted on the eight issues, we did vote on an issue similar to 8, 1(a). If the Senator from Idaho will get his colleagues to stipulate that vote shall take precedence to No. 8, we have made progress.

Mr. WEICKER. I believe I have the floor.

Mr. HUMPHREY. I believe that would be very helpful.

Mr. WEICKER. I think the point being made is that we are not in the process of a procedural debate and if Senators are not on the floor because they think we are not involved in procedural debate, they have made a very sad mistake.

We are discussing issues, in this particular case the issues we are discussing—I will read it so there is no mistake:

> (1) Is it the sense of the Senate that the committee should conduct a recount as requested by Mr. Wyman of the following precincts?

Which it lists.

The Senator from Connecticut has said to that, I want to add also those precincts protested by Mr. Durkin and let us get on to the count.

There is nothing procedural about that one. There is no forgoing of our constitutional authority. That gets to the essence of the question raised in section (1).

One point which I think important to reemphasize day after day is the matter of fulfilling our constitutional obligations.

The Constitution of the United States provides that this body shall determine the qualifications of its Members. Nowhere in that Constitution does it state how that shall be done.

I have stated all along in my arguments, the arguments to send it back to New Hampshire, or what have you, that this power is vested here, it is absolute, it should not be whittled away at, changed any way whatsoever, that what can be changed, what can be innovated relates to how we exercise that power.

It used to be that these matters were decided by a rules committee or a special committee. That does not mean to say it has to be resolved that way in the year 1975.

If, indeed, the issues are so complex and confusing as they present themselves, and we have clearly shown, I think, over 5 days, then it seems to me we best exercise that constitutional responsibility by allowing the people of New Hampshire to make a decision.

So let us just get aff the constitutional kick. I have heard it up and down the line and it holds no water.

We have that authority in this body; how we exercise it. Where in the Constitution does it say it shall go to the Rules Committee, where does it say in the Constitution it comes to the floor of the Senate?

It is absolutely mute on those points. Where, anywhere, does it set forth the procedures to be followed in fulfilling that obligation? Nowhere in the Constitution.

What I am saying to my colleagues today is there are better ways.

Again I repeat, I abide by the decision not to send it back to New Hampshire, but it seems to me there is nothing wrong with saying in section (1) that we can best resolve this particular issue by having the count started, by having the ballots counted, the ballots of both contestants, and hopefully providing a way out of this rock and the hard place we are presently in.

Now, I yield to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I have news for some people. I am not unbiased. I am a partisan. I am prejudiced. I am not without bias. I would like to see Mr. Wyman seated, and I ask every Senator here who he would like to have seated.

I do not think there is anyone who can stand here and claim such purity.

The test is, do we carry on this contest fairly and are we honest? On that, I think everybody is.

I accuse no one of being unfair, nor do I accuse anyone of being dishonest, because I would resent that. That is one thing that every man has that is worthwhile, his own honor.

But I am not a purist from the standpoint that I do not have prejudice in this. I do.

Having said that, I want to say that we are going to win this fight. I believe that we are going to win the fight, because we are rapidly winning it in the court of public opinion. After all, that is the highest court in this land.

For days we have heard speeches over here, why, if we send it back to New Hampshire, we are shirking our duty.

Mr. President, on two occasions the Senate of the United States has declared a seat vacant and it has gone back for a new election. The case of Vare of Pennsylvania, 1926, and Smith of Illinois. In both instances they declared the seat vacant.

Well that voting has already gone by. But there is just an accumulation of things that prove to me that the Wyman forces are going to win this case.

Let us look at the certificates that have been sent here. The certificate that said Mr. Wyman was elected was dated on November 27.

Then the Governor said Mr. Durkin was elected Senator.

The resolution at the time before the certificate was authorized said that the Governor and council make this certification, aware of the rights of appeal to the State ballot law commission contained in RS 68.

That procedure was gone through and then the certificate that said Louis Wyman was elected was dated a month later, on December 27.

Mr. President, if any Senator signed a document and everybody was aware that there was further procedure, a month later he signs a second document making another decision, which one prevails?

You do not have to be a lawyer to do that. Every citizen on Main Street in the United States knows that it is the last certificate that counts.

If one believes that it was the first certificate that counts, they should have come in and seated Mr. Durkin and then proceeded with the contest.

It was not dishonest; it was not unfair. But I will say this, it was a tactical error. Every State is entitled to two Senators, and 6 long months have gone by and a sovereign State has been denied 50 percent of its representation in this body.

Those of us who believe that the last expression that counts likewise should have contended, and I think we did, that Mr. Wyman should have been seated. He had a valid certificate. It was the last expression, and he should have been seated. We would have then proceeded with this contest.

There are a lot of reasons why I say we are winning this fight.

I went out to a dinner last night. I was rather irritated, because several people came up to me—they were not my constituents—and asked, "Why is the Senate wasting time? Why do they not send that back to New Hampshire?"

In each instance I had to explain that I had voted to do that three or four times. But it was notice to me that the court of public opinion not only has a sense of justice, but is a lot smarter than some of us elected officials.

Either this Senate should have seated somebody and then proceeded with the contest, or it should have quickly sent it back to New Hampshire. We have denied the sovereign State one-half of its representation in this body for 6 long months.

Is it not strange that no one arose and proposed that they seat Mr. Durkin during the pendency of the contest?

Mr. HUMPHREY. Will the Senator yield at that point?

Mr. CURTIS. I shall in a moment.

Mr. HUMPHREY. I want to say that he has expressed the concern of many of us over the lack of representation which the State of New Hampshire is entitled to, two Senators. That is a matter of grave concern.

But I would like to say why I personally, as one Senator, felt we were proceeding in the proper way by not seating either Mr. Durkin or Mr. Wyman, because of the unique circumstances in which there were two certifications.

Had we seated Mr. Durkin, I can imagine the uproar there would have been with the ballot law commission having subsequently certified Mr. Wyman. Had we seated Mr. Wyman, we can rest assured that there would be an uproar on the other side. What we did was the fair thing to do, and I think it was from the point of the Senate, itself, to withhold the seating of both of the gentlemen and then to hopefully resolve it—we thought we might be able to resolve it much more rapidly than we have—by the action of the Rules Committee. That is why I think any further delay would be most unfortunate.

I come back to what I said earlier. If the Senate is unable to resolve this, then, of course, there is but one thing to do: That is to take a look at whether or not there should be another election.

Mr. CURTIS. Mr. President, I do not think there is a Senator present who, if he attaches his name to a document knowing there were further legal steps that had to be taken and then a month later signs a new document, if that were his own act, would ever contend for the argument that there are two certificates there.

That expression has a different political background. If often happens in connection with the election of delegates to a national convention. There will be a group meet in a State and they say, "We are the convention of x party," and so they elect some delegates. Then another group will meet in convention and say, "We constitute that party," and they send some delegates. So they get to the convention and there are two certificates.

This is not a case like that. These certificates are signed by the same individual. These certificates are authorized by the same State officials in each case.

Mr. McCLURE. Will the Senator yield?

Mr. CURTIS. I yield.

Mr. McCLURE. I think the Senator from Nebraska has put his finger on a point which has been raised with regard to the certificate that should be nailed down.

I believe the point is this: There are not two certificates; there is only one, and that is Mr. Wyman's. Mr. Durkin's certificate was rescinded and revoked, both by the ballot law commission, because of the change in the counts and the declaration of winner by the ballot law commission, and before that had been revoked by the Governor and counsel because the secretary of state's recount was acknowledged by him to have been incomplete.

I believe it should also be noted that Mr. Durkin asked a three-judge Federal court to reinstate his certificate, not to declare it valid but to reinstate it, because he knew it had been revoked. That was denied by that court in the petition by Mr. Durkin.

So let us not get misled by the talk of two certificates. There is only one certificate before the Senate.

Mr. CURTIS. Mr. President, I realize that we are about to vote and I will be very brief. If Senators will look in the book of hearings, they will find on page 12 the same identical names as on page 19, the appropriate State officers who authorized the issuance of a certificate. The same Governor signed them.

Are the brilliant lawyers in this body going to take the view that when the same people issue a document and then issue a second document, that it is the first one that counts?

Not at all. The last word of a legislative body is the one that prevails. The last answer to a question is the one that prevails.

We do not have competing certificates here. Competing certificates arise when they come from two different sources.

Mr. President, in closing, I just want to call attention to this: There are not many people here to hear this, but somehow we are all present when we ourselves speak. That reminds me of the man going down the street talking to himself. Someone said, "Why do you talk to yourself?" He said, "There are two reasons. I like to talk to a smart man, and in the second place, I like to listen to a smart man talk." (Laughter.) So we are never absent when we talk.

I wish this Chamber were filled and would read the content of the amendment before us. It says, if I understand it, let us take all of the disputed precincts that either side claims and have them recounted.

How can those who are clamoring for this body to exercise its responsibility vote against the pending resolution?

Mr. WEICKER. I thank the distinguished Senator from Nevada. Does the distinguished Senator from Nevada care to comment? If not, I am prepared to vote.

Mr. CANNON. I have a few comments, if the Senator has concluded. First, I point out on the legal situation with respect to the certificates, that under New Hampshire law an appeal can be made from the recount of the secretary of state to the ballot law commission. The ballot law commission then acts. If after the review by the ballot law commission the result shall have been changed, then the ballot law commission is charged under the statute to declare that that person was the winner.

Then the statute goes on to say:

> The decision of the Ballot Law Commission under this paragraph shall be subject to appeal as provided in section 11 of this chapter.

So we do not have any final decision at all. Now, section 11 of this chapter provides, in part, as follows:

> There shall be an appeal to the supreme court from the decisions of the ballot-law commission made under paragraph II, section 4 of this chapter, as provided in this section and not otherwise.

It then goes on to the procedural details, and then says:

> It is hereby declared to be the legislative intent to provide no appeal under this section in the cases of contested elections for the offices of United States senator, representative in congress, state senator or representative to the general court in view of the constitutional provisions vesting in both houses of congress and both houses of the general court exclusive jurisdiction over the elections and qualifications of their respective members.

Mr. President, that makes it quite clear that the decisions of the State of New Hampshire Ballot Law Commission and the secretary of state are not final under the circumstances as they appear here. No one contends that the Senate does not have jurisdiction to do whatever it wishes to do in this matter, and there has been no legal argument attempted to be advanced.

But I have advanced the argument that both of the parties raised all of their objections at the time of the recount by the secretary of state, and additional objections that they raised at the time of the hearing before the ballot law commission.

I made that very clear, and read from Mr. Brown's statement, this morning. He had first raised a question on these first 10 precincts.

That is raised in Dort Bigg's letter—he is another lawyer for Mr. Wyman—on November 27, 1 day after the recount by the secretary of state. He raised the question on these 10 precincts set forth in this first issue, and went on then, before the ballot law commission, and satisfied himself as to what has happened in 6 of those precincts, and stated that he waived his protest as to those precincts.

That was on December 4; 16 days later, on December 20, he came in and said, "We have satisfied ourselves on these four protests."

What the Senator is suggesting here now is that we have to go back and have a recount of a recount, after the attorney for Mr. Wyman——

The **PRESIDING OFFICER**. The Senate will be in order.

Mr. CANNON (continuing). Had said "we are satisfied as to these 10 precincts."

Senator WEICKER has raised a so-called red herring issue by saying "I am going to include Mr. Durkin's protest."

Mr. Durkin's protests were all settled, too, with respect to any precincts before the ballot law commission. That is why we have no question here on those issues.

The suggestion, I understand, was made earlier that Mr. Durkin had protested 46 precincts, I believe, and requested a recount. That is not the fact. I regret, as I said earlier, that some of the people who are involved in this proceeding did not participate in the hearings themselves. I read from the record of the hearings before our committee, page 1347:

> Mr. MILLIMET. Well, Mr. Chairman, it is distressing to me, but I think the matter has been misstated here, particularly with reference to what our position was. Maybe Mr. Brown did not understand it.
>
> We never at any time protested any precincts, except Salem and Conway, and we did it on the record on the tally sheets. Now, this statement that we were asking to recount 46 precincts was just an argument that I made just two or three pages beyond where the chairman read; on page 113 of the transcript of December 20, 1974, I said that if the rulings permit the inquiry into the count which Mr. Brown has requested, or into the Amherst vote, or into the Seabrook registration, you will have very, very substantial evidence on all these issues, and we have, I think, variations in the count in 46 precincts which bother us. Now, that is all I ever said about the precincts. I never went beyond that. It was just an argument.
>
> We did request the checking of Salem and Conway and the answer which the commission—they did not reject these requests out of hand, they gave it consideration, and the answer which they gave to me is the perfect answer to Mr. Brown's request here, and it is—by Senator Allen's question.

Mr. President, that is the situation. We have no requests to recount any precincts by Mr. Durkin, and we think we do not have any—I think we do not have any—by Mr. Wyman, because his attorney went through it before the Ballot Law Commission, and was satisfied—and I read it into the record this morning—very clearly, I think, satisfied as to the question on each of those 10 precincts.

So I merely submit, Mr. President, that if we are going to get involved in the situation that we are going back and have a recount of a recount, and next week we will have a recount of a recount of a recount, and so on, ad infinitum, I submit, Mr. President, that the Senate should reject this amendment, and should also vote "No" on issue No. 1.

Mr. WEICKER. Mr. President, the distinguished Senator from Nevada characterizes the amendment, or the substance of the amendment, of the Senator from Connecticut as a "red herring" insofar as bringing out the 46 protested precincts of Mr. Durkin is concerned. Then he states, and reads from the record, where Mr. Durkin's counsel states that, yes, they definitely had doubts as to the results in 46 precincts.

That is all I have stated. That is exactly what was stated by Mr. Durkin and/or his counsel.

I am saying he should have the ability to bring those up for a recount, just like Mr. Wyman. If, indeed, that is a "red herring" according to the Senator from Nevada—and that is the term he used—I am perfectly willing to withdraw the amendment, we will forget the 46 precincts as if there never were protests or they never existed, as alluded to, anyway, by the distinguished Senator from Nevada, and how about just all agreeing that we pass on section (1) as it stands in the resolution? Would the distinguished Senator from Nevada agree to that?

Mr. CANNON. I would be very happy to have the Senator withdraw his amendment and take a vote up or down on section (1).

Mr. WEICKER. With the Senator's support, I would immediately withdraw the amendment, and I will go for an up or down vote on section (1) as long as I would have the support of the chairman.

Mr. CANNON. No, I am not at all surprised that the Senator would be glad to have an immediate vote on every one of these issues if I would vote with him as he sees the question.

I have been studying this matter for a number of months, and I think I know as much about it as the Senator does. I am not about to say I will support his position if he will agree to let me have a vote.

Mr. WEICKER. Of course, my purpose on section (1)—and I think this is important to point out to the Senate—is not a vote for Wyman. It merely states the precincts shall be recounted. That is all it states. Let us make it clear that this is all that is being objected to here, just the fact that there cannot even be a recount, which is what we are supposed to be doing here.

The Senator from Nevada keeps talking about a recount of a recount. What is it that the Senate has been asked to do here? To have a recount. All I am saying is, if that is what is going to take place, let us have it, and let us be certain we are fair and give to Mr. Durkin the opportunity to bring in those districts or precincts which, by his own admission and the admission of his counsel, were deemed questionable in raising the issue. That is all I am asking.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. CANNON. The Senator is certainly misinterpreting my position if he says I am suggesting a recount. I say this has been recounted to death; let us have some voting.

Mr. Durkin decided there was no further need for a recount. Mr. Brown decided there was no further need for a recount, at least of these precincts. The Senator has seen the Dort Bigg letter, at least I read it into the RECORD this morning, in which he responded to every point Mr. Wyman's lawyer had raised on November 27.

Mr. WEICKER. Mr. President, I am prepared to vote if the Senator from Nevada is ready to vote. I would hope that we might, in the course of our debate on the substance of these various divisions, consider what strikes me as the important fact that there are more than just two ways of resolving the question, more than just either going back to New Hampshire or following down the lines of the Rules Committee.

This is one attempt of innovation. I do not deem it to be a perfect answer. But I know one thing. It is fair to both men.

I do not know how it is going to come out. Regardless of what happens here, I would hope that such a thing would be applied to sections to come after.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. WEICKER. Yes.

Mr. McCLURE. I thank the Senator for yielding.

I, too, am prepared to vote on this issue. As a matter of fact, for the last hour and a half we have been talking about a great many things that really are not pertinent to the amendment, which is now pending, of the Senator from Connecticut.

But it seems to me that when you talk about, as many have talked about, the constitutional responsibility of the Senate to look at this election and to make a determination that constitutional responsibility does exist, but it exists to look at all areas of uncertainty in that election.

The Senator from Nevada is suggesting that the constitutional responsibility of the Senate is somehow confined by what may have been said, agreed to or objected to by other parties at other times.

If our constitutional responsibility is so confined, then certainly it is confined by the certificate issued by the Governor of New Hampshire, pursuant to the laws of New Hampshire, by that certificate which said that Mr. Wyman was the winner. If we are not confined by that certificate, then certainly we have the obligation to look at areas of uncertainty, which have been defined at one time or another by one of the parties to this contest, regardless of whether or not they may have at some other times said, "Well, we don't necessarily want to push that any further than we already have."

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. WEICKER. I yield to the distinguished Senator.

Mr. ROBERT C. BYRD. Would the Senator consent to a vote on this amendment at 3:30 p.m. today?

Mr. WEICKER. I am prepared to vote right now.

Mr. ROBERT C. BYRD. Very well.

Mr. WEICKER. I am prepared to vote now.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LONG. Mr. President, would the Senator be willing to see if he can get consent to vote on the unemployment insurance bill after we dispose of this amendment?

Mr. ROBERT C. BYRD. Yes. I certainly will try.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

(At this point Mr. McClure assumed the chair.)

Mr. MANSFIELD. On this vote I have a pair with the Senator from Alaska (Mr. Stevens). If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Hawaii (Mr. Inouye), the Senator from Masachusetts (Mr. Kennedy), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), and the Senator from West Virginia (Mr. Randolph), are necessarily absent.

On this vote, the Senator from North Dakota (Mr. Burdick) is paired with the Senator from Oregon (Mr. Hatfield). If present and voting, the Senator from North Dakota would vote "nay" and the Senator from Oregon would vote "yea."

On this vote, the Senator from Washington (Mr. Magnuson) is paired with the Senator from Michigan (Mr. Griffin). If present and voting, the Senator from Washington would vote "nay" and the Senator from Michigan would vote "yea."

I further announce that, if present and voting, the Senator from West Virginia (Mr. Randolph) would vote "nay."

Mr. HUGH SCOTT. I announce that the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Senator from Arizona (Mr. Fannin), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from Maryland (Mr. Mathias), and the Senator from Alaska (Mr. Stevens), are necessarily absent.

On this vote, the Senator from Michigan (Mr. Griffin) is paired with the Senator from Washington (Mr. Magnuson). If present and voting, the Senator from Michigan would vote "yea" and the Senator from Washington would vote "nay."

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from North Dakota (Mr. Burdick). If present and voting, the Senator from Oregon would vote "yea" and the Senator from North Dakota would vote "nay."

The result was announced—yeas 32, nays 47, as follows:

[Rollcall Vote No. 235 Leg.]

YEAS—32

Allen
Baker
Bartlett
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Curtis
Dole
Domenici
Fong
Garn
Hansen
Helms
Hruska
Javits
Laxalt
McClure
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Taft
Thurmond
Tower
Weicker
Young

NAYS—47

Abourezk
Bentsen
Biden
Bumpers
Byrd, Robert C.
Cannon
Chiles
Clark
Cranston
Culver
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Jackson
Johnston
Leahy
Long
McClellan
McGee
McGovern
McIntyre
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Ribicoff
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, against.

NOT VOTING—19

Bayh
Beall
Bellmon
Burdick
Church
Eagleton
Eastland
Fannin
Goldwater
Griffin
Hatfield
Inouye
Kennedy
Magnuson
Mathias
Metcalf
Montoya
Randolph
Stevens

So. Mr. Weicker's amendment was rejected.

Mr. BARTLETT. Mr. President, I call up my amendment at the desk.

The PRESIDING OFFICER (Mr. McClure). The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Oklahoma (Mr. Bartlett) proposes an amendment:
>
> In lieu of the language proposed on page 1, lines 7 through 12, substitute the following: "It is the sense of the Senate that a complete recount of the machine and paper ballots cast in the November 5, 1974, New Hampshire election for a seat in the United States Senate be conducted by the Senate Rules Committee, the report of the committee to be submitted directly to the Senate for its consideration."

Mr. ROBERT C. BYRD. Will the distinguished Senator yield to me for a unanimous-consent request, with the understanding that he not lose his right to the floor?

Mr. BARTLETT. I yield to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

UNANIMOUS-CONSENT AGREEMENT—ORDER OF BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I propound the following unanimous-consent requests: I ask unanimous consent that at this time the Senate proceed to the consideration of Calendar Order No. 197, H.R. 6900, an act to provide an additional 13 weeks of benefits under the emergency unemployment compensation program; that there be a time limitation on the bill of 40 minutes, to be equally divided between Mr. Long and Mr. Curtis; that there be a time limitation on any amendment thereto of 30 minutes, to be equally divided in accordance with the usual form; that there be a time limitation on any debatable motion or appeal or point of order, in the event the Chair should submit such point of order to the Senate for its discussion, of 10 minutes, to be equally controlled in accordance with the usual form; that no nongermane amendments be in order, with the exception of two amendments by Mr. Long and one amendment by Mr. Curtis; provided, further, that a vote occur on final passage of that measure not later than 5:45 p.m. today; that upon the disposition of that measure, the Senate resume consideration of the New Hampshire election dispute; that the distinguished Senator from Oklahoma then be recognized on his amendment; and that there be a time limitation on that amendment of 30 minutes, to be equally divided between Mr. Bartlett and Mr. Cannon.

Mr. JAVITS. Mr. President, reserving the right to object there are a number of points to be clarified before we can be in agreement. There are some points to be decided. One is as to the time "in opposition." I hope there is not going to be any opposition, but I think it is fair to say that Senator Curtis and Senator Long are together on this bill. Therefore, all we need is Senator Curtis' assurance that the time will be yielded to any of us who have questions about the bill—the Senator will be in charge of it, but it will simply be allocated fairly.

Mr. CURTIS. That is very agreeable.

Mr. JAVITS. Second, Mr. President, we want to know what the amendments are, what is the substance of the amendments, because for practical purposes, material debate would be cut off.

Third, just so I state everything I have on my mind, I think it should be made clear to the Senate that even if we agree to a time to vote, we may not necessarily vote at that time, because rollcalls may intervene. Even though we known what the amendments are and are perfectly willing to limit the time for debate on the amendments, one or more of us may be opposed to the amendments. Therefore, it may be necessary to allow time for a vote on a particular amendment without aborting the opportunity to explain another amendment.

I lay those questions before the assistant majority leader, because they are serious to this Senator.

Mr. ROBERT C. BYRD. On the last question, if the Senator will allow me, I believe, if the agreement is accepted, this will allow 2 full hours exactly, from this minute, on the measure. That should accommodate debate on the measure and on the three amendments. If we get down to the three amendments and the Senator needs 5 or 10 minutes additional, I hope we might at that time be able to get a consent for an extension, but it would depend upon consent.

Mr. JAVITS. Also the rollcalls.

Mr. ROBERT C. BYRD. Can we get 10-minute rollcalls?

Mr. JAVITS. We may have a backup of rollcalls if we agree to a given hour.

Mr. MANSFIELD. Mr. President, I hope we can finish before 5:45 because, to the best of my knowledge, there is no opposition.

Mr. ROBERT C. BYRD. Mr. President, did I ask in my request that the vote occur on final passage not later than 5:45?

The PRESIDING OFFICER (Mr. BROCK). The Senator is correct; not later than 5:45.

Mr. JAVITS. Mr. President, still reserving the right to object, we still have not heard about the amendments.

Mr. LONG. Let me explain. There are two amendments. The first involves the tax credit for the purchase of new houses. The Senate has voted for it before. This is slightly different from that, but it does not go nearly as far as that which the Senate has previously voted.

The second amendment covers the cost of the first amendment. The second amendment will not be offered unless the first amendment is agreed to. This will balance the cost of the housing credit to provide some additional revenue, so that the two changes together would have no budgetary effect."

Mr. JAVITS. Well, what is the nature of the tax the Senator has in mind?

Mr. LONG. This Senator is suggesting that, in the event the Senate might want to raise some additional revenue to pay the cost of the changes in the tax credit for the purchasing of new houses, it would provide that we would permit a deduction of the State tax on gasoline for those who itemize, only to the extent that it exceds $100.

Mr. JAVITS. What is the figure the Senator has in mind for the first amendment?

Mr. LONG. It is estimated that it might cost about $500 million to move forward the date of the tax credit to cover residences on which construction has begun since the day of that bill to include those presently under construction. If one wants to be fair about it, I think we would have to recognize that this will stimulate a tremendous amount of construction labor. In that respect, it will save a vast amount of money on unemployment insurance. If they do not want to give us some credit for that, we can say, all right, we can raise the $500 million back very easily.

Mr. JAVITS. I understand that. I am all for it. I just wanted to give the Senate an idea of how much would be involved. How much would be involved in the aggregate per annum, as an estimate?

Mr. LONG. If one looked at only the cost of providing the tax credit for new houses, $500 million.

Mr. JAVITS. All right.

Mr. LONG. So that is the amount that we are talking about. I feel that there is an offset that almost equals that implicit in it. But in the event one wants to take a different view, I propose to pay for it.

Mr. JAVITS. Now, Senator CURTIS.

Mr. CURTIS. I am glad to explain. The amendment I shall offer was requested by the administration. It relates to medicare. Part B of medicare is the doctors' bills. Under the original law, the Government, the social security people, every year could adjust the medicare premium for part B. An act in 1973 took that authority away from it. It needs to be reinstated.

The amendment I shall offer differs from the House bill in this regard: In the House bill, the announcement would be made in December, to be implemented in July. Under my amendment, it would be changed to May and October.

Mr. JAVITS. What would be the added cost on part B per beneficiary?

Mr. CURTIS. We do not know. The law requires the Social Security Administration to ascertain what the premium should be and to declare it. That authority is expired——

Mr. JAVITS. I am not going to block the agreement on this account, but may I tell the Senator that undoubtedly, there will be a rollcall or a motion to table that one, because we do not know where it takes us, how much it costs, who gets benefitted, who gets hurt. If the Senator would feel justified in not proposing it, I would feel happier, but I am not going to block it on that account.

Mr. CURTIS. In answer to the Senator's question, I am informed by staff that while the amendment itself does not carry a figure, the estimated cost involved on the change which is anticipated is 50 cents a month.

Mr. JAVITS. Fifty cents a month, what does that aggregate from all the people?

Mr. CURTIS. $110.8 million, about $100 million.

Mr. JAVITS. The first year?

Mr. CURTIS. Yes.

Mr. JAVITS. As I say, I will not block it on that account.

Will the Senator preserve our right to the motion to lay on the table?

Mr. CURTIS. This arose by reason of a technical error.

Mr. JAVITS. I understand.

Mr. CURTIS. This authority was repealed.

Mr. ROBERT C. BYRD. Under the agreement as proposed, the Senator's right would be preserved.

Mr. JAVITS. To lay the amendment on the table.

Mr. McCLURE. Will the assistant majority leader withdraw his request with respect to the Bartlett amendment? I do not think that was covered in the discussion earlier, but there was no disposition to delay the vote. We would, however, prefer that there not be a time limit established.

Mr. ROBERT C. BYRD. There is no disposition but, at the same time, I do not see why we ought not to try to at least get an hour's limitation on it.

Mr. BARTLETT. Mr. President, if I could say to the distinguished Senator from West Virginia, I have only talked 1 minute on the resolution. I do not plan any extended discussion but, at the same time, I hesitate to restrict myself, because I am not sure what discussion might come from the distinguished Senator from Nevada. It is very obvious——

Mr. ROBERT C. BYRD. May I get this assurance from the two Senators: That if I unlink the request pertaining to the Bartlett amendment, would the two Senators assure me that they would do everything in their power to get a vote on the Bartlett amendment today?

Mr. BARTLETT. Yes.

Mr. McCLURE. The Senator from West Virginia certainly has my assurance on that.

Mr. MANSFIELD. Reserving the right to object, I do hope the two Senators will give some consideration to their colleagues who will be here late this evening. This is not the last amendment to be offered to the resolution before this body, and it will be late in the evening. If we get finished on this bill by 5:45, we will be doing well. So I would hope most sincerely that instead of raising objections to an agreement which has already been settled, in effect, between the author of the amendment and the leadership on that side of the aisle, in conjunction with the leadership on this side of the aisle, that we would consider what assurances we could give our colleagues so that they would have something definite by means of which they could be guided. I think it is the only fair thing to do.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes.

Mr. HUGH SCOTT. I just came onto the floor, but I am advised on this side of the aisle that the agreement to which the distinguished majority leader referred has not been entered into; is that correct?

Mr. ROBERT C. BYRD. The agreement we are discussing is on the unemployment legislation.

Mr. HUGH SCOTT. There is no agreement as to the second part.

Mr. MANSFIELD. I do not intend to object, but I would hope from now on there is as much as possible of agreement on motions, appeals, and whatnot. Otherwise it gives the indication that delaying tactics are being used.

Again I want to stress that we ought to think of our colleagues in this respect, especially when the hour gets late, after being here since 9 o'clock this morning.

Mr. BARTLETT. Mr. President, I would like to comment and point out to the distinguished majority leader that I certainly agree, and I wish he would realize that what I am doing here, after calling up my amendment, is to set it aside for approximately 2 hours, recognizing when I do take it up I am going to then be impinging upon the hours and the time of my colleagues. So I am putting myself in a more difficult position, and I recognize that. At the same time, I do not think it is fair to comment that I am trying to delay when I really am not.

Mr. MANSFIELD. Mr. President, if the Senator will yield, the Senator has been most cooperative. I am just trying to point out a situation which will undoubtedly develop, and to tell the Senator that I understand the position in which he has placed himself in relation to his amendment; but also to point out that the unemployment compensation faces a deadline which has to be considered, and in facing up to that there is complete cooperation between both sides, and I appreciate what the Senator has done.

I withdraw my objection.

Mr. ROBERT C. BYRD. I withdraw the reference to a time limitation on the amendment by Mr. Bartlett from the agreement which I propose.

The PRESIDING OFFICER (Mr. Laxalt). Does the Senator also intend to include in the request the provision that rule XII be waived?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EMERGENCY COMPENSATION AND SPECIAL UNEMPLOYMENT ASSISTANCE EXTENSION ACT OF 1975

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to consider H.R. 6900, the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Finance and the Committee on Labor and Public Welfare, with amendments.

The amendments of the Committee on Finance are as follows:

On page 2, beginning with line 1, strike out:

TITLE I—ADDITIONAL THIRTEEN WEEKS OF EMERGENCY UNEMPLOYMENT COMPENSATION

ADDITIONAL THIRTEEN WEEKS

Sec. 101. Paragraph (3) of section 102(e) of the Emergency Unemployment Compensation Act of 1974 is amended by striking out "July 1, 1975" and inserting in lieu thereof "July 1, 1976".

MODIFICATION OF AGREEMENTS

Sec. 102. The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 102 of the Emergency Unemployment Compensation Act of 1974 a modification of such agreement designed to provide for the payment of the emergency compensation benefits allowable under such Act by reason of the amendment made by section 101. Notwithstanding any provision of the Emergency Unemployment Compensation Act of 1974, if any State fails or refuses, within the three-week period beginning on the date of the enactment of this Act, to enter into a modification of such agreement, the Secretary of Labor shall terminate such agreement.

And insert in lieu thereof:

TITLE I—UNEMPLOYMENT COMPENSATION PROGRAMS

Part A—Emergency Unemployment Compensation

EMERGENCY PERIODS; BENEFIT WEEKS EXTENDED WHEN STATE UNEMPLOYMENT RATE IS HIGH

Sec. 101. (a)(1) Section 102(c)(3)(B)(i) of the Emergency Unemployment Compensation Act of 1974 is amended—

(A) by inserting "(I)" immediately after "if", and

(B) by inserting immediately before the period at the end thereof the following: ", and (ii) the rate of insured unemployment in such State for the period consisting of such week and the immediately preceding twelve weeks equaled or exceeded 5 per centum".

(2) Section 102(c)(3)(B)(ii) of such Act is amended to read as follows:

"(ii) For purposes of subparagraph (A), there is a State 'emergency off' indicator for a week if the rate of insured unemployment in such State for the period consisting of such week and the immediately preceding twelve weeks is less than 5 per centum.

(b) Section 102(e) of such Act is amended to read as follows:

"(e)(1) Any agreement under this Act with a State shall provide that the State will establish, for each eligible individual who files an application for emergency compensation, an emergency compensation account.

"(2) Subject to the provisions of paragraph (3), the amount established in such account for any individual shall be equal to the lesser of—

"(A) 100 per centum of the total amount of regular compensation (including dependents' allowances) payable to him with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

"(B) twenty-six times his average weekly benefit amount (as determined for purposes of section 202(b)(1)(C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.

"(3) Notwithstanding paragraph (2), the total amount of emergency compensation payable to any individual for weeks of unemployment which begin in a 5-per centum period (as defined in section 105(5)) shall not exceed the lesser of—

"(A) 50 per centum of the total amount of regular compensation (including dependents' allowances) payable to him with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

"(B) thirteen times his average weekly benefit amount (as determined for purposes of section 202(b)(1)(C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.".

(c) Section 102(b)(2) of such Act is amended to read as follows:

"(2) for any week of unemployment which—

"(A) begins in—

"(i) an emergency benefit period (as defined in subsection (c)(3)), and

"(ii) the individual's period of eligibility (as defined in section 105(2)); or

"(B) begins in an individual's additional eligibility period (as defined in section 105(4)).".

(d) Section 105 of such Act is amended—

(1) in paragraph (2), by striking out "and" at the end thereof,

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and

(3) by adding at the end thereof the following new paragraphs:

"(4) the term 'additional eligibility period' means the thirteen-week period following the week in which an emergency benefit period ends in a State, as determined under section 102(c)(3); but no individual shall have an additional eligibility period unless there was payable to him in such State, for the week in which such emergency benefit period ended, either emergency compensation under this Act or extended compensation under the Federal-State Extended Unemployment Compensation Act of 1970;

"(5) the term '5-percentum period' means a period in a State which begins with the third week after the first week in which the rate of insured unemployment in the State for the period consisting of such first week and the immediately preceding twelve weeks is less than 6 per centum and which ends with the second week after the first week in which the rate of insured unemployment in the State for the period consisting of such first week and the immediately preceding twelve weeks equals or exceeds 6 per centum; except that no 5-per centum period shall begin in any State prior to the fourteenth week after the last week in a preceding 5-per centum period in such State;

"(6) the term 'rate of insured unemployment' means the percentage arrived at by dividing the average weekly number of individuals filing claims for weeks of unemployment with respect to the specified period (as determined on the basis of the reports made by the State agency to the Secretary) by the average monthly covered employment for the specified period;

"(7) the rate of insured unemployment for any thirteen-week period shall be determined by reference to the average monthly covered employment under the State law for the first four of the most recent six calendar quarters ending before the close of such period; and

"(8) determinations with respect to the rate of insured unemployment in a State shall be made by the State agency in accordance with regulations prescribed by the Secretary.".

(e) Section 102(c)(3)(A)(ii) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and no emergency benefit period which began prior to July 1, 1975, shall end prior to such date".

(f) The amendments made by this section shall be effective with respect to weeks of compensation which begin on or after July 1, 1975.

EXTENSION OF PROGRAM

Sec. 102. (a) Section 102(f)(2) of the Emergency Unemployment Compensation Act of 1974 is amended by striking out "after—" and all that follows and inserting in lieu thereof "after March 31, 1977.".

(b) Section 106 of such Act is amended by striking out "December 31, 1976" and inserting in lieu thereof "March 31, 1977".

CONDITIONS OF ELIGIBILITY FOR BENEFITS

Sec. 103. (a) Section 102 of the Emergency Unemployment Compensation Act of 1974 is amended by adding at the end thereof the following new subsections:

"(g)(1) Notwithstanding the preceding provisions of this section, emergency compensation shall not be payable to an individual for any week—

"(A) with respect to which he is neither a participant in a training program approved by the Secretary nor an applicant to participate in such a program, or

"(B) after the first week (in the individual's period of eligibility) during which such individual failed or refused, without good cause, to apply for available employment within his capabilities or to accept any bona fide offer of employment.

"(2) For purposes of paragraph (1)(B), failure or refusal of an individual to accept employment shall be considered to be with good cause only if—

"(A) the position offered is vacant due directly to a strike, lockout, or other labor dispute,

"(B) the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality,

"(C) as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization,

"(D) the work site of such position is

located at an unreasonably great distance from such individual's residence,

"(E) such position involves an unacceptably high risk to the health, safety, or morals of the individual, or

"(F) at the time such individual fails or refuses to accept such position, he is a participant in a training program approved by the Secretary or approved by the State agency.

"(h) Any agreement under subsection (a) shall provide that, in the administration of this Act, States shall make provision for referring applicants for benefits under this Act to any available employment opportunities within their capabilities which are not positions of the type specified in paragraph (2) of subsection (g).".

FUNDING OF EMERGENCY UNEMPLOYMENT BENEFITS

SEC. 104. (a) Section 104(b) of the Emergency Unemployment Compensation Act of 1974 is amended—

(1) in the first sentence thereof, by striking out "as repayable advances (without interest),", and

(2) in the second sentence thereof—

(A) by striking out "as repayable advances", and

(B) by inserting ", to the extent that such amounts are paid with respect to emergency compensation paid to individuals prior to July 1, 1975," immediately after "section 103 shall".

(b) The amendment made by subsection (a) shall take effect July 1, 1975.

STUDY AND REPORT BY SECRETARY

SEC. 105. (a) The Secretary of Labor shall conduct a comprehensive study and review of the program established by the Emergency Unemployment Compensation Act of 1974, with a view to submitting to the Congress the report required to be submitted under subsection (b). Such study and review shall be conducted with particular regard to the economic and demographic characteristics of individuals receiving benefits under the program, and such other matters as might be useful in evaluating the effectiveness of the program and determining what alternatives to the program might be appropriate in future periods of high unemployment.

(b) Not later than ninety days prior to the date specified in section 102(f)(2) of the Emergency Unemployment Compensation Act of 1974, the Secretary of Labor shall submit to the Congress a full and complete report on the study and review provided for in subsection (a). Such report shall contain the recommendations of the Secretary of Labor with respect to such program, including but not limited to, the operation and funding of such program, and the desirability of extending such program after the date specified in section 102(f)(2) of the Emergency Unemployment Compensation Act of 1974.

MODIFICATION OF AGREEMENTS

SEC. 106. The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 102 of the Emergency Unemployment Compensation Act of 1974 a modification of such agreement designed to provide for the payment of the emergency compensation benefits allowable under such Act by reason of the amendments made by this part. Notwithstanding any provision of the Emergency Unemployment Compensation Act of 1974, if any State fails or refuses, within the three-week period beginning on the date of the enactment of this Act, to enter into such a modification of such agreement, the Secretary of Labor shall terminate such agreement.

PART B—MISCELLANEOUS

REPAYMENT OF STATE LOANS

SEC. 110. (a) Section 3302(c)(3) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new sentence: "The provisions of the preceding sentence shall not be applicable with respect to the taxable year beginning January 1, 1975, or any succeeding taxable year which begins before January 1, 1978; and, for purposes of such sentence, January 1, 1978, shall be deemed to be the first January 1 occurring after January 1, 1974, and consecutive taxable years in the period commencing January 1, 1978, shall be determined as if the taxable year which begins on January 1, 1978, were the taxable year immediately succeeding the taxable year which began on January 1, 1974.".

(b) The amendment made by subsection (a) shall not be applicable in the case of any State unless the Secretary of Labor finds that such State has studied and taken appropriate action with respect to the structure of its unemployment compensation program, including its financing, so as substantially to accomplish the purpose of restoring the fiscal soundness of the State's unemployment account in the Unemployment Trust Fund and permitting the repayment within a reasonable time of any advances made to such account under title XII of the Social Security Act.

On page 28, beginning with line 13, strike out—

TITLE III—LOANS TO THE UNEMPLOYMENT FUND OF THE VIRGIN ISLANDS

SEC. 301. (a) The Secretary of Labor (hereinafter in this section referred to as the "Secretary") may make loans to the Virgin Islands in such amounts as he determines to be necessary for the payment in any month of compensation under the unemployment compensation law of the Virgin Islands. A loan may be made under this subsection for the payment of compensation in any month only if—

(1) the Governor of the Virgin Islands submits an application therefor no earlier than the first day of the preceding month; and

(2) such application contains an estimate of the amount of the loan which will be required by the Virgin Islands for the payment of compensation in such month.

(a) For purposes of this section—

(1) an application for loan under subsection (a) shall be made on such forms and shall contain such information and data (fiscal and otherwise) concerning the operation and administration of the unemployment compensation law of the Virgin Islands as the Secretary deems necessary or relevant to the performance of his duties under this section;

(2) the amount required by the Virgin Islands for the payment of compensation in any month shall be determined with due allowance for contingencies and taking into account all other amounts that will be available in the unemployment fund of the Virgin Islands for the payment of compensation in such month, and

(3) the term "compensation" means cash benefits payable to individuals with respect to their unemployment, exclusive of expenses of administration.

(c) Any loan made under subsection (a) shall be repayable (without interest) not later than January 1, 1978.

(d) No loan may be made under subsection (a) for any month beginning after June 30, 1976. The aggregate of the loans which may be made under subsection (a) shall not exceed $5,000,000.

(c) There are authorized to be appropriated from the general fund of the Treasury such sums as may be necessary to carry out this section.

TITLE III—LOANS TO THE UNEMPLOYMENT FUND OF THE VIRGIN ISLANDS

SEC. 301. (a) The Secretary of Labor (hereinafter in this section referred to as the "Secretary") may make loans to the Virgin Islands in such amounts as he determines to be necessary for the payment in any month of compensation under the unemployment compensation law of the Virgin Islands. A loan may be made under this subsection for the payment of compensation in any month only if—

(1) the Governor of the Virgin Islands submits an application therefor no earlier than the first day of the preceding month; and

(2) such application contains an estimate of the amount of the loan which will be required by the Virgin Islands for the payment of compensation in such month.

(b) For purposes of this section—

(1) an application for loan under subsection (a) shall be made on such forms and shall contain such information and data (fiscal and otherwise) concerning the operation and administration of the unemployment compensation law of the Virgin Islands as the Secretary deems necessary or relevant to the performance of his duties under this section;

(2) the amount required by the Virgin Islands for the payment of compensation in any month shall be determined with due allowance for contingencies and taking into account all other amounts that will be available in the unemployment fund of the Virgin Islands for the payment of compensation in such month; and

(3) the term "compensation" means cash benefits payable to individuals with respect to their unemployment, exclusive of expenses of administration.

(c) Any loan made under subsection (a) shall be repayable (without interest) not later than January 1, 1978. If after January 1, 1978, any portion of any such loan remains unpaid, the Virgin Islands shall pay interest thereon, until the loan is paid in full, at a rate equal to the rule of interest in effect under section 6621 of the Internal Revenue Code of 1954. If at some future date the Federal Unemployment Tax Act shall be made applicable to the Virgin Islands, then, any amount of principal or interest due on any such loan remaining unpaid on such date shall be treated, for purposes of section 3302(c)(3) of the Internal Revenue Code of 1954, as an advance made to the Virgin Islands under title XII of the Social Security Act.

(d) No loan may be made under subsection (a) for any month beginning after June 30, 1976. The aggregate of the loans which may be made under subsection (a) shall not exceed $5,000,000.

(e) There are authorized to be appropriated from the general fund of the Treasury such sums as may be necessary to carry out this section.

and insert in lieu thereof:

The amendment of the Committee on Labor and Public Welfare was, beginning with page 13, strike out—

TITLE II—AMENDEMENTS OF EMERGENCY JOBS AND SPECIAL UNEMPLOYMENT ASSISTANCE ACT OF 1974

EXTENSION OF SPECIAL UNEMPLOYMENT ASSISTANCE

SEC. 201. (a) Section 206 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended—

(1) by striking out so much of the first sentence as precedes "*Provided*, That" and inserting in lieu thereof the following "Except as provided by subsection (b), the maximum amount of assistance under this title which an eligible individual shall be entitled to receive during any special unemployment assistance benefit year shall be 150 per centum of the maximum amount that would have been payable to such individual during such benefit year as computed under the provisions of the applicable State unemployment compensation law, but not exceeding 39 times the weekly benefit payable to the individual for

a week of total unemployment as determined under subsection (a) of section 205:"; and

(2) by adding at the end thereof the following new sentence: "Effective with respect to assistance for weeks of unemployment ending after June 30, 1976, the preceding sentence shall be applied by substituting 'the maximum amount of regular compensation' for '150 per centum of the maximum amount of regular compensation' and by substituting '26' for '39'.".

(b) Section 208 of such Act is amended—

(1) by striking out "March 31, 1976" and inserting in lieu thereof "March 31, 1977"; and

(2) by striking out "December 31, 1975" and inserting in lieu thereof "December 31, 1976".

DENIAL OF SPECIAL UNEMPLOYMENT ASSISTANCE IN CASE OF CERTAIN EMPLOYEES OF EDUCATIONAL INSTITUTIONS

SEC. 202. Section 203 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by inserting "(a)" after "SEC. 203." and by adding at the end thereof the following new subsection:

"(b) An individual who performs services in an instructional, research, or principal administrative capacity for an educational institution or agency shall not be eligible to receive a payment of assistance or a waiting period credit with respect to any week commencing during the period between two successive academic years (or, when the contract provides instead for a similar period between two regular but not successive terms, during such similar period) if—

"(1) such individual performed services in any such capacity for any educational institution or agency in the first of such academic years or terms; and

"(2) such individual has a contract to perform services in any such capacity for any educational institution or agency for the later of such academic years or terms.".

TECHNICAL AND CLARIFYING AMENDMENTS

SEC. 203. (a) Section 210 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding at the end thereof the following new section:

"(c) Employment and wages which are not covered by the State law may be treated, under sections 203(1), 205(a), and 206(a), as though they were covered only if the employment—

"(1) is performed by an employee (as defined in section 3121(d) of the Internal Revenue Code of 1954), and

"(2) constitutes employment as determined under section 3306(c) of such Code without regard to paragraphs (1) through (9), (10)(B)(ii), (14), (15), and (17) of such section.

For purposes of paragraph (2), section 3306 (c) of such Code shall be applied as if the term 'United States' includes the Virgin Islands.".

(b)(1) Section 205 of such Act is amended—

(A) by striking out the last sentence of subsection (b); and

(B) by adding at the end thereof the following new subsections:

"(c) If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of assistance under this title to which he was not entitled, such individual—

"(1) shall be ineligible for further assistance under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

"(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

"(d) Any individual who has received an amount of assistance under this title to which he was not entitled shall repay the amount of such assistance to the State agency except that the State agency may waive such repayment if it determines that—

"(1) the payment of such assistance was without fault on the part of the individual, and

"(2) such repayment would be contrary to equity and good conscience.

Instead of requiring repayment under this subsection, the State agency may recover the amount to be unpaid by deductions from any assistance payable under this title or from any unemployment compensation payable to the individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the three-year period after the date the individual received the payment of the assistance to which he was not entitled.

"(e) Any determination by a State agency under subsection (c) or (d) shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.".

(2) Section 210(a) of such Act is amended by striking out "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and by adding at the end thereof the following new paragraphs:

"(5) 'State agency' means the agency of the State which administers the program established by this title; and

"(6) 'special unemployment assistance benefit year' means the benefit year as defined in the applicable State unemployment compensation law.".

(c) Section 206 of such Act is amended by inserting "(a)" after "SEC. 206." and by adding at the end thereof the following new subsection:

"(b) In the case of any individual who files a claim for assistance under this title during a benefit year which such individual has established under any State unemployment compensation law, the maximum amount of assistance under this title which such individual shall be entitled to receive during the special unemployment assistance benefit year established pursuant to such claim (as determined under subsection (a) without regard to this subsection) shall be reduced by the amount of any unemployment compensation received during the benefit year established under the State unemployment compensation law."

(d) Paragraph (1) of section 203 of such Act is amended by inserting "(A)" after "shall be excluded" and by striking out "; and" at the end thereof and inserting in lieu thereof ", or (B) if such employment and wages constitute his sole qualifying employment and wages; and".

(e) Paragraph (4) of section 203 of such Act is amended by striking out "subsection (b)" and inserting in lieu thereof "paragraph (2)".

EFFECTIVE DATES

SEC. 204. (a) The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 202 of the Emergency Jobs and Unemployment Assistance Act of 1974 a modification of such agreement designed to provide for the payment of the special unemployment assistance allowable under such Act by reason of the amendments made by section 201. Notwithstanding any other provision of law, if any State fails or refuses, within the three-week period beginning on the date of the enactment of this Act, to enter into such a modification of any such agreement, the Secretary of Labor shall terminate such agreement.

(b) No compensation shall be paid to any individual under an agreement entered into by a State under the Emergency Jobs and Unemployment Assistance Act of 1974, by reason of the amendments made by section 201 of this Act, for any week beginning before whichever of the following is the latest:

(1) the date on which the State agreed to a modification of such agreement under subsection (a);

(2) the date of the enactment of this Act; or

(3) July 1, 1975.

(c) The amendments made by section 202 and subsections (c) and (d) of section 203 shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

(d) The amendment made by section 203 (a) shall take effect on December 31, 1974.

(e) The amendments made by subsections (b) and (e) of section 203 shall take effect on the date of the enactment of this Act.

And insert in lieu thereof:

TITLE II—AMENDMENTS OF EMERGENCY JOBS AND UNEMPLOYMENT ASSISTANCE ACT OF 1974

EXTENSION OF SPECIAL UNEMPLOYMENT ASSISTANCE

SEC. 201. (a) Section 206 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by striking out so much of the first sentence as precedes *"Provided, That"* and inserting in lieu thereof the following: "Except as provided by subsection (b), the maximum amount of assistance under this title which an eligible individual shall be entitled to receive during any special unemployment assistance benefit year shall be 150 per centum of the maximum amount that would have been payable to such individual during such benefit year as computed under the provisions of the applicable State unemployment compensation law, but not exceeding 39 times the weekly benefit payable to the individual for a week of total unemployment as determined under subsection (a) of section 205.".

(b) Section 208 of such Act is amended—

(1) by striking out "March 31, 1976" and inserting in lieu thereof "March 31, 1977"; and

(2) by striking out "December 31, 1975" and inserting in lieu thereof "December 31, 1976".

DENIAL OF SPECIAL UNEMPLOYMENT ASSISTANCE IN CASE OF CERTAIN EMPLOYEES OF EDUCATIONAL INSTITUTIONS

SEC. 202. Section 203 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by inserting "(a)" after "SEC. 203." and by adding at the end thereof the following new subsection:

"(b) An individual who performs services in an instructional, research, or principal administrative capacity for an educational institution or agency shall not be eligible to receive a payment of assistance or a waiting period credit with respect to any week commencing during the period between two successive academic years (or, when the contract provides instead for a similar period between two regular but not successive terms, during such similar period) if—

"(1) such individual performed services in any such capacity for any educational institution or agency in the first of such academic years or terms; and

"(2) such individual has a contract to perform services in any such capacity for any educational institution or agency for the later of such academic years or terms.".

TECHNICAL AND CLARIFYING AMENDMENTS

Sec. 203. (a) Section 210 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding at the end thereof the following new section:

"(c) Employment and wages which are not covered by the State law may be treated, under sections 203(1), 205(a), and 206(a), as though they were covered only if the employment—

"(1) is performed by an employee (as defined in section 3121(d) of the Internal Revenue Code of 1954), and

"(2) constitutes employment as determined under section 3306(c) of such Code without regard to paragraphs (1) through (9), (10)(B)(ii), (14), (15), and (17) of such section.

For purposes of paragraph (2), section 3306 (c) of such Code shall be applied as if the term 'United States' includes the Virgin Islands.".

(b)(1) Section 205 of such Act is amended—

(A) by striking out the last sentence of subsection (b); and

(B) by adding at the end thereof the following new subsections:

"(c) If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of assistance under this title to which he was not entitled, such individual—

"(1) shall be ineligible for further assistance under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

"(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

"(d)(1) When any individual has received an amount of assistance under this title to which he was not entitled, the State is authorized to require the individual to repay the amount of such assistance to the State agency, except that the State agency may waive such repayment if it determines that—

"(A) the payment of such assistance was without fault on the part of the individual, and

"(B) such repayment would be contrary to equity and good conscience.

"(2) The State agency may recover the amount to be repaid, or any part thereof, by deductions from any assistance payable under this title or from any unemployment compensation payable to the individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the three-year period after the date the individual received the payment of the assistance to which he was not entitled, except that no single deduction may exceed 50 per centum of the weekly benefit amount from which such deduction is made.

"(3) No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

"(e) Any determination by a State agency under subsection (c) or (d) shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.".

(2) Section 210(a) of such Act is amended by striking out "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following new paragraphs:

"(5) 'State agency' means the agency of the State which administers the program established by this title; and

"(6) 'special unemployment assistance benefit year' means the fifty-two week period beginning with the first week for which an individual files a valid claim for special unemployment assistance.".

(c) Section 206 of such Act is amended by inserting "(a)" after "Sec. 206." and by adding at the end thereof the following new subsection:

"(b) In the case of any individual who files a claim for assistance under this title during a benefit year which such individual has established under any State unemployment compensation law, the maximum amount of assistance under this title which such individual shall be entitled to receive during the special unemployment assistance benefit year established pursuant to such claim (as determined under subsection (a) without regard to this subsection) shall be reduced by the amount of any unemployment compensation received during the benefit year established under the State unemployment compensation law.".

(d) Paragraph (4) of section 203 of such Act is amended by striking out "subsection (b)" and inserting in lieu thereof "paragraph (2)".

EFFECTIVE DATES

Sec. 204. (a) The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 202 of the Emergency Jobs and Unemployment Assistance Act of 1974 a modification of such agreement designed to provide for the payment of the special unemployment assistance allowable under such Act by reason of the amendments made by section 201. Notwithstanding any other provision of law, if any State fails or refuses, within the three-week period beginning on the date of the enactment of this Act, to enter into such a modification of any such agreement, the Secretary of Labor shall terminate such agreement.

(b) Assistance shall be payable to individuals under agreements entered into by States under title II of the Emergency Jobs and Unemployment Assistance Act of 1974, by reason of the amendments made by section 201 of this Act, for weeks of unemployment beginning on or after July 1, 1975.

(c) The amendments made by section 202 and subsections (c) and (d) of section 203 shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

(d) The amendment made by section 203 (a) shall take effect on December 31, 1974.

(e) The amendments made by subsections (b) and (e) of section 203 shall take effect on the date of the enactment of this Act.

STUDY OF EMERGENCY UNEMPLOYMENT ASSISTANCE PROGRAMS

Sec. 205. Title II of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by inserting the following new section at the end thereof:

"STUDY OF EMERGENCY UNEMPLOYMENT ASSISTANCE PROGRAMS

"Sec. 211. The Secretary shall submit a report to the Congress on experience under the emergency unemployment compensation and special unemployment assistance programs, including his analysis and evaluation of the information specified in this section, and of the needs of the long-term unemployed for job counseling, testing, referral and placement services, skill and apprenticeship training, career-related education programs, and public service employment opportunities. The Secretary shall submit the report no later than June 30, 1977, and shall submit an interim report no later than June 30, 1976. The States shall furnish to the Secretary such information as he may find necessary in carrying out the provisions of this section. Such information shall include data (which may be obtained on a sampling basis) relating to the employment, economic, and demographic characteristics of individuals entitled to benefits under the programs of emergency employment compensation and special unemployment assistance.".

The PRESIDING OFFICER. Who yields time?

Mr. LONG. I yield myself 5 minutes.

Mr. President, I ask unanimous consent to proceed to the consideration——

Mr. JAVITS. Mr. President, we cannot hear a word.

The PRESIDING OFFICER. The Senator will suspend until we have order in the Chamber. Will the Senators please take their seats or retire to the cloakroom. Will the Senators extend the courtesy to the Senator from Louisiana.

The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, I ask unanimous consent that during Senate consideration of H.R. 6900, the following staff members be permitted on the floor: Finance Committee staff, Michael Stern, Joseph Humphreys, Donald Moorehead, George Pritts, Jay Constantine, Bill Galvin, Bob Willan, Bill Morris; the Congressional Research Service: Frank Crowley; the Labor and Public Welfare Committee: Larry Gage, Richard Johnson, and David Dunn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, would the Senator include in that request permission for Larry Gage and Richard Johnson of the Labor and Public Welfare Committee to have the privilege of the floor.

Mr. LONG. I included that previously.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LONG. Under permanent State and Federal laws, workers who become unemployed can qualify for unemployment compensation benefits for up to 26 weeks or—in times of relatively high unemployment—up to 39 weeks. Because of the current economic situation, however, many workers have been unable to find new jobs even within this extended 39-week period. Consequently, Congress at the end of last year established a temporary emergency unemployment compensation program under which additional benefits—up to the 52d week—would be payable. This program was amended in March of this year to provide still further benefits—covering the 53d to 65th week.

Under present law, the emergency benefit program will end in December 1976 and the *total maximum* duration of benefits under the regular, extended, and emergency programs will be reduced *after the* end of this month from 65 to 52 weeks. H.R. 6900, as reported by the Committee on Finance, extends the emergency unemployment compensation program to the end of March 1977.

Unlike current law, however, which makes the full 65 weeks of benefits available whenever the insured unemployment rate either nationally or in specific States is 4 percent or higher, the Finance Committee bill would vary the duration of benefits available according to each State's level of insured unemployment since it can reasonably be assumed that it will tend to take longer to find a new job in a State with high unemployment than in a State with lower unemployment. Under the bill as reported 65 weeks of benefits would be available in States where the rate of insured unemployment is 6 percent or higher; 52 weeks of benefits would be available in States with unemployment rates between 5 and 5.99 percent. In States with unemployment rates below 5 percent, benefit duration would be limited to the 39 weeks available under the regular State programs and the Federal-State extended program.

The committee bill would also make it a condition of eligibility for benefits beyond the 39th week that applicants apply for any training which might be available and that they accept any employment opportunities even if the job offered does not match their prior training and experience, or pays a lower wage than they are used to. The bill contains safeguards to assure that individuals are not required to take jobs which could be injurious to their health or safety or which involve certain other clearly objectionable circumstance.

H.R. 6900, as reported by the Committee on Finance, includes a number of other provisions. Benefits payable under the Emergency Unemployment Compensation Act are presently funded through repayable loans from general revenues to the unemployment trust fund which must ultimately be repaid from the employer payroll tax. The bill provides that benefits paid after June 30 of this year will be funded through general revenues without any repayment provision. The bill also includes a requirement that the Secretary of Labor conduct a study of the emergency benefits program and of the characteristics of those who receive benefits under it. Another provision of the bill would suspend for this year and the following 2 years the loan repayment provisions with respect to States which have exhausted their unemployment accounts and, consequently, had to borrow from the Federal unemployment account. The regular provision would go into effect in 1978 and would be applicable at that time to all presently outstanding loans as well as to loans which may be made in the future.

H.R. 6900 also includes a provision authorizing a similar loan to the Virgin Islands, which is not currently under the regular Federal-State unemployment insurance system and, thus, unlike Puerto Rico and the other States, cannot automatically borrow funds when its unemployment account becomes depleted. Penalty provisions are included if this loan is not repaid by 1978.

Title II of the bill deals with the program of special assistance payments to unemployed people who are not covered under the regular unemployment insurance system. The Committee on Finance did not make any changes in this part of the bill.

I am sending to the desk a more detailed summary of the provisions of H.R. 6900 as reported by the Committee on Finance and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF H.R. 6900, AS REPORTED BY THE COMMITTEE ON FINANCE

DURATION OF EMERGENCY BENEFIT PAYMENTS

In December 1974, Congress enacted the Emergency Unemployment Compensation Act of 1974, which provided that, through December 1976, extended unemployment benefits (generally the 27th to 39th week of unemployment benefits) would be payable whenever the insured unemployment rate was at least 4.0 percent (either nationally or in specific States). This act also provided that workers who exhausted these extended benefits could then receive emergency unemployment benefits for up to 13 weeks (i.e., the 40th to 52nd weeks of unemployment benefits). In March 1975, a further 13 weeks of emergency benefits (the 53rd to 65th weeks of unemployment benefits) were authorized under a temporary provision expiring June 30, 1975. H.R. 6900, as passed by the House, would extend this provision authorizing 65 weeks of benefits up to June 30, 1976; up to 52 weeks of benefits could subsequently be paid until December 31, 1976 under existing law.

Under the Committee bill, the insured unemployment rate in individual States would determine whether more than 39 weeks of benefits could be paid. When the insured unemployment rate in a State is more than 5 percent, but less than 6 percent, workers in that State could be paid up to 52 weeks of benefits; when the rate is 6 percent or more, up to 65 weeks of benefits could be paid.

The new rules would go into effect July 1, 1975 and continue until the program terminated; under the Committee bill the program would continue until March 31, 1977.

CONDITIONS OF ELIGIBILITY FOR EMERGENCY BENEFITS

Under the Committee bill, in order to be eligible to receive unemployment benefits for more than 39 weeks, an individual would have to apply for and, if available, participate in a training program approved by the Secretary of Labor.

If an individual has applied for but is not participating in a training program, he could not continue to be eligible for benefits after 39 weeks if he refuses a job offer. However, he may not be required to take a job:

(1) which is vacant solely because of a labor dispute;

(2) if as a condition of being employed the worker would have to join a company union or would have to refrain from joining any bona fide labor organization;

(3) in which the wages or conditions of work are substantially less favorable than those which prevail in the locality for similar work;

(4) which poses an unreasonable threat to the individual's health or safety, taking into account his physical conditions; or

(5) which involves traveling an unreasonable distance to work.

States would be required to refer applicants for emergency benefits to any jobs which are suitable for them under these special criteria to the extent that such jobs are available.

FUNDING OF EMERGENCY UNEMPLOYMENT BENEFITS

The Emergency Unemployment Compensation Act of 1971 provides 16 weeks of additional unemployment benefits to workers who have exhausted their regular and extended benefits. Regular benefits (the first 26 weeks) are paid from State unemployment tax funds and extended benefits (the 27th to 39th weeks) are paid 50 percent from State funds and 50 percent from Federal trust funds (derived from the Federal unemployment payroll tax on employers). In theory, the new benefits (from the 40th to 65th weeks) under the emergency benefits program are also paid from the Federal accounts in the trust fund. In practice, however, these accounts are insufficient to meet the benefit requirements, and the law provides for interest-free advances to be made from general revenues to the Unemployment Trust Fund to cover the cost of the program. These advances are to be repaid at some time in the future when it is determined that the Federal extended benefit account in the trust fund has a sufficient surplus to permit such repayment. Thus, under existing law, the amounts expended for the payment of emergency benefits must ultimately be paid from employer payroll taxes.

Under the Committee bill, emergency benefits paid beginning July 1, 1975 would be a general revenue expense and would not be repaid ultimately from employer payroll taxes.

STUDY OF EMERGENCY BENEFITS PROGRAM

The Committee added to the bill a requirement that the Secretary of Labor conduct a study of the emergency benefits program, including information on the benefits paid under the program, the economic and demographic characteristics of the workers receiving benefits under the program, and such other matters as might be useful in evaluating its effectiveness and determining what alternatives to such a program might be appropriate in any future periods of high unemployment. Under the Committee bill, the Secretary would have to submit the report on this study by January 1, 1977.

REPAYMENT OF STATE LOANS

Existing Federal law provides that States may obtain advances from the Federal accounts in the unemployment trust fund when their own State accounts have insufficient funds to meet benefit obligations. These advances constitute interest-free loans which must be repaid after two years. If the loans are not repaid within the prescribed two-year period, the Federal unemployment tax rate on employers in the affected State is, in effect, automatically increased each year until the loan has been "recaptured" through these increased taxes.

The Committee added a provision to the bill permitting the suspension of the higher tax rate for three years (1975, 1976, and 1977), but only in States where the Secretary of Labor determines that the State has studied and taken appropriate action with respect to the structure of its unemployment compensation program, including its financing, so as to substantially accomplish the purpose of restoring the fiscal soundness of the State's unemployment account and to permit the repayment within a reasonable time of the amount advanced to the State from the Federal account.

SPECIAL UNEMPLOYMENT ASSISTANCE

Title II of the bill would extend through December 31, 1976, the time in which Special Unemployment Assistance payments (payable to unemployed people who do not qualify for unemployment compensation) may be paid. It would also provide that through June 30, 1976, 39 rather than 26 weeks of benefits may be paid under that program. The Committee made no change in this title.

LOAN TO THE VIRGIN ISLANDS

Title III of the bill would authorize appropriations to permit the Secretary of Labor to loan up to $5 million to the Virgin Islands to enable that jurisdiction to continue meeting its unemployment benefit obligations. The House bill provides that any loan made under this authority to the Virgin Islands will be subject to repayment without interest no later than January 1, 1978. The House bill, however, does not provide for the payment of interest if the loan remains outstanding after this deadline.

The Committee amendment would require that interest be charged on any portion of such a loan which remains on the books after January 1, 1978. The rate of interest would be set at the same rate (9% as of July 1975) which the Internal Revenue Service assesses against employers who fail to make timely deposits of taxes withheld. In addition, if the Virgin Islands is ever made a part of the regular Federal-State unemployment insurance system, the loan will at that point be treated as though the Virgin Islands had been in the system at the present time. In other words, if the time for repayment has elapsed and any part of the loan remains outstanding, the increased Federal unemployment tax rates provided for in the law for the purpose of recapturing overdue loans would immediately go into effect in the Virgin Islands.

Mr. LONG. Mr. President, I ask unanimous consent that the committee amendments proposed by the Committee on Finance and the Committee on Labor and Public Welfare be considered and agreed to en bloc, and that the bill as thus amended be considered as original text for purposes of further amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the committee amendments are considered and agreed to en bloc.

Mr. LONG. Mr. President, in orderly sequence, I would hope the Senator from New York or the Senator from New Jersey——

The PRESIDING OFFICER. Let us have order in the Chamber.

Mr. LONG. I would hope in orderly sequence that we might consider the germane amendments first, and if the Senator from New York or the Senator from New Jersey have their amendments, which we have discussed, I would hope they would offer them so that we could dispose of that in short order.

Mr. JAVITS. I thoroughly agree with the Senator.

Mr. President, I ask the Senator from Nebraska (Mr. CURTIS) to yield me 5 minutes in order that I can explain the amendments.

Mr. CURTIS. I yield.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, first let me say that the legislation which the Senate is considering today, H.R. 6900, will provide vital protection, for millions of American workers and their families, who are suffering the effects of long-term unemployment. This represents the second time in 6 months that Congress has been called upon to consider emergency legislation to provide additional programs for the unemployed.

This Nation is today reeling under an unemployment rate of 9.2 percent with 8.5 million American working men and women ready, willing, and able to go to work, but unable to find jobs as a direct result of the current economic crisis. This situation we are facing today is comparable only with the Great Depression of the 1930's.

It is true that in recent weeks there have been indications that the economy may be beginning to bottom out and that this Nation may have turned the corner on the road to economic recovery. We must not, however, permit ourselves to be deluded by these few positive signs. Economic recovery could be a slower process and for those who have been its most innocent victims, the unemployed, it is going to be a painful process unless additional assistance is provided.

H.R. 6900 would amend two programs enacted by the Congress last December to deal with the unemployment crisis: The Emergency Unemployment Compensation Act, which created the Federal supplemental benefits program to provide additional benefits for the long-term unemployed who had exhausted their entitlements under the regular unemployment compensation program and the Federal-State extended unemployment benefits program; and the Emergency Jobs and Unemployment Assistance Act, which created the special unemployment assistance program, which provides up to 26 weeks of unemployment assistance benefits for workers with significant labor market attachment who are not protected by any existing Federal or State unemployment compensation program. The legislation before us today is of particular urgency because, without its passage, over 2 million American workers would find themselves unemployed, and unable to provide even the minimum level of income security for themselves and their families which is provided by unemployment compensation.

This bill was jointly referred to the Committee on Finance and to the Committee on Labor and Public Welfare. The Labor and Public Welfare Committee considered especially title II of the legislation, while the Finance Committee considered especially titles I and III. Title II of this bill deals with the special unemployment assistance program, created under title II of the Emergency Jobs and Unemployment Assistance Act enacted by the Congress last December. This program currently provides up to 26 weeks of unemployment assistance benefits for workers who although they are unemployed and have significant labor market attachment, are not provided with protection under existing Federal and State unemployment assistance programs. H.R. 6900 as amended by the Labor Committee extends the life of the Special Unemployment Assistance program through calendar 1976 and extends benefit eligibility to up to 39 weeks. Without passage of these amendments, it is estimated that over 400,000 unemployed American workers would exhaust their entitlements to benefits under this program during fiscal year 1976.

Title II of H.R. 6900 also corrects a number of technical deficiencies in the original program enacted last December. Several other proposals for further amendments to this program were considered by the Committee on Labor and Public Welfare. Included among these was a proposal by the administration in S. 1810, a bill which I introduced by request, which would have amended the triggering requirements of the SUA program to provide for benefits to trigger on in labor market areas within the country on the basis of the insured unemployment rate in those areas. In addition, S. 1695 introduced by Senator NELSON, chairman of the Employment, Manpower and Poverty Subcommittee of the Labor and Public Welfare Committee, would have extended benefit eligibility duration under the SUA program to up to 52 weeks instead of the extension to 39 weeks contained in this legislation. But, because of the imperative to act quickly on this legislation and obtain final passage before June 30 of this year, the committee felt that it was impossible to give adequate consideration now to the various proposals for reformation of the SUA program. The SUA program is a temporary, emergency program designed to close a glaring gap in the existing Federal-State unemployment compensation system. Both the Department of Labor and the House Ways and Means Committee have undertaken comprehensive reviews of the entire Federal-State unemployment compensation program. It is my hope that the Congress will turn its full attention to legislation reforming the permanent unemployment compensation program during this session. The trigger and eligibility issues raised by the various alternative proposals before the committee can be more suitably and fully analyzed and considered at that time.

Title I of H.R. 6900—reported to the Senate by the Committee on Finance—makes amendments to the Federal supplemental benefit program. The FSB program originally provided up to 13 weeks of additional unemployment compensation for long-term unemployed workers who have exhausted their entitlements under the regular unemployment compensation program and the Federal-State extended benefits program. In March of this year I proposed an amendment which was adopted by the Senate and passed into law which extended the FSB program to provide up to an added 26 weeks of emergency benefits. That extension of benefits will expire on June 30 and it is therefore imperative that further legislation be immediately enacted by the Congress.

In consideration of amendments to the FSB program, as well as the SUA program, the House Ways and Means Committee had before it a number of alternative proposals including the administration's proposal which would have provided additional trigger mechanisms for the FSB program as well as the SUA program. Because of the need to act quickly, the Ways and Means Committee determined that a simple extension of the 26-week FSB eligibility would allow for consideration of the trigger proposals and other substantive reform amendments before the committee during an overall review of the unemployment compensation program, which that committee has now undertaken.

I would hope that the Committee on Finance would commit itself, as have the Department of Labor and the Committee on Ways and Means of the House of Representatives, to a fuller view of the unemployment compensation system and to reporting to this Congress, before the end of the year, legislation to make permanent changes in that system in order to provide mechanisms by which they can effectively deal with periods of high unemployment such as we are currently experiencing.

Each committee acted with the utmost fidelity to the particular mandate it has to the Senate. The Labor Committee sought to safeguard labor concern, labor opportunities; the Finance Committee was dealing with its traditional financial concerns about what it costs our country and what it costs individuals because the unemployment compensation is financed from both a tax and a call on general revenues because of the difficulty we are in in the way of a recess.

Now, the theory of the bill, as reported by the Finance Committee, was that the time had come to make a change from the way the program has operated up to now, which is, 39 weeks of assistance for those who are not covered by the normal unemployment insurance system, and up to 65 weeks of compensation those who are normally covered by the regular unemployment insurance system. The Finance Committee delivered that the way to do that was to have a series of off-triggers. Trigger is just a technical word which simply means that upon realizing certain lesser rates of unemployment State by State the benefits would be reduced. Those off-triggers are based, on a State standard rather than a State or national standard, which is what we have had up to now. The existing FSB program operates on the same trigger level as the Federal-State Extended Benefits Program—4 percent insured unemployment on either a State or National level.

Mr. President, what we in the Labor and Public Welfare Committee felt is that the recessionary situation is still so serious that within the framework of the current recessionary situation that we could not go along with the idea of changing the system in that way now.

For one, it would trigger off within a month or 2 the unemployed in 13 States, and that is, under existing conditions, a very difficult bone for us to swallow.

So with full understanding of the feeling of the Finance Committee, whose primary concern is a different primary concern from ours, we discussed the matter with Senator LONG and Senator NELSON who were most understanding, and we finally arrived at a solution which amounts really to slicing it right down the middle.

We said, we will continue where we are for 6 months and then for the next period of time we will put into effect the Finance Committee's scheme with regard to the trigger mechanism for the FSB program.

Mr. President, we must remember that we have yet to go to conference in this matter with the House, which has a bill more like what will now be the Senate bill for the first 6 months than what the Finance Committee brought out. They essentially continued the pre-existing trigger mechanism until June 30, 1976.

So, by cutting it down the middle, we avoid certainly, for 6 months any of these 13 States or any additional States—by the way mine is not one of them. To show the Senate the anomaly of this situation—my State is not embraced in the 13 to be triggered off and Senator LONG's State is included in the 13 that would be triggered.

That is kind of an earnest to the Senate that we were thinking in national and not in parochial terms.

It will prevent these States from being triggered for at least 6 months and give us a chance to see what the recessionary situation looks like at the end of that time.

If it is receding, then, obviously, the Finance Committee scheme is totally appropriate. If it looks like it is very sticky, we may change our minds and do something else about this whole thing before December 31, but at least, it stabilizes the situation.

Finally, our purpose in the Labor Committee—and Senator WILLIAMS is here, our chairman—has been to continue unemployment compensation within the frame of reference, of a serious recession unmatched since the Great Depression, and not throw people on welfare.

I think the President of the United States, the Secretary of the Treasury, the Finance Committee, the Ways and Means of the other body, and everybody concerned, is entitled to enormous credit. This is a very enlightened point of view. There is a dignity about this which was not present during the Depression, it does not throw people on welfare.

Again for the information of the Senate, in many States the unemployed worker will do better on welfare than unemployment compensation, but he does not want it, because it is not a matter of right.

So our collective effort has been to maintain the dignity of the working man who is unemployed through no fault of his own. That is why these extensions.

So at the proper moment, Mr. President, I will send my amendment to the desk which does essentially what I have described.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the amendment to be offered by Senator JAVITS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I yield myself 3 minutes.

Mr. President, this unemployment compensation bill does not add any new benefits. It does extend some dates in reference to benefits that are now in the law.

Under present circumstances, we have the State-run unemployment compensation systems, and I believe most States provide for 26 weeks. It is paid for by employers.

Then we have 13 weeks of extended benefits and half of that is paid by the Federal Government. That accounts for the first 39 weeks.

Then sometime back, the Congress passed an additional 26 weeks, all at Federal expense, and that part expires.

That makes a total of 65 weeks. We do not add to the 65 weeks, but there is an expiration date in reference to the last 26.

In the near future, I believe the first of July, the 26 weeks will drop back to 13. We extended the 26 weeks. We extended the existing program, and this is primarily due to the existing unemployment. But we do provide that if in a given State the unemployment situation gets better, this 26 weeks that is all paid for by the Federal Government is lessened.

If the rate equals or exceeds 6 percent in a given State, a full 26 weeks of emergency benefits would be payable.

If the rate is 5 percent or more, but less than 6 percent, they will have 13 weeks of emergency benefits payable.

Finally, if in a State the unemployment is less than 5 percent, the emergency benefits would be discontinued.

Mr. President, this proposal makes a start at the Federal Government withdrawing from these additional weeks where the Federal taxpayer picks up the entire check. That primarily, is what all this is about. It, however, does extend the full period that is now in the law for those States that have more than 6 percent employment.

Mr. President, the principal purpose of H.R. 6900 is to extend the two temporary unemployment compensation programs enacted by the Congress in late 1974. These two programs are the Federal supplemental benefits program and the special unemployment assistance program.

Under the Federal supplemental benefits program, for which the Committee on Finance had jurisdictional responsibility, unemployed individuals who have exhausted their 26 weeks of regular State benefits and their 13 weeks of Federal extended benefits may receive an additional 26 weeks of emergency benefits. These emergency benefits thus cover the 40th through the 65th weeks of unemployment. Under existing law, the 26 weeks of emergency benefits are payable through June 30, 1975. As of July 1, 1975, the maximum period of emergency benefits will be 13 weeks, payable through December 31, 1976, when the Federal supplemental benefits program expires.

The House bill simply extends for 1 year the period during which 26 weeks of emergency benefits can be paid to June 30, 1976, with a provision for 13 weeks of emergency benefits payable from July 1, 1976, to December 31, 1976. The Committee on Finance also provided for an extension of these emergency benefits, but with several amendments. I support both the extension and the committee amendments.

Under the committee bill, the emergency benefit program would continue to March 31, 1977, and the maximum benefit period of 26 weeks would apply until that date. However, and this is most important, Mr. President, under the committee bill, the duration of emergency benefits in a particular State would be determined by reference to the insured unemployment rate in that State. If the rate equals or exceeds 6 percent, a full 26 weeks of emergency benefits would be payable. If the rate is 5 percent or more, but less than 6 percent, 13 weeks of emergency benefits would be payable. Finally, no emergency benefits would be payable in a State when that State has an insured unemployment rate of less than 5 percent.

This concept of targeting emergency

benefits with some precision, and phasing them down as the unemployment situation improves, was supported by the Secretary of Labor in his testimony before the committee. We did not agree to the specific technique advocated by the Labor Department, but we certainly accepted the concept. I respectfully suggest, Mr. President, that it is most important for these federally funded emergency benefits to be used only to the extent they are absolutely necessary. Otherwise, our unemployment insurance program could rapidly become a Federal income maintenance program rather than a program to assist those who are temporarily displaced during periods of unemployment. Moreover, as the Secretary of Labor pointed out in his testimony to the committee, the Federal Government does not have unlimited funds and it is thus only a matter of commonsense to concentrate those funds in areas where the rate of unemployment is the highest. For these reasons, Mr. President, I support the committee's decision and urge my colleagues to do likewise.

There are also several other amendments to the Federal supplemental benefits program to which I would like to refer briefly. The committee bill provides that an individual could not receive emergency benefits unless he registers for, and if it is available, participates in a training program. Once an individual has received 39 weeks benefits, he should be expected to take available training to acquire new and hopefully more marketable skills. The committee bill also provides that an individual who is not participating in a training program could not receive emergency benefits if he refuses a job offer unless the job he is offered is dangerous to his health or involves traveling an unreasonable distance to work. Of course, as under existing law, an individual could not be required to take a job which is vacant as a result of a labor dispute, requires him to join—or not join—a union, or involves unreasonably low wages or unreasonably bad working conditions for the type of job involved. Finally, under the committee bill emergency benefits are to be federally funded. Under existing law, amounts expended for emergency benefits are ultimately to be recouped from the employer payroll tax. In the committee's judgment, such protracted benefits are more properly a general revenue expense than a cost allocable to the employer.

As indicated in the committee's report, other provisions of the committee bill provide for an extension of the period for repayment of loans to States for their unemployment compensation programs, for a study of the emergency benefits program, and for the making of loans to the Virgin Islands for its unemployment compensation program. These too are provisions which merit support.

In closing, Mr. President, let me commend the distinguished chairman of our Committee on Finance for his leadership in this matter. The committee acted promptly on his bill, but it did not let the need for prompt action override the equally compelling need to face up to some of the more important problems in the Federal supplemental benefits program. I applaud our chairman for his leadership in making these important decisions and I urge adoption of the committee bill.

I yield the floor.

Mr. JAVITS. Mr. President, I call up my amendment.

The **PRESIDING OFFICER**. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes an amendment.

The amendment is as follows:

On page 7, strike out lines 17 through 20 and insert in lieu thereof the following: "began prior to January 1, 1976, shall end prior to such date".

(f) Section 102(e)(3) of such Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "January 1, 1976".

(g) The amendments made by subsections (a) through (e) of this section shall be effective with respect to weeks of compensation which begin on or after January 1, 1976.

Mr. JAVITS. Mr. President, this amendment maintains the present situation respecting the extension to 52 weeks and 65 weeks until December 31, 1975, and on January 1, 1976, the standard—that is the trigger which is now 4 percent insured, may I emphasize, using constantly the words "insured unemployment." For the information of the Senate, insured unemployment is approximately 2 percentage points, not 2 percent, 2 percentage points less than actual unemployment.

That is an actuarial figure based on experience, there is no way of fixing it otherwise, but based on experience, the total unemployment note will be 2 percentage points more than the insured unemployment figure for reasons of the way they count and are handled.

So we want to bear in mind, that in terms of total unemployment, the Finance Committee trigger levels are equivalent to 7 and 8 percent unemployment respectively.

As of January 1, 1976, it will then provide that where a State has under 5 percent insured unemployment—now, we must bear in mind, the present standard is 4, and 5 means 7 percent unemployment, so where it has under 5 percent insured unemployment, and 7 percent actual unemployment, the Federal triggers will operate to take that State out.

Where it is over 5 percent but less than 6 percent, then workers in that State can be paid up to 52 weeks of benefits out of the special Federal programs.

When the rate is 6 percent or more, then the full 65 weeks may be paid.

The 39 weeks, maximum duration of benefits remains on if there is 4 percent or more insured unemployment, on either a State or national level even after January 1, 1976. I want to make that very clear.

Second, I wish to emphasize that this amendment and the Finance Committee bill does not apply to those workers whom we have under the Special Unemployment Assistance program which is amended by title II of the bill. That special program relates to those who are not covered under the regular unemployment compensation system. That is, primarily, domestic workers, farmworkers, and government employees. There the committee has changed nothing, but has provided that the 39 weeks standard which is in that bill as sent to them by the House extended through December 31, 1976. I want to make that very clear, that it is completely unaffected by our discussion.

Mr. President, just so it is clear to us all, Members who are interested in the way of financing should read—and we do not now have time to trouble the Senate about it—pages 2 and 3 of the committee report. Members who are interested in what States are on the marginal line of being triggered on or off—I said there would be 13—should read the table on pages 8 and 9 of the committee report which is headed "State Insured Unemployment Rates as of May 31, 1975."

Finally, Mr. President, two other points which are included in the Finance Committee bill and are not touched by my amendment which I wish to make clear are: first, the fact that there are certain training requirements on anyone who has had 39 weeks of unemployment compensation.

The Federal Government, if this remains unamended, though Senator WILLIAMS is going to amend it, could require training by a person in another job or another calling who has drawn 39 weeks of benefits. Senator WILLIAMS will deal with that and explain his amendment, in which I join.

Lastly, the committee has also drafted a very interesting and a very ingenious provision which I am not very happy about, but it is there, relating to the conditions under which once a person has drawn 39 weeks of benefits he may be required to take some other kind of a job. He cannot turn down any job, really, once he has drawn his 39 weeks, with certain safeguards respecting prevailing rate of pay and unreasonable distance from where he lives, hazard to life and limb and so on. All of this is contained in the bill and spelled out for the information of Members at page 2 of the committee report.

That will remain in the bill. I wish to make that crystal clear so that Members understand it fully.

Finally, I wish to repeat what I have said before, my own rationale in accepting this particular provision for the purposes of Senate passage. I do not like this provision. I will not trouble the Senate with those reasons now. It is so important to maintain the dignity of the unemployed.

I respectfully submit to my colleagues that I think a big element of confidence by consumers and workers in our system is being built up and supported by the fact that we show no intention to relegate the worker to relief, depression 1932 style or any other style. We feel that we are all in a jam together in a massive recession, and we feel that he should have the dignity of being carried as an unemployed worker temporarily on the unemployment roles—not on the relief roles.

Mr. President, that is all I care to say about my amendment.

Mr. LONG. Mr. President, I have discussed this matter with the Senator from New York and the Senator from New Jersey. This amendment represents a compromise between their view, representing the prevailing view on the Labor and Public Welfare Committee, and the prevailing view of those on the Finance Committee. Basically, it represents the two approaches and says that we will try their approach for the first 6 months and our approach for the second 6 months. I think it is a fair manner of handling it. These matters should not be decided so much on the basis of who is right as what is right, and I think we should have the chance to find out.

I yield back the remainder of my time.

Mr. JAVITS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CURTIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new title IV:

SEC. 401. (a) Section 1839(c)(1) of the Social Security Act is amended by—

(1) striking out "during December of 1972 and of each year thereafter" and inserting "within forty-five days after the close of the first quarter of each calendar year" in lieu thereof, and

(2) striking out "July 1 in the succeeding year" and inserting "October 1 of that year" in lieu thereof.

(b) Section 1839(c)(2) of that Act is amended by striking out "after June 1973".

(c) Section 1839(c)(3) of that Act is amended by striking out the first sentence and inserting in lieu thereof the following: "The Secretary shall, within forty-five days after the close of the first quarter of each calendar year and in accordance with the succeeding sentence of this paragraph, determine and promulgate the monthly premium applicable for individuals enrolled under this part for the twelve-month period commencing October 1 of that year. If the first quarter of any calendar year is a cost-of-living computation quarter, as defined in section 215 (i)(1)(B), the determination made in that year shall be made only after the resulting cost-of-living increase in benefits under title II has been published in the Federal Register pursuant to section 215(i)(2)(D)."

(d) Section 1839(c)(3)(B) of that Act is amended by—

(1) striking out "in the case of the determination made in December 1971, such rate promulgated under subsection (b)(2)" and inserting "in the case of the determination made in 1975, $6.70", and

(2) inserting "preceding the year" after "June 1 of the year".

(e) Section 1839(c)(4) is amended by—

(1) striking out "during December of 1972 and of each year thereafter" and inserting "within forty-five days after the close of the first quarter of each calendar year" in lieu thereof; and

(2) striking out "July 1" and inserting "October 1" in lieu thereof.

(f) Section 1839 of that Act is further amended by—

(1) striking out subsections (a) and (b) and redesignating subsection (c), (d), (e), and (f) as subsections (a), (b), (c), and (d), respectively;

(2) striking out "subsection (d)" in subsection (a)(2), as redesignated by clause (1) of this subsection, and inserting "subsection (b)" in lieu thereof;

(3) striking out "subsection (b) or (c)" in subsection (b), as redesignated by clause (1) of this subsection, and inserting "subsection (a)" in lieu thereof; and

(4) striking out "subsection (c)" in subsection (d), as redesignated by clause (1) of this subsection, and inserting "subsection (a)" in lieu theerof.

SEC. 402. (a) The determination and promulgation required under section 1839(c) (3) of the Social Security Act as amended by section 401(c) of this Act shall be made in the case of calendar year 1975 within 15 days of enactment of this Act.

(5) The amendments made by section 401 shall be effective with respect to monthly premiums of individuals enrolled under part B of title XVIII of the Social Security Act for months after September 1975.

Mr. CURTIS. Mr. President, this amendment deals with part B of medicare, which is the voluntary medical insurance part of the medicare program covering essentially doctors' bills. Since its inception, this part of medicare has been financed through a combination of monthly premiums paid by beneficiaries and matching payments from Federal general revenues. For the great majority of beneficiaries, the medicare premium is deducted each month from the social security benefit check.

The amendment which I offer is designed to correct a technical error in existing law which has the effect of preventing increases in the part B medicare premium. This is contrary to the Congress' clear intent to permit premium increases to reflect the increased cost of the program, subject to a maximum increase no greater than the percentage by which monthly social security benefits increase during the year. The technical error which my amendment would correct occurred when Public Law 93-233 was enacted on December 31, 1973. In Public Law 93-233, the Congress modified the schedule for automatic increases in social security cash benefits, but unintentionally failed to make corresponding changes with respect to the medicare part B premium. The effect of this technical error is that without some change in existing law no increase in the premium can be made for this year and the situation is likely to be repeated in subsequent years.

My amendment is virtually identical to S. 1722, which I introduced at the request of the administration on May 13, 1975, My amendment is also quite similar to a provision adopted by the House Ways and Means Committee earlier this year as part of H.R. 5970.

There are two differences between my amendment and the Ways and Means provision. First, under my amendment, the Medicare part B premium would be announced in May of each year and would become effective the following October. The Ways and Means proposal would retain the current system of announcing the premium in December for implementation in July. Since, for 1975, the time for promulgating a new premium has passed, my amendment permits the October 1975, increase to be promulgated within 15 days of enactment.

The second difference between the pending amendment and the Ways and Means provision concerns the span over which cash benefit increases are compared. The Ways and Means approach uses the previous year's cash increase, while the pending amendment uses the current year's cash benefit increase.

Mr. President, this restores the original intent of the Congress concerning the power of the Social Security Administration to fix the premium on that part of the medicare program relating to doctor bills. The premium is supposed to be upgraded once a year to reflect the cost of the program. It is restating what the original law provided, and I urge the adoption of the amendment.

Mr. WILLIAMS. Mr. President, I yield to the Senator from New York.

Mr. JAVITS. Mr. President, this amendment is of concern to me and of concern to many Senators. We are asked to accept it on the ground that it corrects an error of omission which should have been corrected a couple of years ago. Of course, it is not a very happy time to correct omissions that cost elderly people more money. So we are worried about it.

I would like to ask Senator CURTIS two questions: What is the estimated cost per beneficiary under part B? Is that statement per couple or a single individual?

Mr. CURTIS. My information is that the best estimate is 50 cents for each beneficiary monthly.

Mr. JAVITS. So that it would be $1 per couple?

Mr. CURTIS. Yes.

Mr. JAVITS. And roughly $12 per year?

Mr. CURTIS. Yes. That is true, but there is no gain to the Government by reason of such action.

In fact, it would be a loss to the Government if we do not go back to the original program.

Mr. JAVITS. I understand. May we have the estimate of the Senator, who is well informed on this matter, as to the average payment under part B at present?

Mr. CURTIS. It is $6.70 for each beneficiary per month.

Mr. JAVITS. So, in round figures, for a couple it comes to about $145 or $150 a year?

Mr. CURTIS. And the Federal Government pays an equal amount. This would increase the part that the participant pays by about $6 a year.

Mr. JAVITS. Yes; $12 a couple, in round figures.

Then we are talking about something like 8 percent, at the outside?

Mr. CURTIS. About that, yes.

Mr. JAVITS. And the amount of money involved, in gross, is about $100 million per annum?

Mr. CURTIS. I think that is a correct estimate.

Mr. JAVITS. I thought those figures were critically important, as well as the central point represented to us by the distinguished Senator from Nebraska that this should have been corrected 2 years ago, and we are just catching up with something that should be on the books now, and should have been for the last couple of years.

Mr. CURTIS. I thank the distinguished Senator.

Mr. President, I yield myself 1 additional minute.

None of us likes to see these costs go up, any more than we like to see the cost of operating the Senate go up. The original intent under this law was that the recipient pay half of it. If that intent is to be abandoned, I think the matter should be explored thoroughly in hearings, and also that alternative sources be found to obtain the money.

Mr. JAVITS. Mr. President, will the Senator yield further?

Mr. CURTIS. I yield.

Mr. JAVITS. It strikes me that, while it is true that this is an increase, we must remember we are taking this matter to conference. Is this proposal in the House bill?

Mr. CURTIS. It is not in the House bill before us, but the Ways and Means Committee has previously accepted the principle in another measure.

Mr. JAVITS. But it will be in conference; so, if there are any, say, bugs in it, or things we discover later that we do not know now, the fact is that this is not absolutely final?

Mr. CURTIS. That is correct.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HARTKE. First, Mr. President, a parliamentary inquiry. How much time remains and who controls time?

The PRESIDING OFFICER. The Senator from Nebraska has 10 minutes remaining.

Mr. HARTKE. Who controls the time in opposition to it?

The PRESIDING OFFICER. The Senator from New Jersey has 12 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Nebraska yield to me for a unanimous-consent request?

Mr. CURTIS. I yield.

ORDER FOR 10-MINUTE ROLLCALL VOTES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and this has been cleared on the other side of the aisle—that there be a time limitation on each remaining rollcall vote today of 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. HARTKE. Mr. President, I ask unanimous consent that Don Keefer of my staff be accorded the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, as I understand what the Senator from Nebraska is proposing to do here, it is, in effect, on an emergency unemployment compensation extension bill, to go ahead and add an additional tax on the senior citizens for medicare. Is that correct?

Mr. CURTIS. It is an additional tax. The reason is that the premium is supposed to be adjusted as of July 1 of each year.

Mr. HARTKE. I understand; but the premium can be adjusted retroactively, or it can be corrected later. There is no reason, in the middle of a recession, to slap on the old people of this country an additional tax simply because we are trying to take care of unemployed people.

I think this is a most unfortunate item. It is one of those things which demonstrate that there is no sincere conviction to do something for the elderly.

Mr. CURTIS. Mr. President, I decline to yield further.

Mr. WILLIAMS. I yield the Senator 1 minute.

Mr. CURTIS. I would be happy to yield, but I have only a few minutes left.

Mr. HARTKE. I understand that. But I think, as a matter of good conscience, there is no question that at this time most of the senior citizens of this Nation are faced with a tremendous increase in the cost of living already. This is an action taken at a time when we are trying to alleviate suffering, not add to the suffering of people who are financially hard pressed.

Whether this is the right approach or not I do not know, but to take this action in a hurried session, when we are in the middle of the debate on the New Hampshire election, when we are trying to extend unemployment compensation, appears to me to be the height of folly.

I would ask the chairman of the Finance Committee, of which I am a member, is there any reason why we have to do this on this bill? My time is running out.

Mr. LONG. I will yield on my time.

Mr. HARTKE. No, that is all right. I am not worried.

Mr. LONG. The Senator from Nebraska has correctly stated the fact: it was intended that the fees or charges would go up as the cost goes up. His fundamental argument is correct.

As to the timing, I am not in a position to pass judgment on that. I suppose as long as this is supposed to be a self-liquidating program, we should try to keep it self-liquidating, and when we make a mistake by inadvertence, we should try to correct it when we have the opportunity. But I am not in a position to pass judgment on that.

The Senator asks, do we have to do it now? I guess the answer is no, we do not; we can do it whenever we want to. But the program is designed to be a self-financing program, and we ought to try to make it finance itself.

Mr. HARTKE. I am not objecting to the ultimate consideration, but I would think this is a very poor time for the Senate to be taking action of this kind, which is not going to, perhaps, liquidate the social security fund, but might have a tendency to liquidate the financial structure of a few old people out there who need some attention. If there is anything under the sun we ought to be doing now, it is not taking money out of the spending stream, but ultimately that is what this would do. Instead of stimulating the economy, what it would do is ultimately deprive some of the people on medicare of some of the money they might use for medical care or the necessities of life. If anything, we ought to be providing emergency help to these old people, who are trying to get along on poverty or subpoverty incomes.

Mr. LONG. Mr. President, I am sure the Senator did not intend to debate with me on this amendment. It is not my amendment. I am not an expert on it.

All I know is that the Senator from Nebraska has correctly set forth his case, and the Senator from Indiana has made his point. So it is a matter for the Senate to decide, and I do not really think that I am the best expert to advise the Senator on this matter. It is a question of a difference of opinion between the Senator from Indiana and the Senator from Nebraska, and it is not of my making. As I have said about so many things, "I did not make this world; I was merely born into it."

Mr. HARTKE. With such enthusiastic endorsement from the chairman of the Finance Committee for this measure, I see no reason for us to consider it at all this afternoon, and I hope, in all good conscience, that when the time has expired the Senate will be willing to set the matter aside as being, first, nongermane and therefore subject to a motion to table. It is certainly not germane to the issue before us. It has no relevance whatsoever. By the same token, it would be much more in order to ask for a 10- or 15-percent increase in benefits for these older citizens, instead of socking it to them once again.

Mr. CURTIS. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Nebraska has 9 minutes remaining.

Mr. CURTIS. Mr. President, I yield myself 3 minutes.

I hope that I might have the attention of Senators present. This item amounts to about $100 million. The Budget Committee assumed that this action would be taken. If we do not pass this amendment, we exceed our budget by $100 million.

Here is another point: It is provided in this proposal that no increase in the part B premium can be made in excess of the social security increase, so any time Congress does not get around to increase social security benefits there will not be any increase in this.

This is not a new proposal. Throughout the history of the medicare program the participant paid half of the premium. We had an error in the 1973 act. The authority of the Social Security Administration to ascertain what this is, declare it, and become effective has expired.

Here is something else that the Senator from Indiana should realize: This is not the medicaid program. The medicaid program is intended to take care of the poor. This is a program that deals with everybody over 65.

As to those in this Chamber over 65 that does not mean that they are automatically poor. Some of them may be better off financially than they were in their younger years.

If we want to change the system and have it all paid by the Federal Government, let us hold some hearings; let us find some alternative revenue. But by delaying the correction of this technical error, we add $100 million to the budget that has not been in the calculations.

We also deviate from the principle that the doctor's portion of medicare, that half of the premium should be paid by the individual. Keep in mind there are millions of medicare beneficiaries now on the rolls that were automatically placed on the rolls because they were in retirement and never paid a cent of payroll tax dedicated to the medicare program.

The medicare program was originally submitted as a hospital bill. The champion was our distinguished friend from New Mexico (Mr. ANDERSON). He talked about the high cost of hospitals, and that was the bill they talked about. When it reached the House of Representatives, they devised a voluntary medical program to take care of the doctor's bill, and the participant was to pay half of it.

How much would the premium be? It has to be adjusted periodically. The power of the administration to adjust it has expired. That is all we are asking for here.

Mr. President, I want this body to know that I am not personally involved in this. It is a question of whether or not the Senate wants to authorize an expenditure of $100 million that was not in the budget's calculations.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. CURTIS. I yield myself 1 more minute.

Under the medicaid program, the medicaid program pays the part B for the poor. So, while this 50 cents a month increase is going to affect so many people who have to watch their income, and I would not doubt this at all, certainly that is not the total case.

Mr. President, I reserve the remainder of my time.

Mr. HASKELL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Colorado?

Mr. WILLIAMS. How much time is left?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. HARTKE. Mr. President, will the Senator yield for 10 seconds?

Mr. WILLIAMS. Yes.

Mr. HARTKE. Mr. President, I intend to make a motion to table. The time has expired.

I ask for the yeas and nays on that motion, I ask unanimous consent to order the yeas and nays at this time.

The PRESIDING OFFICER. It would take a unanimous consent to order them at this point.

Is there any objection?

Mr. CURTIS. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered.

Mr. CURTIS. Mr. President, if the other side is willing I yield back the remainder of my time.

Mr. HASKELL. The Senator from New Jersey yielded to me. The Senator from Indiana took the words out of my mouth. I had nothing to say.

I merely suggest to the Senator from Indiana that we might have this vote just before the vote on final passage of the principal bill.

Mr. HARTKE. That does not make any difference to me. If you want to ask for it, all right.

Mr. HASKELL. I would ask that that vote on this motion to table occur immediately prior to the vote on the adoption of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. Mr. President, reserving the right to object, is there any particular reason why we need to delay this?

Mr. HASKELL. No. Let us go ahead. I was merely thinking of convenience of the people. I will withdraw that motion.

Mr. HARTKE. Let us leave it alone.

Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield to the Senator.

Mr. HARTKE. I want to say, assuming everything the Senator from New Jersey says is true, assuming even that he says it is necessary, it is not necessary to do it on this bill at this time.

It is not germane. It was not considered in the committee. It was not considered by the House Ways and Means Committee. It is time that we just go ahead and deal with the business which is before us. Very simply, that business is going ahead and providing for an extension of unemployment compensation benefits, and all I am saying is that I would oppose this measure in the committee if it were presented there. I would oppose this measure in the Chamber. But at this time I just think it is inappropriate for us to have any further consideration of it at this time. Let us get on with the business at hand.

Mr. CURTIS. Mr. President, I yield myself 1 minute and then I am ready to vote.

Mr. President, it is not true that this has not been considered by the Ways and Means Committee. They have approved it, and they put it on another bill that is not before us.

Mr. President, I again repeat I am ready to yield back the remainder of my time if the other side will do so.

Mr. WILLIAMS. We yield back time.

Mr. HARTKE. Mr. President, I move that the amendment be laid on the table.

Mr. CURTIS. Now I ask for the yeas and nays

Mr. HARTKE. They have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting the Senator from Washington (Mr. MAGNUSON), the Senator from North Dakota (Mr. BURDICK), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. FANNIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The result was announced—yeas 42, nays 36, as follows:

[Rollcall Vote No. 236 Leg.]

YEAS—42

Abourezk
Allen
Bentsen
Biden
Brock
Brooke
Bumpers
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Huddleston
Humphrey
Jackson
Javits
Leahy
McClellan
McGee
McGovern
Mondale
Moss
Pastore
Pell
Ribicoff
Schweiker
Sparkman
Stafford
Stennis
Stevenson
Stone
Symington
Tunney
Weicker
Williams

NAYS—36

Baker
Bartlett
Buckley
Byrd, Harry F., Jr.
Curtis
Domenici
Fong
Ford
Garn
Hansen
Hathaway
Helms
Hollings
Hruska
Johnston
Laxalt
Long
Mansfield
McClure
McIntyre
Morgan
Muskie
Nelson
Nunn
Packwood
Pearson
Percy
Proxmire
Roth
Scott, Hugh
Scott, William L.
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—21

Bayh
Beall
Bellmon
Burdick
Church
Dole
Eagleton
Eastland
Fannin
Goldwater
Griffin
Hart, Gary W.
Hatfield
Inouye
Kennedy
Magnuson
Mathias
Metcalf
Montoya
Randolph
Stevens

So the motion to table was agreed to.

Mr. HARTKE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. MOSS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WILLIAMS. Mr. President, I have an amendment at the desk that I ask to have considered.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 8, lines 11, 12, and 13 are amended to read as follows:

"(A) with respect to which he is neither a participant in a training program that is approved by the Secretary nor, if the State determines that there is a need for upgrading or broadening his occupational skills, an applicant to participate in a training program if such a program is available within a reasonable distance and without charge to him for tuition or fees, or".

Mr. WILLIAMS. Mr. President, this amendment, which I offer with Senator JAVITS, has been discussed with the chairman of the Committee on Finance and was one of the amendments that we agreed would be presented on the floor. The committee bill provided that a person can be eligible for benefits after 39 weeks only if he is participating in, or has applied for, a training program approved by the Secretary. My amendment asks the State to make a finding that the person needs new skills or better skills. It provides that the training program must be located within a reasonable distance of his home. Finally, it provides that the training be available without charge or fee to the unemployed person.

In other words, where there is a need for training and the training is available, in order to be eligible, for more than 39 weeks of benefits the individual either has to be in training that is available and meets his needs, or he has to apply for training that is available.

Mr. HUMPHREY. Will the Senator yield to me?

Mr. WILLIAMS. Yes.

Mr. HUMPHREY. Just on a point of information, I had a constituent who told me that he had had training under the CETA program and that he was not eligible to obtain a job in anothher part of the State, that he had to obtain the job within the area of the training. Is that a fact?

Mr. WILLIAMS. The CETA program is administered through local prime sponsors and he might be subject to regulations of the prime sponsor. I cannot conceive of any justification though, unless the job was a public service job. Those are restricted to residents of the prime sponsor area.

Mr. HUMPHREY. I know that. The Senator is so knowledgeable in these matters.

Mr. WILLIAMS. We could call upon the junior Senator from Wisconsin to answer more definitively on this. He has led, with great skill, the CETA program as it has developed in the Senate. Would the Senator restate the question for the Senator's benefit?

Mr. HUMPHREY. I state for the Senator from Wisconsin the following concern that was expressed to me by one of my constituents; namely, that he had been trained under the CETA program and was unable to obtain a job in the area that he was trained, but there was a job some 150 miles away that met his new skill. Yet he was told that he could not take the job. Is that a fact or is it this man's misinformation?

Mr. NELSON. There is no such requirement in the statute. It is administered by the prime sponsor, which may be the State or a qualified local prime sponsor—a city or county of over 100,000 population. The prime sponsor has a great deal of discretion in administering programs under the Comprehensive Employment and Training Act—CETA.

Mr. HUMPHREY. I say most respectfully, with the need for jobs, it seems to me that wherever one can get a job after he has been trained, he should be able to go get it. I just cannot imagine that those rules and regulations make very much sense if a man is denied a chance to get a job. He was trained in a skill. I have forgotten the skill, but he buttonholed me when I was visiting in Duluth, Minn., and told me that he was unable to obtain a job in that area—it was not in the city of Duluth, but in the area—but he could get a job in one of the factories in the suburban area of the Twin Cities, and he was told he could not qualify.

Mr. NELSON. I cannot quite believe that CETA in any way poses an obstacle to his accepting a job if it is in a private enterprise. The prime sponsor has no control over whether he can take a job in a private enterprise.

Mr. HUMPHREY. That is what I would think.

Mr. NELSON. There is no such requirement in the law, I say to the distinguished Senator from Minnesota. If he could give us the facts, I shall be glad to have our staff check it out. My guess is there is some misunderstanding.

Mr. HUMPHREY. I think there is, but I though I would bring it up here. I shall talk to the staff afterwards.

Mr. WILLIAMS. I shall take no further time for the amendment. It is a single proposal, and I have discussed it with the Senator from Louisiana.

Mr. LONG. Mr. President, I yield myself 1 minute.

Mr. President, this amendment modifies the language of the emergency bill requiring claimants for unemployment compensation to apply for any available training. The amendment makes clear that there is no attempt to make these individuals apply to participate in a training program unless there has been a determination that they have need of that training in order to broaden or upgrade their skills so that they will be able to find employment. I personally have no objection to the amendment, and I am prepared to vote for it.

If there is no request for time, I yield back my time.

Mr. WILLIAMS. I have no request. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 599

Mr. LONG. Mr. President, I have an amendment at the desk relating to the tax credit on new homes. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the Act insert the following new title:

TITLE IV—MISCELLANEOUS

TAX CREDIT FOR PURCHASE OF NEW PRINCIPAL RESIDENCE

Sec. 401. (a) Section 44(e) of the Internal Revenue Code of 1954 (relating to property to which the credit for purchase of new principal residence applies) is amended—

(1) by striking out subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(A) the construction of which began before June 19, 1975,", and

(2) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) Certification must be attached to return.—This section does not apply to any residence (other than a residence constructed by the taxpayer) unless there is attached to the return of tax on which the credit is claimed a written certification (which may be in any form) signed by the seller of such residence that—

"(A) construction of the residence began before June 19, 1975, and

"(B) the purchase price of the residence is the lowest price at which the residence was offered for sale after February 28, 1975. For purposes of this paragraph, a written certification filed by a taxpayer is sufficient whether or not it is on a form prescribed by the Secretary or his delegate so long as such certification is signed by the seller and contains the information required under this paragraph.".

(b) Section 208(b) of the Tax Reduction Act of 1975 (relating to suits to recover amounts of price increases) is amended by striking out "ever offered for sale," each time it appears therein and inserting in lieu thereof "offered for sale after February 28, 1975,".

REFUND OF CREDIT FOR PURCHASE OF NEW PRINCIPAL RESIDENCE

Sec. 402. (a)(1) Section 6401 of the Internal Revenue Code of 1954 (relating to excessive credits) is amended—

(A) by redesignating subsection (c) as subsection (d), and

(B) by inserting after subsection (b) the following new subsection:

"(c) Section 44 Credit.—The amount allowable as a credit under section 44 (relating to purchase of new principal residence) shall be considered an overpayment."

(2) Section 6201(a)(4) of such Code (relating to assessment authority) is amended—

(A) by striking out "39 or 43." in the caption of such section and inserting in lieu thereof "39, 43, or 44.", and

(B) by striking out "or section 43 (relating to earned income)," and inserting in lieu thereof a comma and "section 43 (relating to earned income), or section 44 (relating to purchase of new principal residence),".

(3) Section 44(b)(5) of such Code is repealed.

(b)(1) Section 44 of the Internal Revenue Code of 1954 (relating to credit for purchase of new principal residence) is amended by adding at the end thereof the following new subsection:

"(f) Immediate Payment of Amount Equal to Credit.

"(1) General rule.—The Secretary of the Treasury shall pay to each taxpayer who files an application in the form prescribed under paragraph (3) an amount determined under paragraph (2). The Secretary shall make the payment as soon as possible after receipt of such application.

"(2) Amount.—The amount payable to a taxpayer under paragraph (1) is equal to the amount of the credit allowable to such taxpayer under this section for the current taxable year.

"(3) Application.—The application required under paragraph (1) may be in any form and must certify—

"(A) that the construction of the principal residence began before June 19, 1975,

"(B) that the purchase price of the residence is the lowest price at which the residence was offered for sale after February 28, 1975, and

"(C) the amount of the purchase price of the residence (as defined in subsection (c)(2)).

Such application shall be signed by the seller of the principal residence and by the taxpayer. For purposes of this paragraph, a written application filed by a taxpayer is sufficient whether or not it is on a form prescribed by the Secretary or his delegate so long as such application is signed by the seller of the principal residence and the taxpayer and contains the information required under this paragraph.

"(4) Reduction of credit.—The amount of the credit which is allowable to a taxpayer for the taxable year under this section shall be reduced by an amount equal to the amount of payment which such taxpayer receives under this subsection.

"(5) Underestimates of tax liability.—If the amount of the payment made to a taxpayer under paragraph (1) is greater than the amount of the credit allowed under this section for the taxable year, such excess shall be treated as an underpayment of tax for the taxable year.

"(6) Treatment as overpayment of tax.—For purposes of any law of the United States, any payment made under this subsection constitutes a refund of an overpayment of the tax imposed under chapter 1."

(2) The amendments made by this subsection apply with respect to the purchase of a principal residence after March 12, 1975.

Mr. STONE. Mr. President, will the Senator yield for one question?

Mr. LONG. Yes, I yield to the distinguished Senator from Florida.

Mr. STONE. Does the Senator's amendment, in amending the act with regard to residences, still include residences, including but not limited to mobile homes, condominiums, and cooperative apartment projects?

Mr. LONG. Yes, it does. Existing law, which we passed earlier this year, includes a unit in a mobile home, a condominium, and a cooperative housing project. This amendment will include them also.

Mr. STONE. I thank the Senator.

Mr. LONG. Mr. President, the Senator from Indiana (Mr. HARTKE) expressed a desire to be included as a cosponsor. I ask unanimous consent that he be added as a cosponsor to the amendment.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. LONG. Mr. President, the housing industry has suffered disproportionately from the current weakness in the economy. Many builders presently have their capital tied up in homes which have been constructed or are under construction but have not been sold. As a result of this condition, builders are either reluctant or unable to begin new construction until the existing inventory of houses is sold. In some cases, builders have been unable to pay the interest and other carrying charges on these homes, thereby resulting in foreclosures.

In order to direct a portion of the economic stimulus provided by the Tax Reduction Act of 1975 specifically toward the housing industry, Congress provided a tax credit equal to 5 percent of the purchase price of a new principal residence—up to a maximum of $2,000—which was either built or in the process of being constructed as of March 25, 1975. The tax credit is intended to stimulate the purchase of the existing inventory of new houses, thereby releasing capital for the construction of additional new houses.

To prevent the credit from inuring to the benefit of the builder through price increases, the credit was made available only if the seller certifies that the purchase price at which the house is sold is the "lowest price at which the residence was ever offered for sale."

An unintended result of this "lowest price" rule could deny the housing credit in many cases because the price of many of the houses in existing inventory has been raised several times since they were first offered for sale. This increase in price has occurred, in part, because in single-family housing developments—and condominiums—offers for sale during the early period of the development tend to be substantially lower than prices for the housing after the development is largely completed. In part, increases in price are also attributable to the additional carrying costs, and to higher costs for later construction for the houses sold at the later date. Only a few builders would be able to make the certification without incurring significant losses as a result of reducing the prices of these houses. As a result, the effectiveness of the housing credit provided in the Tax Reduction Act of 1975 is substantially limited since it now appears that only a small percentage of the existing inventory of houses would be eligible for the tax credit.

So that the credit will provide the stimulus intended, I am introducing legislation which will make the credit available—where other conditions of the act are met—if the certification provides that the purchase price at which the housing was sold is the "lowest price at which the residence on or after March 1, 1975, was offered for sale." This means that if it was certified that a house—where other conditions of the act are met—was sold at the lowest price for which it was ever offered for sale on or after March 1, 1975—even though not meeting the conditions of the present provision—the purchase will meet the conditions required for the housing credit. I believe that this change will carry out the intended purpose of stimulating the purchase of existing housing inventory while at the same time insuring that the seller will not raise the price of the home to take advantage of the credit and that the purchaser will receive the full benefit of the credit.

My amendment also has some additional features. There are indications that the housing credit is working and has provided a significant increase in sales of new residences since the enactment of the Tax Reduction Act of 1975. This stimulation in our depressed economy is healthy and I believe should be continued. One of the problems which has come to my attention is that there were a number of residences which were about to begin construction, as is usually the case in the spring, which did not meet the March 26 deadline. As a result, this has presented a problem in that these builders are not able to market these new residences in competition with those that are eligible for the credit. In view of this and to take into account the large number of new residences on which construction had begun in the spring, I believe it is appropriate to extend the credit to homes on which construction began before June 19, which will provide the additional stimulus for the economy.

Let me give you some idea of the important impact that the housing credit has had on housing sales since its enactment, which will give you some idea of the effect this extension will have. Sales of single family homes were 25 percent higher in April than in March when the credit was not available, 55,000 units up from 44,000. Not all of this increase of 11,000 units was due to the housing credit, but according to knowledgeable industry spokesman, a substantial portion of it was.

This increase in the sales of the existing stock of houses has contributed to the recent increase in housing starts as the proponents of the credit advocated it would when it was passed.

The employment effect of the housing credit is substantial. The direct employment effect of the construction of a house is about 1 man-year. When the labor involved in producing the materials that go into the house are considered, perhaps 1½ to 2 man-years are involved.

In general, the ripple effects or secondary effects of an expenditure change is about the same size as the primary or direct effect. This means that every additional house sold will account for one and one-half to two jobs directly and between three and four jobs when the secondary effects are considered.

This extension covers new principal residences where the construction began before June 19, 1975. As in the case of the existing provision, construction is considered to commence for this purpose when actual physical work of a significant amount has occurred at the building site. To constitute a significant amount of construction, there must be at least digging of the footings, excavation of the building site, or some similar work such as driving pilings for the foundation or pouring of the floor slabs. A significant amount of construction requires more than drilling to determine soil conditions, preparation of an architect's sketches, securing of a building permit or grading of the land.

My amendment also takes into account another concern that I have with the provision as it presently operates. The objective of the provision is to provide an immediate incentive for the purchase of new residences. However, the way the provision presently operates, the credit is not available until the next year when the individual files the tax return. I believe the credit would be even a better stimulant if we could provide an immediate cash rebate to an individual who purchases a new residence so that this money could assist individuals in their cash flow problems at the time they close and move into their homes. In view of this, my amendment provides that when an individual purchases a new residence which qualifies for the housing credit, immediately after closing on the house, that individual can file a claim for the housing credit and receive an immediate cash rebate.

In addition, the amendment provides specifically the language of the certificate that is required to be given by the builder to the purchaser. This is done to expedite the procedure for builders in making their certification without having to wait for the Internal Revenue Service to provide regulations which may result in delays in certain cases. Under the provision as enacted in the Tax Reduction Act, certification is to be made by the seller only as to the purchase price that the residence is offered for sale.

The amendment continues this requirement that the builder certify that the purchase price is the lowest price that the residence was offered for sale since March 1, 1975; but, in addition, the builder is to certify that construction began before June 19, 1975. Since my amendment provides for an immediate cash rebate as an alternatve to allowing the buyer to take the credit on his tax return, the certificate is to be submitted either with the claim for a cash rebate when it is filed by the taxpayer or when he files his tax return.

These increases in the housing credit will have a total revenue cost of $550 million. To make up this revenue loss, my amendment places a $100 floor on the deduction for State and local gasoline taxes. This will raise $518 million which balances the revenue loss with respect to the housing credit changes in my amendment.

The Senate has agreed to the complete repeal of the deduction for State and local gasoline taxes in the last Congress in legislation reported by the Finance Committee. The repeal was also proposed by the Treasury Department in its recommendations for tax reform changes in 1973.

One of the problems with the deduction for the gasoline tax is that it requires taxpayers to guess how many miles they have driven in their gasoline tax calculation, while the deduction leads to only a small amount of tax saving for the average taxpayer. In practice, the amount of this deduction may be computed either from a record of taxes actually paid by the taxpayer on his gasoline, or the amount provided in the gasoline tax tables provided by the IRS. However, most taxpayers do not keep the records that are needed to compute an accurate accounting of the gasoline they have purchased during the year. It is for this reason generally that repeal of this deduction has been proposed in the past by the Treasury Department and the Finance Committee and has been approved by the Senate.

I do not think that repeal of the gas tax deduction is appropriate at this time, but rather that the matter should be kept open for consideration for future legislation to come before the Senate in this Congress, either in connection with the energy tax bill or tax reform. I do think that the $100 floor is appropriaate not only because it balances the revenue loss from the housing credit changes but also because it would eliminate a large number of taxpayers from having to calculate the information needed for the deduction, which as I indicated above, is usually just a guess on their part and thereby greatly simplifies the tax return for these taxpayers.

Further, my guess is that the savings, due to the employment stimulus of the changes in the housing credit, on this $14 billion a year of unemployment insurance we are paying out to construction labor, 20 percent of whom are out of work, the savings on unemployment insurance alone, would also offset the revenue estimate.

Mr. President, as I have indicated, it is obvious from all that I have heard that the housing credit is working and is helping to stimulate the economy as we expected it to do. I believe that this amendment will do more to carry out our original intent as well as increase the stimulates that our economy still needs. I urge that it be adopted.

Several Senators addressed the Chair.

Mr. LONG. I yield to the Senator from Indiana.

Mr. HARTKE. Mr. President, I commend the chairman of the Committee on Finance, the Senator from Louisiana, for this amendment.

It is a worthwhile amendment, and it is not what we would characterize as creating jobs by means of make-shift jobs. These are real jobs providing a real need for much-needed housing in the United States.

As the Senator from Louisiana has indicated, it does provide not alone additional jobs in and of themselves, but it provides additional taxes that those people who are going to be working are going to pay instead of drawing unemployment compensation checks.

In addition to that, the homebuilders will be paying their taxes on their profits which they will necessarily be making as a result of being engaged in a very necessary occupation of homebuilding.

I might point out that this is in line with the basic amendment which I introduced on January 28. The homebuilders have done a survey as to the effect of the amendment we passed in the tax bill itself, which is very limited in its scope and, as the Senator has indicated, it has had some tremendously difficult problems raised by the Internal Revenue Service concerning the regulations.

They have indicated that 25 percent of the new homes were moved in April alone, and that it has been the one major contributing factor to the revitalization of the homebuilding industry in the United States. So I would hope the Senate would adopt this measure.

Whatever they do about the gasoline tax is another matter. I would hope the Senator would not confuse the two, and that he will just——

Mr. LONG. I am not confusing it at this point, but just offering it in its own right.

Mr. HARTKE. On its own merits. I think it can stand on its own merits.

If we had more programs of this kind we might ultimately get out of this recession.

Mr. LONG. I yield to the Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator.

Has this amendment been considered by the Finance Committee?

Mr. LONG. I told the Finance Committee I was going to offer such an amendment. At the time the committee met on this bill it was not possible to lay it before the committee because the technicians we needed to help in drafting it were at that time over on the House side working with the House Ways and Means Committee in connection with their energy bill.

Mr. ALLEN. I might say I would feel a lot better about the measure if it were in form to be presented and had been accepted by the committees and had originated over in the House.

There are some questions I would like to ask about it. One, would this provide a windfall for those who have purchased homes not knowing they were going to get a tax credit, those who have bought in the past in this period from the cutoff date before about March 13, I believe, up to now?

Mr. LONG. It could. In other words, it could be that a person bought a home on which construction was begun after that date and who did not anticipate he was going to receive the tax credit.

But, on the other hand, insofar as that is the case it tends to correct something that is presently wrong about existing law.

Mr. ALLEN. Would it not be better to correct the existing law rather than come in here with a measure that is going to cost $550 million, that is tacked onto an emergency bill for unemployment compensation?

Mr. LONG. I would have some doubt, if it were not for the fact that the Senate voted to do twice as much when it approved the housing credit, back in March in the Tax Reduction Act. It voted to have a tax credit to go to houses that were under construction through December 31 of this year. This would only extend it to houses that are under construction as of yesterday.

Mr. ALLEN. We have already got the period up to March 13 covered, and this carries it forward to June 19, and covering this little hiatus there it would appear that the cost is $550 million. Would the Senator be willing to annualize the costs that we might expect this to be?

Mr. LONG. This is all the cost there is; these are all the costs there are to it.

Mr. ALLEN. Up to this time. Of course, we have another measure before this runs out, I assume.

Mr. LONG. These are all the costs there will be Senator.

Mr. ALLEN. Yes, let me pose another hypothetical question.

Assuming a person buys a $40,000 house on the basis of nothing down, the seller paying the closing costs, he would be entitled to a $2,000 credit. Could he go down to the IRS and pick up his $2,000? Could he not then let his mortgage payments lapse and he would be $2,000 ahead of the Government; is that correct?

Mr. LONG. That is, assuming that his lawyer would know enough to defeat a deficit judgment assessed against him.

Mr. ALLEN. Yes.

Well, it would have the Government chasing around trying to collect.

Mr. LONG. Assuming he could go through bankruptcy and have nothing left over for him to receive, yes.

Mr. ALLEN. Another thing that disturbs the Senator from Alabama——

Mr. LONG. I would think that if one does not want to pay in the amount of that mortgage, it would be bankruptcy.

Mr. ALLEN. Another thing disturbs the Senator from Alabama; in the Senator's statement that he could pick up his $2,000 right then on the spot. Suppose at the end of the year he owed $2,000 income tax and was not able to pay it. The Government had already given him a so-called credit in the form of cash. Where would the Government be in that instance?

Mr. LONG. We have crossed the Rubicon, as far as our ability to provide a tax credit, to encourage somebody to do what we want them to do. We did that in that tax cut bill, not in connection with this amendment, but in connection with a proposal that was called the work bonus, or the earned income credit. We provided that a person would get the earned income credit, whether he owes that much taxes or not.

Mr. ALLEN. I realize that.

Mr. LONG. In terms of tax credit, we recognize something that many of us have known all the time, anyway, and that is that if this Government wants to, and in fact it does, under certain circumstances, give a credit against taxes one owes a foreign government, it can do so, if it wants to on taxes owed to a State government. It can do so, or let them carry forward or carry back.

But as far as the ability to give a tax credit and a refund, whether one pays that particular amount of taxes in income tax or not, we settled that on the tax cut bill.

Mr. ALLEN. What I am talking about, it gives $2,000. Then, at the end of the year he owes $2,000 in income taxes and cannot pay it. He has already spent the $2,000, and he owes the Government $2,000 income tax.

Mr. LONG. There is no bad debt collector in America with the capability of the United States of America.

That is why this Senator wrote a bill for child support and fought to get it through, and we finally do have it through, with, I think, the support of the Senator from Alabama.

Mr. ALLEN. Yes.

Mr. LONG. If we cannot have him pay support, have it realized as an obligation of Uncle Sam and send the tax collector out, no one can get the money for starving children better than Uncle Sam.

Mr. ALLEN. The Senator's answer is that the Government would have to get it the best way it could.

Mr. LONG. It has a superb record of collecting money that anybody owes on tax liability to the Government. It beats the record of any bad debt collector in America.

Mr. ALLEN. Another question the Senator from Alabama would like to ask. He understood the Senator from Louisiana was going to——

The PRESIDING OFFICER. All of the time has expired.

Mr. ALLEN. We have some time on the bill, I will ask the Senator from Nebraska for some time.

Mr. CURTIS. How much time does the Senator want?

Mr. ALLEN. Ten minutes.

The PRESIDING OFFICER. The Senator from Nebraska has 15 minutes remaining in opposition.

Mr. ALLEN. Seven minutes then.

Mr. CURTIS. I yield 7 minutes to the Senator.

Mr. ALLEN. The Senator proposes replacing this revenue loss of over a half billion dollars by hitting the gasoline user, and I might say in many cases the small gasoline user, because if I understood the Senator, he said he would get a credit only for the amounts over $100. If I am not correct on that, the Senator can correct me. But I understood it took away the first $100 of tax credit.

I recognized the Senator said only 30 percent of the people would be involved, but of those who do itemize, the Senator would take away from them the first $100 of gasoline tax paid by that taxpayer, is that correct? I am basing that on the Senator's own words, if I understood.

Mr. LONG. It is not correct to say it is on the small gasoline user, because he is the fellow who does not itemize at all. He uses the simplified form.

As far as those people are concerned, it would not cost them any money.

Mr. ALLEN. It would be the small itemizer, then, that would get hit, because the Senator takes away the first $100.

Mr. LONG. Generally speaking, an itemizer is usually a higher income taxpayer.

Mr. ALLEN. I see.

So at a time when gasoline prices are going sky high and when the House has turned down additional gasoline taxes, this amendment, to follow the pending amendment, would take $450 million a year out of the hides of gasoline users. Is that correct?

Mr. LONG. Out of certain ones, yes.

Mr. ALLEN. I see.

I thank the Senator.

Mr. MUSKIE. Will the Senator yield?

Mr. LONG. I yield 2 minutes.

Mr. MUSKIE. Mr. President, I want to make the point, first of all, in respect to the legislation which is pending on unemployment comp, the cost is under the budget figure.

The budget figure is $18.2 billion and the bill as it stands without the Long amendment is $16.7 billion.

There will, of course, continue to be pressures which we cannot predict upward depending upon what happens to unemployment, but at this point, there is a billion-dollar slack with respect to the Long amendment that, of course, was not contemplated by the budget, and by the Senator's own estimate, the cost is $550 million.

I have a rough estimate from the Budget Committee staff of the offsetting increases in taxes and reduction in unemployment compensation. They estimate roughly, and this is a rough estimate without an opportunity really to get a comprehensive estimate. The estimate is that one-half of that $550 million would be returned to the Treasury in increased taxes and reduced unemployment compensation benefits.

So there is some logic to attaching this to an unemployment compensation bill as an alternative to unemployment compensation benefits.

Jobs, of course, are always better than that sort of treatment, but I think the Senate ought to understand that this is outside the budget, unless Senators persuade themselves that it relates to the unemployment compensation problem and that they can support it on the basis that the bill, as a whole, is at least a billion dollars under the budget resolution.

I thought the Senate ought to have that information for whatever use we care to make of it.

On the merits, may I say that I agree, this is most attractive. This has proven to be an attractive stimulus to the homebuilding industry and the economic statistics thus far indicate that it has had a positive, measurable, and important effect. That ought not to be ignored.

The second point I would make is that time is a factor, and the Senators are offered another at this point, that is, if we want to extend it another 3 months, we almost have to act on it now. If we act on it a month or 2 from now, we have to consider whether or not to extend it for a month or 2.

So I think there is some logic for presenting it for decision now.

In any case, I felt I had the responsibility of bringing the budget impact to the attention of the Senators, and there are several Senators here who are very interested.

Mr. LONG. I point out at this point that I have here the June 20 letter from Mr. Storey to Senator Muskie indicating that for unemployment compensation programs the latest estimate is $1.8 billion below the previous estimates.

So in that area, which we are legislating with regard to in this bill, there has been a large reduction in the unemployment insurance estimates as of June 20.

Mr. MUSKIE. The relevant number bearing upon the congressional budget is $1.5 billion. The $1.8 billion has to do with the President's budget estimate earlier this year. The $1.5 billion figure is the figure. However, I plan to vote against the amendment, which was not considered in the budget resolution. The possibility of lower unemployment outlays may not materialize as these estimates are still quite tentative.

The PRESIDING OFFICER. The Senator's additional time has expired.

Mr. MUSKIE. May I ask unanimous consent that a statement and the memorandum to which Senator Long has referred, be printed in the Record at this point?

There being no objection, the material was ordered to be printed in the Record, as follows:

BUDGET COMMITTEE POSITION ON H.R. 6900

The Senate Budget Committee, in its consideration of the resolution on FY 1976 spending, assumed that the temporary emergency extensions of unemployment compensation coverage and benefit duration would be renewed by Congress and would be in operation through the coming fiscal year. Thus, the income security outlay target level of $125.3 billion was set with the idea in mind that a bill such a H.R. 6900, extending these temporary unemployment benefits, would be enacted.

The outlay estimates for both current law unemployment benefits and for this legislation have been revised downward recently by OMB. We are dealing with the highest level of unemployment we have faced in many years, and in the case of the temporary provisions, with programs having little prior experience to base judgments on, so earlier estimates have been changed considerably by OMB and may have to be revised again as more information becomes available.

However, using the latest estimates, the cost of this legislation is well within the outlay target set by H. Con. Res. 218.

BUDGET ESTIMATES FOR UNEMPLOYMENT COMPENSATION

The President's Estimates. In the February budget, the President estimated FY 1976 outlays for all unemployment compensation programs would total $18.2 billion. OMB's June 1 budget estimates revised this figure downward to $16.4 billion. The components of these estimates, and OMB's rationale for their revisions, are as follows:

Component of unemployment compensation system	President's 1976 outlay estimates (billions)		Rationale for revisions
	Feb.	June	
Permanent Federal-State trust fund program:			
Regular benefits	$11.5	$11.5	
Triggered extensions.	2.7	1.6	Triggered benefit extensions under the permanent 1970 act were overestimated.
Administrative costs.	1.2	1.2	
Special unemployment assistance (temporary coverage for uninsured workers).	2.3	1.6	The effect of temporary coverage for uninsured workers was overestimated; caseloads are lower than expected.
Emergency extended benefits.			
Trade adjustment assistance.	.03	.03	No change.
Railroad unemployment.	.1	.1	Do.
Unemployed Federal workers and ex-servicemen.	.4	.4	Do.
Total	18.2	16.4	

As the above table indicates, OMB's downward revision of outlays by $1.8 billion was the result of overestimating outlays in those programs where there was little or no prior operating experience.[1] The President's new deficit estimate of $59.9 billion would be $62.7 billion in the absence of this $1.8 billion revision.

Secretary Dunlop's Testimony. On June 10, 1975, Labor Secretary Dunlop told the Finance Committee that annual unemployment outlays would reach $19 billion. There are two reasons why his estimate was so high. First, the $19 billion figure applies to calendar year 1975 rather than fiscal year 1976. Average unemployment over CY 1975 will be higher than for FY 1976. The second reason for the discrepancy is that the Department staff preparing Dunlop's testimony were not aware of OMB's reestimating, which was going on at the same time. A failure in OMB clearance of the testimony resulted in an unofficial estimate being used before the Finance Committee.

The H. Con. Res. 218 Estimate. Unemployment compensation outlays were estimated at $18.2 billion in H. Con. Res. 218, coincidentally the same as the President's February estimate. This congressional target resulted from a compromise between a higher Senate and a lower House figure. The House had assumed a more stimulative budget and had anticipated OMB's downward reestimates. The Senate had assumed higher unemployment, benefit extensions such as are pending in H.R. 6900, and no downward reestimates.

H.R. 6900 and the Budget Resolution. Based on the estimates presented in the Finance Committee report, enactment of H.R. 6900 would not raise outlays above the resolution level of $18.2 billion. The Administration's new figure of $16.4 billion would rise to $17.2 billion if the House-passed version were enacted. The Senate Committee version would leave outlays at $16.7 billion. Given the tentative nature of all unemployment estimates at this time, a surplus in the resolution of $1-plus billion may well dissolve by the time the Committee could propose a second budget resolution.

Mr. LONG. I yield myself 2 minutes, Mr. President. Mr. President, permit me to say one thing: It will be good news for the Senate to learn that as far as this bill is concerned, even if the bill is agreed to, it will still be $500 million below the budget estimate.

Mr. MUSKIE. It will be $750 million less.

Mr. LONG. It will still be $750 million below the budget estimate. Furthermore, Mr. President, in terms of raising more money to reduce the deficit, I have not been very successful. I just finished voting and encouraging the Senator from Maine to vote against a motion to table where we hoped to pick up $100 million, where his committee and mine estimated we were going to make a little money. But, of course, this along with other things are things that we should be thinking about in case we decide to do this.

Mr. President, I would point out that this is an area where I believe there is a greater degree of efficiency than any other. I challenge anyone to show me an area where dollar for dollar we will get as many jobs to put people back to work than we will in this area where we encourage people to buy new homes.

I would like to ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Will the Senator yield for a brief question?

Mr. LONG. I yield.

Mr. ALLEN. First, let us see if we are going to pass the gasoline tax and see if the money will be available and then try for the amendment on the refund.

Mr. LONG. If I were talking in an area where we were above our own estimate and above the budget estimate, I would consider that. But in this area, we are $750 million below our own estimate and we are more than that below the budget estimate. Under those circumstances, I do not feel I am required to do that. I would be happy to offer the other amendment. If someone wants to vote to put some more revenue in the bill, that is all right with me.

Mr. BUMPERS. Will the Senator yield for two quick questions?

Mr. LONG. I yield.

Mr. BUMPERS. In the original tax cut bill, it was not contemplated that that would be a tax refund. It was a tax credit, was it not?

Mr. LONG. Yes.

Mr. BUMPERS. And it would leave to the discretion of IRS as to how they handle it?

Mr. LONG. It left them the power to write regulations in administering the tax credit.

Mr. BUMPERS. I heard some comment a while ago about somebody could go to the local IRS office and get a check for $2,000. Is that literally true?

Mr. LONG. That is right under my amendment.

Mr. BUMPERS. Even if he did not owe taxes for that year, he could pick up a check for $2,000 if he chose to buy a $40,000 home?

Mr. LONG. We are not going to find many homeowners who do not owe taxes although in some cases the credit may amount to more than their actual tax liability. My amendment makes it that an individual would receive the full amount of the credit even if his tax liability is less, just as we did with the earned income credit. The reason we want to do this is because we do not want to leave people in doubt if they buy a new home whether they will get the credit or do not get the credit. We want to make it so that they do get it. As far as I can determine there is no constitutional problem about it.

We want to put people to work. In other words, we think we will give three people a job for a year if one person will go and buy a new home now. To encourage a person to buy a home now he would not otherwise buy, we say, "You will get a $2,000 tax credit." It would cost us more than that in unemployment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LONG. I yield 2 additional minutes.

Mr. BUMPERS. Let us say I owe $2,000 income taxes at the end of the year and buy a $40,000 house. My neighbor has bought a $40,000 house and does not owe income taxes. Will the $2,000 credit be charged against me, or am I entitled to go down to the office and get my $2,000 just as he is?

Mr. LONG. I did not understand. Do you mean if both of you bought a house?

Mr. BUMPERS. Two people side by side each buy a $40,000 home. It does not make any difference how much income tax either one of them owe at the end of the year?

Mr. LONG. It would not make any difference.

Mr. BUMPERS. They each would get a $2,000 tax refund, actually just a grant.

Mr. LONG. It is a payment from the Treasury; yes. If one is delinquent, if the Government is suing him for money he owes, they would just withhold it, I assume, or they could. I believe they should.

Mr. BUMPERS. I have one other question on an unrelated item. At the time the tax bill was passed, I believe there was a provision in it that said the house had to be offered for the lowest price it had ever been offered for. Does the Senator's amendment touch on that?

Mr. LONG. We moved that up to March 1 of this year. There is a good reason why that should be done. We found in some subdivisions a developer would go out and build and the first house or two he would offer for sale at a very low price to try to get someone to move into a vacant subdivision. The usual situation in real estate developments is that after the subdivision becomes successful when a number of homes have been sold, the builders then begin to raise the price for the unsold houses or unsold condominiums. In effect, the first houses are sold at lower profit margins to get the projects underway.

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[1] This FY 1976 revision is given added credibility by the fact that OMB revised FY 1975 outlays downward by $1.5 billion.

Because of the increase, the builders cannot certify that it was the lowest price at which the unsold houses had ever been on the market. My amendment corrects this problem.

Mr. BUMPERS. I want the Senator to know that I thought it was unfair at the time. Is the effect of his amendment now that he has to offer it at the lowest price since March 1 of this year?

Mr. LONG. He has to sell it for the lowest price at which it has ever been offered for sale since March 1 of this year in order to get the tax credit.

Mr. BUMPERS. I thank the Senator.

Mr. ALLEN. How much time remains?

Mr. CURTIS. How much time have I remaining?

The PRESIDING OFFICER. The Senator has 13 minutes remaining.

Mr. ALLEN. Will the Senator yield me 6 minutes?

Mr. CURTIS. I will be happy to yield 6 minutes.

Mr. ALLEN. Mr. President, I hate to knock Santa Claus, but this measure goes just a little bit too far. We can imagine how the distinguished Senator from Louisiana would complain if somebody offered an amendment to an unrelated bill here in the Chamber of the Senate involving the Government's finances that had not been considered by the Finance Committee. He would insist that matter go to the Finance Committee and have its approval.

This proposal is so full of bugs that it should not be passed by the Senate. The Senator from Louisiana, in answer to my question, stated that a person who made no down payment, who paid no closing costs on a $40,000 house, could still go down the very same day and pick up a check for $2,000 from IRS. Then he could default on his mortgage and then the FHA or the VA would have another $40,000 house on their hands.

Then, too, if he kept the house and picked up his $2,000, at the end of the year if he owed $2,000 and did not have the money to pay it with, the $2,000 would be gone and the $2,000 that he owed would be lost also.

Now, Mr. President, how is this going to be replaced? This is a case of robbing from Peter to pay Paul. I had not heard of the bill until 15 or 20 minutes ago. The distinguished Senator from Louisiana said he was going to replace this revenue loss by taking away the first $100 of gasoline tax credit that those taxpayers who itemize claim on their return. So when constituents ask, "What became of my right to claim up to $100 in gasoline tax payments?" the answer is, "That was taken away here on the floor of the Senate on June 20, 1975."

So, Mr. President, I hope that we will turn down this measure. If it has merit I daresay it will be revived. If it has merit it can be considered in the Finance Committee, where we are required to see that all of our revenue measures go.

This thing is just trumped up here at the last minute and tacked on a bill brought up as an emergency measure that has got to pass. And what emergency? Just to pass a half-billion dollar Treasury loss, to be replaced by getting a half-billion dollars out of the hides of automobile users.

I do not believe that is the way we ought to get this tax.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. CHILES. Is there any assurance we will be able to replace the revenue?

Mr. ALLEN. None whatsoever.

Mr. CHILES. Some people think it is being a little inflexible to vote for a rebate and not for a tax to sustain it.

Mr. ALLEN. I would say the rebate has a little better chance than the tax. But I would doubt it.

I yield back the remainder of my time.

Mr. CURTIS. Mr. President, I yield myself 3 minutes.

I am in sympathy with what my chairman is trying to do here, in two predicaments. One is that in the first enactment of this proposal, we provided the house had to be offered for sale at a price not to exceed the lowest rate offered in the past. If the house had been held for several years, and no one offered a lower price, that was not quite just. That would have to be corrected.

I am in sympathy with what he is trying to do to simplify the procedures. As I understand it, the cost of this thing, running something over $500 million, is the result of two other features.

The first is that it takes in more new housing, extending the time from March to June. The other is a loss to the Treasury by reason of making this an immediate rebate rather than a credit.

May I ask my distinguished chairman, what are the estimated costs of these separate items?

Mr. LONG. Roughly, extending the construction plan from March 26 to June 19 would be $260 million. The immediate cash rebate would be $290 million. The total cost would be $550 million.

Mr. CURTIS. I am disturbed over the fact that here is more than a quarter of a billion dollars—$290 million—involved by changing this from a credit to a refund. It seems to me that for people who are so situated that they can buy a new house, the credit should be available and workable to them without the rebate feature.

I know of the interest my chairman has in this proposal. I do not happen to agree with him, but I know of his dedication to it, and I would express the hope that he might be interested in modifying his amendment somewhat, to take care of one of these major items of additional cost.

Mr. President, I reserve the remainder of my time.

Mr. LONG. I yield myself 1 additional minute.

Mr. President, the Senate has voted to do more than twice as much as this when the housing credit was passed by the Senate last March. It has been my experience in managing bills that when someone comes up with an amendment where we have already voted to do that same thing, it is agreed to again, because the Senate has already voted to do it previously.

As I have said, the Senate has voted to do twice this much, and that ought to at least give Senators cause for pause.

The Senate voted for $6 billion of tax cuts more than finally emerged from conference. The final conference tax cut bill was about $1.5 billion below the figure the President felt was his limit, which was about $25 billion. I told the committee that I proposed to offer an amendment of this sort, so it is no surprise, and that I needed time to get it prepared, which I did; I needed the best advice I could get from my joint committee staff.

Mr. President, the emergency is jobs for people, in my judgment. The President of the United States proposed an immediate tax cut. He proposed a rebate on taxes that were paid before, last year, when no one had any thought whatever at the time they were paying it that they would get a tax rebate. But we got it. He said "Pay it from last year's taxes," taxes that were already due, and we did it.

It does not make a great deal of difference to me whether the Senate wants to add some additional revenue, which I think would certainly help with the possibility of getting this proposal agreed to in conference. The point is that here we have a bill to spend $14 billion to pay people for doing absolutely nothing. Paying people to do nothing, although we have been paying them to do nothing for a solid year, and to put more of them on the payroll for doing nothing.

What those people want is not to be paid for sitting idle, but to be paid for honest endeavor. It is time we start doing a little something to put people to work. That is what our overall purpose should be. To pay people for sitting idle is a very poor substitute for putting people to work.

The Senate did twice this much already, and it is simply a matter of trying to improve on what we did before.

If we are asked what are some of the most efficient things we did to try to get people to work, here is one we think is doing a lot of good; but so far it has not been put fully into effect.

If it is worth doing, it is worth doing a little more, to take care of some of the homes presently under construction, which is one of the areas where we ought to get going.

Mr. President, I am prepared to vote.

Mr. ALLEN. Mr. President, will the Senator from Nebraska yield me 2 minutes?

Mr. CURTIS. I yield the Senator 2 minutes on the amendment.

Mr. ALLEN. The situation, as I see it, is that, if both of the Senator's amendments pass, one giving the cash payments to home purchasers and the other replacing that revenue out of a tax on gasoline users—and that is what it is, because it deprives those who itemize of the first $100 of taxes that they pay as a deduction—that would not be fair to those who use automobiles.

If only the cash payment amendment passes, then we will have an additional $½ billion added to the budget, and the President has stated that he is going to veto all measures that increase the budget that he has submitted.

This measure before us, the unemployment compensation bill, is supposed to be an emergency bill to help people who are out of jobs.

Mr. **FORD**. Mr. President, will the Senator yield for a question at this point?

Mr. **ALLEN**. I have limited time. If the Senator will give me some more time, I will be glad to yield.

As I see it, this amendment should not be added to this emergency bill, because it endangers the unemployment compensation bill. We all know that the President would have no hesitancy in vetoing the measure if it does spend more money than he is willing to see the budget increased to.

I hope that the first of the amendments will be defeated, and then I daresay the second amendment will not be offered.

I yield, if I have any more time, to the distinguished Senator from Kentucky.

Mr. **LONG**. Mr. President, I yield myself 30 seconds.

The President of the United States has vetoed everything we have sent down there——

The **PRESIDING OFFICER**. The Senator has no time remaining.

Mr. **LONG**. Even on the bill?

The **PRESIDING OFFICER**. The Senator has used all his time.

The Senator from Nebraska has all the time remaining.

Mr. **LONG**. Mr. President, I ask there be 1 minute divided between both sides.

The **PRESIDING OFFICER**. Is there objection? Without objection, is is so ordered.

Mr. **LONG**. Mr. President, the President has vetoed everything on housing that has been sent to him and everything on housing on its way down there, except this one item. This is the only one dealing with housing that he signed. I say if we want to have a little stimulant in the housing area, here is our chance. This is the one thing he did sign.

Mr. **CURTIS**. Mr. President, I am wondering if we could not have a vote on this amendment in order that we might have a couple minutes after the vote in case some of us want to say something on the bill.

Mr. **HUMPHREY**. Let us vote.

Mr. **CURTIS**. I am ready to vote on the amendment.

Mr. **BROCK**. Mr. President, will the Senator from Nebraska yield for 30 seconds?

Mr. **CURTIS**. I yield.

Mr. **BROCK**. I have an amendment, which I think is acceptable to the chairman and to the ranking minority member, to add to the study that will be conducted by the Secretary of Labor. I do not know that it needs any discussion at all. But I do hope I will have an opportunity to introduce it before we get into final passage.

I appreciate that privilege.

Mr. **CURTIS**. Very well.

Mr. **CHILES**. Mr. President, I send to the desk an amendment in the nature of a substitute and request its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. **CHILES**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

TITLE VI—MISCELLANEOUS

TAX CREDIT FOR PURCHASE OF NEW PRINCIPAL RESIDENCE

SEC. 401. (a) Section 44(e) of the Internal Revenue Code of 1954 (relating to property to which the credit for purchase of new principal residence applies) is amended by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) Certification must be attached to return.—This section does not apply to any residence (other than a residence constructed by the taxpayer) unless there is attached to the return of tax on which the credit is claimed a written certification (which may be in any form) signed by the seller of such residence that—

"(A) construction of the residence began before March 26, 1975, and

"(B) the purchase price of the residence is the lowest price at which the residence was offered for sale after February 28, 1975.

For purposes of this paragraph, a written certification filed by a taxpayer is sufficient whether or not it is on a form prescribed by the Secretary or his delegate so long as such certification is signed by the seller and contains the information required under this paragraph.".

(b) Section 208(b) of the Tax Reduction Act of 1975 (relating to suits to recover amounts of price increases) is amended by striking out "ever offered for sale," each time it appears therein and inserting in lieu thereof "offered for sale after February 28, 1975,".

Mr. **CHILES**. Mr. President, I feel the Senate will understand from this debate that we are embarking on a course, when we set up this rebate or this period for the $2,000 tax credit, and we say it can be applied instantaneously, that all you have to do is go down to the local IRS, and they are going to give you the check. There does not have to be any down payment on the house. It is a tax credit, so it can be $2,000 given this way to someone who is not even paying that much in taxes. It really has not been studied by the committee. Hearings have not been held. We have had very little notice, and we are dealing in a late hour today.

The purpose of the substitute would be to take the language that is in the amendment that takes care of the inequity, which is the biggest problem of which I am aware that the builders are having now, and that is the fact that you cannot tell when it was ever offered at a lower price and just set that date as being February 28, 1975, and say that it could not have been offered at a lower price prior to that, from that date forward, that is before we pass the credit, so no one can be kind of hanky-pankying with it. But at the same time it does not mean that they have to go back forever, as they are running into now and where there are additional costs that went into effect, there were additional costs of stamps and everything else, and so in many instances there have been some add-ons. But it is not a question that they are trying to flim-flam.

This would allow that language that is in the amendment itself, which I think all of us think is beneficial.

But then we would reserve the opinion on the other. As has been stated in the Chamber, if it has merit, it also allows for the easy certification for the rules and regulations under the rebate, but it does not get us into the thing of which we really do not know what we are embarking on, at this late hour, to be taking up the $2,000 immediate dollar rebate, because it is no longer a tax credit.

I think this would help us get out of the wilderness on this and, at the same time, take care of the most pressing problem that the builders have presented to this Senator, and I think most of us here, where they have not been able to tell what that date was or whether there had been some earlier offer for resale. As long as we are placing that date as of the end of February, that means again, as I say, that they could not be kind of hanky-pankying with the law and the fact they now have the right of the rebate for their changing their sale time.

The **PRESIDING OFFICER**. The Senators' time for debate has expired.

The question is on agreeing to the amendment.

Mr. **ABOUREZK**. Mr. President, I ask unanimous consent that the Senator from Florida have 1 additional minute so he can explain the amendment.

Mr. **HUMPHREY**. I object.

The **PRESIDING OFFICER**. Is there objection?

Mr. **HUMPHREY**. I object.

The **PRESIDING OFFICER**. Objection is heard.

Mr. **LONG**. Mr. President, I move the amendment be laid on the table.

The **PRESIDING OFFICER**. The question is on the motion to table.

Mr. **ALLEN**. I call for the yeas and nays, Mr. President.

The **PRESIDING OFFICER**. Is there a sufficient second?

Mr. **ALLEN**. This is the Long amendment to be laid on the table?

Mr. **LONG**. I move to table the amendment.

The **PRESIDING OFFICER**. It is the Chiles amendment in the nature of a substitute. Is there a sufficient second? There is a sufficient second.

Mr. **ROBERT C. BYRD** addressed the Chair.

The **PRESIDING OFFICER**. The Senate will be in order. The Senate will be in order.

Will the Senators take their seats and cease conversing so that we can get to a vote on this?

Mr. **ROBERT C. BYRD**. I was going to ask the Chair to state the question.

The **PRESIDING OFFICER**. The vote is on the motion to table the amendment by the Senators from Florida, which is in the nature of a substitute to the amendment of the Senator from Louisiana.

Mr. **ROBERT C. BYRD**. I thank the Chair.

Mr. **ALLEN**. Mr. President, I move to table the Long amendment.

Mr. **LONG**. Yeas and nays, Mr. President.

The **PRESIDING OFFICER**. The Chair is advised that the motion is not in order.

Mr. CURTIS. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Chair is advised that the motion of the Senator from Alabama to table would not be in order at this time. There is now a motion before the Senate to table the amendment of the Senators from Florida. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Hart), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from West Virginia (Mr. Randolph), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

On this vote, the Senator from West Virginia (Mr. Randolph) is paired with the Senator from Washington (Mr. Magnuson). If present and voting, the Senator from West Virginia would vote "yea" and the Senator from Washington would vote "nay."

I further announce that, if present and voting, the Senator from Illinois (Mr. Stevenson) would vote "nay."

Mr. HUGH SCOTT. I announce that the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Arizona (Mr. Fannin), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from Maryland (Mr. Mathias), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

The result was announced—yeas 32, nays 43, as follows:

[Rollcall Vote No. 237 Leg.]

YEAS—32

Bentsen
Brooke
Byrd, Robert C.
Case
Gravel
Hartke
Hathaway
Hollings
Humphrey
Jackson
Javits
Johnston
Long
Mansfield
McGee
McIntyre
Mondale
Morgan
Nelson
Pastore
Pell
Proxmire
Ribicoff
Schweiker
Stennis
Symington
Taft
Talmadge
Tunney
Weicker
Williams
Young

NAYS—43

Abourezk
Allen
Baker
Bartlett
Biden
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Cannon
Chiles
Clark
Cranston
Culver
Curtis
Fong
Garn
Glenn
Hansen
Hart, Philip A.
Haskell
Helms
Hruska
Huddleston
Laxalt
Leahy
McClellan
McClure
McGovern
Moss
Muskie
Nunn
Packwood
Pearson
Percy
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stone
Thurmond
Tower

NOT VOTING—24

Bayh
Beall
Bellmon
Burdick
Church
Dole
Domenici
Eagleton
Eastland
Fannin
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Inouye
Kennedy
Magnuson
Mathias
Metcalf
Montoya
Randolph
Stevens
Stevenson

So the motion to table the amendment was rejected.

Mr. CHILES. Mr. President, I move the adoption of the substitute.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays are called for. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Hart), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from West Virginia (Mr. Randolph), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

On this vote, the Senator from Washington (Mr. Magnuson) is paired with the Senator from West Virginia (Mr. Randolph). If present and voting, the Senator from Washington would vote "yea" and the Senator from West Virginia would vote "nay."

I further announce that, if present and voting, the Senator from Illinois (Mr. Stevenson) would vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Arizona (Mr. Fannin), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from Maryland (Mr. Mathias), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

The result was announced—yeas 56, nays 19, as follows:

[Rollcall Vote No. 238 Leg.]

YEAS—56

Abourezk
Allen
Baker
Bartlett
Biden
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Cannon
Chiles
Clark
Cranston
Culver
Curtis
Fong
Garn
Glenn
Hansen
Hart, Philip A.
Hartke
Haskell
Helms
Hruska
Huddleston
Humphrey
Jackson
Laxalt
Leahy
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Morgan
Moss
Muskie
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stone
Symington
Thurmond
Tower
Weicker

NAYS—19

Bentsen
Brooke
Byrd, Robert C.
Case
Gravel
Hathaway
Hollings
Javits
Johnston
Long
Mondale
Nelson
Ribicoff
Schweiker
Taft
Talmadge
Tunney
Williams
Young

NOT VOTING—24

Bayh
Beall
Bellmon
Burdick
Church
Dole
Domenici
Eagleton
Eastland
Fannin
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Inouye
Kennedy
Magnuson
Mathias
Metcalf
Montoya
Randolph
Stevens
Stevenson

So Mr. Chiles' amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is now on agreeing to the amendment, of the Senator from Louisiana, as amended.

Mr. LONG. Mr. President, I ask unanimous consent that the yeas and nays be rescinded on the amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. (Putting the question.)

The amendment, as amended, was agreed to.

Mr. LONG. Mr. President, I send an amendment to the desk. Senator Hartke is cosponsoring this amendment with me.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the Act insert the following new title:

TITLE V—CHANGE IN TIME FOR TAX CREDIT FOR PURCHASE OF NEW PRINCIPAL RESIDENCE

Sec. 501. (a) Section 44(e) of the Internal Revenue Code of 1954 (relating to property to which the credit for purchase of new principal residence applies) is amended—

(1) by striking out subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(A) the construction of which began before June 19, 1975, notwithstanding the certifications requirement in section 44(e) (4) of the Internal Revenue Code of 1954 certifications in such paragraph may provide for construction occurring up to June 19, 1975, instead of March 26, 1975".

Mr. LONG. Mr. President, I ask unanimous consent that there be a time limitation of 1 minute on each side.

The PRESIDING OFFICER. Is there objection?

Mr. CHILES. Mr. President, reserving the right to object——

Mr. LONG. It is not an amendment to

the Senator's amendment. It is an amendment to the bill.

I ask for 1 minute on each side.

Mr. BROOKE. I object. I do not even know what it is. I do not want 1 minute to explain it. I need more time.

Mr. LONG. I ask for 1 minute.

Mr. CHILES. Reserving the right to object, will the Senator explain the amendment?

The PRESIDING OFFICER. There is no time for explaining or debate without unanimous consent.

Mr. LONG. I ask unanimous consent that I have 1 minute to explain what the amendment is.

Mr. BUMPERS. Mr. President, reserving the right to object, and agreeing with my distinguished colleague from Massachusetts, I cannot see why we should not allow 2 or 3 minutes before we vote on an amendment of some substance. Could we say at least 3 or 5 minutes?

Mr. LONG. I asked that we have 3 minutes for each side.

The PRESIDING OFFICER. Is there objection?

Mr. ABOUREZK. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LONG. I ask that we have 2 minutes for each side.

Mr. MANSFIELD. Mr. President, we are wasting a lot of time, and the more requests are made the more objection will be raised.

I ask unanimous consent that there be 2 minutes on each side for the purpose of explaining an amendment about which we know nothing.

The PRESIDING OFFICER. Is there objection?

Mr. ABOUREZK. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LONG. I ask for the yeas and nays, Mr. President.

Mr. CURTIS. Mr. President, I believe we can agree to this. What my distinguished chairman is asking for——

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be 1 minute to explain because otherwise I am going to vote against it. I do not know what it is—1 minute anyway.

Mr. CURTIS. On each side.

Mr. MANSFIELD. For the author of the amendment.

Mr. CURTIS. I object. We have to have 1 minute here.

Mr. MANSFIELD. One minute to the Senator from Nebraska.

Mr. CURTIS. I ask unanimous consent that the author of the amendment have 2 minutes to explain his amendment, and then we propound a unanimous-consent request in reference to limiting debate.

The PRESIDING OFFICER. Is there objection?

Mr. ABOUREZK. I object.

Mr. PASTORE. Mr. President, sometimes we wonder in this body why we cannot get the Russians to agree with us. [Laughter.]

The PRESIDING OFFICER. The Senator is out of order.

Mr. PASTORE. The fact of the matter is we cannot agree among ourselves. Why can we not have 10 minutes, with 5 minutes on each side, and I think it can be explained.

The PRESIDING OFFICER. Is the Senator propounding a unanimous-consent request?

Mr. PASTORE. I propound a unanimous-consent request for 5 minutes on each side.

Mr. ABOUREZK. I object.

Mr. ALLEN. I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator withhold his objection?

The PRESIDING OFFICER. Does the Senator want to withdraw his suggestion?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be 2 minutes, 1 minute to the Senator from Louisiana and 1 minute to the Senator from Nebraska.

Mr. BROOKE. I object.

Mr. MANSFIELD. Otherwise we are going to object all night, I will say to the Senator from Massachusetts.

Mr. ALLEN. I renew my request for a quorum call. Maybe we can find out during that time what the amendment is.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, may I have the attention of the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats. The Senator from Montana has the floor.

Mr. MANSFIELD. Mr. President, the Senate is aware that there will be objections and delays on consideration of this amendment unless an explanation is forthcoming. So I ask unanimous consent at this time that there be 10 minutes for an explanation of the amendment, to be divided between the Senator from Louisiana and the Senator from Nebraska (Mr. CURTIS).

The PRESIDING OFFICER. Is there objection?

Mr. ABOUREZK. I object.

Mr. MANSFIELD. Vote.

Mr. ROBERT C. BYRD. Mr. President, I ask that the clerk state the amendment.

The PRESIDING OFFICER. The clerk will read the amendment.

Mr. MANSFIELD. In full.

Mr. ABOUREZK. Mr. President, the regular order.

Mr. ROBERT C. BYRD. The Senator is within his rights to ask that the clerk read the amendment.

Mr. ABOUREZK. The order has been that the reading of the amendment be dispensed with.

Mr. ROBERT C. BYRD. Mr. President, I ask that the clerk read the amendment.

The PRESIDING OFFICER. The clerk will read the amendment in full.

Mr. ABOUREZK. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. ABOUREZK. Has the order been to dispense with the reading of the amendment?

The PRESIDING OFFICER. Previously when the amendment was being read that was granted. But any Senator has the right to have an amendment read prior to action in full.

The clerk will read the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask that there be order in the Senate and that the clerk read so that he can be heard.

Mr. PASTORE. And slowly so that we can understand what he is reading. [Laughter.]

The PRESIDING OFFICER. Senators will be in order, and the clerk will proceed to read the amendment in full.

The legislative clerk proceeded to read the amendment, as follows:

At the end of the Act insert the following new title:

TITLE V—CHANGE IN TIME FOR TAX CREDIT FOR PURCHASE OF NEW PRINCIPAL RESIDENCE

SEC. 501. (a) Section 44(e) of the Internal Revenue Code of 1954 (relating to property to which the credit for purchase of new principal residence applies) is amended—

(1) by striking out subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(A) the construction of which began before June 19, 1975",—

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate so that we can understand what we are about to vote on.

The PRESIDING OFFICER. Will the Senators kindly take their seats so that the reading of the amendment in full can be heard by all.

The PRESIDING OFFICER. The clerk will proceed.

The legislative clerk resumed and concluded the reading of the amendment, as follows:

notwithstanding the certification requirement in section 44(e)(4) of the Internal Revenue Code of 1954 certifications in such paragraph may provide for construction occurring up to June 19, 1975 instead of March 26, 1975.

SEVERAL SENATORS: Vote! Vote!

Mr. HASKELL. Mr. President.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HASKELL. Mr. President, may I repeat the request made by the Senator from Nebraska? May I request that the Senator from Louisiana have 5 minutes to explain the purport of this amendment and that thereafter we address ourselves to a unanimous consent agreement for further time?

The PRESIDING OFFICER. Is there objection?

Mr. ABOUREZK. Mr. President, reserving the right to object, and I do not do this very often, as a matter of fact, I have never done it before tonight.

I am not really objecting to the time required to be allotted to the amendment. I am objecting to the insanity of offering this kind of amendment at 6 o'clock on Friday night in the middle of a filibuster. That is what I am objecting to. Therefore, I continue my objection.

The PRESIDING OFFICER. Objection is heard.

SEVERAL SENATORS. Vote. Vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Illinois (Mr. STEVENSON), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

On this vote, the Senator from Washington (Mr. MAGNUSON) is paired with the Senator from Illinois (Mr. STEVENSON). If present and voting, the Senator from Washington would vote "yea" and the Senator from Illinois would vote "nay."

I further announce that, if present and voting, the Senator from Washington (Mr. RANDOLPH) would vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. FANNIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT), are necessarily absent.

I further announce that, if present and voting the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 40, nays 32, as follows:

[Rollcall Vote No. 239 Leg.]

YEAS—40

Bentsen
Brock
Brooke
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Gravel
Hartke
Hathaway
Hollings
Huddleston
Humphrey
Jackson
Javits
Johnston
Laxalt
Leahy
Long
Mansfield
McGee
McIntyre
Mondale
Morgan
Moss
Nelson
Packwood
Pastore
Pearson
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stone
Talmadge
Tunney
Weicker
Williams
Young

NAYS—32

Abourezk
Allen
Baker
Bartlett
Biden
Buckley
Bumpers
Byrd,
Harry F., Jr.
Clark
Culver
Curtis
Fong
Garn
Glenn
Hansen
Hart, Philip A.
Haskell
Helms
Hruska
McClellan
McClure
Muskie
Nunn
Pell
Percy
Proxmire
Roth
Scott,
William L.
Sparkman
Stennis
Thurmond
Tower

NOT VOTING—27

Bayh
Beall
Bellmon
Burdick
Church
Dole
Domenici
Eagleton
Eastland
Fannin
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Inouye
Kennedy
Magnuson
Mathias
McGovern
Metcalf
Montoya
Randolph
Stevens
Stevenson
Symington
Taft

So Mr. LONG's amendment was agreed to.

Mr. NELSON. Mr. President, I have a very brief request which has been agreed to by the Senator from Nebraska (Mr. CURTIS) and the Senator from Louisiana (Mr. LONG).

The PRESIDING OFFICER. There is no time for debate. The Senator may submit an amendment.

Mr. NELSON. I submit the amendment on behalf of Senator MCINTYRE and myself. It simply changes the date by 2 weeks.

The PRESIDING OFFICER. The amendment will be stated.

The Senate will be in order. When there is no debate, the Senators have to hear the clerk reporting. The Senators will take their seats and conversation will cease or be removed to the cloakroom.

The assistant legislative clerk read as follows:

At the end of the bill, add the following new section:

SEC. 302. Section 3302(c) (4) (A) of the Internal Revenue Code of 1954 is amended by striking out "July 1, 1975" and inserting in lieu thereof "July 15, 1975".

(The following additional statement was submitted in connection with Mr. NELSON's amendment.)

Mr. McINTYRE. Mr. President, in the case of New Hampshire, the legislature has now acted to bring the State law into conformance with the requirements of the Trade Act.

That bill has now gone to the Governor for his signature, and I understand that he is expected to sign it, and may already have done so.

I hope that the Senate will accept the Nelson amendment, in view of its very limited application and the fact that both Wisconsin and New Hampshire are completing the necessary action for compliance.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BROCK. Mr. President, I have an amendment which I think has been equally agreed to by the ranking member.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 10, line 20, strike out "and such other matters" and insert in lieu thereof the following: "and shall include an examination of all other benefits to which individuals receiving benefits under the program are eligible together with an investigation of important factors affecting unemployment, a comparison of the aggregate value of such other benefits plus benefits received under the program with the amount of compensation received by such individuals in their most recent position of employment, and such other matters".

On page 10, line 23, immediately after the period, insert the following new sentence: "During the course of such study, the Secretary shall provide an opportunity for each member of the Senate Finance Committee and of the Committee on Ways and Means of the House of Representatives to consult with him or his designate.

On page 11, line 10, immediately after the period, insert the following new sentence: "Such report shall also contain the recommendations of the Secretary of Labor with respect to amount and form of compensation that may be received under all federally funded programs of unemployment compensation."

(Mr. BROCK submitted the following additional statement in connection with his amendment.)

Mr. BROCK. Mr. President, the purpose of this amendment is to expand the study proposed by the Senate Committee on Finance. I find it necessary to ask for this expansion because our benefits program have become somewhat akin to a marble cake. That is, we have built program upon program without regard to their effects on one another, and on the individuals which most of these programs seek to help.

The committee added to H.R. 6900 section 105, which requires the Secretary of Labor to conduct a study of the emergency benefits program, including information on the benefits paid under the program, demographic characteristics of the workers receiving benefits under the program, and such other matters as might be useful in evaluating its effectiveness and determining what alternatives to such a program might be appropriate in any future periods of high unemployment. Under the committee bill, the Secretary would have to submit the report on this study by January 1, 1977.

We are all familiar with the "swirl" of programs today as we consider this measure to extend emergency benefits. But, it is becoming increasingly clear that the present "add-on" system tends to complicate the entire delivery system, the help which is provided, and the true relief which is granted. We must not allow unemployment compensation programs to become as confused and untenable as medical assistance and food assistance programs, for instance.

Under the House-passed measure, with the language added by the Committee on Finance, the Secretary of Labor would be asked for a comprehensive study and review of the Emergency Unemployment Compensation Act of 1974. The Secretary would then present the report to Congress, which would give us the opportunity to take a long, hard, and long overdue look at the unemployment program.

My amendment would add a few requests to that study. One, I would like to see an examination of the total benefits received from all programs, Federal, State, and local, what programs are involved and so on. Second, I would ask for an investigation of important factors effecting unemployment. Third, I would ask for a comparison of benefits with last salary received. This should include total benefits so as to determine net real income loss due to unemployment. Due to the nature of this study and the current economic condition that this Nation currently faces, I think it appropriate to speed up the final date for completion of the study to December 31, 1976.

Mr. President, this is an important study, and the expansion of it could provide the Congress with some vital information. I think it would also be appropriate for the study to include recommendations on operations, funding, extension, and compensation.

I cannot see the advantage of studying the Federal programs without including State and local programs. Of course, one of the primarily factors of any benefits program is the eligibility tests. They should be closely analyzed in this study. Also, I would like to see illustrative case studies of randomly selected families including full analysis of the following factors:

Historical: This should include the family history, program development, and so on. Sociological: Job mobility, specialization, and family size, number of dependents, et cetera. Psychological: Motivation, achievement, job satisfaction. Organization: The impact of Government, work place, role of employee, and the environment. Lastly, it should consider the geographic area and its demographic differences. Perhaps in this way we might draw specific profiles to determine the adequacy and efficacy of existing approaches.

Mr. President, there are currently major studies underway at the Urban Institute, the Institute of Social Research at the University of Michigan, Harvard University, and other such institutions. Some State and local government are also undertaking such studies.

If we are to require the Secretary of Labor to produce such a study, it is my hope that it can be made a meaningful study which delves into the real problems of unemployment and benefit programs.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. PASTORE. Mr. President, I move to lay that amendment on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Those who want to second the rollcall vote will raise their hands.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. I ask unanimous consent to withdraw my motion to lay on the table.

The PRESIDING OFFICER. Is there objection to the withdrawal?

Without objection, it is so ordered.

Mr. PASTORE. I understand that this is just a study. Is that correct?

Mr. BROCK. That is correct.

Mr. President, I ask unanimous consent to modify the amendment to include the Committee on Labor and Public Welfare among those listed.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 10, line 20, strike out "and such other matters" and insert in lieu thereof the following: "and shall include an examination of all other benefits to which individuals receiving benefits under the program are eligible together with an investigation of important factors affecting unemployment, a comparison of the aggregate value of such other benefits plus benefits received under the program with the amount of compensation received by such individuals in their most recent position of employment, and such other matters".

On page 10, line 23, immediately after the period, insert the following new sentence: "During the course of such study, the Secretary shall provide an opportunity for each member of the Senate Finance Committee, Senate Committee on Labor and Public Welfare, and of the Committee on Ways and Means of the House of Representatives to consult with him or his designate.

On page 11, line 10, immediately after the period, insert the following new sentence: "Such report shall also contain the recommendations of the Secretary of Labor with respect to amount and form of compensation that may be received under all Federally funded programs of unemployment compensation."

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. LONG. Mr. President, I send to the desk an amendment which conforms the part of the bill handled by the Finance Committee to an amendment made in title II by the Committee on Labor and Public Welfare, and ask for its immediate consideration.

The PRESIDING OFFICER. The conforming amendment will be stated.

Mr. BROCK. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Order has been called for. The Senators will cease conversing and take their seats so Senators who want to hear the amendment read can hear and understand the amendment. The Senate will be in order.

The legislative clerk read as follows:

On page 5, strike out line 7 and insert in lieu thereof the following: "Compensation Act of 1970) for his benefit year."

"(4) The amounts determined under paragraphs (2) and (3) with respect to any individual shall each be reduced by the amount of any assistance paid to such individual under title II of the Emergency Jobs and Unemployment Assistance Act of 1974 for any weeks of unemployment in the 65-week period preceding the first week of unemployment with respect to which compensation is payable to such individual under this Act.".

At the end of part A of title I of the bill add the following new section:

SEC. 107. Section 102(e) of the Emergency Unemployment Compensation Act of 1974 is amended, effective July 1, 1975, by adding at the end thereof the following new paragraph:

"(4) The amount determined under paragraphs (2) and (3) with respect to any individual shall each be reduced by the amount of any assistance paid to such individual under title II of the Emergency Jobs and Unemployment Assistance Act of 1974 for any weeks of unemployment in the 65-week period preceding the first week of unemployment with respect to which compensation is payable to such individual under this Act.".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana. [Putting the question.]

Mr. LONG. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is requested. Senators in favor of the amendment will rise and stand until counted. (After a pause.) Those opposed will rise and stand until counted.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 6900) was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, for the information of the Senate, so that too many Senators will not leave in too much of a hurry, it is the intention of the leadership to once again revert to the Bartlett amendment following the vote on this measure.

YEAS AND NAYS ORDERED ON BARTLETT AMENDMENT TO SENATE RESOLUTION 166

I ask unanimous consent that it be in order at this time to order the yeas and nays on the Bartlett amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, H.R. 6900 is urgent legislation requiring enactment before July 1 so that thousands upon thousands of involuntarily unemployed workers will not exhaust the emergency unemployment assistance that has sustained them in thie economic crisis.

Last December, the Congress enacted two emergency programs to provide weekly assistance to persons with substantial work experience who have been laid off and cannot find a job. Both of these programs have provisions that would be suspended for many unemployed workers unless we act before June 30.

The Federal supplemental benefits program provides weekly benefits for those who are covered by the familiar unemployment compensation programs and are unemployed for more than 39 weeks. In April, we extended the FSB program to provide a maximum of 65 weeks of unemployment benefits for those having the greatest difficulty finding a job. That extension expires on June 30.

The special unemployment assistance program provides weekly payments for those who were laid off from jobs that were not covered by the regular unemployment compensation program. This group comprises primarily agricultural workers, recent entrants to the labor market, State and local government workers, domestic workers, and others. The 26 weeks of assistance provided under SUA will begin to exhaust after July 1.

The scope of the problem can be sensed from the number of persons who would exhaust their unemployment assistance during the next 3 months if H.R. 6900 were enacted. Figures compiled by the Committee on Labor and Public Welfare show that 675,200 persons would run out of weekly benefits under the emergency extensions of the regular program, and 95,600 would exhaust their full entitlement under the special unemployment assistance program.

At least some of these would have their weekly payments interrupted if action on H.R. 6900 is delayed beyond June 30.

Cognizant of this deadline, the Committee on Labor and Public Welfare expedited consideration of H.R. 6900. The Senate owes a debt of gratitude to the junior Senator from Wisconsin (Mr. NELSON), chairman of our Subcommittee on Employment; the senior Senator from New York (Mr. JAVITS), leader of the committee minority; and the other members of the committee for the care and facility with which this legislation was handled.

Mr. President, the Labor and Public Welfare Committee focused its attention on title II of the bill, dealing with the special unemployment assistance program for workers not covered by the regular system. I believe that, within the restricted time available to us, the Committee has taken every possible step to alleviate some of the pain and misery of joblessness in these times.

I am particularly pleased that the bill provides an additional 13 weeks of maximum assistance under the SUA program. This will mean that some 95,600 persons will have additional time to look for the job that they have been unable to find.

The bill also extends the SUA program for another year, until December 31, 1976, with assistance payable in a phaseout period until March 31, 1977.

With national unemployment standing at 9.2 percent in May—the highest since the depths of the Great Depression—and with only the most adventurous economists predicting that it will decline below 8 percent by mid-1976, we have a duty to see that unemployed American workers are not consigned to bankruptcy and the welfare rolls in the current recession.

The committee did not accept a major recommendation of the administration for a whole new trigger mechanism that would phase back the SUA program. I believe the committee's decision in this respect was sound for several reasons.

First, the SUA program already has a trigger mechanism, enacted with the establishment of the program last December, barely 6 months ago. Under the December act, the area "off" trigger takes effect when total unemployment drops below 6.5 percent in the area and below 6 percent in the Nation.

Second, the administration's proposal would have cut off SUA payments to unemployed persons much earlier in many of the labor market areas of the Nation.

Third, the administration proposal would establish an entirely new geographic framework, replacing the 400 labor market areas in which SUA is currently administered with the 139 largest standard metropolitan statistical areas plus 51 "balance of State" areas that lay outside of those SMSA's. One effect would be to treat all unemployed in the lightly populated areas of a State alike, despite the fact that there are pockets of grave unemployment of 15 percent or more that should qualify for continued SUA assistance long after the administration's "off" trigger for the overall "balance of State" area would cutoff payments.

Fourth, the ramifications of imposing a newly devised system of "off" triggers are too complex to be dealt with equitably on an urgent basis. Under the SUA program, eligibility of an individual for SUA is determined by each State on the basis of the unique standards of eligibility used by that State to screen claimants for regular unemployment compensation program. There are wide differences among the eligibility standards of the various States, resulting in massive complications for any attempt to devise a single, all-inclusive triggering mechanism that would minimize inequities.

The issue needs a great deal more study, and since the SUA program is deeply intertwined with the regular unemployment compensation program, it is just good sense to conduct that study in the context of basic reforms of the regular system. Such a study is already underway in the Ways and Means Committee on Labor and Public Welfare of the Senate. The House committee has held initial hearings, and there are indications that legislation may be proposed before the end of the year.

It is my conviction that the question of new trigger mechanisms and a number of other fundamental revisions of the unemployment assistance programs should await consideration of basic and general reforms.

Mr. President, the Committee on Finance has proposed new triggers and other basic revisions of the emergency extended benefits under the regular unemployment compensation program.

The Committee on Finance has proposed three substantial modifications of the regular unemployment compensation system—first, a new system of triggers intended to make the FSB program of benefits beyond 39 weeks responsive to change in economic conditions; second, a requirement that an unemployed person must apply for approved training in order to qualify for more than 39 weeks of benefits; and third, cancellation of benefits after 39 weeks if a person is not in training and refuses any job available, regardless of whether he is suited for it by his previous experience and training.

It is my view that this is not the time to be considering such far-reaching policy revisions without benefit of extended study and hearings.

Fundamental as these changes are, they too should await consideration of basic reforms.

By amendments adopted today, we will afford time for that effort. The postponement of the effect date of new triggers until January 1, 1976, provides 6 more months in which to pursue comprehensive and thorough evaluation of the unemployment compensation system.

Mr. NELSON. Mr. President, the bill the Senate is now considering (H.R. 6900) extends two emergency unemployment assistance programs which were enacted in December. The President requested enactment of these two programs at that time and has requested the extensions included in the pending bill.

These programs are: First, the special unemployment assistance program—SUA—included in the Emergency Jobs and Unemployment Assistance Act of 1974 which the Senate passed by a vote of 79 to 13 last December 12, currently provides up to 26 weeks of assistance to unemployed experienced workers who would not otherwise be eligible for assistance under other State or Federal unemployment insurance laws; and second, the Federal supplemental benefits program—FSB—which currently provides up to 26 weeks of additional assistance for unemployed workers who exhaust their 39 weeks of potential benefits under pre-existing regular and extended unemployment insurance laws, for a total of 65 weeks of potential benefits.

In brief, title II of H.R. 6900, reported by the Labor and Public Welfare Committee, would extend the life of the supplemental unemployment assistance program—which would expire December 31, 1975—through December 31, 1976, with assistance payable through March 31, 1977. The bill would also add 13 weeks of additional assistance to SUA, bringing the maximum assistance available under that program to 39 weeks for any individual.

Title I of H.R. 6900, as reported by the Finance Committee, would amend the Federal supplemental benefits program, to insure that up to 65 weeks of total assistance will be available through the end of 1976 to workers who exhaust their regular benefits in States where insured unemployment is high. In the absence of this measure, the program would revert back to a total of 52 weeks on June 30, cutting off many thousands of unemployed workers.

As in December, these programs have been considered by two Senate committees: Title I, the Federal supplemental benefits program, by the Committee on Finance, and title II, the special unemployment assistance program, by the Committee on Labor and Public Welfare. As a member of both committees, and chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, I have participated in the consideration of both programs.

SPECIAL UNEMPLOYMENT ASSISTANCE FOR UNCOVERED WORKERS

Title II of H.R. 6900, which was considered and reported by the Labor and Public Welfare Committee, extends and improves the special unemployment assistance program—SUA—first enacted as title II of the Emergency Jobs and Unemployment Assistance Act of 1974.

This important program provided up to 26 weeks of federally funded unemployment assistance for the first time to unemployed workers not covered under any other State or Federal unemployment insurance law. Until December 31, 1975, workers not entitled to UI may qualify for SUA in the same way they qualify for UI in the State where they were last employed, so long as the overall rate of unemployment in their area exceeds 6.5 percent or the rate of overall unemployment in the Nation exceeds 6 percent. Approximately 12 million workers were thus brought under the umbrella of Federal unemployment protection for the first time, for the duration of current unemployment crisis, including previously uncovered State and local governmental employees, agricultural workers, and domestic workers. Currently over 180,000 such unemployed workers are receiving Special Unemployment Assistance under this program.

Title II of H.R. 6900, as amended, would extend the program through December 31, 1976, with assistance payable through the end of March 1977. The bill would also make workers eligible for an additional 13 weeks of assistance—up to a maximum of 39 weeks.

Certain other amendments to the current law would redefine "employment and wages" to specify an intent that workers be engaged as employees in an employee-employer relationship to be eligible; would prevent experienced teachers and other professional educational personnel with contracts for the fall term from drawing this emergency assistance during the summer; would establish new procedures—including procedures for the protection of the worker—in cases of fraud or overpayment under the program; would entitle workers who have exhausted assistance under the current SUA program to the additional 13 weeks of assistance as of July 1; and would require the Secretary of Labor to study this and other emergency unemployment assistance programs and report back to Congress.

EXTENDED BENEFITS FOR EXHAUSTEES COVERED BY REGULAR UNEMPLOYMENT COMPENSATION

Title I of H.R. 6900, which was considered by the Finance Committee, extends and amends the Emergency Unemployment Compensation Act of 1974. That act provided that unemployed workers who are covered under existing State and Federal unemployment insurance laws would be eligible, through December 1976, for extended benefits—up to 39 weeks—whenever the national or State rate of insured unemployment exceeds 4 percent, and for Federal supplemental benefits—FSB—from the 39th to the 52d week—if they exhaust their extended benefits. In March of this year, an amendment to the tax cut bill provided for an additional 13 weeks of benefits for exhaustees under a temporary provision that expires this June 30, for a total of up to 65 weeks of benefits.

The Finance Committee proposes an extension beyond June 30 of this latter provision, so that benefits could be paid up to 65 weeks under the FSB program through March 1977, providing certain conditions are met. The most important of these is the condition that the 53d through 65th week of compensation will only be payable in States where the insured unemployment rate—IUR—exceeds 6 percent, and that the 40th through 52d week will only be payable in States where the IUR exceeds 5 percent.

In addition, the Finance Committee recommends amending title I of H.R. 6900 to tighten the restrictions most States place on the type of work an unemployed individual may refuse to accept while continuing to receive benefits after the 39th week, unless that individual is enrolled in an approved training program. The committee also recommends full direct Federal financing of the Federal supplemental benefits program after the 39th week, instead of funding through advances from the Unemployment Trust Fund, which could have resulted in a higher employer tax in the future to repay the advances. Another amendment requires the Secretary of Labor to conduct a study of the emergency benefit program.

ESTIMATES OF COSTS AND NUMBER OF UNCOVERED WORKERS CLAIMING SPECIAL UNEMPLOYMENT ASSISTANCE

I would call the attention of my colleagues to the cost estimates for carrying out title II for the duration of the program's proposed existence, and especially to the difference between the new cost estimates, provided to the committee by the Department of Labor on June 11, and the estimates used by the House Ways and Means Committee when title II was considered by the House.

In the House, it was estimated that a total of $5.14 billion would be spent on SUA between July 1, 1975, and the end of 1976. That figure was provided by the Department of Labor, and it has now been drastically revised downward. The new DOL estimate is that just $1.2 billion will be spent on SUA for that same period of time. The Department explains the discrepancy by noting that the earlier estimate has been based on erroneous assumptions including the prediction that teachers would be eligible for supplemental unemployment assistance if they were unemployed during the summer even though they had a contract to return in the fall semester. Since H.R. 6900 prohibits assistance in such a situation, and the overall caseload has been smaller than previously anticipated, the Labor Department's estimates were revised. I shall ask unanimous consent that a table on the cost of SUA provided to the committee on June 11 be printed in the RECORD at the conclusion of my remarks.

Mr. President, to date the Labor Department estimates that an average of between 180,000 and 200,000 claimants per week have been eligible for SUA. The most recently available figures, for the week ending June 7, indicate that some 184,278 claimants were being assisted. But despite the relatively small caseload of SUA—compared to 5,237,000 regular UI claimants and 1,452,000 claimants under the Federal extended and supplemental programs—the program is a significant one. And since the Labor Department expects over 100,000 SUA exhaustions—of the current 26-week maximum—between now and September, it is imperative that we act quickly to extend and improve this program today.

I ask unanimous consent that the cost estimate and section-by-section analysis of title II of H.R. 6900 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COST ESTIMATES FOR SPECIAL UNEMPLOYMENT ASSISTANCE EXTENSION AND LENGTHENED DURATION

Costs are for SUA to be extended through Calendar Year 1976 and duration of benefits up to 39 weeks. These are to be paid throughout the unemployment insurance system and do not involve area triggers. Costs are based on current experience levels of claims and assuming the teacher provisions that are in H.R. 6900. Economic assumptions are those presented in the mid-year review, i.e., total unemployment rates of 8.5 percent for FY 1976, 7.8 percent for the transitional quarter and 7.6 percent for the first quarter of FY 1977.

[In millions of dollars]

Fiscal year 1976:	
SUA (First 26 weeks)	590
SUA (Weeks 27–39)	220
Transitional quarter:	
SUA (First 26 weeks)	140
SUA (Weeks 27–29)	55
First quarter, fiscal year 1977:	
SUA (First 26 weeks)	140
SUA (Weeks 27–29)	55

SECTION-BY-SECTION ANALYSIS OF TITLE II OF H.R. 6900 (AS REPORTED BY THE LABOR AND PUBLIC WELFARE COMMITTEE)

SECTION 201. EXTENSION OF SPECIAL UNEMPLOYMENT ASSISTANCE

Section 201(a)(1) amends Section 206 of the Emergency Jobs and Unemployment Assistance Act of 1974 to increase the maximum number of benefit weeks under the SUA from 26 to 39. Section 201(b) amends Section 208 of such Act so as to postpone the termination date of the SUA Program from December 31, 1975 to December 31, 1976, and also to postpone the phase-out date from March 31, 1976, to March 31, 1977.

SECTION 202. DENIAL OF SPECIAL UNEMPLOYMENT ASSISTANCE IN THE CASE OF CERTAIN EMPLOYEES OF EDUCATIONAL INSTITUTIONS

Section 202 amends Section 203 of the Emergency Jobs and Unemployment Assistance Act of 1974 to provide for the denial of assistance during periods occurring between school terms or academic years to certain employees of educational institutions who performed service during the first term or year in an instructional, research, or principal administrative capacity, if they have contracts to perform such services for the later term or year for an educational institution or agency.

SECTION 203. TECHNICAL AND CLARIFYING AMENDMENTS

Section 203(a) amends Section 210 of the Emergency Jobs and Unemployment Assistance Act of 1974, by adding provisions which clarify the meaning of employment and wages which are not covered under the State law, for purposes of determination of eligibility, weekly benefit amount and maximum amount of assistance entitlement under SUA. Such employment may be treated, for purposes of such determinations, as if covered under the State law only if the individual meets the requirements of "employee," as defined in Section 3121(d) of the Internal Revenue Code, and his or her employment satisfies the definition of employment in Section 3306(c) of the Internal Revenue Code, excluding paragraphs (1) through (9), (10)(B)(ii), (14), (15) and (17). For this purpose, Section 3306(c) of such Code is to be applied as if the term "United States" includes the Virgin Islands.

Section 203(b)(1) amends Section 205 of the Emergency Jobs and Unemployment Assistance Act of 1974 to establish authority and procedures pertaining to the treatment of fraud and erroneous payments under SUA. It provides that any individual who obtains SUA by means of a false statement or failure to disclose information or causes another to do so shall be ineligible for assistance under Title II of such Act in accordance with the corresponding fraud provisions of the State laws applicable to Unemployment Insurance. It also authorizes the State agency to require repayment of SUA overpayments. Repayment may be waived when overpayment was received without fault of the individual, and such repayment would be contrary to equity and good conscience. The State agency is permitted to offset such overpayments against future assistance or benefits payable to the individual under the SUA program or any other Federal unemployment compensation or allowance programs which the State agency administers, such as Unemployment Compensation for Federal Employees and Ex-Servicemen (UCFE–X), Trade Readjustment Allowance (TRA), and Disaster Unemployment Allowance (DUA). However, no single deduction may exceed 50 percentum of the weekly benefit amount from which the deduction is made, and no deduction may be made until notice and an opportunity for a fair hearing has been given to the individual. The same appeal rights applicable to unemployment insurance claimants would be afforded SUA claimants in these situations.

Subsection (b)(2) of Section 203 amends Section 210 of the Emergency Jobs and Unemployment Assistance Act of 1974 by adding to Section 210 two definitions, "State agency" and "special unemployment assistance benefit year".

Section 203(c) further amends Section 206 of the Emergency Jobs and Unemployment Assistance Act of 1974 by adding a new subsection (b) providing that if an individual has drawn unemployment insurance during a benefit year, the amount of his SUA entitlement during any special unemployment assistance benefit year which he establishes while his State unemployment insurance benefit year has not yet expired will be reduced by the amount of benefits he received earlier in such State unemployment insurance benefit year.

Section 203(d) amends Section 203(4) of the Emergency Jobs and Unemployment Assistance Act of 1974 to correct an inaccurate reference in that section.

SECTION 204. EFFECTIVE DATES

Section 204(a) directs the Secretary of Labor to propose to each State which has an agreement (pursuant to Section 202 of the Emergency Jobs and Unemployment Assistance Act of 1974) a modification of the agreement to reflect these amendments. It provides that if a State fails or refuses, within the 3-week period following the date of enactment of this bill to enter into such a modification, the Secretary shall terminate the agreement.

Section 204(b) establishes that the increase in SUA entitlement, provided by Section 201's amendment of Section 206 of the Emergency Jobs and Unemployment Assistance Act of 1974, is payable in a State for any week of unemployment which begins after July 1, 1975.

Section 204(c) provides that the amendment of Section 203 of the Emergency Jobs and Unemployment Assistance Act of 1974, relating to employees of educational institutions, that are made by Section 202 of this bill and the technical amendments of Sections 206 and 203(1) of the Act that are respectively made by subsections (c) and (d) of Section 203 of this bill shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

Section 204(d) provides that the technical amendment of Section 210 of the Emergency Jobs and Unemployment Assistance Act of 1974 which is set forth in Section 203(a) and which clarifies the definition of work that may qualify an individual for eligibility under SUA and includes the Virgin Islands in the term "United States" as defined in Section 3306(c) of the Internal Revenue Code, shall take effect on December 31, 1974.

Section 204(e) provides that the technical amendments of Sections 205 and 203 of the Emergency Jobs and Unemployment Assistance Act of 1974 made respectively by subsections (b) and (e) of Section 203 shall take effect with the enactment of this Act. The amendment of Section 205 of the Act that is made by Section 203(b) relates to fraud and overpayments and the amendment of Section 203 of the Act that is made by Section 203(e) corrects a citation error.

SECTION 205. STUDY OF EMERGENCY UNEMPLOYMENT ASSISTANCE PROGRAMS

Section 205 of the bill amends section 211 of the Emergency Jobs and Unemployment Assistance Act of 1974 to require the Secretary of Labor to submit a report to the Congress on experience under the emergency unemployment compensation and special unemployment compensation programs. That report is to deal specifically with the characteristics and problems of the long term unemployed. The report is to be submitted by June 30, 1977, with an interim report to the Congress by June 30, 1976.

Mr. JAVITS. Mr. President, I hope that the Senate will approve this legislation and send it on to conference with the House and the differences between the House of Representatives and this body will be resolved and that we may send this legislation on to the President next week for this signature so that the benefit payments to long-term unemployed individuals will not be interrupted on June 30. I wish to thank my colleagues on the Labor and Public Welfare Committee and particularly my colleague, Mr. Nelson, the distinguished chairman of the Employment, Manpower, and Employment Subcommittee of the Labor and Public Welfare Committee and the Senator from New Jersey (Mr. Williams), the distinguished chairman of the Labor and Public Welfare Committee, and the Senator from Louisiana (Mr. Long) of the Committee on Finance for the expeditious way in which they have handled this emergency legislation in an effort to achieve passage before hundreds of thousands of Americans experience benefit interruption on June 30.

The PRESIDING OFFICER (Mr. Stone). The question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce the Senator from Indiana (Mr. Bayh), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Hart), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from West Virginia (Mr. Randolph), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. Burdick), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Magnuson), the Senator from West Virginia (Mr. Randolph), and the Senator from Illinois (Mr. Stevenson) would each vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Senator from Kansas (Mr. Dole), the Senator from Arizona (Mr. Fannin), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from Maryland (Mr. Mathias), the Senator from Alaska (Mr. Stevens), and the Senator from Ohio (Mr. Taft) are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole) and the Senator from Ohio (Mr. Taft) would each vote "yea."

The result was announced—yeas 70, nays 3, as follows:

[Rollcall Vote No. 240 Leg.]

YEAS—70

Abourezk
Allen
Bartlett
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Curtis
Domenici
Fong
Garn
Glenn
Gravel
Hansen
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Hruska
Huddleston
Jackson
Javits
Johnston
Laxalt
Leahy
Long
Mansfield
McClellan
McGee
McGovern
McIntyre
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stone
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—3

Helms
McClure
Scott, William L.

NOT VOTING—26

Baker
Bayh
Beall
Bellmon
Burdick
Church
Dole
Eagleton
Eastland
Fannin
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Humphrey
Inouye
Kennedy
Magnuson
Mathias
Metcalf
Montoya
Randolph
Stevens
Stevenson
Taft

So the bill (H.R. 6900) was passed.

Mr. JAVITS. Mr. President, I move to

reconsider the vote by which the bill was passed.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, I have a technical motion.

I ask unanimous consent that the bill (H.R. 6900) be printed with amendments and that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer appointed Mr. Long, Mr. Talmadge, Mr. Hartke, Mr. Ribicoff, Mr. Williams, Mr. Nelson, Mr. Curtis, Mr. Fannin, Mr. Hansen, and Mr. Javits, conferees on the part of the Senate.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. BARTLETT. Mr. President, I inform my colleagues that I will take less than 3 minutes. So, please advise me if I do not.

Mr. President, I ask unanimous consent that the clerk state the amendment very rapidly.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Oklahoma (Mr. Bartlett) proposes an amendment as follows:
>
> In lieu of the language proposed on page 1, lines 7 through 12, substitute the following: "It is the sense of the Senate that a complete recount of the machine and paper ballots cast in the November 5, 1974, New Hampshire election for a seat in the United States Senate be conducted by the Senate Rules Committee, the report of the committee to be submitted directly to the Senate for its consideration."

Mr. BARTLETT. Mr. President, this is very similar to the amendment——

Mr. MANSFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senators will suspend their conversations or remove themselves to the cloakrooms.

Mr. BARTLETT. Mr. President, this is very similar to the amendment by the Senator from Alaska (Mr. Stevens), but there is a change. There was concern that the Senate was abdicating its responsibility. That is corrected in this amendment by placing the responsibility in the Committee on Rules and Administration.

I just merely point out that this would vitiate many of the problems that some people have with the Senate Resolution 166.

I point out that in the comparison between election night and the recount, there were changes in 233 out of 306 towns and wards. There were 2,700 gross changes, with a net change, of course, of 365 votes. I think we would be shortsighted if we did not have a full recount of all the ballots, paper, and machine.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there a further debate?

Mr. CANNON. Mr. President, I shall not take more than 1 minute.

Mr. President, the Senator is correct. He is substituting the Rules Committee for a panel of three attorneys approved by the American Arbitration Association. We have gone up the hill and downhill on this already. Neither of the parties asked the ballot law commission to review all 223,000 ballots; they asked only that the 3,500 be reviewed. As I said earlier, the attorney general said that it was silly to consider those 180,000 ballots which were never protested by anyone.

I submit, Mr. President, that the amendment should be defeated. It is in my judgment a dilatory amendment.

Mr. HUGH SCOTT. Mr. President, if someone would yield me 1 minute, I would like to make the point that that is just what the courts of New Hampshire were saying, that it is up to the Senate to move on the recount ballots, or to take any other action they see fit. The courts have no jurisdiction in New Hampshire to do that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Delaware (Mr. Biden), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Hart), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from West Virginia (Mr. Randolph), the Senator from Illinois (Mr. Stevenson), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. Randolph), the Senator from Illinois (Mr. Stevenson), and the Senator from Minnesota (Mr. Humphrey) would each vote "nay."

On this vote, the Senator from North Dakota (Mr. Burdick) is paired with the Senator from Vermont (Mr. Stafford).

If present and voting, the Senator from North Dakota would vote "nay" and the Senator from Vermont would vote "yea."

On this vote, the Senator from Washington (Mr. Magnuson) is paired with the Senator from Michigan (Mr. Griffin).

If present and voting, the Senator from Washington would vote "nay" and the Senator from Michigan would vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Seantor from Kansas (Mr. Dole), the Senator from Arizona (Mr. Fannin), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from Maryland (Mr. Mathias), the Senator from Vermont (Mr. Stafford), the Senator from Alaska (Mr. Stevens), the Senator from Ohio (Mr. Taft), and the Senator from North Dakota (Mr. Young) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) and the Senator from Oregon (Mr. Hatfield) would each vote "yea."

On this vote, the Senator from Vermont (Mr. Stafford) is paired with the Senator from North Dakota (Mr. Burdick).

If present and voting, the Senator from Vermont would vote "yea" and the Senator from North Dakota would vote "nay."

On this vote, the Senator from Michigan (Mr. Griffin) is paired with the Senator from Washington (Mr. Magnuson).

If presented and voting, the Senator from Michigan would vote "yea" and the Senator from Washington would vote "nay."

The result was announced—yeas 22, nays 47, as follows:

[Rollcall Vote No. 241 Leg.]

YEAS—22

Bartlett
Brock
Brooke
Buckley
Case
Curtis
Domenici
Fong
Hansen
Helms
Hruska
Javits
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Thurmond
Tower
Weicker

NAYS—47

Abourezk
Allen
Bentsen
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Clark
Cranston
Culver
Garn
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Jackson
Johnston
Laxalt
Leahy
Long
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Ribicoff
Sparkman
Stennis
Stone
Symington
Tunney
Williams

NOT VOTING—30

Baker
Bayh
Beall
Bellmon
Biden
Burdick
Church
Dole
Eagleton
Eastland
Fannin
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Humphrey
Inouye
Kennedy
Magnuson
Mathias
Metcalf
Montoya
Randolph
Stafford
Stevens
Stevenson
Taft
Talmadge
Young

So Mr. Bartlett's amendment was rejected.

AMENDMENT NO. 603

Mr. BROCK. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. Brock) proposes an amendment:

On page 1, line 7, insert the following: "It is the sense of the Senate that the Committee on Rules and Administration shall conduct a retally of all precincts in which there was a change in the count for either Mr. Wyman or Mr. Durkin from the election night totals to the recount totals."

And strike the existing text on line 7 through 12 of pages 1.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. ROBERT C. BYRD. Does the Senator desire to ask for the yeas and nays on his amendment tonight?

Mr. BROCK. No, I do not.

Mr. ROBERT C. BYRD. Does any Senator wish to debate the amendment tonight?

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow morning at 9 o'clock.

After the two leaders or their designees have been recognized under the standing order, the Senate will resume consideration of the New Hampshire election dispute. The question at that time will be on the adoption of the amendment by Mr. Brock.

A live quorum probably will ensue after the two leaders, or their designees, have been recognized under the standing order.

Rollcall votes are expected on tomorrow.

RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 o'clock tomorrow morning.

The motion was agreed to; and at 7:08 p.m. the Senate recessed until tomorrow, Saturday, June 21, 1975, at 9 a.m.

NOMINATION

Executive nomination received by the Senate June 20 (legislative day of June 6) 1975:

LIBRARY OF CONGRESS

Daniel J. Boorstin, of the District of Columbia, to be Librarian of Congress, vice Lawrence Quincy Mumford, retired.

EXTENSIONS OF REMARKS

UNIVERSITY OF FLORIDA HONORS PAUL ROGERS; GRADUATES 100,000TH

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. FUQUA. Mr. Speaker, graduation exercises at the University of Florida in Gainesville, Fla., were marked by the graduation of the 100,000th graduate of this great institution, the conferring of an honorary doctor of law degree on our friend and colleague, Congressman Paul Rogers, and an outstanding commencement address by Congressman Rogers.

Congressman Rogers was cited by his alma mater particularly for his contributions in the field of national health legislation. In this his 11th term in the Congress, he chairs a particularly vital subcommittee having jurisdiction over legislation dealing with health manpower, mental health, drug abuse, and the Food and Drug Administration.

His distinguished career includes a leadership role in the enactment of the National Cancer Act, the National Heart and Lung Act, and the Clean Air Act.

As an alumnus, Congressman Rogers was particularly pleased to be present as a graduate accepted the 100,000th graduation certificate from the University of Florida. The ranks of Florida graduates extend to all corners of the globe and their record of service to humanity in all walks of life has been exemplary.

In congratulating our colleague, I would like to commend to you his remarks. They are as follows:

COMMENCEMENT ADDRESS, UNIVERSITY OF FLORIDA

President Marston, distinguished faculty, ladies and gentlemen and most importantly—graduates . . . It is an honor to be present today as each of you receives recognition of your abilities and hard work by receiving your degree. Congratulations to you—to your families who have been supportive of your efforts—and to the President and this distinguished faculty of one of the outstanding universities of our nation. You enhance the stature of the University of Florida and will continue to as you assume your place in community and national life.

To return to one's alma mater is nostalgic—and stirs memories of the years spent here—but it is also invigorating to sense the excitement of the anticipations of the future—particularly at a graduation.

As you graduate—this nation is fast approaching its bicentennial year—200 years as a democracy.

It is appropriate I think, to take note of what was said at a commencement exercise in 1775: 200 years ago.

Samuel Johnson, told the class of 1775 at Kings College, now known to us as Columbia University, the following—

"Happy yourselves you cannot be, without knowledge and virtue. These must therefore, *still* be the great pursuit of your lives. You must not therefore now lay aside your books, but still, as far as the business of life will permit, be continually building upon the foundation already laid. And that you may be virtuous as well as knowing, devote yourselves to a steady course of diligence, and renounce all idle companions, and vicious company, and be perpetually upon your guard against all temptations to intemperance and lewdness, to luxury and excess, and all untoward mischievous and unreasonable passions."

In contrast, the humorist and writer Art Buchwald told a graduating class just recently, quote: "We are handing you a perfect world, now don't mess it up."

Of course, Buchwald humorously suggests that the world is less than perfect, and I would add, I think there never was a more appropriate time for the eternal message of commencement—that you have a great task before you.

As there is a beginning and an end to life, there is a beginning and an end to an individual's contributing years. Some start earlier and some stay longer. But graduation from college is usually the commencement of the college trained individual's contributions to society.

And I would say that I sincerely hope that you as individuals do not see your education simply as an item of currency. For to use education as a tool solely for personal gain is to devalue the currency of an education.

Many today feel that there are no more "New Frontiers" to bring challenge to their lives. Yet, even casual notice reveals current problems and challenges which make even those of current a fledgling and new nation 200 years ago pale by comparison.

Take the question of environment. In 1775, the blacksmith at his forge was the heavy industry, the local woodlot was the power plant, and natures call for one's horse was the transportation pollution.

Today the question is whether our environment can indeed survive it. When a citizen of 1775 looked to the sky, he wondered if it would rain or not. Today we face problems of acid rains, of polluted air and the possibility that we may be destroying the ozone layer of the atmosphere which protects the entire earth from the sun's radiation.

The challenge is—will society be willing to pay the price and sustain the effort just recently begun, for cleaning up the environment. The technology is here; the question is commitment—individual as well as national.

Basic to the quality of life is one's health. Citizen circa 1775 was lucky to live past age 40. His health was his own worry, and each family took care of its own, young and old alike. No great medical centers. No nursing homes. Today we look upon health as a right. The government has taken a leading role in addressing that problem, and is on the verge of establishing a national health insurance program—one will be set forth in 1976. A national shortage and maldistribution of doctors and nurses and better delivery of health services challenges all who are interested in the health field.

Food, the physical sustenance of man, is a timeless problem. The main difference between citizen 1775 and us today is the variety and quantity.

Today, we face not the old question of simply feeding our people as in 1775. Rather we face the question of our moral responsibility of leadership in a hungry world. Half the people on this earth go to bed hungry. The question you face today is how to help these people best. Not to decide is to decide.

And then there is energy. In 1775, when energy was needed, down came a tree. For the next 100 years our timberlands served as an ample supply to our already energy-intensive society.

By 1850, 91 percent of our energy came from wood. Now we are dependent on petroleum, with about 35 more years of oil left, no other sources yet ready to take its place and the foreign owners of most of it willing to send Western industrial society down the tube at $15 a barrel.

As you know, Congress is presently grappling with this problem. Alternative energy sources are being developed. But the answer will not be found just in laws that will be written, because the problem is, I think, fundamental to our approach to life.

For too many years we have crammed unlimited resources and energy into an economic machine and delighted at the end result—a continually enlarging gross national product.

We have defined the "good life" in terms of greater acquisition of energy intensive, resource-depleting, short lived goods. And we call it a "standard of living".

We have millions of cars—which don't last, are repaired, but not for long, and in the meantime pollute.

We also have more televisions, more radios, more plastics, more throw away containers, more aerosol spray cans, more electric pencil sharpeners than any other nation.

In other words, is *more* always good? Is this to be equated with quality of life? I think not.

I have a sense that the thinking of the young people today runs contra to the equating of materialism with quality. In the not too distant future I think we will see beginning an awareness of the fact that our lifestyle in America must change to meet the times—just as our lifestyle has changed in the past to meet demands. Your leadership will be needed.

I have touched on some of the problems facing us today, challenges which make life exciting—complex as they are. Each graduating class, each new generation, has faced problems which indeed seemed more difficult, more pressing than the one preceding it.

We all have benefited and, I am sure, take pride in the past accomplishments of our nation. But as we enter the third 100 years, we and particularly you, have tasks to be tended to and solutions to find.

My charge to you—is a recognition that our heritage and indeed our future demands the active participation of all of us. I am confident of your abilities and therefore confident in the future of this nation—I know you are equal to the task.

A TRIBUTE TO MR. JULIUS SUTTO OF SAGINAW, MICH.

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. TRAXLER. Mr. Speaker, devoted service to Government is an admirable quality. Saginaw County in Michigan has been privileged for the last 27 years to have a man in office who has demonstrated such devotion. Mr. Julius Sutto has served Saginaw County in many ways in the past quarter decade. He was first elected as the supervisor of Spaulding Township in 1948, and held that office until July 1, 1964, when he became the first county controller. He will be retiring from that position on July 1, 1975.

Julius Sutto has held several positions of fiscal responsibility. From 1959 until April of 1964 he was the chairman of the county commission's finance and salaries committee. In April of 1964 he became the chairman of the board, and he held this position until he became county controller.

Mr. Sutto has demonstrated his abilities in many ways. The most notable is the fact that under his control, the county never had a deficit budget. I am certain that Mr. Sutto is one of the most astute financial county administrators. I wish the Federal Government would be so lucky as to have a man of his caliber at its disposal.

He worked on many projects which have benefited this most important area of the State of Michigan immensely. Julius Sutto provided the incentive needed to get improvements in the social services building. He worked to have a better facility for neglected children. He obtained juvenile and health centers, and arranged to purchase land needed for the county infirmary and mental health facility. He is a man with great concern for his fellow human beings. A very memorable feat was Mr. Sutto's work in the building of the new county courthouse. Almost single-handedly he had worked to invest for the best use the funds obtained by a bond sale, and worked to help move everybody into the new structure. Officials commended him as "dollar conscious" and being more responsible for the completed structure than anyone else involved with the project.

His accomplishments include improved community services. The equalization department, planning department, mental health services department of public works parks and recreation have all done more for the county under the watchful eye of Julius Sutto. The airport has also been tremendously improved, providing an incentive for businesses to locate in the area because of the quality of such transportation.

Mr. Speaker, you and my colleagues can easily see why my personal friend has been such a credit to Saginaw County. I enjoy working with such individuals because their fiscal talents help maintain a healthy economy and governmental efficiency. I seek these goals for the Federal Government just as much as Mr. Sutto did for the county government.

Mr. Sutto has been previously honored for his service to the community. In 1967 he was declared an "Outstanding Civic Leader of America" by the U.S. Chamber of Commerce. He has also been named a lifetime member of the Michigan Township Officers Association.

Mr. Speaker, when Saginaw County loses Julius Sutto on July 1 of this year because of his retirement, it will be losing one of the most valuable administrators in its history. I ask you and all my colleagues to join me in thanking Mr. Sutto for his most generous service, and congratulate him on being a truly outstanding individual.

WILLIAM C. WALSH

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. BYRON. Mr. Speaker, this week, western Maryland lost one of its most distinguished citizens with the passing of Judge William C. Walsh. Judge Walsh was known not only throughout the State of Maryland but in the wider political and governmental councils in this country. He was a close associate of my late father's, and I considered it a great honor and privilege to count him among my friends and my advisers. I extend my heartfelt sympathy to his family and his many friends.

Judge Walsh attended St. Patrick's School in Cumberland, Md. and graduated from Mount St. Mary's College in Emmitsburg. He then received a law degree from Catholic University Law School. Judge Walsh served on the Mexican border in 1916 and was with the AEF in France during World War I with distinguished service in the 29th Division.

He later served as city attorney for Cumberland and was appointed to the fourth judicial circuit bench in 1921. He later served as a member of the Maryland Court of Appeals. From 1931 to 1953, Judge Walsh was State insurance commissioner, and in 1935 he was elected State attorney general.

Judge Walsh served in many organizations including the Allegany Bar Association and a stint as president of the Maryland Bar Association. In Democratic politics, he served as delegate to national conventions in 1924, 1928, 1932, 1940, 1944, and 1964. He was a member of the board of regents of the University of Maryland.

Judge Walsh will be sorely missed by his family and friends. His efforts on behalf of his community and his pursuit of excellence in all his undertakings marked his entire career. His life could well serve as an example to all young people interested in the future of their society.

THE NEED FOR UNITED STATES TO SPEAK UP FOR SOVIET JEWS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. MIKVA. Mr. Speaker, one of the most welcome developments of the past few years has been the lessening of tensions between our country and the U.S.S.R. But if détente is to have any lasting value, it must involve an exchange of ideas and values as well as machinery and grain. It should bring out the best in both countries, not the lowest common denominator.

For example, a country with our heritage of and commitment to individual rights and freedoms has an obvious moral responsibility to speak up and to work for the freer emigration of Soviet Jews. The number of Jews the U.S.S.R. has allowed to emigrate has fallen from approximately 35,000 in 1973 to slightly over 5,000 for the first 5 months of this year. It is estimated that there is a backlog of more than 140,000 Soviet Jews who have indicated a desire to emigrate—and that total grows by about an additional 3,000 each month.

The U.S.S.R. is not content with merely discouraging Jews from emigrating by subjecting them to unreasonable and arbitrary delays. It also systematically harasses and, in some cases, even imprisons Jews seeking exit visas. My constituents have brought two recent cases to my attention.

Gregori Hess and his family in

Minsk—his wife Elena and daughters Galia and Margaret—applied for exit visas to Israel. They have not received them. Recently they participated in a 3-day hunger strike protesting the sentencing of two other Soviet Jews—Boris Tsitlionok and Mark Nashpitz—to five years exile. Tsitlionok and Nashpitz received this punishment because they were peacefully protesting the treatment of other Soviet Jews wishing to emigrate.

Vladimir Lazaris of Moscow, his wife and his child, applied for exit visas. The wife and child were granted their visas and have left the country. Vladimir was denied his visa. Shortly afterwards he was dismissed from his job as a clerk in the patent bureau. Now he suddenly finds himself charged with treason and anti-Soviet propaganda.

These cases, unfortunately, are not isolated instances. The same theme of harassment is repeated thousands of times with different variations—a 7-year wait for a visa, suspension from a school while awaiting a visa, repeated threats, and so on.

Obviously, we cannot dictate the internal practices of the Soviet Union. But neither can we throw up our hands and turn away from the problems of the Soviet Jews. Martin Neimoller, a German theologian, described the potential danger of such indifference when he wrote of his own experience some four decades ago:

> In Germany, the Nazis first came for the Communists, and I did not speak up because I was not a Communist. Then they came for the Jews, and I did not speak up because I was not a Jew. Then they came for the Trade Unionists, and I did not speak up because I was not a Trade Unionist. Then they came for the Catholics, and I was a Protestant so I did not speak up. Then they came for me . . . by that time there was no one to speak up for anyone.

Whatever liberalization of Soviet policy we have seen in the past has been the result of world opinion. Only by speaking up in behalf of the Soviet Jews and pursuing all diplomatic alternatives can we mobilize world opinion and make the world a safer place for the Soviet Jews and for all people, of all religions and all nations, who value individual rights and freedoms.

CITY OF SANTA ANA HONORED

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. PATTERSON of California. Mr. Speaker, I have the honor today to inform my colleagues in the House of an honor that has been bestowed on the city of Santa Ana, Calif., which is the largest city in my district.

As many Members may already be aware, the California State Veterans Employment Committee gives a certificate of commendation to employers who make a special effort to hire veterans. Until now the awards have only gone to private sector employers. On June 2 of this year, however, the committee awarded the certificate of commendation to the Santa Ana City Council for achieving a veterans hiring rate of 39 percent. I sincerely hope that other cities will follow the example set by Santa Ana, Calif., and make a concerted effort to "Hire a Vet."

UTILITY ADVERTISING COSTS SHOULD NOT BE BORNE BY CONSUMERS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. ZEFERETTI. Mr. Speaker, virtually everyday, the average consumer can pick up his or her paper or magazine and be greeted by full-page ads telling them that utility rates are the biggest bargain on record. These advertisements are paid for and signed by the utilities themselves. In addition to the fact that these ads are largely untrue, the consumer, in most cases, is totally unaware that he or she is paying for the costs involved, which are usually quite high. And, the private utilities benefit from this state of affairs because they deduct for income tax purposes the cost of advertising, promotional, and public relation campaigns.

The most recent figures available for advertising and promotion costs of private electric and gas utilities are the 1972 figures issued by the Federal Power Commission. They indicate that in 1972, over $222 million was spent on only two reportable categories in the FPC accounting system. However, there are a number of other expenditures for advertising and promotion that cannot be isolated in dollar figures. It is safe to say that for every dollar reported, another dollar is spent. And, it is not unreasonable to project that the private utilities are spending approximately one-half billion dollars annually to promote themselves to the public, and deducting every penny. Further, these expenditures have been growing by quantum jumps each year.

Certainly, it is totally inconsistent to provide a tax deduction for advertising or promoting energy consumption at a time when energy costs are skyrocketing. Certainly, it is ridiculous for companies to promote energy consumption when we are faced with energy shortages. And, it is a travesty to allow those companies to deduct expenses for such advertising at the expense of the energy consuming public, for every cent of the vast promotion costs eventually ends up on the bills of consumers.

Only a few States require that advertising and promotional expenses be treated as nonoperating costs, thus preventing them from being used in computing the rate base that will determine consumer charges. Nonoperating expenses must, instead, be borne by utility shareholders. By forcing the utility to pay its own advertising and promotional costs through their shareholders, we could guarantee declines in the level of overall costs. Therefore, I have joined in the cosponsorship of H.R. 6926, which would require just this; it would require electric and gas utility companies to pay their advertising bills out of profits instead of tax deductions or utility bills. It would prohibit them from passing the burden of costs to the customer.

Reduced utility company advertising is a growing national trend. New York, New Hampshire, and Oklahoma have already adopted general laws restricting utility ads. Eight more are probing the subject. Nineteen States have declared that at least a portion of advertising expenses are forbidden. Since, in a number of jurisdictions there has been voluntary compliance with public utility commission orders, this illustrates that Government initiative can be a major force in curtailing the abuses and benefits now enjoyed by public utilities in general.

The current advertising campaigns of utility companies represents a state of mind that in no way recognizes our present energy realities. The utilities obviously do not, or fail to understand that as they come forward consistently asking for increased rates, they are being outrageous and unreasonable. However, as long as our Government allows them to pass along expenses to the public, it will surely continue. As long as utilities are allowed to advertise at no expense to their shareholders, they have no incentive to do otherwise.

Advertising is usually used as a competitive tool. Yet, utilities are monopolies with no competitors. They are guaranteed a reasonable profit by law. Therefore, there should be no reason for these companies to advertise at all. The public needs their product and has no choice but purchase from them.

In the last year, the Nation's gas and electric consumers have been hit by unparalled rate increases. Some cities have seen rates doubled. Although H.R. 6926 would not guarantee a sharp alteration of consumer bills, it would end the passthrough of costs to consumers and be a major step toward alleviating the growing number of complaints of the public. The bill, in addition, will not prevent advertising by utility companies. But it would require their shareholders to shoulder advertising costs.

I sincerely believe that H.R. 6926 is a commonsense protection measure. And, it is long overdue. We must understand that the average utility bill payer in this country has been confronted with an unreasonable and merciless drain on his or her income by the exhorbitant utility bills. The least Congress can do is to aid the consumer by ending this senseless promotional game playing on the part of our public utilities.

THE DEATH OF RICHARD C. OSHLO

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. HARKIN. Mr. Speaker, Richard C. Osho, a man who made many important contributions to his local community of

Council Bluffs, Iowa, and to his Nation died May 30 at the age of 54, and I would like to take this opportunity to pay tribute to him.

A resident of Council Bluffs, Mr. Oshlo served as mayor and city councilman from that community. During World War II, he compiled one of the most brilliant service records of any American soldier.

Mr. Speaker, an article summarizing Mr. Oshlo's achievements appeared on May 30 in Council Bluffs' daily newspaper, the Nonpareil. In view of the fact that Mr. Oshlo, through his civic and military service, left us an important legacy, I would like to take this opportunity to share this article with my colleagues. The article follows:

CANCER CLAIMS LIFE OF RICHARD OSHLO

Army Reserve Col. Richard C. Oshlo, 54, former Council Bluffs mayor, councilman and building contractor, is dead.

Oshlo of 2228 Avenue B died Friday at the Veterans Hospital in Omaha of cancer. He had been ill two years.

He served as mayor in 1964.

He was the U.S. Army's youngest lieutenant colonel in World War II, and at 23 commanded an infantry battalion during the Italian campaign. He served as battalion commander in the Iowa National Guard before joining the U.S. Army Reserve School in 1969.

In July 1974 he received a Meritorious Service Medal for four years outstanding service as commandant of the 5049th U.S. Army Reserve School in Omaha.

Cl. Oshlo's military decorations include the Legion of Merit, Bronze Star Medal with oak leaf cluster and "V" device, Combat Infantry Badge, Presidential Unit Citation and the Military Cross of Valor, presented by the Italian government.

Oshlo was president and owner of the Oshlo Construction Company since 1948. He was a director for Western Federal Savings and Loan Association, served as secretary and currently president of the 361st Infantry Association of World War II. He was a graduate of Thomas Jefferson High School.

Survivors include his widow, Doris; two sons, Richard Jr. of Washington, D.C., and Douglas, at home; daughter, Deborah, at home and a brother, Robert of Grand Island, Nebr.

ALL CREATURES GREAT AND SMALL

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. KOCH. Mr. Speaker, I am cosponsoring House Joint Resolution 448 introduced by Mr. BELL to save the whale.

The needless and senseless slaughtering of whales by Japan and the Soviet Union must be stopped. We should cease buying Japanese and Russian goods in order to make these countries realize the seriousness of their actions, and the boycott should continue until this deplorable practice ends. Otherwise, the very serious possibility of extinction will become a sad fact if the rapacious harvesting of whales by these two countries is allowed to continue. Japan and the Soviet Union have openly ignored international conventions calling for a moratorium on whaling.

The real tragedy of this abhorrent whaling is its needlessness. All of the products produced from whales—petfood, fertilizer, lipstick, shoe polish, lubricants, and soap—can be produced economically from other sources.

The United States outlawed whaling by Americans and placed an embargo on all whaling products in 1971. Mr. BELL's resolution calls for an embargo on all goods produced in part or in whole, or distributed by foreign enterprises that engage in commercial whaling.

The largest animal in the world will soon become a museum fossil like the passenger pigeon unless we stop its genocide. It is particularly appropriate to recall the poetry of Cecil Francis Alexander who wrote in 1848:

All things bright and beautiful,
All creatures great and small,
All things wise and wonderful,
The Lord God made them all.

DO NOT FORGET OUR MIA'S

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. LENT. Mr. Speaker, despite the official end of our involvement in Vietnam, many of us have not forgotten the fact that we still have not received from the Government of North Vietnam satisfactory information regarding our men listing as missing in action. Therefore there are still thousands of Americans who have had no word of the plight of their friends and loved ones who are among the 1,300 MIA's.

On May 12, East Rockaway, N.Y., Post No. 958 of the American Legion adopted a resolution urging that our national flag be flown at half-mast on the last day of each month in honor of our MIA's until we have received definite word of their status.

Tc express my wholehearted endorsement of this resolution, I am today introducing a resolution expressing the sense of the House of Representatives that the flags on all Federal buildings be flown at half-staff on the last day of each month in honor of our MIA's.

At this point, I insert the resolution adopted by post No. 958:

RESOLUTION

Whereas, there are 1,300 men captured and missing in action in Southeast Asia and

Whereas, the Paris Agreement dated January 27, 1973 in Articles 8a and 8b of the Paris Agreement on the Laotian Protocol set forth the provisions in accounting for our missing in action and

Whereas, the demands of North Vietnam relative to the Saigon government have now been complied with and

Whereas, the war in Vietnam has come to an end and President Gerald Ford has stated that our military involvement has ceased and

Whereas, the search teams and other means of locating our captured and missing in action are no longer in existence and

Whereas, the families of our captured and missing men are still suffering the torment of their loss and uncertainty and

Whereas, proper and fitting tribute should be paid to these valiant men;

Therefore be it

Resolved, by Post No. 958, The American Legion, Department of New York, at a regular meeting assembled in East Rockaway Post 958 on May 12, 1975, that our national flag be flown at half-mast on the last day of each month, until the captured and missing in action are properly accounted for and be it

Further resolved, That this resolution be adopted by the Nassau County Committee of the American Legion and be it

Further resolved, That a copy of this resolution be forwarded to Department and the National Organizations for adoption by those bodies and if adopted, that the County, District, Department and National organizations publicize this resolution to the media and the Legion membership.

Attested to on this twelfth day of May, 1975.

ROBERT F. KEY,
Commander,
JOSEPH MARTINAITIS,
Adjutant.

INTRODUCING A CONCURRENT RESOLUTION TO REDUCE RECESS FROM 10 TO 4 DAYS

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. DODD. Mr. Speaker, this afternoon I am introducing a concurrent resolution to reduce the scheduled July 4 recess from 10 days to only 4 days, or from the end of business on July 3 to noon on July 8.

I do this on behalf of myself and 22 of my colleagues who think it is more important that the House of Representatives meet to deal with our Nation's energy and economic problems—rather than go on recess as scheduled from June 26 to July 8.

Like every other Member of Congress, I appreciate having the opportunity to return to my district during recesses.

In normal times, such recesses are in reality working days when many of us take the time to meet with constituents and discuss their opinions on the many matters pending before Congress.

However, these are not normal times, and our Nation is still beset with severe economic and energy problems.

In view of the fact that we have just returned from the Memorial Day recess, and can look forward to the traditional month-long August recess, I can think of no reason to justify taking a long July 4 vacation. We should remain in Washington to work on our energy and economic problems.

The Congress must face up to its responsibilities to the people of this country who elected it to serve them.

There are too many pressing problems before us which cannot wait, and to take a lengthy recess in view of them would be unpardonable.

Mr. Speaker, there is much talk in this country that Congress is ineffective and can do nothing to begin solving our current dilemma.

We can only restore the people's confidence in the Congress abilities to deal with the Nation's problems by shortening the upcoming recess.

OVERSIGHT ACTIVITIES COMMITTEE ON SCIENCE AND TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. TEAGUE. Mr. Speaker, on Thursday, June 12, 1975, I initiated publication of a series of summaries of oversight activities scheduled for the 94th Congress, outlining the plan of the Committee on Science and Technology for discharging its responsibilities under the provisions of rule X of the Rules of the House of Representatives.

This is the seventh, and last, in the series on this subject and involves planned activities in the area of domestic and international scientific planning and analysis. In general terms, activities included under this category involve legislation and other matters relating to: survey, inquiries and special oversight into all nonmilitary research and development—excludes DOD and that falling under other subcommittees—analysis and advanced planning studies in all nonmilitary research and development; international technology transfer—includes economic effects—international cooperation in science and technology; special Federal-regional-State-local relations in science and technology—includes oversight of Federal-State research and development programs other than those of the Department of Defense or other subcommittees.

A summary of scheduled oversight activities in this area follows:

DOMESTIC AND INTERNATIONAL SCIENTIFIC PLANNING AND ANALYSIS

OVERSIGHT PLAN SUMMARY

Legislation under consideration

None.

Oversight

1. Surveys, Inquiries, and Special Oversight Into All Nonmilitary R&D:

a. *Scope of Special Oversight.* The Subcommittee feels that it should have a good understanding of just what the intent and purpose of the new "Special Oversight" amounts to. We will review the legislative history of the "Special Oversight" function through a staff study of the hearings, mark-up records, and reports of the Select Committee on Committees, and through briefings by the members and staff of the Select Committee, including its Chairman, Mr. Richard Bolling (completed). In order to benefit from the experience of the House Select Committee on Government Research (1964–5, Earl Elliott of Alabama, Chairman), the Subcommittee will review the hearings (2 vols.) and the 10 reports of the Elliott Committee.

b. *Survey of Laws on Nonmilitary R&D.* The rules of the House state that the special oversight function includes "review and study of all laws involving nonmilitary R&D." The Subcommittee will make a compilation of these laws.

c. *Federal Nonmilitary R&D.* For the purpose of getting a good overview of those Federal R&D activities for which the Subcommittee has special oversight responsibility, we will conduct a series of briefings and hearings on the total Federal R&D program (Phase I completed). Witnesses will include the Chairman of the Federal Council on Science and Technology, the Executive Secretary of the Federal Council, and the R&D officials of the major agencies engaged in the funding of research and development.

d. *Agriculture R&D.* As one of the specific, in-depth special oversight reviews, the Subcommittee proposes to conduct hearings on Agricultural R&D. The hearings will focus on the contribution American agricultural R&D is making to solving the world-wide food shortage and the long-range potential for increasing the resources of food and fiber. This hearing will be conducted jointly with the Subcommittee on Science, Research, and Technology.

2. Special-Federal-Regional-State-Local Relations in Science and Technology:

a. *Criminal Justice R&D.* The Subcommittee will hold hearings on R&D in the field of criminal justice. A number of federal agencies have supported R&D in this field, and the Subcommittee would expect to focus further attention on this promising area of R&D.

b. *Information Exchange in Intergovernmental Science.* The massive R&D effort by the Federal Government produces a large number of reports and other results which may well be applicable to the solution of problems at the state and local level. The Subcommittee proposes to undertake hearings on this subject to determine whether information in this field is adequate.

3. Analysis and Advanced Planning Studies in All Nonmilitary R&D:

a. *Institutional Structure for R&D in Other Countries.* Useful lessons for the overall Government organizations for R&D may be learned from the way other countries have organized their R&D activities. The Subcommittee proposes to perform, with the assistance of the Library of Congress, a study of this subject for later review.

b. *Interdisciplinary and Inter-Agency Science Planning.* In order to avoid duplication and insure the best use of the available resources, a certain amount of planning for Government-wide R&D should be done. The Subcommittee will hold hearings to determine the extent to which such planning takes place and whether statutory strengthening in this area is called for.

c. *Impact of Science on Societal Goals.* An inquiry into the impact of science on the quality of life will be carried out. The focus of this inquiry will be the importance of continued rapid advances in science and technology in maintaining and advancing societal goals.

4. International Technology Transfer:

a. *Technology Transfer and International Trade.* The Subcommittee will initiate, through hearings, an overview of the broad trends in the transfer of advanced technology to foreign countries. Particular attention will be placed on the long term impact of such technology transfer on American science and technology.

5. International Cooperation in Science and Technology:

a. *Soviet-American Science Cooperation.* Since the former International Cooperation Subcommittee held hearings on this subject, a large number of new Soviet-American Cooperation agreements have been signed in such fields as cancer research, forestry research, etc. The staff will conduct a survey of these agreements and the activities being conducted under them for subsequent review by the Subcommittee.

b. *Science In China.* A review will be initiated of the status of science in China, the extent of informal scientific exchanges that are now taking place, and the future expected potential of Chinese Science and its influence on science in the United States.

FREEDOM FOR SYRIAN JEWRY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. ROSENTHAL. Mr. Speaker, 55 Members of Congress from both sides of the aisle today joined Congressman SOLARZ and me in sending a telegram to President Ford calling on him to speak out in behalf of Syrian Jewry during his meeting here today with that country's foreign minister, Abdul Halim Khaddam.

We also sent a telegram to Foreign Minister Khaddam pointing out that the easing of emigration restrictions by his country would be recognized as a positive move toward peace in the Middle East and encourage better, more responsive United States-Syrian relations.

Our telegram to the President urged him to convey "the deep concern and interest of the American people and the Congress over the plight of Syrian Jewry and our desire that Syrian authorities allow those individuals who wish to emigrate from Syria to have the right to do so freely."

Foreign Minister Khaddam's visit follows the administration's decision to grant Syria a long-term loan of $58 million to modernize and enlarge the Damascus water supply and for agricultural production.

In my view, this loan should be disallowed because it is both inconsistent with the United States basic traditions and beliefs, and contrary to the provisions of the Foreign Assistance Act of 1974 requiring that no assistance be furnished to any nation which denies its citizens the freedom of movement and emigration.

For the past several years, 4,500 Jews living in Syria have been the victims of numerous forms of discrimination, restrictions, arbitrary arrests, torture and general harassment. Forbidden to leave their country, Syrian Jews live as virtual hostages in their own land, in constant fear of the oppressive and suppressive policies of the Syrian Government. Moreover, in recent months the Syrian Jews' plight has considerably worsened. Indeed, as one observer noted, "a variety of harsh discriminatory measures continue to restrict the fundamental human rights of the 4,500 Jews in Syria, subjecting them to constant secret police surveillance and harassment, denying them educational and economic opportunities, and limiting their freedom of movement even within the country."

Yet, despite these repressive and rapidly deteriorating conditions, the Ford administration has callously chosen to provide U.S. tax dollars to assist this repressive dictatorship.

The argument that U.S. aid to Syria advances the peacemaking process in the Middle East is totally without foundation.

In a region as fluid and unstable as the Middle East, a U.S. policy of aid to Syria at this time is tantamount to licensing further conflict. A U.S. capital expenditure for Syrian development frees Syria to invest still more of its own capital in war-making machinery.

This problem is particularly acute in light of the recent breakdown in the Arab-Israeli peace negotiations and a Syrian-Jordanian decision to establish a joint military command against Israel.

Similarly, implicit in the President's decision is an acceptance of the Syrian regime's domestic policies. This does little to resolve the emotional and psychological underpinnings of this long and bitter conflict.

Consequently, it is imperative that Congress, exercising its authority and the responsibility vested in it by part VI of the Foreign Assistance Act of 1974, take prompt and decisive action disapproving the obligations and expenditure of funds for Syria at this time.

I have, therefore, joined with Representative SOLARZ and BINGHAM in sponsoring House Concurrent Resolution 312, a resolution to disapprove the obligation of $58 million from the Middle East special requirements fund for certain projects in Syria as reported by the President to Congress under section 903(b) of the Foreign Assistance Act of 1961.

Eye witnesses and other reliable sources have reported numerous discriminatory restrictions to which Syrian Jews are currently being subjected. The following is an updated listing of these restrictions compiled by the American Jewish Committee's Institute of Human Relations:

Jews are forbidden to leave the country. They are not even permitted to join relatives in the United States, Canada or other countries far from the Middle East.

Jews still require special permission from the secret police to travel more than three miles from their homes.

A nightly curfew is still imposed on the Jews and they are subject to periodic roll calls.

Jews must carry special identity cards on which the word "musawi" (Arabic for Jewish) is written in large red letters across both sides of the card. Jewish bank accounts are similarly marked in red, as are Jewish homes in the town of Qamishli.

Jews are barred from employment in government offices, public bodies or banks. They have been arbitrarily dismissed from jobs without compensation and their license to conduct foreign trade revoked.

Jews are no longer able to obtain drivers licenses or to have telephones in their homes. (The only exceptions are doctors and a handful of merchants given preferential treatment.)

In the past few years only a handful of the many qualified Jewish students have been admitted to Syrian universities. As a result many young Jews are unemployed or eke out a living as peddlers.

Jews are forbidden to sell their homes or other real estate. The government takes over title to property of Jews who die if any heirs are no longer living in Syria. (In the case of Moslem and Christian Syrians, the shares of heirs outside the country are divided among the family members remaining in Syria. It is only in the case of Jews that the government confiscates the property.) As a result, many Jewish families are reduced to poverty.

The Jewish schools have Moslem government-appointed principals and Jewish religious instruction is limited to four hours per week.

Military intelligence and secret police representatives frequently search Jewish homes. Jews are held for interrogations and tortured at the whim of the police.

The texts of the telegrams follows:

President GERALD R. FORD,
The White House:

We urge you to convey to Foreign Minister Khaddam of Syria, in your discussions with him today, the deep concern and interest of the American people and the Congress over the plight of Syrian Jewry and our desire that Syrian authorities allow these individuals who wish to emigrate from Syria to have the right to do so freely and to express their desire to do so without fear for their lives and property.

This request is particularly timely in light of the Administration's current decision to grant Syria a long-term loan of $58 million. As you know, Section VI of the Foreign Assistance Act of 1974 expresses the sense of Congress that such expenditure of funds be denied any nation refusing its citizens the right or opportunity to emigrate freely.

HIS EXCELLENCY ABDUL HALIM KHADDAM,
Minister of Foreign Affairs of the Syrian Arab Republic:

We want you to know of the deep concern and interest of the American people and the Congress over the plight of the Syrian Jewish community and our desire that Syria fulfill the obligation it assumed by signing the United Nations Declaration of Human Rights. It is our hope that your government will allow those individuals who wish to emigrate from Syria the right to do so freely and to express their desire to do so without fear for their lives and property.

Such a step would be recognized as a positive move toward peace in the Middle East and encourage better, more responsive U.S.-Syrian relations.

The following Members of Congress signed the telegrams:

Benjamin S. Rosenthal (D-N.Y.).
Stephen J. Solarz (D-N.Y.).
Bella S. Abzug (D-N.Y.).
Joseph P. Addabbo (D-N.Y.).
Alphonzo Bell (R-Calif.).
Mario Biaggi (D-N.Y.).
Jonathan Bingham (D-N.Y.).
Edward P. Boland (D-Mass.).
Don Bonker (D-Wash.).
John Brademas (D-Ind.).
George E. Brown Jr. (D-Calif.).
John L. Burton (D-Calif.).
Phillip Burton (D-Calif.).
James C. Corman (D-Calif.).
Philip M. Crane (R-Ill.).
Thomas J. Downey (D-N.Y.).
Don Edwards (D-Calif.).
Joshua Eilberg (D-Pa.).
Dante B. Fascell (D-Fla.).
Hamilton Fish (R-N.Y.).
Donald M. Fraser (D-Minn.).
Gilbert Gude (R-Md.).
Elizabeth Holtzman (D-N.Y.).
Edward I. Koch (D-N.Y.).
William Lehman (D-Fla.).
Elliott H. Levitas (D-Ga.).
Clarence D. Long (D-Md.).
Larry McDonald (D-Ga.).
Matthew F. McHugh (D-N.Y.).
Andrew Maguire (D-N.J.).
Edward Mezvinsky (D-Iowa).
Abner J. Mikva (D-Ill.).
George Miller (D-Calif.).
Norman Y. Mineta (D-Calif.).
Joe Moakley (D-Mass.).
John M. Murphy (D-N.Y.).
Richard L. Ottinger (D-N.Y.).
Claude Pepper (D-Fla.).
Thomas M. Rees (D-Calif.).
Frederick W. Richmond (D-N.Y.).
Peter W. Rodino, Jr. (D-N.J.).
John H. Rousselot (R-Calif.).
Jim Santini (D-Nev.).
Ronald A. Sarasin (D-Nev.).
James H. Scheuer (D-N.Y.).
Richard T. Schulze (R-Pa.).
Paul Simon (D-Ill.).
Gladys Noon Spellman (D-Md.).
Steven D. Symms (R-Idaho).
Paul E. Tsongas (D-Mass.).
Morris K. Udall (D-Ariz.).
Charles A. Vanik (D-Ohio).
Henry A. Waxman (D-Calif.).
Lester L. Wolff (D-N.Y.).
John W. Wydler (R-N.Y.).
Sidney R. Yates (D-Ill.).
Leo C. Zeferetti (D-N.Y.).

PRIVACY—REVISED

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. GRASSLEY. Mr. Speaker, on June 16, I had the privilege of witnessing an interesting and informative discussion before this distinguished Chamber, a discussion which should have meaning for every man, woman, and child in America. Several of my colleagues, in response to a special order sponsored by Mr. MOSHER and Mr. KASTENMEIER, offered their views on Federal Government surveillance of American citizens and, rightfully, spoke out against the continuation of this surveillance. The right of all Americans to the freedoms of speech and thought, as guaranteed by the Constitution, is too precious to sacrifice to the whim of either over-zealous or ill-intentioned Government leaders, agencies, or employees.

Unfortunately, however, there was no mention in that discussion of the contribution of ever-growing Federal bureaucracies to the diminishment of the right to privacy which is, of course, the adjunct of the freedoms of thought and speech. To Mr. MIKVA, Ms. ABZUG, Mr. MITCHELL, Mr. KOCH, and other colleagues on the opposite side of the aisle who participated in the discussion, I feel compelled to point out that each time you vote to expand the responsibilities of our Government, and thereby the number of Federal agencies and bureaucracies, so you chip away at the privacy and the freedom of all Amercians.

As the Government grows—it now spends each year an amount that is equal to roughly one-third of the GNP—so does its intrusion into the lives of each and every citizen. Naturally, expenditures by private citizens on taxes go up, but so also does compliance with Federal rules and regulations. Such compliance may take place both in the home and at an individual's place of work. A recent example of how agency expansion can lead to unwarranted intrusion into the private realm is a case in which the

Environmental Protection Agency, in its zeal to enforce Federal pesticide laws, instituted a telephone "hotline" system. Via this phone system, an individual who suspects that another is misusing pesticides may call a toll-free number and report his suspicions. Then, the EPA will investigate. This kind of system is intolerable. But is there any reason why other Federal agencies may not sometime in the future follow the EPA's lead?

Of course, in order to secure compliance with its rules and regulations, the Government must keep detailed records and spend massive amounts on the collection of information. This record collection, in itself, can give rise to a number of problems. First, seemingly innocuous data on an individual may fall into the hands of someone who might have reason to suppress the rights of that individual. Second, agencies or bureaus whose function it is to secure information on certain individuals will naturally, as do all bureaucracies, seek to expand their authority and responsibility.

The ultimate result in this case could be the creation of false charges against a person or persons, or the "blowing-up" of a fairly unimportant issue, in order to justify the agency's own existence, or its request for additional funds at appropriations hearings. Finally, the cost of assembling computer systems in which to store information on individuals could necessitate or, at least, lead to any agency's increasing the scope of its data-collection system, in order to justify the cost of computerized equipment. This expansion in scope may not, in itself, be a bad thing; but the collection of information on a large scale could give an unscrupulous person or a Government trying to protect itself a firm grasp over the life of the citizen. This problem is exacerbated by the fact that the computerization of personal data by one agency facilitates access to such data by another. In Records, Computers, and The Rights of Citizens, a book published by the Department of Health, Education, and Welfare in 1973, it is noted:

> Quick, cheap access to the contents of a very large automated file often prompts an organization or group of organizations to indulge in what might be called "dragnet" behavior (p. 15).

"Dragnet behavior" is defined, more or less, as behavior whereby one agency uses the resources of computers in other agencies to gain information regarding a citizen's past actions, rather than taking account of information submitted by the individual himself. In such cases, the privacy of the individual is compromised, because the Government has created a "public," though not necessarily accurate account of his life, and because surveillance via a review of computerized information is made much simpler.

While most of the data-gathering activities by the Government may be intended to serve the "public interest," we in Congress must be aware that our own actions here in Washington could, in the future, have very grave consequences. The more Congress spends in an effort to meet each and every need of our citizens, and the more agencies we see created to fulfill Congressional intent, the greater the chance that an organization, through fulfilling its legislated function, will pry itself into the life of the individual.

Those to whom these remarks are addressed, and all who advocate Government solutions for every problem that an individual might have, will, I trust, consider the impact of their actions on our personal freedoms.

TRIBUTE TO P. S. 122—THE MAMIE FAY SCHOOL—50 YEARS OF PROVIDING QUALITY EDUCATION TO THE CHILDREN OF ASTORIA, N.Y.

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. BIAGGI. Mr. Speaker, it is my honor and privilege to join with my many friends from Astoria in paying tribute to the Mamie Fay School which is celebrating the 50th anniversary of its founding. This is a very happy and proud time for not only the students, faculty, and administrators of the school, but the community of Astoria as well and for me as their Representative in the United States House of Representatives. There have been numerous celebrations and festivities to mark this important occasion. Yet perhaps the most significant gesture was made when the school administration chose to rename their school the Mamie Fay School after their beloved first principal.

On October 22, 1925 the Mamie Fay School—formally Public Law No. 122—officially opened its doors. It had actually been in operation for a month previously and in that short time their registration grew by 500 and the number of classes jumped from 27 to 37.

The Mamie Fay School in her early years met the challenges associated with being a new school in a rapidly growing community. The Astoria area grew in size and prominence in the early 20th century and rapidly became one of the most important industrial centers in the entire city of New York. The school grew equally as fast and the increase can be reflected in the following figures. In 1925, there were but 26 staff members; today there are more than 90 serving almost 1,500 students. The Mamie Fay School does show one decrease over time: Wherein 1925 the average number of students in a class was over 40, today the average class size is only 32, an excellent student-faculty ratio for an urban school.

Throughout her half-century history, the Mamie Fay School has been fortunate to have the highest caliber personnel serving on its faculty and administration. Their first principal, Mamie Day, for whom they named the school, served as principal from opening day in 1925 until her retirement in 1942. During her many years in education she gained the lasting respect of her students and her fellow educators. She was responsible for organizing the first Greek-American school in a public school system to meet the demands of the large Greek-American community in Astoria. This effort gained her the prestigious Medal of Honor from the Greek Government. She also set up a school lunch program in Public School No. 122 before the idea even was considered by the New York City Board of Education. Finally, she was one of the early organizers of the Bureau of Child Guidance. I feel the school paid the most fitting tribute to this remarkable woman when they named the school she loved and served so well in her honor.

Presently, the Mamie Fay School is in the able hands of Principal Anthony J. LoCorto, a man whose dedication has continued to keep the Mamie Fay School one of the most respected schools in the entire city. He is assisted by assistant principals Norman Jerenberg, and Catherine Cannon. They are proud of Mamie Fay School's past but are more committed to insuring its continued success in the future.

In 50 years the school has graduated thousands of students, some of whom went on to become leaders in the community and the Nation. Mamie Fay graduates have contributed to all fields, from science and the arts to public service and sports. Some of their more famous alumni in the sports world include Billy Loes, pitching standout for the former Brooklyn Dodgers, Frank Fucarino, professional basketball star with Syracuse of the National Basketball Association, and Rudy Jezek, former Olympic sculling champion.

The Mamie Fay School is proud of its active Parent Teacher Association, which not only raises money for the school but consults regularly with the Principal about the curriculum. The recent elections for 1975–76 officers of the PTA produced the following results:

President, Marietta Haritonides; first vice president, Alicia Breitenbach; second vice president, Kathy Kontorines; treasurer, Ellen Popowich; corresponding secretary, Janice McGrouther; recording secretary, Penny Avallone.

I congratulate these individuals and am confident that they will continue to provide valuable assistance to the school in the years to come.

I extend my warmest congratulations to the students, faculty, and administration of the Mamie Fay School on their 50th anniversary. Their past success is well known, they can now embark on what I hope will be 50 more years of success and educational excellence.

Mr. Speaker, at this time I would like to insert in the RECORD the names of the students of the Mamie Fay School who participated in a recent program marking their school's 50th anniversary. The names follow immediately:

OUR STARS

Amma Lee Cataldo, Dorian Torrecrossia, Glen Remtoop, Jack Lopez, Paul Katsaros, Maria Kehagias, Stacy Ziampuras, Sophia Keller.

George Columbus, Sandra Smith, Christine Davis, Rosemarie Simitian, Bridget Graham, Etelvina Marques, Arlene Porter, Marc Bader.

Jeffrey Dellapina, Gerald Nozilo, Roy

Standfest, Janice Hong, Anna Kleopoulos, Marcia Moraetis, Debbra Picota, Lorena Salcedo.

Carol Xanthos, Anthony Caldarella, Kevin Friedel, Lazaro Lopez, Nick Politis, Michael Stafford, Mark Wood.

Colange Farina, Sherrie Golding, Kerry Lynch, Ida Scales, Filitsa Tampulos, Dwayne Johnson, Patricia Villa.

Frances Podimatis, David Duncan, Ernest Laurel, Jimmy Stroumbakis, Norma Dellapina, Denise Baicich, Sotiria Papadopoulou.

Veronica Caraballo, Helen Mintou, Lisa Kaetai, Gladys Bustillo, Bruce Whitfield, Gisela Sanchez, Donald Nozilo.

Gigi Dilomardo, Mario Bustillo, Dorcas Rivera, Athema Georciados, Omar Vendome, Themis Dilberakis, Liberty Mavrickakis.

Marylou Bakidis, Carmen Jiminez, Tanya Bentley, Anthony Baicich, Dino Hartofilis, Lupco Popovski, Tina Digilio.

Kalliope Kaouris, Karen McGrouther, Janice Onorato, Frances Podimatis, Karen Scheneck, Richard Brown, William Ezzard.

James Lee, Gus Mantikas, Raymond Scheneck, Angelo Triolo, Andrew Zaferres, Robin Fessman, Nicole Haenny.

Lisa Major, Annette Scianno, Kim Tsiatsis, Chris Pangoureljas, Angelica Alvarez, Zinos Konstantiridis, Roberta Sirtori.

Vicky Anastasopoulos, Brian Ottey, Irving Wilson, Frencelia Strickland, Carlos Sapp, Dino Depaolis, Carmen Sotomayor.

Andre Csizmadia, Dawn Major, Marisol Tenoris, Hilda Ortiz, Lisa Holderich, Kathryn Androus, Barbara Rodriguez.

Rosie McCall, Luis Garcia, Debbie Keller, Margaret Strong, Kathy Gostischa, Kyriaki Tsikrikii, Randy Estrado.

Emmanuel Arguelles, Steven Brown, Martin Higgins, Michael Popowich, Jean Finn, Christina Katsaros, Ginnette Mitchell.

Stacey Panton, Melissa Rufo, Jo Ann Surgeary, George Burleo, Henry Fernandez, Jose Leston, Carlos Mendoza.

Michael Scicolone, Scott Williams, Denise Baicich, Christine Kaouris, Sheila Hethington, Patricia Rufo, Heather Sheu, April Young, Perry Colon.

Loretta Negron, Arthur Polis, Ronald Holt, Mario Bustillo, Athina Collins, Bestna Rivera, Kathy Colombos, Antoinette Corcoran, Donald Reith.

JOHN BUCKLEY RETIRES AFTER DISTINGUISHED CAREER

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. FUQUA. Mr. Speaker, one of the finest staff members this Congress has ever seen is retiring.

After more than 20 years of distinguished service as administrative assistant to Congressman DANTE FASCELL of Florida, John Buckley is leaving public service.

Those of us who have known this affable, energetic and gregarious gentleman are sorry to see him leave our midst and we are deeply concerned that his health has not been good for some time. We trust that the beautiful weather of our great State, where he will now reside, will be the tonic he needs.

John has about as many friends around here as any staff member I have known. He served as president of the Florida State Society and in that year, won a trophy as the Outstanding State Society.

Just prior to coming here with Congressman FASCELL, he served as one of nine State vice presidents of the Florida Jaycees. In typical fashion, he won the award given by that organization for the Outstanding State vice president.

Everything John attempted to do—he did it well.

He has the satisfaction of knowing that he has a host of friends and that our association with him vastly enriched our lives.

As he takes leave of Congress, I join with all those who would want to wish him well, years of good health and happiness. He has had a distinguished career and I know that our loss will be a gain for Dade County.

CONYERS CALLS ATTENTION TO THE WILMINGTON 10

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. CONYERS. Mr. Speaker, the City Council of Washington, D.C. declared Saturday, May 31, "Wilmington 10" day. The Wilmington 10 are: Rev. Ben Chavis, eight youths, and a mother of two. They were convicted and sentenced in October 1972 to a total of 280 years for burning property with an incendiary device and conspiracy to assault emergency personnel with dangerous weapons.

The Wilmington 10 case is similar to other cases arising out of the civil rights struggle the past decade, many of which unfortunately have gone unnoticed. This case has received national publicity because of the context of the indictments, questionable judicial proceedings and the severity of the sentences. It deserves our attention because it raises serious questions about our criminal justice system: for example, whether these and other defendants like them have received the full protection of their sixth amendment right to an impartial jury and have been informed of the accusations against them; of their eighth amendment right not to be burdened by excessive bail; and of their 14th amendment rights to equal protection of the laws and to due process.

The indictments of the Wilmington 10 grew out of a situation of extreme racial tension in Wilmington, N.C. The schools had been desegregated a short time. Black students were complaining of racial prejudice in the high schools, of the dearth of black teachers and coaches and of the lack of courses on black culture. Eight black students staged a peaceful sit-in after their request for a program memorializing Martin Luther King, Jr. was ignored by school officials. When these students were suspended, others decided to boycott the schools. The Gregory Congregational Church was the center of the boycott activity. On Thursday night, February 4, 1971, the Reverend Eugene Templeton, who is white, receive numerous anonymous phone calls from persons who threatened to bomb the church. A group of black students were determined to defend the church and the surrounding community. Reverend Chavis, who was active in the North Carolina civil rights movement, was invited to Wilmington by black leaders. The black community held a march to protest conditions in the schools.

Beginning on February 5 and continuing several days bands of white men, organized through the Ku Klux Klan and another vigilante group known as "Rights of White People," roamed the streets of the black neighborhood. Community leaders called on city officials to impose a curfew, but they received no response. Sniping, arson and slayings occurred. Three white men were arrested for being "armed to the terror of the populace." A black youth was killed by police. A store was burned down. After a white man was killed and three others were wounded, National Guardsmen were called in and a curfew was imposed. The highly regarded Charlotte Observer reported these events. One year later Reverend Chavis and nine others who had occupied the church during this period were indicted.

I recently had the privilege of chairing public ad hoc hearings in Washington on the criminal justice system. The Wilmington 10 case was one of three cases discussed. The hearings disclosed disturbing aspects of the court proceedings. The two key prosecution witnesses were serving sentences for assault with a deadly weapon and armed robbery and had received favored treatment by the Government. The original jury of 10 blacks and two whites had been dismissed after the prosecutor became ill and the judge declared a mistrial. A second jury of 10 whites and 2 blacks was impaneled. The major prosecution witness attempted in open court to assault the chief defense lawyer, yet the latter was reproached for provoking the former. The judge refused to sequester the prospective jurors during the voir dire—ABA standards, call for such action under circumstances similar to those in the case—and refused to allow defense lawyers to probe for prejudices towards the defendants—even though some of the prospective jurors admitted to having them. The defendants were denied access to the pretrial statement of the key prosecution witness and were not told the names of witnesses prior to the day of their testimony.

Three weeks ago the North Carolina Supreme Court refused to review the Wilmington 10 case. The defendants are appealing their convictions to the U.S. Supreme Court. The Commission for Racial Justice of the United Church of Christ with its financial support has enabled them to do this. It is not appropriate at this time to pass judgment on the case though in the interest of justice the Wilmington 10 case deserves to be fully aired. I wish to share with my colleagues a commentary on the case by Colman McCarthy published last year in the Washington Post. It has not lost its relevance for today:

AT JUSTICE'S EXPENSE

One reason citizens often have little chance against government persecution or harassment is the lack of money. They are priced out of the justice market, its expense far beyond the savings of common citizens.

Government prosecutors have a deep till of public money to reach into—as exemplified in the run of peace movement trials, with convictions rare—but the lone citizen is on his own.

In June, in Wilmington, N.C., a case will be appealed that illustrates both the importance of a defense fund and the ordeals of a citizen when the state appears ready to use the law less for social justice than for political vengeance. The case—the trial of the Wilmington 10—might be dismissed as a fluke breakdown of North Carolina's legal machinery, except it is part of a pattern suggesting that harassment of black civil rights workers has high priority in a state that ironically boasts of its New South image.

The central member of the Wilmington 10 defendants is the Rev. Ben Chavis. A young ordained minister with a chemistry degree from the University of North Carolina at Charlotte, he is the Washington director of the United Church of Christ's commission for racial justice. The church itself is a denomination with a rich tradition of authentic social commitment.

Chavis is a native of Oxford, N.C., a fact which keeps him free of the "outside agitator" charge so often hung on civil rights workers. Nor have a number of other charges against Chavis stuck. In April 1968 he was charged in Charlotte with trespassing and held in $200 bond; the charges were dismissed. In October 1970, he was charged in Henderson, N.C., for a faulty signal light ($200 bond); the charge was dismissed. In April 1971 in Raleigh, he was charged with assaulting a police officer ($500 bond); the charges were dismissed. In October 1971, a Wilmington judge declared him not guilty of driving an unregistered vehicle ($500 bond). In December 1971 in Wilmington, he was acquitted of a charge of accessory after the fact in a murder case ($100,000 bond). In April 1972, he was declared not guilty of aiding federal fugitives, not guilty of conspiracy against the U.S. government, and had charges dismissed for possession and manufacture of illegal firearms ($20,000 bond). In January 1972, he was charged with running a stop sign, failing to show a registration card and disruption of public schools; he was eventually cleared of all charges. When he wasn't in jail awaiting one trial or another, Chavis was often hauled to courts in leg irons and waist chains; in addition, in one free period, his car was destroyed by a firebomb and he narrowly escaped death.

Because Chavis had a solid academic record and a commitment to nonviolent social reform, his ordeal was noticed within the state. A Charlotte Observer editorial called his treatment "harassment" and "persecution," and said that Chavis "is beginning to look more and more like the target of political rather than criminal prosecutions." The Observer noted what it called "a strange twist." When the federal government came after Chavis for aiding two fugitives to flee to Canada, it dropped charges against the fugitives. The newspaper likened this to "permitting the big fish to go free in hopes of catching the little fish." Although Chavis was acquitted in this case, his friend James Grant, a Penn State Ph.D. in chemistry and a former VISTA worker in Charlotte, was convicted. He now does time in the Atlanta federal prison. The same government witnesses whose word led to Grant's being put away for 10 years were also the government's star witnesses in its case against Grant and two others, known as the Charlotte Three. Amazingly, as recently revealed by The Observer, the government's witnesses were secretly paid at least $4,000 each by the Justice Department and were granted immunity from prosecution on several charges.

The upcoming appeal of Ben Chavis and the Wilmington 10 follows their October 1972 conviction on firebombing and conspiracy charges. Each in the group (eight were teen-aged students) received astonishingly severe sentences; for most, it will be 1994 before their minimum imprisonment has been reached. Chavis could be imprisoned until the year 2009. In the period of the alleged crime—early 1971—Wilmington was turbulent with racial unrest following desegregation of two high schools. Chavis came to Wilmington at the request of a white United Church minister, to help avoid potential violence by counseling the youth of the black community.

Even aside from the string of arrests and dismissals, friends of Chavis became suspicious of the state when a mistrial was declared. A jury of ten blacks and two whites had been accepted by the defense, with the prosecutor not yet agreeing. But when the latter suddenly announced that he was ill, and with no backup prosecutor available, the judge called a mistrial. A second trial—this time the jury make-up was reversed: ten whites and two blacks—convicted the group. An appeal was made, with bail at $50,000. Chavis remained imprisoned for three months until the church raised bail; it was nine months in prison for the teen-agers until the church could raise money for them. Bail totaled $350,000. In standing behind the group, the church followed its policy of providing money for its workers or local churches caught up in litigation. More, the church states that none of the Wilmington 10 has a criminal record. All maintain they are innocent. Competent attorneys are convinced there were serious errors in the procedures of their trial, errors in rulings by the judge and possible admission of tainted evidence.

Ben Chavis lives nervously these days. Currently working in Washington for the church that avidly believes in him, and taking theology courses at Howard University, he has seen his friends swept off to prison by the same techniques now used against him: the state's use of questionable witnesses, high bail and severe sentences. One of those interested in Chavis' case is Rep. John Conyers (D-Mich.), a congressional Black Caucus member. Last year, a Conyers' aide, Stuart House, went to Wilmington to investigate. "Ben Chavis is an emerging black leader in North Carolina," House says. "But it's clear he's being railroaded. Some authorities see him a prime political whipping post. So they have charged him with all kinds of things, and they appear determined to get him one way or the other."

Will they? Chavis and his young friends should know shortly. Unlike the trials of the peace movement which were given much public attention—and thus exposing the government's weak cases, if not its raw political intentions—few beyond North Carolina know much about the Wilmington 10. But are these blacks defendants reduced to that: depending not on justice for their freedom but on publicity, and hoping it will shame North Carolina's white officials into backing off?

CARL LIND—A FINALIST IN INTERNATIONAL SCIENCE AND ENGINEERING FAIR

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. PATTERSON of California. Mr. Speaker, I have the honor today of informing the Members of the House of a science award recently won by a young man from my home community of Santa Ana, Calif.

Mr. Carl Lind, a high school sophomore was, for the second time, selected as a finalist in the International Science and Engineering Fair. His project, honored at the fair in Oklahoma City last month, is "A Practical Method for 3D TV and Home Movies."

To be so honored out of thousands of science fair participants in the Nation is a credit to Carl's creative intelligence and dedication as well as a credit to his family and teachers.

I am sure all the Members of the House join me and all of Carl's friends in Orange County, Calif., in offering our heartiest congratulations.

HON. LUCIEN NEDZI

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. BRODHEAD. Mr. Speaker, I regret that the debate on Monday, June 16 regarding the matter of the acceptance of the resignation of the gentleman from Michigan, LUCIEN NEDZI, was somewhat curtailed and I did not have an opportunity to express my opinion on the matter.

I was still a student in college when LUCIEN NEDZI was first elected to the U.S. Congress. Ever since that time, I have had tremendous admiration for the man and for his work as a representative of his district and of the city of Detroit in which we both reside. I have also consistently admired and respected his outstanding accomplishments as a member of the Armed Services Committee.

When I became a Member of Congress this year, I welcomed the opportunity to get to know Mr. NEDZI personally. We in Michigan have a very close-knit congressional delegation, but there is none with whom I feel a closer personal friendship than with LUCIEN NEDZI.

I have found him to be intelligent, forthright, articulate and, above all, a man of the greatest integrity. He has extended many personal kindnesses to me and my feelings toward him are not only respect and gratitude, but real affection. If a new Member such as myself seeks a model of honor and rectitude, he could do no better than to emulate LUCIEN NEDZI.

I know that he would never allow considerations of personal friendship to deter him from doing what he thinks is best for the country. Thus, when we came to different conclusions about what is best for the country in the matter of the CIA investigation, I felt honor-bound to follow the dictates of my conscience. It would be a poor sign of my respect for Mr. NEDZI. if I had allowed my feelings of personal friendship to persuade me to do otherwise.

It was, therefore, with the greatest reluctance that I voted to accept the resignation of Mr. NEDZI as chairman of the Select Committee on Intelligence.

LEGISLATION TO BAN FIRST CLASS TRAVEL FOR HOUSE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mrs. SCHROEDER. Mr. Speaker, I am introducing today a bill to cut back on a luxury which is clearly not necessary for the efficient conduct of our business—first class air travel.

The legislation I am introducing would limit reimbursement for first class air accommodations for Members and House employees on official business. This limitation would apply in all but a few exceptional occasions—such as when no other space is available, or when first class accommodations are necessary because of the health of the individual. The policy I am proposing for the House is identical to the GSA regulations which govern air travel for other Government officials.

Last month, a number of my colleagues joined me in opposing increases in various House allowances. Although the reasons for voting against increases were not identical, most of us believe that in this time of economic hardship, it simply is not appropriate for us to vote ourselves additional allowances. However, that attempt to hold the line was not successful.

One of the major increases voted last month was the number of round trips from Washington to the Member's district which are reimbursable. Many Members said that they needed more trips home to properly serve their constituents and that they could not afford to pay for them out of their own pockets.

But whether a Member travels first class or coach, he is going to arrive at the same time and at the same place. The additional cost of first class air travel is a luxury item and the extra expense is a premium incurred by the Government for essentially personal consumption considerations—rather than a necessary expenditure for the conduct of official business. My bill would not stop Members or staff from flying first class if they so choose—it would just force them to pay the difference between coach and first class air fare.

It is estimated that my bill would provide a cost savings of about $1 million and equally important tell the people that we realize times are tough and we, too, are doing our part to "economize."

As most of us fly home over the July 4th recess, I think we should ask ourselves one simple question: "If I were paying for this trip myself, rather than the taxpayer, would I fly first class or coach?" If the answer is "coach," then I hope that you will cosponsor and support this legislation.

Mr. Speaker, the text of the legislation follows:

H. Res. 560

Resolved, That it is the purpose of this resolution to prohibit Members of the House of Representatives, their employees, and employees of standing committees and select committees of the House from being paid or reimbursed for the difference between the cost of first-class accommodations with respect to air travel and the cost of other air travel accommodations, except for reasons described in section 2, and to make possible a reduction in the amount of funds necessary to defray travel expenses of such Members and employees as a result of such prohibition.

Sec. 2. Until otherwise provided by law, a Member of the House of Representatives, an employee of any such Member, or an employee of any standing committee or select committee of the House, may not be paid or reimbursed for the difference between the cost of any first-class accommodation with respect to air travel, and the cost of any other accommodation with respect to air travel, unless—

(1) no other accommodations are available;

(2) first-class accommodation is necessary because of the health of the Member or employee involved;

(3) in the case of foreign travel, only first-class accommodation meets satisfactory standards of sanitation, health, or comfort; or

(4) the cost of first-class accommodation provided by the air carrier involved does not exceed the cost of other accommodations provided by other air carriers.

Sec. 3. The Committee on House Administration shall prescribe rules to carry out the provisions of this resolution.

Sec. 4. For purposes of this resolution, the term "Member" or "Member of the House of Representatives" means each Representative in the Congress, the Delegates from the District of Columbia, Guam, and the Virgin Islands, and the Resident Commissioner from Puerto Rico.

ADMITTED VIOLATION OF RULES

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. BEARD of Tennessee. Mr. Speaker, as I feel that this is a matter which affects all Members of Congress, I should like to share the contents of a letter which I have addressed to Chairman Flynt of the Committee on Standards of Official Conduct, concerning recent activities by the Representative from the Sixth District of Massachusetts.

Mr. Speaker, I wish to emphasize that this action on my part is in no way a personal one. The record is clear that the rules of the House and of the Committee on Armed Services have been broken, and I feel that this admitted violation must be dealt with in proportion to its seriousness.

The letter follows:

Congress of the United States,
House of Representatives,
Washington, D.C., June 18, 1975.

Hon. John J. Flynt, Jr.,
Chairman, Committee on Standards of Official Conduct, U.S. House of Representatives, Washington, D.C.

Dear Mr. Chairman: On Monday, June 16, 1975, the Committee on Armed Services, in open session, a quorum being present, reaffirmed action it had previously taken directing an inquiry to your Committee requesting guidance on the accessibility of Committee documents to Members of the House of Representatives.

I understand that the Committee on Armed Services has officially transmitted to you, by letter dated June 11, 1975, a copy of the motion approved by the Committee on Tuesday, June 10, 1975.

As you will notice, the second paragraph of that motion identified Congressman Michael Harrington, of the State of Massachusetts, as having been "denied access to any Committee files or classified information maintained therein because of his previous refusal to honor House and Committee Rules regarding material received by the Committee in executive session."

I further understand that your Committee has been given access to a copy of a hearing conducted by the Special Subcommittee on Intelligence of the Committee on Armed Services on September 25, 1974, in which Congressman Michael Harrington appeared before the Committee and, while under oath, acknowledged his violation of certain House and Committee Rules. Specifically, among other things, Congressman Harrington acknowledged that he was aware of House Rule XI, Clause 27(o) (93d Congress), which provides as follows:

"No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee."

Further, Congressman Harrington acknowledged that he was aware of Armed Services Committee Rule No. 10, for the 93d Congress, which provides for the adequate safekeeping of national security information and which authorizes the Chairman of the Armed Services Committee to promulgate such additional rules as may be necessary to adequately provide for the protection of classified information in the Committee files. A copy of these rules has also been provided your Committee.

The Committee Rules state that only Members of Congress may have access to classified information obtained by the Committee in executive session and bearing a classification of secret or higher, and further that such information will not be divulged to any unauthorized person in any fashion. Congressman Michael Harrington (D–Mass.) obtained access to such classified Committee information, which had been obtained in executive session, on June 4 and June 12, 1974, under the provisions of Rule XI, Clause 27(c) (93d Congress) which provides that Committee hearings, records, files, etc., shall be the property of the House, and all Members of the House shall have access to such records.

At the time Mr. Harrington was given access to these documents on June 4 and June 12, 1974, he acknowledged in writing, with his personal signature, his awareness of the House and Committee Rules regarding the restrictions on the use of this information.

Subsequent to Mr. Harrington's access to this information which consisted of a Committee transcript, dated April 22, 1974, in which the Director of the Central Intelligence Agency discussed the Agency's previous activities in Chile, important portions of the information contained in the transcript appeared in the news media. As a consequence, the Special Subcommittee on Intelligence of the Armed Services Committee convened a hearing on September 25, 1974, to ascertain the manner in which Congressman Harrington utilized the information made available to him in the Committee files.

As I have previously indicated, Congressman Harrington did, during that hearing, and while under oath agree that he had been aware of the Committee and House Rules regarding this matter and notwithstanding that fact had made the information provided him in the Committee files available to unauthorized persons, to wit: various individuals not involved in the Congressional process. The details concerning his admissions are reflected in the Committee transcript of September 25, 1974.

Finally, I call your attention to the "Code of Official Conduct" of the House of Representatives, which in Clause 2 provides as follows:

"2. A Member, officer, or employee of the House of Representatives shall adhere to the spirit and the letter of the Rules of the House of Representatives and to the rules of duly constituted committees thereof."

In view of these circumstances, and because of the blatant disregard of the House and Committee Rules by Congressman Harrington and because of the grave implications to both the Congress and the national security that will result if action of this kind is not deterred in the future, I am requesting that your Committee proceed to investigate the official conduct of this Member of Congress in this matter, and after notice and hearing, to recommend to the House, by resolution or otherwise, such action as the Committee may deem appropriate in the circumstances.

I will assume that the Committee on Standards of Official Conduct will give this complaint a full and complete review with appropriate recommendations to the House or, in the alternative, I will be forced to utilize other avenues to insure that the Members of the House of Representatives will be given an opportunity to act in the premises.

I solemnly swear that the information contained in this letter is, to the best of my knowledge and belief, accurate and reflective of the facts in this matter.

Sincerely,

ROBIN L. BEARD,
Member of Congress.

MAURICE LEON—THE LAST OF THE BEST

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. RONCALIO. Mr. Speaker, I am happy to insert into the RECORD an excellent article by Mike Leon of Story, Wyo., one of my State's foremost outdoors writers, underscoring the need for a strip mine bill in this Nation.

I am running it in the hope that it will give some understanding to RECORD readers of how those who live in Wyoming and who love it feel about its future.

The article follows:

[From the Sheridan (Wyo.) Press, May 28, 1975]

THE LAST OF THE BEST

(By Mike Leon)

Somebody is conning the President. Somebody is feeding him the worst sort of counsel. Somebody has led him to the mistaken conclusion that a strong strip mine bill will be inflationary and contribute to unemployment.

These were the two main justifications the President made for his veto of the strip mine bill: inflation and unemployment.

Both arguments are nonsense.

Unemployment? To the contrary, a strong reclamation program is a bona fide job creator. Who produce the seed that goes into the process of surface restoration? Elves? Who make the machinery that restores the surface and plants the seed? The Seven Dwarfs? Who operate the machinery? Gnomes? Who are responsible for drawing up reclamation plans, expediting them, overseeing their implementation and checking the results? Leperchauns? In every instance human beings by the thousands will be necessary, representing a range of skills from laboratory researcher to seedsman to range specialist to what-have-you.

Inflationary? Bunk! There is a tendency to blame inflation on anything handy. If we want a scapegoat, blame the Arabs. But inflation was growing monstrous before our Middle Eastern friends shut off the spigot and then turned it back on at outrageously increased prices. If we could manage to get it through our simple-minded heads that inflation is a function of too many people competing for a diminishing supply of the world's resources we would stop the foolishness of imagining that strong strip mining controls are inflationary. Paying as you go is not inflationary. It is anti-inflationary. Reclaiming strip mined-land properly as it becomes necessary means getting the job done now, so the land can be useful later on. No matter how high the cost of reclaiming an acre of strip-mined land that cost is not inflationary.

What is inflationary, dangerously so, is the attempt to keep energy artificially cheap. Does this seem contradictory to you? Consider, then, the long range effects of control of natural gas prices. I'm in complete accord with those wiser heads in the petroleum industry who have been pleading for deregulation of natural gas prices for years. What has an artificial price ceiling on natural gas done? It has been responsible for the most profligate sort of waste imaginable. If natural gas had been allowed to sell at its value as a precious resource we long ago would have been insulting our homes better, looking for energy alternatives, thinking and practicing conservation and eliminating waste. But this "cheap" energy, this artificially-priced natural gas which was so abundant for so brief a time, has led us into inflationary habits which, apparently, have become an addiction.

Let's not make the mistake with coal we made with oil and natural gas. Let's treat it as something precious and finite. Let's make an art as well as a science out of reclamation. Let's have enough sense to make a distinction between wise and necessary investment in caretaking and preparation for the future, on the one hand, and our dangerously inflationary habits on the other. Let us ask Congress to override that veto.

INCLUSION OF USRA LINE No. 1262 IN THE CONRAIL SYSTEM

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. FITHIAN. Mr. Speaker, I am here today to urge that USRA line No. 1262 extending from Huntington—Milepost 125.2—to Hammond, Ind.—Milepost 249.6—be included in the ConRail system.

It is my privilege to represent Indiana's Second Congressional District which includes Pulaski, Starke, Porter, and portions of Wabash and Lake counties. All five of these counties would be seriously effected if the Erie Lackawania were forced to discontinue operations. I would like to address myself today to the general impact the abandonment of this line would have on the citizens and future economic development of these communities.

As you may know the second district, in general and the communities I refer to today, in particular, are in a predominately agricultural area. The loss of this line would have a serious adverse impact on the already depressed agricultural industry. Farmers throughout this area would be faced with a variety of higher costs if rail service were discontinued. Building materials now shipped by rail would increase in price. Various types of farm implements that are presently assembled prior to shipment would increase in price to the farmers if shipped by truck and assembled upon reaching destination. Perhaps of most importance to the farmers would be the increased price of bulk fertilizer that is presently shipped predominately by rail.

A large portion of the grain in this area is produced for sale. Therefore farmers would be faced with lower grain prices due to a forced transfer to higher priced trunk transportation.

In addition to the agricultural industry, several businesses and industries in the second district which are partially and in some cases almost entirely dependent on rail service have indicated to me that their freight charges would increase as much as 100 percent if forced to transfer to truck transportation. Many businesses have made large investments during the past few years after being assured by Erie Lackawania that rail service would be available. They now face the dilemma of being cut off completely.

Finally, the abandonment of this line would have a serious impact on the future growth of these communities. The railroads play an integral part in the economy of small towns. Several towns are developing industrial parks and many businesses have plans for future expansion which will be brought out in forthcoming testimony today. However the railroad is vitally necessary if these plans are to continue.

It was recently brought to my attention that this line is perhaps one of the better segments of rail in the country. The Erie Lackawanna, a class 1, double track, is considered to have one of the best roadbeds in Indiana, capable of an average speed of approximately 50 miles-per-hour. At a time when the overwhelming majority of the roadbeds in this area are in need of extensive repair it makes little sense to single out a good section of rail for abandonment.

Further, alterative methods of shipping would be a major problem. Several communities would be left with no rail service at all, while others would receive only limited truck service due to poor conditions of the highways. In some cases the only access to the town is by very narrow county roads.

Mr. Speaker, since the announcement by USRA that this section of the Erie Lackawania would not be recommended for inclusion in the Conrail system I have held two public meetings in communities which would be effected by the abandonment. Over 100 people who would be directly and indirectly effected attended these sessions and voiced unanimous opposition to the proposal. Further, my office has received numerous phone calls and letters all of which voiced extreme concern regarding the adverse impact the discontinuation of the Erie Lackawania would have on their community.

In conclusion, I would like to say that these are small communities but the effects of rail discontinuation in rural areas are far reaching. Rather than abandoning this line, service should be improved to handle future growth.

Therefore I strongly urge USRA to reconsider its recommendation and that this section of rail be included in the final ConRail system plan.

GARRISON DIVERSION PROJECT

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. NOLAN. Mr. Speaker, I have long been impressed by the dedicated efforts of the Farmers Union to represent the interests of family farmers throughout the Nation. As a Congressman from a largely rural district of Minnesota I share Farmers Union's concerns for the welfare of the family farmer, whether he lives in the Midwest, or in any other portion of the Nation.

In Minnesota's sister State of North Dakota, the controversial Garrison diversion project of the Bureau of Reclamation has the potential of benefiting some family farmers through irrigation development, at the expense of other farmers whose land is being taken for project canals, reservoirs, and mitigation. The North Dakota Farmers Union has been in the forefront of efforts to resolve the serious controversy that surrounds the Garrison project. While the NDFU supports the concept of irrigation development and would someday like to see the completion of the project, they have been very concerned over the failure of the Bureau of Reclamation to deal with problems construction of the project has caused for hundreds of farmers. The North Dakota Farmers Union now believes that these problems are so serious that they have requested that Congress not allow appropriations to be used for new construction or land acquisition for this project until a congressional investigation of the situation has been made, and serious problems apparent with the project have been resolved.

I believe that the recent testimony of the North Dakota Farmers Union to the Public Works Subcommittee of Senate Committee on Appropriations regarding this issue gives very important insight as to why the largest farm organization in North Dakota is now asking that new construction and land acquisition on this project be delayed. In that the House will soon address this controversial issue, I urge my colleagues to read and carefully consider this testimony:

STATEMENT OF NORTH DAKOTA FARMERS UNION

The North Dakota Farmers Union is a private farm organization with a membership of over 32,000 farm families in North Dakota. Within our membership are farm families that will be potentially benefited through the Garrison Diversion project and those who have already experienced significant impacts from construction activities of the principle supply-works of the project.

Those of us within Farmers Union who witnessed the parched earth and the emaciated livestock that accompanied the lack of forage during the drought of the 1930's have a commitment to diversion of water that simply cannot be understood by those who did not experience the farm tragedies of this period.

Because of this we have a difficult time understanding those who have recently involved themselves in the Garrison Diversion controversy and their willingness to permit the project to die on the vine because federal agencies have not accepted the responsibilities for the accompanying community and individual impacts of the project.

We also deeply resent those responsible entities and individuals who have demonstrated their willingness to sweep the existing problems connected with this project under the rug without realization that such problems would eventually erupt and significantly affect the future of the project.

Since the inception of this organization in 1927 as a chartered division of the National Farmers Union, the North Dakota Farmers Union has been deeply involved in water resource policy questions. Historically, the North Dakota Farmers Union has supported the concept of diverting Missouri River water for irrigation purposes and we continue in our support of such diversion.

The North Dakota Farmers Union opposed the Pick-Sloan plan for the Missouri River Basin because it did not provide for the overall and comprehensive planning and development that we felt was essential for the success of water and resource management in the Basin and instead we favored the creation of a Missouri Valley Authority. However, as the structures of the Pick-Sloan plan became a reality, the North Dakota Farmers Union gave its support to the greatly reduced irrigation development under the Garrison Diversion Unit.

On numerous occasions in the 1950's and early 1960's, North Dakota Farmers Union officials and their representatives appeared before Congressional committees favoring the re-authorization and funding of the Garrison Diversion project.

We cite this history because we feel it is essential that Congress understands that the North Dakota Farmers Union is deeply committed to assisting its membership through public policies in developing the irrigation potential within our state and our region.

Since the initial funding of the Garrison Diversion project, the North Dakota Farmers Union has continued in its support of further appropriations for the project. However, we have also increasingly become deeply concerned about the failures of the responsible governmental agencies in implementing the project.

In early 1972, because of the concerns expressed by farmers in the initial construction areas of the project, the county presidents of the North Dakota Farmers Union, which constitute our Board of Governors, directed the state organization to conduct an investigation into the problems faced by farmers and their communities.

These and subsequent investigations by the North Dakota Farmers Union were undertaken in order to correct the inequities of the project and help resolve the problems of land owners and farmers affected by the project.

Our initial investigation identified twelve problem areas including adequate compensation for farmers adversely affected by the project, the high cost of replacement acreage to farmers, the payment schedule for acquired lands to farmers, the inadequacy of relocation services to landowners and tenants, the effect of the project upon underground water resources utilized by farmers, the need for alternate instruments in acquiring wildlife acreage and the Bureau's reluctance to permit the farm operators on the brinks of the canal to utilize even small amounts of canal water for their farm operations.

In June of 1972 we requested Senator Burdick, as a member of the Senate Interior Committee, to conduct a Congressional investigation of the land acquisition practices of the Bureau of Reclamation and other concerns we had identified. This request resulted in an unofficial hearing by the Senator and an agreement by the Bureau to make a number of administrative changes in handling of land acquisition for the project.

While the Bureau of Reclamation announced these changes, continued contact from affected landowners provided an indication to us that the Bureau was still not adequately implementing the procedures and was still limiting its interpretation of land acquisitions and relocation laws and regulations to the disadvantage of affected farmers.

We therefore continued our investigation and collected numerous affidavits from affected landowners. After review of this material, it became apparent that the problems raised questions of such a nature that it was essential that the management practices of the Bureau of Reclamation and laws regulating their practices as it pertained to the Garrison Diversion project be thoroughly reviewed by a Congressional Committee.

In October 1972, the North Dakota Farmers Union initiated a request to U.S. Representative Henry Reuss, Chairman of the Subcommittee on Conservation and Natural Resources of the Government Operations Committee to conduct such an investigation. We transmitted the collected affidavits and associated material to the subcommittee.

Again we identified a number of problem areas requiring review, including: failure of the Bureau officials to follow the provisions of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970; failure of Bureau officials to enter into meaningful negotiations with landowners prior to initiating condemnation proceedings; failure of the Bureau to respect the rights of tenants; failure to respect the landowners property rights prior to initiating condemnation; and a general lack of concern by the Bureau for those landowners who agreed to settlements after the landowners had signed the settlement documents.

These same concerns were transmitted to Bureau of Reclamation Commissioner Ellis Armstrong. We did not receive a reply from Commissioner Armstrong until three months later and only after we had communicated this failure to the President.

The responses of the Bureau of Reclamation and its local irrigation contracting agency, the Garrison Diversion Conservancy District continued to be directed toward a "public relations" program rather than dealing with the substantive concerns expressed by our members. Therefore in March 1973, we renewed our request to the House Government Operations subcommittee to conduct a Congressional investigation into the matter and again urged field hearings by the subcommittee in the affected areas of North Dakota.

When the Bureau of Reclamation finally released its Environmental Impact Statement on the Garrison Diversion Project, the North Dakota Farmers Union submitted a 47 page response to the EIS at hearings in May in Minot, North Dakota. Again, we outlined the failures of the Bureau of Reclamation to deal with significant economic, social and environmental impacts as they related to the family farmer.

We were deeply concerned with inadequacies of the EIS in terms of agriculture and were fearful that these inadequacies reflected the operational and administrative practices of the Bureau of Reclamation which were increasingly placing the Garrison Diversion Project in jeopardy.

In our EIS response we indicated our concern of the lack of completed studies and the failure of the Bureau to make definitive plans available to farmers and landowners who would be potentially affected by construction and other activities in order that they might adjust their farming operations and plans to avoid undue economic hardships.

We expressed concern over the lack of sufficient personnel who could authoritatively help resolve landowner and community problems resulting from the project; over the Bureau's inadequate review of the impact of the project on groundwater supplies and quality and their subsequent effects upon farm operations; the lack of alternatives to the location and acquisition of wildlife mitigation areas; the inadequacy of the review of adverse economic effects upon farmers and their communities resulting from the project; the failure to find a mutually acceptable agreement with Canada and therefore placing potential irrigators in a planning limbo by jeopardizing the development of certain irrigation districts.

In their final EIE, the Bureau failed to directly respond to these and other concerns which the North Dakota Farmers Union submitted in testimony at the EIS hearings.

When the General Accounting Office initiated a preliminary investigation of the Garrison Diversion project, we provided as much assistance and cooperation as possible in hopes that the investigation would result in solutions of the problems created by insufficient planning and the lack of coordinated, consistent policies by the Bureau.

In addition to seeking to resolve these problems and concerns at the federal level and with federal agencies, including the Bureau's Garrison Diversion Project office in Bismarck, the North Dakota Farmers Union has sought resolution of these concerns of our members through the Garrison Diversion Conservancy District which is responsible for the project as the state's contracting agency.

After considerable prodding the Garrison Diversion Conservancy District established a land acquisition committee to investigate landowner problems and to make recommendations to the Bureau. We fully concur with the recommendations that the committee submitted this past October to the Bureau after consultations with affected farmers and a number of interventions on behalf of these farmers with the Bureau. These include: (1) That appraisals should be upgraded to include the increase in demand for land and replacement costs; (2) Appraisals should be kept current at all times and (3) Changes in regulations or federal laws to permit: an increase over the appraisal value of the land to compensate the farmer for not being a willing seller; that relocation laws should apply to all farm buildings; necessary land takings should be purchased two years before construction starts; and that the Bureau should advance relocation money where it is needed for the farmer to complete new buildings.

The North Dakota Farmers Union also supported legislation approved by the recently concluded North Dakota legislative assembly which gave the Garrison Diversion Conservancy District more definitive responsibility to assist landowners affected by the project.

We cite this history of the involvement of the North Dakota Farmers Union in attempting to correct and resolve problems associated with the project in order to emphasize that as a long-time supporter of the Garrison Diversion we feel we have a responsibility to assist farmers adversely affected by the project.

The North Dakota Farmers Union has not taken these steps because it wishes to jeopardize the Garrison Diversion project. Instead, we have taken these steps because we are convinced that each unresolved problem created by mismanagement and unresponsive bureaucracy by the responsible federal agencies is creating an atmosphere which has seriously jeopardized the project. This, therefore, may significantly diminish the future irrigation opportunities for many of our members.

Considerable concern has been expressed over the cost over-runs being incurred by the Garrison Diversion project. Besides the general inflationary trends in our economy, we are convinced that the cost over-runs are direct results of the lack of comprehensive and coordinated planning by the Bureau of Reclamation in its rush to implement the construction of the project.

We do not believe that the cost over-runs are justification to terminate the project. We do believe that the cost over-runs indicate a need for the Congress to review the management practices of the Bureau of Reclamation in order that the costs might be better controlled.

Th North Dakota Farmers Union believes that laws and regulations governing the activities of the Bureau of Reclamation, Federal Fish and Wildlife Service and the Army Corps of Engineers must be strengthened and fully enforced to protect the rights of landowners, tenants and farm operators and to insure that such projects will bring about the envisioned benefits.

The burden of proof in the need for eminent domain proceedings in acquisition of land for such projects must be more firmly placed on the agency requiring land. Severance damages should include not only payment for the diminution of remaining land values, but also the payment for the loss of income, increased expenses, and inconvenience suffered by affected landowners and operators.

The increased cost incurred by local and state governmental units as a result of such projects should be provided through impact funds, and considered a cost of the project itself. In addition, the federal government should provide in-lieu-of-tax payments to governmental subdivisions for all acreages removed from local tax rolls by such projects.

Governmental agencies responsible for water projects must fully comply with the National Environmental Policy Act, the Uniform Land Acquisition Act, and the Federal Relocation Act.

We oppose the acquisition or condemnation of land for any purpose by any federal agency until they revise their land acquisition policies to fully reflect the actual financial loss to each individual affected.

An independent ombudsman should be appointed for each project to insure that the rights of affected citizens are fully protected. The ombudsman should initiate legal action on behalf of affected citizens, when necessary.

The North Dakota Farmers Union reaffirms our support of federal irrigation development and the objectives of projects such as Garrison Diversion. However, such project must be implemented in a manner which will benefit the long-term future and stability of family-farm agriculture.

Continuing developments have provided a strong indication that insufficient planning and expediency in implementing the Garrison Diversion Project by the agencies responsible for its development may now jeopardize important facets of the project and perhaps the project itself.

We therefore urge that this subcommittee and Congress approve the budgeted $13.6 million appropriations for the Garrison Diversion project with the stipulation that no funds can be utilized for the acquisition of any land or implementation of any new construction activities until a Congressional committee has had an opportunity to fully investigate the inequitable treatment of landowners and other problems associated with the project as previously outlined in this testimony.

Only after a Congressional Committee has made appropriate recommendations in policy and administrative changes, and has documented evidence that demonstrates that the Bureau of Reclamation is, in fact, implementing the necessary changes, should the committee release the funds to continue further land acquisitions and construction activities on the project.

We further urge that after funds are released for further land acquisition and construction activities that a Congressional Committee continue its review of the land acquisition practices and the steps taken to resolve other serious problems of the Garrison Diversion project by the Bureau of Reclamation.

After these conditions have been realized, the North Dakota Farmers Union will be prepared to urge this subcommittee and Congress to appropriate supplemental funds as requested by the Garrison Diversion Conservancy District in their testimony before this subcommittee on May 6th.

The North Dakota Farmers Union believes that these steps are essential if the Garrison Diversion project is to be properly implemented and completed.

The North Dakota Farmers Union further believes that unless a thorough review is conducted to correct the present problems of the project that the Garrison Diversion project will produce significantly fewer benefits for the people of this region than originally anticipated when it was authorized.

We are convinced that unless such action is taken the project will continue to be in serious jeopardy and North Dakota may be left with a partially completed project that has no value to anyone.

This would be grossly unfair to those who have already suffered adverse impacts in order to benefit other areas of North Dakota. They would not even have the satisfaction that their suffering had any purpose.

It would be also grossly unfair to those farm families that have literally worked for generations to divert Missouri River water for irrigation and other purposes.

The North Dakota Farmers Union pledges its cooperation to this subcommittee and to Congress in taking the necessary steps to correct and resolve the problems presently hampering and jeopardizing the completion of the Garrison Diversion Project.

CHILD CARE SCANDAL IN NEW YORK CITY—PART II

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. BIAGGI. Mr. Speaker, yesterday I inserted into the RECORD, the first part of a seven part investigative series into New York City's private child care agencies conducted by the New York Daily News. Part II discusses several case studies of children who have been forced to live in the child care system homes and foster homes. This article relates some shocking tales of abuse and neglect of these children by foster parents who were more interested in getting their money than caring for their children.

Mr. Speaker at this point in the RECORD I wish to insert part II of this series entitled, "Unwanted Cathy: Seven Homes in 7 years":

UNWANTED CATHY: 7 HOMES IN 7 YEARS

(By William Heffernan and Stewart Ain)

(Second of a Series)

(Three months ago, a team of News reporters working under Assistant City Editor William Federici set out to investigate this city's multimillion-dollar child care system. The findings are presented in this series. In some instances, to protect the privacy of children and employees in that system, names are withheld.)

Cathy is a 9-year-old multiracial child—unwanted, born out of wedlock and then discarded into the city's private child care system.

Every night now, Cathy goes to bed and beats her pretty head against her pillow until she collapses from exhaustion. It is the only way her small, wracked body can force itself to sleep.

Cathy is not an uncommon product of this city's child care system. At the age of 7 she had already lived in seven foster homes, bouncing from one to another, more like a rubber ball than a human being.

Her caseworker claims that each change in homes becomes a rejection, a betrayal by someone she had hoped would give her love.

"And out of each betrayal came a sense of guilt," her caseworker says. "It became easy for Cathy to believe that there was something terribly bad about her—something ugly, something evil, something no one could ever love."

To this day Cathy can still remember being locked in closets for long periods. Reticently, she recalls beatings administered by foster parents. And she remembers being told she wasn't wanted any more and then being moved to another foster home—where the problems began all over again.

Recently, Cathy was riding in the rear of a car with another child her own age. The other child asked where she had lived before. At first, Cathy stared silently, her large brown eyes blank, then she suddenly began rattling off all the last names she had in her foster homes. She recited the names awkwardly.

"But those people didn't like me," Cathy told the other child. "This time I won't have to change my name again. My mother (her adoptive mother) says I belong to her, just like my brothers and sisters. She says nobody can make me live elsewhere any more."

Cathy, in fact, is one of the luckier children. After seven years in foster care she fell into the hands of a caseworker who fought to place her in an adoptive home.

Her adoptive parents together with that caseworker battled to overcome obstacles set up by the child care agency, to change that agency's "plan" for Cathy—a "plan" of long term foster care.

Now Cathy has a home and parents who love her. But she also has the scars from seven lonely years in the city's child care system—scars her parents believe she will carry all her life.

Today, throughout the city and state, there are thousands of children whose lives are being scarred each day.

During a three-month investigation. The News found that children are being kept in long-term foster care and denied the chance of finding permanent homes, while the private agencies assigned to care for them collect millions of tax dollars each year for their continued maintenance.

Throughout its probe of the child care system, The News spoke with many of those children—some who are still in the system and some who have left it.

REPORT ABUSE AND NEGLECT

These children told of abuse and neglect in some foster homes. Others spoke of being happy with certain foster parents, only to find themselves suddenly taken from those homes and placed in others where abuse and neglect were everyday occurrences.

Many of the children spoke with bitterness. Many others spoke with confusion, asking why they could not be adopted.

Some children spoke through tears—tears that one caseworker said "would fill a river if they were all gathered together in one place."

Many of these same children were already badly damaged when they entered care. Many had been severely abused by their real parents.

Mrs. Flora Cunha is the president of the Organization of Foster Families for Equality and Reform. She described some of the abuses that foster children suffered at the hands of their own parents.

FORCED TO WATCH X FILMS

Mrs. Cunha spoke of a 6-year-old who told her of being forced to watch movies that he described as "naked people doing things," and how he closed his eyes so he wouldn't have to see.

One boy, Mrs. Cunha said, could recall being forced to urinate in a cup and then watching while his younger brother was forced to drink it.

Some children, she added, recalled watching their mother in sexual intercourse, "sometimes with the father, or stepfather, or the man presently living in the house, or the man passing through that evening."

Many can describe orgies, she added, and some children have even told of sharing their mother's bed to provide devious thrills—"thrills" they later relived in nightmares.

Yet many children who enter foster care find that their lives in care are little different from the lives they left behind.

Odessa Carrion, who spent five years as an agency supervisor in the child care system, discussed the open brutality she found in many foster homes and the unwillingness of some agencies to do anything to correct it.

IN IT FOR THE MONEY

"Some of these foster parents are in it purely for the money they can get," she said. "And it is not uncommon for them to skimp on food and clothing for the children in their care.

"There are also sadistic foster parents who regularly beat these children," she added. "Children have even been murdered in foster homes and it is not uncommon for foster fathers and adolescent boys in the family to rape young girls placed in their homes."

Ms. Carrion told of one of the foster homes she eventually closed after a caseworker investigated the family's food buying habits.

"I had a caseworker go to the family's butcher and ask about the meat they bought, she said. "It didn't take the caseworker long to find out that the foster mother regularly asked the butcher for scrap meat for her dogs and then used that meat to prepare stews for the children.

"When the family ate steak, she added, "the children would be lucky to get hot dogs. And this experience was not isolated, it was a common occurrence.

Ms. Carrion told of one of the first foster homes she visited as a caseworker for one agency. The mother brought Paul, the foster child, out to meet her.

WANTS HER TO STAY

"After a period of time, she said, "Paul had crawled behind the sofa and began pulling my arm to indicate he wanted me to stay. Paul was about 6½ years old and when I revisited the home a week later, the same thing happened.

Ms. Carrion said she went to the director of her agency and told her she felt there was something wrong in Paul's foster home.

'The director told me the woman was a good foster mother who had worked for the agency for years and that she was not going to move the child or close the foster home.

"Three months later," Ms. Carrion added, "I saw Paul with a bloody face. I took him away from his foster mother and brought him to a doctor who said the child had bruises all over his back and that he appeared to have been badly beaten with a hairbrush."

Ms. Carrion said she asked the director of the agency to have the foster mother arrested.

"The director refused, claiming it would make the agency look bad if one of its foster mothers was arrested for child abuse." Ms. Carrion said. "When I insisted that she either close the home or that I would have the woman arrested myself, she finally agreed to close it.

"I later learned that Paul had been exposed to beatings ever since he was placed in that home," she said. "He had been there for 2½ years."

One young woman, interviewed by The News, supported Ms. Carrion's stories of abuse. She explained what it was like to grow up in foster care.

Ellen is now 20 years old and her memory of her childhood is far from pleasant. By the time she was 9 she had lived in nine foster homes.

Each time she settled into a new home her mother demanded her back and she was uprooted from her new surroundings. But this didn't last long.

"The few foster parents I got to like I had to leave," she recalled. "I learned the only way I could survive without going crazy was to remain aloof and cold with my foster parents.

"How can you attach yourself to someone and then have that attachment broken?" she asked. "It's what happens after you get burned by a candle—you learn to stay away from it."

Asked how she was treated by her foster parents, Ellen said that in almost every home "the foster fathers would put me on their laps and put their hands in my pants."

DAUGHTER INTO SEX

When she was 8 and slept in the same room with her foster parents' daughter, the daughter "was into sex—trying to get me to walk around nude."

And when she was 9 her foster parents' 18-year-old son regularly slipped into her room at night to "make me fondle him."

"I should have been adopted two years after my mother starting putting me into foster care," Ellen said. "My mother never should have been allowed to take me back and then give me up again."

Asked about the food she received in foster homes, Ellen said that in every home but one she often had "little or nothing to eat and my foster parent hardly ever bought me clothes—I was never treated like the rest of the family. (Every foster family gets a clothing allowance for the children.

"One family I was with always had their big meal in the middle of the day. As I recall, they would usually eat something like roast beef while I would get a peanut butter and jelly sandwich."

Ellen, a tall, painfully thin blonde, who is now a Long Island college student, said she has had the good fortune of "finding" herself and being able to put her past in its proper perspective.

"I was in my last foster home from the age of 9 until I was 18," she said. Unlike the previous foster parents, these people were decent and good. "But it wasn't until I was 17 that I realized that these foster parents were the only real parents I would ever have and that I'd better stop fighting the love inside of me.

THEY NEVER GAVE UP

"They (the last foster parents) had never given up loving me," she said. "I visit them often even now."

There are times that Ellen would like to find out "where I was, who I was with, when certain things happened to me; but the agency won't let me see my records because they say they are all secret."

Ellen said she considers herself especially fortunate because she was able to make more of her life than her five brothers—four of whom lived in more than a dozen foster homes by the time they were 16.

Looking back on her years "in care," as the official lingo puts it, Ellen said she believes that the agencies "should be accountable for what they do. If they are not doing the job right, they should get out of the business.

"My brothers didn't have the luck I did. . . . I made it, they didn't. They all have problems and I don't think they will ever recover. My mother did a lot to destroy her children but the agencies took up where she left off."

THE PLIGHT OF THE BLACK AGED

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. RANGEL. Mr. Speaker, the black aged in America face the current economic crisis in a far more vulnerable position than most of our citizens. Vernon E. Jordan, Jr., executive director of the Urban League, has accurately described their plight in a recent column which appeared in the May 31, 1975, edition of the Chicago Crusader.

As Mr. Jordan perceptively noted:

> Our society has a reputation for being a "throwaway" society; everything is disposable and we'd rather replace something than fix it. Unfortunately, that applies to people too, and our seniors are victims of the throw-away mentality that shuffles them into invisibility.

The tragedy of the black aged is magnified by the fact they are the victims of a lifetime of neglect. For decades Government ignored their voices, and many in despair have stopped voicing their concerns and their situation. Government must be responsive to those whose plight is hidden, as much as to those who are vocal.

I include Mr. Jordan's column in the RECORD at this point:

BLACK AGED HIT HARD

Everyone's hurting in this Depression, but hit hardest are elderly blacks. They don't have the securities, bank savings and bonds affluent people sock away for a rainy day, and few have ever worked in the kinds of jobs that allowed them to plan a comfortable retirement.

In fact, they were explicitly barred from jobs that carry decent pensions and other retirement benefits.

All most of them have are social security checks, other government payments including Supplementary Security Income (SSI), or earnings.

That's not enough in these days of skyrocketing prices. Stories of old folks buying pet food because it's cheaper indicate the extent of their hardship.

SSI payments are less than half of what the federal government estimates as a moderate standard of living for a retired couple. They're even below the poverty level in most places.

Most older blacks are poor or close enough to being very poor to feel the pinch badly. And with growing unemployment, financial help from children is drying up too.

The thing to remember about the black elderly is that they are survivors. Most of them survived the Jim Crow system and low-paying, low-status jobs, and now they've got to try to survive further indignities instead of enjoying well-earned retirement years.

Compared with older whites, elderly blacks have less education, fewer financial resources, more have chronic health problems, live in substandard housing and have less access to private and public resources available to the aged.

They are survivors in a literal sense, too. Most of their contemporaries have passed on. The life expectancy for black males actually declined in the 1960s, from 61.1 years to 60.1 years. This means the typical black man will never live to collect social security benefits, deductions for which were taken out of his measly paycheck all through his working years.

Black women live fewer years than do whites—the typical black women lives to an age of 69.3 years, while white women can expect to live to 75.6 years.

These life expectancy figures have given rise to suggestions that instead of limiting social security payments to those 65 and over (with many getting payments starting at age (62), a system of differential age eligibility should be instituted.

Under such a system the population would be broken down by subgroups and those subgroups, such as black men, whose life expectancy is below the national standard for social security eligibility, could begin to collect at earlier ages.

Such life expectancy tables could be computed regularly, with eligibility limits moved up or down depending on the actuarial figures. Other groups in our society, including Native Americans and many Spanish-speaking peoples, have low life expectancy and it seems only fair that such persons should get back money they've been paying for retirement.

It's an interesting idea that certainly deserves further exploration. It might even spur better health care efforts by the government, and that should be a major item on the agenda for helping old folks.

They pay premiums for medical care, but much of their costs, like over-the-counter drugs and remedies, are never covered. They would be among the prime beneficiaries of a national health system that delivered quality health services for all.

Our society has a reputation for being a "throwaway" society; everything is disposable and we'd rather replace something than fix it. Unfortunately, that applies to people too, and our seniors are victims of the throwaway mentality that shuffles them into invisibility.

Until ours came along, every society honored its old folks and measured its humanity by the way it cared for those who past sacrifices entitled them to the comforts of dignified old age. It's a sad commentary that contemporary America so brutally violates the commandment to honor its older citizens.

RES PUBLICAE

HON. SHIRLEY N. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mrs. PETTIS. Mr. Speaker, as a mother of two teenagers, I am very concerned about what our young people are thinking today. I would hope that my colleagues also share in this concern, and will find the following essay written by Elizabeth Schweitzer, 1975 winner of the Palm Springs Rotary Club Americanism essay contest, of interest:

RES PUBLICAE

(By Elizabeth Schweitzer)

Not so long ago one third of the population of thirteen colonies rebelled and destroyed the tie to their government. They felt that government no longer deserved their loyalty. They did what they did for their personal gain and saw no shame in it. They were proud, stubborn, and selfish. The world did not love them, and they did not care. Although considered country bumpkins by the more "genteel" set, they were called "demigods" by their own kind.

They tried a not-so-popular form of government. Their first attempt failed, so they tried again. This time it went well. They lived through scandal, economic crisis, and an unpopular war. The mistakes were theirs. and they took the blame. The victories were theirs, too and they flaunted them.

Now, two hundred years later, the citizens of the country they founded are celebrating a bicentennial. Perhaps it is time to clear away all the cobwebs in the closets of those demi-gods and rediscover the basics of the nation the Founding Fathers set up.

At a time when there should be rejoicing that the United States has made it this far, the cry of the citizenry is, "America is going down the drain! Life is not worth living anymore; there are just too many problems."

In a way it makes sense, considering the apparently glorious history the United States has had. Movies, songs, and even textbooks proclaim that back in the "good ol' days" everyone was patriotic, goods were inexpensive, and this was the land of opportunity. It is no wonder the future appears gloomy; nothing short of paradise could compare with that Elysian heritage.

Life was not really that beautiful, but Americans like to think so. The Founding Fathers were called demi-gods by some of their contemporaries, but they turned the compliment down. They were good because they had something to believe in and to reassure them. If they were great, it was because the times permitted, and their souls demanded them to be.

In this modern day and age, will people be able to respond to the call? Everything seems to indicate the opposite. Pollution, corruption, and poverty are rampant. People are being labelled, licensed, and numbered. A different system of political thought is opposing the traditional "American Way". There is nothing solid to believe in. The entire idea of a United States of America appears bound for eternal damnation.

This concept is nothing new; critics of the United States have been hoping for it for years. Karl Marx claims that any and every free enterprise system will fail. His doctrine states that either socialism or total collapse shall eventually occur. His followers believe this, naturally. The question is: why do so many Americans believe it?

Do they follow Marx? Are the recent Washington scandals and the Vietnamese War so disillusioning? Are they so affected by the present economic imbalance? Do they really have a choice in what they believe?

The only way they could be convinced of the stability of this society would be to hear good news from the government. However, since the War Between the States, the U.S. Government has been considered generally corrupt and the credibility level is down (recent events have not been discouraging this sentiment.)

The Government has all of the characteristics of "Big Business," plus it is the only one licensed by itself. The people are having a hard time keeping track of it. There is a lot of room for "deals" to be made.

There are some honest people in office, but it is so tempting not to stay that way. The Founding Fathers were honest, but then there was no choice. Now, however, all that stands between a politician and temptation is a conscience and a good business sense.

Even if the entire government became honest, the public would still have problems with it. The few direct connections between the U.S. citizen and the U.S. Government have (for all intents and purposes) been severed. Speeches nowadays are polished by professional speech writers and delivered by a man with a bad make-up job. Governmental forms and letters are often verbose, impersonal, and indecipherable. Civil servants and office seekers are coming in all colors, shapes, and sizes, but they generally are considered cold, calculating, and inaccessible. The nation turns its eyes to the indirect method, the mass media.

The media possesses an awesome power. It is the only access to the government's inner workings, so it believed. The pen has always been greater than the sword, and now when ink flows from the pen of a journalist, the opinion of the public is being molded. The words in a common newspaper are oftentimes considered gospel.

This would go well enough, but a few factors are working against it. First, reporters are human; they can make mistakes. Second, the media is a vast free enterprise system. Free enterprises are successful only when they show a profit. The best type stories to sell are bits that are sensational, unusual, and bad news. The consumer that depends solely upon screaming headlines for information can be misled to believe his world is falling apart.

Loss of confidence is not the only drawback to an all-powerful media. Possibilities of use in propaganda are tremendous. If any one man or political group could get in control of the editors and anchormen, he or they could direct the history of the world. There have been examples of this in recent times. In the 1950's Senator Joseph McCarthy used the media to destroy individuals who did not believe as he did. Later, when a training camp for troops of various nations was held for anti-Communist guerrilla warfare, the John Birch Society spread rumors that the "Reds" were coming. In both cases, panic was widespread and people were victimized.

With all its drawbacks, the American media is one of the great accomplishments of humankind. Although it may be biased, as when information is proved incorrect, it has the wonderful asset of being able to admit error without admitting shame. Of course, humility is not stressed and the point it not overemphasized. If an apology is needed, it is made, and business goes on as usual, very efficiently.

It takes one editor to admit he is wrong in order to make others say the same. It is the same with the rest of society. It takes one body and soul to raise doubts, and then the system can start rejuvenating itself. This country cannot afford to be an army of corporate yes men working for the State and the almighty dollar. Without a non-conformist saying, "No! It should not work this way!" there would be no progress in human rights.

In this century, Americans have been stereotyped as men bowing and scraping to his employer in order to feed the wife and kids. In the meantime, his employer is bowing and scraping to politicians who are bowing and scraping to the people (at election time). Vicious circle? It is, when there are no individuals around.

Individuals are people who follow their own conscience instead of their greed. True, feeding loved ones is an honorable profession, but it is not necessary to bow and scrape.

A society (especially this one) is only as strong as its weakest member. Before, there has always been an ample supply of strong individuals. The Founding Fathers were individualistic rebels, and America has produced Lincoln, Thoreau, Theodore Roosevelt and even Eldridge Cleaver. The best way to produce strong individuals for the future is to provide a broad spectrum of concepts; this is true education. It is an old idea: the truth shall set you free. Brainwashing will only hinder this country's system.

This might be a nation of bureaucracies, corporations, and political parties, but without rebels and dissenters, there would be no progress in the field America is most noted for: Americanism.

Americanism is not following all those proud individuals who set up this country out of a sense of obligation. It means, rather, doing something because it is right. The reason it sounds so decent and humane is because it is not based on a politician's dream, but on respect for humanity. It must remain so, or the government of the people, by the people, and for the people shall perish from the earth.

CATASTROPHIC HEALTH COVERAGE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. MAZZOLI. Mr. Speaker, proposals to create a comprehensive national health insurance program of one sort or another have been introduced in this and past Congresses.

Despite the variety of health insurance plans which have been considered, it is apparent that there is no consensus as to the direction Congress should take on this subject.

Although it may be a long time before any large-scale health legislation is passed, Congress should not remain inactive.

People with special medical problems requiring expensive treatments need immediate relief. They need what legislatively is termed "catastrophic coverage."

Some advocates of national health insurance believe that catastrophic coverage should not be separated from the comprehensive health care question for fear that the press for comprehensive coverage would be lessened.

I, for one, do not believe the physical and the economic health of millions of Americans suffering from diseases requiring long and costly treatment should be held hostage to secure the adoption of an overall health insurance measure.

I am glad that the Washington Post, in this editorial of June 17, 1975, sees the issue in the same light:

INSURING THE NATION'S HEALTH

This country seemed, as recently as a year ago, to be on the verge of enacting a national health insurance plan covering most medical costs for everyone. Last January congressional leaders were talking optimistically of early enactment of a health insurance bill. But by now it is clear that the whole proposal is going nowhere at all this year. Whether there is any chance of enactment even in the years beyond depends on finding persuasive answers to a series of large questions. Some of those questions concern financing, but by no means all of them. There is a spreading opinion, in Congress and in the country, that simply providing more money, training more doctors and building more hospitals will not necessarily improve health care for Americans.

To use an analogy that practically everyone will find offensive, the health insurance issue is a bit like the rescue of the Penn Central. In both cases, all right-thinking people can agree that the service is essential and something has to be done. But in both cases any comprehensive solution involves a sufficiently large number of billions of dollars to induce extreme caution. Even if the money can be found, Congress does not want merely to continue obsolete service to places where no one wants to go. In health care as in railroading, there is the matter of featherbedding. Some studies have suggested that, for example, as much as one-third of the surgery done in this country is avoidable. It is evident that any insurance plan is going to have to include mechanisms to protect the patient from too much of the wrong sort of care, provided simply because it was available.

The fading of the current health bills illustrates the broad change that has recently overtaken national attitudes toward large social programs. Part of this change is obviously owed to the recession. But another part of it is a reaction to the great wave of social legislation of the 1960s. Many of these innovative laws turned out to carry costs and consequences far beyond anything predicted for them. The experience of the past decade is making the country cautious now about fundamental changes in the health care system. Medicare and Medicaid have been enormously valuable to the country, but they have also been enormously more expensive than their authors originally estimated. They have raised the questions of review and control that are going to have to be answered before the larger insurance plan goes into law.

Americans are currently spending a little over $100 billion a year for health and medical care. That figure has doubled in the past eight years, with a rising demand for these services compounded by an inflation rate much higher than the average for the economy. Out of that total, some $40 billion is public money, mostly Medicare for the elderly and disabled, and Medicaid for the poor. The rest is private money, and enactment of a comprehensive health insurance program means shifting some or even all of that $60 billion a year to federal administration.

Although President Nixon had supported a health insurance bill, President Ford decided last winter not to revive it. With the economy in a recession and the budget already running an extremely large deficit, he ruled against any bill this year. Health outlays, under a federal insurance program, would be the kind of expenditure that the Ford administration has denounced as uncontrollable. The budget deficit has become one of the most sensitive numbers in Washington politics. The painful surge of inflation over the past two years has made voters highly attentive to it, and the new budget procedures now require Congress to vote explicitly on a deficit. Most of Congress appears to have joined the President in his reluctance to add another large new unknown factor into the federal budget at this moment.

Beyond all of the large questions of public policy, the path of any health insurance legislation is further impeded in Congress by a sharp dispute over committee jurisdiction. Earlier this year, when the House Ways and Means Committees wrote a bill to provide health insurance benefits to the unemployed, the Commerce Committee protested that its territory was being invaded. The affair has now settled into a stalemate. If the House leadership ever chooses to resolve this tangle, it will be confronted with a much more serious controversy over financing these benefits. All of the present tax and premium proposals are dubious, to one degree or another. The technical difficulties in funding this limited protection for the unemployed is serving to dampen enthusiasm for proceeding with the much larger bill for general coverage of the whole population.

It may turn out that the only possible course is to abandon the idea of a comprehensive bill and, instead, continue to improve the present patchwork. Since the scale of the future system is extremely difficult to forecast accurately, perhaps the patch-by-patch strategy will turn out to be the wisest in the end. It permits Congress to address itself to one issue at a time.

The greatest immediate needs are catastrophic coverage for everybody, and basic care for rural areas. Even families with very good health insurance policies know that there is always a limit to the coverage. Even the most prudent family can be threatened with disaster by one terrible illness. But huge though the costs can be in individual cases, the price for catastrophic coverage is not large for the country as a whole. As for rural areas, experience with Medicare and Medicaid shows that merely making insurance money available is not enough to guarantee reasonable access to modern medical care. Meeting specific needs like these, one at a time, may well take the country toward adequate health insurance faster than a stalled argument over a comprehensive bill that now seems farther than ever in the distance.

STANDING UP FOR SOUTH KOREA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. CRANE. Mr. Speaker, shortly after the fall of South Vietnam, and following the rescue of the *Mayaguez*, Secretary of State Henry Kissinger declared that:

> There are limits beyond which the United States cannot be pushed.

With American credibility open to serious question, it is essential that the leaders of North Korea, Communist China, and the Soviet Union understand that we will not permit aggression to succeed a second time in Asia. It is necessary, at the present time, to restate our commitment to South Korea in terms so certain that no potential aggressor will miscalculate our response.

Korea clearly is the next test which the Communists intend to provide us with in that part of the world. As Saigon was collapsing, Kim Il Sung, the North Korean leader, was in Peking. A joint Communist Chinese-North Korean communique called for the withdrawal of all U.S. forces from Korea and reaffirmed China's "resolute support to the Korean People in their just struggle for an independent and peaceful reunification." Both phrases are strikingly similar to those used in the past concerning Vietnam.

Kim Il Sung's statement in Peking that, "North Korea would not stand by with folded arms in the event of a revolt in South Korea," is regarded as particularly ominous. The Park Government in Seoul—a government which admittedly has internal difficulties of its own—is facing increased opposition from students, clergymen and the press. South Korean sources fear that any demonstration might be used as a pretext for a full-scale Communist attack.

We must understand the North Korean strategy in this connection and leave no doubts that aggression will be countered, whether it is in its traditional form or is of a more deceptive, covert kind.

Writing in The New York Times, Zygmunt Nagorski, Jr., a staff member of the Council on Foreign Relations and previously a Foreign Service officer who served in South Korea, noted that:

> Korea's future is vital to the United States. It is vital not only as a strategic landmass essential to maintain stability in the Japan Sea and the entire Korea-Japanese area, but also for American self-respect and for our image in the world as a nation capable of living up to its commitments.

Mr. Nagorski concludes that:

> Should we declare our unwillingness to be with the Koreans tomorrow should their hour of stress arrive? Surely, we would be betraying our own beliefs. . . . Their abandonment to Northern aggression and eventual Communist take-over would be the end of their political and intellectual rebellions. How is it possible—young Koreans born since the Korean War would ask themselves—for Americans first to whet our appetites for freedom, only to abandon us when freedom is truly in danger?

I wish to share with my colleagues the important article, "Standing Up For South Korea," by Zygmunt Nagorski, Jr., which appeared in The New York Times of June 14, 1975, and insert it into the RECORD at this time.

[From the New York Times, June 14, 1975]

STANDING UP FOR SOUTH KOREA

(By Zygmunt Nagorski Jr.)

Korea's future is vital to the United States. It is vital not only as a strategic landmass essential to maintain stability in the Japan Sea and the entire Korea-Japanese area, but also for American self-respect and for our image in the world as a nation capable of living up to its commitments.

I am not arguing for the old-time notion of national honor. But I am appalled by the voices implying basic dishonesty to American motives. No one wishes to see another war in Asia. The concept of a sinister military plot concocted at the Pentagon welcoming another conflict reflects a part of today's national paranoia. There seems to be nothing beyond reproach, nothing free of suspicion.

The case of South Korea—in spite of President Park Chung Hee and his senseless authoritarian measures—has been a success story in Asia. It is a country which has gone through a trauma of a Communist war and a Communist occupation that left deep scars. Present opposition to the Korean Government stems partly from people's fears that another totalitarian system would weaken resistance to a possible attack from the North.

It may sound almost illogical but in Korea both sides—the Government and the opposition—have one common denominator: they both act to offset a possible outside attack. The Government feels that repression and law and order are the best methods to unify the country and make it strong; the opposition feels differently. No regimented people, the opposition feels, can have the necessary will to fight back against a totalitarian aggression. Therefore, a government permitting consensus and free debate is much stronger than one which superimposes its will. This is where the present Korean weakness lies. This is where a tendency exists on the part of some Americans to confuse the inner political struggle with President Park's repressive methods.

The mere fact of the existence of a democratic opposition in Korea is a success story. Add to it the Korean economic growth which made that little peninsula one of the most rewarding experiences for the American economic assistance program. Add to it Korea's basic determination to resist outside aggression. There is no trace in Seoul of the cancer which ate the military machine of South Vietnam. An average young Korean desperately clings to the notion of his own freedom of choice. He will fight for it if necessary. He is fighting for it now on the domestic front. He will do it elsewhere if needed.

And this is where the United States comes into the picture. For the last 25 years this country has been viewed as Korea's most reliable friend. It is from America that the concepts of people's participation in the Government came. It is from us that the notion of free press, of *habeas corpus*, of the legislative and executive roles and their divisions have been imported. It is from this part of the world that most South Koreans today are getting their political inspiration.

Should we declare our unwillingness to be with the Koreans tomorrow should their hour of stress arrive? Surely, we would be betraying our own beliefs. After all, they are in a rebellious mood because we helped them to be. Their abandonment to Northern aggression and eventual Communist take-over would be the end of their political and intellectual rebellions. How is it possible—young Koreans born since the Korean war would ask themselves—for Americans first to whet our appetites for freedom, only to abandon us when freedom is truly in danger?

This is not a call for another Asian war for Americans to enter. It is simply a call to preserve our own sanity. No man can live alone in the world of today. No nation can live alone, not even a nation like ours. The moral fiber of our international existence must be built around a system of values.

If these are rejected in a clever maze of rhetoric attributing sinister motives to anyone who hesitates to abandon these values, only a void would remain. Insuring for South Koreans today a feeling of confidence that they are not alone and that their acquired concept of a consensus Government cannot be lost without a struggle would be one way to prevent such a struggle.

It would also be a way to reassure ourselves that we are capable of standing up and being counted, for our own sake, not for anybody else's.

FEDERAL AUTHORITIES AND RECOMMENDED FEDERAL ACTIONS

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. ESCH. Mr. Speaker, last week the first portions of a study done by the Interagency Task Force on Inadvertent Modification of the Stratsophere—IMOS—were released to the public. This was the product of a 5-month investigation on the effects of fluorocarbons on the Earth's ozone layer. The task force, under the coordination of the Council on Environmental Quality and the Federal Council for Science and Technology, was composed of 13 separate Federal agencies having a direct concern over ozone depletion.

I am particularly interested in the work of the task force because of my concern over the possible damage being done to the ozone layer by fluorocarbons. Congressman PAUL ROGERS and I have introduced legislation which would fund further Federal research on fluorocarbons and ban their use in aerosol cans in 2 years unless proof can be found that they are not harmful to health and the environment. Hearings on this legislation have been held in both the Interstate and Foreign Commerce and Science and Technology Committees and both committees are currently marking up our bill.

Though I am not in full agreement with everything in the task force report, I would like to commend Chairman Peterson of the Council on Environmental Quality and Chairman Stever of the

Federal Council for Science and Technology for their efforts. They have recognized a need for cooperation among the Federal agencies which I believe is essential in any further research on this problem.

Since the question of fluorocarbon damage to the ozone is gaining considerable public attention and legislation may be coming to the floor on this subject, the task force report should be of interest to all Members. I am including in the Record the section of this report on recommended Federal actions:

Federal Authorities and Recommended Federal Actions

Products that release fluorocarbons ultimately reaching the stratosphere can be divided into four categories according to how they may be regulated.

Fluorocarbons that are used as propellants in foods, drugs, and cosmetic products can be regulated by the Food and Drug Administration. These same compounds used to propel pesticide products can be regulated by the Environmental Protection Agency. Any other product (except automobiles) produced for distribution to, or use by, consumers can be regulated by the Consumer Product Safety Commission.

There is, however, no Federal authority governing any of the other fluorocarbon uses such as automobile air conditioning, industrial and commercial applications for air conditioning and refrigeration, and uses as a foaming agent of fire retardant. The proposed Toxic Substances Control Act now pending before Congress would provide for effective control of all uses of fluorocarbons if required and, in addition, would provide a regulatory base for control of a wide variety of potentially harmful substances with broad environmental consequences. This is the preferred approach in lieu of narrower specific legislation for fluorocarbons. The task force urges rapid passage of this legislation to fill these important gaps in the applicable Federal Authorities.

The task force has concluded that fluorocarbon releases to the environment are a legitimate cause for concern. Moreover, unless new scientific evidence is found to remove the cause for concern, it would seem necessary to restrict uses of fluorocarbons–11 and –12 to replacement of fluids in existing refrigeration and air-conditioning equipment and to closed recycled systems or other uses not involving release to the atmosphere.

The National Academy of Sciences is currently conducting an in-depth scientific study of man-made impacts on the stratosphere and will report in less than a year. If the National Academy of Sciences confirms the current task force assessment, it is recommended that the Federal regulatory agencies initiate rulemaking procedures for implementing regulations to restrict fluorocarbon uses. Such restrictions could reasonably be effective by January 1978—a date that, given the concern expressed now, should allow time for consideration of further research results and for the affected industries and consumers to initiate adjustments.

In order to reduce the chance of unduly penalizing producers and marketers of aerosol products that do not use FX–11 and F–12, the task force recommends that the regulatory agencies proceed immediately with consideration of a requirement that all aerosol products using fluorocarbons be labeled to indicate their fluorocarbon content.

International cooperation is strongly urged, inasmuch as the U.S. produces and uses only about one-half of the world-wide fluorocarbons, and effects on stratospheric ozone from ground release transcend national boundaries. The State Department will initiate and coordinate a program of international exchange of information, cooperative research, and proposals for international action to help implement uniform policy actions on a world-wide basis. U.S. concern will be expressed and coordination will be initiated in the Organization for Economic Cooperation and Development (OECD), other international organizations, and through bilateral channels.

Mr. Speaker, I also want to take this opportunity to extend congratulations to the Johnson Wax Co. of Racine, Wis., for its action in removing fluorocarbon propellants from its spray can products.

I am pleased to see this company responding responsibly without the threat of Government action. Johnson Wax has proved that American industry can act with speed and responsibility to environmental problems and that they can do so on their own initiative. I believe they deserve the thanks of the American public.

The action of this major producer of consumer goods proves another point as well—it illustrates conclusively that other propellants are available and that a company can use them without damaging its competitive position in the market.

IOWA SUN ENERGY PLANT WOULD BE WORLD'S LARGEST

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. HARKIN. Mr. Speaker, many individuals, private industries, and local governmental units are showing once again that not all leadership is in Washington, by taking the lead in developing solar energy. Surely, if we are to meet our energy demands of the future, we must begin to rely more heavily on the inexhaustible source of energy of the Sun. I am proud that my home State of Iowa is taking the lead in this area. A recent article appearing in the Ames Daily Tribune, June 5, 1975, describes a solar heating and cooling project contemplated for a new statehouse complex. I insert this article in the Record as information for my colleagues:

Talk Solar Heating-Cooling for Statehouse: Iowa Sun Energy Plant Would Be World's Largest

(By Randy Minkoff)

Des Moines.—If the legislature acts on a small appropriation soon, the state can begin work July 1 on what state officials are convinced could lead to the largest public solar heating project in the world.

Gov. Robert D. Ray has asked and is likely to receive approval for a $200,000 experimental solar heating project to both heat and cool the Statehouse complex, and leaders have indicated they would go along with the allocation.

If that is the case, state General Services Director Stanley McCausland said the solar heating project would begin on or about July 1 as the first step in a move designed to cut fossil fuel use by statehouse office buildings by 20 per cent.

"We've no doubt that they will pass the appropriation," McCausland said. "It's a small allocation but it's for a project that would lead to a tremendous breakthrough for solar heating in the state."

The implementation of solar heating could not come overnight nor could it totally replace existing use of coal, gas or fuel. Long-range expectations by designers indicate the state's goal is to have 20 per cent of the heating and cooling of existing state buildings and the two new facilities to be built this summer to rely on the sun.

Simultaneously, the state is planning to build a new power plant for Statehouse complex buildings which will eventually be connected with the use of solar "panels" that would be located on a bluffs area south of the capitol.

"If we approve the money for the experimental station, which will involve installation of four to eight 'dishes' that we can monitor, we could be talking about 400,000 square feet of solar panels that draw energy from the light of the sun," McCausland said. "This would be the largest type in the world and would draw researchers from all over the world if it works."

The experimental project would last about two years—about the length of construction for the state's two new office buildings—to see if the solar panels are feasible for the larger scale heating.

"We would be able to tell in two years from next month if we can go ahead with this thing," McCausland said. "We're fortunate because of the land area and the bluffs around the capitol to install these reflectors if we find the project feasible."

The bluffs area around the Statehouse is an "ideal location" according to McCausland because the tilt of the land is within a few degrees of the angle at which the reflectors should be set to get the maximum sunlight. In addition, the consulting firm which studied the Statehouse land for the project said Iowa receives enough sunlight to provide sufficient energy.

IT IS TIME TO ADJUST DAIRY PRICE SUPPORTS

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. KASTEN. Mr. Speaker, on Tuesday Representatives Steiger of Wisconsin and I sent a letter to Secretary Butz urging his immediate consideration of adjustments in the dairy support levels in order to return to 80 percent of parity.

Rising production costs and falling dairy prices since January, when the price support levels were last adjusted, have forced many dairy farmers to convert to grains and other crops or leave farming entirely. Although Representative Steiger and I would have preferred quarterly adjustments in the price support levels, as provided for in the vetoed emergency farm bill, we believe that it is imperative that Secretary Butz exercise his authority to make periodic adjustments at this time.

Mr. Speaker, I would like to request that the letter be inserted in the Record at this point:

Congress of the United States,
House of Representatives,
Washington, D.C., June 18, 1975.

Hon. Earl L. Butz,
Secretary of the Department of Agriculture,
Washington, D.C.

Dear Mr. Secretary: After the President vetoed the Emergency Farm Bill of 1975, you wrote to Congressman **Wampler**, Ranking Minority Member of the House Agriculture Committee, saying "it is our intention to make a semi-annual review of the dairy price support situation in the year ahead." Since the dairy price supports were last adjusted in January, the time for the review is at hand.

Although we personally believe that no less than quarterly adjustments in the price support are essential, the semi-annual reviews are a step in the right direction.

Since the January adjustment, production costs for the dairy farmer have continued to escalate while dairy prices have fallen. On January 3, when the new $7.24 support level was announced, it represented 80 percent of parity. By April, dairy farmers were receiving only $7.02 per hundredweight for manufacturing milk—$.22 below the support price and only 75.4 per cent of parity.

The continuing deterioration of dairy prices is having a devastating effect upon the dairy industry in Wisconsin. The Wisconsin Department of Agriculture recently reported that more Wisconsin dairy farmers quit dairying in the first four months of 1975 than in all of 1974. The January-April loss was 939 herds compared to 895 for all of last year. According to the U.S. Department of Agriculture, at the end of 1974, Wisconsin had the lowest number of farms since the 1870's.

We believe that a timely and equitable adjustment of the price support levels is in order for the first week in July. We urge you to act immediately to adjust the dairy price supports rather than waiting until the hearings by the House Agriculture Subcommittee on Dairy and Poultry tentatively scheduled for July.

Best regards,

ROBERT W. KASTEN, JR.,
Member of Congress.
WILLIAM A. STEIGER,
Member of Congress.

OF KENNEDYS AND KINGS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. BIAGGI. Mr. Speaker, columnist William Safire has a most telling commentary on the wiretaps of Martin Luther King during the midsixties. While a good portion of his essay discusses the failure of Kennedy supporters to criticize the questionable actions of their much admired leader, I am more interested in his comments about the justifications for the wiretaps.

Throughout history, philosophers as well as politicians have struggled with the morality of whether the end justifies the means. In most cases, when viewed with hindsight, we tend to excuse the means used by well-meaning people in light of the great good they have accomplished. This, despite the fact that if the circumstances of the means were known at the time of the activity, its occurrence would have been soundly condemned.

The lesson we as Americans must learn from the sixties and seventies is that no individual with the immense powers of this Government at his hands is immune from misusing those powers—albeit to a greater or lesser degree. It is now essential to install the necessary checks on the abuse of power to prevent this personal corruption.

For the benefit of my colleagues, I am including Mr. Safire's column at this point in the RECORD.

[From the New York Times, June 20, 1975]

OF KENNEDYS AND KINGS

(By William Safire)

WASHINGTON.—The diehard loyalty of the old Kennedy mythmakers is glorious to behold.

Those who have been assuring us for years that the Kennedys secretly battled J. Edgar Hoover gulped silently when Ben Bradlee recently broke ranks to reveal how President Kennedy invited the F.B.I. director to the White House to pore over dossiers and chortle over the peccadilloes of public men.

Those same Kennedy mythmakers helped fashion an article of impeachment when it was revealed that President Nixon ordered the F.B.I. wiretapping of newsmen. They now stand mute as the Rockefeller Commission report states that a newsman had been wiretapped by the C.I.A. in 1962—with no authority in law—"apparently with the knowledge and consent of Attorney General Kennedy." (We'll soon see if Frank Church follows that up.)

However, several old Kennedy hands have taken vociferous unbrage, in public and private, to a point made in this space about the double standard used in judging past Presidents: "Nixon never ordered the extended wiretapping of a civil rights leader for the purpose of leaking derogatory information about him to the press."

This referred to the wiretap that Attorney General Kennedy directed the F.B.I. to place on Dr. Martin Luther King Jr. on Oct. 10, 1963, and which remained in place for more than eighteen months until removed on April 30, 1965, by Robert Kennedy's successor, Nicholas Katzenbach.

During this time, in an attempt to besmear and discredit Dr. King, F.B.I. agents—in violation of the law—played recordings of bugged conversations and sounds from Dr. King's hotel rooms to newsmen, and even mailed one such salacious recording to Dr. King's wife. The Department of Justice has never sunk lower, before or since.

Nobody disputes those facts. The question is: Did the Kennedys have good reason to suspect that the purpose of the tap was not national security, and that the F.B.I. would leak whatever it found to smear its most outspoken critic?

Mr. Katzenbach tells me no. He writes: "A telephone tap on a phone used by Dr. King was authorized by Attorney General Kennedy in 1961 or 1962 [*sic*]. That tap was requested by Mr. Hoover on national security grounds by a written memorandum, which stated in the strongest terms that Dr. King was closely associated with a person known by the Bureau to be a high official of the Communist party in close contact with the U.S.S.R.

"The purpose of the tap was stated to be to assist the F.B.I. in determining whether Dr. King and his movement were being manipulated by this person in the interests of the Soviet Union."

I am informed by Mr. Katzenbach that in December 1964, (while the F.B.I. wiretap on Dr. King was still in operation) he was told by reporters that the F.B.I. possessed recordings of "buggings" of Dr. King which they were playing to newsmen. "I immediately inquired of the Bureau if this improper activity was in fact taking place and it was flatly denied. . . . I believe the activity did, however, cease immediately."

Mr. Katzenbach carefully differentiates between the warrantless wiretap approved by Mr. Kennedy and the "buggings" that he then thought were made by state law-enforcement officials. He believes there is a difference; I believe one reinforced the other.

He is correct, however, in denouncing as "utterly false" my assertion that the Justice Department had recently admitted that the purpose of the King wiretap was "investigating the love life of a group leader for disseminating to the press." The department did use those words to describe the F.B.I.'s counterintelligence program and the leader referred to was Dr. King, but Mr. Katzenbach had left the Justice Department by that time and I regret the error.

I cannot accept, however, the mythmakers' line that Robert Kennedy was the innocent dupe of J. Edgar Hoover in this tawdry episode. He knew Mr. Hoover was out to "get" Dr. King's reputation; he knew how the director used raw material gathered in dossiers to titillate confidants, even Presidents. I believe Mr. Kennedy's purpose in authorizing the wiretaps was primarily to appease the powerful F.B.I. director, even if it meant letting him destroy the reputation of Martin Luther King.

Mr. Katzenbach insists that his own motive was purely national security, and I am satisfied that he believes that this is true. Yet, as he points out, he learned of the F.B.I.'s smear campaign in December 1964; with very good reason to know the real purpose of the F.B.I. tap, and with the power to terminate it with a single command, Mr. Katzenbach permitted the King wiretaps to continue for an additional five months. He had reason to suspect the commission of crimes by lawmen and—aside from asking the newsmen who alerted him to reveal their sources—the nation's chief law officer did nothing.

Privately, Kennedy mythmakers have been saying that the appeasement of Hoover on the King wiretap made it possible to pass the 1964 Civil Rights Act. How's that for irony? Shades of Daniel Ellsberg and Gordon Liddy, men who thought it was right to break a few rules because they saw a higher cause. The Kennedys were willing to subvert the personal civil rights of the nation's leading fighter for civil rights—and do it in the name of civil rights.

ENDANGERMENT OF HUMAN RIGHTS AND NATIONAL SECURITY IN SOUTH KOREA

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. DERWINSKI. Mr. Speaker, in yesterday's RECORD, I inserted Dr. William Walker's remarks on the endangerment of human rights and national security within South Korea.

At this time, I would like to include further comments by Dr. Walker who testified before the International Relations Subcommittee on International Organizations on this subject.

I believe that his remarks deserve an indepth review:

ENDANGERMENT OF HUMAN RIGHTS AND NATIONAL SECURITY

Despite its many imperfections we need to remember that the Republic of Korea is a far cry from its rival in the North. A recent article in the Far Eastern Economic Review—May 16, 1975—by Roy Whang, which is essentially negative toward and critical of the Park government in the South, nevertheless observes:

> For it is important to keep a sense of proportion and recognise that no matter how authoritarian Park's Administration may be, it is the personification of perfect democracy compared with the Byzantine power-play in hermetically-sealed Pyongyang.

Basic human associations such as the family and religious groupings and many aspects of art, literature, and historical research enjoy full freedom in the Republic of Korea, except where they impinge on immediate political activism. Prof. Jerome A. Cohen in his testimony of May 20 before this subcommittee commented on "the Park regime's descent toward totalitarianism." I suspect that Professor Cohen himself knows that the relatively pluralistic society and economy in the Republic of Korea and the absence of an all-embracing and pervasive ideology hardly justifies this term.

Second, it is important to remember that we are basically constrained against interference in the domestic affairs of other countries. Here in the case of the Republic of Korea, Americans have sometimes carried their political concerns and activism beyond bounds. This has been true in the case of some of our missionaries whose activities have sometimes resulted in the regime's interference in church matters and whose insistence on their own special rights has on occasion smacked of a former age of imperialism.

I note, for example, that in his testimony before this subcommittee the Reverend James P. Sinnot talked of his efforts to "make churchmen aware of the uses Park was making of them." He testified about seven months of political activity in the Republic of Korea, when he said, "We got much educating done at the almost bi-weekly prayer meetings." Such activities by foreigners could serve as a catalyst for turning the government against the Christian churches (symbols of foreign influence which modern nationalism needs to eliminate) and to turn Christians into activists against their government.

Third, the political traditions in lands such as Korea are all too frequently different from our own. Traditionally and today, government in Korea is not popular and its legitimacy is not usually judged by ratings in a Gallup poll. An American medical missionary who has served as a presidential interpreter, Dr. Paul S. Crane, has noted in his book, *Korean Patterns:*

By its very nature, the average Korean traditionally has looked upon government as a nuisance. Government is thought to exist largely for the benefit of the rulers. People seem to have little love for the government or those connected with it. Whereas there is great emotional loyalty to Korea, there often seems to be little sense of loyalty to support the administration in power.

Too frequently Americans with little experience in Korea are likely to forget this fundamental attitude in making assessments of current politics and policies.

Fourth, there has been a long accumulation of trends, events and incidents which have affected security perceptions in the South and particularly those of President Park. These have tended to reinforce each other and led to the enactment of Draconian measures and to acts of repression which all of us can only lament and deplore—repression of the student movement, political kidnappings, or actions against the great Korean daily *Donga Ilbo*—but it is legitimate to wonder how immune we would be to an exaggerated we-they attitude if we endured a similar catalog of problems. We can only remember the siege mentality revealed for our own White House through the Watergate hearings to realize how much more intense it might be for the Blue House in Seoul. Let me just briefly list a few items:

Literally thousands of violations on an almost daily basis of the Truce Accord to include sending commando units into the Republic of Korea.

The almost successful attempt on the life of President Park by a large commando unit sent from the North and getting within a few hundred feet of the Blue House in January 1968.

The seizure of the U.S. ship *Pueblo* a few days later resulting in American negotiations with the North on a bilateral basis and a relative ignoring of the seriousness of the Blue House raid.

The shock of the opening to Peking without informing our Korean ally.

The signature in January 1973 of the Paris Agreement which allowed North Vietnamese forces to remain in South Vietnam and signalled a defeat for American power at the hands of Communist forces.

The impact of detente diplomacy on a government which still has to cope with a Kim Il Sung whose every action defies detente.

The successes of North Korea in the Third World denied to the government of President Park because of its close ties to the United States.

The assassination attempt against the Korean President in August of last year which resulted in the tragic killing of his wife, and finally

The uncovering in the last seven months of the formidable tunnels which the North Koreans have dug underneath the demilitarized zone and which could be used by men of Kim Il Sung disguised as South Korean troops to give the impression of the military revolt against the Park government. This could make the situation sufficiently ambiguous to interfere with an effective American response to a Northern drive South.

Such is only a partial listing of important items. In Korea, an oft-forgotten country, a little country, and an area viewed not in terms of its own intrinsic value but as subordinate to policies toward Great Powers, the sum total can occasion serious insecurity indeed. In addition, we must remember the Koreans do follow closely developments in the United States because of their intimate dependence upon us. Numerous Korean leaders, including those in the opposition parties, have expressed to me their concern about an isolationist sentiment they sense here.

Fifth, there has been some tendency on the part of Americans who are prone to project our own institutions upon foreign lands, to assess the human rights issue in terms of political rights. Sometimes issues in Korea are judged in terms of elections, representative democracy, or unrestrained political activism. All too frequently the very activities for which South Koreans find themselves arrested or oppressed are expressions of political division and opposition. The society is one which seeks consensus rather than opposing positions, and organizational activities which our Anglo-American tradition regards as essential human freedoms are in Korea subversive political opposition.

Finally, and by all odds, most significant, Korea must be fitted into the general security picture of the Northwest Pacific. This is the area where the three great atomic powers meet, where the three greatest industrial powers meet, and where three of the six most populous nations of the world meet. It is the area of the most rapid expansion of American trade and of most significant economic development. And Korea is right at the heart of it—in the cockpit, so to speak.

In the last 2 years I have spent quite a bit of time on several visits to Japan, and I cannot stress enough how vital the Japanese regard the security of South Korea to their own. In the wake of Vietnam any indication of an abrogation of the American security commitment to Korea would have repercussions which could threaten the stability, development, and potential viability of the whole of Northeast Asia.

I find myself in wholehearted disagreement with the statement made to this subcommittee by Prof. Jerome A. Cohen that "a non-Communist South Korea is not vital to American security interests." Since he informed you that he based his recommendations on that assumption, I find it difficult to take his recommendations seriously. South Korea has become one of our own great trading partners (last year total import and export trade with the United States amounted to more than three billion dollars). Its trade with Japan is even more important for Tokyo. The Republic of Korea is locked into a growing web of Free World trade in the Pacific. Thus its continued security is related in these sensitive days of international economic interdependence to the financial stability of many countries, including the United States.

The Republic of Korea, as this Subcommittee has been told, has registered some remarkable achievements in growth and development over the past decade and a half. In come cases this has brought with it expansion of important human rights (such as the right to decent food, clothing and shelter), but it has also occasioned social tensions, especially in the burgeoning urban areas, particularly Seoul. It is necessary to remind ourselves that much of what is happening in Korea takes place outside of Seoul and that the capital city is beset with problems and tensions, political activism and ambitions which are not necessarily reflective of all of Korea. Human rights have expanded at least to some extent in the rural countryside, as anyone who visited Korea and saw the impoverished condition in the years immediately after the war can attest. Improvement of the lot of the peasant through rural electrification, increased supplies of fertilizer and energy, and through the construction of transport facilities have reflected a cooperation between our two countries in which the assistance of the United States has helped the average Korean.

Nevertheless, there is a problem in Korea as testimony before this Subcommittee has made only too clear. While putting the Korean problems within the larger framework, we are not necessarily offering rationalization for practices which can possibly serve to undercut the very security of the Korean peninsula about which we worry. Corruption in human values, arbitrary and inhumane treatment, or repression of free expression of ideas serve neither the long range future of the United States nor the Republic of Korea.

RECOMMENDATIONS

It is with this background in mind that my own recommendations to this Subcommittee are made in the hope that perhaps its work can serve to initiate a spiral of self-confident expansion of human rights on the Korean Peninsula. I hope that the tone can be positive and constructive rather than negative and disruptive.

1. Make the first order of business to reassure the people in south Korea that you regard their security and freedom as a major concern for the United States and that we will honor our mutual defense commitments with the Korean people.

2. In reporting findings and making your own recommendations to the Congress, do not fail to observe the nature of the Communist rule in North Korea. It is important, especially in the era of detente policies, that we not adopt a one-sided policy of criticizing and pressuring only our allies.

3. Give indication that we Americans understand some of the difficulties as well as the threats to security which beset our Korean ally and that we are anxious to assure that type of security which will enable the expansion of personal and civil rights for the Korean people.

4. Seek as a *quid pro quo* for continuing Congressional support for military and economic support, undertakings, commitments, and long-range plans from the Korean government for the guarantee of human rights as security increases in the peninsula.

5. Initiate a series of regular consultations with regard to the subjects which this Subcommittee legitimately feels it can pursue without being charged with interference in the domestic affairs of another nation or with being indifferent to different cultural values.

6. Finally do our many Korean friends in the Korean Government as well as those in

opposition the courtesy of letting them know that American concern for human rights there is not derivative of a prior concern for other powers. It is important that your deliberations in this Subcommittee not be the occasion which could lead Kim Il Sung to make a miscalculation of American resolve in the Western Pacific.

THE DEFENSE BUDGET: MORE, MORE, MORE

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. EDGAR. Mr. Speaker, a recent article by Leslie Gelb which appeared in the New York Times, offers what I feel is a provocative analysis of a major area of debate in Congress on the issue of defense spending. Gelb points out with insight, that this year's Department of Defense budget request is a significant indication of a trend of increased budgets in future years. This request occurs at the very time many Members of Congress have been critically scrutinizing appropriations for defense.

The new programs we authorize, Mr. Speaker, will be adding billions of dollars to future authorizations. Each time we approve a new program, the defense budget inflates proportionately. Cost overruns have further exacerbated attempts to limit wasteful spending.

Despite our propensity for spending heavily on defense, we are, perhaps, no more secure than we were before the days of Minuteman and MIRV. Perhaps political cooperation offers more of a road to security than doomsday technology.

Mr. Speaker, I wish to insert for the Record Mr. Gelb's article which appeared in the June 15 issue of the New York Times:

The Defense Budget: More, More, More

(By Leslie H. Gelb)

Washington.—Congress is now well on its way to passing what Defense Secretary James Schlesinger calls his "turnaround defense budget" and what defense critics call "the camel's nose." It is both and more.

When the policies embedded in this $100 billion-plus budget are analyzed and when the politics of its passage are examined, the effects over the next five years are of great importance.

It will lead to military spending on the order of $150 billion, counting inflation, by 1980, by the Pentagon's own estimates.

It will thus mark the death-knell of the domestic priorities campaign launched by liberals with so much fanfare years ago.

The Navy increasingly will become the dominant service as the budget pie is sliced each year, with the Army descending into last place.

New strategic nuclear programs will get under way, intended as "bargaining chips" with the Soviet Union. The programs could, just as easily, lead to a new round of deadly nuclear competition.

Perhaps most important, the Pentagon acknowledges that the budget is designed to enable the United States to meet all of its existing commitments; the budget has not been framed with a view toward re-examining those commitments.

When Mr. Schlesinger spoke of a turnaround budget, he meant that this would be the first defense budget since about 1969 where the increase in military spending actually exceeded inflation. But more significant than the real increase in spending this year over last (estimated at about 8 per cent), is the new direction this budget will give to future military spending.

In actual figures between fiscal years 1972 and 1976 outlays went from $75.8 to $92.8 billion. However, until the fiscal year now being reviewed, the average spread between appropriations requests and outlays was about $6 billion. For fiscal year 1976, however, the gap leaps to $12 billion. The greater the spread between these two figures, the larger spending will be in succeeding years. This is because the funds are being committed to start programs that will inevitably expand and lead to even larger expenditures in future years. In other words, Congress is not only being asked to pass this year's defense budget, but to make commitments on spending over the next five years. As Mr. Schlesinger himself acknowledged in his budget presentation, there will be a real annual increase in spending of about $2.4 billion for actual arms modernization and force readiness (that is, over and above pay increases and retirement costs), over the next five years.

When the House and the Senate debated and voted on the key part of this budget over the last several weeks, the $28 billion Arms Procurement Bill, neither the indignation nor the votes were there among liberals and moderates to turn around the turnaround budget.

With the influx of liberals in the Congress from the last election, it seemed almost certain that this was the year for turning guns into butter. But the bill passed the House by better than a 3-to-1 margin. In the Senate, amendments to make modest cuts were beaten back by votes on the order of 56 to 39.

As in previous years, it was expected that the votes in the Senate would hinge on 10 to 12 "swing" senators. The other votes for and against were pretty much set. But this year, Democrats such as Edmund Muskie of Maine and John Pastore of Rhode Island, and Republicans such as Charles Percy of Illinois and James Pearson of Kansas, went the other way. Having held their ground over further aid to Indochina, they were in no mood to challenge the Administration on other foreign policy issues and run the risk of being labeled isolationists.

As this defense pie grows in succeeding years, more and more of it will go to the Navy, principally for ship-building. Navy ships are projected to increase from about 500 at present to about 600 in the mid-1980's. The division of the pie by services this year shows about $34-billion for the Navy, about $30.5-billion for the Air Force, and about $25-billion for the Army. The Brookings Institution estimates that Navy expenditures will rise at about 6.3 per cent each year over the next five years as compared with 5.4 per cent for strategic nuclear forces, 4.4 per cent for tactical Navy and Air Force aircraft, and 3.3 per cent for the Army.

Most of the increase for the Navy is due to two factors. Congress mandated that new combat ships be nuclear-powered. This drives costs way up. And the Navy is the only service that says it cannot make reductions in the costs of support forces. Moreover, the increase comes at a time when a number of nongovernmental critics are questioning the role of a large surface naval fleet. Is a large Navy needed to flight an extended war in Europe? What does it mean in today's world to protect shipping and trade lanes?

The cost of new strategic nuclear weapons is not great in the new budget, but the kinds of weapons research and development that Congress has now approved are considered to be of great importance. The new programs—to enhance the explosive power and accuracy of missiles—will, if fully exploited, give the United States the capability to destroy Soviet missiles in their hardened silos. Since the present mutual balance of terror is based on the ability of each side to destroy the other even after being attacked first, these new programs could undermine that balance.

Mr. Schlesinger speaks of the new programs as levers to bring about Soviet concessions in the Nuclear Arms Limitations Talks. But if the United States were to test these new weapons, it is almost a certainty that Moscow would want to do the same. Thus, threats with good intentions in the past have led to new arms races.

What drives this defense budget for President Ford, Defense Secretary Schlesinger and Secretary of State Kissinger is two factors. One is the continuing and somewhat inexplicable improvements in Soviet military power. The Administration is determined that the United States keep pace. Second is their attendant belief, as Mr. Schlesinger put it, that "We have vital interests in Western Europe, the Middle East, the Persian Gulf and Asia." His watchword is "steadfastness." There is no sign, especially in the post-Vietnam environment, of a new adjustment in American overseas commitments.

The defense budget debate is not yet over this year. Other parts of the budget must be authorized and then the Congress must go through the appropriations process. But unless something drastic happens to alter the Congressional mood, it seems safe to say this: The liberals and moderates won their battle of principle over Vietnam only to decide that now was not the right time to extend these principles to other parts of the world; that for a while, things should stay about the same.

NEW HOUSING BILL

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. ASHLEY. Mr. Speaker, I have been joined by my colleagues, Thomas M. Rees, Democrat of California, and Robert G. Stephens, Jr., Democrat of Georgia, today in introducing a new housing bill incorporating the main features of the Emergency Homeowners Relief Act and the Emergency Middle Income Assistance Act approved by the House earlier this year. I am pleased to say that more than 50 Democrats have joined in sponsoring this measure since it was drafted late yesterday.

I am also pleased to say that this bill meets the major administration objections to the conference report and I have good reason to be satisfied that the President would sign it into law.

The question is whether the Congress is going to insist upon confrontation with the White House even when the President is willing to cooperate—indeed, to come 95 percent of the way. I think people want us to produce, not posture for the sake of politics.

The legislation introduced today is fully responsive to the two emergency housing measures which our Democratic Caucus gave top priority to earlier this year: An emergency housing measure to stimulate home building and mortgage foreclosure relief for home owners whose income has been substantially reduced as a result of the current recession.

Title I of the new bill is designed to stimulate the construction of 400,000 new homes during the coming year. It authorizes a 7½ percent mortgage program in place of a program in the conference report which offered home buyers the choice of a 7-percent mortgage for the life of the mortgage, a 6-percent mortgage for 3 years, or a $1,000 grant to cover the downpayment on a new home. At least 80 percent of the $10 billion authorized for this new program is earmarked for purchase of mortgages up to a maximum of $36,000. The purchase of multi-family and condominium units is included in its provisions.

Title II incorporates the major features of Ashley's original Emergency Homeowners Relief Act. It authorizes loans of up to $250 a month for homeowners at least 3 months delinquent in their mortgage payments and threatened with foreclosure because of unemployment or substantial loss of income. Such distressed homeowners will be limited to twelve months participation in the program which will expire on June 30, 1976. An additional 12 months eligibility is available for homeowners deemed by the Secretary of Housing and Urban Development to be in need of such assistance. The new bill authorizes HUD to enter into coinsurance agreements with lending institutions providing mortgage relief where this is determined to be more expedient than direct advances from HUD.

As we pointed out yesterday in a letter to Democratic House members, the extraneous, nonemergency, nongermane Senate amendments contained in the conference report are dropped but will be the subject of a separate bill.

In short, the new bill carries out the will of our Democratic Caucus, it meets the strictures of the Budget Resolution we recently adopted, and it is a measure that can become law and help people—an objective we are sure you share.

Let us be candid and realistic: The dual objectives of this bill represent Democratic initiatives. The administration has offered no alternatives. Nonetheless, the President is willing to cooperate if we are willing to meet some of the reasons for his upcoming veto of the conference report. Inasmuch as our basic Democratic aims will be met, and since we don't hold all the trump cards, we think cooperation makes better sense than confrontation—especially a losing confrontation.

LAFAYETTE LAKE AND THE NEED FOR FLOOD CONTROL

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. FITHIAN. Mr. Speaker, last week, the Wabash River crested at 6 feet about flood stage, flooding two to three thousands acres of Indiana farmland. This recent flood is part of a continuous problem that has plagued the Lafayette area for decades.

For 6 days in early June of 1958 pounding rain, high winds, and hailstorms struck Tippecanoe County. Swelled by the storm the Wabash River overran its banks, reaching more than 15 feet above flood stage. At the height of the flood nearly 20,000 acres of Tippecanoe County, including the low-lying sections of Lafayette and West Lafayette, were under water.

It was not the first time that devastating floods hit the Lafayette area, nor will it be the last. Since 1943 eleven persons have lost their lives as a result of Wabash flooding below the Wildcat. Engineers estimate that we can expect a flood like the 1958 flood once in every 15 years; floods like the 1943 disaster which cost four lives and swelled the Wabash to more than 17 feet above flood stage can be expected every 50 years; and the record-breaking devastation of the worst flood in county history, the 1913 disaster, is likely to be repeated once in every hundred years. Those who witnessed these disasters should remember that the conditions which caused them will definitely return.

Although scientists and engineers can predict how many floods will occur over the years, they can not predict exactly when flood waters will hit our area again. That is why we need to plan in advance to reduce the threat to lives and property in our county.

Some people say that the best way to protect an area from floods is to put money in the bank to pay victims for damages after floods. But that is not the same as preventing people in our area from becoming the victims of flooding. No amount of money can fully repay loss of human life.

There is one proven way to reduce the threat of flooding on the Wabash. The flood-control reservoirs at Salamonie, Mississinewa, and Huntington are already protecting lives and property in the upper Wabash and are taking some of the edge off floods that reach Tippecanoe County. The reservoir planned for the Lafayette area will take nearly two additional feet off flood crests at Lafayette, providing the protection against floodwaters we need. I insert the following:

WABASH RIVER FLOODING—THE GOOD OLD DAYS OR LAFAYETTE'S FUTURE?

Creeping Wabash Closes Five Roads (Lafayette Journal and Courier, December 28, 1973)

Wabash Hits 21.6 Feet; Still No Crest In Sight (Lafayette Journal and Courier; January 29, 1969).

Wabash River Begins A Reluctant Retreat (Lafayette Journal and Courier, January 31, 1969).

Water Tops 21-Foot Level; Several Highways Closed by Flood; Amphibious Duck Rescues 4 Persons Stranded in Car Near West Lafayette (Lafayette Journal and Courier, January 29, 1969).

Rain Raises Wabash; New Crest of Up To 26 Feet Seen (Lafayette Journal and Courier, June 13, 1958).

Brown Street Levee Flooded (Lafayette Journal and Courier, June 16, 1958).

FLOOD CRESTS AT LAFAYETTE

Flood waters reach Main and 3rd Streets, Southwest side of Lafayette under water, March, 1913, at 32 feet.

Serious damage near Wabash Avenue, threat to life, May, 1943, level of water at 28 feet.

Williamsburg Apartments flooded, June, 1958, water at 26 feet.

Extensive damages to county roads and bridges, February, 1936, January, 1950, February, 1959, water at level near 26 feet.

Evacuation of low lying homes in Southwest Lafayette, January, 1969, March, 1963, April, 1959, water at 24 feet.

North and South River Roads flooded, Wabash Valley Hospital isolated by flood waters, December, 1966, January, 1962, April, 1964, April, 1961, water at 22 feet.

Shamrock Park flooded, minor damage and road closing downstream, crop damage near Lafayette, January, 1959, July, 1958, December, 1973, water around 18 feet.

REPRESENTATIVE KARTH PROVES PROPHET ON PUSSYCAT ENERGY BILL

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. OBERSTAR. Mr. Speaker, the Bible tells us that a prophet is not without honor save in his own country, and in his own house, and in recent weeks that seemed to hold true for a small band of courageous and far-sighted Members of the House.

They were the prophets and the men of wisdom, these Members of the small band who fought hard and long—and against heavy odds—for a strong and effective energy tax and conservation law.

One of the front-line leaders of this courageous group, both on and off the floor of the House, was Congressman JOSEPH E. KARTH, of Minnesota's Fourth District.

His was a highly principled position that withstood lobbying assaults from all sides and insidious pressures for compromise. Congressman KARTH battled continuously in this session for legislation that would perform two all-important services for the country and the American people: first, protect them against exorbitant price hikes on gasoline, motor oils and fuel oils; and second, even more important, protect Americans against another disastrous boycott by the Arab oil-producing nations.

Congressman KARTH and his collegues, time and again, offered amendments to the energy tax bill that would achieve these two protections. But also their proposals would have provided other invaluable benefits, such as confronting Detroit with the most urgent incentives to begin production of fuel-efficient passenger cars and other vehicles.

Day by day, however, despite their prophetic warnings, KARTH and his colleagues saw the energy tax legislation softened, weakened, emasculated. In the end, as we know, it became nationally known as a "marshallow" bill and as "pussycat legislation."

But within a few hours of this body's approval of the "pussycat legislation," Mr. Speaker, Congressman KARTH and his colleagues were proved to be prophets who deserve to be honored in their own country.

This morning's newspapers carry side by side on page one the news story on our 291 to 130 vote for the "marshmallow measure" — headlined "House Votes 'Battered' Energy Bill," and next to it another news story headlined "Estimates of U.S. Oil Cut in Half."

That second story is a shocker, informing us that:

> Government experts have suddenly slashed their estimates of America's offshore oil riches by a dramatic 80 percent and said the entire nation may have only half the undiscovered oil and gas resources thought to exist a year ago.

So there we are, Mr. Speaker. The future caught up with us less than 1 day after we voted approval of this feeble energy tax charade. Just as Congressman KARTH and his fellow-fighters feared, we are now, as a Nation, vulnerable again. And again we are susceptible to enormous price hikes as we become desperate for gasoline, and susceptible again to an Arab boycott which could ruin our economy.

For his brave but losing fight, Representative KARTH deserves everlasting credit and our thanks.

The St. Paul Pioneer Press, in a recent searching editorial on this issue and our sadly inadequate congressional action, pays tribute to Mr. KARTH's leadership and courage in this legislative battle which will shape the American destiny for many years to come.

The editorial follows:

GO, GO, GAS HOG!

The remains of the House energy bill, a pussy-cat in the tank, will be voted on this week and (probably) passed and shipped over to the Senate. There's just a chance some muscle can be restored there. You'd think the boys would do it to stop President Ford from laughing at them, if no other good reason comes to mind.

Every bit of fuel conserving strength was drained from the House bill and all attempts to toughen it were defeated. Among the features that were lost were a tax to discourage gasoline use and to finance studies of alternative energy sources and a special tax on gas-guzzling cars aimed at encouraging Detroit to produce more efficient machines.

Heavy lobbying by the auto industry and organized labor—especially the United Auto Workers—was successful in defeating the gas-guzzler tax. There were forecasts made that thousands of jobs would be lost if the measure passed. St. Paul, it was said, would lose its Ford assembly plant, which is a big car operation.

In the end, the vote was overwhelming. Slide-rule types are still trying to figure it out, but the net effect of the House bill appears to be an actual reduction in gasoline prices, thus encouraging rather than discouraging fuel consumption.

Rep. Joe Karth, D-Minn., was among the sponsors of the gas-guzzler tax proposal. He took his share of the heat and stood by his beliefs. Basic to Karth's position is the thought that Detroit can build and sell efficient cars, that if it offers good, economical machines it will pull ahead of foreign competition and the result will be a turnaround in auto industry employment. It's even possible Ford could be putting together something other than LTD's in its St. Paul plant.

It strikes us that the Karth approach makes sense. He said it would save some 500,000 barrels of fuel a day by 1980 and this is what the whole energy law business is about—conservation aimed at reducing American dependence on imported oil. Taxing inefficient cars to achieve that end is far more desirable than making it "uneconomical" to heat one's house in the winter. That is what comes of straight by-the-barrel taxes and tariffs on crude oil.

The Karth proposal (you see it identified in news stories with one of the other authors, Rep. Joseph Fisher, D-Va.) calls first for a sliding scale of taxes based on the miles per gallon a given car delivers; The more mpg the less the tax. It would go into effect with 1977 model cars and peak in the 1980 model year. For examples: The tax on a 17 mpg car in 1977 would be zero, but by 1980 such a car would be taxed $300; a car delivering under 13 mpg would be taxed $300 in 1977 and $1,400 in 1980. Tax specifics would appear on the car sticker price sheet.

A second part of the proposal involves a special manufacturer's excise tax to be imposed on any manufacturer or importer whose total production—or total imports—fail to meet specified average mileage requirements, reaching 20 mpg in the 1980 model year. Environmental Protection Agency testing and administrative procedures would be followed.

The matter seems to be dead in the House, although a token effort may be made to amend a Commerce Committee energy bill with some sort of gas-guzzler penalty clause. Attention has shifted to the Senate, and Karth and his people are now working closely with Sen. Walter Mondale, D-Minn. There's a Senate Commerce Committee bill on auto standards that should reach the floor soon and is subject to amendment. Then there's that House energy bill that will be going over as a conversation piece, if nothing else . . .

THE TEXAS EXPERIENCE WITH NO-FAULT INSURANCE

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. ARCHER. Mr. Speaker, the chairman of the Texas State Board of Insurance, Joe Christie, recently gave one of the most enlightened speeches which I have ever heard on no-fault insurance. His remarks and the Texas experience would be well worth reading by my colleagues in Congress:

REMARKS ON NO-FAULT AUTOMOBILE INSURANCE

(By Joe Christie)

In June of 1972, President Richard Nixon wired the National Governors' Conference that no-fault automobile insurance was an "idea whose time had come".

To me, this was a certain sign that an election year was upon us and that word of widespread dissatisfaction with the current system of liability insurance had somehow reached the oval office.

The pronouncement also implied that no-fault insurance is new or revolutionary. In basic terms, no-fault insurance is simply a system of first-party insurance which provides some combination of medical, disability—and occasionally—property coverage.

In many areas, policyholders can look to their own insurance companies for payment of claims.

This kind of insurance is neither new or revolutionary.

I might also mention at the outset, that I have no vested interest in either eliminating, modifying or continuing the third party liability system in automobile insurance. As a State insurance regulator, I feel we have enough experience to regulate both no-fault and fault type coverages. In fact, we do now.

My one overriding interest is an automobile insurance system that will best serve Texans. I think this is a concern that you share with me.

On the other hand, the social impact and importance of automobile insurance raises serious concern with me regarding the advisability of a nation-wide experiment to test no-fault.

A spokesman for the National Association of Insurance Commissioners—commonly referred to as the NAIC—recently voiced to members of the U.S. Senate Commerce Committee a similar concern.

The NAIC membership consists of the principal insurance regulatory officials of the 50 States, the District of Columbia, and the Nation's trust territories, and in effect represents the best brains and talent in the insurance regulatory field.

Their concern deals primarily with the establishment of national standards for automobile insurance.

Applying the no-fault concept nationwide disregards a wide range of legislative choices at the State level that the Federal Government is not equipped to handle.

Proponents of no-fault are urging that virtually all injuries will be compensated regardless of fault. The conflicting objectives are apparent—lower costs versus increased benefits—you can't have both.

Local considerations and conditions in each State, however, effect the basic questions such as what benefits the public wants, what privileges the public is willing to forego and what cost level is acceptable.

According to the testimony of my colleagues in the NAIC:

"At present, 24 States with over 53 percent of the national population have enacted some form of no-fault legislation. The approaches vary, and it is only by the process of trial and error that the public will ascertain the true costs and benefits of the various no-fault plans. The experimental efforts at the State level are uniquely suited to sifting through the multitude of factors, concepts, attitudes and values, which vary from area to area. Not all States are alike and public policy changes can be best made on a State-by-State basis."

I think the last sentence of that statement is the most realistic reason that we shouldn't enact a Federal no-fault system.

Citizens of different States are not equally benefited or hurt by or receptive to a mandated Federal, nationwide program. Medical costs in Texas are not the same as those in New York. Liability claims in California are generally not the same as those in Iowa.

Ultimately, the best solution for one State may be inappropriate in another.

There is no reason justifying a mandated nationwide program that would encumber or inhibit State-by-State development of better forms of automobile insurance.

In effect, a Federal no-fault bill would "freeze" no-fault into a single approach at the very time when experimentation is most needed.

It would also put every Member of Congress into the middle of subsequent premium rate and benefit level controversies. And, I'd venture to say you'd be receiving calls from your constituents when they were involved in fender-benders. When there were premium increases or claim problems, you would probably get a large share of the blame if the system failed to deliver what was promised.

The law would permit Federal regulatory involvement to the point of allowing the Secretary of Transportation wide discretion in applying the national standards. The bill would allow Federal investigation of virtually everything an insurer does and the operation and effectiveness of the State insurance departments.

I think that's an open invitation to take a multi-billion dollar casualty and liability industry and make it the biggest political game in town since the signing of the declaration of independence.

For years, the insurance industry and the states have enjoyed a unique freedom from federal interference because the supreme court has consistently held that insurance was not in interstate commerce.

When the court reversed that position in 1944, congress passed legislation to keep the states predominant in regulating insurance.

The federal role, traditionally, has been confined to a few special situations—crop insurance, bank deposits, and lately, the federal government has moved into inner-city riot insurance and flood insurance.

National no-fault, on the other hand, is a sweeping change in the federal government's role. It is a change which you should question very seriously. As a general proposition, I don't think it's the kind of federalism that makes good sense.

From the customer's point of view, the known local points for applying citizen pressure would be removed, disbursed, or obscured.

And, there would be no assurance that the resulting quality of federal regulation would justify the dislocations caused by this change of regulatory authority.

The history of several federal agencies do not give rise to over-confidence—but I'm not going to say anything about the post office department today.

You might be skeptical by what I have been saying and I'd question my own credibility were it not for the fact that I am convinced that Texas has demonstrated a better grasp of this issue than most of the other States.

Nearly two years ago, I requested that the Lyndon B. Johnson School of Public Affairs evaluate the State's automobile accident compensation system.

I had noticed that all the advertisements favoring no-fault had been paid by the insurance companies. That made we suspicious.

I had noticed that all the testimony opposing no-fault had been given by my fellow lawyers. That made me suspicious.

What I had not seen was an objective, no-axe-to-grind investigation of the subject and its effects on Texas drivers—not the drivers in Iowa or California or Florida.

What they produced in the course of 18 months is the first and most far-reaching research activity ever undertaken in our State. It is a comprehensive and current assessment of our automobile insurance picture and I have provided you and your legislative assistant with a copy of this report.

The school's first conclusion was that no-fault in Texas was not a cure-all for the present system. It did recommend some reforms and these recommendations were sent to the legislature.

Most startling, however, was the finding that the Milliman and Robertson study on national no-fault that the Department of Transportation paid $3 million for was woefully inadequate and immensely unreliable.

Within the last few months, others have come forward to criticize the DOT study. Notably, an early supporter of no-fault insurance, the Allstate Insurance Company, testified in the Senate that promises of reduced premiums under S. 354 and its predecessor S. 945 were unreal.

An Allstate spokesman said:

"The Milliman & Robertson report predicted that in most instances the average price of automobile insurance in most States would decrease as the result of enactment of S. 354. We devoted a great deal of time and attention to a thorough review of M. & R. costing. After completion of this review, we concluded that it was seriously deficient in numerous respects. M. & R. does not in fact adequately reflect what would happen to the average private passenger car owner in the real world of operation of S. 354."

"Allstate's costing reflects that private passenger cars will have to pay more."

The company also criticized the M. & R. study for pricing survivors benefits too low or at least unreasonably low. The Federal study pegged death benefits at $5,000, when a $15,000 figure more accurately reflects the benefits in most States.

The company's reversal of its position on national no-fault was not one of whim. Their statistics were based on their actual experience in Florida.

The model bill in the M. & R. study suggested the Florida rate would be $85.00, but real world experience showed that an adequate rate was $92.00.

When Florida passed no-fault, the legislation mandated a 15 per cent reduction in premiums. Since that time there have been two successive rate increases and now policyholders are paying $23.00 a year more than under the previous system.

The same story will hold true for Texas, according to the LBJ report. The study group concluded they could not justify recommending a switch to no-fault on the basis of premium reduction alone.

The study does discuss a modified no-fault plan and a modified tort liability plan for Texas and ultimately recommends that the modified tort liability plan be adopted.

The proposed modified tort liability plan leans heavily on being paid by one's own insurance company for his losses and restricts damage suits so long as the mandatory first-party coverage is the initial source of recovery.

There are uncertainties about the Federal plan that I hope you will study and review. Like you, I want to support a system that will serve the best interests of Texas motorists. I cannot endorse something that will dramatically hike the cost of driving an automobile in Texas.

FICTION AND FACT

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. RUPPE. Mr. Speaker, recently the Newberry News, of Newberry, Mich. ran an interesting editorial comment regarding our involvement in South Vietnam. I would commend this article to my colleagues for its thoughtful viewpoint, and thank Mr. A. Glen Hunter of Newberry for bringing it to my attention:

FICTION AND FACT

Finally, our involvement in Viet Nam is over. Like most Americans, we are greatly relieved, but we also view it with a certain introspection.

Our first thoughts went out to the relatives of those from the Luce County area who lost loved ones in the conflict. We wondered how they must feel upon hearing of the fall of South Viet Nam, that their loss had very little meaning. But aren't all wars that way? What good has any war accomplished except that heretofore, we were always on the winning side?

If any good is to come out of the Viet Nam War it will be that now we will have time to sit and reflect upon our role in the world of nations. And if we have learned anything at all we will insist upon considerably more candor from our political and military leaders. If we have learned anything at all, we will accept our military leaders for what they are, people educated and trained in the art of conducting war. We should have learned that 20 years ago when MacArthur tried to march his troops beyond the Yalu River and into Red China. That alone would have given us enough military "games" to last us 30 years.

If we have learned anything from the Viet Nam War, we will know that wars are not fought to protect the world for freedom and democracy. That's a cop out. We fight to protect our "have" status. Other poorer nations and peoples, the "have nots", fight to feed their starving masses or kill them off so they won't have to feed them, whichever is most expedient. Our foreign aid programs are well-intentioned, but invariably we expect the recipients of our "conscience money" to support us against communism. They probably don't know what the word means and could care less. Invariably we end up supporting a military dictatorship that is just as bad if not worse than communism, and the starving are still starving. Do not weep too many tears over the Vietnamese people. The majority of them may fare better under Ho Chi Minh than they did under us. But that's not the ultimate answer either.

Our role as a leader of nations should be to address ourselves to the real causes of unrest in the world; overpopulation and underproduction of food. If we have to attach strings to our foreign aid, let them be strings that would encourage a greater production of food and less children.

If we have learned anything from the Viet Nam War, it should be that we cannot impose our form of government, our religious beliefs or anything else that is ours on people of other nations. Somehow we have come to believe that the answer to the world's starving masses is to convert them to accepting our democratic form of government, our religion, our western culture. It does not work. Democracy works here, but in an undeveloped country it doesn't stand much of a chance. We have been trying to "Christianize" the far east since before Teddy Roosevelt's time, but we must remember that we are trying to change a civilization that is much older than our own, and that may prove to be a monumental task. It is not easy to change attitudes and beliefs that have been handed down for more than 2,000 years. And who is to say Christianity, as we practice it, has all the answers?

We have strongly suspected that American governments in the past have been subject to some bad advice from their ambassadors and foreign emissaries. This is one fault of our political system. "To the victor belong the spoils." Why is it we always have to appoint political hacks to these important positions? An ambassador ought to be the highest on the civil service totem pole. If we can require high qualifications for our mental hospitals, we ought, perhaps, to require a Ph.D. in foreign relations and five years experience living with a family in the country in which the appointee is to serve for ambassadorships. Can you imagine Soapy Williams, the poor little rich boy, as any kind of any ambassador, much less ambassador to an African country?

I love my country. She has been subjected to traumas in the past several years that would topple a lesser nation. The lessons of Watergate and the Viet Nam War will only make her stronger. If that happens, then the sacrifice of those who paid the ultimate price will have some meaning.

PAUL SIMON PROPOSES MEANINGFUL FOREIGN AID FORMULA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. SOLARZ. Mr. Speaker, over the past several years this Nation's foreign assistance program has been subjected to ever-increasing scrutiny and reexamination. Considerable disatisfaction has been expressed both over the manner in which our foreign aid is dispensed and the program's overall objectives. For far too many years there has been a longstanding preoccupation with achieving short-term political goals and in mollifying opposition from overseas rather than attempting to aid in the establishment of a sound economic and social infrastructure upon which third world countries can base meaningful development. Many believe that the premises upon which our economic aid program in other lands are based are often unsound and that they have frequently helped to exacerbate international tensions rather than provide the security and economic-political-social stability which they theoretically seek.

Certainly a reassessment or reappraisal of the foreign aid program is needed and it should be healthy. We should consider how we are dispensing assistance, to whom and why. Past and present policies should be closely studied and new determinations as to future directions should be made.

Recently our very able and distinguished colleague from Illinois, PAUL SIMON, has prepared a very thoughtful and thought-provoking article on the foreign assistance effort. Appearing in last Saturday's Washington Post, Mr. SIMON's article quite properly observes that the present structure of the foreign aid efforts has resulted in "gross inequities in disbursement and less than effective use of our funds." In order to overcome the numerous serious shortcomings which now exist, Congressman SIMON has recommended the creation of a formula on which the dispensation of our foreign aid can be based. As he notes:

> The criteria of the formula deal with basic development goals, while leaving methods open to choice.

A former Lieutenant Governor of Illinois and a former member of that State's house of representatives and senate, PAUL SIMON has had considerable experience in the field of foreign assistance and world nutrition and food. He is the author of "A Hungry World" and coauthor, with his brother, of "The Politics of World Hunger," which he has very graciously shared with many of us. I believe his timely and well-written article on a foreign aid formula warrants close and careful consideration, particularly as the House International Relations Committee, on which I am privileged to serve, will begin working on the foreign aid authorization in the not-too-distant future. I commend Representative SIMON's article to the attention of our colleagues and am pleased to insert it herewith for inclusion in the RECORD:

"WE NEED A FOREIGN AID FORMULA"

(By Paul Simon)

"Reappraisal" is the popular word after our painful exit from Vietnam, and one of the areas in which a genuine reappraisal should take place is foreign economic assistance. We need a foreign aid formula.

We have taken this step with Public Law 480 (Food for Peace), and there is discussion about even further reform there. Public Law 480 has been changed to require that 70 per cent of the benefits go to nations classified as the most needy by the United Nations. It still leaves flexibility, but it gives a much greater sense of direction than we formerly had.

That same sense of direction is needed for general economic assistance abroad. Flexibility should be there, but also some guidelines. The present process—foreign aid on the basis of whim or the casual conversation of a Secretary of State with a foreign official—should be reduced. No other government program provides as unrestrained an opportunity for executive expenditure as does our foreign economic aid.

The result has been gross inequities in disbursement and less than effective use of our funds.

Gradually more of our aid can be channeled through international agencies, but aside from the international banking institutions there is yet to develop among the international agencies the effectiveness we might hope for in the assistance field. That means that the United States and other donor nations must have their own programs and try to make them effective.

And while there may be some criticism that a foreign aid formula would interfere with the domestic affairs of another country, in reality there has always been a limited amount of interference, and often of the worst kind: deceptive, secret, too often supporting the status quo, too rarely supporting reform.

We could, instead, be open about our intentions, and perhaps even invite some of the developing nations to help draft the formula.

How should we shape such guidelines?

Thirty per cent of aid could be continued as at present, with complete flexibility. The choice of nations to be selected for the application of the formula would, in fact, give an administration additional flexibility. A formula might be:

	Percent
Need	35
Capacity for growth	15
Equalization factors	15
Respect for Civil Liberties	10
Restraint on military spending	10
Population control	10
Environmental concern	5

Need. Those with the greatest need should receive the most assistance. Obvious and fundamental, this has not been our practice.

Capacity for Growth. A realistic assessment of the development potential of a recipient country should be part of any aid package. Assistance should be determined in part by where it can produce effective results.

Equalization Measures. This would test a country's willingness to further development in such a way that it produces gains for the bottom-rung poor. Land reform, loans to small farmers, a labor-intensive approach to production, education that includes the rural poor—these are some of the methods for further equalization.

Respect for Civil Liberties. There is no need to underestimate the difficulty of reaching even limited goals. Africa provides an example. Over a third of Africa is under military rule and most of the remaining countries have only one political party; they face special difficulties. After allowances are made for local circumstances, it is important to distinguish between repressive regimes and those growing in commitment to civil liberties.

Military Spending. Too frequently countries devote far too much of their budgets for military equipment they do not need and the purchase of which actually retards their development. This sometimes stimulates a regional arms race, suppressing whole areas of the world. And as the No. 1 seller of military weapon systems, we have often encouraged a retardation of economic development. Given a formula, would a country such as India develop nuclear capability if it were known that it might result in a significant reduction in foreign assistance?

Population Control. This is a sensitive area and cannot be forced, but demonstration of effective efforts ought to be part of the formula.

Environmental Concern. This is a difficult one for developing nations who look with envy upon the sources of our industrial air pollution. They would like to have some of our environmental problems. But there should be a growing awareness that even in a poor country garbage should not be dumped into the ocean, that steps should be taken to safeguard water supplies and that there are environmental hazards to be reckoned with in the most underdeveloped parts of the world.

How would the formula work practically? County "A" theoretically could receive a maximum of $100 million:

	Possible	*Actual*
Need (the country falls into a second of 10 possible ranks on need)	$35	$31.5
Capacity for growth (high)	15	15
Equalization (fairly high)	15	13
Respect for civil liberties (high)	10	10
Restraint on military spending (ranks poorly)	10	--
Population control (fair)	10	4
Environmental concern (good)	5	5
Total	100	78.5

A formula of this type can give developing nations support to do what they should do on their own but perhaps hesitate to do for domestic political reasons. The carrot of assistance can help countries adopt better development practices. This "carrot approach" has worked with such marked success within the United States, bringing major reforms in everything from schools to nursing homes—yet it has not been applied in the international sector because we hesitate to be openly involved in the internal affairs of other countries. But we have fooled no one.

The criteria of the formula deal with basic development goals, while leaving methods open to choice. They do not prescribe capitalism or socialism. They allow, by intention, considerable latitude in how a country reaches its objectives.

The measurements harmonize with the stated ideals of the United Nations, and they derive no less clearly from the ideals of the United States. Their use might dramatically shift the flow of our present assistance and be equally dramatic in the increased effectiveness of that aid.

A FOLLOWUP ON THE VIETNAM REFUGEES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. HARRINGTON. Mr. Speaker, just for the record, I call my colleagues' attention to a report in Wednesday's Washington Post which indicates that more than 2,650 Vietnamese and Cambodian refugees now wish to return home. The article also notes that the new government in South Vietnam has reacted positively to overtures by the U.N. High Commissioner for Refugees, who has sought to determine whether those who return would be welcome.

I raise this point, because I seem to recall a lot of criticism, bordering at times on ridicule, directed both at me and at Senator McGOVERN when we suggested last month that many refugees might want to go back when the bloodbath scare subsides and ought to be offered the opportunity to do so.

The hundreds who have already expressed a wish to return are apparently far more trusting than our friends in the executive branch who have responded to the new governments in South Vietnam and Cambodia only by imposing a total trade embargo on those countries and pulling off a trigger-happy police action in the Gulf of Siam.

The text of the article follows:

INDOCHINA REFUGEES ASK RETURN

UNITED NATIONS, June 17.—More than 2,650 Vietnamese and Cambodian refugees have expressed a desire to return home, U.N. officials said today.

They include 1,982 Vietnamese, most of them still on Guam, and 670 Cambodians, the office of the U.N. High Commissioner for Refugees said. In addition, 67 Vietnamese are known to have returned already on their own, officials said.

The first batch of several hundred repatriation applications was turned over to representatives of the new Saigon government last week, a U.N. commission staffer said.

"Their attitude so far has been completely positive and we foresee no difficulties," said the staff member. He added that the first group of voluntary repatriates could be flown back to Vietnam by the United Nations "in a matter of weeks."

The reasons the Vietnamese give for returning vary, he said. Many insist they had no intention of leaving in the first place, but were swept along in the confusion. Others say they want to return because their families are there or that with the war over, they want to help reconstruct Vietnam.

U.N. officials have been in touch with Cambodian authorities in Hanoi, Paris and Peking on behalf of Cambodians who asked U.N. assistance in returning, but there has been no official response, they said.

"This is not the final figure," the U.N. commission's report said. "People will be coming forward for months; it is not something to settle overnight. The important thing is to keep the option of returning open."

To do this, U.N. officials have located themselves in the camps, placed announcements in camp newspapers, and talked informally to groups of refugees.

"They know we are there if they want to use us," the U.N. official said.

ALTERNATIVES NEEDED FOR SOLUTION TO NORTHEAST RAIL CRISIS

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. MAGUIRE. Mr. Speaker, today I am introducing a resolution to direct the U.S. Railway Association in its final system plan to provide for the establishment of a Federal administration to acquire, rehabilitate, and maintain the track, roadbed, and associated fixed facilities of the railroad corporations being reorganized under the Regional Rail Reorganization Act of 1973.

In the weeks since the release of the preliminary system plan by the USRA, a great deal of concern has surfaced. The formidable abandonment proposals, with their potentially dire economic consequences to many businesses and communities, coupled with the magnitude of projected Government-guaranteed borrowing, are only two of the troubling issues.

In my own State of New Jersey there is great concern about both abandonment and the maintenance-solvency problem. The USRA plan would eliminate a total of approximately 6,000 miles, including as many as 295 miles in New Jersey. The State's Commissioner of Transportation has called for a reconsideration of the proposals, which would eliminate a number of valuable branch and secondary lines in the State, arguing that the requirement that lines must be within 10 percent of profitability is unrealistic and could be disastrous.

What we are clearly facing is an escalating, interconnected crisis for our country's rail system—with a clear impact on the whole of the effectiveness of our national transportation system. The present problems facing ConRail, combined with its formidable abandonment plans, indicate that the situation can only be expected to become worse.

On April 9, I introduced the Railroad Right-of-Way Protection Act which provides for a Federal administration which would optionally acquire and maintain essential rail lines. This is the product of extended study of various proposals put forward to maintain a rail transportation system as a vital national interest. A key component of this effort must be to maintain a viable, competitive railroad industry in a constructive partnership with the Federal and State governments.

The provisions of H.R. 5777 are designed to build on the Regional Rail Reorganization Act of 1973 and to complement the efforts already made by the USRA in the Northeast and Midwest. Other important provisions are directed toward a larger State role with respect to the design and operation of an essential railway system and for protection against sudden railroad spur abandonments. It also assists private sector competition, with built-in incentives to railroad companies to increase services and promote efficient operations while being relieved of the major portion of overhead costs for track maintenance and State and local taxes on track routes.

My bill calls for a limited, but clearly defined Federal role; establishes a responsible advisory committee of directly involved parties, including management and labor, to monitor the rail system; provides for maximum recognition of the rights, wage rates, and labor contracts of railroad employees; spells out reporting requirements to enable effective congressional oversight; and facilities the consolidation or merger of properties of rail carriers.

Although H.R. 5777 addresses itself to a national solution to the railroad problem, I believe that its provisions should be applied now to the Northeast and Midwest systems.

The U.S. Railway Association itself acknowledged at the time the preliminary system plan was released that an alternative means of providing funds and security for Government obligations would be separate ownership and financing of the railroad right-of-way and structures, as well as their rehabilitation.

My distinguished colleague, Mr. ADAMS, one of the two principal sponsors of the Northeast rail legislation, has recently stated that Government acquisition of all the lines of the bankrupt railroads could correct the problem.

Mr. Speaker, the resolution I introduce today would direct USRA to make this correction itself—a more desirable course of action than having Congress reject the preliminary system plan, leaving the fate of the Northeast and Midwest bankrupt railroads still undetermined.

The net result would be that, for the Northeast and Midwest at least, rail carriers would be placed on the same institutional basis as air, water, and highway carriers. That should make the railroads more viable and should lead us to recognize that the profit figures for particular lines should not be the sole criterion for determining whether or not such lines should continue to serve the needs of the region, indeed of America, now and in the future. This approach would also enable us to obtain the benefits of having public control over a vital aspect of national transportation policy, while retaining the benefits of private competition between companies for the most efficient conveyance of persons and goods.

July 26 is a very short time away. If congressional action is to have any effect on the planning decisions of USRA, we must make our objections to the initial USRA plan clear now. We can ill afford to continue pumping hundreds of millions of dollars into bankrupt railroads with few or no assurances that the result will be a more viable, competitive rail transportation system.

Mr. Speaker, I urge prompt consideration of this resolution.

HOW THE MEDIA HELPED DEFEAT US IN VIETNAM

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. McDONALD of Georgia. Mr. Speaker, certain news commentators and others have suggested there ought not be any recriminations relative to the fall of South Vietnam, but I hold an opposing view. We ought to find out why our policy was wrong, who was responsible, and why we were defeated. Many persons and things contributed to that defeat. Among the more interesting reasons mentioned was the one described by AIM—accuracy in media—in its April 1975 report. The article follows:

HOW THE MEDIA HELPED DEFEAT US

The use of psychology and propaganda as a weapon of war is not a communist invention. The British, and indeed we ourselves, developed the art to a high degree in World War I. We recognized its great importance and made full use of it in World War II.

But for some strange reason, we downgraded these tools in the two wars we have fought against the communists in Korea and Vietnam.

Just as the French abandoned the fight in Indochina because they had been psychologically defeated at home, so the United States abandoned Vietnam because it lost the will to do what it had the power to do.

The technique our enemy used to achieve this was outlined 40 years ago in a book by Edward Banse, *Germany Prepares for War*. Banse wrote:

> It is essential to attack the enemy nation's weak spots—and what nation has not its weak spots? You must undermine, crush, break down its resistance and convince it that it is being deceived, misled and brought to destruction by its own government. This is done to cause it to lose confidence in the justice of its cause so that the opposition at home . . . may raise its head and make trouble more successfully than before.
>
> The original well-knit, solid, powerful fabric of the enemy nation must be gradually disintegrated, broken down, rotted, so that it falls to pieces like a fungus when one treads on it in the woods.

Our communist enemy was greatly aided in accomplishing this by the fact that we were fighting an undeclared war. We refused to apply the restraints on journalists and the press that were taken for granted in earlier wars.

One result was that in the midst of the war, journalists and others were able to visit the enemy country. Those permitted to do so were carefully screened by the enemy, and care was taken to insure that only those who would help the enemy's psychological warfare were admitted. There were, of course, journalists who saw that this was folly and who said so. For example, Crosby Noyes, foreign editor of the Washington Star, said this in a column published January 3, 1967:

> This is the first U.S. government in history to have committed American lives to the outcome of a war and at the same time permitted—one could almost say invited—the systematic subversion of this commitment by the press . . . It is simply incredible that a government can ship 400,000 men to fight in a war and at the same time cheerfully accede to visits by reporters, hand-picked by the enemy, to tour his territory and write straight-faced dispatches on what they are told and shown.
>
> The folly of the government is compounded by the divisions of public opinion that exist in this country over the war. No matter how conscientious the visiting reporters may try to be, it is inevitable that what they see and hear will serve the cause of the enemy and further confuse opinion at home. Their dispatches are already being seized on by domestic critics who for years have done everything in their power to subvert the effort in Vietnam.

Among those who made the pilgrimage to Hanoi and assisted in disseminating Hanoi's propaganda were Harrison Salisbury and Anthony Lewis of *The New York Times*. Salisbury was criticized for having sent back Hanoi propaganda handouts without indicating the source. Lewis filed a story carried on page one that was designed to discredit the effectiveness of the mining of Haiphong harbor. It was soon shown that his facts were totally wrong.

Charles Collingwood of CBS was another visitor to Hanoi who proved helpful in their propaganda offensive. On April 8, 1968 Radio Hanoi broadcast Collingwood's interview with the communist regime's foreign minister. The Vietnamese used the interview to denounce President Johnson, to appeal to the opposition, and to convince the American people that they were being deceived and misled. According to Radio Hanoi, Collingwood asked: "Is there any specific message that you would like to convey to the American people through the medium of CBS?"

The reply was an appeal to the Americans to halt their "war of aggression," to question why their sons had to fight and die in Vietnam, to appreciate that Vietnam was simply fighting for independence as America once did, etc. The formula followed Ewald Banse's prescription perfectly.

A captured Vietcong document, "Report on Propaganda and Foreign Affairs," in 1967 spelled out the goals of the communist propaganda offensive. Among the themes they were ordered to stress were "the fascist and dictatorial" character of the South Vietnamese government, American "crimes" and the "barbarous character" of the U.S. military activities, U.S. "neo-colonialism" and the inevitability of a U.S. defeat. These became familiar themes in the American news media in the ensuing years.

It was not only the journalists who journeyed to Hanoi that helped disseminate the propaganda. The veteran Scripps-Howard correspondent, Jim Lucas, who covered Vietnam from 1964 to 1968, pointed out in testimony before the Senate Internal Security Subcommittee that there were serious problems with the reporters stationed in South Vietnam. He recommended that a hard look be taken at the accreditation procedures, and he favored the imposition of censorship in the war zone. He pointed out that some of the correspondents "don't give a damn how many lives they cost if they can launch a successful career." He added: "Some simply do not like us. They make no bones about it. They are not on our side." In another forum, Lucas went so far as to say that he did not think *The New York Times* had had a reporter in Saigon who was on our side in all the years he was in Vietnam.

TET: A VICTORY THE MEDIA LOST

The turning point in the Vietnam propaganda war came in February 1968. The communists launched their Tet Truce offensive, and they suffered a stunning military defeat. They expected the South Vietnamese in the cities to rise up and support them. It did not happen, and the Vietcong elite were wiped out.

But the American news media told the story differently. TV was especially effective in convincing the public that they had been deceived when their leaders told them that great progress has been made in bringing the situation in Vietnam under control. Edward Jay Epstein described how the networks covered the story and the impact their distorted portrayal had on the country in an article in TV Guide on October 6, 1973. One result was that support for the war, according to the polls, sank from 74 per cent at the beginning of February to less than 50 per cent two months later.

Epstein relates that later in the year an NBC producer suggested that they correct the record and air a program "showing that Tet had indeed been a decisive victory for America." He said this was rejected by Robert J. Northshield, a senior executive, who later explained that Tet was already "established in the public's mind as a defeat and therefore it was an American defeat."

This is the first battle Americans won in the field and lost in the news media.

THE TALE OF TWO MASSACRES

One of the war propaganda goals emphasized by Ewald Banse was "to fill the nation with hatred and bitterness towards the enemy." In the past this was accomplished by emphasizing the brutality of the enemy, making him both hated and feared. For example, in World War I, we had a Committee on Public Information which organized 75,000 speakers throughout the country who were trained to talk about German war crimes and atrocities, among other things.

In the Vietnam War, our own media downplayed the atrocities and crimes of the communist enemy and perversely focused massive attention on crime committed by Americans and our South Vietnamese allies. The result was that we filled the nation with self-doubt, if not self-hate.

The American news media reported relatively little about the organized terror campaign of the communists in Vietnam. This was noted by Senator James O. Eastland in The Human Cost of Communism in Vietnam, published by the Senate Internal Security Subcommittee in 1972. Senator Eastland asked: "If the Free World knew little or nothing of this day-to-day terror despite the presence of hundreds of correspondents in South Vietnam, what chance is there that the Free World would know anything at all about the bloodletting that would inevitably take place in South Vietnam if the Communists came to power, expelled the western press corps and then proceeded to deal with their enemies?"

We know of the appalling bloodbath the communists inflicted on the population of Hue when they occupied that city for 26 days in 1968. After the area was retaken, mass graves containing the bodies of their victims were discovered. The confirmed total came to 2,750 bodies, and the bodies of another 3,000 missing civilians have never been found. Some of the victims had been shot, with their hands tied behind their backs. Others had been clubbed and some had even been buried alive.

It was established that the killings were not carried out in the heat of battle, but on the basis of explicit orders. The bloodlists were prepared, and the communists moved through the streets methodically, pulling the victims from their homes. Hanoi did not deny the atrocity after the hidden graves were found. Hanoi Radio on April 27, 1969, made this comment on the discovery of the graves: ". . . in order to cover up their cruel acts, the puppet administration in Hue recently played the farce of setting up a so-called committee for the search for burial of the hooligan lackeys who had owed blood debts to the Tri-Thien Hue compatriots and who were annihilated by the Southern armed forces and people . . ."

Straightforward reporting of this atrocity would have done much to strengthen the resolve of the American people to never permit the perpetrators of such deeds to take over South Vietnam. It would have required no embellishment, no exaggeration.

In a letter to the Norwegian newspaper, Aftenposten, in September 1973, Aleksandr Solzhenitsyn, the brave Russian writer, charged that the brutal butchery by the Communists at Hue in 1968 "had been lightly noticed and almost immediately forgiven in the West." He charged that this was because "the sympathy of society was on the other side." He added: "It was just too bad that the information did seep into the free press and for a time (very briefly) cause embarrassment (just a tiny bit) to the passionate defenders of that other social system."

Solzhenitsyn was absolutely right about at Hue. The Times gave 5 inches to the first report of the massacre on February 12, 1968. It followed up with another story three months later, reporting that the embassy had charged that 1,000 civilians had been murdered at Hue. The Washington Post put that story on page 22, giving it 11 column inches. They did add a brief editorial condemning the slaughter, which is more than The Times did.

The Post again alluded to the story in December 1969, when it revealed that 2,750 bodies had been discovered to that date.

By way of contrast, it took 3½ pages of the New York Times index to list all the stories published by The Times on the My Lai Massacre which was committed by Americans, in the months of November and December 1969 alone.

It is said that 347 civilians were killed at My Lai, 6 per cent of the number killed by the communists at Hue. Those killed at My Lai were the victims of combat troops making an attack on the village. They were not plucked from their homes, from lists prepared in advance, and taken out to hidden places, forced to dig their own graves and then shot in cold blood. But the American news media's fascination with My Lai was almost pathological. It did not begin to compare with the Hue massacre in scope or in bestiality. Given the response to the two massacres by the American press, one would have thought the reverse was true.

Syndicated columnist Max Lerner said that the My Lai massacre would take its place in history along with other war outrages—"Malmedy, Lidice, Katyn Forest." He added: "It may well prove the stickiest moral crisis in the history of the Vietnamese war." Lerner significantly did not mention Hue in his list of war outrages. Perhaps he was unaware of what had transpired there, since it was so lightly reported.

Lerner, perhaps like many other Americans, concluded that "the best atonement" that we could make for My Lai was "to get out of the war—systematically, unequivocally, with every possible dispatch." He did not pause to consider that such an action would mean turning all the South over to the butchers of Hue, but again, perhaps he did not know about Hue.

One can only speculate what the course of the war would have been had the American media reported these two massacres in proportion to their enormity.

HOW CBS SLANTED THE NEWS

Edward Jay Epstein asserts that the three television networks all began treating the war negatively after the Tet offensive. There is evidence that television became a potent influence in turning public opinion against the war effort.

The best documentation of the loading of the television news against the war is provided in the Institute for American Strategy study, *TV and National Defense* by Dr. Ernest W. Lefever, (Available from AIM for $3.95, postpaid).

Dr. Lefever analyzed all the CBS Evening News programs in the year 1972 to see how they dealt with the war. TV news stories are usually built around a theme. Dr. Lefever counted the identifiable themes in the Vietnam stories, and he found that those that tended to be critical of U.S. policy and our South Vietnamese ally were aired 651 times in 1972. Themes supportive of our policies were aired only 153 times. Criticism outnumbered support by 81 per cent to 19 per cent. The most frequent theme was that "U.S. involvement is wrong because the war is cruel, expensive or senseless." This was aired 254 times, or about 5 times a week.

Dr. Lefever concluded: "The preponderant weight of critical CBS reporting and interpretation on Vietnam was directed against the U.S. military presence there, and particularly against U.S mining and bombing initiatives in the North." He found that CBS had a strong propensity to quote statements made by those who were critical of our policies and wanted us to cut back or get out. These types were quoted 842 times in 1972. On the other hand, the hawks who wanted to see the war pursued more vigorously were quoted a mere 23 times in the year. That is a ratio of 36 to 1.

It is particularly interesting to note that CBS tended to report favorably on North Vietnam more often than it criticized our communist enemy. Dr. Lefever found that 57 per cent of the themes on North Vietnam were favorable and only 43 per cent were unfavorable.

Dr. Lefever comments: "This lopsided reporting is difficult to understand or explain. Obviously, there were developments that warranted criticism in South Vietnam. But what would compel a TV network repeatedly to point to the shortcomings of a wartime ally while almost inevitably overlooking the graver faults of a wartime enemy? Perhaps the norms of objectivity and fair play were subverted by a conviction held by CBS newsmen that the United States was engaged in an illegitimate and unjust war? How else can one explain what appears to be a persistent and thoroughly unprofessional split-level ethic?"

The presentation of the North Vietnamese in a favorable light, overlooking the dictatorial nature of that government as well as the atrocities it had perpetrated upon its own people, was characteristic of CBS coverage of the Vietnam War. Dr. Lefever states: "It portrayed the North Vietnam people as long-suffering and courageous, seeking independence from external oppressors, the last being the mighty United States which was acting like a bully by bombing the North. Hanoi was portrayed as caring properly for American POWs, although they were officially regarded as 'war criminals.' There was not a single story indicating the contrary. During the entire year, CBS Evening News rarely, if ever, broadcast similar favorable comments about South Vietnam. . . . CBS failed to present a full or fair picture of opposing viewpoints on the issues of peace negotiations, the problem of American POWs, the nature of the U.S. military presence, or—on a larger canvas—the significance to the United States of the struggle between communist and non-communist forces in Southeast Asia."

While Dr. Lefever's groundbreaking study is concerned only with CBS, there is no reason to think that CBS was unique in its slanting of the news in a way that undermined support for the war and for continued aid to South Vietnam.

Our two great picture magazines, *Life* and *Look,* both now defunct contributed their bit. To help undermine morale on the home front, *Life* on June 23, 1969, devoted 11 pages to printing the photos of American servicemen killed during a week of fighting in South Vietnam.

James Reston of The New York Times boasted of the role played by the media in his column on April 30, 1975, saying: "Maybe the historians will agree that the reporters and the cameras were decisive in the end. They brought the issue of the war to the people, before the Congress or the courts, and forced the withdrawal of American power from Vietnam."

With the incessant pounding delivered by these and other important elements of the American news media, it is little wonder that the originally well-knit, solid, powerful fabric of *this* nation gradually disintegrated. When the test finally came, and we were asked to indicate whether we would continue to supply South Vietnam with material and moral support we showed all the strength of a fungus.

CENSORSHIP ON TV

HON. ALLAN T. HOWE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. HOWE. Mr. Speaker, television is probably one of the greatest and most significant achievements of the 20th century and has become, in a very short period of time, one of the most influential forces in our lives.

When you consider that 96 percent of all the homes in America own at least one television set and most people, of all ages, watch an average of 2 to 2½ hours of television a day, the degree of influence television has on our society is readily apparent.

Although still in a comparatively young stage, the television industry has revolutionized communications to the point where a message is transmitted instantly across long distances to a wide variety of people.

Television has increased our learning capacity, created greater understanding, and in general has raised the quality of life here in this country. It is probably television's ability to increase learning that is its greatest asset. However, this asset has, in recent years, come under attack because of the amount of sex and violence that daily enters homes across the country. Instead of being beneficial, many people consider television content to be harmful to both children and adults.

Solutions have been proposed to remove or at least reduce the amount of television sex and violence—one of which is governmental control. Because television falls under the protection of the first amendment, Congress must determine whether findings justify increased Federal intervention.

A sampling of public opinion, according to a recent Gallup poll, estimates that only 6 percent of the population favors no censorship in the area of sex on television and in the area of violence, approximately 25,000 persons, in 1974 alone, wrote to the Federal Communications Commission—FCC—objecting to the amount displayed. Studies, too, support the premise that this type of programing can have harmful effects.

Hearings conducted for the last 10 years by the Senate Committee on Juvenile Delinquency indicate there is at least a causal relationship between TV violence and more aggressive behavior of some youth, and there are presently some 20 published experiments which document that children are capable of imitating filmed aggression shown on a movie or television screen.

Dr. Victor Cline, professor of psychology at the University of Utah in Salt Lake City, has conducted a series of studies and concluded that "constant exposture to violence 'desensitizes' our conscience, blunting our empathy, and concern for other human beings." Dr. Cline and others, have also sighted dozens of instances where acts of violence have been patterned after those shown on television.

Also, let us consider what experts in the field of human behavior have said on the subjects of sex and violence. Former Oxford Professor J. D. Unwin in his book, "Sex and Culture," studied 80 primitive and civilized societies and concluded that there was a distinct correlation between increasing sexual freedom and social decline. Professor Unwin says:

> The more sexually permissive a society becomes the less creative energy it exhibits and the slower its movement toward rational, philosophical speculation and advanced civilization.

In the area of violence and television, the U.S. Surgeon General Jesse Steinfeld, in testifying before a Senate subcommittee, stated:

> The overwhelming consensus and the unanimous Scientific Advisory Committee's report indicated that television violence, indeed, does have an adverse effect on certain members of our society. . . . It is clear to

me that the causal relationship between television violence and antisocial behavior is sufficient to warrant appropriate and immediate remedial action. . . . There comes a time when the data are sufficient to justify action.

I think, however, it is noteworthy to consider the network effort to move in the right direction by scheduling "family-type entertainment" in the first hour of prime time television—the time when children are most likely to be watching television. They also have instigated a policy to broadcast "viewer advisories" to warn parents that material contained in a particular show might be unsuitable for younger viewers.

Local station owners, too, have been asserting their right to reject programs that they feel are not in the best interest of their viewers. The networks cannot be adequately acquainted with individual locations across the country, but local station owners do have a better understanding of their own areas.

They no longer feel that they must automatically accept every program sent out by the parent network. This indicates to me, a greater sense of responsibility on their part and I commend them for their efforts.

But the networks and local stations alone cannot be held totally responsible because some of that responsibility should lie with the individual. Parents should also make every effort to supervise their children's television viewing and to assert their basic responsibility for their moral development.

The public as a whole should continue to write to networks and local stations and express their disapproval of programs which they find objectionable and their support for programs they like.

The Federal Communication Commission commends the idea of self-regulation and hopefully this type of reform coupled with guidance in the home will alleviate any idea of regulation of the airwaves by the Federal Government. But, if networks ignore public opinion, then perhaps Congress should take another look at where their responsibility lies as to the rights of the first amendment and the television industry.

SLOVAK PATRIOTISM

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. RUPPE. Mr. Speaker, I recently had the honor of addressing the delegates to the 44th Congress of the Slovak League of America. During their congress, the members adopted a proclamation, setting forth their views. I am especially pleased with their patriotism and expression of loyalty to this country. America is a better nation for the presence of its Slovak citizens, and I commend this proclamation to my colleagues as a splendid example of American-Slovak patriotism:

Proclamation of the Slovak League of America Adopted at its 44th Congress, Detroit, Mich., May 24, 1975

The officers, delegates and members, assembled at the 44th Congress of the Slovak League of America in Detroit, Michigan, with thanksgiving to Almighty God, declare that the absolute majority of Slovak Americans represented by their organizations, publications and parishes wholeheartedly approve and support the program, fundamentally pro-American and pro-Slovak, of the Slovak League of America.

We look upon America as the happy homeland of one-third of the Slovak nation. We are loyal American citizens and patriots and we stand solidly behind the United States of America in good times and bad.

On the threshold of the bicentennial of American Independence, we proudly state that it was at the initiative of the Slovak League that a Slovak-American bicentennial commission was created to prepare a great national celebration of Slovaks in the city of Detroit during the month of June in 1976. In addition, the Slovak League plans to pay tribute to the Founding Fathers of the United States of America in the city of Philadelphia, Pa. during our March 1976 Conference there.

We call the attention of our fellow Slovak Americans in the United States to the bicentennial programs and invite all of them to help make these events a grand success. Our nationwide observance in Detroit will also manifest our patriotism and unswerving loyalty to the ideals of American democracy.

At the same time, we turn to Slovaks living everywhere in the free world to join us and help us, according to their means, to celebrate this great historical American anniversary in 1976. We invite them to cooperate with us in all our other cultural and civic endeavors for the mutual interest and welfare of all our Slovak brethren in America, throughout the free world and in Slovakia, the historic homeland of our ancestors.

We cordially extend sincere greetings to the forthcoming General Assembly of the Slovak World Congress in Rome, and reaffirm our pledge that the Slovak League of America will continue to support the programs of the Slovak World Congress completely, for without its leadership we cannot hope to win the united cooperation of Slovak organizations in America and the free world.

While fully cognizant that our primary loyalties are to our own United States of America and all things American, we cannot help but note the present tragic situation in Slovakia.

We would be remiss if we did not speak out against the communistic and atheistic despotism which presently prevails there, depriving the Slovak nation of all freedoms and plunging it into the darkest forms of slavery in all history. While Slovakia is occupied by foreign military forces and so heavily oppressed, her very stones would cry out in anguish were we, Americans of Slovak birth or ancestry, to remain silent.

So, we repeat our often stated denunciation of the uncontrolled cruelty of the communistic red regime that ruthlessly, though temporarily, rules the Slovaks, the other central and eastern states of Europe and vast areas of Asia.

Therefore, as Slovak Americans most solemnly and patriotically,

(1) We pledge continued allegiance to the United States of America and its ideals;

(2) We congratulate our fellow Americans for their individual and collective ethnic contributions to the mosaic which is the greatness of our native or adopted country;

(3) We appeal to the conscience of the entire world, to our own American government, to the United Nations and to all freedom loving peoples not to be indifferent to the sufferings of the Slovak nation and other oppressed peoples, but to assist in reestablishing freedom everywhere including the land of our forefathers;

(4) We affirm our confidence that in God's good time, Slovakia with its eleven centuries old Christian heritage will regain its lawful place in the family of nations, either as a free and sovereign state or in European confederation of independent states;

(5) We pray that our heavenly Father will bless our great country as we continue to live under its wonderful motto of hope—"In God we trust", and that with His Guidance and Help, Slovakia may someday soon enjoy the liberty and justice which is so abundant here in this gem of the oceans.

In the above sentiments, the entire Congress, in solemn conclave convened, unanimously concurred and they were officially adopted.

Edward J. Behuncik,
President.
Joseph Paučo,
Secretary.

INTEREST AND KNOWLEDGE OF LEGISLATIVE PROCESS

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. PATTERSON of California. Mr. Speaker, I am very pleased to receive from students of Mrs. Brazelton's civics class at Bolsa Grande High School in Garden Grove, Calif. copies of several bills they would like to see enacted. The students' presentation of these proposals and their discussion of them with me is indicative of their interest in and knowledge of the legislative process and their awareness of national issues. I am proud to know these fine young people and I take the opportunity now to commend the entire class on its efforts. Following are excerpts from some of the bills that were presented to me:

I. Off-Shore Oil Drilling and the Environment

(Submitted by Mark Taft): Drilling for oil off the coast of California will be permitted if and only if:

a. the drilling occurs outside a 15-mile boundary around the California Coast.

b. the group that wishes to drill gets the approval of a special committee assigned to the subject (along with the approval of the voters).

c. the group wishing to drill assumes all responsibility if an "oil spill" occurs. The company must pay to clean up a spill if it occurs, no matter what the cost.

Permitting off-shore oil drilling will make available new sources of oil which will affect the high prices paid for gasoline, motor oil and other petroleum products.

Permitting drilling will also help us gain independence from the nations in the Middle East who know that they have control in the "struggle for oil".

Drilling would create many new jobs for unemployed people. This in turn, would put more money in circulation, and stimulate the economy.

II. Abalone Limit

(Submitted by John Soldo): The government should set a very low number on the Abalone limit that commercial fishermen can take per day. The commercial fishing industry is stripping the coast of Abalone, decreasing the species. Abalone can be raised in underwater pens for commercial purposes like oysters.

III. Conservation of Re-Cyclable Items

(Submitted by John Solodo): It should be the producers obligation to install a system for collecting all non-returnable and returnable re-cyclable items, not the consumers'.

This could be done very easily by the newspaper companies, for example: a box in which the old newspapers are left to be picked up by the delivery boy when he deposits the new paper. The old one can be returned for recycling. To insure total participation, a federal conservation program would be more effective and bring more results. This would bring any violators against conservation under Federal laws.

IV. Health Maintenance Organizations

(Submitted by James B. Wagner): The purpose of this bill is to give underprivileged people the right to good medical care . . . To accomplish this we will bring into being, sufficient HMO's (Health Maintenance Organizations) to serve large numbers of people adequately and efficiently . . . The benefits of an HMO are the ability to provide comprehensive care, including emergencies 24 hours a day, nursing home care and rehabilitation facilities. Its major benefits would be service to the poor, pre- and post-natal care for unwed mothers, x-ray and laboratory services and immunizations and programs for periodic check-ups.

The managerial decisions would be made between two groups: one for prepayment of materials, the other for delivery of care, each alloted 50% of the budget.

In conclusion, Mr. Speaker, I am sure that my colleagues join me in congratulating these fine young leaders of America's tomorrow.

GUERRILLA SUPPORTERS ATTEND SOUTHERN CO. ANNUAL MEETING

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. McDONALD of Georgia. Mr. Speaker, for the past several years, the U.S. supporters of African Marxist revolutionary guerrilla groups have masqueraded as "liberals" who were conscientiously opposed to the former governments of Angola, Portuguese Guinea, Mozambique, Rhodesia, and South Africa. With Portuguese revolutionary government's turning over of its African provinces to the Marxist guerrilla groups of Guinea-Bissau, Mozambique, and Angola, the support groups have focused on Rhodesia and South Africa.

Small groups from several radical groups including the admittedly socialist Georgia Power Project, the Church Project on U.S. Investments in Southern Africa and the Maoist coalition, the Southwide Coalition To Stop South African Coal, as well as the United Mine Workers of America, attended the Southern Co.'s annual shareholders meeting this year in Baxley, Ga., on May 28.

The Church Project on United States Investments in Southern Africa—CPSIA—operates from room 566, 475 Riverside Drive, New York, N.Y. 10027. Acting within the National Council of Churches' Center for Social Action, CPISA emerged from a 1971 NCC coalition to, in their words—

> . . . promote corporate responsibility in Southern Africa and to work for majority rule in the countries of Southern Africa.

In 1972, CPISA initiated several stockholder resolutions designed to create economic pressure against the targeted countries. The following year, 12 stock holder resolutions were introduced; and in 1974, 22 American corporations were selected for pressure by the Church Project, because of business dealings in this area.

Among the religious groups that compose CIPSA are the National Council of Churches, which has consistently provided propaganda forums of guerrilla representatives; Independent Episcopal Churchmen for South Africa; United Church of Christ; American Baptist Church; Protestant Episcopal Church; United Methodist Church; Unitarian-Universalist Association; Christian Church—Disciples of Christ; United Presbyterian Church in the U.S.A.; Reformed Church in America; and the Atonement Friars of the Roman Catholic Church.

One wonders what deceptions have been practiced by the CIPSA organizers and directors in gaining support for atheist Marxist "liberation forces" from such religious organizations.

CIPSA's financial support is provided by the supporting organizations. Full-time employees include Rev. Donald Morton, a South African who is also a member of the collective of Southern Africa magazine, a stridently proterrorist propaganda publication; Paul D. Irish and Timothy Smith.

Tim Smith is a Canadian educated at the University of Toronto from which he received a BA degree in 1966. His public career of interest in African affairs began in 1966 when he was sent to Kenya by Operation Crossroads Africa, on whose board of directors he served in 1970. While attending Union Theological Seminary, Smith served on the Southern Africa Committee of the University Christian Movement, described by the mass media as the "Christian new left." Smith remains a member of the collective of the militantly proguerrilla Southern Africa magazine published monthly by the Southern Africa Committee. Smith has held executive positions with the Committee for a Free Mozambique, a support group for the Marxist-Leninist FRELIMO guerrillas now ruling Mozambique; with the Interfaith Committee on Social Responsibility in Investments; the United Church of Christ Council for Christian Social Action; and the Church Project on U.S. Investments in Southern Africa, which he serves as executive director. Smith has been a consultant for the Council on Economic Priorities and a member of the board of the American Committee on Africa—ACOA—the NCC's rival in devotion and service to advancing the causes of African revolutionaries.

The Southwide Coalition To Stop South African Coal was formed at a secret conference of Maoist Communist and militant groups in Atlanta in February of this year. The conference was called by the Southern Conference Educational Fund, a former Communist Party, U.S.A. front captured by a Maoist coalition in 1973.

The Southwide Coalition To Stop South African Coal includes members of such groups as the Congress of Afrikan People—CAP, the African Liberation Support Committee—ALSC, October League—OL, National Lawyers Guild—NLG, Revolutionary Union—RU, Revolutionary Student Brigade—RSB, Vietnam Veterans Against the War/Winter Soldier Organization—VVAW/WSO, and the Southern Conference Educational Fund. At this time, the Revolutionary Union appears to be the leading influence in the coalition.

Leaflets distributed by the Southwide Coalition at a demonstration in Birmingham, Ala., on May 27, the day before the Southern Co. shareholders meeting, called for militant support of the anti-coal import forces at the company meeting. In part the leaflet read:

> The purchase of South African coal by the power companies not only supports the racist regime there; it also threatens U.S. miners with the loss of their jobs if they struggle for higher wages and better working conditions. The giant companies in this way try to pit the U.S. workers against workers of other countries. But in reality we are not enemies but allies with the same enemy—giant corporations, such as the power company. Unite to fight attacks on working people in South Africa and America.

The leaflet continued the attempt by the Maoists of the October League and Revolutionary Union to involve members of the United Mine Workers Union in the coal boycott as a prelude for more extensive indoctrinization work later on Marxist-Leninist lines.

My colleagues may recall the African Liberation Support Committee's proposal adopted as the working program of the Southwide Coalition which I placed into the Congressional Record on March 21—pages 8279–90. The Maoists stated their goals included indoctrinating the American people about the nature of imperialism, and developing the class consciousness and fighting ability of the workers, oppressed peoples, and the American people in general.

The discussion papers at the founding conference stated that "rank-and-file miners groups, union officials, consumer groups, and other progressive forces—such as liberal churches, students, community organizations, et cetera" were to be approached for inclusion in the united front coalition.

Using proxies made available by the Sisters of Charity of St. Elizabeth, N.J., and the Sisters of St. Joseph, two orders in sympathy with the church project, a handful of demonstrators were able to gain entrance to the Southern Co. shareholders meeting.

In the meeting, the "stop the coal" group wisely behaved in an orderly manner and were able to make lengthy presentations in support of their resolutions. Coalition speakers included Rev. Dr. Howard Schomer of the United Church of Christ's United Church Board for World Ministries and a long-time supporter of Communist Party, U.S.A., fronts and causes, the most recent being the June 19 22d annual memorial for Julius and Ethel Rosenberg, sponsored by the National Committee To Reopen the Rosenberg Case; Timothy Smith; Malcolm Suber of the Southwide Coalition; Mike Dobson or Dobbins, Vietnam Veterans Against the War/Winter Soldier Organization; Ed Martin and June Rosten from the Georgia Power Project; Lloyd Baker and Richard Seymour of the United Mine Workers; and Lewis Gilbert of New York.

Rev. Schomer, whose speeches at the Southern Co. meeting were extensively reported in a "Special to the Daily World" article on June 6 in the CPUSA press, likened the import of coal from South Africa to dealings with the Mafia to purchase heroin.

Tim Smith, in his presentation, cited without any obvious attempt at humor, the many instances of leftist agitation against the coal imports by "U.S. churches, numerous organizations in the black community—CAP and ALSC, and consumer groups—the socialist GPP—as reasons to end the import contracts.

A vote taken on the resolution offered by the board for World Ministries attracted 2,279,205 shareholder votes out of a total of some 98 million votes cast.

The concerned citizens and constituents who attended the meeting of their company and spoke out to expose the long-range ploys of the revolutionary support groups should be commended for their actions.

VOTER REGISTRATION BY MAIL

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. BONKER. Mr. Speaker, a voter registration by mail bill will be enacted in this session of the 94th Congress. The two most well-known bills on this subject are H.R. 1686, sponsored by Mr. Hays, and S. 1177, sponsored by Mr. McGee. Both provide for voter registration forms to be mailed at least every 2 years to all postal addresses and residences in the United States, whether or not the addressees are already permanently registered in a State and are, therefore, eligible to vote in all Federal elections.

I believe that post card registration is an excellent idea and that it is long overdue. For this reason I introduced my own bill, H.R. 6079, in April based on my experience as an elections official in Washington State. Under my proposal, all eligible citizens could register to vote in elections by completing and mailing a post card to the proper authorities. Postage would be paid for by the Federal Government.

The main difference between my bill, H.R. 6079 on the one hand, and H.R. 1686 and S. 1177 on the other, is that my bill would not provide over 85 million already registered voters with a useless form. In place of this unnecessarily expensive mass mailing feature, I propose that post cards for registration be made widely available in such places as post offices, social security offices, and other public locations and for distribution by private individuals and organizations. Of course, anyone who wishes to register may call a registration official and the form will be mailed.

In addition, H.R. 6079 would not limit the voter registration program to a mass mailing effort. States and units of general local government would be offered financial incentives for implementing expanded registration programs including, for example, expanded registration hours and locations, mobile registration facilities, and public information activities.

Two Washington State papers, the Spokesman-Review in Spokane, and the Columbian in Vancouver, have recently run articles on post card registration. I would like to commend these two informative articles to my colleagues' attention.

[From the Spokesman-Review, June 18, 1975]

WEATHER'S FINE, THINK I'LL VOTE

Convenience is a favorite American pastime. As a result, it has brought a confusion between healthy growth and artificial necessity.

There is an especially troublesome problem therefore when convenience is added to voting, one of an American's most cherished rights. The biggest question is how far do we go in making it easier to register to vote before it begins to become artificial convenience.

There is a renewed effort in Congress to create a nationwide system of voter registration by mail. A provision of the bill would authorize the mass mailing of a post card-size registration form to every household in the nation prior to every federal election.

The steam behind this drive comes because of low voter turnout. In the 1974 congressional election, for example, the turnout was below 40 per cent. The support for post card registration grew because though few register, most of those who do end up voting.

But there is something about registering to vote by post card that demeans the process as though it were not really significant what sort of mental process and, initiative you went through to vote just as long as you voted. Boost the statistics but don't contribute to meaningful participation.

When someone takes the initiative to register to vote, he is making a commitment to vote responsibly. Post card voting registration sounds more like a raffle entry or lottery ticket purchase.

There has been a problem with voter registration among low income groups and racial minorities not only in the past in the South but in many rural poverty areas and urban low income pockets. But that problem is not solved by postcards but by increasing registration efforts and locations.

An alternative bill introduced in the House by Washington's Rep. Don Bonker is a more reasonable approach. Bonker's bill would make grants to states and localities to beef up their own registration programs with mobile registration units and efforts to encourage registration on a state and local level.

The mechanical and structural problems of a national post card registration drive are obvious. Citizens will become confused and may register more than once or there may be confusion about numbers of eligible voters registering in a single houeshold. A bureaucracy is likely to develop to handle the many unforeseen problems.

In addition, state and local registration officials would have to compile separate voter lists for local and federal elections. Vote fraud could easily go undetected posing a need for penalties and enforcement. Mailing dates will be bothersome particularly if the mails are slow.

Many Americans may not be registering because they do not like the alternatives before them. Change that and we might see increased participation.

Summary: There are just somé times when convenience goes too far and post card voting registration nationally is one.

EASIER VOTING REGISTRATION

Confusion over proposals requiring states to adopt postcard voter registration procedures may scuttle the badly needed legislation.

As outlined in a Congressional Quarterly "Pro-Con" feature on today's Op-Ed page, many Americans eligible to vote don't. Inconvenient registration procedures are one deterrent.

Proponents of postcard registration are after the same result—expanded registration and increased participation by eligible voters at the polls. But the proposal offered by Sen. Gale McGee, D-Wyo., is a cumbersome, awkward approach which, if approved by Congress, may not get past the White House.

McGee's bill would require the federal government to mail every household in the country registration forms every two years. The basic problem with that approach is that it is too expensive, a factor that may bring a White House veto.

The McGee procedures also would only apply to federal elections. Voters wishing to participate in state and local elections would still have to register under current procedures. Some people invariably would end up being registered to vote in either the national or the state and local elections, a situation which could create mass confusion at the polls.

A proposal by Rep. Don Bonker, D-Wash., also calls for postcard registration. Like the McGee bill it eliminates the need for a deputy voter registrar. But it would not require registration forms to be mailed. Instead, they could be made available to the public at the county auditor's office or could be distributed by groups or organizations.

As the Congressional Quarterly report notes, registration laws in many states are restrictive. Not only do the laws vary from state to state, but their administration may vary from county to county as well.

With registration being as much a part of voting as stepping into the voting booth, it should be a uniform, simple and inexpensive process. Bonker's proposal appears to be the best way to get the job done.

LESSONS ON THE LAW OF THE SEA

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. McCLOSKEY. Mr. Speaker, a number of us were privileged to observe portions of the recent Law of the Sea Conference in Geneva. One of the most perceptive of those observers was our colleague, Gilbert Gude of Maryland. Mr. Gude's report is grounded in his prior experience as an advisor at the First International Conference on the Environment at Stockholm in 1972, his chairmanship of the World Environment and International Cooperation of Members of Congress for Peace through Law, and from 8 years as one of our foremost environmentalists in the House. I am pleased to offer his report for inclusion in the Record at this point.

LESSONS ON THE LAW OF THE SEA

(By Hon. GILBERT GUDE, Republican of Maryland)

Despite a myriad of complexities the recently adjourned spring session of the Law of the Sea Conference at Geneva has produced a Single Negotiating Text and substantial progress towards a comprehensive Law of the Sea Treaty. The failure to produce a final treaty document in this round, however, has already resulted in a renewed Congressional interest in hard-nosed unilateral legislation in an attempt to protect our maritime interests. However, the Congressional crew which listens to the Lorelei song of untold wealth and ignores the rest of the world, could well note some of the legal circumstances surrounding the Mayaguez incident before sailing into treacherous waters.

The seizure of the Mayaguez resulted in part from different interpretations of basic sea law concepts. The United States has recognized a three mile territorial limit; the Cambodians claim twelve (in this case twelve miles from an island, the precise status of which is also in doubt and not clearly set forth in present international law). A more extreme case of course, is illustrated by certain Latin American countries, notably Peru and Ecuador, which claim 200 mile territorial seas and have seized American fishing boats "trespassing" in those waters.

Those who deplore these seizures should pause to remember the origin of such extravagant territorial claims, because, ironically, the precedent the Latin American nations cite is the claim of President Truman in Proclamation 2667 of September 28, 1945, which asserted U.S. jurisdiction and control over the natural resources of the contiguous continental shelf. The Truman proclamation did not mention specific limits and did not stake out territorial claims, but it nonetheless served as a rationale for the South American countries to stake out the two hundred mile limit.

The inability of this spring's Conference session in Geneva to produce a treaty which would settle the territorial sea questions, as well as a number of other vital maritime issues, could bring unilateral Congressional action which, in turn, would again signal other nations, large and small, to stake out for themselves expanded economic and territorial high sea claims. In this sense the United States plays an important role—because of our power and strength other nations will often develop and change their policies in response to American action. For example, it is quite likely that Mexico, Norway, and Iceland are ready to assert to two hundred mile economic zone of much broader dimension than has been set forth in the Single Negotiating Text issued at the end of the Geneva session, given an excuse to do so. Unilateral action on our part, however circumscribed it may be, has a symbolic value, the effect of which will be to provide precisely that excuse and lead to other unilateral moves which will complicate the entire negotiating picture.

Precipitate action on our part reduces our leverage and bargaining power at the next Law of the Sea (LOS) session. Barring such complicating actions, there is good reason for optimism that the next session (to be held in New York in March and April of 1976) will build on the single Text developed at Geneva, and that this document will evolve into a treaty text.

THE GENEVA SESSION

International conferences such as that on the Law of the Sea begin with high hopes and optimistic predictions. Hard work is promised but a successful treaty is the hoped-for reward. Once negotiations actually begin and work gets underway, the difficulties begin to transcend the hopes and the pace can become glacial. This is understandably the case of the LOS Conference, in part because of the large number of nations represented (approximately 140) and the diverse interests they bring to the Conference, and because of the complex web of the various parts of the projected treaty. Agreement on one issue—the territorial sea, scientific exploration, economic zones, control of pollution in territorial waters to cite a few—is inevitably contingent upon satisfactory resolution of the other issues. To cite one instance of the interrelationship of issues, extensions of economic zones may seem like fine insurance policies to protect offshore resources, but they raise ominous specters for military leaders who have deep concerns about innocent passage through narrow straits. For example, strategic passageways like the Strait of Malacca and the Straits of Gibraltar, will become territorial waters if a twelve mile limit is adopted. There are 106 such passageways in total. Obviously unimpeded passage through such straits is vital to our security as well as our economic vitality. Unilateral action setting the territorial limit at 12 miles in conjunction with a 200 mile economic zone will cost us an important bargaining chip at the next Conference session in New York in obtaining agreement on unimpeded passage. Thus, unlike a jigsaw puzzle where one piece is added at a time, the LOS Treaty is likely to all fall into place at once as many agreements and compromises are reached simultaneously.

Despite the tedious pace and apparent need for an additional round of negotiations, this latest session had some positive signs. First, the tone of the proceedings was noticeably serious and determined. Rhetoric was used less frequently, and there was considerable bargaining over specific proposals. Polemics normally expected from nations such as the People's Republic of China were mild and combined with restrained statements of position. Unlike the Caracas session last year, it was clear that many governments had staked out positions of their own which they were prepared to explain and defend, but at the same time they were willing to listen and bargain seriously. Such bargaining was not always fruitful, but the fact that it took place at all is a hopeful sign.

Second, groups have begun to form based on community of interest. Old allegiances and traditional attitudes are breaking down as nations discover interests vary. While on the one had this can viewed as a hopeful sign that the Conference has moved beyond posturing, on the other hand the possible hardening of these groups into determined interest blocs is a real danger. This is true in any international conference but is particularly a problem at the LOS Conference because of the special role georgraphy plays. Coastal states inevitably have different needs and interests than landlocked states, and the inflexibility of geography limits the degree to which those interests can be compromised. A nation can build a fleet or gain technology; it cannot give itself an outlet to the sea if it has none, or a costal state cannot alter the extent of its continental shelf.

Three large groups of caucuses have emerged at the Conference. The first two are the Group of 77, primarily developing states, and the Evenson Group, primarily coastal and developed states, including the United States. These two groups symbolize an underlying conflict of the Conference being echoed world wide in a variety of forms—the gap between the rich and the poor. It is the feeling on the part of the lesser developed countries that the developed states technological advantages are widening this gap and that any LOS agreement which fails to provide either for strong coastal state sovereignty or strong international authority will have the inevitable result of enriching the developed states at the expense of the poor, further widening the gap.

The third group, including some members of the first two, is that of the landlocked and geographically disadvantaged states. These states, often initially in sympathy with the Group of 77, have begun to discover that neither the developed states nor the developing nations have a satisfactory answer to their problems, expressed primarily in terms of access to the sea and its resources.

A principle diversion of the three subgroups which emerged, cutting across all three of these main groups, was that of those nations with land mineral resources as opposed to those without. Attitudes of nations towards the exploitation of deep sea mineral resources is strongly determined by their own assets as well as their own technology. Another encouraging development at Geneva was the multiplicity of seemingly endless informal meetings and communications which were carried on within these three primary groupings.

THE DEEP SEA MINERALS

The question of the exploitation of the deep minerals was a dominant theme of the Conference, revolving around the facts as suggested above that deveolped states' technological advantages are widening the gap between rich and poor. In part this concern is the same reflection of a colonial heritage widely viewed as exploitation which has manifested itself in the oil embargo and other efforts to form resource cartels. Poor countries feel their land resources have been stolen, and they are determined to guard against the theft of their share of sea resources.

This is an attitude which our nation and other developed states must recognize if there is to be a treaty. In the area of deep seabed mining, for example, those with the technology in hand will have a major role to play regardless of what structure is finally set up. Haggling over terms now could well produce stalemate, although of course recognition that failing a treaty, the United States might act unilaterally is an incentive to the Group of 77 to reach agreement. There has been some quiet criticism in this regard, that the State Department has been too conciliatory in trying to reach agreement. A more realistic view, however, is that State has taken a solid moderate position, and it makes sense for us to hold to that stance, avoid impetuous action and give the developing states time to move in our direction. Our technological advantage gives us the luxury of waiting in this case—our involvement at some level is assured. Poorly thought out unilateral action, again, may make immediate monetary gains, but the resentment against such action can further exacerbate third world activities.

Of even greater significance, and a problem which should give the whole world pause, would be the ushering in of a new era of exploitation where the gap between the rich and poor would be so widened as to make a legacy for violent dispute ten to fifty years hence from which mankind might not recover.

In light of these possibilities, the discussion of the means of seabed mineral exploitation takes on deep significance. The means encompass a range of alternatives: 1) private company exploitation in which companies would be licensed to mine and keep the proceeds; 2) service contracts, in which private companies do the actual mining but the seabed minerals remain the property of an international Authority; 3) a contractual joint venture where a specific contract defines the relationship of the various partners, both private and governmental; 4) equity joint ventures where several parties join to create a new entity to exploit the seabed; and 5) an international Authority controls and performs the exploitation.

Each of these alternatives has multiple permutations and complications, particularly legal ones. For example, private companies are subject to national laws. These may or may not be identical to those for other participating companies from other nations, and they may not be consistent with the international law or cooperation. A further question is that of the actual ownership of the minerals at the bottom of the sea. Countries arguing for a strong international Authority are prepared to claim that since the minerals lie in international waters, they are internationally owned, and an institution should be created to assume control of their extraction and use. Countries which are at present technologically prepared to do the extraction assert that the minerals in fact belong to no one until they are mined, at which point they become the property of the miner.

Even with a foreseeable compromise, the question remains as to whether the enterprises doing the work are contracting ownership or merely the right to extract—whether true ownership comes only after extraction and payment of the proper royalties. This may be an insufficient protection of one's investment from an entrepreneurial point of view, though from a lesser developed country's point of view it may simply mean the continuation of developed state technological dominance. These attitudes and fears themselves must be compromised if agreement is to be reached on a treaty.

Despite the problems and complexities, however, the scope of the conflict can be seen. Technologically developed states favor reliance on private enterprise since any such enterprise would almost certainly be theirs. Developing states, on the other hand, tend to favor a strong international authority which presumably will be neutral in terms of benefits, thus protecting the less developed countries.

At that point of course, the decision making procedures of the Authority become an important subject of debate.

In this controversy, it is important to recognize that procedures we feel are fair and open—licensing, competitive bidding, etc.—procedures which most developed nations use regularly—are widely, and correctly, regarded by less developed countries as working to their disadvantage. Indeed, a licensing system is not fair if in fact only one or two firms from one country could obtain a license. In this sense, there is a distinction between cheating and playing with a stacked deck. We are charged all too frequently with the latter and not the former, though the effect is often the same. This is another attitude we have to be prepared to deal with.

Although the ideological gap between the developed and underdeveloped states was not substantially narrowed, there were substantial gains in understanding these diverse viewpoints at the Conference. If Congressional action in the deep sea exploitation area develops in the next year, it should not be something that is interpreted by other nations as a declaration of independence from the U.N. General Assembly's statement that the ocean beds are "the common heritage of mankind".

The United States is powerful and strong, but other centers of strength, particularly economic strength, are fast developing, and it will not be in our long run interest to seek to go it alone in respect to the development and use of the ocean resources.

Running Midas-like to scoop glittering riches from the ocean beds and using gun boat diplomacy to protect our fishing fleets are tempting themes to Congress and the American people in these days of isolationist and anxious mood. And so Congress must use restraint, self control and statesmanship to help produce a Law of the Sea which is in both our national interest and the interest of all mankind.

THOUGHTS FROM A REFUGEE LINE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 20, 1975

Mr. DERWINSKI. Mr. Speaker, I would like to direct the attention of the Members to an article by Barbara Hipsman, a former staff member of the Tinsley Park, Ill., Star Tribune, and now the news editor of the Pacifican in Guam.

Miss Hipsman had the opportunity to take a first-hand look at the Vietnamese refugees as they arrived in Guam. I believe that her well written article merits the attention of all the Members.

The article follows:

THOUGHTS FROM A REFUGEE LINE

(By Barbara Hipsman)

"They can make me run no further."

Tired eyes stare out, deep-set and brown. They aren't sad eyes. They're eyes that have weathered years of fear, doubt, waiting—and waiting to run.

"No more running? No more?"

The woman speaking these words fights back tears of pride and happiness. But she is unsure of where to go or what to do next. She is just one in the mass of people.

They are coming, the Vietnamese I had read about and about whose lives so filled with horror we learned on the television screen nightly. They are coming to Guam, and I am to tell their story.

And so I can avoid the war no longer. It is over, but more than ever, I can't avoid it. The cruel instrument of revenge has quit its work; the United States has withdrawn from the country, and the Viet Cong are ready to take over, in hours, or in days.

"Please don't use my name."

The spry-looking man of about 50 gathers his family around him, and he is frightened by my moving pen.

"I do not want to be interviewed. Please, no interview."

"But sir, I just want to get your opinions of what happened in Saigon—how it was before the fall."

Gently, the man explains that the last time he spoke out he was in Saigon. He says he got thrown into jail the next day. The government had seen him on the U.S. national news media.

"I was so lucky—they didn't kill me."

How do you explain something you have always had that this man has yet to experience? Freedom to us—to any American citizen—is something taken so much for granted. As a student, there was no questioning my right to speak out against the war. This man must have thought he had the right, too. Narrowly, he escaped with his life.

"Don't use my real name," he said. "That man (the old name) is gone forever. I am a new man with a family who will have a brighter future here in the United States."

I wondered how I could explain to him about the problems in the United States. About the racial prejudice his family will face. About how even though his family had been well-known and upper class in Viet Nam, that won't matter here.

About the people in my country who said we must fight our war to the end in Viet Nam. How we must "bomb the hell out of those gooks." About how we must become involved . . . . become involved . . . . become involved. . . .

And we did.

President Johnson told us in the mid-60's that the USS Maddox was bombed without cause by the North Vietnamese and we must, as a nation, join together to fight back. That was the quiet beginning. The Gulf of Tonkin resolution was passed, only two legislators pointing thumbs down. Both legislators are dead now. We found out later the ship was on a spy mission.

Now, sir, you and your family will have the pleasure of facing those who supported the war almost to the end—until we started losing. They will not understand why you are fleeing to the United States. Some of them will call you a coward.

Maybe some will understand why you are here. They will realize that it was your affiliation with the United States that marked you for almost certain death.

"They would not kill us right off, I don't think, but in a different way," the man says, assured now his real name won't be used.

"They will have a different way this time. They will take and put men into positions far away from their families. They will say, 'You are so lucky we put you here in this good job.' Soon, you would grow tired of never seeing your family. A year or two would go by without hearing a word from them, and you might start to complain.

"That's how they will do it," he says, looking off towards the unending lines of refugees, lined up for processing. "You will complain and they will say, 'You are ungrateful. Here we are, the enemy, giving you this good job and you are not appreciative.' Then they will put you in jail. They may do worse than just that, but if you go to jail, you will die mysteriously one night. That's what they will say happened when they tell your family."

"I have seen it before," he goes on. "I must go now." The old man shakes my hand tightly, and then shuffles off toward the long mass of humans.

The people realize they have no home, no country. What can you say in response when a very old woman takes your hand as you pass, grasps it urgently, and apologizes to you over and over?

"Oh. my good lady," she says. "I am so sorry to bother your people like this . . ."

Over and over: "I'm sorry. I'm so sorry . . ."

I'm sorry, too, ma'm. And guilty.

The fear is real, even though we Americans of the 70's may have trouble grasping it. The atrocities reported when the Cong took over Hanoi in the 50's are living memories for the older people lined up here in Guam. They have many stories to remember.

Some of the stories are fresher. There's what happened to people after the fall of Hue in March. And what happened at Da Nang, filled with refugees when the VC surrounded the city and opened fire.

I have never been a refugee (or evacuee, as the military calls one) and I doubt whether many of you back on the mainland ever have been. So we can't know what it is to run and run.

"I ran from Hanoi in 1954," one woman says. "My daughter here was only a few years old then." She refers to a young woman. I find out she and I are the same age.

"I've been running from VC as long as I can remember," the woman says. "We finally came to Saigon and now we are here."

The younger woman says she worked for the American Embassy, as did other members of the family. They were considered "high risk" when the evacuation started. Not everyone made it. The oldest son in the family, 17, was pulled off the bus headed for the airport. He was old enough to fight. So the family may never be reunited.

"I thought if I worked for the Embassy, we would always be taken care of. The Americans have always been so nice," the lady says, her voice trailing off . . .

We are at the final stage of our involvement in Viet Nam. The country as a whole must join together to "regain the sense of pride" President Ford says existed before the war.

That unity must include those who helped us in Viet Nam. Those who believed in "the American way."

"Give me your tired, your poor, your huddled masses yearning to breathe free . . ."

They are here, coming to America just like the Poles, the Jews, the Irish, the Slavs, the Germans, the English, the Puerto Ricans, and others were coming.

I would like to see my fellow Americans properly greet those who believe in America like Americans do.

We can make them run no further.